

# Export Session

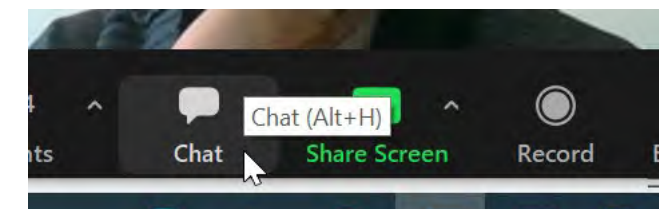
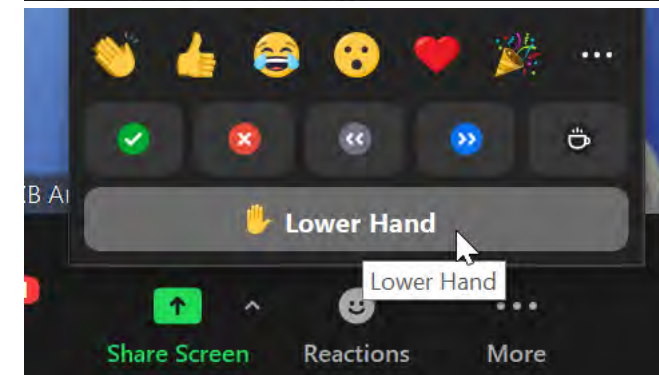
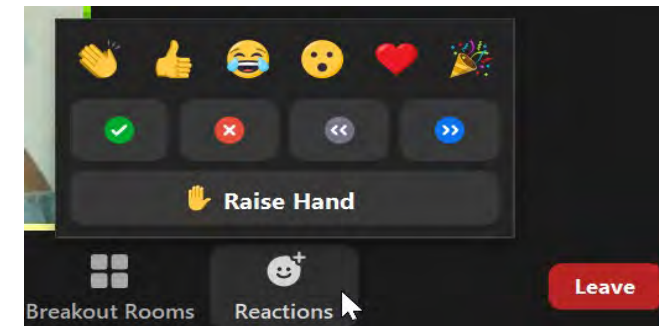
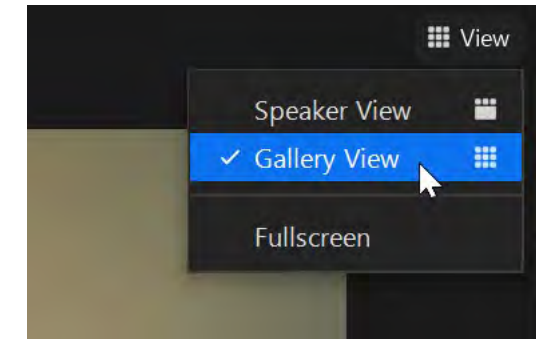
Central Baltic Annual Event 2021

# Agenda of the Session

- SME Aisle project results - Minna Keinänen-Toivola
- eMesai project results - Jana Silashkova and Torbjörn Jonsson
- Baltic Explorers project story (video)
- Juha Miikkulainen from Business Finland
- Discussion

# Technicalities in Zoom

- Keep your camera open
- Mute your microphone if not speaking
- Raise you hand if you have comments, questions etc.
- If you prefer you can also ask your question via chat
- *Menti.com*





# SME Aisle

**Exports of CB economic strengths  
SHIPBUILDING, MARITIME, RENEWABLE  
ENERGY, AUTOMATION and ICT  
to Namibia as a stable point of entry  
to the Southern African markets**

project leader

docent, Ph.D. Minna Keinänen-Toivola  
Satakunta University of Applied Sciences

23.9.2021



Our objective in SME Aisle project is to  
**support Central Baltic maritime clusters'**  
**SMEs with an ambition and potential to enter**  
**into new markets in Southern Africa using**  
**Namibia as stable entry point**

**BUDGET:**

1.73 M€

**DURATION:**

1.3.2018–31.8.2022

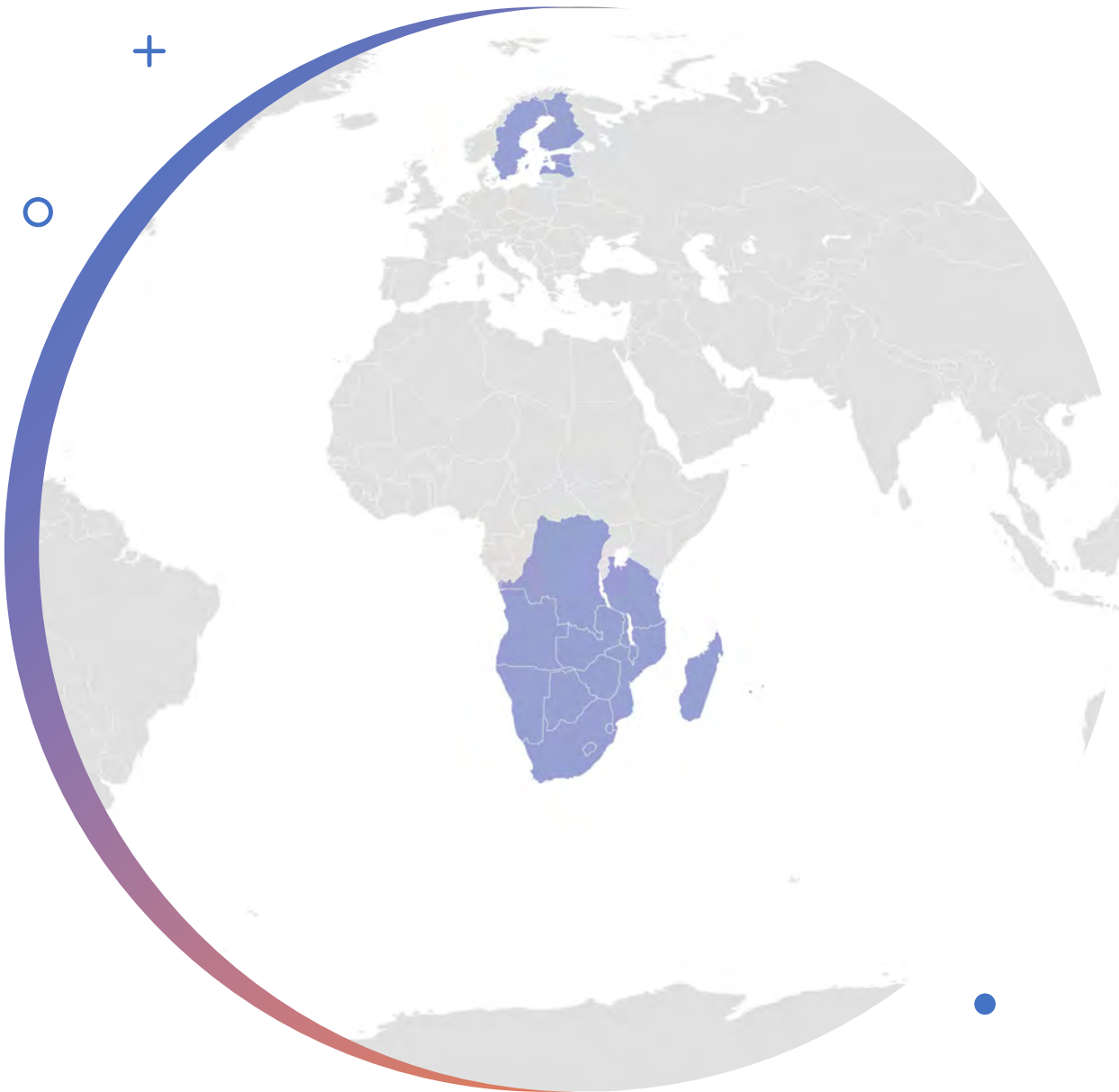
(42 months + 12 months extension)

**Project leader:**

**Docent Minna Keinänen-Toivola, Ph.D.**

Satakunta University of Applied Sciences  
(SAMK), Finland

[minna.keinanen-toivola@samk.fi](mailto:minna.keinanen-toivola@samk.fi)



## SME Aisle project

- Companies from **Central Baltic area**: Finland, Estonia, Latvia & Sweden
- Target market: **Southern African markets**: Namibia, South Africa, Zambia
- **Theme marime cluster**: shipbuilding, maritime and logistics, renewable energy, automation and ICT





MARITIME &  
LOGISTICS

SHIPBUILDING

AUTOMATION

RENEW  
ENER

ICT

# SME Aisle project

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- **Approach:** SME Aisle is an adaptable and scalable product and services concept for coastal areas of Southern African Development Community (SADC)
- **Challenge addressed:**
  - CB region companies have strong competences for maritime cluster.
  - Many CB companies are too small alone and expertise is very limited/scattered for export activities on fast growing Southern African market (62% of global population in Africa by 2050).

