Companies' de minimis funding

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1 Funding decision and its terms and conditions

The funding decision enters into force at the time of decision-making.

However, the implementation of the decision and the legal effects based on it will only begin when:

1. the conditions set for the decision to enter into force have been met, and
2. the beneficiary has confirmed the decision and these conditions.

The funding decision will lapse if the conditions set for the decision to enter into force are not met within the deadline set. A separate decision will be made on the lapse.

The beneficiary must confirm receipt of the funding decision and these funding terms and conditions in accordance with the instructions. The confirmation will also include the beneficiary's account number to which the funding will be paid. Funding cannot be paid until the funding decision, and its conditions have been confirmed as received. The recipient of the decision must be authorized to sign for the organization.

These terms and conditions for funding are part of the funding decision, and compliance with them is the prerequisite for payment of the funding.

The funding granted under the funding decision is de minimis aid in accordance with regulation (EU) No 2023/2831 of the European Commission. The total amount of minor (de minimis) support for one business enterprise must not exceed EUR 300,000 over any period of 3 years. At the group level, the parent company and subsidiaries, as well as companies in the same majority ownership, are regarded as one enterprise in accordance with European Commission regulation 2 article 2 and any aid given to these, including aid to companies under the same controlling interest, is calculated together. In calculating aid, all aid obtained from the various authorities (for example, the municipalities, regional councils and authorities under the jurisdiction of the Ministries, such as Finnvera Oyj, Centres for Economic Development, Transport and the Environment (ELY Centres) and Business Finland to which the authority has granted aid in accordance with the de minimis terms shall be taken into account. The beneficiary shall be responsible for the accumulation of de minimis aid.

These funding terms and conditions are issued under section 11 (3 and 4) of the Act on Discretionary Government Transfers.

2 Publicity of the funding decision

The following information will be public: the beneficiary's name, business ID, size, domicile, sector, register number of the funding decision, form of financing, granting date, the amount of funding granted and the amount paid. The State Treasury publishes public information about state grants in the service for publication and use of state grant information (Tutkiavustuksia.fi).

When the beneficiary disseminates information about the project or its results, it must disclose that Business Finland has provided funding for the project.

The Ministry of Economic Affairs and Employment, Finnvera, Business Finland Oy, Innovation Funding Agency Business Finland and ELY Centres may exchange client information relating to the beneficiary.

The Funding Agency may need information from other authorities and funders for the payment and supervision of funding. Provisions on the exchange of information between authorities are laid down in the Act on the Customer Information System for Business Services (293/2017) and the Act on Discretionary Government Grants. Provisions on the disclosure of trade secrets are laid down in the Act on the Openness of Government Activities (621/1999).

The beneficiary must submit their annual statements, including appendices, for publication in the Finnish Patent and Registration Office, as laid down by law.

3 Accountable project leader

The beneficiary authorizes an accountable project leader who is in an employment relationship with the beneficiary or holds a position of responsibility in the company. A person disqualified from the practice of commercial activities cannot act as the accountable project leader.

The accountable leader monitors the implementation of the project referred to in the funding decision and must ensure that

- project accounting has been arranged in accordance with these terms and conditions
- the decision and related terms and conditions are reviewed with financial management/an accounting firm
- the project is implemented in accordance with the plan
- reported costs have been incurred by the project within the duration of the project
- the persons chosen to manage the project's issues in the online service have access rights to the project.

In connection with the final report, the accountable leader assures that the funding has been used to implement measures in accordance with the project plan, and that the funding has not been used for export activities, establishing a distribution network, or activities in other member states or third countries. In Accelerators and preparations for international projects, the accountable leader also assures that the funding has not been used to purchase services from associated companies other than Group companies within the same group. Food Exhibition Explorer and Food Market Explorer projects the Accountable project leader assures that funding has not been used for purchased services from other associated companies or companies within the same group, unless it has been specifically agreed to make an exception.

