

### PRACTICAL ISSUES DURING THE WEBINAR

- Please keep your microphone muted and camera off when not speaking
- If you have a question regarding specific issue during the presentation, please post your question in the meeting chat
- When posting your question to the meeting chat, please indicate your name and the name of the organization you represent
- Please note that, in general, the questions will be answered during the Q&A session
- If you wish to ask a question / comment on an issue during the Q&A session, please use the raise your hand button in the meeting controls (or just speak out, if there is no queue)

### AGENDA (EET time)

Speaker: (Mr) Dr. Mika KLEMETTINEN, Trade and Innovation Consul; Head of Innovation, China

Support: (Ms) Elisa YU, Innovation Advisor

#### 09:00 - 10:00 Presentation (Beijing time 15:00 - 16:00)

- Introduction
- Annual Clock and General Remarks (including some updates on our funding)
- Call launch:
  - Finland-Shanghai Joint Innovation Call
- Advice and Instructions
- Coming call launches:
  - Finland-Jiangsu | Finland-Zhejiang Joint Innovation Calls launch on Wed 27.3. 2024
  - MOST Joint Innovation Call launch on Wed 19.6.2024

#### 10:00 - 10:30 Q & A (Beijing time 16:00 - 16:30)





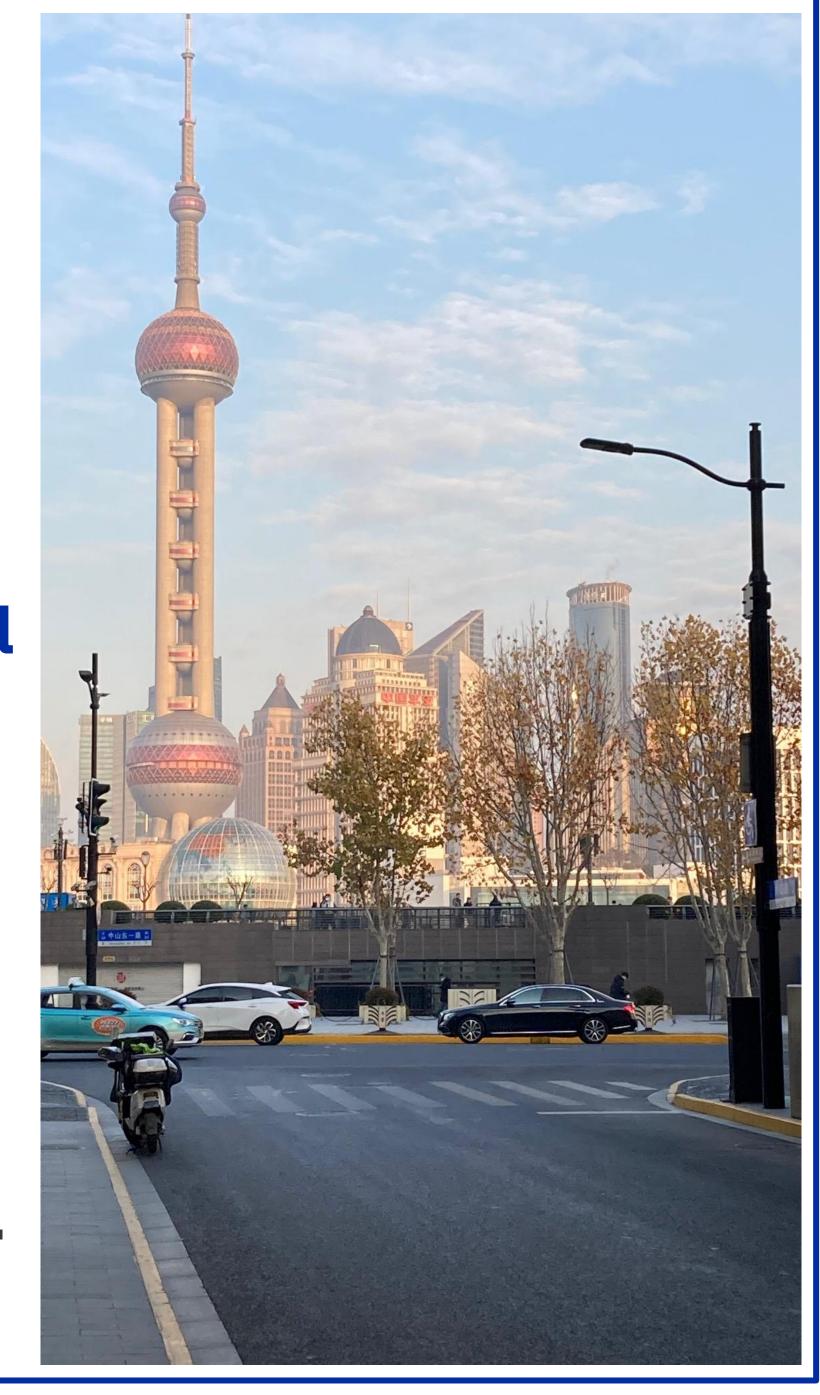


