

Central Baltic Programme 2021-2027

Programme Objectives 1 and 2

Ülari Alamets | 01.12.2021 | Zoom



Interreg
Central Baltic

Week full of Central Baltic 2021-2027!

30.11

13:30-15:30 Programme - project intervention logic and main differences from the previous period - Ülari Alamets

01.12

13:30- 15:00 Innovative Business Development - Ülari Alamets

15:10- 16:40 Improved environment and resource use - Samu Numminen

02.12

13:30- 15:00 Improved employment opportunities - Laura Cunska-Āboma

15:10 - 16:40 Improved public services - Normunds Strautmanis

03.12

13:30 - 14:30 Partnership & Developing a work plan (Jems) - Samu Numminen

14:40 - 16:00 Drafting a budget, attachments and submitting the application (Jems) - Laura Cunska-Aboma, Normunds Strautmanis

16:10 - 16:40 Tips for the applicants - Samu Numminen

Content and Objective

- Overview of programme objectives 1 and 2
- Explain, clarify, illustrate

What you should be aware before applying?

PROGRAMME BASICS

118 million
euros ERDF
funding

35 million
euros for
PO 1&2

Partners from at least two participating countries

Clear cross-border added-value and joint approach

Regular projects

Partnership shouldn't be bigger than 10, no associated partners

Same max ERDF rate - 80% - for all countries

Limits of 2 m euro/partner and 4 m euro/project

7 PROGRAMME OBJECTIVES

INNOVATIVE BUSINESS DEVELOPMENT

1. More exports by SMEs
2. More new scaled-up growth companies

IMPROVED ENVIRONMENT AND RESOURCE USE

3. Joint circular economy solutions
4. Improved coastal and marine environment
5. Decreased CO2 emissions

MORE ACCESSIBLE & INCLUSIVE LABOUR MARKET

6. Improved employment opportunities on labour market

INTERREG SPECIFIC OBJECTIVE

7. Improved public services and solutions for the citizens

PROGRAMME OBJECTIVES

**1. MORE EXPORTS
BY SMES**

**2. MORE NEW
SCALED-UP
COMPANIES**

APPROACH AND SCOPE

- Challenges related to **SME-dominated economies** and their **capacity to take products and services to new markets**.
- Focus on export allows to achieve **real economic impact**. In addition to marketing and new market entry activities, development of products, processes and skills are relevant activities.
- **All relevant economic sectors** where joint interest to enter new markets is in place are included in the scope of this Programme Objective.
- Joint efforts of CB companies (SMEs) to enter **new markets (markets outside EU/EFTA)** and to participate with joint offers towards international organisations (sales to an international organisation is considered equal to entering a new market) will be supported.
- The headquarters of the international organisations should be outside of the Central Baltic programme area and the products or services should be for use outside of EU/EFTA areas.
- **Innovative companies** are defined as companies that are targeting higher value added than the sectorial and regional average.
- A cluster-based approach is encouraged.

1. MORE EXPORTS BY SMEs

Result
indicator

- **Companies with achieved sales on new markets**

Output
indicators

- Enterprises with non-financial support (actively participating in project activities)
- SMEs introducing marketing or organisational innovation

Potential
partners

- **Non-commercial organisations relevant and capable** for implementing new market entry projects, for example non-commercial organisations with competence and experience on export and product development, sectoral associations, chambers of commerce or regional development agencies.

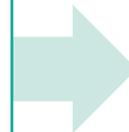
Target
group

- **Established, mature innovative SMEs** of different sectors with international cooperation experience and capacity.

1. MORE EXPORTS BY SMEs

INDICATIVE JOINT ACTIONS

- Awareness raising
- Product/service development
- Developing joint offers of products and services
- Process development and digitalisation of processes
- Skills development and quality management
- Market information and research
- Branding and marketing of products and services
- **Sales support activities on target markets: visits to target markets and buyers visits to CB region, fairs, market expert services**
- Experience exchange and learning as result of joint implementation



Additional explanations

- The projects targeting the entry to new markets of all economic sectors are eligible.
- Regarding the **services export** the provision of the services often takes place within programme area but for target market customers.
- **State aid** - indirect (to third parties) up to 20 000.- ERDF per company under 1 project - reporting to JS.

