



18 March 2016

Green Development and Demonstration Programme (GUDP)

Invitation of applications for:

The Organic Research, Development and Demonstration
Programme 3
(Organic RDD3)

Growth, credibility and resilient systems

Application deadline 15 June 2016 at 12:00



Call for applications and total funding available.....	3
Project types and subsidies	3
Formal requirements	3
Important information for the call.....	3
Purpose and background for Organic RDD3	5
Generally about the GUDP call and the application.....	8
Application material.....	8
Project types	9
Co-financing and commercial issues	9
Communication	11
Criteria for prioritizing applications	12
Criteria for prioritizing	12
Procedure for the consideration of applications.....	14
Legal basis	15



Call for applications and total funding available

The board of the Green Development and Demonstration Programme (GUDP) invites applications for funding of projects within the Organic Research, Development and Demonstration Programme 3 (Organic RDD3) with a total funding of up to 20 million DKK. The Call has been prepared in cooperation with ICROFS, since the GUDP Board under the GDDP Act shall obtain recommendation of the ICROFS board on focus areas etc. in connection with specific organic research efforts that can provide the basis for implementing development and demonstration projects in the field of organic food and farming.

Project types and subsidies

This call covers applications for research, development and demonstration projects. It is a requirement that the projects include research. Individual applications may achieve a total grant of 0.25 to 10 million DKK.

Formal requirements

In order for an application to be considered for funding, the formal requirements and the deadline described in the present call must be met. You can find the call, the application template and the budget template at www.GUDP.dk.

Important information for the call

Deadline for applications is Wednesday 15 June 2016 at 12.00

Applications received after the deadline will not be considered.

Information on approval and rejection

Information on approval or rejections will be given before the end of 2016 at the latest.

Guidelines for filling in the application and the application forms can be found at www.gudp.dk.

Information meetings

Information meetings are held in April 2016. Check www.gudp.dk for further information.

Discussion of project ideas

The ICROFS and the GUDP secretariats provide an opportunity to discuss project ideas; preferably based on a 1-page project outline from potential applicants. You can find a template and the application material at the GUDP website: <http://naturerhverv.dk/tilskud-selvbetjening/tilskudsguide/groent-udviklings-og-demonstrationsprogram-gudp/#c28404>

Language

The application must be written in English. However, the brief project description must be written in both Danish and English, cf. the application guide.

Submission

The application must be submitted to the GUDP secretariat by e-mail: gudp@naturerhverv.dk. The e-mail must contain one scanned pdf-version of the full application *with* signatures and one scanned pdf-version *without* signatures. Furthermore, Excel versions of the budget form and Gantt diagram (Form B) must be included.



Receipt for receiving the application form

The GUDP-secretariat will within a few days from receiving your application send an acknowledgment letter confirming that we have received the application.

Applications can be rejected

Applications received after the deadline for applications will not be considered. Further, applications may be rejected if they do not comply with the requirements stated in this call.

Other grant possibilities

There are a number of grant schemes in the food sector, which subsidizes research, development, demonstration and/or market development. Applicants should consider the subsidy that is most relevant. Lists of other grant schemes can be found on: www.vaekstguiden.dk and www.naturerhverv.dk/tilskudsguide.



Purpose and background for Organic RDD3

The professional and strategic background for Organic RDD3 is the ICROFS research and development strategy¹ "Growth, credibility and resilient systems in organic farming, aquaculture and food systems"² as well as the knowledge synthesis "Økologiens bidrag til samfundsgoder" (ICROFS 2015)³.

The research shall support further conversion to organic farming as well as economic robust holdings. Furthermore, it shall ensure an organic sector that keeps its integrity, applies the organic principles and contributes to the needs of the society e.g. by contributing to a better environment, sustainable consumption and recycling of our resources.

Organic RDD3 calls for applications, which contribute with concrete solutions to increase resource efficiency in organic farming.

The projects must be within the overall frame of the ICROFS research and development strategy and when relevant reflect upon the relevant areas from the knowledge synthesis 2015.

Organic RDD3 focus area

As earlier programmes Organic RDD3 has three main themes; Growth, credibility according to the organic principles and resilient systems. The projects are asked for concrete solutions that involve both short and long term perspectives through a combination of research and development and include targeted involvement of the final users.

