Business models of Green Care in the Netherlands

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1. Reason and outline
The University of Sao Paulo assumes that the agricultural sector around the city of Sao Paulo can contribute to care and well-being of the urban population by developing the concept of Care Farming (‘Green Care’). This might be a strategy for farms around the city to strengthen their economic position. In the Netherlands, Green Care developed very fast during the last decennium. The Dutch foundation for innovations in the agricultural sector, TransForum, was asked to present the experiences with Green Care in the Netherlands.
In the Netherlands, the agricultural sector contributes to the solution of problems in Dutch cities by providing care for different client groups. In this paper we describe the history and actual situation of Care Farming in the Netherlands. We will zoom in on a successful example of Care Farming, the TransForum project Green Care Amsterdam and the business case of the Landzijde Foundation. Based on these experiences we describe the success factors of Green Care. We suggest that the example of Green Care in the Netherlands, can offer inspiration to develop ‘business cases’ in which agriculture helps to solve problems in urban areas anywhere in the world. However, the specific cultural, organizational and financial context in a country requires a translation of the concept to fit within these circumstances.

2. What is Care Farming?
Care Farming is a growing movement across Europe that combines agricultural production with health, social and educational services (Hassink & van Dijk, 2006; Hassink et al., 2007; Hine et al., 2008, Elings and Hassink, 2008; Di Lacovo, 2009, www.farmingforhealth.org). It is an interesting phenomenon because the agricultural sector is actively involved in providing care for different client groups. Care farms offer day care, supported workplaces, and/or residential places for clients with a variety of disabilities (Elings and Hassink, 2008). Care Farming aims to provide health, social or educational benefits through farming activities for a wide range of people (Hine et al., 2008).

We see Care Farming as an example of so called Metropolitan Agriculture. The world is strongly urbanizing. In 2008, the world has reached an invisible but momentous milestone: for the first time in history, more than half of its human population, 3.3 billion people, is living in urban areas (UNFPA, 2008). Also in the Netherlands, an urbanization process took place which transformed the country from a region with compact, concentric cities surrounded by rural areas into a country with polycentric urban areas and green spaces inside an urban network. The largest part on the Netherlands is now part of the North Western metropolitan area. The major function of agriculture in this metropolitan area is to support the surrounding urban areas, by providing sufficient food and contributing to their well-being and health.

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4 Metropolitan Agriculture is defined as a deliberately designed system of intelligently connected production sites that use the available resources, conditions and infrastructure in metropolitan areas to produce material and immaterial demands for the same metropolitan area (Van Lasteine et al., 2008)
An example of Metropolitan Agriculture is Care Farming. In Care Farming, food production is combined with societal desires for care and health. In urban areas, a diversity of groups can benefit from care farms or other types of social services in the rural area. Target groups include people with a mental illness, addiction background, learning disabilities, older persons, children, problem youth, and long-term unemployed persons (Hassink 2003; Hassink et al., 2007; Van Someren and Nijhof, 2009). Care farms can be considered as concrete examples of the desired socialization of care leading to greater independence and social status, taking the clients’ potential as a starting point, rather than focusing on their limitations (Driest, 1997; Hassink et al., 2007). Finally, urban inhabitants find on care farms the tranquility and space of nature in contrast to the crowdy, dynamic atmosphere of the city.

3. Development of Care Farming in the Netherlands

3.1. History

Individual initiatives on Care Farming in the Netherlands can be traced back to the middle of the previous century. Pioneers started from idealism and passion (Van Schaik, 1997). Many of them were anthroposophical or Christian communes that opened the doors for clients from care institutions. A broadening of agricultural companies with care activities fitted well in the trends in rural development (introduction of multi functionality, rise in societal interest in local products) and socialization of the care sector (i.e. de-institutionalism, independent living, etc.). Most pioneers owned biodynamic farms. Subsistence of the farms was difficult, but significant results inspired the farmers to continue.

Networking at national level

In 1997 approximately 70 care farms were operational. The appearance of some national meetings and publications then triggered societal awareness. Gradually, farmers felt the need to share their experiences and networking started. Regional care institutions started to cooperate with care farms. Within the agricultural sector interest for Care Farming emerged.

Financial support

Then, government started to pay attention and decided to facilitate further development of the sector. Due to a strategic lobby of some people ‘knowing the political language’ and with awareness of collective interests, a remarkable joint action occurred between two distinct ministries (Agriculture and Health). This resulted in 1999 in the subsidizing of a national Umbrella Organization. Herewith, a coupling between agriculture and care was achieved.

