

## National regulations, Denmark

The funding from the Danish Ministry of Food, Agriculture and Fisheries for this CORE Organic Co-fund Call is administered by the Danish AgriFish Agency (DAFA). The International Centre for Research in Organic Food Systems (ICROFS) represents DAFA in the Call and Evaluation Board.

Support and funding of organic research and development activities is a central part of GUDP focus areas. Funded research and development projects in the organic sector should involve solutions of specific challenges for the organic sector in a chain perspective from research to development to the implementation of new knowledge and new technologies based on a holistic assessment.

Applicants for this call is advised to consult the ICROFS' Research and Development Strategy 2012: "Growth, credibility and resilient systems"<sup>1</sup> as well as the GUDP Strategy 2011-2014<sup>2</sup> before forming the project consortium and shaping the project thesis, since these strategies reflects the national prioritisation and basis of the funding for this call.

### *Terms and conditions*

The funding from the *Danish Ministry of Food, Agriculture and Fisheries* for this call is under the auspices of the Board of the "Green Development and Demonstration Programme" (GUDP) and is administered by the Danish AgriFish Agency (DAFA).

The GUDP is a funding programme which focuses on motivating and promoting ambitious and green business oriented innovation activities in the Danish agriculture, fisheries and food sector. Thus GUDP projects must induce green sustainability and economical sustainability simultaneously through the entire value chain. Green sustainability means having a focus on the environment, climate, nature, quality, sustainable exploitation of resources, food safety, human health, and animal welfare. Economical sustainability means having a focus on generating profit, socio-economic effects and addition of value to raw materials to support growth and competitiveness.

Projects shall meet the needs of DAFA.

### *Eligibility*

It is a requirement that Danish participants submit a separate business plan in order to be eligible for funding.

Requirements for the business plan are described further below.

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<sup>1</sup> [http://www.icrofs.org/pdf/2012\\_web\\_UKforskingsstrategi\\_indmad.pdf](http://www.icrofs.org/pdf/2012_web_UKforskingsstrategi_indmad.pdf)

<sup>2</sup> [http://2.naturerhverv.fvm.dk/Files/Filer/Forskning\\_og\\_udvikling/GUDP/Strategi%20og%20handlingsplan/GUDP%20strategi%202011-2014.pdf](http://2.naturerhverv.fvm.dk/Files/Filer/Forskning_og_udvikling/GUDP/Strategi%20og%20handlingsplan/GUDP%20strategi%202011-2014.pdf)

### ***Who can apply***

Applications for funding can be submitted by:

- Large, medium and small size enterprises (incl. stakeholders and similar associations, independent institutions, private research organizations, owners, tenants and users of farms)
- Research and other public knowledge institutes
- Technical Service Institutes (GTS) – are classified as companies

Funding from GUDP cannot be granted directly to foreign institutions or businesses registered outside of Denmark; however they can be part of the Danish participation in a project on a consultancy basis.

**Table1. Maximum Subsidy Rates**

|                         | <b>Public research</b> | <b>Small enterprises</b> | <b>Medium size</b> | <b>Large enterprises</b> |
|-------------------------|------------------------|--------------------------|--------------------|--------------------------|
| <b>Applied Research</b> | 100 pct.               | 80 pct.                  | 75 pct.            | 65 pct.                  |
| <b>Development</b>      | 100 pct.               | 60 pct.                  | 50 pct.            | 40 pct.                  |

Further information and definitions of size of enterprises can be found in the guidelines of the European Commission:

<http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/>

### ***Project period***

Projects must be conducted within a period of maximum 3 years.

### ***Funding***

A maximum funding of 11 million DKK (1.5 million Euro excluding the EU contribution) has been allocated for the call to cover the participation of Danish project partners. With the pre-allocated EU contribution it is more than 12 million DKK. The pre-distribution of the funds into thematic research areas can be found in the call announcement. It is expected that approximately 6-8 projects will be funded pending the expert evaluation in step two.

The following limitations apply for Danish applicants:

Within the Topic 1 A. DAFA does not fund research focusing on Olive and wine production.

### **Eligible costs**

The following costs are eligible:

- Salary costs during the project period
- Consumables and other costs directly related to the project
- External consultancies
- Indirect costs (e.g. overhead)

To be eligible the costs must be directly related to the project and must be incurred and paid during the approved project period.

All costs must be stated excl. VAT, unless the applicant itself has to pay VAT and therefore is applying to have this expense covered.

Note: PhD inscription/scholarship/course fees are not eligible. The salary of PhD involvement in a project is an eligible cost.