# Objectives & activities:

- **Detailed market analysis and feasibility study**
- **Development and adaptation** of concept products and services
- **Capacity building** of 20 selected companies from Central Baltic area to Southern African markets
- **Events** in Central Baltic area and in Southern Africa (Namibia, South Africa and Zambia)
- **Business delegations** to Namibia, South Africa and Zambia
- **Potential customers visits** to Central Baltic area
- Target of **15 sales** & support of 38 companies



# Partners of SME Aisle supporting companies making business in SADC: examples of the tasks

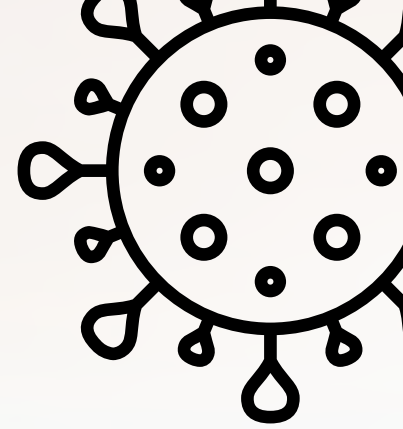
- [Satakunta University of Applied Sciences](#) (Lead), FINLAND
  - Overall coordination & communication
  - Swedish SMEs (and part of Finnis)
  - Local events
- [Prizztech Ltd.](#) FINLAND
  - Finnish SMEs
  - Local events (e.g. Match Industry)
- [Tallinn University of Technology \(Estonian Maritime Academy\)](#) ESTONIA
  - Estonian SMEs
  - Participation in activities (company coaching, feasibility studies)
  - Local events (e.g. Meremess)
- [Latvian Chamber of Commerce and Industry](#), LATVIA
  - Latvian SMEs
  - External expertise (in T2)
- [Association of Mechanical Engineering and Metalworking Industries of Latvia](#), LATVIA
  - Latvian SME's
  - Local events (e.g. RigaTech)
- All partners: T1 feasibility, delegation trips, company coaching, T2: ePlatform development, sale negotiations...
- Associated partners:
  - Satakunta Chamber of Commerce, Finland
  - Swedish Wind Power Association, Sweden

# Challenges



- Challenges before the COVID-19 pandemic were related to delayed visa procedures during some delegation trips (mostly smooth processes), delays in flights (affected schedules) and changes in staff (challenges in the transfer of specific expertise) → more spare time in schedule, effective communication with partners online.
- Funding became a challenge in some business cases → this was addressed in the feasibility studies to provide information on the funding opportunities
- In Zambia, separate programme had to be partly planned to different companies as the Embassy of Finland could only host Finnish, and in some occasions Swedish, companies.
- Most of the challenges related to COVID-19 and to restriction of travelling, effects to national economies (both in SADC and in CB)





# COVID-19

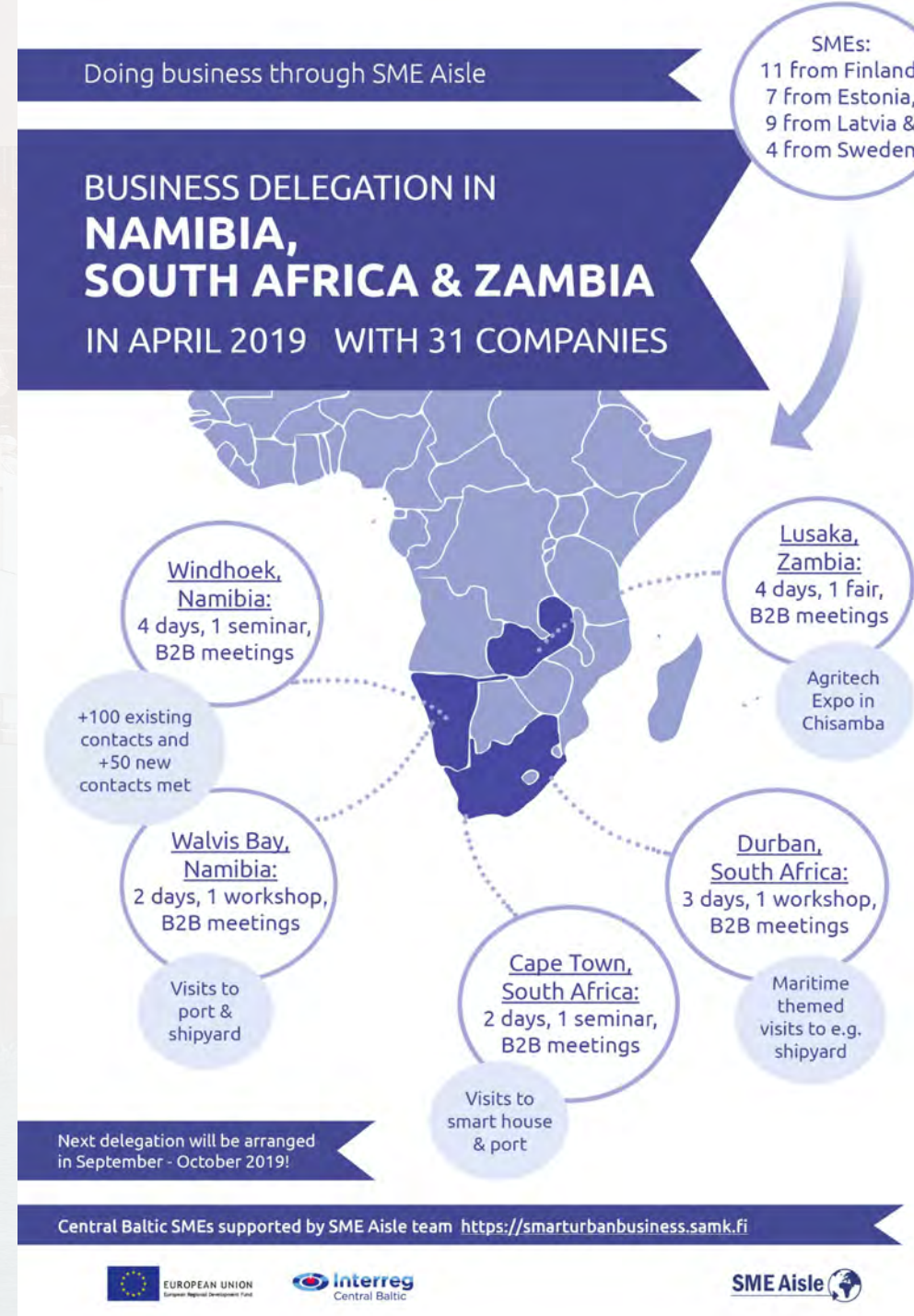
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- The pandemic had a huge impact on the project activities (cancelled and postponed events). At least 2 potential sales were cancelled, the economic situation in some target market countries worsened.
- Online meetings among partners; sometimes apathy towards the situation was seen, but new hope was found as national situations in the CB countries improved.
- Online events were continued as actively as possible. Even some sales were achieved. The partners participated actively on the desktop work (ePlatform development) and contacted companies online.



# Results

- **Cross-border business delegations to Namibia/South Africa/Zambia (2018–2019)**
  - Finnish, Swedish, Latvian and Estonian companies participated, also connections between these companies were created.
- **Potential visits to SADC area**
  - Altogether 43 companies have joined the project activities so far!
- **Potential customers visits to Central Baltic area**
  - 4 companies/stakeholders from Namibia visited in February 2019
  - 5 companies/stakeholders from Namibia visited in November 2019
  - Feasibility studies and matchmaking
- **So far 6 sales and 2 joint ventures achieved in the project so far from Namibia and Zambia!**





# Results

- **Communication:** several newspaper articles (in SADC and in CB); media visibility (local TV), blogposts, articles (one peer-reviewed article), social media activities on Facebook, Instagram and Twitter.
- **Target groups** (from SMEs to general public) reached through communication activities, delegation trips to SADC/CB, several events (workshops in CB area = 13, stands in CB = 25) in the CB area and online, B2B discussions and online material. CRM system in active use.
- SME Aisle **ePlatform** is developed to show more results and serve the CB SMEs:  
<https://news.sub.samk.fi/en/smeaisle/>





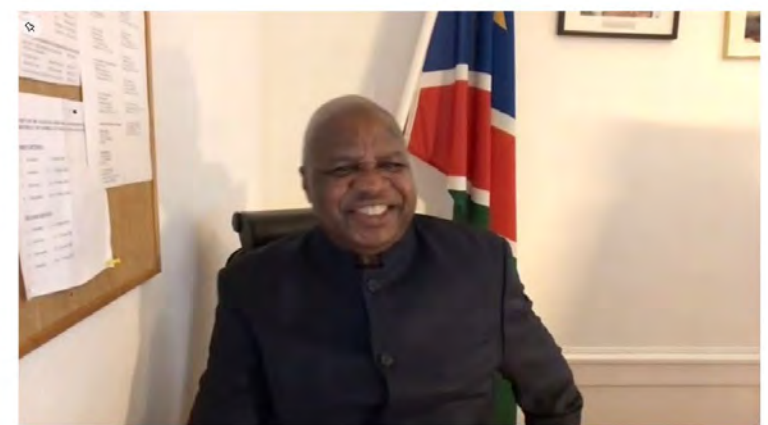
# Business delegation from Namibia

November 2019



SME Aisle project has brought us: Collaboration

▶ ⏪ 🔊 0:02 / 1:04





# Thank you!

## Questions?

Minna Keinänen-Toivola

[minna.keinanen-toivola@samk.fi](mailto:minna.keinanen-toivola@samk.fi)

+358 44 710 3063

[sub.samk.fi/smeaisle](http://sub.samk.fi/smeaisle)



Facebook ([@SMEAisle](https://www.facebook.com/SMEAisle))

Twitter ([@SMEAisle](https://twitter.com/SMEAisle))



Instagram ([smeaisle](https://www.instagram.com/smeaisle))

YouTube ([SMEAisle](https://www.youtube.com/SMEAisle))



EUROPEAN UNION  
European Regional Development Fund



Everything is possible when we work together!

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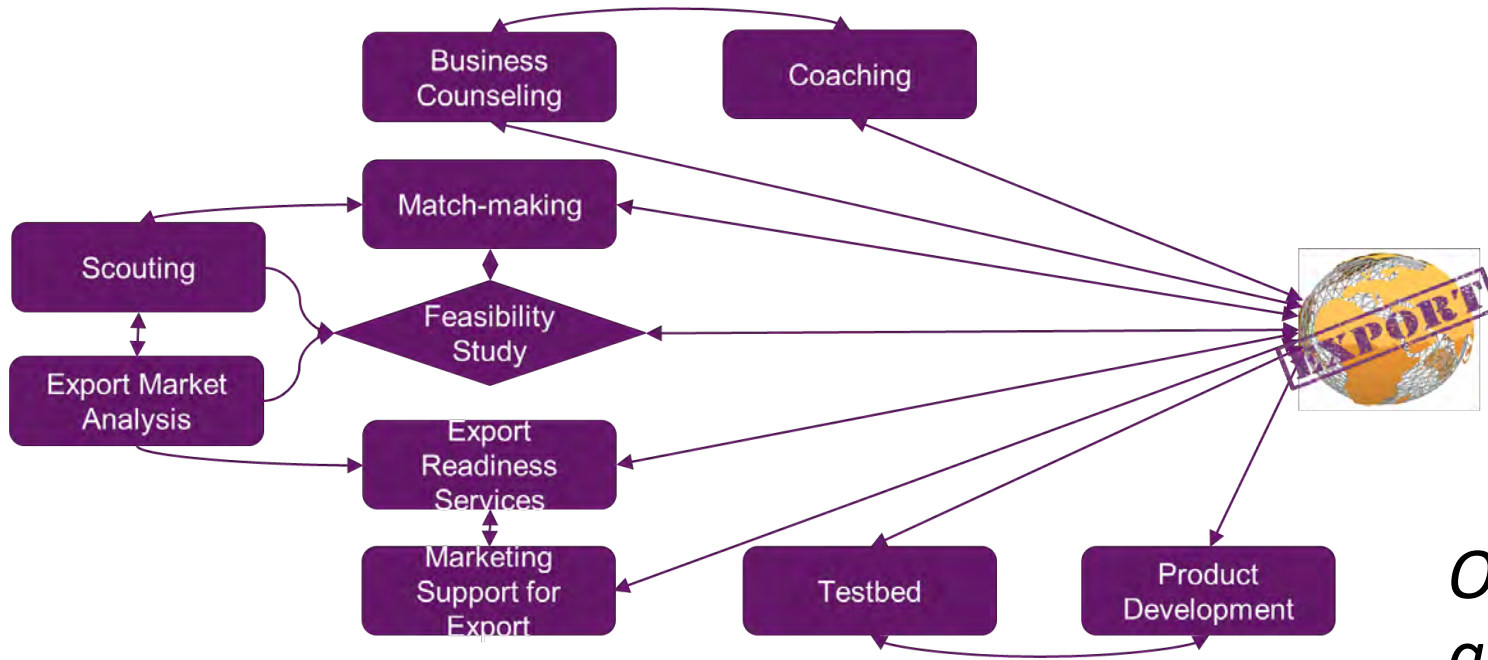
# Export support partnership projects Meta Cluster and eMesai – adapting, changing, rethinking export

