

PRINCIPLES AND PROCEDURES FOR SUPPORTING THE DEVELOPMENT OF THE DEFENCE INDUSTRY

1. General provisions

- 1.1 The procedure shall regulate the principles for granting defence industry development support (hereinafter: Development Support) from the budget of the Ministry of Defence (hereinafter: MoD), the processing of applications and the monitoring of use of such support.
- 1.2 The principles and procedures for supporting the development of the defence industry (hereinafter: the Procedure) forms an integral part of defence industry policy, the main objectives of which have served as a basis for compiling this document.
- 1.3 The purpose of this Procedure is the transparent processing of supporting defence-related development projects (hereinafter: Development Project) and purposeful funding of the Development Projects.
- 1.4 Development Support shall be provided in the form of project support for experimental development under Article 25 of Commission Regulation (EU) No. 651/2014, 17 June 2014, declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, (OJ L 187/1, 26.6.2014) (hereinafter: Regulation), and for the innovation of small and medium-sized enterprises (hereinafter: SME¹) under Article 28.
- 1.5 According to the Regulation referred to in clause 1.4, ‘experimental development’ means acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example,

¹ According to Annex 1 to the Regulation, SMEs are enterprises (autonomous enterprises, partner and related companies) that have less than 250 employees and whose annual turnover does not exceed EUR 50 million and/or the annual balance sheet total of which does not exceed EUR 43 million, whereby small enterprises in the SME category are enterprises that employ less than 50 people and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million, and which correspond to the other terms and conditions set out in Annex 1 to the Regulation.

activities aiming at the conceptual definition, planning and documentation of new products, processes or services. Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real life operating conditions, where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of commercially viable prototypes or pilot projects, if the prototype is necessarily the final commercial product and if its production solely for demonstration and validation purposes is too expensive. Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.

1.6 Development Support shall be provided under the provisions of the Regulation and Article 34² of the Competition Act.

1.7 Development Support may be applied by all companies registered in the commercial register of Estonia (hereinafter: Enterprises).

2. Objective

2.1 The main objective of Development Support is to achieve a high level of development and international competitiveness for the products of the Estonian defence industry.

2.2 Support for the development activity of the defence industry shall be deemed productive when two innovative technology-intensive defence or security products or services with export potential are developed every year.

3. Principles for granting support

3.1 Under the 22.03.2013 order No. 92 of the Minister of Defence, defence industry Development Support applications shall be assessed by a MoD defence industry development committee (hereinafter: Committee).

3.2 If necessary, the Committee shall include additional external experts to evaluate each project.

3.3 Support shall be awarded to Enterprises that comply with the following requirements:

3.3.1. the Enterprise has the skills and knowledge necessary for carrying out the Development Project;

- 3.3.2. the Enterprise has the necessary financial means (cost-sharing) for carrying out the Development Project.
- 3.3.3. the legal person owners of the Enterprise, whose share of holding exceeds 5% of the share or stock capital, are registered in the Republic of Estonia or within a territory that is not deemed a low tax rate territory under the Income Tax Act, or within a European Union or NATO member state or a state that holds a valid association agreement with the European Union (except publicly listed Enterprises);
- 3.3.4. the Enterprise grants consent for enquiries to be made with the Tax and Customs Board and other competent institutions;
- 3.3.5. the Enterprise is solvent, it is not in bankrupt or being wound up, and its business activities have not been suspended and it is not in difficulty within the meaning of Article 1 (4) c) of the Regulation.
- 3.3.6. the Enterprise has met all obligations under legislation as regards the payment of state and local taxes or social insurance taxes and the payment of its tax arrears is not staggered for a longer period than six months from the day of submission of the application; the Enterprise has submitted all necessary declarations.
- 3.3.7. the Enterprise's legal representative has not be penalised in a criminal or misdemeanour procedure for the organisation of a criminal association, or for being a member thereof, or for the violation of the requirements of a public procurement, or for fraud, or for commission of professional and money laundering related or tax related offences; the representative does not have a prohibition on entrepreneurship or business.
- 3.3.8. the Enterprise has not submitted false data regarding compliance with the requirements set out in the Procedure;
- 3.3.9. no other circumstances excluding the enterprise from the support exist under Article 1 of the Regulation.
- 3.4** The Development Projects of the Enterprises that comply with the requirements set out in clause 3.3 shall have high export potential in national defence or security. Development Support shall be granted to the experimental development of weapon systems, ammunition, munition or related products². Funds shall be given to defence-

