



Finnpartnership

Finnish Business Partnership Programme -
Support for Projects in Developing Countries

20 September 2011

Finnpartnership - background and objective



- Financed by the Ministry for Foreign Affairs, managed by Development Finance Institution Finnfund
- The objective is to **promote business cooperation between companies in Finland and in developing countries** in order to increase long-term business partnerships
- Offers support for developing country projects:
 - **Business Partnership Support (de minimis)**
 - **Matchmaking service**
 - **Advice and guidance**
- In close collaboration with businesses and other public stakeholders

Finnpartnership - background and objective



- In close collaboration with businesses and other public stakeholders





Finnpartnership - Services throughout a Project's Lifespan

Preparatory phase

Information collection on target country, actors and markets



Business Associate / Partner identification



(Pre)Feasibility Study



Implementation phase

Employee Training



Capacity Building



Matchmaking

Support Facility

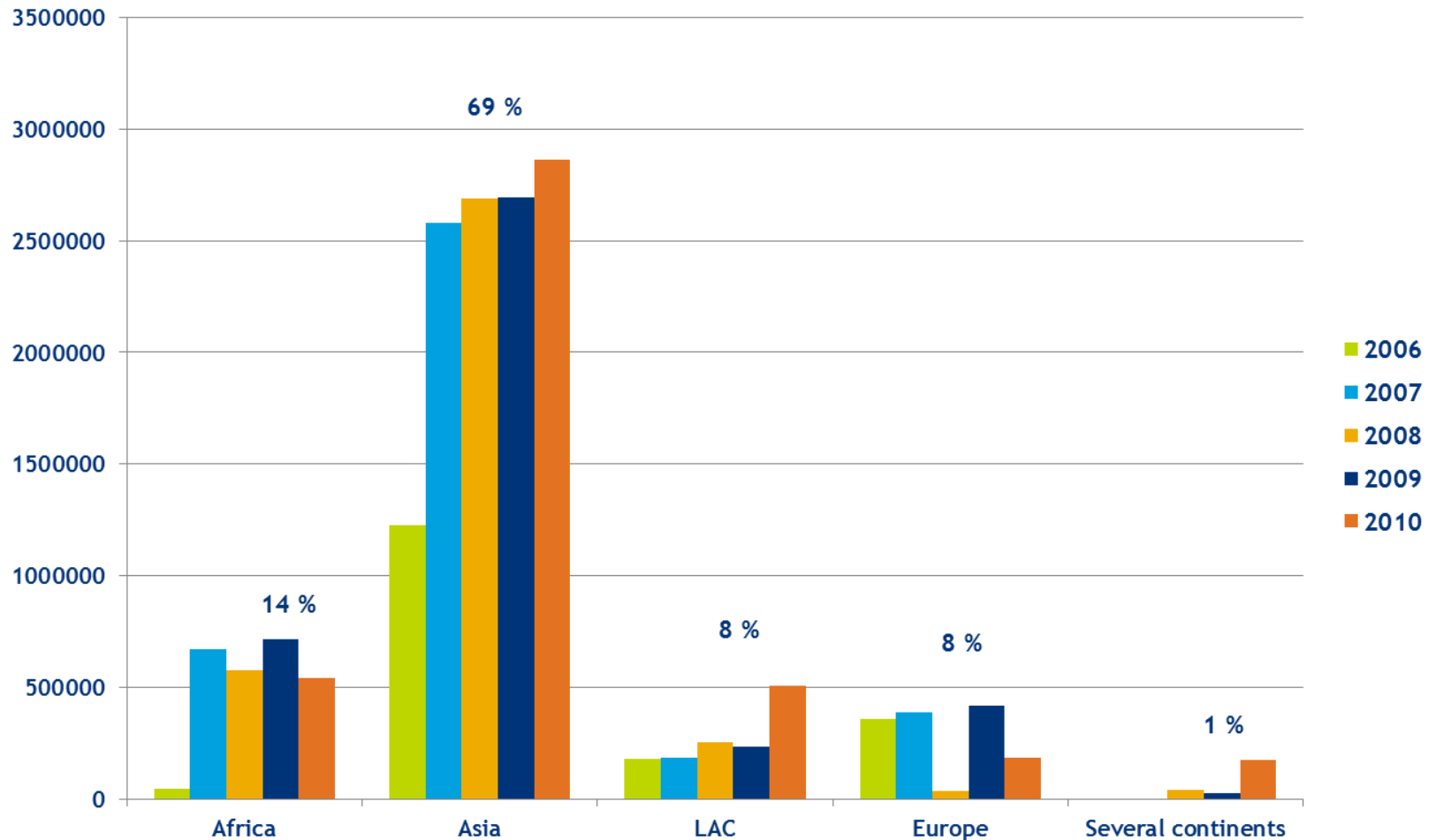
Note! **No** financing
for actual
operations
(agreements, devices,
HR, buildings, ...)

