Post-Harvest Innovation Programme

Funding Manual

June 2014
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**List of Acronyms**

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>DST</td>
<td>Department of Science and Technology</td>
</tr>
<tr>
<td>FPEF</td>
<td>Fresh Produce Exporters’ Forum</td>
</tr>
<tr>
<td>HCD</td>
<td>Human Capacity Development</td>
</tr>
<tr>
<td>MC</td>
<td>Management Committee</td>
</tr>
<tr>
<td>PHI</td>
<td>Post-Harvest Innovation Programme</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
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<tr>
<td>RDI</td>
<td>Research, Development and Innovation</td>
</tr>
</tbody>
</table>
Definitions

For the purposes of the Post-Harvest Innovation Programme, the following definitions will apply:

R&D
R&D encompasses creative investigation conducted on a systematic basis in order to gain new knowledge; and the use of this and/or existing knowledge to develop improved products, services or processes.

Innovation
The generation of new knowledge and/or ideas, often but not necessarily unconventional, or conversion of existing knowledge and/or ideas that potentially lead to a commercial benefit i.e., new or improved products, processes or services.

Postharvest
The period of crop development that commences with the determination of harvest maturity, and all subsequent processes including picking, grading, packing, cooling, storage, transport and distribution within the market up to the point of consumption.
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1 Introduction

This Funding Manual is intended to inform potential Post-Harvest Innovation Programme grantholders of the operational procedures for participation in the Programme.

The Funding Manual provides a brief overview of the Programme, including the application process, funding guidelines and evaluation procedures.

2 Post-Harvest Innovation Programme

2.1 Overview

The Post-Harvest Innovation Programme (PHI), initiated in 2007, is a public-private partnership between the Department of Science and Technology (DST) and the Fresh Produce Exporters’ Forum (FPEF). Its purpose is to support research; development and innovation (RDI) aimed at enhancing the global competitiveness of identified South African fresh horticultural industries.

The Programme focuses its efforts on post-harvest RDI in high-priority areas. In addition to providing a platform for RDI, it aims to build critical mass and institutional capacity to support innovation in the fresh horticultural industry.

The current phase (2014 – 2017) of the Programme embraces a government-industry partnership model, while focusing on a broadened participation of formalised horticultural industry associations.

Since the Programme’s inception in 2007, the objective was to drive innovation in the fruit industry. However, the R&D landscape back then was such that PHI had to invest in a number of mainstream postharvest R&D activities, and in many cases the argument could be made that R&D is, by it’s nature, innovative in many respects. In light of the current industry partnership model, PHI will place a greater emphasis on R&D innovative solutions. Such R&D projects do not have an obvious outcome. Also, innovative solutions to current and anticipated challenges will strengthen the fresh horticultural industry’s global competitiveness.

The Programme is administered by the FPEF and governed by a Management Committee (MC), which represents industry associations, academia and relevant Government departments. The MC provides strategic guidance to the Programme and performs an oversight role.

2.2 Vision, Mission and Strategic Objectives

The vision of the Programme is:
A globally competitive fresh horticultural industry developing postharvest innovative technologies

The mission of the Programme is to:
Engender a culture of innovation by providing funding opportunities to deserving applicants who will seek innovative solutions to address the technology gaps identified in the fresh horticultural value chain.
The primary strategic objectives of the Programme are to:
1. Develop and maintain the global competitiveness of the domestic and export orientated fresh horticultural industries.
2. Foster a culture of research, development and innovation in the postharvest sphere of fresh horticultural products and assist in the development and expansion of knowledge in this field.
3. Build human capital through the attainment of masters, PhD and postdoc qualifications in the field of postharvest technologies and innovation.

