5th annual survey of Finnish cleantech industry

57 of top 100 Finnish cleantech companies interviewed by telephone
- 54% small companies (turnover under 10 MEUR)
- 19% mid-size companies (turnover 11 – 49 MEUR)
- 26% large companies (turnover 50 MEUR or more)

Market data gathered from 105 cleantech companies

Conducted by 15/30 Research
Cleantech continued to grow in 2013 despite challenging economy

Companies have positive plans for coming years: investments, new jobs

China’s attractiveness continues, but markets closer to home gained importance

Key growth hurdles: weak domestic cleantech market and financing difficulties

Companies call for strong, consistent policymaking – both in terms of environment and business support

Sustainable energy solutions expected to be "next big thing" in cleantech
1. INDUSTRY FIGURES
CLEANTECH IS AN EXPORT BUSINESS

Exports from Finland: 53%

Turnover from abroad: 40%

% of total cleantech turnover
GROWTH CONTINUED IN 2013 BY 5 %

The turnover figures do not include forestry or energy production.

*2011 survey (n=104)
**2012 survey (n=103)
***2013 survey (n=115)
**** 2014 survey (n=105)
CLEANTECH’S SHARE OF TURNOVER IS GROWING

- Small companies
- Mid-size companies
- Large companies
- All companies
GREAT GROWTH POTENTIAL

47 %
"Cleantech is our only business area in Finland"

26 %
"Cleantech is our only business area internationally"

25 %
"Cleantech has grown faster than our other business areas in Finland"

30 %
"Cleantech has grown faster than our other business areas internationally"
2. KEY MARKETS AND BUSINESS AREAS
Key cleantech markets for Finnish companies in 2013

- Sweden: 51%
- Germany: 26%
- Russia: 26%
- UK: 19%
- China: 17%

Bubbling under: France, USA, Norway, Poland, Estonia
CHINA STILL MOST INTERESTING MARKET

Most interesting cleantech markets for Finnish companies in 2020

- China: 47%
- Russia: 33%
- Germany: 24%
- USA: 22%
- Sweden: 20%

Bubbling under: Brazil, India, France
ENERGY EFFICIENCY
#1 BUSINESS AREA

- Energy efficiency: 53%
- Clean processes, materials, products: 39%
- Renewable energy: 33%
- Consulting: 32%
- Waste management: 23%
- Recycling: 23%
- Other: 23%
- Water treatment: 21%
- Green building: 21%
- Air protection: 14%
- Measuring and analysis: 14%
3. GROWTH AND FUTURE PROSPECTS
STRONG GROWTH PLANS

2/3 Are planning new investments in cleantech

88 % Intend to expand to new markets over next 5 years

90 % Plan to create new jobs in Finland over next 5 years
Growth obstacles

- Smallness of Finnish companies
- Lack of international expertise and capacity
- Weak domestic market
- Lack of public support for commercialization

Growth accelerators

- Finnish innovation thinking and high technology
- International community has woken up to environmental problems
- Continuously growing need for energy
- Governmental initiatives that guide towards sustainable development
FINANCING MOSTLY FROM DOMESTIC SOURCES

Public growth funding instruments used by Finnish cleantech companies

- Tekes: 78%
- ELY: 41%
- Finnvera: 37%
- Other: 22%
- EU framework: 13%
- VIGO: 6%
- Regional funds: 4%
- Teollisuussijoitus: 4%
58% have encountered problems with public financing.

- "Difficult to find financing for piloting equipment."
- "Money is available for product development, but public financing ends when it is time to sell and market."
- "Strong focus on R&D and technology, less opportunities for innovation development in services and finance."
- "Terms are rigid and keep changing all the time."
- "Support for startup companies should be centralized to one place that would offer larger financing in one go. Now it takes a lot of time to sort out different sources."
- "Money is given to those who already have it, but not to those who need it."
HOW WILL CLEANTECH DEVELOP BY 2020?

"More distributed energy production"

"Use of solid waste as an energy source"

"Hopefully Finland will become a model nation for cleantech"

"Normal people will wake up to cleantech thinking"

"Everything will be reused, nothing is waste anymore"
WHAT IS THE "NEXT BIG THING" IN CLEANTECH?

Sustainable energy solutions (39 %)

Recycling (14 %)

Water management (9 %)

Green ICT (7 %)

Regulatory development (5 %)
KEY CONCLUSIONS

Cleantech has strong growth potential for several years to come.

There are plenty of growth-hungry cleantech companies – they just need the right support.

Domestic cleantech market in Finland needs a boost – companies need more domestic showcases.

Public financing for commercialization needs to be improved.
WANT TO KNOW MORE?

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KIITOS.
TACK.
THANK YOU.