**Central Baltic Annual Event  
September 23, 2021**

**Torbjörn Jonsson, RISE Sweden &  
Jana Silaškova, Estonian ICT Cluster**



# Let the world be your market!



*Offers ICT SMEs in Estonia, Latvia and Sweden to use wide range of Cluster provided services to help prepare and start exporting outside EU and EFTA*



# Results

- Project ICT Meta Cluster formed a project group very focused on to deliver results from start. The project setup was efficient, with a startup phase of establishing the tool box and from the day we agreed on the model, focusing on supporting SMEs in their struggle of exporting into new markets, using the tool box all the way.
- Main achievement is of course the 16 (9) achieved export sales and 31 targeted countries, together with all other results and objectives. However also the close cooperation between the partners in the project is very interesting , resulting in several new applications in Interreg Central Baltic, Interreg BSR, Interreg Europe and Innosup programs.
- The cooperation and results where managed by quarterly in real meetings and weekly skype-meetings (bi-weekly in the end of the project).
- Through all the project deliveries where in focus.

D8 Corporation

Reachu

 meloq



## Crucial elements to make the cross-border cooperation work

- All the partners are actively on board from day zero
- Existing financing instruments (CB Interreg)
- Readiness to get over the cultural differences
- Allow room for differences - more effort in building active dialogue

## Lessons learnt, How to support export

- **Joint branding** helps to open the doors for an SME
- **Local presence** is crucial for achieving the results
- Great potential in **using the national support systems**
- **Good sales material are critical**
- **Cross-marketing** of companies/clusters is a powerful tool
- **Share** experiences and opportunities

### Build Trust



# Transition: from one project to another...



fiber optic valley

RI  
SE



ITL  
ESTONIAN ICT CLUSTER



LATVIAN  
IT CLUSTER



iCT  
ICT  
Meta  
Cluster



EMESAI  
Export Support Partnership



# EMESAI

Export Support Partnership

Operated by 3  
important ICT sector  
players in Estonia,  
Latvia and Sweden:





**Duration:** 1.04.2019 – 31.12.2021

**Main objective:** to increase the Central Baltic tech sector SMEs' export to **Sub-Saharan Africa, India** and **UAE** countries through

- JOINT export competence building and
- JOINTLY applying export support tools among SME business networks

**Main activities:**

- joint export seminars/webinars, joint export study trips about how to do joint marketing between SWE, EST and LV companies
- joint events/trade missions to target markets or world/regional level fairs/congresses
- awareness raising seminars about digitalization benefits of the local stakeholders/potential clients through seminars
- local market expert service to companies

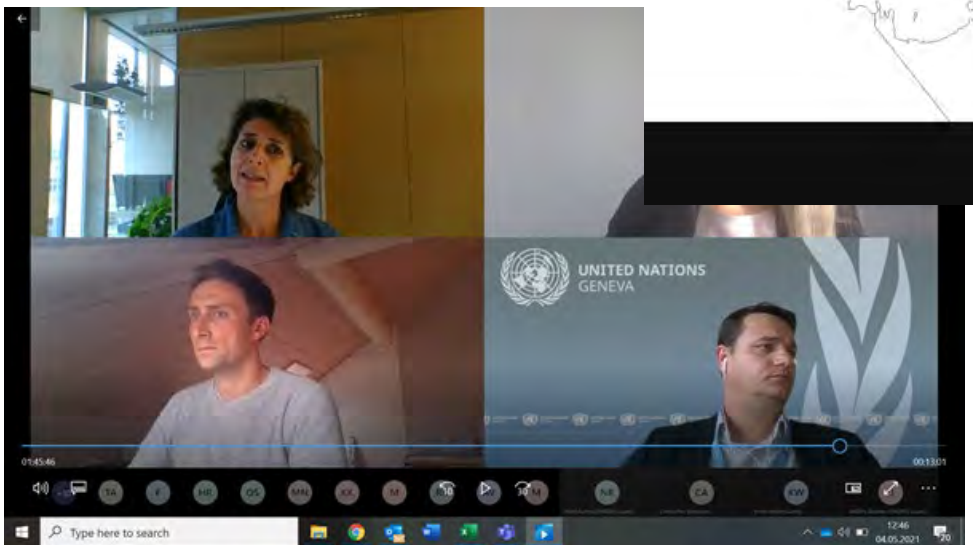
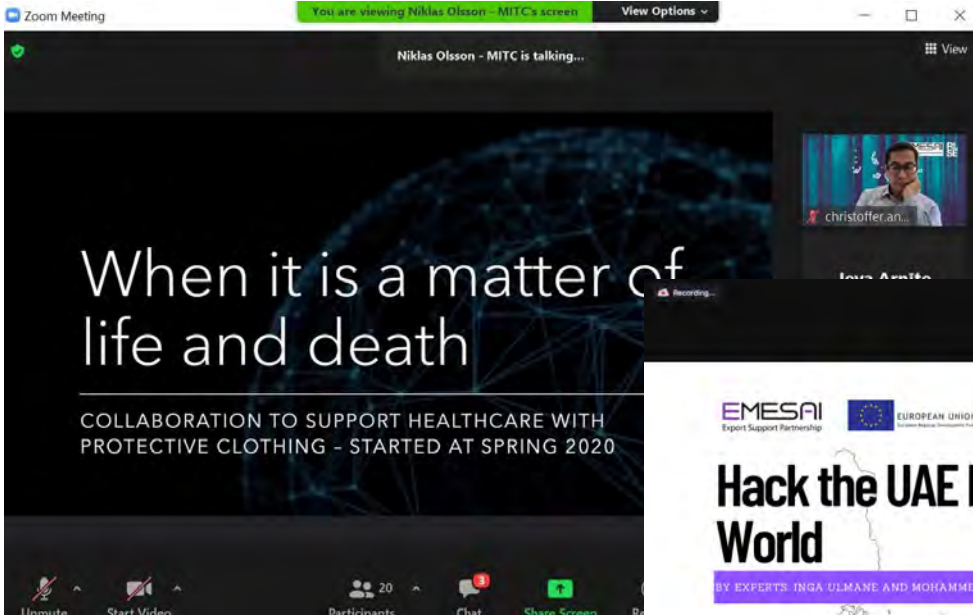


## Main challenges:

- Finding the right local partners
- Finding/organizing events that would be interesting to companies from all countries
- COVID-19

