

CASES FROM SOCIALLY BENEFICIAL AGRICULTURE

INSPIRATION CATALOGUE

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– CASES FROM SOCIALLY BENEFICIAL AGRICULTURE

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PROJECT
Socially Beneficial Agriculture

SUPPORTED BY
The Villum Foundation

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PREFACE

As an entirely natural development, organic and biodynamic farmers are working with an ambitious and future-oriented agenda, where the organic agriculture becomes more of a platform than the actual goal. There is nothing surprising about this since underlying the regulated practice is a set of fundamental principles concerning health, organic agriculture, fairness and prudence, which challenges us to strive for and create the best possible sustainable agriculture. Farmers are working on discovering new ownership forms and financing to ensure that young farmers can assume control of organic properties and that more land is converted. They are working towards creating healthy, sustainable conditions for the economy, for employees and for people who are in need of special social care and who may find their niche and job satisfaction in agriculture. Social responsibility does not end with a pay check; it includes the local society that the agriculture is a part of.

Organic agriculture continues to face challenges from its own ambition of creating production that has minimal impact on the environment and climate, contributes positively to preserving the topsoil and generates the fertility and biological diversity that the world demands – i.e. public utility. The project “Socially Beneficial Agriculture” is an attempt at moving organic agriculture forward into a time where we are better at pursuing our goals. The first step has been taken: the activities have been comprehensive and form a valuable base for the ongoing journey into the land of new opportunities.

Organic Denmark completed the project “Socially Beneficial Agriculture” between 2014 and 2017, which was charitably financed by the Villum Foundation. The project was initiated with the case Almende ApS as partner and in collaboration with 10 other cases:

Bundgaard Sharemilker, SamsØkologisk, Skyttes Gartneri, Hegnsholt Hønseri, Westergaards Planteskole, LivSalling, Egholm Folkefarm, Højvang Økologi, St. Vildmosens Naturgræsningsfællesskab and Topkær Økologi.

A steering group consisting of Ole Bloch Engellyst (chairman), Anders Rousing, Klaus Sall, Klaus Loehr-Petersen, Mads Helms, Per Kølster, Kim Qvist and Claus Østergaard has provided support and guidance to the project through to its completion. Many people with skills important to the project have participated in the collaboration to ensure success.

We would like to thank the Villum Foundation for its participation, funding and support for the project, and we would also like to extend our sincere gratitude towards the other partners, farmers and employees who took part. Thanks to the involvement of each individual and the collective effort, the project was successfully completed.

Thank you all.

Per Kølster
Chairman, Organic Denmark

INTRODUCTION

NEW MODELS FOR THE AGRICULTURE OF THE FUTURE

The project “Socially Beneficial Agriculture” has developed new models for organic farming. The new models are based on new collaborations as well as new forms of ownership and financing, which contribute towards resolving the challenge of the generational change within agriculture and the fact that young organic farmers have a difficult time establishing themselves. At the same time, the new models may contribute towards resolving current social challenges, such as the need for social jobs, increased biodiversity, controlling emissions into the natural environment as well as positive effects on the climate.

The project was based on cases. The selected cases developed different types of cooperation. Below you can find an overview of the cases in the project and the collaborations and models they developed.

CASE	COOPERATION	MODEL
Almende ApS	Between farmers Between farmers and citizens via a pension fund	Pension fund financing
Bundgaard Sharemilker	Between new farmers and an established farmer	Share farming
SamsØkologisk (SamsOrganic)	Between farmers and citizens through a local land fund	Local land fund
Skyttes Gartneri (Skytte’s Market Garden)	Between specialised farmers	Shared operations
Egholm Folkefarm (Egholm Community Farm)	Between farmers and citizens concerning production	Community farm
LivSalling	Between farmers with the same type of operation	Cultural cooperatives
St. Vildmosens Naturafgræsningsselskab (St. Vildmosen’s Natural Grazing Company)	Between farmers and landowners concerning nature conservation	Nature conservation
Højvang Økologi (Højvang Organic)	Between farmers and land owners	Nature conservation Subscription scheme
Hegnsholt Hønseri (Hegnsholt Poultry Farm)	Between farmers and citizens Between farmers and citizens concerning product	Prepayment
Westergaards Planteskole (Westergaard’s Plant School)	Between farmers and municipalities	Social jobs
Topkærgaard	Between farmers and municipalities	Social jobs

WORKING WITH THE CASES

For each case, the first stage of the project was to formulate a development plan. The plan described the status of the case, a vision and the strategy necessary to achieve the vision.

The next step was to prepare an action plan for the first development tasks in the case. Goals were determined for the action plan, which all the parties in the case would try to fulfil, and a budget was also created. Afterwards, the work consisted of implementing the action plan.

A development consultant from Organic Denmark was assigned to each case, and they made sure that the plan was followed or adjusted as needed.

THE LAYOUT OF THE INSPIRATION CATALOGUE

Each case is described here in the inspiration catalogue. The description of the case is structured as follows:

The first page presents the case. Here you can find a description of the activities that were carried out and financed by SBA.

The second page concerns the cooperation that was the object of the work in the case. The cooperation is described using:

- A figure that shows the parties involved in the case and the established agreements. The green colour represents farmers, orange represents citizens, black represents landowners and blue is for official institutions. The principles behind the basic figure are discussed in *Appendix: Approach to the development of models for the agriculture of the future* (page 52).
- Agreements of the cooperation.
- Financial aspects of the cooperation.
- Experience and learning achieved by establishing the cooperation.

The third and fourth pages consist of a report that presents the people involved in the case, their dreams and plans, what drives them and what they have already achieved.

The inspiration catalogue is prepared so that the individual cases can be read independently of each other.

They are available on the website at www.samfundsnyttigtlandbrug.dk and can be downloaded individually or collectively in the inspiration catalogue.

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Project manager, Organic Denmark
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Development consultant, Organic Denmark

Almende ApS

For a number of years, five organic and biodynamic farms have collaborated to develop a new model for agriculture. Their vision includes agriculture with more production branches and more life at the farms, where farmers can enter into and leave the collaboration and where production does not require being burdened with debt and interest and enjoys support from a community. In conjunction with this, they contacted the Villum Foundation.



Martin Bech, Günther Lorenzen and Henning Lorenzen were the main people behind Almende ApS near Tønder, a biodynamic operating company for three farms acquired by the pension fund AP. Photo: Morten Telling

SBA'S INVOLVEMENT IN ALMENDE APS

The group of organic and biodynamic farmers contacted Organic Denmark, which then applied to the Villum Foundation for funding the project "Socially Beneficial Agriculture". The group was then included in the project as a partner and case. SBA financed a project manager and a process consultant for the case.

Through Organic Denmark, contact was made to the pension fund AP, which was interested in acquiring land and buildings at the five farms. SBA financed the legal work associated with

the process, where AP acquired three of the farms and where two of the farmers established the farming company Almende ApS to operate the farming activities. Furthermore, financing was provided for various advisers for merging and planning the operation of the three farms. A method involving surface composting, among other things, was used to improve the fertility of the soil. In connection with this, a collaboration was established with Tønder Municipality on the application of garden and park waste as a source of carbon for the soil.

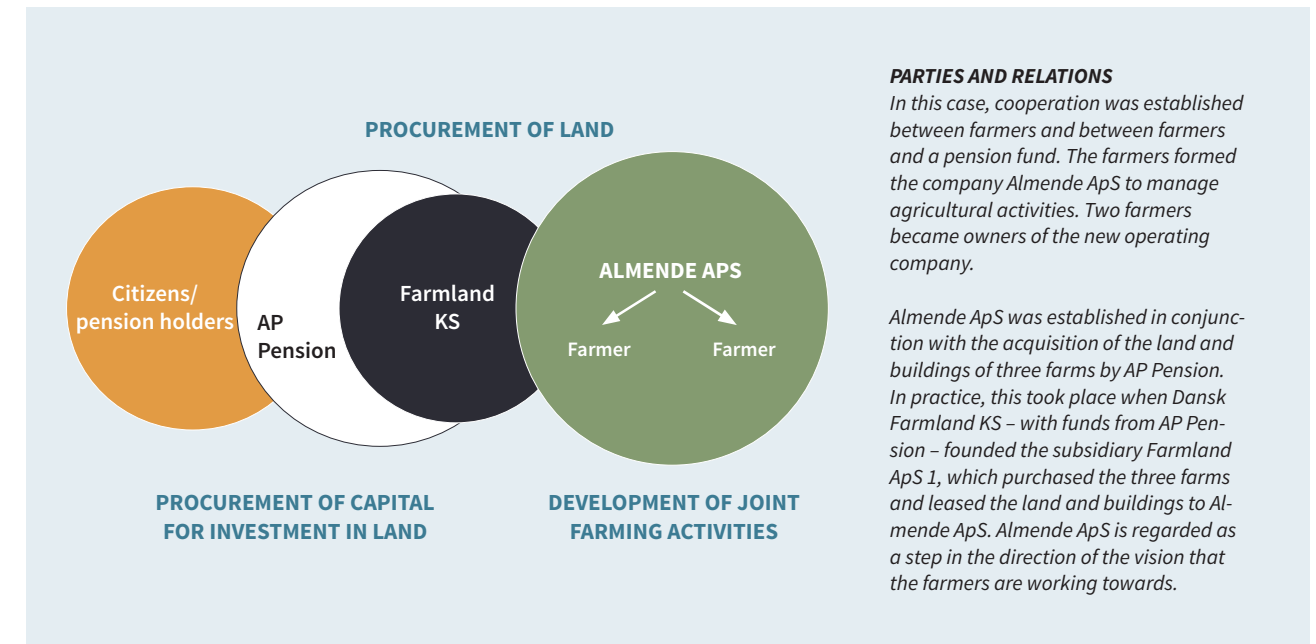


FACTS

- Almende ApS is a biodynamic agricultural community in Southern Jutland.
- It consists of the farms Langmose, Rosenholdm and Holmgård.
- 720 ha of earth are being cultivated, of which 160 are farmed no-till.
- 360 biodynamic cows are kept, and the milk is sent to Naturmælk.
- Almende is self-sufficient when it comes to animal feed, with the exception of a few minerals.
- The cows are exclusively fed hay as course fodder.
- The concentrated fodder consists of wheat, peas, broad beans, lupins and oats.
- Wheat for consumption is grown on 200 ha.

www.almende.dk

Cooperation involving Almende ApS



AGREEMENTS

The start-up of Almende ApS was financed by the bank with provision of security from the owners of Almende ApS, suppliers and customers. An owner's agreement regulated the collaboration between the farmer owners as well as between the farmers and the company. One of the owners was hired as CEO. The other took on the role of financial director.

A professional board of directors was set up, with competences within farming, business economics and breeding plants and animals.

Almende ApS and Farmland ApS 1 entered into a non-terminable 10-year lease agreement, although the lease fee was negotiable. After 10 years, the lessee has the option to buy or, alternatively, the lease can be extended. The price would be the purchase sum plus 80 percent of the market upturn during that period. The lessee was responsible for taking out insurance policies, and an agreement was reached concerning the performance of repairs and maintenance as well as the need for new investments.

FINANCIAL MATTERS

The ownership form meant that farming could be established with substantially lower capital requirements since it is not necessary to purchase the land and buildings. It also made it easier for farmers to join and leave the operating company.

To reduce the lease fee for Farmland ApS 1, the three farms were acquired for as low a price as possible, without immersing the farmers in debt in the process. The lease fee corresponded

to an average interest of about 5.7% on invested capital, which is very comparable to a mortgage interest rate. A combination of pension funds and mortgages would be desirable on the part of the farmers.

The farmers' sole ownership of Almende ApS is considered to be a temporary solution. Work continues on finding investors in Almende ApS so as to also increase equity.

EXPERIENCE AND LEARNING

The farmers behind Almende ApS are experienced farmers, and a generational change is a pressing matter. It would have been advantageous to have commenced this when the ApS (limited liability company) was formed, but the priorities were different. Young and experienced farmers working together would have made a good team in relation to partners such as banks, customers and suppliers.

Strategy for maintenance and development of production facilities must be ensured in the agreement with the land owners. Furthermore, there is a need for the partners, suppliers and customers, landowners and banks to be willing to enter into a cooperation that will ensure adequate, flexible financing during the start-up period.

During busy times, the dual role of the farmers, as CEO/financial director and as the ones who carry out the practical work, has threatened the information flow between management and the board of directors. Almende ApS has therefore been restructured with a new CEO.

SOCIALLY BENEFICIAL AGRICULTURE (SBA)

SBA is a project aimed at developing models for new farming companies which facilitate the generational change within farming and which assume social responsibility. The project is managed by Organic Denmark and financed by the Villum Foundation. www.samfundsnyttigtlandbrug.dk



VILLUM FONDEN X VELUX FONDEN



Farewell to PRIVATE PROPERTY

TEXT: IRENE BRANDT PHOTO: MORTEN TELLING

Until the spring of 2015, Günther Lorenzen was a farm owner. Today, he is the CEO of the limited-liability company Almende. Together with his wife, Christa, he owns the biodynamic cattle farm Langmosegård near Tønder. Today, through their co-ownership of Almende, they are lessees – though still producers of biodynamic milk. And he is not alone. Right now, there are two families with shareholdings in Almende. They sold their farms to AP Pension and leased their own farm as well as a neighbouring farm; and there are two more in the wings. In time, the

limited-liability company Almende will be the driving force behind a socially beneficial and innovative agricultural community.

SEVERAL SCENARIOS

The desire to establish an agricultural community is not new in Southern Jutland.

“We have worked towards establishing Almende ApS for many years,” explains Günther Lorenzen. And if you glance at the various archives, you can see for yourself. The forerunner to Almende ApS, Jejsing Demeter I/S, was founded in 2007 by Günther Lorenzen

and his neighbour Horst Leithoff, who has now retired but who owned the third farm that entered into the deal with AP Pension. The goal – back then as well as now – was to establish an agricultural community. Since then, Biodynamisk Samvirke was created, where five biodynamic farms collaborate to manage the farms.

“We want to ensure that the land we have cultivated for over 25 years, at first organically and since 1997 in accordance with the Demeter standards, does not end up being reverted once we sell our properties,” said

Therefore, it is also important to underline that Almende is not about saving a few farms in Southern Jutland. Instead, the goal is for Almende to develop into a socially-beneficial agricultural and living community, where apart from the production of a broad range of healthy, organic and biodynamic foodstuffs, social functions are also undertaken.

- GÜNTHER LORENZEN

Günther Lorenzen.

Through fund ownership, the Southern Jutland biodynamic farmers expect that they can ensure that their land will not be reverted.

At first, the farms were purchased by AP Pension. There are several possible future scenarios. One option is that the limited liability company builds its equity over the next ten years so that the company would one day be equipped to buy the farms back from AP Pension.

Another option is that everyone is allowed to invest in Almende.

“Therefore, it is also important to underline that Almende is not about saving a few farms in Southern Jutland. Instead, the goal is for Almende to develop into a socially-beneficial agricultural and living community, where apart from the production of healthy, organic and biodynamic foodstuffs, social functions are also undertaken,” said Günther Lorenzen.

AMBITIOUS PROJECT

While the ideas were being developed, the Southern Jutland biodynamic farmers co-operated closely with the consultancy firm Ankerhus, which Günther Lorenzen knows from his work on the board of directors at Naturmælk. During this collaboration, Günther Lorenzen was introduced to Theory U. Theory U offers new ways to manage, learn and change, and working with the theory has been very helpful in the efforts to move away from the traditional concept of privately-owned agriculture to the dream of fund-owned, socially-beneficial agriculture.

Together with Foreningen for Biodynamisk Jordbrug (the Association for Biodynamic Farming) and Organic Denmark, Biodynamisk Samvirke (Biodynamic Collaboration) sent an application to the Villum Foundation

in 2014. The application was accepted, and this was the beginning of the ambitious project called “Socially Beneficial Agriculture”.

FROM CONCEPT TO REALITY

Every month, Biodynamisk Samvirke meets at the home of Günther and Christa Lorenzen, who have turned their attic into a meeting and conference room. Økologi & Erhverv participated in the meeting in March 2015. At the meeting, the action plan was reviewed.

“Now that the financing is in place and the preliminary work for all the practical tasks concerning contracts, organisational descriptions, employment contracts, task descriptions etc. are also in place, we can begin to focus on what we really want to achieve with this project: to start the conversion to a socially-beneficial and sustainable holistic operation,” said Günther Lorenzen.

The organisation would like to establish a generational change towards a cooperation model where more people with different areas of responsibility work together and continue to further develop the idea of socially-beneficial agriculture. They want to work towards being self-sufficient with respect to fertilizer and feed, energy, workforce and ideas.

PLANNING

Crop consultant Martin Beck is associated with the Almende project as the association's project manager, and at the meeting, he presented his proposal for operational planning until 2017 at the farms involved.

“The key word is self-governance – so that the five farms involved in the cooperation are self-sufficient and independent, with a focus on quality, sustainability and animal welfare. These are big ideas, which should be realised in small steps. However, this cannot simply be done one step at a

time; it requires systems thinking,” said Martin Beck before he presented his proposal for field operation, crop rotation and fertilizers as well as an overview of the initiatives required by the different animal species at the farms. Günther Lorenzen confirmed the importance of self-governance in the collaboration:

“The goal is self-sufficient operation, so that the cooperation is not vulnerable to external market fluctuations,” he said.

“As long as the sun shines, the rain falls and the air consists of 72 percent nitrogen, it will be possible for organic farming to produce foodstuffs without external input,” promised Martin Beck.

VISIBLE VALUES

The bottom line and value added at a property is calculated in monetary terms, and they are the only parameters used to evaluate a farm – currently.

“With Almende, we hope that, in time, we can generate visibility for values like nature, sustainability, social responsibility and so on, which are not apparent in the profit and loss accounts,” said Günther Lorenzen. He continued:

“During the first year, we will however be very focused on consolidating the operating company around the three farms in Almende ApS. Then, we can begin to consider adding additional farms to the limited-liability company, while opening up to the local society and starting to establish the foundation for the cultural, pedagogical and social activities that will be part of everyday life at the farm.

This way, the people behind the initiatives hope that others in the area will see the farm as a natural place to come to experience country life, keep up with developments and even play a part in affecting the future.

