Innovation Fund Denmark

Guidelines:

Grand Solutions

Guidelines of January 28, 2022 for the Grand Solutions programme.

Content

1 The Grand Solutions programme

1.1 The Grand Solutions programme in short

Grand Solutions projects are characterised by their highly innovative profile and focus on ambitious results with high value creation whether in the form of new knowledge, improvement or creation of new processes, systems, products, or solutions to societal challenges.

A Grand Solutions project creates economic growth in public and private companies in Denmark and/or solves politically prioritised societal challenges for beneficiaries in the Danish society e.g. Danish citizens, the Danish state, Danish regions and Danish municipalities. It is therefore advantageous if beneficiaries of the project outcomes and other key stakeholders are active participants (a participant is here defined as a legal entity in the project, see below) in the development and duration of the project.

The wide range of Grand Solutions projects means that the number and type of project and project participants will vary considerably from project to project. The duration of the projects is one to five years.

1.2 Who can apply?

Any legal entity (such as an enterprise, a research institution, or a public institution) in or outside Denmark, directly involved in the project activities, is eligible to apply, participate and receive funding from Innovation Fund Denmark (IFD). A Danish project participant must, however, act as the applicant organisation in the application. In addition, you will be asked to specify the person who, acts as contact person between IFD and the project participants during the application process. The person submitting the application will automatically be registered as contact person. You can later change this via the application page on www.e-grant.dk.

IFD is committed to promoting equal opportunities and diversity in all its aspects. Therefore, interested parties from all backgrounds regarding ethnicity, religion, gender identity, age, or disability status are encouraged to apply for funding from IFD.

Disqualification from participation in applications

An *undertaking in difficulty*[1], as defined in Article 2, point 18 of the General Block Exemption Regulation (GBER)[2] cannot enter into investment negotiations for the Grand Solutions programme, unless the undertaking was not in difficulty on 31 December 2019, but became undertakings in difficulty during the period from 1 January 2020 to 31 December 2021 (Covid-19 exception regarding GBER).

An applicant who has previously received aid that has been declared illegal and incompatible with the internal market by a decision rendered by the European Commission and who have not repaid such aid at the time of submitting the application to IFD cannot receive an investment from IFD.

1.3 In which project activities can IFD invest?

IFD invests in projects at all stages of the research and innovation value chain from strategic basic research to market-oriented development and innovation. Thus, investment is made both in the early strategic research project, where a targeted effort and a collaboration with the most competent international and/or Danish participants from relevant disciplines is crucial, and in the innovative project that lacks the

[1] Definition of 'undertaking in difficulty' difficulty' in article 2, no. 18 in COMMISSION REGULATION (EU) No. 651/2014 of 17 June 2014.

[2] Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

last steps for successful introduction to the market or commissioning. The investment from IFD does not necessarily lead a project all the way through the value chain. It is therefore crucial that the project participants themselves are able to lift the results to the market or can outline a plan for this and can ensure commissioning or have end-users who can invest in or assume charge of the project after IFD's investment period. IFD encourages applicants from all relevant scientific fields, including disciplines within the natural sciences and/or social sciences and the humanities to apply.

Investments made under the Grand Solutions programme are granted in accordance with the EU rules on state aid and will either be categorized as block exempted aid covered by article 25 of the GBER or de minimis aid covered by the de minimis regulation. The investment conditions for the Grand Solutions programme vary depending on whether the investment is viewed as block exempted aid or as de minimis aid.

Non-economic activities, i.e. activities that do not consist in offering goods or services on a market, and activities that do not affect trade between member states are not subject to EU rules on state aid. Based on an individual evaluation, the IFD may decide to award investments to such activities under the Grand Solutions programme. Investments awarded to non-economic activities will be made pursuant to these guidelines and subject to the maximum investment rates and overhead in table 4[3]. Note, that it is obligatory that the project activities for the institution mainly are industrial research and/or experimental development.

Investments covered by the GBER

Trade organisations, interest organisations, and organisations and enterprises performing economic activities by offering products or services on a market, must observe the rules for block exempted aid to enterprises cf. Section 1.3, 1.4 and 1.5, including the IFD maximum investment rates.

IFD awards investments within the constraints of IFD's notification to the European Commission and thus pursuant to conditions laid down in Chapter 1 (Articles 1-12) and the specific conditions for aid to research and development projects in Article 25.

The IFD maximum investment rates for enterprises are summarised in tables 1-3. To receive the maximum rates set in the tables below, the project must either involve an "effective collaboration" as defined in article 2, subsection 1 (90) in the GBER or widely disseminate the results of the project, cf. Article 25, subsection 6 (a) and (b).

The project is considered to involve an "effective collaboration", if:

- the project is between undertakings among which at least one is a small and medium-sized enterprise (SME), or is carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70 % of the eligible costs, or

[3] It is a prerequisite for obtaining IFDs approval for using the maximum investment rate in table 4, that the institution performing the non-economic activity fulfils the requirements for a research- and knowledge-dissemination institution as defined in 'Vejledning om definitionen af en forsknings- og videnformidlingsinstitution', published (in Danish) by the Ministry of Food, Agriculture and Fisheries of Denmark, Danish Agricultural Agency Oct. 2, 2020.

