Guidelines:

Innobooster

Effective date:

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These guidelines are subject to the adoption of the Danish States annual budget for 2023 that allows for the implementation of the programme.
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Definitions:

- **Applicant company:** The legal entity that submits an application for the Innobooster project, is responsible for the implementation and owner of the project outcome. This does not include parent companies, subsidiaries or sister companies and their respective employees.

- **Project:** The word ‘project’ denotes a task with a limited timeframe and fixed set of activities and resources. A project must be distinguishable from the day-to-day operations of the company.

- **Solution:** In the context of an Innobooster project, a 'solution' is the outcome of the innovative project in the form of a new product or a new service which has economic and societal potential, or a significant improvement of an existing process in the company that will strengthen your competitive position notably.

- **Owner:** Person involved in the Innobooster project and owning more than 5% of the company’s share capital or other ownership interests at the time of application. The ownership can be direct within the applicant company, or indirect within e.g. a holding company. In a personally owned company, you are regarded as ‘owner’ if you are listed as responsible person in the company at the time of application.

- **Employee:** An ‘employee’ is a person employed by the applicant company who has entered into a contract of employment with the applicant company (terms of employment). The ‘employee’ may be employed part-time or full-time. The ‘employee’ must be included in the company’s ATP contributions.

- **Freelancer:** A person working for a company without being formally or actually employed as a salaried employee with a contract of employment, but is instead paid according to invoice or hours spent. This also applies in case the person sustains a long-term collaboration with the company. In a Innobooster project, a ‘freelancer’ should be included as knowledge provider.

- **Panel pitch:** At a ‘panel pitch’ the applicant presents the project to selected members of the Innobooster Panel Committee (the panel) that have expertise and extensive experience within e.g. innovation, entrepreneurship, business development and various subject areas.

In case of any uncertainties or differences between the English and the Danish versions of these guidelines, the Danish version takes precedence over the English version.
1 The programme

1.1 Innobooster – in short

Innovation Fund Denmark invests in the translation of promising ideas into solutions that create growth and employment in Denmark and contribute to solving societal challenges. Innobooster is Innovation Fund Denmark’s programme for knowledge-based innovation projects in small and medium-sized businesses, including startups.

An Innobooster project should, in an innovative way, help a new product or a new service with economic and societal potential develop and reach market maturity. It also invests in projects aiming to significantly improve existing processes in a company in order to significantly improve the company’s competitiveness. These different forms of innovation are in these guidelines defined as ‘solutions’. In order to develop a new solution, you may need to introduce expert knowledge into your company through collaboration with a knowledge institution and/or a private knowledge company. Or you may need to hire a new employee with special skills or dedicate existing workforce to the Innobooster project for a period of time. To receive an Innobooster investment, the innovation project must, regardless of the type of solution, help reduce the company’s notable risk in undertaking this project. At the same time, the solution must help solve societal challenges within one of the three themes described in section 1.3.

The Innobooster programme includes projects of significant risk and novelty value focusing on the development of the actual solution. Projects may also be focusing on market maturation or testing of a prototype or service in real user situations with potential customers or end users. The project must, however, still include a significant need for development as Innobooster does not invest in projects involving only testing and verification activities and the like.

Innobooster invests between DKK 50,000 to DKK 5 million. The bigger the amount applied for, the more do we require in form of e.g. height of innovation, business potential and societal value within the solution proposed.

1.2 Who can apply?

In order to apply for an Innobooster investment, your company must have a Danish company registration number (CVR number) at the time of application. It may take the form of a public-limited or limited liability company or an owner-operated business. Your company constitutes the legal entity applying for funding, and it is solely responsible for the project and any underlying financial obligations concerning financing, reporting etc.

In order to apply for an Innobooster investment, your company must be within the scope of the European Commission’s definition of an SME. This means that the company must have a staff headcount of less than 250 and an annual turnover of no more than EUR 50 million or an annual balance sheet total of no more than EUR 43 million.
If your company is part of a company group/affiliated to a larger company, the SME requirements apply for the entire group of companies and not just the company applying for Innobooster funding. Companies that are classified as ‘linked enterprise’ or ‘partner enterprises’ to your company, as defined in the appendix I to the “Commission Recommendation concerning the definition of SME (2003/361/EC)”, should be included in this definition. In the case that you obtain funding and during the project period your company is acquired by and subsequently become part of a company group that fails to meet the SME conditions, the grant will be terminated on the date of takeover and the remaining part of the grant will be revoked by Innovation Fund Denmark.

In addition to the above criteria, your company must meet at least one of the two economic criteria listed below:

- The company must have attracted a documented contribution of external risk capital of no less than DKK 100,000 within the past three years counted from the time of application. Documentation of this contribution of external risk capital must be presented on request and/or in connection with auditing visits. At the time of application, the applicant must sign a solemn declaration stating that the funds have been in the company accounts sometime within the past three years and meet the below definition.
- The company must have secured a documented gross profit of no less than DKK 250,000 in the published annual accounts of at least one of the past three years. The accounts must be available on www.cvr.dk.

The definition of external risk capital is:

- Cash contribution or convertible unsecured loan provided by another legal entity within the past three years.
- Contribution provided by another public or private programme within the past three years counted from the time of application; the investment should target specific development activities in the company. Innofounder investments in the applicant company and Innoexplorer funding for development of the basic idea behind the Innobooster application are considered external risk capital. This also applies for investment from GUDP, EUDP and MUDP or the Danish Foundation for Entrepreneurship.

Risk capital is not:

- Loans provided by banks, institutions providing loan capital or loan from owners with a primacy requirement as well as an agreed and initiated reimbursement or an associated security in the company or the company’s IPR.
- In kind hours or other forms of in kind contributions from owners or other types of non-monetary investments.

You will find a FAQ-guide on the Innovation Fund Denmark website with further examples of what may constitute external risk capital.

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1 A company is part of a company group when a company owns more than 25 % of the capital or voting rights of another company. Read more about concerns and the EU SME definition.
Innobooster does not invest in:

- 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.²
- Companies where operational subsidies from public institutions amount to more than half of the turnover.
- Companies that are regarded ‘undertakings in difficulty’ as defined in Article 2 (1), No. 18 of the Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market pursuant to Articles 107 and 108 of the Treaty. This apply if the funding from Innobooster falls within the EU Block Exemption Regulations, see section 6.2 below. This condition does, however, not apply to companies that were not “undertakings in difficulty” as of 31 December 2019, but came into difficulties between 1 January 2020 and 31 December 2021.
- Companies that have not complied with possible repayment orders issued by the European Commission in one or more decisions where state aid granted by the Danish authorities has been found illegal and incompatible with the internal market. This apply if the funding from Innobooster falls within the EU Block Exemption Regulations, see section 6.2 below.