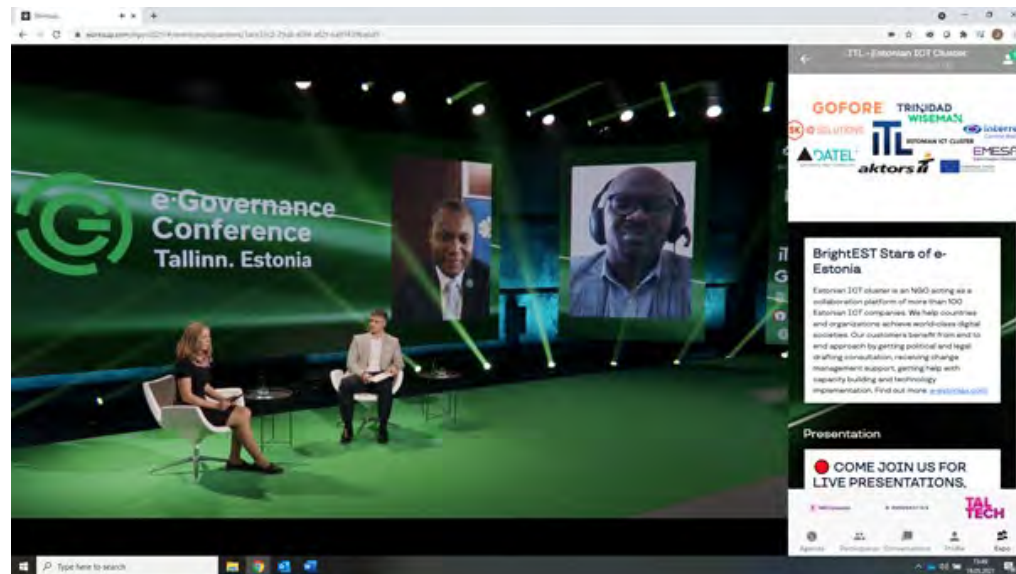


# Adaptation: seminars to webinars



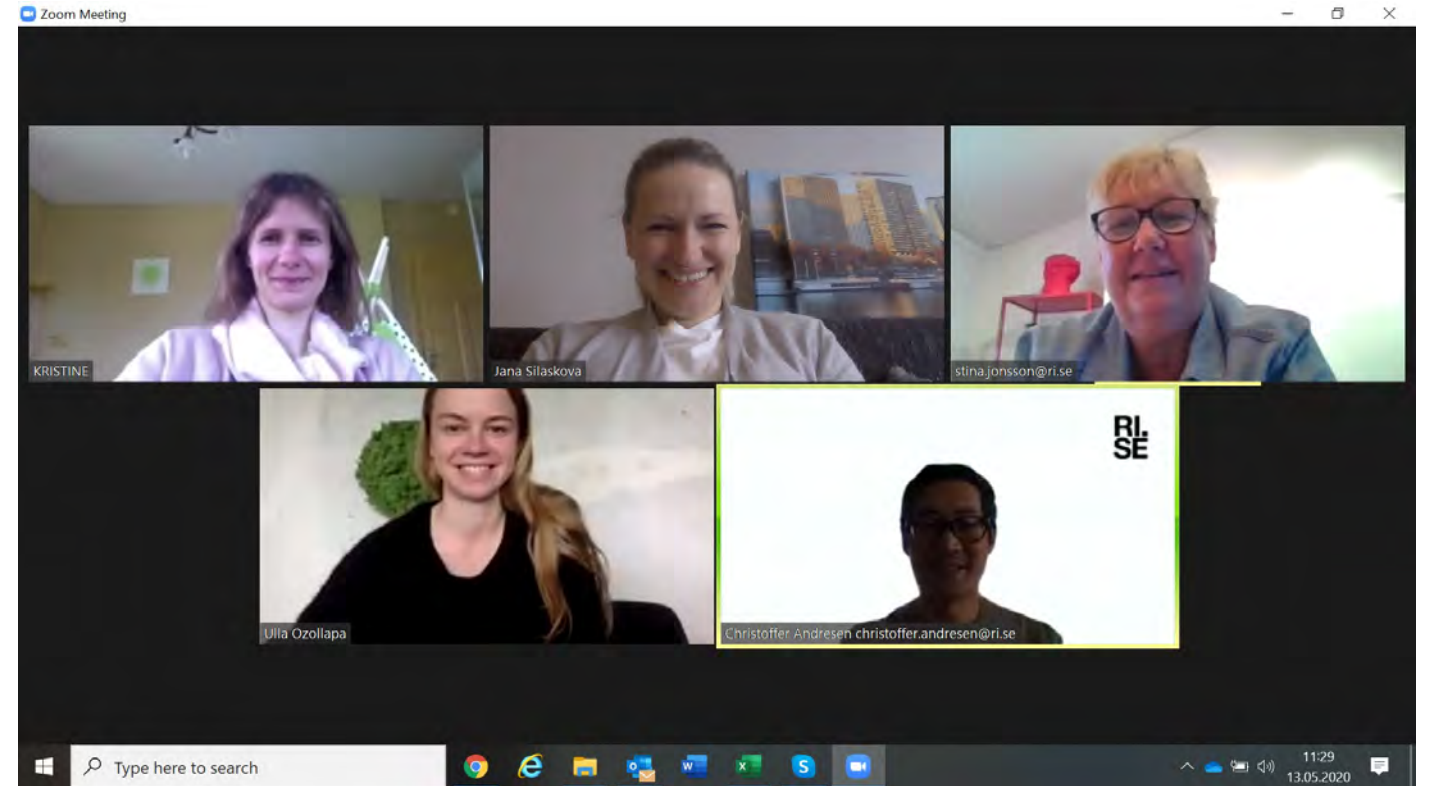
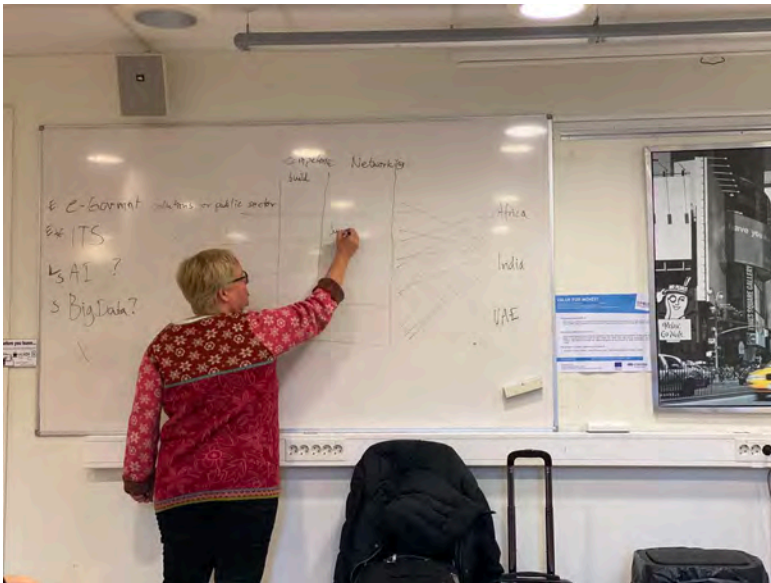


# Adaptation: from physical expos to virtual to hybrid expos





# Adaptation: from physical to virtual meetings







## Main results:

- **more than 200** companies have participated in various events
- **at least 1** pilot project started
- **16** companies have received local market expert service

Which means...

- numerous new leads created
- we have given our input into raising awareness about digitalization benefits

## Main cross-border value added

- sharing of costs
- sharing of experience and learning from others
- finding new business partners across borders

# Thank you!

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**Jana Silaškova**

Estonian ICT Cluster

[jana@itl.ee](mailto:jana@itl.ee)

**Torbjörn Jonsson**

RISE Sweden

[torbjorn.jonsson@ri.se](mailto:torbjorn.jonsson@ri.se)





# BUSINESS FINLAND

## Central Baltic Program Annual Event 2021 Export session

Juha Miikkulainen  
Senior Director  
Region Middle-East and Africa  
Business Finland

[juha.miikkulainen@businessfinland.fi](mailto:juha.miikkulainen@businessfinland.fi)





# Content

- Business Finland in brief
- Distant markets
- Africa and Megatrends
- Nordic companies in Kenya
- Lessons learned

# OUR SERVICES

## GUIDANCE FOR INTERNATIONALIZATION

Specialists in Finland and other countries guide Business Finland's customer companies in all phases of the internationalization process.

## MARKET INFORMATION AND CONTACTS

We identify promising business opportunities on the market and help to find ideal partners and contacts.

## FUNDING

We provide funding for research, R&D and business development, especially for SMEs. Large companies and research organizations can obtain funding for joint projects with SMEs.

## PROGRAMS

Our programs offer Business Finland's internationalization and innovation funding services as packages that have been customized in accordance with the goals and target groups of each program.

## ECOSYSTEMS

Ecosystems improve the ability of companies to innovate, grow and succeed in international competition. We provide SMEs, in particular, with tools for growth and larger companies, often acting as leading companies, with a boost to change.



Purpose  
*Why do we exist?*

**WE GENERATE PROSPERITY  
FOR FINLAND BY ACCELERATING  
OUR CUSTOMERS' SUSTAINABLE  
GROWTH GLOBALLY.**







# SAVING THE WORLD IS GOOD BUSINESS

Business Finland's **programs and thematic choices** bring forth highly attractive business opportunities for Finland and **enable any challenges in sustainable development to be solved more quickly.**



# **Distant markets**



# PARTNER FOR COMPANIES SEEKING GROWTH

## COMPANIES

Startup / SME  
Midcap / Large

Companies registered  
in Finland (business  
ID) ✓

Competitive edge in  
international markets ✓

An owner and team  
committed to  
international growth ✓

A team with diverse  
and broad expertise  
and the ability to set  
up networks ✓