- the project is between an undertaking and one or more research and knowledge-dissemination organisations, where the latter bear at least 10 % of the eligible costs and have the right to publish their own research results;

The results of the project are considered to be widely disseminated, if the results of the project are widely disseminated through conferences, publication, open access repositories, or free or open-source software.

If none of the above conditions are fulfilled, the IFD maximum investment rate for the participant will be 15% lower than the rates in tables 1-3.

Investments covered by the de minimis regulation

Investments under the Grand Solutions Programme below EUR 200.000 may be granted pursuant to the conditions for de minimis aid set out in the de minimis regulation.[4]

Enterprises within the sectors fisheries and aquaculture, primary production of agricultural products or road haulage (paid by third party), cannot use the flat rate of pay per hour, but must use the actual salary costs when budgeting as described in section 1.5.

Before the investment agreement is signed with IFD, the enterprise must submit a Solemn Declaration about any other de minimis aid received to which the de minimis regulation or other de minimis regulations[5] apply during the previous two fiscal years and the current fiscal year. The total amount of de minimis aid granted to an applicant, i.e. including from other entities than the IFD, shall not exceed EUR 200.000 over any period of three fiscal years.

Budgetary rules for enterprises

Table 1 states the maximum investment rates for companies. The investment rates are different for large enterprises and small to medium sized enterprises (SMEs). Note that either 'state aid rules' or 'de minimis rules' (see above) must be observed for all economic activities.

Definition of SME:
According to the EU Commission definition, SMEs have fewer than 250 employees and an annual turnover less than EUR 50 mill. or a balance sheet under EUR 43 mill. In addition, there are certain requirements regarding the enterprise's autonomy. For details, see "EU Commission SME definition".

Danish Non-profit Organisations
Non-profit organisations (such as the Danish National Cluster Organisations[6]) must observe the same rules as the rules for state aid to enterprises cf. Section 1.3, 1.4 and 1.5, including the IFD maximum investment rates. However, and in contrast to enterprises, these non-profit organisations are entitled to receive an overhead rate of 20%.

---

[4] Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.
[5] Commission Regulation (EU) No 717/2014 of 27 June 2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector and Commission Regulation (EU) No 1408/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the agriculture sector.
[6] Innovationskraft: Retningslinjer for videnbaserede klyngeaktiviteter 2021-2024

Budgetary rules for public sector institutions

Public sector institutions with non-economic activities, i.e. activities that does not consist in offering goods or services on a market, are subdivided into four categories. You can find the corresponding IFD maximum investment rates and overhead in table 2. IFD calculates the overhead as a fixed percentage of all direct costs.

It is a prerequisite that applicants carry out non-economic activities, including independent research and development.[7]

The IFD maximum investment rate represents the part of the project costs, which can be covered by IFD.

The four categories for public sector institutions are:

- Danish institutions (including universities, university colleges and sector research institutes) subject to the rules on subsidised research activities under the Danish Ministry of Finance's budgetary guidelines and thereby authorised to carry out subsidised research activities.
- Non-Danish universities (including universities in Greenland and on the Faroe Islands).
- Public hospitals in Denmark, in Greenland and on the Faroe Islands and state-accredited Danish museums (under the Museum Act) and national museums in Greenland and on the Faroe Islands.
- All other Danish public entities e.g., municipalities, regions and government agencies.

If a public institution carries out economic activities in the project, by e.g., providing consultancy support, the budgetary rules for private sector enterprises apply.

Budgetary rules for Danish GTS-institutes

The IFD maximum investment rates for GTS-institutes[8] (in Danish: Godkendte Teknologiske Serviceinstitutter) depends on whether the project activity relates to non-economic or economic activities. In case of non-economic activities, IFD requires that the project results are published or, by other means, made publicly available to all on equal terms. In case of economic activities, where the activities are performed on market terms by e.g., providing consultancy support, please refer to the budgetary rules for enterprises in Section 1.3 above. You can find the IFD maximum investment rates in the summary table 3.

1.4 What is the financial frame in Grand Solutions projects?

The lower and the upper investment limit constraints are stated in the call texts.

IFD may cover a maximum of 75 % of the project's total costs for all participants. See IFD maximum investment rates for each individual participant in the tables 1-4 below.

IFD emphasises that the investment rates in tables 1-4 are maximum values. Furthermore, the value creation for each individual project participant and the project consortium must be reflected in the financial commitment from the project participants. IFD requires that all project participants invest in the project. The co-financing may be added as cash or "in kind". The "in kind" co-financing can be e.g. the value of labour, tools, material or access to test facilities. It is a requirement that the calculated value of "in kind" contribution does not exceed the market price.

---

[7] See point 19 (a) and (b) in the Commission's Commission's Framework for State aid for research and development and innovation (2014/C 198/01) for examples of activities that are generally considered to be of a non-economic character.