Innovation Fund Denmark does not grant exemptions from the above economic criteria.

Innovation Fund Denmark wishes to promote diversity in all its aspects. Innovation Fund Denmark knows from experience that projects with a broad professional and thematic basis have better chance of succeeding. It is therefore included as an evaluation criterion that you can show an appropriate professional diversity in the team to carry out the task of realising the project, its aim and later implementation. In other words, you should as applicant be able to describe how the employees of the company and the knowledge providers represent an adequate diversity with regard to e.g. technological knowledge, market knowledge, understanding of customer and user needs as well as management, in order to guarantee the project the best possible conditions for succeeding.

We furthermore encourage all interested companies to promote diversity in their team composition by adopting an inclusive approach to e.g. ethnicity, religion, gender, disabilities, neurodiversity, age and/or nationality.

1.3 What can Innobooster invest in?

Your project is innovative and creates growth, employment and value for the company and society

You must have an innovative idea for a solution that may be translated into a business activity that contributes to the company’s development and eventually creates value for the Danish society. The innovative aspect of your idea may be to combine new knowledge with new or existing solutions for the purpose of developing new solutions.

² For more information, please see http://publications.europa.eu/resource/cellar/79c0ce87-f4dc-11e6-8a35-01aa75ed71a1.0001.01/DOC_1
The following types of expenses may be covered by the Innobooster investment:

- Hours that new or existing company employees employed directly by the company spend on specific activities in the Innobooster project. Expenses for both company employees and owners can be included. Please refer to section 1.4 for a specification of the conditions you should consider depending on whether you apply according to the de minimis rules or the block exemption regulations.
- Expenses for public and private knowledge providers, both Danish and foreign (e.g. universities, GTS institutes, contract research institutes, private knowledge companies and specialist companies).
- Costs for purchase of materials, experimental equipment, equipment rental as well as depreciation costs on new equipment corresponding to the extend and the time it is used within the project. Costs must amount to at least DKK 10,000 per invoice to be included in the budget and the financial accounts.

All expenses should relate to the specific Innobooster as described and defined in the application that should clearly state how significant development is still needed for the solution to be fully developed and ready for market implementation. Expenses and costs that are not specifically justified in the application cannot be included in the Innobooster budget or the financial accounts.

Innobooster does not invest in projects with a fully developed solution ready for market implementation, with the remaining activities dealing mainly with sales, marketing, testing, documentation and commercial production. If the solution is already available on the market and the project deals mainly with optimisation, further development, verification and documentation, the project is probably too far in its development to receive Innobooster funding.

Your project falls within the three themes supported by Innobooster

Innobooster can invest in innovation projects that fall within the three themes described in detail below as defined in accordance with the ‘Agreement on the distribution of the 2023 research reserve’:³

**Green technology and innovation**

Innovation from small and medium-sized enterprises and startups can and must contribute to solving the large and difficult challenges that are crucial to achieving the government's green goals. This will also mean new businesses opportunities in projects within the green transition.

Innovation Fund Denmark invests in knowledge-based innovation projects that may develop the green technologies and solutions needed to transform Denmark towards a sustainable future, where we reduce

greenhouse gas emissions, protect our environment and nature and create a green business adventure in Denmark.

The investments relate to the government’s green research strategy and are, among other things, aimed at strengthening innovation in the Danish business community, including small and medium-sized enterprises.

The theme relates to green projects within e.g.:

- Energy production and efficiency, including smart integrated energy systems, the potential of sector coupling, digital solutions and intelligent utilisation of new technologies, P-to-X, carbon capture etc.
- Digitisation and data utilisation driving the green transition. It may, among other things, be about digital monitoring and management of climate, environment and nature relevant conditions, e.g. use of big data, artificial intelligence, Internet of Things, cyber and information security as well as drones and digital infrastructure in the form of satellites etc.
- Climate-friendly agriculture and food production, including e.g. biobased ingredients, feed, industrial enzymes, chemicals and other output products, fermentation technology, bioenergy, biobased enviromental technology, plant and seed breeding as well as emission free food production, sustainable, plant-based food products etc.
- Transport
- Environment and circular economy
- Nature and biodiversity
- Sustainable housing, building activities and cities with a view to develop sustainable climate and environmental solutions. Sustainable and circular construction technology that will take the construction industry from linear processes to circular resource efficiency throughout the value chain and all phases of construction. This includes optimised production and manufacturing methods for building materials, solutions in construction engineering and construction processes, digitisation, recycling of building materials, improved ways of collaboration that will strengthen productivity as well as develop new socially sustainable housing solutions
- Sustainable fashion and textiles, including new product flows, re-/upcycling of materials and new materials
- Sustainable behaviour and societal consequences of the climate change, including understanding and behaviour in relation to climate challenges and the green transition, as well as tools that may support the above

Key to the projects that may be funded, is that they contribute to the green transition and that the expectations of these contributions can be made explicit in the applications.

Life science, health and welfare technology

The theme should support strategic and challenge-driven technology development and innovation within life science, health and welfare technology.
The funding may help to translate Denmark’s strong knowledge and research position within the field into inventions, products, technologies and the development of patient treatments that will benefit Danish citizens, the health care system, business results and Danish export.

The funding should contribute to create societal value and economic growth for private and public companies and/or customers in the society, not least in the life science sector.

The innovation should contribute to the development of e.g.:

- New technological or digital tools for the health and welfare sector
- Veterinary development
- New medicines and treatment options, including personalised medicine
- Development of the field of digital health, including the field of health data through use of artificial intelligence in a health-related perspective
- Digital prevention and treatment options for people with physical and mental disorders
- Strengthen primary health care as well as the development, testing and implementation of welfare technology within, among others, eldercare and the social and health sector
- Clinical outcome end economic impact of whole genome sequencing
- One Health-approach (transdisciplinary research in infection in both humans and animals (zoonotic diseases)) that also gives consideration to environmental and climatic perspectives having an impact on the spreading of those infections
- Use of vaccines and antibiotics and preventing antibiotic resistance (AMR) worldwide

**Digitisation, technology and innovation**

The theme supports innovation within digitisation and new technologies that should contribute to maintaining and developing production and jobs in Denmark.

The funding should strengthen innovation in a number of important fields, e.g.:

- Robot and drone technology
- Automated production technology
- Advanced measurement and sensor technology
- Development and use of new materials and process technologies
- Big data and artificial intelligence
- Cyber and information security
- Space-based technology and data
- Innovation that creates less arduous jobs
- Technological solutions that support the digitisation of citizens’ and consumers’ opportunities
- Solutions that are based on new ways of structuring business and organisations

The effort may, e.g., support the development of digital solutions for the benefit of the green transition, health and welfare.
From the above follows that Innobooster only invests in projects that fall within at least one of the three themes. When completing your application, you should therefore describe how the project’s solution contributes to the theme in question and which societal challenges it may help solve. The assessment of your application will take into account the relevance and contribution of the project vis-à-vis the given theme.

