



Euroopan unionin rahoittama –
NextGenerationEU

FUNDING CALL FOR THE SUSTAINABLE GROWTH AND DIGITALIZATION OF THE TOURISM INDUSTRY

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1. Background

The Sustainable Growth Programme for Finland related to the EU Recovery and Resilience Facility (RRF) aims to accelerate the development of competitiveness, investments, increased competence levels, and research, development, and innovation. It specifically focuses on promoting the green transition and the digital change.

Due to the pandemic, consumers' values, needs, and habits are changing, which in turn is reshaping expectations connected to tourism. Due to the impact of the pandemic, consumers find environmentally, economically, culturally, and socially sustainable practices and digitalization even more important than before. At the same time, the ambition of the Finnish tourism industry to promote sustainability and digitalization has increased. This has brought serious economic and social challenges to the tourism industry, as well as uncertainty about the future. Long-term investments for the future, such as sustainable development and RDI investments, are challenging to make as tourism companies struggle to survive.

2. Funding call to support the sustainability and digitalization of the tourism industry

Business Finland is launching a funding call for the research, development, and innovation (RDI) projects of companies and research organizations. The aim is to increase the RDI intensity of the tourism industry in the long term and strengthen cooperation between tourism businesses and research organizations. The funded projects must be in line with the objectives of sustainable tourism and the green transition and to promote the development and use of digital solutions in the tourism industry.

In particular, the funding is used to promote the following themes:

- extension of the length of stay of tourists
- year-round tourism, and
- new customer groups.

The funded projects can strengthen industry professionals' ability to understand customer needs and buying behavior, as well as the ability to anticipate and capitalize on changes affecting the tourism industry, such as innovations in virtual tourism. The developed digital and scalable solutions may relate to tourism products and services, customer experience, or value chains related to them. As part of the projects, we also want to see new and creative earning models and methods of commercializing solutions.

2.1. Funding criteria and the implementation model

The funded projects are not limited to any particular technology or business area, but each of them must contain an element that significantly contributes to the development of digitalization in accordance with the *Sustainable Growth Program for Finland*. The projects must aim at the development of the practices currently used by the Finnish tourism industry and the application of new digital solutions. The aim of the projects is to contribute to the promotion of digital practices and the use of technology in different sectors of the tourism industry.

With regard to the content of the funded projects, the key criteria are their innovative nature and the impact of the expected results on the international competitiveness of the Finnish tourism industry. The projects will also be selected on the basis of how the results can be utilized by other actors in the tourism industry and the entire tourism ecosystem and networks. The RDI projects selected for funding may be linked to international and, in particular, European cooperation and thus include cross-border cooperation.

The funding is competitive and discretionary. All companies that meet the minimum criteria will not automatically receive funding. When making its decisions, Business Finland always evaluates the company's business as a whole: innovativeness at least at the national level, the solution's competitive advantage, the team, and the adequacy of funding. Business Finland will also evaluate the applicant's expertise, ability to implement the project, and the project plan. In addition, Business Finland emphasizes the promotion of the general goals of the green and digital transition set out in the Sustainable Growth Program for Finland.

More information about the Sustainable Growth Program for Finland is available on the websites of [Business Finland](#) and the [Ministry of Finance](#).

The funding call is divided into two parts:

- 1) Projects by individual companies (section 3)
- 2) Joint projects (section 4)

A maximum of EUR 4.8 million will be granted in the funding call.

The EU RRF requires that no funded measures do any significant harm to the environment. Each project funded through the Sustainable Growth Program for Finland must meet the "Do No Significant Harm" requirements. Applicants must be prepared to respond to DNSH questions as a mandatory part of the funding application. More information about the DNSH requirements is attached (ANNEX 2).

The Money Laundering Act and the EU's money laundering directives require a company or entity to identify its beneficial owners, to report their information for registration and to keep the information up to date. Pursuant to the RRF Regulation (Regulation (EU) 2021/241 of the European Parliament and of the Council, Article 22), Business Finland is required to collect the following information about the beneficial owner(s) of the final recipient: first name(s), surname(s), and date of birth. The funding is conditional on the applicant having provided the Finnish Patent and Registration Office with information on the actual beneficiaries of the company.

Criteria for other projects funded through RRF are attached (ANNEX 1).

Funding provided through RRF does not supersede Business Finland's stabilized funding opportunities. Business Finland may, within the scope of its normal funding authorization, consider also providing funding for RDI projects that deviate (upwards) from the size class criteria set out in this funding call if they are considered to have a significant impact on the development of the Finnish tourism industry and ecosystems.