3 Qualifying Fresh Horticultural Industries and Commodities

PHI partners with various formalised industry associations to help identify and co-fund research projects that address specific postharvest challenges of their respective commodities. The contributing partners that qualify to participate in the Programme during the current funding phase (2014 – 2017) are:

3.1 Mainstream Industry Associations

- Citrus Research International (citrus)
- HORTGRO Science (apple, pome and stone fruit)
- Table Grape Industry of South Africa (table grapes)
- Subtropical Growers’ Association (avocado, mango, litchi, macadamia)
- Tomato Producers’ Organisation (tomatoes)
- Ceres Onion Producers (onions)

3.2 Small and Emerging Industry Associations

Small and emerging industry associations that qualify to participate in the Programme during the current funding phase (2014 – 2017) include:

- Pomegranate Producer Association of South Africa (pomegranates)
- Cape Flora SA (indigenous fynbos and proteas)

Additional fresh horticultural commodities may be considered for participation during future funding phases.

4 Industry Association Co-Funding

PHI will only consider applications that are co-funded by industry. Therefore, applications received by PHI will be forwarded to relevant horticultural industry association/s for their endorsement and commitment of co-funding. Industry associations will sign a confidentiality agreement prior to the proposal assessment process.

5 Technology Gaps

All proposals submitted to PHI must fall within the following technology gaps depicted in Table 1, which were identified by the participating horticultural industries. These gaps indicate the major technology challenges faced by the fresh horticultural industry and which threaten its global competitiveness.
Table 1: Priority Technology Gaps

<table>
<thead>
<tr>
<th>Technology Gaps</th>
<th>Focus- and impact areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Container and cold storage technology</td>
<td>Validation of time, temperature tolerances (TTT’s); alternative cold storage technologies for minor crops; effective low-technology cooling systems; integrity and efficiency of reefer trucks and containers; validation of vent settings in containers; defrost management; airflow management, etc.</td>
</tr>
<tr>
<td>Integrated packaging solutions</td>
<td>Alternative packaging materials; package design to optimise payload, cooling efficiency, maintenance of product quality, etc.; bulk packaging effects on quality; tailor made packaging for new/minor crops; modified atmosphere packaging, etc.</td>
</tr>
<tr>
<td>Logistics</td>
<td>Integrated multi-modal transport (e.g. road, rail and ship); management of short shipments; cargo management in ports; air freight cold chain management; traceability systems (domestic and export); effect of logistics on product quality, etc.</td>
</tr>
<tr>
<td>Postharvest disease and insect control, including phytosanitary compliance</td>
<td>Monitoring systems; mitigation treatments (inorganic chemicals, GRAS (generally recognised as safe) treatments, alternative treatments like irradiation and insecticidal CA, green chemistry, optimising cold sterilisation treatments, alternatives to cold steri, combined treatments, etc.); pest preconditioning treatments; protocols for effective postharvest control, etc.</td>
</tr>
<tr>
<td>Postharvest physiology</td>
<td>Related to the physiology of the product and including determination of harvest maturity (destructive and non-destructive); prediction and control of physiological disorders and product quality; conditioning treatments; handling-, storage- and shipping protocols; sensory research (including aroma and off-taste); product maturation, ripening and senescence; respiratory- and ethylene metabolism; etc.</td>
</tr>
<tr>
<td>Resource efficiency and sustainability</td>
<td>Optimising use of resources like energy &amp; water, including recycling; clean energy; utilisation of waste product; etc.</td>
</tr>
<tr>
<td>Technology transfer</td>
<td>The effective and efficient transfer of knowledge to participants in the value chain.</td>
</tr>
<tr>
<td>Temperature and humidity control</td>
<td>Protocols for cold chain management, including optimal temperatures and humidities; alternative storage and shipping temperatures; monitoring equipment; moisture loss control; technology transfer on equipment and systems, etc.</td>
</tr>
</tbody>
</table>

PHI recognises that RDI associated with the abovementioned technology gaps is not limited to conventional scientific disciplines. Researchers in engineering-related disciplines are therefore also encouraged to submit proposals that address RDI specifically related to postharvest challenges in these priority gaps.

