



Euroopan unionin rahoittama –
NextGenerationEU

**FUNDING FOR THE RENEWAL, SUSTAINABLE GROWTH AND DIGITALIZATION OF
CREATIVE SECTORS**

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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, environmentally, economically, culturally, and socially responsible practices and the use of digitalization have become even more important for consumers. Long-term investments in the future, such as sustainable development and investments in research, development and innovation (RDI), are challenging for some companies in the creative industries as they struggle to survive.

2. Call for funds to support the renewal, sustainability and digitalization of creative industries

Business Finland is launching the final RRF call for the research, development, and innovation projects of companies and research organizations. The aim is to increase the RDI intensity of the creative economy in the long term and to strengthen cooperation between companies and research organizations in the creative economy, thus promoting the renewal of the creative economy. Funding will be allocated in particular to projects that modernize companies' digital business environment and promote the green transition.

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

- **Success stories from creative cross-sector contents through IP expertise**
- **Leverage of the creative economy in different industries**
- **New opportunities of the CreaTech area**

Research projects funded under the *"Success stories from creative cross-sector contents through IP expertise"* investigate research questions related to the production, brainstorming/conceiving and commercialization process of production consisting of different types of (typically digital) content. The companies' projects investigate and develop new solutions required by the production and commercialization process and demos, which can be used to utilize creative content in other verticals (e.g., from literature to audio-visual productions and/or games). It is essential for both of these that the solutions being developed are subject to significant, commercially scalable opportunities and that they are based sufficiently on exploiting digital opportunities as a competitive advantage. Particular attention will be paid to the novelty of the ideas, the revenue model and the goal-oriented utilization of IP expertise in relation to the existing solutions or operating models.

With regard to the theme *"Leverage effect of the creative economy in different industries"*, funding can be granted to research projects that investigate and develop new leverage opportunities brought about by creative skills and methods in order to gain a competitive advantage in established industries. In business projects, funding can be granted to companies engaged in non-traditional creative industries and acquiring creative services and know-how in order to improve their competitiveness through new operating models and RDI processes, for example. It is essential that the development of the solutions to be tested is business-oriented and includes the possibility of

achieving a significant competitive advantage. At the same time, we emphasize the importance of making sufficient use of digital opportunities.

With regard to the theme "*New Opportunities of the CreaTech area*", funding can be granted to research projects that are looking for new expertise to combine the opportunities offered by future immersive solutions with a deep customer understanding into winning business models and implementation packages for the creative economy. The companies' projects focus on the research and development of the above-mentioned solutions, their goal-oriented testing and the development and outlining of a business-oriented roadmap. It is essential that the solutions are subject to significant, commercially scalable opportunities and that they are based sufficiently on exploiting digital opportunities as a basis for competitive advantage. Particular attention will be paid to the novelty of the ideas, the revenue model and competitive advantage in relation to existing 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 creative 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 creative industry. The support focuses on the promotion of elements related to the digitalization of companies.

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 creative industry. 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 applicants that meet the minimum criteria will not automatically receive funding. When making a decision, Business Finland always assesses the desired results and the business as a whole: innovativeness, assessed at least nationally (*according to the international level in projects subject to a continuous funding call*), the competitive advantage provided by the solution, the team and the adequacy of the funding. Business Finland will also assess 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 implementation package consists of two separate calls and a continuous call:

Separate calls

- 1) Co-Research projects: open call from 3/6/2023 until 8/31/2023 (Item 3)
- 2) Piloting and pilot projects: de minimis call open from 8/1/2023 until 9/29/2023 (Item 5)

Continuous call

- 3) Research-based business projects or joint projects: applications must be submitted by 9/15/2023 (Item 4)

A maximum of EUR **5 million** of RRF funding 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.

Only activities complying with relevant EU and national environmental legislation may be selected for funding.

Criteria for other projects funded through the Sustainable Growth Program for Finland are attached (APPENDIX 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, also consider 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 creative industry and ecosystems.

3. Co-Research projects

Funding may 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.
- All projects must involve several genuinely engaged companies that will utilize the research results and participate in planning and steering the implementation.
- Some 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. There is no binding lower threshold, but as a rule, a higher financial contribution improves the preconditions for succeeding in competition.

In other respects, the criteria and funding terms and conditions for public research as well as the 60% basic funding level are applied in the call. For a research project engaged in close international

cooperation, the level of funding is 70 %. 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](#)

4. Research-based business projects and joint projects

The call is intended for funding new creative research related to the above themes with aid that will be targeted at independent research projects carried out by companies or Co-Innovation projects implemented together with research organizations. *The assessment criteria for projects in continuous call are in line with BF's normal funding criteria.*

Projects funded through aid:

- create new competence and information for companies and partnership networks
- take greater risks than normal and, if successful, involve a high market potential
- often require more development afterwards to commercialize the results

Business Finland grants a maximum of 50 percent of a project's total costs for research projects by SMEs. For midcap and large companies, the funding is up to 40% of the total cost of the project, while the funding typically covers 70% of the project costs of research organizations.

