GUIDELINES

For management of the Nordic Project Trust Fund ('Nopef'), established by Nopef's Steering Committee, approved by the Nordic Council of Ministers and applicable from 08/09/2026.

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1. Operations

Nopef is administered as a Trust Fund by the Nordic Environment Finance Corporation (NEFCO) under a contract between the Nordic Council of Ministers and NEFCO.

Nopef's objective is specifically to strengthen Nordic companies' international competitiveness by offering financing in the form of conditional loans for feasibility studies and preparatory business activities that contribute to promoting Nordic companies' internationalisation and thereby comparable long-term international business activities.

2. Eligibility requirements for the granting of financing

2.1 Applicant requirements

Nopef can grant financing for international establishment to small and medium-sized companies with a maximum turnover of EUR 50 million and a maximum of 249 employees.

Financing is granted to companies operating in and registered in one of the five Nordic countries – Denmark, Finland, Iceland, Norway and Sweden, as well as Åland, the Faroe Islands and Greenland.

Financing is granted to companies that have relevant industry experience, commercially proven services or products and sufficient financial and human resources for international establishment.

2.2 Project requirements

Financing is granted to projects that involve concrete internationalisation initiatives with a reasonable possibility of commercial realisation.

Financing is granted for feasibility studies and preparatory activities aimed at internationalisation.

Internationalisation refers to the establishment of commercial activities through a subsidiary, joint venture, acquisition or equivalent investment and establishment in the project country.

Internationalisation also refers to investment in and implementation of a commercial demonstration plant or pilot installation for environmental and climate-friendly solutions in an international market.

International establishment also refers to market surveys and preparatory studies in international markets for projects in which there is a Nordic interest.

Financing is not granted for the purposes of general market research or identifying an agent/distributor in the project country, unless this is directly linked to a feasibility study for Internationalisation.

Financing is granted for projects aimed at internationalisation.

As a general rule, internationalisation projects are not supported if the applicant company is already established in the target project country. If the feasibility study refers to the establishment of

operations that are not directly related to an existing operation or form of business in the project country, an exception can be made to this rule, provided that the project meets these guidelines in all other respects.

2.3 Nordic benefit

Financing is granted on the condition that a project provides benefits to the Nordic region. Financing is granted to projects that, when realised, contribute to increased Nordic expertise and competitiveness, as well as increased activity in the form of job creation, turnover and investment in the Nordic Region.

Projects also provide added value to the Nordics when they contribute to developing Nordic cooperation, include participants from two or more Nordic countries or have a positive impact on gender equality in the Nordic region and project country.

Nopef financing is intended for feasibility studies ahead of investments or business establishments, with projects as a rule carried out by one company, although participants from other Nordic countries may be included.

2.4 Environment and sustainability

Nopef finances feasibility studies for projects related to the environment and sustainability. Financing is granted for studies that, when realised, have the potential for creating direct or indirect environmental impacts and increased environmental awareness in the Nordic region and project country.

The environmental benefits and impacts of projects are evaluated according to the NEFCO Environmental and Sustainability Guidelines (available at www.nefco.int) based on the information presented by companies in their application.

2.5 Financial viability and risk

Financing is granted for internationalisation projects for which there are reasonable and verifiable financial conditions for realisation according to the plan and investment budget included in the company's application. The feasibility study shall contribute to the final decision on the planned internationalisation.

The granting of financing requires the applicant company to take financial risk with its own funds through the project and planned internationalisation. An investment and financing plan shall be included in the application, clearly showing both the company's own financing and the total financing for the project.

Financing for feasibility studies is not granted for marketing, sales, research and development, the purchase of equipment and machinery or for the company's normal operational activities.

An individual company can only be granted financing for one project at a time and have only one active project ongoing. Once the project has been completed and the final report has been approved, the company is eligible for financing for a new project that otherwise fulfils these guidelines.

3. Application

A financing application shall be made using the application form provided by NEFCO, comprising the following:

- Details about the applicant company and its ownership structure
- The company's most recent audited financial statements
- Details about any potential partner companies
- A description of the planned international establishment
- An investment budget and financial plan for international establishment
- A feasibility study plan including a timetable and objectives
- A detailed budget for the feasibility study
- Details of the Nordic benefits
- Details about the environmental and sustainability aspects of the project

4. Granting of financing

Within the framework of funds made available to NEFCO for Nopef, financing is provided in the form of interest-free conditional loans and support for internationalisation.

An application will be processed when all information under point 3 has been received by NEFCO. NEFCO makes its decision on the financing eligibility of an applicant company and project based on the criteria in points 2.1 and 2.2.

Applicant companies must undergo an integrity due diligence check and be approved in accordance with NEFCO's compliance regulations as published on www.nefco.int. The project manager responsible compiles a written assessment of the positive and negative aspects of the project together with a recommendation on approval based on the information contained in the registered application. A decision to approve financing shall be made by Nopef's Credit Committee in accordance with these guidelines.

NEFCO may grant financing for up to 50% of approved costs for an individual company but no more than a total of € 80,000.