3. Funding for projects by individual companies

3.1. Requirements for funding

Companies engaged in economic activities – limited liability companies (Oy), public limited companies (Oyj), limited partnerships (Ky), general partnerships (Ay), and cooperatives – can apply for funding regardless of size. However, funding cannot be granted for natural persons. For this reason, private traders (“toiminimi” in Finnish) cannot be funded. Associations and foundations are not eligible for funding in this funding call either.

The applicant is not required to be a tourism company, but the content of the development project must serve the needs of the tourism industry and be applicable to the industry. The Sustainable Growth Program for Finland determines that funding will be allocated to research, experimentation, and development projects supporting the commercialization of the tourism business and innovations. According to the program, the two main target groups for funding are Finnish tourism companies as well as universities and research institutes promoting RDI activities in tourism. According to the program, the two main target groups for funding are Finnish tourism companies as well as universities and research institutes promoting RDI activities in tourism. Regional organizations are not eligible for this funding and can only be funded if, after the project, the company utilizes the results of the funded project in its own business as products or services sold to tourists or other companies in the value chain of tourism.

The beneficiary must have potential for profitable business operations and growth. The organization must have sufficient human and financial resources to implement the development project and to exploit the project results in their business operations. This can mean, for instance, having a team in which one employee holds full-time responsibility for business development.

The funding is provided in the form of de minimis aid. According to the EU regulation, the company and other Finnish companies belonging to the same group or under its control may receive de minimis aid up to EUR 200,000 during the current and the previous two financial years. The company itself must monitor the amount of aid received and declare in the funding application the de minimis aid it has received previously. If the company has not received the aid previously, the amount of the aid is set to EUR 0.

In addition, the granting of funding is subject to the condition that the applicant has net financial assets (short-term assets + bank balance – short-term liabilities) of at least EUR 50,000 at the time of the application.

The indicative implementation period for the projects is a maximum of 18 months. Projects funded in this call through the RRF must be completed by December 2024 at the latest.

3.2. Costs eligible for support and the amount of funding

The company must use the funding for its employees' salaries, indirect personnel costs, and purchased expert services. A deferred installment of other costs can also be approved for the project. Other costs include overheads, travel expenses, costs of materials and supplies, facility rentals, equipment purchases, equipment depreciation costs, and equipment rentals. Business Finland approves these costs up to 20 % of the total amount of salaries and purchased services.

The maximum eligible budget for the funded project is EUR 100,000. Business Finland can provide funding for 50% of the eligible project costs, which means that the maximum amount of the aid is EUR 50,000. The funding is de minimis support. The funded projects can receive 70 % of the funding in advance. Costs can be accepted starting from the day on which an application was submitted to Business Finland.

The funding cannot be used for the following:

- activities related to exports, i.e., running costs directly related to export volumes, to the establishment and operations of a distribution network, such as an online store, or to other export activities.
- costs related to operational activities such as production, advertising, marketing, or sales
- brochure and advertising expenses
- investment, repair, and construction costs
- the costs incurred in preparing the application.

For more information about Business Finland's funding terms and conditions: [De minimis support for companies \(businessfinland.fi\)](https://businessfinland.fi)

4. Funding for joint projects

In the case of joint projects, priority will be given to funding projects described in section 4.1. Secondly, funding will be granted for research projects carried out by one or more research organizations without parallel business projects. The total amount of funding allocated to research organizations is at most EUR 1.5 million.

4.1 Co-Innovation Light joint project model

Business Finland can provide funding for joint projects by companies and research organizations. In a joint project, the consortium members agree collectively on the content, objectives, and utilization of the results of the project. The joint project plan should include a description of the project, the cooperation to be undertaken, and the role and responsibilities of each party in the consortium. All parties must apply for funding separately to cover the costs of their own contribution.

- The minimum number of participants is three companies and one research organization. At least two companies must have a funded development project of their own.
- The maximum eligible budget for the funded parallel business development projects is EUR 100,000, and the projects will be funded with a de minimis aid of up to EUR 50,000.
- The projects will be mainly evaluated in accordance with the criteria of Business Finland's Co-Innovation projects in terms of, for example, genuine cooperation and public research criteria. On the other hand, the assessment criteria for expected business and export effects of the business projects, in particular, will be adapted to the size of the projects.

With regard to the funding opportunities and eligible costs of the participating companies, the criteria set out in section 3 above apply. For research organizations, the criteria and funding terms and conditions for public research and the 70% funding level apply.