The indicative joint cross-border elements

- Mixed target group participants in project activities (e.g., in joint trainings, joint business missions, joint stands on trade fairs etc.);
 - Joint product/service offerings and packages;
 - Joint acquisition and use of market information;
 - Joint development and implementation of marketing campaigns;
 - The use of joint target market experts
- ...

„Companies with achieved sales and contracts to new markets“

Sales should be achieved by target group companies via joint actions to the new markets (markets outside EU/EFTA).

Counted for the result the company should have, for example, written or digital contract, proof of transaction with buyer from the targeted market for delivery of goods or services or other equal written/digital proof.

Sales for **tourism sector and other service sectors** are counted if foreign buyer uses the service within the Central Baltic Programme area - purchases by tourists from targeted markets.

The project partners are responsible for keeping records on participating companies and their achieved sales (name of company, name of contact person, proofs of the sale/contract).

Confidentiality rules apply: no information on sales and deals will be disclosed without the permission of the concerned company.

For numeric results, the unique companies are counted and aggregated on project level over project duration.

Reporting by the projects will take place annually from the 2nd full year of the project implementation. Last overall count of results will be reported by the projects 1 full year after project has ended.

Output indicators

1. „SMEs introducing marketing or organisational innovation“

Marketing innovations are defined as new and adopted methods and ways of marketing for companies.

Organisational innovations are defined as changes and adaptations within companies' organizational structures and/or processes. Including the usage of new software solutions for marketing.

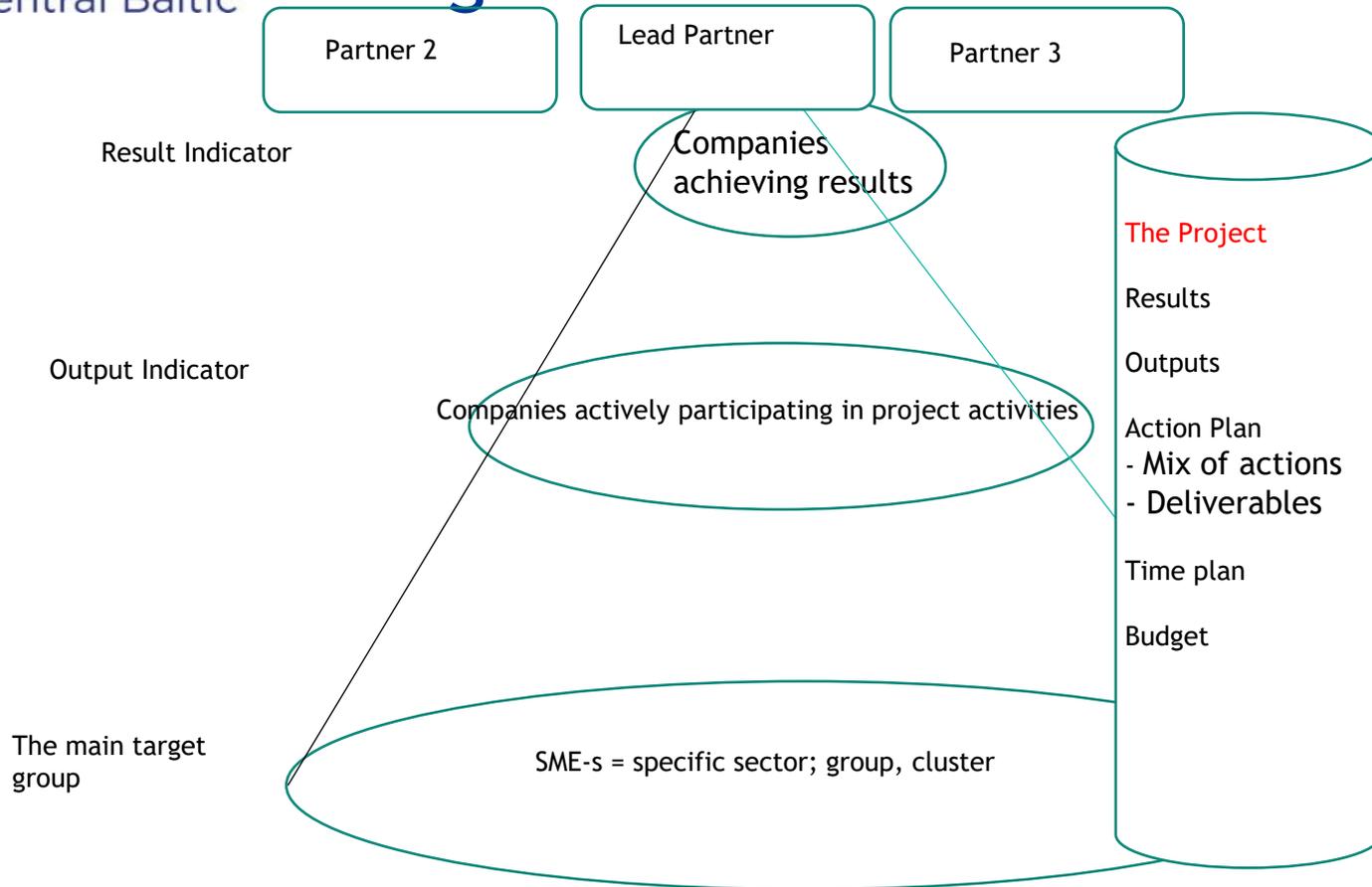
2. „Enterprises with non-financial support“

