

Seeding the Future

Food, Farm, Forest & Biotech

3rd edition

A call for applications from the Shinju Fund of the Foundation for Future Generations, in partnership with AgroParisTech

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▶ 1. What are the objectives of this call?

This call aims to support, at the **pre-seed and seed** stage and in the form of a **subordinated loan**, **innovative start-ups** demonstrating ambition and a high potential **for positive impact on the environment in a 360° approach to sustainability issues**. These start-ups are active in or have a positive impact on the **food, agriculture and forestry sectors**, including **biotechnology** at the service of these three sectors.

This annual call currently covers **France** and **Belgium**.

The aim pursued by the Shinju Fund for Future Generations, the Foundation for Future Generations and AgroParisTech, through this call, is to contribute to the emergence of **innovative and exemplary entrepreneurial solutions in the world of life sciences in terms of impact**.

Transformative Philanthropy

The Seeding the Future call is rooted in a **transformative philanthropy approach**, which is characterized by

- a desire to transform upstream and in depth, and not to alleviate symptoms
- A systemic, 360° view, rather than a 'siloed' view
- a long-term approach, rather than an emergency or one-off approach
- A participatory approach, integrating different points of view in a co-construction dynamic
- a desire to multiply, by thinking 'ecosystem', by activating various key levers and developing collaborations
- A willingness to innovate, involving daring to shake things up and take risks

▶ 2. What will the winning start-ups benefit from?

The winners¹ will benefit from **seed funding**, from the Shinju Fund, allowing them to focus on the development of their entrepreneurial project without fear of dilutive logics from the outside.

This financing consists of a **subordinated loan** of up to **€50,000**.

Start-ups that have been shortlisted, have presented their project to the jury but have not been named winners, will nevertheless be considered as **nominees** for the Seeding the Future call. As such, they will receive a sum of 1,000 euros in the form of a donation from the Shinju Fund and will be able to take advantage of this "appointment" by communicating it to the outside world.

All start-ups that have reached the final jury stage will also benefit from the **support of one or several members of the jury**, who will act as a "referent" for the project and accompany them in the follow-up of the jury's recommendations.

¹ Depending on the amounts available and taking into account that the jury reserves the right not to allocate all these available amounts

The terms of the loan, as well as the repayment and additional contribution mechanisms, are designed to promote the sustainability of the Shinju Fund for Future Generations in a reasonable manner. In particular, it is expected that start-ups that are highly successful will be able to compensate for the losses inherent in an early-stage intervention and contribute to maintaining the Fund's ability to support other start-ups (see below "Complementary philanthropic contribution mechanism").

Philanthropic commitment with a priority environmental impact

The Seeding the Future call is characterized, in its philanthropic dimension, by the following elements: a priority attention to environmental impact from a 360° global perspective, a high level of risk and a reasonable risk-adjusted return, the selfless nature of funders' donations to the Shinju Fund for Future Generations, the full reinjection of repayments (incl. interest and philanthropic contribution) into the objectives pursued by the Fund.

The objective underlying its financing mechanism is therefore not to generate a profit for those who finance it, but to ensure the sustainability of its actions over the long term in order to benefit as many impact start-ups as possible. The amounts reimbursed and any additional philanthropic contributions are fully reinvested in supporting new start-ups in the following editions.

The consequence of this approach is that (1) projects that do not sufficiently demonstrate a repayment capacity will not be selected, (2) the conditions applied to the loan encourage rapid repayment thus promoting a cycle of loan - repayment - new loan, and (3) the projects supported are expected to adhere to this philanthropic vision and the possibility of one day being a contributor to it if their business succeeds.

Key features of the loan

- **Duration:**
 - The loan is granted for a maximum period of 7 years
 - The loan agreement must be signed within one month of the announcement of the selection
- **Interest Rates:**
 - No interest is due for the first 18 months after the loan is disbursed.
 - From the 19th month and for a period of 4 years, an annual rate is applied which corresponds to the average interbank rate over 12 months (reassessed every 12 months) plus a rate of 4%
 - From the 67th month, the increase grows from 4% to 8%
 - Interest is paid annually
- **Loan Release:**
 - The loan is released when the beneficiary can demonstrate that it has succeeded in raising (or has obtained commitments) from other financiers an amount at least equivalent to the amount of the loan (loan of honor, grant, (quasi-)equity, etc.)
 - The loan must be activated within a maximum of 6 months after the signing of the loan agreement.
- **Subordinate Character:**
 - The loan is subordinated to all other non-subordinated receivables, including those existing prior to obtaining the loan.
 - After 5 years, the loan loses its subordinated character.
- **Repayment**
 - It can be done in one or more instalments

