Guidelines for Innobooster

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This document specifies the guidelines for Innovation Fund Denmark’s Innobooster programme, valid for applications submitted after 7 May 2020.
1 Innobooster – In Short

1.1 What is Innobooster?
Innovation Fund Denmark aims to help promising ideas be converted into growth and employment in Denmark. Innobooster is Innovation Fund Denmark’s programme for knowledge-based innovation projects in small and medium-sized businesses and entrepreneurship.

An Innobooster project may help to develop and reach market maturity for a new product or service in an innovative way or to significantly improve a process in a company, so that the company’s competitiveness is significantly improved. For this to materialise, you may need to infuse expert knowledge into your company through collaboration with a knowledge institution and/or a private development house or hire a new employee with special skills. Irrespective of whether the project is based on new technology or creative ideas, co-financing from Innobooster may help to reduce the company’s risk in connection with the innovation project.

The Innobooster programme includes both projects that focus on testing and customisation, e.g. through market maturation or testing of a prototype or service in a real user situation with a potential customer or end-user, and projects with greater technological risk and novelty value, where the technical solution itself is being developed. Innobooster is open to projects and companies that in terms of growth are focusing on a rapid and comprehensive upscaling of their product or service, to companies that want a more organic and gradual growth, and to companies that want to use new knowledge and technology to implement a green transition of their production.

Innobooster offers an investment of between DKK 50,000 and DKK 5 million in innovative product-, service- or process-oriented projects that have considerable business potential and at the same time bring new knowledge into play. The higher the amount applied for, the higher our demands for the innovative and business potential of the project.

1.2 What can Innobooster invest in?
What it takes to succeed with an innovation project may vary significantly, no matter whether focus is on developing a new product or a new service or on a significant change in the company’s production or work processes.

An investment from Innobooster may co-finance:

- Hours spent by new and existing employees in the company on the innovation project. The hours may relate to employees working for the company as well as the company’s owners.

- Expenses for public and private knowledge providers, both Danish and foreign (e.g. universities, GTS institutes, contract research institutes, private development houses, etc.).

- Cost of materials, equipment rent and depreciation costs of new equipment1 to the extent and for the period used for the project. These costs must amount to at least DKK 30,000 per invoice to be included in the budget and the financial accounts.

Expenses and costs that are not specifically justified in the application cannot be included in the Innobooster budget or the financial accounts.

Please note that projects that deal with normal operation and development of the company, including establishment, continuous operational optimisation, strategy development, sales and marketing initiatives, communication, initial market or customer clarification, etc., fall outside the scope of the Innobooster programme.

Innobooster may invest for up to two years and can only cover expenses incurred within the grant period.

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1 New equipment is equipment that is ordered and delivered within the project period
2 How Do You Apply?

2.1 Who can apply?
An Innobooster project is applied for by one company. It is a prerequisite for participating in Innobooster that the company must be within the scope of the EU Commission’s definition of an SME. This means, among other things, that the company must have less than 250 employees and an annual turnover of a maximum of EUR 50 million or an annual total balance sheet of a maximum of EUR 43 million.

If a company is part of a group of companies, the requirements apply to the entire group of companies and not just to the company itself.2

More specifically, Innobooster invests in projects with:
- Small and medium-sized companies with a clear growth potential
- New, promising start-ups

The company must have a CVR number in order to apply for an Innobooster investment. Besides, the following requirements apply in relation to the target groups.

<table>
<thead>
<tr>
<th>Small and medium-sized companies with a clear growth potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation Fund Denmark emphasises that the participating SMEs have the resources to follow up on Innovation Fund Denmark’s investment. It is therefore required that the SMEs have either:</td>
</tr>
<tr>
<td>• An annual turnover of at least DKK 2 million (the most recent financial year)</td>
</tr>
<tr>
<td>Or</td>
</tr>
<tr>
<td>• Attracted at least DKK 500,000 in external capital3 within the past three years.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Entrepreneurs with promising start-ups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternatively, start-ups established within the last three years (cf. the CVR register) may demonstrate their potential by showing that the company has:</td>
</tr>
<tr>
<td>• A team with strong and relevant skills in relation to the idea</td>
</tr>
<tr>
<td>• Obtained significant results either in the form of research/development results (patent applications, analysis results, development of a simple prototype etc.) or in the form of market validation</td>
</tr>
</tbody>
</table>

This must be described in connection with the application.

