

## PROJECT ASSESSMENT CRITERIA AND METHODOLOGY

*Generic document for all business programmes operated by Innovation Norway within EEA & NORWAY GRANTS 2014-2021*

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### ASSESSMENT METHODOLOGY

This document presents information about the assessment process that will be conducted by Innovation Norway as the Fund Operator. Project applications will be assessed by the Fund Operator who bears the responsibility for the handling of the applications and the project selection. The assessment will be based on a combination of appraisal methods as presented in section 2 of these Project Assessment Criteria.

### ADMINISTRATIVE AND ELIGIBILITY CHECK

The Fund Operator will check the fulfilment of administrative and eligibility criteria contained in the relevant Call for Proposals. In the case of applications not complying with the administrative and eligibility criteria, Innovation Norway may contact the Applicant to clarify the information provided or request the provision of additional information. Applicants will be given 10 working days to submit the information requested. Applications submitted in a language other than English will be automatically rejected.

All applications meeting the administrative criteria and the eligibility criteria, will be subject to a further assessment conducted by the Fund Operator. A “no” assessment corresponding to any of the criteria will disqualify the project application from further assessment and will lead to the rejection of the application.

A letter to the Applicant will indicate the main reason for rejection. The rejection decision is final and will be communicated to the Applicant via e-mail, using the e-mail address indicated in the Application Form under the section “Contact person”.

## **TECHNICAL AND FINANCIAL ASSESSMENT**

Applications which fulfil the administrative and eligibility criteria will be further assessed by two experts from the Fund Operator. The experts shall evaluate the projects against the selection criteria described in the relevant Call for proposals. If necessary, the Fund Operator may use external expertise on a case by case basis.

The financial and technical assessment criteria presented below will be scored on a scale from 0 (zero) to 6 (six) points, where 0 is the lowest (a criterion is not fulfilled at all, but the project could still be considered for funding) and 6 is the highest score. The scoring will constitute the basis for an assessment profile and will be used to rank the projects. Each of the assessment criteria may be a critical success factor, i.e. a weak score within one criterion can jeopardize the success of the whole project application and lead to the rejection of the application without further in-depth assessment of other criteria.

The result of the experts’ assessment shall be a ranked list that forms the basis for the discussion of the Fund Operator’s Selection Committee. The Selection Committee will make the decision to reject or approve the applications and decide on the ranking of approved applications. Prior to the Fund Operator’s final decision, FMO, the Programme Partner(s) and the National Focal Point will be provided with the ranked list and reasonable time to give their input to the Fund Operator.

In case of decision to approve the application, the Applicant will first be informed about the decision via e-mail. Thereafter, the Applicant will receive a Project Contract containing the Grant Offer Letter, contractual conditions, approved project budget, maximum grant rate and amount, expected outcomes from the implemented project, Project Implementation Plan and Disbursement Plan. Specific issues may be subject to further formalisation in the Special Conditions of the Grant Offer Letter.

## **DOCUMENTARY EVIDENCE**

For each criterion that will be assessed, the Fund Operator will check information included in the sections from the electronic Application Form and in the mandatory documentation attached to the Application Form. Please note that specific attachments like “Business Plan” or “Project Document” will be mandatory for submission by the Applicant if they are listed in these Calls for Proposals. During the assessment process, the Fund Operator reserves the right to request clarifications and further documentary evidence as may be necessary.

1. ADMINISTRATIVE CHECK					
NO.	FORMAL CRITERION	DOCUMENTARY EVIDENCE	APPRAISAL METHOD	WEIGHTING	ANNOTATIONS
1.1.	The Application Form has been filled in according to the instructions given in the Call for Proposals and in the Field Help in the electronic Application Form, and all mandatory supporting documents are attached to the application.	Application Form and Attachments	Yes/No	n/a	More information and templates are available at the relevant programme web-site.
1.2.	The application and the mandatory supporting documents are submitted and presented in English; certificates issued by national authorities and certified financial annual accounts issued in national language can be submitted and presented in the national language. For the rest of the documents, free translation in English is required.	Application Form and Attachments	Yes/No	n/a	See Call for Proposals, Annex I for list of mandatory documents.
1.3.	The appropriate electronic Application Form has been used (corresponding to the type of Call /Programme, type of Applicant (economic operator or non-economic operator) and country.	Application Form	Yes/No	n/a	The Fund Operator uses the same electronic Application Form for several programmes, so make sure you choose the correct call / programme / type of applicant / country / outcome and focus area.

