BUSINESS
FINLAND

SUSTAINABLE GROWTH PROGRAM FOR FINLAND

RESULTS FROM **RRF EXPORT PROGRAMS**

INTRODUCTION

With its RRF-funded export programs, Business Finland has supported the export and internatiolization projects of Finnish companies.

To improve the situation after the COVID pandemic, the European Union created the Recovery and Resilience Facility (RRF) to turn the economy back to growth.

Finland's Sustainable Growth Program has been largely funded with RRF funds; Finland has received a total of EUR 1.8 billion of them.

The Sustainable Growth Program boosts competitiveness, investments, competence level improvement, as well as research, development, and innovation. Recovery funding promotes the renewal of the business structure and the competitive advantage of Finnish companies based on sustainable solutions.

Business Finland has granted businesses 420 million of RRF funding for investments and R&D projects. In addition, three million euros have been spent from the RRF facility to support the internationalization of Finnish companies through three export programs:
- decarbonizing industries
- low carbon solutions for the built environment
- innovative health and well-being solutions.

Through these export programs, hundreds of businesses have received practical help and support for their own internationalization and export efforts.

With the help of the programs, companies have gained visibility and credibility and have been able to create contacts and build networks cost-effectively. This makes it easier to open up new markets.

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DECARBONIZING **INDUSTRIES**

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The industrial sector produces 30% of the world's CO_2 emissions, so its decarbonization is essential to mitigate global warming. The goals are achievable but require considerable investment. Finland is a pioneer in solutions that can reduce emissions from entire value chains.

The export program was intended for companies
- whose solutions can be used to decarbonize industries
- which want to develop decarbonizing technologies and solutions
- which target global markets.

PRIMARY TARGET COUNTRIES

Europe

United States

Thailand, South Korea

BUSINESS OPPORTUNITIES AND SALES LEADS TO COMPANIES **35**

AVERAGE SCORE **4.7/5**

EVENTS **100**

EUR **1.2 MILLION** USED IN THE PROGRAM

Business Finland started the program by studying what solutions are available in Finland. The company had to have a turnover of at least EUR one million and a piloted solution that is internationally competitive.

The solutions were then categorized according to which industries they were applicable.

In addition, Business Finland analyzed which countries and industries invest in the kind of solutions Finnish companies provide and how much national, EU-subsidized or private money is available for investments there.

In this way, countries and industries were prioritized for actions to be taken to enter the market.

THE INDUSTRIES SELECTED WERE

- steel and metal
- paper and pulp
- chemistry
- food
- textile.

Business Finland arranged digital marketing and business delegations in the target areas to meet clients. Often, a short seminar presented Finnish know-how and, in turn, described the decarbonizing goals and plans of the country in question. Companies were also brought together through Teams.

On the other hand, information was taken to destination countries outside Europe on how carbon tariffs affect trade with European companies.

COMPANIES PARTICIPATING IN EXPORT PROGRAM OFFERED

- circular economy solutions
- bio-based solutions to replace fossil and toxic substances
- energy efficiency solutions
- replacing energy production solutions
- solutions to calculate Scope 1–3 CO_2 emissions
- carbon capture and reuse solutions.

Some of the solutions are physical and some digital, so we can talk about a dual transition – digitalization and the green transition.

CASE DATAPARTNER: NEW CONTACTS AND BUSINESS IN TARGET MARKETS

With over 2,000 client companies in 64 countries, DataPartner is experienced in international business already.

The company's software solution enhances investment decision process by making financial modelling faster as well as more consistent and transparent. DataPartner is the leading solution provider for capital budgeting, and it is growing globally rapidly.

Even so, help is more than welcome in targeting particular countries to expand or build client base there. This is why DataPartner took part in Business Finland's export activities in Poland and Portugal.

Jens Westerbladh, CEO, thinks that Finnish IT solutions and technology are perceived positively. Even so, access to key decision-makers has become increasingly difficult.

