

## NORWAY GRANTS PROGRAMME “GREEN ICT”

### EVALUATION METHODOLOGY OF II SMALL GRANT SCHEME PROJECTS

#### 1. Procedure for evaluating an application of the small grant scheme Project

- 1.1. The applicants that have been approved to be compliant with the conditions shall be evaluated by two experts independent of the applicant, partner(s) and the application, designated by Enterprise Estonia.
- 1.2. In the case A Norwegian partner is involved with the project, Innovation Norway, the donor programme partner, shall evaluate the quality and sustainability of the planned collaboration between project participants (in other words “bonus criteria” stated in section 1.5.4).
- 1.3. Independent experts will evaluate the project separately based on the evaluation criteria listed in clause 2.
- 1.4. In case of any questions from experts, the applicant responds in writing by email or orally during an interview, if necessary.
- 1.5. The applications of the small grant scheme are evaluated based on the following criteria:
  - 1.5.1. Impact of the solution (hereinafter “Solution”) created during the small grant scheme Project to the achievement of the Programme objectives – 35% of the total score;
  - 1.5.2. Market potential and sustainability of the Solution – 25% of the total score;
  - 1.5.3. Organisational capability of the applicant and partners and quality of project preparation – 30% of the total score;
  - 1.5.4. Bonus criterion for donor partnership Projects: the quality and sustainability of the planned collaboration between project participants – 10% of the total score.
- 1.6. The application is evaluated on a scale of 0–4. During evaluation, a score is chosen which has a description where most of aspects correspond to the circumstances occurring in the project. Score 3 is chosen if the circumstances described in the project are essentially somewhere between the aspects provided in the description of score 4 and that of score 2. Score 1 is chosen if the circumstances described in the project are essentially somewhere between the aspects provided in the description of score 2 and that of score 0.
- 1.7. The total score given during the evaluation is based on the weighted average scores of evaluation criteria.
- 1.8. The total score of the application and the scores for the evaluation criteria will be calculated with the accuracy of two (2) decimal places.

- 1.9. The final total score of applications shall be formed of the arithmetic average of total scores, which are used as a basis for a ranking of the projects.
- 1.10. If the total score given by one evaluator exceeds the threshold specified in clause 1.20 of this methodology (i.e. the total score of the application is at least 2.50 as a result of the evaluation and the score for rating criteria 1–3 is at least 2.00) and the total score provided by the other evaluator falls below the threshold (i.e. the total score of the application is lower than 2.50 as a result of the evaluation or the score of at least one of the evaluation criteria 1–3 is less than 2.00), an additional third evaluator shall be brought on for the independent evaluation of the project. In that case, the final total score of the application evaluation will be the arithmetic average of the scores of the two evaluators who have given the most similar total scores.
- 1.11. The ranking of projects is reviewed by a Selection Committee. Programme Operator, Enterprise Estonia and Innovation Norway constitutes the Selection Committee, if necessary, external experts can be invited as voting member in the Selection Committee. In the Selection Committee for the Welfare Technology call, a representative nominated by the Ministry of Social Affairs will be involved in the Selection Committee as a voting member. National Focal Point, Financial Mechanism Office and Norwegian Ministry of Foreign Affairs (NMFA) will be invited to attend the evaluation committee meetings as observers. The list of applications and the evaluation reports of the applications shall be presented to the observers in addition to the evaluation committee.
- 1.12. The working language of the Selection Committee is English.
- 1.13. Minutes shall be taken of the meetings of the Selection Committee. NMFA will be provided with a summary of the minutes, together with a list (in English) of Project promoters who have been subject to a positive financing decision no later than two weeks after the decision has been made.
- 1.14. The Selection Committee will review the ranking of the submitted projects. In justified cases, the Selection Committee may change the ranking of projects. The justification for the changes shall be recorded in the minutes of the Selection Committee meeting.
- 1.15. The Selection Committee shall make its decision on which projects shall be funded by consensus. If consensus cannot be reached, the Programme Operator shall, as Chair of the Selection Committee, make the final decision on which projects shall be funded.
- 1.16. The Selection Committee shall make a proposal to Enterprise Estonia to approve or reject an application. Applications that meet the conditions set out in clause 1.20 of this evaluation methodology and are subject to an approval proposal from the Selection Committee, based on their ranking, until the resources allocated for grants of the Call for Proposals run out. In case of projects with equal evaluation results, the application of a donor partnership Project that has received more points for the evaluation criterion specified in the Programme clause 1.5.4 is preferred. In case the scores awarded under that evaluation criterion are also equal, the application submitted by the SME will be preferred. If the scores awarded are still equal, the application that has received the most points for the evaluation criterion in clause 1.5.1 shall be preferred.

