

Environmental Loans

– to finance voluntary environmental investments

Environmental Loans are meant for voluntary environmental investments. Finnvera finances environmental projects with positive impacts on raw materials or other tangible inputs, on the manufacturing process and energy consumption, and on emission reduction, product properties, the discarding of products or improvements in the work environment (e.g. noise, dust or particle emissions). The project should rely on the best available technology and the investment should have substantial positive environmental impacts.

An Environmental Loan can be applied by a small and medium-sized enterprise (SME), which means that

- the enterprise has 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.

Typical uses for Environmental Loans:

- reducing the environmental load of metal and engineering industry preparatory and finishing processes, such as sand blasting, pickling, phosphating and galvanizing
- change-over to a closed system
- investments in energy savings, such as heat recovery, and in ways of exploiting the energy in side products
- change-over to the use of inputs such as watersoluble paints or recyclable packaging materials in manufacturing processes
- investments by recycling enterprises are covered by Environmental Loans.

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

- Are you an entrepreneur who needs finance for your business's environmental investments?
- A Finnvera Environmental Loan allows you to finance the costs of investments needed to achieve your environmental targets. Care for the environment is a competitive asset that you can use in marketing and in building your corporate image.

Terms and conditions of Environmental Loans

Loan amount: 75% of eligible costs. The maximum loan amount is EUR 1,000,000.

Interest rate: Reference rate and margin which is affected by the business's profitability, operative risk and security. An Environmental Loan is a special loan and the interest rate is lower than on a normal Finnvera investment loan.

Loan period: usually max. 5 years, two of which are amortization-free.

Security: negotiated case by case.

Handling fee: a handling fee is charged on the loan.

A business analysis before a loan decision

Before taking a decision on your loan, Finnvera carries out a business analysis, focusing on the environmental effects of the project and the preconditions for granting an Environmental Loan.

Finnvera acts as an agent for EU financing

Finnvera channels interest subsidies of the European Regional Development Fund (ERDF) to investment and working capital loans, loans for women entrepreneurs, microloans, entrepreneur loans and environmental loans. In addition, guarantee fee subsidies of the ERDF are channelled to guarantees of investment and working capital loans. ERDF financing covers the major regions of Eastern Finland and Northern Finland in their entirety. In Southern Finland and Western Finland, ERDF financing is allocated to the most challenging areas.

Application procedure

You can apply for a loan by filling in an online application form on Finnvera's website (www.finnvera.fi>Online Services) or by using a printable application form (>Products), 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 029 460 2582 – advice on financing and on how to fill in applications.

Finnvera plc

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