# OUTLOOK

**Business Outlook, Business Opportunities, Regulatory Issues, Materials and Prerequisites** 

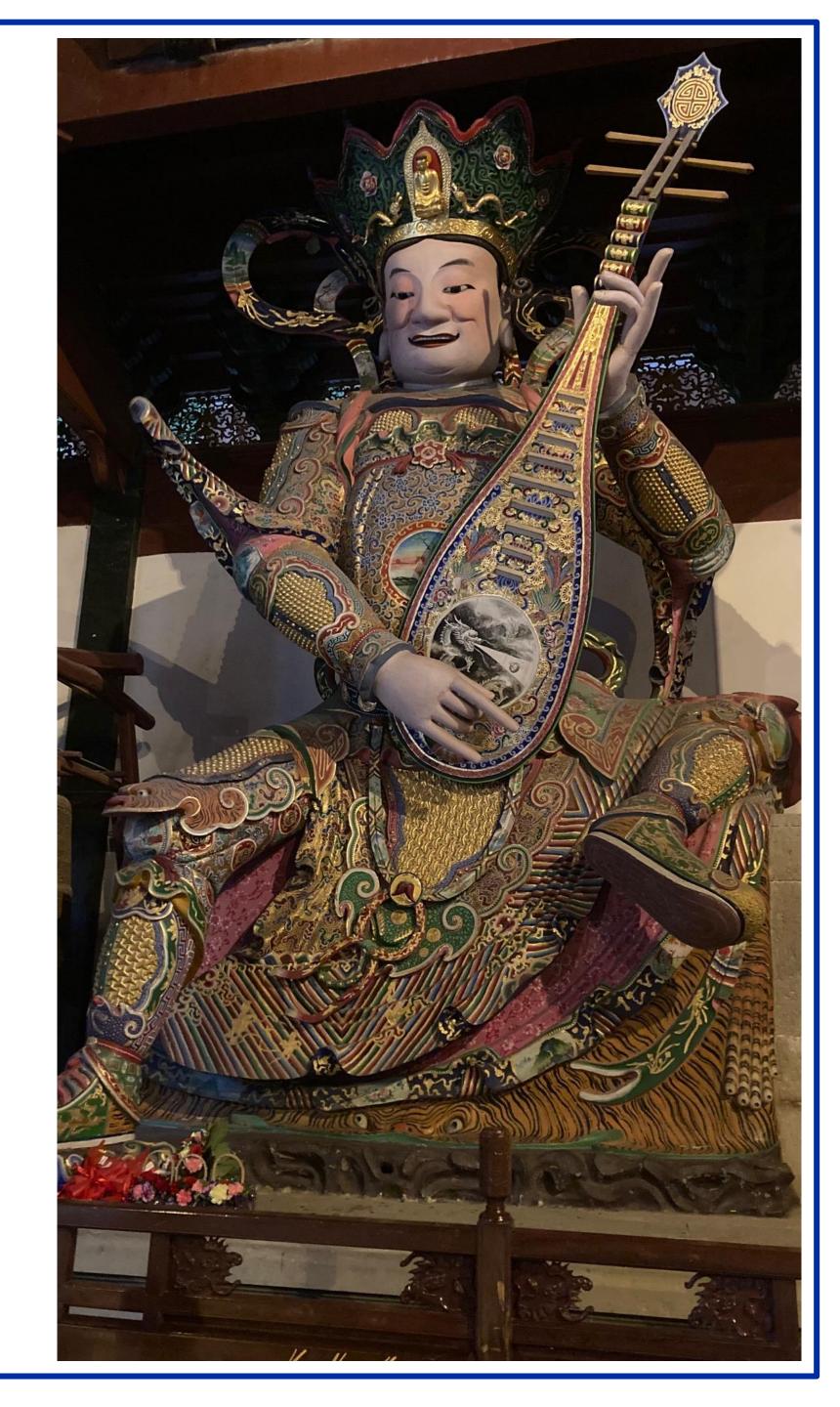
### BUSINESS OUTLOOK

- China is among two largest economies in the world.
   Economic growth has been the driving factor behind China's polices in the past decades.
- China's policy towards the growth has changed. Today the drive for innovation, sustainability and more equal share of wealth are behind the policy decisions, instead of growth only.
- Several new industry sectors are expected to grow fast, e.g., carbon reduction, health care, industrial digitalization, and sustainable consumption.
- During the past few years China has increased regulation on businesses with number of new policies.



### MATERIALS

- If you want to know more about China and the China market, you can check the Market Information that is available on the Business Finland pages as follows:
  - Doing Business in Greater China
  - Doing Business in Mainland China
  - Doing Business in HK Macao GBA
  - China Positioning Paper
- Useful information about IPR and the recent laws impacting both business and innovations:
  - IPR issues (including trademark protection)
  - Regulatory framework on data with RDI impacts
  - <u>Cyber Security Law, Data Law and Personal</u> <u>Information Protection Law compliance in China</u>