If the accountable project leader changes, the beneficiary must submit an application for a change of accountable leader during the project or 10 years after the payment of the last installment or as long as the loan capital remains. Changes to the contact details of the accountable leader must also be reported to the Funding Agency.

4 Reporting

The accountable project leader is responsible for reporting on the project.

The beneficiary must be able to demonstrate how the project plan has been implemented and what the results of the measures have been.

Upon request, the Funding Agency must be provided with additional information if required for project monitoring. The additional information may include, for example, names of the people working on the project, the salaries subject to withholding tax paid to them, copies of receipts of purchase invoices, invoice itemizations and the selection criteria for purchased services.

If, during the project or immediately after it has ended, the beneficiary receives income obtained through costs reported to Business Finland, it must report such income to the Funding Agency no later than in the final report. If such income is substantial, the Funding Agency has the right not to accept the costs allocated to commercial operations or deduct the income from the costs.

The beneficiary must declare all project costs at the latest in the final report. If it is necessary to make changes between the cost categories in the cost estimate, the beneficiary must apply to change the cost estimate in the online service. If all cost categories are exceeded, the change does not need to be applied for separately. No new project costs can be presented after the approval of the final report

A representative of the beneficiary's financial management must confirm in connection with the final report that the stated costs are included in the beneficiary's accounting and have been paid by the beneficiary. The report template is available on the website.

If necessary, the project may be subjected to a cost audit of all expenses incurred in the project before the payment of the final instalment. The cost audit does not replace the confirmation of costs

appended to the report (an auditor's report or an assurance by the contact person for the cost statement) or revoke any other auditing rights.

5 Payment of funding

The Funding Agency will pay the funding based on the approved report submitted on time. The funding will be paid at the maximum funding percentage stated in the funding decision. The final report submitted after the deadline according to the reporting schedule will not be processed and the funding will not be paid. The final funding instalment must be applied for in connection with the final reporting. After this, funding applied for will no longer be paid.

If the final report shows that, including the advance payments, the funding exceeds the amount due for eligible costs, the beneficiary must return the excess amount.

Entitlement to the granted funding or part of it will lapse if the beneficiary does not submit the requested reports or further information by the due date specified in the funding decision or separately notified by the Funding Agency. Funding Agency may order any funding already provided to be repaid immediately, with interest.

6 Monitoring of costs and project accounting

The beneficiary must arrange its accounting so that the costs arising from the project can be itemized and their connection with the accounting and the reported costs can be verified

The beneficiary must be able to name the individuals who have worked on the project and present evidence of the total salaries subject to withholding tax that have been paid to them during the project as well as the percentage of their total working hours that was spent on the project. In addition to the work hours, the total working time includes vacation time and other paid time off.

Project accounting and all documents related to the implementation and costs of the project, as well as other material necessary for the supervision and auditing of the project, must be retained for at least ten years from the date of the last payment for the project. Project material includes, for example, expense and payment receipts and procurement documents.

7 Eligibility of costs

The project plan and cost estimate approved by the Funding Agency form a part of the funding decision and serve as the basis for accepting the costs.

Different costs are considered eligible in different funding services:

- Food Exhibition Explorer: costs arisen from fairs
- other funding services: research, development and innovation expenditure in accordance with the project plan.

The costs are considered eligible if they

- have been paid and entered in the accounts of the beneficiary
- are in net amount and VAT exempt
- have arisen from the project during the duration of the project (accrual basis)
- necessary and reasonable for the implementation of the project.

The costs must be based on the corresponding expenditure payment records. This does not apply to computational costs allocated to the project. The expenses must be fully paid in money by the beneficiary when they are reported to the Funding Agency. Procurements may not be paid by loans issued by the recipient of the payment. An invoice for work performed during the project may be paid after the project end date but before the costs are reported to the Funding Agency.

All costs based on the project plan must be reported to the Funding Agency. Final approval of the costs for a project can only be given after the costs have been approved.

