Guidelines for Industrial Postdoc

Effective as of and published 3 March 2021

1. What is an Industrial Postdoc? ................................................................. 2
   1.1 Eligible topics for Industrial Researcher projects .................................. 2
2. Who can apply? ....................................................................................... 4
   2.1 Company and company mentor .......................................................... 4
   2.2 Research institution and research mentor ........................................... 4
   2.3 Industrial Postdoc candidate ............................................................... 5
   2.4. Several companies in one Industrial Postdoc project .......................... 5
3. What is financed? ..................................................................................... 5
   3.1. Subsidy to the company ........................................................................ 6
   3.2. Subsidy to the research institution ...................................................... 6
4. How to apply ............................................................................................. 6
5. How the application is assessed ............................................................... 7
   5.1. Criteria ................................................................................................ 7
   5.2. Decision .............................................................................................. 8
6. The Industrial Postdoc’s terms of employment ........................................... 9
   6.1. Employment ....................................................................................... 9
   6.2. Salary .................................................................................................. 9
   6.3. IPR and publication ............................................................................ 9
   6.4. Leave .................................................................................................. 9
7. Administration of an approved project in e-grant ........................................ 10
   7.1. Payments and project completion ....................................................... 10
   7.2. Duty to disclose all material facts and approval of changes ............... 11
8. Industrial Postdoc in the public sector ...................................................... 11
   8.1. Special conditions ............................................................................. 11
   8.2. Special assessment criteria ............................................................... 12
Appendix 1: Legislative and regulatory framework ....................................... 13
Appendix 2: The European Commission’s definition of ’eligible costs’ ............. 15
1. What is an Industrial Postdoc?

An Industrial Postdoc is an industrially focused research project of one to three years carried out in a company by a researcher who has obtained a PhD degree within the past five years. The project is of high research quality and has a research level that requires a person with PhD competences to carry it out. In addition, the project has a clear focus on the business development of the company and direct or indirect short- or long-term commercial significance and effect.

The Industrial Postdoc is employed full-time by the company, and the project is conducted in collaboration with a public sector research institution. The Industrial Postdoc divides her/his working time between the company and the research institution according to the project’s needs. The company and the research institution both assign a mentor to the Industrial Postdoc. Industrial Postdoc is aimed at candidates who have not been employed in the private sector to any significant extent since the start of their PhD study.

Industrial Postdoc is one of Innovation Fund Denmark’s Industrial Researcher programmes and contributes to the Fund’s overall purpose of creating growth and employment in Denmark and to solve societal challenges. The Industrial Researcher Programme has the following specific purposes:

- To educate and develop researcher talents into industrial researchers
- To contribute to business-oriented innovation and development in Denmark
- To strengthen collaboration between Danish companies and universities/research institutions in Denmark and abroad

The Fund finances part of the Industrial Postdoc’s salary and travel expenses as well as the research institution’s expenses for the mentor, equipment and other project related expenses.

1.1 Eligible topics for Industrial Researcher projects

According to the political agreement on the allocation of the research reserve for 2021 Industrial Researcher projects must lie within the scope of one the following three topics (cf. details below) in order to be eligible for funding by Innovation Fund Denmark:

- Ambitious and lasting green research initiatives
- Life science, health, welfare technology and clinical research
- Technology and innovation that can develop production and secure jobs in Denmark

Please note: Special Calls for Industrial Researcher might differ in rules for eligibility rules, please read more at www.erhvervsforsker.dk.

Ambitious and lasting green research initiatives

For 2021, Innovation Fund Denmark has set aside total of 60 million DKK for Industrial PhD or Industrial Postdoc projects within the scope of this topic. Innovation Fund Denmark intends to invest these funds in strategic and challenge-driven research projects that contribute to the green transition, while at the same time taking into consideration nature, the environment, biodiversity and a more sustainable society, thus enabling Denmark to achieve the government’s green goals. Examples for potential investment are research projects, including inter- and transdisciplinary projects, that generate new insights into and potential solutions to green transition in the fields of...
March 2021

Guidelines for Industrial Postdoc

- energy production, storage and efficiency;
- agriculture and food production;
- transport;
- environment and circular economy;
- nature and biodiversity; or/and
- sustainable behaviour and societal impacts of climate change.