5. Petition for appeal

Companies whose applications have been rejected may submit a new application for consideration by Nopef's Credit Committee if the conditions or content of the project have changed significantly.

An applicant company also has the right to appeal in accordance with Annex 1[1] in the case that it is not satisfied with the decision. A written petition for appeal shall be sent to NEFCO, which will then notify the company that the appeal has been received.

A petition for appeal shall be referred to the Steering Committee for assessment and final decision. A decision taken by Nopef's Steering Committee on a petition for appeal is final and cannot be challenged by the applicant company.

[1] Please refer to Sections 3.5(d) and 4.9 of NEFCO's Policy and Procedures for Complaints Review which is available at http://www.nefco.int.

6. Reporting and disbursement

Unless otherwise agreed, companies granted financing from Nopef must report on the status of the project with respect to the points made in the application. The reporting must include the project status and reflect the points presented in the application.

In the event of neglected reporting, NEFCO has the right to terminate the contract for the granted financing and demand repayment of disbursed funds.

At the time of disbursement, the company must submit a cost statement verified by an authorised or approved auditor. Normally, the company's own auditor shall be used. In exceptional cases, a disbursement decision may be made on the basis of a cost statement checked and certified by the company's regular accountant, provided that sufficient supporting documentation has been provided to NEFCO.

Up to 50% of the granted financing can be disbursed before the final project report has been received.

If the project is realised, the remaining part of the granted financing can be disbursed.

7. Project conclusion

7.1 Conclusion of the project

As a rule, projects granted financing shall be completed within 3 years of the start date of the contract. In exceptional circumstances, an extension may be approved.

7.2 Remission of funds

If the project is realised, i.e. leads to an internationalisation as defined in point 2.2, the financing can be remitted in full, but to a maximum of the amount utilised.

If the project is cancelled prematurely, or does not lead to an internationalisation as planned, a maximum of half of the granted financing can be remitted.

7.3 Repayment of funds

In the case of a breach of contract, NEFCO can demand the repayment of disbursed funds.

8 Disclosure

With regards to disclosure of the institution's documentation, NEFCO's regulations will apply (the NEFCO Public Information Policy is available at www.nefco.int.

9 Right to information

Following an information request, NEFCO shall consult the borrower concerned. NEFCO may share relevant information in accordance with its regulations if the applicant company/borrower has given its consent.

10 Instructions for Nopef's Steering Committee

10.1 Appointments and responsibilities

Nopef's Steering Committee is appointed by and accountable to the Nordic Council of Ministers. The Steering Committee is responsible for strategic issues and the development of guidelines for the fund, based on the aims/objectives of the fund set out by the Nordic Council of Ministers in the agreement between the Nordic Council of Ministers and NEFCO.

10.2 Structure

When appointing members to the Steering Committee, the risk of conflicts of interest shall be minimised. Members of the Steering Committee may not take part in the discussion of matters in which they have a personal interest or are likely to occupy a dual role. All Steering Committee members are personally required to draw attention to situations that present a potential conflict of interest.

The Steering Committee consists of 5 ordinary members, 1 from each Nordic country. In addition, each country can appoint a personal deputy for its regular member. The personal deputy shall attend Steering Committee meetings in the absence of the ordinary member.

Gender equality shall be sought when appointing the Steering Committee.

NEFCO's Managing Director and other members of staff can participate in Steering Committee meetings without voting rights. Representatives of the Nordic Council of Ministers' Secretariat may be represented at Steering Committee meetings. Representatives of NEFCO or the Nordic Council of Ministers shall not participate in the decisions of the Steering Committee.

Remuneration for the Steering Committee is determined by the Nordic Council of Ministers. Costs for the Steering Committee's meetings are charged to the fund.

10.3 Operating procedures

The Steering Committee appoints a chair and vice chair from among its members. The role of chair shall rotate among countries. A chair's term in office may not exceed two years and a member of the Steering Committee may not hold the position of chair for more than two consecutive terms. The Secretariat of the Nordic Council of Ministers shall be notified of the election of the chair and vice chair.

The Steering Committee shall have a quorum when four Nordic countries are represented. Each member has one vote. A member has the right to withdraw their vote. Decisions are taken by a simple majority. In the event of a tie, the chair has the casting vote.

The Steering Committee meets upon the decision of the chair, or upon the request of at least two Steering Committee members or the NEFCO Managing Director.

Minutes shall be kept of Steering Committee meetings. The minutes are sent to the Secretariat of the Nordic Council of Ministers as a record.

NEFCO's Managing Director or the director responsible for Nopef shall normally act as rapporteur and secretary for the Steering Committee. They are also responsible for the preparation of documents to be submitted to the Steering Committee and the implementation of decisions made by the Steering Committee.

The Steering Committee may adopt detailed rules for the purpose of carrying out its mandate.

10.4 Types of decisions

The Steering Committee can take decisions in three different forms:

a) At an ordinary meeting
b) By a phone or video meeting
c) By written procedure

The Steering Committee may delegate decision-making powers on matters that are not of principle or major importance to the Chair, the Managing Director of NEFCO or the director responsible for Nopef.

Translation from Swedish