IN THE SPRING OF 2015, THREE FARMERS FROM SOUTHERN JUTLAND SIGNED A CONTRACT THAT TRANSFERRED OWNERSHIP OF THEIR FARMS TO AP PENSION. HOWEVER, THROUGH THE OPERATING COMPANY ALMENDE, THE FARMERS CONTINUE TO ENGAGE IN BIODYNAMIC AGRICULTURE AT THE FARMS. THE SALES WERE NOT THE BEGINNING OF THE END – BUT RATHER THE BEGINNING OF SOMETHING GREAT

As part of the work with Theory U, the people behind Almende trained technicians who can approach this with an open mind, heart and will.

Every month, Biodynamisk Samvirke meets at the home of Günther and Christa Lorenzen, who have turned their attic into a meeting and conference room.

Bundgaard Sharemilker

In 2014, Per Bundgaard could see the prospects in having two young organic farmers establish milk production in his empty barn. It would bring more harmony to his plant cultivation activities. He would receive rent from the barn, and there would be more life at the farm. At the same time, he could help the young organic farmers get started with establishing their own company. He contacted the project Socially Beneficial Agriculture.



Once again, there are domestic animals at this Northern Jutland farm after Per Bundgaard (shown on the right) entered into a collaboration with two young farmers who produce organic milk. On the left, Patrick Bertelsen. Photo: Morten Telling

SBA'S INVOLVEMENT IN BUNDGAARD SHAREMILKER

Together with Per Bundgaard, Organic Denmark prepared a plan for finding two young farmers who wanted to be organic share-milkers at Bundgaard. We were looking for young, interested farmers in various media and hosting an open house viewing. Many young farmers came by, but none returned. Per met Patrick Brosze Bertelsen and Tobias Flensted simply by chance. The two young men had given up on the dream of being able to finance their own farm. They spotted an opportunity at Bundgaard.

Together, we prepared the content of their cooperation and

reviewed the situations where the parties would cooperate. SBA financed the preparation of a budget for I/S Bundgaard Sharemilker. With the goal that I/S Bundgaard Sharemilker would be able to accumulate equity after a couple of years, a proposal for a financial agreement was prepared where Patrick and Tobias would pay rent to Per and where they shared the profits and losses relative to the budgeted milk price. SBA provided financing for a lawyer to prepare an I/S (General Partnership) agreement between Patrick and Tobias as well as a cooperation agreement between Per and the I/S company. A meeting structure was then prepared for the cooperation, and SBA financed a mentor scheme for Bundgaard Sharemilker.

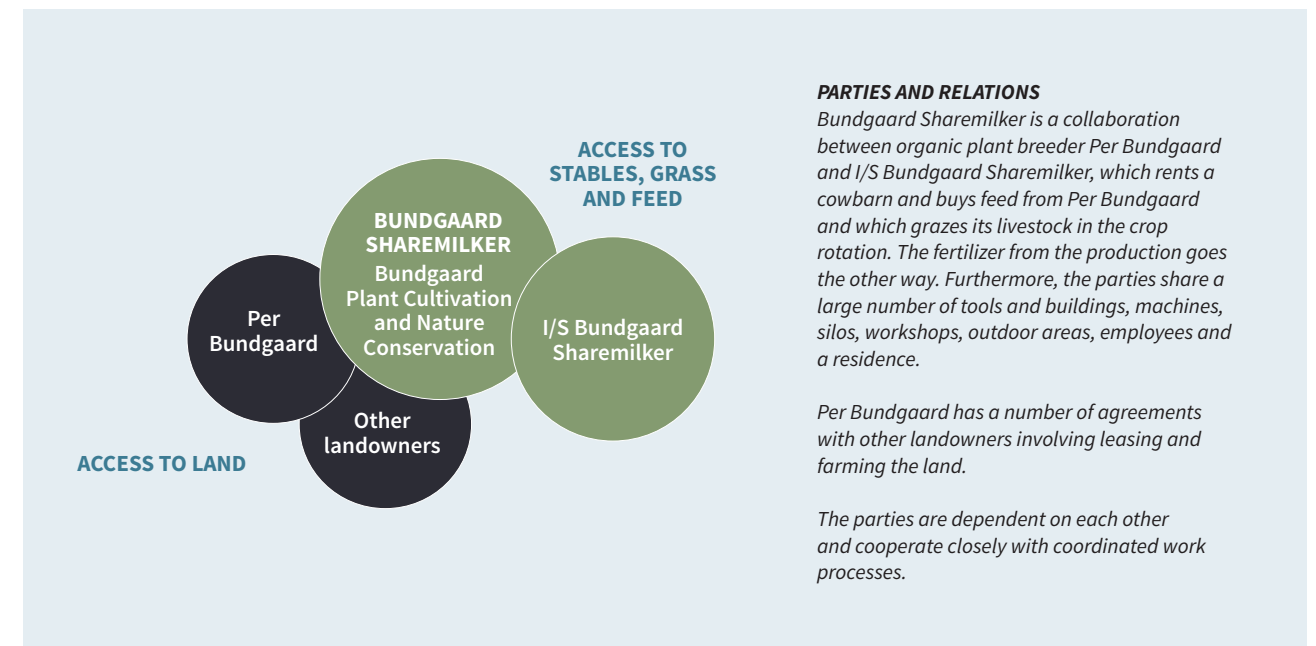


FACTS

- Per Bundgaard owns Bundgård and runs organic plant cultivation on approx. 1000 ha.
- A 1,200 m² barn with room for about 120 cows and a mobile milking bail was rented out to the two young share-milkers, who formed an I/S (General Partnership) company.
- The share-milkers owned cows and feeding machines.
- The share-milkers rented the building, space and machines from Per Bundgaard, they bought feed from him and they entered into grazing agreements and agreements on straw and fertilizer with him.
- The collaboration between Per Bundgaard and I/S Bundgaard Sharemilker can be terminated with one year's notice.
- Socially Beneficial Agriculture facilitated the cooperation in order to consider everyone's interests.

www.facebook.dk/bunsha

Cooperation involving Bundgaard Sharemilker



AGREEMENTS

Together, Patrick Brosze Bertelsen and Tobias Flensted founded the company I/S Bundgaard Sharemilker. The I/S (General Partnership) company entered into a cooperation agreement with Per Bundgaard.

The agreements concerning Bundgaard Sharemilker were entered into a contract that ensured good terms for both Per Bundgaard and the two young share-milkers.

I/S Bundgaard Sharemilker owns the livestock and the materials used for feeding and taking care of them. The general partnership company rents the buildings and buys fodder from Per Bundgaard. Agreements in this area include cooperation practice, payment terms, termination notices, etc.

An important element of the agreement basis is the agreement on a common economy: they share profits or losses when the milk price rises or falls.

The day-to-day cooperation cannot be described in an agreement – it is a culture that must be created and adapted to the individual parties in the collaboration. However, an agreement has been reached concerning a meeting structure and for how communication between the parties should take place.

FINANCIAL MATTERS

Overall, the combination of plant cultivation and milk production is expected to contribute towards better exploitation of resources, better crop rotation and higher returns at Bundgaard.

I/S Bundgaard Sharemilker is accumulating equity on an ongoing basis, in terms of livestock and materials, which can

be used to either continue collaboration as share-milkers or to establish a more ordinary type of business as independent farmers. The strength of this form of a shared economy is that the young farmers can rent before owning.

The cooperation agreement reduces the financial risk for I/S Bundgaard Sharemilker since they have an established farmer with whom to share the good and, particularly, the bad times.

The organisation ensures that it is financially possible for the individual share-milker to withdraw from the agreement.

EXPERIENCE AND LEARNING

Share farming is based on agreements for the common good, based on the notion that if an agreement is to last in the long-term, it must be beneficial for all parties.

The very close financial, practical and social cooperation requires the right match; the chemistry needs to be there. If possible, a trial period should be implemented, where the parties can see how their collaboration would work in practice. Regardless of chemistry, it is important not to underestimate what it takes to establish good cooperation. A lot of time and energy has been spent in the project to facilitate a process that supports the establishment of trust and a culture of cooperation. This applies mutually between the share-milkers, between the share-milkers and Per Bundgaard and with respect to external advisers, suppliers and partners. Share farming requires a new culture and practice, both internally as well as in relation to external actors. These actors must also possess the understanding and will to work towards the common good.

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VILLUM FONDEN X VELUX FONDEN



Patrick Brosze Bertelsen and Tobias Flensted had practically given up the dream of owning their own farm, when they heard of the opportunity of becoming share-milkers at Per Bundgaard's farm in Vadum.

Feet firmly planted under a RENTED TABLE

TEXT AND PHOTO: IRENE BRANDT

“Today I have my own farm and my own cows, and we don’t notice that it takes place in a rented barn,” said Patrick Brosze Bertelsen, while Tobias Flensted nodded from the other side of the table. This is how he sees it too, and he did not object when Patrick Brosze Bertelsen said “my” and “mine”, even though he should really have said “our” and “ours”.

The two young 24-year-old farmers took out a loan of DKK 2.5 million together last year, which they invested in 150 jersey heifers. The heifers were placed in Per

Bundgaard’s deep litter barn, which was rented for this purpose, and since the end of September, when the first heifers calved, organic milk has been produced in the new mobile milking bail.

MUCH MORE THAN RENTED PREMISES

However, the cooperation between the two young farmers and Per Bundgaard extends far beyond renting a barn. Per Bundgaard is a plant breeder, and this agreement provides access to grazing areas, which are part of the farm’s crop rotation, while the straw from

the fields passes through the deep litter barn before returning once again to Per Bundgaard’s fields enriched with nutrients. Similarly, the course fodder for the cattle is bought at a price that the parties agreed upon.

“I had no doubt that I had found the right people to become share-milkers at Bundgaard when I met Patrick and Tobias for the first time last year,” said Per Bundgaard and continued:

“They were already small-time entrepreneurs, and they knew each other

I hope that our experience can benefit the next share-milking project so that it goes more smoothly. We have gathered a lot of experience along the way, and we knew that it was possible.

- PER BUNDGAARD

and had already previously collaborated on a hobby farm – and then there is the substantial advantage that there are two people to do the work. They each have their strong sides, and they supplement each other well. And of course it’s always more fun to try to reach your goals with others than by yourself – not to mention that this also allows them to take turns taking time off in the weekends and for holidays.

THE CHILDHOOD DREAM

Tobias Flensted’s father was a driver at a tractor station, and even as a 6-year-old, Tobias was helping to tend the calves at the neighbouring farm.

Patrick Brosze Bertelsen grew up at an organic hobby farm with horses and goats, but it was his grandfather’s cows that were most interesting. So, from a young age, he knew that he wanted to be a farmer and work with organic cows. His career took off when, as a 14-year-old, he got an after-school job at a cattle farm.

Both started studying in 2009 at Nordjyllands Landbrugsskole (North Jutland Agricultural School) and graduated in 2013. Patrick Brosze Bertelsen then became a cowsman at a cattle farm, while Tobias Flensted started work as an assistant at a farm with 500 dairy cows.

“At the farm, there was an empty farmhouse which I rented with Patrick, and we fattened up cattle and kept sheep. The profits from everything we made were invested in a the hobby farm,” said Tobias Flensted and continued:

“At that time, I had given up on owning my own place; instead I had decided to work while running the hobby farming on the side.”

Patrick Brosze Bertelsen added:

“From a young age, my goal has always been to have my own business, but after the agricultural school, I gave up that dream. I considered being a sheep farmer – even though I am most interested in organic dairy cows.

The large, expensive farms and the lack of willingness on the part of the banks to lend money to young farmers had sent their dream out for the count; but then they met Per Bundgaard while on a study trip.

BUNSHA IS A PROJECT IN SOCIALLY BENEFICIAL AGRICULTURE BECAUSE THE SHARE-MILKER PROJECT PAVED THE WAY FOR A SMOOTH GENERATIONAL CHANGE. PATRICK BROSZE BERTELSEN AND TOBIAS FLENSTED HAD PRACTICALLY GIVEN UP THE DREAM OF OWNING THEIR OWN FARM, WHEN THEY HEARD OF THE OPPORTUNITY OF BECOMING SHARE-MILKERS AT PER BUNDGAARD’S FARM IN VADUM.

I see it as a big advantage that we have not committed ourselves for the rest of our lives to a farm. Our financial freedom is greater than farmers who bought their own farms, which gives us more options.

- PATRICK BROSZE BERTELSEN

BETTER THAN YOUR OWN

Per Bundgaard admits that even though many people think the share-milking concept is a good idea, the path from concept to reality has been somewhat bumpy.

“The only reason the project got on its feet is because the three of us were determined to carry it out. And along the way we took chances and got started before all the agreements were in place because this is what we wanted. I hope that our experience can benefit the next share-milking project so that it goes more smoothly. We have gathered a lot of experience along the way, and we knew that it was possible.”

GREAT ECONOMIC FREEDOM

In the deep litter barn, the small jersey cows look well taken care of, and every second day, the milk truck arrives from Thise and picks up 4,000 litres of milk from the 116 cows, which are milked daily. Tobias Flensted and Patrick Brosze Bertelsen also seem happy since organic milk fetches a high price and generates a nice profit.

And for at least the next 4.5 years, the young farmers will plant their feet under a rented table, which is perhaps better than if it was their own table.



Per Bundgaard collaborated with “Socially Beneficial Agriculture” in the Sharemilker case. The goal of the project is to generate experience in Denmark with the rent of barns and collaboration between milk production and plant cultivation.

“I see it as a big advantage that we have not committed ourselves for the rest of our lives to a farm. Our financial freedom is greater than farmers who bought their own farms, which gives us more options,” said Patrick Brosze Bertelsen. Tobias Flensted added:

“And since Per handles all the work in the field, we have more time to do what really interests us: the health and well-being of the cattle.”

Egholm Folkefarm (Egholm Community Farm)

In 2014, Thomas Gellert Larsen and Sissel Hermansen bought a farm in Egholm. They wanted to establish a farming company that involved citizens from Aalborg, which they could supply with fruit, vegetables, different meats and eggs. When they faced the challenge of raising capital to establish the farming company, they wanted to sell shares to the citizens, who would then contribute with the financing of the operating capital of the farming company.



Thomas and Sissel involved local citizens in the production and experiences at Egholm Folkefarm in the Limfjord.
Photo: Weltklasse reklame + pr.

SBA'S INVOLVEMENT IN EGHOLM FOLKEFARM

Organic Denmark (OG) entered into an agreement with Thomas and Sissel to help establish the farming company that would be called Egholm Folkefarm. Together, we developed the agreement that would be entered into with the citizens. It included considerations on how the citizens would be involved, how large an amount they would pay to participate and what they would get in return. During the process, a new party was involved, Folkeoplysningsforbundet Fokus (General Education Association), from Aalborg. They entered into a collaboration

with Egholm Folkefarm concerning the establishment of social jobs.

SBA provided financing for lawyer services to formulate the necessary legal documents and for an advertising agency to prepare graphical materials for the concept, a website as well as marketing materials. SBA also helped to convert the agriculture to organic farming and to create awareness about the project, and SBA also arranged a local meeting to inform the inhabitants of the island of Egholm about the community farm.

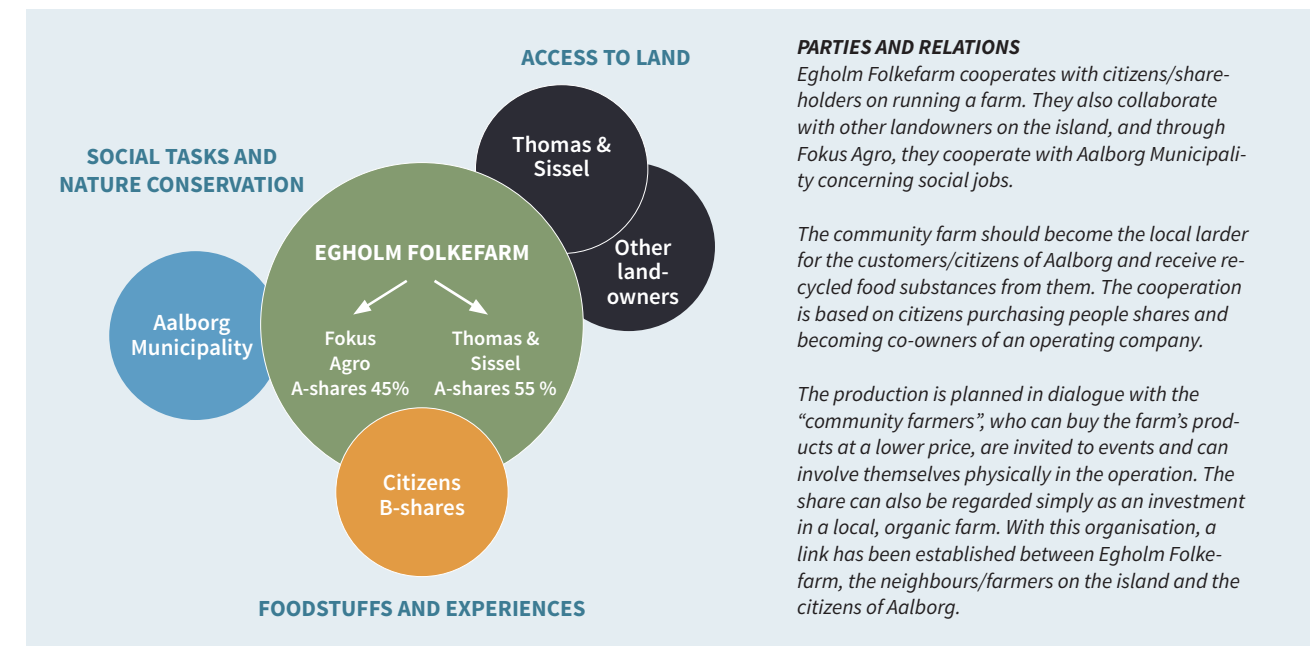


FACTS

- Egholm Folkefarm ApS is owned by Thomas Gellert Larsen, Sissel Hermansen, Daghøjskolen Fokus (a day high school), as well as the citizens who bought shares in the community farm.
- The farm leases 32 ha from Thomas Gellert Larsen and Sissel Hermansen plus 20 ha from its neighbours.
- Vegetables and meat are produced for the farm's shareholders.
- Daghøjskolen Fokus uses Egholm Folkefarm as an internship location for the school's students.
- The community farm is located on the Limfjord island of Egholm near Aalborg.
- Egholm consists of about 500 ha; the farming areas are being converted to organic production.

www.facebook.com/egholmfolkefarm // www.egholmfolkefarm.dk

Cooperation concerning Egholm Folkefarm



AGREEMENTS

Egholm Folkefarm has two types of owners. Thomas and Sissel own 55% of the A-shares with voting rights, while Fokus Agro owns 45%. B-shares without voting rights are sold to the citizens. One B-share costs DKK 5000.

