

SITRA

Finnish Innovation Fund; Sitra

Environmental Programme 2005 – 2007



Sitra in Brief

- Founded 1967
- Subject to supervision of the Finnish Parliament
- Independent
- Functions defined in legislation
- Financed by yield from its own endowment capital and return on financing activities
- 2005 budget approx. € 35 million
- About 85 employees
- President Mr. Esko Aho

Public/private VC by Sitra

- Capital originally from the state; Bank of Finland
- Capital has grown and self sustaining operation, i.e. no state budget or other external resources used
- In the marketplace comparable to private VC companies, not disturbing market
- SRI principles in use
- Emphasis on the development of companies
 - Tools for V2C
 - business plan development
 - Networking
 - business consulting (esp. SME governance and financing)
 - knowledge on public support tools

Environmental Programme 2005–2007

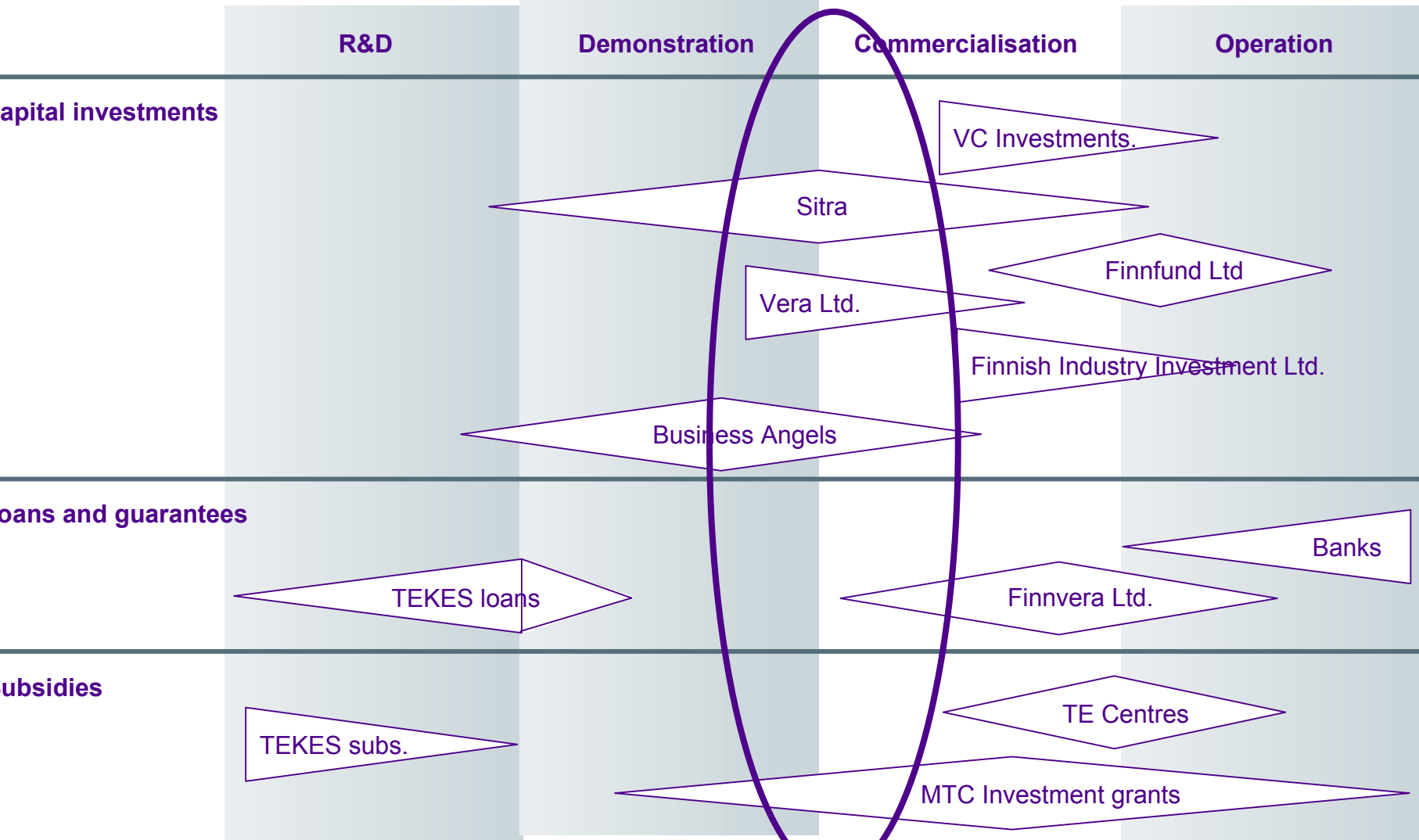
Bringing the environment into business development

