

Northeast Iceland Development Fund - Uppbyggingarsjóður grant allocation rules

I. Administration

1. Purpose

The role of Uppbyggingarsjóður is to support cultural-, business development- and innovation- projects, as well as other projects that fall under the Northeast Iceland Development Plan. The fund promotes positive societal development, strengthens the pillars of culture, increases the region's competitiveness, and promotes sustainability and positive environmental impact.

2. Competition Fund

Uppbyggingarsjóður is a competitive fund. Applications are evaluated based on the goals and priorities of the Northeast Iceland Development Plan. The fund's operating year is based on the calendar year. Grants from the fund fall under EU regulation no. 1407/2013 that public support for individual companies shall not exceed 300,000 euros in each three-year period.

3. Allocation Committee

The SSNE Annual Congress appoints, according to the board's proposal, three members to the committee, including the chairman. Also on the committee are representatives of the professional councils appointed according to Paragraph 1 Article 16 of the SSNE's articles of association. Gender balance shall be considered when appointing the allocation committee.

The allocation committee's role is to select the projects that will be funded, based on professional evaluation. When allocating grants, equality, objectivity, transparency, and competitive considerations must be observed.

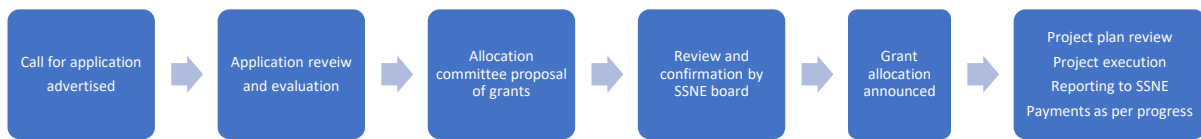
4. Implementation

SSNE advertises for applications to Uppbyggingarsjóður. On behalf of the SSNE board, SSNE staff receive applications and process them for the allocation committee. They have an advisory role towards applicants and must observe non-discrimination principles. Once allocation is complete, SSNE staff are in responsible for communication with the grant recipients and project follow-up.

II. Project selection

5. Allocation process

In general, grants are advertised in the fall and awarded once a year, in the last quarter. Applications may be re-advertised for if deemed necessary. Applications for grants shall be advertised on the SSNE website, as well as in local advertising media in the fund's operating region.



6. Applicants

Applicants must be individuals of legal age, organizations, companies or institutions. In addition, municipalities in Northeast Iceland can be applicants, but in general Institutions, public joint-stock companies, and organizations majority-owned by the state or local authorities should not be the leading party in projects funded by Uppbyggingarsjóður. Applicants for start-up and operating grants in the field of culture must be legal entities.

7. Applications

Applications must be submitted in the electronic application portal of Northeast Iceland Development Fund, which can be accessed on the SSNE website. It is essential that signing into the application portal is done with the applicant's electronic ID. As a rule, each applicant can at maximum receive two grants in each application process.

The applications must contain a clear description of the project and its objectives, a work and time schedule, a detailed budget (cost and income budget) as well as information about the applicant(s). It is important that cost estimates are realistic. It must also be stated how the project supports the objectives of the Northeast Iceland Development Plan 2020-2024.

8. Previous projects

The applicant must have submitted a final report on previous projects for a new application to be taken to process by the allocation committee.

9. Criteria for project evaluation

Applications must align with the objectives of the Northeast Iceland Development Plan.

Uppbyggingarsjóður looks specially toward projects that equalize the status of all groups in society, regardless of race, ethnic origin, religion, outlook on life, disability, reduced work capacity, age, sexuality, or gender identity. Effort is made to see that allocated grants are distributed throughout the whole region. In evaluating applications, use is made of evaluation guidelines which can be accessed [here](#).

10. Grants

Uppbyggingarsjóður does not normally support more than 50% of the eligible total project costs. Grants from Uppbyggingarsjóður are of three types:

- a) project grants in the field of culture
- b) project grants for business development and innovation

Project elements and cost items necessary for the implementation of projects are eligible for funding, excluding the elements listed in 11.A.

c) start-up and operating grants in the field of culture

Project elements and cost items necessary for the implementation of projects are eligible for funding, excluding the elements listed in 11.B. Start-up and operating grants may be allocated for up to three years at a time, once every five years.