1.4 Which expenses are covered in an Innobooster project?

The Innobooster programme co-finances a maximum of 35% of the company’s relevant expenses for the Innobooster project and can invest between DKK 50,000 and DKK 5 million per project.\(^4\)

As an applicant, you should be aware that Innobooster is subject to EU state aid rules. Innovation Fund Denmark may support up to EUR 200,000 under the de minimis regulation, while projects above EUR 200,000 are funded within the block exemption regulation. See section 6 for more information.

Furthermore, any other de minimis funding that the company\(^5\) may have received through other schemes or earlier Innobooster-grants within the current and the two previous financial years, should be included in the total funding budget. It is the responsibility of the company to ensure that they are in compliance with the state aid rules.

If you apply under the rules of de minimis regulation, it is crucial that the company does not exceed the state aid limit of EUR 200,000, as an infringement may mean a claim for repayment of the total aid, including earlier funding received through other funding schemes within a coinciding timeframe.

The remaining part of these guidelines describe an amount limit of approx. DKK 1.5 million for funding under the rules of de minimis regulation, but the amount must fall within the ceiling for the de minimis funding of EUR 200,000. Therefore, the application must confer with the current exchange rate at the time of application, cf. Danmarks Nationalbank’s official exchange rate. In January 2023, EUR 200,000 corresponds to approx. DKK 1,488,000, and this amount will therefore be the maximum limit for funding given under the de minimis regulation, and be the limit for any funding applied for within the distribution called "Under approx. DKK 1.5 million" in e.g. section 1.5.

You should also be aware that due to the EU state aid rules, there is a significant difference in how salary costs are calculated depending on whether the application for an investment from Innovation Fund Denmark is submitted under the rules of the de minimis regulation or within the block exemption regulation.

You should furthermore be aware that special de minimis rules apply if you are applying as a primary producer in agriculture or as a player in the fishery and aquaculture sector. See section 6 for a more detailed description of the requirements in this regard.

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\(^4\) Following the EU State aid rules, certain limitations apply to primary producers of agricultural products as well as to the fishery and aquaculture sector. See section 1.

Special rules applying to Innobooster investments below approx. DKK 1.5 million – de minimis regulations.

The company’s payroll costs for employees in the Innobooster project are calculated on the basis of a fixed hourly rate of DKK 750, which includes overhead (such as rent, travel costs, computer equipment, office expenses, laboratory rent, transport expenses, ongoing operating costs, etc.) as well as all minor project costs. This means that expenses relating to what may be considered overhead costs, will not be covered within the Innobooster programme.

All existing and new employees with working hours included in the budget, should be formally and factually employed and paid by the company (part or full time). The actual salary paid by the company does not necessarily have to reflect the hourly rate of DKK 750. Also, there is no requirement that an owner with a company share of at least 5% does in fact receive a salary from the company, in order that their hours spent working in the project may be included in the budget under the category “Existing employees” at an hourly rate of DKK 750.

- There is a maximum of 135 hours of work per person per month in the Innobooster project.
- The budget cannot include expenses or hours for which the company receives other forms of public subsidies, including wage subsidies.
- Hours from unsalaried interns, trainees and other voluntary staff cannot be included in the budget and the accounts.
- Hours performed by persons who are affiliated with the company as freelancers (and paid by invoice) must be included in the budget and the accounts as knowledge providers and payment be settled on the basis of invoices.

Innobooster investments below approx. DKK 1.5 million are treated as state aid under the so-called de minimis rules, which are described in more detail in section 6.1.

You cannot apply for an Innobooster project with an investment below approx. DKK 1.5 million under any other state aid rules.

Special rules applying to Innobooster investments above DKK 1.5 million – block exemption regulation

All the company’s expenses for employees working in the project are calculated based on the employee’s actual salary. Actual payroll costs incurred are calculated on the basis of the annual gross salary, including pension, holiday allowance and supplementary labour market pension (ATP). To calculate the hourly salary, an annual average of 1,628 hours must be used for a full-time employee. The calculated hourly salary for each employee can maximally amount to DKK 1,000. The calculation cannot include expenses related to overtime work, illness, leave, bonuses, value of stock options or the like. Hours spent by an owner in the project may only be included if he or she is paid an actual salary by the company, and the hourly salary is calculated on the basis of the same rules as employees.

- Only employee hours directly related to the approved development activities in the Innobooster project may be included in the budget.

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6 The delimitation is cf. EU state aid rules stating a maximum aid limit of EUR 200,000 corresponding to approx. DKK 1,488,000. The description of approx. DKK 1.5 million must be seen in this context, and the amount applied for from the Innovation Fund must at no time - calculated with the current official National Bank-determined exchange rate - exceed EUR 200,000. See also section 6 for details and legal references.
• A maximum of 135 working hours per person per month may be included in the Innobooster project.
• The budget and the financial accounts may not include expenses for which other forms of public subsidies are received, including wage subsidies.

Innobooster projects, in which Innovation Fund Denmark invests more than DKK 1.5 million, must qualify as ‘experimental development’ or ‘industrial research’, as these investments are regulated according to the EU block exemption regulation with regard to state aid. A detailed explanation of this can be found in section 6.2.

Also, expenses for granting of patents, including examination of novelty, use of a patent agent for the elaboration of patent applications, fees for filing a patent, etc., will not be covered.

Rules applying to all Innobooster projects

Both new and existing employees can be co-financed by Innobooster, you must, however, account for whether the employee(s) participating in the project is/are employed by the company at the time of application. An employee employed at the time of application is categorised as an ‘existing employee’, whereas an employee employed after the time of application, e.g. in connection with approval of funding, is categorised as a ‘new employee’. Administratively, the individual employees will remain in the respective categories throughout the project period.

Persons affiliated to the company on a freelance basis are not considered company employees, but knowledge providers. When the service provided is settled between you as applicant and the involved freelancer(s) by an invoice, this service should be entered under the budget item “knowledge providers”. This also applies in the case of the freelancer in question is affiliated to the company on a full-time basis and for a longer period of time.

Costs for collaboration with public and private knowledge providers (e.g. universities, GTS institutes, contract research institutes, private knowledge companies, private specialist companies and freelancers) approved in connection with the application are co-financed on the basis of paid invoices and are included in the budget and the accounts exclusive of VAT.

If you use a knowledge provider that is part of a company group including your own company, or if there is any other kind of shared ownership interests with the knowledge provider, this must be made clear in the application. Furthermore, you must explain why you believe this affiliated knowledge provider is the best suited provider for the task involved and at which invoiced hourly rate the service will be paid.

