

Government Support for Danish Businesses

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Executive summary

The following support initiatives are available for Danish companies

- The Business Fund
 - Companies can apply for a minimum of DKK 10,000 and receive up to DKK 112 million in grants for the green transition of their business
 - The Business Fund supports energy and CO2-saving projects up to 50%, making it more economically viable to invest in a greener future
 - The size of the company determines the percentage of eligible costs covered: Small businesses: Up to 50%, Medium-sized businesses: Up to 40%, Large businesses: Up to 30%
- Danish Business Houses
 - The Danish Business houses are regional business houses that offer subsidies targeted at SMEs
 - The business houses has six support schemes targeting different companies: SME Growth Pilot, SME: PRO, SME: Export, SME: Green Skills, SME: Green, SME: Digital
 - The type of subsidy vary for each scheme – for more information, see appendixes
- Export and Investment Fund (EIFO)
 - EIFO offers loans only but are also presented here, as it plays a big role in the governmental development of Danish companies

The Business Fund in short

- The Business Fund was established as a grant fund for energy efficiency in businesses. The fund amounts to approximately DKK 3.5 billion in total.
- Companies can apply for a minimum of DKK 10,000 and receive up to DKK 112 million in grants for the green transition of their business
- The Business Fund operates on a first-come, first-served basis, meaning that applications are processed in the order they are received by the Danish Energy Agency.
- Non-public businesses intending to implement projects aimed at achieving energy savings, energy efficiency improvements, and CO2 reductions in final energy consumption in Denmark.

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The Business Fund is a financial grant provided to Danish companies aiming to save energy and reduce CO2 emissions. Several hundred companies have already received grants from the Business Fund, and in 2024, the fund totals more than DKK 600 million, contributing to further drive the green transition of Danish businesses. The Business Fund is operated by the Danish Energy Agency and its purpose is to streamline and transition businesses' energy consumption.

Grant Size

The Business Fund supports energy and CO2-saving projects up to 50%, making it more economically viable to invest in a greener future. The larger the energy or CO2 savings the project achieves, the higher the grant. Companies can apply for a minimum of DKK 10,000 and receive up to DKK 112 million in grants for the green transition of their business.

Calculation of Grants Energy or CO2 Savings

The Business Fund supports green projects with:

- 10 Danish øre per saved kWh per year over the project's lifespan or
- DKK 500 per saved ton of CO2 per year over the project's lifespan.

The company will automatically receive the highest grant.

Company Size

The size of the company determines the percentage of eligible costs covered:

- Small businesses: Up to 50%, Medium-sized businesses: Up to 40%, Large businesses: Up to 30%

<https://sparenergi.dk/erhvervspuljen>

Six Support Schemes for SMEs by the Danish Business Houses

- There are 6 larger support schemes targeted at SMEs.
- These schemes are administered by six regional business houses across Denmark.
- The business houses are part of the public business promotion system, which constitutes a cohesive offer to companies and entrepreneurs, ranging from local dialogue and guidance to sparring with specialists in business development at the business houses and the nationwide opportunities offered by the Innovation Fund, the Trade Council, and others.
- The schemes is a nationwide initiative contributing to the transformation and strengthening of growth in SMEs across the country. This is achieved by supporting companies in digitalization, green transition, internationalization, and professionalization across six tracks.
- The Business Program have already provided grants to nearly 5,000 SMEs for consultancy, investments in specific technologies, and competence development.

The schemes include:

- SME Growth Pilot
- SME: PRO
- SME: Export
- SME: Green Skills
- SME: Green
- SME: Digital