# PREREQUISITES

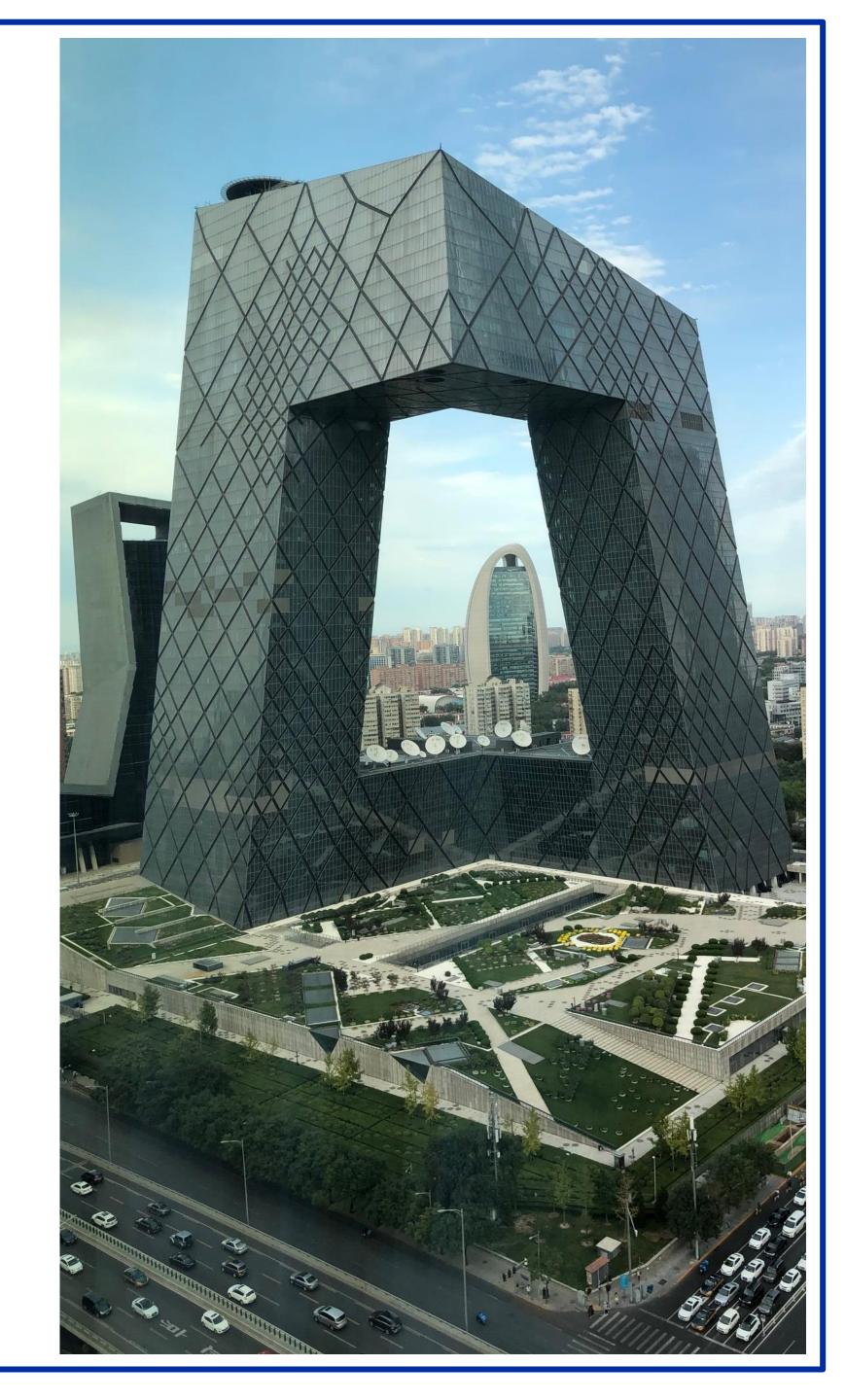
- Understand the China market
- · ...the opportunities and challenges
- ...the IPR and regulatory issues
- ...the geoeconomics and geopolitics aspects



- What do you want to achieve?
- Why China is it the right market for you?
- Are you ready for the China market?
- Are you strong enough for overseas collaboration?



- Good project idea and partners
- Discussion with Business Finland
- Well-prepared application





