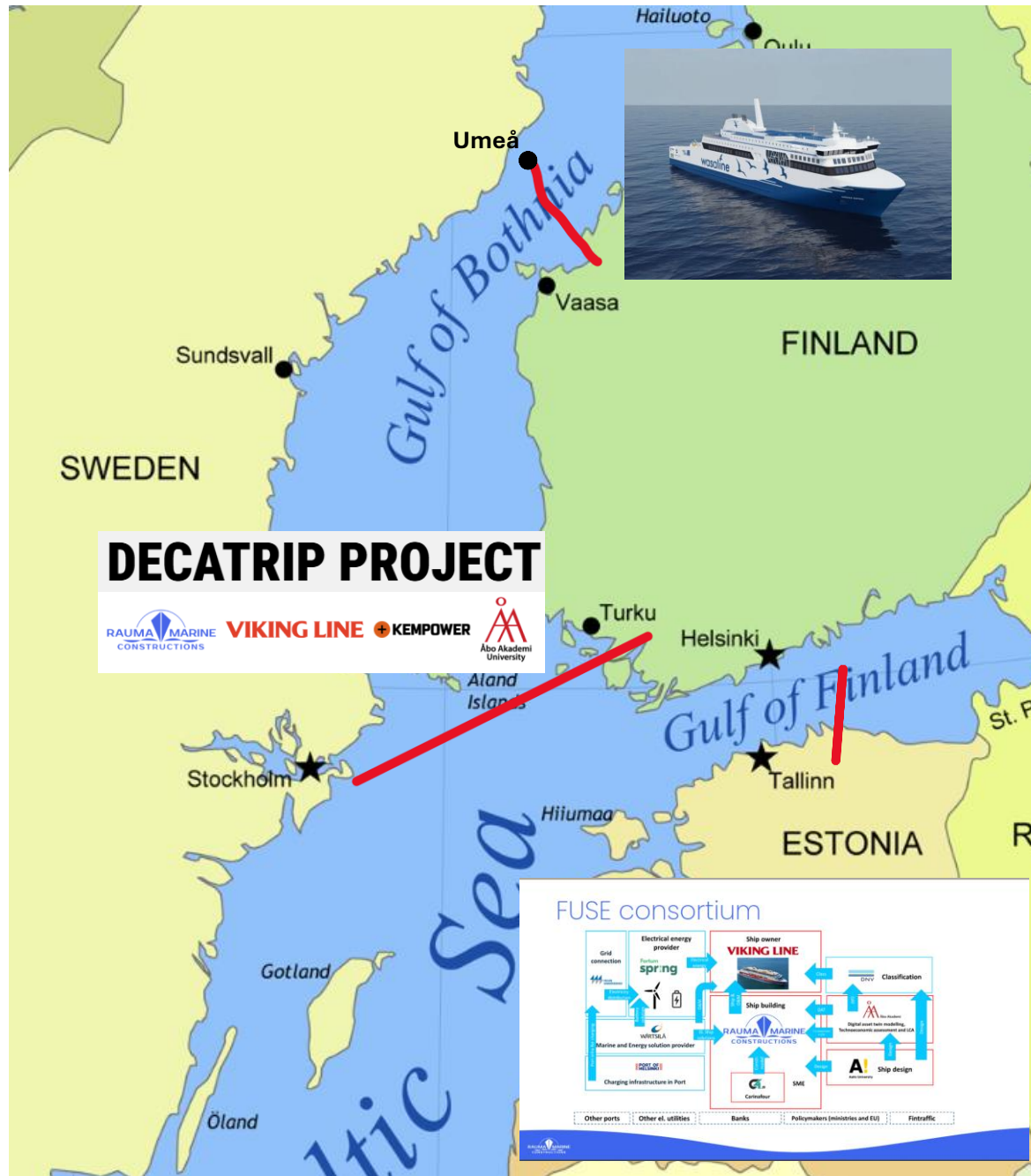


**BUSINESS
FINLAND**

FINNVERA

FUNDING OFFERING FOR SUSTAINABLE ECONOMIC GROWTH AND COMPETITIVENESS

Nordic Roadmap – Future Fuels for Shipping
Workshop



**BUSINESS
FINLAND**



R&D FUNDING

FUNDING SERVICES FOR LARGE COMPANIES, RESEARCH ORGANIZATIONS AND ECOSYSTEMS

CO-RESEARCH

Research and build new expertise together with other research organizations

CO-CREATION

Work together with research organization(s) and companies on a new research idea that could evolve into a joint Co-Innovation or an international joint project

CO-INNOVATION

Carry out research organization and company R&D projects in close co-operation to create synergies