Innobooster cannot provide funding to:
- Companies under compulsory dissolution, bankruptcy, voluntary liquidation or in suspension of payments.
- Companies where more than 50% is owned by the State, regions or municipalities.4

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2 The company is part of a group of companies when a company owns more than 25 % of the equity or the voting rights in another company. Read more about groups of companies and EU’s SMV definition
3 In relation to the requirement for external capital, this is defined as capital provided to the company by external parties without any collateral. External capital may come from new investors who inject money into the company or from funds invested by public or private sources in specific development activities of the company. Equity or loans are not regarded as external capital if collateral is required, e.g. bank loans, cash loans etc.
4 For in-depth information, see [http://publications.europa.eu/resource/cellar/79c0ce87-f4dc-11e6-8a35-01aa75ed71a1.0001.01/DOC_1](http://publications.europa.eu/resource/cellar/79c0ce87-f4dc-11e6-8a35-01aa75ed71a1.0001.01/DOC_1)
Companies where operational subsidies from public institutions amount to more than half of the turnover.

2.2 The content of the application

You are applying for an investment from Innobooster through the electronic application system e-grant.dk. When you have logged into the system, you will – under ‘Search options’ – find the Innobooster distribution that matches the investment you want to apply for (investments from Innovation Fund Denmark of less than DKK 500,000, between DKK 500,000 and DKK 1,500,000 and above DKK 1,500,000, respectively).

Only persons employed by the company may be the contact person and submitter of the application, and the person submitting the application must be able to sign for and commit the company in relation to the indicated information and obligations.

The application consists partly of an administrative part, where various information and declarations are provided and where a budget is made for the project, and partly of a professional part which includes a description of:

- The company
- The idea
- The Innobooster project
- Activity plan (schedule)
- The market
- The business-related gain
- The team
- Results from possible previous Innobooster grants

The professional description must be provided in a template, which can be downloaded from Innovation Fund Denmark’s website Skabelon til faglig beskrivelse. In the professional description, a link can be added to a short video which elaborates on the application (max. 2 minutes). The professional description is uploaded in e-grant.dk as a pdf file, at the same time as the various declarations and factual and administrative information are provided.

Innovation Fund Denmark processes the applications for Innobooster on an ongoing basis, so you can submit an application whenever it fits into the company’s development plans. However, please note that there are two fixed application pauses in the Innobooster programme:

- From 1 June to 15 August
- From 15 November to 15 January (Does not apply to summer 2020)

Innovation Fund Denmark aims to respond to applications within one month. Experience shows, however, that we receive a very large number of applications up to the application pauses which means that the case processing time may be prolonged. It is therefore a good idea to apply well in advance of the pauses.

No summer closure in 2020 due to COVID-19

In the light of the challenges facing Danish entrepreneurs and SMEs as a result of the COVID-19 crisis, Innovation Fund Denmark has decided to remain open for Innobooster applications throughout the summer. However, applicants must expect extended case processing times during the summer period.

Only one Innobooster application is accepted for processing at the same time, understood in relation to both the company and the contact person. If as a company or contact person, you submit several Innobooster applications for processing at the same time, only the first application submitted will be processed, while the others will be administratively rejected.
An application may not be submitted until the budget is ready and the tasks for possible subsuppliers have been clarified. Possible new employees need not be specifically mentioned by name at the time of application, but their competency profiles must be clearly described.

Finally, it should be noted that failure to comply with the formal requirements in the application material – including the submission of additional material and non-compliance with the requirements concerning the scope of the application – or with the application deadlines of the programme may result in an application being rejected without processing of the substance.

3 How Are the Applications Evaluated?

If your company meets the requirements for participation under section 2.1, your application will be evaluated based on the following four assessment criteria:

- Newsworthiness
- Value creation and business-related potential
- Implementation
- Economic efficiency

In this connection, Innovation Fund Denmark emphasises the following:

**Newsworthiness**
- That the Innobooster project initiates new development activities in the company
- That the result of the project clearly differs from what is otherwise found in the market/in the industry today
- That the Innobooster project contains a knowledge-related challenge that involves a risk to the company

**Value creation and business-related potential**
- That the company will gain a significant competitive advantage and in the long term make a significant profit based on the solution
- That there is clarity about the market and that the demand has been rendered probable
- That the business gain from the project will significantly result in economic growth and/or added employment in Denmark