Thomas and Sissel rent land and buildings for the operating company Egholm Folkefarm ApS. The operating company runs the agriculture and is the legal entity which sells people shares and enters into agreements with citizens, customers and external partners.

Thomas is the CEO, and a board has been established with Sissel as chairperson. B-shareholders have a place on the board.

Shares are distributed in accordance with demand and production, since the goal is to produce food for all shareholders. The company structure makes it possible to expand as needed and as opportunities present themselves, and the shareholders can trade shares at market price.

FINANCIAL MATTERS

The people shares provide liquid capital for the operating company and establish a connection between the shareholders and the community farm.

The shareholders are ambassadors for Egholm Folkefarm and its products. They contribute with competences and networks, which benefit the operating company.

The vision for Egholm Folkefarm is to process part of the pro-

duction. This can be a good business, but it requires planning and liquidity for investments. The sale of Egholm Folkefarm shares may be of critical importance to the financing and processing facilities.

EXPERIENCE AND LEARNING

The foundation of Egholm Folkefarm was characterised by and had the goal of establishing a dialogue with neighbours and other residents of Egholm, competitors/colleagues, with the public sector and of course with customers and investors.

Communication, in its broadest interpretation, is therefore key to a project like Egholm Folkefarm.

Thomas Gellert Larsen and Sissel Hermansen have been excellent communicators. They entered into dialogues with farmers and landowners on the island, concerning land rental, machines, workforce, etc., and early in the process, citizen meetings were held to involve the island's inhabitants.

The newspaper, radio and TV media were invited, and Thomas and Sissel followed up with information on their website and on Facebook, and all the elements supported each other constructively.

The lesson here is that by involving citizens in a farming company, it is important to be able to enter into the right dialogue with the citizens, but also to communicate with neighbours and through the media that will disseminate information to the citizens. It may be a good idea for similar projects to obtain assistance in creating a communication plan.

SOCIALLY BENEFICIAL AGRICULTURE (SBA)

SBA is a project aimed at developing models for new farming companies which facilitate the generational change within farming and which assume social responsibility. The project is managed by Organic Denmark and financed by the Villum Foundation. www.samfundsnyttingtlandbrug.dk



VILLUM FONDEN X VELUX FONDEN



Project participant Christian Schröder, farmer Thomas Gellert Larsen and project manager Peter Storm took a break from sowing seeds when the journalist came to visit the Limfjord island.

Food for SHARES

TEXT AND PHOTO: IRENE BRANDT

In the middle of the Limfjord – just outside Aalborg – you can find the island of Egholm. It consists of 500 ha of farmland, which the couple Thomas Gellert Larsen and Sissel Hermansen have big plans for.

“We bought a property of about 32 ha and leased an additional 20 ha, and together with Daghøjskolen Fokus, we have established the production company Egholm Folkefarm,” said Thomas Gellert Larsen one lovely spring day in 2016, while taking a break from working on the field. Thomas Gellert Larsen was in the process of sowing

about 3 ha of land in long planting beds with the help of Peter Storm, project manager at Fokus Agro, and project participant Christian Schröder. Today, they were planting carrot seeds, and everyone was excited to see if the seeding machine could handle the small, oblong seeds. This meant that measurements and calculations had to be performed before they could take their coffee break.

JOB TRAINING
Thomas Gellert Larsen and Sissel Hermansen own 55% of Egholm Folkefarm. The last 45%

is owned by Daghøjskolen Fokus, which has introduced an agro line. Egholm Folkefarm leases land and machines from Thomas Gellert Larsen and Sissel Hermansen.

“Daghøjskolen Fokus entered into this collaboration because we were able to provide on-the-job training in real environments here at Egholm Folkefarm. Our experience is that project participants get more out of their training if they work with products that have to be sold,” said Peter Storm and continued:

“Furthermore, agriculture is a good train-

We would like to expand the animal product production with eggs, chicken, geese, ducks and pigs, so that our shareholders can actually cover their food needs through Egholm Folkefarm.

- THOMAS GELLERT LARSEN

ing offer since the work not only produces quick, visible results but, as we know from research, there are health benefits to working out in nature. At the same time, versatile agriculture like Egholm Folkefarm allows us, through training, to offer our project participants many different skills within agriculture.

Daghøjskolen Fokus also runs Kaffé Fair in Aalborg, which will be one of the major buyers of the farm’s harvest.”

CASE AT SBA
Since 2015, Egholm Folkefarm has been a case in Socially Beneficial Agriculture, which helps implement good, organic and socially-beneficial ideas. In 2016, after extensive preliminary work, Egholm Folkefarm began selling shares at DKK 5000. The primary target group consisted of families with children living in Aalborg who were interested in healthy foods and authentic experiences in the local area.

The sale of shares started in the summer of 2016 though the farm’s website, where visitors were welcomed with the text: “Imagine having access to totally fresh organic produce from a local farm, which you know in and out. Egholm Folkefarm is a family-friendly, collective farm where you are a co-owner and are always welcome.”

“We sell shares on our website and on our Facebook page, where we quickly gained a strong following,” said Thomas Gellert Larsen.

And the project did not start out any bigger than what the concept could sustain.

“I think it was Thomas Hartung from Barritskov who I once heard say that two fami-

EGHOLM FOLKEFARM IS A BIT LIKE A KINDER SURPRISE
The ambition is to have broad and multi-functional food production and to share the joy of being self-sufficient by selling shares in the farm’s operation, while offering job training at the farm for the unemployed.

lies can live off the food grown on 1 ha. We have about 50 ha – so it would be realistic to be able to sell 100 shares,” said Thomas Gellert Larsen, who has no doubt whatsoever that it is possible to conduct farming with high-value production on the island in the Limfjord.

THE CUSTOMERS DECIDE
“If you buy a share in Egholm Folkefarm, then your return on investment consists of influence and discounts on the farm’s crops, and similarly, you will be invited to the harvest festival and are always welcome here,” said Thomas Gellert Larsen.

The influence could, for example, be used to make suggestion for the types of crops grown at Egholm Folkefarm. And, after Christian Schröder, Thomas Gellert Larsen and Peter Storm finish sowing the 3 ha, Egholm Folkefarm will be able to harvest a large number of crops over the summer, which were selected in collaboration with the farm’s customers. In addition to this, there are fields which are planted with oats/peas for feed and clover grass.

AMBITIONS FOR GREATER COOPERATION
The farm already has sheep and livestock, but the dream does not end here:

“We would like to expand the animal product production with eggs, chicken, geese, ducks and pigs, so that our shareholders can actually cover their food needs through Egholm Folkefarm,” said Thomas Gellert Larsen.

Fruit trees, berry-bearing shrubs and grain are also on the to-do list at Egholm.

“Egholm spans 500 ha of farmland, and I see no obstacle in collaborating with the island’s farms to develop the idea of Egholm as Aalborg’s organic larder. Egholm Folkefarm can lease more land if possible – and in the long-term the community farm can also evolve into being a landowner if land is put up for sale,” said Thomas Gellert Larsen and continued:

“If it really does happen that the whole of Egholm would one day be run by Egholm Folkefarm, then we would have 500 ha organic farmland, which could be used to feed 1000 families. Then there would be 100 ha vegetables, 100 ha fruits and berries, 100 ha grain and 200 ha for the animals.



Hegnsholt Hønseri (Hegnsholt Poultry Farm)

At Hegnsholt Hønseri, Johanne Schimming produces 2015 broilers, eggs, pigs and sheep. Animal welfare is a key factor and has been outlined. She offers citizens the opportunity to get involved and to make an active choice in relation to animal welfare, organic production and flavours by paying in advance for goods at a price that covers the additional costs of production. It works with a relatively small production, but she would like to scale the concept and generate greater revenue.



Johanne Schimming involves local citizens in her production of eggs, poultry, lamb, etc. at Hegnsholt Hønseri. The goal is to be able to live off the production. Photo: Trine Brandt-Ryhede

SBA'S INVOLVEMENT IN AT HEGNSHOLT HØNSERI

Hegnsholt Hønseri became an SBA case because the farming already included a concept for involving citizens. However, Johanne Schimming would like to be able to live off her company, so in the project, we investigated how production could be increased and how to make sure there are buyers for larger quantities. New agreements were entered into with restaurants. A website was developed, which is better suited for offering shares in exchange for prepayment or deposits. A time-

consuming dialogue with visiting customers was transformed into paid visitor events. The production was analysed with respect to more rational processes, and investments were made in various smaller machines. Scaling the concept of animal welfare with prepayment required more management of production, food safety and delivery. SBA financed a mentor to assist Hegnsholt Hønseri in this regard. At the same time, SBA helped obtain various authorisations from the authorities.

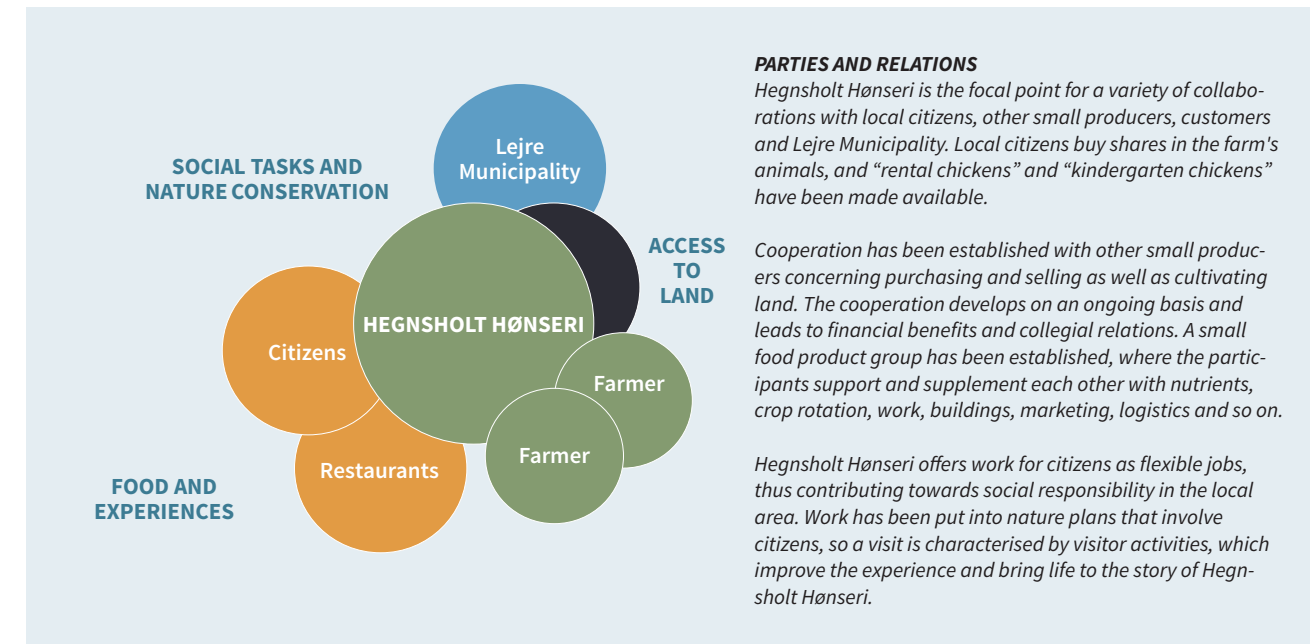


FACTS

- Johanne Schimming calls herself the “mother hen” and owns Hegnsholt Hønseri in Lejre Municipality.
- She took the initiative to come up with kindergarten chickens and rental chickens, which turned out to be a big success.
- She sells eggs by the barn door.
- Customers can buy three chickens or either whole or half lambs through shares.
- Apart from Johanne Schimming, Hegnsholt Hønseri has four employees, two of them working in a flexible job.
- The products are sold locally and to a number of restaurants in Copenhagen.

www.facebook.com/hegnsholtoenseri // www.hegnsholt.net

The collaboration concerning Hegnsholt Hønseri



AGREEMENTS

There are many written and unwritten agreements and rules involving Hegnsholt Hønseri.

The delivery agreements with citizens and companies describe matters concerning prepayment for goods.

There are agreements with citizens concerning the purchase of shares in the production.

There are various cooperation and leasing agreements with other farmers.

Customers and cooperation partners expect that delivery, food safety, the working environment and production conditions are managed properly. There must be follow-ups to agreements with the authorities, so that everyone can have confidence in the sustainability of production.

FINANCIAL MATTERS

The very direct citizen involvement stems from the need for operating capital. By prepaying, the citizens ensure a small specialised production with improved animal welfare. The products from Hegnsholt come at a higher price since this contract with citizens ensures that there is confidence that the products adhere to the high quality described.

In order to get more capital for further initiatives – for example

for a farm shop – Hegnsholt uses crowd funding. The collaboration with other producers in small cooperative-like wholesale societies lowers the cost of purchasing, delivery and logistics.

Marketing is primarily carried out through social media, which offers cheaper and faster communication channels to relevant target groups.

EXPERIENCE AND LEARNING

If you want citizens to be involved and prepay the costs of organic production with good animal welfare, it is important that you communicate its value. Pricing must be transparent. You have to use and master websites and social media. It is about constantly providing information on everyday activities, adding pictures and talking about how production is going and how it differentiates itself.

At the same time, it is important that the citizens who identify with this communication and would like to be involved can also ensure that production is taking place as described and that food safety and delivery of the products conforms to the agreement. By involving citizens, special attention is required that production and products can be documented and that there is compliance with agreements and legislation.

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VILLUM FONDEN X VELUX FONDEN



Until the food inspection agency put a stop to the agreement, Hegnsholt Hønseri obtained vegetable waste from the kitchens of the restaurants which received eggs from the farm. The chickens were fed the peels at the poultry farm.

A small – but powerful LIGHTHOUSE

TEXT AND PHOTO: IRENE BRANDT

“When Johanne Schimming introduced her rental chicken idea, I thought it was strange; but today, her company is a growing business, and it did not take long before the waiting period for the chickens was 30 years! Hegnsholt Hønseri is a good example of what happens when we, as politicians, dare to relinquish control and let the citizens have the opportunity to realise their own ideas.” These were the words of Mette Touborg. She spoke them in the autumn of 2015 when, as mayor of Lejre Municipality, she opened Økologikongressen (the Organic Congress),

where she took the opportunity to talk about Lejre – the organic municipality. “The efforts are not a lighthouse project, instead there are 100 smaller, powerful lighthouses in the municipality,” said Mette Touborg. And one of these lighthouses is Johanne Schimming. That day, in January 2016, when I visited Johanne Schimming, the fog hung low over central Zealand, and the weather was therefore a stark contrast to the vision that Johanne Schimming is working towards.

ANIMALS FOR SHARES
A trip to the poultry farm, where the farm's diligent egg-layers live, showed that the animals feel safe around Johanne Schimming, who picked up a hen that let itself be petted for the photographer. “When we go in the barns we will see animals that are thriving in environments that match their natural instincts. This is why we are 100 percent organic – but we want to be more than that. We look at the animal's whole life, and we can proudly say that it produces results – lower mortality, minimal

We work primarily with local companies, and we assume social responsibility by hiring employees, for example in flexible jobs. There are many different tasks at the farm, which makes it easy to establish a position that is adapted to the individual employee's options.

- JOHANNE SCHIMMING

drug use, less fodder consumption (which is because the animals find more food on the fields themselves). Altogether, the indicators show that our animals are doing well,” Johanne Schimming wrote on the farm's website, where the customers can also order shares in the animals that are produced at the farm. “If you have shares in the animals, you can come by and visit the farm, and we also offer to send out newsletters to our customers so that they can follow the animal's growth,” explained Johanne Schimming.

SWITCHING
Before Johanne Schimming ended up on the farm in Lejre Municipality, she worked at Novo Nordisk. Here, she acquired extensive knowledge of project management and the ability to initiate new projects and to get the ball rolling. “This ability has benefited my colleagues in the collaborations I establish with other farmers,” said Johanne Schimming. She continued: “I am not trained as a farmer, so I need the help of others when facing professional challenges at the farm – and luckily there are experienced farmers who are nice enough to help when I need knowledge on preventing illness or on weed control.” Apart from the animal welfare, it is important for Johanne that the farm's roots are in the local society. “We work primarily with local companies, and take social responsibility by hiring employees, for example in flexible jobs. There are many different tasks at the farm, which makes it easy to establish a position that is adapted to the individual employee's options,” said Johanne Schimming.

SHARING
Apart from exchanging knowledge with her



Johanne Schimming has made organic farming her way of life, and she became nationally known when she “invented” rental chickens.



In January of 2016, Johanne Schimming could enjoy the sight of the chickens roaming about in the fresh air. Later during the year, the bird flu put a stop to the birds' access to fresh air, a limitation that she protested against.

colleagues, Johanne Schimming has also taken initiatives where partners were able to join forces and share everything from the purchasing of egg trays to advice services and transport, thus minimising costs at their small farms. The interest in these initiatives has been so great that Johanne Schimming is currently planning to establish an actual association, which could assist with common purchases and knowledge sharing among the area's small farms with hens and chickens. “The newest initiate we have taken should hopefully result in the eventual establishment of a slaughterhouse,” said Johanne Schimming, and added: The idea is to establish a micro-slaughterhouse here at the farm, which can service the area's smaller farms. In that way, we can improve animal welfare in connection with transport and slaughter, shorten the distance from farm to table, and create unique and entirely local products.



