

**BUSINESS
FINLAND**



Ministry for Foreign
Affairs of Finland

Welcome to all!

Kick-off webinar for ['Developing
markets co-creation funding call'](#)

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Affairs of Finland

DEVELOPING MARKETS PLATFORM*

Co-creation funding call fund research organizations for the development of broader company-oriented consortia, involving also local partners from developing markets

Christopher Palmberg, BF

Axel Sointu, Finnpartnership

*Fore more see [here](#) .

Agenda for this morning

8.30-9.00	<ul style="list-style-type: none">• Introductions, aims, criteria and next steps for funding call	<ul style="list-style-type: none">• Christopher Palmberg, Business Finland & Axel Sointu, Finnpartnership
9.00-9.15	<ul style="list-style-type: none">• Q&A based on questions in Teams-chat	<ul style="list-style-type: none">• Moderated by Juha Miettinen, Manketti Oy
9.15-9.30	<ul style="list-style-type: none">• Our teams and opportunities in developing markets: Kenya, South Africa & Vietnam	<ul style="list-style-type: none">• Susan Kaparo (Kenya), Trung Nguyen (Vietnam), Business Finland & Camilo Ramada (South Africa)

Please be active and ask questions in the chat, we'll collect them for this Q&A session after the presentations

Content

1. Why developing markets?
2. Aims and criteria of the funding call?
3. How to apply and next steps?
4. Funding alternative beyond BF co-creation funding
 - Synergies between Business Finland (BF) Developing Markets Platform (DevPlat) & Finnpartnership
5. Q&A

1. Why Developing Markets?

Developing Markets are an underutilized market and partnership opportunity for Finland!

1

GROWTH & DEVELOPMENT

Developing markets will remain the prime growth markets despite COVID (EU 2,3%, Sub Saharan Africa 4,1%, South Asia 6,4%, South Asia 5,7% in 2023)*

2

INNOVATION & SUSTAINABILITY

Developing markets provide large opportunities for sustainable and innovative solutions to meet the SDGs. New partnerships are also needed.

3

POLICIES & FINANCE

Developing markets enjoy growing political and economic importance in Finland and at the EU, development banks and financial institutions invest 150 billion USD annually

Some policy contexts for this funding call



2. Aims and criteria of the funding call?

Our aims with this call

- Engage research groups for the development of broader company-oriented consortia, involving also NGOs and local partners from developing markets as relevant.
- The call targets especially research groups who already have competences of, and networks in specific developing markets.
- Ultimately we wish to enable need-based and SDG-aligned solutions piloted in the market to attract investments and scale
 - Addressing real market needs in collaboration with Finnish companies and local partners
 - Achieving references e.g. for private investors, local customers, IFIs, UN for further scaling
- I.e. ultimately it is expected that co-creation projects will lead to co-innovation projects

▶ WWW.BUSINESSFINLAND.FI/EN/COCREATION



From co-creation to co-innovation

FOCUS OF THIS CALL

BF co-creation funding for research organizations

Demonstrate relevance of research idea & develop a consortia, support max. 60 KEURO

1. Adapting research ideas to attract companies and develop consortia

BF co-innovation funding for consortia, including top-up funding for local partners

2. Expand consortia for co-innovation with local partners

Launch R&D work in a multi-stakeholder consortia both in Finland & locally, involving 3 Finnish companies as minimum

ULTIMATE AIM
Need-based & SDG-aligned solutions piloted in the market to attract investments & scale

Project starts

4-6 months

1,5 years

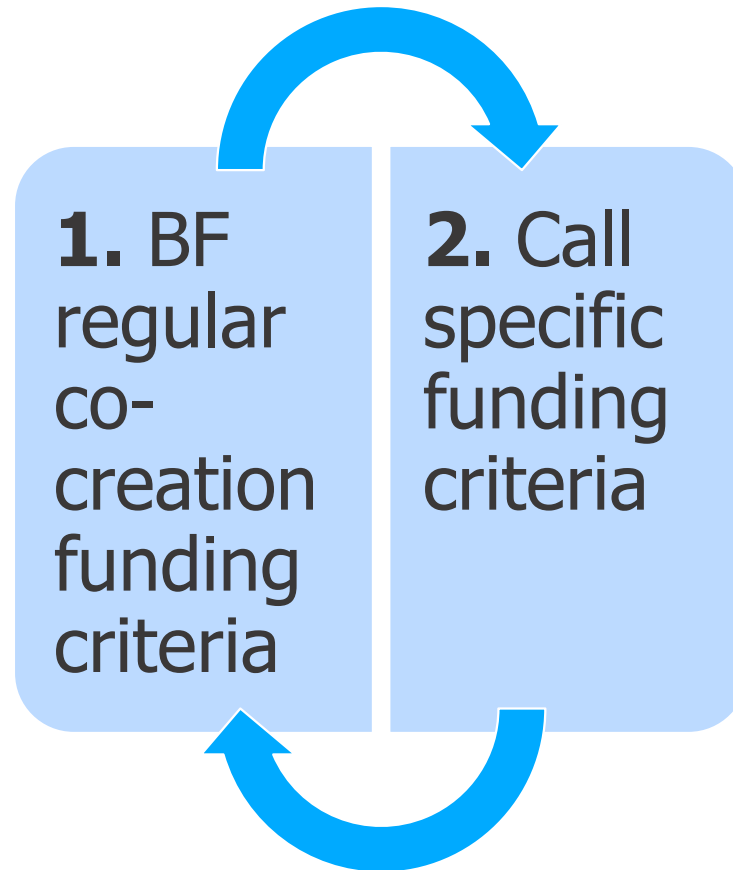
Co-creation funding – for what purpose?