From 2000 the developments within the sector accelerated. To mention a few highlights:

- a quality system was built and implemented
- a society for care farmers was founded
- books on Care Farming were written
- professional training started
- the queen and political dignitaries visited care farms
- websites were built
- dispensation for care-bound sales tax was given to individual farmers
- prolongation and extension of governmental financial support for the Umbrella Organization for three years

(Blom et al. 2007)
Networking at regional level
Triggered by the national developments, regions also started to organize and to support farmers financially. Initially, only a few provinces were active in developing care farm networks, dependent on specific persons dedicated to the theme of Care Farming. The regional development followed – delayed - the national movement: funding started, initially to support individual care farmers, then followed by support for emerging networks and finally pursued by a reduction of the funding when the networks were solid.

Every region had its own style, its own dynamics (decisiveness) and created its own structure. Several provinces started to subsidize Care Farming within the framework of ‘expansion of rural development’. Different organizational structures were developed to optimize the interaction between farmers and care institutions. There were (and still are) different levels of ambition between the regions. Some of them opted for an AWBZ\(^5\) accreditation (formal status of a care institution) others restricted themselves to study groups of care farmers. A critical event in the process was the opening for regional corporations to get a collective AWBZ accreditation, which offered opportunities for negotiation with medical insurance companies as official care institutions.

Towards an economically driven sector
In 2003 the sector got an enormous incentive when the ‘Personal Budget’ (in Dutch PGB, Persoons Gebonden Budget) officially was introduced. A ‘Personal Budget’ is a budget, provided by the public insurance, which can be spent freely by the client to provide the necessary care depending on the clients’ specific needs. The number of care farms remarkably grew since then, until 620 in 2008. The sector tangibly started to commercialize.

After political lobbying the national Umbrella Organization received governmental support in 2006 for a third and last period of 3 years. However, this subsidy was lower than the former one and was announced to be irrevocable the last one. In the governments view, the ‘Care Farming sector’ is now full-grown and can be regarded as an economic sector which is not dependent from subsidies. Not all care farmers share this view. At this moment (2009), discussions take place about new organization structures within the sector with ‘professionalizing and commercializing of the sector’ as a central theme. Questions are raised like: How much control is desired? Who takes the lead? How is the power balanced between parties obeying the subsidiary principle? Do we prefer a small scale setting or a large scale one? Do we like to collaborate with the care sector and incorporate their standards or do we stress the differences between both sectors and develop our own quality measures? How is quality defined? How are effects of care farms monitored? And so on.

3.2. Present situation, target groups and various types

<table>
<thead>
<tr>
<th>Arable farms</th>
<th>Horticulture</th>
<th>Intens. husbandry</th>
<th>Mixed farm</th>
<th>Dairy</th>
<th>Sheep/goats</th>
<th>Oth. husbandry</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>34</td>
<td>54</td>
<td>36</td>
<td>91</td>
<td>221</td>
<td>50</td>
<td>134</td>
<td>620</td>
</tr>
</tbody>
</table>

From this table, it can be concluded that the majority of care farms are dairy farms. Arable farms and intensive husbandry seem less appropriate. Most care farms can be found in the most densely populated provinces in the Netherlands, the real ‘Metropolitan’ provinces with the highest demand.

Various types of services and approaches in Care Farming have been developed in terms of socialization for a diversity of client groups such as:

\(^{5}\) AWBZ: (Exceptional Medical Expenses Act): a public insurance, which covers exceptional medical expenses that are not part of the regular care insurances.
• Learning disabilities
• Psychiatric patients
• Elderly clients (sometimes demented)
• Clients in child and youth care
• Unemployed and overworked adults and adolescents
• Physically handicapped and mentally challenged clients
• Ex-prisoners and ex-addicts
• Children with educational problems, autistic children

At this moment more than 12,000 clients receive care on care farms in the Netherlands (Hassink et al., 2007). In the beginning it was restricted mainly to clients with learning disabilities. Nowadays all mentioned client groups find their way to the care farm. The services on Care Farms represent an alternative to the dominant medical model world view, which focuses on diseases and cure (Graybeal, 2001, Hassink et al. 2010). In contrast, the paradigm of Care Farming is characterized as recovery-oriented, empowerment-oriented, and strengths-based (Chapin and Opal Cox, 2001). More detailed, the approaches of Care Farming can be described as:

• Focus on community integration and involvement
• Focus on strengths, self-direction and empowerment of users
• Recognition that change is possible
• Individualized and person-centered
• Recognition of the value of peer support and informal networks
• Emphasizing that the relationship between user and helper is primary and essential
• Full citizenship and nondiscrimination

(Brun and Rapp, 2001; Bond et al., 2004; Resnick et al., 2004; Torrey et al., 2005; Bellack, 2006)

The fundamental premise is that individuals will do better in the long run if they are helped to identify, recognize, and use strengths and resources available in themselves and their environment (Graybeal, 2001; Chapin and Opal Cox, 2001).