The goal for research in and development of increased resource efficiency is, through increased yields and with less use of input, to create growth in the sector and to increase the credibility of organic farming by e.g. increasing recirculation and decrease the loss of nutrients. Increased resource efficiency can furthermore contribute to economic robust holdings and decrease the need for use of conventional manure, which will contribute significantly to the credibility of organics in a consumer perspective.

Resource efficiency as a focus area is about how productivity in the primary production can increase in combination with efficient use of the resources, which contributes with better climate performance as well. Better productivity is about both increased yields and efficient animal production as well as increased utilization of input as nutrients, feed etc. and also how to manage the streams of nutrients to reduce losses. It refers both to plant production where it is important to prevent leaching to the aquatic environment and elsewhere and it refers to the animal production, where better utilization of nutrients in the feed is important which again leads to less loss both in the stable and from free-range areas. Finally improved productivity in an organic perspective includes the interaction between the individual elements including soil fertility, crop rotations, tillage and cover crops, grazing systems and free-range systems, self-sufficiency in feed, fertilizer management, prevention of diseases and pests, housing systems etc.

This background leads to the call for applications, which point at concrete contributions to increased resource efficiency with focus on single elements and /or relationships between elements referring to the following two main topics.

Increased resource efficiency with a focus on crop production systems that collect and utilize the nutrients optimally.

The emphasis is on solutions based on a holistic approach. The topic includes, but is not limited to the following areas:

Plant production systems that maintain nutrients for higher yields and reduced environmental impact, including methods and techniques, which help to ensure that the nutrients are available at the right time during the growing season and are kept in the soil, outside of the cultivation periode. It may also be integration of cover crops, intercropping of crops and cover crops, optimal use of various types of ferti-

¹ ICROFS "Forsknings- og udviklingsstrategi 2012 inden for Økologisk jordbrug og fødevarer – Vækst, troværdighed og robuste systemer

<http://icrofs.dk/om-icrofs/>

² Contributions to society from the organic food and farming sector.

³ <http://icrofs.dk/publikationer/vidensynteser/>



lizers in the context of optimization of cultivation techniques and optimized crop-rotations involving long term pastures etc.

It can also be methods where long term maintenance of resource efficiency are increased through agro - ecological support functions, where enhanced soil fertility and less soil compaction are important elements. There is both the need for resource-efficient plant production systems that are tightly integrated with livestock production as well as pure plant production systems.

Increased resource efficiency in pork and poultry production focusing on feeding, stables and free-range systems.

The emphasis is on solutions that support organic principles in relation to animal welfare and health.

The topic includes, but is not limited to the following areas:

Feeding strategies, which has close correlation with optimized plant production systems that include protein crops, improved feed utilization and provision of the essential amino acids.

Feeding measures that increase the feed efficiency of the animals and reduce feed waste as well as stable design, manure handling and manure application strategies which also take into account the evaporation of ammonia and nutrient losses. Outdoor areas for pigs and poultry where the location in the rotation, management of the use of land and the use of perennial crops can help to reduce nutrient losses from the area.

The effect of increased resource efficiency can be measured by:

- Same output produced with less input
- Same input producing a higher output
- Higher quality output with same or less input
- Reduction of risk for negative fluctuations through a resilient system

For further elaboration of the research needs please see the knowledge synthesis "Økologiens bidrag til samfundsgoder", ICROFS 2015 especially chapters 4 and 5 about environment and climate and ICROFS research strategy.

Project ideas are formulated by the applicant – "pick the problem"

GUDP identifies the challenges for society and the applicants identify solutions to these.

Based on the framework described, the applicant is free to define his/her idea of a project to contribute to the solution of essential challenges within the Danish organic food, agricultural, fishing and aquaculture industries as well as to the general goals within food, industry and the environmental policy.

Concrete results with effect

It is a prerequisite to obtaining support from GUDP that the project creates concrete results and that these can be quantified and preferably documented in the application. The application must therefore as far as possible show that the grants given result in a direct benefit or a derived measurable effect.

Commercialization and business plan

Funding from GUDP is granted with the expectation that the projects will be commercialized. As part of the project application an individual business plan should be prepared for each project result entailing commercial potential and purpose.

Bridging the food sector

GUDP focuses on the entire value chain and to support bridging, cooperation and sharing of knowledge between researchers, the industry, farmers, fishermen as well as players from other sectors with expertise that benefits the entire food sector.