COLLABORATION IS ESSENTIAL IF YOU WANT TO TAKE ON NEW PROFESSIONAL CHALLENGES

Højvang Økologi (Højvang Organic)

In 2014, Højvang Økologi was in the process of developing a concept for nature conservation based on young animals in milk production. With the concept, they wanted to increase the natural areas and their biodiversity, to base feeding on this and to improve animal welfare by keeping the animals in their natural environments. The challenge was to develop a business model that could make the nature conservation financially feasible.



Ole Sørensen specialises in conservation of natural areas with steers and arranging sales to private individuals. Photo: Peter Nordholm

SBA'S INVOLVEMENT WITH HØJVANG ØKOLOGI

Højvang Økologi became a case in Socially Beneficial Agriculture. Organic Denmark prepared an estimate of all the income and expenses associated with the nature conservation. This showed that Højvang Økologi could achieve a positive financial result with its nature conservation concept without the need for subsidies for nature conservation if the meat were sold at a higher, but not unrealistic, price. The challenge was therefore to develop a concept for selling at a higher price, which should be based on documentation for more nature with greater biodiversity.

SBA financed a nature plan, which described the goals of the nature conservation. It was followed up by documentation that the goals were achievable.

Højvang Økologi wanted to establish direct sale of meat in packs consisting of 1/8 of a steer. A chef was brought in to promote the meat quality and to provide guidance on how to use the meat. Intro evenings were arranged for interested citizens. A website was developed for sales via subscription, and communication took place on social media.

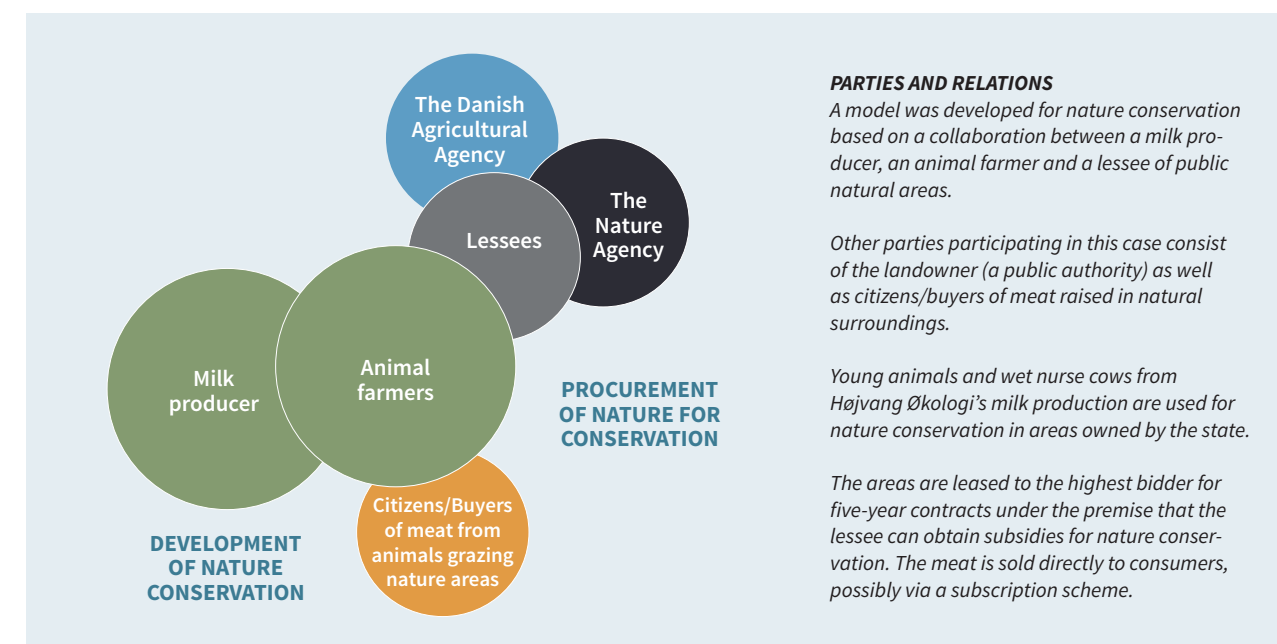


FACTS

- Højvang Økologi has 100 dairy cows. All calve at the same time in May.
- All bull calves are castrated.
- When the production of a cow drops, she is put to graze as a wet nurse for the calves, which are then weaned after the first summer on grass.
- The natural areas being tended are owned by the state but leased to a third party, which saw a business in leasing the land in exchange for nature conservation subsidies.
- Højvang Økologi does not receive nature conservation subsidies and tends the area without quid pro quo.

www.hojvangokologi.dk

Cooperation concerning Højvang Økologi



AGREEMENTS

Højvang Økologi would like to enter into agreements based on a subscription scheme with customers/citizens on the sale of meat from animals grazing nature areas and thereby creating a more biodiverse nature. In order to achieve the necessary higher price for the meat from these animals, an agreement was made with customers that a nature plan and follow-up on the goals of the plan would be used to document the improved biodiversity resulting from the nature conservation.

Agreements were entered into between animal farmers and lessees and between lessees and landowners.

FINANCIAL MATTERS

A calculation was prepared that made it possible to determine how the agreement between the animal farmers and the landowners/lessees could be balanced so as to consider the interests of all parties. There are costs associated with nature conservation. According to the calculation, in a situation where a higher price is not charged, the animal farmers should receive part of the nature conservation subsidies paid to the lessees. However, the lessee uses these funds to lease the land from the landowner. This practice is a widespread challenge within nature conservation, as the financial situation does not really support engaging in nature conservation.

From the calculation, it can be seen that Højvang Økologi's business model could work without a share of the nature conservation subsidies if the meat were sold at a higher price. The

challenge is to establish stable sales at this higher price.

EXPERIENCE AND LEARNING

Under the current subsidy rules for nature conservation, it is the landowner/lessee who receives the subsidies for nature conservation. This case shows that a financial gap must exist between the leasing fee and the conservation subsidies in order to also compensate the animal farmers for the nature conservation.

The Danish Agricultural Agency should develop rules for the nature conservation, e.g. requiring nature plans for all areas receiving subsidies for nature conservation. This can ensure that the nature conservation promotes nature and biodiversity.

It may be advantageous to organise animal husbandry and nature conservation into a separate company, as the animal farmers have many tasks which are different from those of the milk producers.

Animal husbandry and nature conservation must be developed as meat is sold.

The sales require a specific initiative, which often is not included in the business model. It is advisable to ensure sales by involving citizens in nature conservation associations/wholesale societies which prepay for the meat, or in grazing guilds which make binding sales to the participants. Fixed agreements with butchers and restaurants are also a possibility.

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VILLUM FONDEN X VELUX FONDEN



Ole Sørensen believes that the financial aspect of nature conservation can improve with time if we succeed in having nature conservation recognised as a form of operation, thus ensuring that animal farmers are paid for the work that the animals do in nature. Photo: Irene Brandt

Nature conservation is an INVESTMENT

TEXT: IRENE BRANDT

120 ha moors at Dollerup Bakker and 56 steers – where could they be hiding? Luckily, Ole Sørensen knows his animals very well, and after a couple of trips up and down the hills at Stanghere, we found the steers on top of a hill enjoying the cool breeze on this sunny day. On the way to the hill, we can see clear signs left behind by the animals: The hooves made holes in the plant cover, in which seeds from heather and herbs can sprout, the grass between the heather was grazed down, there was no growth in the oak groves, and the army of birch and willow that seeks to conquer the open countryside

was effectively subdued.

The animals come from Ole Sørensen's farm in Rødkærsbro, Højvang Økologi. The core of the farm consists of 100 dairy cows; however, in addition to this, calves, heifers, steers, dry cows, wet nurse cows and cows reared for butchering ensure that a number of natural areas are maintained in good condition, as Ole Sørensen has specialised in making his dairy herd useful for nature conservation. In exchange, the animals enjoy a high level of welfare, while the 170 diverse – but vulnerable – ha of nature at Dollerup Bakker and in the meadows surrounding

Tange Å are given a helping hoof.

PURE LOSS

“The nature conservation part is a huge minus in the accounts of the farm,” said Ole Sørensen adding:

“However, I believe that it can get better in time if we succeed in having nature conservation recognised as a form of operation, thus ensuring that animal farmers are paid for the work that the animals do in nature.”

Currently, Ole Sørensen is not paid for the nature tended by the animals from Højvang Økologi. The Nature Agency had put out a

A steer grazes for 3 - 3.5 years and inspecting the animals out on the land costs DKK 1,500 per animal per summer. In addition to this comes winter fodder and cost of the winter animal housing. There are more expenses than sources of income in that calculation.

- OLE SØRENSEN

tender for the job, with the winner receiving the subsidies in exchange for fulfilling the requirements in the conservation plans for the individual areas. The farmer who won the tender received the subsidies for nature conservation and gave Ole Sørensen permission to let his animals graze in the areas – without paying Ole Sørensen any part of the subsidies.

“A steer grazes for 3 - 3.5 years and inspecting the animals out on the land costs DKK 1,500 per animal per summer. In addition to this comes winter fodder and cost of the winter animal housing. There are more expenses than sources of income in this calculation,” said Ole Sørensen.

CASE AT SBA

That nature conservation with dairy cattle is socially-beneficial work is emphasised by the fact that Højvang Økologi was included as a case in Socially Beneficial Agriculture (SBA). SBA is an ambitious project run by Organic Denmark, which receives financial support from the Villum Foundation. SBA works with organic farms to develop productions that are socially beneficial.

“We are very proud of being organic farmers. And our focus is to optimise our production in a number of important areas,” said Ole Sørensen.

The production at Højvang Økologi benefits the climate, animal welfare and nature. Apart from engaging in nature conservation, Ole Sørensen has also phased out the use of conventional N, and he currently uses reduced N on his land.

“All our animals are slaughtered at a small slaughterhouse in the area, and we sell the meat through direct sales to private individuals, catering centres and restaurants. In the long term, I hope that we can also achieve a good financial situation from this part of our operations. In any case, we have a good story to tell,” said Ole Sørensen.

Ole Sørensen is proud of the nature conservation that his animals provide. As an added benefit, he gets quality meat and lower profits, since on its own, nature conservation is not profitable. Photo: Irene Brandt.



All our animals are slaughtered at a small slaughterhouse in the area, and we sell the meat through direct sales to private individuals, catering centres and restaurants. In the long term, I hope that we can also achieve a good financial situation from this part of our operations. In any case, we have a good story to tell.

- OLE SØRENSEN

BUY A BOX OF MEAT FROM ANIMALS GRAZING NATURE AREAS, THEREBY CREATING A MORE BIODIVERSE NATURE

The story is available on the farm's website. It is about the beneficial effect to nature and the healthy, dry-aged meat that grass-fed animals produce. Even a cast cow can provide quality meat after one summer on grass.

“We sell the meat in boxes, where the meat is finely cut up and packed,” explained Ole Sørensen.

This means less food waste and a low price per kilogram because all the cuts are used.

On 29 April 2016, Højvang Økologi invited its customers for dinner and an info meeting concerning production.

Chef Simon Milwertz Philipsen prepared three courses with shoulder of beef from Højvang Økologi, so that the participants could see the possibilities of using one piece of meat over several days. And the reaction from the participants at the meeting was very positive. The information on how the animals are kept, nature conservation and the use of the meat got great feedback after the meeting.



The RDM steers are peaceful animals and great at tending nature. At Stanghere in Dollerup Bakker, they carry out an important and socially-beneficial task. Photo: Nils Würtzenfeld.

LivSalling

Principal Sven Irgens-Møller, Produktionshøjskolen Marienlyst (Production College Marienlyst), got the idea to establish a community of farmers from small farming businesses in Salling. The community would counteract some of the obstacles that new farmers encounter when they establish themselves: financing, costs for establishing production, starting and stopping the farm, as well as the need for reasonable working hours, holidays and a social network.



LivSalling wants to develop a new, extensive and profitable milk production with about 30 cows and with top-notch animal welfare. Svend Irgens-Møller (on the right) is the originator of the project and is assisted by Thorkild Nissen (on the left). Photo: Irene Brandt.

SBA'S INVOLVEMENT IN LIVSALLING

The initiative LivSalling is a case in Socially Beneficial Agriculture because they work with organising a collaboration between farmers which will help young farmers to establish themselves and live off a business consisting of milk production based on about 30 cows. The community will develop a new mode of operation for milk production of this size.

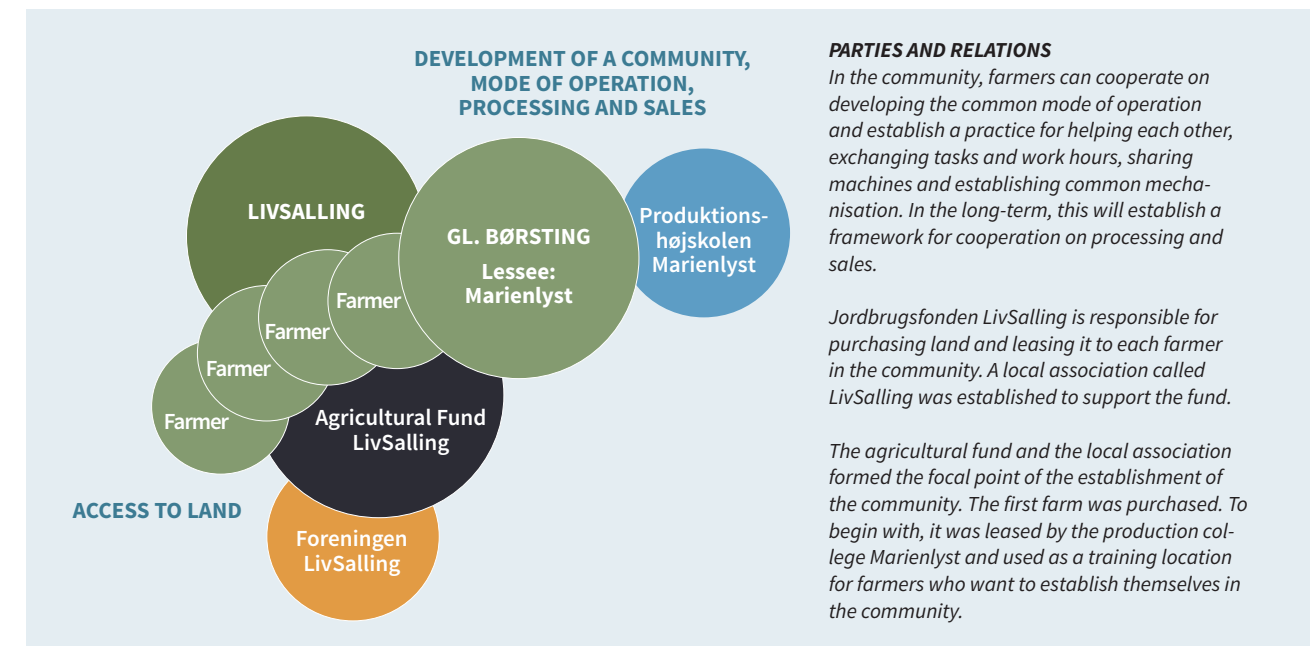
Organic Denmark entered into an agreement to contribute to the development and to test the concept for LivSalling through SBA, which finances the preparation of financial analyses for a

small number of small farms as well as a budget for a model farm. This showed that, with reasonable working hours, it is possible to generate an acceptable level of revenue for one person.

The initiative was promoted at agricultural schools, and LivSalling appeared on Mødestedet, which is a platform for finding partners. SBA also financed a marketing initiative which included building a website, production of small videos and the commencement of a campaign on social media.



Collaborations concerning LivSalling



AGREEMENTS

The community can only be organised as an association. The principles for the mode of operation would, in this case, be the foundation of the association. The community can be called a cultural cooperative because it is formed around the development of a new mode of operation. By contrast, shared operations refers to a community of different specialised companies that complement each other (see the case Skyttes Gartneri ApS).

The need for agreements that can ensure the establishment of the community between the farmers has not been determined.

Identical leasing contracts were prepared between Jordbrugsfonden LivSalling (The Agricultural Fund LivSalling) and the lessees of land and properties with buildings. Apart from general terms, these included instructions for operating while practising holistic grazing/good crop rotation, establishing fertile soil and feeding and tending to animals, as well as instructions for how the lessees of the different properties were expected to cooperate with each other.

FINANCIAL MATTERS

The economy of the cultural cooperative's farming was based on commencement without big start-up investments, with low costs for fodder and labour and with a higher price for milk and meat due to grass feeding. The model calculations showed

that it is possible to have a reasonable operating economy with the outlined mode of operation.

The leasing costs were kept low since the Villum Foundation issued a security for Jordbrugsfonden LivSalling, which led to Merkurbank agreeing to debt-fund Jordbrugsfonden's first purchase of a farm. The debt-funding from Merkurbank is matched by credit institution funds.

In the long term, Jordbrugsfonden will be able to acquire capital as another local agricultural fund through a subsidiary which the citizens can invest in (see the case Samsøkologisk).

EXPERIENCE AND LEARNING

The community must be in agreement on the basic guidelines for the mode of operation, and there must also be room to develop and test it. The instigators of the community are a group of citizens with very different backgrounds and experience. To generate interest with new farmers, the community must be able to involve the young farmers and their ideas and allow them to affect the development of the community. The community's organisation must be able to handle this challenge.

The participation of a local educational institution – a production college – in the development of the community LivSalling has been a good experience. The school contributes with the development of animal housing systems and grazing methods. In addition, it has strengthened the school's motivation of the young students towards a career within agriculture.

SOCIALLY BENEFICIAL AGRICULTURE (SBA)

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VILLUM FONDEN X VELUX FONDEN



The two cows, each of which is taking care of three calves, are the nucleus of the stock that will be established in the Liv Salling project's model farm.

Agriculture's new STORY

TEXT AND PHOTO: IRENE BRANDT

Six thick poles hammered into the field and a strong canvas tied between them, and during the winter, walls of big bales for shelter. An investment of about DKK 25,000, which in the winter can provide shelter and a dry place for the cows and jersey bull calves at Produktionshøjskolen Marienlyst in Resen near Skive, where the idea for the project Liv Salling originated.

