

- Is your enterprise going international?
- Finnvera's Internationalisation Loan and Guarantee have been designed to promote internationalisation projects by Finnish SMEs.

Finnvera funding for internationalisation – loans and guarantees for SMEs going international

The loans and guarantees may be granted to Finnish companies to finance business operations abroad. Such financing can be used for investment, development or expansion in subsidiaries, affiliated companies or branches of Finnish SMEs which will be set up abroad or already operate there.

It can also be used to acquire or increase a holding or to increase share capital in a subsidiary or in an affiliated company. After the investment, the borrower must hold at least one fifth of the voting rights in the company.

The operations of the foreign subsidiary or affiliated company for which an internationalisation loan or guarantee is requested must primarily comprise production, assembly, maintenance or services. Such funding cannot be used actually to finance exports.

Financing decision preceded by business analysis

Before a loan or guarantee decision is made, Finnvera carries out a business analysis to find out how the project in question

will affect the company in Finland and its job creation potential, and to chart the company's capabilities and other potential for profitable business operations and internationalisation. The risks related to the target country and cooperation partners, and steps taken to prepare for them, are also investigated.

Terms and conditions of internationalisation loans and guarantees

Funding is granted to SMEs operating in Finland, and the project in question must promote the enterprise's operations.

SMEs are enterprises with

- fewer than 250 employees
- its annual turnover does not exceed 50 million euro or its annual balance-sheet total is less than 43 million euro.

Furthermore, the holdings in the enterprise and its holdings in other enterprises may contribute to the fact that the enterprise is not an SME.

The subsidiary or affiliated company granted this financing may be located in a country whose country category, in accordance with Finnvera's country classification, is not lower than 4 ("decreased credit quality").

Finnvera's share of the total funding in an internationalisation project is negotiated separately in each case.

Loan or guarantee period: in general, at most 10 years. The first two years may be amortization-free.

Security: will be negotiated separately in each case.

Interest rate: 6-month Euribor rate + a margin that depends on the profitability of the client company, the operating risk associated with the business, the credit period, the target country and any security that may be lodged.

Guarantee commission: The guarantee-holder is required to pay an annual guarantee commission that depends on the profitability of the client company, the operating risk associated with the business, the guarantee period, the target country and any counter-security that may be lodged.

A handling fee is charged on each loan or guarantee.

An application for financing is processed more quickly if you have a business plan in writing.

Application procedure

You can apply for a loan or a guarantee by filling in an online application form on Finnvera's website (www.finnvera.fi>Online Services) or by using a printable application form (>Loans, >Guarantees), which is sent to our nearest Regional Office.

You can apply for Finnvera's financing, loans and guarantees online at www.finnvera.fi - Online Services.

Telephone Service 020 690 784 - advice on financing and on how to fill in applications.

Finnvera plc, telephone (switchboard) 020 460 11, www.finnvera.fi

Regional Offices: Helsinki, Joensuu, Jyväskylä, Kajaani, Kuopio, Lahti, Lappeenranta, Mikkelä, Oulu, Pori, Rovaniemi, Seinäjoki, Tampere, Turku, Vaasa

www.enterprisefinland.fi