Cohesion Policy
and Finland

In 2014-2020, Finland will manage **two operational programmes** under EU Cohesion Policy (one for mainland Finland and one for the Åland Islands) which will receive funding from the European Regional Development Fund (ERDF) and the European Social Fund (ESF).

Structural Funds (ERDF and ESF) eligibility 2014-2020

- ■ Less developed regions
  (GDP/head < 75 % of EU-27 average)

- ■ Transition regions
  (GDP/head between >= 75 % and < 90 % of EU-27 average)

- ■ More developed regions
  (GDP/head >= 90 % of EU-27 average)

How much will the EU invest in Finland from 2014-2020?

For 2014-2020, Finland has been allocated around **€ 1.47 billion** (current prices) in total Cohesion Policy funding:

- **€ 999.1 million** for more developed regions (all)

- **€ 161.3 million** for European Territorial Cooperation

- **€ 305.3 million** for the northern sparsely populated regions

Of this, ESF in Finland will represent a minimum of **€ 515 million.** The actual share will be set in light of the specific challenges the country needs to address in the areas covered by the ESF.

March 2014

Cohesion
Policy

What are the main investment priorities for Finland?

The priorities will be set out in a Partnership Agreement with the European Commission. They are expected to cover three main clusters:

1. Increase innovative and competitive business and research environment (ERDF)

- Promoting fast growing, technology-based SMEs and exploitation of Research and Innovation (R&I) results.
- Promoting business R&I investment, product and service development, technology transfer and public service applications and open innovation through smart specialisation.
- Promoting diversification and internationalisation of the various sectors of the economy and export expansion to new market areas

2. Reinforce sustainable and efficient use of resources for environment-friendly growth (ERDF)

- Research in energy technology and energy efficiency, wood construction, model/process development and pilot projects.
- Promoting local energy solutions and energy efficiency and renewable energy use in enterprises, housing and public infrastructures.
- Promoting clean/green technologies as an important element in diversification of the economy and competitiveness of the enterprises.

3. Increasing labour market participation through improved employment, social inclusion and education policies (ESF)

- Promoting employment and supporting labour mobility.
- Investing in education, skills and lifelong learning.
- Promoting social inclusion and combatting poverty.

What results have been achieved so far?

The total allocation from Cohesion Policy funding for the 2007-2013 period was € 1.7 billion.

Since the beginning of the 2007-2013 funding period, amongst other achievements, ERDF funding has helped Finland to:

- generate 28 136 new jobs (out of which 2 758 are in research and development);
- establish 6 251 new companies.

Results of ESF funding have also been very positive:

- 437 700 persons have participated in ESF-funded activities;
- 29 190 new jobs have been created;
- 16 300 new enterprises have been established.

A significant added value provided by the Structural Funds is their leverage effect. The 'Vipuvoimaa EU:lta (*Leverage from the EU*)' communication campaign on the Structural Funds shows how EU investments have helped to boost the appeal and accessibility of regions, as well as regional networking and joint projects. Structural funds have also been widely used for testing and creating new innovative approaches in cases where national resources have been insufficient for development needs.

Cohesion Policy success stories

ERDF projects

- **Independent living for elderly people in Länsi-Suomi**

The Living Lab on Wellbeing Services and Technology was a two-year project funded by the ERDF to test welfare services and technologies in real-life contexts, including old people's homes. Focusing on three regions in Western Finland, it tested users' experience of the latest welfare technology (such as mobile alarm-response systems, cooker safety solutions, nurse alarm systems, etc.) in real homes. This enabled suppliers to get valuable feedback, so they could develop or re-develop their products, resulting in new user-driven innovations.

Total cost: € 530 000 (ERDF contribution: € 425 000)

- **Non-invasive medical technology developed by BioMediTech**

BioMediTech brings together a powerful mix of multidisciplinary expertise in life sciences and medical technology. Over 250 scientists conduct research and education in the fields of cell and molecular biology, genetics, biomaterials, biosensors, computational systems, biotechnology, biomedical engineering, and regenerative medicine. This ERDF-funded project aims to nurture innovation and commercialisation of research results via an active patenting policy, by providing expert advice to its scientists on the innovation potential of their discoveries, and by fostering spin-offs. During the last ten years research groups have produced nearly 100 patents and over 10 commercial spin-offs.

Total cost: € 4 million (ERDF contribution: € 1.6 million)

ESF projects

- **Helping disadvantaged young people into work**

Puente offers socially marginalised young people in Helsinki a chance to find work by matching them with open-minded, socially responsible employers. This ESF-funded project provides free support both to employers and young people.

The Puente project team makes a personalized 'action plan' for each young participant and provides weekly meetings, guidance and assistance. Many of the marginalised young people have gone on to find jobs.

Total cost: € 410 000 (ESF contribution: € 338 000)

Find out more about EU cohesion policy projects in the Finalnd

For more project examples, as well as links to the complete list of beneficiaries
of EU cohesion policy funding, see the following websites:

- European Commission Regional Policy website
- European Social Fund website
- Final beneficiaries' database
- General page of structural funds
- Facebook page on the Finnish structural funds