“We developed the cheap animal housing because we wanted to create an alternative to the structural development within farming, and we wanted to show that it is

possible to provide a good life on a smaller farm,” said Sven Irgens-Møller, who is the principal at the production college and the instigator of the project Liv Salling. The project received financial support from the Villum Foundation and consultancy assistance from Socially Beneficial Agriculture.

“Liv Salling is an attempt to start a new story, which begins with the development of sustainable milk production in small co-operating units. And the target is that, in ten years, Liv Salling will own and rent out a cluster of 20 farms in the nearby area, which

will be run as independent units and which cooperate with respect to machines, holiday relief, sales, etc. – and the idea has been copied in other parts of the country,” said Sven Irgens Møller.

Liv Salling Fonden has just acquired the first farm in Salling for DKK 6 million. The farm comes with land totalling 42 ha. As the project's first farm, the farm must be a model farm for the development of sustainable milk production based on a dairy stock of 30 dairy cows – supplemented with other areas of operation along the way.

If you have permanent grass fields where the animals stomp plants into the ground, carbon sequestration will occur. Taking into account the elimination of the climate impact associated with growing feed crops and concentrated fodder, we actually expect that our production can more than counterbalance the climate impact from the methane emissions of cows.

- THORKILD NISSEN

COWS EAT GRASS

Thorkild Nissen is responsible for the livestock at Produktionshøjskolen Marienlyst (Production College Marienlyst). For many years, he has worked with holistic grazing and lately with weaning of calves and fattening of bull calves on grass at a project and consultant level. At Produktionshøjskolen Marienlyst, he had the opportunity to apply his experience from the projects in practice in the school's agriculture.

“We are inspired by Allan Savory, who came up with holistic grazing, and Polyface Farm in Virginia, USA, where Joel Salatin created a cooperative network to benefit small, sustainable farms,” said Thorkild Nissen.

At Produktionshøjskolen Marienlyst, the bull calves from the Thise supplier grazed together with suckler cows in the winter in an open barn with willow tree shelter supplemented by bales of straw, and apart from the milk from the suckler cows, they were only fed grass and silage grass.

“The production has very low production costs, and we are very happy with the growth of between 800 and 1000 grams per day,” indicated Thorkild Nissen. The Liv Salling project has established a good collaboration with Thise Mejeri (Thise Dairy), and sells the calves as a gourmet product through Thise & Ko.

On the fields, there were also two cows which had calved a few weeks ago and had since each got another two suckler calves. The calves will stay with the cows for the next nine months.

“The cows and calves are the beginning of a stock that will be moved up to the model farm. We share the milk with the calves, and since the cows do not eat anything other

LIV SALLING WORKS WITH SUPPORT FROM THE VILLUM FOUNDATION AND SOCIALLY BENEFICIAL AGRICULTURE (SBA) TO CREATE LUCRATIVE AGRICULTURE WITH LOW COSTS, WHERE YOUNG AND NEWLY-ESTABLISHED FARMERS CAN COOPERATE AND BRING LIFE TO THE COUNTRY DISTRICTS.

than fresh grass and silo grass, the output is lower than for other organic dairy farms. On the other hand, the costs are low because we are not changing the grass fields nor do we have to use concentrated fodder and wheat for the cows. We expect that a cow produces 4,500 kg of milk per year – and of this, the calves drink about 1,000 kg,” said Thorkild Nissen.

BREAKING WITH DOGMA

Clover grass and crop rotation are important in organic production. This is certainly a well-established dogma. Liv Salling would like to challenge this dogma with pure grass feed, where crop rotation is not an issue because you only have one crop: grass. On the other hand the grass field is very diverse. There are 19 different herbs, grasses, clovers and lucerne in the holistic grazing mix, which Carsten Marcussen from Organic Denmark has developed and which was planted on 7 ha in March. Thorkild Nissen does not expect that the nitrogen-fixing clover plants will be particularly dominant in the grass fields.

“The clover plants do poorly in competition when the grass gets as tall as it does during holistic grazing. On the other hand, the cows stomp plant remains and manure into the ground and the N-needs of the plants are covered this way,” said Thorkild Nissen.



Another dogma that must be challenged in this project involves climate impact of keeping livestock.

With permanent grass fields where the animals stomp plants into the ground, carbon sequestration takes place. Taking into account the elimination of the climate impact associated with growing feed crops and concentrated fodder, we actually expect that our production can more than counterbalance the climate impact from the methane emissions of cows,” said Thorkild Nissen.

LEARN NEW METHODS

The Velux Foundations supported Liv Salling with DKK 5.5 million and made it possible to establish Liv Salling Fonden, which aims to acquire farms in the local area and lease them out to young or newly-established farmers who would like to try their hand at sustainable farming based on grass feed and a low cost level.

“As mentioned, the farm we just bought will act as a model farm. Apart from enabling us to provide a training offer for farmers who would like to try their hand at grass-fed cattle, holistic grazing, late weaning of calves, fattening of bull calves on grass, etc. and, in the future, grass-based production of rabbits, chickens, pigs, sheep and goats, this also means that we need to document the work we carry out and the methods we use,” explained Sven Irgens-Møller. He continued:

“Socially Beneficial Agriculture has had a business economist calculate our production based on 30 dairy cows. The calculation shows a result of between DKK 2-300,000 for the farmer for a workday of 4-5 hours involving dairy cows.”

The project will also examine if the expectations for a beneficial climate impact for holistic grazing hold true. When the model farm is acquired, a number of land measurements will be made, which can be followed up on at intervals of a few years – including the soil's carbon content.

Jordbrugsfonden SamsØkologisk

(The Agricultural Fund SamsOrganic)

Jordbrugsfonden SamsØkologisk was established in 2014 based on capital totalling DKK 300,000 obtained through donations. The main purpose of the fund is to buy land and lease it to organic farmers. A small organic farm of 14 ha was available for sale when the fund was established, and the challenge was to get funds to acquire this farm.



The board of Jordbrugsfonden SamsØkologisk is the driving force in the work to acquire land and to pass it on to young, organic farmers. From the left: Rasmus Kjærulff, Iben Holm, Bent Degn, Thorkild Ljørring Pedersen, coordinator Mai Fihl Worre, Niels Nørskov. Photo: Morten Telling

SBA'S INVOLVEMENT IN SAMSEKOLOGISK

Jordbrugsfonden SamsØkologisk became a case in Socially Beneficial Agriculture because of its goal. Together with Organic Denmark, a plan was made to acquire capital to purchase the fund's first organic farm.

We established a crowd funding platform where interested citizens can donate funds. This was supported by initiatives on social media. Adequate funds were not obtained this way. Therefore, we developed a model for how citizens can invest in a limited-liability company that the agricultural fund establishes

and manages through the company's articles of association.

SBA financed a business plan for the model and for a lawyer to prepare an investor prospectus. Investor meetings were held, and after the subscription period, the agricultural fund could found Samsø Økojord A/S, which bought the organic farm. Subsequently, SBA financed the preparation of lease contracts, initiation of the operation of the agricultural fund, marketing of the agricultural fund to new lessees and a business plan for the next acquisition.

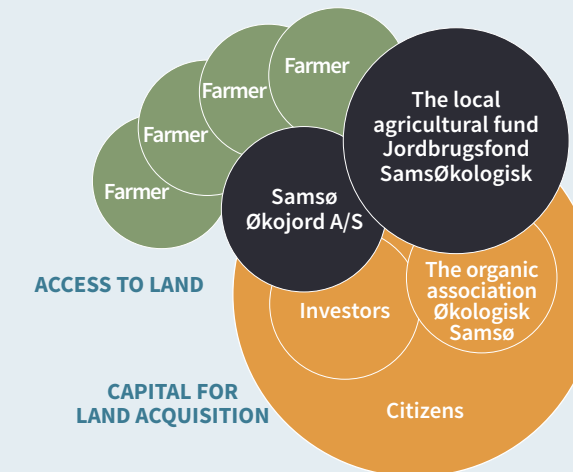


FACTS

- SamsØkologisk is a commercial fund founded by Økologisk Samsø (Organic Samsø)
- The association Økologisk Samsø works to spread organic agriculture on Samsø on many levels and to strengthen the collaboration between farmers and consumers.
- The purpose of the fund is to acquire farms and lease them out to young farmers who want to establish themselves as organic farmers on Samsø.
- Samsø Økojord A/S is a subsidiary of Jordbrugsfonden SamsØkologisk.
- The fund owns the A-shares of Samsø Økojord A/S
- Citizens and professional investors can invest in Samsø Økojord A/S.
- The fund also acquires additional capital through gifts, donations, sponsorships and loans.

www.oekologisksamsoe.dk

Collaborations concerning SamsØkologisk



PARTIES AND RELATIONS

Local enthusiasts have formed the association Økologisk Samsø to promote organic farming on the island. One way to develop more organic farming is to acquire funds for the purchase of farmable land. Therefore, the association founded the commercial fund SamsØkologisk.

In order to increase the capital influx, Jordbrugsfonden SamsØkologisk founded the limited-liability company Samsø Økojord A/S, which enables citizens to get involved by purchasing shares. Samsø Økojord A/S is the landowner and leases out acquired farms to new organic farmers.

The association Økologisk Samsø and Samsø Økojord A/S form the connection between new farmers and citizens who share the desire to see more organic farming on Samsø.

AGREEMENTS

The agricultural fund has influence secured by articles to appoint the majority of the members in the limited-liability company's board of directors.

The fund's and limited-liability company's articles of association and capital base must be approved by the Danish Business Authority. A share prospectus has been prepared in order to ensure that the offer of shares is legal and to foster trust with the citizens. This prospectus establishes the legal relationship between the limited-liability company and the shareholder.

Leasing contracts have been entered into between Samsø Økojord A/S and the lessees of land and buildings. Apart from the general terms, they specify how the land and buildings should be run and maintained with good organic crop rotation and the generation of fertile soil, and how the lessees are expected to cooperate together.

FINANCIAL MATTERS

Neither the association nor the fund are for-profit organisations. Samsø Økojord A/S, on the other hand, must generate revenue to cover the costs of administration as well as for implementing initiatives that contribute towards fulfilling the objective.

The shareholders can receive dividends, but at least 80% of any profit must be used to consolidate Samsø Økojord A/S. Sales of shares are the foundation for the purchasing of land.

Financing of land and building acquisitions can also take place through loans.

Lease agreements and fees must, as a general rule, be favourable to the lessees.

EXPERIENCE AND LEARNING

It is important to use competent sparing partners/advisers to help develop business plans to resolve legal, operational and tax-financial issues.

Thorough work with regard to the articles of association and objects clauses is necessary in the limited-liability company and commercial funds when the articles of association need to be approved by the Danish Business Authority.

For a non-profit commercial fund that must establish a collaboration between citizens and farmers, it is a good signal to purchase the farms at an impartially-determined price, so that the transaction is satisfactory for both parties. If the sellers would like to help Jordbrugsfonden, this can take place through a purchase-money mortgage, so that the seller becomes a co-financier.

Involvement of lessees should take place concurrently with the preparation of the acquisition of farms so that the fund can avoid having periods without income from leasing.

The interest in Jordbrugsfonden depends on the board being able to identify the farming-related ideas of young farmers.

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VILLUM FONDEN X VELUX FONDEN



With practised experience, the two seasoned interview victims – Thorkild Ljørring Pedersen (on the left) and Bent Degn – positioned themselves in front of the green wall. Photo: Irene Brandt.

Jordbrugsfonden på Samsø facilitates THE GENERATIONAL CHANGE

TEXT AND PHOTO: IRENE BRANDT

“The establishment of the agricultural fund has created a stir, and we’ve told the story of the fund many times,” said Bent Degn, chairperson of the fund and one of the fund’s promoters. At his side sat the fund’s vice chairperson, Thorkild Ljørring Pedersen, who nodded in agreement.

However, the time spent being interviewed was not wasted since the media mentions have borne fruit, bringing the fund far more investors than they had hoped.

“Last year we were able to establish the limited-liability company Samsø Økojord, which has 25 shareholders, each of which

contributed at least DKK 100,000. We were thus able to buy the fund’s first property on Samsø,” said Bent Degn.

SOCIALLY BENEFICIAL

According to the project “Socially Beneficial Agriculture (SBA)”, buying farmland and leasing it out to (young) organic farmers is a socially-beneficial activity. The project is headed by Organic Denmark and financed by the Villum Foundation.

“We see it as an opportunity to help young farmers get into the business. They have a hard time today because, over time, the

properties have become very large and very expensive,” said Lone Andreasen, project manager at SBA. The project collaborates with a number of “cases”, all of which, in one way or another, work with organic farming supplemented with one or more socially-beneficial initiatives.

“We can assist organic farmers around the country by developing new ways to organise and run farming, including assistance with the preparation of an action plan and financing some of the starting costs,” said Lone Andreasen.

Specifically, SBA has contributed with

We would get all charged up about this, and finally we formed an association since this is what we normally do when something needs changing and more help is required.

- THORKILD LJØRRING PEDERSEN

crowd funding resources directly to the agricultural Fund SamsØkologisk. SBA also developed a model for collaboration between citizens who want to invest in organic agriculture on Samsø and the agricultural fund SamsØkologisk. Finally, SBA has supported SamsØkologisk in its work – for example concerning the first purchase, lessees, lease agreements, etc.

POPULAR INFLUENCE

Only 300 ha of Samsø’s 8,000 ha of arable land are being farmed organically. This means that the share of organic land on Samsø is below average. The citizens on the island wanted to change that. At the same time, an organic, outdoor market garden had been up for sale for many years, and apparently there were no buyers.

“We all get older, and it was time for a generational change, and that was how everything started,” said Bent Degn. Thorkild Ljørring Pedersen added:

“We would get all charged up about this, and finally we formed an association since this is what we normally do when something needs changing and more help is required. The association Økologisk Samsø was formed, and today it can boast 200 members.

The association’s newly-elected board started work immediately and later established Jordbrugsfonden SamsØkologisk which works towards converting existing farming into organic farming – one farm at a time. The agricultural fund collects investments through a limited-liability company, which acquires the farms and then leases them to organic farmers.

“The fund creates opportunities for new and young organic farmers who would not otherwise have the chance to implement their ideas in practice. Instead of being owners, the farmers lease the farms and can therefore focus on generating the best possible framework for their farming,” said Thorkild Ljørring Pedersen and underlined the importance of popular support for the fund and the limited-liability company:

“Popular backing significantly affects what happens in the fund. Some of the shareholders in the limited-liability company are locals, others are leisure-time residents while the rest come from all over the country and

THE AGRICULTURAL FUND ON SAMSO WORKS TOWARDS PROVIDING YOUNG ORGANIC FARMERS WITH A CHANCE TO CREATE THEIR OWN ORGANIC PRODUCTION



are just happy that the agricultural fund and limited-liability company provide ordinary people with the opportunity to help farming move in a different direction.

INVESTMENT IN LAND

Samsø Økojord A/S emerged from the agricultural fund. The company offers shares in farms on Samsø, which are leased out to young organic farmers.

At first, the fund invested in a market garden, and this is where it all started. Yduns Have (Ydun’s Garden), located in Alstrup, has over 14 ha. Next January, a new lessee couple will take over the market garden after the two young organic farmers, who are currently students at Kalø Økologisk Landbrugsskole (Kalø Organic Agricultural School), complete their studies.

“They will continue the good work that

the previous lessee, Johannes Loeb, started, and until they move in one year from now, Yduns Have will be run by two lessees,” explained Thorkild Ljørring Pedersen.

FERTILITY SHOULD BE MEASURED

“As opposed to many other investments, the investment in land is a pretty safe investment. And even though we are not tempting them with big returns, more investors bought shares in Samsø Økojord than we expected. This is because many of them, apart from wanting to buy organic products, also want to contribute towards more land being farmed organically,” said Bent Degn.

The return is affected by the lease agreement, but a part of the task of the development project is also to discover what a lease agreement should include and how the value of the lease should be calculated.

“For example, we have added to the lease agreement that the lessee may not deteriorate the fertility of the soil during the lease period. Some people may shake their heads at this because this is not something we can measure today. However, we want to develop methods that can measure earth fertility since it is a parameter we want to include in our requirements when leasing out soil,” said Thorkild Ljørring Pedersen.

NEW GOALS

With Yduns Have sold, the chairperson and vice chairperson are looking for new challenges, and they are looking at a few farms on the island. However, the vision for the fund’s work, beyond the production aspect, also includes the processing and selling links in the chain, which one day should make Samsø the greenest island in Denmark.

“We have a dairy plant ready on the day a farmer wants to produce organic milk, and at the moment we are working on establishing a new slaughterhouse on Samsø,” said Bent Degn.

Skyttes Gartneri ApS (Skytte's Market Garden)

Skyttes Gartneri ApS is dependent upon being able to move the cultivation of vegetables around using a crop rotation with a restorative effect. The market garden has agreements for land rental from Lars Skytte and other land-owners, but it also has agreements with several neighbours on land exchange. The company's operation and development depends on this. Among other things, this is the situation that gave birth to the idea of shared operations.



The idea of shared operations of specialised companies originated with Lars Skytte's market garden, which a few years ago, was transformed to an ApS (limited-liability company) as part of a generational change. Photo: Organic Denmark

SBA'S INVOLVEMENT IN SKYTTE'S GARTNERI

In 2015, Skyttes Gartneri ApS and its neighbours contacted Organic Denmark. They wanted to develop shared operations of specialised farming companies, where the shared operations would lease out the land that the specialised farming companies based their production on. Together, we prepared a plan for a preparatory phase where the shared operations and its function were described. SBA held meetings where the participants could reach a common understanding of what would be involved in the shared operations and have the chance to align

their expectations.

Models were prepared for the shared operations. A lawyer provided advice concerning organisation, agreements with landowners and matters concerning buildings. After this, the plan was to invite others to join in the formation of the shared operations.

Subsequently, an alternative approach was prepared, where the shared operations were established first and new members were accepted afterwards. Lease agreements were discussed. After this, the shared operations entered a maturation phase.