Appropriate financial  
resources ✓

Sufficient resources  
for  
internationalization ✓

When companies  
benefit, Finland  
benefits ✓



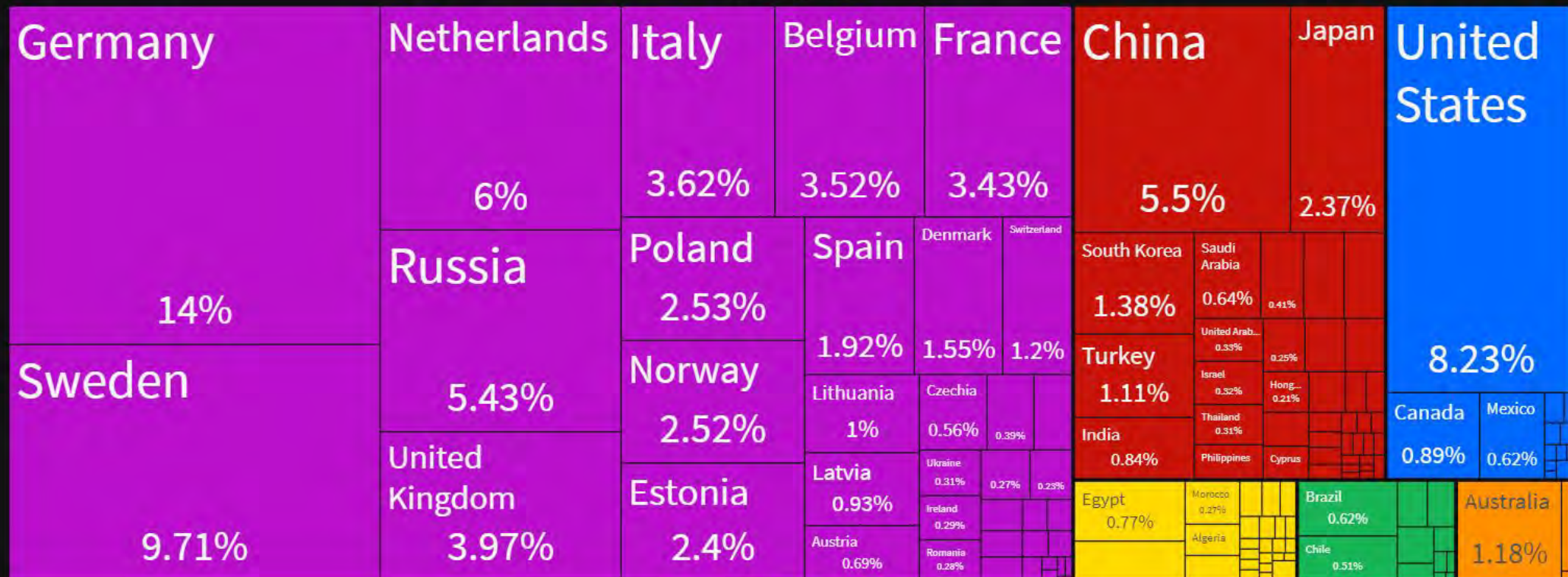


# BUSINESS FINLAND

< 2018

## Where does Finland export to? (2019)

Total: \$74.6B

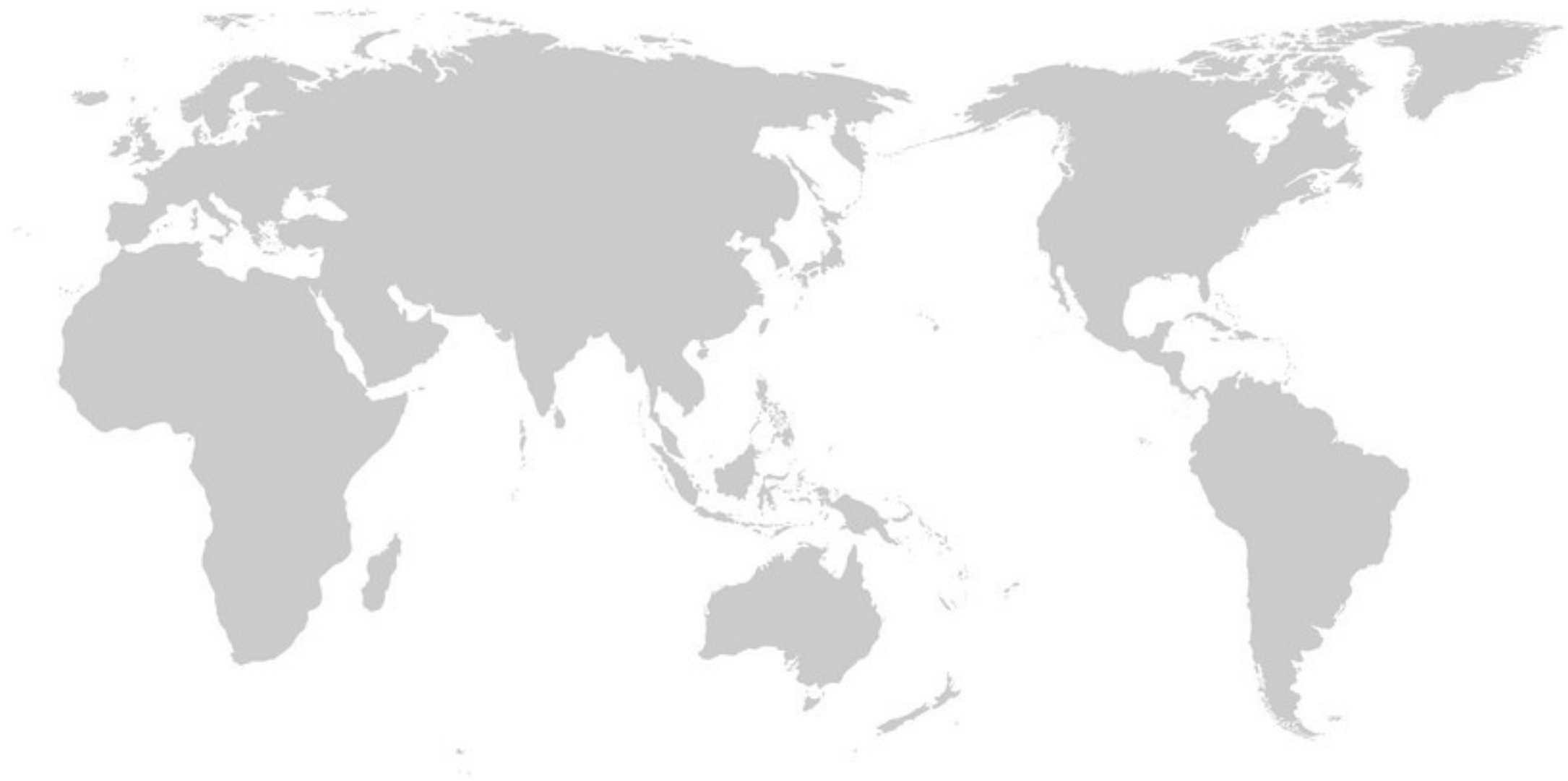


# Far away



Developed markets

Developing markets





# Africa and Megatrends

# Africa

- 54 countries
- Total GDP 2.6 trillion USD = GDP of France
- 17% of the world's population but only 3% of GDP
- The biggest economies (10): *Nigeria*, Egypt, *South-Africa*, Algeria, *Morocco*, Kenya, Ethiopia, Ghana, Tanzania ja Angola
- 10 biggest countries = 60% of Africa's GDP



McKinsey&Company

# Africa

- **The most of the countries are republics with one or two strong parties and president as leader.**
- **English speaking countries (French & Portuguese)**
- **Legal systems are based on Common and German law.**
- **European like business culture (formal dressing code)**





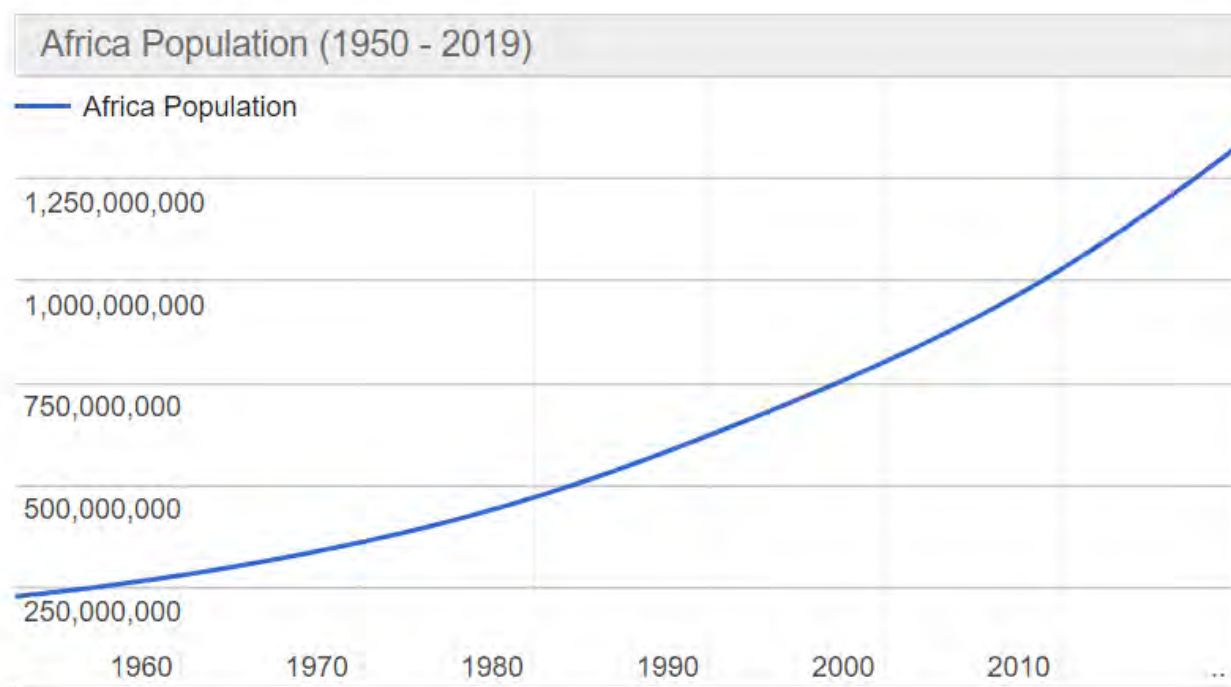


# Population growth

- 16,7% of the world´s population
- 44% lives in cities (2019)
- Median age 20 years
- In 2000 the population was 810,000,000

## Africa Population (LIVE)

# 1,381,266,594





# Urbanization

- Currently roughly 500 million African lives in cities
- The population of Africa shall double by 2050. 2/3 of the growth happens in cities (OECD)
- Megacities: Kairo, Nairobi, Dar es Salaam, Johannesburg, Luanda, Kinshasa, Lagos and Casablanca.







## Growing middle class

- The world's fastest growing economies are in Africa
- Growing middle class increase consumption and create jobs to cities
- Need for grocery, apartments, education, healthcare, consumer goods, energy, internet, safety ...



Photo: Nairobi Business Monthly





## Young consumers

- Population of Africa grows 2,2% per year which is more that double compared to Asia
- 2/3 of the population is under 25
- Young, urban people are educated consumers with knowledge of latest global trends
- E-payments and e-commerce



# Opportunities



## Consumer goods

Packaging, groceries, logistics, wellness products



## AGRIBUSINESS

Machinery, food safety, processing, cold chain/logistics



**INFRA and MANUFACTURING** Building- processing- and mining technologies, energy, telecommunication, traffic, harbours, airports



## HEALTH and WELLBEING

Medicines, diagnostics, e-health, machinery and equipment

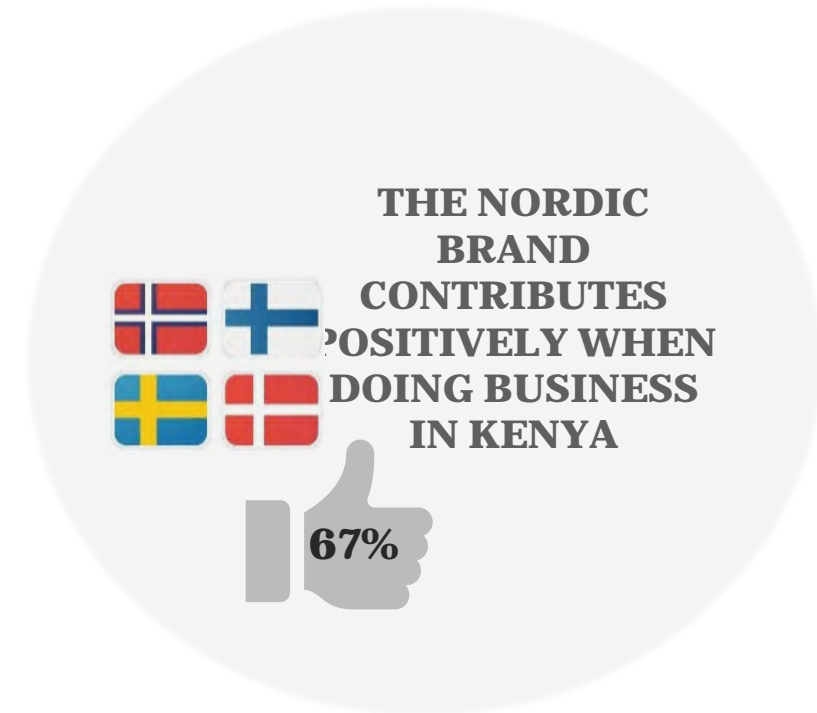
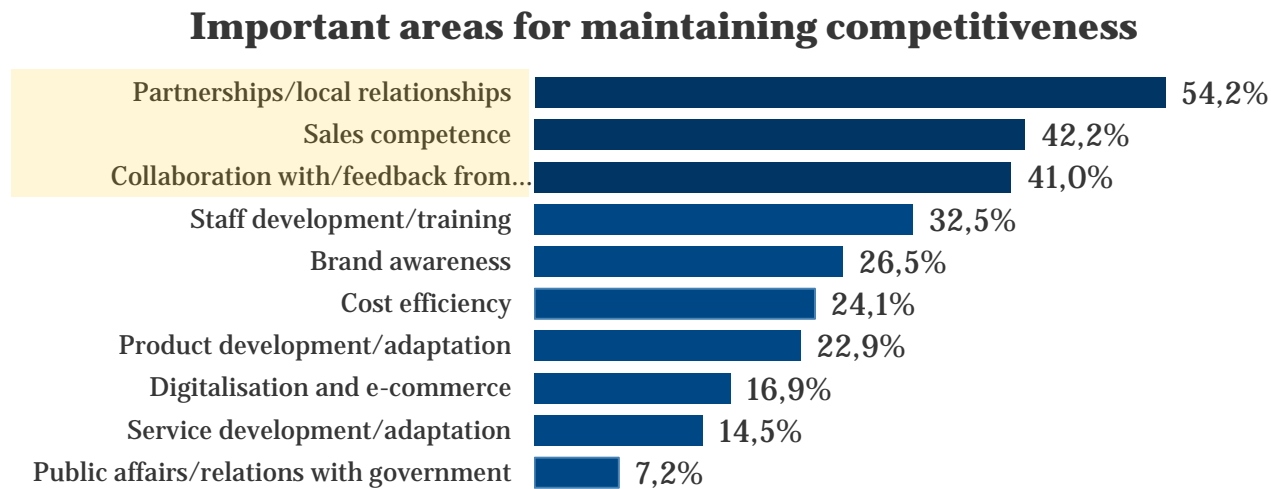
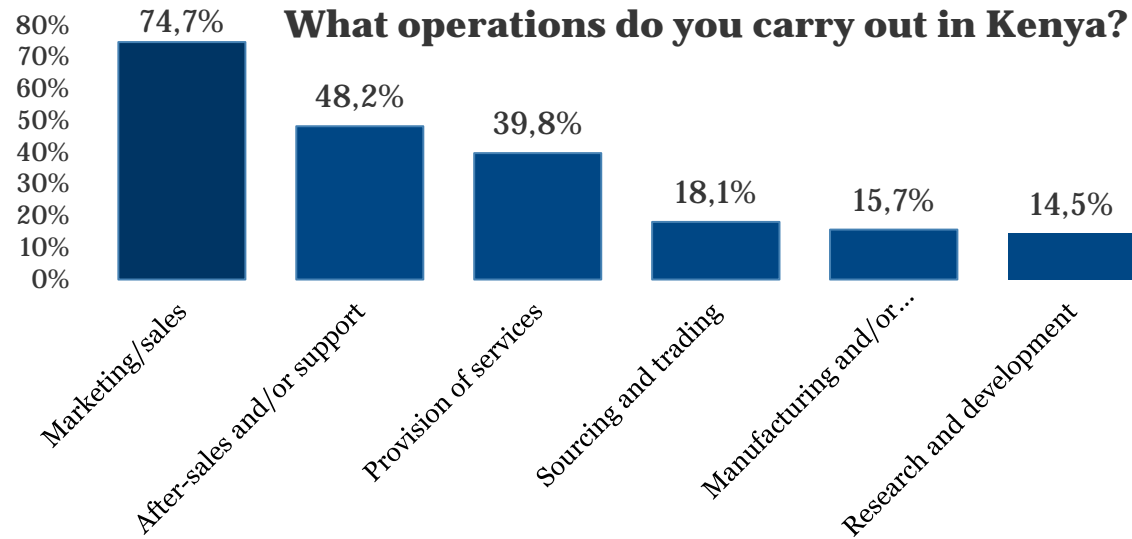
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**BUSINESS  
FINLAND**

# **Nordic Companies in Kenya**



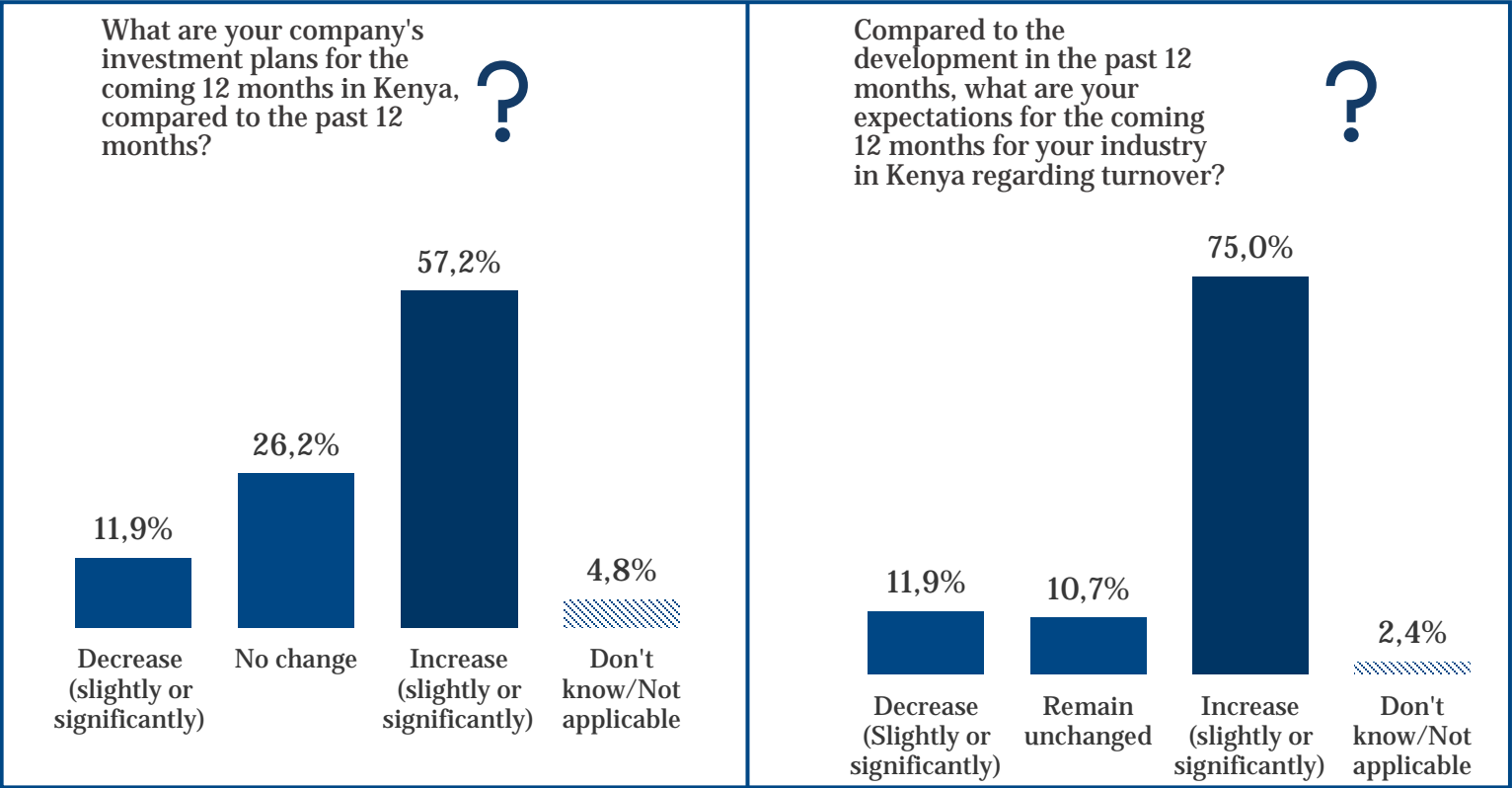
# Local network, long-term strategies, and promotion of the Nordic brand – focal points of business success



***Think Long term, employ local capacity and work on the relationships. Adjust your approach to the local needs!***

# Shared positive economic outlook for the industry as a whole and for the companies' investments

*Kenya has a positive investment climate that has made it attractive to international firms seeking a location for regional or pan-African operations*



**57%**  
Are planning on increasing investments

**45%**  
Of all Nordic companies experienced a positive or break-even financial result in 2020

**83%**  
Are having long-term plans on further expanding business in Kenya

**75%**  
Excepts their turnover to rise the upcoming year

**20%**  
ENERGY &  
ELECTRICITY  
SECTOR

**19%**  
IT & DIGITAL  
SERVICES

**8%**  
CONSTRUCTION &  
BUILDING

## Increasing presence of Nordic companies in line with increased FDI

14%  
established  
Before 2000

8%  
established  
between  
2001-  
2005

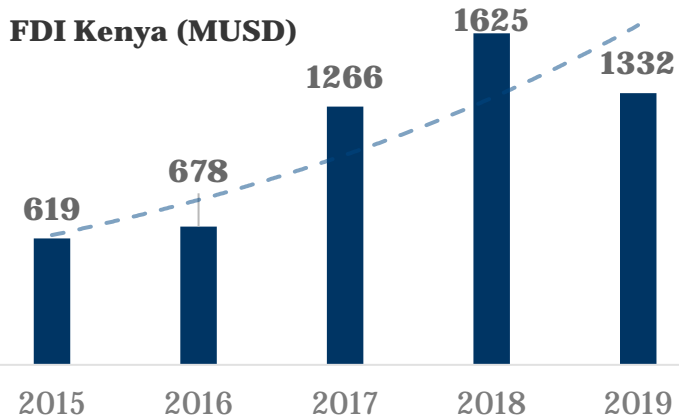
7%  
established  
between  
2006-  
2010

