



# Team Finland: Strategy 2014



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# Introduction

**Team Finland has progressed rapidly in its joint efforts. Its strategy will outline key priorities for the following year.**

The Team Finland (TF) network brings together the players that promote Finland's external economic relations, the internationalisation of enterprises, investments in Finland and the country's image – both at home and abroad. The objective is to build a clearly defined, customer-driven operating model that brings all of the parties involved under one umbrella, in order to pursue shared goals annually approved by the Government. Another key objective is to coordinate actions flexibly, based on both government and private sector involvement.

Since its inception, Team Finland has progressed rapidly in its joint activities. The Team Finland strategy 2014 sets the priorities for the coming year. This strategy has been prepared by the steering group for external economic relations, headed by the Prime Minister and adopted as a Government Resolution on 13 June 2013. Preparation involved extensive consultation with network participants, stakeholder groups and non-governmental organisations.

The strategy will be updated annually, but not continually reinvented. A long-term perspective and continuity are important to promoting the country image, and to achieving progress in various themes and geographic priorities. Similarly, the perspective should extend beyond individual government terms. However, annual updates are necessary, if we are to seize new opportunities and gradually improve the TF network's activities.

The purpose of the strategy is to ensure that the network as a whole is doing the right things, and is optimally prepared for performing its duties. This does not exclude other major opportunities that arise locally during the year. The TF network is expected to take the initiative and actively seek ways of promoting priorities and spearhead projects. It is also encouraged to innovatively explore new ideas and courses of action, and to share best practices.

# General objectives

**Finland will lead the way in adjusting activities to changes in the global environment.**

## Adapting to global value networks

Domestic economic or industrial policy measures alone will not enable our national economy to capture the added value generated in global production chains; instead, we need to complement these measures with actions taken abroad. Similarly, new methods must be applied when measuring the results of our actions. Because trade statistics offer an incomplete picture of Finland's economic interests in target countries, they can easily lead to poor prioritisation.

Finland is seeking to lead the way in adapting tools used to promote external economic relations, internationalisation, foreign investments and country brand work, to the changes in its operating environment. The priorities for 2014 represent a transition in this direction.

A new perspective is essential: in addition to export promotion, we need to make Finland attractive. Support must be aimed at immaterial production factors with permanent positive effects on Finnish society (such as competence, R&D, networking and reputation). The value chain perspective must be included in Finland's trade policy and our efforts to influence the EU internal market. Our system of compiling statistics on international business activities must be modernised.

## Identifying and exploiting new opportunities

Major structural changes in the global economy will continue over the next few years. This will affect the location of economic activity. It will also influence national policy and the demand for various resources, technologies and natural resources. We must be better equipped to identify and exploit new opportunities.

Key objectives in 2014 include improving global foresight, and achieving consistency in foresight data in order to render it more useful to companies.

Furthermore, the TF network should adopt flexible practices that allow co-operation between different types of players in the start-up and implementation of projects. The State is no mere service provider, but often a partner with the role of connecting various parties in the network and providing background support for the implementation of initiatives begun in the private sector.

**We will build on our ability to anticipate future developments, and identify ways of initiating projects quickly and efficiently.**

## How to use existing resources more productively and efficiently

**Publicly funded services will be narrowed down and overlaps will be eliminated.**

The difficulties experienced in Finland's public finances will continue, with no growth expected in financial allocations. Under these circumstances, it is important to pool resources, eliminate overlaps, and bring existing services quickly under a single umbrella. This will often require a more restrictive approach to defining which services should be state-funded.

In 2014, the focus will be on enhancing efficiency in internationalisation services. Publicly funded services will be used to bridge so-called market gaps (such as information services, SMEs, early support for internationalisation, political influence and country brand work). Meanwhile, the state's role in services provided efficiently based on private funding, will be wound down in phases.

# *Influencing the global operating environment*

**In EU Member States, the focus will be on spearhead projects designed to prevent protectionism and to strengthen internal markets.**

**In growth markets, key priority areas include intellectual property rights, public procurement and technical regulations. Major inputs in trade policy will involve sector-specific agreements and negotiations between the EU and the United States.**

A key element in influencing economic development within the EU is the prevention of protectionism, with a special emphasis on industrial policy, state subsidies and public procurement. More resources will be made available for forecasting regulatory changes, to enable problems to be addressed in a timely manner.