3.3. Financing sources
The financing system was an important factor in the development of Care Farming in the Netherlands. The development of the financial system was determined by public and private insurances and care institutions. It is possible to discern three phases: a first phase of pioneers, mostly biodynamic farms, who started care inspired by Christian or anthroposophical ideals. There were no structural financing arrangements, every farm had its own arrangement with individual clients or care institution. In the second phase, starting around 1997, Care Farming received more recognition by care institutions, insurance companies, government and municipalities. A major support in the development of Care Farming was the introduction of the ‘Personal Budget’ in 2003, which gives a decisive role to the clients themselves in the expenditure of their insurance budgets.
Although the financing of care in other countries will differ significantly from the Netherlands, it is useful to give an impression of the different financing sources of Care Farming in the Netherlands:

1. **Public insurance for exceptional medical expenses (AWBZ)**
   Clients with chronic health problems receive a budget for care from a public insurance for exceptional medical expenses. This insurance covers care and therapy in care institutions to psychiatric and mentally- and physically handicapped clients and elderly people. Insurance companies are responsible for the implementation of this insurance. A public organization assesses the type of care which is needed and assigns the budgets to clients. In most cases the budget is transferred directly to a care institution with an AWBZ accreditation that provides the care. Since 2003, clients can opt for a personal budget to make their own care provisions. If the client prefers a personal budget, he or she can organize his own care and can make direct arrangements with a care farm.

2. **Care insurance law**
   The care insurance covers the short term care. It includes e.g. therapeutic care for people with addiction problems.

3. **Responsibility of municipalities**
   The national government has given the responsibly for social activation and support of handicapped and elderly people and care of drug-addicts and homeless people to the municipalities.

4. **Youth care**
   The youth care law is aimed to juveniles with serious educational and behavioral problems. After an indication by a special bureau for youth-care, juveniles can receive a budget for care. Also, a magistrate of a juvenile court can assign juveniles to the youth-care bureau. These finances are provided by the provinces.

5. **Public authority for reintegration and unemployment (UWV)**
   The public reintegration and unemployment office finances and organizes training and coaching for people who have a low perspective for paid employment. Care farmers can make contracts with this office to provide training and development for jobs in the green sector.

### 3.4. The care-agriculture value chain

Care Farming creates a new business case by meeting urban-metropolitan questions and contributing to the well being of urban citizens. Thus, it establishes new value chains between rural and urban areas.

New value is created for different target groups in this chain:

- To clients:
  - a meaningful daily routine, by working on a farm adapted to the clients’ abilities and interests
  - development of new skills and competences, training
  - recovery of self esteem and structure far form (negative) urban influences
  - social contacts, involvement in farm-family life
  - development of a labor rhythm (labor rehabilitation)
  - activities outside an institution environment
  - a green, quiet environment for recovery
Several studies provide indications for these positive effects (Berget 2006; Elings and Hassink, 2008; Hine ea 2008). To investigate the therapeutic effects of Care Farming, for clients with psychiatric problems, TransForum organized a scientific research by the Free University of Amsterdam, into the effects and effectiveness of the combination of health care and agriculture. This research investigates whether it is possible to provide evidence for de medical (psychiatric) and societal relevance of Care Farming (Zweekhorst and Iancu, Athena Institute, Free University Amsterdam).

- To the national, regional and local government:
  - improvement the well being of urban inhabitants
  - Improvement of the social climate of the city by offering rehabilitation to drug-addicts, homeless people etc.
  - economic strengthening of farms around the city, preservation of agricultural landscape
  - training and educations for young people who have problems entering the labor market
  - lower costs for day care than institutional environment
- To farmers:
  - extra income
  - possibilities for partner to work on the farm
  - a higher quality of labor circumstances
- To care institutions:
  - satisfaction of clients
  - greater diversity in care facilities
  - lower costs for day care than institutional environment
- To insurance companies
  - lower costs for day care than institutional environment
  - fulfilling a new market demand by clients for extra insurance

4. Different types of Business Models of Care Farms in the Netherlands

In the Green Care sector, generally three types of business models can be discerned:

- Business models for individual farms
- Business models for regional foundations of care farms
- Business models for regional collaboration between a care institution and several care farms

4.1. Care farms

Within Green Care, many variations of care farms do exist. From a business-economics point of view we can discern farms in which food production is the economic dominant factor and care activities are secondary, farms which depend on both food production and care and farms in which the income from care activities are dominant.