4.2 Research projects

Funding may also be granted for research projects conducted by research organizations. One or more research organizations together can apply for funding. All participants must apply for funding separately to cover the costs of their own contribution.

- Parallel business projects are not mandatory.
- Priority will be given to transnational projects involving participants from at least two provinces.
- All projects must involve several genuinely engaged companies that will utilize the research results and participate in steering the research.
- At least 5% of the eligible total budget must be funded by the parties submitting an announcement of participation and three or more parties that will utilize the research results.

In other respects, research organizations are subject to the criteria and funding terms and conditions for public research and the 70% funding level. The participation of utilizing companies is verified on the basis of the submitted notifications of participation.

For more information about Business Finland's funding terms and conditions: [Terms and conditions for public research funding](#)

5. How to apply

5.1 Funding applications for companies

Basic applicant and application information is completed normally in Business Finland's online service.

1. On the Candidate tab, select your organization type, referring to its size category: Startup/SME/Large.
2. On the Funding Service tab, please choose: Tempo
3. On the Organization tab, please enter your Business ID and the name of your project.
4. Basic Information for Application tab:
 - Please check that the basic information as well as the responsible person, cost statement contact person, and contact person for the application have been entered correctly.
 - RRF – Sustainable Growth Program for Finland: Select "RRF Matkailu / RRF Tourism"
 - Answer the questions on the environmental impacts of the project. Each project funded through the Sustainable Growth Program for Finland must meet the "Do No Significant Harm" requirements. The EU RRF requires that no measures do any significant harm to the environment.
5. The company's current status: Briefly describe the current status of your organization and its operations. What does your organization do and when did its operations begin? Please attach an accounts ledger no more than two months old (income statement and balance sheet).

6. Growth Vision: Describe the company's plans for the future: How do you plan to develop your operations over the next years and what actions are you taking to implement your plan?
7. Project Goals tab: Ignore the first question (project goals). In the section on the impacts of the project, describe how the project will promote the business of the beneficiary and/or other actors in the tourism industry. If the project continues an earlier development project that was funded by Business Finland or the Centre for Economic Development, Transport and the Environment (ELY Centre), please describe how the results of previous projects will be taken into account. Please answer the question concerning the project implementers.
8. Project Implementation tab: Enter the project schedule and attach a project plan as a DOC file.
9. Budget and Funding: Divide the costs and provide a clarification on the self-financing of the project.

Note: If several companies apply for funding for the same project portfolio, each company must submit its own application. Everyone must use the same project name and mention the cooperation in the project plan.

5.2. Funding applications for joint projects

Basic applicant and application information is completed normally in Business Finland's online service.

- Select "Co-Innovation joint project" if you are applying funding for a Co-Innovation Light joint project between research organizations and companies or a joint project between several research organizations:
 - The coordinator of the joint project selects the option "Co-Innovation main application". If the coordinator also intends to apply for funding for their own project, the coordinator must fill in the "Co-Innovation participant" application IN ADDITION to the main application. The main application is not a funding application, but a joint section combining the different sub-projects.
 - Each participant in the joint project selects the option "Co-Innovation participant".
 - If you are joining the Co-Innovation Light project as a company, use the Tempo application template and add the joint project ID you have received from the coordinator on the front page of the application in the following section: "If the reference data requested in call for applications is not found in the drop-down menu, enter it here." E.g., joint project ID 1234/31/2022.
- In a project carried out by an individual research organization, select the project type "Public research networked with companies".
- In the RRF – Sustainable Growth Program for Finland, select the application identifier "RRF Tourism". This opens up a battery of questions related to the EU's six environmental objectives, the answers to which the applicant must specify carefully.
- The research participants must attach to their own application "NOTIFICATION OF PARTICIPATION IN PROJECT" forms filled in by the companies participating in the project, in which the companies describe their views on the significance of the research project and their plans to utilize the results and indicate the amount of potential utilizer funding they have provided. The above does not apply to companies participating through a development project of their own.

- All parties must enter the project name in the following format: “RRF Tourism – [common name of the project]”.
- In the Free-form cover note field on the last page of the application service (“Summary and sending”), fill in the name of the Business Finland expert with whom you have discussed the project before applying.

6. Application schedule

- 1) The funding call for individual companies will start on March 1, 2022 and applications must be submitted by April 29, 2022. Decisions on the projects to be funded will be made by September 30, 2022.
- 2) For joint projects, the funding call will begin on April 4, 2022 and end on September 16, 2022. Decisions on the projects to be funded will be made by January 31, 2023.