Internal market development efforts will focus on a limited number of flagship projects: digital internal markets (incl. digital content and copyrights), energy policy, revision of rules regarding state subsidies, and problems associated with tax evasion and tax havens.

Finland aims to be a European forerunner in the cleantech industry. Achieving this position will require consistent communication and an activity impact plan, as well as actions taken towards including the theme in the new Commission's Work Programme. Within the EU, it will also be important to advocate the creation of conditions for the sustainable use of natural resources, renewable forms of energy, and improvements in resource efficiency. Domestic policies and actions must be aligned with these objectives.

In economic relations outside the EU, the focus is on the major growth markets (such as Russia, China, the United States, India, Brazil, ASEAN). Thematic focus areas include IPR issues, public procurement issues and the harmonisation of technical provisions. In efforts designed to eliminate trade barriers, the emphasis is shifting towards forecasting and observing changes. In the prevention of protectionism, local production requirements are an important issue. With regard to trade in services, steps will be taken to align Finland's trade policy commitments with Finnish legislation.

In regional trade agreements, negotiations between the EU and the United States will be a key priority. It is hoped that an extensive agreement will be achieved, covering elements of economic and regulatory co-operation. In addition, the implementation of Russia's WTO obligations, along with the negotiations concerning the EU-Russia agreement, will remain major priorities.

In multilateral trade policy, the emphasis will shift from the Doha Round follow-up to sector-specific and multilateral agreements. The agreement on trade in services (especially business, technical, ICT, R&D, environmental and energy services) as well as that on duty relief for environmental products, are of particular importance.

# *Internationalisation services*

**In 2014, special attention will be paid to increasing efficiency in internationalisation advisory services and data production, as well as networking and having an influence in the target markets.**

When internationalisation services are provided to enterprises, it is important to clearly define the core tasks of the different organisations included in the network, and the publicly funded services. This allows us to eliminate overlaps and allocate state resources to services where there is a rational basis for public funding.

This process is gradual: The strategy for 2014 focuses on operational efficiency improvement and a clear division of roles and responsibilities, particularly with respect to internationalisation advisory services, production of information, and networking and influencing in target markets. Other major areas such as financing will be discussed in the strategy for 2015.

## **Regional and thematic priorities**

Internationalisation services are provided globally, but the service contents differ depending on the region. In the largest growth markets, the emphasis is on political influence and networking targeted at public authorities. In neighbouring markets, the focus is on internationalisation advisory services to SMEs, and building networks between companies and customers. In market information production, global service coverage is being sought based on the entire network.

Priority areas in internationalisation services include: 1) cleantech, incl. energy and resource efficiency, renewable energy, water and air quality; 2) ICT and software business, particularly the internationalisation of start-ups; 3) life sciences (healthcare technology and pharmaceutical research); 4) bioeconomy; 5) Arctic competence (incl. marine technology, infrastructure) and 6) creative industries and design. Furthermore, an action plan will be prepared by the end of 2013 to 7) promote education exports.

The purpose of identifying specific priority areas is not to deny internationalisation services to companies engaged in other activities, but rather to ensure optimal preparation, within the network, for the promotion of those segments that show the greatest potential. Under the leadership of the Ministry of Employment and the Economy, information packages will be compiled showcasing the competences and offerings of Finnish companies engaged in key priority areas. This material will be provided to support the network's local teams and to ensure that supply matches demand.

**Finpro's public services will be more strictly limited, with an emphasis on advisory services to SMEs during the early stages of internationalisation.**

## **Internationalisation advisory services**

Publicly funded advisory services are generally provided to SMEs in the early stages of their internationalisation. Internationalisation services provided by Finpro are steered in this direction and state-subsidised, affordable services for this target group will be expanded (incl. internationalisation plans, market research, customer and distribution channel acquisition).

A new Team Finland service package, to expand the existing Kasvuväylä (Growth Path) project, will be developed in support of companies seeking growth from internationalisation. This is being prepared under Tekes leadership and in co-operation with Finpro, Finnvera and Finnish Industry Investment. The objective is to provide a more effective toolkit for high-potential companies in the early stages of internationalisation. A pilot project of the new TF service will be implemented in autumn 2013, with a full service launch scheduled for 2014.

A regional network built around ELY Centres (a regional centre for economic development, transport and the environment) will play a key role in identifying and providing early-stage services to companies with major international potential. Under the leadership of the Ministry of Employment and the Economy, the regional operating model and the roles of the parties involved will be clearly specified. Some of the ELY Centres may need to reallocate their resources, to allow the reasonable and sustainable performance of the TF network's duties.