1. For demonstrating the relevance of a research idea to companies, including the need/demand from a developing market perspective
2. For building a consortia of companies and other relevant partners required for the further development and implementation of the research idea
3. For work related to strengthening the feasibility of the idea in collaboration with local partners in the target market, including identifying those partners

The research idea must be new and broadly utilizable. The developing market contexts and needs will be highlighted and explicitly included in our assessment of applications!

Which are our funding criteria in this call?

We utilize our regular criteria in a developing markets context combined with call-specific criteria.



a Alignment with **SDGs**

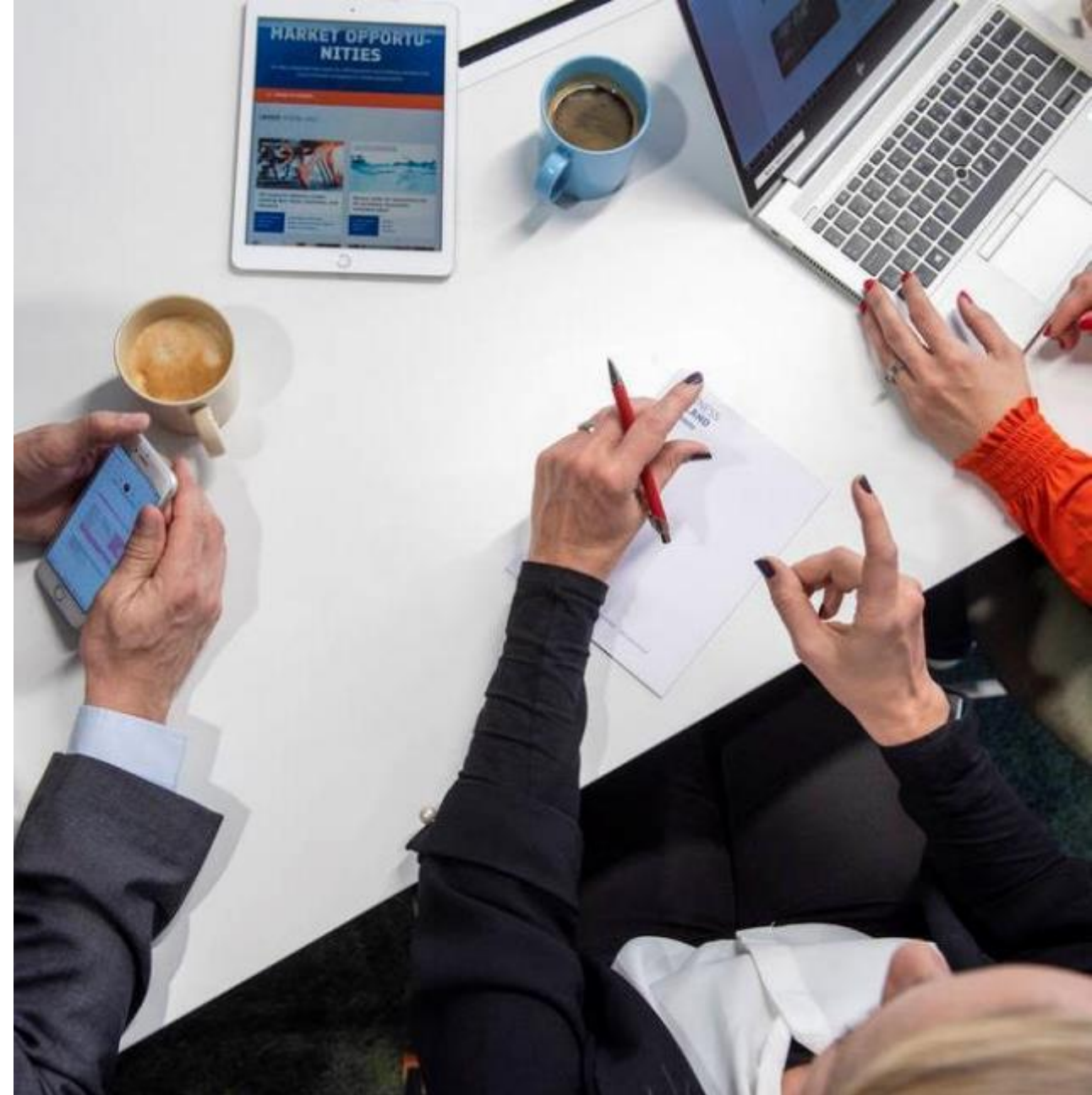


b. Focus on, and experience of, so-called **ODA** countries (see [here](#)).

c. Sectoral focuses (broadly defined)

