



PARTNERSHIP MODEL FUNDING CALL

Contents

1. Background information	2
2. Green transition (EU Recovery and Resilience Facility, RRF, Sustainable Growth Programme for Finland)	2
3. Leading companies' partnership projects	3
3.1. Funding principles and the role of the leading company	3
3.2. Business Finland's partnership model funding for research organizations	4
3.3. Business Finland's partnership model funding for companies	4
4. Applying	5
4.1. Funding applications by companies	5
4.2. Funding applications by research organizations	5
5. Schedule and info session	6

APPENDIX I More information about the DNSH (Do No Significant Harm) requirement

Update 11.11.2021: Commission exclusion list added (Chapter 2, page 2). RRF application identifiers (chapters 4.1 and 4.2)

Update 4.4.2022: New Leading Companies and contact persons added

24.6.2021

Innovation Funding Agency Business Finland

1. Background information

Business Finland launched the first challenge competition for leading companies at the beginning of 2020. Six projects from seven companies were selected as the winners. These projects aim to provide solutions for significant future challenges. The leading companies are ABB, Fortum and Metsä Group, Kone, Neste, Nokia and Sandvik. In June 2021, Business Finland launched a new challenge competition for leading companies. The selected leading companies are Borealis Polymers, Meyer Turku, Nokia, TietoEvry, Valmet, Wärtsilä.

The companies are committed to increasing their RDI investments in Finland and building cooperation with SMEs and research organizations.

Further information:

<https://www.businessfinland.fi/en/for-finnish-customers/services/funding/funding-for-leading-companies-and-ecosystems>

2. Green transition (EU Recovery and Resilience Facility, RRF, Sustainable Growth Programme for Finland)

All projects of leading companies and their partners do not have to be green transition projects. Partnership projects will be funded with national funding or through the EU Recovery and Resilience Facility (RRF). Partnership projects that advance the green transition are largely funded through the EU Recovery and Resilience Facility in accordance with the Sustainability Growth Programme for Finland. Funding can be granted after the Council of the European Union has approved Finland's Resilience and Recovery Plan and the budget has been approved by the Finnish Parliament.

Green transition projects must meet the following definition (022): "*Research and innovation processes, technology transfer and cooperation between enterprises **focusing on the low-carbon economy, resilience and adaptation to climate change.***" In order to ensure that the investments under this component comply with the 'Do no significant harm' Technical Guidance (2021/C58/01), the eligibility criteria contained in terms of reference for upcoming calls for projects shall exclude the following list of activities:

- **activities related to fossil fuels, including downstream use;** Except projects under this measure in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the 'Do no significant harm' Technical Guidance (2021/C58/01)
- **activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks;** Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.
- **activities related to waste landfills, incinerators(* and mechanical biological treatment plants)**;** (* This exclusion does not apply to actions under this measure in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.** This exclusion does not apply to actions under this measure in existing mechanical biological treatment plants, where the actions under this measure are for the purpose of increasing energy efficiency or retrofitting to recycling operations of separated waste to compost bio-waste and anaerobic digestion of bio-waste, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.
- **activities where the long-term disposal of waste may cause harm to the environment.**

Only activities that comply with relevant EU and national environmental legislation can be selected.

Further information is provided in the Appendix.

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https://julkaisut.valtionuosto.fi/bitstream/handle/10024/162935/VN_2021_22.pdf?sequen-ce=1&isAllowed=y

3. Leading companies' partnership projects

3.1. Funding principles and the role of the leading company

The leading companies are required to have measurable and significant cooperation with research organizations and/or SMEs. The leading companies should support and encourage research organizations and/or SMEs to participate in resolving the mission through their own projects.

The leading company will prepare a roadmap for collaboration and update the roadmap based on identified needs. Partnership projects must follow the roadmap prepared by the leading company and support the implementation of the leading company's mission. Based on the leading company's roadmap, Business Finland is prepared to provide funding to the other members in the leading company's ecosystem on the basis of separate applications. A maximum of EUR 50 million in funding can be provided over five years. Business Finland provides funding to individual organizations or joint projects in accordance with its normal funding criteria (grants for companies 40–50%, loans for companies 50%, research funding 70%): <https://www.businessfinland.fi/en/for-finnish-customers/services/funding>.

Organizations applying for partnership model funding must contact the leading company's and Business Finland's contact persons before submitting the application. The leading company's role is to provide Business Finland with their views on the project in relation to the roadmap and its significance in resolving the mission.

The leading company must actively participate in sparring and the preparation of the partnership project. In this way, the leading company can give its views on the project from the roadmap's perspective and define their commitment to the cooperation.

