

BUSINESS
FINLAND

Implementation of the Sustainable Growth Program in Business Finland (RRF)

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BF estimated to distribute over €500 million in 2021–2023



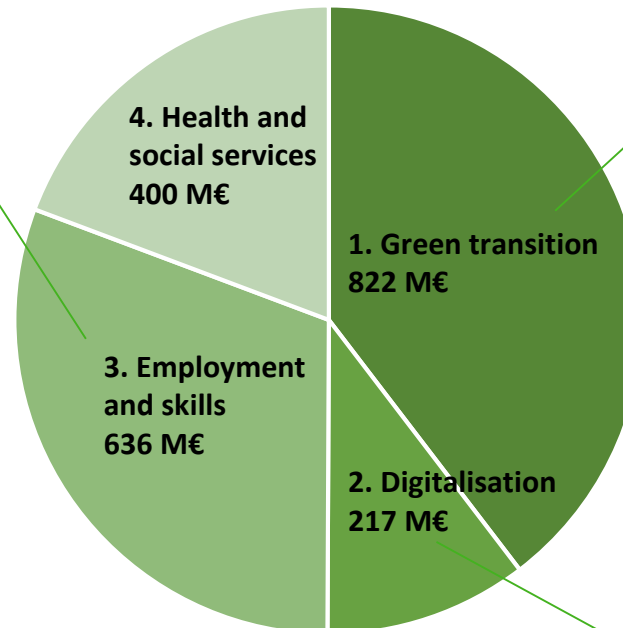
The 4 pillars of the Finland's sustainable growth program 2,1 B€

R&D&I, 172 M€

- Lead company (veturi) funding
- Key enabling technologies
- Innovation infrastructure/Living labs
- Growth funding

Businesses impacted by the pandemic and growth businesses, 38 M€

- Sustainable and intelligent travel
- Travel R&D&I
- Creative industry pilots
- Low-carbon export
- Health and wellbeing export



Investments to green transition, 260 M€ + ? (*)

- Circular economy investment grant
- Hydrogen economy (IPCEI)
- Electrification of industrial processes (*)
- Energy technology investments (*)
- Low-carbon built environment (*)

(*) possible BF funding not specified

Spearhead technologies 25 M€

- 6G testbeds
- Microelectronics (IPCEI)

The way forward

- Funding can be granted after the Council of the EU has approved Finland's Resilience and Recovery Plan, which is part of the Sustainable Growth Programme.
 - The Government submitted the Plan to the Commission on 27 May 2021. According to the preliminary timetable, the Council is expected to decide on the Plan during the summer.
 - Funding decisions also require that Parliament has approved the budget containing the funding.
- BF is using existing funding instruments and ongoing programs which makes quick actions possible
- Target to create impactful projects => e.g. creating lead company ecosystems with high future business impact
- Information on Business Finland calls on website:
<https://www.businessfinland.fi/kampanjasivut/suomen-kestavan-kasvun-ohjelma>

Timetable for BF RRF funding in R&D&I

▪ Leading company funding

- **Focus area:** The objective of the leading company funding is to significantly increase the RDI activities of companies in Finland and to create new jobs and ecosystems worth billions of euros aiming at new business.
- **Timetable:** competition was launched on 2 June 2021
- **First funding decisions:** late 2021 (estimate)
- **Total planned funding for the focus area:** EUR 100 million

▪ Key sectors of the future /enabling technologies

- **Focus area:** Funding related to the key sectors of the future is available for the partnership projects of leading companies.
- **Timetable:** call for funding applications scheduled to start in autumn 2021
- **Total planned funding for the focus area:** EUR 27 million

▪ Innovation projects by growth companies

- **Focus area:** Funding will be allocated to research and innovation projects by SMEs seeking growth through exports.
- **Timetable:** ongoing call for funding applications scheduled to start in autumn 2021
- **Total planned funding for the focus area:** EUR 20 million

▪ Innovation infrastructures and experimental environments

- **Focus area:** Innovation infrastructure development projects are one-off investments aimed at creating new kinds of environments for testing and developing products and services.
- **Timetable:** call for funding applications scheduled to start in 2022
- **Total planned funding for the focus area:** EUR 25 million

Calls for investments of green transition

▪ Low-carbon hydrogen and carbon capture and utilisation

- **Focus area:** Funding is available for investments and innovations related to the production of clean hydrogen and the capture and utilisation of carbon dioxide.
- **Timetable:** National call for applications for the so-called hydrogen IPCEI started earlier this summer. Applications for projects other than those related to the IPCEI in autumn 2021.
- **First funding decisions:** early 2022 (estimate)
- **Total planned funding for the focus area:** EUR 150 million
- **Granting authority:** Business Finland and the Ministry of Economic Affairs and Employment

▪ Investments promoting the reuse and recycling of key materials and industrial sidestreams

- **Focus area:** Investment support for the circular economy will accelerate the reuse and recycling of industrial waste and sidestreams, such as materials from the bioeconomy and other key industrial sectors. These include battery materials, plastic, textiles, electrical and electronic equipment, construction and demolition materials. The funding will be allocated to pilot and demonstration facilities, the first commercial investments in facilities and related RDI activities, and the introduction of new technology promoting reuse and recycling.
- **Timetable:** call for funding applications scheduled to start in autumn 2021
- **First funding decisions:** late 2021 (estimate)
- **Total planned funding for the focus area:** EUR 110 million

