

Guidelines for collaborative innovation projects

How to apply for
Innovationskraft ERST

April 2024



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Innovationskraft ERST

Food & Bio Cluster Denmark hereby invites funding applications for collaborative innovation projects to be implemented under the cluster grant Innovationskraft ERST 2023-2024.

The activities must be in line with minimum one of Food & Bio Cluster Denmark's strategic benchmarks, which are described below, and also fall within the types of activities and thematic focus areas that the Danish Business Authority (ERST) prescribes that the cluster should deal with.

Food & Bio Cluster's strategic aims

Vision

The Danish food and bio-resource cluster must be globally competitive and recognised as a world leader in innovation and sustainable development of the entire value chain.

Therefore, Food & Bio Cluster Denmark will work with the following strategic aims:

- To provide sustainable food that is tasty, healthy, and safe to a growing world population
- To provide solutions for the sustainable production and efficient use of bioresources at the highest possible value
- To ensure a sustainable green transformation of the cluster towards climate neutrality
- To fully exploit the opportunities of technology developments such as biotech, digitalization and automation

Innovationskraft ERST

Innovationskraft ERST is anchored in Food & Bio Cluster Denmark and aims to strengthen the productivity and competitiveness of companies, and especially SMEs, through collaboration on innovation.

A grant of DKK 11 million has been awarded to support innovation collaboration projects and it is expected that 25 projects can be launched during 2023-2024.

The project is funded by the Danish Business Authority and the Danish Business Promotion Board and financed by the EU Regional Fund and private co-financing from the participating companies.



Finansieret af
Den Europæiske Union



Danmarks
Erhvervsfremmebestyrelse

Project framework

The aim of Innovationskraft ERST is to support collaborative innovation projects between SMEs, startups, and other actors, such as knowledge institutions, on the development of new solutions in the field of food and bio-resources, including solutions that strengthen the digital and green transition.

We support innovation and the development of new prototypes of a product or concept up to the prototype stage, with the aim of bringing new solutions, concepts, or products to the market.

Facts about the collaborative innovation project

- A total budget of up to DKK 190,000 can be applied for. (Updated April 1th 2024)
- Of which 50% is co-financing via registration of hours spent
- Of which 50% funding from Innovationskraft ERST
- The [De minimis](#) rule applies
- There must be at least two partners in the project, where the lead applicant (Partner 1) must be and SME.
- The project must be completed by 31.10.2024

Project partners

At least two economic partners must be involved in the project. The lead applicant (Partner 1) must be an SME or start-up company. An SME has less than 250 employees and an annual turnover of less than EUR 50 million. See the definition of an SME here: [User guide for the definition of SMEs](#)

All participating companies in the project must have an established CVR number. Participating persons must be employed in the CVR number and on the provided P-number.

All those registered in the application form and budget are partners in the project.

Knowledge institution & GTS	Large companies	Primary production companies
<p>A knowledge institution or GTS-institute can participate as a partner in a collaborative innovation project.</p> <p>The aim of their participation is to increase the level of innovation and strengthen the innovation capacity of the SME or start-up.</p>	<p>Large companies can participate as a third partner in a collaborative innovation project. The aim of large companies' participation must be to strengthen the innovation capacity of the SMEs or start-ups, for example by gaining access to valuable knowledge or testing solutions.</p> <p>Large companies can receive support if they sign a De Minimis declaration. If they cannot sign a De Minimis declaration, large companies can only participate as a test facility and supplier of knowledge without receiving any funding or gain commercial benefit (state aid) but can co-finance the project with their hours spent. In this case, they must declare that they do not receive a commercial benefit from participating in the project.</p>	<p>Companies from the primary sector may participate in a collaborative innovation project if the project involves cooperation between these companies and companies from other sectors.</p> <p>The primary sector cannot be the focus of the action and primary sector enterprises cannot be the sole target of the action. For example, primary sector participation may be relevant for the development of new solutions for agriculture or where primary production provides input for the development of new solutions.</p> <p>Further information on the next page.</p>

Elaboration of primary producer and fisheries and aquaculture.