- 1.17. Selection committee proposes the final ranking list of the projects to the Enterprise Estonia management board to make the final decision on which projects shall be funded.
- 1.18. If the management board of Enterprise Estonia disagrees with the proposition made by the Selection Committee, it shall return the ranking to the Selection Committee with its comments for revision. Enterprise Estonia may return the ranking list to the Selection Committee in the following cases:
  - 1.18.1. If new or additional information has been emerged regarding any of the applications under the decision (for example information that may arise justified risks regarding the decision made by EE) and therefore it affects the assessments, or the final total score given to the projects listed in the ranking list.
  - 1.18.2. If management board of Enterprise Estonia estimates that scores and related justifications given by the Selection Committee are not consistent and should therefore be upgraded.
- 1.19. If the ranking list is returned pursuant to 1.18.1 or 1.18.2 to Selection Committee, the Selection Committee shall review a project, its scores and position in the ranking list. Ranking list is sent back to Management board of Enterprise Estonia for finalizing the decision.
- 1.20. The final total score for an application to be awarded with grant by Enterprise Estonia must be at least 2.50 and the rating for each evaluation criterion shall be at least 2.00 (except for the bonus criterion). Applications will be financed according to the ranking list until the funds allocated to the call are exhausted.
- 1.21. Not subject to approval are applications that have a final total score that is lower than 2.50, or if the score of at least one criterion of the 1–3 criteria is less than 2.00.
- 1.22. An appeal against the decision to reject the application may be filed with Enterprise Estonia within thirty days as of the day on which the person became aware of the decision or the day on which the person had to become aware of the violation of applicant's rights (Administrative Procedure Act §73 section 2 and §75).

## **2. EVALUATION CRITERIA AND SCALES**

**Evaluation is conducted on the basis of a scale of 0–4 in integer figures in the following fashion:**

**“Excellent” (4 points)** – the application materials comply with the description of the evaluated sub-criterion to an excellent degree.

**“Good” (3 points)** – the application materials comply with the description of the evaluated topic to a great degree.

**“Sufficient” (2 points)** – based on the materials submitted, the application can be considered sufficient.

**“Weak” (1 point)** – based on the materials submitted, the application can be considered weak, as the application does not contain sufficient materials for providing a comprehensive evaluation.

**“Insufficient” (0 points)** – based on the materials submitted, the application can be considered insufficient, as the information provided is inadequate and does not provide an overview of the content of the application.

In the evaluation criteria, the solution (technology, product, service) created during the small grant scheme Project is referred to as the **Solution**.

**Evaluation criteria, percentages and descriptions of criteria:**

<b>1. Solution impact in terms of meeting the goals of the measure</b>	<b>35%</b>
<b>1.1. Impact of the solution on the economic, nature, and social environment – 50%</b>	
<p>This sub-criterion assesses the impact of the planned Solution on the scale of economic, natural and social environment. All projects are assessed based on its impact on economic and social environment; Green Industry Innovation projects must, in addition, have a significant environmental impact.</p> <p>The <b>economic impact</b> assessment is evaluated in all submitted applications. It is assessed whether the Solution is based on the thorough financial forecasts, which include the realism of the forecasts and the probability of the generation of a competitive advantage through the development of the Solution and subsequent following activities. The economic impact assessment considers the objectives of the Programme’s results framework, whereby the Project Promoter’s increase of annual turnover and net operational profit is assessed.</p> <p>The <b>social environment</b> aspect is assessed in all submitted applications and mainly focuses on the number of permanent jobs created as a direct result of developing the Solution. In addition, the assessment also considers whether the Project creates new knowledge and how it is shared between the project parties.</p> <p>Impact on <b>natural environment</b> will be assessed only in the projects under Green Industry Innovation. The assessment is based on the estimation and calculations provided in the environmental impact analysis submitted with the application. It takes into consideration, how and to what extent the resource savings is achieved because of the green products/services/processes developed/applied within the project (5% annual reduction of energy consumption and/or reduction of carbon dioxide emissions).</p> <p><b>This evaluation criteria also considers the level of quality with which the impact aspects have been analysed and presented within the Project.</b></p>	
<b>1.2. Uniqueness and innovation of the Solution – 25%</b>	
<p>This sub-criterion is used to assess how innovative the solution (product/service) is (when compared to previous solutions) in those markets to which the subsequent activities will be directed. The innovation of the Solution is assessed, as is whether and how the planned Solution will fill the gap(s) in the market. As an alternative to the above, the Solution may also offer a unique combination of existing solutions, which brings significant added value to the customer/user.</p>	
<b>1.3. Impact of Project activities on the competitiveness, collaboration and competence of the applicant and partners – 25%</b>	
<p>This sub-criterion is used to assess the extent to which the Project team, the set of</p>	