- In the event of a resale, merger, transfer of shares or any other transaction involving a change of control of the beneficiary, the loan must be repaid in full before such change of control is effective.
- **Reporting**
- The beneficiary will share, annually, a 2-page update with the evolution of some key figures and trends, including relating to its environmental impact; as well as its annual financial report and management report

Complementary Philanthropic Contribution

Of the 4 cases below, only the most favourable to the Fund over the period will apply². The period during which these 4 cases will be applicable is identical. It begins with the signing of the loan agreement and ends when the following 2 conditions are met:

- Loan repayment, including interest
- And minimum duration of 5 years.

This is a general scheme, and, if necessary, a case-by-case analysis will be considered.

The 4 cases are:

- 1- **There is no additional contribution if** these 3 conditions A, B and C are met:
 - A- The valuation remains below €1 million or $R (R=W/V)^3$ is less than 5
 - B- There is no capital increase based on a pre-money valuation of more than €1 million and with an R of more than 5
 - C- There is no change in control of the company
- 2- **In the event that the beneficiary is very successful**, measured by the evolution of its valuation, which has become greater than €1 million, as well as a coefficient $R = W/V$, greater than or equal to 5, it is agreed that the beneficiary will pay an additional philanthropic contribution to the Fund and, calculated according to the formula available on the call page.
- 3- **In the case of a capital increase** bringing the value of the company (pre-money) to an amount greater than €1 million and with an $R (=W/V)$ greater than or equal to 5: contribution to the Fund for an amount equal to that of the loan.
- 4- **In the event of a change of control** : contribution to the Fund for an amount equal to the amount of the loan.

▶ 3. Which initiatives can apply for this call?

Identification of potential candidates

This call is not being publicly disseminated. Candidates are only identified through the channels used by Seeding the Future's partners, namely,

- For France: via the AgroParistech network and its partners
- For Belgium: via various services dedicated to university spin-offs and various startup incubators.

² In total, the philanthropic contribution is capped at the amount of the loan

³ $R = W/V$, where

- V is the initial valuation of the beneficiary, as mentioned in the application file, with a minimum of €100K.
- W is the valuation at the time of the evaluation (i.e. the application of the case concerned)

Eligibility Criteria

The eligibility of applications is analysed by the Foundation for Future Generations and AgroParistech. Only the application documents of candidates who meet these criteria will be sent to the jury for evaluation. Regarding the criteria related to the share of the loan in the overall financial needs (between 5% and 50%): the eligibility of the applicant in the event of a possible non-compliance is left to the discretion of the partners.

Dimension	Criteria: The applicant initiative...
Intended Impact	Aims for one or more explicitly formulated positive impacts on the environment , paying attention to the dimensions of sustainable development (as highlighted through the United Nations Sustainable Development Goals) that are relevant to its activity.
Themes / areas of action	Is mainly active in one or more of the thematic areas of the world of life and environmental sciences: in food (human or animal), agriculture (and livestock), forestry , in biotechnologies related to these issues, and in certain interactions between health and the foregoing themes (outside the strictly medical field: medicine, pharmacy, etc.).
Type of Carrier	Is a legal entity, such as a company , existing or active at the latest at the time of signing the loan agreement, which develops a potentially profitable or self-sufficient business model in the long term.
Development status	Is a young company in the " <i>early stage</i> " startup phase, created less than 3 years ago , whose development is at the pre-seed or seed level , i.e.: <ul style="list-style-type: none"> - Either the validation phase of the project's fundamentals (i.e. financing of technological development, products) in order to move from the prototype / POC to the Minimum Viable Product, allowing to go to a first customer base to demonstrate the "<i>product/market fit</i>"; - Either after the first users have adopted the product or service, the first phase of growth (or even pivot) in order to explore the market, generate traction and prove the business model, requiring the first major investments (production, recruitment, communication, etc.) In terms of technological readiness, the project will therefore be at least at the TRL 3-5 level , i.e. at a validated prototype level or in the process of being validated at the laboratory or pilot level.
Contribution of the loan to the needs of the organization	Through this call, we are looking for loan type financing between €20,000 and €50,000 which, if granted, would contribute a minimum of 5% and a maximum of 50% of the total funding sought for this stage of its development.
Localization	Is registered in France or Belgium .
Project leaders	Is carried out by one or more founders who commit to being mainly involved (not as a "side-project") in the management.