When purchasing new equipment, only the depreciation costs may as a rule be included in the budget. Expenses for the acquisition of new equipment may as a rule be included in the budget to the extent and for the time it is used for the project. If such equipment has a life cycle that extends beyond the Innobooster project and may be used in commercial activities afterwards, only the depreciation costs covering the duration of the project can be included. This should be calculated on the basis of generally accepted accounting policies. If the equipment is used both in the Innobooster project and for other purposes, only a relative proportion of the depreciation costs corresponding to the use of the equipment in the Innobooster project can be included.

If the equipment is used solely for experimental purposes as part of the company’s development projects, is dimensionally scaled as pilot plant equipment, laboratory scaled equipment, analysis equipment, etc., and the company states that the purchase will be of no importance for the commercial production in the
company after the project as well as have no considerable scrap value, Innovation Fund Denmark may accept that the total actual costs are included in the budget.

Depreciation costs on the company’s existing equipment are not accepted as part of the project budget.

Only providers of actual materials and equipment which have been approved as part of the application process, can be included in the project and thereby be co-financed. Documentation should be provided for these expenses via paid invoices, and the expenses are included in the budget and financial accounts exclusive of VAT. Expenses for equipment and materials below DKK 10,000 per invoice, cannot be included in the Innobooster budget or the financial accounts. Innobooster does not finance invoices issued internally, e.g. for the purchase of an applicant company’s existing stock. Only invoices issued by external providers are accepted.

Please note that expenses relating to normal operation and development of the company, including expenses for e.g. establishment, continuous operational optimisation, strategy development, sales and marketing initiatives, compilation of manuals, investment prospects, educational materials, communication, initial market or customer analyses, transport, energy and basic data hosting fall outside the scope of the Innobooster programme.

**1.5 How much can you apply for?**

You can apply for funding of up to 35 % of your expenses for the actual Innobooster project. Innovation Fund Denmark offers an Innobooster investment of between DKK 50,000 and DKK 5 million. Innovation Fund Denmark’s maximum co-financing rate (35 %) applies to each budget item as well as to the total project budget. Please state the total investment percentage you wish the Innobooster programme to cover, in your budget.

<table>
<thead>
<tr>
<th>Funding principles</th>
<th>DKK 50,000 - approx. DKK 1.5 million (EUR 200,000)</th>
<th>DKK 1.5 million – DKK 5 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>State aid rules</td>
<td>De minimis</td>
<td>Block exemption</td>
</tr>
<tr>
<td>Salary</td>
<td>Up to 35 % of fixed hourly rate – calculated as DKK 750 DKK per hour</td>
<td>Up to 35 % of actual payroll costs</td>
</tr>
<tr>
<td>Knowledge provider</td>
<td>Up to 35 % of paid invoice</td>
<td>Up to 35 % of paid invoice</td>
</tr>
<tr>
<td>Materials and equipment (no less than DKK 10,000 per invoice)*</td>
<td>Up to 35 % of paid invoice</td>
<td>Up to 35 % of paid invoice</td>
</tr>
</tbody>
</table>

* Please note that each invoice under the budget item “Equipment and materials” must be of a minimum of DKK 10,000 excl. VAT to be included in the budget and accounts. This minimum requirement does not apply for invoices from knowledge providers.
1.6 How long can your project last?

An Innobooster project can last no more than 24 months, but may be of shorter duration. You must determine a project period that is realistic for your project. It is important that you set a clear start and end date. You should therefore include sufficient time for us to assess your application between the date of submitting your application and the expected project start date. If the assessment takes longer than you have estimated and the stated start date is therefore overrun, the start date will be set at the date of grant approval. If you subsequently need to push the project end date, because of e.g. a later start date, it can be changed by submitting a request for change – see section 5.3. You find the current expected assessment time on the Innovation Fund Denmark website.

2 Application

2.1 How do you apply?

You must complete and submit your application online via the electronic application system e-grant.dk.

Before you can create an application, you must register as a system user with either a user name and password or by using MitID (or NemID as long as this option exist).

When you have logged into the system, you will – under ‘Search options’ – find two Innobooster distributions. You should choose the distribution that matches the investment you want to apply for. You may choose between investments from Innovation Fund Denmark of DKK 50,000- approx. DKK 1.5 million or DKK 1.5 – 5 million, respectively.

You should choose the distribution that corresponds to the Innovation Fund Denmark investment you wish to apply for, not the total project costs. If you apply for the wrong distribution, Innovation Fund Denmark will reject your application administratively and you will have to start again with a new application.

You create a new application by finding the right call under ‘Search options’ and pressing ‘Start application’.

Please note that the list of search options is arranged alphabetically, and that the names of all Innovation Fund Denmark calls begin with ‘IF’.

You may write your application in Danish or English.

The application template for the digital application and the template “Faglig beskrivelse” are available only in Danish for this programme, while the guidelines exist in both a Danish and an English version. In case of discrepancy between the Danish and English versions of these guidelines, the Danish version takes precedence over the English version.

You can find a guide to E-grant on the Ministry of Higher Education and Science’s website.

Only persons employed by the company may be the contact person and submitter of the application. The person submitting the application must be able to sign for and commit the company in relation to the given information as well as financial and contractual obligations.
2.2 What should your application contain?

The application consists partly of an administrative part completed directly in E-grant, where various information and declarations are provided and where a budget is made for the project, and partly of a part completed in a Word template named “Faglig beskrivelse”, which includes a description of:

- The company
- The idea/solution
- The Innobooster project
- Activity plan (schedule)
- The market
- The business-related gain
- Risk assessment
- The team
- Results/outcome from any previous investments from Innovation Fund Denmark (e.g. Innobooster, Missionbooster, Industrial Researcher and Innofounder).

The template for the project description may be downloaded from the Innovation Fund Denmark website: Template for “Faglig beskrivelse” (the template is only available in Danish).

In the project description, an illustration or a link to a short video/video pitch can be added elaborating on or supporting the application (max. 2 minutes). You are not allowed to attach or link to any other documents, descriptions, statements of support or other forms of documentation of e.g. customer interest. Should you nevertheless choose to attach such documents, they will not be part of our assessment or be read by the assessors. We thus only process the information provided in the application. Should you choose to send supplementary information outside the application system, e.g. by email, this material as well will not be included in our processing of your application.

It is not possible to forward material or make a request for including changes to an application once it has been submitted. If you detect an error or need to make changes, you must retract your application and start over with a new application. Our assessment of the new application will be made on the basis of the new date of submission. That is, you will lose your old ‘place in the queue’.