# INNOVATIONS

Why in General, Why in China, What in China, Why Finland and Collaboration

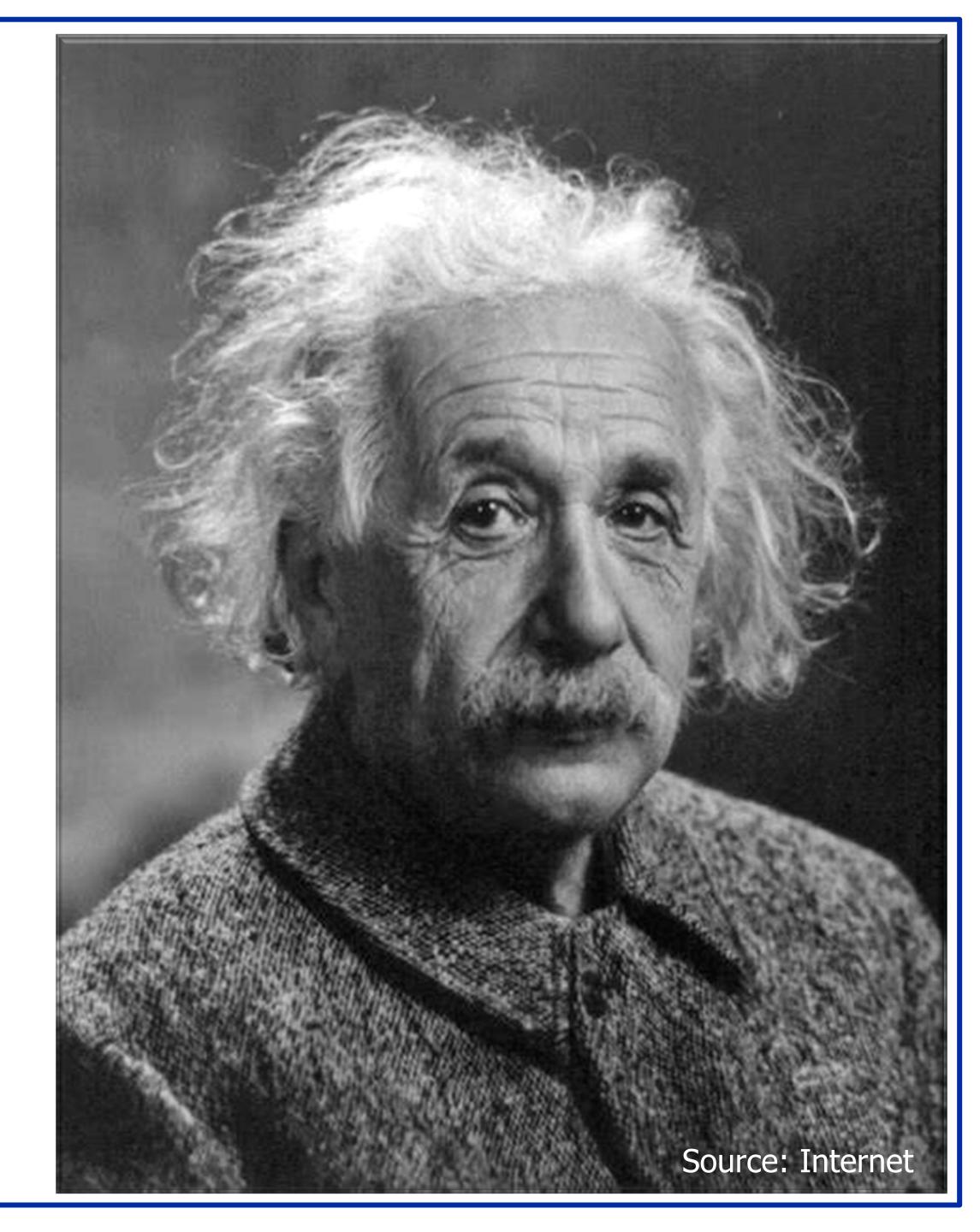
"If you always do what you always did, you will always get what you always got."

(Albert Einstein)

Innovations → Renewal,
Transformation and Competitiveness

Transformation and Comp

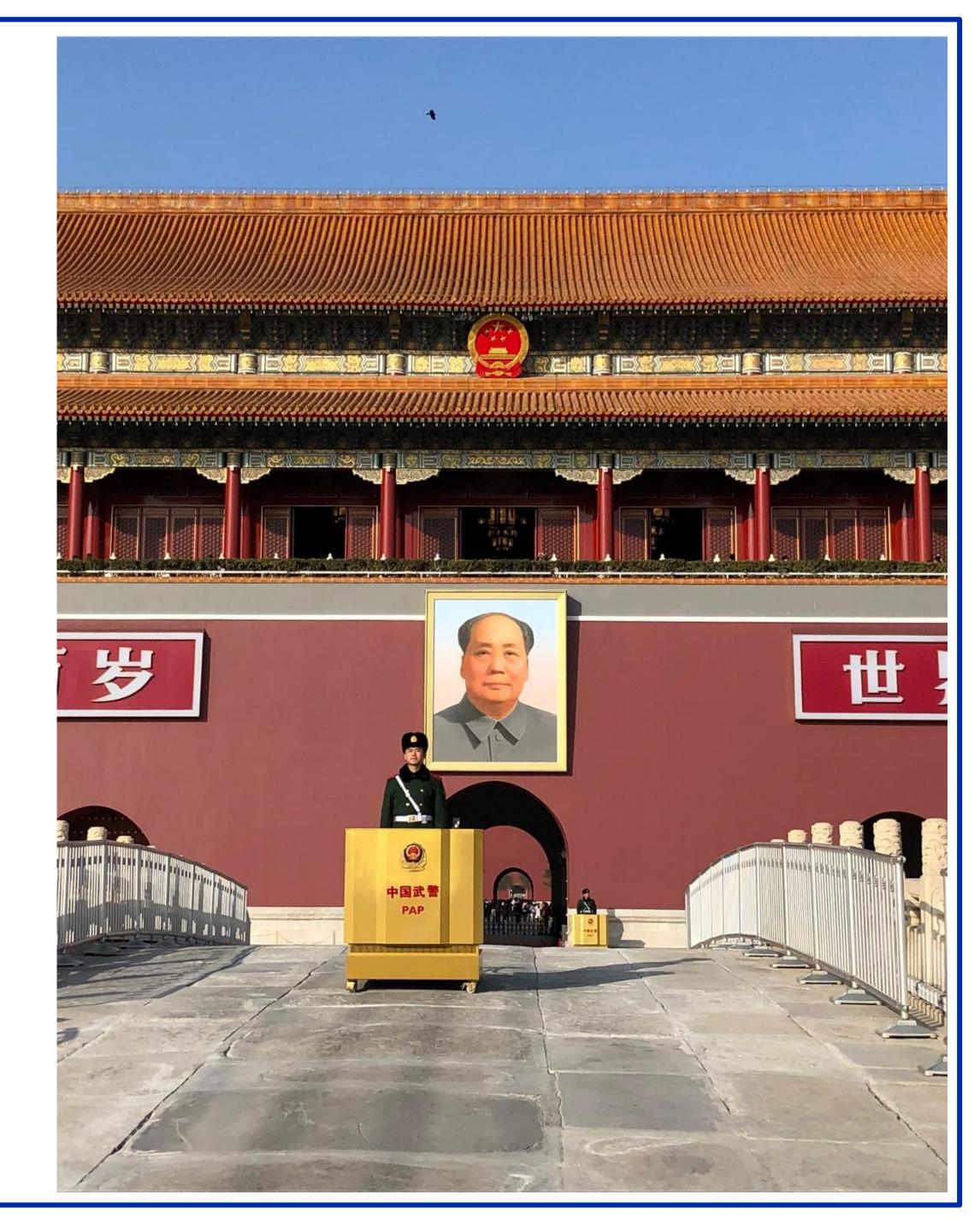
BUSINESS
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"China must rely on innovation-driven growth model."