For achievement of this indicator, the companies' representatives' active participation from project activities is counted. Purely recipients of information (newsletters, emails) and other passive types of activities aren't counted.

For both output indicators the unique companies are reported as achievements: 1 company may participate in several project activities but 1 is counted. There can be more than 1 representative from 1 company but 1 is counted. The project partners are responsible for keeping records on participating companies.

The records should include the company's names, the contact information and in which project activities the participation took place.

Partnership and Indicators' logic



Things to remember

- Know well the needs of target group companies
- Know the markets to target as early as possible
- Target optimal number of markets
- Focus your activities to achieving results - sales
- Develop work plan with emphasis on “market entry” part
- Additionality and new value



Central Baltic 2014-2020 projects on Export development

1st call projects

 Health Access	Health-tech companies to enter into South-Korea, US, India, Uganda. => 5 direct sales were achieved, 4 investments were raised; 58 companies participated.	EST FIN SWE LAT
 CB2East	Products, services related to eco-efficiency and water expertise solutions to North-West Russia and Central Asia. => 5 business deals and sales to the target markets; 45 companies participated.	FIN LAT
 ICT Meta Cluster	ICT products or services to Brazil, Canada and Azerbaijan => more markets => 16 sales achieved, 31 targeted markets and countries.	SWE LAT EST
 SME2GO EXPORTING SMART CITIES	Smart city solutions to new markets (tbi => Kenya, Indonesia, Vietnam, China, US, Mexico, Namibia) => 10 consortias was formed, 163 companies participated, several contracts signed	SWE FIN EST
 CLUSME	Mechanical engineering and mechatronics sectors exports to Georgia, Uzbekistan, South-Africa, Brazil and Mexico => 9 companies started export activities in Georgia, Uzbekistan and Republic of South Africa.	EST FIN

2nd call projects



Rural tourism services to the Japanese market.

EST-FIN-LAT

=> 252 rural tourism SME-s participated; ca 150 received new tourists from Japan thus achieved export sales.

**FINEST
SOUNDS** ✓

Music industry and for other sectors for which export cooperation with the music industry can bring added value to Japanese market.

FIN-EST

FINEEX Music

=> 134 companies participated; several contracts (5-6) were signed on performing, song writing, joint productions during the project duration.

3rd call projects



Indoor hygiene (IH) solutions and exports them to the Saudi Arabia.

FIN-SWE-EST

=> First sales were achieved by the end of the project + signed contracts and MoU-s.
Ca 30 companies actively participated.



