

BUSINESS PLAN

Compiled by : H. R. Swanepoel

1. A POVERTY RELIEF PROJECT

1.1 Project Title:

POTCH – ECO – GROW
SOUTHERN REGION, NORTH WEST PROVINCE

1.2 Physical Address:

Municipality Potchefstroom
Gouws street Potchefstroom
Directorate: Health and Environment Services

1.3 Postal Address:

Directorate: Health and Environment Services
P O Box 113
Potchefstroom
2531

1.4 Contact Persons with Contact Numbers:

Dolph Swanepoel Phone: 018 2995444 / 018 2995263

2. PROJECT DESCRIPTION:

Potch–Eco–Grow was started on 17 March 2000 after three years of research and trials.

The unique eco-circle concept was developed and designed by Potchefstroom City Council to break the vicious cycle of hunger, unemployment, poverty, incapacity and crime. An eco-circle garden comprises of a central circular bed in which a fruit tree is planted, with six smaller circular surrounding beds. Each of these contains a different vegetable,

offering sound, balanced nutrition. The space between circular beds are left intact (veld) to support a healthy population of insects both predators and pests. This also give protection against wind soil. This areas in between also supply some extra organic material from time to time to feed to the earthworms and to use as mulch.

Other plants like herbs, muti-plants, cut flowers and functional plants add value to the harvest and can be a wonderful job-creator. Reeds that can be used for baskets are a typical example. Global oxygen levels are also enhanced through CO² sequestration.

The earthworm cycle is also part of this system. An earthworm incubator is placed at each site, where kitchen, plant and vegetable waste is transformed into nutritious vermi-compost, which will eventually go back into the eco-circle holes. *(The earthworm cycle attached).*

The unique wet-pipe irrigation system is also one of our plus factors. The wet-pipe irrigation pipe is a porous pipe designed for sub-surface installation. It is environmentally friendly, because it is made of recycled material that consists mainly of used tyres. New life is thus given to recycled tyres that in the past were regarded as a total waste and bad for the environment.

With the manufacturing of wet-pipes, more jobs are created directly and indirectly whilst cleaning of the environment takes place. Plans are already on the table to erect such a factory in Potchefstroom with the City Council as the shareholder.

The pipe is designed to deliver precise quantities of water directly to the root zone of a plant. In doing so, the evaporation transpiration needs of the plants are met in a very economical manner.

Studies have shown that savings of 50-70% can be achieved in water consumption – good news for dry South Africa and certainly an indication of higher profits for the farmer entrepreneurs!! *(Wet-pipe cycle attached)*

3. PROJECT MOTIVATION:

The main motivation is to create jobs and to provide food. Sixty unemployed volunteers are presently happily working for a

ten rand (R10) incentive per cluster completed, as well as a balanced meal a day. Their self-esteem in the community is also enhanced.

To date more than three thousand households reap the fruits of their eco-circles.

Malnutrition is counteracted by means of nutritious vegetables that are daily available to the poorest of the poor and give them a platform of stability and development.

Wastelands are changed into fertile, productive land with the minimum impact on the environment.

(Maslow's need theory and community development attached)

The future of this project, although it is still in the early days, is phenomenal. Wasteland extends to over millions of hectares in South Africa. It is estimated that in Ikageng (township) alone, about twenty thousand households can benefit from eco-circles. If there is only one fruit tree per household to be harvested and brought to an assembling point for processing or even export purposes, this could lead to an enormous acceleration in job creation. The earthworm extraction units and the wet-pipe factory will enhance this.

4. PROJECT BENEFICIARIES:

The unemployed and disadvantaged youth and people in our community.

5. MAIN ACTIVITIES:

Propagation of seedlings

Manufacturing of wet-pipe systems

Breeding of earthworms

Implementation of the eco-circle system at households, churches, schools, day care centres, guesthouses etc.

Marketing the project to the rest of SA and even overseas.

Nutrition Education

Daily preparation of food for the field workers

6. AREA OF OPERATION:

Southern Region of the North West Province.

It is implemented in the Potchefstroom and surrounding areas.

7. PROJECT OBJECTIVES

To create job opportunities for the unemployed.

