



# Finnpartnership

Business Partnership Support Facility for  
commercial biotechnology partnerships

Bio SA workshops/ South Africa  
Ms. Hanna-Riitta Kurittu

# Finnpartnership

## Finnish Business Partnership Programme

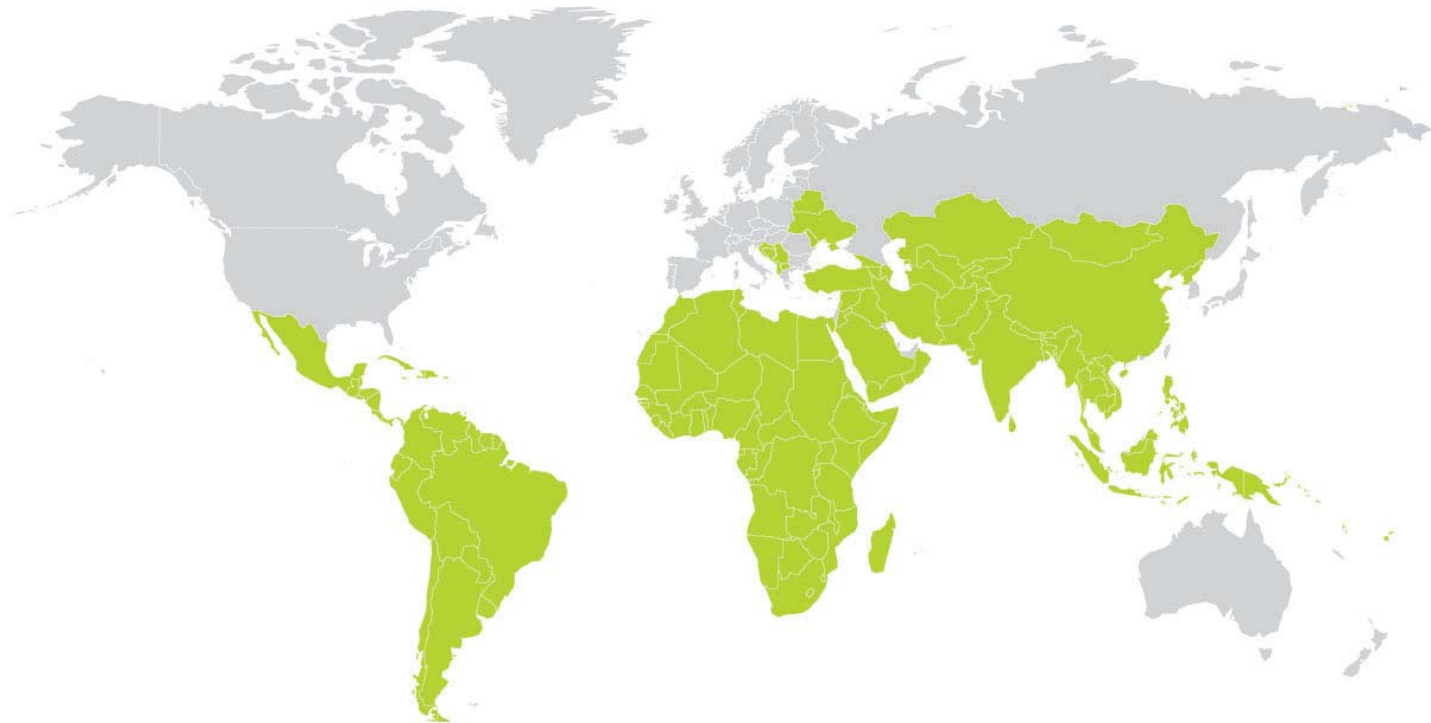


- Financed by the Ministry for Foreign Affairs of Finland
  - New instrument in Finland's development cooperation
- Managed by development finance institution Finnfund
  - 25 years of experience in investing in developing countries
- The objective to promote business cooperation between Finland and developing/emerging countries to increase long-term business partnerships.
- Programme launched the 1 June 2006

# Area of Operation - South Africa as a main partner country



Open to all sectors.



