



**Ministry of Food, Agriculture
and Fisheries of Denmark**
Danish Agricultural Agency



PLANT-BASED
FOOD GRANT

Strategy

Multi-year strategy for the Plant-Based Food Grant

About the Plant-Based Food Grant

The food sector has an important part to play in solving the growing challenges surrounding climate and the environment. That's why the Plant-Based Food Grant (Food Grant) was established as part of the transition to a green economy for land use and food consumption in Denmark.

Food production makes up a large share of Denmark's climate footprint, and having a larger share of plant-based food in production and on our plates will not only help to reduce our climate and environmental footprint, but will also be good for public health.

We eat a lot more meat in Denmark today than we used to. Not many generations ago that Danes had a more plant-rich diet, and that's what we need to go back to. The key to achieving this change is for the food sector to work on taste, nutrition and food quality to give us the drive to make new choices and, ultimately, form new habits.

Building a strong domestic market for plant-based foods will reduce the climate footprint of the Danish people, but will also help to put Danish companies in a stronger position on export markets. We want the Danish plant-based food sector to be a global leader, but it still has a long way to go as a sector that is still in the experimental phase in a number of areas. With this in mind, the purpose of the Plant-Based Food Grant is to contribute to develop the sector so that the Danish plant-based foods of the future can be enjoyed by people both here in Denmark and abroad. According to the underlying legislation, the Food Grant can "(...) provide grants for knowledge transfer and information campaigns, advice, research and development, including plant breeding development, cultivation and processing, and measures to

promote plant-based foods, participation in quality schemes and the like."

Plant-based foods are defined by law as "all foods produced from plants, edible fungi, algae and beneficial microorganisms, including both unprocessed and processed raw materials and ingredients, potentially in combination with enzymes and other non-animal ingredients that are suitable for food production." This covers everything from root vegetables to whole plants, stems, buds, flowers, fruits and seeds in all forms, to fungi and yeasts, seaweed and algae from marine as well as land-based cultivation etc.

Half of the Food Grant's resources are intended for projects related to plant-based organic foods. Denmark has a policy objective of doubling the land area used for organic production by 2030, and the Plant-Based Food Grant could help to achieve this. What's more, organic food production is a success story with potential synergy effects for a budding Danish plant-based food sector. With climate and environmental challenges at the heart of the transition to a green economy, sustainability is a key element of the way the Food Grant works. Sustainability also means that the solutions we find need to contribute to human health. That is why it is important when developing new foods and putting our food together in new ways to ensure that knowledge about health and nutrition is there at every stage from farm to fork.

The Plant-Based Food Grant has a multi-year strategy developed by its Board of Directors. The strategy will be reviewed by the end of 2026 at the latest. The Board will also draw up annual action plans describing the particular areas of priority for the Food Grant in an individual year.

Vision

The vision of the Plant-Based Food Grant is for plant-based foods to play a meaningful role in benefiting the development of the food industry and the health of people and the planet.

Strategic development areas

The Plant-Based Food Grant has identified three strategic development areas that will guide its activities until 2030. These are: stimulating demand, stimulating supply and building sectoral bridges.



STIMULATING DEMAND



STIMULATING SUPPLY



BUILDING SECTORAL BRIDGES

Action areas

For each of the three overall strategic development areas, the Food Grant has set out **specific action areas** in which it aims to support project activities. The six action areas are shown below.



Strategic development area: STIMULATING DEMAND

The Plant-Based Food Grant will help to support greater demand for plant-based foods and to make Danish plant-based foods an attractive option in Denmark and abroad. The three specific action areas are:

- 1 Increasing the proportion of plant-based foods in public and private institutional kitchens and food services
- 2 Increasing the household consumption of plant-based foods among Danes
- 3 Increasing the demand for Danish plant-based foods in export markets



Strategic development area: STIMULATING SUPPLY

In its focus on stimulating supply, the Plant-Based Food Grant will contribute to the production in Denmark of plant-based foods that are attractive for both consumers and industry, both at home and abroad, with consideration for the environment and climate. The specific action areas are:

- 4 Increasing the quantity and quality of the plant-based products that appear on the market
- 5 Increasing the volume of Danish plant-based food production both on land and offshore



Strategic development area: BUILDING SECTORAL BRIDGES

In its focus on building sectoral bridges, the Plant-Based Food Grant will help to develop a cohesive plant-based food sector with ever-increasing understanding, knowledge sharing and collaboration between the many different players in the value chain. The action area is described here:

- 6 Strengthening the entire value chain

Targets

In the first year of the Plant-Based Food Grant, no specific targets have been established for its six action areas.