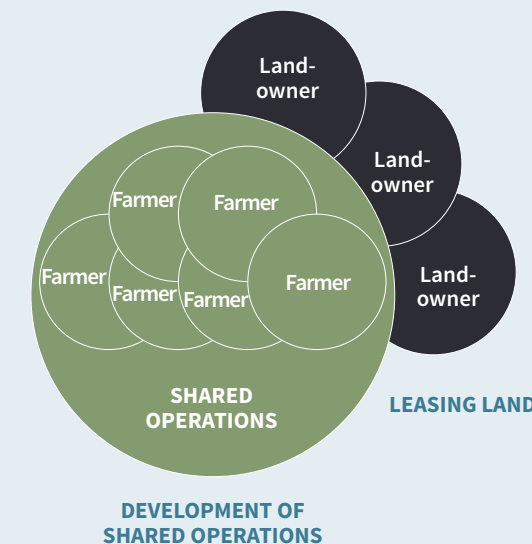


FACTS

- Skyttes Gartneri ApS is an outdoor market garden owned by Lars Skytte, Adrian Kurón and Bjarke Andersen.
- The limited-liability company was established to facilitate a generational change in the sole proprietorship Lars Skytte
- Over a period of time, Adrian and Bjarke will assume control of Lars' share of Skyttes Gartneri ApS
- The market garden cultivates approx. 300 ha.
- In the spring rhubarb and asparagus; in the summer, lettuce, carrots, celery and kohlrabi; and in the autumn/winter scorzonera, celeriac and leek.

www.skyttes.com

Collaborations concerning the shared operations



PARTIES AND RELATIONS

The farms in the shared operations can gain specialisation advantages as well as versatility, robustness and diversity with respect to land cultivation. During some periods, the soil is used by one or more farming companies, and during other periods it is used by others.

The output into the ecosystem of one company is the input of another. When the vegetables have been harvested, the pig and poultry producers start using the field. At other times, the poultry producer has kept his chickens under the fruit grower's trees, which together with the berry-bearing shrubs, can act as windbreakers. The bee keeper moves his hives around in the area, depending on when the different plants bloom. The milk producer provides manure to the vegetable producer and enters into agreements with a meat producer for the animals to graze in natural areas.

The shared operations generate synergies due to diversity and better resource exploitation, since the output of one farmer is the input of another.

AGREEMENTS

The participants of the shared operations must enter into a cooperation agreement. The cooperation can be organised as an association or a cooperative society, which would impose more obligations.

The agreement regulates how a farming company enters into and leaves the shared operations as well as the rules that apply to the members. It would also involve production planning and the collaboration of the farming companies during the course of the year. Finally, it would outline how the economy of the shared operations would be organised and how the exchanges between the farming companies would be valued and settled.

The physical exchanges between the farming companies must be based on a system where the use of the ecosystem can be planned day by day.

The shared operations enters into contracts with landowners on the leasing of the local ecosystem.

FINANCIAL MATTERS

The economy of the shared operations in its simplest form would be based on membership that covers the expenses of the shared operations for basic administration and leasing of land. The membership and any agreement on how to pay shall be regulated in accordance with a company's economic activi-

ty resulting from participation in the shared operations.

The economic settlements between the individual businesses of the farming companies can be calculated in more detail with the market value of the physical exchanges. The need for more detailed calculations depends on which farming companies participate and how the system ensures that there is a match between the work of the individual farming company and its revenue.

EXPERIENCE AND LEARNING

The case involves two approaches to the establishment of shared operations. First, the plan was to invite farming companies to participate in establishing shared operations. Subsequently, an approach was discussed where the shared operations were established as a framework based on two farming companies and agreements with landowners for access to land. Then, additional farming companies would be invited to participate. Both approaches are relevant and possible. In practice, Skyttes Gartneri ApS finds itself in the middle of a generational change, which is demanding both financially and with respect to the work it requires. It is difficult for a farming company to manage more than one development task, so the remaining work with the shared operations has been postponed.

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VILLUM FONDEN X VELUX FONDEN



Lars Skytte has a dream that small, self-propelled farming machines could some day roam the vegetable fields at Skyttes Gartneri. It would improve the revenue of the market garden, solve the problem of a lack of labour for repetitive tasks, reduce operating costs and improve the life of the micro-organisms in the fields. Photo: Organic Denmark

Systems must be adapted to people – NOT THE OTHER WAY AROUND

TEXT: IRENE BRANDT

The spring sun on Funen bathes the rhubarb field in bright light, while the fresh green leaves of the plants sway in the western wind, displaying the beautiful red stems growing out of the top soil. The rhubarb has been growing in this location for seven years, so this is definitely the last season here for the red delicacy. And between the small plants, it is easy to see the thistle and couch grass growing, which survived the harrowing between the crop rows. The rhubarb also grows at Skyttes Gartneri in Dømmestrup on

Funen, where Lars Skytte showed us around the field. “We have many goals with our organic farming, and we feel obliged to take responsibly for the nature as well as a cultural and social responsibility in relation to society. However, at the same time, I do acknowledge that our production faces challenges which pull us in the wrong direction. To combat weeds, we work the soil a lot. This breaks down humus and thus releases CO₂. At the same time, we risk soil compaction damage

in the fields because we drive on them a lot,” said Lars Skytte. A third challenge in organic agriculture involves the nutrients, which are not uniformly distributed between east and west Denmark,” underlines Lars Skytte. “Until the 1960s, we had varied agriculture, where the farms were robust and employed many people. This is the robustness that we would like to recreate within a modern framework,” explains Lars Skytte, who together with Socially Beneficial Agriculture,

A production of a certain size is required so that, for example, it pays to have a weeding robot at an outdoor market garden like Skyttes Gartneri. However, if we have the weeding robot, we can manage to cultivate a large area while improving the carbon build-up in the ground and avoiding soil compaction damage to the fields.

- LARS SKYTTE

has developed a model for collaborative farming in a robust and varied community. “Organic agriculture, like other agriculture, is affected by structural development, where farms get bigger and more specialised. We would like to stop this development by establishing operating companies to manage organic farms, which together can re-establish the robustness and variety that has been lost,” said Lars Skytte, adding: “And I believe that we are onto something which can actually pave the way to a large-scale restructuring of Danish agriculture. And at the same time, it can reduce the costs of the individual farmer and improve the yield from the fields.”

NEW TECHNOLOGY IS A SOLUTION

Lars Skytte is not in doubt that new technology – such as weeding robots – are part of the solution if he wants to maintain the soil’s CO₂ and avoid soil compaction damage in the fields. However, the weeding robots are expensive to buy and difficult to acquire financing for. “A production of a certain size is required so that, for example, it pays to have a weeding robot at an outdoor market garden like Skyttes Gartneri. However, if we have the weeding robot, we can manage to cultivate a large area while improving the carbon build-up in the ground and avoiding soil compaction damage to the fields,” said Lars Skytte. Though shared operations between four individuals specialised in farming, an outdoor market garden could gain access to a large area by using the crop rotations on the fields in other farms, and this could justify the acquisition of the technologies that Lars Skytte believes would support vegetable production in a market where the prices are constantly under pressure.

LONG-TERM AGREEMENTS

“The idea of establishing these operating companies clearly originated from our own day-to-day work at the market garden. We are cooperating with other organic farmers, who are participating in the crop rotation. However, these agreements are both

STRUCTURAL CHANGES IN AGRICULTURE IMPOSE REQUIREMENTS ON ALL AGRICULTURE – INCLUDING ORGANIC. SOCIALLY BENEFICIAL AGRICULTURE, TOGETHER WITH MARKET GARDENER LARS SKYTTE, DEVELOPED OUTLINES FOR A MODEL FOR SHARED OPERATIONS WHICH COULD PAVE THE WAY FOR A MODERNISATION OF ORGANIC PRODUCTION.

verbal and short-term, which is a challenge because we are undergoing a generational change where two of my employees have, over time, acquired a larger and larger share of Skyttes Gartneri. They expect that it will be difficult to take out loans with security in short-term verbal agreements.” “An operating company with written, long-term agreements between the community’s farms would clearly be an advantage for newly-established farmers who need start-up capital,” said Lars Skytte.

HELPING EACH OTHER

One hundred years ago, smaller farms united to form cooperative societies that could process the farms’ products. The establishment of operating companies between several specialised farms, which in cooperation ensured robustness for each individual farmer, could become the present day’s new agricultural movement, which could ensure a shift from the agriculture we know today to an agriculture where modern technology contributes towards more organically-sustainable farming and a better balance between work and spare time for the individual farmer. “In an operating company, we can agree on how to help each other, thus allowing the milk producer to also go on holiday from time to time or to provide additional hands when intensive work is required at one farm for a short period. We can also cooperate to hire engineers who can handle the robots we buy – or to create social jobs for the citizens who are on the fringe of the normal labour market,” said Lars Skytte.

PEOPLE BEFORE SYSTEMS

When asked about whether the intention is that the shared operations would be responsible for purchasing the technology that would benefit the farmers in the shared operations, the answer is clear: No. “The shared operations should not exist at the expense of the freedom of the individual farmer. The history in Eastern Europe has shown us how that can go very wrong. Each individual operating company should choose a form of cooperation that is adapted to the individual needs and wants of the members. In my view, we should enter into shared operations where the system is adapted to the people – not the other way around,” said Lars Skytte, adding: “Of course, there must be some form of organisation in the shared operations. The challenge will be to find the balance between the individual’s freedom and the duty to the shared operations. In any case, I think it will be necessary that all participants contribute with a certain percentage of their profits into a ‘fund’ in the shared operations, so that we can continuously develop and make it easier for young farmers to establish themselves and become part of the shared operations.”

St. Vildmosens Naturafgræsningssselskab

(St. Vildmosen's Natural Grazing Company)

In 2015, when a number of lessees of land in St. Vildmose discovered that the state had put St. Vildmose up for sale, they created an entrepreneurial company with the goal of purchasing the area. They wanted to ensure continued grazing and hay harvest in Vildmose, but at the same time, they wanted to develop the area into a natural attraction by re-establishing its flora and fauna and making it accessible to the public with paths and information.



Large areas of St. Vildmose consist of permanent grasslands. A group of farmers wanted to ensure that grazing could continue, to pass on the history of the culture and to make the area accessible to the public. Photo: Peter Søndergaard.

SBA'S INVOLVEMENT IN ST. VILDMOSEN'S NATURAFGRÆSNINGSSKAB

Later in 2015, it became known that the Environmental Protection Agency would take over the area, and the focus of the case changed from joint purchasing to joint leasing and to developing the vision for nature conservation and Vildmose products.

Together with Organic Denmark, a plan was agreed on how this task could be handled. However, the first period was spent discussing with the Nature Agency if it was possible to

lease collectively. We prepared various information material concerning plans and agreements for how collective leasing would be handled between the company's owners of capital.

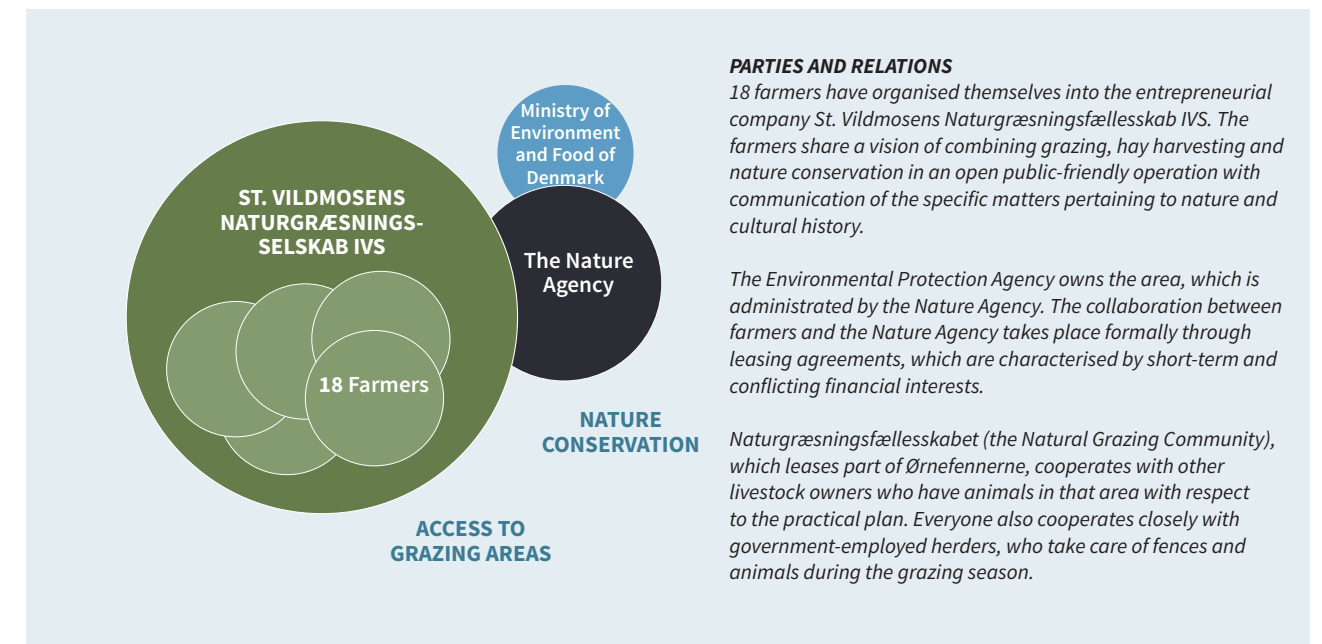
Since it turned out that the entrepreneurial company could lease a large part of the land, SBA financed the work of developing a nature plan for the area. Furthermore, a calculation was prepared for a joint economy for nature conservation. It identified the actual costs of nature conservation and could be used to ensure that the parties incurring expenses would be reimbursed before any profit sharing.



FACTS

- The Environmental Protection Agency assumed control of Ørnefemnerne, Ringfemnerne and Damfemnerne in 2016, with the objective of re-establishing the moorland. The Nature Agency's local forest district was responsible for the administration.
- Ørnefemnerne became a protected area in 2000. The protection was intended to ensure the pasture structure as a cultural geographical example of the first cultivation and agricultural use of the marsh.
- Grazing and hay harvesting took place in the areas.
- Vildmosetilsynet (the Vildmose Authority) is responsible for inspection, removes unwanted growth and maintains windbreaks, ditches and roads.
- 18 farmers established St. Vildmosens Naturgræsningssselskab IVS.
- The objective of the company was to generate synergy between nature conservation and animal welfare, to maintain and disseminate the culture history, to develop special meat production and to create local workplaces.

Collaborations concerning the natural grazing community



AGREEMENTS

The limited liability entrepreneurial company St. Vildmosens Naturgræsningsfællesskab IVS is a non-profit company.

It costs DKK 4,000 to be co-owner/owner of capital, and interest is not paid on this amount. A capital owner must be an active animal farmer.

When the tender of the Nature Agency is available, a letter of intent will be sent to the capital owners of the company. They have first claim to previously-leased areas. When and if the company wins the tender and the desired areas are awarded, cf. the declarations, any additional areas will be evenly distributed among interested capital owners.

FINANCIAL MATTERS

Farmers in the limited liability company pay rent over a six-year agreement, which is counterbalanced by a basic payment and other additional subsidies. The actual rent is thus set off to DKK 0, assuming that no external and unforeseen costs come up.

- The leasing agreement is regulated annually according to the net price index
- Reservations for external regulations and changes to legislation
- Reservations for changes to subsidy amounts
- The fee is due in advance each 1 May; reimbursement takes place when the lessor receives the basic payment and other subsidies.

Example: The payment is DKK 3,000/ha, and the application is for a basic payment of DKK 1,900 with a conservation subsidy of DKK 1,650, plus any conversion subsidies for organic farming. The company earns a small amount, which is used for administration.

Nature conservation on these premises is a challenge from a liquidity perspective since the lease fee is due in April and the subsidies much later.

EXPERIENCE AND LEARNING

The farmers in Naturgræsningsfællesskabet (the Natural Grazing Community) have put in a lot of work to develop the company and demonstrated great willingness to cooperate with the Nature Agency. It has been both challenging and often frustrating to establish a new type of cooperation concerning nature conservation in a new company and to collaborate with the Nature Agency, for which the administration of St. Vildmose was a new endeavour.

The dialogue with the authority has not been transparent, and ambiguous messages concerning prices, deadlines and terms for the tender have generated uncertainty among the farmers.

Despite this, the company remains focused on its vision. The challenge is to end up sharing this vision with the Nature Agency.

At St. Vildmose and other places where there is a need and want for nature conservation, it would be very beneficial to establish an actual collaboration with landowners, based on long-term agreements and a common vision for the area, supplemented by a transparent and solidary leasing model.

SOCIALLY BENEFICIAL AGRICULTURE (SBA)

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VILLUM FONDEN X VELUX FONDEN



Bo Larsen is the chairperson of St. Vildmosens Naturafgræsningsfællesskab IVS, which consists of a total of 18 farmers from Northern Jutland.

It is a shame that people in Brønderslev KNOW SO LITTLE ABOUT THE AREA

TEXT AND PHOTO: IRENE BRANDT

During the early bronze age, 60 km² of Northern Jutland turned into high moors. Today, most of the high moors have been drained, and the landscape has changed, but the location is still known as Store Vildmose (Large Wild Bog). Ørnefænnene cover about 477 ha of Store Vildmose, and the characteristic meadows, which are broken by ditches and windbreaks, are protected today in order to preserve the area's cultural-geographic value, among other things.

The area attracts rare bird species, such as the golden eagle, common crane and curlew. Furthermore, a group of farmers from the region have shown their affection for Ørne-

fænnene by founding the company St. Vildmosens Naturafgræsningsfællesskab IVS. The company works towards developing a unified strategy for grazing on the pastures, preserving the unique nature and opening the area more to the public.

"It is a truly fantastic area, and it is a shame that people from Brønderslev have so little awareness of the place," said Bo Larsen, who is chairperson of St. Vildmosens Naturafgræsningsfællesskab IVS.

The company was founded when the Danish Agricultural Agency released plans for selling the entire Store Vildmose area. Eighteen local farmers who were leasing the land

from the authority in Ørnefænnene decided to submit a joint bid on the land in order to ensure grazing for their animals. At the same time, they wanted to open it up more to the public.

"Everything ended with the Environmental Protection Agency buying Store Vildmose – and this could well have been the end of our company. However, we decided to continue the collaboration and that, from then on, the company would bid for any tenders concerning grazing, primarily in Ørnefænnene but also Ringfænnene and Damfænnene," said Bo Larsen.