1a. Regular co-creation funding criteria

- Foreseen impact
 - Novelty value of the research idea from their viewpoint of demand/needs in target market
 - Impact of the planned joint action on the capabilities of the research organization
 - Impact of the planned joint action on the business opportunities of companies
- Quality of the plan
 - The actions intended to demonstrate the business potential and need for research
 - The actions for engaging the companies and drawing up a joint research and implementation plan
- Alignment with the context, scope and objectives of Business Finland's [Developing Market Platform](#) and related call-specific criteria



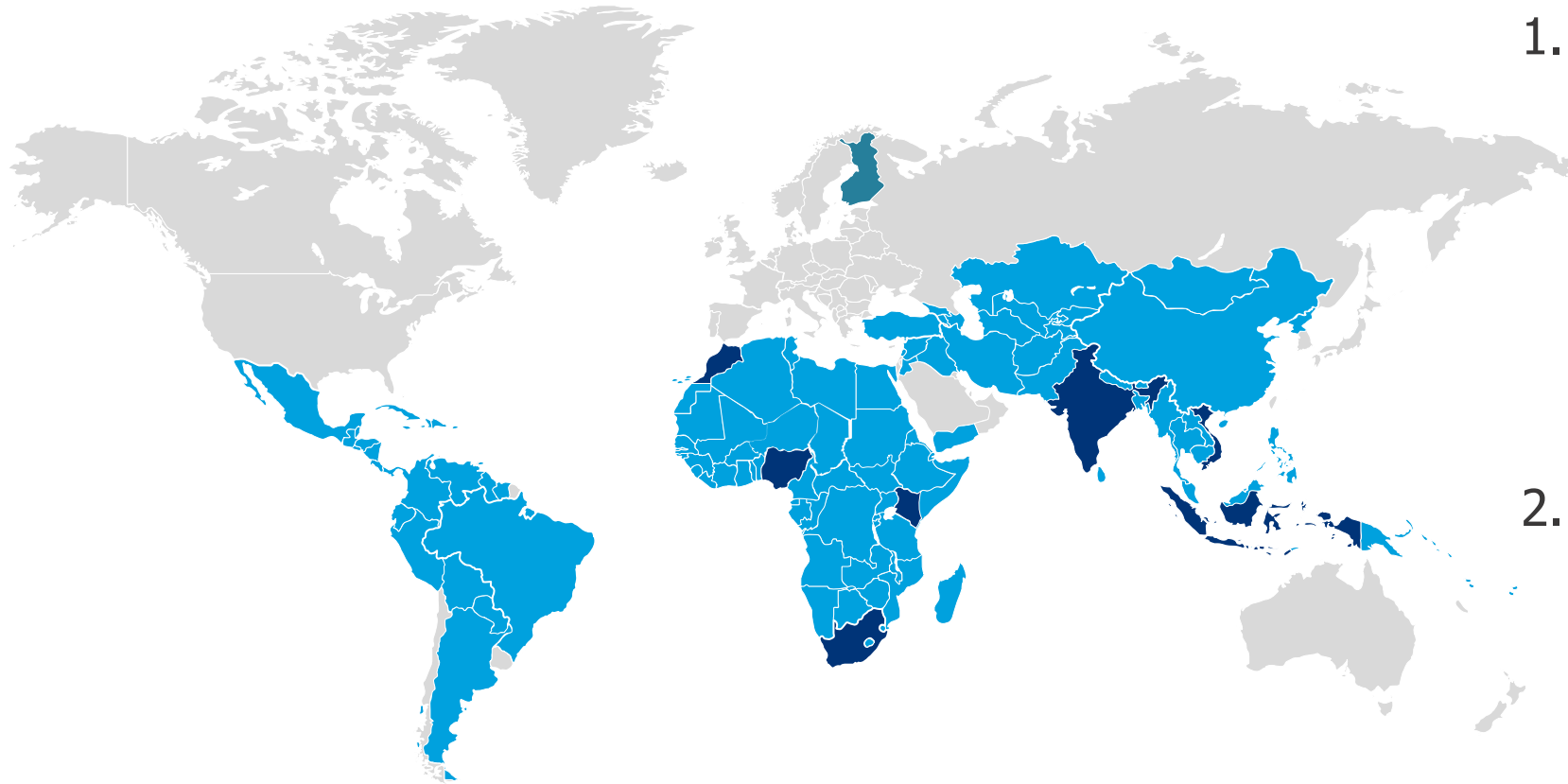
2a. Call-specific criteria: alignment with 1-2 specific SDGs and their underlying targets

- The SDGs cover 17 Goals and 169 underlying targets
- A successful application should provide clear indications about how it will address at least 1-2 SDGs and specific underlying targets & indicators



More info on [SDG\(s\) and underlying targets](#)

2b. Focus on, and experiences of, so-called ODA countries



1. Specific (but not exclusive) emphasis placed on consortia targeting following markets:
 - Eastern Africa, especially Kenya
 - Southern Africa, especially South Africa
 - South-East Asia, especially Vietnam
2. Documented connections with, and demonstrated understanding of targetted developing markets
 - E.g. through previous projects, other collaborations

2c. Sectoral focuses

Sectors of Finnish strengths for which there are clear needs in target markets, e.g:

- Biocircular economy
- Renewable energy
- Healthcare solutions
- Digitality cross-cuttingly



4. How to apply and next steps?



How do I apply for Co-Creation funding?

