

Green Development and Demonstration Programme (GUDP)

Invitation of applications for The Organic Research, Development and Demonstration Programme (Organic RDD) 8

Application deadline 3 May 2022 at 12.00



Colophon

Green Development and Demonstration Programme

Invitation of applications for funding under The Organic Research, Development and Demonstration Programme (Organic RDD) 8

This invitation has been prepared by The Ministry of Food, Agriculture and Fisheries of Denmark, the GUDP-secretariat and ICROFS

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Invitation of applications for The Organic Research, Development and Demonstration Programme (Organic RDD) 8

The board of the Green Development and Demonstration Programme (GUDP) invites applications for funding of projects which carry out research and development and/or demonstration in relation to business-oriented innovation within the Danish organic food sector by means of a green conversion. The projects must support both green as well as financial sustainability, and GUDP places great emphasis on the news value, impact and relevance of the projects.

The legal framework for grants under the Green Development and Demonstration Program (GUDP) can be found on the Danish legislation information website and GUDP's website. The GUDP scheme is regulated through the GUDP Consolidation Act¹ and the GUDP Regulation² and is subject to the general rules of administrative law, including the Public Administration Act and the Public Records Act. Subsidies under the GUDP scheme are granted in accordance with EU state aid rules, including the General Block Exemption Regulation³ (hereinafter GBER) and/or the Agricultural Block Exemption Regulation⁴ (hereinafter ABER). The legal basis for ICROFS' call is to be found here.

A total funding of up to approx. DKK 50 million for Organic RDD 8 is available in 2022.

The funds available for this application round have been made available to the GUDP as part of the political agreement on the allocation of the research reserve funds for 2022⁵. The funds are earmarked for organic farming and food systems and are implemented in a collaboration between GUDP and ICROFS (International Centre for Research in Organic Food Systems). Within the framework of GUDP - the legal basis and GUDP's strategy 2019-2022 - this application round is targeted at selected challenges within organic food production, and the call and application material have been adapted accordingly.

This call covers applications for research projects including development and/or demonstration (NOT pure research projects). Projects may apply for a total grant of DKK 250,000 to DKK 8 million - projects applying for less than DKK 8 million are very welcome! At least 80 percent of the funding is earmarked for projects with a business plan (Type 1 – is described on page 8), while up to 20 percent of the funding may be used for projects focusing on the contribution of organic farming to public goods without a business plan (Type 2 – is described on page 8). The final distribution of funds will depend on the submitted applications.

¹ Consolidation Act no. 23 of 4 January 2017 about the Green Development and Demonstration Programme (the GUDP Consolidation Act): https://www.retsinformation.dk/eli/lta/2017/23

² Consolidation Act no. 1069 of 13 September 2017 about the Green Development and Demonstration Programme (the GUDP Regulation): https://www.retsinformation.dk/eli/lta/2017/1069

³ The EU Commission's' Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, Official Journal of the EU, L 187, p. 1 incl. later changes

⁴ The EU Commission's' Regulation (EU) No 702/2014 of 25 June declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union incl. later changes.

⁵ Agreement on allocation of the research reserve funds in 2022 https://ufm.dk/lovstof/politiske-aftaler/endelig-aftale-et-gronnere-sundere-og-teknologisk-staerkere-danmark.pdf



Deadline for applications is Tuesday 3 May 2022 at 12.00

- Applications incl. annexes must be received no later than 12.00 on the date of application.
- Applications received after the deadline will <u>not</u> be considered, regardless of the time they
 were submitted. Please be aware that you may experience a delay from the time the application is submitted until it is received at GUDP.
- To be considered eligible for funding from this scheme, the application must comply with the
 application deadline and the formal requirements described in this call and in the accompanying guidelines.

Before you apply

We kindly suggest that you carefully read through this call and the 'Guideline for completing the application forms for the Organic Research, Development and Demonstration Programme (Organic RDD) 8', the strategy of the GUDP-board 2019-2022 as well as ICROFS' Research and Development Strategy 2019-2021 before preparing the application. Furthermore, we recommend that you look at the instructions on payment of grants under GUDP (only in Danish). Choose "Søg om udbetaling eller ændring" ("Apply for payment or change"), and read more under "Igangværende projekt" ("Ongoing project").

Also, be aware of other grant schemes for research, development, demonstration and market maturation in the food sector and consider which scheme is most relevant to your project before applying. Lists of grant schemes can be found among others at State Grant Schemes: https://www.statens-tilskudspuljer.dk/ and in the Grant Guidelines of The Danish Agricultural Agency https://lbst.dk/tilskudsguide/ as well as at https://icrofs.dk/soeg-forskningsmidler/alternative-forskningsmidler.

Information meetings and individual feedback

Information meetings are held by the ICROFS-secretariat in connection with the call. At the information meetings you will be able to hear more about how to fill in the application forms. A virtual information meeting has been planned on Tuesday 1 February 2022, and a physical meeting has been planned on Wednesday 9 February 2022. Keep an eye on ICROFS.dk for further information and registration.

You can also get individual feedback on your project idea by submitting a project outline of maximum two pages to the GUDP- and ICROFS-secretariats. You can find the template for the project outline here: Kan min idé blive til et Organic RDD projekt (in Danish). The project outline must be sent via e-mail to icrofs@icrofs.org with cc to gudp@lbst.dk, and the secretariat strives to have a maximum processing time of one week.



Requirements for the application

Application forms and guidelines

The application forms and the guidelines for filling in the application forms can be found <u>here</u> at GUDP's website. It is a requirement that GUDP's application forms are used and that they are submitted within the deadline. Please note that you must not change the application material.

An application consists of:

- Form A: Main application form
- Form B: Budget form, Gantt diagram, lists of milestones and deliverables
- Form C: Participant form
- Form D: Additional business plan (if relevant)
- Form E: Description of the research part and content of the project
- Form G: Business Model Canvas (not mandatory)
- CVs for project manager and relevant key persons
- Up to 4 pages of enclosures e.g. references, illustrations, technical drawings or supplementary calculations of the project effects.