[8] Jf. The Danish Act on Technology and Innovation (in Danish: (Lov om teknologi og innovation), cf. Lovbekendtgørelse nr. 366 af 10. april 2014. The area is administered by the Danish Agency for Higher Education and Science (in Danish: Uddannelses- og Forskningsstyrelsen).

The budget may also include financing from other sources. In order to ensure compliance with the EU rules on state aid, the co-financing may ***not*** include funds from public sector subsidisation schemes within the EU or EU Member States, including Denmark, unless this has been explicitly authorised in writing by IFD.

Please note that co-financing that consists of state aid or de minimis aid can only be authorised in accordance with article 8 of the GBER and article 5 of the de minimis regulation. Thus, co-financing will not be authorised, if the co-financing will mean that the maximum aid intensities in article 25 of the GBER or the de minimis regulation are exceeded.

Industrial research versus experimental development

For each work package in the project, the activities and costs need to be divided between either "Industrial research" focusing on gaining new knowledge etc. or "Experimental development" focusing on utilising existing knowledge. This split is necessary because the investment rates for the activity types vary for enterprises (see table 1). EU's definitions of industrial research and experimental development, respectively, are provided in article 2, (85) and (86) of the GBER.

Table 1. IFD maximum investment rates for enterprises

Organisation type	**Flat rate (de minimis)**	**Industrial Research**	**Experimental Development**	**Overhead**
Small and medium-sized enterprises (SMEs)	No	75%	50%	0%
	Yes	60%	35%	
Large enterprises	No	65%	40%	
	Yes	50%	25%	
The Danish National Cluster Organisations[9], with less than 250 FTEs & a turnover of less than EUR 50 mill.	No	75%	50%	20%
	Yes	60%	35%	0%
The Danish National Cluster Organisations, with more than 250 FTEs or a turnover of more than EUR 50 mill.	No	65%	40%	20%
	Yes	50%	25%	0%

Table 2. IFD Maximum Investment rates for <u>public Institutions</u>, which carry out non-economic activities. For more details, see Section 1.3

Organisation type	**Industrial Research**	**Experimental Development**	**Overhead**
Danish public research institutions (including universities, university colleges and sector research institutes)	90%	90%	44%
Non-Danish public universities (including universities in Greenland and on the Faroe Islands)			20%
Public hospitals in Denmark, in Greenland and on the Faroe Islands and state- accredited Danish museums (under the Museum Act) and national museums in Greenland and on the Faroe Islands			3,1%

[9] https://ufm.dk/aktuelt/pressemeddelelser/2020/filer/praesentation-udpegede-klynger.pdf

All other public entities e.g. municipalities, regions and government agencies			0%
Public institutions, which carry out economic activities in the project	Rates for Enterprises	Rates for Enterprises	Rates for Enterprises

Table 3. IFD maximum Investment rates for GTS Institutes. For more details, see Section 1.3

Organisation type		Industrial Research	Experimental Development	Overheads
Danish GTS Institutes, which carry out	Non-economic activities	60%	60%	0% (salaries multiplied by the GTS-cost factor)
	Economic activities	Rates for Enterprises	Rates for Enterprises	Rates for Enterprises

Table 4. IFD maximum Investment rates for non-public research institutions

Organisation type		Industrial Research	Experimental Development	Overheads
Non-public institutions, which carry out non-economic activities in the project, and fulfil the requirements as a research- and knowledge-dissemination institution[3], see section 1.3. (special conditions apply, contact IFD before using this)	Danish	90%	90%	0%
	Non-Danish	Rates for Enterprises	Rates for Enterprises	Rates for Enterprises

1.5 What costs may an IFD-investment co-finance?

Eligible costs

IFD requires that you include all direct project costs in the budget, i.e., costs directly attributable to the project, regardless of whether you are seeking to have those costs covered by IFD, or whether the costs will be borne by the project participants themselves or by a third party. The budget should not contain VAT or other turnover tax unless this has been specifically agreed in writing with IFD. The budget may not include indirect costs[10].

The costs are calculated in accordance with the rules provided in Section 1.3 and 1.4 for each of the organisation types. The total project costs are divided across the project participants, based on the principle that the entity that covers a given expense must include it in its own budget. For salaries, this means that the institution/enterprise paying the salaries during the project period must include these costs

[10] Indirect costs are costs that cannot be directly attributed to the activity in the project, e.g. premises expenses (rent, heating, water, electricity, cleaning, maintenance, etc.), office expenses (telephone, postage, office supplies, etc.), indirect wage costs (canteen subsidies, continuing education), computer expenses, expenses for management, administration, etc., insurances, calculated costs for statutory insurances, return on working capital, return on fixed capital, amortization of fixed assets, etc.

in their own budget (when a project participant is employed by more than one institution/enterprise, these entities will be responsible for determining how the project hours are divided between them. Each entity will, thus, include salaries for that entity's share of the project hours in its own budget). Project management[11] (see section 8 in in the Investment agreement for Grand Solutions projects) is a direct cost and will follow the investment rate for the project participant who has the cost.

Please note that PhD-Students can participate in the project as staff and may be included in the budget and financial reporting, but only for the time spent on the project.