- Contact first the innovation service unit of your own organization
- Contact the Developing Markets Platform Team of Business Finland
 - Developing Markets Platform: Christopher Palmberg christopher.palmberg@businessfinland.fi
- We've set up bilateral meeting slots (see next slides) to facilitate a dialogue as you develop your applications
 - It's **VERY** important to have discussions with us prior to submitting your application!
- Submit the application through our electronic service platform, see [here](#) and 'Applying for Funding'

Co-Creation projects: eligible costs

All costs that arise must be related to the implementation of the project.

Eligible costs include:

- salaries
- indirect personnel costs 50%
- indirect costs (overheads) 20%
- travel expenses
- costs of materials and supplies
- purchased services necessary for the implementation of the project.

The following project costs are not eligible:

- research work
- gratuitous expenditure such as grants, donations, awards
- the costs of financial activities
- entertainment expenses (excluding meeting costs related to project negotiations)
- advertising or marketing costs
- hardware costs

How does Co-Creation funding work?

- The funding covers 60% of the project's approved total eligible costs.
- The size of projects is at maximum EUR 100,000 per idea
- The duration of a project is 4–6 months
- A fixed overhead cost rate of 20% and an indirect personnel cost rate of 50%
- Only the final report is provided. An auditor's opinion is not required.
- The projects shall comply with the general terms and conditions of public research funding applied by Business Finland.



4. Funding alternative beyond BF co-creation funding

The Developing Markets Platform has teamed up with Finnpartnership

We are maximizing our funding service synergies for either kick-starting new, or further developing existing, consortia

Developing Markets Platform (DevPlat)

- DevPlat is a joint service and funding platform by Business Finland and the **Ministry for Foreign Affairs**
- Our **mission** is to help Finnish companies and their partners develop sustainable business with impact and access global funding in developing markets
- Alignment with **SDG targets**, all projects require both positive Finnish business and local development impacts
- Innovation funding: Grants or loans for R&D + grants for supportive co-creation with local partners



- Funded **by Ministry for Foreign Affairs**, and managed by Finnfund
- Our **mission** is to build a better world through business partnerships that support sustainable economic growth and create decent work opportunities
- Alignment with **SDG targets**, all projects require positive development impacts
- Seed funding: Business Partnership Support (grant)
- Four project types (see [here](#) for more) of which the following is relevant here:
 - Support Function projects developing local communities, strengthening institutional capacity and supporting parent project stakeholders

FUNDING FOR INNOVATION AND LOCAL CO-CREATION

When to apply for funding? When your organization has identified

- a market opportunity in developing markets
- local partners
- a possibility to develop a new solution or business model that also addresses UN Sustainable Development Goals and local needs



Who are you applying with?



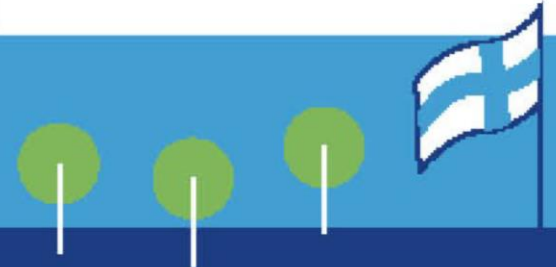
With a local partner

- Additional grant for co-creation with local partners
- Regular Business Finland funding for Finnish organizations: company grant or loan max. 50% and research grant max. 70%
- Funded Finnish organization invests the remaining share

Total project cost

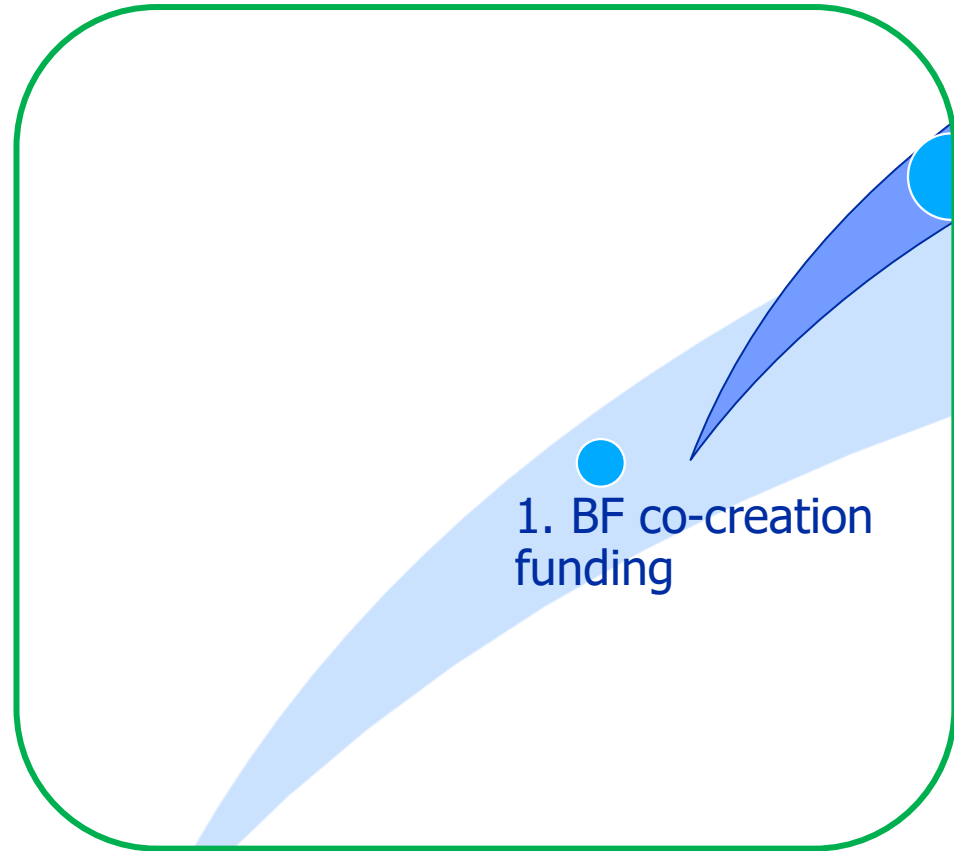
With a Finnish NGO or research organisation