6 PHI Funding Guidelines

The funding model for the Programme consists of various funding options aimed to provide a balance between (a) high priority and subsector focused RDI, (b) RDI for inclusive development of marginalised subsectors, (c) high priority crosscutting RDI. The funding model is outlined in Table 2 below:
Table 2: Funding Model

<table>
<thead>
<tr>
<th>Project Classification</th>
<th>Qualification Criteria</th>
<th>PHI Funding Allocation Limits</th>
</tr>
</thead>
</table>
| 1 High priority subsector focused projects | (a) Endorsement and co-funding from subsector industry association or development agency (where applicable).  
(b) Impact on other industry subsectors, with outputs/outcomes/IP made available to the other relevant subsectors.  
(c) Strong HCD component. | (a) 50% of total allowable project costs.  
(b) 70% of total allowable project costs for minor crops and emerging industries.  
NB. “Allowable costs” refer to direct project-related costs that are within the funding limits set by the Programme. |
| 2 High priority cross-cutting subsectors projects | (a) Endorsement from at least two subsector associations / bodies or companies (where applicable).  
(b) Co-funding from industry or other industry development programmes.  
(c) Strong HCD focus. | (a) 50% of total allowable costs. |

To qualify for funding, RDI projects must satisfy the following criteria:

(a) Fall within the identified technology gaps and focus areas specified in item 5.
(b) Must be innovative or embed obvious elements of innovation. This must be evident in the funding proposal, and is a key criterion of the Programme.
(c) Market-driven based on a real market need for the enhancement of the competitiveness of the fresh horticultural industry.
(d) Aimed at the creation of new knowledge, functional designs, products, processes or systems. The latter includes systems that enhance production, quality, logistics, energy efficiency and market intelligence, or;
(e) Aimed at significant improvement in functionality, performance, reliability or quality of existing functional designs, products, processes or systems.
(f) Embedded HCD (postgraduate students) in RDI projects – postgraduate students attaining Masters and PhD qualifications as well as Postdocs, while working on the grantholder’s project, is encouraged. This is a key criterion.
(g) New RDI projects are encouraged. However, funding will be considered for the remainder of existing projects that are executed within PHI’s funding timeframe (see Item 7 below). All projects must exhibit elements of innovation either in their methodology or outcome or both.

Grants are awarded for well-structured research projects that demonstrate the prudent use of funds. Projects should have clear aims and sound methodologies that support the study objectives.
7 Funding Duration

Funding is available for the duration of the Programme, which ends 31 March 2017. The final report of the proposed research must therefore be submitted by latest 31 December 2016 to allow sufficient time for final project evaluation, project auditing and final payment processes. Individual project reporting dates will be specified in award contracts.

Please note that regardless of the duration of the project within the abovementioned timeframe, PHI-supported PhD students can receive a PHI bursary for three consecutive (3) calendar years up to 2017 to complete their studies. PHI will however not fund the research component associated with the PhD study during 2017.

8 Exclusions

(a) PHI does not award funding for infrastructure development.
(b) Unless part of an RDI process, projects that involve routine testing and analysis are not classified as R&D, and will therefore not be funded.
(c) Projects that are evaluated as a duplication of previous R&D will not be funded, unless the outcomes of such previous R&D is protected and proven to be inaccessible.
(d) The development of software unless part of an RDI project. This includes the development of database systems and other computer-based information systems based on established techniques and analysis.

9 Call for Proposals

(a) Call for Proposals are issued in two National Newspapers (English and Afrikaans).
(b) Outputs of projects funded by PHI are in the public domain and will not be exclusive to the applicant or the industry association. Intellectual Property rights are addressed in an agreement signed before commencement of the research.
(c) Applications that address challenges within the abovementioned fresh horticultural industries will be categorised into the following categories:

- Proposals focusing on a particular fresh horticultural commodity
  These are proposals that focus on a specific horticultural commodity (citrus, pome fruit, stone fruit, table grapes, avocados, mangoes, litchis, macadamia, pomegranates, onions, tomatoes, proteas and fynbos).
- Crosscutting Research Proposals
  These are proposals that cover a wide range of commodities, which could not necessarily be submitted to a specific industry association for matching funds. For example, an investigation of the logistical processes occurring in the port of Cape Town would be of potential benefit to all the horticultural industries. Applicants / industry associations are encouraged to initiate and submit crosscutting research projects, with the industry matching funds divided by the industries benefitting from the research.
10 Categories of Support

When completing the project budget, applicants need to consider all costs that could impact on undertaking the research, such as the direct and indirect (overheads) costs. A realistic planning of the budget is required.