In order to be eligible, a project needs to make a significant contribution to the green transition, and needs to be sharp about what impact to expect from this contribution.

**Life science, health, welfare technology, and clinical research**

For 2021, Innovation Fund Denmark has set aside total of 79 million DKK for Industrial PhD or Industrial Postdoc projects within the scope of this topic. Innovation Fund Denmark intends to invest these funds in strategic and challenge-driven research projects that develop knowledge-based solutions and technology for life science, health and welfare technology, and clinical research, that serve the citizens’ health, companies’ base line and Denmark’s international competitiveness. Examples for potential investment are research projects, including inter- and transdisciplinary projects, that generate new insights into

- improved efficiency in public sector services;
- reduction of societal inequalities with respect to health and disease;
- improved prevention services and treatment in the primary and hospital sector, including psychiatry;
- development of personalized medicine; or/and
- development of the digital health area, including health data, artificial intelligence and improved systems support for conducting clinical trials

In addition to technological projects, the Fund also invites humanities and social science projects that can contribute valuable knowledge related to e.g. behaviour, incentives, regulation, and market conditions.

**Technology and innovation that can develop production and secure jobs in Denmark**

For 2021, Innovation Fund Denmark has set aside total of 29,4 million DKK for Industrial PhD or Industrial Postdoc projects within the scope of this topic. Innovation Fund Denmark intends to invest these funds in strategic and challenge-driven research projects that can generate growth and value in Denmark, thereby creating a breeding ground for Danish companies and foreign companies based in Denmark to develop products and new knowledge-based solutions that contribute to employment and productivity for the benefit of Denmark as a whole. Examples for potential investment are research projects, including inter- and transdisciplinary projects, that generate new knowledge in the field of

- robotics and drone technology or other automated production technologies;
- artificial intelligence and digitalisation;
- digitalisation’s impact on people and society;
- ethical and moral aspects of new technological development and use of artificial intelligence in a Danish context;
- physical, mental and chemical working environment; or/and
new forms of organizations and enterprises, such as democratic and/or employee-owned enterprises, etc.

2. Who can apply?

An Industrial Postdoc project is a collaboration which includes a company, a research institution and an Industrial Postdoc. The following formal requirements apply to the parties:

2.1 Company and company mentor

The company must:

- Have a division geographically located in Denmark where the postdoc is to be employed
- Be able to provide facilities and financial support for the project for the entire project duration
- Be financially independent of the research institution. That means that
  - the university may own max. 25% of the company; and
  - there must not be cash-flow from the research institution to the company.
- Assign a company mentor and to the project
- Be part of the private sector. To be part of the private sector, the company must
  - be neither a state, regional or municipal authority nor a professional body for public sector organisations, and
  - have public funding make up no more than half its revenue (including EU funding and payments from citizens as imposed by law).

If in doubt whether an organisation is part of the private sector, the organisation can send its articles of association and the latest annual financial report to erhvervsforsker@innofond.dk for assessment.

If the company is not part of the private sector, it is possible to apply for an Industrial PhD in special application deadlines announced on www.innovationsfonden.dk. Please see section 8.

The company must appoint a mentor. The mentor is the project’s formal company representative and collaborates with the Industrial Postdoc and the research mentor on carrying out the project. The company mentor is responsible for industry-related feedback to the Industrial Postdoc. It is possible to assign co-mentors and third parties.

As a company mentor you must

- have general experience with the project subject (research experience is not required); and
- have extensive business sector knowledge

The company mentor is not formally required to have research experience. However, the company mentor and the research mentor must together have sufficient research competences to provide qualified professional project feedback to the Industrial Postdoc. The company mentor does not have to be employed by the company, but must work in the private sector on a daily basis.