RESEARCH TO BUSINESS

Develop public research into business idea and commercialize research results

**BUSINESS
FINLAND**



BUSINESS SUBSIDIES

We provide specific funding for business development needs

Business subsidies

Funding for specific needs
in various areas

- Energy Aid
- Innovation Aid for Shipbuilding
- Innovative Public Procurement
- Production Incentive for Audiovisual Industry

- New subsidies
 - Grants for large clean transition investments
 - Tax credits for large investments (TBC)



Finnvera plc

- A financial institution owned by the State through the Ministry of Economic Affairs and Employment.
- The Republic of Finland (Standard & Poor's AA+, Fitch AA+, Moody's Aa1) is liable for Finnvera's export guarantees, other special guarantees and debt issued to fund export credits.
- The official export credit agency of Finland,
- National promotional bank of Finland, supplements the commercial market.

Domestic and Export Credit operations in numbers

- In total approximately 23,100 corporate clients. Export and import financing approximately 90 corporate clients.
- Outstanding loans, guarantees and binding offers EUR 26.2 bn. Export and import financing commitments EUR 23.2 bn.
- Personnel 369. Export and import financing 85.

Buyer credit guarantee

- Guarantee issued to a commercial bank arranging the export credit.
- Maximum committed amount of export guarantees EUR 38 billion.
- “Comprehensive cover”, however, not including “document risks”.
- The Republic of Finland is liable for Finnvera’s export guarantee obligations.
- Three major exporters exempted from requirement for a transaction specific minimum Finnish content.

Buyer credit funding

An option available to supplement a buyer credit guarantee.

- Maximum committed amount of funding EUR 33 billion.
- Finnvera acquires funding for export credits by issuing debt guaranteed by the Republic of Finland.
- Funded export credit transactions implemented through a subsidiary Finnish Export Credit (“FEC”) and arranged by commercial banks.
- Funding available in EUR or USD.

Limited recourse project financing

General policy guidelines

- Credit guaranteed by Finnvera should be in a *pro rata, pari passu* position with the project's other senior debt facilities. Project's other senior lenders should be acceptable to Finnvera.
- Project company's equity amount typically no less than 30 % of the project investment cost. Sponsors' support to project completion to be agreed.
- Finnvera covered credit amount typically no more than the lesser of (i) 50 % of the Borrower's aggregate senior debt obligations, (ii) an internal limit set forth for the credit rating Finnvera assigns to the Borrower and (iii) (x) maximum amount permitted pursuant to the OECD Agreement (applicable for export financing) or (y) 20 %-25 % of the aggregate offtake contract value during the contract term as estimated by Finnvera (applicable for import financing).
- Finnvera covered credit "all-in price" coordinated with the other senior debt facilities. Terms and conditions offered consistent with the OECD Arrangement.
- Finnvera's right to obtain reinsurance accepted by sponsors.

Direct export credit

- In Finnvera's experience commercial banks are less interested to arrange relatively small export credit transactions employing a Finnvera buyer credit guarantee and Finnish Export Credit ("FEC") funding.
- Finnvera has developed as an alternative a direct export credit, which may be offered without participation of a commercial bank.
- In a direct export credit structure FEC acts as the lender whereas Finnvera plc acts as an agent to FEC.

Domestic Project Bond

- Sometimes project financing is easier to get through the bond market
- Finnvera can assist with a bond emission by issuing subscription rights to ensure the full amount is subscribed or that the follow-on tranches are subscribed

Domestic loans

- Domestic, non-export related projects can be financed or guaranteed for amounts up to €30 million.

Ship Financing in Finnvera

March 2025



Ship Guarantee

- The Ship Guarantee is intended as security for credits granted to Finnish companies engaged in shipping or shipbuilding
- Ship Guarantee can be granted on behalf of the yard (advance payments, construction period loans, guarantee cover according to the EU rule, max 80 %)
- Companies engaged in shipping can apply for a Ship Guarantee for purchasing a vessel or a hull that is least 15 meters long and at most 10 years old and that will be used for merchant shipping
- The guarantee may also be used to finance the conversion, repair and refurbishment

Ship Guarantee

- In the event the vessel / conversion is done by foreign supplier, the prerequisite for granting a ship guarantee is that the project includes considerable Finnish interest (e.g Finnish flag, Finnish shipping company, the vessel operates in freight traffic abroad and gives employment to Finnish crew) and sufficient evidence that ECA-financing of the seller's country is not available or applicable to the financing banks.
- The Ship Guarantee is granted as for own debt on behalf of the shipping company or shipyard. It can be granted to cover both domestic and foreign credits.
- OECD terms for ship financing as well as EU-regulations are applied in domestic transactions (shipping company: Finnvera's maximum risk portion 64 % / contract price)
- Poseidon Principles -reporting to be applied (Annual monitoring of the CO2-emissions of the financed vessels)