The financial relation between clients or care institutions and care farmers has different forms (Hassink ea 2007):

- a) A direct contract between the client and the farmer, based the personal budget of the client.
- b) The farmer can become a sub-contractor of an accredited organization, for example a care institution.
- c) The farmer can become a member of an accredited foundation of care farmers such as ‘Landzijde’.
- d) The farmer becomes an accredited institution himself.

Most care farmers use a mixture of a, b and c. Only a few large care farms became an accredited institution themselves. Finally there are care farms, which are a fully integrated part of a care institution.
Most care farms are family enterprises. At some care farms the food production part of the farm is part of the private enterprise of the farmer and the care activities are placed in a foundation. Sometimes both food production and care activities are part of a foundation. The advantage of a foundation is that it is generally easier to obtain public subsidies.

4.2. Regional cooperation of care farmers and care institutions
These types of business models comprise a diversity of initiatives: associations of care farmers which act as a study group aiming at the exchange of knowledge and experience and foundations which are officially recognized as accredited care institutions. Regional foundations can make arrangements with insurance companies and provide the required care. The TransForum project ‘Green Care Amsterdam’ focused on the case of Landzijde, an officially accredited foundation. We will elaborate this case later.

4.3. Collaboration of a care institution with several care farmers
These business cases are initiated by a care institution. The care institution collaborates with a group of farmers in the region. In many cases these farmers restrict themselves to clients of this institution. The examples in the Netherlands of these business cases are aimed at juvenile care and drug-addicts. Various forms of collaboration between the care organization and farmers are possible:
1. Coaching of the client by the farmer or his wife on an independent farm. The farmer make a contract for every individual client with the care institution;
2. Coaching of the clients on the farm by one or more employees from the care institution and the farmer lets his facilities and space to a care institution;
3. An independent farm where the farmer or the farmers’ wife is employed by the care institution;
4. The farm can be owned by the care institution, for example a large farm complex owned by a youth care institution. The farmers’ family is employed by the care institution.

5. An example: the business case Green Care Amsterdam
In 2006 TransForum started the project “Green Care Amsterdam”. The general aim of Green Care Amsterdam is contributing to the development of a professional supply of social green services in an integrated vision around Amsterdam. More specifically the following activities are part of Green Care Amsterdam:
1. Further development of a knowledge infrastructure integrating health-, agricultural, well-being-, educational and transition sciences. Members of this infrastructure contribute to the monitoring of different pilot projects (including their impact) and the development of a solid foundation of concepts
2. Professionalization of Care Farming. Including monitoring the effects of care farms for clients and society, description of product-market combinations and development of a solid organization structure
3. Developing concepts of ‘green learning on farms’ for children with social-, emotional- and/or behavioral problems
4. Development of new approaches of participation of citizens of Amsterdam with farms around Amsterdam
Foundation Landzijde

Part of the aim of the project was to develop a supporting network of knowledge institutions to support the development of the collaboration between care farmers and care institutions around the foundation ‘Landzijde’, near the Dutch capital of Amsterdam. At this moment, Landzijde is a full-grown, professional organization with 102 care farmers, 421 clients, 7 full time employees (director, administration and regional coordinators) and a turn-over of 4 million Euros’. Clients and farmers are represented in the advisory board. Clients, farmers and care institutions form the board of commissioners The Business University of Nijenrode made an analysis of the business case of Green Care Amsterdam (Van Someren and Nijhof, 2009).

Goal and Value proposition:
The goal of the Landzijde Foundation is to offer care and educational- and trainings programs on agricultural enterprises in the province of Noord Holland.

Proposition to clients:
- Easily accessible care on farms, where they can work with animals, plants, in a tranquil green environment, in a non-institutional setting with an involved personal approach;
- A diversity of locations and support in finding the most suitable care farm

Proposition to farmers:
- Clients looking for a care farm
- Support in organizing the administration, financing sources, dealing with bureaucracy and insurance;
- Professionalization and training

Proposition to care institutions and municipality:
- An offer of diverse range of care facilities
- One single office window to all care farmers
- A cheap form of day care

The unique selling points of Landzijde:
- A diversity in small scale day care, re-integration in society and residential living for clients on farms
- A strong and well known brand (guarantee of quality)
- One central office window to both farmers and clients and insurance companies
- Training of farmers
- Good contacts with municipalities, care institutions and insurance companies

The customers of Landzijde are:
- Clients from care organizations of physical and mentally handicapped people, youth care, elderly care organizations, municipality, social service
- Insurance companies
- Care institutions
- Municipalities
Profit model
Landzijde has made financial agreements with insurance companies, municipality of Amsterdam and the reintegration organization. Farmers receive 80% of the available budget, the remaining 20% is used for the activities of Landzijde. Between 2003 and 2005 the Landzijde foundation was depended from public subsidies, from 2005 on, the organization had a positive cash flow.

