

FINNISH
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| Research and Innovation Council

Tutkimuspalvelupäivät: Kumppanuudet ja yritysyhteistyö

EU PSF review: Finnish R&D collaboration between research organisations and the private sector

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HORIZON EUROPE POLICY SUPPORT FACILITY

2021 – 2027

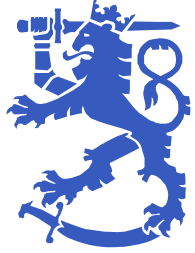
PSF COUNTRY REVIEW FINLAND



Support to Finland on improving R&D
collaboration between research organisations
and the private sector

Research and
Innovation



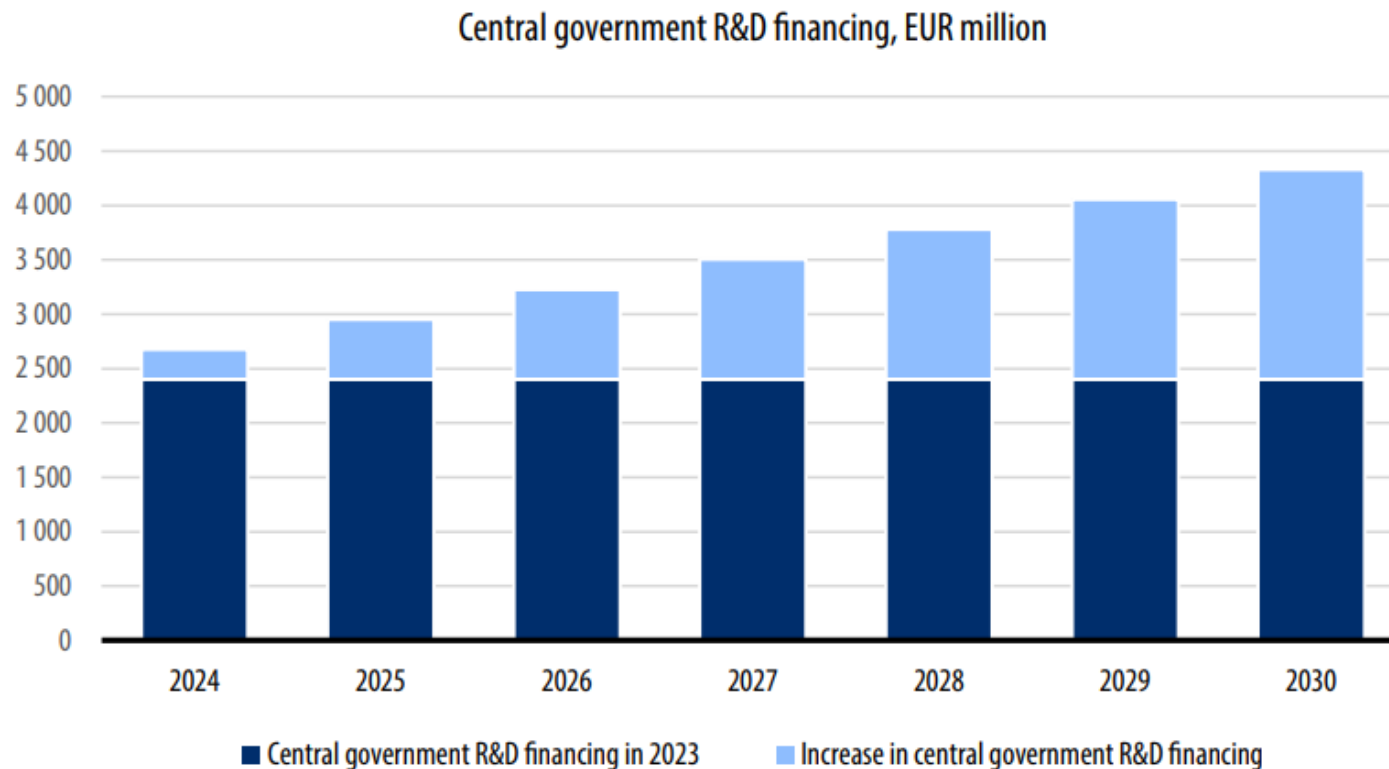


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**Presentation of the Finnish request for the
country review:**