Wooden interior solutions to China market.

LAT-EST-FIN

=> Ongoing. Strong Covid impact.



Exports of the **film production sector** to North America and Asia.

EST-FIN-LAT

=> 1 larger scale film production was attracted (Latvia), where 27 SME-s provided services. 46 companies were actively involved.

NNFA/NSFA



Maritime clusters (shipbuilding, maritime& logistics, renewable energy, automation, ICT) exports to markets of Southern Africa.

FIN-EST-LAT-SWE

=> Ongoing. First sales and joint ventures have been reported.

4th call projects



4Smart Growth

Smart city solutions to the regions in Vietnam and China.

SWE-FIN-EST

=> Ongoing. More than 30 companies have participated.



Solutions to anthropogenic emissions to markets in North-Eastern China and Malaysia.

FIN-EST

=> Ongoing. Sales achieved in Malaysia's market.



BreedExpo

Export of breeding animals to Kazakhstan, Georgia and Ukraine.

EST-FIN-LAT

=> Ongoing. Cattle is sold to target markets.



ICT solutions to markets in Asia, Middle-East, America and Africa.

EST-SWE-LAT

=> Ongoing. More than 200 companies have participated.

5th call projects



Baltic Explorers

Game industry exports to Asia and US.

=> Ongoing.

FIN-EST-SWE- LAT

Questions and answers

PROGRAMME OBJECTIVES

**1. MORE EXPORTS
BY SMES**

**2. MORE NEW
SCALED-UP
COMPANIES**

APPROACH AND SCOPE

- The approach derives from the challenges of scaling up the activities of new growth companies.
- **New companies with potential to grow** and to use the potential of Central Baltic start-up ecosystems will be supported.
- They should have the necessary product development **capacities and ambition to grow**.
- They should target **scaling up** (raising investments, establishing presence outside of the home market or developing business models) their businesses.

2. MORE NEW SCALED-UP COMPANIES

Result
indicator

- **Number of scaled-up new growth companies**

Output
indicators

- Enterprises with non-financial support (actively participating in project activities)

Potential
partners

- **Non-commercial organisations with competence and experience** for new business development, product development, internationalisation such as business development organisations, science parks, associations of companies and regional development agencies.

Target
group

- **New companies with scaling-up challenges and ambition.** All sectors where growth potential and joint interest exists are targeted.

INDICATIVE JOINT ACTIONS

- Awareness raising
- Product development
- Process development and digitalisation
- Skills development
- Market opportunities research
- Branding and marketing
- Business model development and expansion of operations
- Experience exchange and learning as result of joint implementation





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Additional explanations

- The main target group is “new companies with ambition to grow 5 years from start of operations.
- In exceptional cases the target group can be new companies with the ambition to grow up to 7 years from start of operations:
 - the project includes sectors where development takes longer time because of science/knowledge intensity; • e.g., deep tech, biomedicine, pharmaceuticals, material technologies etc.;
 - the project includes companies operating in sparsely populated and isolated areas where the scaling up and growing is hindered by surrounding conditions;
- In justified cases the project partners can also work with companies which are older but with similar scaling-up challenges.
- State aid - indirect (to third parties) up to 20 000.- ERDF per company under 1 project - reporting to JS.

The indicative joint cross-border elements

- Mixing target group participants in project activities (e.g., joint trainings, events, etc.);
- Joint scaling-up and product development processes;
- The use of joint business development experts;
- Jointly developed and used development methodologies and technics;

„Number of scaled up new growth companies“

The status as “scaled-up company” should be achieved via joint actions by project partners for the participating target group companies.

Scaled up company is defined as: company which **raised investments**, company **established presence outside of home market**, company **developed the business model**, company **developed the new product/service**, company **expanded the key team**, company **merged or acquired**, company **implemented the Initial Public Offering (IPO)**.

The **project partners are responsible for keeping records on participating companies** and their achieved scaled up achievement (name of the company, name of the contact person, proofs of the scaled-up status). Confidentiality rules apply: no information will be disclosed without the permission of the concerned company.