## 2. ELIGIBILITY CHECK

	A) APPLICANT (AND PARTNER(S))	DOCUMENTARY EVIDENCE	APPRAISAL METHOD	WEIGHTING	ANNOTATIONS
2.1.	The Applicant is registered as legal person in the Beneficiary State and the entity fits in one of the categories of eligible applicants for the relevant grant scheme, as listed in the present Call for Proposal.	<i>Application Form:</i> "Applicant details" <i>Attachments:</i> Relevant registration documents as listed in the Call for Proposals	Yes/No	n/a	The Individual Project Scheme and Small Grants Scheme have different min./max. grant amounts, but same objective and outcomes.
2.2.	The Applicant has been established for at least the period of time set out in the Call for Proposals, section 1.1 Eligible applicants and partners.	<i>Application Form:</i> "Applicant details", "Activity of the Applicant" <i>Attachments:</i> Relevant registration documents as listed in the Call for Proposals	Yes/No	n/a	Note the difference between criteria for the Individual Project Scheme and the Small Grants Scheme.
2.3.	The Partner(s) is established as legal entity in the Beneficiary State or in one of the Donor States.	<i>Application Form:</i> "Partnership" <i>Attachments:</i> Relevant registration documents listed in the Call for Proposals	Yes/No	n/a	Note the difference of eligibility of Partner(s) depending on financing from EEA Grants or Norway Grants.
2.4.	In the case of a partnership project, a draft Partnership Agreement has been attached to the application.	<i>Application Form:</i> "Partnership" <i>Attachments:</i> "Partnership Agreement"	Yes/No	n/a	Template for Partnership Agreement available on the relevant programme web-site.

	A) APPLICANT (AND PARTNER(S))	DOCUMENTARY EVIDENCE	APPRAISAL METHOD	WEIGHTING	ANNOTATIONS
2.5.	The Applicant and the legal representative signing the application have clean criminal and tax record.	<i>Attachments:</i> Self-declarations regarding clean criminal and tax record	Yes/No	n/a	Certain circumstances would exclude entities from funding. Template available on the relevant programme web-site.
2.6.	The Applicant is an undertaking in difficulty.	<i>Attachments:</i> Self-declaration regarding undertaking in difficulty	Yes/No	n/a	The Fund Operator is in principle not allowed to allocate public money (state aid) to enterprises in financial difficulties. However, the COVID-19 amendment of the rules will be applied. It means that micro- and small companies can received grants even if in difficulties, and other companies can receive grants if not in difficulties at 31.12.2019. Template for self-declaration available on the relevant programme web-site.
2.7.	The Partner(s) and the legal representative signing the Partnership Agreement have clean criminal and tax record	<i>Attachments:</i> Self-declarations regarding clean criminal and tax record	Yes/No	n/a	Certain circumstances would exclude entities from funding. Template available on the relevant programme web-site.