All projects will, where relevant, be recorded in terms of which of the strategy's action areas they contribute to. This allows statistics on the use of Food Grant resources to be maintained and used to evaluate the effectiveness of the Food Grant, develop the strategy and draw up annual action plans. The experience from the first round(s) of applications for grants will also form a basis for establishing more specific targets, which will be described in the strategy in future years.

However, in its first year, the Plant-Based Food Grant is operating with three overall targets:

1 At least 60% of Food Grant resources will go to partnership projects. This means that each individual project will have two independent participants from different parts of the value chain. This target applies to all projects across the Food Grant's three strategic development areas, and not just to projects with the specific objective of strengt-

hening sectoral bridge-building or other types of value chain projects.

2 The Plant-Based Food Grant aims to have at least 70% of projects reaching their specific project targets. This 70% target is intended to enable a balance to be reached between a focus on results and a willingness to take risks in the pursuit of innovation. The Food Grant therefore accommodates the type of project that has a relatively high security of delivery and therefore of producing results, as well as projects that have a greater risk associated with project deliveries alongside greater innovative ambitions.

3 Because the legislation underpinning the Food Grant stipulates that at least half of its resources are to be directed at projects and activities related to organic plant-based foods, this action plan aims to ensure that at least 50% of Food Grant resources go towards organic projects.

Stimulating demand

The Plant-Based Food Grant will help to support a more plant-based food culture and to make Danish plant-based foods an attractive option in Denmark and abroad.



STIMULATING DEMAND

A major challenge facing the development of the plant-based food sector is that demand among Danish consumers is lagging. Increasing the production of plant-based foods will not be profitable if the demand simply is not there. We are in a hurry to achieve our objectives for the transition to a green economy and, although more and more new plant-based products are being launched, demand is only increasing hesitantly. Convincing more than just a small fraction of the population means adapting our food culture to include more plant-based foods. Many products do not meet consumer expectations in terms of taste and quality. This leads to disappointed customers who will not buy those products again. There's also a limited supply of many categories of plant-based foods, and other categories are lacking in variety.

We are talking about meals, and therefore about people and the experiences we have with our food. The work supported by the Plant-Based Food Grant therefore needs to prioritise good eating experiences, price, availability and convenience. This means that the development of a new product needs to focus on consistency, quality and taste. The way we talk about food can also have a huge effect on the development supported by the Plant-Based Food Grant. Plant-based food should not sound elitist or exclusionary. Eating mainly plant-based food needs to go back to being as normal as it used to be. For example, should we be talking about "substitutes", "going without", "climate" and "nutrition"? Or should we be saying "options", "plant-rich" and "more delicious local ingredients in our meals"?

The Plant-Based Food Grant aims to reach the point where Danes put green options first when grocery shopping. To get to that point, we need to make it possible for Danes to see plant-based foods as delicious, available and reasonably priced so that more plant-based foods become a natural choice.

When it comes to stimulating demand, organic food is an important tool in the Food Grant's contribution to the transition towards a green economy. Organic food can be used as leverage in the domestic market, where it is extremely popular. Organic foods are linked by many Danish consumers to better taste, health and consideration for the environment, and this is particularly true of organic plant-based foods. The Danish organic strategy is a factor that can also be actively used in Plant-Based Food Grant projects. For example, organic labelling in public institutional kitchens is used as leverage to put more vegetables on the menu. Transitioning to an organic kitchen often goes hand-in-hand with increased proportion of plant-based foods in food purchases, as that makes it possible to carry out a cost-neutral transition. For projects related to stimulating demand, it is obviously a good idea to promote that particular dynamic. ►

► The objective of establishing the Plant-Based Food Grant extends beyond Denmark's borders. If the Food Grant's contributions are to have a real effect on green targets and the sector's potential for economic growth and job creation, the production volume of plant-based foods needs to increase significantly. Promoting international sales could be a crucial catalyst for this scaling process. Exports therefore need to be part of the thought process when the Plant-Based Food Grant addresses the challenges of demand. Denmark's leading position when it comes to organic foods could also be actively used in the work to promote demand outside the country's borders. With these challenges in mind, it is therefore important to make use of different measures and effects in the short and long term, and to keep an eye on local, national and international potential.