10.1 Human Capacity Development (Grantholder-linked Student & Fellowship Support)

The Programme supports the advancement of individuals to honours, masters’, doctoral and postdoctoral levels in all scientific fields, on condition that the research is addressing a post-harvest challenge within the identified broad technology gaps. Grantholder-linked postgraduate bursaries are available to students who are supervised or co-supervised by the grantholder and who work on his/her PHI supported project. Greater participation of South African citizens is encouraged.

PHI will fund bursaries 100%. Bursary costs should therefore not be included in the project budget. PHI will calculate the total bursary amount per project.

Student support is available in the following categories:

- Postgraduate grantholder-linked bursaries: Honours (including BSc (Agric) and BTech 4th year students).
- Postgraduate grantholder-linked bursaries: Masters and Doctoral students with a research component of more than 50%.
- Postdoctoral Fellowships: For candidates who have completed their Doctoral degree no more than five years.

Greater participation of Masters, Doctoral and Postdoc students is encouraged. Researchers are encouraged to identify Honours students who are likely to pursue a Masters degree. The awarding of Honours bursaries will be an exception to the rule.

The grantholder is expected to provide mentoring and supervision to all PHI-funded postgraduate students linked to his/her project. The number of students per grantholder is therefore carefully monitored in accordance with the experience of the grantholder.

The award of bursaries is restricted to the following total per level:

<table>
<thead>
<tr>
<th>Level</th>
<th>Value of Support (per annum)</th>
<th>Maximum Period of Support (consecutive years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honours full-time</td>
<td>R20 000</td>
<td>1 year</td>
</tr>
<tr>
<td>(including BSc (Agric)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and BTech 4th year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>students)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masters full-time</td>
<td>R80 000</td>
<td>2 years</td>
</tr>
<tr>
<td>Doctoral full-time</td>
<td>R120 000</td>
<td>3 years</td>
</tr>
<tr>
<td>Postdoc full-time</td>
<td>R160 000</td>
<td>2 years</td>
</tr>
</tbody>
</table>
10.1.1 Student Bursary Conditions

- Registered for full-time Honours, Masters, PhD or Postdoc qualification.
- A research focus identified in the area of the applicant's proposed RDI project.
- Successful applicants must provide proof of registration on an annual basis for the duration of the funding grant. Failure to comply will lead to the cancellation of the bursary.
- Bursary recipients may not hold more than one government-funded bursary simultaneously.

10.2 Operating Costs

10.2.1 Research, Technical Assistance

To provide support at a specialised technical skill level to an applicant to complete the project if a skills gap exists in the research team.

Technical Assistance Support (e.g. services of a statistician) includes using statistical software packages (e.g. SPSS, SAS, HLM, etc.) to analyse data.

Detailed cost breakdown, e.g. technical assistant works for three hours per day for a total period of three months, at a rate of R80 per hour.

10.2.2 Research Materials and Supplies

To provide support to applicants for the direct cost incurred on a research project. These items must be directly related to the project and are considered the ‘consumables’ for the proposed research, e.g. disposables and consumables.

Consumables are any items with a life expectancy of generally less than a year, and which are consumed in the normal course of operation.

Eligibility

1. Only direct costs are covered.
2. Every type of purchase must be clearly identified individually and be well motivated in the budget.
3. Applicants are required to submit a detailed itemised list, e.g. description of the consumable.

Funding not allowed

1. Basic office equipment.
2. General stationary, photocopying and printing costs.
3. Journal publications, journal subscription costs and textbooks.
4. Telephone, fax and Internet costs.
5. Personal laptops, computer hardware, and purchase or renewal of software licenses.
6. Any funding line that is listed as: ‘miscellaneous, ‘other’ or ‘etc.’
10.2.3 Research Equipment

To provide support to applicants for the purchase of equipment, service or upgrade costs for equipment.