If necessary, a second funding call may be opened in spring 2023. A decision on the matter and the applied implementation model will be made by the end of 2022.

Projects funded in this call through the RRF must be completed by December 2024 at the latest.

7. For further information, please contact:

Business projects: contact [our customer service](#) and leave a message with the label “RRF – tourism innovation funding call”. One of our specialists will contact you as soon as possible.

Joint projects: aki.parviainen@businessfinland.fi

APPENDIX 1: Criteria for projects funded through RRF

In funding decisions, Finland complies with all valid state subsidy regulations and guidelines, and addresses DNSH technical guidance C(2021) 1054 final. With regard to projects within the scope of the EU Emissions Trading System (ETS), estimated greenhouse gas emissions must be below the reference value^{[1][2][3][4]}

The projects must fulfill relevant and binding environmental regulations valid in the EU and at a national level. The projects to be funded must fulfill the selection and eligibility criteria set out in DNSH technical guidance 2021/C58/01 and the criteria set for the promotion of the digital change presented in intervention field 015 in Annex VII to Regulation (EU) 2021/241 on establishing the Recovery and Resilience Facility.

^[1] If the greenhouse gas emissions achieved in supported activities are not clearly below the applied benchmark values, the reasons why this is not possible must be described. The benchmark values for greenhouse gas emissions applied to activities within the scope of ETS are set out in Commission Implementing Regulation (EU) 2021/447.

^[2] Exceptions include such projects for electricity and/or heat generation using natural gas and for the related transfer and distribution infrastructure that correspond to the DNSH principle set out in Annex III of technical guidance 2021/C58/01.

^[3] The restriction does not apply to measures carried out at plants that are exclusively specialized in the processing of non-recyclable hazardous waste, and at existing plants in which the goal of the measures is to increase energy efficiency, the recovery, storage or use of flue gases, or the recovery of material from waste incineration plants' ashes, provided that the measures do not increase the plant's waste processing capacity or extend the plant's service life; with proof demonstrated at a plant level.

^[4] The restriction does not apply to measures directed at mechanical–biological processing plants if the goal of the measures is to increase energy efficiency or retrofit recycling solutions intended for the composting or anaerobic digestion of biowaste separated at the plant, provided that the measures do not increase the plant's waste processing capacity or extend the plant's service life; with proof demonstrated at a plant level.

APPENDIX 2: More information about the Do No Significant Harm (DNSH) requirement

Each project funded through the Sustainable Growth Program for Finland must meet the “Do No Significant Harm” requirements. The EU Recovery and Resilience Facility (RRF) requires that no measures do any significant harm to the environment. Economic activities are considered to cause significant harm to the following:

- a. climate change mitigation,
 - *where that activity leads to significant greenhouse gas emissions;*
- b. climate change adaptation,
 - *where that activity leads to an increased adverse impact of the current climate and the expected future climate, on the activity itself or on people, nature or assets;*
- c. the sustainable use and protection of water and marine resources, where that activity is detrimental
 - *to the good status or the good ecological potential of bodies of water, including surface water and groundwater; or*
 - *to the good environmental status of marine waters;*
- d. the circular economy, including waste prevention and recycling, where
 - *that activity leads to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources such as non-renewable energy sources, raw materials, water and land at one or more stages of the life cycle of products, including in terms of durability, reparability, upgradability, reusability or recyclability of products;*
 - *that activity leads to a significant increase in the generation, incineration or disposal of waste, with the exception of the incineration of non-recyclable hazardous waste; or*
 - *the long-term disposal of waste may cause significant and long-term harm to the environment;*
- e. pollution prevention and control,
 - *where that activity leads to a significant increase in the emissions of pollutants into the air, water or land, as compared with the situation before the activity commenced; or*
- f. the protection and restoration of biodiversity and ecosystems, where that activity is
 - *significantly detrimental to the good condition and resilience of ecosystems; or*
 - *detrimental to the conservation status of habitats and species, including those of Union interest.*

Example responses to DNSH forms are available at

[https://eur-lex.europa.eu/legal-content/FI/TXT/PDF/?uri=CELEX:52021XC0218\(01\)&from=FI](https://eur-lex.europa.eu/legal-content/FI/TXT/PDF/?uri=CELEX:52021XC0218(01)&from=FI) p. 16

The Sustainable Growth Program for Finland: <https://julkaisut.valtioneuvosto.fi/handle/10024/163176>, Appendix 3, pages 507–510.