1 Increasing the proportion of plant-based foods in public and private institutional kitchens and food services

In both the short and long term, the Plant-Based Food Grant could affect demand by facilitating the introduction of new plant-based foods on a large scale. This could be done via projects that facilitate partnerships between plant-based food producers and food services or other institutional kitchens, as well as in public sector canteens or institutions. A partnership of this kind will lead to sales of the products in question in the short term. Upskilling kitchen staff in public and private institutional kitchens is another important area of investment. Public institutional kitchens alone serve up to 650,000 meals to Danish people every day. Adjusting the ratio of animal to vegetable on plates from these kitchens will therefore have a significant effect. Because of this, teaching and the development of teaching materials for private and public large-scale kitchens in institutions, food services, canteens etc. with a focus on dietary guidelines could be a natural area for the Plant-Based Food Grant to support. Overall, successfully increasing the share of plant-based foods in public and private institutional kitchens could also influence consumer food habits more generally. In the long run, for example, the introduction of delicious dishes that are more plant-based into workplace canteens could inspire employees to expand what they cook at home in their own private kitchens.

2 Increasing the household consumption of plant-based foods among Danes

An example of a long-term investment is to support the development of a future food culture in Denmark that is more heavily based on plant-based foods. Among other things, the Plant-Based Food Grant aims to encourage more of the Danish population to follow the Danish dietary guidelines on plant-based food consumption by 2030. The factors that determine what goes into your shopping basket could be as

varied as taste, price, nutritional value, climate-friendliness, organic farming, local production or just how quickly you can cook a meal. The Food Grant intends to support various initiatives that could increase the proportion of plant-based foods in Danish people's meals. These might include specific initiatives to increase the proportion of plant-based foods in convenience products or meal kits or the way consumers are exposed to more, better plant-based foods in ways that make them more attractive. The Food Grant supports everything from initiatives that encourage Danes to use fresh ingredients to highly processed products that replace animal products with plant-based ones. For example, the Food Grant could support projects to establish a shorter route from farm to fork, so that consumers are presented with more fresh, local ingredients and projects centred on making Danish-produced fresh fruit and vegetables more readily available.

To develop a more plant-based food culture, we will also need the involvement of relevant professionals such as cooks, kitchen professionals, food sociologists, nutrition experts, dieticians, healthcare providers etc. The plant-based agenda also needs to be anchored in the education system. One way to contribute could be to promote teaching children and young people to cook more plant-based foods. Food education for children and young people in particular could encompass the entire process from soil to stomach in order to convey an understanding of the connection between food, the environment and people. This type of practical experience could help them to understand fundamental matters such as where ingredients come from and the price, taste and nutritional benefits of eating seasonally. If we expect parents of the future to put more plant-based foods in their shopping baskets, their upbringing needs to give them the experience to know that eating more plant-based food can be easy and taste good. Busy parents cannot be expected to take on all the work themselves, but the Plant-Based Food Grant can help those involved to play their part.

3 Increasing the demand for Danish plant-based foods in export markets

The Plant-Based Food Grant also aims to help primary producers and/or those involved in the processing stage to work together to promote sales in Denmark and abroad. Support for participation in international trade fairs, for example, can help open international eyes to the quality of Danish foods. Denmark's relatively high food safety standards and the rising demand for Danish organic food production have given Danish plant-based foods a strong brand and some existing sales channels to rely on in the work of increasing international demand for Danish products, particularly in neighbouring markets.

Stimulating supply

The Plant-Based Food Grant will contribute to the production in Denmark of plant-based foods that are attractive for both consumers and industry, both at home and abroad, with consideration for the environment and climate.



STIMULATING SUPPLY

Some of the major supply challenges include ensuring sufficient knowledge, the right quality, availability and volume of production and development of Danish plant-based foods.

More and more new products are being created, and experiments are being done with methods of cultivation in agriculture and aquaculture, introducing new plant-breeds and reintroducing old ones, while work is being done on new forms of processing so that new types of plant-based foods can meet the needs of consumers. Taste or knowing the ideal nutritional composition of a processed product or whether an ingredient is suitable for human consumption are just some of the potential challenges in this area.