Language

The application must be written <u>in English</u> and all forms must be completed <u>in English</u>. However, a brief project description in Danish is required in Form A.

Submission

The application must be submitted by e-mail to gudp@lbst.dk. This includes:

- All relevant application forms, CVs and enclosures gathered in one PDF file. The total PDF file should be submitted in a non-scanned version without signatures as well as a scanned version with all signatures.
- Form B must be attached in a separate Excel file.
- Form E must be attached in a separate PDF file. Be aware that only one Form E must be submitted which must include all relevant CV's.
- Form G must be attached in a separate PDF file, if applied.

Acknowledgement letter confirming receipt of the application

Within a few days from receiving your application, the GUDP-secretariat will send an acknowledgement letter confirming that we have received the application.

Applications may be rejected

Applications may be rejected if they do not comply with the GUDP Act and the requirements stated in this call and the associated guidelines.

When will approvals and rejections be announced?

We expect to announce approvals and rejections for grants by the end of 2022.



Requirements for applicants and projects

Who can apply for grants?

- · Company registered persons
- Private companies
- Trade associations
- Associations/unions
- Self-governing institutions
- Research institutions

All applicants must be registered in the Danish Central Business Register ('Det Centrale Virksomhedsregister – <u>CVR.dk</u>'). In relation to grants, Advanced Technology Groups (GTS), trade/industry associations, associations and self-governing institutions are considered as private companies. Foreign research institutions or companies <u>cannot</u> participate in a project as project participants, but they may, however, act as external advisors.

Grants are provided for?

GUDP can provide grants for applied research projects including development and/or demonstrations activities. The project must at the same time promote both green and economic sustainability and thus have what GUDP calls "the double bottom line".

Green sustainability is about 'the credibility of organic farming', 'resilient systems' as well as 'the contribution of organic farming to public goods', including the environment, climate, sustainable use of resources, gentle production methods, animal welfare, food security, human health and nutrition as well as food quality. You can read more about this on ICROFS' website here: https://icrofs.dk/oekologiens-bidrag-til-samfundsgoder.

Economic sustainability can be seen in the proceeds of the project and the further economic impact of the project's idea, method or technology becoming widespread in the organic food sector.

It could be new:

- Technologies
- Tools
- Production systems
- Analytical methods
- Processes
- Products
- Management and logistics solutions

Grants are not provided for?

- Pure research projects
- Pure investment projects
- Development of innovation competences
- Educational and course activities and similar
- Marketing and test marketing



- Collective generic campaigns (e.g. joint trade organisation campaigns)
- Special innovation activities (borrowing staff)

Organic principles and regulations

As a rule grants are only given to projects if all the applied methods are compatible with the organic principles⁶ and regulations⁷. Project activities are thus expected to be accomplished according to the existing regulations for organic farming and using experimental fields, plants, animals and other material of organic origin. In case this is <u>not</u> possible, this fact must be clearly indicated and accounted for in the application.

Project types eligible for grants

Type 1 (with business plan):

Projects with applied research content including development and/or demonstrations activities (but NOT pure research projects). The project must improve both green and economic sustainability and thus have what GUDP calls 'the double bottom line'. A business plan demonstrating the utilization of the project results must be prepared.

Type 2 (without a business plan):

Projects with applied research content including development and/or demonstrations activities (but NOT pure research projects). The project is focusing solely on public goods and green sustainability effects, and the project results cannot be turned into a financial gain for the individual farmer or company. A business plan is NOT to be prepared for the project.

Both Type 1 and Type 2 projects are projects in which one or more participants accomplish a number of interdependent and supporting activities such as:

- Applied research activities that are related to planned research and critical studies to acquire
 new knowledge and skills that can be used to develop new products, processes or technologies (see complete list above under 'Grants are provided for?'). The results of the activities
 carried out are not expected to be commercialized in the short term. Research activities
 alone cannot constitute an Organic RDD project.
- <u>Development activities</u> that develop new or improved products, processes or technologies based on the acquisition and use of existing scientific and other relevant knowledge and skills. Development activities may include commercially applicable prototypes. The new products, processes or technologies are expected to be applicable, including commercialized, in the short term.
- <u>Demonstration activities</u> with the purpose of disseminating knowledge on the application of research and/or development activities to a wide range of actors. Demonstration includes dissemination of scientific or technical knowledge etc. that is <u>not</u> distortive and does not market/resemble marketing of specific products or services. Meaning:
 - o All stakeholders can get access to the demonstrated knowledge/practical solution.

⁶ https://eur-lex.europa.eu/legal-content/DA/TXT/PDF/?uri=CELEX:32018R0848&from=DA (principles: pp. 22-25) https://icrofs.dk/om-icrofs/hvad-er-oekologisk-jordbrug/de-oekologiske-principper/; http://www.ifoam.bio/principles-organic-agriculture-brochure

⁷ http://lbst.dk/tvaergaaende/oekologi/lovstof/



 Demonstration does not include products or services that must be bought, to make use of the demonstrated knowledge/practical solution.

ICROFS' purpose, strategy and focus areas of the call

<u>The purpose of ICROFS</u> is to coordinate, execute and disseminate strategic and applied stakeholder oriented, high quality international research. On behalf of GUDP, the Ministry of Food, Agriculture and Fisheries of Denmark, ICROFS coordinates the national research programme Organic RDD. <u>ICROFS' Research and Development Strategy 2019-2021</u> forms the basis of Organic RDD 8. The research and development strategy has been prepared by ICROFS with broad involvement of farmers and other primary producers, industry and trade, organizations, consumers, authorities and not the least universities and knowledge institutions.

The research must contribute to a further development of a sustainable, market driven and competitive Danish organic sector and thereby promote continued growth of the organic sector in Denmark. All initiatives must be based on the organic principles (the four basic principles of organic agriculture from IFOAM og the principles in the EU Council Regulation on organic production pp. 22-25) and the rules of EU Council Regulation on organic production. Through the research activities ICROFS will further contribute to the development and expansion of organic farming and food systems in Denmark as instruments for achieving important public goods and objectives concerning the environment, climate, biodiversity, protection of drinking water, animal welfare and health, rural development, as well as UN's Sustainable Development Goals.