Acceptance criteria for the partnership model:

- How well does the applicant consortium's proposal address the competence and technology gaps identified in the roadmap?
- How committed is the consortium to the objectives defined in the subject area's ecosystem roadmap and to building cooperation?
- How relevant is the role of the consortium in the development and renewal of the subject area's ecosystem?
- The leading company's commitment to cooperation

Business Finland can provide funding for a project that meets Business Finland's funding criteria even if the project is not accepted as a partnership project in the leading company's ecosystem. If the project is closely linked to the roadmap but does not meet Business Finland's funding criteria, Business Finland can also decide not to fund the project.

Projects supporting the green transition will be funded through the Sustainable Growth Programme for Finland funding (RRF). Projects provided with RRF funding must be completed no later than December 2025.

Further information on partnership model funding:

<https://www.businessfinland.fi/en/whats-new/calls/2021/partnership-model-funding-call-for-companies-and-research-organizations>

Contact information:

- ABB: simo.saynevirta (at) fi.abb.com and sini.uuttu (at) businessfinland.fi
- Borealis Polymers: jari.lehtinen (at) borealisgroup.com and tuomas.lehtinen (at) businessfinland.fi
- Fortum and Metsä Group: maiju.miettinen (at) fortum.com, katarina.kemppainen (at) metsagroup.com and tuomas.lehtinen (at) businessfinland.fi

24.6.2021

Innovation Funding Agency Business Finland

- Kone: mikko.mattila (at) kone.com and sakari.karppinen (at) businessfinland.fi
- Meyer Turku: ilkka.rytkola (at) meyer turku.fi and esa.lindqvist (at) businessfinland.fi
- Neste: juha.leppavuori (at) neste.com and kari.keskinen (at) businessfinland.fi
- Nokia 5G: Jarkko.pellikka (at) nokia.com and kari.leino (at) businessfinland.fi
- Nokia Edge: Jarkko.pellikka (at) nokia.com and sixten.sandstrom (at) businessfinland.fi
- Sandvik: miika.kaski (at) sandvik.com and kari.koskela (at) businessfinland.fi
- TietoEvy: Christian.Sundell (at) tietoevy.com and timo.sorsa (at) businessfinland.fi
- Valmet: janne.pynnönen (at) valmet.com and kari.koskela (at) businessfinland.fi
- Wärtsilän ekosysteemi: kenneth.widell (at) wartsila.com ja esa.lindqvist (at) businessfinland.fi

3.2. Business Finland's partnership model funding for research organizations

In accordance with the leading company's roadmap, research organizations can apply for funding for the following:

- Co-Innovation projects involving several companies or research organizations:
 - Minimum: Three companies and one research institute. One of the companies can be a leading company. In principle, leading companies participate in Co-Innovation projects with some part of their own project. The leading company has already received funding for the subject area, and therefore funding it again is not possible.
- An individual research project or a research project involving several research institutes:
 - The project must focus on a topic related to the themes of the leading company's roadmap. The project must be based on an identified, research-based need for new knowledge and competence.
 - Several companies must be involved in steering the research.
 - Business Finland does not require companies to fund the research, but it is an excellent way to measure commitment.

Research organizations applying for the partnership model must contact the leading company's and Business Finland's contact persons before submitting the application. In Co-Innovation projects, the coordinator is primarily responsible for liaising with the above.

Projects supporting the green transition will be funded through the Sustainable Growth Programme for Finland (RRF) with funding from the **key technologies and low-carbon built environment** program components. Projects provided with RRF funding must be completed no later than December 2025.

3.3. Business Finland's partnership model funding for companies

In accordance with the leading company's roadmap, companies can apply for funding for the following:

- their own individual RDI project or
- Co-Innovation projects involving several companies or
- Co-Innovation projects involving companies and research organization

The nature of the cooperation and implementation method of the project must be described in the application. The project is often a joint project with the leading company, but not always.

When applying for funding for an individual RDI project, the company must contact the leading company's and Business Finland's contact persons before submitting the application. In Co-Innovation projects, the coordinator is primarily responsible for liaising with the above.

24.6.2021

Innovation Funding Agency Business Finland

Business Finland will provide funding for corporate parties based on its normal funding criteria. The size of the company, as well as how challenging the project is, affect the level of funding and whether the funding is a grant or a loan.

Projects supporting the green transition will be funded through the Sustainable Growth Programme for Finland (RRF), especially with funding from the **growth company, key technologies and low-carbon built environment** program components. In 2021, Business Finland is prepared to grant a portion of the RRF funding for growth companies to those growth companies' projects that are in line with the leading companies' roadmaps. The rest of the funding is reserved for projects that promote green growth but do not fall into the roadmaps. By growth companies we mean SMEs and mid-cap companies with the ability and ambition for international growth. Business Finland provides growth companies with funding for new creative research through aid.

