



## *Reversing Climate Change with Sustainable Agroforestry*

This executive summary is an extract from the business plan which applies for the business eGro will do in the next 3 years, based on our current operations in Ghana with the subsidiary eGro Ghana Ltd.

The business plan will be replaced by an upgraded version in late 2018, with more intense decisions being made as to future development into other countries, based on the learnings we accumulated in 2017 and 2018 in Ghana.

## **Executive summary - April 2021**

eGro is a climate startup. We use a production method that will replace conventional agriculture. Our objective is to reverse climate change with sustainable agroforestry.

eGro focuses on making carbon positive food products for Nordic conscious consumers. This will make the food consumers able to be carbon positive by eating foods produced in the right way, and the farmers able to build food-forests all over the planet - for profit - and thus, together with the global green consumer become the driving force for a climate solution.

We design and build forests in emerging markets with smallholder and subsistence farmers. eGro produces and trades agroforestry products working together with local women farming groups and cooperatives. We are currently raising a small seed round to export and produce peanuts for the snacks market - salted and hand roasted from our Ghanaian farmers.

While we are building the sales channel to the Nordic conscious consumer.

### **Background**

eGro is a Zebra company as opposed to a Unicorn.

The idea was conceived in 2008 and established as a startup in 2012 - since then we have been professionalising as a social enterprise and since developed into a for-profit climate business, operating with a strong global mindset in a mission driven culture.

We have been engaged in several countries before settling on the most stable country in West Africa in 2016-2018 for our pilot project; in sub-saharan africa in Northern Ghana. In 2019 we also investigated and built partnerships in China, both for future market purposes, for Chinese botanical experts and access to Chinese investors in African countries.

eGros team consists of seasoned mid-age entrepreneurs and specialists in ecology in Copenhagen, a network of advisors that have been onboard on average 5 years with eGro, and an experienced farm sector staff as management in Ghana, having hired their own team of young rural people working with us for 3 years on the ground.

### **Status**

eGro is early-stage with a proof-of-concept for production of climate positive foods. We already made it work between 2016 - 2018 in a production scale pilot project. In a first of a kind commercial system, where we applied the method with our producers.

With a 1-acre model, we contract with farmers in rural emerging markets to produce according to these methods.

We now work with women cooperatives and rural farmers in Northern Ghana in Sub-Saharan africa to make their production price competitive. They do operations in production and post-harvest according to our plans. eGro does logistics, processing and trading of these climate resilient products from the sustainable agroforestry production fields.

### **Method/Technology**

We use sustainable climate resilient production methods that secures harvest in extreme weather conditions due to climate change. We facilitate specialty seeds, and tree seedlings to amend the soils for the farmers, and we bring materials for production and secure post-harvest of their crops. We export and market the products to the high-end conscious consumers in the western markets.

We are producing only with climate resilient methods, using sustainable agroforestry - giving us an advantage over traditional agricultural methods in harvest productivity as well as keeping the production price stable. This method is carbon positive and lowers the footprint of our customers the more they buy from us.

### **Product**

We are focused on making a market entry with food snacks in collaboration with local women farming cooperatives, and export these foods to the European market. We will value add and package the products in Europe and sell to climate conscious consumers as a green alternative to traditional agriculture that has a heavy carbon footprint.

### **Ask**

*Seed round 1 and 2 - 2021*

We are currently looking for two small seed rounds to prove our ability to export out of Northern Ghana and enter a product to market.

### *Beyond 2021*

We need financial partners to expand production, consolidate operations and facilitate further market entry in Northern Europe.

Our customers are based locally in Denmark and the Nordics, with expectations to expand to the Swiss and German conscious consumer food market.

We are looking for an investment of 18mio DKK 3mio USD to build an agroforestry project in Northern Ghana between 2021 and 2025.

## Vision for a Green Planet

Imagine a future in 130 years where all the planet's semi-arid deserts are covered in lush forest where people and robots are producing foods and non-edibles and “non-timber-forest-products” like textile fibres from large trees and cork to replace leather.

A production system where mankind is using forest raw materials in all industry sectors for building sustainable products.

This is how consumer driven capitalism in the future will be reversing the damage that mankind has done on the planet through the industrial revolution by capturing carbon in all the forests spanning the continents.

We will need to plant these productive forests, in this business plan we will show you how we are going to start the commercialisation of these so called agroforestry projects in a scalable way and making them more profitable than conventional agriculture due to the adversities of extreme weather events and the depletion of soil and water that have made agriculture into a non-profitable debt business.

*Jacob Vahr - Founder of eGro*

# The Business Case

## Commercialisation

We commercialize subsistence farmers in emerging markets with our one acre model, by providing the first input, seeds and materials, knowledge and give them materials for processing. We train them via digital media in cinemas in their local communities and give them know-how to help them design climate resilient cash crops and forestry systems to become part of the growing global supply chain in demand of secure and stable food and non-edibles of the future.

eGro is a climate startup that designs and builds forests in emerging markets with smallholder and subsistence farmers. The company produces and trade agricultural and agroforestry related products from the crops grown by contracting farmers inside these forests. The forests provides safety for the cropping plants and makes the production resilient to climate change, which leads to extreme weather phenomena, such as drought, heat waves and flash floods

We are commercialising a well known method called agroforestry and permaculture on a large production scale. These two methods are used worldwide for fighting desertification, but on a production scale for profit with . We help farmers in emerging markets produce a climate resilient crop, export it as raw materials and process it for sales under our own label.