Research and legitimacy of project knowledge



GUDP emphasizes that the participation of knowledge institutions in the projects constitutes a relevant tool to achieve actual development and demonstration goals, thus encouraging a well-documented access to the market.

Research activities thus constitute a tool to achieve the actual goals.

In addition, GUDP emphasizes that necessary knowledge persons participate in GUDP projects in order to ensure that the scientific, technical and project management competences are available and present from start to end.

International cooperation may provide added value

GUDP encourages applicants to use international cooperation partners and subcontractors in cases where this may provide added value to the project.



Overall information about the GUDP call and the application

Application material

Application forms and guideline for the application can be found at: www.gudp.dk.

Enclosures besides the ones mentioned below will not be taken into consideration

An application consists of:

- Form A: Main application
- Form B: Budget form and Gantt diagram
- Form C: Participant form(s)
- Form D: Business plan (additional business plans if necessary)
- Form E: For projects with research
- CV's for project manager and relevant key persons

Who can apply for grants?

The target group for the GUDP program includes the following players from the food industry:

- Companies
- Producers
- Entrepreneurs
- GTS – Advanced Technology Groups
- Research institutions
- Others

Grant applications may be submitted to GUDP by company registered persons, companies, trade associations, associations/unions, self-governing institutions and public research institutions which are registered in the Danish Central Business Register ("Det Centrale Virksomhedsregister – CVR").

In relation to grants, Advanced Technology Groups (GTS), trade/industry associations, associations and self-governing institutions are considered as private companies.

Grants are not given to foreign research institutions or companies, but they may, however, participate in a project acting as external advisors.

Grants are provided for?

You may apply for grants to development and demonstration projects with research. GUDP funds the following activities – and at the same time ensures that high standards are maintained within climate, environment and nature protection, animal welfare, food safety and human health:

- Development of new technologies
- Tools
- Production systems
- Analysis methods
- Processes
- Products
- Management and logistics solutions



Grants are **not** provided for

GUDP does not provide grants for the following activities:

- Development of innovation competences including educational activities
- Company specific marketing and test marketing
- Collective generic campaigns
- Special innovation activities (borrowing staff etc.)
- Pure research projects
- Pure investment projects
- Pure product development projects
- Participants without a Danish CVR number

Project types

This call only opens up for development and demonstration projects with research with duration of max. 4 years.

Development and demonstration projects with or without research

Research, development and demonstration projects are projects in which one or more participants accomplish a number of interrelated/interdependent and supporting activities such as:

- **Applied research** as a necessary tool to achieve development and demonstration goals
- **Development**, including the development of new technologies, prototypes and the accomplishment of necessary tests
- **Demonstration activities** with the purpose of disseminating knowledge on the application of research and/or development activities. This must not be confused with marketing activities. Demonstration includes scientific or technical knowledge etc. that is not distortive. Meaning: 1) All with interest can have access to the demonstrated knowledge. 2) Demonstration does not include products or services that must be bought, to make use of the demonstrated knowledge/practical solution.

Organic conditions

Grants are only given to project efforts if the applied methods are compatible with the organic principles. Project activities are 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 not possible this fact must be clearly indicated and accounted for in the application.

Co-financing and commercial issues

Active participation and co-financing

GUDP intend to further active cooperation across players and sectors to strengthen dissemination of knowledge and networking. Therefore GUDP emphasizes active and financial participation from the business and the knowledge institutions.

GUDP requires that knowledge institutions document their project engagement by contributing a co-financing of 10 percent of their respective share of the project costs.

GUDP emphasizes that companies, who expect to achieve increased earnings as a result of the project results, must contribute a co-financing of 10% of their respective share of the project costs.



Subsidy rates

EU legislation on state subsidies sets the frame for the subsidy rates. It is important to use the right rates as too much subsidy given has to be paid back with interest. The maximum subsidy rate is determined on the basis of project type, activity type and company size given in the table below:

Company type	Organizations – research and knowledge dissemination	Small companies		Medium-sized companies		Large companies**	
		Individual	Cooperation*	Individual	Cooperation*	Individual	Cooperation*
Project type		Individual	Cooperation*	Individual	Cooperation*	Individual	Cooperation*
Activity type							
Applied research	100 pct.	70 pct.	80 pct.	60 pct.	75 pct.	50 pct.	65 pct.
Development	100 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.