"This has led to **new business for us.**"

"With the support from Business Finland, we have been able to better approach decision makers in relevant companies, and this has led to new business for us. Discussions with possible new clients are ongoing," says Jens Westerbladh, CEO.

LOW CARBON SOLUTIONS **FOR THE BUILT ENVIRONMENT**

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As much as 40% of the world's carbon dioxide emissions come from construction and life cycle emissions of buildings, so decarbonization of the built environment is important. Finland has the know-how and solutions for decarbonizing the entire construction life cycle.

The categories of Business Finland's export program were built on the industry's growth program drawn up by KIRA Forum that consists of fifteen Finnish real estate and construction organizations.

Growth opportunities were matched up with low-carbon targets and export opportunities, identifying four priority areas:

- Energy efficient solutions and optimization of energy use
- Low Carbon Building Materials
- Digital design, construction and operation processes
- Data and tools for managing both the built environment lifecycle and smooth everyday life

In cooperation with Business Finland's customer representatives, 45 companies were selected to be contacted, as their products, solutions, and services has export potential.

EUR **1.3 MILLION** USED IN THE PROGRAM

TARGET MARKETS

North America

Great Britain

Nordic countries

Europe: Germany, France, Spain, Netherlands, Czech Republic, Slovakia, Poland, Austria

Japan

Chile, Colombia, Brazil

Middle East: Arab Emirates, Saudi-Arabia

South Korea

Australia

At the beginning, there were some 20 companies involved in the program; by the end, the number had grown to over 40 active companies.

Initially, Business Finland produced a market survey, from which the most interesting markets were selected with the companies involved.

Based on the survey results presented in a webinar, the companies were able to decide which markets were of the most interest to them and where they wanted to be involved in export activities.

Business Finland organized business delegations to target countries as well as digital marketing campaigns to support them.

The companies found that personal meetings with local business decision-makers benefited them the most.

Local experts involved in market research and arranging delegations now are familiar with the world of construction and are able to help Finnish companies with their future export activities.

CASE KONTIO: MAPPING NEW EXPORT COUNTRIES

Kontio is the world's largest and leading log house manufacturer, having already delivered more than 50,000 buildings around the world.

Globally, the assets of Finnish companies are the northern wood and a long tradition of its use, as well as sustainability for which Finland is known. In addition to these, Kontio has the company's extensive expertise in log construction – Kontio Woodhow.

In Business Finland's export program, the company sought new contacts and wanted to determine the most viable export countries to target.

"We have been actively involved in the delegations and sought additional insight into the markets. Of course, we want to focus on countries – in and out of Europe – where we can do the most business," says Hanna Haipus, B2B Business Director at Kontio.

For example, market studies have given Kontio insight into the nature of different markets and policies in terms of carbon neutrality, among other things.

Working the leads from the export program continues. Thanks to the project, Kontio now has a network around the world: Kontio employees know the people of Business Finland and embassies and know how they can help in creating international connections.

"We have sought **additional insight into the markets.**"

INNOVATIVE HEALTH AND **WELL-BEING SOLUTIONS**

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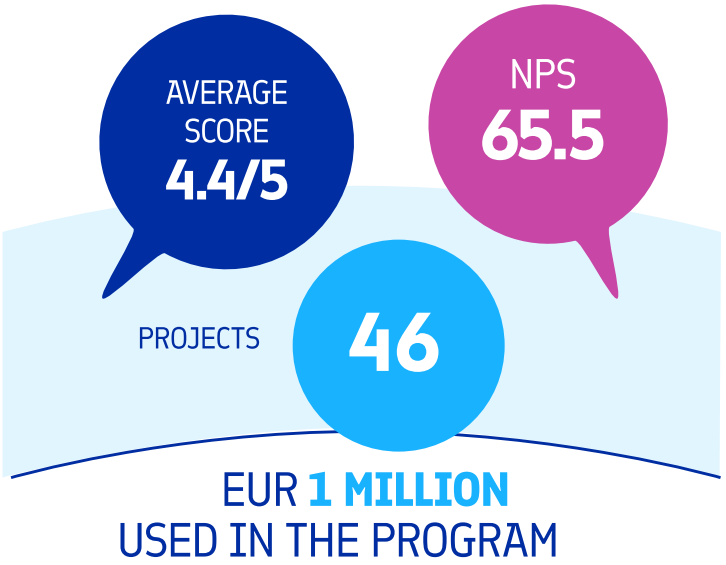
The proportion of older people in the population is growing everywhere, so there is a demand for innovative solutions to maintain health and well-being. Finland is already a small giant in health technology thanks to strong companies, skilled personnel, and national strategic support. In exports, there is demand for digital solutions developed for monitoring the health and well-being of ageing populations, and Finland has special expertise in them.

