BUSINESS DEVELOPMENT GRANT
Assessment guidelines and selection methodology

1. Procedure for assessment of applications

1.1. Applications submitted and declared eligible under Minister of Economy and Industry Regulation No 30 of 26.09.2026 "Business Development Grant" (hereinafter the *Regulation*) are assessed on the basis of the assessment criteria described in these assessment guidelines.

1.2. The applications are assessed by the assessment committee formed by the Estonian Business and Innovation Agency (hereinafter the Agency), which follows the rules of procedure of the Agency's assessment committee in its work. The members of the assessment committee are published on the website of the Agency. Additional experts may be involved in the assessment at any stage.

1.3. Applications are assessed on a scale of 0–4 for criteria 1–5 (where 0 is not satisfactory and 4 is very good).

1.4. The overall score of an application is the weighted average of the five selection criteria. The overall score and the scores for the selection criteria will be calculated to the accuracy of two (2) decimal places.

1.5. Any data found in the application as well as any data received from the applicant, also any data available in public databases will be taken into account during the assessment process. When applications are assessed, it is also assessed whether the data (including forecasts) provided in the application are realistic, relevant and substantiated.

1.6. An employee of the Agency prepares an application assessment report, which includes the proposed score for each sub-criterion and its reasons, and submits it to the assessment committee.

1.7. The final assessment of projects is made by the Agency's assessment committee. The assessment committee confirms the score of the sub-criterion proposed in the assessment report by a simple majority of votes or makes a substantiated proposal to change the score. If a new score is proposed, every member of the assessment committee must give their score for this sub-criterion with their reasons. In this case, the score for the sub-criterion will be the average of the scores given by the assessment committee members.

1.8. A representative of the applicant may also be invited to the committee meeting to pitch the project on the proposal of the assessment committee.

1.9. The assessment committee will propose to grant, partially grant, grant with a secondary condition or deny the application. If the assessment committee proposes to grant the application in part or with a secondary condition, the relevant reasons must be stated in the minutes.

1.10. Applications declared eligible that have received an overall score of at least 2.50 and have not received a score lower than 3.00 for criteria 1–2 and lower than 2.00 for criteria 3–5 will be granted.

1.11. An application will not be granted if it has received an overall score lower than 2.50 or if the score for at least one of criteria 1–2 described in point 2 is lower than 3.00 or the score for at least one of criteria 3–5 is lower than 2.00.

1.12. In the case of application in rounds, the Agency will rank the applications on the basis of their overall scores. Ranked applications will be granted until the funds of the application round are exhausted.

1.13. In the case of application in rounds, if the overall score of applications is the same, the application that scored higher for criterion 1 will be ranked higher and if these scores are also the same, then according to the scores for the next criteria in the order. If all scores are the same, the application with the smallest requested grant amount will be ranked higher. The selection will be made randomly if all aspects are equal.

2. Application selection criteria, their weights and score descriptions

	Criterion 1: Strategic impact of the project and its alignment with the objectives of the Estonian Research and Development, Innovation and Entrepreneurship Strategy (RDIE). *The impact on the company's growth (turnover, exports, value added), the extent of changes to the business model, scalability, and the link between these changes and the project's investment volume, as well as the economic efficiency and innovativeness of the proposed activities are assessed.*	**25%**
4	The project makes a significant contribution to the growth of the company's long-term competitiveness and provides a clear and substantiated basis for a significant improvement in value added, export revenue, productivity or market position. The expected business impact of the project has been realistically forecast, is measurable and substantiated. The business impact forecast provided, including turnover, exports, value added and analysis of the return on investment, demonstrates a clear link between the proposed activities, the scale of the investment and the economic impact on the company's development. As a result of the project, the company will gain a new or significantly improved strategic capability, business model, process, technology, value proposition or position in the value chain, the impact of which is scalable and extends beyond the project implementation period. The innovative nature of the project is adequately substantiated and lies in a significant change to the company's processes, including the innovative application of artificial intelligence-based solutions or existing technologies. The change creates a clear and substantiated expectation of a significant improvement in the company's productivity, competitiveness or other economic performance. The project is clearly linked to the objectives of the RDIE Strategy.	
3	Interim assessment: meets most of the criteria for the highest level; there are a few shortcomings; the shortcomings do not call the project's success into question.	
2	The project contributes to the company's development and may have a positive impact on competitiveness, value added, exports or productivity, but the scope or significance of this impact is limited. The expected business impact of the project has been outlined in general terms, but its scope, the conditions for its achievement or its substantiation remain partly unclear. There are shortcomings in the business impact forecast provided, including turnover, exports, the analysis of value added and/or return on investment, and the link between the proposed activities, the scale of the investment and the economic impact on the company's development is not adequately substantiated or cannot be clearly assessed on the basis of the data provided. The proposed activities mainly support the development or streamlining of existing operations, and their impact on the company's business model, value proposition, value chain or strategic position is modest. The proposed activities involve new or improved solutions or the application of existing technologies; however, the change resulting from the process innovation, or its expected economic impact, is modest or inadequately substantiated. The project is linked to the objectives of the RDIE Strategy, but its contribution to achieving them is limited.	
1	Interim assessment: there are significant shortcomings; only the minimum requirements have been met; the achievement of the project's objectives is uncertain.	
0	The project does not appear to have any substantive impact on the increase in the company's competitiveness, value added, export capacity, productivity or any other	

