

# **Guidelines for the Market Development Fund's appli- cation process**

Round of applications: Spring 2018

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## INTRODUCTION

### TERMS AND CONDITIONS OF COMPETITION

- **Prescreening:** As the number of spaces is limited, interviews are scheduled on a first come, first served basis. You can schedule a prescreening interview from 29. January via the website [markedsmodningsfonden.dk](http://markedsmodningsfonden.dk).
- **Assessment Meeting** It will be possible for a maximum of 36 applicants to attend an Assessment Meeting.

These guidelines help you step by step through the application process for the Market Development Fund's round of co-financing applications for the testing and adaptation of innovative products and services. It is important that you thoroughly read the entire guidelines document to familiarise yourself with the application process, as this will enable you to fill in the written material correctly. It will also prepare you for the specific information that you must have ready for each step.

### ELIGIBLE CO-FINANCING EXPENSES

The Market Development Fund co-finances projects involving testing and adaptation. This means activities concerning the testing of a prototype or service in an actual situation of use at prospective customers or end-users. *At the time of submitting an application, a technically validated and functional prototype or service must be available and ready for testing early on in the project.* Based on test results during the project, a final perfection stage is to be carried out to fully prepare the product or service for a market launch. You will be asked to explain the development stage of your solution during the prescreening interview and at a presentation meeting, if relevant.

**Note:** One aim of the Market Development Fund is to promote the degree of **digitisation/automation** at small and medium-sized manufacturing enterprises. A solution is defined as digitised/automated if it is capable of improving an enterprise's productivity by digitising or automating a manual process. Examples of activities eligible for aid in this type of project:

- Identification of the automation potential at a procuring enterprise
- Advisory services for implementation

- Testing and adaptation processes
- Drafting of a satisfactory business case for use in future marketing activities within the same sector.

**Note:** Be aware of the growth-and-jobs allocation criterion for projects involving automation and digitisation at manufacturing enterprises (see pp 8–9).

Generally speaking, the Fund does *not* co-finance projects that appear to be ordinary further development of a product or a service that is already on the market.

*Nor* does the Fund co-finance activities included in an enterprise's ordinary operations, such as sales and marketing, general export activities or driving the value chain.

The Fund does *not* co-finance projects relating to research, demonstration, development of pharmaceuticals and natural medicines or financial services.

Insofar as software is concerned, the Fund *cannot* co-finance a development process from a "minimally viable product" (where significant development activities of central functions still need to be resolved) to a finished prototype/beta version.

### SPECIAL MARKET BARRIERS

The Market Development Fund gives priority to applicant projects facing **special market barriers**. Insufficient funding is not in itself a sufficient market barrier that is eligible for co-financing from the Fund.

Examples of special market barriers are market sluggishness, unclear market needs, particular need for fast market launch or insufficient know-how.

### WHO IS ELIGIBLE TO APPLY?

Undertakings may apply separately or jointly with other undertakings and/or public bodies. The project holder must be an undertaking with a Danish CVR (VAT) number; a

publicly owned undertaking may *not* be a project holder. The undertaking must employ at least two full-time equivalents (FTEs) on the date of application, i.e. two full-time employees or several part-time employees who jointly comprise two FTEs on the date of application. The project budget must be at least DKK 3 million, and the project may not last longer than three years. The project holder and any partner must themselves possess any intellectual property rights.

### WHAT HAPPENS DURING THE APPLICATION PROCESS?

There are three steps in the application process for you, the applicant.

Step 1: A prescreening telephone interview to clarify whether your project is within the Fund's framework. There are a *limited* number of prescreening spaces available, so do not delay in scheduling an appointment if you are interested. *Please note* that the **CVR number** stated at the prescreening *must* also be used by the project holder on any written material submitted. If, after the project has been issued with a possible commitment of funding, it is deemed necessary to change the CVR number, this request can usually be accommodated.