To improve the nutrition status of targeted households.
Decrease in crime incidences.
To enhance oxygen levels.
To generate income for project members and promote sustainability of the project.
To empower the community through self-help projects.
Promote environmental awareness by working with minimum impact on our environment.
Limitation of wind and water erosion.

8. STRUCTURE PROVIDING THE SERVICE:

See attached Organizational structure.

9. FINANCIAL CONTROL:

A financial report is to be issued to project members on a monthly basis.

The bookkeeper will be responsible for the database and attendance record.

The treasurer and one of the Management Committee Members will be the bank signatories.

Administrative procedures for payment.

The following administrative procedures should be followed when claiming funds from the Provincial Department of Health.

a) The three approved suppliers will deliver the equipment/material.

b) The invoice and delivery note with a covering letter, signed by the District Manager of Potchefstroom, Department of Health or his/her authorized delegate, will be sent to the Nutrition Sub Directorate at the Provincial Department of Health in Mmabatho.

c) Payment will then be made directly into the supplier's account within the specified agreed time period.

d) If the City Council had paid for any equipment or material, the invoice and delivery note should be sent in the same way but the payment will be made directly into the City Council's account.

- e) **All invoices and imperative documents must have the necessary date stamps and signatures, as well as the printed names next to the signatures to confirm it.**

10. **PROJECT MEMBERS AND POSITION:**

- | | |
|---|---|
| ❖ Nursery manager | Provision of seedlings for the project. |
| ❖ Irrigation manufacturers | Provision of the irrigation system. |
| ❖ Earthworm Breeder and vermi compost. | Provision of earthworms |
| ❖ Volunteer field workers | Physical establishment of eco circles. |
| ❖ Caterers | Provision of one meal per day to the volunteer fieldworkers. |
| ❖ Administration | Assembling of Data and financial control. |
| ❖ Nutritionist | Quarterly assessment of nutritional status of households. |

All the field workers are working as volunteers on the eco-circle project with a minimal incentive of ten rands per completed eco circle cluster and one balanced meal per volunteer per day.

11. **PLANS TO INCREASE FINANCIAL INDEPENDENCE (SUSTAINABILITY):**

- 1) **The project plans to market itself to all Municipalities, in which the Mayors are committed to poverty alleviation. Exposure to the press is one important element in this process. (Examples are attached)**
- 2) **Feeding scheme projects and day care centres will be targeted as partners.**
- 3) **The erection of earthworm extraction units and the wet-pipe factory will increase financial independence and job creation.**

12. **DURATION OF THE PROJECT:**

This will be an ongoing project. There is plenty unutilised land available that can be converted into productive land.

13. AVAILABLE RESOURCES TO OPERATE PROJECT:

- ❖ Two vehicles of the Directorate Social Services (only on a temporary basis)
 - ❖ Two temporary drivers.
 - ❖ Transport for volunteers
 - ❖ Compost
 - ❖ Seedlings
 - ❖ Garden tools
- (An additional truck is needed to facilitate the programme).

14. MONITORING AND EVALUATION:

- a) Where in conventional agriculture the emphasis is on "yield per hectare" the eco-circle method, relates to "yield per person" with a direct link between ownership, risk and reward. With eco-circles, the overall returns are greater, with less risk and less capital outlay for labour, equipment, maintenance, irrigation, weeding, fertilizing and pest control.
- b) Healthy competition between areas and households will be a motivator to the participants in the project and will further its success and profits.
- c) Support from the community is also essential:
 - ❖ Donations for the competition prize winners.
 - ❖ The purchasing of the products farmed in the eco-circles.
- d) The income gained from each circle, serves as an incentive to create and produce more. Therefore, the project participants will become farmer entrepreneurs and retain what each circle produces.
(Return on investment diagram attached).
- e) Nutrition situation at household level. Quarterly assessment by the appointed nutritionist (Base-line information from the Nutritional survey attached)
- f) Training of the recipients of cluster to ensure sustainability.
(Training diagram attached).