We need to be better at ensuring that what is produced and sold is what works for consumers, society and environment in the short and the long term. Innovation needs to take into account the health of both people and nature, but also a whole range of other factors, such as potential uses and availability. These complex requirements call for holistic solutions by parties that complement each other's knowledge and collaborate at every stage from project conceptualisation to consumer. This collaboration is also crucial for successful product launches. It is important that new products are thoroughly tested on criteria including quality, health, compliance and consumer acceptance before being placed on the market. Product launches that lead to negative food experiences could have a negative impact on the efforts to make Danish plant-based foods more attractive.

Another important element is transparency. We need to know what our food is made of, where it came from and what production methods were used. For that reason, producers of plant-based foods need to deal with traceability. This applies to the traceability of products in direct communication with consumers, as well as in terms of knowledge and data collection on food quality and origin along the entire value chain. The final focus point is scalability and effect. If we want Danish production of plant-based foods to contribute significantly to political targets on reducing climate impacts, for example, we have to scale up to a much larger volume than we produce today. This is why the Food Grant will support measures to help increase the total volume of raw materials for plant-based food production, whether they are cultivated on land or offshore. ▶

4 Increasing the quantity and quality of the plant-based products that appear on the market

Whether you are developing a new product, growing a new breed or producing campaigns for plant-based foods, it is important to ally yourself with partners who have the right knowledge. For this reason, the Plant-Based Food Grant supports collaborations that bring in relevant research and knowledge, for example within product development. Of course, taste and health must be a top priority in projects supported by the Plant-Based Food Grant. For example, the production of foods such as fresh fruit, berries and vegetables for direct consumption and industry will need to be more represented in agriculture across the country. Overall, there needs to be a greater variety of ingredients in light of the different purposes they are used for and to ensure the best flavour experience and nutritional content.

An understanding of nutrition is also crucial at every stage of the supply side. Even if a crop is very rich in protein, it does not necessarily mean the proteins in that plant can be metabolised effectively in humans. In other words, nutritional quality could be very different from what you might initially assume. There are many factors that influence consumers, the success of a product and therefore our ability to stimulate demand. As a result, the Plant-Based Food Grant generally emphasises ensuring that products and solutions are market-ready before they are presented to consumers. Research and knowledge sharing are also part of the picture. For example, research can help test consumer acceptance in terms of taste, consistency or usability in busy everyday life.

5 Increasing the volume of Danish plant-based food production both on land and offshore

The Plant-Based Food Grant could support projects that help increase the volume and variation of Danish-produced ingredients. More Danish-produced ingredients are needed to reduce the industry's reliance on imported ingredients. At the same time, a larger volume is crucial for reaching the scale required to allow us to export. New breeds and new environmental requirements also mean turning to new cultivation methods. Because of this, support for the development of cultivation guidelines, for example, will also be a clear part of increasing Danish plant-based food production. Plant-Based Food Grant projects for the circular use of resources will be important for ensuring that resources are used more efficiently; this is particularly true of projects that help to convert more of the land currently used for animal feed to instead produce ingredients for human consumption.

Whether or not scaling up demand will be attractive for producers will depend partly on whether their sales are

secure at each stage in the value chain. The Food Grant will therefore support activities that promote collaboration across the value chain with the aim of making reciprocal supply and sales more secure for those involved in the raw material production, processing, distribution and sales stages. Whether production of raw materials takes place on land or offshore, the purpose of collaboration is to increase knowledge sharing in order to prevent repeating mistakes and to allow producers to build on knowledge obtained from each other, relevant consultants and research. Knowledge sharing in this type of collaboration is intended to help reduce the risks at each stage and to increase the success rate of products on the market. All of which is ultimately aimed at increasing the production of plant-based foods. Last but not least, help is needed to build a better framework for production and processing. The Plant-Based Food Grant will therefore of course be supporting projects aimed at developing or testing new production and processing facilities. The Food Grant cannot provide dedicated investment support for equipment purchases, for example, but it would clearly be beneficial to support the development of new and existing production facilities in connection with research and innovation projects, to develop new types of products or new processing methods for instance.