All companies that grow/harvest/catch are covered by the definition "primary producer". This definition is independent of the possibility of receiving agricultural, hectare support.

Regardless of what a company's role is in an innovation collaboration, the status as a primary producer will have to be determined based on the industry code, the company's purpose, and operation.

All work with seaweed and algae e.g., harvest, cleaning, filtering, and processing, fall under the definition "fisheries and aquaculture".

A company which only produces tools, remedies including machines - is not covered by the definition of fisheries and aquaculture or primary producer, regardless of what they produce for. E.g. A company that produce machines for harvesting eelgrass or plowing machines for the fields, and with the only purpose to produce machines will not be covered either by "primary producer" or "fishing and aquaculture".

A company can be covered by both definitions, both being a primary producer and covered by "fisheries and aquaculture" - this will be a company that has e.g., breeding, fishing and processing of fish as purpose.

Primary producer

The support can be granted under de minimis rules, which apply to companies within the agricultural sector and which imply that the total support for the individual company may not exceed EUR 20,000 over a period of three financial years.

The company must complete, sign and date a "de minimis declaration within the agricultural sector". In addition, the amount must be reported to the Danish Agency for Agriculture.

Companies from the primary sector can participate in projects if the project involves collaboration between them companies and companies from other sectors. The primary sector cannot be the focus of the effort, and companies from the primary sector cannot be the only target group for the efforts.¹

Primary sector participation can, for example, be relevant when developing new solutions, technology, machines, etc. for agriculture, or where primary production provides input for the development of new solutions.

Fishing and aquaculture

The support can be granted under de minimis rules, which apply to companies within fishing and the aquaculture sector and which implies that the total support for the individual company may not exceed EUR 30,000 over a period of three financial years.

The company must complete, sign and date a "de minimis declaration within fishing and the aquaculture sector". In addition, the amount must be reported to the Danish Agency for Agriculture.

Contact Food & Bio Cluster Denmark for further information

¹ [Vejledning om støtteberettigelse \(erhvervsstyrelsen.dk\)](https://www.erhvervsstyrelsen.dk/vejledning-om-stotteberettigelse) page 8.

Project activities

The innovation collaboration must focus on the experimental development of a new concept, prototype, solution, or product, within one of the following areas:

- Product or process innovation
- Marketing or organisation innovation

Project activities may include:

- Analysis and clarification phase to test whether the project idea can be developed, including research and knowledge building
- Development phase to develop first prototype of new products or solutions, including testing and analysis.
- Testing phase, where the concept is tested/proven among a relevant target group (e.g. users, customers, employees) and/or duality/safety testing.

The focus should be on cooperation between the partners involved, so as to create knowledge sharing and an increased level of knowledge in development.

There must be NO established sale of the product to be developed until after the project period.

Funds must NOT be used for production, scale-up, marketing and sales, business development and distribution. Funds must NOT be used for regulatory approval, such as food safety or patent. You may investigate whether there are special circumstances that may have an impact on the development of the solution.

Your day-to-day running of the business is NOT project-related activity, this includes for example recruitment interviews, board management, administration, sales, marketing, logistics, website etc.

How to apply

You can find application material on the Food & Bio Cluster website:

[Food&BioCluster/Projekter/OpenCalls](#)

The documents you need to fill in are:

- Application form
- Activity and budget form (XLS)
- De Minimis, for each participating company
- Declaration of SME or Small Enterprise, for each participating enterprise

Application form

In the application form you will be asked to describe:

- Short project title
- The Team
- Purpose of the project
- Expected results and achievements
- The contribution of the project to the strategy of the Food & Bio Cluster

Be sure to fill out the application form short, accurately and according to the estimated number of characters.

Activity and budget sheet

The activity and budget sheet are in an Excel sheet that you MUST upload with your application (see example on next page).