For each project participant, the direct costs must be divided into the following categories:

- Salaries
- Equipment
- Other project-related costs (events, travel, accommodation)
- External services (consultancy costs and other services)
- Any overhead, cf. the rules stated in Section 1.3-1.4.

Each of these points are described in detail below:

- ***Salaries***: Direct salary costs are salaries for all staff working on the project, including project management[11] and project administration for the project in question. Direct salary costs include actual salary costs, calculated on the basis of the annual gross salary, incl. pension, insurance, and holiday pay. To calculate the gross hourly salary an annual total of 1,642 person-hours for a full-time employee is used. The calculated gross hourly salary per employee cannot exceed DKK 1,000. Salary costs, for which other forms of public subsidy, i.e., wage subsidy, are received, may not be included. Similarly, working time for voluntary workers or costs (if any) for voluntary workers may not be included in the budget.

  All project participants are obligated to ensure time registration of the employees participating in the project. Compensation of costs for overtime, sick pay, leave of absence etc. may not be included in the calculation.

  Enterprises applying for an investment under EUR 200,000 (equivalent of approximately DKK 1.5 mill.) can choose to use an hourly flat rate of DKK 750 when budgeting, instead of an hourly pay rate based on the actual salary costs. For more details, see Section 1.3.

  If a participant is co-financing with all of its salary expenses within the project (100% in-kind) then the participant may use an hourly flat rate of DKK 600 in the budget, as specified by the Ministry of Higher Education and Science[12].

  GTS-institutes performing non-economic activities can multiply the salaries by the cost factor for the institute concerned, as documented and approved by the Danish Agency for Higher Education and Science[13]. This cost factor applies to the full duration of the project period.

---

[11] Project management: Day-to-day responsibility for the project, coordination of project activities; representation on behalf of the project; dialogue with steering committee, project participants, and IFD; ensure optimum use of resources; arranging and preparing the required meetings, reporting and information to steering committee, IFD and participants; ensuring minutes are taken from meetings and assisting the administrator; etc.

[12] Page 11 in 'Innovationskraft: Retningslinjer for videnbaserede klyngeaktiviteter 2021-2024'.

[13] Vejledning for Godkendt Teknologisk Service (GTS). Uddannelses- og forskningsstyrelsen d. 11. maj 2021, 21 p.

- ***Equipment (equipment, materials, etc.)***: This refers to any costs of equipment necessary for carrying out the planned activities, and other direct project-related costs such as purchasing of materials. If the equipment is used for the project for only part of its lifespan, the depreciation costs during the project duration alone may be included in the budget. The depreciation costs must be calculated in accordance with normal accounting practice.

- ***Other direct project-related costs***: Must be stated as actual, anticipated costs. These can be e.g. events, transportation, travel, meeting costs, accommodation/catering, communication, and audit costs.

- ***External Services***: Some projects will depend on large-scale services, such as costs for consultancy support, contract-based research, or other services, purchased from external suppliers. Subcontracting must be included under the participant needing the subcontracting and should not exceed the market price. As a rule, a subcontractor is not a participant in the project. In exceptional cases, if an entity in the same project is a project participant as well as a subcontractor, the costs for the subcontractor must not exceed the cost price of the supplier for the subcontracting in question.

- ***Overheads:*** Overheads can only be included for certain participants. For details, see Section 1.4.

- ***Undistributed funds***: In order to ensure flexibility over the course of a project, especially in large-scale and long-term activities, a small proportion (max 10 %) of IFD's budgeted investment can be left undistributed among the individual participants at the beginning of the project. However, you are required to clearly state in the budget for which activities the undistributed funds are intended to be used. Applicants wishing to make use of this option must list an unknown "participant" in their budget, calling it "Undistributed funding". The subsequent use of undistributed funds continues following approval by IFD.

1.6 How long is the project period?
The duration of the project period can range from one to five years.

2 Application

2.1 How do you apply?
Your application must be created, completed and submitted via the electronic application system: www.e-grant.dk within the deadline for the application stated in the call text.

First, you register as a user of the system with either a username and password or with NemID/MitID before you can create an application.

Once you have been set up as a system user and have logged in, you can create a new application by selecting "Application possibilities" (in Danish: "Søgemuligheder") in the menu on the front page. Then locate the correct call and press "Apply now" (in Danish: "Start din ansøgning").

Note that the list of search options is sorted alphabetically, and that the names of all notices from the IFD start with "IF". It is of **outmost importance that you fill out the application in e-grant within the correct call**.

Thus, you must choose the relevant Grand Solutions call that you will apply for. If your application is submitted within more than one call with the same deadline for application, you will be asked to clarify which call IFD should evaluate the application for. If IFD finds that your application has clearly been submitted within the wrong call, IFD may contact you and give you the opportunity to move your application to a different call with the same deadline for application.