To ensure the effectiveness of the funding, only procurements and work ordered or agreed upon in writing after submitting the funding application are approved for the project. In exceptional cases, the procurement ordered for the implementation of the project before submitting the funding application can only be accepted if the order or contract contains a clause stipulating that the procurement will be canceled if the funding decision is negative. Even then, the costs are only eligible from the date of submission of the funding application at the earliest.

In Food Exhibition Explorer projects, however, reservation and registration costs may be accepted even if they were incurred before the start of the project phase.

Costs will be approved ex VAT, unless the beneficiary is not liable to pay VAT. The costs on which VAT is payable may also be reported if they are connected with VAT-exempt operations and the VAT will be payable by the beneficiary.

The Funding Agency may, at its discretion, accept a procedure for certain cost categories based on the unit cost prices derived from accounting expense entries provided by the beneficiary's cost accounting systems, but not hourly rates based on calculated average hourly earnings. The use of this must be agreed on a project-specific basis.

The Funding Agency or a party authorized by it has the right to audit the reliability of the accounting system. The Funding Agency may also require that an independent auditor issues a statement on the reliability of the accounting systems.

8 Procurement procedures

In all procurements, the beneficiary must ensure that the bidders, subcontractors, or their beneficiaries are not subject to sanctions imposed by the European Union or the United Nations (UN), or decisions to freeze assets imposed by the Finnish authorities

When the beneficiary is a public procurement unit or the funding provided by the Funding Agency or other public funding covers more than 50 per cent of the project costs, the beneficiary must observe the provisions of the Act on Public Procurement and Concession Contracts (1397/2016). When the total value of the procurement is at least 60,000 euros, the procurement must be tendered as a public procurement. When a procurement must be put out to tender, the HILMA number or the criteria for direct award are indicated in the reporting

If a public procurement unit has made a procurement in violation of the procurement provisions, the purchase price is not an eligible cost for the project.

9 Declared salaries

Salaries can be approved in the Accelerators and preparations for international projects.

The beneficiary may declare the proportion of a person's salary for their total working hours that is allocated to the project. The monthly number of work days in the total working time is 21,5 days, which corresponds to the average total working time per month. In addition to the work hours, the total working time includes holidays and other paid time off. The Funding Agency will compare each person's declared overall salary to the information in the Incomes Register. As a public authority, Business Finland receives its information from the Incomes Register.

Only working hours actually spent on the project can be declared. The hours declared cannot include paid absences, e.g. midweek holidays and sick leaves. Actual hours worked must be compared to the project plan's estimate and any deviations must be reported.

The amount of salaries reported to the Funding Agency

- may not substantially differ from what has been paid to the person in question for work of a corresponding level, either before the project or immediately after it

- must correspond to the compensation paid to the person by the beneficiary for other work during the project.

The Funding Agency may, at its discretion, accept the payment of a reasonable salary to a person working for the project who has not been paid any salary for any work before the project.

The Funding Agency will not accept any salary components that are paid to a person on the condition that funding for the pay component is received from a public funding body.

The beneficiary must notify the Funding Agency in the additional information field if performance-related or other exceptional payment components are included in the salaries reported to the Funding Agency. The Funding Agency may, at its discretion, approve them if they are an established and important part of the beneficiary's salary payment regime. The beneficiary must always submit the details of the total amount of the exceptional salary components, the payment criteria and period for which the components are paid so that the proportion allocated to the project can be determined.

The beneficiary must report the wage subsidy received for the reported salary in the Additional information section of the report. The total amount of wage subsidy and support from the Funding Agency may not exceed the maximum support specified in the decision. The beneficiary must report the funding received from the Funding Agency to the authority that granted the wage subsidy.

If the compensation paid is classified as trade income and not as salary, the beneficiary must report it under Purchased services.

As a rule, the salaries of the beneficiary's managerial and administrative personnel are classified as overheads. Such salaries may, on a case-by-case basis, be accepted as direct costs, if the work performed is directly allocated to the project.

The beneficiary must report any project-related salaries paid to persons coming from abroad to work in Finland or persons working abroad.

10 Indirect personnel costs

30% of the salaries paid, which have been approved for the project, will be accepted as indirect personnel costs. Such costs do not need to be included in the beneficiary's project accounting.