Step 2: Submission of written material, for clarification of whether the business plan, budget, project plan, etc., are satisfactory and fall within the Fund's framework. You *must* have completed a prescreening interview to be able to submit written material. If, as part of previous rounds of application at the Fund, you have already been prescreened, *and* during this process you were advised to apply, it is possible to re-use this prescreening interview. This is only possible if your new application involves the same solution.

Step 3: A meeting between the applicant, the case officer and an external assessor where the project is presented and assessed. Please note that a **maximum of 36 applicants** will be given an opportunity to attend such a meeting.

Not all applicants will have an opportunity to complete all three application steps. Some will be advised not to continue after the prescreening in Step 1 (indicative), whereas others will receive a rejection after Step 2. This ensures rapid clarification and minimises wasted effort for you, the applicant.

Applicants who attend the presentation and assessment meeting will be notified of rejection or funding commitment after the board meeting of the Market Development Fund.

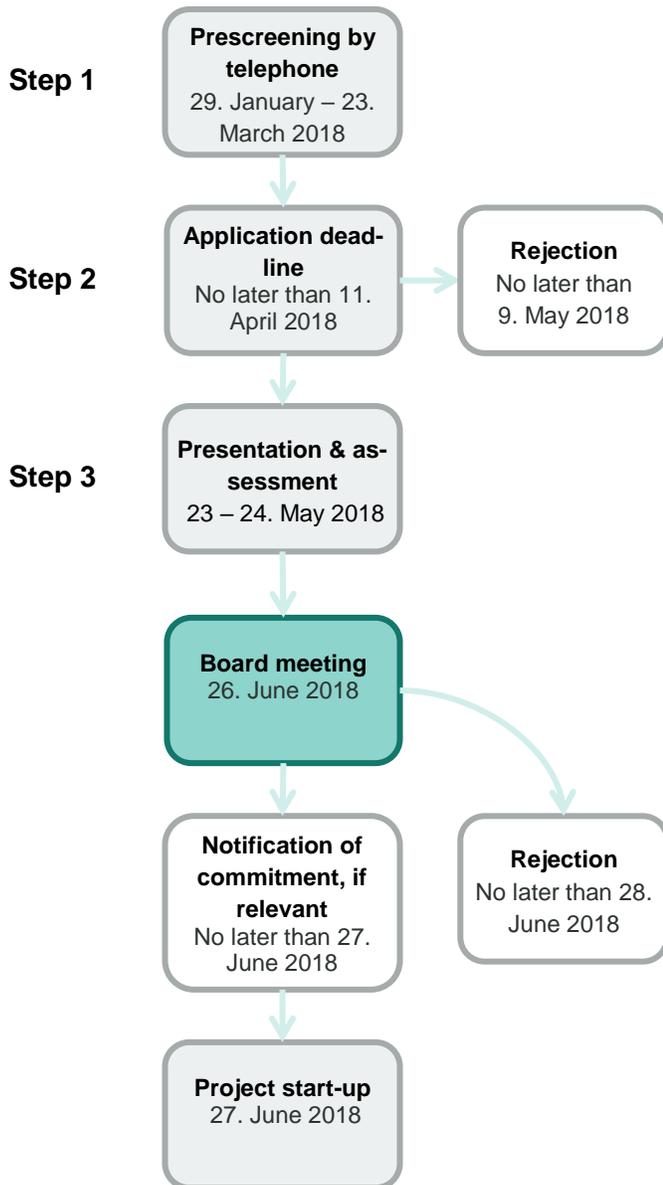
The process is illustrated on the right.

#### PREScreening BY TELEPHONE

The prescreening process is a telephone interview lasting no more than 20 minutes in which you will be asked a series of questions about your project. At the end of the interview, you will be advised whether it makes sense for you, the applicant, to draft written material and continue on to Step 2.

You can schedule a prescreening interview at [markedsmodningsfonden.dk](http://markedsmodningsfonden.dk) from 29. January. Prescreening interviews will be conducted from 29. January to 23. March.