The project description (“Faglig beskrivelse”) is uploaded in E-grant as a pdf file at the same time as the various declarations and factual and administrative information are provided.

An application should not be submitted until the budget is ready and the tasks for possible knowledge providers/subcontractors have been specified. You cannot receive supplementary funding or make changes to the budget once the application has been submitted. Any new employees need not be identified by name at the time of application, but their profile and needed competences must be clearly described.

2.3 Supplementary information

Please note that failure to comply with the formal requirements in the application material, including the rules on submission of additional material, compliance with the requirements concerning the scope of the application, the programme application deadlines, the financial requirements for the applicant company

7 https://innovationsfonden.dk/sites/default/files/2023-02/Innobooster-faglig-beskrivelse_2023_2_0.docx
and the state aid rules regarding de minimis and block exemption regulations, will result in an application being administratively rejected without any assessment of the professional/technical content of your application.

You may have an ongoing Innobooster project when submitting a new Innobooster application. However, please note that if there is a connection between the ongoing project and your new application, it should be clear from your application what the outcome of the first grant will be and how it contributes as a basis for the subsequent application.

3 Assessment

3.1 How are applications evaluated?

The first step in the assessment process is to determine whether your application meets the formal requirements outlined in these guidelines and the Consolidation Act, section 5. If your application is rejected at this stage, you will receive an administrative refusal and your application will not be assessed by the assessors. If you are able to correct the listed shortcomings, you may subsequently resubmit your application as a new application via E-grant.

If your application meets the formal requirements, it will proceed to actual assessment. Your application will be evaluated on the basis of the material you have submitted via E-grant provided it falls within the Innobooster programme guidelines. In addition, the assessors will draw on their prior knowledge that has qualified them to be appointed as assessors, as well as knowledge from any data provided by publicly available sources (e.g. literature and article databases, patent databases and company registries) and Internet searches. An Innobooster application is always assessed by a minimum of two assessors.

Are you applying for less than approx. DKK 1.5 million from Innobooster

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8 Consolidation Act No. 1150 of 25 October 2017 on funding etc. under Innovation Fund Denmark.
As a rule, applications for an Innobooster investment of less than approx. DKK 1.5 million are submitted to a final assessment by the two appointed assessors based on the application alone. The appointed assessors’ recommendation will form the basis for the final decision made by the Management Team of Innovation Fund Denmark.

However, as part of the assessment process, Innovation Fund Denmark may request applicants in this group to answer some clarifying questions from Innovation Fund Denmark employees.

If as applicant you are contacted in order to clarify certain issues, this will be because the assessors, in processing your application, have raised questions regarding the content and understanding of your application which cannot be answered on the basis of the submitted material, but which they believe may be addressed through a few written questions and answers or a short interview. Whether there is a need for clarifying questions is a decision based on Innovation Fund Denmark’s long-time experience on any specific need for clarification, and will take place in situations where we know from experience that such clarification will ensure a better basis for making a final decision. Clarifying questions are relevant in cases when project applications are generally considered worthy of funding. Clarification of the application content may include:

- Concretisation/specification of given development activities (e.g. work packages in the activity plan), including the need for external knowledge provision
- Clarification of budget-related questions
- Clarification of competition issues with regard to specific and named competitors
- Clarification of market focus vis-à-vis the information provided
- Clarification of given vaguely described activities and their success criteria
- Clarification of resource consumption within specific activities and resource distribution between employees involved in the project and between employees and any knowledge providers
- Clarification of concrete elements in the business model such as validation of turnover, expected profit, payment model
- Clarification of the competences and relevance of specific team members and knowledge providers
- Clarification of the calculation model for knowledge providers and subcontractors
- Clarification of necessary equipment, apparatus and materials, including their value after the project end date
- Clarification of applicant’s financial means for completing the project and subsequently implementing the results

If you are contacted about clarifying questions, this may be done by an Innovation Fund Denmark employee sending you an email with specific clarifying questions, which you should simply answer in writing. In a few cases we may request a short virtual meeting. In this case, you will – before the virtual meeting – receive a short description of the questions that will be discussed at the meeting.

The final assessment is made on the basis of the submitted application and information provided in connection with the clarifying questions, and is subsequently forwarded to the Management Team of Innovation Fund Denmark for their final decision.

In special cases, Innovation Fund Denmark may choose to invite applicants applying for less than DKK 1.5 million in funding to present their project to the Innobooster Panel Committee. This is done in cases where we find that there is a need to involve specific professional expertise held by the panel members, and which may be decisive as a further qualification of our basis for decision. If you are invited to present
your project to our panel, you can read more about the process below under investments between DKK 1.5 and 5 million.

If you apply for less than DKK 1.5 million, but have received an Innobooster investment previously such that the total investment within the same field of business in the company exceeds DKK 1.5 million, you may also be invited to present your application for the Panel Committee, provided that your application is preliminarily assessed as sufficiently qualified for funding.

**Are you applying for DKK 1.5 million to 5 million From Innobooster**

If you are applying for an Innobooster investment of more than DKK 1.5 million, Innovation Fund Denmark will make an initial administrative and content assessment of the application as described above. If the application is assessed as sufficiently qualified for funding, you are invited to present the Innobooster project to our Panel Committee. On the basis of a content assessment of the application and the panel pitch, the Panel Committee recommends the project for rejection or approval to the Management Team of Innovation Fund Denmark. It is the Management Team of Innovation Fund Denmark that makes the final decision on rejection vs. approval.

### 3.2 Who evaluates your application?

Initially, Innovation Fund Denmark employees will determine whether your application meets the formal requirements.

All applications that meet the formal requirements will then be assessed by both a first reader and a second reader. The first reader is recruited among Innovation Fund Denmark’s professional staff or “Det Faglige Vurderingsudvalg” that have the relevant professional competences. The second reader is an employee from the Innobooster programme team and thus a programme specialist. Together the two assessors will draw up a recommendation, which is presented to the Management Team of Innovation Fund Denmark.
Applicants applying for less than approx. DKK 1.5 million may in certain cases be contacted for clarifying questions or be invited for an interview in case we need supplementary information about unresolved issues. In special cases applicants may be invited to pitch their project to our panel (for more information, see section 3.1). Two or three Innovation Fund Denmark employees will take part in a virtual clarification interview, including the second reader from the Innobooster programme team who is responsible for assessing your application. The other participant(s) may be from the Innobooster team, the “Det Faglige Vurderingsudvalg” or other relevant members of the Innovation Fund Denmark staff. Projects may be granted funding without having to answer clarifying questions.