"China aims to bring carbon emissions to a peak by 2030 and achieve carbon neutrality by 2060 with more forceful policies and measures."

(Xi Jinping)







### FINLAND IS ONE OF THE GREENEST COUNTRIES

The Environmental Performance Index 2016-2020

# FINLAND IS THE HAPPIEST COUNTRY

World Happiness Report 2018-2023



FINLAND IS ONE OF THE BEST COUNTRIES IN INNOVATION

Several past and recent indexes







CHINA INNOVATION



China » China Innovation

### CHINA COLLABORATION FRAMEWORKS

| MoU/Finland      | MoU/China  | Contents                                  |  |
|------------------|--|---|--|
| Business Finland | Ministry of Science and Technology of China (MOST)         | S&T collaboration  Joint innovation calls |  |
| Business Finland | Jiangsu Science and Technology Department                  | S&T collaboration  Joint innovation calls |  |
| Business Finland | Zhejiang Science and Technology<br>Department              | S&T collaboration  Joint innovation calls |  |
| Business Finland | Science and Technology Commission of Shanghai Municipality | S&T collaboration  Joint innovation calls |  |

Yangtze River Delta



State-level framework with national and provincial level implementation:

- State-level agreement between Finland and China for S&T collaboration since 1986.
- Latest follow-up meeting held in Beijing in October 2023.
- Cooperation implemented from Business Finland side through threeyear MoUs (MOST and provinces).

**Current priority topics:** 

- (1) Climate Change
- (2) Circular Economy and Sustainable Development
- (3) Health

# ANNUAL CLOCK OF CALLS IN 2024

| Calls                   | Call opened   | Call deadline             | Results due (estimate) |
|-------------------------|---------------|---------------------------|------------------------|
| YRD-Shanghai (province) | February 28   | April 30 (tbc)            | August (2024)          |
| YRD-Jiangsu (province)  | March 27      | September 25 (tbc)        | January (2025)         |
| YRD-Zhejiang (province) | March 27      | September 25 (tbc)        | January (2025)         |
| MOST (national)         | June 19 (tbc) | Nov/Dec (earliest Nov 29) | Jun-Aug (2025)         |

# ELIGIBILITY/INNOVATION CALLS (1/2)

| Country | MOST   | YRD-Shanghai  | YRD-Jiangsu  | YRD-Zhejiang   |
|---------|--|---|--|--|
| Finland | <ul> <li>Individual company<br/>registered in Finland</li> <li>Co-innovation project (*</li> </ul>   | registered in Finland   | <ul> <li>Individual company registered in Finland</li> </ul> | <ul> <li>Individual company registered in Finland</li> </ul> |
| China   | <ul> <li>Company (**</li> <li>University (**</li> <li>Institute (**</li> <li>+ consortium</li> </ul>   | <ul> <li>Individual company registered in Shanghai</li> </ul> | <ul> <li>Individual company registered in Jiangsu</li> </ul> | • Individual company registered in Zhejiang                  |
| Remarks | (* Either (a) two or more Finnish companies or (b) at least three Finnish companies (at least two applying and eligible for BF funding) and one or more research organizations; all registered in Finland (** As the leading partner, the consortium may include other partners; all registered in China |   |  |  |

NOTE: In all the Finland-China joint innovation calls, normal Business Finland eligibility criteria are applied: <a href="https://www.businessfinland.fi/en/for-finnish-customers/services/funding/">https://www.businessfinland.fi/en/for-finnish-customers/services/funding/</a>

# ELIGIBILITY/INNOVATION CALLS (2/2)

| ## | Specific Finland-China joint call requirements   |
|----|--|
| 1  | Joint project consortia must include <b>one Finnish partner</b> and <b>one Chinese partner</b> . In the provincial/municipal calls, only <b>individual companies</b> from both countries can apply. MOST calls also allow <b>co-innovation projects</b> (Finland) and <b>project consortia</b> (China) to participate. |
| 2  | The joint industrial R&D&I projects must be highly innovative and business oriented.   |
| 3  | The proposals should <b>demonstrate applicant's resources for international collaboration</b> , in case of the Finnish applicants especially for <b>entering the Chinese markets</b> .   |
| 4  | The proposal should demonstrate the contribution of the participants from both countries and the project must be <b>balanced</b> between participants and be <b>significant</b> to all partners.   |
| 5  | The project partners should agree in advance on the <b>IP rights</b> and on the <b>commercialization strategy</b> of the product or process.   |
| 6  | The proposal must include a <b>Bilateral Cooperation Form</b> with a joint Finland-China project plan, clearly describing the main contents and objectives of the project as well as the roles of each partner.  |