**Implementation**
- That it is clear which development activities will take place in the Innobooster project, which concrete results the company will obtain as a result of the project, and what these will be used for
- That the company has a team with skills and experience to execute the project successfully, and that the selected collaboration partners and/or new recruitments are the right ones
- That the company has the financial resources needed to implement the Innobooster project

**Economic efficiency**
- That the budget for the project is reasonable and realistic in relation to the planned activities
- That the desired investment measures up to the expected business gain and project risk

There is a considerable financial span in the investments from the Innobooster programme. There is a significant difference between the requirements for projects for DKK 100,000 and DKK 500,000 respectively, and there is a significant difference between the requirements for projects for DKK 0.5 million and DKK 5 million, respectively. Therefore, you should carefully consider whether you have found the right balance between the size of the investment applied for and the expected business gain and project risk.

It is also important that a realistic budget is made, for example, where the hours that the company uses in the budget for the project are in line with the activities that the company must implement in the project.
It is possible and may be a good idea to divide high-risk projects into smaller sub-projects to reduce the risk associated with an investment, both for the company and for Innovation Fund Denmark. A new sub-project can be applied for when the current project has been finalised. In such cases, Innovation Fund Denmark will also consider the specific results achieved in connection with previous Innobooster projects or other public subsidies for the company’s development projects, the business value which these results have for the company, and how this value can be documented.

If you choose to divide your project into smaller sub-projects, it is important to ensure that the individual projects can achieve concrete and significant results that can subsequently be documented.

For larger staged projects, Innovation Fund Denmark expects an increased external funding, and the assessment will also emphasise the interest shown by external investors.

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### Extending the Innobooster programme due to the COVID-19 situation

In the light of the particular challenges to obtain investments, sales and market validation from investors and customers, which especially start-up companies are experiencing as a consequence of the situation around COVID-19, Innovation Fund Denmark will – for the remainder of 2020 – adapt the programme and the applied assessment criteria. Thus, Innovation Fund Denmark will increase the risk willingness when assessing whether a validation of the demand for the developed solution has been achieved. For grants provided under the de minimis rules (see section 8.1 of the guidelines), it will also be acceptable for the projects to include a wider range of more market-oriented activities in the projects, hereunder the establishment of closer collaboration and testing in relation to the company’s previous customers, market adaptation, digitisation, user interaction etc. Likewise, it will be allowed to include patent retention expenses in the projects. However, the new permissible activities do not change the requirement that the overall nature of the Innobooster project must be a knowledge-based development project and have a significant news value.

It should also be noted that the guidelines have been adjusted by allowing monthly financial reporting, and that the upper limit for when projects must be submitted to the Innobooster panel has been raised to DKK 800,000. Applicants should also be aware that this year, the Innobooster programme will not be closed down during the summer period.

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### 4 Processing of Applications

The processing of an Innobooster application and the time it takes to receive a response to an application will depend on whether you apply for more or less than DKK 800,000.

> **DKK 800,000**

As a rule, applications for an investment of less than DKK 800,000 are evaluated based on the application. For applications for less than DKK 800,000, Innovation Fund Denmark endeavours to make a final decision within one month from the date the application is received. However, as an element of the case processing, Innovation Fund Denmark may request projects of less than DKK 800,000 to attend an Innobooster panel meeting or do a virtual presentation for employees of Innovation Fund Denmark, for example if a company with a new Innobooster grant would totally obtain grants of more than DKK 800,000. In this case, the processing time may be longer than one month.

**DKK 800,000 — DKK 5 million**

If you and your company are applying for an Innobooster investment of more than DKK 800,000, Innovation Fund Denmark will make an initial assessment of the application. If it is deemed sufficiently qualified, the company is invited to present the Innobooster project for an investment panel of experts in innovation, technology and business.
development. The panel recommends the project for rejection or approval to Innovation Fund Denmark which makes the final decision. The total process for projects with an investment of more than DKK 800,000 can take up to three months.

If your application is denied, you are welcome to reapply with an application that responds to the reasons for the rejection as stated in the rejection of the previous application.

### 5 Investment Rate and Statement of Expenses

In Innobooster, Innovation Fund Denmark co-finances a maximum of 33% of the company's relevant expenses and costs for the Innobooster project and can invest between DKK 50,000 and DKK 5 million.\(^5\)

For all projects with a grant of more than DKK 500,000, an auditor’s statement must be prepared each project year. The auditor’s statement must document that the submitted accounts are correct and that the grant has been used in accordance with the approved grant basis.

