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Factsheet for case FI-2020-13/269

Business Finland's new direct business subsidies for SMEs and midcaps

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Country	Finland, applies nationwide
Time period	Open ended, started on 27 March 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	03 April 2020 (updated 29 April 2020)

Background information

Business Finland has launched two new financial services owing to the coronavirus outbreak. They are intended for SMEs in Finland that employ 6–250 people and for midcaps that may employ more than 250 people but have an annual turnover of less than EUR 300 million.

In March 2020, the Government allocated €700 million of its 2020 supplementary budget for grants provided by Business Finland. Business Finland has established two new financial services owing to the COVID-19 outbreak.

Business Finland is a state-owned organisation that funds companies and research groups work for research, development and innovation activities.

Content of measure

Business Finland's grants are intended for Finnish-based SME's (6-250 employees) and midcaps (companies that have an annual turnover of less than €300 million but may employ more than 250). Companies from the following sectors can apply for the grant: tourist, creative and performing industry and all sector where subcontracting chains either have been affected or will be negatively affected by COVID-19.

Funding can be granted for two types of projects: feasibility studies or development projects. . A company that wants to do a feasibility study that investigates new businesses and ways to organise production can

apply for a preliminary fund. The grant covers 80% of the project's total costs and the maximum amount is €10,000. Development funding has a maximum limit of €100,000 and it also covers 80% of the project costs. Development funding is intended for companies to create new product-or production related solutions.

Use of measure

No information to date.

Actors, target groups and funding

Actors	Target groups	Funding
National government Public support service providers	SMEs Other businesses	National funds

Social partners

Role of social partners	Not applicable
Form of involvement	Other

There is no information regarding the involvement of social partners in the planning of this particular measure but they have had an active role in the planning of other COVID-19 related measures taken by the Government.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 26 February 2020: Government increases business financing due to COVID-19 and provides EUR 1 billion in direct subsidies (tem.fi)
- 27 March 2020: Funding for Business Development in Disruptive Circumstances (www.businessfinland.fi)