	strategic capability. The expected results are not substantiated, not substantiated on the basis of the assumptions, activities or forecasts presented, or cannot be linked to the proposed activities. The proposed activities will not result in any significant change to the company's business model, value chain or market position, and their impact is neither scalable nor permanent. No business impact forecast, including turnover, exports, value added and/or an analysis of the return on investment, has been provided or it cannot be used to assess the impact of the proposed activities on the company's development. The proposed activities will not result in any substantive change to the company's processes, nor will they provide a substantiated basis for the improvement of the company's productivity, competitiveness or other economic performance. The introduction of this technology does not entail any provable process innovation or significant economic impact. The project makes no contribution, or only a formal one, to achieving the objectives of the RDIE Strategy.

	Criterion 2: Market potential and international validation of the project. *The justification and attractiveness of the target market, the competitive situation and the value proposition in the target market or its significant improvement as a result of the project are assessed. The impact of AI-based solutions on the company's value proposition and international competitiveness, and the activities proposed during the project to prove market validation and conduct international customer validation are also assessed.*	**25%**
4	The project creates a clear and substantiated basis for the growth of the company's international competitiveness and export capacity. The target market or markets are clearly defined, and their selection is based on a thorough analysis of market potential, customer needs, the competitive situation and opportunities for market entry. The company's value proposition meets the needs of the target market or is significantly enhanced as a result of the project, and its difference from competitors is clearly substantiated. The implementation of an AI-based solution or process innovation helps to strengthen the company's competitive position or creates a substantiated precondition for differentiating its value proposition in the target market, improves the value proposition or enables the creation of a new or significantly enhanced product or service feature. If the project includes the activity 'piloting and validation of a product or service in the target market in a real-world environment', this is a logical and justified part of the project's overall logic and is consistent with the results of the target market analysis. The proposed activities enable the collection of evidence-based input on customer needs, the suitability of the solution, the user experience and market potential, and will support the process of gaining market validation from international customers or users.	
3	Interim assessment: meets most of the criteria for the highest level; there are a few shortcomings; the shortcomings do not call the project's success into question.	
2	The project creates a limited basis for the growth of the company's international competitiveness and export capacity. The target market or markets have been defined, and their selection, market potential and competitive situation have been described in general terms; however, the analysis provided does not allow for a sufficient assessment of the attractiveness, competitive situation and market potential of the target markets. The company's value proposition has been described and the implementation or use of an AI-based solution has been planned, but its impact on improving the value proposition, customer value or international competitiveness has only been partially substantiated. The application partly explains what competitive advantage the AI	