Developing business together.

# Services throughout a Project's Lifespan



Finnpartnership - services are free of charge

Matchmaking Idea	Feasibility Study	Environmental Impact Assessment	Business Plan	Financing	Implementation	Business Operations
				Training		
Support Facility	✓	✓	✓		✓	✓
Advisory Services	✓	✓	✓	✓	✓	✓



# Identifying Business Partnerships

- Assistance for Finnish and South African companies in finding new business partners (i.e. matchmaking)
  - Special focus on long-term partner/priority countries
- Cooperation with Finnish and South African organisations and embassies in order to identify potential sectors and companies
  - COFISA, Bio SA, Finpro, Cluster organisations etc.
- Biotechnology, exports of Fair Trade products, community-based tourism as focus areas in South Africa based on interest and need
- Matchmaking registration form in the internet

# Business Partnership Support Facility I



- A grant type of seed capital for projects aiming at **long-term business partnerships**:
  - exports from South Africa to Finland
    - added value, e.g. certification
  - transfer of technology or know-how to South Africa
  - establishing of subsidiaries of Finnish companies or joint ventures in South Africa
  - other project including long-term partnerships and cooperation (e.g. tourism)
  - pilot projects related to Finnish environmental technology (e.g. renewable energy)
    - expenses related to planning, training and technical assistance

# Business Partnership Support Facility II



- Eligible applicants are Finnish companies etc.
  - companies registered in Finland or elsewhere that have substantial links to Finland (ownership, agreement etc.)
  - research facilities, universities or similar organizations based in Finland
  - associations registered in Finland
- Projects should be economically sustainable
- Developmental effects of potential projects emphasized
- Projects should comply with international social and environmental standards (IFC)

# Business Partnership Support Facility III

## Terms of Facility



- Maximum amount of grant 250 000 € per project
- 30 % or 50 % of approved projects costs depending on the size of the applicant company (EU classification)
  - 30 % for large companies; 50 % for SME's
  - higher grant for smaller companies and low income developing countries
- Can be applied in several phases of a project
- Can be used until the end of September of the year following the decision (decision in 2008, grant valid until Sep/2009)
- Paid afterwards against a payment request

# Business Partnership Support Facility IV

## Terms of Facility



- The grant covers a part of the expenses incurred in the following set-up phases of projects:
  - expenses related to identifying business partners in a developing country
    - e.g. legal fees, consultant fees etc.
  - pre-feasibility and feasibility study expenses
    - Finnish or South African (or third country) experts
  - business plan preparation expenses
  - Social and Environmental Impact Assessment study expenses

# Business Partnership Support Facility V

## Terms of Facility



- The grant also covers expenses of existing projects in developing countries when related to:
  - employee training expenses (travel and training expenses)
  - utilization of short-term external experts in connection with technology transfer or the development of a specific business area (travel and training expenses)
  - maximum 90 working days depending on project size

# Business Partnership Support Facility VI

## Approved Expenses



- Expenses incurred after registration of the application
- Approved expenses e.g.:
  - costs incurred in evaluating a potential business partner
  - experts' fees (junior consultant max. € 520 per day, senior consultant max. € 840 per day)
  - applicant's internal labor expenses in South Africa (max. € 500 per day)
  - travel costs to South Africa by the applicant's personnel and external experts
    - flights, accommodation, daily allowance, public transportation

# Business Partnership Support Facility VII



- Applications are submitted by filling in and signing a specific application form:
  - [www.finnpartnership.fi](http://www.finnpartnership.fi)
- A Support Facility Committee of Finnfund to assess each application
  - indicative decision in principle approx. in 4 weeks
- The Ministry for Foreign Affairs approves the Committee's proposal
- Finnfund concludes an agreement with the applicant



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Further information: [www.finnpartnership.fi](http://www.finnpartnership.fi)

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