You must describe:

- The period of the activity
- Description of the activity
- Performance targets for each activity
- Budget breakdown per partner for the activity concerned.

The project budget should be based on the number of hours each partner expects to spend on the project and on the activities concerned. An overhead of 25% will be added for each partner.

No consultant fee or external expenses can be included. These expenses are included in the 25% overhead.

A maximum of 50% of the total amount requested can be paid to the project. The remaining 50% is made up of your co-financing in terms of hours spent on the project. There may be different funding rates for the contributing partners. However, SMEs can receive a maximum of 50% in support.

In the Food & Bio Cluster, we also have the basic rule that each financial partner must have at least 10% of the budget, as well as 10% in support to ensure documentation for participation in the collaboration. However, not applicable to large companies.

Standard rate	Actual salary
For project staff and project participants (companies and knowledge institutions), a standard rate of DKK 387 per hour can be applied. The rate is adjusted annually in line with price and wage trends. You need to register the hours spent or use a part-time contract when applying the standard rate. When using a part-time contract, you must be able to account for the hours you have used.	For project staff and project participants (companies and knowledge institutions), actual salaries can be used, calculated on the basis of the pay slip for the month in question (meaning that these must be provided throughout the project period). If actual salary is used, only part-time contracts can be used. When using a part-time contract, you need to send in a pay slip each month and must be able to account for the hours you have used.
GTS rates: On May 1st each year, a tariff is calculated for each GTS institute, on the basis of which the hourly rate is calculated. Therefore, no 25% overhead is included for GTS institutes.	

Example of activity and budget sheet. This example includes 2 SMEs with different funding percentages and a GTS institute that wants 100% funding. Total budget of 472.500 DKK.

Aktivtets- og budgetskema for innovationssamarbejdsprojekter
Innovationskraft ERST 2023-2024

Projekttitel:									
Arbejds-pakke nr.	Periode	Beskrivelse	Resultatmål	Budget fordelt pr. partner					Total budget
Nr.	Perioden for aktiviteten	Hvad går aktiviteterne i arbejdspakken ud på?	Hvad skal der komme ud af aktiviteterne i arbejdspakken (udbytte)? Kvantificeres så vidt muligt.	Partner 1	Partner 2	Partner 3	Partner 4	GTS*	Total budget for arbejdspakken
				[navn]	[navn]	[navn]	[navn]	[navn]	
				[cvr nr.]	[cvr nr.]	[cvr nr.]	[cvr nr.]	[cvr nr.]	
				35,0%	45,0%	0,0%	0,0%	100,0%	
1	01.03.23-01.04.23	Opstart af projekt, kick off møde	opstartsmøde afholdt og aktiviteter igangsat	20.000,00	30.000,00			5.000,00	55.000,00
2	01.04.23-30.06.23	Undersøgelse af xxx og research af xxx	etc.	50.000,00	60.000,00			30.000,00	140.000,00
3	01.07.23-30.09.23	Udvikling af xxx	etc.	100.000,00	50.000,00			50.000,00	200.000,00
4	etc.	etc.	etc.						-
5									-
6									-
7									-
8									-
9									-
10									-
Etc.									-
Partnerbudget (løn/standardsats):				170.000,00	140.000,00	-	-	85.000,00	395.000,00
25% overhead				42.500,00	35.000,00	-	-		77.500,00
Total budget:				212.500,00	175.000,00	-	-	85.000,00	472.500,00
Støtte fra Innovationskraft:				74.375,00	78.750,00	-	-	85.000,00	238.125,00
Medfinansiering:				138.125,00	96.250,00	-	-	-	234.375,00

*Ingen overhead til GTS



Procent kontrol	Korrekt	50%
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De Minimis

Since the funds from Innovationskraft ERST are public funds, they fall under state aid. Receiving the aid is therefore only possible by applying the de minimis rules.

Consequently, participating SMEs MUST include a De Minimis declaration when applying for the project funding.