- Regular Business Finland funding for Finnish organizations
- Finnpartnership funding for the Finnish NGO or research organisation



Funding beyond co-creation

FOCUS OF THIS CALL



1a. Piloting solutions and strengthening capacities locally

BF DevPlat funding for min. 1 company, FP Support Function funding for research organisation

Embed & develop your forthcoming R&D project locally with at least one company, support max. 200 keuro

2. BF co-innovation funding

ULTIMATE AIM
Need-based & SDG-aligned solutions piloted in the market to attract investments & scale

Project starts

4-6 months

1,5 years

Timetable – summing-up next steps

When	What
March-April*	Bilateral 30 min. sparring sessions 9-12.00 at 23.3, 24.3, 30.3, and 13.4 with BF and FP – suggest time slots asap. to christopher.palmberg@businessfinland.fi Open to all who intend to apply for co-creation funding OR consider alternatives beyond co-creation funding. We request a preliminary project description 3 days before the meeting!
April	Follow-up meetings for those who opt for phase 1 Co-Creation applications Agree on meetings with BF contact points, obligatory to send preliminary project plan
May 16.5.	<u>DEADLINE</u> for BF Co-Creation funding applications, rolling deadline for phase 2 & 3 co-innovation applications
August-	Further sparring sessions for granted co-creation projects Discussions with relevant stakeholders to support multi-stakeholder collaborations (companies, BF, FP, NGOs, Ministry of Foreign Affairs, embassies etc.)

Please provide a preliminary project description 3 days before the sparring sessions!

1. Key project idea briefly described, including how/why the idea is novel
2. Description of target market need, including potential collaboration opportunities with local partners and stakeholders
3. Indication of the extent of Finnish company involvement, preferably also names of companies
4. Description of how the project advances the UN Sustainable Development Goals ([SDGs](#)) and [Finnish development policy objectives](#)



Thanks!

All slides shown at this webinar + some additional one's covering the alternative BF/FP funding will soon be made available on the [funding call site](#) at Business Finland!

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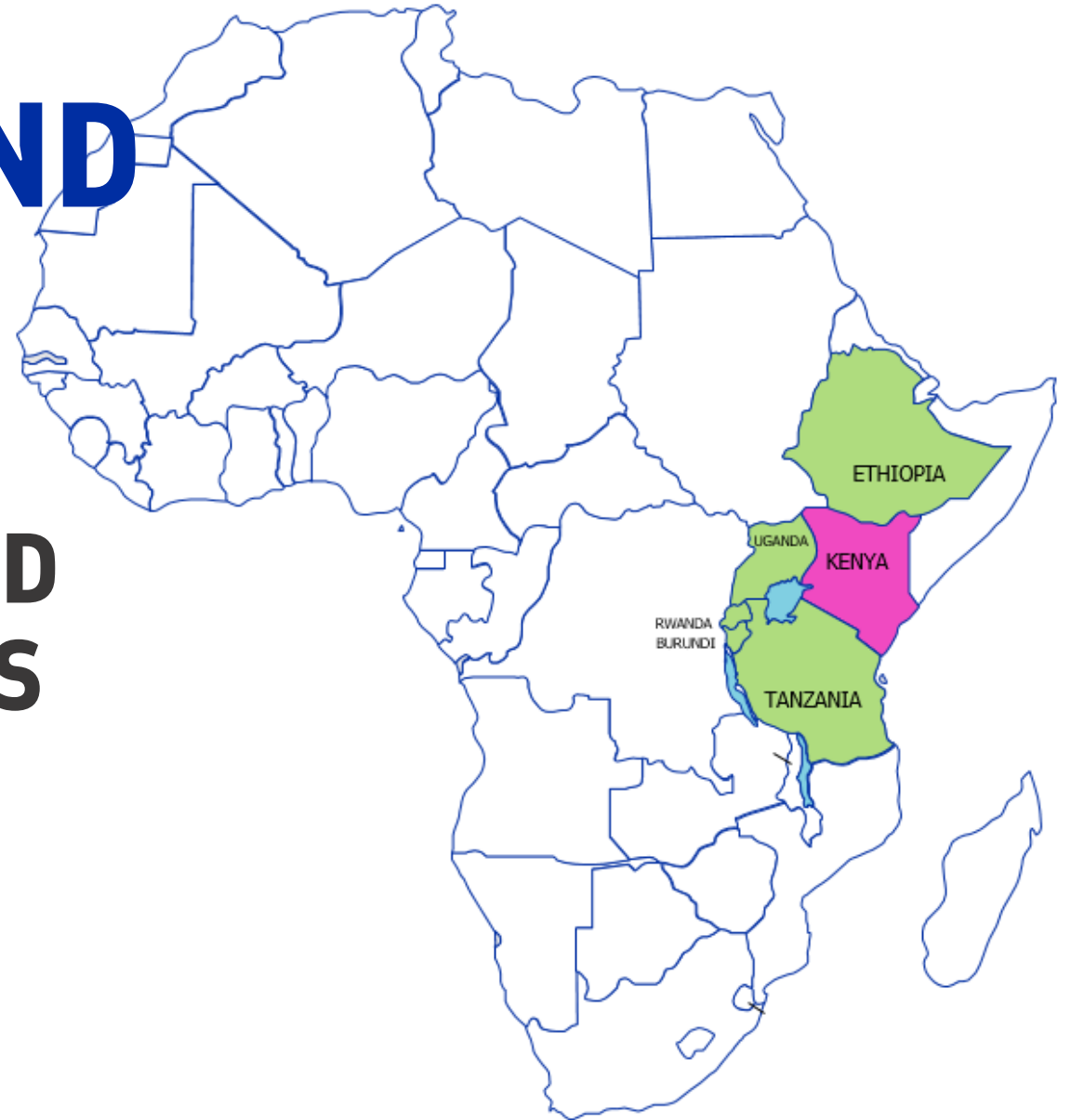
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**BUSINESS
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**Our teams and
opportunities in
developing markets**

