

# Leverage from the EU for **Internationalisation**

**Structural Fund period 2007–2013**



European Union  
European Regional Development Fund  
European Social Fund

## Contents

- 3 Leverage from the EU for Internationalisation
- 4 Support for developing internationalisation from the EU's Structural Funds
- 6 Effects on the environment, cooperation and equality under a magnifying glass
- 7 EU assistance is directed via programmes
- 9 Further information
- 10 For what kinds of projects can assistance be applied for from the European Regional Development Fund?
- 11 For what kinds of projects can assistance be applied for from the European Social Fund?
- 12 What do I need to do to get EU assistance?
- 14 Other Financing Opportunities





# Leverage from the EU for Internationalisation

Assistance from the European Union is used to strengthen the position of Finnish regions and enterprises in international competition and to improve Finnish know-how, employment and competitiveness. The aim is to ensure that Finland is a country with employment, skilled people, and a favourable atmosphere for new ideas and successful companies as well as a good environment in which to live and work.

Succeeding in international competition requires investments in expertise, specialisation and innovations. The competitiveness of Finnish enterprises and regions is also based on their continuous ability to innovate.

We can seize the challenges posed by international competition by developing the most important growth sectors, by enhancing the development of knowledge and innovation environments, by securing skilled labour force for enterprises and by promoting the development of regions on the basis of their own strengths by ensuring the attractiveness and by increasing international connections.



# Support for developing internationalisation from the EU's Structural Funds

EU financing for internationalisation is directed especially at entrepreneurship, such as increasing the growth and competitiveness of SMEs, improving the facilities of businesses to become more international, developing and supporting innovations, and turning them into commercial products.

Meeting the challenges of internationalisation calls for the cooperation and networking of several actors to create enough leverage to attract foreign investments and to expand enterprises abroad. The EU's Structural Funds are used to support the international networking of various actors, to develop interregional cooperation and to improve communications and the marketing of the regions' opportunities, especially internationally.

Assistance for projects that promote the internationalisation and competitiveness of enterprises is available from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). Development connected to internationalisation and competitiveness can be financed throughout Finland.

**The European Regional Development Fund** supports, for example, the growth and internationalisation of enterprises, the development and international networking of innovation environments and competence clusters, the productisation and commercialisation of innovations and the development of international communications.

Assistance from the **European Social fund** promotes the internationalisation and competitiveness of enterprises and organisations by improving knowledge. The aim is to promote multicultural workplaces and employment-related immigration and to develop services and structures that enhance competitiveness and internationalisation.



EU financing for internationalisation is directed especially at entrepreneurship.

# Effects on the environment, cooperation and equality under a magnifying glass

The evaluation of environmental impacts is an essential part of projects that receive assistance from the EU. The best for the environment is achieved when the environmental impacts of projects – both good and bad – are recognised already at the stage when the projects are chosen. Finland’s own legislation also requires that the impacts of projects on the environment are assessed.

Cooperation at different levels – such as between the parties that implement the projects, the authorities, industry and commerce, other organisations – takes place at all stages of the projects. Partnership and doing things together are encouraged both during the planning of projects and during the implementation phase.

The promotion of equality in all of society, such as between the sexes, and between people of different ages and population groups, is also one of the criteria of EU assistance. In addition, national legislation requires that attention be paid to gender equality in the implementation of projects.

## North Karelia – a model province for wood energy

North Karelia is one of the world’s leading centres for wood energy expertise and technology. The province has dozens of companies in the sector and high-quality research and development activity. North Karelia is also a large-scale user of wood energy: Over 70% of the province’s heat and electricity is produced using wood fuel.

The use of bioenergy requires know-how that ensures fuel management and combustion technology work seamlessly together. To export skills and technology to the rapidly growing international market, the

actors in the sector in North Karelia founded the Wenet (Wood Energy Net) cooperation network. Its members include experts, research and development organisations and equipment manufacturers in Eastern Finland. The main target countries are Poland, Slovakia, Germany, Spain, Scotland and North-Western Russia. In addition to Europe, the network also looks further afield.

North Karelia has become a model province for wood energy, and its companies and sites using wood energy are popular for European delegations to

visit. Wenet’s objective is to create an international concept for the transfer of technology and skills, which is based on the cooperation of the Wenet network. New concepts will be used to try to increase the market’s interest. Marketing will also be carried out in cooperation.

The projects seek suitable sites for the use of bioenergy, and clarify fuel procurement and business models. Visits to sites using bioenergy are also an integral part of Wenet’s operations.