Table 1: Max. subsidy rates for GUDP projects.

Allowable expenses and costs.

Expenditure items that are eligible, and costs that do not qualify for subsidies are shown in the application guidelines (Form B).

Size of the grant

The single application may have a total grant up to between 250.000 and 10 million DKK.
Duration of the projects can be up to 4 years.

Commercial refund

In cases where a commercial exploitation of the results gives the beneficiary net proceeds over a period of 3 years after completion of the project, it must be refunded to the The Danish AgriFish Agency. The repayment will not exceed the grant. For further details, see the "Guidelines for the repayment of money" which can be found at www.gudp.dk.

Companies in difficulty

GUDP does not support companies in difficulty as of EU-regulation no. 702/2014 of 25 June 2014 art. 1-2 or see EU-regulation no. 651/2014 of 17 June 2014 art. 1-2 for further definition.

Specifically for gardeners and garden centers

Please notice that gardeners and garden centers, who are members of producer organizations receiving funds for research and development activities in their operation program are not eligible for GUDP funding unless the subsidy for *the specific activity type* included in the producer organization program is discontinued.



Business plan

As part of the project application an individual business plan should be prepared for each project result entailing commercial potential and purpose. The business plan should provide an overview of the business model, organization and economy of the planned products. The contents of the business plan should be based on data and refer to relevant sources. It is important to substantiate the plan by means of data describing e.g. market size and growth rates.

Read more about business plans here:

<http://naturerhverv.dk/tvaergaaende/gudp/arrangementer/tidligere-afholdte-informationsmoeder/,as> well as in the guidelines for applications (A28-A32).

Communication

Communication plan

As a part of the project description the applicant must make a communication plan for the project. The plan needs to address who will benefit from the project idea and the results of the project as well as how the project will communicate and share knowledge with the relevant target groups. For Organic RDD3 there are specific requirements for cooperation with ICROFS with regards to dissemination and user involvement. They will be elaborated further under the section about criteria for prioritizing

Project descriptions on GUDP and ICROFS homepages.

GUDPs homepage will have links to the homepages of the single projects, which will be developed in cooperation with ICROFS.

Be aware that some of the information in the project description can be made public on the Internet, as evidenced by the call section on "Procedure for case - processing applications."

Cooperation with projects and reporting

GUDP and ICROFS will follow all launched projects to support the realization of the results. The secretariats can furthermore ask to be an observer in the project steering group or in an advisory group for at group of related projects. In the organic programmes it will normally be ICROFS, following the projects.

In addition, GUDP and ICROFS will monitor the programmes through the yearly project reports on progress and results.