Building sectoral bridges

The Plant-Based Food Grant will help to develop a cohesive plant-based food sector with ever-increasing understanding, knowledge sharing and collaboration between the different players in the value chain.



BUILDING SECTORAL BRIDGES

The Danish plant-based food sector is characterised by the lack of a strong and cohesive value chain similar to the one established for animal products. This is in part because the industry's history is not long enough to have formed well-trodden production paths when it comes to practical and regulatory issues. This means that there are still many uncertainties associated with both production and consumption. At the same time, there is a real need within this uncertain framework to experiment and learn new ways of doing things in order to find out what works best at every stage from raw material production to being served on your plates at home. For example, something that seems sensible in the field could be rejected by the consumer or the processing stage because of taste, price or nutritional value or for other reasons. For primary producers, there may be major uncertainty associated with having to convert to new plant-based foods that could require cultivation techniques other than those used for animal feed and have higher demands in terms of quality and uniformity.

Something that raw material producers, industry and sales all require is greater assurance that the product can be sold. This is particularly true for smaller companies and start-ups, and can be achieved in part through risk sharing. Any form of innovation entails some risk, but primary producers, retailers and other players do not want to be left alone to deal with the risks and costs connected with innovating the plant-based food sector. Overcoming existing barriers requires more effective collaboration and building trust across the value chain. Close collaborations can develop and test new business models that may maximise success locally or internationally. Trust is also central for the consumer, and building sectoral bridges is crucial here too. Data needs to be collected across the entire value chain in order to ensure that products are traceable in terms of food quality and origin, for reasons of both transparency for consumers and enhancing food safety. The Plant-Based Food Grant will therefore focus on supporting activities that enhance partnerships across the chain that help share knowledge and allocate risks across multiple partners.

In Denmark, we still import a large amount of produce, such as grain, legumes, fruit, berries and vegetables. The Plant-Based Food Grant will support projects that help ensure more products are grown in Denmark, including more in-season ingredients and more fresh, locally produced vegetables that reach Danish customers in more direct ways. At the same time, the Food Grant aims to contribute to the general scaling up of Danish products - especially organic ones - that can meet the food industry's need for raw materials produced in Denmark. Exports have an important part to play in ►

▶ this scaling process. For raw material production to reach a volume and price that make it attractive for the Danish food industry, exports need to be incorporated into the way we develop the sector. Finally, exports are important if the Food Grant's contribution to the green targets is to have a significant effect – in other words, for us to convince more than just a small fraction of the population. For this reason, exports should be incorporated into building of sectoral bridges where relevant, and projects should be directed at potentials in large neighbouring markets.

The building of sectoral bridges will also help accelerate new thinking, both in the form of specific initiatives and through the development and use of new knowledge. Because strengthening the value chain is so fundamental to the development of a competitive plant-based food sector, the building of sectoral bridges is absolutely central to the efforts of the Plant-Based Food Grant. This means that it is generally seen as a quality and an advantage for projects to be run by multiple parties who complement each other's skills and knowledge across multiple sectors, regardless of whether they are working on supply or demand initiatives. Bridge building is also an important parameter regardless of whether project are directly or indirectly related to traditional agriculture, modern forms of cultivation, horticulture or aquaculture. There are of course examples of projects with a single project owner that make sense in their own right, but the Plant-Based Food Grant is predominantly focused on supporting collaboration.

6 Strengthening the entire value chain

For Denmark to make a difference globally in terms of switching to more plant-based food production in the same way we have in sectors like wind energy, Denmark should be leading the way and developing a model to help our food habits move forward. This needs to be a model that can inspire the western world. The Plant-Based Food Grant aims to help create this model, and building sectoral bridges is a key element in that development work. The general objective of the Plant-Based Food Grant is to support initiatives that contribute to a cohesive and competitive plant-based food sector. The initiatives might be the establishment or strengthening of cross-sectoral collaboration between industry, food artisans, educational environments and food technology, or initiatives to help gear relevant professionals towards more plant-based production and consumption so that we can ensure the necessary knowledge sharing at every stage, including with regard to health. What is crucial is for project owners to be clear on how a project affects people, the environment and the value chain. This knowledge needs to be used actively in close collaboration across different parts of the sector, and with a view to the preferences and needs of consumers in the Danish or international markets.



Plant-Based Food Grant

Multi-year strategy

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