Eligibility

- Details of laboratory equipment to be purchased, e.g. balance, water bath, autoclave, water purification system, gel dryer, micro pipettes.
- Equipment should be purchased following the institutional procurement policies.
- Specialised software or processing equipment may be considered, provided that it is well motivated. Ownership of such specialised software and equipment will vest in the beneficiary organisation.

Funding not allowed

- Capital equipment
- License fees or renewal of licenses of non-specialised software (e.g. MS Office).
- Personal laptops, net books, hand-held notebooks, and personal digital assistant (PDA) devices.

10.2.4 Study/Training Visits

Applications can be made for a funding contribution towards a study / training visit by the grantholder. This funding category will be particularly favourable for postharvest researchers at previously historically disadvantaged universities.

The purpose of this funding category is to support an applicant who plans to undertake a study visit or training visit for research in a well-developed research environment locally, to advance and complete the research project and / or equip the applicant with specific and special skills required to add value to the research project. The study visit must contribute to the advancement and the completion of the research project. The training visit must equip the applicant with specific and special skills required to add value to the research project.

In all cases, a detailed motivation, including an itemised budget, should be submitted.

**Study Visit:** Applies where the applicant's home institution does not have well-developed infrastructure or facilities to accommodate the research to be undertaken.

**Training Visit:** Applies where the applicant requires specific skills in order to contribute to the advancement and completion of the research project and beyond the life of the project.

For training visits, explain why the employing institution of the applicant cannot accommodate the training.

**Applicants are required to submit:**

- A detailed work plan or programme for the study or training visit, including its duration.
- A detailed cost breakdown, with all the costs related to the visit.
- Letter of confirmation from the hosting institution.
- Letter of approval by the Head of Department of the applicant.
• Letter of motivation why the selected hosting institution was chosen for this visit.
• Indication of other institution(s) having been contacted for the visit, listing at a minimum that they agreed to accommodate the applicant; or they cannot accommodate the applicant.

The combined duration of all visits in this category is not to exceed six weeks.

10.2.5 Domestic Travel and Accommodation

To provide support to applicants, or students of the grantholder, to cover travel for research and fieldwork that is related to the research project.

When determining the cost pertaining to domestic travel, researchers must bear the following in mind:
• Make provision for incidentals e.g. tollgate fees, rail and parking fees (where applicable).
• Use the most economical, appropriate and safe mode of travel.
• Use the most competitive accommodation establishment.

Eligibility

Applicants are required to submit the following:
• A motivation and purpose of the travel that is related to the project objectives and methodology.
• Detailed budget breakdown including:
  ▪ For travel by road, the number of kilometres to be travelled and costs based on SARS rates.
  ▪ Type and cost of accommodation and duration of stay.
  ▪ Subsistence allowance based on the applicant’s institutional rates.

Funds are not allowed for meetings, workshops, networking and collaboration events.

10.2.6 Research Personnel (including administrative assistance)

The cost of research personnel who are directly involved in the research project. These must be calculated in terms of cost to company multiplied by the percentage time allocated to the project.

10.2.7 Indirect Cost

This cost is only applicable to institutions that require an overhead levy. Levies will not exceed the rates prescribed by an institution.
11 Application Process

How to apply:

11.1 Download the application form and the PHI Funding Manual from www.postharvestinnovation.org.za

Completed application forms must be emailed to antonia@fpef.co.za with the following email subject line: PHI Application

This subject line will automatically prompt an acknowledgement of receipt of your application. If you do not use this specific subject line, you may not know if your application had been received. The due date for applications is 31 July 2014. Applications submitted after this date will not be considered.