The target group of the export program was Finnish companies aiming at global markets.

FIVE THEMES WERE SELECTED FOR THE PROGRAM

- age technologies support independent living and living at home for the elderly
- digitalization and automation of hospitals address cost pressures and improve the quality of care
- virtual trial environments where companies can test their solutions and get feedback from healthcare professionals
- health data and its utilization
- digitally supported well-being, such as smart rings or mobile applications for mental well-being.



To support the export activities, Business Finland conducted market surveys in several countries. The results were presented at webinars and other events.

The activities included business delegations to different markets, trade fairs, and catalogues of Finnish companies' expertise in specific areas of health and well-being, such as the hospital environment.

In addition, the program organized customer meetings and promoted business networking.

Companies were encouraged to participate in the export program through multiple channels: Business Finland's website, newsletters, personal contacts, and events.

A total of 435 companies participated in the program.

TARGET MARKETS

Developed industrial countries in Europe
South-East Asia
Japan

CASE NUANIC: MARKET RESEARCH AT TRADE FAIR

The second generation of the Nuanic smart ring that measures mental load is coming to market, targeting the international market in 2024.

The Nuanic ring measures emotional and cognitive load, so it helps in preventing burnout. Therefore, the main market is in countries where burnout is a problem and where there are prerequisites for utilizing technology.

The company joined Business Finland's stand at the DMEA fair for digital health solutions in Berlin to survey the most suitable countries to start the ring's world conquest.

"The fair had an extensive sample participant, so for us they were like a mini-market survey. We tested our assumption that Germany would be a good target market. At the same time, we recognized Sweden's potential and were able to rule out a few countries," says **Sanna Koskela**, CEO of Nuanic.

For a first-timer, participation in the fair was easy, as Business Finland employees organized everything, acted as promoters and organized meetings at the fair.

In addition to market understanding, Nuanic gained good visibility from the fair as well as contacts that are now being pursued.

"With Business Finland, we feel that we are moving forward in the same direction together. They really think about all the ways they can help us."

"Together, we are moving forward **in the same direction.**"

WHAT'S **NEXT?**

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The export programs were implemented in 2021–2023 with RRF funding. The programmatic measures of the Low Carbon Build Environment will continue until the end of 2024. The themes of other export programs are included in Business Finland's funding, program, and internationalization services.

During the export programs, Business Finland has built networks that know the decarbonization and health solutions of Finnish companies and, on the other hand, the needs and purchasing power of the target market. Companies participating in the programs have made contacts around the world with both customers and export promoters. These contacts allow companies to continue their export efforts directly in the target markets of their choice.

Business Finland employs 760 experts in 37 locations around the world and 16 locations in Finland. Their everyday work to promote Finnish business and exports continues as before in cooperation with embassies and other international networks.

Business Finland's normal export promotion efforts continue, especially in thematic focus areas, which are

- Digitalization based boost for productivity
- Comprehensive health & wellbeing
- Carbon neutral & resilient energy system
- Zero waste & circular economy
- Engaging & immersive experiences

The European Union will continue to be very important to Finnish companies, as it is the first export market for the majority of them. Common regulation facilitates exports and accelerates investments in areas such as decarbonization. In addition, funding can be obtained from the European Union, for example, for co-development projects that allow direct access to export markets with international partners.

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Funded by the European Union –
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