15 PROJECT BUDGET:

The budget for the project is attached under Attachment 10

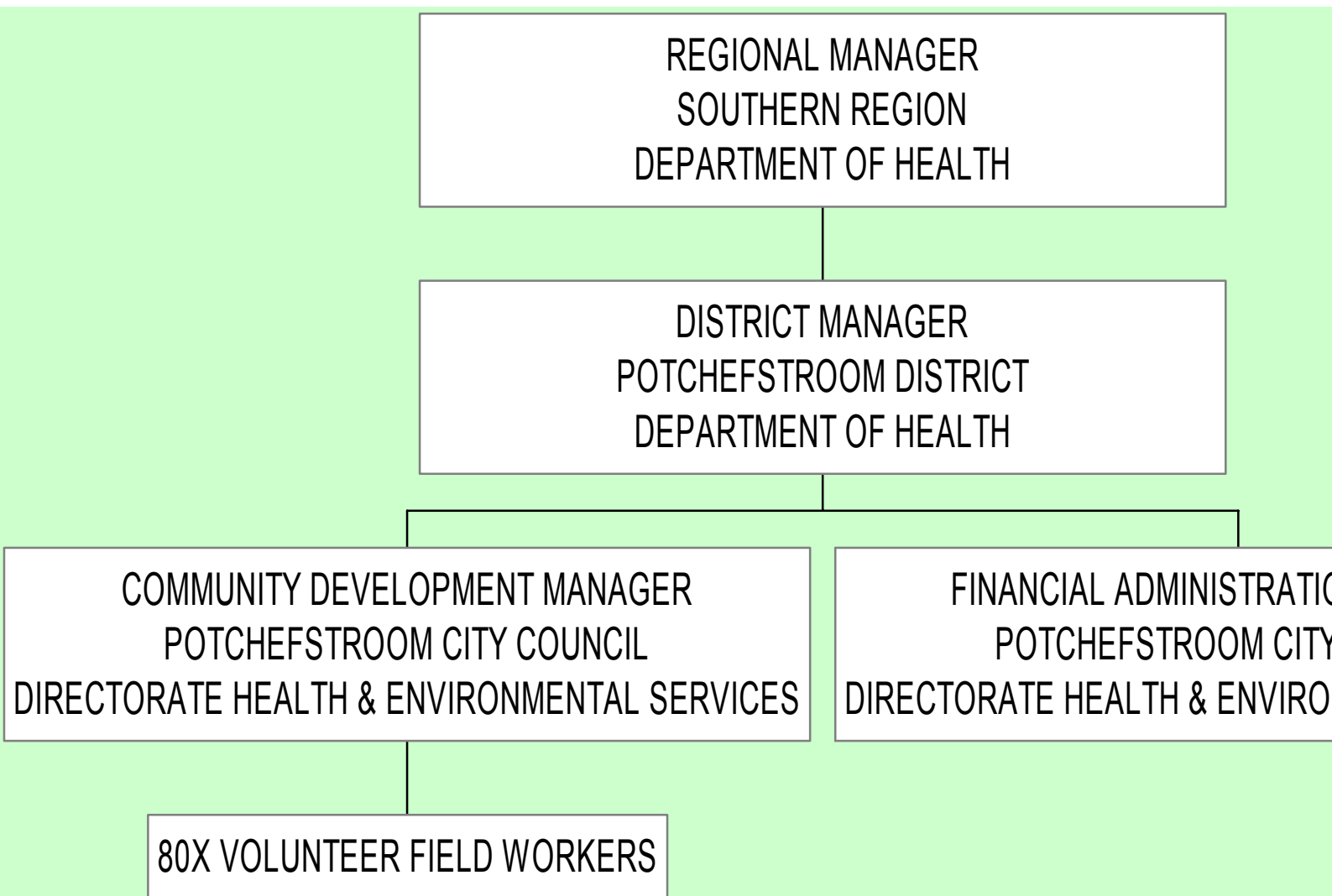
- 16 BUSINESS PLAN APPROVAL:
The following officers from the Potchefstroom District Office and the Southern Regional Office of the Department of Health, North West Province, have approved the Business Plan of the Potch Eco-Grow Project, for the 2002/03 financial year:
- | | |
|--|---------------|
| Mr Mahesh Roopa | Ms Nella |
| Mojanaga | |
| District Manager, Potchefstroom District | Regional |
| Manager, Southern Region | |
| Department of Health | Department of |
| Health | |