The TF network must provide support to companies in corporate sustainability issues, and offer information on corporate social responsibility in connection with advisory services. A compact transfer pricing guidebook based on the OECD guidelines will be produced for company use.

## **Production and dissemination of information**

All coordination of international foresight will be centrally managed by Tekes. Foresight will be developed into a service that draws on the entire expertise of the TF network and covers future analysis of innovations and business opportunities, as well as of political risks. Within the foresight services, extensive geographic coverage is being sought. Changes include merging the FinNode network managed by Tekes into the shared foresight service under the TF brand.

Foresight will focus on mid-term changes relevant to companies, and such information will be processed into the most useful format for business purposes. Due consideration will be given to the Government's general plans for the development of foresight services across the public administration sector, and work will be carefully coordinated to avoid overlaps.

Finnish missions abroad contribute to policy monitoring, and thereby to the identification of business opportunities and risks (incl. major investment projects and regulatory changes affecting Finnish businesses).

**Country information and anticipatory information services, provided by various organisations, will be unified.**

Information production activities are being steered in this direction, and reporting methods are being modernised to allow the dissemination of information outside the administration, and for the TF network's shared foresight purposes.

In addition to foresight information, country information (basic information on target markets and sectors of relevance to Finnish companies) produced by various organisations will be collected and assembled. By the end of 2014, country information will be available to customers in a single Team Finland network product. The different ministries involved will agree on their roles and responsibilities.

## **Influencing and networking in the target markets**

The range of services provided by the network of Finnish missions to businesses will be narrowed down, with a focus on three main product areas: 1) networking and influencing, the target group being the authorities, political leaders and other key people; 2) production and dissemination of information; 3) access to the facilities of the mission (for example, network building events held at mission premises)

The Ministry for Foreign Affairs will revise the service content and standardise key services during 2014. A clear and transparent pricing system will be introduced for fee-bearing services, such as services required in connection with events held at mission premises. Services will be narrowed down to enable missions to cater for demand. This may result in certain services only being available in countries of major economic significance.

Finpro's publicly funded services will focus on supporting company networking in the target markets (incl. networking between Finnish companies, and the development of mentoring and leader company activities). On a local basis, Finpro's duties also include gathering information on Finnish businesses in the target country, and disseminating this information locally within the TF network (incl. the information of Finnish companies based in the country, and general business development).

Coordination of travel by ministerial delegations will be extended in 2014, to cover the whole of Government in order to enable efficient coordination of export and investment promotion trips by various ministers. The Office of the President of the Republic will be linked to this process.

Interaction between development co-operation and business activities will increase, and tools will be developed in support of such interaction. Co-operation in areas such as clean water and cleantech solutions, healthcare services and education offer major opportunities.

**Services provided by representative offices will be specified in more detail, with an emphasis on networking with and influencing public authorities. A clear pricing model will be established for fee-bearing services.**

# Promoting investment in Finland

**In foreign investments, a major change involves leveraging the extensive Team Finland international network, in order to promote investment.**

Steps will be taken to promote foreign investment in Finland on a broad scale. One of these steps will involve tapping into the Team Finland network abroad, for investment promotion purposes. The network provides extensive geographic coverage for operations, and facilitates inputs to investment-promoting TF organisations in Finland (incl. Invest in Finland, Tekes, Finnvera and Finnish Industry Investment Ltd).

Invest in Finland will devise a model that makes the provision of inputs within the network simple and efficient. It will be important to provide Finland quickly with information on significant investment opportunities, and to follow up on these opportunities effectively within the TF network (including the 'acceleration lane function').

The objective of investment promotion activities will be to create jobs and competencies within Finland. In 2014, active sales efforts will focus on environmental business, the mobile industry and software, and R&D activities in collaboration with Finnish players, particularly those engaged in ICT and pharmaceutical research. Actions to promote data centre investments in Finland will also continue. Important areas from a regional perspective will include the United States, the Nordic countries, China and Russia. However, maximum geographic coverage will be sought in the assessment of investment opportunities.

To support marketing efforts, Invest in Finland will share the sales materials it has produced, as well as its contacts with the entire network. Communication with foreign investor companies will be enhanced, and more effective use will be made of their experiences.