For numeric results **the unique companies are counted** and aggregated on project level over project duration.

Reporting by the projects will take place **annually from the 2nd full year of the project implementation**.

Last overall count of results will be reported by the projects **1 full year after project has ended**.

Output indicator

„Enterprises with non-financial support“

For achievement of this indicator, the **companies' representatives' active participation from project activities** is counted. Not recipients of just information (newsletters, emails) and other passive types of activities are counted.

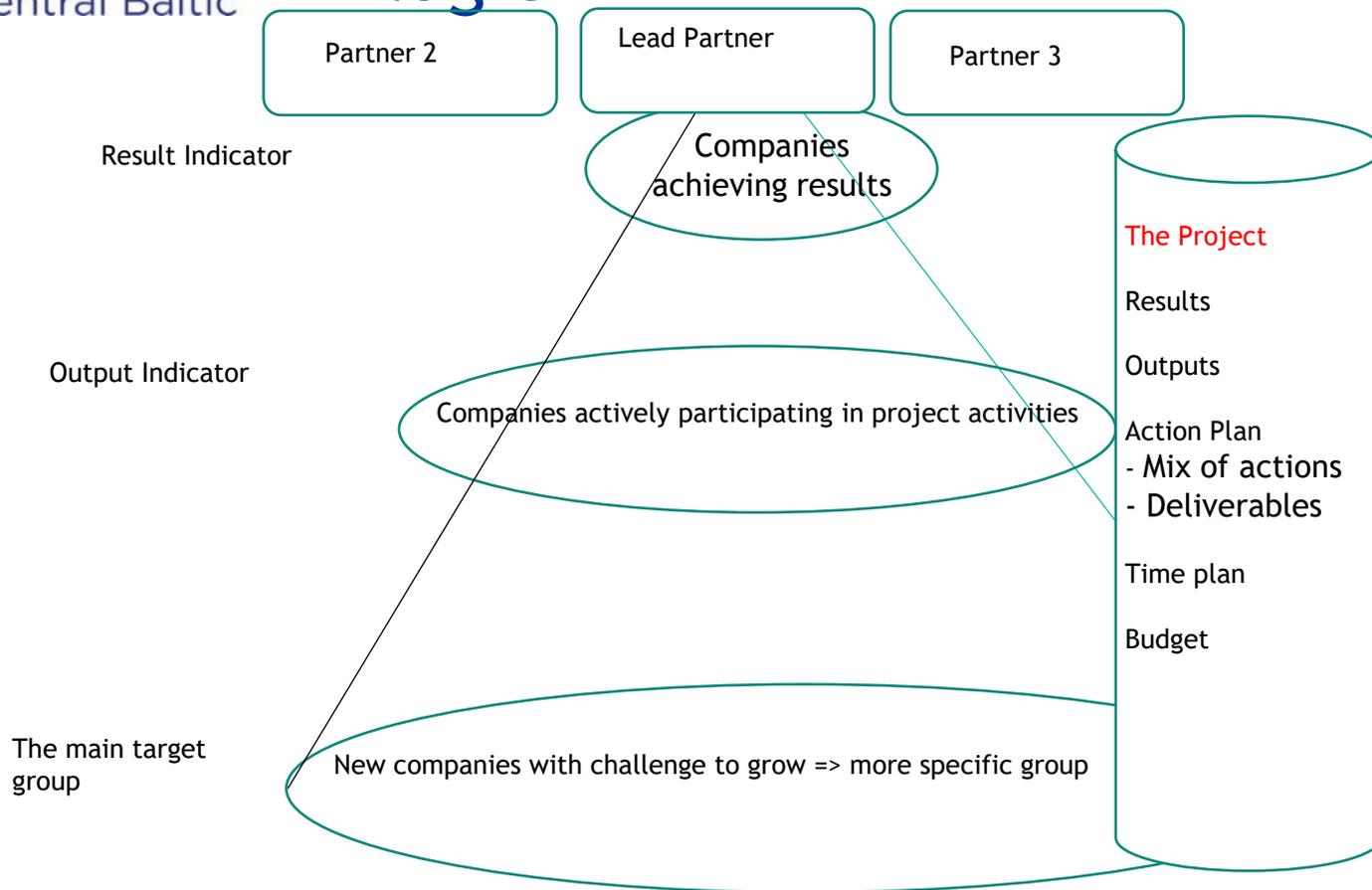
For both output indicators **the unique companies are reported as achievements**: one company may participate in several project activities but one is counted. There can be more than one representative from one company but one is counted.