Business Partnership Support - in short



- A grant type of seed capital for projects aiming at long-term business partnerships in developing countries
- Can be used to cover expenses incurred in the preparatory phase and to cover training and business development
- Max 200 000 €/company
 - 30/50/70 % of approved expenses depending on the size of the applicant and development level of the target country
- Contributes to positive development impacts in developing countries and realization of sustainable, long-term business partnerships
- Grant can not be allocated to support exports from Finland to developing countries!

Approved BPS by continent in 2006 - 2010



Number of BPS applications, popular sectors in 2006 - 2010



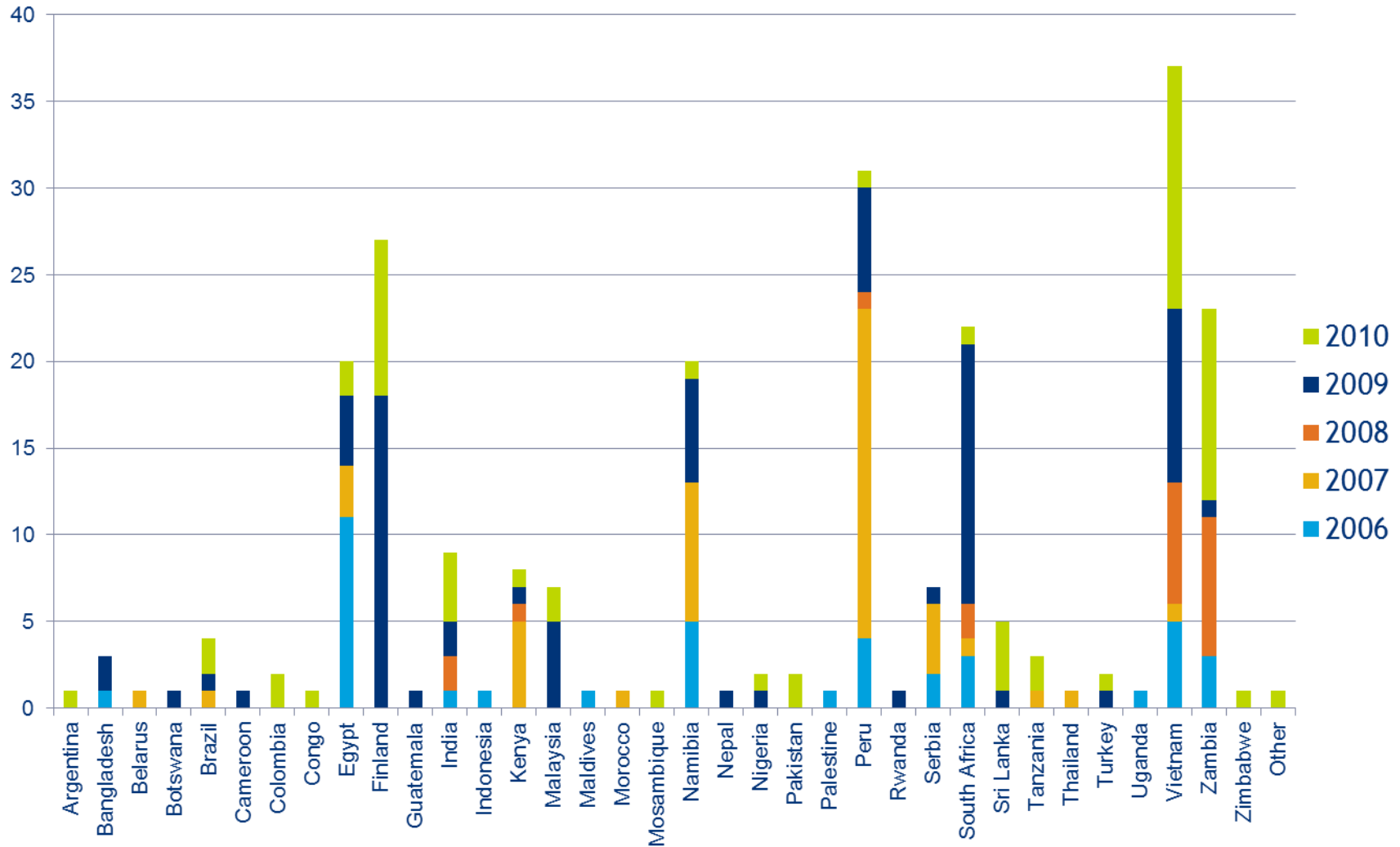
- Support allocated mostly for:
 - ICT (15 %)
 - Manufacturing, engineering and machinery (13 %)
 - Energy (10 %)
 - Agriculture and food processing (8 %)
 - Environment (8 %)
 - Construction (7 %)
 - Services (6 %).