International travel by delegations will be planned, with a stronger focus on investment promotion. Steps will be taken to enhance networking with capital investors abroad, by arranging meetings and inviting investors to Finland. Events targeting capital investors will be organised in selected markets, to showcase Finnish business.

To improve investment promotion and capital market expertise within the network, sections on these themes will be included in the TF network's training programme.

# Country branding

Country branding will focus on three key themes: cleanliness, design and competence.

Country branding work in 2014 will focus on efficiently coordinating communications, and on arranging a host of events to increase Finland's visibility. Action will be the key word: arranging concrete events and projects globally in close co-operation with the Government, regional Finnish players and the private sector.

In terms of content, the key strategic concept will be to emphasise topics that attract widespread public attention and raise interest in Finland. This will make communication effective, with the benefits felt far and wide within society, beyond individual sectors or interest groups. Culture plays a major role in country branding.

Finland will use three key themes to differentiate itself: cleanliness (incl. cleantech competence, quality of living, the Arctic, nature), design (incl. everyday design, industrial design, services) and education and competence (incl. start-up companies). A unique set of events will be organised for all three themes. It must also be understood that Finland's country image and brand will be communicated through every TF network activity. No clear distinction will be possible between events that promote country branding, and those that promote culture.

Various country branding tools will be packed into a toolkit: A shared online communications platform will be created during 2014, which will offer access to all major Finland pages at a single address. High-quality communications materials (incl. presentation materials) will be made available to the Team Finland network, companies and citizens.

In selected countries, the so-called Finland Ambassador system will be introduced. The idea will be to assemble a team of local opinion leaders with connections in Finland, and to invite this team to learn more about Finnish expertise. Depending on the experiences gained, a decision may be taken to apply the system elsewhere in the network.

## Key events

The network will host hundreds of events each year, with new ones continuously being developed. Among themes vital to country branding, internationalisation and investments, some events are particularly significant. A number of these events can be repeated in different countries, with a different focus.

- A "Clean Day" event concept will be developed, focusing on the sustainable use of natural resources and clean technologies. Events will

be hosted in Brussels, China, India and Brazil. In addition, preparations will be made for an event revolving around Arctic competence.

- A concept will be created for an event that showcases Finnish and practical design to consumers and businesses, drawing on the experiences gained at the Shanghai Radical Design Week 2012. Events to be hosted in China and Japan, and preparations to be made for future events in countries such as Russia and Brazil.
- Building on the “Slush” conference for start-ups, a more extensively marketed event will be created with the support of the Team Finland network, with the objective of profiling Finland as Northern Europe’s most interesting location for start-ups.
- Launching a series of Team Finland Innovation Forum events. These will be held in our major research, development and innovation partner countries outside the EU, such as the United States, Russia, China, India and Brazil.
- Launching a series of events introducing the Finnish educational system from different perspectives, in co-operation with interested embassies, and creating a stronger Finnish presence in training and education trade events in different countries.
- The Frankfurt Book Fair, with Finland participating as the Guest of Honour, will be a major individual event in 2014.

# *Developing network activities*

## **Activities in Finland**

Many teams working abroad are highly active and have organised a number of events this spring, in different locations around the world. In the remaining months of 2013, special attention will be paid to ways of developing regional activities in Finland. Under the leadership of the Ministry of Employment and the Economy, Finland's regional operating model and the roles of the parties involved will be clearly specified. It will be important to differentiate clearly between the Team Finland brand and services, and other existing business development services.

**The roles and responsibilities of Finland's regional network will be clarified.**

The objective is to include all state-funded internationalisation services in the Team Finland concept, thereby eliminating unnecessary overlaps. As a result, for example, the Enterprise Finland services provided to companies seeking internationalisation will be renamed Team Finland services.

In activities within Finland, it is important that regional teams are organised effectively. The ELY centres (a regional centre for economic development, transport and the environment) will coordinate team activities, with the support of various government stakeholders (Finnvera, Tekes) and regional organisations (cities, regions and provinces, local development companies and Chambers of Commerce). Stakeholders, including federations of salaried employees, will be consulted during the development process.

Ministries must ensure that all internationalisation activities are included in the Team Finland concept, and that sector-specific strategies prepared in different ministries do not create any new, overlapping structures.

## **Customer service**

Customer focus is one of the key objectives of the TF network. Customers must be offered a full service package, rather than having to discover each service separately.