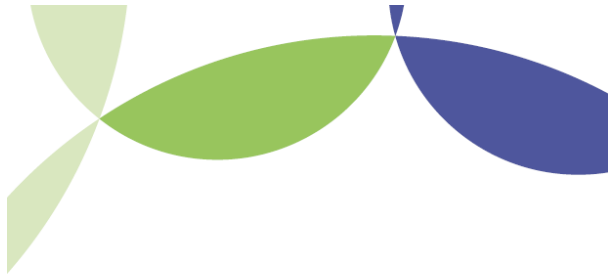
**Policy context and motivation for the
assignment, focus areas and desired goal**

Increase of state R&D investments according to the R&D funding law



- R&D funding law increases state R&D funding in a very significant manner, appr. **280 m € annually until 2030** (total +1,9 billion €).
- 4% R&D intensity target will be achieved **if private sector investments** are increased during the same time following the current distribution of investments (1/3 public, 2/3 private).

Multiannual plan for use of government research and development funding, PM Orpo's government in 2024



Valtion tutkimus- ja kehittämisrahoituksen käytön monivuotinen suunnitelma

VALTIONEUVOSTON JULKAISUJA
2024:31



PSF REPORT AND RECOMMENDATIONS

Overall conclusions

- Stakeholders content with structure of Finnish innovation system but 'sand in the wheels' means that its full potential to strengthen the economy is not being realised
- Historic opportunity to gain greater value from rising investment in R&D by increasing quantity, quality and strategic targeting of collaboration between public research and industry
- Recommendations are for light-touch course corrections and addressing gaps



MAIN COLLABORATION BARRIERS 1

University culture and funding model	<ul style="list-style-type: none">• Lack of incentives for industry collaboration at institutional and individual level• Cultural misalignment between public and private sector
Mobility challenge	<ul style="list-style-type: none">• Difficulty to move between or work across both of the two sectors• Lack of procedures in academia to accommodate and facilitate mobility• Lack of programmes and networking opportunities to facilitate mobility
Lack of professionalism of services at HEIs	<ul style="list-style-type: none">• Slow response, unclear decision-making structures, ambiguous policy on access to facilities• Lack of resources for Third Mission activities• Fragmented operations across TTOs and uneven effectiveness across sector
Lack of data	<ul style="list-style-type: none">• Weak national overview of university collaboration, shared infrastructure usage, public-private research agreements, IP licensing, technology transfer and commercialisation projects

MAIN COLLABORATION BARRIERS 2

Challenges related to R&D funders and funding schemes	<ul style="list-style-type: none">• Legacy of previous severe cuts in funding scheme promoting science-business collaboration• Changes in government policies and chaotic reorganisations in agencies (BF)• Difficulty to navigate the support system, with entry barriers, especially for SMEs• Low overall funding for business R&D (including minimal use of tax incentives)• Weak consideration of services and culture and creative sectors in funding schemes• Uncertainty about role of Flagships in promoting science-business collaboration• Some untapped opportunity in Veturi for science-business collaboration and possible flaws in the BF Co-Innovation instrument• Entry barriers for UAS to access public funding system• Unclear state aid restrictions slowing down knowledge valorisation and complicating private use of public research and technology infrastructures
Business environment constraints	<ul style="list-style-type: none">• High degree of economic uncertainty stalling private investment in R&D and innovation• Conservative attitudes, risk aversion, slowing down business innovation and scaling up• Insufficient availability of R&D talent
Limited space for mutual communication	<ul style="list-style-type: none">• Weak mutual understanding of needs and offers – insufficient communication efforts on both sides

R&I POLICY RECOMMENDATIONS

1. Broaden the basis of companies involved in R&D and science-business collaboration

2. Provide incentives for universities to engage in science-business collaboration

**10 recommendations
under 4 headings
36 sub-recommendations
13 policy exemplars**

4. Engage sectoral ministries more strongly in RDI promotion, including science-business collaboration

3. Stabilise policies while fine-tuning the RDI support system, reinforcing the science-business component



MORE INFORMATION AND THE MATERIAL

Support to Finland on improving R&D collaboration between research organisations and the private sector