BUSINESS FINLAND EAST AFRICA

KENYA'S KEY DRIVERS AND BUSINESS OPPORTUNITIES

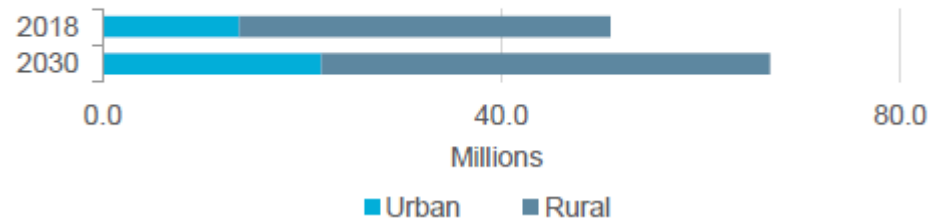


KEY DRIVERS

URBANIZATION

- Population of 53.77 million
- 1/3 living in urban areas
- Nairobi's population 4.7 million
- Nairobi ranked as the 6th wealthiest city in Africa (in 2018)

Total Population by Location 2018/2030



KEY DRIVERS

EXPANDING MIDDLE CLASS

- 1/3 of Kenyans count as a middle class
- Middle class's average annual growth rate 5%
- The expansion of the middle class fuel consumption

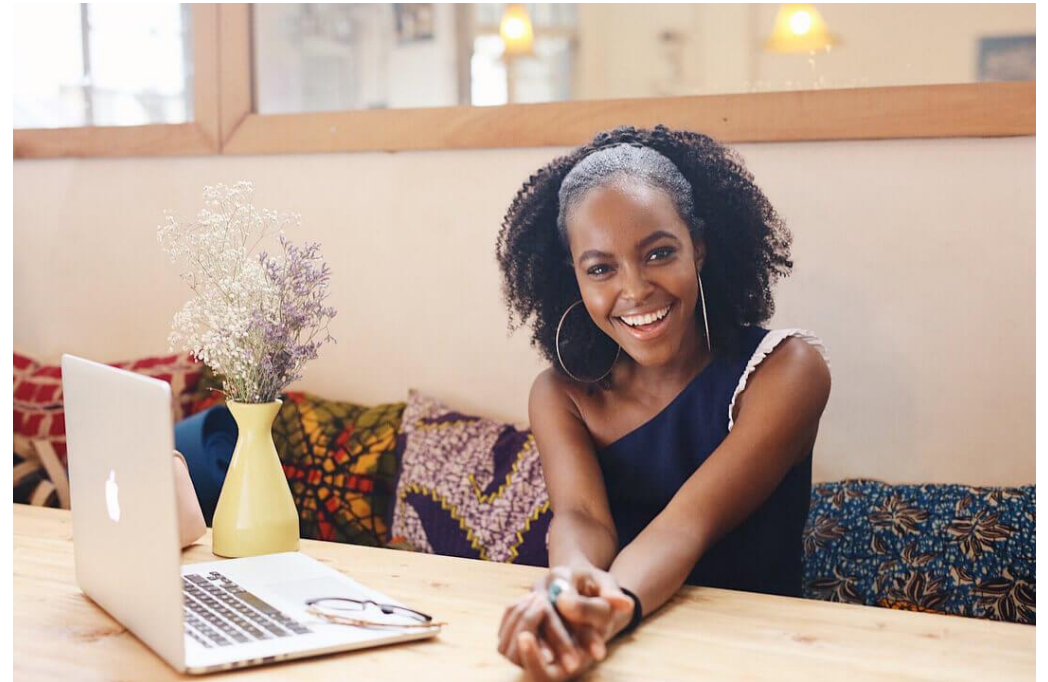


Photo: Nairobi Business Monthly

KEY DRIVERS

YOUNG CONSUMERS

- Kenya has young demographics, currently 13.5 million between the age of 18- 34
- These young, educated, sophisticated, globalized consumers are representing important drivers of consumer trends
- Fast growing E-commerce