- Goal
 - To upgrade the business activities and competitiveness of the Finnish environmental technology sector in the global markets
- Means
 - Capital investments to developing companies
 - Development of internationalizing networks
 - National development and action plan

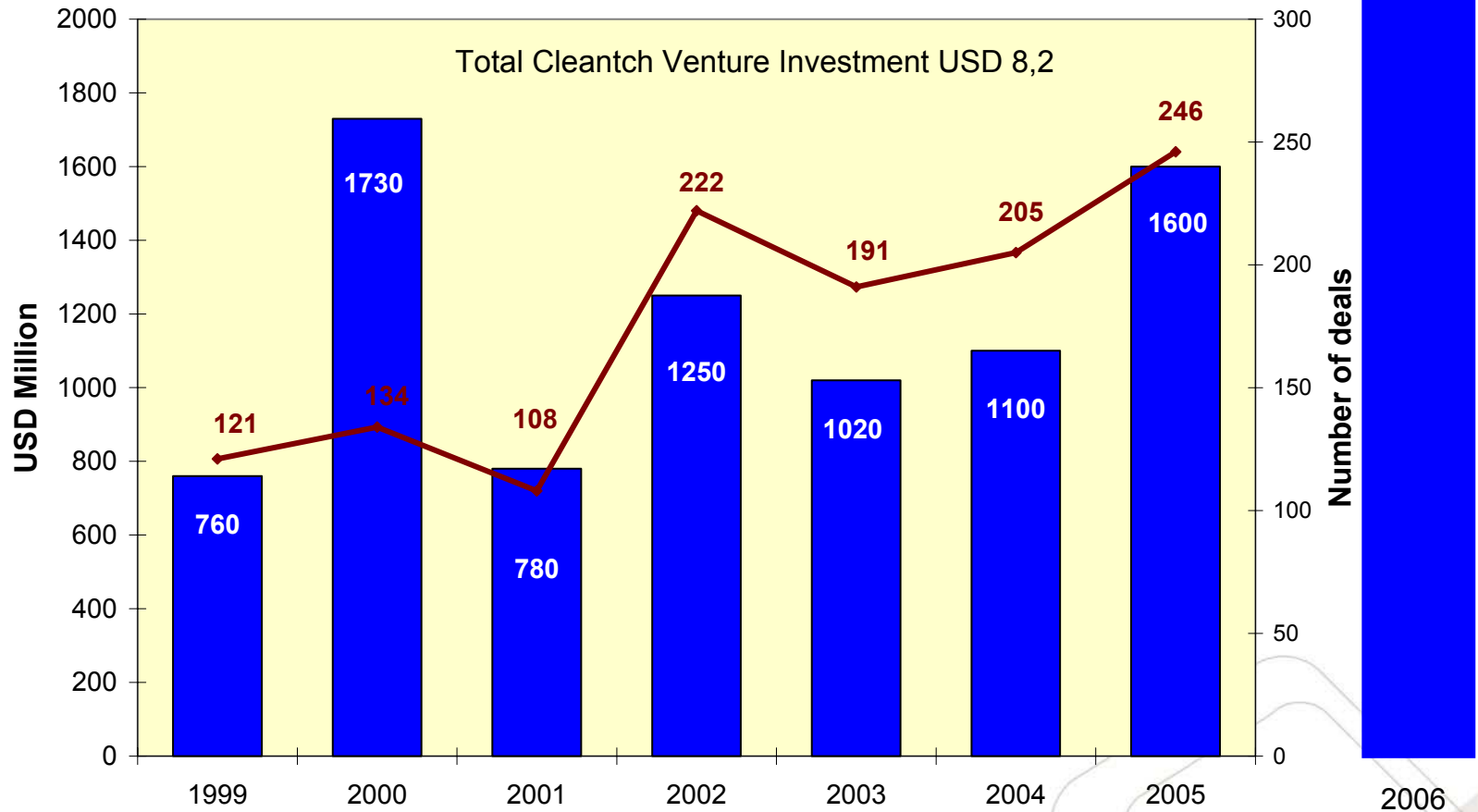
Gaps and needs

- **Foresight**
- **Technology verification**
- **Innovative, green, public procurement**
- **Gap between demonstration and reference installations**
- **Needs in commercialisation**
- **More market pull**
- **Reliable statistics on the business development in the field**