**APPLICATION PROCESS**



**THE 5 AWARD CRITERIA**

Applications submitted to the Market Development Fund are assessed according to five overarching criteria:

- Novelty value
- Market and business model
- Expertise and relevant cooperation cluster
- Growth and job-creation effects
- Market barriers

**HOW MUCH CO-FINANCING AND WHEN CAN YOU GET IT?**

The amount of the co-financing depends on the size of your enterprise and with whom you cooperate. The Fund will cover at most 45% of the costs, however. See more in **Budget Guidelines** on the website.

**R&D**

State aid granted by the Market Development Fund is reported as aid, under the EU's General Block Exemption Regulation, to experimental R&D development projects, a category of the EU's and the OECD's categorisation of Research and Development (R&D).

The amount applied for is usually between DKK 1.5 and 5 million, but no upper limit has been set. On the other hand, the project budget must total DKK 3 million as a minimum.

**PAYMENT**

The Market Development Fund disburses co-financing in advance instalments of up to DKK 500,000.

Immediately after project start-up, the first DKK 500,000 will be disbursed to the project holder. Once this DKK 500,000 is close to being exhausted, financial statements certified by an auditor must be submitted by e-mail, after which the Market Development Fund will disburse up to DKK 500,000 once again.

The committed funds may only be used within the approved budgetary framework and must be matched by the co-financing percentage defrayed by the project itself. The detailed payment terms will be specified at the issuance of any funding commitment.

### **COSTS ELIGIBLE FOR AID, IN BRIEF**

Aid is granted to cover any costs required to carry out the project and which are incurred during the project period. Examples of these costs are:

- Wage costs.
- Consultancy costs (however, it is crucial that the technical and commercial expertise essential for the product's success is possessed in-house by the workforce of the applicant or partner).
- Expenses for the depreciation of instruments and equipment acquired during the project period.

See more in **Budget Guidelines** on the website.

### **HOW DO YOU APPLY?**

Applications for testing and adaptation begin with a pre-screening interview by telephone.

You can find the prescreening guidelines and subsequent steps in the application process on the following pages.

## STEP 1: PRESCREENING

**Note:** It is important that you do not use the prescreening interview to obtain general instructions. General instructions may be obtained by phoning the Market Development Fund during normal opening hours (weekdays 9 am – 4 pm, Friday 10 am – 3 pm on tel. 3529 1800). If you schedule a prescreening interview, you accept that you will be registered as an applicant for the Market Development Fund's round of applications.

You can schedule a prescreening interview at [markedsmodningsfonden.dk](http://markedsmodningsfonden.dk) from 29. January. Prescreening interviews are possible in the period from 29. January to 23. March 2018, in the time periods Monday–Thursday 9 am – 4 pm, and Friday 10 am – 3 pm. The interview takes a maximum of 20 minutes and is recorded as documentation for the application. After scheduling an interview, you will receive a confirmation e-mail with information about the formalities and terms of the prescreening. If this does not happen, you must contact the Market Development Fund to ensure that your prescreening has been scheduled.

When you schedule a prescreening, we register your enterprise's name and CVR number, and it will *not* be possible to submit written material under a different CVR number; it will not be possible to change a CVR number until after any funding commitment has been issued. Nor is it possible to be prescreened more than once within the same round of applications. For this reason, it is important that the person at your enterprise who is most knowledgeable about the project and the product/service will be the person participating in the prescreening. Conference calls are *not* possible.

You will be called by a case officer from the Market Development Fund who will inform you of the interview's terms and structure, after which the prescreening interview will begin.

At the end of the prescreening interview, the case officer will advise you whether it makes sense for you to draft written material and continue on to Step 2. If you wish to continue, you can contact the Fund at [markedsmodningsfond@erst.dk](mailto:markedsmodningsfond@erst.dk) and obtain access to the online application module.

The prescreening interview primarily focuses on two factors that are decisive for whether a project can be considered for co-financing by the Market Development Fund:

- The novelty value of the product/service
- The developmental stage of the prototype

These two award terms are described below.

### NOVELTY VALUE

Priority is given to novelty value in the form of innovative products/services that significantly stand out from existing products/services in the global market and which create added value for the user.