Organic agriculture and food production are experiencing positive and consumer-driven growth based on sustainability, consumer confidence, innovation and strong values. The EU Council regulation organic production defines organic production as a comprehensive system for agricultural management and food production, combining best practices within environment and climate, high biodiversity, conservation of natural resources and the application of high animal welfare standards and high production standards, which is consistent with increasing consumer demands for products that are produced using natural substances and processes. In addition, the <u>four basic principles</u> of organics - Health, Fairness, Ecology and Care - are closely linked to the UN's Sustainable Development Goals, which recognize that social, economic and environmental development are closely linked and require integrated efforts.

Organic production thus plays a dual role in society - on the one hand supplying a specific market that meets consumer demand for organic products - and on the other, providing public goods.

ICROFS' Research and Development Strategy must therefore support the development of organic farming and food systems in order to supply the market as well as meeting the needs of society.

Success criteria for the projects

<u>ICROFS' Research and Development Strategy</u> aims for practice-oriented solutions and research, which is carried out in close collaboration between farmers and other primary producers, compa-



nies, authorities, consumers and research environments in order to develop research-based, innovative and competitive solutions and document these in relation to consumers and society. This is reflected in the following four key success criteria to be promoted in the research projects:

- SUSTAINABILITY the projects must contribute to sustainable production systems that
 protect the climate and the environment, be based on recycling and sustainable use of
 resources, and support a high degree of biodiversity, animal welfare and health for soil,
 plants, animals and humans
- INNOVATION the projects must contribute to innovative production systems that meet consumer and community demands for organic products
- GROWTH the projects must contribute to productive and efficient production systems that support continued sustainable growth in organic production
- CREDIBILITY the projects must contribute to the credibility of organic farming and food systems in relation to the basic principles and the contribution to public goods such as protection of climate, environment and drinking water, as well as a high degree of biodiversity and animal welfare.

The focus of Organic RDD 8

ICROFS' <u>Research and Development Strategy 2019-2021</u> addresses the central challenges and potentials of organic farming and food systems through six focus areas. The individual focus areas are described in detail in the strategy.

For Organic RDD 8, you can apply within all six focus areas, however, in particular we welcome projects with a starting point in or integrating the focus areas:

- THE ORGANIC CONSUMER OF THE FUTURE and
- CLIMATE AND ENVIRONMENT

with the challenges that the organic farmer and the organic companies face in relation to the other four focus areas:

- CIRCULAR BIO-ECONOMY
- BIODIVERSITY
- HEALTH AND WELFARE
- ORGANIC FARMING FOR A LIVING

Projects can address selected topics within one or several focus areas but should have a holistic approach and include the value chain and the users of the produced knowledge as well as the enduser (consumer) to the extent that it is relevant.

The development of the organic sector must be sustainable for the farmers as well as for the society and must meet the expectations of consumers and society. Based on this, innovation, research, development, and documentation are welcomed within the following topics:



- consumer requirements and expectations for organic production, organic products and the
 organic food system, including the use of new technologies, recirculation of nutrients from
 society, expectations for the food quality and their contribution to nutrition, health and reduced pesticide exposure, contribution to public goods such as climate, biodiversity, environment, animal welfare, clean drinking water, and the origin of food and sustainable supply
 chains
- new products and sustainable forms of production, product development and local processing, including healthy plant-based foods and greater integration of primary production in the value chain as well as solutions for local processing and security of supply
- methods and tools for promoting organic food supply and consumption through e.g. increased collaboration, networks, innovation and knowledge exchange across production, retail trade, catering/restaurants and consumers
- climate-friendly and resource-efficient production systems which, via optimized use of nutrients in fields and stables, increase productivity, thereby minimising climate and environmental impact
- cultivation systems that integrate several forms of production and production branches (e.g.
 intercropping, integration of livestock and plant production, integration of trees, bushes and
 nature boards) and utilise potential synergies with the aim of creating robustness, diversity
 and economic stability
- technologies as well as cultivation and production systems that support robust, healthy plants, animals and fish, and which prevent undesirable substances and microorganisms from being retained in the system and the products
- maintenance and build-up of the soil's fertility, carbon content and health
- technologies that promote fossil-free organic farming
- production systems that support the welfare and natural behaviour of animals without compromising the production's climate and environmental impact or animal health
- breeding strategies and methods, as well as the inclusion of new and old varieties and breeds targeted organic production, taking into account specific needs for e.g. genetic diversity, disease resistance or tolerance, adaptation to local soil and climate conditions and quality of raw materials
- technological solutions and establishment of the scientific basis for the evaluation of technology that can be used to develop the organic regulations in accordance with the organic principles

GUDP and ICROFS prioritisation and selection criteria

Organic RDD projects must contribute to six parameters as illustrated in ICROFS' "spider web" (see figure 1). The parameters correspond to the six prioritization criteria used for the evaluation of the projects. GUDP and ICROFS would like to see both projects that focus on one of the green parameters and projects with a more holistic approach. Applicants must aim to ensure that improvements in one area do not have significant negative impact on others.



For the green parameters, regardless of whether the project has an effect on several parameters, as a rule only the most important effect is to be quantified, while any other green effects can be described in prose. However, if it is a holistic project that has several effects, the main effects should all be quantified. In addition to the effect of the projects on the parameters in the "spider web", GUDP and ICROFS place particular emphasis on the novelty value and relevance of the projects, as well as the professional quality and the anchoring of the project in the industry. The ICROFS-board prioritizes between the best project applications in relation to what the board estimates will have the greatest effect on organic production and development.

The prioritization criteria correspond to the parameters indicated in the ICROFS "spider web" (see figure 1 next page). It is important to note that a project does not need to have an effect on all the parameters in the spider web, however:

- Type 1 projects <u>must</u> have one green and one economic effect as well as effect on dissemination and stakeholder involvement
- Type 2 projects <u>must</u> at least have an effect on the contribution of organic agriculture to public goods and effect on dissemination and stakeholder involvement.