## Sustainability

We offer our conscious consumers the ability to buy and eat CO2 POSITIVE foods and non-edibles at their convenience store.

By consuming these products, they can increase the planting of forests and thus be the driving force in capturing CO2 from the atmosphere which is the main cause of climate changes. The forests further regenerate soil fertility and refill water aquifers, stopping desertification, alleviate extreme poverty and create economic equality between the developing and the industrialised world.

### **We call these the four bottom lines.**

**Blue** - Water, measured by how much water the forest systems we build filters to the water tables and the aquifers. This ensures that the population in the rural areas can continue to dig wells and have non-toxic and clean drinking water, even if their populations continue to grow for another generation.

**Red** - Social, the impacts of alleviating poverty is enorm, when working with people at the BoP Bottom of the pyramid, these people make less than a dollar per day per capita. Employing all the people in the households during seeding, maintenance, harvest, post harvest, as well as increasing their knowledge about local nature and health issues through our presence in the local communities with our cinemas. ON a local level people throughout

the province in the processing, storage, transport and building of eGros projects. As well as on a macro level increasing the export balance from the relatively high volume of products exported from a primary sector like agriculture.

**Green** - The reversing of climate change through capturing carbon is only on long term, which will come into effect probably in a hundred year's or so. The local environment changes within a few years, when microclimates are built in between hedgerows. The biodiversity increases and desertification is prevented or reversed where it has already started

**Black** - The general profitability of the company in regular business terms is a matter of pure return on investment. Once we break even in a subsidiary like Ghana, we will keep our linear growth in the first year, until consolidated and eventually expand more exponentially through local branding and promotional exercises like farmers fairs

Thus we are ensuring a number of beneficial factors to reach a sustainable society both in the production countries as well as the high consuming part of the world. This commercial model based on agroforestry and permanent agriculture is at the heart of eGro, one that we wish to spread throughout the world as fast and as consolidating as possible, keeping the balance without undermining its own natural resources available and the productivity of the soil and water, and the profitability of the business. All at the same time.

## Technique

As stated above, all methods are done using permaculture which is the practice of planting a variety of species in the same field to create symbiotic relationships. The more common practice is monoculture where farms are planted with only one crop species causing environmental damage. Permaculture does not, it leads to a forest which develops food without the need of fertilizer or irrigation systems as the local rainfall and smart soil practices provide the forest with what it needs. This solves a multitude of serious global problems. eGro's methods on a mass scale act as a significant carbon sink from the growing forests, revitalize soils and water levels, yield food in areas too dry for normal practices, empower impoverished farmers and lastly provide more food to the global market.

Permaculture is not new to humanity as it is practised around the globe but is not practised on a commercial scale. Jacob Vahr the founder and CEO conceived of the idea of commercializing permaculture during his visits in West Africa and with his leadership eGro plans to become the first commercially scalable operator and global leader on this method by growing quickly and expanding into other developing countries throughout Africa.

## Production

eGro is doing this by acting as the organiser, consultant, supplier and purchaser to the local farmers that are contracted to use the method. We work with village authorities like chieftaincy leaders and leading farmers to find the right fit for commercial partnerships and supply the farmers with the knowledge and physical resources in order to start their climate resilient one acre permaculture farms. eGro and the farmers have an agreed upon price for

the products so it is a low-risk high potential deal for the farmers who primarily are subsistence farmers before partnering with eGro. This means they typically have between 25-40% production of eGro crops, and 75 - 60% for consumption in their own household.

In the first major year of production, a successful peanut harvest has led to partnerships where eGro's limited production volume is used as a merchandise to spread the story with limited release items. This acts as an excellent example of a single business case for transiting expensive and non-sustainable agriculture of high input, i.e irrigated plantations, which with eGro's model will become the norm of climate resilient production as we confront more extreme weathers in all food and non-edibles industries. Our aim is to target large B2C businesses not only as a consultant in building projects for these raw material supplies, but to act as a joint venture direct supplier. A case like this will be valued because eGro's story and methods are completely unique to the market, creating an excellent branding and marketing opportunity for future partners in many parts of the value chain.

## Investment

eGro has ambitious goals to increase acreage 15-fold by 2020, have at least six types of produce by 2020, empower one thousand farmers and their families, expand to other countries in Western Africa, and pilot projects in other regions of the continent.

eGro Ghana Ltd. will earn its first profits in 2020. However, further capital is needed for the expansion and to break even the sustainable method for long term productivity and consistency during years of drought and floods. n.

eGro is looking for an investment to continue its operations as the only commercialized producer of agricultural products using permaculture. Currently, eGro is in its third year operating in Ghana working with over 112 local farms growing peanuts, chilis (not 2018), quinoa (in 2019), mango, lemon, and cashew (since 2017). The continued growth demands further investment in order for anticipated expansion into other village communities in the area and building up the standard of the existing farms.

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