The added value of the prototype for the user must manifest itself by more than improved user friendliness. The added value must also embody significant functionality improvement.

For the scheduling of a prescreening interview, you must assess your product's novelty value on a simple check-off form. This filled-in form will be part of the basis of the actual prescreening interview. The novelty value assertion must also be supported by the submission of written material in Step 2, if relevant.

### INNOVATIVE SCOPE

Novelty value means that the development of the prototype has involved risks and challenges, etc. Therefore, there must be a degree of *innovative scope* that has shrouded the development of the prototype in some uncertainty. In other words, if the prototype comprises standard components that were uncomplicated to assemble, the innovative scope will usually be deemed relatively low. Particularly for software, significant functions must have been developed that have not been developed previously in other software solutions.

### PROTOTYPE

The Market Development Fund co-finances the phase of development from functioning prototype to marketable product.

At the time of application, you must have a functioning prototype/service concept. This means that the key functions constituting the solution's competitive advantages must have been developed. You must account for this during the prescreening interview and similarly document this at a

possible presentation meeting by showing images/photos, etc., or a physical prototype.

It is important that your product is still a prototype; if the product is ready to be marketed at the time of application,

the product's development is too advanced to be eligible for co-financing from the Market Development Fund. The Fund does not co-finance projects whose primary aim is to create market references and customer channels.

## STEP 2: WRITTEN MATERIAL

### KEY FIGURES FOR YOUR ENTERPRISE

The Market Development Fund obtains the project holder's most recent annual report from the Danish Business Authority. If you have yet to draw up an annual report for your enterprise, you must submit the most recent financial highlights/statements.

After the prescreening and if you wish to continue, you will be given access to the Market Development Fund's online application module. From here, you submit the written material required for the Fund to be able to assess the extent to which the project meets the Fund's award criteria. The material will form the basis for whether you are summoned to an assessment meeting or, conversely, your application is rejected. The submission deadline is **12 noon on 11. April 2018**. It will *only* be possible to submit written material after the completion of a prescreening interview, and you *must* use the same CVR number for the project holder as stated at the prescreening; applicants will only be able to change the CVR number after any commitment of funding has been issued. Material submitted after the deadline will *not* be processed.

The material which you must submit is as follows:

- Master data about your enterprise and any partners (see Appendix 1).
- A business plan for the product/service.
- A budget specifying the project costs.
- A description of how your project meets the four award criteria (max. 2,200 words).
- CVs for the key players who will implement your project.
- At least one signed test-user statement.
- A project plan with individual work packages.
- An image/photograph of your product.

The requirements for the individual documents are reviewed below.

### BUSINESS PLAN

You must attach a business plan for your product/service. The Fund does not have any fixed requirements for a business plan framework or template, as you, the project

holder, must personally decide how to present your product/service. As a general rule, the business plan must be of the same quality as the one you intend to present to investors and bankers. However, as a minimum, it must describe your product/service, competitive situation, customer segment and marketing strategy. You can find inspiration for a general adequate business plan on <https://startvaekst.virk.dk/opstart/lav-en-forretningsplan/skabeloner-til-din-forretningsplan>.

If your business plan is deemed insufficient to provide a basis on which to assess the market potential of your product/service, your application will be rejected for this reason. This will give you an opportunity to adjust your plan in relation to the Fund's response and, if relevant, reapply by the next application deadline. You may not reapply in the same round of applications in which you have received a rejection.

### BUDGET

An important part of your application for the Market Development Fund is the project's budget form. The budget is crucial for the Fund's ability to determine whether your estimated costs are well-founded and eligible for aid. It is important that you submit a budget which is as accurate as possible, but the Fund realises that a budget comprises estimates and that it can change during a project. Therefore, the budget should not be regarded as a binding plan vis-à-vis the Fund. In cases where it is well-founded, there will be latitude for change during the project. However, please note that the total amount applied for will constitute the maximum framework for the amount of co-financing that you will be able to receive, if you are issued with a commitment of funding.