**Customer information management systems will be integrated by the end of 2015.**

The process of harmonising the customer information management system should be accelerated, with the shared system of the MEE Group and the Ministry for Foreign Affairs being adopted by the end of 2015. If any legislative changes are required for this project, the related preparations should be initiated immediately.

Companies will be offered a channel, via the TF online service, for providing feedback, submitting proposals, and informing the authorities of any trade barriers discovered in international operations. Various

authorities' existing databases on trade barriers will be integrated into the shared customer information management system currently under preparation.

The current Survey on Internationalisation and Trade Barriers will be modified, to create a tool that allows to evaluate the activities of the entire TF network. TF member organisations will agree on roles and responsibilities and on ways of partially merging existing customer surveys into this single, more extensive survey. The objective is to conduct the survey every three years.

## **Internal networking and co-operation**

The TF network should lower barriers, not only between organisations, but also between domestic and international activities. Ideally, the network should consist of domestic and international teams working together. Teams are encouraged to maintain active and direct communication, with the assistance of modern communication technology. Depending on local needs, teams could, for instance, arrange video conferences to discuss different countries, regions or industries.

The annual Team Finland Day, to be held in Helsinki, Finland, will bring together TF organisations, the chairs of international teams, regional coordinators from Finland, and key stakeholder groups under a single roof. The first Team Finland Day will be held on 27 August 2013.

The network organisations may also organise regional or country-specific FT Days in Finland or abroad.

## **Competence development**

Ministries will provide sufficient resources for a shared training programme. Training should begin in spring 2014. The objective is to create a reputable and highly valued education programme, in which the employees of TF organisations and, where necessary, participants from outside the network, can participate over a period of several years. In addition to services provided through the TF network, the training programme should cover topics related to the global economy and the internationalisation of companies, such as corporate social responsibility.

## **Communications**

Actions to develop communications within the network will continue. Special attention should be paid to the implementation and deployment of communications guidelines prepared for the TF network.

The next version of the website will be launched in spring 2014. The Team Finland and Enterprise Finland websites will be coordinated to ensure there are no overlaps, and that all internationalisation services can be

**Steps will be taken to lower barriers between Finnish and international networks.**

**A continuing education programme targeting the entire network will be launched in spring 2014.**

provided under the TF concept. In conjunction with these changes, the ministries will agree on fair and equitable cost sharing regarding the maintenance of websites.

### **Statistics on international business**

The scope of statistics on international business operations will be expanded in 2014, in co-operation with Statistics Finland, the Bank of Finland and Finnish Customs. Information of special value includes the added value generated by foreign subsidiaries of Finnish companies, the volume and value of intra-group transactions with Finnish units, and the value of repatriated profits.

# *Strategy implementation*

The strategy will provide a guideline for the activities of Team Finland's member organisations<sup>[1]</sup>, their personnel input and resource allocation in 2014. The TF network's activities cover external economic relations, internationalisation of companies, investments in Finland, and country branding, both in Finland and abroad.

The Government requires that, in their operations, all organisations in the Team Finland network take account of the policies outlined in this Resolution. The ministries agree to implement the decisions set forth by the strategy and to include them in the steering of their respective branches (performance management, ownership steering, information guidance, and work conducted within the Government and the Board of Directors).

Priority areas specified in the strategy must have a clear impact on the organisations' activities, resource allocation and provision of publicly funded services. This prioritisation will be conducted within the framework of the existing budgetary limitations and by transferring resources from other similar activities within administrative branches.

The full commitment of all parties involved in Finland and abroad will be vital to ensuring effective execution. Ministers and senior officials in the ministries will be instrumental to ensuring this commitment.

The Permanent Secretaries' coordination group will name the parties responsible for strategy execution, if these are not indicated in this strategy, and will follow up on the implementation of individual projects. In December 2013, the coordination group will report to the steering group for external economic relations on the progress made in strategy execution, and on methods of including priorities in the steering of various administrative branches.

[1] Government, Ministry for Foreign Affairs, Ministry of Employment and the Economy, Ministry of Education and Culture, Finpro, Invest in Finland, Finnvera, Tekes, Finnish Industry Investment Ltd, Finnfund, Finnpartnership, Finnish Tourist Board, the Finnish-Russian Chamber of Commerce, the Finnish-Swedish Chamber of Commerce, and ELY centres. Updated list available on the website of [team.finland.fi](http://team.finland.fi).





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ISBN Print 978-952-287-049-0  
ISBN PDF 978-952-287-050-6