This declaration must state whether the company has received aid under De Minimis rule in the current and two previous years. De Minimis aid must be included from the date on which the company became entitled to receive the aid, i.e. a grant date, regardless of whether the payment is made later.

Companies can receive a maximum of EUR 200,000 within a period of three financial years.

When filling in the De Minimis declaration, please note the following:

- All information on page 1 must be provided.
 - Fill out company name, CVR number, P-number, and Project title: *Innovationskraft ERST*.
- All fields on page 2 must be filled in:
 - *I/we declare that: in this financial year and the two previous financial years I/we have received:* Enter the total amount granted to the company in the three years in question. Do not include what you are applying for in Innovation Power.
 - Indicate below under which projects you have received funding. If you have received from more than two projects, attach an annex with all the information.
 - Remember to fill in the fields with a "0" if no De Minimis support has been received so far.
 - Signature and date **MUST be handwritten**.

Remember to fill in one for each company.

NOTE: If you are a primary producer, you must fill in a separate declaration. The same goes if you work with fisheries and aquaculture, including seaweed.

Companies within the agricultural sector (primary producer) can receive up to EUR 20,000 under De minimis over a period of 3 financial years.

Companies within the fisheries and aquaculture can receive up to EUR 30,000 under De minimis over a period of 3 financial years.

Please contact Food & Bio Cluster Denmark for further information.

Application deadlines

Applications must be submitted **no later than 12 noon** on the following dates:

- 10 february 2023 (finalized)
- 27 march 2023 (finalized)
- 8 may 2023 (finalized)
- 28 august 2023 (finalized)
- 2 october 2023 (finalized)
- 21 may 2024

Applications must be submitted via the web form:

[Online application for Innovationskraft](#)

Processing of applikations

Food & Bio Cluster Denmark has set up a Grants Panel which consists of a representative from the University of Copenhagen, the University of Southern Denmark, the Alexandra Institute, Danish Industry, and Food & Bio Cluster Denmark. The process for processing typically takes 4 weeks.

A grant may be awarded on the condition of changes made in the project. These must be corrected before the project can start.

Approved collaborative innovation projects will be notified directly and will be able to start once all partners have signed the contract for the collaborative project.

If you receive a refusal, you are welcome to reapply with a revised application.

All applications will be treated confidentially and on equal terms.

Evaluation criteria

The project's contribution to Food & Bio Cluster Denmark's strategy

- To what extent does the project contribute to the realisation of Food & Bio Cluster Denmark's vision, in particular the four strategic aims.
- To what extent is the project based on concrete business challenges and/or potentials in the food and bioresources sector?

Project innovation level

- To what extent are the proposed project results/solutions (concepts, prototypes) considered to be new for the participating companies?
- To what extent are the proposed project results/solutions (concepts, prototypes) considered to be relevant for the national and global market?

Potential impact of the project in terms of growth and competitiveness

- To what extent is the project expected to contribute to increased growth and competitiveness of the participating companies?
- To what extent is it likely that the effects of the project can be realized in the short to medium term (1-3 years after the end of the project)?

Project implementation

Each project will be assigned a contact person at Food & Bio Cluster Denmark who will follow you through the project and spar with you along the way regarding project activities and further needs.

During the project there will be a kick-off meeting, status meetings and a next step meeting.

In addition, Food & Bio Cluster Denmark will hold Kick off meetings to inform about reporting requirements, registration of hours, and payment of the grant.

The payment of the grant from Innovationskraft ERST to each partner is dependent on all partners contributing and registering their hours, or applying for a part-time contract.

The payment of the grant from Innovationskraft ERST is expected to take place twice a year and according to the established reporting periods.

The progress of the project itself is the responsibility of the lead applicants and the contributing partners.

In Food & Bio Cluster Denmark we are interested in granting projects that succeed and we therefore see a great value in being close to the partners involved in the project to contribute to a good project progress.

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