

D2.11 Exit strategy

Due date of deliverable: M33

Responsible organisation for this deliverable: John Nurminen Foundation



EUROPEAN UNION
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Development Fund



INTRODUCTION

The aim of WP2 is to establish a permanent internet-based nutrient trading platform which can be used in the whole Baltic Sea region even after project NutriTrade has been finalised. Towards this end, the future of the platform is planned, taking into consideration

- legal requirements,
- financial needs, and
- interests and capabilities of potential partners

for maintaining the platform. As a conclusion, possible operating models are outlined and presented for further consideration.

LEGAL REQUIREMENTS

The main legal aspect that needs to be considered is the Finnish Fundraising Act, which states that to solicit funds without compensation, you need a separate license, and individual persons cannot be licensed at all.

This leads to two alternative development paths:

- Project owners are limited to non-profit organizations with a fundraising permit, in which case there are no restrictions to the operating body.
- The platform is maintained by a non-profit organization with a fundraising permit for Finland and Åland, in which case there are no restrictions to the legal form of the project owners.

Of these two, the latter is favourable due to the larger potential for Baltic Sea projects and thus greater effectiveness.

FINANCIAL NEEDS

In 2016 prices, the estimated annual operating costs for running the Nutribute platform total about 21 000 euros.

- server and domain 1000 eur
- payment gateways and money collection permits 1000 eur
- staff costs 9000 eur
- developer services 5000 eur
- marketing services 5000 eur

INTERESTS AND CAPABILITIES

Nutribute could benefit from teaming up with

- **existing platforms:** For example, Mesenaatti has offered a sub-site at Mesenaatti.me at 5000 eur/year. However, the pros of this arrangement are considered to be outweighed by the cons. Under Mesenaatti, all Baltic Sea projects would need to deliver perks to comply with Finnish fundraising act. In addition, there would not be any possibilities for customization of project descriptions, search functions, etc.
- **philanthropy networks or sponsors:** There are philanthropies supporting marine protection particularly in the U.S. For most of them, the current focus areas do not completely match

Nutribute operations. However, Swedish Zennström Philanthropies / Race for the Baltic has been interested in promoting Nutribute and sees the direct link to their stakeholders and operations. From private companies, crowdfunding is considered to be most closely related to IT and banking sectors.

- **other Baltic Sea organisations:** Helcom has been involved in NutriTrade steering group and also Nefco was invited to the steering group (as the project idea was based on Necfo 20005 report on nutrient trading). Nutribute is not, however, at the core of their operations.

Of these alternatives, teaming up with philanthropy networks or sponsors is considered to be the best alternative for covering the operating costs of Nutribute.

CONCLUSIONS

Due to the obligations of the Finnish Fundraising Act, John Nurminen Foundation is a natural lead partner in Nutribute. To sustain the operating of the platform, JNF will search for partners among philanthropies and private companies.

Apart from partner organisations, an ideal advisory board for Nutribute would include

- a legal advisor
- an environmental advisor
- a communications agency
- a software developer

The operating model needs to be adjusted to the costs and sponsoring of the platform. Use of the platform is currently free of charge, but a fixed or a percentage-based fee can be imposed if deemed necessary.