Applicants should be aware that, as a result of EU State aid rules, there is a significant difference in how payroll costs are calculated, depending on whether you apply for more or less than DKK 1,500,000.

#### 5.1 Innobooster investments below DKK 1,500,000

The company’s payroll costs for employees in the project are calculated on the basis of a fixed hourly rate of DKK 750, which includes overhead (such as rent, travel costs, IT equipment, office expenses, ongoing operating costs, etc.) and all minor project costs, cf. below. The budget may include hours from employees and owners which are directly related to the approved development activities in the Innobooster project. There may be a maximum of 135 hours of work per person per month on the Innobooster project. The budget may not include expenses for which other forms

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\(^5\) In addition, as a result of EU State aid rules, certain restrictions apply to primary producers of agricultural products as well as to fisheries and aquaculture, see section 8.1.
of subsidies are received, including wage subsidies. Hours from student aids and trainees and other volunteer staff cannot be included in the budget and the accounts. Hours performed by persons who are affiliated with the company as freelancers must be handled in the budget and in the accounts as knowledge providers and settled on the basis of invoices and not the fixed hourly rate.

Costs for collaboration with public and private knowledge providers (e.g. universities, GTS institutes, contract research institutes, private development houses, etc.) approved in connection with the application are co-financed on the basis of invoices and are included in the budget and the accounts exclusive of VAT. This also applies to equipment and materials costs. If there is an overlap of persons or ownerships between the applicant company and a subsupplier used in the project, this must be noted in the application.

When purchasing new equipment, only the depreciation costs\(^6\) may be included in the budget. Depreciation costs on the company’s existing equipment are not accepted as part of the project budget. The acquisition of equipment that may subsequently be part of a commercial production is generally not financed.

Invoices of less than DKK 30,000 for equipment and materials may not be included in the Innobooster budget or the financial accounts. Possible payments to the applicant company’s customers for participation in the Innobooster project may not be included in the budget and the accounts.

Innovation Fund Denmark’s maximum co-financing rate (33%) applies to each budget item.

Innobooster investments below DKK 1,500,000 are treated as State aid under the so-called *de minimis* rules, which are described in more detail in section 8.1.

### 5.2 Innobooster investments above DKK 1,500,000

All the company’s expenses for employees in the project are calculated based on the employee’s actual wages, which must be documented in connection with the auditor’s statement. Actual payroll costs incurred are calculated on the basis of annual gross salary, including pension and holiday allowance. To calculate the hourly wages, an annual average of 1,628 hours must be used for a full-time employee. The calculated hourly wages for each employee may maximally amount to DKK 1,000. The calculation may not include expenses related to overtime work, illness, leave or the like.

Only employee hours that directly relate to the approved development activities in the Innobooster project may be included in the budget. There may maximally be a consumption of 135 working hours per person per month on the Innobooster project. The budget and the financial accounts may not include expenses for which other forms of subsidies are received, including wage subsidies.

Costs of cooperation with public and private knowledge providers approved in connection with the application are co-financed on the basis of invoices and are included in the budget and accounting exclusive of VAT. This also applies to equipment and materials costs. If there is an overlap of persons or ownerships between the applicant company and a subsupplier used in the project, this must be noted in the application.

When purchasing new equipment, only the depreciation costs\(^7\) may be included in the budget. Depreciation costs on the company’s existing equipment are not accepted as part of the project budget. The acquisition of equipment that may subsequently be part of a commercial production is generally not financed.

Invoices of less than DKK 30,000 for equipment and materials may not be included in the Innobooster budget or the financial accounts. Possible payments to the applicant company’s customers for participation in the Innobooster project may not be included in the budget and the accounts.

\(^6\) Expenses for the acquisition of new equipment may be included in the budget to the extent and for the period it is used for the project. If such equipment has a life cycle that extends beyond the Innobooster project, then the depreciation costs may only be included for the duration of the project, calculated on the basis of generally accepted accounting policies. If the equipment is used both for the Innobooster project and for other purposes, only a relative proportion of the depreciation costs may be included, corresponding to the use of the equipment for the Innobooster project.