Indirect personnel costs include

- midweek holidays, holiday pay, sick pay, leave pay and holiday bonus
- social security costs
- other employment costs, such as recruitment costs, personnel training, fringe benefits, workwear, and protective clothing.

The Funder has the right to intervene in budgeted indirect personnel costs arising from employment relationships that are not subject to the same indirect personnel costs as conventional employment relationships. Such employment relationships may apply to persons coming from abroad to work in Finland or persons working abroad. If social security costs are not paid to Finland from the salary subject to withholding tax, indirect personnel costs cannot be accepted as project costs.

The Funding Agency has the right to verify all indirect personnel costs and pay the funding on the basis of actual indirect personnel costs when these remain below the level approved in the cost estimate.

11 Purchased services costs

Services purchased from third parties can be accepted in accordance with the project plan and invoicing.

Direct project-related expert service costs can be approved as purchased services.

Purchased services are itemized in connection with reporting, but they are declared as one instalment.

Software required for the project and freight charges in Food Exhibition Explorer projects are included in other costs.

For invoices in foreign currency, the exchange rate on the date of payment is used.

Costs such as official fees on the initial application of industrial property rights, costs of maintenance or expansion abroad, or costs incurred by opposition proceedings, appeals or infringement cases are not eligible.

In Accelerators and preparations for international projects, Business Finland may accept costs incurred by reports related to industrial property rights (patents, designs and trademarks) during the project, such as examinations concerning novelty, patentability and freedom to operate, as well as application costs. In Food Market Explorer projects Business Finland may accept costs incurred only by examinations related to industrial property rights. Application costs are not eligible in Food Market Explorer projects.

In Accelerators and preparations for international projects purchased within the same Group will be accepted as invoiced. Purchased services from non-Finnish Group companies must be stated in the special terms and condition to the funding decision. Purchases from other associated companies are not considered acceptable costs. As a rule, in Food Market Explorer and Food Exhibition Explorer funding, purchased services from group companies or other associated companies are not eligible.

11.1 Business Finland’s definition of a related party

A related party refers to a situation in which another company or a person affiliated with that company can influence the beneficiary's procurement decisions. Companies are associated companies of each other, for example, when one of the following interests exists between them:

- Interest based on control
  - One company can exercise control over another company, or
  - The same individual can exercise control over both companies
- Interest based on ownership
  - At least 20% of the entire share capital or equivalent equity of another company is directly or indirectly owned or controlled by the other company, or
  - Companies whose share capital or equivalent equity is directly or indirectly owned or controlled by the same individual
- Interest based on the position or function of an individual
  - The same individual acts in both companies in any of the following roles:
    - member/deputy member of the board
    - person responsible for the company or holder of the right of representation or power of attorney
    - employee of the company
    - financier or guarantor of the company
- Interest based on family membership or close relationship
  - The individual acts in the company in any of the roles mentioned in section 3 and his/her family member or close relative also acts in any of the above-mentioned roles in another company. A family member refers to a spouse or common-law partner living in the same household, one's own child and one's spouse's child. A close relative is considered to include a grandchild, sibling, parent, grandparent and similar relatives on the spouse's side.

12 Other costs

A deferred 20 per cent instalment of other costs can be approved for a project.

Other costs include overhead, travel, freight, material and equipment costs, as well as rents, software and purchase of machinery and equipment, machinery and equipment depreciations and rental costs (incl. cloud services). With respect to these costs, the Funding Agency approves up to above mentioned percentage of combined salaries and purchased services. These costs need not be reported to the Funding Agency, nor do they need to be included in the beneficiary's project accounting.