² For example see description in Regulation No 171 of the Government of 22.12.2011: „List of Strategic Goods <https://vm.ee/en/lists-strategic-goods> and Weapons Act § 3 (3) and (4); § 11-19; § 20 (1) 5) and 7), (4) and (5); § 21; § 83³ (2) <https://www.riigiteataja.ee/en/eli/ee/506082018003/consolide/current> The MoD doesn't support development of weapons of mass destruction, some weapons and ammunition prohibited for civilian purposes (Weapons Act § 20 (1), 1) through 4), 6) and 7), (2) and (3) and of goods used to commit human rights violations (Strategic Goods Act § 2 (6)).

related Development Projects that correspond to the TRL³ 4–7. [entry into force 18.07.2018, Directive No. 348]

- 3.5 Support can be applied for once per qualitative development of a specific project based on the TRL, provided that the development grant will support carrying out the Development Project in a substantial and clearly measurable way. The maximum duration of a Development Project supported under the measure is 3 years.
- 3.6 The share of MoD support per Development Project shall be 25% of the eligible costs of the Development Project. Taking into account the quality and budgetary means of the applications received, the MoD shall have the right to increase the share of support on a proposal by the MoD Committee by up to 10 percentage points for a medium-sized enterprise and up to 20 percentage points for a small enterprise. The maximum amount of support by the MoD for a single project shall be EUR 200,000 and it may not exceed 1/2 of the assigned budgetary instruments of the current year. When the Development Project is funded from other local government or state funds, the maximum share of support for the same eligible costs may not exceed the shares established in subsections 5 and 6 of Article 25. The innovation support for SMEs shall be provided on the grounds established in Article 28 of the Regulation. [entry into force 26.06.2017, Directive No. 340]
- 3.7 The eligible costs to be covered from Development Support in the case of product development are established in Article 25 (3) of the Regulation, and the eligible costs in case of innovation assistance for SMEs shall be stated in Article 28 (2).
- 3.8 An enterprise that applies for Development Support for carrying out a Development Project stated in clause 1.3 of the rules shall be able to start carrying out the activities related to the Development Project from the conclusion of the Development Support agreement.

4. Applying for Development Support

- 4.1 Development Support can be applied once a year. In case of need and sufficient budgetary funds, the Committee shall have the right to propose to the Minister of Defence that an additional competition be held.
- 4.2 The public competition for applying for Development Support shall be declared by the Minister of Defence with its order that shall be published on the web page of the Ministry of Defence. It shall list the documentation needed for applying for Development Support and state the deadline and place for their submission.

³ TRL (*Technology Readiness Level*); also see http://www.innovationseeds.eu/Virtual_Library/Knowledge/TLR_Scale.kl

- 4.3 Information on applying for Development Support and the terms and conditions of the competition shall be published on the web page of the Ministry of Defence www.kaitseministeerium.ee
- 4.4 In order to participate, the applicants shall submit a written digitally signed application in an electronic form to the Defence Investments Department at the Ministry of Defence (Annex 1 to the Procedure) with all the necessary documents. **[entry into force 26.06.2017, Directive No. 340]**
- 4.5 The Defence Investments Department shall register all applications that comply with the format requirements in the document management system of the Ministry, verify the compliance of the submitted documents, and transfer the agreements that are in compliance with the requirements to the Committee for assessment. **[entry into force 26.06.2017, Directive No. 340]**