\(^7\) See note 6
Innovation Fund Denmark’s maximum co-financing rate (33%) applies to each budget item.

Innobooster projects, in which Innovation Fund Denmark is to invest more than DKK 1,500,000, must qualify as experimental development or industrial research, as these investments in terms of State aid are managed according to the EU block exemption Regulation. A detailed explanation of this can be found in section 8.2.

5.3 Overview of key rules regarding the application process and the statement of expenses

<table>
<thead>
<tr>
<th>Amount applied for</th>
<th>Meeting with investment panel</th>
<th>Hourly rate</th>
<th>Annual auditor’s statement</th>
<th>State aid rules</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than DKK 800,000</td>
<td>Only in connection with repeated investments</td>
<td>Fixed hourly rate, DKK 750</td>
<td>Only if the grant exceeds DKK 500,000.</td>
<td>De minimis</td>
</tr>
<tr>
<td>DKK 0.8–1.5 million</td>
<td>Yes</td>
<td>Fixed hourly rate, DKK 750</td>
<td>Yes</td>
<td>De minimis</td>
</tr>
<tr>
<td>More than DKK 1.5 million</td>
<td>Yes</td>
<td>Actual payroll cost</td>
<td>Yes</td>
<td>Group exemption Regulation</td>
</tr>
</tbody>
</table>

6 During the Project

The ongoing administration of your Innobooster project is done through the electronic system e-grant.dk, which is also used in connection with the application. It is in this system that you receive your grant approval letter, submit your accounts and request possible adjustments to the project.

6.1 Accounts, reporting and pay-out of grants

Accounts may be submitted and project expenses settled every three months after the start of the project period. Payment is made in arrears based on the submitted accounts and documentation of the expenses incurred in the form of invoices. Innovation Fund Denmark aims to process accounts within one month following receipt. If the accounts are approved, payment will be effected within 10 working days.

At the end of the Innobooster project, the final accounts must be submitted and an evaluation form completed. In addition, a digital presentation must be made that describes what has happened in the project, the extent to which the goals have been met and the results that have followed from the project, including business-related results.

If Innovation Fund Denmark has invested more than DKK 500,000 in the project, the Fund shall, during the course of the project, be informed of its progress and whether the project is proceeding according to plan compared to the activity plan and the milestones presented by the company for the investment panel. This will be done by submitting a short progress presentation which forms the basis for a progress meeting with the Fund’s employees. If the project is not considered to be making sufficient progress, Innovation Fund Denmark may defer the quarterly payments until Innovation Fund Denmark assesses that the project is on a par with the agreed milestones.

Details concerning financial reporting, use of the grant, reporting and pay-out of the investment will be stated in the grant approval letter.
Special opportunity for submitting the accounts on a monthly basis due to the COVID-19 situation

In the light of the special liquidity challenges arising from the situation around COVID-19, Innovation Fund Denmark will – on an extraordinary basis – offer companies with specific liquidity challenges the possibility of reporting on a monthly basis rather than every three months. Companies which are interested in monthly financial reporting must, upon the approval of a grant, contact Innovation Fund Denmark in this regard.

6.2 Changes and flexibility

It is possible to agree on adjustments to the project during the course, e.g. milestones, collaboration partners, end date or budget allocation. Requests for adjustments must be approved by Innovation Fund Denmark. Approval is subject to the adjustments being reasonably justifiable. Requests for changes are made electronically via the system e-grant.dk

7 Publication of Information

Applicants should note that the title of the application should not contain information that may be business sensitive, as Innovation Fund Denmark may publish or provide summaries of company names, project titles and the financial figures of the applications received.

Applicants should also note that right of access to submitted Innobooster applications may be requested. If this happens, Innovation Fund Denmark will, in dialogue with the applicant, ensure that no business sensitive information is provided. The same applies to other information that may not be provided according to law.

8 State Aid Rules for Companies

8.1 For investments of up to DKK 1,500,000 – the de minimis rules

Investments of up to DKK 1,500,000 are allocated according to the EU Commission’s de minimis rules for State aid.\(^8\) Thus, in connection with the application, it must be stated how much de minimis aid the company has received during the current and the two previous financial years, and from where the aid has come.

The company may receive a maximum of EUR 200,000, corresponding to approx. DKK 1,500,000, in de minimis aid over three financial years. If the grant from the Innobooster programme will cause the company to exceed this limit, the company will not be entitled to receive an investment from Innobooster under the de minimis rules.