13 Ineligible costs

Costs that are not necessary for the implementation of the project or are otherwise unacceptable are not accepted for the project. Such costs include, for example:

- export activities, i.e. running costs directly related to export volumes, the establishment and operations of a distribution network or any other export activities
- entertainment expenses, gifts and donations, stipends or grants
- costs related to business, production, advertising, marketing or sales, such as salaries, travel, brochures or advertising expenses
- costs for trade fairs (does not apply to Exhibition Explorer)
- financing costs
- purchases for which the order/contract date cannot be verified
- the beneficiary's funding share for a project implemented in a research organization
- costs for which public funding that may not be combined with other types of public funding is allocated (for example, the salary costs of a person who has received a startup grant for the same period)
- salary costs for which a pay subsidy has been received
- services containing other public funding
- in Talent and Accelerators and preparations for international projects services purchased from other associated companies than those belonging to the same Group
- in other projects services purchased from any associated companies and from Companies within the same group
- costs that are not included in the project plan

14 Other public funding

The reports must specify all other public funding granted for the project by the state, municipalities and other public entities or bodies or foundations governed by public law. Funding granted by the European Union must also be reported.

The total share of funding received from the project Funding Agency and other sources of public funding may not cover the full cost of activities or a project for which a government grant has been awarded. If necessary, the Funding Agency will reduce its own contribution to ensure that the maximum amount is not exceeded.

15 Monitoring the effectiveness of funding

The Funding Agency will continue to evaluate the impact of the projects after their completion.

If necessary, the beneficiary must report on project results for five years after the completion of the project.

The beneficiary must, on request, provide details of the outcome of the plans and forecasts that it presented during the processing of the application and the realization of the project. Upon request,

the Funding Agency must be provided with a report on how the business targeted in the project has developed.

16 Changes to the project

The beneficiary must obtain the Funding Agency's consent for project changes listed below. Consent must be sought from the Funding Agency in writing in advance / before the change if the project's progress deviates from the plan:

- significant changes to the project plan
- changes to cost categories
- changes to the schedule
- changes to the date of the final report
- changing the accountable project leader.

The beneficiary must immediately notify the Funding Agency of other significant changes to the project, for example if there are changes to key personnel resources.

A positive amendment decision can only be made if the beneficiary has fulfilled their registration, declaration, and payment obligations in relation to taxes or other legal obligations.

A change in the beneficiary's bank account is reported using form Y1 available on the website.

17 Project ownership and intellectual property (IPR)

The beneficiary must ensure that it holds the ownership and intellectual property rights in the items used and results generated in the project, either pursuant to legislation (e.g., Copyright Act, Act on the Right in Employee Inventions) or by separate agreement.

If the beneficiary uses intellectual property rights owned by a third party (including employees and owners) in the project, it must ensure that it has sufficient rights to use these intellectual property rights for the research and development as well as the business activities in accordance with the project plan.

18 Reassignment and approval of corporate reorganization

As a rule, a funding decision may not be transferred to a third party.

The beneficiary must inform the Funding Agency in writing in advance if, during the project or within five years of payment of the final funding instalment, it

- sells, gives as security, or otherwise assigns business or any part thereof generated in the project
- sells, gives as security, or otherwise assigns intellectual property rights, licenses, or other rights generated in the project
- moves its business activities abroad, or
- undertakes other significant business changes or restructuring, including sale of a business or a share majority, merger, division, and significant personnel cutbacks directed at operations funded by the Funding Agency.

Prior written consent of the Funding Agency is required for the measures referred to in this section that are carried out outside the European internal market or that may undermine the realization of the targeted project impacts.

No approval for licensing is needed if it is an integral part of the business originally targeted as part of the project.

The Funding Agency may give its approval if the targeted project impacts can, for the most part, be achieved in spite of the changes.

The Funding Agency has the right to claw back the funding under section Clawback of funding of these terms and conditions if the beneficiary violates against the provisions laid down in this section.

19 Beneficiary's disclosure obligation

The beneficiary must provide the Funding Agency with accurate and sufficient information for the payment of funding and for monitoring the compliance with the terms and conditions.

The beneficiary must inform the Funding Agency without delay of any change affecting the realization of the intended use of the funding or of any other change affecting the use of the funding.