Projects provided with RRF funding must be completed no later than December 2025.

4. Applying

4.1. Funding applications by companies

Basic applicant and application information is normally completed in Business Finland's electronic application system.

- In the case of an individual company's application, companies should select "Research, development, and piloting".
- Company as a part of a Co-Innovation project: If you are a participant in a joint project, please select "Co-Innovation participant" (the coordinator of the joint project will choose "Co-Innovation main application" and completes the "Co-Innovation participant" application).
- If your project advances green transition, please select the RRF application identifier "RRF-avainalat ja veturien kumppanuushankkeet" (or "RRF-kasvuyritysten innovaatiotuki" or "RRF-vähähiilinen rakennettu ympäristö"). A DNSH (DoNoSignificantHarm) questionnaire will appear. Please answer the questions carefully
- The project name must be given in the following format: "Kumppanuusmalli – [*project name*]."
- On the final page of the application ("Confirmation and submission") in the field for an open cover note, please mention which leading company's roadmap the project relates to and with whom (the leading company, Business Finland) you have discussed the project.

4.2. Funding applications by research organizations

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

- Research organizations participating alone, should select "Research networked with economic life" as their project type.
- Co-Innovation joint action:
 - If you are a participant in the joint project, please select "Co-Innovation participant".
 - If you are a coordinator of the joint project, please select "Co-Innovation main application". If you also intend to apply for funding for your own project, you must also complete the "Co-Innovation participant" application in addition to the main application. The main application is not an application for funding but a summary of the component projects.
- The research parties must attach a "NOTIFICATION OF PARTICIPATION IN A PROJECT" form, completed by the leading company, to their application. In this notification, the leading company gives their view on the significance of the research project. The applicants are required to be able to discuss the project and how it relates to the roadmap with the leading company.

24.6.2021

Innovation Funding Agency Business Finland

- If the project advances green transition, please select the following RRF application identifier "RRF-avainalat ja veturien kumppanuushankkeet". A DNSH (DoNoSignificantHarm) questionnaire will appear. Please answer the questions carefully.
- The project name must be given in the following format: "Kumppanuusmalli – [*project name*]."
- On the final page of the application ("Confirmation and submission") in the field for an open cover note, please mention the leading company your project relates to and with whom (the leading company, Business Finland) you have discussed the project.

5. Schedule and info session

Individual corporate projects and Co-Innovation joint actions with companies as partners:

- **Cut-off dates 2022: 30.1, 14.4 and 30.9.2022.**

Research projects (single research units or joint research projects):

- **Cut-off dates 14.4 and 30.9.2022**

24.6.2021

Innovation Funding Agency Business Finland

APPENDIX: More information about the DNSH requirement

Every project provided with RRF funding must fulfill the "Do No Significant Harm (DNSH)" requirements. The EU's Recovery and Resilience Facility (RRF) requires that no measures do any significant harm to the environment. An economic activity is considered to do significant harm

- a) to climate change mitigation,
 - *if it leads to significant greenhouse gas emissions;*
- b) to climate change adaptation,
 - *if it 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 if it is detrimental
 - *to the good status or the good ecological potential of bodies of water, including surface water and groundwater; or*
 - *to the good environmental status of marine waters;*
- d) the circular economy, including waste prevention and recycling, if
 - *it leads to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources, including non-renewable energy sources, raw materials, water, and soil during one or more stages of the product lifecycle, also regarding the durability, repair, updating, reuse, or recycling of products;*
 - *it significantly increases the generation, incineration or disposal of waste, apart from the incineration of non-recyclable hazardous waste; or*
 - *the long-term disposal of waste may cause significant and long-term environmental harm;*
- e) pollution prevention and control,
 - *if it leads to a significant increase in emissions of pollutants into air, water or land, compared with the situation preceding the start of operations; or*
- f) the protection and restoration of biodiversity and ecosystems if it
 - *is significantly detrimental to the good condition and resilience of ecosystems; or*
 - *detrimental to the conservation status of habitats and species, including those of Union interest.*

Green transition projects must complete the DNHS forms (Do No Significant Harm, Part 1 and Part 2) upon request. In the following document, you can find examples to help you complete the DNSH forms (from page 10 onwards): <https://data.consilium.europa.eu/doc/document/ST-6179-2021-ADD-1/en/pdf>

Applicants will be provided with further information at a later date.