11.2 A VAT clearance certificate must accompany applications submitted by VAT vendors.
11.3 If the applicant is a VAT vendor, all amounts reflected in the application will be VAT exclusive.
11.4 The application must be completed in sufficient detail to allow comprehensive review and evaluation by internal and external reviewers. PHI may request additional information or documentation to support an application.
11.5 Applicants are required to submit a complete CV, including their research profile and research outputs, as this information is referred to in the review process.
11.6 Incomplete and late applications will not be considered.

Applicants will be informed of the outcome of their funding applications by latest December 2014.

12 Screening and Review Processes

12.1 Overview of the Screening Process

All applications submitted are screened by PHI for compliance with the requirements of the Call for Proposals, the stipulations set out in this Funding Manual, and the content requirements indicated in the application form. Applications are pre-screened and categorised according to the identified technology gaps / areas. Any information submitted as attachments that should have been completed in the application form renders the application incomplete, resulting in a rejection. Applications that fail to meet the requirements and stipulations will be rejected.

12.2 Overview of the Review Process

Applications in response to Calls for Proposals are subject to a three-tiered review process, which is described below.

12.3 First Tier Evaluation Process

Reviewers are selected from the list of suggested reviewers provided by the applicant, plus reviewers and industry experts selected by PHI from existing databases and other sources.
Applicants are encouraged to propose suitable reviewers, excluding the following categories of persons that may be associated to the applicant:

- Supervisors
- Team members
- Collaborators
- Staff from the same institution

Reviewers are categorised into Project Evaluation Teams (PETs), which will focus on proposals submitted within specific technology gap(s) related to the expertise of the reviewers. A maximum of four reviews per application are solicited. Each PET has a designated leader who will be responsible for the collation of the results of each team member and ranks scores before submission of individual review reports and scorecards to PHI.

Applications and review scorecards are sent electronically for review to each PET member. Each PET member reviews each application independently and submits a completed scorecard for each application to the PET Leader.

*Please note that proposals subjected to an industry association’s internal formal evaluation process will be selected at random for an independent evaluation, as described above.*

12.4 Second Tier Evaluation Process

The second tier involves the various PET leaders presenting to the Management Evaluation Panel (Panel), their respective scores and proposed rankings of the evaluated projects. These include substantiating the reasons why a particular score or ranking was allocated, potential risks of a project, feasibility of project, return on investment, etc. The Panel will consist of identified Management Committee members and appointed external experts in the RDI field as well as industry experts. The external experts are independent of those selected on the PETs.

This process also involves extensive deliberations by the Panel on the comments received on ranked projects and after all presentations are made by PET leaders. The Panel will also assess if each application complies with PHI’s funding criteria. The outcome of this process will be shortlisted applications for recommendation to the PHI Management Committee.

12.5 Third Tier Evaluation Process

The Panel provides recommendations to the PHI Management Committee. The PHI Management Committee makes the final funding decision. In awarding grants, the PHI Management Committee takes into account the recommendations of the Panel, budget motivations by the applicant, the objectives of the Programme; array of institutions; array of fresh horticultural commodities; and available funds. The aim is to have an equitable distribution of resources across the different sub-industries with the available funds.

12.6 Non-disclosure and Non-conflict Agreements

All individuals involved with the review and awarding process will be required to sign a Confidentiality Agreement and a Conflict of Interest Agreement prior to the commencement of proposal reviews. In a case of declared conflict of interest with a proposal, the individual is
released from assessing the specific proposal and requested to recuse him/herself from the discussion of the specific proposal. Each time a reviewer or panel member recuses him/herself from the discussion of the specific proposal, a ‘Record of Conflict of Interest’ form must be signed by him/her.