All applicants applying for an Innobooster investment of DKK 1.5 million or more with applications receiving a positive evaluation from our first and second readers, are invited to do a pitch in front of selected members of the Innobooster Panel Committee. The Panel Committee members have expertise and experience within e.g. innovation, entrepreneurship, business development and various specialised areas. A list of members of Innovation Fund Denmark Innobooster Panel Committee is available at [www.innovationsfonden.dk](http://www.innovationsfonden.dk). For the day of your pitch, we will put together a panel constituted by about five members.

Whether you are invited to a virtual clarification meeting, are requested to answer clarifying questions or do a pitch in front of the Panel Committee, or do not receive any clarifying questions, the final decision regarding your application is made by the Management Team of Innovation Fund Denmark. The Innovation Fund Denmark Management Team may decide to approve, reject or partially approve an application. In case of a partial approval, Innovation Fund Denmark has assessed that specific and identifiable parts of the application cannot be approved within the Innobooster programme guidelines, while the remaining parts of the project applied are assessed as qualifying as an Innobooster project.

The board of Directors of Innovation Fund Denmark ensures that the guidelines and processes described here are adhered to.

Everyone participating in the assessment process are subject to confidentiality obligations and Innovation Fund Denmark’s enhanced requirements regarding legal capacity. A list of Innovation Fund Denmark rules regarding legal capacity is available at [www.innovationsfonden.dk](http://www.innovationsfonden.dk).

### 3.3 On which criteria do we base our assessment of your application?

Your application must be based on the innovation project and the expected solution. Your application will be assessed on the basis of the following three evaluation criteria which are weighed equally in our evaluation.

The evaluation criteria are:

- *Quality of the idea*
- *Impact*
- *Quality of execution*

In connection with the three evaluation criteria, Innovation Fund Denmark emphasises the following:

**Quality of the idea**
• That it is clear what constitutes the basis of the idea and the new and innovative aspects, which may lead to a marketable/implementable solution.
• That the idea is sufficiently grounded, and that the critical conditions for carrying out the project are sufficiently described to allow for an assessment of the idea and the project’s risks
• That it is clear which specific and difficult challenges are to be overcome in the Innobooster project before the solution is marketable.
• That the company is provided with new knowledge in connection with the project to a satisfying extent, and that it is clear what new knowledge is provided and who contributes this knowledge.
• That it is sufficiently described and explained how the Innobooster project will involve innovative development activities in the company.
• That it is clear which specific market- and knowledge-related risks are involved with the Innobooster project and how these will be met.
• That the project results/outcome distinguish themselves from the solutions already available in the market to a satisfyingly extent.
• That the application clearly describes what final solution the project will deliver.

Impact

• That it is sufficiently described and explained how the solution will meet a need and that possible users/paying customers and a market of a relevant size in Denmark or internationally have been identified.
• That it is sufficiently described and explained how the company will gain a competitive advantage due to the project.
• That the specific business model and any “go-to-market” considerations concerning further activities between the end of the project and the commercial implementation are sufficiently accounted for.
• That the business gains from the project will result in significant economic growth, export and/or employment in Denmark, and that it is sufficiently described and explained how the added value and expected gains will be implemented in the applicant company after the project has ended.
• That there is a connection between the size of the investment from Innovation Fund Denmark vis-à-vis the risk taken on by the company and the business gains that the company expects to achieve from the project.
• That the project falls within the outlined thematic area and has the potential to contribute to achieving the goals described within this theme, including that any potential societal impact is sufficiently accounted for.

Quality of the execution

• That there is a clear activity plan with distinct and quantifiable milestones and criteria for success.
• That the project is realistic and realisable.
• That the most significant risks are properly defined, and that relevant ways of mitigating these risks are described.
• That the company has the necessary financial resources to carry out the project.
• That the company has a team with relevant competences and experience to carry out and implement the project, and that the choice of collaboration partners and/or new employees is relevant. The team as a whole should reflect the needed and relevant professional diversity.
• That the project budget is reasonable and realistic considering the outlined activities.
• That the content and individual elements of the application are described in clear and specific terms.

There is a significant difference between the requirements for projects of e.g. DKK 100,000 and DKK 500,000, respectively, just as there is a significant difference between the requirements for projects of e.g. DKK 500,000 and DKK 5 million, respectively. You should, therefore, carefully consider whether you
have found the right balance between the size of the investment applied for and the impact of the project, including the expected business gains and the project’s development risks.

We always evaluate the accumulated investment. This means that if your company has received an investment of e.g. DKK 500,000 and subsequently applies for another investment of e.g. DKK 2,100,000, it will be assessed as a total Innovation Fund Denmark investment of DKK 2,600,000. This affects our evaluation of the project’s innovation potential, value creation, impact etc.

It is important that a realistic budget is made, in a way that e.g. the hours your company includes in the budget correspond to the activities that the company will carry out during the project. The distribution of hours between the individually contributing employees and the individual activities must be clearly stated in the budget. The project is evaluated with regard to financial efficiency.

It is possible and may be a good idea to divide high-risk projects into smaller sub-projects in order to reduce the risk associated with an investment, for both the company and Innovation Fund Denmark. In the case of an obvious connection between a first project (phase 1) and a subsequent application (phase 2), the phase-2 project does not need to show significantly higher risk or specific novel and independent innovation potential, but should still show a significant development risk in the remaining phases towards commercialisation. A phase-2 project may therefore give more weight to the final development, market maturation and verification of the idea as a whole and the achieved results. It will be appropriate to apply for a phase-2 project once the results of the phase-1 project are known and may constitute a solid basis for our assessment as they may be considered in connection with the new development activities described in the subsequent application.

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

For larger projects implemented in more phases, there may be a need for increased external funding, and in our assessment, we will also lend weight to the company’s financial strength and possible required interest from external investors.

When a company has received a previous investment from Innovation Fund Denmark and submits an application for Innobooster funding, we will in our assessment of the application take into consideration the specific results gained in previous Innovation Fund Denmark projects, the impact of those results in the company, whether these results are included as the basis for the new application, and how their value is documented.

### 3.4 When can you apply for an Innobooster investment?

You can submit your application whenever it is convenient for the company’s plans for development. Innovation Fund Denmark aims to keep the Innobooster programme as open as possible, and we process Innobooster applications on an ongoing basis. Please be aware that submission of Innobooster applications may be paused. The programme is closed for applications for a couple of weeks around New Year. Application pauses are announced on the Innovation Fund Denmark website at least two months before the pause. The application platform in E-grant will be closed during the pause, which means new applications cannot be started or submitted. We do, however, continue to process applications already submitted during this period.
Each of the three themes in the Innobooster programme have their own investment budgets. This means that we will close for applications within one or more themes once we have received the number of applications, for which we expect to have available funds to invest in that year. We will at least four weeks in advance on the Innovation Fund Denmark website announce the closing of a theme that has exhausted almost all available funds for that financial year and the date for when we will no longer receive applications within that theme. The theme in question is then most likely to be closed for the rest of the year and will be reopened the following year. We process all already submitted applications.