BUSINESS OPPORTUNITIES FOR FINNISH COMPANIES



AGRIBUSINESS

Machinery and equipment, Logistical solutions, Cooling solutions, Food Processing, Food Safety solutions, packaging



INFRASTRUCTURE

Housing, public infrastructure (airport, ports, roads,city buildings),



Healthcare and wellness

Digital healthcare solutions, medical equipment, health supplements

KENYA'S BUSINESS ENVIRONMENT

- Financial, communication and logistics hub in the East African marketplace
- English is the dominant language
- Low risk investment environment
- Well established private sector
- Strong entrepreneurial and innovative environment
- Highly skilled workforce
- Market presence is important

BUSINESS FINLAND EAST AFRICAN TEAM

Kenya, Rwanda, Tanzania, Uganda and Ethiopia



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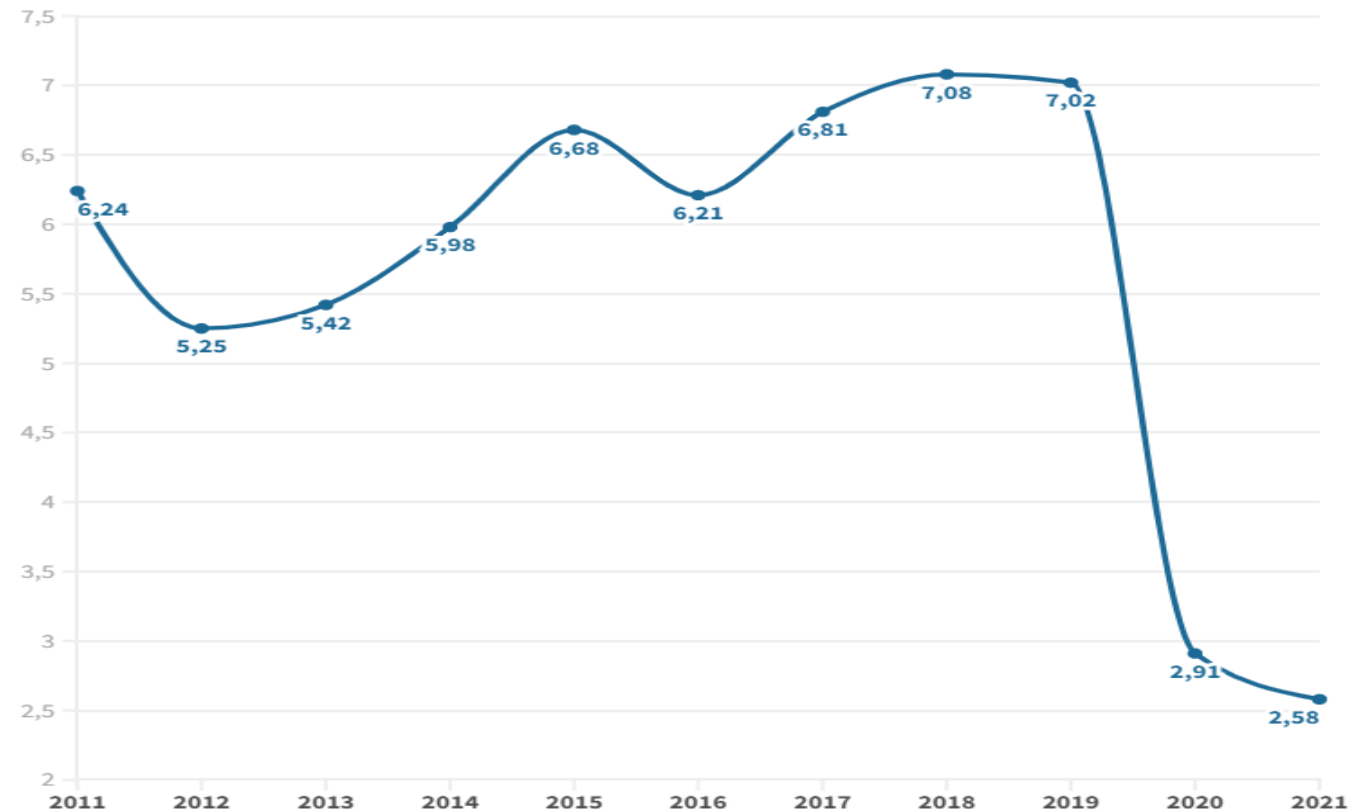
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Vietnam