5. Assessing the applications

- 5.1 The Committee shall assess the applications submitted to the MoD and submit a motivated proposal to the Minister of Defence for verifying the results of the competition.
- 5.2 If a member of the Committee holds shares in even one of the legal persons that submitted the application or has been assigned to the management bodies of the applicant (is a member of the Supervisory Board or the Management Board) or is a close relative or close relative by marriage to the person(s) holding share(s) in the applicant, the Supervisory Board Member(s) or the Management Board Member(s), or if a member of the Committee is aware of any other aspect that may cause a conflict of interest, they shall not participate in assessing the applications.
- 5.3 Each member of the Committee shall sign a verification of independence and confidentiality (Annex 2) once during the assessment period after reading the general information on Development Support applications and before assessing the applications.
- 5.4 The Committee shall have the right to:
- 5.4.1. include external experts in the assessment of applications;
- 5.4.2. ask for relevant additional information from the applicant (including inviting the applicants for an interview) and provide the initial feedback on the application within 14 days from the submission of the application. The Committee shall provide additional time to applicants for the purpose of supplementing their applications and removing shortcomings within 14 days from the initial feedback, at the latest;

- 5.4.3. in case no proper applications have been submitted, to make a proposal to the Minister of Defence to not provide the Development Support.
- 5.4.4. based on the submitted Development Project applications, make a proposal to the Minister of Defence regarding the distribution and amount of the support according to each supported Development Project and, if necessary, also in announcing an additional competition;
- 5.4.5. based on the nature of the Development Projects, make a proposal to the Minister of Defence on determining special conditions (including the use of intellectual property rights, actions regarding information with distribution restrictions and/or activities regarding state secret, etc.).
- 5.5 The following main criteria are taken as a basis when assessing and prioritising the applications:
 - 5.5.1. defence and security purpose and innovativeness;
 - 5.5.2. international competitiveness and economic impact (market analysis; SWOT analysis);
 - 5.5.3. the capability of the enterprise to carry out the Development Project (team competence and experience, technological capabilities);
 - 5.5.4. funding of the Development Project (verification of cost-sharing – bank extract of the enterprise, letters of guarantee from investors, owners). **[entry into force 26.06.2017, Directive No. 340]**
- 5.6 All of the criteria above shall be assessed by levels on a scale from 1 to 4 with an increment of 0.5. The members of the Committee shall use a respective scale to assess applications (Annex 3).
- 5.7 The applications shall first be assessed individually by the members of the Committee and the individual score of an application will be determined based on the sum of assessments multiplied by the share of the respective assessment criterion.
- 5.8 The overall score of applications shall be formed based on the arithmetical average of the Committee members; it will be used as a basis for ranking the applications.
- 5.9 When the overall score is less than 2.5 or when one of the criteria has received the lowest mark (1), the application shall not be accepted.

6. Granting the Development Support

- 6.1 The Development Support shall be granted by a respective order of the Minister of Defence.
- 6.2 The order of the Minister of Defence also states that the support granted shall be aimed for experimental development or aid to cover the costs of industrial property rights for SMEs as stated in the Regulation.

- 6.3 The recipients of the Development Support shall be published at the MoD web page.
- 6.4 The MoD shall have the right to process and publish information related to the public competition for Development Support (including the applicant's/recipient's name and contact information; name of the Development Project; its objective and total cost and the amount of Development Support) on which the applicant shall provide its confirmation on the application form in Annex 1.
- 6.5 In case there are no compliant applications, the MoD shall have the right to withhold the Development Support.