For more information on the support schemes see the appendix

EIFO

- The Export and Investment Fund of Denmark (EIFO) consolidates the three former state funds: Vækstfonden, EKF Danmarks Eksportkredit, and Danmarks Grønne Investeringsfond into a single fund. EIFO offers Loan and Equity Financing only.
- EIFO, regulated by law, serves as a state financing institution.
- As Denmark's national business development bank and official export credit agency, EIFO provides a unified gateway for Danish businesses seeking state-backed risk capital. With professionalism and an international outlook, we work daily to support the business successes that can enrich Denmark and make the world greener.
- EIFO offers a common entry point for all Danish companies in need of state-backed risk financing, including entrepreneurs, SMEs lacking capital to realize their full potential, and export companies seeking to conquer new or uncertain markets.
- **Loan Financing:** In collaboration with Danish banks, financial institutions, leasing companies, and investors, EIFO provides loans and guarantees to Danish companies across industries and at all stages of their development. EIFO offers special loans for newly established companies in the early stages of development, mature companies with plans for investment in operations, development, or ownership transition, and companies facing expansion and export challenges requiring capital for their growth journey. These loans can be obtained directly from EIFO, or they can provide guarantees to facilitate bank loans. ([Link](#))
- **Equity Financing:** For innovative companies with significant scaling potential and global ambitions, equity investment from an investor may be the right path to risk capital and the key to the next step in the growth journey. EIFO offers various options for equity investments. ([Link](#))

Link: <https://www.eifo.dk/>

Appendix Business Houses

SME Growth Pilot and SME PRO

SME Growth Pilot

If the company needs assistance with development tasks, it can receive a grant for hiring a growth pilot who brings new skills into your company.

SME Growth Pilot is for the company that have one or more development tasks and need new competencies.

Through the scheme, the company can receive a 50% subsidy for salary costs for up to six months for hiring a growth pilot. The grant is a maximum of DKK 15,000 per month. The growth pilot must be employed for a minimum of 25 hours per week.

Note: Grants are allocated on a first-come, first-served basis. Processing of applications takes place continuously based on the date of receipt. Nationwide, 455 companies can hire a growth pilot.

How to apply:

If the company has one or more specific development tasks, it can start the application process. This can be task such as project management, marketing, product and concept development, supply chains, HR, process and production optimization, sales, sustainability, digitalization, and internationalization

In the application, it is important to:

- Describe the company and its product/service in a way that is understandable to outsiders.
- Be thorough in describing the development task, so it is clear that it is a new activity that requires new skills in the company.
- Describe the growth pilot's tasks in bullet points - task by task - so that the growth pilot can continuously record the number of hours spent on each task during the employment period.

Link: <https://virksomhedsprogrammet.dk/content/ydelser/smvvaekstpilot/d9c0e624-4a24-461f-97f5-63a063ebce55/>

SME PRO

With SME: PRO, the company's needs are at the forefront. Here is what the company get during the process:

- A screening of the company's current situation
- A consultancy process where the company receive a 50% subsidy. Typically, a process provides subsidies between DKK 150,000 - 200,000 but up to DKK 500,000
- A development plan, so the company are clear on its next steps and priorities
- A sparring partner from the Business House, who accompanies the company through the process.

Link: <https://virksomhedsprogrammet.dk/content/ydelser/smvpro/3d2ee73a-90fe-42c4-86fd-369399374766/>

SME Export and SME: Green Skills

SME Export Advisory Grant

The company can get up to DKK 150,000 for an advisor and get ready for its launch faster. This means the company receive a 50% subsidy for an advisory expense of up to DKK 300,000.

It is recommended to get assistance with market and segmentation analyses or sales channel strategies. Many applications are expected, and only the best will receive approval.

1. The applicant company is an SME according to the EU definition, i.e., has a maximum of 249 employees and a turnover of maximum 50 million euros and/or a balance sheet total of maximum 43 million euros.
2. The applicant company must have a Danish CVR number.
3. The applicant company must employ a minimum of 2 full-time equivalents at the time of application (based on the number of full-time equivalents in the CVR register at the time of application - data from E-income).
4. The applicant company must be able to receive de minimis aid.
5. The applicant company must have prepared at least one year's financial statements.
6. The applicant company must enter a new market.

Link: <https://virksomhedsprogrammet.dk/content/ydelser/smveksport-raadgivertilskud/ddd91592-b05c-4446-8ed8-ae052725b790/>

SME: Green Skills

The purpose of SME: Green Skills is to contribute to strengthening small and medium-sized enterprises' access to qualified labor through the development of competencies among employees, management, and board members. This is done by providing participants with skills, knowledge, and abilities so they can meet and handle specific new tasks and EU requirements and acquire competencies to make strategic decisions regarding green transition.