The template for the form is found in the application module, and the **Budget Guidelines** on the website provide step-by-step instructions for how to fill in the budget form.

### AWARD CRITERIA

The template for this document is found in the application module and can be filled in with a total maximum content of 2,200 words (roughly three pages). **It is important to use the template** and submit the budget in Word format. As an applicant, you must describe the purpose of your project and product/service in relation to four of the Fund's five award criteria, shown below.

- Novelty value
- Market and business model
- Growth and job-creation effects
- Market barriers

The Fund's fifth award criterion, *expertise and relevant co-operation cluster*, will be assessed on the basis of CVs and your business plan.

As your completed form will be forwarded unchanged to the board of the Market Development Fund, it is important that your document is easy to read and does not require the reader to have advance knowledge of the topic.

If the award criteria document is deemed insufficiently described or the project is not deemed to have sufficiently met the Fund's award criteria, your application will be rejected for this reason. This will give you an opportunity to adjust your plan in relation to the Fund's response and, if relevant, reapply by the next application deadline. You may not re-apply in the same round of applications in which you have received a rejection.

The template's individual fields are reviewed below, including the four award criteria:

*Description of the product/service (max. 200 words).*

Provide a brief, overarching presentation of your product/service here.

*Purpose (max. 400 words)*

Describe the intended results of the project as co-financed by the Market Development Fund. In other words, explain what the Fund's monies will be used for. This does not mean that you should describe the solution's function or how the product will be put on the market in this field.

*Novelty value (max. 400 words)*

This criterion will initially be demonstrated during the pre-screening interview. However, it is crucial that you also provide a thorough written account of the product's novelty value, as this will be forwarded directly to the Fund's board. You must explain how the solution functions and the innovativeness of the product/service compared to solutions already known in the global market. In other words, you must explain the added value of the product/service for end-users.

Under this award criterion, describe your plan as it relates to intellectual property (IP) rights, i.e. patents, utility model, trade mark, design or copyright (further details on this are

available at [Danish Patent and Trade Mark Office](#)), e.g. whether an investigation of novelty value or violation of rights has been made, if this is relevant to the product.

*Market and business model (max. 400 words)*

Priority is given to the testing of products/services with great commercial potential that is achievable and can form the basis for a profitable business. This includes prioritising aspects such as market potential, competitor analyses, sales and marketing channels, as well as pricing.

You must explain the scope of the global market potential for the solution and how you intend to achieve an adequate market share. Describe how you price your solution in relation to the competition, and why your solution is attractive to buyers.

These factors will usually be identified in a satisfactory business plan. In this case, you may copy from the plan, but remember the text will be forwarded directly to the board.

*Growth and job-creation effects (max. 400 words)*

Specify the turnover and exports you expect to generate as a result of your solution's successful market introduction. Also specify the number of jobs that you expect will need to be created at the enterprise (and at the enterprises of any partners) in pursuance of this. Then explain how you arrived at your expectations.

You must specify the expected annual turnover and exports of your enterprise, and of the enterprises of any partners, that are directly attributable to implementation of the project. You must specify a total amount (in DKK) for the project holder and any partners, and specify the amount in relation to two points in time:

- The year in which the project ends
- Five years after project start-up

Similarly, you must specify the cumulative number of new jobs you expect to be created over the years that are directly attributable to implementation of the project. You must specify one total sum for the project holder and any partners. Convert any part-time positions into full-time equivalents (FTEs). Similarly, specify the number of jobs at two points in time:

- The year in which the project ends

- Five years after project start-up

**Note:** If your project concerns products that could help **automate/digitise workflows at manufacturing enterprises**, you must also specify convincing arguments for the growth rate and job-creation effects at your customers:

- The year in which the project ends
- Five years after project start-up

In this respect, you must base your explanation on the growth strategy you have formulated and estimate the amount of increased turnover that would be generated by implementing your technology at your customers. In addition, you must provide an estimate of the number of jobs your product could help retain/create *in Denmark* at your customers.