<p>planned activities and the matters agreed upon in the Partnership Agreement increase the collaboration capacity of the Project promoters and the growth of their competitiveness in international markets. It is assessed whether the people involved in the implementation of the activities are capable and competent in their field, whose collaboration holds potential for the development of synergy and additional competencies. Project activities must be planned in a way that provides maximum support to the development of trust and long-term partnerships.</p>	
<b>2. Market potential and sustainability of the Solution</b>	<b>25%</b>
2.1. Market potential of the Solution – 50%	
<p>This sub-criterion is used to assess the market potential of the Solution, taking into account the knowledge of the applicant/partners and the Project's description concerning the size of the market, its growth, the current market distribution between the main players and the distribution channels. The applicant and partners must have a comprehensive, justified and ambitious vision of the Solution's sales channels, pricing models and product/service volumes, which should also be supported by the Project's planned activities.</p>	
2.2. Economic profitability and sustainability of the Solution – 50%	
<p>This sub-criterion is used to assess whether the Project activities are aimed at achieving long-term goals, taking into account that the activities should ensure continuation of development activities and retention of competence even after the end of the Project (including the number of permanent jobs created, sharing of the Solution's intellectual property between partners agreed upon in the Partnership Agreement). It is also evaluated how good the project's profitability is, taking into account the economic situation of the enterprise/organization (or the consortium as a whole), the average indicators of the enterprise and the field of business. The methodology used by the applicant and partners to calculate the project's cost-effectiveness must be appropriate and the applicant's business model for implementation of the Project should be described thoroughly and covered by fully operational partnerships. The business implementation plan of the Project results should be well thought out and realistic.</p>	
<b>3. Organizational capability of the applicant and partners and quality of project preparation</b>	<b>30%</b>
3.1. Organisational capability of the applicant and partners during the implementation of the Project and the commercial realisation of the Solution created during the Project – 40%	
<p>This sub-criterion is used to assess the enterprise's ability to organize, manage and finance its activities. Also evaluated is the extent to which the Project's consortium (applicant and partners), the team implementing the Project, its technology, production and business processes, as well as infrastructure are compliant for ensuring the Solution's successful development, realization and subsequent production/sale, also in the case that volumes are larger than expected in the Project forecasts. The relevant experience of the applicant's/partner's sales and marketing personnel is also assessed, as is their knowledge of the market and readiness to expand the existing sales network, which would ensure maximum success in post-project commercialisation of the Project results.</p>	
3.2. Financial capability of the applicant and partners – 30%	
<p>This sub-criterion is used to assess the availability of financial resources and the overall financial position of the applicant/partners for achieving the objectives of the Project. Also assessed is the financial capability of the applicant/partners to implement the Project and commercialize its results, based on the financial indicators and forecasts</p>	

presented. The resources needed for self-financing and co-financing must be ensured and the covering of current liabilities must not jeopardize the implementation of the Project or the enterprise's strategy. Also evaluated during the assessment is the risk of Project delays or the disruption of a commercialization plan due to insufficient financial resources, based on the risk analysis provided by the applicant.

### 3.3. Quality of project preparation – 30%

The extent to which the applicant and partners have prepared the Project and its activities is assessed based on the application. The prerequisites set out in the application and the documents accompanying the application, as well as the assumptions based on those, must be realistic. The level of detail and planning that has gone into planning the Project's budget is assessed, as is the fact whether or not the budget is optimal for carrying out the planned activities. Planned costs must be relevant, clearly set out in the Project, realistic and justified.

### **Bonus criterion for projects with Norwegian partner(s), evaluated by Innovation Norway (10%)**

#### The project is aimed at collaboration with Norwegian partners

The bonus criterion will be added to the total score of the application if 1) one or more Norwegian partners are involved in the Project and 2) the planned collaboration is well planned and effective in terms of the project activities and the conditions set out in the Partnership Agreement. The partnership must have the potential for long-term collaboration i.e. the cooperation must be aimed at increasing the added value of all project parties by working closely together to achieve the project objectives. The bonus criterion is given a rating of "4" if both abovementioned conditions for the partnership are met. If only one of the conditions is fulfilled (a Norwegian partner is involved in the project), the rating is provided on the scale of "1"– "3" along with a justification from the evaluator.