Project type 1:

The application will be evaluated according to the 6 prioritization criteria in ICROFS' "spider web". Three criteria are concerned with green sustainability (including public goods), two criteria are concerned with economic sustainability and the last criterion is about dissemination and stakeholder involvement. An elaboration of the criteria is provided below. Each project will be evaluated as a whole, i.e. the total weighting of the various parameters relevant to the actual project is considered.

All type 1 project applications will be evaluated according to their contribution to green sustainability (criteria 1, 2 and 3) and economic sustainability (criteria 4 and 5) as well as dissemination and stakeholder involvement (criterion 6).

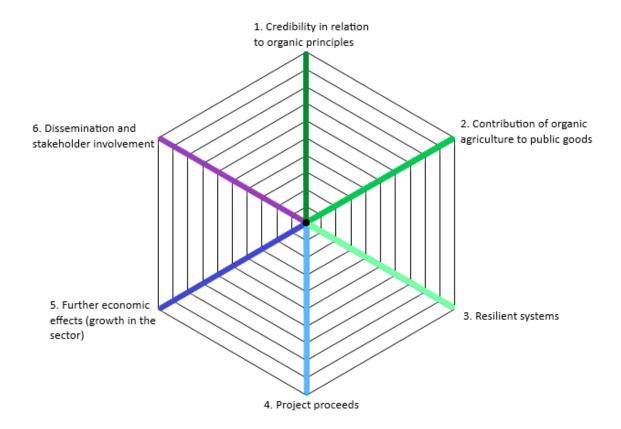
Project type 2:

Projects under project type 2 are focusing exclusively on the contribution of organic agriculture to public goods and green sustainability effects, and the project results cannot be turned into a financial gain for the individual farmer or company. The projects will be evaluated in relation to their perspectives and potential to encourage new development concerning the contribution of organic agriculture to public goods and green sustainability effects, including an elaboration of these contributions and the opportunities to increase these.

Applications under project type 2 will be evaluated according to their contribution to public goods (criterion 2), and dissemination and stakeholder involvement (criterion 6). In case the applicants consider that the projects may also contribute to the other criteria applying to project type 1 (with a business plan), they are free to quantify their contribution to the criteria 1, 3, 4 and 5. If the project has effects on criteria 4 and 5, applicants should consider whether it should be applied for as a type 1 project.



Figure 1: ICROFS' "spider web", the six prioritisation criteria that will be used in the evaluation of the project applications



The three green sustainability criteria – the project must have at least one green effect. For type 2 it must include the contribution of organics to public goods. There is an overlap between the three green criteria, and it can be difficult to say unequivocally that an effect belongs to one or the other criterion – an effect must, however, only be described under the criterion you find most appropriate.

1 Credibility in relation to organic principles⁸

The credibility of organic farming in relation to the organic values and principles is a prerequisite for consumers to maintain their confidence in organic products and thus for continued growth of the organic sector.

Contributions to an increased credibility in relation to organic principles must be described and the applicants should aim to quantify the expected project contributions in the application. Some examples are given below, and the applicants may include more.

 Improved soil fertility – the project's contribution to improved soil fertility, including texture, water, biological activity, nutrition, carbon sequestration etc.

⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0848&from=DA



- Circular bioeconomy/recirculation the project's contribution to increased recirculation both within the individual farm and in interaction with society.
- Optimization of the food system the project's contribution to optimizing resource utilization and reducing the environmental and climate impact of the food system as a whole.
- Sustainable use of resources the project's contribution to a sustainable use of resources and utilization of local resources, including energy consumption, optimization of nutrient cycles/recycling and an optimization of resources within food production indicated as added value per input⁹.
- Minimized nutrient surplus the project's contribution to recirculation and reduction of nitrogen and phosphorus surplus per hectare or animal unit (provided that the results will be expanded subsequently)
- Careful processing the project's contribution to the development of careful processing of raw materials, use of natural conservation methods and additives, etc.

2 The contribution of organic farming to public goods

The contribution of organic farming to public goods is also a prerequisite for consumer confidence, but many of the contributions to public goods may be more distant to the individual consumer. The EU Council Regulation's principles for organic farming ¹⁰ include the importance of working on soil fertility, biodiversity, animal welfare and sustainable production and processing in relation to the environment and climate. This focus contributes to making organic agriculture an important societal contributor.

It is assumed that the identification and development of organic agriculture's contributions to public goods will strengthen the entire sector.

Focusing on how organic farming increasingly meets these principles will ensure that organic farming and aquaculture will be among the most powerful opportunities for a future with more environmentally friendly primary production that can support the efforts in relation to climate plans, the Water Framework Directive, Natura 2000 and a reduction of the pesticide consumption.

Contributions to the identification or development of the contributions of organic farming to public goods must be described, and applicants should seek to quantify the contributions they expect from the project. Below is provided some examples of topics for which knowledge on or development of the contribution of organic farming to public goods could be included. The applicants may include more, but it is recommended to study the knowledge synthesis 'The Contribution of Organic Farming to Public Goods'^{11,12}.

⁹ Examples of effects based on sustainable utilization of resources:

[•] Same output produced with less input

[•] Same input produces a larger output (including utilization of waste products)

Same output is refined with the same or less input

¹⁰ Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EC) No 834/2007.

https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0848&from=DA

https://www.foedevarestyrelsen.dk/Leksikon/Sider/Ny-oekologiforordning-fra-1-januar-2022.aspx

¹¹ http://icrofs.dk/fileadmin/icrofs/Diverse_materialer_til_download/Vidensynte_WEB_2015__Fuld_laengde_400_sider.pdf

¹² http://icrofs.dk/fileadmin/icrofs/Diverse_materialer_til_download/web_OKvidensyntesen_okt_2015.pdf