7. Conclusion of the agreement

- 7.1 The MoD shall conclude a trilateral Development Support agreement with the recipient and the Defence Forces, stipulating the rights and obligations of the MoD, Defence Forces and the Enterprise, the amount of the Development Support, the timeframe for its use, eligible costs, terms and deadlines for paying the support, the structure and deadlines for reporting, and any other relevant terms and conditions (including the use of intellectual property rights, activities regarding information with distribution restrictions and/or state secret).
- 7.2 The enterprise shall refer to the MoD's Development Support at public appearances and in the materials related to the Development Project.
- 7.3 The agreement concluded under clause 7.1 of the Procedure shall contain the following mandatory annexes: 1) Application to support the development activities of the defence industry; 2) content and financial report form for the use of Development Support; 3) form for testing with the Defence Forces (Annex 4 to the Procedure). [entry into force 26.06.2017, Directive No. 340]

8. Reporting and monitoring the use of the Development Support

- 8.1 The recipient of the support shall submit an interim report on the use of the Development Support to the MoD by the last working day of each February and the final report within 30 days from the end of the project, at the latest. Financial reports shall be submitted regularly on a quarterly basis. [entry into force 26.06.2017, Directive No. 340]
- 8.2 The recipient shall add copies of expense receipts and payment orders to the report, verifying the expenses and their connection to the project, and stating which part of the costs is related to it (name of the project, division of the amount). The expense receipts shall be signed by an authorised person.

- 8.3 The Defence Investments Department of the MoD shall verify the compliance of the submitted report and documents with the agreement, and the use of the expenses as intended. In case of any shortcomings, the inspector shall notify the submitter of the report in writing or in a format which can be reproduced in writing. In case of shortcomings, the submitter of the report shall eliminate the shortcomings within 14 days from being notified thereof. [entry into force 26.06.2017, Directive No. 340]
- 8.4 The Defence Investments Department of the MoD shall ensure that the reports verified by the manager of expenditure shall be transferred to the National Defence Planning Department to reflect the use of the Development Support in the accounting. [entry into force 26.06.2017, Directive No. 340]
- 8.5 The Defence Investments Department of the MoD shall be responsible for monitoring the purposefulness of the use of the Development Support, its compliance with the agreement, and the correct reporting. The Audit Department of the MoD shall audit the purposefulness of the use of the Development Support, its compliance with the agreement, and the accuracy of the report, if necessary. [entry into force 26.06.2017, Directive No. 340]
- 8.6 In case the Development Support has not been used purposefully or in the volume established in the agreement or if the costs are not verified, the Defence Investments Department shall make a suggestion to the Secretary General of the MoD to recover the support partially or in full. [entry into force 26.06.2017, Directive No. 340]
- 8.7 The recipient shall assume a contractual obligation to refund the Development Support allotted by the MoD for the Development Project if the recipient fails to fulfil its contractual obligations.

APPLICATION for DEFENCE INDUSTRY Development Support

The maximum length of the application is 20 A4 pages

1. Applicant information

- 1.1. Business name and registry code
- 1.2. First and last names of the representative
- 1.3. Postal address
- 1.4. Bank information
- 1.5. Contact information (telephone, e-mail address)
- 1.6. Owners and management
- 1.7. Area of activity code of the enterprise

2. Description of the Development Project

- 2.1. Name
- 2.2. Total cost (EUR)
- 2.3. Key personnel (name, personal identification code, role in the Development Project) and the necessary competencies
- 2.4. Thematic field and connection with the defence and/or security sector
- 2.5. Background of the project idea, description of the issue and the recommended solution
- 2.6. Main objective
- 2.7. Tasks
- 2.8. Duration (maximum 3 years) and the main stages
- 2.9. Feasibility assessment (including progress gauges)
- 2.10. Methodology (including the technology and equipment used)

3. Expected outcome

- 3.1. Innovativeness and uniqueness
- 3.2. Direct outcomes (including numerical values and other measurable outputs, the initial and aspired TRL)
- 3.3. Positive impacts and indirect benefits of using the opportunity provided
- 3.4. Potential risks (including their scope and probability) and the mitigation measures