# FUNDING/INNOVATION CALLS

| Country | MOST   | YRD-Shanghai                             | YRD-Jiangsu                              | YRD-Zhejiang                             |
|---------|--|--|--|--|
|         | <ul> <li>Normal funding</li> </ul>   | <ul><li>Normal funding</li></ul>         | <ul><li>Normal funding</li></ul>         | <ul> <li>Normal funding</li> </ul>       |
|         | principles   | principles                               | principles                               | principles                               |
| Finland | • 40-60% grants (*(**  | <ul><li>40-60% grants (**</li></ul>      | • 40-60% grants (**                      | • 40-60% grants (**                      |
|         | • 50-70% loans   | • 50-70% loans                           | ● 50-70% loans                           | • 50-70% loans                           |
|         | <ul> <li>MOST principles</li> </ul>  | <ul><li>Shanghai principles</li></ul>    | <ul><li>Jiangsu principles</li></ul>     | <ul> <li>Zhejiang principles</li> </ul>  |
| China   | • 50% grants (1:1) (***  | <ul><li>33% grants (1:2) (tbc)</li></ul> | • 50% grants (1:1)                       | • 20% grants (1:4)                       |
|         | <ul> <li>Max 4M RMB/project</li> </ul>   | <ul> <li>Max 1M RMB/project</li> </ul>   | <ul> <li>Max 1.5M RMB/project</li> </ul> | <ul> <li>Max 1.5M RMB/project</li> </ul> |
|         | (* 70-80% for research organizations in co-innovation projects, 80% if close international cooperation |  |  |  |
| Remarks | (** Industrial research focus 50-60%, normal focus 40-50%  |  |  |  |
|         | (*** Applies to companies  |  |  |  |

NOTE: In all the Finland-China joint innovation calls, normal Business Finland funding principles are applied: <a href="https://www.businessfinland.fi/en/for-finnish-customers/services/funding/">https://www.businessfinland.fi/en/for-finnish-customers/services/funding/</a>

# SUBMISSIONS/INNOVATION CALLS

| Country | MOST   | YRD-Shanghai   | YRD-Jiangsu  | YRD-Zhejiang   |
|---------|--|--|--|--|
| Finland | <ul> <li>Business Finland (*</li> </ul>  | <ul><li>Business Finland</li></ul>                       | <ul><li>Business Finland</li></ul>                   | Business Finland   |
| China   | • MOST (*  | <ul> <li>Shanghai S&amp;T</li> <li>Commission</li> </ul> | <ul><li>Jiangsu S&amp;T</li><li>Department</li></ul> | <ul> <li>Zhejiang S&amp;T</li> <li>Department</li> </ul> |
|         | Remember to select at the "Programmes and other connections" section the "Suomi-Kiina-haku" (in English "Finland-China call") option and write to the "Other campaign or reference information" the name of the call (i.e., "Shanghai call", "Jiangsu call", "Zhejiang call" or "MOST call") |  |  |  |

**NOTE:** In the Finland-China joint innovation calls, normal Business Finland submission system is

used: https://www.businessfinland.fi/en/for-finnish-customers/online-services/





### LAUNCH: SHANGHAI INNOVATION CALL

Joint funding for China-Finland R&D collaboration projects with Business Finland and Shanghai Science and Technology Commission

# SHANGHAI INNOVATION CALL (1/3)

**OPEN** 

| Innovation Call | Call opened | Call deadline  | Results due (estimate) |
|-----------------|-------------|----------------|------------------------|
| Shanghai        | February 28 | April 30 (tbc) | August (2024)          |

| Topic                           | Details   |
|---------------------------------|---|
| Number of projects to be funded | Max 5   |
| Eunding sysilable               | China: 1M RMB/project, 5M RMB in total, 1:2 (33%), grants |
| Funding available               | Finland: Not fixed, 40-60% grants, 50-70% loans           |
| Eligibility                     | China: Individual company registered in Shanghai          |
| Eligibility                     | Finland: Individual company registered in Finland         |
| Remarks                         | 1-phase application                                       |

# SHANGHAI INNOVATION CALL (2/3)

**OPEN** 

| Topic                      | Details   |
|----------------------------|---|
| Climate Change             | Wide topic, different application areas and approaches possible |
| Circular Economy           | As above  |
| Sustainable<br>Development | As above  |
| Health                     | As above, especially <b>Digital Health</b> and <b>Agetech</b>   |

Other fields both sides agree to fund

# SHANGHAI INNOVATION CALL (3/3)

**OPEN** 

| Innovation Call | Call opened | Call deadline  | Results due (estimate) |
|-----------------|-------------|----------------|------------------------|
| Shanghai        | February 28 | April 30 (tbc) | August (2024)          |

| Topic                   | Details  |  |
|-------------------------|--|--|
| Project Plan            | Use Business Finland's submission system (note: attach your <u>own plan</u> )  |  |
| Bilateral               | BF-Shanghai Bilateral Cooperation Form 2024 (note: input only non-confidential |  |
| <b>Cooperation Form</b> | information especially in Parts 2.2-2.5 and 4)                                 |  |
| IPR                     | Include remarks into Bilateral Cooperation Form; a more comprehensive IPR      |  |
| IPK                     | agreement can be made separately; consider a Consortium Agreement, if needed   |  |
| Domosilia               | Send the application using Business Finland's submission system:               |  |
| Remarks                 | https://www.businessfinland.fi/en/for-finnish-customers/online-services/       |  |