- Nature and biodiversity e.g. increased biodiversity the project's contribution to an increased biodiversity, including agricultural as well as wildlife biodiversity and at the levels of gene, species and landscape.
- Environment the project's contribution to an improved environment including water environment and ground water.
- Energy and climate the project's contribution to a reduced emission of climate gases (CO2 equivalents) including carbon sequestration in soil (provided that the results will be expanded subsequently)
- Human health and welfare Improved human health and welfare the project's contribution to human health and welfare, including food safety, nutritionally improved diets, energy intake, dietary supplements, but also to the quality of life and absence of pesticide residues, resistance to antibiotics, substances hazardous to health etc.
- Animal health and welfare Improved animal welfare the project's contribution to improved animal welfare, including health, nutrition, natural behaviour and the absence of pain, fear and stress, etc.
- Reduced use of antibiotics the project's contribution to a reduction in standard treatments with antibiotics per animal unit (provided that the results will be expanded subsequently)
- Reduced use of pesticides the project's contribution to increased conversion to organic production which will result in reduced use of pesticides.
- Industry and rural districts the project's contribution to the development of the sector, focusing on knowledge on the future organic consumer and conditions that improve development opportunities and working conditions.

3 Resilient systems

To ensure a balanced growth of supplies, it is important to ensure efficient and resilient farming systems in a biological as well as economic sense. In the context of organic farming, higher productivity is based in particular on optimizing the way in which the individual biological components mutually contribute and support each other, the manager's abilities within resource management, cost optimization, observation and understanding of the biological factors included in the farm operations; whether it is knowledge of the ecosystem services linked to the soil's fertility and yield, functional biodiversity or regulation of animal diseases.

It is worth noticing that optimization and efficiency at this level requires both very specific knowledge of the individual components as well as knowledge on system level. At the same time, it is important to clarify the impact of processing on the quality of the products.

Resilient systems enable the farmer to produce under different conditions (e.g. variation in climate) with less fluctuations in yield.

Contributions to resilient systems must be described and the applicants should aim to quantify the expected project contributions. Some examples are given below, and the applicants may include more.



- Ecosystem services the project's contribution to augment ecosystem services such as soil fertility and yield, structure and water holding capacity, functional biodiversity and regulation of animal diseases and at the same time how to reduce the risks of long-term problems with e.g. pests, diseases and perennial weeds.
- Adequate access to nutrients the project's contribution to ensure access to nutrients for the primary production e.g. through optimization of nutrient cycles/recycling.
- Resistance to external pressure and change the project's contribution to develop production systems in which the individual elements mutually support and compensate for each other in case of unexpected changes in the environment and to resist pressure in the form of diseases/pests, climate changes and market fluctuations.
- Technology and knowledge the project's contribution in the form of technology and knowledge that increase the capacity for observation/monitoring, prevention, decision support and control/management including the implementation of operational diversity in the form of multi-functionality, farm collaboration and/or integration of the value chain in order to ensure a natural foundation and financial profitability (social innovation).
- Resource management and cost optimization the project's contribution to e.g. increased recycling/reuse of resources on the farm/company, implementation of renewable energy, resource-saving technologies and systems, etc.

The two criteria concerned with economic sustainability

4 Project proceeds

The financial revenue generated by the project results for the grant receivers in year 1, 2, and 3 after the finalization of the project. Proceeds are only valid for the 3 years after project completion.

5 Further economic effect

Project potential for economic effects in relation to dissemination within the sector as well as the socio-economic impact. The effect only applies to Companies / Persons etc. outside the project participant group.

Criterion concerned with dissemination and stakeholder involvement

6 Dissemination and stakeholder involvement

As part of the project description, the applicant must prepare a communication plan for dissemination as well as user and stakeholder involvement (Form A) and a list of milestones and deliverables in that connection (Form B). This plan must include a description of the parties with an interest in the project idea and results and must describe how the project results are communicated to the relevant target groups. The project's communication plan for dissemination and stakeholder involvement is included in the assessment of the project. See the 'Guideline for completing application forms for Organic RDD 8', Item A28.

It is important that:

Relevant target groups, users and stakeholders are identified



- The project efforts, results and perspectives are made widely visible to others, and that the results are implemented with the users, stakeholders and in the sector
- The project involves, communicates with and disseminate to relevant target groups and involves the users, stakeholders and the sector in an on-going dialogue about the project, preferably as project participants or as part of an advisory group.
- The project results and perspectives are disseminated in the form of peer-reviewed scientific publications.

During the project period, the project must continuously contribute to dissemination in Danish as well as English via ICROFS' communication channels at least once a year in Danish and English respectively (e.g. via articles, press releases, videos or podcasts, etc.). The project manager and 1-2 project participants should participate in annual Innovation and research workshops and sufficient time and funds must be allocated to these meetings. The project manager is also expected to contribute to dissemination about the project at the start of the project as well as of project results at the end of project and at the end of the entire programme.

Read more about <u>GUDP's Strategy for 2019-2022</u> and the <u>GUDP Action Plan for 2022</u> and about ICROFS' Research and Development Strategy 2019-2021.

The project's effects should be described in the application

A prerequisite for obtaining grants from GUDP is that the project creates concrete effects, and that this is described and preferably documented in the application. When describing project effects in accordance with the spider web, the starting point must be indicated so that the project's contribution can be identified and quantified as far as possible. The Guidelines for Organic RDD 8 specify how to describe the effects including which of the effects that must be quantified.

The applicant must explain how the project can contribute to improvements. The expected project effects are included in the concrete assessment of the applications, and it is therefore important that the specified effects are assessed realistically and that the calculations are substantiated.

Commercialization and business plan

As funding from GUDP is granted with high priority to projects with commercial potential, business plan(s) are thus an important part of the project application. However, projects focusing on the contribution of organic farming to public goods (Type 2) are exempted from this requirement and do not have to prepare a business plan. (See detailed information in the section 'Funding and commercial issues')

Focus on the entire value chain

GUDP focuses on the entire value chain and emphasizes that the projects include participation from the different parts of the value chain that are relevant for the project, e.g. production, processing, marketing and transportation.

Bridging the food sector

GUDP wishes to support bridging, cooperation and sharing of knowledge between researchers, companies, farmers, aquaculture activities as well as actors from other sectors with expertise that



may benefit the entire food sector.