4. Business model and market analysis

- 4.1. Potential users and beneficiaries

- 4.2. Market and export potential
- 4.3. Comparison with existing or similar technologies, services and/or products
- 4.4. Competitive advantages and alternative options
- 4.5. Intellectual property protection (patents, licences, trade marks, business secrets)
- 4.6. Marketing vision and the potential supply chain (the entire cycle)
- 4.7. Connection with the long-term plans of the enterprise
- 4.8. Local and foreign partners, roles and responsibilities of the parties

5. Applicant’s business indicators within the last six months

- 5.1. Main area of activity of the applicant (products, services)
- 5.2. Number of employees⁴
- 5.3. Turnover
- 5.4. Balance sheet total
- 5.5. Share/stock capital
- 5.6. Equity capital
- 5.7. Cost of research and development
- 5.8. Export
- 5.9. Profit/loss
- 5.10. Consumption of fixed capital
- 5.11. Labour costs

6. Financing of the Development Project

Please fill in the table below on the resource plan and detailed budget of the development plan (personnel expenditure, business trips, materials and accessories, services bought, equipment, etc.) by stages and funders, where the amount of support is up to 25% of the eligible costs of the project.

Costs categories by stages	Total amount	Own contribution	MoD support (up to 25%)	Other source (unnamed)
Costs (e.g. personnel expenditure)				
Costs (e.g. materials)				

All expected costs categories shall be accounted as expenses (rows shall be added if necessary).

⁴ According to the definition of SME in Annex I to the Regulation

According to clause 3.6 of this Procedure, the MoD shall have the right to increase the share of support on a proposal by the Committee by up to 10 percentage points for a medium-sized enterprise and up to 20 percentage points for a small enterprise. If you wish to apply for a higher amount of support (up to 35% or up to 45%, respectively), please **also** fill in the other table and state the respective rate and the resulting budget.

7. Incentive effect of state support

Please mark with an x whether the applicant falls into the category of an SME (table A) or a large enterprise (table B) according to Annex I to the Regulation.

A. I confirm that the applicant falls into the SME category. I confirm that the enterprise has not started any operations under Article 7 (2) of the Regulation before submission of the application.	A. I confirm that the applicant falls into the large enterprise category. I confirm that the enterprise has not started any operations under Article 7 (2) of the Regulation before submission of the application. (in addition, fill in table C)

C. Under Article 7 (3) of the Regulation I verify compliance with one or several criteria below and add a reason:

Mark with an x	Criteria	Reasoning
	a) the support would substantially increase the volume of the project/activity;	
	a) the support would substantially increase the scope of the project/activity;	
	c) the total amount spent by the recipient in relation to the project/activity shall significantly increase as a result of the support;	
	d) completion of the project/activity shall accelerate notably.	

Mandatory annexes:

[entry into force 26.06.2017, Directive No. 340]

1. the list of owners that hold more than 5% of the enterprise, their share and the description of the ownership up to private persons, except the publicly listed enterprises;
2. curriculum vitae of the people carrying out the Development Project.

The Estonian Ministry of defence has the right to ask the applicant to submit the copies of the annual reports of the economic years (if applicable), verified by a person with a right of representation; bank extract of the enterprise to verify of own funding, financing decision of the bank, letters of guarantee from investors etc. If so wished, applications may be supplemented with additional materials introducing the solutions of the Development Project (diagrams, graphs, photos, brochures or any other information carriers).

By submitting the application, the person with the right of representation shall verify that:

1. the enterprise or its legal representative has not been penalised in a criminal or misdemeanour procedure for the organisation of a criminal association, or for being a member thereof, or for the violation of the requirements of a public