Through new competencies and knowledge, SME: Green Skills contributes to enhancing the company's forward-looking growth and earning opportunities.

The project's main activities consist of targeted collective workshops under the name Green Kickstart and 1:1 vouchers.

SME: Green Skills is part of the Business Programme and is funded by EU support from the European Social Fund Plus and funds from the Danish Business Promotion Board.

Facts:

- Duration: May 2022 - February 2026
- Total budget: DKK 78,400,000.00
- EU funds: DKK 50,000,000.00

Link: <https://virksomhedsprogrammet.dk/content/ydelser/smvgroenne-kompetencer/bae70095-0e6a-4d91-b4eb-f4c6e7c10d2a/>

SME: Green

SME: Green

SME: Green is a voucher scheme where your company can apply for subsidies for investments, consultancy, or a combination thereof - with the aim of progressing on the green journey towards reducing resource consumption and waste volumes. SMV: Green is an EU-funded voucher scheme for consultancy and investments aimed at a broad cross-section of small and medium-sized enterprises. The voucher scheme focuses on assisting companies that want to transform and develop with a focus on green transition and have increased focus on reducing the company's resource consumption and waste volumes. There are 8 vouchers available, which can be either individual investment or consultancy vouchers, or they can be combined.

The smallest voucher has a value of DKK 50,000, while the largest combination voucher has a value of DKK 300,000, with both investment and consultancy vouchers amounting to DKK 150,000 each.

Facts:

- Duration: September 2022 - December 2025
- Total budget: DKK 100,000,000.00
- EU funds: DKK 80,000,000.00

Companies participating in SME: Green:

- Must have at least one completed annual financial statement
- Must not be part of a public administration or receive public subsidies that account for more than half of operating expenses
- Must have a Danish CVR number
- Must meet the EU's criteria for the definition of an SME
- Companies approved to participate in SME: Green must sign an SME declaration.

Link: <https://virksomhedsprogrammet.dk/content/ydelser/smgroen/2e3581bc-6ca6-4ba2-a36a-efdadd2b196f/>

SMV: Digital

SMV: Digital - Kickstart the Company's Digital Development

Grant for private consultancy of DKK 100,000:

- Grant: DKK 100,000
- Use: Procurement of consultancy, in accordance with project description and other terms.
- Consultancy Market Survey: Must be approved by SMV: Digital before the project commences.
- Commitment Period: 12 months.
- Co-financing: 1:1 with incurred labor hours (minimum 274 hours at DKK 365/hour), cash payment, or a combination.
- Use of labor hours requires ongoing online time registration.
- Fund size: DKK 16 million, thus 160 companies can receive commitments.
- Supported by: EU Regional Fund and the Danish Business Promotion Board.

Investment and consultancy support of up to DKK 250,000:

To accommodate companies' ambitions to enhance their productivity or export through the use of digital systems, automation, or e-commerce. Companies can apply for a grant of up to DKK 250,000 for investment in technology and IT (up to DKK 200,000) and associated consultancy (DKK 50,000).

- Grant: DKK 250,000
- Use: Procurement of consultancy/investment, in accordance with project description and other terms.
- Commitment Period: 12 months
- Co-financing of consultancy services: 1:1 with incurred labor hours (minimum 137 hours at DKK 365/hour), cash payment, or a combination.
- Co-financing of investment services: 75% cash payment.
- Only one project at a time: Only one project can be applied for at a time in SMV: Digital. Your company can only apply if you do not have other applications in SMV: Digital under review. If your company has previously received a grant, this process must be completed and reported before you can apply again. This also applies if your company is part of a business group/same ownership.
- Fund size: This fund contains DKK 11 million.
- Supported by: EU Recovery Fund

Link: https://smvdigital.dk/content/?pk_vid=703087bbb60babb917102362329ecb5b