If the call that you will apply for consists of more than one part which overlap (a general part and a specific part), you must choose which part of the call to apply for. If you submit your application under the specific part of the call as explained in the call text, and your application meets the formal requirements for the application as set out in these guidelines, but nevertheless does not receive an investment from IFD, your application will subsequently automatically be considered under the general part of the call and will be processed here in the same way as other applications. If, on the other hand, you submit your application under the general part as explained in the call text, your application meets the formal requirements for the application as set out in these guidelines, and IFD finds that the application also meets the criteria in the call text to be processed under the specific part of the call, then IFD may choose to process your application under the specific part first.

You must write your application (application form and appendices) in English in order to enable assessment of the application by international peers.

It is furthermore crucial that the amount applied for shall fall within the thresholds stated in the call text, and that the duration of the project applied for must be between one and five years.

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

Please note that if you apply for an investment, which is covered by the GBER, i.e. an investment exceeding 200.000 EUR, you cannot start work on the project before the application has been submitted. Also please note that an IFD investment can only cover costs defrayed after the start of the investment period and before its expiry.

2.2 What do you need to include in the application?
An overview of the content of an application for the Grand Solutions programme can be downloaded from IFD’s homepage.

The following appendices must be attached to the electronic form:

- Budget: Excel file (obligatory)
- Appendix A: Figures, pictures, tables, etc. (optional)
- Appendix B: Participant motivation (obligatory)
- Appendix C: Key persons (obligatory)
- Appendix D: Gantt diagram (obligatory)

You are required to give the application an official title (max. 180 characters incl. spaces) briefly describing the activity. Furthermore, an appropriate, short acronym must be listed.

Note that for technical reasons the title must not contain special characters such as @ § [% ' ' ""].

Budget

You need to prepare the budget following the guidelines in Section 1.4. The budget must be typed into a special Excel template available for download from the application form in e-grant. See further details in the guide in the Excel file. The filename of the PDF document cannot exceed 45 characters.

Note that you may be requested to adjust the completed budget if you are invited to enter investment contract negotiations with IFD.

Please also note that the budget must include information on the individual project participants, including – for Danish entities – CVR numbers and P-numbers[14], where applicable. If an application leads to an investment, it is a requirement that each Danish project participant has a unique combination of CVR and P-numbers; i.e., if several project participants share the same CVR number it is mandatory that they have individual and separate P-numbers.

Figures, pictures, tables – application Appendix A

You may, but are not obliged to, attach relevant tables, figures, graphs, references etc. in Appendix A. Appendix A must not exceed eight A4-pages in total. A front page of the appendix must be filled in and used. The front page can be downloaded from the application form in e-grant and does not count in the maximum page total. The appendix must be uploaded in PDF-format.

Participant motivation – application Appendix B

The key competences of each project participant as well as motivation in relation to the project activities shall be described in Appendix B., which is available for download from the application form in e-grant.

Key persons – application Appendix C

The front page of Appendix C is an overview of the time the key project participants expect to spend on the project, stating expected time consumption and specific qualifications. A template for the front page is available for download from the application form in e-grant.

The front page must be filled out and followed by CVs for the project's key individuals, i.e., individuals central to the success of the project. This includes research-/development managers for the main activities/sub-projects as well as the project manager.

Each CV needs to fit into one A4 page.

Gantt diagram – application Appendix D

The Gantt diagram (Appendix D) must be prepared in the special Excel template available for download from the application form in e-grant. See further details in the guide in the Excel file. Note that the Excel file must be converted to PDF and that the filename of the PDF document cannot exceed 45 characters.

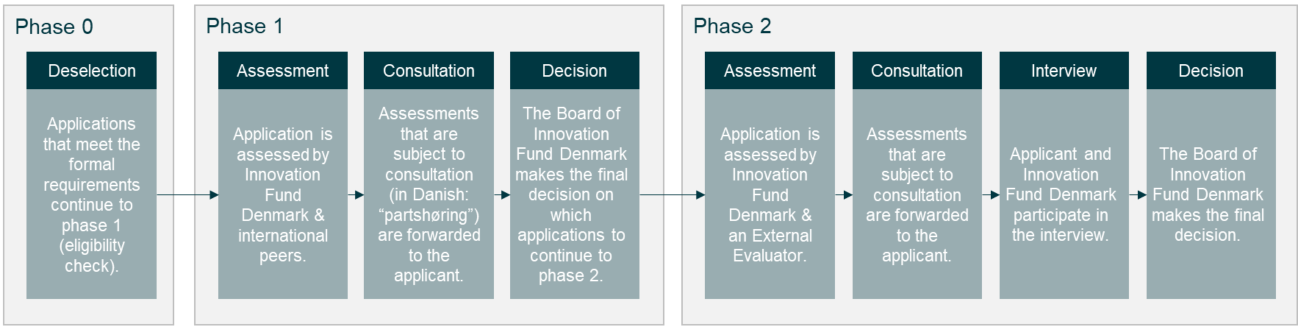
We ask you to submit the application with all appendices specified in section 2.2 compiled into a single PDF document with each CV starting on a fresh page. Please make sure to attach this PDF to your application in the e-grant system. Note that the file name cannot exceed 45 characters.

Please note that it is important that you follow these formal requirements. We only evaluate applications that comply with all formal requirements as detailed in section 2.1 and 2.2 above.