11 A. Project grants from Uppbyggingarsjóður in the fields of culture and business development and innovation do not cover the following elements:

1. No funding is granted for investments in companies or for the purchase of land or housing.
2. No funding is granted for the purchase of computers and general office equipment.
3. No funding is granted for the purchase of inputs for production intended for sale on the market.
4. Sold out rates may not be used as a reference for calculating wages, but wage costs shall be based on wages paid plus wage-related fees. For reference general collective agreements or calculated remuneration may be used.
5. Grants are not awarded for publication of any kind unless specialness is clear and in line with the objectives of Northeast Iceland Development Plan. The fund can, however, support the creative process itself.
6. Activities of sports clubs, town festivals, gatherings (e.g., concerts, memorial gatherings, exhibitions, and seminars) without notable novelty are not funded.
7. Document registration, congregational activities and traditional cultural activities within schools is not supported.
8. Costs incurred before the end of the application deadline for the project applied for are not eligible.

11 B. Start-up and operating grants from Uppbyggingarsjóður do not cover the following elements:

1. Uppbyggingarsjóður does not provide start-up and operating grants to those parties who, according to the law, are entitled to grants from other funds.
2. In general, operating grants are not awarded for operation during high season unless specialness is clear and in line with the objectives of Northeast Iceland Development Plan.
3. Sold out rates may not be used as a reference for calculating wages, but wage costs shall be based on wages paid plus wage-related fees. For reference general collective agreements or calculated remuneration may be used.
4. Grants are not awarded for publication of any kind unless specialness is clear and in line with the objectives of Northeast Iceland Development Plan. The fund can, however, support the creative process itself.
5. Document registration, congregational activities and traditional cultural activities within schools is not supported.
6. Costs incurred before the end of the application deadline for the project applied for are not eligible.

III. Execution of projects and communication with grant recipients

12. Terms and conditions

The applicant accepts with his application the terms and conditions stated in these allocation rules and that the project will be carried out in accordance with description and project plan presented in the existing application or revised plan.

The grantee and the project's representative are fully responsible for its implementation and must guarantee that there is adequate permission for the implementation of the project, use of sources and other elements pertaining to the project. Additionally, they have financial responsibility for accounting and reporting obligations, and Uppbyggingarsjóður will have access to the project's accounting, if requested.

13. Grant payments

1. Grants of up to 1 million ISK may be paid in two parts. The first part, 50% will be paid in late January or later if specially agreed upon. Final payment is made when the project is completed, and the grantee has submitted a satisfactory final report.
2. Grants over 1 million ISK may be paid in three parts. The first part, 30% will be paid in late January or later if specially agreed upon. Up to 40% may be paid upon submission of a progress report. Final payment is made when the project is completed, and the grantee has submitted a satisfactory final report.
3. For start-up and operating grants, 80% is paid in late January and 20% after the grantee has submitted a satisfactory final report.

If there are significant changes to the project, without the approval of the allocation committee, the grant is fully or partially refundable. All requests for changes must reach the relayed to SSNE employees without delay. They are authorised to make decisions about minor changes, e.g., delaying the completion of the project until March of the following year and changing the location of events.

Progress and final reports must be submitted in an appropriate form found on [the fund's website](#).

IV. Other provisions

14. Liability and Eligibility

The applicant guarantees that there are adequate permits for the implementation of the project and use of references, if necessary, and is responsible for all aspects of the project. Beneficiaries must meet the eligibility criteria of paragraph 2. Article 47 Act no. 84/2007 on public procurement.

Members of the allocation committee must observe eligibility rules when making decisions and step down if circumstances are conducive to reducing the belief in impartiality in the selection of projects. In assessing disqualification, the provisions of Administrative Law no. 37/1993 and 20 art. Local Government Act no. 138/2011 are considered. For example, if a committee member is involved in an application, he must

recuse himself from discussing all grant allocation of the year in question and a deputy must be called in.

If a member of the allocation committee or the professional council is an employee of an organization or company and an application from employees of the same organization or company is being considered, the closeness of the members relationship with those employees and/or managers of the organization in question must be assessed. That type of professional relationship does not necessarily lead to disqualification. Members of the allocation committee and the professional council are responsible for spotting circumstances that disqualify them from considering applications.

15. Confidentiality

Applicants are promised confidentiality regarding their applications in accordance with the Information Act. A list of the grant beneficiaries will be made public, including the project name, grant amount and an introductory text. The members of the allocation committee undertake to delete all data to which they have access due to their work in the committee no later than 90 days after the announcement of the Fund's allocation for each year.

16. Audit

These procedures shall be reviewed annually.

Approved by the board of SSNE on 10. september 2024