Timetable for businesses impacted by the pandemic and other calls ^{Draft}

▪ Funding for renewal of creative industries

- **Focus area:** Funding for the development, renewal and improved international competitiveness of creative industries. The first call for applications will focus on development projects in the audiovisual and event sectors.
- **Timetable:** Call for funding applications to start in autumn 2021
- **Total funding:** EUR 9 million

▪ Sustainable growth and digitalisation in the tourism sector

- **Focus area:** Funding will be allocated to development and renewal of the tourism sector necessary for its recovery. Key issue is to use digital solutions, sustainable practices and knowledge of customers to improve competitiveness in international tourism markets that are undergoing change. Funding will also be allocated to enhance cooperation between tourism operators and research organisations.
- **Timetable:** call for funding applications scheduled to start in late 2021
- **Total planned funding for the focus area:** EUR 5 million

▪ Other calls

- During 2021 and 2022, more calls for funding will be launched for companies. More information about these calls will become available later.
- Programme supporting low-carbon industry, circular economy, digital renewal and exports of industrial services, additional funding of EUR 4 million
- Programme promoting health and wellbeing technologies and skills, additional funding of EUR 4 million
- Microelectronics, EUR 15 million
- 6G, artificial intelligence and quantum computing, EUR 10 million

Special features related to RRF calls

- DNSH criterias
- Reporting and impact evaluations



Policy issues

Do not significant harm principle (1)

- **Relevance:** *In line with the European Green Deal objectives, research and innovation activities should comply with the 'do no significant harm' (DNSH) principle according to which the research and innovation activities should not be supporting or carrying out activities that make a significant harm to any of the six environmental objectives, within the meaning of Article 17, on the establishment of a framework to facilitate sustainable investment (EU Taxonomy Regulation)*
- Six environmental objectives to which no significant harm should be done:



Policy issues

Do not significant harm principle (2)

- **Scope:** Compliance needs to be assessed both for activities carried out during the course of the project as well as the expected life cycle impact of the innovation at a commercialization stage (where relevant). The robustness of the compliance must be customized to the envisaged TRL of the project.
- Particular consideration of activities compliance with the DNSH principle is expected for Cluster 4, 5, and 6 due to an increase potential of negative environmental outcomes and impacts of projects.
- **Impact application and evaluation process:** The DNSH principle is addressed in Proposal part B: section 1 – Excellence (Methodology) and Proposal part B: section 2 – Impact (project outcomes and impacts)
- The DNSH principle needs to be taken into consideration when assessing the methodology and impact of the project. However, compliance is not mandatory unless explicitly stated

Methodology [e.g. 15 pages]

Describe and explain the overall methodology, including the concepts, models and assumptions that underpin your work. Explain how this will enable you to deliver your project's objectives. Refer to any important challenges you may have identified in the chosen methodology and how you intend to overcome them. [e.g. 10 pages]

- ⚠ This section should be presented as a narrative. The detailed tasks and work packages are described below under 'Implementation'.
- ⚠ Where relevant, include how the project methodology complies with the 'do no significant harm' principle as per Article 17 of Regulation (EU) No 2020/852 on the establishment of a framework to facilitate sustainable investment (i.e. the so-called 'EU Taxonomy Regulation'). This means that the methodology is designed in a way it is not significantly harming any of the six environmental objectives of the EU Taxonomy Regulation.

The outcomes and impacts of your project may:

- Scientific, e.g. contributing to specific scientific advances, across and within disciplines, creating new knowledge, reinforcing scientific equipment and instruments, computing systems (i.e. research infrastructures);
- Economic/technological, e.g. bringing new products, services, business processes to the market, increasing efficiency, decreasing costs, increasing profits, contributing to standards' setting, etc.
- Societal, e.g. decreasing CO₂ emissions, decreasing avoidable mortality, improving policies and decision making, raising consumer awareness.

Only include such outcomes and impacts where your project would make a significant and direct contribution. Avoid describing very tenuous links to wider impacts. However, include any potential negative environmental outcome or impact of the project including when expected results are brought at scale (such as at commercial level). Where relevant, explain how the potential harm can be managed.

Policy issues

Do not significant harm principle (3)

Examples of questions to be asked if any activities related to a project are considered to have any potential negative impact on any of the 6 relevant environmental impacts

- *Climate change mitigation: Is the measure expected to lead to significant GHG emissions?*
- *Climate change adaptation: Is the measure expected to lead to an increased adverse impact of the current climate and the expected future climate, on the measure itself or on people, nature or assets?*
- *The sustainable use and protection of water and marine resources: Is the measure expected to be 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?*
- *The transition to a circular economy, including waste prevention and recycling: Is the measure expected to:*
 - (i) lead to a significant increase in the generation, incineration or disposal of waste, with the exception of the incineration of non-recyclable hazardous waste; or*
 - (ii) lead to significant inefficiencies in the direct or indirect use of any natural resource at any stage of its life cycle which are not minimised by adequate measures; or*
 - (iii) cause significant and long-term harm to the environment in respect to the circular economy?*
- *Pollution prevention and control: Is the measure expected to lead to a significant increase in the emissions of pollutants into air, water or land?*
- *The protection and restoration of biodiversity and ecosystems: Is the measure expected to be:*
 - (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?*

Thank you!

This presentation is about drafting the RRF calls in BF. Always
check the latest from the webpage:

[https://www.businessfinland.fi/kampanjasivut/suomen-kestavan-
kasvun-ohjelma](https://www.businessfinland.fi/kampanjasivut/suomen-kestavan-kasvun-ohjelma)

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