ATTACHMENTS:

1. . Maslow's need theory and community development
5. Organizational structure
6. Media Publications
7. Return on investment diagram
8. Base-line information of the Nutritional survey
9. Training diagram
10. Budget for the Potch Eco-Grow Project

ATTACHMENT 2

ORGANIZATIONAL STRUCTURE



**ATTACHMENT 1
MASLOW'S NEED THEORY AND COMMUNITY
DEVELOPMENT:**

Maslow's need theory is an indicator / platform for stability and development. With this in place the picture in South Africa can be changed. With basic needs met technology will improve. If children between the ages of birth and seven receive enough brain food they will excel in school, out-door activities and later in adult life.

ATTACHMENT 3

Proposed Budget for the Eco-Grow project: 2002-2003 Financial Year (In SA Ra

General Expenses
Allowances

Amount	Description	Unit Price	Sub-Tota
80	Allowances for volunteers	R20 per cluster of circles x 2,000/ annum	
	Total of Allowances		

Stationary

Amount	Description	Unit Price (Vat incl)	Sub-Tota Incl)
	Total of Stationary		

Equipment & General Items

Amount	Description	Unit Price (Vat incl)	Sub-Tota Incl)
20	Wheelbarrows	189.00	
40	"Pikke"	60.00	
40	Spades	45.00	
40	Steel rakes	25.00	
40	Pruning shears	55.00	
120556	Poly Pipe	0.72	
52970	Wet Pipe	3.85	2
5000	Water tap fitting 15-1/2	4.64	
1000	Water tap fitting 15-3/4	3.96	
65000	T-Connections	1.36	
800	VermiKompos/Liter	27.00	
1400	Meals for Volunteers	7.00	
2	Bookshelves	900.00	
10	Big pots	225.95	
6	Big bowls	89.95	
200	Enamel plates	11.99	
200	Enamel pudding bowls	4.75	
200	Forks	5.50	
200	Knives	10.50	
200	Spoons	5.50	
200	Teaspoons	3.5	
200	Cups	3	
200	Glasses	3.4	
10	Baking pans	24.94	
200	Chairs	43	
10	Table clothes	53	
1	Deep freezer	2600	

1	Big electric urn	500
10	Big tea pots	95.95

Equipment & General Items (Continue)

Amount	Description	Unit Price (vat incl)	Sub-Total (Inc)
1	Micro oven	1500.00	
6	Sifts	18.99	
6	Tea sifts	7.99	
6	Casseroles	139.95	
1	Over locker sewing machine	4500.00	
1	Fan + Stand	180.00	
1	First aid kit	700.00	
10	Steel tables	230.00	
6	Hot boxes	1300.00	
	Total of Equipment & General Items		

Estimated cost per cluster: Wetpipe supplies

Item	Unit price	Amount
14m x Wetpipe	@ R3.50/m	R49-00
13 x T- pieces	@ R1-19/piece	R15-47
20m x Polypipe	@ R0-63/m	R12-60
3m x hosepipe(15mm)	@ R1.05/m	R3-15
	Total:	R80-22
	+14% VAT:	
		R91.45

Estimated cost per cluster: Ecolife growing medium

Item	Unit price	Amount
12,5L Ecolife growing medium	@ R27-00/25L	R13-50
	Vat Included.	

Estimated cost per cluster: Envirogro Mayford seed:

Item	Unit price	Amount
8x seed trays(± 20 seedlings/tray)	@ R0-10/seedling	R16-00
	Vat included	

Estimated cost per cluster: Fruit trees:

Item	Unit price	Amount
1x Fruit tree	@ R32-00	R32-00

Calculating the cost of Fruit trees per cluster depend on the type used, and the season. The cost of fruit trees varies between R28-00 – R50-00 depending on the variety. Thus to calculate the cost of fruit trees per cluster an average price of R 32-00 is being used.

Grand total for whole Eco circle cluster : R 174-50