	<b>B) PROJECT</b>	<b>DOCUMENTARY EVIDENCE</b>	<b>APPRAISAL METHOD</b>	<b>WEIGHTING</b>	<b>ANNOTATIONS</b>
2.8.	The proposed project fits into one of the focus areas addressed in the Call for Proposals.	<i>Application Form:</i> "Project Information"	Yes/No	n/a	The project proposal is within the focus areas addressed by the Call for Proposals.
2.9.	Compliance with the minimum and maximum grant amounts to be applied for.	<i>Application Form:</i> "Project Information", "Financing plan"	Yes/No	n/a	These criteria are absolute. Non-compliance will lead to rejection. See information in the Call for Proposals.
2.10.	No overlapping/double funding arises from the application for a project from EU/EEA/International Financial Institution/Bilateral or other sources.	<i>Application Form:</i> "Legal/other issues relevant to the project"	Yes/No	n/a	If the Applicant has applied to other public institutions for funding of the same project, or parts of the same project, you need to inform about this to avoid potential double financing. Unlawful disbursement of grants from the Fund Operator would require that the Applicant has to repay the money already disbursed to the project.
2.11.	The project is in compliance with both EU and national legislation of the Beneficiary State (in particular state aid, public procurement and environment requirements).	<i>Application Form:</i> "Legal/other issues relevant to the project"	Yes/No	n/a	The Applicant has included a reference to the most relevant legislation and requirements.
2.12.	Incentive effect – work on the project did not start before the submission of the current application for grant.	<i>Application Form:</i> "Activities and schedule"	Yes/No	n/a	See definition in Glossary of Terms. Activities already started are not eligible.

### 3. TECHNICAL AND FINANCIAL ASSESSMENT

	CRITERION	DOCUMENTARY EVIDENCE	APPRAISAL METHOD	WEIGHTING	ANNOTATIONS
3.1.	<b>Relevance</b> - The extent to which the project meets the Programme specific expected outputs, outcomes and the eligible activities set out in the Call for Proposals.	<i>Application Form:</i> "Project Information", "Outcomes", <i>Attachments:</i> "Expected outcomes of the implementation of the project", "Business Plan"	Scoring 0-6	30 %	<p>This is a "business development programme", - neither research programme nor energy programme. The Applicant needs to show that the project will result in increased turnover and profit within a reasonable time after project implementation. Ex. bringing R&amp;D activities from i.e. TRL 4 to TRL 6/7 does not suffice.</p> <p>Each core activity under the focus area Green Industry Innovation must contribute to both business development and lead to environmental results. The latter could be e.g. production/process optimisation, greening of businesses / capacity increase / extension / improvements / diversification.</p> <p>Eligible activities are described in the calls for proposals. As regards state aid, only GBER articles included in the Call for Proposals are eligible for the respective call.)</p>

					Compliance with national plans and strategies will also be assessed under this criterion, as applicable
3.2.	<b>Technical viability and feasibility</b> - The extent to which the project is mature, i.e. technically viable and feasible in terms of technical solution meets the project objectives and specific outcomes, the Applicant has the technical/technological capacity to implement the project, time schedule.	<i>Application Form:</i> "Project Information", "Outcomes" <i>Attachments:</i> "Business Plan" "Procurement plan" and other documentary evidences	Scoring 0-6		The Applicant has the necessary technical/technological resources to implement the project, required permits and licenses in place etc.
3.3.	<b>Innovation level</b> – The extent to which the project includes innovation, either on enterprise level, sector level, national level or international level.	<i>Application Form:</i> "Project Information" <i>Attachments:</i> "Business Plan"	Scoring 0-6		See definitions in Glossary of Terms. Note: For experimental development the R&D activities need to represent something novel also on international level.
3.4.	<b>Releasing effect</b> - The extent to which the project would not be executed without a grant.	<i>Application Form:</i> "Project information" <i>Attachments:</i> "Business Plan"	Scoring 0-6		See definition in Glossary of Terms. The criteria will be assessed by comparing the Applicant's ability to finance the project with and without a grant.
3.5.	<b>Internal factors</b> - The extent to which the Applicant (and Partner(s)) have the necessary human resources to implement the project. Factors over which the Applicant may influence with strategic choices (key resources, core activities, production etc.).	<i>Application form:</i> "Internal factors" <i>Attachment:</i> "Business Plan", "CVs of the project team"	Scoring 0-6	25 %	For more information see the Business Plan template
3.6.	<b>Financial capacity and operating risk</b> - The extent to which the Applicant (and possible Partners) have the necessary co- financing and financial capacity to implement the project and support its cost.	<i>Application Form:</i> "Expense Budget", "Financing Plan", "Financial Statement" <i>Attachments:</i>	Scoring 0-6		The Fund Operator may purchase credit reports to assess the Applicant's and Partners' capacity and operating risk.