2.2 Research institution and research mentor

The research institution must
• be able to document significant research activities within the project field;
• assign a research mentor to the project; and
• be part of the public sector. To be part of the public sector, the research institution must
  – be either a state, regional or municipal authority or a professional body for public
    organisations; or
  – have public funding make up more than half its revenue (including EU funding and
    payments from citizens as imposed by law).

The research institution can be located in Denmark or abroad. It must appoint a mentor who
collaborates with the Industrial Postdoc and the company on carrying out the project. The
research mentor is the research institution’s formal representative in the project and is
responsible for research-related feedback to the Industrial Postdoc.

As a research mentor you must
• be an acknowledged researcher within the project field; and
• work in a research environment within the project field on a daily basis.

2.3 Industrial Postdoc candidate
As Industrial Postdoc candidate you must
• have obtained a PhD degree within the past five years at the time of application (max. five
  years from the PhD diploma date, excl. parental or sick leave);
• be able to document a considerable research capacity within the project field by way of
  publications, research-based patents or similar;
• at the time of application have been employed in the private sector or self-employed for max.
  six months since the start of the PhD study with activities that require a high level of
  knowledge. This also includes Industrial PhDs educated in the private sector. However, it is
  allowed to apply with a candidate that have been employed in the private sector or self-
  employed for max. 12 months if the application is a reapplication of a previously submitted
  application with the same candidate.

You can apply without having submitted the PhD thesis if the application includes a statement
from the main PhD supervisor that submission and a successful defence are expected within eight
months of the application deadline.

2.4. Several companies in one Industrial Postdoc project
It is possible for several companies to work together on an Industrial Postdoc project. It will be
assessed if the companies combined have the financial means to accomplish the project. One of
the companies must take responsibility for the project, which includes being the official applicant,
employing the Industrial Postdoc, paying out salary and receiving subsidies from the Fund.

3. What is financed?
Innovation Fund Denmark finances part of the company’s expenses for the Industrial Postdoc’s
salary and travel activities plus the research institution’s expenses for the project. Innovation
Fund Denmark transfers subsidy to both company and research institution, and the subsidy may
only to be used to cover the company’s and research institution’s own expenses, respectively.
3.1. Subsidy to the company

Innovation Fund Denmark finances up to DKK 22,000 per month of the Industrial Postdoc’s salary during the project period, but no more than 50 pct. of the total salary (effective salary expenses calculated based on the gross yearly salary, incl. pension, insurance and vacation).

For each month in the project, the company also has DKK 2,500 at disposal for the Industrial Postdoc’s travels (the postdoc’s participation in project-relevant conferences in Denmark and abroad, plus stays abroad in general). This includes a single round trip to the destination per stay, visa, travelling insurance, lodging and university fees. Food, daily/local transportation, books etc. are not covered. This subsidy can be used freely during the entire project period and is not bound to any individual month.

The company must pay all other expenses for the project, including equipment, materials and data collection. This also includes the Industrial Postdoc’s personal equipment, e.g. laptop, mobile phone, etc.

Please note that no more than 50 pct. of a company’s overall expenses for an Industrial Postdoc project may be financed by public means. Read more in appendix 1.

3.2. Subsidy to the research institution

For each month in the project, the Fund provides up to DKK 10,000 (incl. overhead) to the research institution. This sum can cover the research institution’s project-relevant expenses for:

- The research mentor providing feedback to the Industrial Postdoc
- The research mentor’s participation in conferences. This includes a single round trip to the destination per stay, visa, travelling insurance, lodging and participation fee. Food, daily/local transportation etc. are not covered.
- Equipment, materials, instrumentation (acquisition and/or use) necessary for carrying out the project
- Other employees’ work on the project (does not include HR and economy functions, rent, utilities etc.)
- Publication and dissemination of research results

The subsidy cannot be used for the Industrial Postdoc’s salary or travelling expenses. The subsidy can be used freely during the entire project period and is not bound to any individual month. The research institution must submit a financial project report at project end and return unused subsidies to the Fund.

