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## COVID-19: Event compensation scheme

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The Danish Government has proposed a state funded compensation scheme in respect of events affected by its prohibition on indoor gatherings of 100 or more persons which took effect on 16 March 2020. Below, we have listed certain key questions and answers in respect of the event compensation scheme based on the information available thus far.

### What events are covered by the event compensation scheme?

It is currently envisaged that an event will be eligible for compensation if it satisfies each of the following criteria:

- The event has an audience of 1000 or more. In cases where the target audience of the event is particularly exposed to COVID-19 risks, events with an audience of 500 or more are eligible.
- Tickets/registrations for the event are available to the public.
- The event was set to take place in Denmark between 6 and 31 March 2020, but COVID-19 outbreak has caused the event to be cancelled, delayed or the conditions of the event to materially change.

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The Danish Government is currently considering adjustments to the scope of the event compensation scheme in light of the Danish Prime Ministers press conference on 11 March 2020.

## What can be compensated?

The compensation scheme is expected to cover expenses and loss of revenues from different sources, such as:

- Ticket revenues (including presale),
- Revenues from sale of food, beverages and merchandise,
- Sponsorship revenues,
- Artist fees,

Compensation in respect of losses will only be granted to the extent that the loss is not already covered by the event organizer's insurance and to the extent that it does not result in a profit.

Organizers of events set to take place in the coming months are encouraged to consider any measure lowering events costs.

## What documentation needs to be provided when applying for compensation?

An application for compensation under the scheme must be accompanied by documentation. The documentary requirements vary depending on the expense/loss in respect of which compensation is sought. For example, if compensation is sought in respect of:

- Presold tickets: Application must include a calculation of the number of tickets refunded.
- Artist fees: Application must include evidence of payment of the cancellation fee and the organizer's obligation to pay such fee.

If an, event organizers seeking compensation for loss of revenue from a variety of sources, such as ticket sales, sale of food, beverages and merchandise, sponsorship revenue, etc., must submit accounts for the event that document the losses in respect of which compensation is sought.

With respect to applications for compensation of more than DKK 500,000 (approx. EUR 67,000), the documentation must include an auditor's endorsement and evidence that the event organizer's insurance does not cover the losses in respect of which compensation is sought. The scheme covers expenses in respect of an auditor's endorsement of up to DKK 30,000 (approx. EUR 4,000).

## How is compensation applied for?

- Applications must be submitted digitally.
- The Danish Business Authority expects to open for applications from 20 March 2020. Applications received ahead of this date will not be considered.
- Any application satisfying the criteria of the compensation scheme will be eligible for a grant. Applications received earlier will not be favored.
- More information on the compensation scheme and the application process will be posted to [www.virksomhedsguiden.dk](http://www.virksomhedsguiden.dk)

Kromann Reumert is available to answer questions and assist with application under the scheme.