The project partners are responsible for keeping records on participating companies. The records should include the companies names, the contact information and in which project activities the participation took place.

The achievements of the **output indicators are reported annually** (1 year/12 month periods) during project duration and aggregated on project level.

Partnership and Indicators'

logic



Things to remember

- Be as specific as possible in identifying and determining target group - know their needs
- Focus your activities to achieving results - scaled-up new companies



Programme objective 2 project examples

- Few CB 2014-2020 SO 1.1 projects which were working with target groups of already established new companies:

Central Baltic 2014-2020 SO 1.1 project examples



Archipelago Partnership - new business models to archipelago & islands area companies

FIN-SWE-ÅL



New Nordic Lift Off - cross-border investments to established new businesses

EST-FIN

Questions and answers

GET IN TOUCH WITH US!

Project idea form - feedback

Individual consultations

national Contact Points

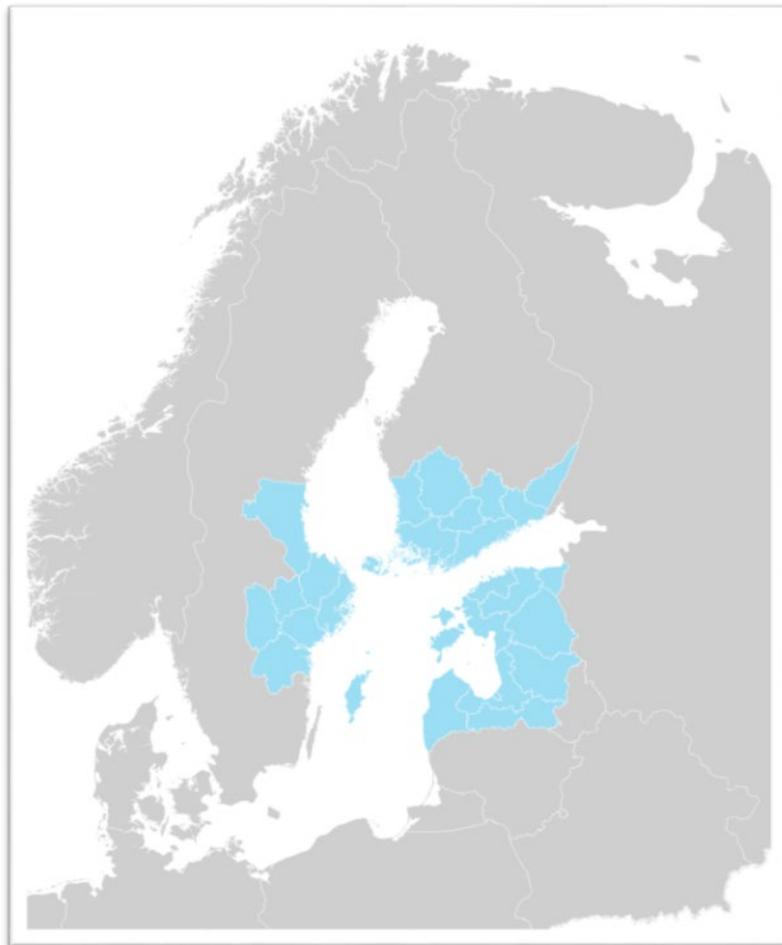
Website, Facebook, Twitter

1st call open from 10.02.2022.

1st call deadline 31.03.2022.

2nd step - indicative
deadline - 3rd quarter 2022

Start of (regular project
activities 1st quarter 2023)





Thank You!



Varsinais-Suomen liitto
Egentliga Finlands förbund
Regional Council of Southwest Finland



European Union
European Regional
Development Fund