



**FOUNDATION FOR
FUTURE GENERATIONS**

SE'nSE call for projects 2020

Seed financing for early stage, sustainable start-ups with positive environmental impact

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To apply to this call for projects of the Foundation for Future Generations, please send the application form and requested annexes before 26/05/2020, midnight, to sense@fgf.be

Based on the full application form and its annexes, the jury will then select 8 projects by mid-July. These candidates will be asked to fill before mid-September a 2nd form focused on their environmental impact. They will be invited to pitch their project in front of the jury end of September.

All candidates are encouraged to fill out the impact measurement survey.

With the support of :



► 1. What is it about?

The Foundation for Future Generations launches the **5th edition of its SE'nSE call for projects for sustainable start-ups with a positive impact on the environment.**

The selected start-ups are offered seed capital in the form of a convertible subordinated loan. The aim of the Foundation for Future Generations is to pass on a liveable world by promoting and supporting sustainable entrepreneurship. By providing seed financing, the Foundation for Future Generations wants to help early stage, quality, sustainable projects bridge the gap between 3F stage (Family, Fools & Friends) and a more stable stage with easier access to traditional sources of financing.

Up to 3 projects will be selected by an experienced [Jury](#). The main selection criterion is their positive impact on the environment. A second key criterion is the quality of the business plan and its underlying strategy. Start-ups in a great variety of sectors can be selected. Find out who are the [laureates](#) of the 4 previous editions.

This support to sustainable entrepreneurs is a non-for-profit programme (see point 4), made possible by the multiannual financial support of the SE'nSE Fund, created by entrepreneur Pierre Mottet, and the Aether Fund for Future Generations. For this edition, this funding is complemented by a donation from the Eurofins Foundation.

► 2. Awards

Each year the Foundation for Future Generations awards a [convertible subordinated loan](#), of up to 50 000 € per project (amount is subject to quality of projects and their financial needs). Once a year a call for projects is launched around the end of Q1. Loans are awarded around the beginning of Q4.

► 3. What is more?

Besides financial support, the Foundation for Future Generations provides valuable feedback based on the insights of the Jury made up of highly experienced professionals from the fields of impact investment, entrepreneurship, management, impact evaluation and business support to start-ups. In addition, this seed capital can open doors towards other, more traditional, sources of funding. The ambition of the Foundation for Future Generations is not to provide close follow-up or coaching per se. Yet, it will facilitate networking with related projects or organisations whenever possible.

► 4. Funding philosophy

The purpose of this seed financing programme of the Foundation for Future Generations is not to generate profits, however it aims to be sustainable over the long term. This implies that reimbursement of loans (or proceeds from exits) in due time is necessary to fund future projects. Projects that do not sufficiently demonstrate the capacity to, at a minimum, reimburse this loan will not be selected.

This also implies that, although the allocated money can remain in the hands of the awardees for as long as they need it, in order to maximise the number of projects benefiting from its support, the Foundation for Future Generations will incentivise awardees to accelerate repayment or return to the fund (see typical terms below).

As it has to be expected that some projects will default, this further implies that the fund will require taking share in the expected financial value creation of projects (like other investment funds would,

although the Foundation for Future Generations would invest in riskier projects and/or with a lower expected return).

The Foundation for Future Generations has no interest in bothering management and recognises that start-ups are very sensitive to dilution of votes. Consequently, non-voting shares or preferably certificates (simpler administration) are welcome equity forms in case of conversion.

► 5. Typical terms

Funding will be in loan or (in case of conversion) in equity.

In consideration of the funding philosophy, the typical funding would be as follows:

- Subordinated convertible loan;
- 0 % interest for the first 18 months, 5 % for the next 18 months and 10 % interest for the following years (assuming current financial market conditions); For example: repayment after 3 year would result in a mean interest rate of 2,67%.
- Interests will be capitalised;
- If the loan is not reimbursed within 4 years from grant, the Foundation for Future Generations will have the option to forfeit the interests and convert the loan amount into common shares (or certificates) in a number equivalent to what would have been obtained if the money had been invested at the best rate since the time of the intervention of the fund;
- Tag-along rights will apply;
- Change of control or dividend payment will trigger early repayment of the loan or conversion in equity at the preference of the Foundation for Future Generations.

The Jury may attach additional conditions which are considered relevant to the financing of a selected project.

► 6. Eligibility

- The project:
 - must be early stage
 - must have significant (potential) positive impact on the environment
- The organisation:
 - should be a start-up business, meaning that the candidate entrepreneur should have established its company recently (no longer than 3 years ago) or should be prepared to set it up in a relatively short term (approximately within the coming 3 months);
 - should be located in Belgium
 - could be not for profit, for as long as it shows potential recurring revenue streams that cover at least its cash needs, including repayment of the funds;
 - could be an existing business launching a new project, but would not be eligible if the related company could finance it from its own funds;
 - should seek to integrate the sustainability values (people, planet, prosperity and participatory governance)
- The candidate entrepreneur:
 - plans to work full time and is (as a member of the team) responsible for the daily management of the company;
 - must never have been prosecuted for fraud;
 - should not practice a liberal profession;

- The Foundation for Future Generations' loan should make a difference in the success of the project. This means that the amount of financial support that the candidate is applying for (maximum 50.000 euros), shouldn't be lower than 5% and shouldn't exceed 50% of the total projected financial needs to realise the project.
- The application form must be completed in English and the oral presentation to the jury must be done in English.

► 7. Selection criteria

The key selection criteria are:

- the (potential) positive impact the project will have on the environment;
- the quality and sturdiness of the business plan and the underlying strategy;
- the difference the funding of the Foundation for Future Generations would make.

Other important criteria include:

- the way the team plans to live the sustainability values (People, Planet, Prosperity, Participation);
- the quality of the team;
- the originality of the idea (and possible patents);
- the competitive advantage (Unique Selling Proposition);
- job creation is a plus (not a prerequisite).

For the candidates who seek to increase the quality of their project, particularly in terms of business plan and underlying strategy, the Foundation compiled a list of private and public organisations that offer support in business development, providing services ranging from personal business coaching to hands-on tools and inspiring network opportunities. This document is available on request (please see contact details below).

► 8. Agenda call for projects 2020

- Launch call: 31/03/2020
- Deadline call: 26/05/2020, midnight – application must be sent to sense@fgf.be
- Preselection of 20 candidates (if number of candidates exceeds 20) based on the one-pager summary: mid-June
- Announcement of 8 shortlisted candidates (invited to the present their project to the jury) based on the evaluation of the full application and annexes by the jury: mid-July
- Deadline submission of the environmental impact form (for 8 shortlisted candidates only): mid- September
- Shortlisted candidates present their project in front of the Jury: end September.
- Public communication on the laureates: end October

► 9. Contact

For general information about the 2020 call for projects please contact the Foundation for Future Generations

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