Research and justification of project knowledge

GUDP projects must contribute to green conversion of the Danish food industry through ambitious and business-oriented innovation. With the funds, GUDP will promote collaboration across industries, knowledge institutes and companies to ensure that experiences and results are documented and can be used in the future.

Research should be included in the projects as a relevant means of achieving specific development and demonstration goals that encourage a well-documented access to the market, and projects that receive public research funding must involve and engage the industry as an active partner.

International cooperation

It is possible to use international cooperation partners in cases where this may provide added value to the project. However, they cannot be included as project participants but be used as external assistance.

High-risk projects

GUDP may provide grants for projects that involve significant risks but have equivalently high potential if the project succeeds. Therefore, GUDP grant approvals can be conditional to supplementary investigations by the applicant on whether and how the project can be implemented. The investigations must identify the project's risks and highlight the potential benefits. If GUDP deems it necessary that such investigations are needed on the feasibility of the project, the applicant will be notified by the GUDP-secretariat, which will also provide details of the conditions.

Funding and commercial issues

Active participation and co-financing

GUDP intends to further cooperation between different actors across sectors and industries to create synergy and strengthen knowledge sharing. Therefore, it is important that the projects involve partners from trade and industry, and it is a requirement that research and knowledge institutions contribute with a co-financing of at least 10 percent.

Subsidy rates

EU legislation on state subsidies sets the overall frame for the subsidy rates. It is important that the applicant provides accurate information on the activity type, project type and size of the companies involved. This is a prerequisite for GUDP to apply the correct subsidy rates (see Table 1). If too much subsidy has been granted it must be paid back with interest.



Table 1. Maximum subsidy rates for GUDP projects*

Company size	Research and knowledge dis- semination or- ganizations	Small companies		Medium-sized companies		Large companies		
Project type		Individual	Coope- ration	Individual	Coope- ration	Individual	Coope- ration	
Activity type								
Applied research	90 pct.	70 pct.	80 pct.	60 pct.	75 pct.	50 pct.	65 pct.	
Development	90 pct.	45 pct.	60 pct.	35 pct.	50 pct.	25 pct.	40 pct.	
Demonstration	70 pct.	70 pct.	70 pct.	70 pct.	70 pct.	70 pct.	70 pct.	

^{*} Research and knowledge dissemination organisations can achieve a maximum subsidy of 100 pct. (however, maximum 90 pct. from GUDP) of the eligible costs for the implementation of non-commercial research and development activities, provided that the research results of the research institutions is subject to continuous publication, including education. Projects related to primary agricultural sector as well as processing of products from the primary agricultural sector, can only achieve a maximum subsidy of 70 pct. for demonstration (knowledge sharing).

Requirements for collaborative projects

In order to receive an increased subsidy for cooperation projects, it must be a collaboration between companies, of which at least one is an SME, and where no individual company has a budget of more than 70 pct. of the eligible costs. Or the collaboration must be between a company (regardless of size) and a research and knowledge dissemination institution, where the latter has a budget of at least 10 per cent of the eligible costs.

In collaborative projects with an increased subsidy rate, the project results must be widely disseminated via conferences, publications, open access archives, free software or open-source software. However, this does not apply to confidential information.

Trade organizations and the like as well as private research and knowledge dissemination organizations

Trade organizations and the like as well as private research and knowledge dissemination organizations are regarded as large companies in connection with the determination of the maximum subsidy rates. If the applicant can present documentation that the organisation or institution (the entire organisation or institution) fulfils the EU Commission's definition of small or medium-sized enterprises (SMEs) a subsidy rate corresponding to the size of the company can be given.

Eligible expenses and costs

Expenditure items that are eligible for funding are described in the application guidelines under Form B.



Commercial repayment

If a commercial exploitation of the results gives the beneficiary a net proceed over a period of three years after the end of the project, there might be specific cases where repayment must be made¹³. The reimbursement payment cannot exceed the amount of the grant. Further information on this can be found in "Vejledning om tilbagebetaling af tilskud" ("Guidance on repayment of grants") at www.gudp.dk. Select "Søg tilskud" ("Apply for a grant"), then "TILSKUDSPORTALEN" ("THE GRANT PORTAL") and read more under "Igangværende projekter" ("Ongoing projects").

Business plan

GUDP emphasizes the commercial perspectives of the projects and to ensure that the business part of the projects is thought through, all projects may complete a Business Model Canvas (Form G). However, this does not apply to projects that focus on the contribution of the organic sector to public goods (type 2 projects). The business plan and the Business Model Canvas, if applied, should together provide an overview of the business model, organization and economy of the intended product(s). The information should be based on facts with references to relevant sources. It is important to support the information with data describing e.g. market size and growth rates.

For more information about business plans, see 'Guideline for completing the application forms for The Organic Research, Development and Demonstration Programme (Organic RDD) 8' (A29-A35) here.

Procedure for the processing of applications

The processing of the applications received will be based on the submitted material. The ICROFSand the GUDP-secretariats will review the projects. The scientific quality will be evaluated by an international panel of experts on the basis of Form E.

The role of the ICROFS-board

The ICROFS-board plays a central role in the assessment of applications with due respect of the general rules of impartiality and confidentiality. The ICROFS-board evaluates all applications and – based on the review by the ICROFS-secretariat as well as the evaluation made by the international panel of experts – the ICROFS-board submits to the GUDP-board a substantiated proposal for program composition, and the GUDP-board decides which projects should receive approval of grants.

During the processing of applications, the ICROFS- and GUDP-secretariats may contact the project manager with clarifying questions. However, it will not be possible to provide new information that improves the application. In special cases, the secretariats may also seek professional advice from external experts. ICROFS and the GUDP-secretariat ensure that external experts are impartial and impose on them confidentiality in the processing of the application material.