If we are able to reopen the theme later that financial year, this will also be announced on the website.

3.5 How will you receive an answer to your application?

The main part of our communication with you goes through E-grant. This is where you will be notified of any news about our processing of your application and of when a decision has been made regarding our assessment of your application. If your application is successful and you are granted funding, all correspondence will continue through E-grant. If you are invited to present your project to our panel, you will be informed directly via email.

3.6 When will you receive an answer to your application?

Innovation Fund Denmark aims to answer applications as fast as possible. However, the number of applications varies over the year, and we are therefore unable to establish a time frame for our evaluation of your application. On the Innovation Fund Denmark website, you will find an overview of the current expected processing time and when we expect to have the shortest processing time on a yearly basis. If you are invited to present your application for the Panel Committee or for a virtual clarification meeting, this will increase the total processing time beyond the stated expected time for assessment.

If your application is rejected, you are welcome to reapply by submitting an application that takes into account the reasons for the rejection as provided in the written answer to your previous application.

If you require further explanation of the reasons for the rejection, you are welcome to contact the employee listed in your rejection letter to arrange a short feedback interview. If you are interested in such a feedback interview, please send an email to the employee in question no later than four weeks after receiving the rejection. You will then agree on time for the actual feedback interview allowing the Innovation Fund Denmark employee to prepare for the feedback. You should as applicant take part in the feedback interview yourself; a consultant or other third party is welcome to participate as well.

4 From approval to project start

4.1 What happens once your application has been approved?

You will receive a grant letter via E-grant and, at the same time, be asked to accept the grant requirements electronically within three months. Acceptance of the grant requirements is a precondition for the
grant to be considered valid and for us to approve your first accounts etc. If the grant is not accepted within the given deadline or after three reminders, Innovation Fund Denmark will withdraw its funding.

The earliest possible project start date is the date at which funding is issued. The start date will be evident from the grant letter.

## 5 During the project

### 5.1 Do you need to submit accounts or reports during the project?

Accounts must be submitted every three months. This is done through E-grant where at task entitled “regnskabsopgave” (“accounts task”) will appear in your case file. The accounts task in E-grant will open exactly three months after the grant start date and then once every three months until the project has been completed. Accounts cannot be submitted at shorter intervals. You submit your accounts by downloading the Excel sheet in E-grant, completing and submitting it via E-grant. You can only submit one accounts sheet at a time.

For all projects receiving an Innovation Fund Denmark grant, an auditor’s statement must be prepared each project year, where the auditor certifies that the submitted accounts are correct and that the grant has been used in accordance with the approved grant basis and the requirements listed in the grant letter and in these guidelines. If your project lasts 15 months or less, the auditor’s statement should only be submitted at the end of the project period.

Halfway through the project period, all grant receivers will also be asked to submit a progress report which in a structured and concise form accounts for the status of the project, remaining activities and any changes or new perspectives vis-à-vis the project goal at the time in question. The progress report must be produced as a Power Point presentation and submitted via E-grant. E-grant will together with this task provide you with a description of the requirements for the content and form of the presentation. This type of mid-term evaluation ensures that we at Innovation Fund Denmark have an overview of the development of the project.

We reserve the right to call you to a virtual or physical meeting if we feel that you need to clarify aspects of the presentation or the accounts and the submitted auditor’s statement. In exceptional cases, Innovation Fund Denmark may terminate the grant if the project deviates significantly from the plan and those changes have not been approved during the project before being implemented. The progress report cannot replace a request for changes. If you need to make specific changes to your project, you must submit a request for changes through E-grant. For more information, see section 5.3.

### 5.2 How is the investment paid out?

Innovation Fund Denmark has 30 days’ processing time to check your accounts. If we approve the accounts, it may take 10 days from the day of approval before the funds are transferred to your company’s NEM account. All Innobooster project funds are paid in arrears and on the basis of the actual expenditure listed in the submitted accounts. Payment in advance is not an option.
5.3 What happens if you are unable to keep to schedule?

We know that innovation projects will not always follow the original plan, and it is possible to ask to be allowed to make changes that you consider to be necessary to realise the potential of the project. It is thus possible to make adjustments to the project plan during the project with regard to e.g. new milestones, collaboration partners, end date or budget distributions. Requests for changes must, however, always be approved by Innovation Fund Denmark prior to their implementation, and such approval presupposes that the changes are sufficiently substantiated. Requests for changes are submitted electronically via the E-grant system through the ‘Request changes’ function on your project page.

You can apply for an extension of the project during the project period, but extensions beyond 24 months are rarely accepted. Requests for changes to the project end date can only be met if submitted no later than 14 days before the current end date. Requests for project extensions received later than 14 days before the project end date or after the project end date will, as a rule, not be accepted.

You must inform Innovation Fund Denmark of any significant changes affecting the overall Innobooster project as soon as possible via e.g. Innobooster@innofond.dk or E-grant. In rare cases, projects turn out to no longer have the expected potential or they cannot be realised for technical reasons. In such cases we will enter into dialogue with you on how best to end the project. Other significant changes may be e.g. bankruptcy and suspension of payments or sale of the company.

If you do not comply with the tasks described in sections 5.1 and 5.3 and the given deadlines as well as the ensuing reminders, Innovation Fund Denmark may withdraw the remaining funding and demand already paid funding to be returned. This is also the case if there is no satisfying documentation available to show that the funding from Innovation Fund Denmark is spent in accordance with the aim as described in the application and any approved changes and following the guidance as described in the grant letter.

5.4 What should you do in connection with the end of the project?

At the end of the project, you must – aside from the final accounts – complete an evaluation of the process and produce a short final report. These documents must be submitted no later than one month after the end of the project period, and together with the final accounts and auditor’s statement they constitute the end of the project. Once we have approved this material, we will pay out the remaining 15 % of your total grant if requested. We always retain 15 % of your grant until this stage regardless of your expenditure level up until the last accounting period. You should thus still make a request for funding even if your consumption exceeds the 85 %. This means that if you expenses reach 100 % of your grant, this should be stated in your accounts, and at the latest in your final accounts, for you to receive the remaining 15 % once Innovation Fund Denmark has approved the documents submitted.

You will be reminded of the final accounts, auditor’s statement, final presentation and evaluation via E-grant.
6 State aid rules for companies

6.1 For investments of up to EUR 200,000/approx. DKK 1.5 million – the de minimis rules

Investments of up to EUR 200,000/approx. DKK 1.5 million are allocated according to the EU Commission’s de minimis rules for state aid.9 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 the source of this aid.