Identifying Business Partnerships - Matchmaking in short

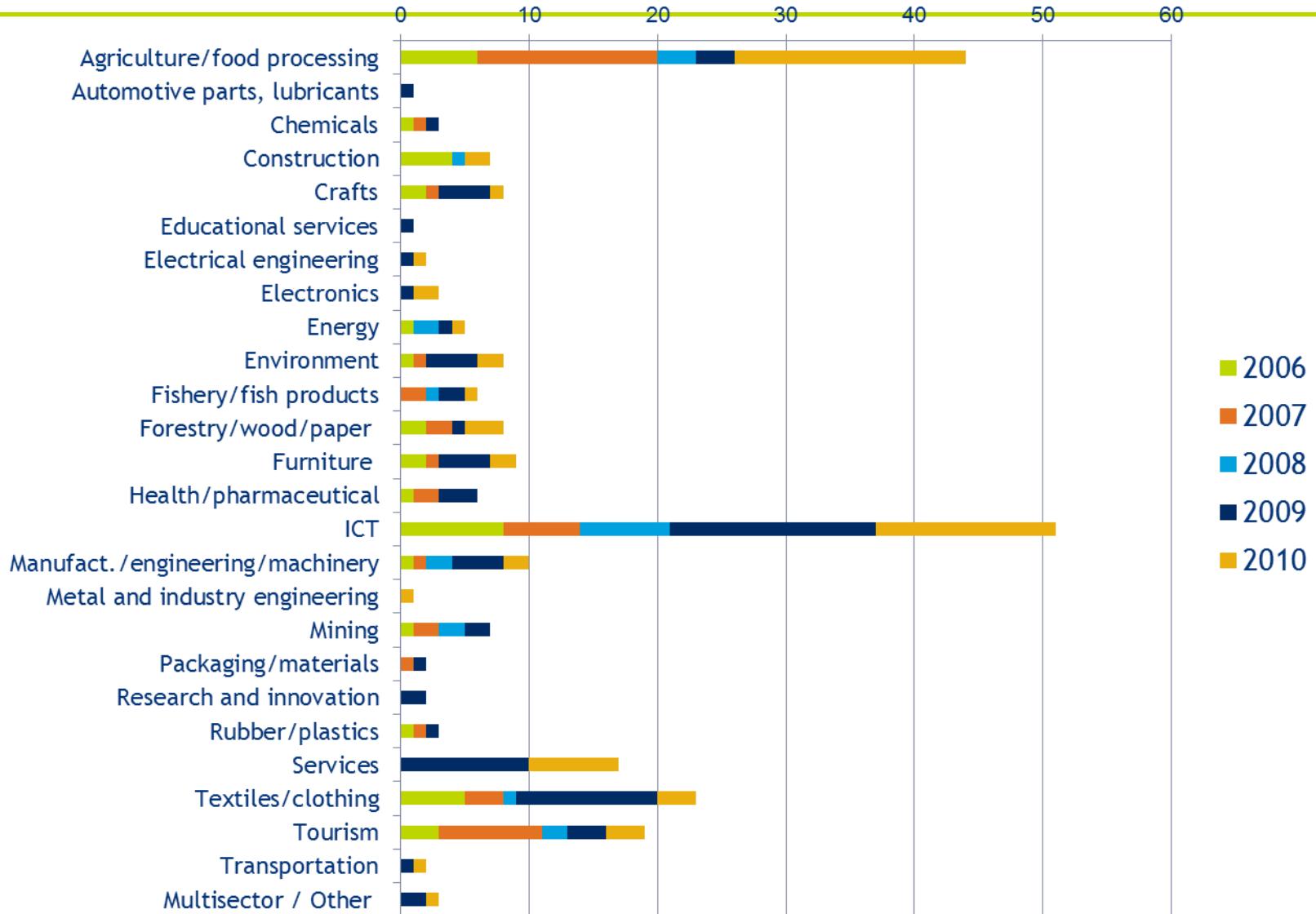


- Finnpartnership channels business partnership initiatives and opportunities from companies in developing countries to Finnish companies and vice versa
- Opportunities are added to the Matchmaking database (www) where they can be explored
- Partnership initiatives can also be forwarded directly to interested parties
- **Focus sectors:** ICT, environment, energy, agriculture
- **Focus countries:** Kazakhstan, Peru, Tanzania, VietNam
- Currently around 100 companies are looking for business partners in the service

Active Matchmaking applications / country 2006 - 2010



Active Matchmaking applications / sector 2006 - 2010



Advice and guidance



- General advisory services in the planning phase of business projects
- Information on Finnish and international Development Finance Institutions and commercial banks operating in developing countries
- **Country pages:** Information for Finnish companies on actors and business environment of target developing countries
- **Monthly newsletter:** information on business opportunities and events related to business partnerships and business opportunities
- **Consultant database:** contacts of Finnish and international experts