This means that you must assess whether the implementation of your technology at your customers would help create jobs due to an enhanced competitive advantage. Alternatively, state whether your technology would help retain jobs at your customers – jobs that would otherwise have been lost due to relocation abroad or being outcompeted. In other words, assess the number of jobs you expect this to involve at your customers at the end of the project and five years after project start-up (see above).

*Market barriers (max. 400 words)*

The Fund attaches great importance to the fact that its co-financing helps the aid recipient overcome specific market barriers that would otherwise be difficult to cope with. This can include market failures, market sluggishness, vague market needs or problems of maintaining a first-mover advantage. The Fund gives priority to applications which clearly describe how the aid could help the recipient overcome the specified market barriers.

In this respect, you must provide an explanation of the specific market terms and conditions affecting your marketing prospects. Thus, you must explain what prevents you entering the market today and how the Fund's co-financing could help you move forward.

**CV**

You must submit CVs for individuals charged with driving and shaping the project: as a minimum, a CV for the project holder and the implementing individuals of any partners. The CVs must clearly show that the project is endowed with

the technical, professional and commercial skill-sets required to achieve the aims of the testing and adaptation phase and contribute to successful market launch.

Furthermore, you are encouraged wherever possible to attach CVs for members of your supervisory board, advisory board and similar, but it must be obvious that these persons are members of a supervisory or advisory board. Thus, it must be possible for a case officer to see that the person is employed in your enterprise and that he/she will actually work on the project or that he/she is associated with the project as a member of a supervisory or advisory board.

**TEST-USER STATEMENT**

You must submit signed test-user statements from test users in the project. On the application date, you are required to enclose at least one signed test-user statement from the project's first test user. Although **there is no template for this statement**, it must describe the way in which the test user takes part in the process and it must document that the test user agrees to take part in the testing and adaptation process specified in the application.

**Note:** If the test user is a business partner in the project at the same time, only the project-participant statement needs to be signed (see Step 3, p. 11).

**PROJECT ROLES**

- Project holder: The undertaking responsible for project implementation and finances, which is authorised to enter into agreements concerning the project. The project holder must employ the equivalent of two (2) FTEs on the date of application.
- Partner: A project participant included in the project budget and who thus contributes financially to project implementation (in terms of liquid assets or wage hours) and also benefits from the aid applied for (see also Appendix 1).
- Project participant: A general term for the project holder and partners. All project participants must sign a project participant statement before Step 3 of the application process.
- Test user: A prospective end-user/customer who is representative of the market you expect to address and who tests the solution during the project. Test users are allowed to be, but do not have to be, partners.

## PROJECT PLAN

The project plan template is found in the application module. You must divide the project plan into work packages describing the purpose of the project's various deliverables, how these will be achieved and who is responsible for the individual deliverables. A satisfactory project plan is made up of three to ten work packages. The names of the work packages must also be used in the budget.

The project plan is also a written document which demonstrates to the Fund whether the prototype is sufficiently advanced in its development stage to fall within the framework.

## PARTICULARS ABOUT THE TESTING WORK

At least one work package in the project plan must describe the tests of your prototype that you expect to carry out. You must explain where and how each test will be carried out and who will be responsible for this. In assessing which projects are worthy of aid, the board of the Market Development Fund will give higher priority to products/services tested by several end-users than to solitary tests. However, the test users must be relevant and representative of the market onto which you expect to bring your product/service.

Specify the following:

- What is the testing situation (set-up/purpose)?
- Where will the prototype/service be tested (testing sites)?
- Who are the test population (number of users) and why is this test population relevant to the project?
- How many units of the product/service are expected to be tested per year during the project period? Also, justify the project's number of test users.

### Payment from testing sites

- If the solution that is tested and adapted in the project replaces an existing solution at the test user, thus creating direct and immediate value for the testing site, the testing site must pay to use the solution. The amount of the payment must reflect the utility value of the specific solution in the given period, taking account of the fact that this is a test. In these instances, you must explain how the testing sites are paying to use the solution. This must also be specified in the budget (see **Budget Guidelines**).

