THIS DOCUMENT SERVES AS ATTACHMENT TO FUNDING APPLICATIONS /

GENERAL BACKGROUND INFORMATION

Summary:

Finland, Maine and Michigan are running a Bioeconomy collaboration group during March 2021 – March 2023. Collaboration group is divided into 5 working groups: Advanced Wood Construction, Forestry / Smart Forestry, Biorefining, New Value-Added Products (cellulose materials and other products and Policy work group.

The work of the collaboration group is supported by a political level engagement between Finland and the states Maine and Michigan on cooperation in the development and promotion of sustainable forest bioeconomy.

The target of the collaboration group is to have bi-national co-creation, co-innovation, or other research and development projects funded and underway by March 31st 2023. The projects will be funded by Business Finland or by other national funding instruments in Finland, by EU-funding, and/or by national and state funding instruments in the United States.

In October of 2019, an MOU between Finland's Ministry of Agriculture and Forestry and Maine Department of Agriculture Conservation & Forestry was signed at the Arctic Circle Assembly in Reykjavik, Iceland by Governor Janet Mills and immediate past Prime Minister of Finland, Antti Rinne.

The MOU recognizes the academic research and private sector cooperation and dialogue that has occurred between Finland and the State of Maine. The purpose of the Memorandum of Understanding is to recognize, identify, and foster cooperative efforts between the participants in the field of forest bioeconomy development, and to promote certain mechanisms to enhance such exchange and cooperation. Collaborative efforts and exchange will leverage the culture, insights, strengths, and resources of both Participants, to strengthen respective forest-based sectors and enhance Finland's and Maine's forest health and sustainability in the face of changing climate. Foremost, this collaboration helps position the forest-based sector as a cornerstone of Finland's and Maine's bioeconomies.

Since 2019, Maine and Finland have collaborated on joint events including forest bioeconomy webinars, round table discussions, 'fire-side chats', a joint presentation at the prestigious SXSW Festival, and even a unique, virtual trade and study mission in 2020 that facilitated over 50 B2B meetings and discussions in the forest sector.

FINLAND MAINE-MICHIGAN BIOECONOMY MoU's AND COLLABORATION OVERVIEW

An outcome of the 2020 trade and study mission was a continued desire to connect experts in our forest industries. In response, partners to the MOU developed the Finland-Maine Forest Bioeconomy Collaboration Group. This is a group that explores collaboration and innovation exchanges in various sectors of the forest bioeconomy. From Maine, University of Maine, Maine Department of Forestry, Agriculture, Conservation & Forestry, and the Maine North Atlantic Development Office at Maine International Trade Center, Maine Department of Economic & Community Development, and private sector participants are all represented in the working group along with academic, private sector, and economic development counterparts from Finland.

Initial research and discussion themes of mutual interest between Finland and Maine, included:

- Finland as a model of success in Circular Economy strategy
- Creating value: exploration of joint research, materials and product development in bioenergy, biofuels, biochemicals, biomaterials, bio-based composites
- Business driven development of textile fibres from wood for commercial applications
- Joint research towards commercial applications for Nanocellulose/microfibrillated pulp
- Finland as a model of success and training partner for Smart Forestry practices
- Promotion of academic and business talent exchanges

In March of 2020, a Finnish Delegation led by Mika Lintilä, Minister of Economic Affairs of Finland visited Michigan to sign a Memorandum of Understanding (MOU) with Governor Gretchen Whitmer to promote increased cooperation in the research, development, and commercial sectors on clean technologies. This cooperation includes, but is not limited to, initiatives related to: the automotive industry; battery technology solutions and energy storage; smart mobility solutions, including the maritime industry and autonomous shipping; and the sustainable forest bioeconomy. After the signing of the MOU, several collaboration groups were formed including the Finland/Michigan Forest Bioeconomy Working Group. Bilateral partners and joint topics of interest were identified. The overall direction of the Finland/Michigan Forest Bioeconomy Working Group was as follows:



Over the remainder of 2020 and the first quarter of 2021, the Finland/Michigan Forest Bioeconomy Working Group identified four (4) main topical areas of interest: wood construction, forestry, biorefining and new value-added wood products

Finland-Maine-Michigan Working Groups

Since the Finnish participants were much the same for both the Finland-Maine and Finland-Michigan, and since there were far more Finnish participants than state participants for each state's collaboration group, it was decided to combine the groups to form one large Finland-Maine-Michigan Bioeconomy Collaboration Group. This allowed for a more even balance of Finland and U.S. participants, time efficiencies for the Finnish team, and opportunities for expanded collaboration to compete for U.S. grant and other resources. Today the combined collaboration group has about 90 participants and is focusing on 5 key areas, with established working groups:

- 1. Advanced Wood Construction
- 2. Forestry/Smart Forestry
- 3. Biorefining
- 4. New Value-Added Products (cellulose materials and other products)
- 5. Combined Policy Team

The structure now, is a **Finland-Maine-Michigan Forest Bioeconomy Collaboration Group**, with five working groups and corresponding task teams. The groups have identified innovative projects and joint R&D opportunities.

FINLAND MAINE-MICHIGAN BIOECONOMY MoU's AND COLLABORATION OVERVIEW

The overall objective for the Collaboration Group is to have collaborative research and development projects funded and underway by March 31, 2023, with other supporting collaborative activities e.g., webinars, B2B connections, conferences and other activities occurring over the next 19 months.

The work of the group is supported by a political level commitment to building long-term relationships between Finland, Maine and Michigan in critical sectors of the economy. The collaboration areas respond to two global megatrends; climate change and digitalization. The parties aim to create opportunities for their industries and innovation actors to grow and position themselves to lead in the green transition globally. Finland's Ministry for Foreign Affairs, Ministry of Agriculture and Forestry, Ministry of Economic Affairs and Employment and Ministry of the Environment are participants in the collaboration group activities. Partnerships with Maine and Michigan are a priority sector for Finland's trade, sustainability and scientific cooperation with the US.



Contact information of Collaboration Group chairs

Finland: Ulla Lainio, Business Finland, <u>ulla.lainio@businessfinland.fi</u>

FINLAND MAINE-MICHIGAN BIOECONOMY MoU's AND COLLABORATION OVERVIEW

Michigan: Donna LaCourt, Michigan Department of Agriculture and Rural Development, LaCourtD2@michigan.gov

Maine: Dana Eidsness, Maine North Atlantic Development Office, <u>eidsness@mitc.com</u>

Date: December 2 2021