We also see social benefits from the company's work with opening the area more to the public by adding footpaths, installing information plaques and, in the long term, through a website and by hiring an information officer who can take people out on guided tours of the area.

- LONE ANDREASEN, PROJECT MANAGER AT SBA

AN SBA CASE

St. Vildmosens Naturafgræsningsfællesskab IVS was founded in the spring of 2015, and roughly at the same time, the company became a case in Socially Beneficial Agriculture (SBA), which is a project carried out by Organic Denmark with support from the Villum Foundation.

"Naturgræsningsfællesskabet is interesting to SBA because it works towards establishing collaboration with the authorities on developing the right nature conservation, so that grazing can take place in accordance with the desired nature and landscape development," said Lone Andreasen, project manager at SBA. She adds:

"Furthermore, we also see social benefits from the company's work to open the area more to the public by adding footpaths, installing information plaques and, in the long term, through a website and by hiring an information officer who can take people out on guided tours of the area."

FIVE-YEAR AGREEMENTS

Last year, 18 of the 62 pastures in Ørnefænnene were put out to tender, with effect from 1 January this year. This year, another two pastures were added. The leasing agreements are entered into as five-year agreements. Last year, Naturafgræsningsfællesskabet bid on about 130 ha in Ørnefænnene across the 18 pastures. The Nature Agency chose to keep about 30 ha for itself. The rest – approx. 98 ha across 11 pastures – were leased out to Naturafgræsningsfællesskabet. The deadline for the tender on the last two pastures was 7 April of this year. In 2018, the lease for the remaining 337 ha need to be renewed.

"All areas administrated by the company are either run organically or are being converted to organic operation," explains Bo Larsen.

This is in line with the Nature Agency's decision that organic operations would have first claim to the leased areas in Ørnefænnene.

"The company can ensure uniform management of the area because all of us from the area have a good opportunity to improve collaboration with the local society," said Bo Larsen, adding:

"Most of the owners in the company have had animals and have been associated with Ørnefænnene and Store Vildmose for many

THE NATURAL GRAZING COMMUNITY WANTS TO COMBINE
GRAZING OF PROTECTED MEADOWS WITH COMMUNICATION
OF INFORMATION ON NATURE AND CULTURE

years and for several generations. We are not just connected to the area. We have also developed knowledge and professional understanding of the special challenges associated with grazing in Store Vildmose."

When St. Vildmosens Naturgræsningsfællesskab takes over the lease for Ørnefænnene, Bo Larsen expects that these skills will benefit the area, nature as well old and new grazers in the area.

CONSERVATION PLAN

Ørnefænnene are part of Natua2000. However, the Nature Agency has not outlined or described the state of the nature in the area in detail. On the other hand, this task has been carried out thanks to SBA, which hired Lisbeth Nielsen and Anna Bodil Hald from Natur & Landbrug ApS (Nature and Agriculture) to prepare an overall development plan in connection with nature conservation at Ørnefænnene. The plan received input concerning financial matters from Organic Denmark. Furthermore, Rune Sø Neergaard from Amphi Consult contributed with information on bird species. St. Vildmosens Naturafgræsningsfællesskab IVS will comply with the recommendations in the report concerning the areas they lease.

The report is currently not published, however Natur & Landbrug will prepare recommendations concerning nature conservation for the areas, which will include special consideration for bird life – which includes several rare species. Furthermore, it may aim to improve the conditions for butterflies – perhaps even the rare butterfly called the Marsh Fritillary, which has not been seen in recent years, but which hopefully still exists in the Vildmose area. Work can be carried out in this area to promote wild foraging plants for the adult butterflies. There are also proposals in the report concerning how to support the public's great interest in the areas' golden eagle couple and at the same time to protect the golden eagle from disturbances.

In order to ensure that humus is preserved

on the meadows during operation, Lisbeth Nielsen recommends holistic grazing on the pastures and that drainage is modified on an ongoing basis to counteract high peat decomposition.

MEAT FROM VILDMOSE

Lisbeth Nielsen has also evaluated the options of marketing the meat from the grass-fed animals as "Meat from Vildmose".

In the report, Lisbeth Nielsen wrote: "A long-term contract for using Ørnefænnene is required in order for it to be attractive for the group of farmers to start selling a special local product. It is expected to be an advantage for both plot owners and farmers to establish such sales."

On this subject, Bo Larsen states the following:

"At Naturgræsningsfællesskabet we hope that the Nature Agency's local forest district, which is responsible for the operation of Store Vildmose, will meet with us and SBA so that we can introduce to them the proposals we have for the development of natural conservation in Ørnefænnene. You cannot limit the natural conservation efforts to the months when the animals are grazing. We are also responsible for the animals' welfare during the winter months. And the bills for fodder and animal housing during these months need to be paid. Therefore, it is incredibly important that we generate awareness that nature conservation is a societal task. This will bring goodwill to the farmers who champion this task. And it will result in improved awareness of the products they sell from the nature conservation. This way, it is possible to ensure that the farmers whose animals are involved in the conservation efforts have their expenses covered."

After a short break, Bo Larsen adds:

"In other words, if we simply rely on our common sense, we can get more locally-produced meat as well as more nature without it costing more; but this requires that the authorities and the farmers find a way to talk together.

Topkærsgaard

Kim Qvist and his family want to develop agriculture with social jobs at Topkærsgaard. Kim contacted Huset Venture, which has experience collaborating with municipalities concerning social jobs. Based on a farm with egg production, broilers, sheep, pigs, wheat, fruit and vegetables as well as a farm shop, they will create social jobs for 10-14 citizens.



The whole family is involved in the work with establishing multi-functional agriculture at Topkærsgaard. From the left, Kim and Lene Qvist, Silje, Clara and Anders Qvist Duus. Photo: Morten Telling

SBA'S INVOLVEMENT IN TOPKÆRSGAARD

Topkærsgaard is a case in Socially Beneficial Agriculture due to the social jobs and the collaboration in this regard with the municipality. Working together, Organic Denmark and Kim Qvist made a plan for how the agriculture and the social jobs should be established. SBA financed the preparation of a business plan for Topkærsgaard and for a lawyer to assist Kim Qvist with both the social and financial agreements that he needs in order to run Topkærsgaard the way he wants.

With respect to farm's ability to offer social jobs, SBA contributed in this case by shedding light on the economic consequences to the citizen, agriculture, the municipality and society.

SBA also contributed with the commencement of the conversion to organic agriculture and participated in meetings the municipality, among others, concerning the preparation of a nature plan for the area around Topkærsgaard, as Aarhus Municipality obtains part of its drinking water from there.

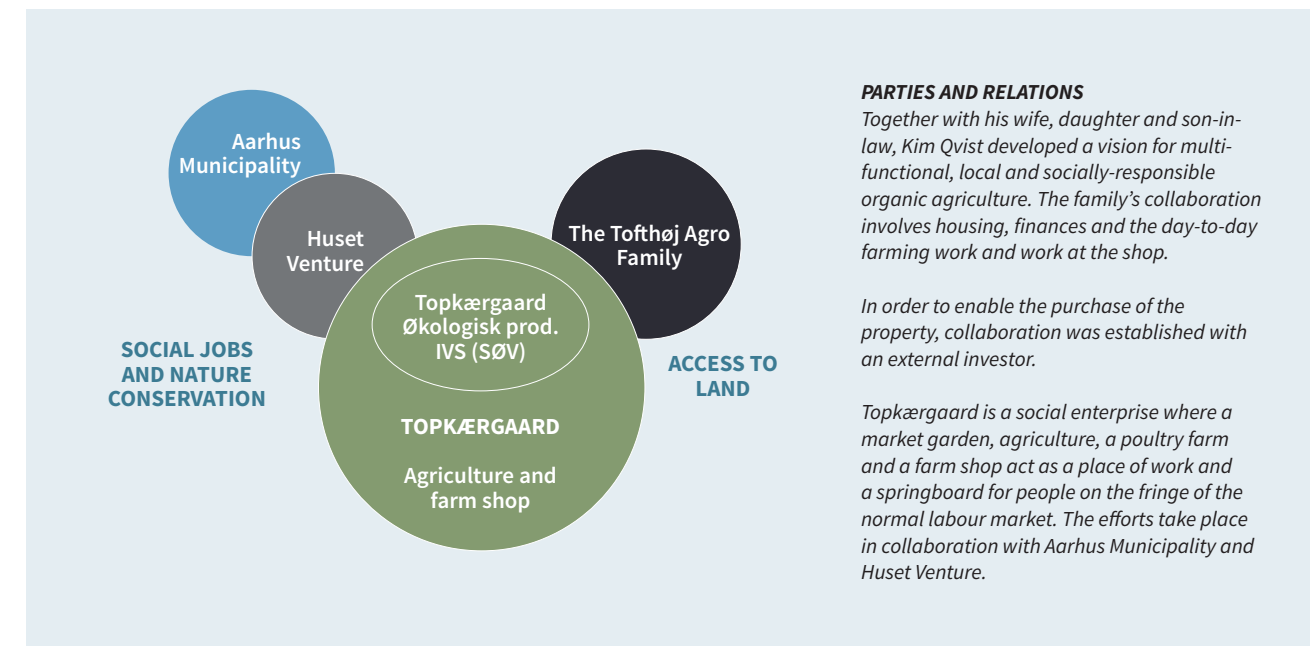


FACTS

- Topkærsgaard, which is owned by Kim Qvist and his family, is located near Aarhus.
- 46 ha land – owned and leased – are cultivated with wheat, fruit, vegetables and berries.
- Planned animal husbandry: chickens, broilers, sheep and pigs.
- A small poultry keeping has been set up in a mobile hen coop.
- A farm shop was set up with a large assortment of organic products.
- In cooperation with Aarhus Municipality and external partners, Topkærsgaard offers work for citizens with special needs. The target group is war veterans suffering from trauma.

www.facebook.com/topkaergaard // www.topkaergaard.dk

Collaborations concerning Topkærsgaard



AGREEMENTS

Topkærsgaard is registered as a sole proprietorship under Kim Qvist. Topkærsgaard leases land and agricultural buildings from the family and from external investor Tofthøj Agro.

The buildings and 8 ha land are owned by the families Qvist and Quist Duus, by 50 percent each. A joint ownership agreement is in place.

Topkærsgaard – Økologisk produktion IVS (the entrepreneurial company Topkærsgaard – Organic Production) is registered as a Social Økonomisk Virksomhed (Social Business) (SØV).

An agreement has been entered into with Tofthøj Agro ApS concerning the remaining 36 ha. Among other things, it describes the consequences for Kim Qvist if the land is sold.

An agreement has been entered into with Huset Venture concerning a rehabilitation programme and job capacity assessment for citizens mainly in Aarhus Municipality.

An agreement is in place with an organic wholesaler on trade and storage facilities at Topkærsgaard.

FINANCIAL MATTERS

A jigsaw of cooperation agreements forms the financial basis that allowed Kim Qvist to establish the company Topkærsgaard and that it has access to land, is able to establish different areas of operation and that it can offer social jobs.

For offering social jobs, Kim Qvist receives a mentor subsidy per citizen undergoing a job capacity assessment. The citizens who are deemed suitable for flexible jobs and a social workplace will receive better wages, a clarified situation and a line of work which often leads to a more meaningful and

independent life. Topkærsgaard receives workers for many of the manual tasks involved in agriculture in exchange for paying wages for an agreed number of hours. The rest of the wages are paid by the municipality.

The municipality pays more for a flexible job than for cash benefits, but there are savings with respect to follow-up and contact, which are part of receiving cash benefits. Society may reap certain benefits from social jobs. There are no studies that investigate the economy in this regard, but it would involve increased tax revenue, reduced medicine consumption and the elimination of rent subsidies and other public benefits.

EXPERIENCE AND LEARNING

Establishing contact with job centres can be a long and difficult road. When you manage to do so, you have to tell your story and explain what you want. Agreements must be made concerning which citizens and which activities are involved. Work functions must be identified and described. It must be established whether a mentor fee or other compensation is paid. Contact and dialogues must be established with relevant caseworkers, and finally the citizens must be referred to the offer. Along the way, certain details must be clarified, including transport, number of hours, lunch arrangement and changing facilities.

Despite a great willingness from Topkærsgaard to accept citizens and despite persistence, a good network and positive reactions from the parties involved, it took nearly a year to establish the first jobs.

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VILLUM FONDEN X VELUX FONDEN



“The soil is completely dead. The owner gave it a large dose of Roundup last autumn,” said Kim Qvist, while digging around with his hands in the earth between the stubs of the winter wheat on one of Topkærgaard’s fields, which he is now converting to socially-responsible organic agriculture.

Kim wants to help WAR VETERANS

TEXT AND PHOTO: JAKOB BRANDT

Kim Qvist has leased Topkærgaard farm, consisting of 46 ha and located on the outskirts of the village of Kasted, about seven or eight kilometres north of the town hall square in Aarhus.

Here, he is in the process of setting up multi-functional agriculture, where in close cooperation with Aarhus Municipality and Huset Venture, he wants to establish a large number of social jobs.

Huset Venture has departments around the country and is specialised in offering jobs to citizens who, for different reasons, are permanently or temporarily unable to

work full-time.

At Topkærgaard, the idea is that the veterans should help out in the fields, collect and clean eggs, handle tractors and machines, manage the farm shop, etc.

NATURE IS GOOD MEDICINE

There are about 30,000 war veterans in Denmark, and studies show that almost 10 per cent suffer from post-traumatic stress. They are the people who Kim Qvist wants to help towards a life where they are better able to handle their war experience.

“We want to provide war veterans with a

qualitative offer,” said Kim Qvist, who is convinced that contact with nature and agriculture is great medicine for traumatised veterans.

The framework for the new project is a small three-winged farm.

Through the operating company Topkær Økologi, Kim Qvist started by leasing the property with the option to buy in 18 months, and some of the most important tasks will be to arrange the financing for the purchase of the farm and the conversion to organic agriculture.

The entire project is a melting pot of my life, which has always been about agriculture, social work and politics. I have worked for 20 years within the social field, and I have been principal at two social institutions. I know all the problems, and my education is as a family therapist.

- KIM QVIST

A MELTING POT OF MY LIFE

The idea of being an independent farmer and institution owner has been brewing for a long time with Kim Qvist, who feels particularly qualified for the job.

“The entire project is a melting pot of my life, which has always been about agriculture, social work and politics. I have worked for 20 years within the social field, and I have been principal at two social institutions. I know all the problems, and my education is as a family therapist,” he said from the garden furniture in the yard, where for the first time in 2016, the spring sun pushed the temperature up into the double digits.

There are many plans, and Kim Qvist describes it like standing under a large funnel filled with ideas.

“Now, it’s all about carrying them out in the right order. My greatest challenge at the moment is that the day only has 24 hours,” said Kim Qvist and added:

“I also have to figure out how I can finance the actual purchase, re-building, equipment and establishment of the farm. This could be done using shares, part ownership by a foundation or a different option,” said Kim Qvist, who is leaving his options open.

On the other hand, he is absolutely determined to stick to the vision for Topkærgaard, so that any new partners will have to be part of the concept. This is something that his partner Huset Venture is very much in for.

10-14 JOBS

Every year, Huset Venture receives several enquiries from companies and projects that offer social jobs.

“Topkærgaard is right at the top among the ideas we have been presented with during the last year,” said Kjeld Søndergaard, head of development at Venture.

He referred to experience abroad, which documents that physical work with animals and soil at a farm is ideal for many of the war veterans who have come home with post-traumatic stress.

In his view, there was a good match between the core values of Huset Venture and organic agriculture, and he hopes to be able to refer citizens to other similar organic farms,

KIM QVIST HAS SPENT HIS LIFE WORKING TO DEVELOP MULTI-FUNCTIONAL AGRICULTURE WITH SOCIAL JOBS, WHICH ARE PRIMARILY TARGETED TOWARDS THE NUMEROUS DANISH WAR VETERANS WHO CAME HOME WITH POST TRAUMATIC STRESS.

which typically require more manpower than farms with conventional agriculture.

To begin with, Kjeld Søndergaard expected that Topkærgaard would employ 10-14 people working 2-6 hours per week.

Now, it’s all about carrying them out in the right order. My greatest challenge at the moment is that the day only has 24 hours. I also have to figure out how I can finance the actual purchase, re-building, equipment and establishment of the farm. This could be done using shares, part ownership by a foundation or a different option.

- KIM QVIST

FARM SHOP IN THE BANQUET HALL

According to plan, the first veterans started working at the farm during April 2017, where they assisted with the setup of the new premises.

The revenue must be derived from the agriculture, the role of mentor and the sales from the farm shop.

Kim Qvist had already set up a section of the stable buildings from where his wife could run a muscle massage clinic.

Some of the veterans would work at the farm shop, which is located in a room that previously functioned as a banquet hall. An egg packing plant will also be set up at the farm.

Previously, he ran an organic farm shop and after that an organic supermarket, so he knows what it takes.



MOBILE HEN COOPS

The idea was also that the agricultural students from Kalø could take advantage of the experience at Topkærgaard, and some of the fields were designated as experimental fields and organic town gardens.

“I made an agreement with Niels Nørskov that he sets up his first prototype mobile hen coop here at the farm, which can house up to 100 chickens. Together, we plan to develop and build larger hen coops, which can house 6-800 chickens,” said Kim Qvist.

If the sale of hen coops takes off, there will be lots of work for the war veterans.

Westergaards Planteskole (Westergaard's Plant School)

Five citizens from the job centre in Kerteminde Municipality are undergoing an internship with Bettina and Lars Westergaard. They would like to extend this to 10 citizens. This requires additional construction, better facilities and more activities at the plant school. They face the challenge of finding the financing for this endeavour. They also want to improve and develop the collaboration with Kerteminde Municipality and possibly other municipalities in order to ensure demand for the social jobs that they offer.