¹³ Cf. § 41 of Bekendtgørelse nr. 1069 af 13. september 2017(Consolidation Act no. 1069 of 13 September 2017)



Scientific evaluation

Innovation Fund Denmark (InnovationsFonden) has approved that the ICROFS-secretariat will be performing the scientific evaluation of the projects based on input from an international panel of researchers, which has been approved by Innovation Fund Denmark, cf. the Fund's model 1 for scientific evaluation. The Innovation Fund Denmark (InnovationsFonden) make their final assessment of the scientific quality on the basis of the evaluation performed by the international expert panel. If the scientific quality is not considered eligible for support, the project cannot receive a grant. If the scientific quality is considered eligible for support, the ICROFS-board will use the other comments from the panel as part of the basis for their decision.

The international expert panel evaluates the application based on two main criteria: 1. The scientific quality (Form E), and 2. The project participants' research qualifications.

- 1. The scientific evaluation of the application is based on three criteria:
 - Quality of concept and objectives
 - Progress beyond the state-of-the-art
 - Quality and effectiveness of the scientific and technological methodology and associated work plan
- 2. The project participants' research qualifications are based on two criteria:
 - Quality and relevant experience of the individual participants
 - Quality of the consortium as a whole (including complementarity, balance)

The international expert panel assigns a score (0-5) for each criterion. A score of less than 3 for one of the two main criteria means that the project application does not proceed in the selection process.

The assessment of the scientific quality is based on Form E and the included CV's as well as on Form B including the Gantt chart as well as lists of milestones and deliverables. In Form E, the research content, problem description, hypothesis, theoretical background, research plan and methods, time schedule, expected results and risks must be accounted for, including a description of the new knowledge this research contributes to. In addition, the participating researchers' qualifications must be described. Be aware that only one Form E must be submitted and not one form E for each participant in the project.

Form E must be submitted as a separate file. That means that relevant CVs <u>must</u> be attached, even though they are also included in the main application. Information on the research content <u>must</u> be elaborated as a separate statement (Form E).

Consultative procedure in relation to scientific evaluation and the ICROFS-board recommendation

As external advice has been obtained from the ICROFS-board, scientific experts and from the Innovation Fund, the applicant has the right to comment on the external assessment during the consultative procedures. This is done in order to clarify whether the evaluation is based on misunderstandings in relation to the application. The applicant's comments may be presented to the persons responsible for the external scientific advice in order to clarify any misunderstandings.



Confidentiality

All applications will be handled with confidentiality within the framework of the Danish Act on Public Administration (Lov om offentlighed i forvaltningen).

Publication of applications

For each application round, the GUDP-secretariat publishes a list of applications received. Once the GUDP-board has selected the projects that will receive grants, project titles, grant sums, names and contact information of project managers will be published on www.gudp.dk. The grant sums may appear in total and/or distributed on the individual participants. Corresponding information may be published for the projects that have received rejections. For all projects that receive grants the title, participants, total budget and grant agreements, start and end dates and the short project description from the application are also published in 'Grøn Projektbank' on https://groenprojektbank.dk/. 'Grøn Projektbank' is a project database initiated by the Ministry of Food, Agriculture and Fisheries of Denmark in collaboration with Innovation Fund Denmark (Innovationsfonden).

GUDP collaborates with InnovationDanmark's database, which contains information on all state research and innovation tools. InnovationDanmark records project title, grant status, year of application, project start and end date, CVR number, organisation or company type and grant sums and budget per project and per project participant. Furthermore, GUDP reports the statutory information to the EU Commission's funding beneficiary register [The Financial Transparency System (FTS)]¹⁴.

During and after the project

The ICROFS-secretariat is organizing an annual Innovation and Research Workshop for all Organic RDD projects. The purpose of the annual workshops is to facilitate synergy between Organic RDD and CORE Organic projects as well as GUDP projects concerning organic agriculture, to provide guidance on dissemination of the project results and the completion of progress and final reports, and to advance research in organic agriculture or production.

During the project process, a scientific employee from the ICROFS- and GUDP-secretariats are associated with the project, who regularly are in dialogue with the project manager and follow the project. The scientific employee from ICROFS must be invited to all project meetings and strives to participate at least once a year. Employees from the GUDP-secretariat may also, in some cases, participate as observers in the project steering group or in advisory groups for a group of related projects.

Progress and final reports

All Organic RDD projects must submit an annual project report on progress and results around April 1. The first report on progress and results is to be submitted when the project has been running for more than eight months. ICROFS sends instructions regarding status reports directly to the project managers.

¹⁴ Further information on the Danish Business Authority (Erhvervsstyrelsens) website under 'EU statsstøtteregistrets indberetnings-system'.



When an Organic RDD project is completed, a final scientific report must be submitted no later than three months after the project has ended. The report must describe the content of the overall project, including the activities of the project, challenges along the way, how they were handled, and the results achieved. ICROFS sends instructions and a template regarding the final report directly to the project managers.

As part of the final report, the project manager must ensure that all disseminated project material (that is e.g. scientific articles and other publications, conference papers, workshops, etc. as well as any press material and links to journalistic coverage of the project in the media) is uploaded to Organic Eprints. Together with the final report, a list of the disseminated material is prepared with links to each in Organic Eprints.

The final report consists of an internal part for the secretariat, and a public part that will be published on Organic Eprints, www.gudp.dk and in Grøn Projektbank, it appears from the template for the final report which sections are to be published.

Communication and reporting

The results of an Organic RDD project should be disseminated to the largest extent possible so that other companies and researchers can use them and build on them. Furthermore, the good stories about green innovation in the food industry must be disseminated to a wider public audience when the results are of general public interest. Therefore, communication is an important part of all Organic RDD projects.

It must be clear from the communication in connection with all forms of dissemination of a project that it is funded by GUDP through the Organic RDD programme, which is coordinated by ICROFS. For example, the following phrasing can be used: "(Name of project) is a part of the Organic RDD 8 programme which is coordinated by ICROFS. The project has received grants from GUDP under the Ministry of Food, Agriculture, and Fisheries of Denmark."