[14] A P-unit is the place from which business is conducted, and a CVR number can have several P-numbers affiliated.

3 Evaluation

3.1 How is the evaluation procedure?
All applications that comply with the formal requirements in section 2.1 and 2.2 will be assessed based on the decision criteria under section 3.3. We outline the assessment process in the figure below.



Phase one:
All received applications that fulfil the formal requirements (see 'Rejection of applications without substantive consideration') are subject to a scientific/technical assessment by IFD and external international peers based on the decision criteria in section 3.3. At least one of the external international peers is an established researcher[15]. Assessments that are subject to consultation (in Danish: "partshøring") are sent to the applicant in a consultation procedure. After having received a consultation response, if any, the IFD Board of Directors decides which applications are invited to phase two.

Phase two:
Applications selected for phase two are evaluated by IFD and an external evaluator. The assessments shall supplement the assessments undertaken in phase one. Assessments that are subject to consultation are sent to the applicant in a consultation procedure. After having received a consultation response, if any, all the applicants selected for phase two are invited for an interview with IFD.

Based on an overall assessment of the application consisting of the scientific/technical **assessments** from phase one and two, any comments from the consultation processes in phase one and two, and the project interview, the IFD Board of Directors decides, which projects will be invited to enter into negotiations for an investment agreement with IFD.

Rejection of applications without substantive consideration

In the event of failure to comply with formal requirements or deadlines as stated in section 2.1 and 2.2 above, the application may be rejected without substantive consideration. This includes among other the following formal requirements and deadlines:

- The application can only be submitted via the e-grant application system by the deadline stated in the call document.
- All texts in the application form and appendices must be written in English.
- The electronic application form must contain all the required information and must be appended with the required appendices using the appendix templates available via the application form in e-grant. The scope of the appendices must be as stipulated and all appendices must comply with the form and content requirements defined in the application form. Appendices must not be password-

[15] LBK nr. 1660 af 12/08/2021, Bekendtgørelse af lov om Danmarks Innovationsfond

protected or otherwise locked, and be aware of the size limitations in terms of number of pages and megabyte.

3.2 Who evaluates your application?
In phase one, each application is assessed by IFD and international peers from the EUREKA expert database. In phase two, the applications are assessed by IFD and an external evaluator. At the interview, the two IFD evaluators and an IFD minute taker will participate. Furthermore, the IFD Board of Directors and IFD management may participate as observers. All interviews follow a standardised agenda incl. awareness of conflict of interests to ensure equal treatment of all applicants.

3.3 What criteria are used to assess my application?
Applications for Grand Solutions projects are assessed on the basis of the following three main criteria:

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

It is also important that you align your application with the scope of the specific Grand Solutions call as explained in the call text.

When an application is assessed based on the three decision criteria, special attention is paid to whether the application properly addresses the following aspects:

Quality of the idea is assessed based on

a) That the goals and objectives of the project are clear and that they are specific, measurable, achievable, realistic and time-bound.
b) That it is clear that the idea is innovative and goes beyond state-of-the-art in academic and industrial fields at an international level.
c) That the competitive situation of the idea is made clear – both with regard to the academic and industrial elements. The disruptive potential of the idea must be clearly stated.

Impact is assessed based on

a) That it is clear which unmet need/societal problem the project addresses in a national and international perspective.
b) That it is plausible that the project generates societal and/or economic impact for Denmark through economic growth and/or by solving societal challenges.
c) That the project's progress towards implementation - after the IFD investment period has ended - has been adequately explained.
d) That the associated implementation, business or sales model are adequately described including a plan for scalability.
e) That intellectual property rights are described, if relevant.
f) That the project's Technology Readiness Levels (TRLs) have been adequately explained, including an explanation of how and why the project progresses on the TRL-scale.
g) That the project's Society Readiness Levels (SRLs) have been adequately explained, including an explanation of how/why the project progresses on the SRL-scale.

h) That it is clear which strategic relevance the project has in relation to the project participants' strategy and/or Danish roadmaps in the field.
i) That the possibilities for international market penetration as well as scaling are clearly described.

Quality of execution is assessed based on

a) That a clear and detailed operational plan has been prepared, which includes the methods applied within the project and lists the project's work packages and their content, deliveries, milestones and participant contribution.
b) That the project's relevant critical paths as well as the dependencies of the work packages are adequately described.
c) That the project is realistically budgeted and realistic in relation to the activities set up.
d) That the composition of project participants has the relevant competencies and experience to carry out the project work tasks and that organization, governance and leadership will be taken care of.
e) That relevant and specific risks have been identified and that it has been explained how these are mitigated.
f) That relevant legal, ethical and regulatory aspects have been adequately described in relation to the project's implementation.
g) That it is clear which other options for funding opportunities the project will attract/has attracted before, during and after the project ends.

We designed the application form for the Grand Solutions calls so that you are required to specifically address each of the above mentioned decision criteria in separate fields in the application. You will find a supplemental guide in the application form to assist you in completing the application.

3.4 How will you get a response to your application?

After phase one, you will receive a letter via the e-grant system informing you if the Board of Directors' decision has resulted in either a rejection or an invitation to enter into phase two.