	solution provides compared with existing alternatives, or how it supports the company's growth in the target market; however, there are some uncertainties in this regard. If the project includes the activity 'piloting and validation of a product or service in the target market in a real-world environment', the activities have been proposed, but their substantiation and link to the project's overall logic and target market analysis are partly unclear. The proposed activities make it possible to gain some insight into customer needs, the suitability of the solution or market potential, but their contribution to obtaining market validation is not fully substantiated.
1	Interim assessment: there are significant shortcomings; only the minimum requirements have been met; the achievement of the project's objectives is uncertain.
0	The project does not provide an adequate basis for increasing the company's international competitiveness or export capacity. The target market or markets have not been defined, or the choice of markets has not been substantiated. The information provided cannot be used to assess the attractiveness of the target markets, their market potential, customer needs, the competitive situation or opportunities for market entry. The extent to which the company's value proposition meets the needs of the target market has not been described or substantiated. The impact of implementing or using an AI-based solution on the company's value proposition, customer value or international competitiveness has not been described or cannot be assessed. It is not possible to determine what competitive advantage the solution provides for the company or how it supports the company's growth in its target market. If the project includes the activity 'piloting and validation of a product or service in the target market in a real-world environment', the activity's necessity, scope, methodology and relevance to the project's objectives or the target market have not been substantiated. The proposed activities do not enable the collection of relevant input on customer needs, the suitability of the solution, the user experience or market potential, nor do they support gaining market validation from international customers or users.

	Criterion 3: Substantiation and comprehensiveness of the project *The quality of the development plan, the coherence and logic of the activities, the timetable of the activities, and the clarity and realism of the milestones are assessed.*	**20%**
4	The development plan is of high quality, comprehensive and internally logical. The proposed activities form a coherent and substantiated whole, clearly aimed at achieving the project's objectives. The links and dependencies between the activities and their sequence are clear and substantiated. The project timetable is realistic, and the milestones, outcomes and indicators are clearly defined. The main risks associated with the implementation of the project have been identified, and appropriate measures have been planned to mitigate them. The project's activities are necessary for achieving the objectives and provide comprehensive support for the company's development, avoiding a collection of individual activities that are only loosely linked to one another.	
3	Interim assessment: meets most of the criteria for the highest level; there are a few shortcomings; the shortcomings do not call the project's success into question.	
2	The development plan is generally clear, and the project's main activities are linked to its objectives; however, the internal logic or coherence of the activities is not sufficiently substantiated in all sections. The project timetable and milestones are described, but their feasibility or link to the planned outcomes remains partly unclear. The project includes activities that may	

	support the achievement of the objective, but their necessity, sequence or links have not been fully proven. There are shortcomings in the approach to risks or in the overall management logic of the project.	
1	Interim assessment: there are significant shortcomings; only the minimum requirements have been met; the achievement of the project's objectives is uncertain.	
0	The development plan is not comprehensive and does not allow for an assessment of the project's underlying logic or feasibility. The proposed activities are only loosely linked to one another, or there is no clear link to the achievement of the project's objectives. The project timetable, milestones or outcomes are unrealistic, inadequately described or missing. The project essentially consists of a collection of individual activities without a coherent development logic, and there is no convincing basis for believing that the proposed activities will make it possible to achieve the desired outcomes.	
	Criterion 4: Entrepreneur's capabilities and competence. *The applicant's ability to carry out the project (team competence, previous experience, financial capacity), the knowledge and skills retained by the company and their sustainability, competency building, and whether the project develops the company's technological or commercial capacity and reduces dependence on outsourced competency, the balance between the company's own activities and outsourced services, and the link between competency and the company's long-term growth potential are assessed.*	**20%**
4	The knowledge, skills and competencies required to carry out the project have been fully defined, and ensuring these throughout the project has been appropriately planned. The necessary competence is available in the company, or its acquisition is clearly substantiated and appropriately planned. The roles, areas of responsibility and planned contributions of the project team are substantiated and consistent with the project's activities and objectives. The company's financial indicators and proposed sources of funding make it possible to implement the project sustainably, achieve the planned outcomes and integrate the project's outputs into the company's operations. As a result of the project, the company's technological and/or business capabilities will increase significantly, and knowledge, skills and competencies will be developed or strengthened in the company, which will be applied in its future operations. When outsourced competencies are used, the transfer of knowledge and skills to the company is clearly planned, and the company either already possesses, or will develop during the course of the project, the capacity to apply and further develop these independently. As a result of the project, the company's independent capacity will increase, its reliance on external competence will decrease, and the foundations will be laid for the company's long-term growth and development.	
3	Interim assessment: meets most of the criteria for the highest level; there are a few shortcomings; the shortcomings do not call the project's success into question.	
2	The knowledge, skills and competencies required to carry out the project have been mostly defined, and ensuring these throughout the project has been generally planned. The necessary competence is either already present in the company or its inclusion has been planned, but the description of some key competencies, roles or areas of responsibility is incomplete or insufficiently substantiated. The roles, areas of responsibility or planned contributions of the project team are not fully aligned with the project's activities and objectives in all respects. The company's financial indicators and proposed sources of funding provide partial, but not full, assurance that the project will be carried out to the planned extent. Financing involves risks; however, based on the information provided, these risks are manageable and the company's ability to cover its self-financing and other costs necessary for the implementation of the project has been sufficiently substantiated.	