20 Right of inspection

Innovation Funding Agency Business Finland, the National Audit Office, the State Treasury, the Ministry of Finance, the Government Financial Controller's Function, the Ministry of Economic Affairs and Employment, the European Commission, the European Court of Auditors, the European Public Prosecutor's Office (EPPO), and the European Anti-Fraud Office (OLAF) have the right to obtain necessary information about the use of the support and to audit the finances and operations of the beneficiary as required for the payment of the funding and supervision of its use. Right of inspection will remain in effect for a period of ten years from the payment of the last project instalment.

The audits can be performed by other authorities or auditors authorized by the Funding Agency. An external expert may, at the Funding Agency's request, assist in the performance of the audit. By accepting the funding decision and its terms and conditions, the beneficiary provides their written consent that it will fully cooperate to protect the financial interests of the Union and authorizes the European and national officials to exercise their powers comprehensively as well as agrees to ensure that any third parties participating in the management of the Union's assets will grant similar rights.

The beneficiary should assist with the inspection and provide the needed information for the inspector without compensation.

The auditor has the right to seize any material subject to audit, if auditing so requires. A written record must be drawn up of any seizure of materials during an audit. The record must state the purpose of seizing the material and what has been seized. The seized material must be returned without delay when it is no longer needed for the audit.

The auditor has, to the extent required by the audit, the right to enter the premises managed or used by the beneficiary. This applies to the business, storage and other similar premises used for practicing a profession or a business, as well as other areas relevant to the granting of the funding and the supervision of its use. Audits may not be carried out in premises covered by domestic peace.

21 Discontinuation of payment

Innovation Funding Agency Business Finland may order the temporary discontinuation of the payment of the funding on following grounds:

1. The Funding Agency has reasons to suspect that the beneficiary does not provide the Funding Agency with correct or adequate information or uses the funding in a manner that is in violation of the funding decision.
2. The grounds on which the funding was granted have essentially changed. Such changes include situations where
    a) the beneficiary deviates from the project plan without a written authorization granted by the Funding Agency
    b) there is a substantial deterioration in the beneficiary's financial position in relation to the anticipated trend

c) the beneficiary loses its equity in full
d) the beneficiary initiates reorganization proceedings
e) the beneficiary neglects its registration, notification, or payment obligations related to taxes or other regulatory obligations
f) the beneficiary has outstanding debt to the State or the institutions of the European Union arising from their payment or recovery decisions or orders
g) the beneficiary has recovery decisions with which it has failed to comply
h) the beneficiary has failed to adhere to the repayment obligations concerning the loans granted by Business Finland
i) the beneficiary does not provide sufficient information about the owners or beneficiaries so that the Funding Agency can take measures related to knowing your customer
j) the beneficiary does not provide the Funding Agency with sufficient information regarding the providers, subcontractors, or their beneficiaries, so that the Funding Agency can make sure that these actors are not subject to sanctions imposed by the European Union or the United Nations (UN), or decisions to freeze assets imposed by the Finnish authorities
k) the beneficiary has not appointed an accountable leader for the project who is employed by the beneficiary or has a position of responsibility in the organization.

3. The payment of funding must be discontinued under European Union legislation.

If the grounds for the discontinuation are not corrected within the time specified in the decision to interrupt funding, Innovation Funding Agency Business Finland has the right to discontinue payment of the funding and to claw back the funding already paid in whole or in part.

22 Repayment of funding

The beneficiary must, without delay, repay any funding or part thereof received through error, in excess or manifestly without cause. Grants of less than 100 euros need not be repaid.
The beneficiary must contact the Funding Agency before the repayment of funding.

23 Clawback of funding

Innovation Funding Agency Business Finland may claw back any funding already paid if the beneficiary violates against these terms and conditions.

23.1 Clawback obligation

Innovation Funding Agency Business Finland will order the discontinuation of the payment of funding and the clawback of funding already paid if the beneficiary has

1. failed to return funding or part thereof that must be repaid under section Repayment of funding
2. used the funding for a purpose essentially different from that for which it was granted
3. provided false or misleading information about a matter that has been essential to the granting of the funding, its amount or terms and conditions
4. otherwise essentially violated the provisions concerning the use of the funding or these terms and conditions in a manner comparable to paragraphs 1-3.