For approved applications submitted between 6 March 2015 and 6 July 2018 the subsidy to the research institution is up to DKK 12,500 per month of the project period. Please refer to the guidelines applicable at the time of application.

4. How to apply

In the application to Innovation Fund Denmark you must describe the Industrial Postdoc project and the participating people and organisations. A statement concerning the project contribution to the topic of choice (cf. chapter 1.1) is a part of the application. The project’s relevance for and contribution to the topic is an important criterion in the assessment of the application.

A company and a research institution can apply without a specific Industrial Postdoc candidate. If the application is approved, the parties must find a qualified candidate within six months.
The application must include a high quality project description that accounts for the research project and the project participants. The template for the project description includes instructions on the contents of the individual sections and is available at www.erhvervsforsker.dk.

The application deadlines are continuously determined and announced at www.erhvervsforsker.dk. The Fund must receive the application before 12 noon on the closing date unless otherwise indicated on the website. The application and all communication must be in Danish or English, or a combination.

You submit the application to Innovation Fund Denmark via www.e-grant.dk. The company mentor sets the application up in e-grant. The university mentor must also register at www.e-grant.dk, and after setting up the application, the company mentor must add him/her as participants in the application. The same applies to the Industrial Postdoc candidate, if the application is with a specific candidate. This is necessary in order for Innovation Fund Denmark to process the application.

Read more at www.erhvervsforsker.dk on how to submit an application and what information and appendices it must contain. If the application does not conform to the formal requirements and deadlines stated in the e-grant application form and in the appendix templates, or the wrong templates have been used, Innovation Fund Denmark may reject the application administratively, i.e. without considering the research content of the application. This is also the case if the project parties do not meet the formal requirements described in section 2.

The Fund will publish title, abstract and participants of approved applications at www.innovationsfonden.dk. Accordingly, the title and abstract must not contain any confidential information.

5. How the application is assessed

The application is assessed by Innovation Fund Denmark’s Industrial Researcher Committee, which consists of research and business experts within all main fields of research. The committee makes recommendations to the Fund’s board, which makes the final decision.

The committee may decide to procure external assessments where additional research competences are needed. The committee and the external assessors are subject to a duty of confidentiality.

The committee usually processes applications within two months. The committee may decide to procure additional information from the applicant for the assessment. If so, processing time may be longer.

5.1. Criteria

The application is assessed by these criteria:

- Relevance and contribution to the topic of choice (cf. chapter 1.1)
- Research quality
- Commercial significance and effect
- Project implementation
Relevance and contribution to the topic of choice
A project that does not lie within the scope of the topic of choice (cf. chapter 1.1), cannot receive funding and will therefore not be assessed with regard to the three other assessment criteria.

Research quality
Overall, the project must be at Postdoc level and be realistic to complete within the project period. The research quality of the project is specifically assessed with regard to:
- The novelty value of the research
- The quality of the description of state-of-the-art within the subject area
- The relevance and level of the theoretical foundation
- The quality of hypotheses/research questions
- The relevance and clarification of selected methods and data basis
- The relevance and expected impact of research publications

Commercial significance and effect
The project must have a clear commercial significance for and effect on the Danish part of the company and will be specifically assessed with regard to:
- The results’ expected contribution to the company’s business foundation and/or revenue
- Plan and probability for implementation and commercial realisation of the results
Please note that it is not sufficient that the project promotes or brands the company or serves as a lever for additional projects funds.

Project implementation
The application must show that the project is well-organised, and that the parties are competent and relevant. The following will be specifically assessed:
- The organisation and feasibility of the project (including structure and time schedule, budgeting, distribution of roles, the Industrial Postdoc’s time allocation, publication plan)
- That the project involves the Industrial Postdoc in both the company and the research institution, and that the time allocation is appropriate for project implementation
- The quality of the project parties’ qualifications

5.2. Decision
An Industrial Postdoc application, that lies within the scope of the topic of choice, can be approved, conditionally approved, or rejected. An approved Industrial Postdoc project officially starts when all parties have signed the Fund’s letter of commitment (granting letter). An approved project must start no later than six months after the approval. If this does not happen, the Fund may retract the grant.

Conditional approval
If the application is conditionally approved, you will find a decision describing the conditions for final approval on the case in e-grant. If e.g. you have applied without a candidate, a condition will be that you find a qualified candidate. Documentation that the conditions are met is submitted to the Fund via e-grant. If the Fund finds that the conditions have been met, the official letter of
commitment (granting letter) will be issued. The conditions must be met within six months of the decision.

Rejection
If the application is rejected, you will find a rejection stating the reasons for rejection on the case in e-grant. You can reapply at the next application deadline, selecting the same or another topic of choice (cf. chapter 1.1.). When reapplying, you must describe how the reasons for rejection have been addressed. All application material, incl. new signatures, must be resubmitted when reapplying, and a new application must be initiated in e-grant.

6. The Industrial Postdoc’s terms of employment

6.1. Employment
In an Industrial Postdoc project, the company hires the Industrial Postdoc who is thus subject to terms that apply to private employment. The Industrial Postdoc is hired on a full-time basis during the project. The Industrial Postdoc’s work tasks and work time must be allocated primarily to the Industrial Postdoc project and can be used on related research activities only to a limited extent. The Industrial Postdoc’s time must additionally be divided between the company and the research institution in a way that fits the project while involving the Industrial Postdoc in both working environments.

As a minimum, the employment must be on ordinary terms for salaried employees (DK: Funktionærbetingelser). Other terms follow any collective or individual agreements. Any non-competition clauses or similar in the employment contract must not limit possibilities for employment elsewhere.

6.2. Salary
The Industrial Postdoc’s total salary (the sum of salary and pension) must at least correspond to the total salary of the collective agreement for Postdocs employed by the Danish state. You can find the salary levels at www.erhvervsforsker.dk. Questions about specific salary levels can be made to labour unions.

6.3. IPR and publication
The Industrial Postdoc is subject to the provisions of the Danish Act on Employee Inventions while mentors at universities and other public research institutions are subject to the provisions of the Danish Act on Inventions at Public Research Institutions.

IPR is especially relevant for the Industrial Postdoc’s publications in connection with the project. The Industrial Postdoc programme does not regulate agreements on IPR and publishing, and any questions about intellectual property rights and publication should be resolved internally in the project before the employment contract is signed.

6.4. Leave
It is possible to request a leave of absence for the Industrial Postdoc. The application is submitted via e-grant.
The Fund must approve the request before the leave can commence. The Fund does not provide subsidies during periods of leave, incl. parental and sick leave. The project’s end date is extended by the leave period, and the subsidy is instead provided in the extended period. If the company receives reimbursement from another public authority due to e.g. parental leave or the Industrial Postdoc’s long term illness, it must apply for leave from the Industrial Postdoc project.

7. Administration of an approved project in e-grant

If the project is approved, the Fund will create a grant case at www.e-grant.dk. You submit accounts, reports and other written documents to the Fund via e-grant, depending on your obligations in the project. You also request approval of project changes and communicate with the Fund’s staff via e-grant.

The company mentor is responsible for the company’s communication with the Fund via e-grant, incl. the company’s submission of required documents via e-grant. The research mentor is responsible for the research institution’s communication with the Fund via e-grant, incl. the research institution’s submission of required documents via e-grant.

7.1. Payments and project completion

85 pct. of the total subsidy for the company and the research institution is paid in advance. Danish parties receive subsidy via the Easy Account (DK: Nemkonto) assigned to the organisation’s CVR No (company registration number).

The company and the research institution receive the last part of the total subsidy at project end when the Fund has received and approved:

- Final financial project reports from both organisations
- An audit statement on the company’s final financial project report
- The final evaluation of the project

The final financial project reports must state the respective party’s subsidy use during the project. The Fund will then settle with both organisations. Please note that this means that the company and the research institution at project end may have to repay some of the advance subsidy payment from the Fund.

The company must also submit a statement-of-truth that the total public subsidy for the company does not comprise more than 50 pct. of the company’s total project expenses, cf. appendix 1.

For projects approved as per application between 1 April 2014 and 20 January 2017, company subsidies are paid in arrears based on the financial project reports which the company must submit at least once a year. The company may, however, choose to submit reports every six months. If the company has less than 20 employees, the reports can be submitted every three months.

The final evaluation is a form that evaluates the project with regard to effects, results and process. The evaluation form must be filled out by the project parties before the Fund can make the last payment to the company and the research institution.

The Fund is not to receive any other research reporting during the project.
7.2. Duty to disclose all material facts and approval of changes

The company and the research institution must inform the Fund immediately if there are any material changes in the foundation for payment of subsidies. This includes e.g. mentor changes, leaves of absence, major disruptions or delays, or significant scientific changes. Significant scientific changes are changes of a magnitude that mean the project cannot be immediately recognised as the project originally approved.

The project can only continue if and when the Fund approves the changes. If the duty to disclose all material facts is not upheld, the Fund may decide to cancel the subsidies and require repayment of any paid out subsidies. The change request is submitted via e-grant.

8. Industrial Postdoc in the public sector

If an organisation is not categorised as part of the private sector cf. section 2, it is categorised as part of the public sector with regard to the Industrial Researcher Programme.

The organisation can apply for Industrial Postdoc in the public in connection to application deadlines in the autumn call 2021. It is expected, that the sum for Industrial PhD’s and Post Docs in the public sector will be approximately 10 million DKK in total. Subsidy amounts are the same as for the private sector. The organization can only apply for public sector Industrial PhD in the autumn call. Chapter 1.1 on eligible topics also applies to public sector Industrial Researcher projects. See the announcement at www.erhvervsforsker.dk when the ordinary autumn Industrial PhD’s and Post Docs call will be published.

- support research, development and innovation in the public sector through focused and application-oriented research projects;
- develop researchers with knowledge about research and development in the public sector; and
- build networks and support an exchange of knowledge between public sector organisations and research institutions

8.1. Special conditions

Public sector organisations authorised to issue PhD degrees cannot function as a host company in a public sector Industrial Postdoc project, but can always function as a research institution.

Other public sector institutions, e.g. university hospitals, can only function as host companies in a public sector Industrial Postdoc project within a general research field (social sciences, health sciences, etc.) where they do not already have established research activities.

The company mentor must work in the public sector on a daily basis instead of the private sector.

The requirement of max. 6 months employment in the private sector does not apply to the Industrial Postdoc candidate in a public sector Industrial Postdoc project.
8.2. Special assessment criteria

Commercial significance and effect are not required for a public sector Industrial Postdoc project. Instead, the project is assessed by its news value and usefulness to the organisation, and by how the usefulness is realised and the expected results are implemented.

Usefulness for the organization can be, e.g.
- improving efficiency;
- knowledge building that directly improves the organisation's competences;
- systematic knowledge dissemination; and/or
- strengthening the quality of the product/service provided by the organisation.

In addition to the usefulness to the organisation, a public sector Industrial Postdoc project must also be useful to society. Accordingly, the project is also assessed by its broader use to society, which for example can be how the usefulness to the organisation itself:
- is disseminated to other similar organisations;
- leads to better conditions of life for citizens in society; and/or
- improves conditions for the business sector.
Appendix 1: Legislative and regulatory framework

RRI and the Danish Code of Conduct for Research Integrity
Innovation Fund Denmark emphasises Responsible Research and Innovation (RRI) which aims to strengthen the connection between research and innovation processes and results, and the values and needs of society. The Fund promotes RRI in its overall strategies and via projects, and the Fund adheres to the EU Commission’s definition and implementation of RRI.

The Fund also supports the principles described in the Danish Code of Conduct for Research Integrity. The Fund expects that the projects it invests in adhere to the guidelines of RRI and the code of conduct.

The code can be read here: The Danish Code of Conduct for Research Integrity

Open Access
Innovation Fund Denmark has accepted the regulations in the “Open Access policy for public research councils and foundations”. This means that published scientific articles that are the result of complete or partial funding from the Fund must be made publicly available for everyone via Open Access, if so permitted by the journal.

The full policy is available at: Open Access policy for public research councils and foundations

Legislative framework and transparency
Industrial Postdoc is authorised by the Danish Act No 306 of 29 March 2014 on Innovation Fund Denmark. These guidelines are established in accordance with § 18, s. 2, ss. 1 in the Danish Act No 306 of 29 March 2014 on Innovation Fund Denmark and the Danish Executive Order No 1150 of 25 October 2017 on the grant function etc. in Innovation Fund Denmark. PhD education regulations in Denmark are regulated by the Danish Executive Order regarding PhD programmes at universities and certain higher educational institutions of art (the PhD Executive Order).

Applicants must be aware that information may be passed on to other parties if they apply for right of access in accordance with the Danish Act on Public Information (in Danish: offentlighedsloven). Right of access may be given e.g. by lists of the people who have applied, and what for (applicant names, application titles and amounts applied for). With regard to the applications themselves, the Fund will – in close dialogue with the applicant (incl. companies etc.) - ensure that business sensitive information is not passed on nor any other information which cannot be passed on according to the law.

EU state aid regulation
Industrial Postdoc is administered according to article 25 of the European Commission’s General Block Exemption Regulation. This means that up to 50 pct. of a company’s total expenses (called the ‘eligible costs’ by the Commission) for an Industrial Postdoc project may be financed by public means.

‘Eligible costs’ are expenses for personnel, equipment, buildings, materials, purchased knowledge, consulting advice and other operating costs incurred directly as a result of the research activity, cf. detailed definition in article 25 (3) of the Commission’s General Block Exemption Regulation (attached as an appendix).
This means that if the Fund's subsidies make up less than 50 pct. of these costs, it is possible for other public authorities to provide further subsidy as long as the 50 pct. limit is not exceeded.

The Fund can subsidise an Industrial Postdoc project which is a subproject of other publicly subsidised research projects, as long as the total public subsidies for the company's eligible costs for the Industrial Postdoc project do not exceed the 50 pct. limit.

In case of additional public co-financing, there must be a documentable financial boundary between the Industrial Postdoc project and other activities receiving public subsidies in order that the company's auditor can certify that the co-financing limit of 50 pct. is not exceeded. There are no boundaries for private co-financing of Industrial Postdoc projects in the private or public sectors.

**State aid and public sector Industrial Postdoc projects**

As a starting point, EU's state aid regulations apply only for public sector Industrial Postdoc projects with 'economic activities', which mainly consist of offering goods and services on a market.

Read more in the European Commission's Notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union (2016/C 262/01):

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016XC0719(05)&from=EN
Appendix 2: The European Commission’s definition of ‘eligible costs’

COMMISSION REGULATION (EC) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in accordance with articles 107 and 108 of the Treaty (General Block Exemption Regulation)

Article 25

Aid for research and development projects

3. The eligible costs for research and development projects must fall within a specific category of research and development and include:

a) Personnel costs: researchers, technicians and other supporting staff to the extent that they are working on the research project

b) Costs of instruments and equipment to the extent and for the period it/they are used for the research project. If such instruments and equipment are not used for their full life for the research project, only the depreciation costs corresponding to the life of the research project, as calculated on the basis of good accounting practice, shall be considered eligible

c) Costs for buildings and land, to the extent and for the duration it/they are used for the research project. With respect to buildings, only the depreciation costs corresponding to the life of the research project, as calculated on the basis of good accounting practice, shall be considered eligible. For land, the costs of commercial transfer or actually incurred capital costs shall be eligible

d) The cost of contractual research, technical knowledge and patents bought or licensed from external sources, where the transaction has been carried out at arm’s length as well as costs of consultancy and equivalent services used exclusively for the project

e) Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project