Resources
Landzijde has a well equipped and skilled office window and a financial and administrative system. The staff of Landzijde has an expert background in care. Landzijde also organizes an integrated training for both farmers and care workers.

6. Success and failure factors of Green Care
The success of Green Care depends on its acceptance by and integration with the regular care sector without losing its unique qualities. Important ingredients for the success of initiatives in Green Care: commitment, vision, entrepreneurship and the development of vital coalitions of stakeholders in the agricultural and care sector, Initiatives must be supported at the working floor and management level.
A recent study in which clients, farmers and employees of care institutions were interviewed shows that the combination of different types of qualities make the care farm an appealing facility for different client groups. These qualities can be characterized as the personal and involved attitude of the farmer, being part of a community, an informal context and the provision of useful and diverse activities in a green environment where clients experience space and peacefulness (Hassink et al., 2010).

![Figure 1. Interactions of qualities on care farms leading to an informal and normal context (Hassink et al., 2010).](image)

Interviews with clients suggest that there is a positive interaction between the different types of qualities. The personal, informal type of social intercourse is possible because the farmer and the clients work together. The enthusiasm of the farmer for his/her farm and the activities stimulate clients to become part of it. The focus is on fulfilling the tasks that have to be done. In this context, no artificial situations have to be created. Clients experience that their contribution is needed and appreciated. Due to the space and quietness, conflicts and tension between clients are minimized. A client can withdraw him/herself or work alone for some time if needed. If this space were not available, controlling conflicts would require more attention. The interaction of all these qualities can lead to an informal context that is close to normal life (Figure 1). The individual qualities are not exclusively linked with care farms. However, the combination of the qualities as presented in Figure 1 appears to be a unique mix which can be a welcome addition to the conventional care sector in the transition to socialization of care. The diversity of care farms enables a direct focus on different qualities and on the demands of a certain client group.
Dutch experiences show that a convincing business case is conditional for a successful Green Care initiative. Such a business case should comprise a description of the specific target groups and the specific qualities that the care farms offer.

When developing a Green Care business model, experts agree that the wishes and abilities of the clients should be the starting point. From this point, the questions of the customers, as care institutions, municipalities and insurance companies should be taken into account. These ‘market questions’ than should be translated to a value proposition by the care farmers or by the organization facilitating regional Green Care.

To make a successful business model, all different stakeholders (local and regional government, care institutions, clients and farmers) should be involved. The Green Care initiative must have an enthusiastic support on the management level of care organizations.

In the end the competences of farmers to recognize and capture the opportunities that occur are decisive.

**Concluding remarks**

During the PENSA conference in Sao Paulo, the Green Care initiative was discussed and valuable remarks and suggestions were made. It was concluded that the concept should be translated to the specific context in a certain country. Countries have different cultural circumstances, financial flows differ and farmers and care are differently organized.

The participants in the workshop identified five major activities which should be carried out to introduce Green Care successfully in any country:

1. Organize a ‘stakeholder map’ which identify the ‘problem keepers’ to which Green Care offers a solution;
2. Make a ‘value map’: analyze how the financial flows are organized, who pays for care activities;
3. Assess the demand for Green Care, if possible, get some quantitative data;
4. Link the initiative with existing regional experiences and initiatives;
5. Execute further research into the subject ‘care or cure’ activities: further investigate the therapeutic effects of care farming;

Care Farming in the Netherlands gradually developed during three decades into a widely accepted and an economically viable sector. Different business models do exist ranging from independent care farms, cooperation’s and foundations for Care Farming, to care farms owned by care institutions. In this paper we mentioned various success factors for Care Farming in the Netherlands. In our view, the most important is the development of a professional broker organization which connects and supports clients, care foundations, municipalities, insurance companies and care farmers. The development of such an organization in a region could contribute to the introduction of Care Farming into other countries. We believe that Green Care can contribute to various social problems in metropolitan regions and give farmers a role to contribute to solving these problems.
LITERATURE