12.7 Ranking of Proposals and Criteria for Assessment

The purpose of the scoring system is to evaluate applications, based on the Programme’s criteria, in order to identify applicants that are most deserving of the limited funds available. All research proposals submitted to PHI are evaluated according to a number of predetermined criteria. Applications are assessed and ranked on the basis of the qualifiers as listed in the tables below. Each area is given a weight to indicate its relative importance. Please consult Table 3 below for details on the criteria used as well as their relative weighting.
**Criteria for the Assessment of Proposals for PHI Funding**

Table 3: Criteria for the Assessment of Proposals for PHI Funding

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Description</th>
<th>% Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track Record of Applicant/s</td>
<td>This refers to past RDI outputs such as the professional development of the applicant; journal articles; conference presentations and proceedings; books and book chapters; and patents. The application must include the detailed CVs of members of the research team, which must include their RDI track records to support the applicant’s bid to undertake the proposed project.</td>
<td>10</td>
</tr>
<tr>
<td>Scientific and Technological Merit of the Proposed Project</td>
<td>This refers to the scientific and/or technological contribution; originality and new knowledge; interdisciplinary or multidisciplinary aspects; match between the research question and the proposed research methodology and alignment with the applicant’s institutional strategy. Conceptual Framework (10): The applicant must detail the rationale/aim and objectives of the project, provide a literature review on the current state-of-the-art, and outline the methodology to be deployed. In the latter, the applicant must show how the methodology is appropriate to meet the objectives of the project. Scientific and Technological contribution (20): The applicant must demonstrate how the proposed project will: - Make a contribution to new knowledge in the field in terms of the development of new processes or new products; or - Apply existing knowledge and methodologies in the field to unique applications towards the development of new or improved products or processes. In line with the above, applications must demonstrate how such innovations will advance the competitiveness of the fresh horticultural industry (15).</td>
<td>45</td>
</tr>
<tr>
<td>Project Management</td>
<td>The applicant must provide a project management plan outlining the project resourcing, scheduling and budget. Project resources refers to how the project team and human resources are composed; the roles, responsibilities and accountabilities of team members; the proposed project activities and their supervision; and the technical resources required to undertake the project activities. Project scheduling refers to the work breakdown structure of the project to ensure that specific outcomes are achieved; as</td>
<td>10</td>
</tr>
</tbody>
</table>
### Criterion | Description | % Weighting
---|---|---
Collaborative Projects | In order to address historical imbalances, research collaboration between researchers at various institutions is encouraged, especially between previously disadvantaged institutions with limited research infrastructure and research activity, and research-intensive institutions with varied capabilities. Applicants will be required to indicate the R&D collaborations with other organisations and the benefit/s in terms of access to expertise, infrastructure, IP, etc., and how these collaborations are necessary in realising the objectives of the project. | 10
Cross-Cutting Projects | This refers to how the project contributes to innovation and competitiveness in more than one sub-industry. | 10
Human Capital Development | Emphasis is placed on the number of postgraduate students (masters, doctoral and postdoc) that will obtain their qualifications through involvement in the project. | 15
13 Application Feedback

Once the review and assessment processes have been completed and the Programme Management Committee has approved the recommended funding decisions, applicants are notified in writing of the outcome of their applications and feedback on the review process. The decision of the Management Committee is final, and no further correspondence will be entertained.

14 Funding Disbursement Procedure

Before the disbursement of funds, the FPEF will sign a contract with each successful beneficiary. Intellectual Property matters as well as reporting, agreed-upon milestones and deliverables will also be addressed in these contracts.

PHI will apply the following funding disbursement model to successful co-funding proposals:

<table>
<thead>
<tr>
<th>PAYMENT SCHEDULE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment of first tranche (January 2015)</td>
<td>10% of PHI’s contribution of total project costs upon signing of award contract.</td>
</tr>
<tr>
<td>Payment of second tranche (May 2015)</td>
<td>47% of PHI’s contribution of total project costs.</td>
</tr>
<tr>
<td>Payment of third tranche (May 2016)</td>
<td>23% of PHI’s contribution of total project costs upon: (a) Submission and approval of Annual Report. (b) Unqualified independent audit report of project cost expended (PHI and industry partner/s’ contributions).</td>
</tr>
<tr>
<td>Payment of third and final tranche (February 2017)</td>
<td>20% of PHI’s contribution of total project costs upon: (a) Submission and approval of project Final Report. (b) Unqualified independent audit report of total project cost expended (PHI and industry partner/s’ contributions).</td>
</tr>
</tbody>
</table>

Successful applicants will be informed in December 2014 regarding the payment schedule of the respective industry association/s’ co-funding contribution, to meet the project’s cash flow requirements.
15 Grantholder Responsibilities

15.1 Reporting

Reports will be submitted in a standardised reporting format, which will be provided by PHI. Financial reporting forms part of the Reports and should be completed with the assistance of the beneficiary institution’s Financial Officer.