Country overview

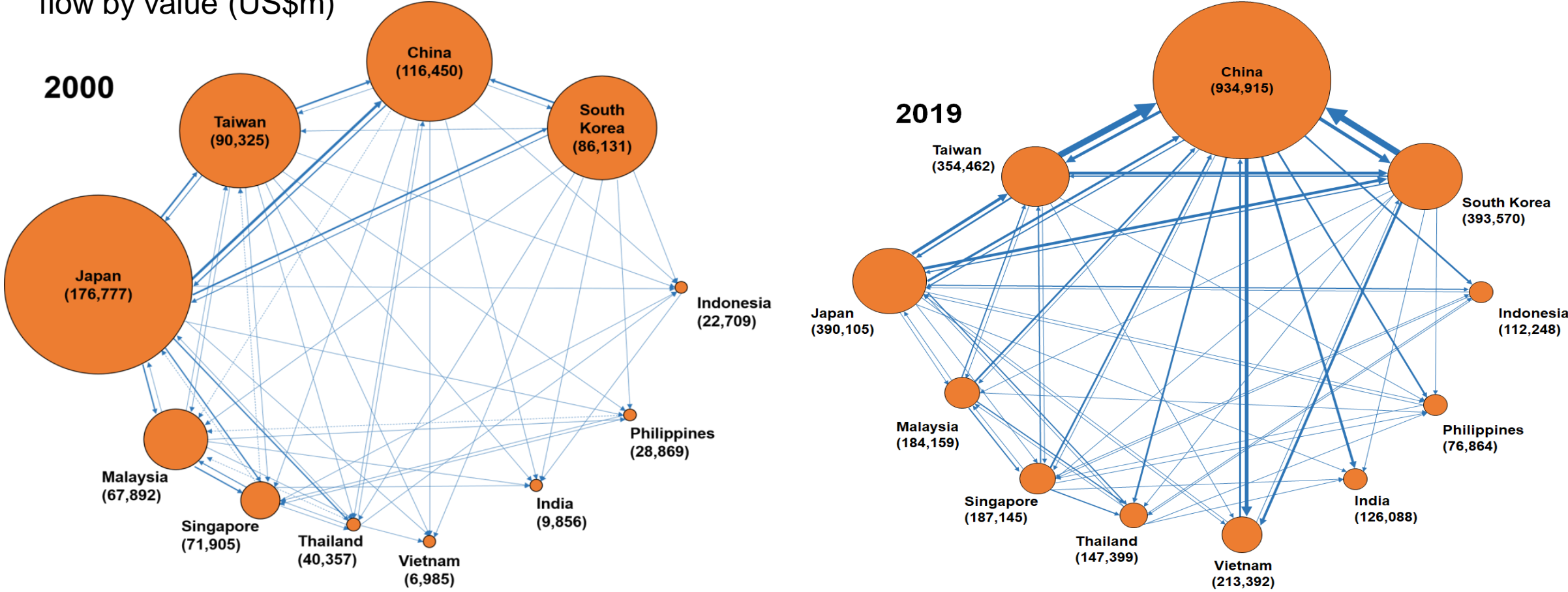
- ✦ Area: 331k km²
- ✦ Population: 97.3 million
- ✦ GDP: 290bn USD
- ✦ GDP Per capita: 3,759 USD
- ✦ Growth rate 2021: 2.58%
- ✦ Exports: 275bn USD
 - ✦ US (23.6%), China (16.0%), Japan (7.8%), South Korea (7.6%)
 - ✦ Telephones & mobile phones (19.9%), Textiles & garments (12.3%), Computers & electronics (13.8%), Footwear (6.8%)
- ✦ Imports: 252bn USD
 - ✦ China (30.3%), South Korea (18.9%), Japan (7.8%), Taiwan (6.1%)
 - ✦ Computers & electronic parts (22.3%), Machinery, equipment & tools (15.0%), Telephones & mobile phones parts (6.5%), Fabrics (5.1%)



GDP GROWTH RATE OF VIETNAM IN 10 YEARS

One of the fastest growing economies of the 21st century

Intermediate trade goods flow by value (US\$m)



Team Finland 2022

- Embassy of Finland in Hanoi
 - H.E Ambassador Keijo Norvanto
 - Touko Piiparinen, Deputy Head of Mission
 - Matti Tervo, Counsellor
 - Huong Le (Ms), Special advisor
 - Mac Hong (Ms), Special advisor
 - Nghia Le (Mr), Special advisor
- Business Finland in HCMC
 - Trung Nguyen (Mr), Senior advisor
 - Truc Doan (Ms), Senior advisor



Focus and Priority Sectors

- Energy and Cleantech
- Natural Resources & Manufacturing
- ICT (data & communications)
- Food and FoodTech
- HealthTech

Tools

- InBound & outBound processes
- BF & MFA funds and programs– DevPlat, PIF, GTIP
- Delegations
- Exhibition and seminars

Business Opportunities



- **Technology Transformation**
 - Forestry
 - Maritime
 - Manufacturing and logistics
- **Bio & Circular Economy**
 - Waste to Energy
 - Water and Environment solution
- **Consumer products & Service Innovations**
 - Health & Wellbeing
 - Food & Drink, Consumer Business