If your project plan is deemed insufficient or if it comprises a substantial scope of activities deemed not eligible for aid from the Fund, your application will be rejected for this reason. This will give you an opportunity to adjust your plan in relation to the Fund's response and, if relevant, reapply by the next application deadline. You may not reapply in the same round of applications in which you have received a rejection.

## IMAGE

You must upload and submit an image that depicts your product's prototype in the best possible way. If the product is a systems solution or software, graphic illustrations of the solution may be uploaded.

#### **SUBMISSION OF WRITTEN MATERIAL**

After pressing "Indsend materiale" (submit material), you will receive an e-mail with your master data, as well as an acknowledgement that the Fund has received your application. If you do not receive this acknowledgement e-mail

within ten minutes, you must contact the Market Development fund to make sure that your application has been received. After you have submitted the material, it will not be possible for you to submit further details. The Market Development Fund will only process the first version you submit. Therefore, make sure that all appendices are attached and that all texts are as you want them to be before submitting your application.

## STEP 3: PRESENTATION AND ASSESSMENT

**Note:** If you send an application to the Market Development Fund, you accept that you will be able to attend a presentation meeting at the Danish Business Authority in Copenhagen on either 23. or 24. of May 2018. It will *not* be possible to cite a preference for one of the dates or times, so you must basically set aside both days until you receive an invitation from the Fund on 9. May. The meeting will last no more than 45 minutes.

If it is assessed that the written material you have submitted is adequate and depicts a project that meets the Fund's award criteria, you will be summoned by e-mail to a meeting about the project at the Danish Business Authority's Copenhagen offices. You will either be summoned to a meeting at the Danish Business Authority or your application will be rejected by no later than 9. May 2018.

If you are summoned to a meeting, you will receive a *project participant statement*, which you and any partners must sign to confirm that the partners specified in the project agree to take part in the event that any commitment of funding is issued. Completed statements must be sent to [markedsmodningsfond@erst.dk](mailto:markedsmodningsfond@erst.dk) before the meeting date, or at the latest they must be brought with you to the meeting.

A case officer from the Market Development Fund and an external assessor with market knowledge will take part in the meeting. The entire meeting will be filmed as documentation and for the board's reference. As was true of the pre-screening interview, it is important that the person at your undertaking who is most knowledgeable about the project and the product/service is the person who participates in the meeting. A maximum of four persons may attend and represent the project at the meeting.

### WHAT YOU SHOULD PREPARE

A projector connected to a computer will be available in the meeting room. It will also be possible for you to connect your own computer via an ordinary VGA plug or mini-display. If you prefer, you can submit slides to the case officer the day before the meeting so these are set up before you arrive.

You must make a ten-minute presentation which you feel best explains your product/service and the project for

which you are applying for aid. You do not need to review all aspects, as both the case officer and the assessor will have read the written material before the meeting. We do expect, however, that you at least touch on the novelty value of the product/service, how you intend to earn money on it, and how you expect to enter the market. The form of your presentation is not important, and you will not be assessed in terms of your presentation skills. The purpose of your presentation is solely to give you an opportunity to launch the discussion by talking about your product on your terms. It is up to you to decide whether to bring any physical materials or other items to the meeting. If you are uncertain whether the Fund has the possibility of taking special considerations, you are welcome to phone the case officer.

### ASSESSMENT

After the presentation, the assessor and the case officer will ask questions about your application for no more than 20 minutes. The purpose of this is to make sure that the assessor is sufficiently informed about the project to be able to make a satisfactory assessment of the application in terms of the award criteria.

After these 20 minutes, you will be asked to leave the room while the assessor summarises the application. After this, the assessor will give you his/her assessment within each award criterion. You will be given a mark from 1 to 4 (where 4 is the highest) for each criterion, and you will have an opportunity to respond to the assessment. In this respect, it is important to emphasise that the assessment is not decisive for the board's decision to issue a commitment of funding or a rejection. Thus, a positive assessment is not necessarily equivalent to a commitment, and a negative assessment is not equivalent to a rejection.