	The project may increase the company's technological and/or commercial capabilities, but the long-term use of the knowledge, skills or competencies in the company is only partially planned, or it is not entirely clear how the company will apply them independently once the project has ended. The project does contribute to increasing the company's independent capacity, reducing its dependence on external competence, or its long-term growth potential, but this contribution is of limited scope or insufficiently substantiated.
1	Interim assessment: there are significant shortcomings; only the minimum requirements have been met; the achievement of the project's objectives is uncertain.
0	The knowledge, skills and competencies required to carry out the project have not been defined. The company lacks the necessary competence, or its involvement is neither substantiated nor properly planned. The roles, areas of responsibility or planned contributions of the project team have not been defined or are not aligned with the project's activities and objectives. The company's financial indicators and proposed sources of funding do not provide grounds for concluding that the company has the necessary capacity to implement the project on the proposed scale, to achieve the project's objectives or to implement the project's outcomes in the company's operations. The project does not demonstrate an increase in the company's technological and/or commercial capabilities, or the achievement of this has not been substantiated. The permanent use of the knowledge, skills and competencies in the company has not been planned, or it has not been described how these will be retained in the company. When outsourced competencies are used, there is no clear plan for transferring knowledge and skills to the company and for applying them independently. The project's contribution to increasing the company's independent capacity, reducing its dependence on external competence, or its long-term growth potential is missing or cannot be identified.

	Criterion 5: Cost-effectiveness of the project. *The substantiation of the budget and its link to outcomes and impact are assessed.*	**10%**
4	The budget of the project is clear, realistic and substantiated. The proposed costs are necessary to achieve the project's objectives and are directly linked to the proposed activities, outcomes and expected impact. The scale of the costs is proportionate to the project's objectives, the planned outcomes and the expected economic impact. The budget shows that resources are being used sparingly and in a targeted manner, and that cost-effective solutions have been chosen to carry out the proposed activities. The amount of the costs is substantiated with market prices, comparable quotes or other relevant data. Labour costs are substantiated considering the planned tasks, the required competencies and the company's existing remuneration policy.	
3	Interim assessment: meets most of the criteria for the highest level; there are a few shortcomings; the shortcomings do not call the project's success into question.	
2	The budget of the project is generally substantiated, but there are shortcomings in whether the costs are necessary or realistic, or regarding their link to the project's activities, outcomes and expected impact. The main costs relate to the project's objectives, but the amount, content or necessity of some costs has not been sufficiently clearly substantiated. The link between the costs and the planned outcomes is partly unclear, and it is not entirely convincing that the planned resources are proportionate to the project's objectives and expected impact. It is not sufficiently clear from all parts of the budget that resources are being used in the most cost-effective and targeted manner.	

	The amount of the costs differs slightly from the amount offered on the market or the reference data, but this difference is justified by the specific nature of the project, the nature of the work or the competencies required. Labour costs may differ from the company's previous payroll, but the difference is justified by changes to the planned tasks, need for workforce or remuneration policy.
1	Interim assessment: there are significant shortcomings; only the minimum requirements have been met; the achievement of the project's objectives is uncertain.
0	The budget of the project is not substantiated, or there is no clear link between the proposed costs, activities, outcomes and expected impact. The necessity, realistic nature or scale of a significant proportion of the costs has not been substantiated, or the costs are not relevant to the achievement of the project's objectives. The budget does not make it possible to assess whether the proposed resources are proportionate to the project's objectives and expected impact, or whether they are being used cost-effectively. The proposed costs include a significant proportion of unsubstantiated or impractical activities, and there is no credible evidence that the project's objectives can be achieved with the proposed budget. The amount of the costs is not substantiated with market prices, comparable quotes or other relevant data. Labour costs differ significantly and unjustifiably from market levels or the company's existing remuneration policy, and the link between these costs and the project's activities and expected outcomes is not convincing.