Finnpartnership - Finnish Business Partnership Programme



- Grants the Business Partnership Support financed by the Ministry for Foreign Affairs
- Channels business partnership initiatives and opportunities from companies in developing countries to Finnish companies
- Provides wide-ranging advisory services for Finnish companies for their projects in developing countries
- Contact Finnpartnership when you are planning business activities in a developing country!

Finnish Fund for Industrial Cooperation Ltd. (Finnfund) in brief

- State-owned development finance institution
- **Risk capital** for profitable **private projects in developing countries and Russia** since 1980
- From small and medium-sized companies to large companies in different sectors, both green-field and expansion projects
- Long-term financial investor with minority stake, EUR 1-10 million - loans, mezzanine financing or equity
- Market-based interest rate – compensation for the risk-taking
- Investment criteria include profitability, social and environmental responsibility, development impacts and Finnish interest
- Co-financing with other European development financing institutions and commercial banks.



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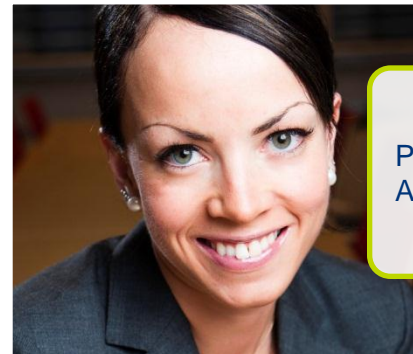
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