ECOSYSTEMS AND NEW TOOLS FOR FUTURE AT BUSINESS FINLAND

TEIJA LAHTI-NUUPTILA
FOR FINLAND

We Catalyze New, Sustainable Growth through Innovation, and International Collaboration

STRATEGIC INTENT

1. Global Growth for Companies

2. World Class Ecosystems and Competitive Business Environment
BUSINESS FINLAND OBJECTIVES BY 2025

1. Double the R&D investments and exports of SMEs
2. Create new, world-class business ecosystems of 20 billion euros in total
3. Become the most attractive destination for FDI in Nordics
4. Become the most desired travel destination in Nordics
## Strategic Intent

### Elements

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<th>What</th>
<th>How</th>
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<td>A. Change makers in global business ecosystems</td>
<td>Finnish companies form strong and attractive ecosystem nodes to gain critical positions in global business ecosystems, driven by global challenges. BF supports the creation and renewal of business ecosystems by producing insights on global challenges, tackling regulatory barriers, networking key players, and by funding renewal and coordination.</td>
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<td>B. Best knowledge to drive renewal</td>
<td>Renewing ecosystems have access to knowledge, competences and talent, which drive the change. BF strives for having best competences and talent available for ecosystems in focus, through funding research, attracting international investments and forming networks (domestic and international).</td>
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<td>C. World class trial environment</td>
<td>Finland establishes significant large scale real life experimental platforms and environments, attracting leading global companies. BF drives co-operation between public and private players and facilitates joint industry actions for selected potential world class ecosystems.</td>
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**ECOSYSTEMS AS BUSINESS FINLAND CUSTOMERS**

The Growth Engine is a market-driven, open entity that generates a significant new global business.

The Growth Engine attracts the innovation activity of foreign companies to Finland.

The best and most important ecosystems can grow into Growth Engines.

Create new comprehensive solutions for customers by enhancing co-operation, combining different skills and increasing skills.

A common goal, the need and the plan to do things together. Business-driven networks.
## Business Finland Programmes

Programmes are for the group of customers and they are divided by following themes:

- Bioeconomy and Circular Economy
- Cleantech
- Digital Solutions
- Health and Wellbeing
- Consumer business
- Travel
- Cross cutting
  - Digital transformation
  - New value creation
  - Developing markets
  - Arctic

### Knowledge & know-how
- Foresight & trends
- Market and customer information
- New insights and ideas
- Enhancing capabilities

### Partnerships & networks
- Networks for Innovation
- Partnerships for business
- TF Delegations
- Prestige Services

### Funding
- Companies
- Research and public organizations
- Ecosystems and networks
RENEWED RESEARCH FUNDING INCOURAGES RESEARCHERS AND COMPANIES TO CO-OPERATE

Co-creation  Co-innovation  New business from research ideas (TUTLI)

International and other special calls
LARGE COMPANIES – DRIVERS IN THE NETWORKS

- We fund large companies that have the will and ability to renew via a network.

- Large companies must spend at least 40% of total project costs to acquire services from SMEs or research organisations, or the project must be carried out as a genuine joint project with SMEs and research groups.
GROWTH ENGINES - NEW POWERFUL ECOSYSTEMS

- New Public-Private-Partnerships
- Goal: over 1 billion euro new business, exports and investments in Finland
- Tailor-made services and new types of funding from Business Finland
**Growth Engine:** Ecosystem seeking a new business worth 1 billions euro, exports and investment to Finland.

**Partners:** Companies, research organizations, public authorities. Own and joint R&D&I projects with Business Finland and EU funding.

**Orchestrator:** Facilitates co-operation and vision work, activates joint R&D&I projects. Funded with innovation cluster funding of Business Finland.

**Platform company:** The company's business must be growth-oriented and affect other actors in the growth engine ecosystem positively. Can be funded by a capital loan of Business Finland.
FUNDING FOR DIFFERENT NEEDS

Starting support for the Growth Engine platform company*
- Capital loan for development of the Growth Engine Platform company’s businesses and the ecosystem
- For SMEs under 5 years of age, State aid

Funding for the Growth Engine orchestrator
- Funding for creating and developing a business-driven globally competitive Growth Engine and an attractive innovation environment
- Max 50% 

Other Business Finland funging for partners
- Grants and loans
- For the partners of the Growth Engine Ecosystem. For R&D&I projects, piloting, market surveys, plans for international growth

Growth Engine tendering
- For development of the Growth Engine Platform Company’s own business and maximizing the impact of the ecosystem
- Public procurement procedure
  - Tendering procedure
  - Remuneration: capital loan
- Not state aid

*Young Innovative Companies funding not allowed for the same companies
CAPITAL LOANS AS A NEW TOOL

Starting support for the Growth Engine platform company
- Capital loan for development of the growth engine platform company’s business and the ecosystem
- Application procedure
- Capital loan
  - Maximum 400 k€ and 75%
  - Maximum 10 years
  - Interest rate 1%
- For young SMEs (<5 years)
- State aid

Growth Engine tendering
- Capital loan for development of the Growth Engine Platform Company’s own business and maximizing the impact of the ecosystem
- Public procurement procedure
  - Tendering
  - Remuneration: capital loan
- Not state aid

Quasi-equity, patient money for company development (not project support); risk sharing, repayment when business profitable, does not dilute ownership, get rid of state by paying back loan
EVOLUTION OF GROWTH ENGINES AND BUSINESS FINLAND SERVICES

**Preparation**
- Common vision & road map
  - Starting support for the Growth Engine orchestrator & for the Growth Engine platform company
  - Foresight information
  - 3-6 months

**Starting**
- Act plan for developing a Growth Engine and boosting innovation activity
- Influencing the business environment and regulations
  - Innovation cluster funding for the Growth Engine orchestrator
  - Starting support for the Growth Engine platform company
  - Services for internationalization and invest-in
  - 2 yrs

**Maturity**
- Expansion in the global markets
- More global partners
- Globally competitive, demand-driven solutions
  - R&D&I funding
  - Co-Innovation funding
  - Capital loans
  - Funding for innovation infrastructure
  - Funding for innovative public procurements
  - Invest-in services
  - 10 + yrs

**Go/No go**
- Go/No go
With the development of the service platform, the crossing of freight transport speeds up and congestion is reduced. Time savings are expected to result in billions of savings in logistics.
LUXTURRIM – FAST 5G NETWORK ON SMART LIGHT POLES
FINLAND IS A BATTERY POWERHOUSE FOR ELECTRIC VEHICLES
WOODBASED FIBRES ARE CHALLENGING PLASTIC

Lignin ecosystem

New cellulose and fibre products

Packaging valley

Telaketju – textile ecosystem
BUSINESS FINLAND AND AGENDA 2030 (DRAFT)

Targets in BF core

8 Decent work and economic growth
9 Industry, innovation and infrastructure
5 Gender equality
16 Peace, justice and strong institutions

Targets well met (e.g. by themes, programmes)

3 Good health and well-being
6 Clean water and sanitation
7 Affordable and clean energy
11 Sustainable cities and communities
12 Responsible consumption and production
13 Climate action
17 Partnerships for the goals

Targets met by cooperation

1 No poverty
2 Zero hunger
4 Quality education
10 Reduced inequalities
14 Life below water
15 Life on land
BUILD YOUR NETWORK
NETWORKS FOR INTERNATIONAL GROWTH