The core of the Wenet network is formed by the Finnish Forest Research

# EU assistance is directed via programmes

Programmes, through which EU assistance is directed, are approved for a seven-year period. The current period covers the years 2007–2013. EU funding has been reserved separately for each year.

The funding of the European Regional Development Fund is distributed during the 2007–2013 period via five regional programmes in southern, eastern, western, and northern Finland, and in Åland. The programmes are based on the development needs of each region. The programmes define the strategy, measures and funding directed at them, as well as indicators to measure the results of the operations.

In mainland Finland the funding of the European Social Fund is distributed via one programme that is divided between a nationwide part and regional parts. The programmes are described in more detail in the programme-specific brochures.

Institute, the University of Joensuu, the North Karelia University of Applied Sciences, the North Karelia Forestry Centre, and the European Forest Institute (EFI). Companies and experts from throughout Eastern Finland also participate in the project. The network's operations are funded by the Regional Council of North Karelia and the EU's Regional Development Fund. The projects are coordinated by Joensuun Seudun kehittämissyhtiö Oy (JOSEK) [Joensuu regional development company].



A person in a white lab coat is holding a small, dark vial with a white cap. The person's face is blurred in the background. In the top right corner, there is a decorative graphic consisting of many thin, white, curved lines that resemble a stylized wave or a network of connections. The overall color scheme is dominated by blue and white.

Enterprises, educational institutions, research institutes, municipalities, and other societies or their combinations can apply for funding for their projects from the EU.



# Further information

## **What does EU assistance mean in practice?**

In practice, EU assistance means that part of the public funding allocated to a project is EU funding either from the European Regional Development Fund or European Social Fund and part is national public funding. In addition to the public assistance, the project must also include the financing provided by the party implementing the project. The type and amount of assistance varies depending on the public financier, content of the project and national legislation.

## **Who can apply for EU assistance?**

Enterprises, educational institutions, research institutes, municipalities, and other societies or their combinations can apply for funding for their projects from the EU.

## **Where can EU assistance be applied for and where is additional information available?**

Public financiers describe the procedures for applying for funding, and the possible application periods, on their own Internet pages. Contact information for the financiers is listed at the end of the brochure.

# For what kinds of projects can assistance be applied for from the European Regional Development Fund?

To promote internationalisation and increase competitiveness, applications for assistance from the European Regional Development Fund (ERDF) can be made for projects that develop innovation environments, the ability of work organisations to anticipate and manage the structural changes created by globalisation and technological development; that increase the growth potential of SMEs; promote the competitiveness, internationalisation, employment and the attractiveness of enterprises and the region; and support environmentally sustainable development.

To enhance internationalisation and competitiveness The European Regional Development Fund supports the following, for example:

- diversifying the industrial structure
- developing expertise and cultural structures
- strengthening the transfer of technology and skills
- improving employment
- improving the competitiveness of enterprises
- the technological knowledge and use of ICT of enterprises
- growth of enterprises
- development of and increase in R&D
- development of electronic services
- activation and productisation of innovations
- internationalisation of enterprises and increasing exports
- use of foreign labour
- increasing the attractiveness of regions and international connections
- increasing eco-efficiency in enterprises
- cooperation between different sectors, educational institutions and groups of enterprises, and the creation of networks and international trade.



# For what kinds of projects can assistance be applied for from the European Social Fund?

Assistance from the European Social Fund (ESF) is available for projects concerned with internationalisation and competitiveness which develop knowledge and innovation systems, the working conditions and well-being of staff; and that develop innovation systems; promote networking; develop systems that facilitate the functioning of the labour market; and increase employment-related immigration and support the integration of immigrants.

To increase internationalisation and competitiveness the European Social Fund supports the following, for example:

- improving the skills required in the labour market
- promoting the working capacity and skills of employees
- increasing and developing knowledge and innovations systems and networks
- promoting innovativeness in working life and training organisations
- internationalisation of the creative sectors
- enhancing the correspondence of education to working life
- transferring from education to working life
- developing on-the-job learning
- increasing the opportunities for lifelong learning
- furthering the quality and attractiveness of vocational education and training
- conversion and further education of employees and students
- cooperation, networking and internationalisation of organisations and researchers
- anticipating education and skills needs
- employment-related immigration
- services directed at immigrants.

# What do I need to do to get EU assistance

If you have an idea for a project to develop internationalisation and competitiveness for which you would like to apply for EU assistance, you can proceed as follows:

- Get together a group of people who are interested in the idea and who are willing to develop the idea further. Include people who are directly concerned with the development. Ensure that your idea has the support of your own organisation and of the required partners.
- Contact a public financier operating in your region so you can discuss your initiative. It is a good idea to get in touch with financiers right at the planning stage of the project, so that it will move smoothly in the right direction.
- In addition to the EU programmes, find out about the regional strategic programmes and their implementation plans.