Project dissemination via ICROFS' communication channels

The ICROFS-secretariat prepares, in collaboration with the project manager, a website for each of the projects that receive approval of grants. Previous Organic RDD project descriptions can be seen at ICROFS' website: http://icrofs.dk/forskning/dansk-forskning/. In addition, the ICROFS-secretariat prepares an article or press release in dialogue with the project manager. It will be published on ICROFS', GUDP's and the project's website and contains a description of the project, quotes for press releases, if possible, and photos provided by the project. It should also be possible for journalists to use the article in whole or in part in connection with media coverage of the project. A communications officer from ICROFS' communication team is assigned to the project to help ensure dissemination from the project.

All project publications must be uploaded to <u>Organic Eprints</u>. If the project produces material relevant for practise (primary producers and consultants) it should be uploaded to <u>Organic FarmKnowledge</u> after further agreement with ICROFS.



During the project, the progress reports can also be used in GUDP's news dissemination in a collaboration between the secretariat and the project manager.

No confidential information from the projects will be published 15, please see below under publication.

In connection with project completion, the project manager will receive a template for final dissemination. In collaboration with the project manager, ICROFS prepares relevant final communication products about the results of the project, how end-users can apply this knowledge in practice, and additional knowledge needed within the project's subject area. ICROFS will disseminate the end results of the project via its own communication channels and possibly external media.

Publication of final reports

As a general rule, the report's non-confidential conclusions will be published digitally in Organic Eprints, 'Grøn Projektbank' and on www.gudp.dk. By agreement, the results can also be conveyed as news items on www.gudp.dk, as press releases and targeted inquiries to relevant media.

ABER and GBER

Subsidies under the GUDP scheme, which is a national government grant scheme for initiatives within the Danish food cluster, constitute government grants and are therefore covered by the EU's rules on state aid.

Subsequently, grants under the GUDP scheme are granted pursuant to the GUDP Act and the GUDP Regulation, as well as chapters I and II of ABER, including articles 21 and 31, and also chapters I and II of GBER, including articles 25, 27 and 30.

In order to obtain support under the GUDP scheme, it is a prerequisite:

- a) That the grant recipient is not affected by crisis as defined in article 2, No. 14 in Regulation No. 702/2014 and article 2, No. 18 of Regulation No. 651/2014, and
- b) That the grant recipient has complied with any repayment orders issued by the European Commission in relation to one or more decisions in which state aid granted by the Danish authorities has been found to be against the law and incompatible with the internal market, and
- c) That the grant recipient at any time immediately informs the GUDP secretariat thereof, in case the grant recipient receives public funding for the same costs from other sources, including payments received under other national or EU initiatives.

¹⁵ The assessment of whether the information is confidential or not is carried out in accordance with the applicable rules of the Danish administrative law.



GBER (General block exemption Regulation)

The European Commission's Regulation (EU) No. 651/2014 of 17 June 2014 on certain support categories and their compatibility with the internal market in accordance with articles 107 and 108 of the Official Journal of the European Union 2014, No. L 187, p. 1, and subsequent amendments.

ABER (Agricultural Block Exemption Regulation)

Commission Regulation (EU) No. 702/2014 of 25 June 2014 on the compatibility with the internal market pursuant to articles 107 and 108 in the Treaty of the European Union and its application of certain support categories within the agricultural and forestry sectors and in rural areas, with subsequent changes

When applying for a GUDP grant, you also commit yourself to ensure that the project in relation to which you apply for funding, will comply with the requirements prescribed by GBER and ABER. If you are approved for a GUDP grant, you must once again ensure and guarantee that the project meets these requirements. It is essential that you thoroughly examine whether or not the project complies with these requirements, as failure to comply with these requirements may result in you having to repay any funding in full or in part.

Processing of personal data - GDPR

GUDP applications are treated confidentially within the GUDP- and ICROFS-secretariats and are, as a rule, not handed out to outside parties. However, it is possible to apply for access to documents in accordance with the Act on Access to Information Held by Administrative Organs. But confidential information cannot be disclosed beyond the stipulated cases pursuant to the applicable rules.

Based on the General Data Protection Regulation (GDPR), which came into force in May 2018, we must make you aware of the following on GUDP's handling of personal data: Applicants for GUDP grants submit personal data in connection with the application and possibly in connection with the subsequent processing of applications. Failure to submit information means that the GUDP application cannot be processed, cf. Chapter 3 in the Consolidation Act. No. 23 of 4 January 2017 of the Green Development and Demonstration Programme (the GUDP Act).

The GUDP-secretariat and the GUDP-board deal with information in connection with the processing of applications and the project selection. Submitted material can be passed on to external experts outside the secretariat and to Innovation Fund Denmark (InnovationsFonden) in order to obtain scientific advice and assessment. Read about how Innovation Fund Denmark deals with personal data in connection to scientific counselling and assessment here: https://innovationsfonden.dk/da/privatlivspolitik-innovationsfonden. In addition, personal data can be exchanged with experts in and outside the GUDP-secretariat in connection with follow-ups on the processing of GUDP projects.

When checking GUDP projects, personal data can be exchanged with other authorities in accordance with § 18 of the GUDP Act.



In addition to the submitted material, the GUDP-secretariat collects and stores personal data from publicly available sources in connection with information activities. The information is stored in the secretariat's archiving systems until the information is passed on to the Danish National Archives in accordance with Consolidation Act No. 201 of 28 September 2016 of the Archives Act. The information cannot be deleted. As stated above, parts of the project applications are published and GUDP passes on the above-mentioned personal information to the InnovationDanmark database and the EU Commission's State Aid Register.

The GUDP-secretariat will keep the information for one year after submission in closed file systems, after which they will be deleted. The information is also stored in the Danish Agricultural Agency's case processing system until the information is passed on to the Danish National Archives in accordance with the Archives Act. The information cannot be deleted.

Requests for access to or rectification of personal data can be directed to the GUDP-secretariat's data controller, who is the secretariat's team leader. The GUDP-secretariat's lawyer is the associate data processor for the above-mentioned personal data stored by the Danish Agricultural Agency. The data controllers and data processors can be contacted via the GUDP-secretariat's e-mail GUDP@lbst.dk.