### **Direct costs:**

#### ***Salaries (Staff costs)***

Salary can be provided for scientific staff, technical administrative staff or other staff involved in the project. Staff can be paid no more than a salary equivalent to comparable positions in the State. Sickness and maternity benefits, holiday pay and other social obligations should be incurred by the employing authority.

Universities and other governmental institutes, that are required to act in accordance to the rules concerning funded research activities in the budget guidelines of the Ministry of Finance, determine the salary costs as the actual salary expenses.

Private research institutes, e.g. Approved Technological Service Institutes (GTS institutes) budget actual salary costs per hour used (i.e. excluding overhead/general costs).

#### ***Operational costs***

Operational costs are other operational expenses necessary for the implementation of the project

including analyses, meeting and travel expenses.

### ***Durables and equipment***

Applicants must require or provide the necessary apparatus for the project themselves. If this is not possible, the acquisition of the requested equipment will be considered. Applications for a funding for durables and equipment must be accompanied by an explanation. A scrap value should be calculated for equipment funded by the Danish AgriFish Agency (see table 2). This value (the scrap value) represents the value of the equipment after the conclusion of the project and will be deducted in the budget.

### ***Other costs***

E.g. subcontracting, including consultancy services from Danish or foreign external advisors, where the beneficiary acquires the full right to exploitation. Applications for funding of 'other costs' must be followed by an explanation in detail of the content and requirement.

**Table 2. Calculation of scrap value**

|                       | <b>Straight-line depreciation over 5 years</b> | <b>Depreciation rate of 25 pct.</b> | <b>Straight-line depreciation over 3 years (IT-equipment)</b> |
|-----------------------|--|-------------------------------------|---|
|                       | pct. of purchase value                         | pct. of purchase value              | pct. of purchase value  |
| <b>Purchase value</b> | 100  | 100                                 | 100   |
| <b>Value 1st year</b> | 80   | 75                                  | 66  |
| <b>Value 2nd year</b> | 60   | 56,3                                | 33  |
| <b>Value 3rd year</b> | 40   | 42,2                                | 0   |
| <b>Value 4th year</b> | 20   | 31,6                                | 0   |
| <b>Value 5th year</b> | 0  | 23,7                                | 0   |

### **Indirect costs:**

#### ***Contribution to general costs***

Universities and other governmental institutions, which are required to act in accordance to the rules concerning funded research activities in the budget guidelines of the Ministry of Finance, can charge in the budget a contribution to the common expenses (overhead) of 44 percent of the direct costs.

Other applicants shall document all costs including overhead/common expenses. Overhead/common expenses should be calculated as a percentage of the salary costs and can exceed no more than of 30 percent. The calculated percentage must be documented based on entries in the accounts of the beneficiary in connection with the payment of the grant.

#### ***Own financial contribution and co-financing***

Project activities can be co-financed with other national funds up to the maximum funding rate for national funding. The remaining funding must come from own financing and private sources. Trade funds in the context of state subsidy are considered so-called para-fiscal funds and thus considered as national public funds.

GUDP is encouraging both industry and universities to contribute with own funding for the projects.

Research and other public knowledge institutes must contribute with at least 10 pct. of the accumulated project costs in order to get funding from GUDP.

### ***Business plan***

Danish applicants are required to submit a business plan, which will be part of the evaluation of the project's growth potential. The business plan should be in English and include the following aspects:

- *Project title and acronym*
- *Consortium participants*
- *Project output (max. 1 page)*
- *Description of marked and customers (max. ½ page)*
- *The business perspective (max. 1 page)*
- *The business model (max. ½ page)*
- *Risk analysis (max. ½ page)*

The business plan should be sent directly by the Danish project partner to the Danish contact person (see contact details below) before the application deadline.

### ***Applicable legislation and guidelines***

Act on a Green Development and Demonstration Programme, Act. No. 1502 of 27 December 2009:

<https://www.retsinformation.dk/Forms/R0710.aspx?id=129569>

Administrative Order on a Green Development and Demonstration Programme, Order No. 1261 of 24 November 2014:

<https://www.retsinformation.dk/Forms/R0710.aspx?id=165671>

GUDP – full application guideline (In Danish):

<http://naturerhverv.dk/tilskud-selvbetjening/tilskudsguide/groent-udviklings-og-demonstrationsprogram-gudp/#c10113>

Reference is made to the GUDP Strategy 2015-18 and Action Plan 2015:

<http://naturerhverv.dk/tvaergaende/gudp/gudp-bestyrelsen/>

### ***Application form***

Application form, further information and match making tools are available at [www.c-ipm.org](http://www.c-ipm.org)

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