4. What criteria will the jury use to select the winners?

Priority Selection Criteria Related to Impact

Applications that meet the above eligibility criteria are forwarded to the jury for evaluation based on a set of selection criteria.

The winning initiatives of the call for applications will be those that are judged to be particularly **convincing on a maximum of these criteria**, within the limits of the resources allocated to the call⁴. All the criteria will be taken into consideration by the jury, but a weakness in certain criteria should not prevent the submission of an application.

The various criteria presented below are developed in a "Frequently Asked Questions" document which is available on the call for applications page: <https://www.futuregenerations.be/fr/seedling>

Exemplary 360° environment: ambition	<p>This call for applications aims to contribute to an environmental transition towards sustainable agriculture, food or forestry systems.</p> <p>The candidate initiative has a clear ambition to set an example for the environment, with a view to global sustainability ("360°" approach).</p> <ul style="list-style-type: none"> • Environmental exemplarity ⁽⁵⁾: a priority, because the preservation of present and future ecosystems is a fundamental key foundation for the deployment of all human activity, social justice and economic prosperity. • 360° approach: the initiative tends to take into account the main societal dimensions significantly impacted by its action (positively or negatively). A global framework, such as the 4 Ps ⁽⁶⁾ or the SDGs, can facilitate the identification of societal dimensions deemed relevant.
Environmental impact, 360°: realisation	<p>The candidate initiative specifies how it intends to achieve its objectives of positive and measurable impact: translation of its impact into operational objectives (possibly SMART),⁷ adequate management, etc.</p>
Emerging, orphaned or under-addressed issue	<p>The applicant initiative contributes to respond to an emerging, orphan or insufficiently addressed issue, relevant to the themes of the call for applications and its impact criteria.</p>
Difference made by the support sought	<p>The applicant initiative shall specify how the funding requested under this call for applications (in the form of a subordinated loan, under specified conditions) makes a difference.</p>

⁴ In addition, the Selection Board reserves the right not to allocate all the resources allocated to the call, if it considers that the adequacy between the eligible applications and the selection criteria is not sufficient.

⁵ The environmental impact includes in particular the six environmental objectives covered by the [EU Sustainable Finance Taxonomy](#) regulation: climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems.

⁶ 4 P = People, Planet, Prosperity, Participation.

⁷ SMART: **S**pecific; **M**easurable; **A**mbitious, **R**ealistic or **R**elevant; **T**ime-bound

Are there any additional levers for change that have been mobilised?	The candidate initiative contributes or plans to contribute to other levers of change ⁽⁸⁾ – in addition to its priority lever, which is the marketing of its impact products or services – to accelerate its impact or improve the societal context in which it operates
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Additional Selection Criteria

Innovation & Differentiation	<p>The candidate initiative, by demonstrating innovation in the broadest sense, creates innovative knowledge, services or products for the direct or indirect benefit of the greatest number of people.</p> <p>These innovations can be technological (low-tech or high-tech, and with or without patents), organizational (internal governance, partnerships), and economic. In doing so, they can affect all or part of the elements of a <i>(Sustainable) Business Model Canvas</i> ⁽⁹⁾.</p> <p>The initiative distinguishes itself from the competition by its Unique Selling Proposition.</p>
Team & Governance	The candidate initiative has an operational team , strategic authority and quality governance , able to meet the impact, financial and technical challenges to make its entrepreneurial model a reality.
Business plan - business model - project set-up	The candidate initiative demonstrates the relevance, strength and quality of its business plan and strategy.

► 5. What is the timeline for this call?