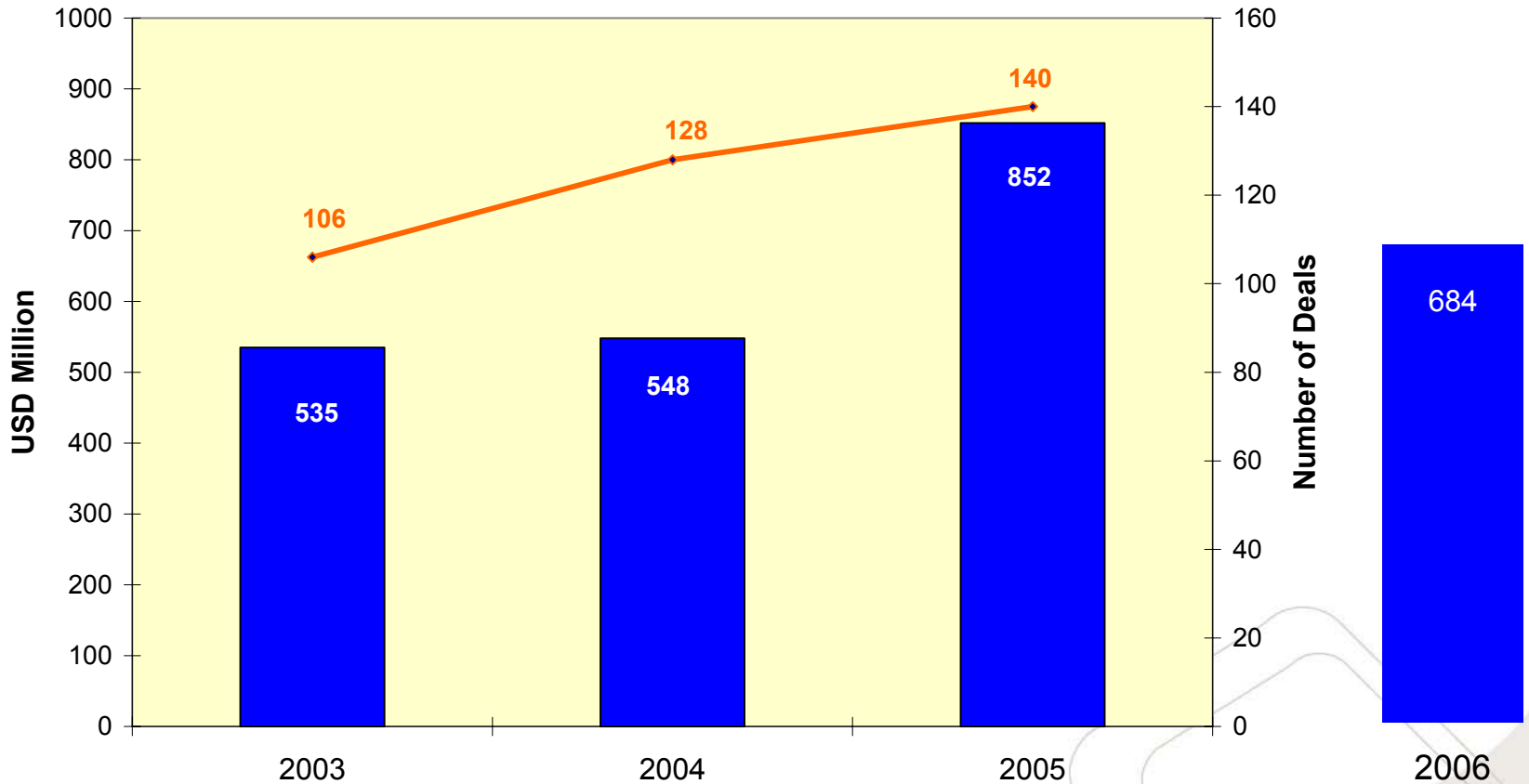
Financing Map - Finland



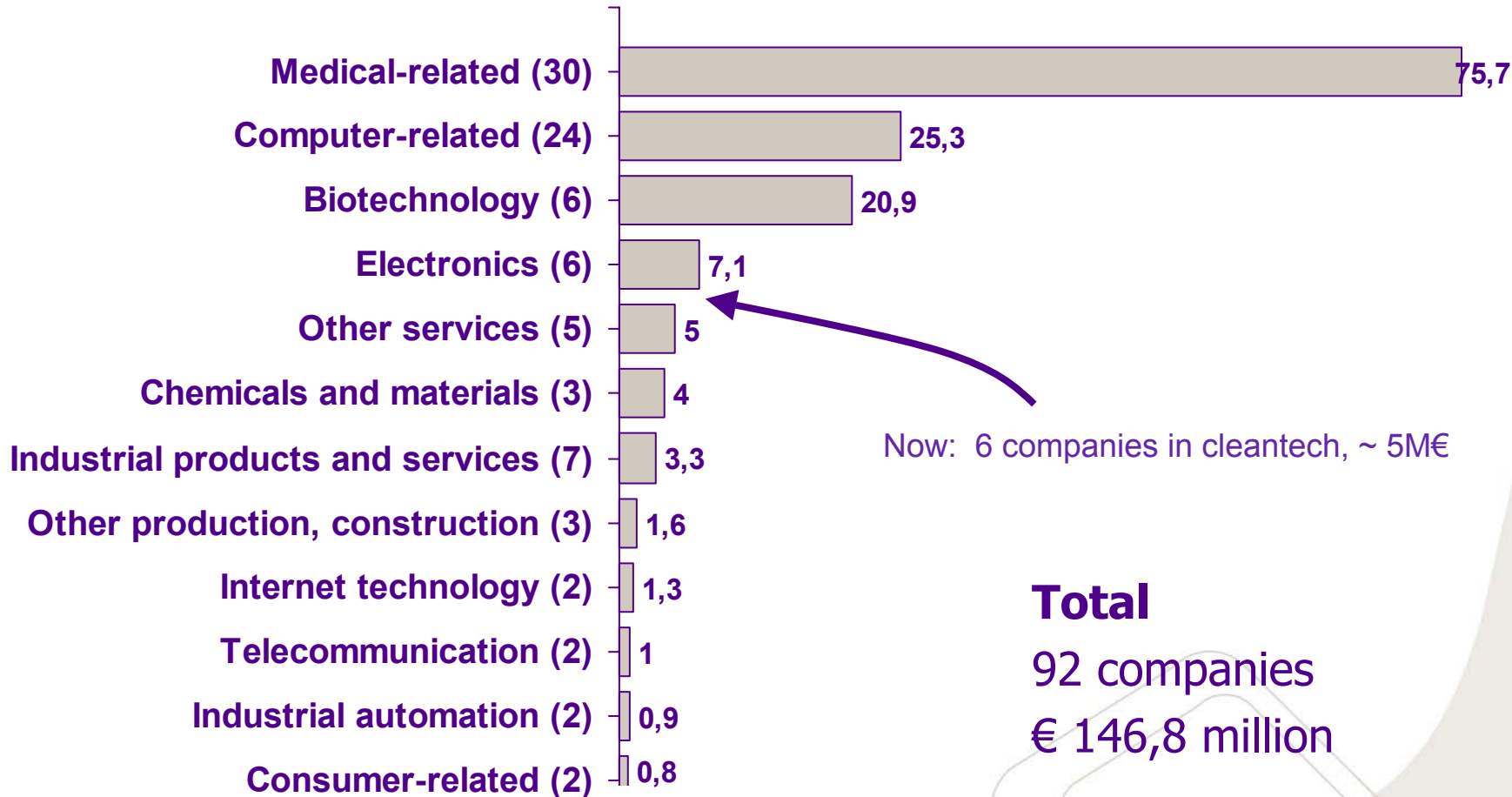
US and Canadian Cleantech Venture Capital Investments, 1999 – 2005 (Nicholas Parker).