23.2 Discretionary clawback

Innovation Funding Agency Business Finland has the right to order the discontinuation of the payment of funding and the clawback of funding or part thereof already paid if

- false or misleading information has been provided for the purpose of payment of funding or supervision thereof, information has been concealed, the provision of information has been refused or the information requested by Innovation Funding Agency has not been provided by the specified date
- the beneficiary has directly or indirectly made funds or financial resources available or usable by natural persons, legal entities, entities or bodies on the embargo list or close to them
- the beneficiary has not complied with the terms and conditions for funding
- the beneficiary has not informed the Funding Agency without delay of any change affecting the realization of the intended use of the funding or of any other change affecting the use of the funding
- the funding has not been used in compliance with the funding decision
- the beneficiary has not been able to demonstrate how the project plan has been implemented or what the results have been
- the beneficiary has refused to assist in the project audit
- the beneficiary has terminated the project for which the funding was granted, reduced or altered it substantially or transferred it to another party
- the beneficiary has been subjected to recovery proceedings, placed into liquidation or bankruptcy, or made subject to restructuring proceedings
- the beneficiary or its representative has been convicted of an offence or ordered to pay penalties, in accordance with section 22 of the Act amending the Act on Discretionary Government Transfers
- the clawback of funding is required under European Union legislation
- the beneficiary otherwise acts in a manner comparable to the matters in this section. This is considered to be the case, for example, if the beneficiary neglects registration, notification or payment obligations related to taxes or other statutory obligations.

23.3 Interest

The beneficiary must pay interest on the amount to be repaid or clawed back. The interest rate is determined from the date of payment of the funding until the Funding Agency has the information available to make a decision. It is calculated as an annual interest to which three percentage points are added. The annual interest is determined in accordance with section 3(2) of the Interest Act (633/1982).

23.4 Penalty interest

If the beneficiary has not paid the amount to be repaid by the due date set by the Funding Agency, an annual penalty interest must be paid on the outstanding balance of the loan. For the period after the due date, the penalty interest is in accordance with the interest rate referred to in section 4(1) of the Interest Act (633/1982).

23.5 Moderation of grant clawback

Innovation Funding Agency Business Finland may decide that a part of the sum to be repaid or clawed back, and any interest or penalty interest on it, will not be clawed back if repayment full is unreasonable in light of the financial standing and circumstances of the beneficiary or in relation to the type of property acquired with the grant or in relation to the procedure on which the clawback is based or because of a change in circumstances. For an extremely weighty reason, Innovation Funding Agency may decide to totally waive the sum to be repaid or clawed back, or the interest or penalty interest on it.

23.6 Clawback time limit

The grant and interest or penalty interest on it will not be clawed back if ten years have elapsed from the remission of the final instalment of funding for the project.

24 Right of offsetting

The funding to be repaid or clawed back and the interest on it may be deducted from the other funding provided to the beneficiary.

25 Misuse

If, during the course of the project, there is reason to suspect that the beneficiary or a person acting on the beneficiary's behalf has committed a criminal offence under the Criminal Code (19 December 1889), with the Funding Agency as the injured party, the Funding Agency will take the required action in the matter.

26 Order of application

In the event of a conflict between the funding decision and appendices to it, the following order of application will apply:

1. Funding decision and any special terms and conditions thereof
2. Funding terms and conditions
3. Cost estimate
4. Project plan
5. Funding application and its appendices
6. Any other documents relevant to the funding decision

27 Legal basis

- Act on Discretionary Government Transfers (688/2001)
- Act on General Conditions for Aid Granted to Economic Activities (429/2016)
- Government Decree on Funding for Research, Development and Innovation Activities (1444/2014)
- Regulation of the Finnish Government on Internationalization Grant for Companies for the Years 2024–2030 (91/2024)
- Commission Regulation (EU) No 2023/2831 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid