Q&A call info 22.1.2025

• Can you elaborate what technologies are eligible to 2.6?

Technologies related to electrifying production processes or by switching to renewable hydrogen or fuels produced from renewable hydrogen instead of fossil fuels. Note that production of renewable hydrogen is assessed under section 2.5.1 and only tax credit is available for this investment.

- Is GHG reduction evaluated based on the whole ETS unit or can it apply to smaller sub-unit (part of the existing plant)?

For GHG emissions reducing investments allowing the switch from fossil fuels to renewable hydrogen or renewable hydrogen-derived fuels, the Commission notes that the aided installation will not continue using fossil fuels and instead will be operated using 100% renewable hydrogen or renewable hydrogen-derived fuels. GHG emission reduction is evaluated based on that the whole unit will no longer use fossil fuels.

• Which items of Criteria on the list specifically applied to tax credit? Do no harm and RED3? DNSH applies only to renewable energy production and energy storage investments (section 2.5.1), to which only tax credit will be available.

• Does the hydrogen need to be produced with renewable electricity or is hydrogen produced by nuclear electricity eligible for the funding too? If the grant is awarded for an industrial decarbonization investment involving the use of renewable hydrogen, the hydrogen used shall be produced in accordance with the methods for renewable liquid and gaseous transport fuels of non-biological origin laid down in Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources and in its implementing acts or delegated acts.

•When calculating the reduction in carbon dioxide emissions, can reductions in the value chain be taken into account, or are only reductions in the applicant company taken into account?

The reduction in emissions have to take place in the existing facility's processes. Some industries are not eligible for this aid program, e.g packaging industry if the means to cut emissions are realized by changing the raw material of which the package is made. Government decree stipulates, that the GHG reduction of at least 40% is calculated from the direct emissions from the plant.

• How to calculate decarbonization impact of a new manufacturing unit in new technology? What should be considered as base / reference case? For example: Manufacturing of Active Anode Material, how should the decarbonization impact calculated?

GHG emissions reduction is only calculated in investments in section 2.6 Decarbonization of the existing industry. Manufacturing of active anode material is an investment subsidized through section 2.8 which does not have GHG emissions as criteria.

• What are the audit requirements of a project under each program?

The accountable project leader is responsible for project reporting. The costs are confirmed by the auditor's report. The beneficiary must submit an auditor's report covering the entire duration of the project and prepared by an independent auditor as part of the final report. Reasonable costs arising from the auditor's report prepared by the auditor can be accepted as direct project costs in grant projects but not in tax credit projects.

• If we produce renewable hydrogen or steel or components such as modules or electrolyzer in Finland, should the sale also be in Finland or EU or even outside EU will be allowed for grant/tax credit? There are no limitations related to which countries the products are sold.

• Is it possible to have criteria for tax credit specifically?

Tax credit is based in the government proposal on a new law on tax credit for large clean investments: (in Finnish) https://www.eduskunta.fi/FI/vaski/HallituksenEsitys/Sivut/HE_207+2024.aspx. Similar evaluation criteria for both tax credit and grant are presented in the call info presentation slides: https://www.businessfinland.fi/en/whats-new/calls/2025/investment-aid-for-large-clean-transition-investments.

Tax credit costs do not include the payroll costs of the funding recipient, a company belonging to the same group as the funding recipient, or any other related company.

• Is it possible to submit the application (for a grant and/or tax credit) only electronically or are there any other alternatives if the company does not have access to the portal?

We highly recommend using electronic submission. According to the Government Decree 2/2025, investment aid can be granted to a company operating in Finland. Business Finland recommends that the investor submits funding application via our online service. Access to online service is available to holders Finnish bank IDs, and also to those having ID in one of the several European countries mentioned at the bottom of the login page.

• In the case of replacing a steam reformer for an electrolyser to produce H2 (used in the process), do we fall under 2.6, 2.5.1? or both?

The investment in an electrolyser to produce renewable hydrogen is assessed under section 2.5.1. The investment necessary to switch production processes to renewable hydrogen use would be assessed under section 2.6.

•Is investment to Trolley line (electrification of haulage trucks) in mine to reduce fossil fuel consumption an acceptable investment?

No. Only e.g. battery manufacturing related to trucks.

• Does the term "production" in Call Info chapter" investments in sectors strategic to the transition to a climate-neutral economy" only refer to the production of equipment and technology or also the production of, for example, carbon dioxide raw material?

A list of eligible equipment and components is defined under the Government Decree https://www.finlex.fi/fi/laki/alkup/2025/20250002. Critical raw materials Annex IV: EUR-Lex - 02014R0651-20230701 - EN - EUR-Lex

• If you do an extension to mine to produce critical raw materials, is that an acceptable investment?

The recovery of critical raw materials would also mean the recovery of critical raw materials through recycling. Similar to the case of key components, it would not be a requirement that only critical raw materials are produced or recovered in the subsidized facility, but the investment credit could only be directed to the part of the investment costs related to the production or recovery of critical raw materials.