In addition to the submission of progress / annual and final reports, the researcher will present progress on research at PHI Annual Project Report Back Sessions; relevant industry technical symposia and the PHI Symposium.

15.2 Auditing

All projects will be subject to an independent annual financial audit. Please refer to item 14 (Funding Disbursement Procedure). Random technical audits may also be conducted.

15.3 Managing changes during the project life cycle

Changes may occur during the project life cycle due to unforeseen and extenuating circumstances. Please note the following on how to manage the award and subsequent changes (planned or unanticipated) should they arise during the project life cycle.

15.3.1 Change Requests

15.3.1.1 Prior Approval Requests

All change requests must be submitted in writing to the Programme Operations Manager at least 30 days before the proposed change. These changes may include a delayed commencement and / or completion of the project, which may affect milestone dates. Where applicable, the request must have institutional endorsement. PHI-approval is required for any changes.

15.3.1.2 Changes in Grantholder

This change may be triggered for a number of reasons, in which case the grant and/or project needs to be transferred or handed over to someone else. For this type of change to be approved, the institution must provide evidence that the grantholder, nominated to take over the project, is suitably qualified and able to achieve the research aims of the project before PHI will agree to continue the grant funding.

15.3.1.3 Changes in Project Scope

Changes may occur where a project scope needs to be modified from the original research proposal/project design. The request must have institutional endorsement and be submitted to the Programme Operations Manager. Grantholders should notify the Programme Operations Manager in writing of the proposed changes as soon as possible.
15.4 Scientific Compliance

15.4.1 Methodology

The grantholder takes scientific responsibility for the research to be undertaken, including its objectives and the methodology outlined in the project proposal. The grantholder is required to devote the necessary time to the research project in compliance with the workplan for the research proposal approved by PHI so as to achieve the project’s stated aims and objectives.

15.4.2 Intellectual Property Rights

The intellectual capital generated by PHI-funded research must be appropriately protected and exploited for the benefit of South Africa. This condition should not interfere with the Intellectual Property Rights arrangements already made, on condition that the majority of the benefits arising from the intellectual capital accrue to South Africa and its citizens. This condition is aligned with the Intellectual Property Act\(^1\), which will override this condition of grant. All results emanating from this research are in the public domain, unless specifically excluded by the IP Act.

15.4.3 Ethics

The grantholder is required to maintain the highest ethical and safety standards in conducting the research. It remains the responsibility of the project leader to comply with all relevant regulations, including those of the institution at which the research is carried out.

16 Supervision

The grantholder has a commitment to the students working on the PHI-funded project. They must ensure that such students receive adequate supervisory support to undertake project-related research that contributes towards the degree for which the students are registered. Grantholders are required to detail both project and student related progress during the given funding year.

17 Premature Termination

If a grantholder is unable to complete a research project for which PHI has awarded a grant, it is the responsibility of the grantholder, through the institution, to notify the Programme Operations Manager of the intention to prematurely terminate the project. Premature termination of a research project may occur for a number of reasons. Taking into account the circumstances and reasons for termination, the grantholder, in consultation with PHI, will decide on the best course of action and possible outcomes including, but not limited to, the final termination of the project and the recall of funds expended. Irrespective of the decision taken, the grantholder is required to submit a project closure report to PHI. Templates for such a report should be obtained from PHI. The grantholder must ensure that each student directly linked to the project completes a progress report on their research project, which should be endorsed by the grantholder and the institution. These progress reports will be used in considering any further applications for PHI funding to complete the work, according to the criteria applicable to the Programme to which any such application is submitted.

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