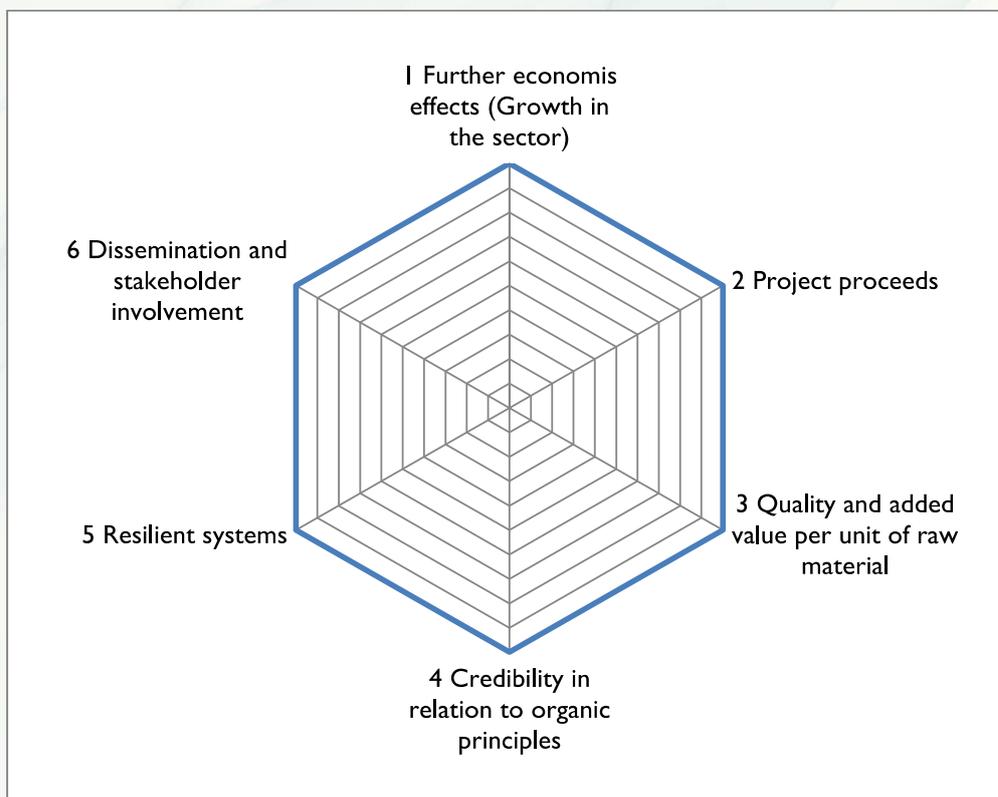
Criteria for prioritizing applications

Prioritizing projects with scientific contents and a business plan

GUDP will prioritize projects focusing on the interaction between green sustainability and economic sustainability. GUDP considers these two elements as the primary connection able to contribute to a green transition.

ICROFS will prioritize projects with research contents of high quality that support development activities relevant for the organic sector and with effects that can be shown through a business plan at business level or society level. Organic RDD3 focuses on both short and long-term *perspectives*, on sector and society as well as research and practice. All projects must relate to the *three themes*: growth, credibility in relation to organic principles and resilient systems as elaborated in the ICROFS Strategy.

Criteria for prioritizing



The application will be evaluated according to the following 6 prioritization criteria. Three criteria are concerned with economic sustainability, two criteria are concerned with green sustainability and the last criterion is about dissemination and user 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. The applicant should aim to ensure that focus and improvement in one area does not – as a consequence – impair another area correspondingly.

All applications should emphasize green sustainability as well as economic sustainability; but however, not necessarily within all prioritization criteria.



The project description must clearly respond to the following questions in relation to one or more of the project focus areas and the relevant fields of the application must be filled in:

- Which barriers/development potential within the organic sector is the project likely to overcome/support, and how will this contribute to market-based growth?
- Expected results of importance to the sector and who are the primary target groups?
- How will the project ensure that project results are implemented in practice and will eventually constitute a profitable business?
- How are the contributions to society integrated in the project?

Elaboration of the 6 prioritization criteria

1 Further economic effects

- Project potential in relation to dissemination within the sector as well as the socio-economic effects yielded by the output after dissemination. Should be indicated as e.g. increased profits/yield (excluding increased costs) of e.g. 10 percent for a crop that will result in a further economic effect of 10 percent x the price x the area to which the increased yield may be distributed.

2 Project proceeds

- The financial revenue generated by the project results for the grant receivers after three years. Should be indicated as the net earnings (earnings with a deduction of costs) in DKK

3 Quality and added value per raw material unit

- The added value provided by the project to a given raw material, including e.g. improved quality scaled with the dissemination/amount. Should be indicated in DKK per unit, e.g. DKK/kg – not the sales price. Dissemination opportunities should be described.

The economic effects must be described and accounted for and supplementary information, elaboration and causal relations must be stated. The relevant figures to be filled in in form A27

4 Credibility in relation to organic principles

- How the project enhances organic practices to fulfil the organic principles as described in IFOAMs principles⁴ and the principles in the EU- regulation for organic farming⁵. Including how the project supports the delivery of benefits to society as described in the knowledge synthesis and support credibility in the perspective of the consumer.

The contribution to credibility in relation to organic principles must be described and as far as possible quantified in the application.

5 Resilient systems

- How the project contributes to the development of resilient systems in a biological as well as an economic sense. Here emphasis is on how the interaction throughout the production system can be developed and how the underlying ecological support functions, as soil fertility, functional biodiversity and animal health can be strengthened.

Contributions to resilient systems must be describes and the applicants should as far as possible quantify the contributions in the application.

⁴ <http://www.ifoam.bio/en/organic-landmarks/principles-organic-agriculture>

⁵ RÅDETS FORORDNING (EF) Nr. 834/2007 af 28. juni 2007 om økologisk produktion og mærkning af økologiske produkter.