	<b>Operating risk</b> – the assessment of Applicant’s financial situation and debt service capabilities.	“Applicant’s Certified Accounts”, “Letter of Commitment”			
3.7.	<b>Costs estimates and funding</b> - The extent to which the project have clear and well documented cost estimates and a financing plan. The budget is correctly elaborated and correlated with project activities, allocated and estimated resources.	<i>Application Form:</i> “Expense Budget”, “Financial Plan” <i>Attachments:</i> “Business Plan”, “Project Budget Activity Based”, “Procurement Plan”	Scoring 0-6		The budget includes sufficient details in order to assess the project’s cost estimates and their eligibility.
3.8.	<b>IPR status</b> - (Intellectual Property Rights) - Immaterial resources available for the proposed project.	<i>Application Form:</i> “Project Information” <i>Attachments:</i> “Partnership Agreement”, “Business Plan”	Scoring 0-6		Intellectual achievements, design, trademarks, patents etc.
3.9.	<b>Market potential and competitiveness</b> - Quality of market analysis, under the balance of demand and offer of products and services that will be introduced to the market.	<i>Application Form:</i> “External factors” <i>Attachments:</i> “Business Plan”	Scoring 0-6		The ability to sell new or improved products/services that meet demand requirements (price, quality, quantity) and, at the same time, ensure profits over time.
3.10.	<b>Project profitability</b> – The extent to which the project has potential for profitability.	<i>Application Form:</i> “Project value creation and risk” <i>Attachments:</i> “Business Plan”	Scoring 0-6		The projects profitability will be based on the ratios NPV (Net Present Value) and IRR (Internal Rate of Return).
3.11.	<b>Good Business Practice</b> - The extent to which the Applicant (and Partner(s)) adhere to Good Business	<i>Application Form:</i>	Scoring 0-6	20%	Applicant has included information on company level as Good Business

	Practice as defined by the OECD guidelines and UN Guiding Principles on business and human right, including zero-tolerance towards corruption (initiatives on Applicant level).	“Activity of the Applicant”, “Project Information”, “Cross cutting issues”			Practise could be a competitive advantage.
3.12.	<b>Project risks</b> - The extent to which the project is adequately supported by a risk management plan.	<i>Application Form:</i> “Project value creation and risk”, <i>Attachments:</i> “Business Plan”	Scoring 0-6		There may be different types of risks, i.e. financial risk, technical/ technological risk, market risk, HR risk, time schedule, environmental and more.
3.13.	<b>Sustainability</b> – The project incorporates clear sustainability measures, i.e the durability of the project after the implementation date.	<i>Application Form:</i> “Project information” <i>Attachments:</i> “Business Plan”	Scoring 0-6		The Applicant is able to sustain the project investment/facility, financially, technically and by adequate human resources.
3.14.	<b>Bilateral Partnership’s quality</b> (if applicable) – The extent to which the Partnership Agreement includes clear division of roles, responsibilities and cash flow have been agreed upon; assessment of Partner’s involvement in the preparation, implementation and sharing the project results; each partner has a significant contribution to the project activities.	<i>Application Form:</i> “Partnership” <i>Attachment:</i> “Partnership Agreement”	Scoring 0-6	15%	See Frequently Asked Questions re. how to establish a good Partnership Project structure.
3.15.	<b>Cross-cutting issues</b> - The extent to which the project complies with relevant cross-cutting issues identified in the Application Form: good governance and good business practice, sustainable development and gender equality.	<i>Application Form:</i> “Cross-cutting issues”	Scoring 0-6	10%	The Applicant has included specific information related to the project.
3.16.	<b>Socio-Economic impact</b> -The extent to which the project has added value, i.e. the socio-economic profitability.	<i>Application Form:</i>	Scoring 0-6		May involve recruitment of unemployed people, settlement in a region, improved environment,

		"Project Information", "Project value creation and risk", "Cross-cutting issues" <i>Attachment:</i> "Business Plan"			development of a local business environment/technological environment, competence development of individuals and companies, level and consequences of innovation, etc.