April 18, 2024	Launch of the call and diffusion of the application documents in the partner's channels
May 26, 2024 at midnight	Deadline for submission of the application documents Analysis of the eligibility of applications
June-July 2024	Analysis of the documents by the jury
August 20, 2024	Selection of the 5 to 7 projects invited to pitch in front of the jury
September 27, 2024	Jury meeting in Paris (France)
Early October 2024	Notification of results to candidates
By the end of October 2024	Signature of the agreement and availability of the loan Minimum public communication on the winners

⁸ In addition to the provision of goods and services that meet an unmet societal need, 5 other categories of levers for change: Producing and disseminating knowledge; Strengthen the capacities of other actors; Raise awareness among individuals, change mentalities and behaviours; Bring together similar actors or diverse stakeholders (stronger together); Develop arguments and advocacy with public authorities or the corporate world.

⁹ Impact/sustainability considerations can be reflected in the different components of a Business Model Canvas: Key partners; Key Activities; Key Resources; Value propositions; Customer Relations; Customer segments; Distribution channels; Cost structure; Sources of income.

▶ 6. Who are the members of the jury?

The selection panel consists of **10 to 12 members**. Its composition is available on the Seeding the Future call website. These members represent a **diversity of stakeholders** from the ecosystems of entrepreneurship, investment, non-profit, entrepreneur support – in line with the thematic areas of the call and with a central focus on environmental and societal impact. The Foundation for Future Generations and AgroParisTech are not members of the jury and are the guarantors of its independence in its decision-making.

The members of the jury have all signed a **confidentiality agreement** protecting the candidates from any disclosure of sensitive or confidential information.

▶ 7. How do I apply?

To apply, it is necessary to have been **proposed by one of the seeking partners** mobilised by AgroParisTech or the Foundation for Future Generations (see point 3), and with the consent of the latter.

If there is any doubt about eligibility, potential candidates are invited to contact the reference persons (see point 8).

The application documents are available on the “Seeding the Future”-open call website.

It must be completed with a **pitch deck of no more than 15 slides** (PDF format), **mandatory annexes** (CVs of team members and Profit & Loss table) and any optional annexes.

To validly submit an application, the submission

- may not exceed **the number of characters provided** (for a total of about ten pages, excluding the cover page but including administrative information), but may include up to **3 annexes** (in addition to the pitch deck, CVs and P&L) totaling a maximum of 10 pages.
- must be **self-sufficient** and convince the jury (including in the scientific validity of the project) without having to resort to additional information or contacts¹⁰
- is completed in **French** (may include parts in **English** if it facilitates writing) or in **English**.
- must be submitted no later than **midnight on 26 May**. No exceptions will be granted.
- should be sent to the following address seeding@futuregenerations.be

▶ 8. If you have any questions...

- Foundation for Future Generations: **Emma Roemans**, Operational Manager of the 'Entrepreneurship for Future Generations' Programme – e.roemans@futuregenerations.be
- AgroParisTech: **Grégoire Burgé**, Deputy Director of Research, Innovation and Technology Transfer, in charge of Innovation – gregoire.burge@agroparistech.fr

¹⁰ However, the jury reserves the right to request an external scientific opinion, with the candidate's consent, in the event of significant doubt about the scientific validity, impacts or possible negative externalities

▶ 9. The initiators of the call

The **Shinju Fund for Future Generations** is a philanthropic fund hosted by the Foundation for Future Generations. Its mission is to contribute to the emergence of exemplary entrepreneurial solutions with a strong positive impact on the environment in a perspective of global sustainability, by supporting economic initiatives in the agro-bio-tech fields.

The **Foundation for Future Generations** is a Belgian public interest foundation dedicated exclusively to the transformation of our society towards a sustainable mode of development. Independent and pluralistic, it promotes a "360°" approach that simultaneously combines the dimensions of People, Planet, Prosperity and Participation. Confident about the abilities of young people to profoundly transform society, the Foundation supports them during four key moments of their journey. Through its program to support impact entrepreneurship, it finances, connects, supports and promotes those who think, prototype, build and consolidate solutions.

AgroParisTech is the French National Institute for Life Sciences and Industries and the Environment, under the supervision of the Ministries of Agriculture and Higher Education. As a key player in higher education and research, this major international institution is addressing the major challenges of the 21st century: feeding people by sustainably managing territories, preserving natural resources, promoting innovation and integrating the bioeconomy. AgroParisTech has developed an incubation activity for start-ups, which it supports through a structure and a dedicated team in the launch phases, allowing them to benefit from the school's expertise and network in order to increase their chances of success and accelerate their development.