The concrete parameters relevant for credibility and resilient systems: Minimized nutrient surplus for nitrogen and phosphorus, limitation of climate impact (CO2 equivalents), sustainable resource utilization (DKK or other relevant units) and reduction of the use of antibiotics (treatment frequency) are quantified in the effect form A22 – other contributions are explained by text.

6 Dissemination and user involvement

The project application must include an action plan for communication activities. This plan must include a description of the parties interested in the project idea and results, how the primary target groups have been identified, how target group representatives/stakeholders will be involved in the project and how the project will include, communicate and disseminate to relevant target groups in order to include the users in an on-going dialogue about the project and also to render the project efforts and results visible to others and thus inspire them via communication and other activities as well as what the results may imply. User involvement and the estimated project impact will be evaluated and must be clearly described in the application.

In addition, the projects should contribute to dissemination in Danish as well as English via ICROFS. The project manager and 1-2 project participants should participate in annual status meetings and sufficient time and funds should be allocated to travels and/or meals in relation to these meetings. The project manager is expected to contribute to the dissemination of project results at the end of the project as well as at the end of the entire program.

Information about effects from the project

When a project is described from various parameters it is important to state the starting point so the contributions from the project can be identified and quantified. It is the applicant who shall indicate the present situation within the area and how improvements can be made.

Procedure for the consideration of applications

Consideration of applications

The consideration of applications received will be based on the submitted material. From this material the board decides on a number of applications to receive grant approval.

The ICROFS board plays a central role in the assessment of applications and has appointed a programme committee to evaluate the applications with due respect to the general rules of legal capacity and confidentiality.

- The ICROFS programme committee evaluates all applications and – based on this evaluation as well as the decision made by the international panel of experts – the programme committee will recommend to the ICROFS board the projects that are eligible for grants within the programme framework.
- Based on the evaluation of the programme committee, the ICROFS board will submit to the GUDP board a substantiated proposal for programme composition.
- Based on the recommendation from the ICROFS board the GUDP board will make the final decision about the composition of the organic programme.

Possibility of scientific advice during the consideration phase/case handling

The GUDP secretariat may procure scientific advice from external experts during the case handling. The GUDP secretariat will ensure that external experts are not disqualified and they are covered by an obligation of confidentiality in relation to the consideration of the application material.



Scientific evaluation

Innovation Fund Denmark has approved an international panel of researchers – appointed by ICROFS – who will be asked to accomplish a scientific evaluation of the research part of the application. If the application comprises research, the applicant must tick off the field of research and in Form E explain the scientific content including the hypothesis of the research part, state of the art research of today, the theoretical background, methods, timing, results as well as the participating researchers qualifications

Information on the scientific/research related evaluation must be prepared as an independent account of the research part and appear solely from field form E of the application form. If the research part is not considered eligible for subsidies, then GUDP is not able to subsidize this part.

Consultative procedure in relation to research related evaluation

In cases where external scientific advice is used – including research related advice provided by the international expert panel – and the evaluation is to the disadvantage of the applicant, the applicant will be given the opportunity to comment on the external evaluation via consultative procedures. This is done in order to clarify whether the external 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 with a view to clarifying any misunderstandings. The external scientific advice will form part of the GUDP board's basis for decision.

Confidentiality

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

Publication

Upon receiving the application the GUDP secretariat reserves the right to publish a list of the applications received. This list will include project title and the name of the main applicant. Once the board has made its final decision as to which projects will be subsidized a list of project titles, grant sums and receivers will be published on the GUDP website and a project description will be available on the ICROFS website.

Legal basis

The applicable GUDP rules appear from:

- Act no. 1502 of 27 December 2009 on grants in relation to the Green Development and Demonstration Program
<https://www.retsinformation.dk/Forms/R0710.aspx?id=129569>
- Consolidation Act no. 1261 of 24 November 2014 on grants in relation to the Green Development Demonstration Program and later amendments
<https://www.retsinformation.dk/Forms/R0710.aspx?id=165671>

We kindly refer to the GUDP Strategy 2015-18: <http://naturerhverv.dk/tvaergaende/gudp/gudp-bestyrelsen/>

ICROFS Strategy2012:
<http://icrofs.dk/en/about-icrofs/>

The GUDP action plan for 2016:
<http://naturerhverv.dk/tvaergaende/gudp/gudp-bestyrelsen/>