**Process for Investment**

**TRACE Call 2025: A Path to Resilience**

## **Governance and Decision-Making Process**

Unless otherwise specified, actions by TRACE Partnership will be carried out by the TRACE secretariat, utilizing available resources. The process then moves to the TRACE Board of Directors for approval and finally the processes and selection procedures will be overseen by the Innovation Fund Denmark that will also attend the TRACE Board meetings as an observer.

## **Call Text and Application Process**

The TRACE Partnership operates under the TRACE Guidelines. Applications must be submitted through the electronic system **Filkassen**.

Applicants must in their application demonstrate that:

1. The applicant team is excellent in terms of knowledge and experience in relation to the proposed work and has the required competences and capacity
2. The proposed work is innovative and breaks new ground
3. The expected outcome will have significant impact in areas relevant to the Partnership, the Partnership roadmap and the TRACE Impact Framework Version One
4. The proposal is efficient, that is, the expected achievements are commensurate with the requested resources.

**Assessment Criteria**

1. **Strategic fit and relevance to the TRACE Partnership's objectives as described in the original roadmap (RM2021), the first amendment (RM2022), the second amendment (RM2025) and the TRACE Impact Framework Version One.**

 In section B of the application template, applicants must describe the strategic fit of their project with the TRACE Partnership’s objectives, including how it aligns with and contributes to the Partnership’s goals, roadmaps, and the TRACE Impact Framework Version One. Alignment with Partnership goals will be assessed by individuals or groups of individuals appointed by each Partnership Partnership. Furthermore, the Partnership Board of Directors will evaluate the projects, taking the fit to the Partnership project portfolio and fit to roadmap into consideration.

Both the Partnerships specific assessment criteria and the individuals or groups undertaking the assessment are listed in the Partnership-*specific aspects* described in the Assessment Criteria.

1. **Quality of the idea**
2. **Impact**
3. **Quality of execution**

International external evaluators will assess these aspects based on the project applications.

## **Evaluation and Selection Process**

* **Strategic fit and relevance to the Partnerships Objectives (criterion 1)** will be evaluated by individuals or groups appointed by the TRACE Partnership
* **Quality, impact and execution (criteria 2-4)** will be evaluated by International External Experts
* Based on these evaluations, the TRACE Secretariat will submit **funding recommendations** to the **TRACE Board of Directors**.
* The **TRACE Board** **of Directors** cannot evaluate projects if they have conflicts of interest.

If conflicts of interest prevent a proper evaluation, the **Partnership Director and two non-conflicted board members** will determine the next steps.

### **Consultation procedure**

Applicants will receive evaluations via email and will be invited to reply to the evaluation of **criteria 2-4** before final decisions.

## **Shortlisting and Final Decision**

* The **TRACE secretariat** will analyze the external evaluator scores, considering outliers and applicant responses.
* Proposals with reasonable objections to external evaluations may still be shortlisted.
* The **TRACE Board of Directors** makes the final funding decisions.
* To ensure a balanced distribution of funding across the themes, the final project portfolio will be constructed with consideration for thematic representation. While projects will be ranked based on their evaluation scores, the final selection will also ensure that no single theme dominates the entire funding pool. **The TRACE Board of Directors** will prioritize building a well-rounded portfolio that reflects the strategic ambitions of the TRACE Partnership, and the diversity of innovation needed across the TRACE project portfolio.
* **The Board members must declare conflicts of interest**. A separate document will regulate conflict of interest.
* **The selected projects** are submitted to **Innovation Fund Denmark** to control for compliance with state aid regulation and project relevance before final decision is given to the applicant.

## **Oversight by Innovation Fund Denmark**

**Innovation Fund Denmark** will oversee the processes and selection procedures and attends TRACE Board meetings as an observer. The **Board of Directors** will provide written justifications for all funding decisions. **Innovation Fund Denmark** will oversee compliance with the **GEBR** rules.

## **Call Announcement and Support**

* The call will be published on TRACE Partnership **website and LinkedIn**.
* The **TRACE Secretariat** can answer general questions but **cannot** advise on specific applications. Likewise, the Board of Directors is not able to offer advice. For further information, please contact: Head of Strategy and Funding Arvid Aagaard Sihm ass@trace.dk or Director Anette Juhl aj@trace.dk

## **Project Budget and Funding Allocation**

* Projects will be funded **from the top of the priority list**, contingent on acceptance of the TRACE **Partnership articles of association** (as a non-paying member) and project agreements regarding the project execution, including but not limited to compliance to state aid rules, governance, timeline, and budget.
* If a project defaults before signing, the **Board of Directors** may select the next project from the list.

## **Rejections and Appeals**

* **Rejection letters** will be sent via email, citing the relevant assessment criteria.
* **Objections** regarding the submission or rejection can be directed to **Innovation Fund Denmark -** kontakt@innofond.dk
* Innovation Fund Denmark is the governing body for the funding used in this call and will take any objections into account for the audit and control of fulfillment of the Investment Agreement between TRACE and Innovation Fund Denmark.
* **Innovation Fund Denmark** will consider objections during audits and compliance reviews