How do you know if previously received aid was granted under the de minimis rules?

Companies may receive aid from several different schemes, and under some of these schemes, the aid is granted according to the de minimis rules. If a scheme is applying the de minimis rules, this must, as a point of departure, be explicitly stated in the provisions of the aid scheme and in the letter of approval to the company. If in doubt, you may contact the authority responsible for the scheme in question.

Handling of the de minimis rules for mergers, business transfers and splits

In the case of mergers and business transfers, all de minimis aid granted to the merging companies so far must be taken into account when deciding whether new de minimis aid to the new or acquiring company exceeds the relevant ceiling, cf. the general de minimis Regulation, article 3 (8).

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If a business is split into two or more independent companies, the de minimis aid granted prior to the demerger must be attributed to the company which it benefited, which, as a point of departure, is the company that takes over the activities for which the de minimis aid was used, cf. the general de minimis Regulation, article 3 (9).

**Special rules for primary producers of agricultural products**

A company that is a primary producer of agricultural products must declare in writing that it has not received de minimis aid amounting to more than EUR 20,000 (about DKK 150,000)\(^9\) during the current and the previous two financial years. If the grant from the Innobooster programme will cause the company to exceed this limit, the company will not be entitled to receive a grant from the programme.

**Specific rules for the fishery and aquaculture sector**

A company in the fishery and aquaculture sector must declare in writing that it has not received de minimis aid amounting to more than EUR 30,000 (about DKK 225,000)\(^10\) during the current and the previous two financial years. If the grant from the InnoBooster programme will cause the company to exceed this limit, the company will not be entitled to receive a grant from the programme. The entire value chain in the fishery and aquaculture sector is covered by these guidelines – i.e. from the individual fisherman until the products are ready for sale to the consumers. This also includes companies within cultivation and processing of seaweed and other algae products.

**8.2 For investments above DKK 1,500,000 – the block exemption Regulation**

Investments above DKK 1,500,000 are allocated according to the EU block exemption Regulation. In this connection, it is a requirement that the projects in which Innovation Fund Denmark invests qualify as either experimental development or as industrial research.

The limits for industrial research and experimental development are explained in more detail in the following excerpts from the EU block exemption Regulation.

<table>
<thead>
<tr>
<th><strong>Experimental development</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition, combination, design and application of existing scientific, technological, business and other relevant knowledge and skills aimed at developing new or improved products, processes or services. This may, for example, include activities aimed at conceptualising, planning and producing documentation on new products, processes or services.</td>
</tr>
</tbody>
</table>

Experimental development may include the production of prototypes, demonstrations, production of pilots, testing and validation of new or improved products, processes or services in contexts that are representative of the actual operating conditions, with the primary purpose of technically developing products, processes or services that have not yet reached their final form. This may include the development of a commercially viable prototype or pilot when this must necessarily be the final commercial product, and if it is too costly to produce for demonstration and validation purposes only. Experimental development does not include routine or regular changes to existing products, production lines, production methods, services and other ongoing transactions, even though such changes may represent improvements.

<table>
<thead>
<tr>
<th><strong>Industrial research</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial research is planned research or critical studies aimed at acquiring new knowledge and skills with a view to developing new products, production methods or services or developing new production methods or services for the purpose of significantly improving existing products. This includes the production of components for complex</td>
</tr>
</tbody>
</table>


systems and may include the development of prototypes in a laboratory environment or in an environment with simulated user interfaces for existing systems as well as pilot lines where this might be necessary for the industrial research and, in particular, for validation of generic technology.

Innovation Fund Denmark’s investments above DKK 1,500,000 are granted under the general block exemption Regulation (the Commission’s Regulation (EU) No. 651/2014 of 17 June 2014 on certain categories of aid and their compatibility with the internal market under the Treaty’s articles 107 and 108, chapter 1 (articles 1-12) and chapter 3 (articles 25 and 30)). The aid to the companies must contribute to initiating further research and development activities (incentive effect), for example through increased total expenses for research in the company or recruitment of more employees engaged in research activities in the company.

These guidelines have been established in accordance with section 18 (2), item 1 in Act No. 306 of 29 March 2014 on Innovation Fund Denmark and Executive Order No. 1150 of 25 October 2017 on the grant function, etc. under Innovation Fund Denmark.