The applicant should be aware that a special definition of “the company” is used when calculating de minimis aid. You should thus, when calculating the amount of received state aid, include e.g. affiliated undertakings or other registered companies (“CVR numre”) where applicant companies have a dominant influence. See article 2 (2) of the EU Commission’s de minimis rules on state aid.10

The company can receive a maximum of EUR 200,000, corresponding to approx. DKK 1.5 million, 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.

Note that the current exchange rate at the time of application must be taken into account, cf. Danmarks Nationalbank’s official exchange rate. EUR 200,000 in January 2023 correspond to approx. DKK 1,488,000, and this will therefore be the maximum limit for support under the de minimis regulation, and the limit for funding applied for in the distribution called “approx. DKK 1.5 million” under e.g. section 1.5. It is the company’s sole responsibility to ensure that these state aid limits are complied with.

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 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).

If a business is split into two or more independent companies, the de minimis aid granted prior to the de-merger must be attributed to the company which benefited from the aid, which as a rule will be the company that takes over the activities for which the de minimis aid was used, cf. the general de minimis regulation, article 3 (9).

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The above conditions apply at the time of grant approval, i.e. a subsequent merger etc. will not have any influence on the aid granted with regard to the de minimis rules. This does, however, not apply in case the company does not any longer satisfy the EU SME definition. See section 1.2.

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) during the current and the previous two financial years.\textsuperscript{11}

If the company, besides activities as primary producer of agricultural products, sustains activities within other sectors (not including fishery and the aquaculture sector), those activities may receive de minimis aid up to EUR 200,000 following the Regulation (EU) No. 1407/2013 as long as the activities and the project finances can be kept separate from the applicant’s activities as primary producer of agricultural products. If the company also is active within fishery and the aquaculture sector, those activities may receive de minimis aid up to EUR 30,000 following the Regulation (EU) No. 717/2014 as long as the activities and the project finances can be kept separate from the applicant’s activities as primary producer of agricultural products.

Specific rules for fishery and the 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) during the current and the previous two financial years.\textsuperscript{12} 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 consumer sales. This also includes companies within cultivation and processing of seaweed and other micro and macro algae products.

If the company, besides activities within fishery and the aquaculture sector, sustains activities within other sectors (not including within the primary production of agricultural products), those activities may receive de minimis aid up to EUR 200,000 following the Regulation (EU) 1407/2013 as long as the activities and the project finances can be kept separate from the applicant’s activities within fishery and the aquaculture sector. If the company is also active as primary producer of agricultural products, special rules apply, see above.

6.2 For investments above DKK 1.5 million – the EU block exemption regulation
Investments above DKK 1.5 million 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’.

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

### Experimental development

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 e.g. include activities aimed at conceptualising, planning and producing documentation on new products, processes or services.

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 further 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.

### Industrial research

Industrial research is planned research or critical studies aimed at acquiring new knowledge and new 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, developing new production methods or services. This includes the production of components for complex 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 is necessary for the industrial research and, in particular, for validation of generic technology.

Innovation Fund Denmark investments above DKK 1.5 million 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), e.g. through increased total expenses for research in the company or recruitment of more employees engaged in research activities in the company.

### 7 Processing of information

#### Recording of data
The application system, E-grant, automatically records specific information. When you register as a user, E-grant will register your identity, IP address and the time at which the application is created or edited.

#### Applicant’s responsibility
It is the applicant’s responsibility that the information provided in the electronic application is correct,
that the necessary appendices have been attached to the application and that the content of the appendices is correct.

The applicant is under obligation to inform Innovation Fund Denmark of any significant changes to the submitted information, including if the company has received funding for the project or parts hereof from other parties.

Retraction of application information
Once the application has been submitted, you cannot rectify the content of the application. Only personal data can be rectified.

Collection of other information
If the applicant has applied for or plans to apply for project funding from other parties, Innovation Fund Denmark reserves the right to collect information about whether this funding has been granted.

8 Publication of information

Be aware not to include business-sensitive information in the title of the application as Innovation Fund Denmark may, if requested (due to e.g. the Danish Open Administration Act) and without notifying you as applicant, pass on lists containing information about company name, project title, investment applied for, final decisions (rejection/approval) as well as, in some cases, the actual investment for all submitted Innobooster applications.

Innovation Fund Denmark will always publish a list of applications receiving an investment on its website (including company name, project title and investment granted).

Applications submitted to Innovation Fund Denmark are treated under confidentiality. You should, however, be aware that other parties may request access to any submitted Innobooster applications in accordance with the Danish Open Administration Act. In such events, Innovation Fund Denmark will in dialogue with you as applicant ensure that no access is given to business-sensitive information and/or other information that according to law should not be disclosed.

9 About these guidelines

Legal framework
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 amended by law no. 384 of 26 April 2017, Law 1518 of 18 December 2018 and Law 1188 of 8 June 2021 and Executive Order No. 1150 of 25 October 2017 on the grant function, etc. under Innovation Fund Denmark.

We inform applicants that Innovation Fund Denmark adhere to the guidelines for international research and innovation (URIS). For more information, see: https://ufm.dk/publikationer/2022/afrapportering-udvalg-om-retningslinjer-for-internationalt-forsknings-og-innovationssamarbejde.
The applicant guarantees that receipt and use of the [investment/funding] from Innovation Fund Denmark does not violate existing national or international sanctions, including sanctions on freezing funds or bans on direct or indirect control. The applicant should be aware that in connection with the conflict between Russian and Ukraine, EU has considerably restricted the access to making funds and economic resources available for specific physical or legal individuals, entities or organisations according to EU Council Regulation No 269/2014 “concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine”, and the applicant shall guarantee that receipt and use of the investment from Innovation Fund Denmark does not violate this regulation. A consolidated list of person, groups and entities subject to EU sanctions is available on Consolidated list of persons, groups and entities subject to EU financial sanctions - Data Europa EU.

Technical disclaimer
The Danish Agency for Higher Education and Science is responsible for E-grant and has a duty to notify system users of errors causing E-grant to be inaccessible to the point where it affects the applicant’s access to submit an application by a given deadline. Updates on any system disruptions will be posted here: http://ufm.dk/en/research-and-innovation/funding-programmes-for-research-and-innovation/egrant/operational-status.

In exceptional cases, Innovation Fund Denmark may extend the application deadline for all affected applicants. This will likewise be announced at: http://ufm.dk/en/research-and-innovation/funding-programmes-for-research-and-innovation/e-grant/operational-status and at: https://innovationsfonden.dk/en/apply-investment.

Innovation Fund Denmark and the Danish Agency for Higher Education and Science disclaim all and any liability for erroneous information ensuing from faults in software, computation errors, transmission faults and similar faults, and in respect of any claim for damages ensuing from incorrect use of E-grant.