After the phase two evaluation, the IFD Board of Directors' decision of either rejection or an invitation to negotiations for an investment agreement will be sent via the e-grant system.

3.5 When will you receive a decision regarding your application?

IFD aims to keep the processing period from the application deadline to the decision as short as possible. However, please expect that the processing period will be approximately 6-7 months from the application deadline to the IFD Board of Directors' decision after the phase two evaluation is announced to you via the e-grant system.

4 From invitation to investment negotiations to start of the project

4.1 What happens after your application has been approved to enter into investment negotiations?

To receive an investment from IFD, the project participants and IFD must sign an investment agreement for the project no later than 60 days after the written invitation to the Investment Agreement negotiations, cf. section 3.4 above. The project must start no later than 60 days after the investment agreement has been signed by all parties.

The collaboration agreement is an appendix to the investment agreement and regulates the collaboration between the consortia participants, and does not need IFD approval. However, IFD attaches great importance to collaboration in the project and it is therefore a prerequisite that the participants in the project have entered into a collaboration agreement before an investment agreement can be signed. In the collaboration agreement, the participants in the project decide:

- how to use background and foreground knowledge,
- distribution of the project results,
- who will gain access to the project results,
- rules for publication and other publications of data,
- the process for project participants leaving or entering the project etc.

Negotiating the collaboration agreement is often time-consuming. We recommend that you and the rest of the participants start negotiations ASAP after having received an invitation from IFD to the Investment Agreement negotiations.

IFD's standard Investment Agreement as well as an "inspirational draft" for preparation of a collaboration agreement can be downloaded from the IFD website. Furthermore, the "General Terms and Conditions for Grand Solutions", stating general terms and conditions for investments, can be found on the IFD website.

Other appendices to the Investment Agreement need to be approved by IFD prior to signing the Investment Agreement. These contain descriptions of:

- Project plan
- Organisation and Management
- Budget
- Rules of Procedure for Steering Committees

Please note that the standard Investment Agreement that can be downloaded on the IFD website is non-negotiable with regard to the content in the main document of the investment agreement entitled 'Investment Agreement (Grand Solutions)'.

Data Management Plan

The project participants are obligated to compose a Data Management Plan as part of the project plan for the projects. A Data Management Plan contains an overall plan for managing data generated amongst the project participants within the project. It also describes relevant conditions in accordance with GDPR (General Data Protection Regulation).

Project partners and project contributors

Please note, that when entering into the Investment Agreement it is possible to divide the project participants into "project partners" and "project contributors", respectively. The division is especially relevant for projects with many participating institutions and enterprises.

The project partners will in this case be the main institutions and enterprises in the collaboration. They are part of the steering committee and appoint the project manager and administrator, cf. the conditions of the Investment Agreement. The project contributors are not part of the steering committee, nor can they appoint the project manager and administrator. Project partners and project contributors have the same right to receive funds from IFD and the same obligations to IFD with respect to reporting etc.

Active follow-up on investments

IFD is an active partner in all Grand Solutions projects and engages in proactive interaction with the project for its duration. Specifically, IFD appoints one or more Investment Manager(s) to safeguard its interests in the project. The project follow-up will be evident from the Investment agreement.

IFD may require that the project undertakes thorough reviews within the project period. In addition, IFD reserves the right to terminate the investment from IFD and demand reimbursement of the investment or part of the investment and demand repayment of already paid amounts if the agreed conditions for the investment are not complied with including, if the project has made insufficient progress or the participants are unable to meet the goals on which IFD based its investment in the project[16].

Moreover, if the participants have provided incorrect or misleading information or have concealed information of significance during a project or in connection with the investment made by IFD, then IFD may decide to terminate the investment, including demand repayment of already paid amounts.

IFD reserves the right to obtain information about results and effects for a period of three years after the termination of the project.

5 During a project

Please see General Terms and Conditions for Grand Solutions for more information, rules and constraints during an ongoing project.

6 Information management

Registration of information

The e-grant application system registers certain data automatically. When you set yourself up as a user, e-grant registers your identity, your IP address and the time and date on which you entered or edited your data.

Applicant's responsibility

It is your responsibility to ensure that the information provided in the electronic application is accurate, that the required appendices have been attached to the application, that the content of the appendices is correct, and that the application is submitted before the application deadline for that specific call.

As a rule, IFD cannot include additional information to process the application after the call deadline besides the consultation procedures of assessments, possibly additional information obtained, and project interview.

The applicant is under an obligation to notify IFD immediately in the event of any subsequent material changes affecting the information submitted, including the amount of funding for the activities or parts thereof received from other sources.

Rectification of application data

After the application deadline, it is not possible to rectify the content of the application aside from rectification of any personal data.

[16] BEK nr. 1150 af 25/10/2017, Bekendtgørelse om bevillingsfunktionen m.v. under Danmarks Innovationsfond §9-10.

Procurement of other information
If funding for the activity has been or will be applied for from other sources, IFD reserves the right to obtain information as to whether any such amount has been granted.