The meeting will last no more than 45 minutes.

### AFTER PRESENTATION AND ASSESSMENT

The written material and the filmed recording of the meeting will be handed over to the board, which will reach a decision about your application. You will receive a response by e-mail no later than 28. June 2018.

## APPENDIX 1: MASTER DATA ABOUT THE PROJECT HOLDER AND PARTNERS

You must specify which undertaking is the project holder and thus responsible for the implementation of the project and its financial affairs and is authorised to enter into agreements concerning the project.

To ensure sufficient commercial embedment of the project, the project holder must be an undertaking that employs at least two FTEs on the date of application, i.e. two full-time employees or several part-time employees who jointly constitute two FTEs.

Please note that positions, turnover and annual balance sheet are to be specified at *group level*, which can be significant for the amount of aid for which the individual participating undertakings are eligible. See an explanation of this in **Budget Guidelines** on the website.

In addition to the undertaking's name and address, you must specify the following:

### *Person authorised to sign for the project*

The person who is authorised to enter into agreements on behalf of the project.

### *CVR/SE/VAT number*

The undertaking's ID number.

### *Corporate form*

You must specify whether the undertaking is a sole proprietorship, IVS (entrepreneur company), I/S (partnership), ApS (private limited company), A/S (public limited company) or other type of private undertaking, association, etc.

### *Production unit number (P number)*

An undertaking must have a P number for each physical location from where the undertaking has activities. It is possible for more than one P number to be associated with the same CVR/SE/VAT number. The P number of the applying entity must be specified.

### *Number of employees*

Indicate here the number of FTEs (full-time equivalents) specified at group level. The project holder must be an undertaking with a combined use of hours equivalent to at least two full-time equivalents (FTEs) on the date of application. *Please note* that one person cannot account for more than one FTE, but it is possible to disperse two FTEs over several positions.

Small enterprises and start-ups can be required to document the number of FTEs in the undertaking. Such documentation can be, for instance, employment contracts or a printout of wage reports for SKAT (the tax authority).

For undertakings that do not yet have wage costs, an ownership agreement or other type of written agreement can be used to document the number of positions in the undertaking. In the event of a possible commitment of funding from the Market Development Fund, the Fund can make the commitment contingent on an accountant confirming the number of FTEs as part of the compulsory auditor's certificate.

### *Annual turnover*

This means the total revenue generated by the sale of goods and services specified at group level.

### *Annual balance sheet*

This means the total assets and liabilities indicating the total use of capital specified at group level.

### *Ownership/financial factors*

You are asked to indicate the extent to which the enterprise is owned by other enterprises, and specify any investments that have previously been made in the enterprise or which are expected to be made in the near future. In other words, the Fund would like to be informed of which individuals/organisations are behind the project/undertaking. This specifically refers to the corporate structure and owner shares.

### *Contact person*

Specify the name and contact details for the person responsible for day-to-day project operations. The contact person is also responsible for liaising with the Market Development Fund during the application process and project implementation. It is possible for the contact person to be the same person who is authorised to sign for the undertaking.

### *Person in charge of the accounts*

Specify who is responsible for the project accounts that are to be sent to the Market Development Fund's administration office semi-annually and at the end of the project. The person in charge of the accounts does not necessarily have to be an employee of the project holder.

### *Partners*

Specify any partners in the project; please note that a maximum of seven partners (e.g. enterprises, organisations or public institutions) may be involved.

Partners are defined as participants who contribute financially to the implementation of the project either in the form of wage hours or liquid assets *and* receive a share of the aid applied for. A partner may also participate as a testing site in the project. In this case, it does not need to submit a test-user statement but can suffice with signing a project participant statement as part of Step 3 of the application process. The contribution of partners to the project and

their share of the aid applied for must be specified in the budget form.

Note that public partners do not need to specify the number of FTEs, annual turnover or balance sheet.

### *Right of publication*

Are research institutes involved as partners in the project?

If so, specify whether the partner has the right to publish the results of the project if these results derive from research carried out by the partner in question.