Lars and Bettina Westergaard have established social jobs at their plant school near Kerteminde and would like to expand this part of the company. Photo: Kirstine Mengel

SBA'S INVOLVEMENT IN WESTERGAARDS PLANTESKOLE

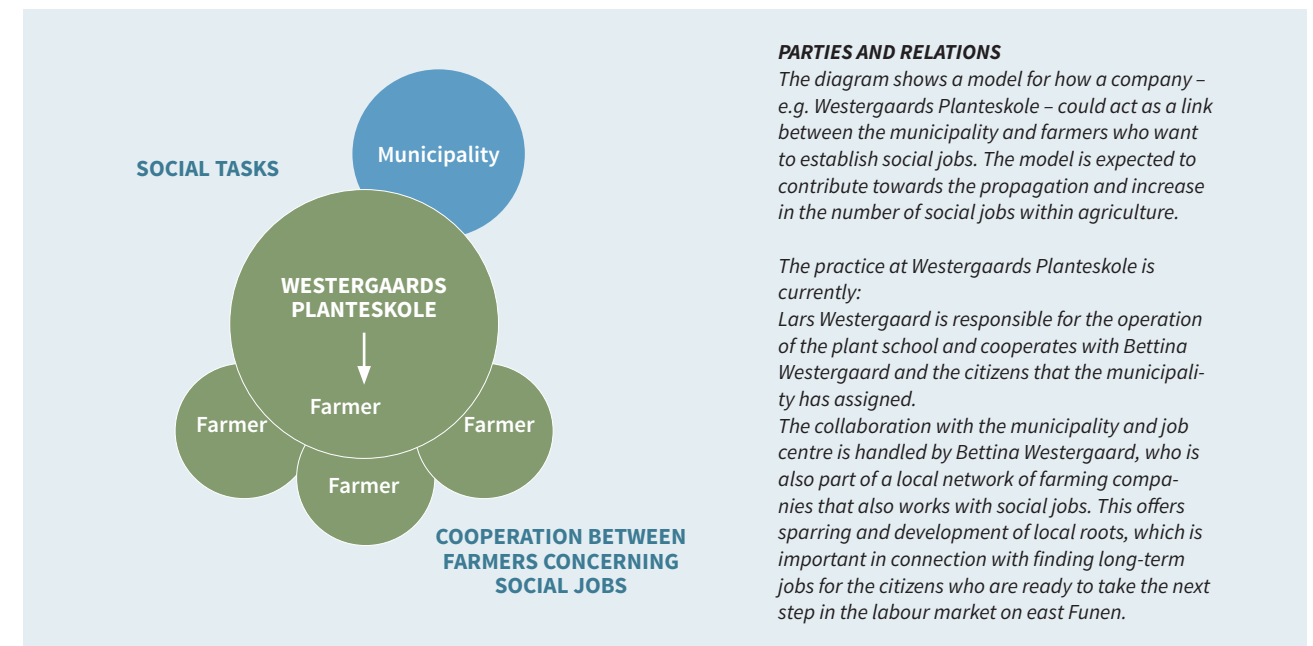
Together with Lars and Bettina Westergaard, Organic Denmark's development consultant prepared a plan for how the additional construction can be prepared and financed. SBA financed advice services concerning the planning of construction, project development as well as to investigate the options for bringing in financing for the capacity expansion.

A model was developed in the case to show how social jobs through Westergaards Planteskole can be extended to a group

of other farming companies, each with one to two social jobs. On behalf of the farming companies, Westergaards Planteskole would be responsible for the cooperation with the municipality – a function that requires knowledge, insight and experience with the social-municipal area in order to succeed. In order to spread this model, SBA held an event at Westergaards Planteskole, where Kerteminde Municipality, neighbouring municipalities and farming companies were invited to participate.



Collaborations concerning Westergaards Planteskole



AGREEMENTS

Westergaards Planteskole has a written agreement with Kerteminde Municipality that the plant school operates as a social workshop. The agreement states that the plant school makes available at least five positions for vulnerable unemployed individuals in the east-Funen municipality. Kerteminde Municipality is responsible for referral, follow-up and support of the respective citizen.

Westergaards and Kerteminde Municipality are in an ongoing dialogue. At least once a year, a meeting is held with the municipality where the expectations for the cooperation are aligned and where the cooperation agreement is adjusted if necessary.

Bettina Westergaard supplements and supports the work functions with coaching meetings, garden therapy, yoga and mindfulness, depending on the individual citizen's needs and wants.

FINANCIAL MATTERS

Lars and Bettina Westergaard own Westergaards Planteskole, and since 2003, they have built a solid and growing customer base for their highly-specialised products, including climate-adapted hazelnuts, walnuts and figs. The operation of the plant school constitutes the majority of Lars' income.

The plant school has the status of social workshop in Kerteminde Municipality. The plant school offers specially-organised internships and job capacity assessment activities, typically for five citizens at a time.

The municipality pays a fixed amount per citizen per week in mentor subsidy to Bettina Westergaard.

Lars and Bettina hoped that, in 2017, they would be able to finance a 130 square metre multi-purpose building, with offices, bathrooms, lunch rooms and activity rooms, in part through fund raising and in part through self-financing.

EXPERIENCE AND LEARNING

Westergaards Planteskole achieved good results thanks to expertise, a professional approach to the operation of the plant school as well as to pedagogical work, and through a persistent and focused dialogue with the job centre and the municipality.

Collaboration with the municipality and job centre concerning the establishment of jobs on special terms at a farm typically involves knowledge of legislation, dialogue with case workers and the time to deal with the needs of the individual citizen. Tasks that most farmers would rather not have to handle.

In Socially Beneficial Agriculture, we want to test a model, in collaboration with a municipality, where a farm specialises in the dialogue with the authorities and acts as a protected "receiving farm", from where the citizens can move on to a network of normal farms when they are ready (see diagram). We did not succeed in getting the municipality to enter into a dialogue on developing this model.

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VILLUM FONDEN X VELUX FONDEN



It makes a lot of sense to combine a plant school with social responsibility. At least according to Bettina Westergaard from Westergaards Planteskole on Funen. Here she is taking turns removing husks from the hazelnuts together with Marcel Hermes, who is an intern at the plant school.

- Because it makes A LOT OF SENSE

TEXT AND PHOTO: IRENE BRANDT

“Since we would like help assume social responsibility and because it makes a lot of sense to us, over the last three years we have acted as a social workshop for Kerteminde Municipality. This means that we can have up to five citizens at a time taking an internship at our plant school after a long period of sick leave,” said Bettina Westergaard, who owns the plant school Westergaards Planteskole together with her husband, Lars Westergaard.

The couple bought the property consisting of 2.7 ha in 2003 and started building a

new home for the family. At the same time, Lars Westergaard, who is a horticulture graduate, started a plant school at hobby level. However, in 2009, he left his regular job behind and has since used all his time on the plant school. Bettina Westergaard is a social educator. As the plant school has grown, she has been more and more involved in the work at the property, and in the last 5 years, she has also been working full time at the plant school.

“We thrive when things develop steadily,” said Lars Westergaard – which among other

things meant that the couple did not found their company with extensive debt. The company developed as they were financially able to support new initiatives. Financial sustainability and freedom is of great importance.

STRESS-FREE ZONE

Deep inside one of the tunnel greenhouses at the plant school, there is an old sink tub with a little fountain. The floor is covered with pleasant-smelling chips, and you can find chairs and benches under the persimmon

At SBA, we can share our knowledge and experience and spread the message that it is both good for society and for the company when the company assumes social responsibility.

- LARS WESTERGAARD

and fig trees. A dream bed is placed a bit to the side, in case anyone needs to relax in a more private environment.

“This is our stress-free zone. Once a week, I sit here with my interns and we do mindfulness and activities inspired by the principles of garden therapy,” said Bettina Westergaard. The couple believes that, beyond testing their capacity to work, it is important that the interns are given tools at Westergaards Planteskole that may prevent relapse.

“Many of the interns gave themselves 100% at work for years, but along the way, they forgot to take care of themselves,” said Bettina Westergaard. Lars Westergaard added:

“Here, we can help them to discover what they can do going forward so that they can avoid suffering from stress once again.

Most interns attend the plant school for 13 weeks, however this may be extended if necessary.

In the same way as it is important for Bettina and Lars Westergaard that the people taking an internship at the plant school are helped in a positive direction, it is also important to the couple that the socially-beneficial work takes place in cooperation with others. They are therefore thrilled that Westergaards Planteskole is part of Socially Beneficial Agriculture (SBA), which is a project under Organic Denmark with funding from the Villum Foundation.

“At SBA, we can share our knowledge

LARS AND BETTINA WESTERGAARD RUN A SMALL, HIGHLY-SPECIALISED ORGANIC PLANT SCHOOL IN EAST FUNEN; HOWEVER, PLANTS ARE NOT THE ONLY THINGS THAT THRIVE AT THEIR PLANT SCHOOL.

and experience and spread the message that it is good both for society and for the company when the company assumes social responsibility,” said Lars Westergaard.

ONE STEP AT A TIME

As the plant school developed step by step, the company’s road towards a status of social enterprise has also developed over the years.

“It started when we were contacted by a local integration group five years ago, which wanted to see if we wanted to offer work to a refugee who had to learn Danish. It was a success, and shortly thereafter, Kerteminde Municipality used us as an internship location for citizens who needed a job training course,” explained Bettina Westergaard, who has since received a fee for acting as a mentor for the interns. The money was well spent, as around 95% of the citizens who interned at Westergaards Planteskole either joined the labour market or were deemed able to handle flexible jobs after their internship.

“We do not demand that the interns have any special skills when they start with us, but they should want to be here and to see the idea behind being here. And so far it has gone very well. So now, we would like to take the next step,” said Bettina Westergaard.

THE VISION

“We want to expand with a new building, so that we have facilities that are appropriate for the work we do, and we would very much like to expand our capacity,” said Bettina Westergaard.

“Here is the plan for building 120 square metres, which will offer space for a group room, a kitchen as well as a bathroom and lavatory for our interns,” said Bettina and Lars Westergaard while showing us around the plant school. And “here” refers to an extension to an existing building. The area has been planted with trees and bushes, from which Lars Westergaard collects scions. The trees and bushes have to be moved so that we are ready to build; but first, we need to find funding for the project.

“We could pay for half the expenses by taking out a loan, which we estimate would be about DKK 1 million. The rest we are trying to have financed by applying for funds with different foundations,” said Bettina Westergaard.

This new building is a prerequisite for enabling more interns to take advantage of the offer from Westergaards Planteskole. Today, the space around the table in the kitchen in the couple’s residence is what limits the number of people.

“At the same time, we are looking into the possibility of being approved as a socio-economic company. Our dream in the long-term is to have the opportunity to hire a couple of people in a flexible position. For example, they could help us at the office or with other tasks, so that we can have more time available to plant even more trees. At the same time, we would like to expand our offer for mindfulness and garden therapy with yoga and coaching,” said Bettina Westergaard.



Lars and Bettina Westergaard sat in the stress-free zone, which is one of the garden therapy initiatives that the plant school offers its students, who benefit from the good working environment and the regenerating green surroundings at Westergaards Planteskole.

APPENDIX

APPROACH TO DEVELOPMENT OF MODELS FOR THE AGRICULTURE OF THE FUTURE

Value creation in the new models for the agriculture of the future must take place through collaboration. Therefore, the project “Socially Beneficial Agriculture” has resulted in certain considerations derived from the collaborations which were established. These have been compiled below.

The new models set the stage for farmers to cooperate more with other farmers. This involves collaboration between established and young farmers, between farmers specialised in different areas of operation in a local ecosystem and between farmers towards the development of new modes of operation.

Specialisation establishes the foundation for competence development and the use of new technological, control and automation systems based on biological knowledge; however, it requires collaboration between the specialised companies in a local ecosystem in order to also promote organic farming, for instance through crop rotation effects, better utilisation of nutrients and improvement of soil fertility. The collaboration concerning new modes of operation includes principles from nature, which focus on production with small investments as well as contributing towards improved biodiversity, a positive effect on the climate and other socially-beneficial rewards.

The models developed in this project lead to more leasing, renting or sharing of land, buildings and production equipment by the farmers of the future. In this way, farmers can establish themselves with a far smaller capital requirement. Owners of land and buildings are separated from farming companies and become partners to the farmers or farming companies.

The municipalities or other public institutions act as partners in various ways in the new models. They act as managers of the flows in the local ecosystem and they are initiators of the transformation of the society/community in a more organic direction, e.g. through public kitchens that sell organic products. This may also involve conservation of municipal land to generate biodiversity, or conversion of organic waste from gardens, parks and households into nutrients and carbon build-up in the soil. The municipalities are also partners to the farmers in connection with the creation of social jobs, which require different conditions than those offered on the normal labour market.

Finally, citizens are also partners to the farmers in the project’s models. Over time, a divide has formed between the countryside and the towns, with more links in the chain between the consumer and the farmer. In the models, the consumers become citizens since they become involved with production in different ways, whether through investment in organic land or in an organic farming company,

or by entering into agreements to buy organic products. With the investments of the citizens, the farmers take on the role of managers of society’s shared livelihood – the local ecosystems.

TYPES OF COLLABORATION

The project has generated a number of models for collaboration concerning the future of agriculture. The types of collaboration in the new models are illustrated in a figure. The principles behind the figure are described below.

Cooperation between farmers

In the centre of the figure and marked in green is the cooperation between farmers. The farmers join together to create a company to run a farm, or they enter into agreements on share farming and shared operations or cultural cooperatives.

Cooperation with landowners

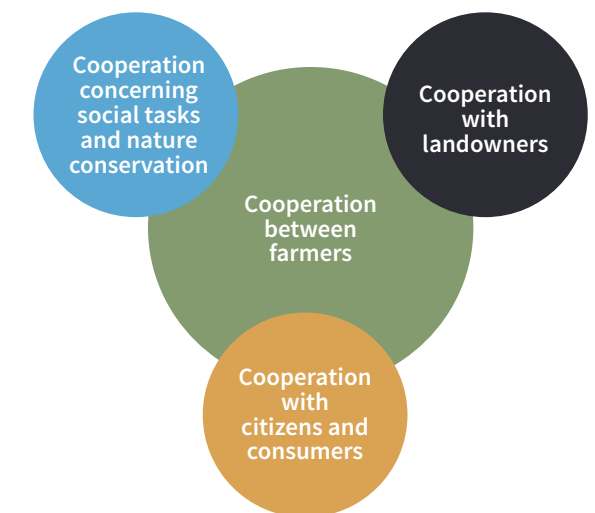
Farmers collaborate with landowners (black). Farmers or collaborations between farmers can enter into leasing agreements or agreements to use areas for various purposes and during different periods, e.g. agreements on grazing, nature conservation, growing vegetables, etc. In many cases, the landowners are established farmers, e.g. when share farming is established. The state, municipalities or self-governed funds can also be landowners that, for example, have natural areas that need to be cared for. This could also include local land funds that were established for the purpose of acquiring land and leasing it out to organic farmers.

Cooperation with the municipality

Farmers collaborate with municipalities (blue). In the collaboration with municipalities, farming contributes towards establishing social jobs for people on the fringe of the labour market. Farmers cooperate with municipalities concerning nature conservation in cattle grazing guilds, recycling organic materials and supplying healthy food products to public kitchens etc.

Cooperation with citizens

Farmers cooperate with citizens (orange). The farmers acquire operating capital by entering into collaborations with citizens concerning the establishment of a company to conduct agriculture. In the current project, the concept of community farm was developed as a term to encompass this. The farmers can also enter into agreements with citizens concerning prepayment of specific products, which can subsequently be supplied. This way, liquidity can be achieved to cover production costs, and the farmer ensures sales for a product by entering into such an agreement with the citizens, e.g. as a subscription scheme. The farmers can also enter into agreements with citizens through an association that supports a certain production or a certain purpose, e.g. “koklappeaftaler” (agreements between the farmer and the community on daily inspection of cows/taking care of cows). There are many variants of looser forms of cooperation with citizens for the generation of capital. This includes different types of crowd funding.



DEVELOPMENT OF COLLABORATIONS

On the basis of the work in the cases, a procedure for the development of cooperation has been presented:

1. Initiation of cooperation. To begin with, decisions must be made concerning the type of cooperation, which partners are needed and which characteristics the partners should have.
2. The partners must be found. It is a good idea to make an effort to test each other in collaboration situations. For example, trial periods could be agreed. This approach may be considered slow. In this phase, you may be eager to move on and may therefore forego thorough mutual testing. However, thoroughness here can prevent later conflicts and prevent collaborations that would never work.
3. Agreement to cooperate. The work to prepare a cooperation agreement commences. This may result in the parties discovering that there is no basis for a cooperation agreement and that other partners need to be found.
4. Entering into a contract/cooperation agreement. When the partners have formulated their intentions and wants with regard to the collaboration, a lawyer is brought in to prepare an agreement. The lawyer must be tasked with representing the interests of the partners in a way that considers the situation of the individual parties. If some of the parties are unsure about the agreement as it pertains to them, they may involve another lawyer to evaluate this matter. However, it is advisable that the second lawyer is given the same instructions as the first, i.e. to consider the interests of the whole, so as to avoid unnecessary conflicts caused by advisers that focus on special interests. It is about reaching an agreement that promotes the cooperation and generates balanced development opportunities for all parties to the agreement.
5. Implementation. When the agreement is in place, the cooperation is initiated and put into practice. This is done by agreeing on a structure and practice for how the actual production involved in the collaboration should take place, how it should be planned and how it should later be re-assessed, renewed or terminated.

PROMOTION OF COOPERATION

The project found that there are different factors that promote successful cooperation. It must be for the common good. A party that gains nothing from cooperating will not participate out of self-interest. The cooperation in itself must have a perspective, but each individual party must also be able to see an advantage in being part of it. The participating farming companies must be able to develop their company through the collaboration.

Openness among the parties is necessary in order to establish an understanding of and reach agreement about how the cooperation agreement would benefit everyone and be balanced relative to the parties to the agreement. Openness may concern production matters, financial matters and plans.

In order for a collaboration to work, ongoing dialogue is necessary. The way communication is conducted is key to how the cooperation functions. All parties must be involved in the dialogue. Choice of words indicates whether one party has the intention of trying to understand the other. If you forget to verbalise your plans and actions, it may lead to undesirable conflicts.

These “rules” for cooperation may seem obvious, but they are difficult in practice. In order to promote dialogue, it is important to establish a meeting structure and practice for the dialogue.