- procurement, or for fraud, or for commission of professional and money laundering related or tax related offences.
2. the enterprise, its legal representative and the key personnel listed in the application have no criminal record in the criminal records database;
 3. the enterprise is solvent, it is not in bankrupt or being wound up, and its business activities have not been suspended;
 4. the enterprise has met all obligations under legislation as regards the payment of state and local taxes or social insurance taxes;
 5. the enterprise has not submitted false data regarding compliance with the requirements set out in the Procedure;
 6. the enterprise consents to enquiries being made with the Tax and Customs Board and other competent institutions;
 7. the enterprise has the necessary financial means for carrying out the Development Project;
 8. the enterprise holds the respective competency in the field of the Development Project;
 9. all the data submitted in this application are correct and the documentation is valid and authentic;
 10. the legal person owners of the enterprise whose share of holding exceeds 5% of the share or stock capital, are registered in the Republic of Estonia or in a territory that is not deemed low tax rate territory under the Income Tax Act, or within an European Union or NATO member state or a state that holds a valid association agreement with the European Union (except publicly listed enterprises);
 11. the enterprise is solvent, it is not in bankrupt or being wound up, and its business activities have not been suspended and it is not in difficulty within the meaning of clause 7 of the Article.
 12. has given the MoD the right to process and publish information related to the public competition for Development Support, including the applicant's/recipient's name and contact information; name of the Development Project; its objective and total cost and the amount of Development Support;
 13. has not started with any relevant operations under the Development Project (including concluding agreements, carrying out procurements, compensating expenses, etc.).

Signature of the compiler

Date

CONFIRMATION OF INDEPENDENCE AND CONFIDENTIALITY

I, the undersigned, confirm that I have read the rules of procedure of the Defence Industry Development Committee at the Ministry of Defence and shall abide by it in good faith.

<input type="checkbox"/> I confirm that to my knowledge, I have no direct or indirect connection with the process of drawing up or consulting any application and I am not a close relative or close relative by marriage to any of the applicants' shareholders, Council or Board Members. <input type="checkbox"/> I confirm that I am not privately or professionally linked to any of the applications being assessed by me. <input type="checkbox"/> I confirm that I am using all the information I have received in the process of processing the application only for the purpose of performing the tasks under the rules of procedure of the Defence Industry Development Committee. <input type="checkbox"/> I confirm that I shall assess the applications based on the principle of impartiality. <input type="checkbox"/> I undertake to defend business secrets and shall not disclose any data or information received from the application documents to third parties. <input type="checkbox"/> I undertake to not copy the application documentation and use it for other purposes. <input type="checkbox"/> I confirm that I will not participate in implementing any of the assessed applications after the assessment period has ended.

<input type="checkbox"/> I confirm that my participation in assessing the following applications may cause a conflict of interest: <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; width: 50%;"><i>Title</i></th> <th style="text-align: left; width: 50%;"><i>Applicant</i></th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"> </td> <td> </td> </tr> </tbody> </table>	<i>Title</i>	<i>Applicant</i>		
<i>Title</i>	<i>Applicant</i>			

I undertake to immediately notify the contact person at the Ministry of Defence when I discover any direct or indirect conflict of interest in relation to the applications I have been asked to assess or which will be discussed at a meeting of the Defence Industry Development Committee that I will also attend.

I also confirm that I will not disclose any detail of the assessment process, applications submitted for assessment, or the assessment results without a prior written consent of the contact person of the Ministry of Defence. I shall ensure the monitoring of the documentation at my disposal and used for the performance of the tasks of the Defence Industry Development Committee, and shall be liable for the confidentiality of the document. I shall return the documentation needed for the performance of the tasks of the Defence Industry Development Committee to the Ministry of Defence within 5 working days, if their use becomes no longer necessary.