26%  
established  
between  
2011-2015

46%  
established  
between  
2016-  
2020

71% of the respondents  
entered the market after 2011

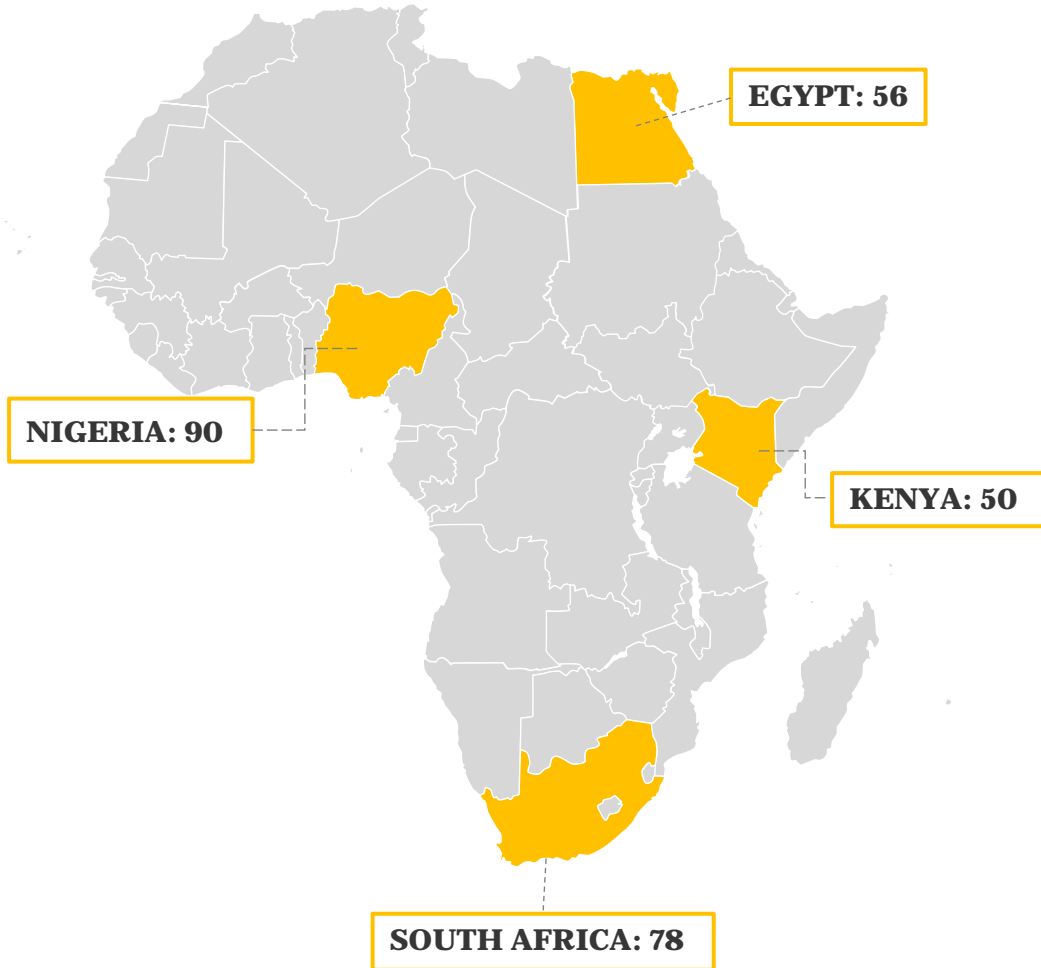
*Year-on-year, Kenya continues to improve its regulatory framework and its attractiveness as a destination for foreign direct investment*





# Digitalisation takes center stage – Kenya being one of the four main tech centers on the continent

**KENYA IS ONE OUT OF THE FOUR COUNTRIES IN AFRICA WITH THE MOST TECH-HUBS**



How do the conditions of **the financial systems** meet the needs of your company's business in Kenya?

57.1%



15.5%



25.1%



*The high digital literacy level of even poor households in Kenya is unusual amazing!*

How does the **level of digitalisation** meet the needs of your company's business in Kenya?

64.3%



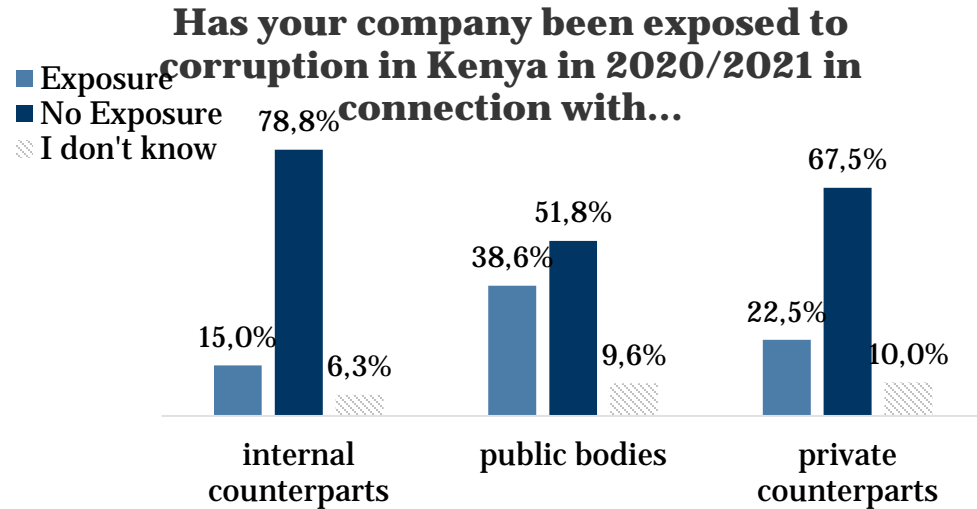
11.9%



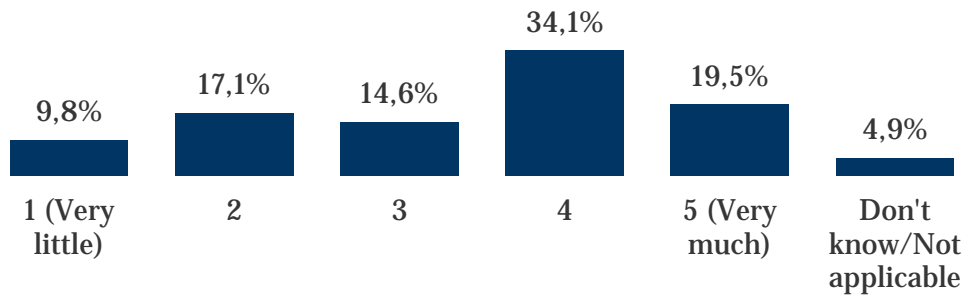
22.6%



# Corruption – a reality for many companies but not an everyday obstacle for all public sector being the most complex

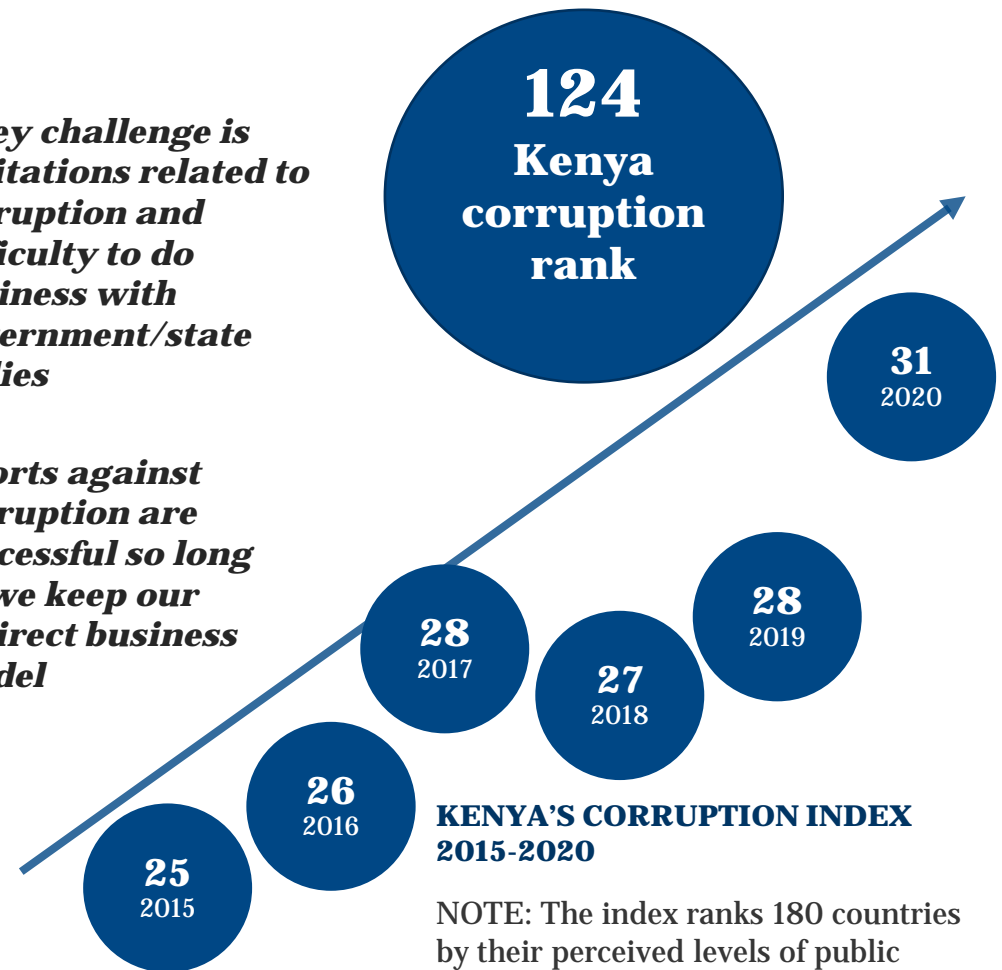


## To what extent do you perceive that corruption in Kenya affects your business?



“  
*A key challenge is limitations related to corruption and difficulty to do business with government/state bodies*  
 ”