Read more about research and development funding:

- SMEs and midcaps: [Research, development, and piloting for SMEs and midcaps - Business Finland](#)
- Large companies: [Research, development, and piloting for large companies - Business Finland](#)
- Co-Innovation: [Co-Innovation - Business Finland](#)

5. Piloting and pilot projects

The content of the piloting and pilot projects must be related to the above themes central to the funding call, and this includes the following:

- Projects that develop new products or services or significantly improve existing ones
- Prototype development or prototypes
- Piloting projects in which the results of new research and development projects are piloted in cooperation with the customer
- Demonstration projects in which the functionality of solutions already developed can be demonstrated to a sufficient extent in a real-world operating environment

The applicant is not required to be a creative industry company, but the content of the development project must serve the needs of the creative industry and be applicable to the industry. The Finnish Sustainable Growth Program states that development and pilot funding will enable the renewal of creative industries and the event industry and new cooperation between companies and creative industries.

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 2025 at the latest.

5.1. Eligible costs

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 funding cannot be used for the following:

- activities related to exports, i.e., running costs directly related to export volumes, or 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)

5.2. Amount of funding

The maximum eligible budget for the funded project is EUR 200,000. Business Finland can provide funding for 50% of the eligible project costs, which means that the maximum amount of the aid is EUR 100,000. The size of the project must be in proportion to the size of the company's business and the available resources. Start-ups and SMEs can receive 70% of the funding in advance. No advance is paid to large companies. Costs can be accepted starting from the day on which an application was submitted to Business Finland.

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.

5.3. 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 beneficiary must have potential for profitable business operations and growth. The organization must have credible human and financial resources for the implementation of the development project and the utilization of its results in its business. We do not grant funding to single-person businesses. At a minimum, the team must be composed of, for example, one full-time (100%) employee and two part-time employees working 50% of their full-time hours in Finland. For example, having a CEO working full-time (100%) and two other people working part-time (50% each) fulfills the minimum team requirement.

The applicant must have sufficient self-financing for the implementation of the project and credible overall funding for the duration of the project period. In order to verify the self-financing, the applicant must have net financial assets (short-term assets + bank balance – short-term liabilities) of at least EUR 100,000 or 50% of the project's overall costs at the time of the application. Companies with established profitable business can verify the adequacy of financing, for example, by using the following cash flow statement:

https://www.businessfinland.fi/49903a/globalassets/finnish-customers/01-funding/kassavirtalaskelma_270423.xlsx

6. How to apply

6.1 Co-Research applications

Basic applicant and application information is completed normally in [Business Finland's online service](#).

- Select "Co-Research" as the application type.
- Under "Programs and other connections," select "RRF – Finland's Sustainable Growth Program" for your application and then the "RRF – Creative industries" identifier in the menu. In addition, questions related to the project's environmental impacts (DNSH) must be answered.
- 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.
- NOTE! If several research organizations apply together, each of them must fill out a separate application. Involvement in a joint venture (parallelism) is expressed by entering the other parties in the Free-form cover note field.
- All parties must enter the project name in the following format: "RRF Creative Industries – [project common name]".

In the Free-form cover note field on the last page of the application service ("Summary and sending"), also fill in the name of the BF expert with whom you have discussed the project before applying.

6.2. Calls for pilot and piloting projects

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

1. On the Candidate tab, select Startup as the type of applicant organization.
 2. On the Funding Service tab, please choose: Tempo
 3. On the Organization tab, 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 Creative Industries”
 - 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: In the application form, you will be asked to set 2–5 measurable goals for your project. These goals must be linked to concrete outcomes of the project and the development of your business. The project targets will be recorded in the funding decision and Business Finland will monitor their completion. The accomplishment of the targets has a significant impact when applying for potential follow-on funding from Business Finland.
- Regarding the impacts of the project, describe how the project will promote the beneficiary’s business and/or the business of other actors in the creative industries. 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.

6.3. Continuous call applications

Basic applicant and application information is completed normally in [Business Finland's online service](#).

Choose "Research, development, and

- piloting" as the financial service for **business projects**

and according to the role in **Co-Innovation consortia**:

- Company as Coordinator: Co-Innovation, main application and Co-Innovation, company participant
- Company as a participant: Co-Innovation, participant
- Research organization as coordinator: Co-Innovation, main application and Co-Innovation, research participant
- Research organization as a participant: "Co-Innovation Research Participant"

Under "Programs and other connections", select "RRF – Finland's Sustainable Growth Program" for your application and then the "RRF Creative industries" identifier in the menu.