_____ (name and signature)

_____ (date)

_____ (address)

_____ (telephone)

ASSESSMENT SCALE OF DEFENCE INDUSTRY DEVELOPMENT PROJECT APPLICATIONS

Evaluation criterion	Share	Level assessment scale	
I. Defence and security purpose and innovativeness	30%	4	The Development Project is closely connected with the fields of defence and security and an innovative solution for a specific key issue is developed.
		3	The connection of the Development Project with the fields of defence and security is noticeable and its outcome can be indirectly applied to solving some of the key issues.
		2	The Development Project is rather vaguely connected with the fields of defence and security and the use of its outcome is questionable.
		1	The Development Project's connection with the fields of defence and security is very weak and the expected outcome will solve no significant issue.
II. International competitiveness and economic impact	40%	4	The export potential of the Development Project is extremely high and several significant competitive advantages on the external market have been listed. There is a clear marketing vision. The market potential has been thoroughly analysed, the demand is obvious.
		3	The export potential of the Development Project's outcome is high and at least one significant competition advantage on the external market has been listed. The marketing plan is sufficiently detailed. The market potential has been analysed, the demand is estimated.
		2	The export potential of the Development Project's outcome is moderate and the competition advantages on the external market vague. The marketing plan is rather unrealistic. The market potential analysis is unsatisfactory, the demand modest.
		1	The export potential of the Development Project's outcome is non-existent and there are no competitive advantages on the external market. There is no marketing plan. The outcomes of the Development Project are not clear and the market potential has not been analysed. There is essentially no demand.
III. The capability of the enterprise to carry out the Development Project	15%	4	The applicant has all the capabilities, high level of competence and the infrastructure, extensive network of partners (including abroad). It is a cooperation project between several enterprises and/or RD institutions. The panning of the

			Development Project is of high quality. All activities are highly measurable and achievable. The action plan is balanced and thought through.
		3	The applicant has the necessary experience, good competency and infrastructure, but its external partnership needs expanding and strengthening. There are no significant shortcomings in planning the activities and time. The activities are achievable and clearly measurable. The action plan is good.
		2	The applicant's experience is insufficient and their competence incomplete. The existing infrastructure can be used only partially. There are few significant foreign partners. There are significant shortcomings in planning the activities and time. The activities are partially measurable, but achieving the outcome is vague. The action plan is sufficient only for minimum results.
		1	The applicant lacks the necessary experience, competency, and infrastructure to carry out the project. There is no network of foreign partners. The activities are not clear or measurable. The action plan is not realistic. Achieving the outcome of the Development Project is unlikely.
VI. Financing of the Development Project	15%	4	The necessary funds for carrying out the Development Project are guaranteed for the performance of the development project and the planned costs are relevant and well justified. The budget is balanced.
		3	The necessary funds for carrying out the Development Project are guaranteed. The planned costs are realistic, but there are some inaccuracies or uncertainties. The budget is balanced.
		2	The Development Project lacks the necessary funds for carrying out the Development Project and the planned expenses are unjustified. The balanced budget is questionable.
		1	The Development Project lacks the necessary funds for carrying out the Development Project. The planned costs are not realistic or justified. The budget is not balanced.

TESTING FORM

Project title: (project title)			
Project contract No: (code)	Project holder: (organisation)	Start of the project: (date)	End of the project: (date)
Action: (action keywords)			

Person who applied for the test (filled in by the enterprise)

Objective of testing	(objective of main activity/description)
Time/duration of testing	(recommended testing time) (approximate duration)
Testing object	(list of objects to be tested)
Contact information of the test organiser	(name) (contact information)
Object description	(technical parameters/data of the object)
Description of the testing conditions	(description of the testing environment – location (Defence Forces central training area/training area/quarters) and the situation (training/mission))
Necessary additional equipment	(the equipment/auxiliary means/human resources needed for testing)
Planned budget and other use of resources	(economic costs) (description of transport)

Person carrying out the test (filled in by the Defence Forces)

Testing time/location	(testing time) (testing location)
Testing procedure	(detailed description of the testing procedure)
Contact information of the person carrying out the test	(name) (contact information)

Additional notes	(notes on testing)
Special requirements and other important terms and conditions	(other organisational notes)
Planned budget and other use of resources	(economic costs) (description of transport – if necessary)
Test results (as appropriate)	(procedure for handing over the results)
Confidentiality of the results	(public or non-public)

Additional information

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Illustrative material

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Person who applied for the test
(name)
(position)
(organisation)

Person carrying out the test
(name)
(position)
(organisation)