# BILATERAL COOPERATION FORM (1/2)

#### 1. General Information

- **1.1** Project Title
- 1.2 Project Summary
- 1.3 Main Technological Area of the Project
- 1.4 Participants (Organization Name, Country, Role, Contribution, Budget, Duration)
- 1.5 Project Timescale (Start Date, End Date)

#### 2. Project outline

- 2.1 Project Description
- 2.2 Technological Development Envisaged (Level of innovation)
- 2.3 Market Potential and Commercialization Plan
- 2.4 Cooperation Between Participants (synergies, particular advantages, etc.)
- 2.5 Expected Outcome of Project
- 2.6 IP Ownership Arrangements





# BILATERAL COOPERATION FORM (2/2)

- 3. Work Plan (Chinese Participant)
- 4. Work Plan (Finnish Participant)
  - 4.1 Participant Contact Details
  - 4.2 Work Description and Contributions to the Project
  - 4.3 Work Plan and Timeline
  - 4.4 Budget and Resources
  - 4.5 Other Sources of Financial Support Related to Proposed Research
  - 4.6 IP Ownership Arrangements

#### Signatures





# CONSORTIUM AGREEMENT (EXAMPLE)

#### Partners (main partners from both sides)

- 1. Intent/Coverage (apply/run project)
- 2. Composition of the Consortium
- 3. Research Contents (summary)
- 4. Task Allocation/Work Packages (short)
- 5. Budget (general remarks)
- 6. Ownership of IPR
- 7. Ownersip of Assets
- 8. Confidentiality (i.e. NDA)
- 9. Liability (willful actions/negligence)
- 10. Supplementary Statements
- 11. Validity Period (until end of project)
- 12. Signatures (main partners)

#### **Example:**

Each party shall have their full ownership of their respective intellectual property rights which were obtained before application for this cooperation project as well as the resulted interests, and the intellectual property ownership shall not be altered because of application for this Cooperation Project.

Scientific and technological achievements as well as the resulting intellectual property solely conceived and/or developed by one party during the course of this Cooperation Project shall be owned by that party. Scientific and technological achievements as well as the resulting intellectual property jointly conceived and/or developed by multiple parties will be jointly owned by those parties.

### SNEAK PEAK TO COMING CALLS

#### Jiangsu (initial; launch 27.3.2024):

- 1. Climate Change
- 2. Circular Economy
- 3. Sustainable Development
- 4. Health



#### MOST (initial; launch 19.6.2024):

- 1. Climate Change
- 2. Circular Economy
- 3. Sustainable Development
- 4. Health

#### Zhejiang (initial; launch 27.3.2024):

- 1. Climate Change
- 2. Circular Economy
- 3. Sustainable Development
- 4. Health

This year the calls do not include separately digitalization related high-level topics due to the new state-level priorities, but they can be included under the other themes when feasible or in special cases agreed separately. MOST call will have more detailed subtopics defined, but they will be discussed and agreed during the springtime and announced in June.

Note: All the call topics on this page are subject to change for the final call texts!





The Self-Diagnosis Tool aims to assist European SMEs to make a prior assessment of their readiness to develop their presence on the Chinese market, and whether they are heading in the right direction. It will also provide further guidance and support though a tailored made list of good practises, additional resources, case studies and FAQs.

#### https://www.eusmecentre.org.cn/quiz

**Getting started** 

Is there a market for my product?

Am I allowed to sell my goods in China?

How do you plan to enter the Chinese market?

How much work have you done already?

Assessment



The tool is mainly for companies (SMEs) that have below 250 employees

### ARE YOU READY FOR CHINA?

If you are <u>not yet strong enough</u>, first grow in Finland (maybe with Business Finland's Tempo and other funding) and/or consider first expanding to a closer/easier market.

If you do not know enough about the Chinese market or the related regulation, first consider, e.g., Business Finland's Market Explorer funding in order to do a survey or at least consult Business Finland.