“  
*Efforts against corruption are successful so long as we keep our indirect business model*  
 ”



### KENYA'S CORRUPTION INDEX 2015-2020

NOTE: The index ranks 180 countries by their perceived levels of public corruption according to experts and businesspeople. It uses a scale **zero (highly corrupt) to 100 (very clean)**. Average score 2020: 43

## CONTACT US

### **BUSINESS FINLAND**

*esa.rantanen@businessfinland.fi*

### **INNOVATION NORWAY**

*Eli.Bleie.Munkelien@innovasjon Norge.no*

### **MINISTRY OF FOREIGN AFFAIRS OF DENMARK**

*karbec@um.dk*

### **BUSINESS SWEDEN**

*Andreas.giallourakis@business-sweden.se*

### **CONFEDERATION OF DANISH INDUSTRY**

*kllc@DI.DK*

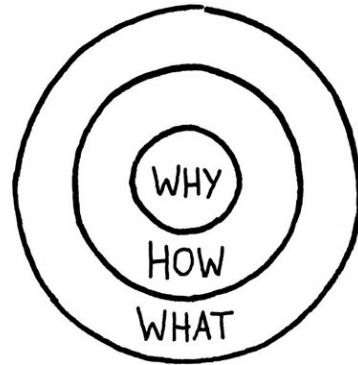




**BUSINESS  
FINLAND**

# **Lessons learned from APAC and MEA**

## What do Finnish companies think about operating business in India, Southeast Asia & Australia?





## Why Southeast Asia & Australia?

Long-term &  
rapid economic

**GROWTH** potential

**GROWING** markets &  
middle class

Opportunities that are not present in developed countries

Large population

Global strategy

Emerging markets

Big market area

Needs everywhere – many sectors are developing





## How

**Persistence and long-term commitment required.**

**Flexibility and ability to adapt to a volatile business landscape.**

**Distributor & partner search is critical.**

**Active partner relationship management.**

**On site presence.**



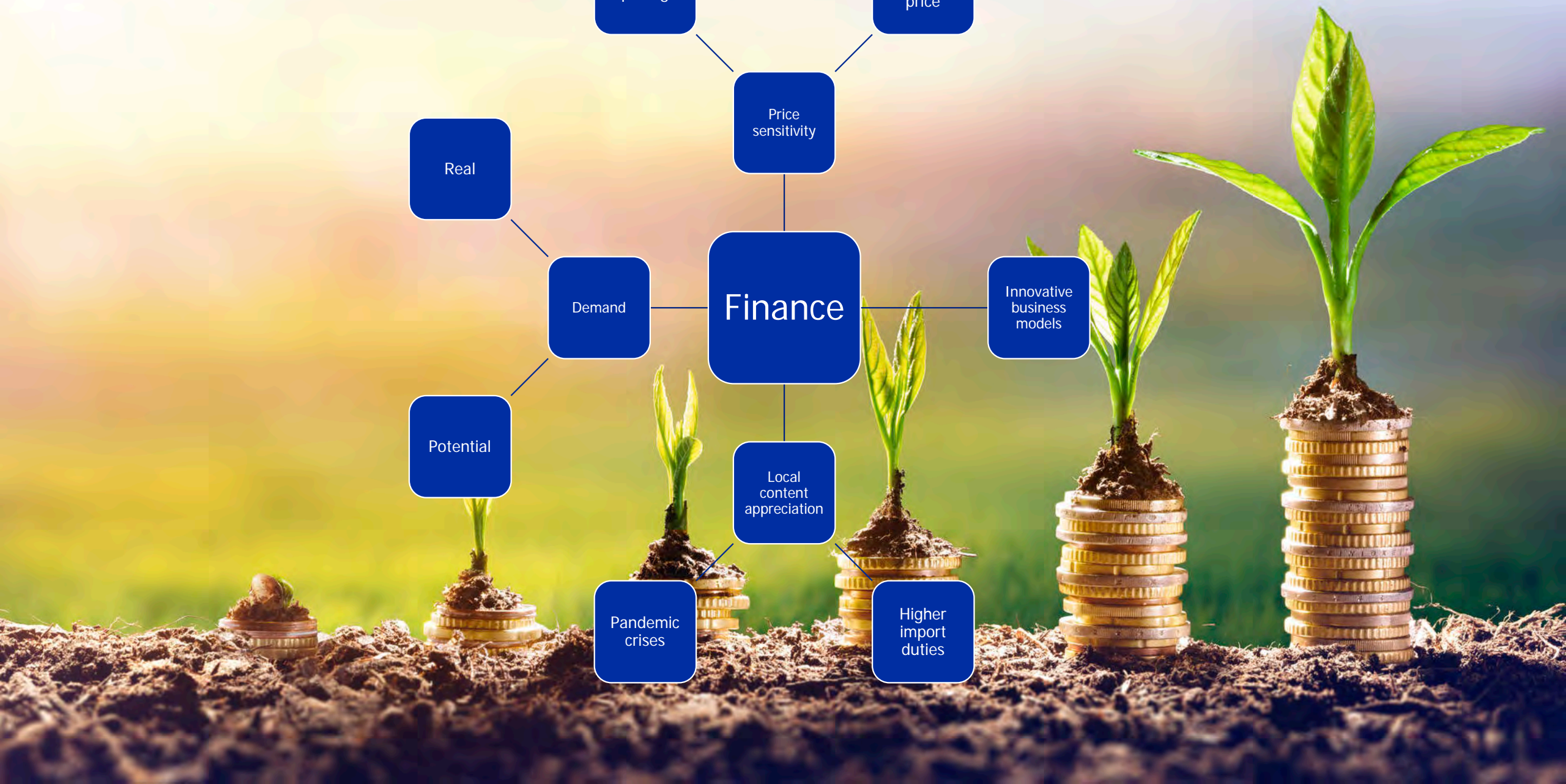
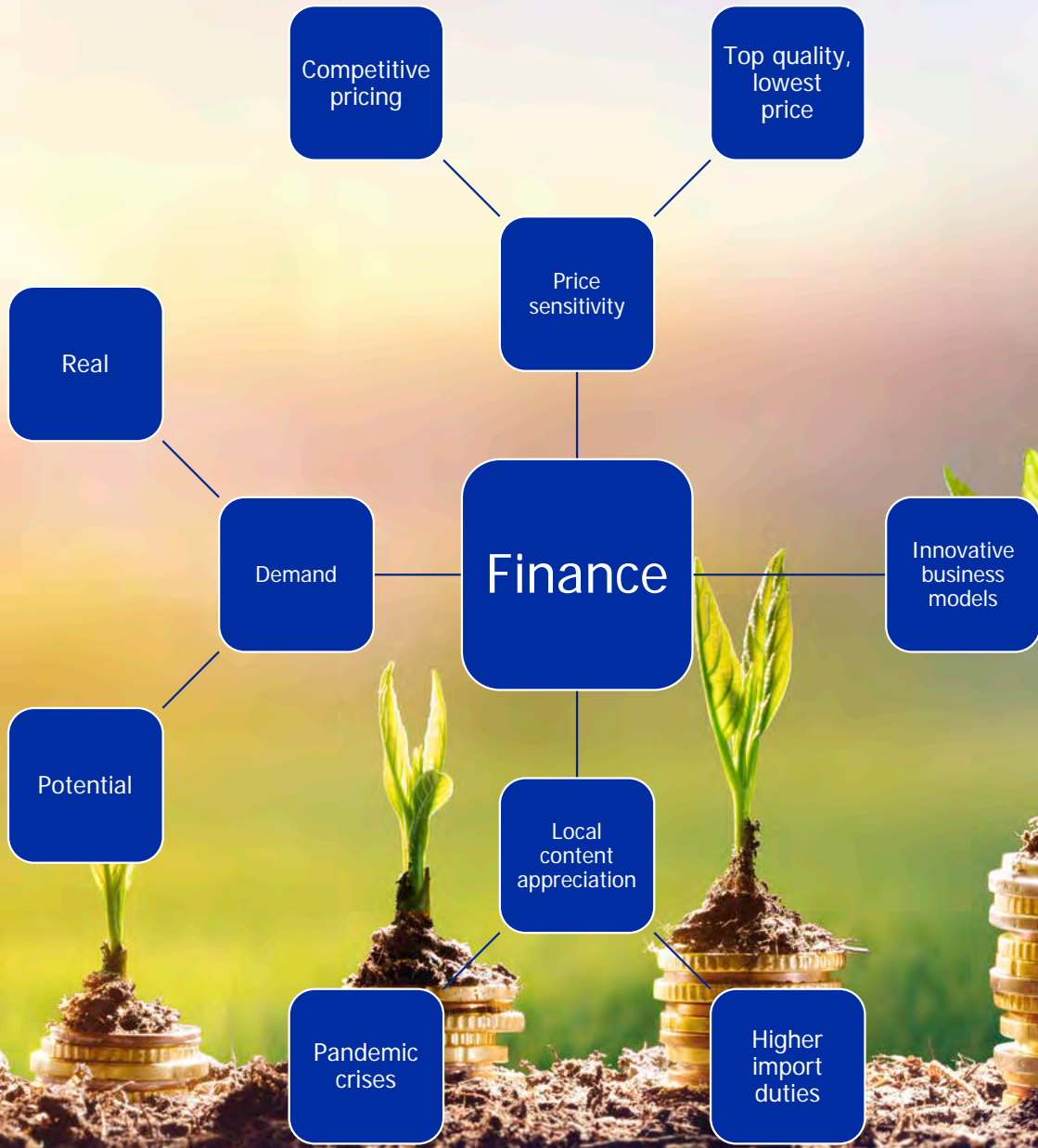
# Making business in Africa













**BUSINESS  
FINLAND**

**Thank You!**

[juha.miikkulainen@businessfinland.fi](mailto:juha.miikkulainen@businessfinland.fi)



# Menti questions

- [www.menti.com](https://www.menti.com)
- 5679 5943



# Break

- Let's leave the breakout room
- We will meet again in the plenary session after the break
- We continue at

14:40 (EET, FI, EE, LV time)

13:40 (CET, SE time)