7 Disclosure of information
IFD will publish a list of the projects that will receive investments, and IFD will, in that connection, request you to provide a short popular description of the project to be used for publication.

In addition, the title, name, place of employment and email address of the project leader, the names of the participating parties, the title and duration of the project, key figures and the size of the investment may be published on the IFD website (www.innovationsfonden.dk), on other national research databases and in IFD publications. Note that information regarding all individual awards of investments exceeding 500.000 EUR will be published in the state aid register.[17]

Please bear in mind that information regarding the project, the participants etc. may be disclosed in the event that an application is filed for access to information pursuant to the Danish Access to Public Administration Files Act (in Danish: "Offentlighedsloven"). Access to information may for example be granted in the form of lists of who has applied and for what purpose (applicant names, application titles and amounts applied for).

You should therefore take care that your application title does not contain information about activities, which are to be kept out of the public domain. With regard to the application, IFD will, in dialogue with the applicants (enterprises etc.), ensure that no commercially sensitive data is disclosed, as well as any other information which, with reference to the law, may not be disclosed.

Open access
Please be advised that IFD has adopted the rules laid down in "Open Access policy for public-sector research councils and foundations". This means that published scientific articles, which are the result of full financing or co-financing from IFD, are to be made freely available to the public via Open Access, if the publisher consents. See the complete wording of the policy under the drop down menu "Material for investment agreement negotiations" under "Open Access policy for public-sector research councils and foundations".

RRI and the Danish Code of Conduct for Research Integrity
IFD attaches importance to Responsible Research and Innovation (RRI), which seeks to advance greater coherence between research and innovation processes and results and societal values and needs. We promote RRI in both our overarching strategies and via our projects, and we abide by the European Commission's definition and implementation of RRI. You can read more about RRI and the requirements of IFD here[18].

Note that one of the requirements is that the projects in which IFD invests must involve all relevant parties and institutions in the research and innovation processes. One aspect hereof is that projects which have or may have a significant impact on society and/or the individual citizen, ethically or technologically, will engage in direct dialogue with the general public in order to facilitate dissemination of information and relevant debate in society. This can e.g., be done through relevant public meetings. IFD reserves the right to

[17] Information may be found at https://erhvervsstyrelsen.dk/vejledning-registrering-af-statsstotte-i-eus-statsstotteregister.
[18] https://innovationsfonden.dk/en/about-innovation-fund-denmark

make specific demands for the projects in which IFD invests. If a project concerns technologies or processes that may have a significant impact on society, the consequences of the technology or processes must be evident from the application. Therefore, we expect that such projects include all relevant competences and methods, and integrates socially relevant research perspectives, e.g., anthropology or similar.

Similarly, IFD endorses the policies laid down in the Danish Code of Conduct for Research Integrity and expects the projects we invest in to comply with RRI and the Code of Conduct. Read the Code of Conduct here[19].

Data Management

IFD would like project-generated data to be managed in accordance with the FAIR principles (Findable, Accessible, Interoperable and Reusable) as described in EU's "Guidelines on FAIR Data Management in Horizon 2020" (Version 3.0, 26 July 2016)[20].

Thereby it is possible to build on former research results, verify results by other scientists, avoid work duplication, accelerate innovation, and create transparency and credibility of the results.

8 About the guidelines

Legal basis

The present guidelines set out the general rules and constraints applicable to applications for Grand Solutions projects.

The guidelines are set out pursuant to the Act no. 1660 of 12 August 2021 on Innovation Fund Denmark and Executive Order no. 1150 of 25 October 2017 of awarding grants etc. by Innovation Fund Denmark.

Investments made pursuant to the guidelines are granted in accordance with the EU rules on state aid and de minimis aid, specifically:

- Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty

- Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid

The guidelines are available in English and Danish versions. In the event of any discrepancy between the Danish and English versions, the Danish version prevails.

In addition to these guidelines, applicants will require:

1. The relevant call text(s) describing the specific framework for applications and deadlines. In addition, applicants should consult the material referred to in the call texts.
2. Overview of the electronic application form from e-grant.

The relevant documents are available to applicants on the IFD website.

[19] https://ufm.dk/en/publications/2014/the-danish-code-of-conduct-for-research-integrity
[20] https://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/oa_pilot/h2020-hi-oa-data-mgt_en.pdf

In case of queries concerning calls and guidelines, please contact the contact persons listed on IFD's website (see link above) for the specific calls.

In case of technical queries concerning use of the e-grant application system, please contact support.e-grant@ufm.dk or tel. + 45 33 92 91 90 (open 9.00-12:00 CET on weekdays).

Technical disclaimer
The Danish Agency for Higher Education and Science, responsible for e-grant, 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.

IFD reserves the right to extend the application deadline for all affected applicants. This will be announced here[21].

IFD and the Danish Agency for Higher Education and Science disclaim all and any liability for erroneous information following faults in software, computation errors, transmission faults and similar faults, and in respect of any claim for damages following incorrect use of e-grant.

[21] https://ufm.dk/en/research-and-innovation/funding-programmes-for-research-and-innovation/e-grant/arkiv/operational-status