## Finnish software expertise for the American market

The University of Oulu led the implementation of three ESF-funded Global Software projects, the last one was carried out in 2003–2004. The objective of Global Software III was to help promising Finnish software companies to enter and grow on the American market.

At the first stage of the project, the companies participated in seminars and workshops. Issues related to business operations and their plan-

ning were discussed at the events, and skills connected to holding presentations were practiced. At the later stages of the project, the most promising companies took a trip together to the American market. They met American analysts, customers, partners and financiers. Four companies went on to launch business operations in North America. Companies that were not able to participate in the final stage said they also benefited from the

project. The sparring offered by the project was found to be extremely valuable for the development of business operations.

The US Launch pilot project was developed as a continuation of Global Software III, in which companies were offered services to start up a company in the United States. The Global Clusters project is now under development, which will support the entry into the market of ICT and Life

- EU funding is always granted for a project that is limited in time and in content. A project plan is always drawn up and it includes the project's content, objectives and stages, division of work, budget and financing plan, and an implementation schedule.
- The application for assistance is completed electronically using the EURA2007 system for the majority of projects. Applications for assistance granted by the Employment and Economic Development Centres, research and development financing from Tekes, and loans and guarantees from Finnvera Plc are carried

out, however, using their own application forms and procedures. Further information on submitting applications can be gained from the public financiers.

- You can find out about EU programmes and their objectives, application periods for funding and other terms and conditions on the Internet at the address [www.structuralfunds.fi](http://www.structuralfunds.fi). The page has links to the Internet sites of your own region and public financiers. Financiers also provide expert advice during the planning and start-up phases of the project.

#### Science companies.

The project was praised in particular for assembling the best local experts to help the companies. "The truth is that Global Software is a pioneering project at the European level," emphasises **Juhani Saukkonen**. "To succeed, Europe needs new, vigorous companies that make use of the opportunities opened up by globalisation and technological development," says Project Manager **Petri Kinnunen**.





# Other Financing Opportunities

The European Regional Development Fund finances cross-border cooperation between states and regions in EU Member States within the framework of the Regional Cooperation objective. The European Neighbourhood and Partnership Instrument finances cross-border cooperation at the external borders of the EU. Further information on these programmes is available on the Internet at [www.structuralfunds.fi](http://www.structuralfunds.fi).

The European Union also has other programmes for internationalisation and international cooperation, such as the 7th Research Framework Programme (FP7), and more information is available, for example, on the Internet pages of the European Commission at [ec.europa.eu](http://ec.europa.eu).

The European Agricultural Fund for Rural Development supports, for example, the projects of micro-enterprises relating to internationalisation. Additional information is available from the Internet pages of the Ministry of Agriculture and Forestry at [www.mmm.fi](http://www.mmm.fi) or from the Employment and Economic Development Centres at [www.te-keskus.fi](http://www.te-keskus.fi).

The Finnish Funding Agency for Technology and Innovation (Tekes) also funds research and development projects through e.g. product development loans. Enterprises and public research units can participate in ongoing Tekes technology programmes through their own research and development projects. Additional information is available on the Internet pages of Tekes at [www.tekes.fi](http://www.tekes.fi).



## FINANCIERS

Finnvera Plc  
[www.finnvera.fi](http://www.finnvera.fi)

State Provincial offices  
[www.laaninhallitus.fi](http://www.laaninhallitus.fi)

Regional Councils  
[www.reg.fi](http://www.reg.fi)

Finnish National Board of  
Education  
[www.oph.fi](http://www.oph.fi)

Road Districts  
[www.tiehallinto.fi](http://www.tiehallinto.fi)

Finnish Funding Agency for  
Technology and Innovation Tekes  
[www.tekes.fi](http://www.tekes.fi)

Employment and Economic  
Development Centres  
[www.te-keskus.fi](http://www.te-keskus.fi)

Regional Environment Centres  
[www.environment.fi/ayk](http://www.environment.fi/ayk)

Ministry of Transport and  
Communications  
[www.lvm.fi](http://www.lvm.fi)

Ministry of Education  
[www.minedu.fi](http://www.minedu.fi)

Ministry of the Interior  
[www.intermin.fi](http://www.intermin.fi)

Ministry of Social Affairs and  
Health  
[www.stm.fi](http://www.stm.fi)

Ministry of Employment  
and the Economy  
[www.tem.fi](http://www.tem.fi)

Ministry of the Environment  
[www.environment.fi/ayk](http://www.environment.fi/ayk)

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