In addition, answer questions related to 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.

6.4 Beneficiary notification to PRH

The applicant for funding must ensure that the beneficiary notification is submitted to the Finnish Patent and Registration Office
(https://www.prh.fi/en/kaupparekisteri/beneficial_owner_details.html)

7. Call schedule

- 1) The Co-Research call will begin on **3/6/2023** and end on **8/31/2023**. Decisions on the projects to be funded will be made by 12/31/2023.
- 2) The funding call for piloting and pilot projects will begin on **8/1/2023** and applications must be submitted by **9/29/2023**. Decisions on the projects to be funded will be made by 12/31/2023.
- 3) Applications from companies or companies and research organizations in the continuous call can be submitted from **3/6/2023** and must be submitted by **9/15/2023**. Decisions on projects will be made as soon as possible after their submission.

Projects funded in this call through the RRF must be completed by December 2025 at the latest.

6. For further information, please contact:

Separate calls:

- Co-Research projects: aki.parviainen@businessfinland.fi
- Piloting and pilot projects: : olli.sinerma@businessfinland.fi

Continuous call:

- Business projects: olli.sinerma@businessfinland.fi
- Co-Innovation projects: aki.parviainen@businessfinland.fi

APPENDIX 1: Special criteria for RRF funding under the Sustainable Growth Program for Finland

In funding decisions, Finland complies with all valid state subsidy regulations and guidelines, and addresses DNSH technical guidance C(2021) 1054 final.

Due to environmental objectives, certain types of content or applications are not eligible for funding. Prohibited activities include:

- (i) activities relating to fossil fuels, including downstream use in the production chain;¹
- (ii) activities under the EU's emissions trading system that achieve projected greenhouse gas emissions that are not below the relevant benchmark values and do not significantly reduce greenhouse gas emissions;²
- (iii) activities concerning landfills, incineration plants³ and mechanical biological treatment plants;⁴ and
- (iv) activities in which the long-term final disposal of waste may cause harm to the environment.

The projects must fulfill relevant and binding environmental regulations valid in the EU and at a national level. Only activities complying with relevant EU and national environmental legislation can be selected. Projects to be funded must meet the selection and eligibility criteria of the "Do No Significant Harm" Technical Guidance 2021/C58/01.

¹ Except for natural gas projects under this measure concerning the production of electricity and/or heat and the related transmission and distribution infrastructure, which fulfil the conditions set out in Annex III to the Technical Guidelines on the "No Significant Harm" principle (2021/C58/01).

² Where the supported activity achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmark values, an explanation of the reasons why this is not possible must be provided. Benchmark values set for the cost-free allocation of emission rights to activities falling within the scope of application of the emissions trading system in accordance with Commission Implementing Regulation (EU) 2021/447.

³] This exclusion does not apply to activities under this measure in installations exclusively intended for the treatment of hazardous waste not suitable for recycling or in existing installations where activities under this measure aim at increasing energy efficiency, recovering gases for storage or use or recovering materials from incineration ash, provided that such activities under this measure do not lead to an increase in the installation's waste treatment capacity or to a prolongation of the installation's useful life; evidence of this shall be provided on an installation-specific basis.

⁴ This exclusion shall not apply to activities carried out under this measure in existing mechanical biological treatment plants if the activities under this measure are aimed at improving energy efficiency or modernizing the recycling of separated waste for composting and the anaerobic digestion of bio-waste, provided that such activities under this measure do not lead to an increase in the installation's waste treatment capacity or to a prolongation of the installation's useful life; evidence of this shall be provided on an installation-specific basis.

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,
 - i. where that activity leads to significant greenhouse gas emissions;
- b. climate change adaptation,
 - i. 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
 - i. to the good status or the good ecological potential of bodies of water, including surface water and groundwater; or
 - ii. to the good environmental status of marine waters;
- d. the circular economy, including waste prevention and recycling, where
 - i. 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;
 - ii. 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
 - iii. the long-term disposal of waste may cause significant and long-term harm to the environment;
- e. pollution prevention and control,
 - i. where that activity leads to a significant increase in the emissions of pollutants into the air, water or land, as compared to the situation before the activity commenced; or
- f. the protection and restoration of biodiversity and ecosystems, where that activity is
 - i. significantly detrimental to the good condition and resilience of ecosystems; or
 - ii. 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/EN/TXT/PDF/?uri=CELEX:52021XC0218\(01\)&from=FI](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021XC0218(01)&from=FI)

The Sustainable Growth Program for Finland:
<https://julkaisut.valtioneuvosto.fi/handle/10024/163176 Appendix 3>, pages 470–471.