#### **China IP SME Helpdesk**

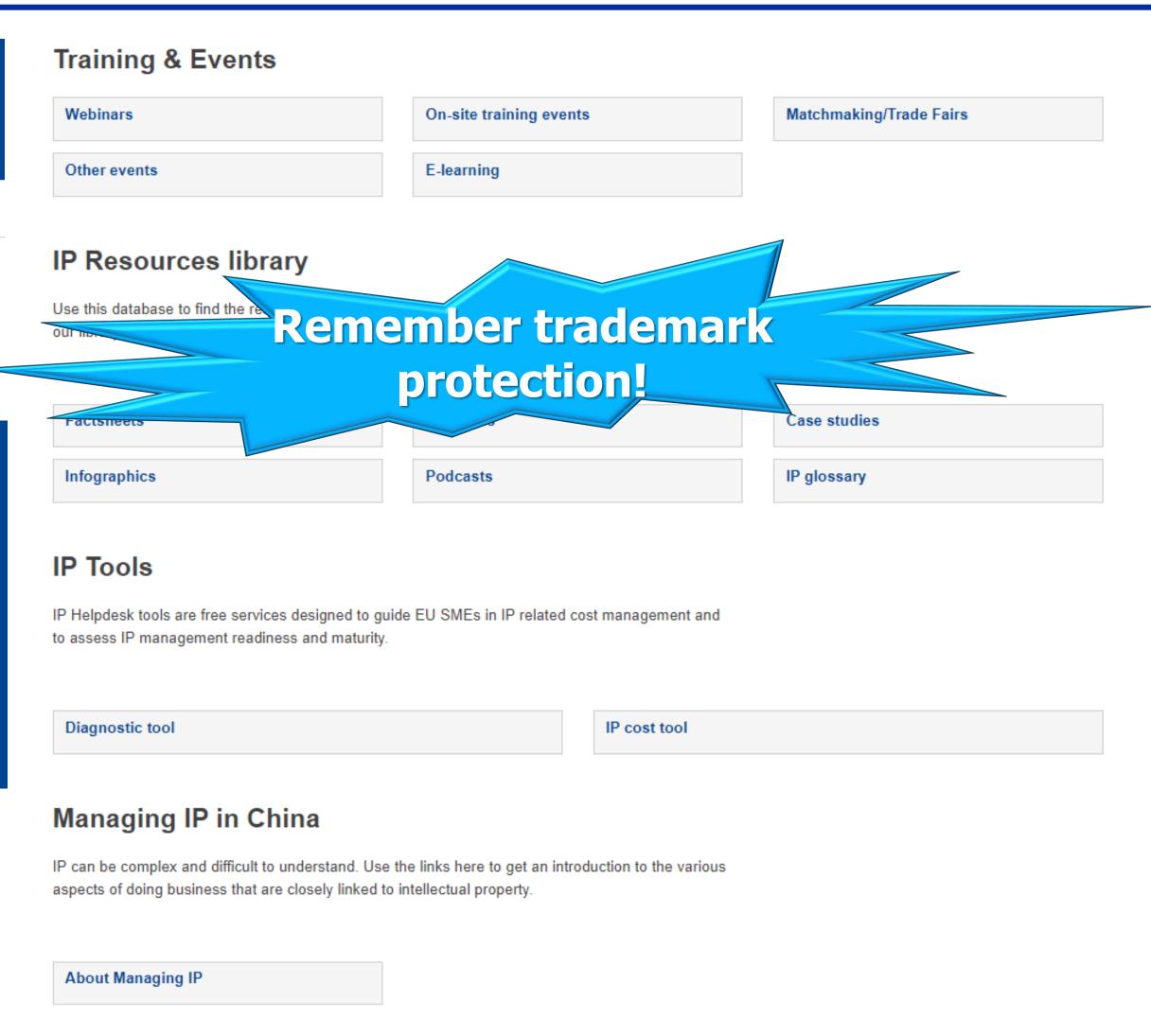
A first line IP assistance service for European SMEs that operate or intend to access the China market and that aim to improve their global competitiveness.

#### Do you have a question about IP?

Submit your question and receive an answer from our IP experts within 3 working days – and it's free of charge!

Ask us >

The China IP SME Helpdesk supports European Union (EU) Small and Medium-sized Enterprises (SMEs) to both protect and enforce their Intellectual Property Rights (IPR) in or relating to China.



https://intellectual-property-helpdesk.ec.europa.eu/regionalhelpdesks/china-ipr-sme-helpdesk en

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The helpdesk pages are useful for all sizes of EU companies!

### PROJECT EXAMPLES

- 1. Pilot solutions in the markets with potential customers
- 2. Join competencies/know-how in order to create something new
- 3. Contribute to standardisation (pave the way to markets)
- 4. Contribute to regulation (create favourable business environment)
- 5. Join forces for strategic planning
- 6. Open markets in new business verticals with new players
- 7. Learn to understand each other and/or the market for future business
- 8. Do normal innovation collaboration as in Finland

### CHECKLIST

1

- 1. Carefully read the call text (incl. eligibility, funding and submission information)
- 2. Consider are you ready for China (resources, market understanding, regulation)

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3. Think what you really want and need (market entry, partners, customers, R&D)

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- 4. Prepare an initial project idea/plan with content, objectives, resources and budget
- 5. Identify what competencies/contributions you need from the Chinese partner(s)
- 6. Come to discuss with Business Finland (your Account Manager at Business Finland or any of the call contacts)

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- 7. Initially check the IPR issues and protect your trademark, products, etc. if needed
- 8. Participate matchmakings and identify potential partners
- 9. Create a joint plan and improve your own plans (consult Business Finland)
- 10. Consider jointly and individually whether to go for a submission

IV

- 11. Finalize the needed documents and agreements (incl. IPR) for the submission check that all requirements are completed (consult Business Finland)
- 12. Make the submission on time

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Remember that you can consult Business Finland at any time for advice!

### COMMON MISTAKES

- 1. Applicants are not strong enough for China market
  - In co-innovation projects this might mean that entire project is not eligible
- 2. Objectives and export targets are not ambitious enough
  - Export factor 20-30 is required according to normal Business Finland requirements
- 3. Business Finland is not contacted and consulted
  - Early enough or at all
- 4. Eligibility criteria are not carefully checked
  - E.g., from the Finnish side research organizations cannot apply alone in the MOST calls
- 5. Applicants are not aware of the China market
  - Unrealistic plans not taking into account, e.g., regulation or competition
- 6. Attachments are missing
  - E.g., in the MOST calls the Bilateral Cooperation Form and/or Consortium Agreement is missing (NOTE: This is a critical issue on the China side!)





CHINA INNOVATION



China » China Innovation

### CONTACTS

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Elisa YU



**OUR SERVICES** 

MARKET OPPORTUNITIES

CONTACT US





Time to give some feedback!

Event feedback survey — only 3 quick questions but highly important to us: email will follow after the webinar.