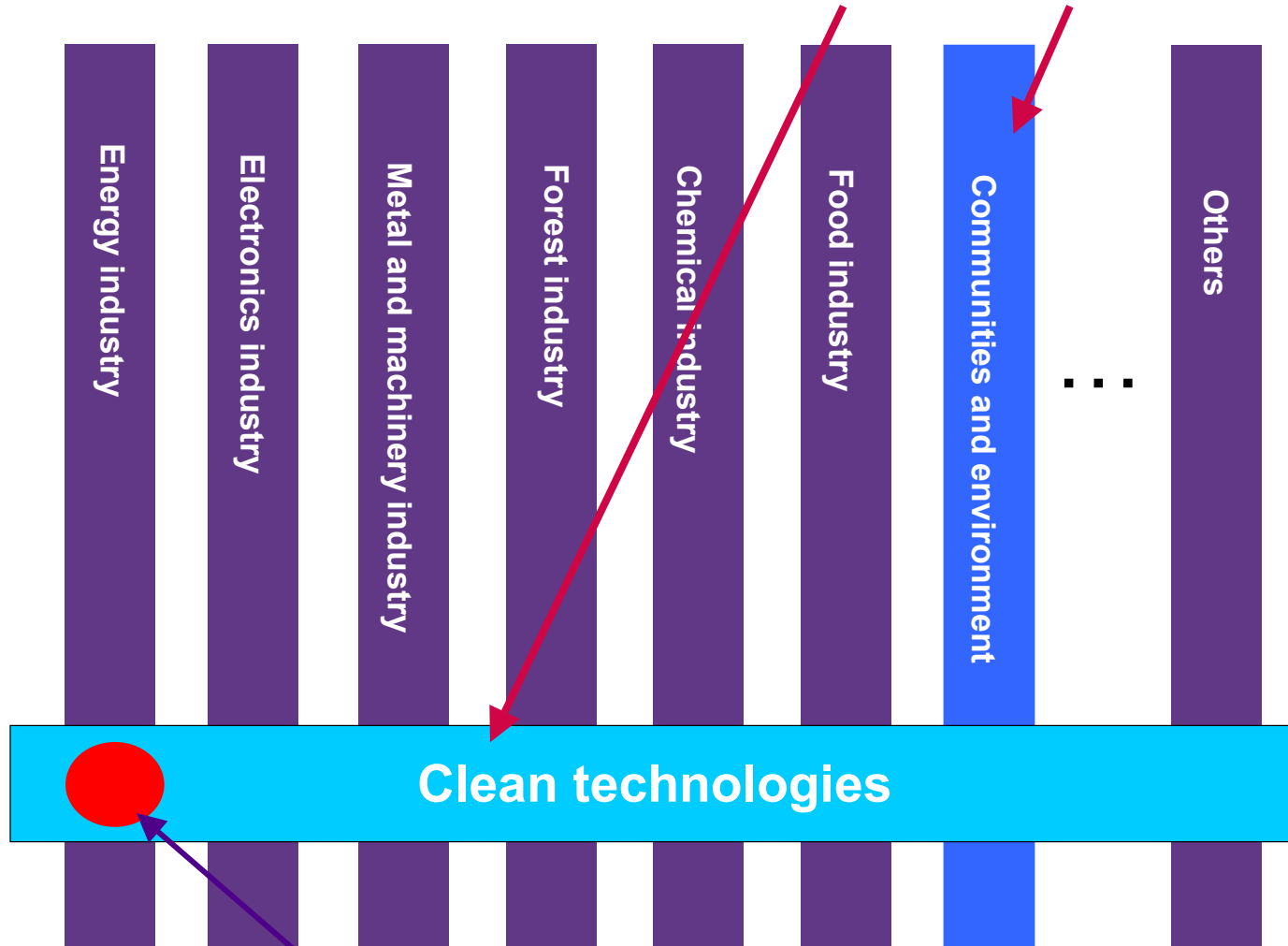
European Cleantech Investments, 2003 – 2005 (Parker 2006).



Sitra's portfolio companies by operations 31.12.2004 (M€)



Environmental Technologies = Cleantech + Waste Management



Hot spot today

Venture Capital and need for statistics, how to promote SRI

- How are the firms in the environmental business area developing?
- How are venture capital investments developing?
- What are the driving forces behind investments in the environmental business compared to other sectors?
- What is the demand for venture capital by environmental business firms?

Major challenges

- Profiling of the industry branch
- Growth – boost of environmental technology exports
- Networking and consolidation
- Improving the business opportunities of SMEs
- Home market development

**Bringing
the environment
into business
development**

Cleantech  **Finland**[®]