

Saate

Valtionavustushankkeessa on valmisteltu valtionavustuksen vakioehdot - opas, joka on tarkoitettu valtionapuviranomaisille valtionavustuksen käyttöä koskevien yleisten ehtojen ja rajoitusten laatimisen tueksi. Tässä dokumentissa ovat oppaan esimerkkitekstit englannin kielellä. Tämä on käännöksen ensimmäinen versio, ja dokumenttia päivitetään tarvittaessa.

Valtionavustustoimintaa koskevia käsitteitä on saatavilla englanniksi myös valtionavustustoiminnan sanastossa.

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Aineistot ja tuotokset <https://vm.fi/valtionavustushankkeen-aineistot-ja-tuotokset>

1 1 General

1.1 Name of the standard terms and conditions

Sample texts

- Standard terms and conditions of STEA's general grant
- Standard terms and conditions of STEA's project grant
- Standard terms and conditions of energy aid

1.2 Validity of the standard terms and conditions

Sample texts

- The standard terms and conditions are valid from 1 January 2023.

1.3 Scope of the standard terms and conditions, and applicable statutes

Sample texts

- These standard terms and conditions are part of the decision on awarding a discretionary government grant.
- If the government grant decision and its appendices are in conflict, the order of interpretation is the following: 1) Government grant decision and the special terms and conditions provided in it, 2) Standard terms and conditions appended to the government grant decision, 3) Approved cost estimate, 4) Approved implementation plan, 5) Government grant application and its appendices.

- The use of the discretionary government grant is subject to the following special legislation: [acts and decrees].
- The use of the discretionary government grant is subject to the Act on Discretionary Government Grants (688/2001).
- In addition to the standard terms and conditions regarding the use of the discretionary government grant, this document includes key provisions of special legislation and the Act on Discretionary Government Grants that apply to the use of the discretionary government grant. However, legislation may also contain other provisions applicable to the use of the discretionary government grant.

1.4 Obligation to comply with terms, conditions and restrictions

Sample texts

- Pursuant to section 13, subsection 2 of the Act on Discretionary Government Grants, in addition to what is laid down in this Act or in the Government Decree issued under section 8, government grant recipients must observe the terms and restrictions specified in the government grant decision concerning the grant-financed project or activity.

1.5 Openness of the government grant decision and of the information on the discretionary government grant

Sample texts

- Pursuant to section 1 of the Act on the Openness of Government Activities (621/1999), official documents are in the public domain, unless specifically provided otherwise in the Act or another act. Provisions on the grounds for the secrecy of documents are laid down in section 24 of the Act on the Openness of Government Activities.

- For example, information in the public domain includes the name of the government grant applicant and recipient and the euro-denominated amounts of the applied-for, awarded and paid discretionary government grant.
- Pursuant to section 32b of the Act on Discretionary Government Grants, the government grant authority or another party which awards discretionary government grants by virtue of law submits the minimum information about government grant activities to the State Treasury for storage in the data repository of government grant activities. Provisions on this information are laid down in the Act on Discretionary Government Grants and in the Government Decree [decree number].
- Pursuant to section 32d, subsection 1 of the Act on Discretionary Government Grants, the State Treasury publishes public information on discretionary government grants in the service for publishing and using government grant information (the Exploregrants.fi service). Provisions on this information are laid down in the Act on Discretionary Government Grants and in the Government Decree [decree number].

1.6 Payment of the discretionary government grant

Sample texts

- Pursuant to section 12, subsection 4 of the Act on Discretionary Government Grants, government grant recipients must provide government grant authorities with correct and sufficient information for paying the grant.

Payment schedule recorded in the government grant decision

- The discretionary government grant is paid to the recipient according to the payment schedule recorded in the government grant decision.

Payment of the discretionary government grant against a payment request

- The discretionary government grant is paid to its recipient against a payment request. An interim report and a final report are prerequisites for payment. The interim report must contain the following information: [content requirements

here]. The content requirements for the final report are in section 4.3 of the standard terms and conditions.

Payment of the final government grant instalment (final payment)

- A minimum of 10 per cent of the awarded grant will only be paid after the approval of the final report. The final instalment will be paid if the project has accumulated an adequate amount of eligible costs. (Business Finland)

Payment of an advance

- [process description]

Changing the payment method

- The government grant authority may change automatic payment, specified in the government grant decision, to payment that is based on a payment request if the government grant authority must investigate potential obstacles to payment before the discretionary government grant is paid and if matters requiring further investigation have emerged in the government grant recipient's situation.

1.7 Terms and conditions concerning the procurement procedure

Sample texts

Obligation to comply with procurement legislation

- Procurement refers to the purchase or rental of goods and services or to activities similar to it and to the contracting of work against a financial compensation. For example, procurement does not include goods and services which the government grant recipient has itself produced, recruitment to an employment relationship, or purchase or rental of land, existing buildings or other immovable property.
- A government grant recipient that is not a central or local government body or a parish is a contracting entity referred to in the Act on Public Procurement and Concession Contracts (1397/2016) and must arrange competitive tendering of

its procurement pursuant to the Act on Public Procurement and Concession Contracts, if the grant recipient meets the criteria of an institution of public law character specified in the Act or receives a grant for specific purchase amounting to more than 50 per cent of the value of the procurement.

- A government grant recipient that is a contracting entity must comply with the Act on Public Procurement and Concession Contracts concerning any purchases made with the grant. OR The government grant recipient must determine its potential obligation to comply with the Act on Public Procurement and Concession Contracts when making purchases and take this obligation into consideration in its activities.
- The government grant recipient is responsible for the correct application of procurement legislation.
- If a purchase is made in violation of procurement legislation, the acquisition cost is not an eligible cost.
- When the government grant recipient reports on the use of the discretionary government grant, it must provide evidence of competitive tendering by appending to the report a copy of the contract notice, published on the hankintailmoitukset.fi website, or by presenting grounds for direct award of the contract. OR Procurement-related documents must be stored diligently as part of administrative and accounting records and must be delivered to the government grant authority upon request.
- In addition to the fact that the government grant authority has, in its government grant decision, approved a purchase as part of the action or project plan and the cost estimate, the purchase in question must comply with procurement procedures in accordance with these standard terms and conditions.

Small purchases and obligation to request tenders to be compared

- All procurement must be carried out in the most economically advantageous manner.
- Small purchases refer to procurement that is below the national thresholds laid down in the Act on Public Procurement and Concession Contracts and therefore not subject to the Act.

- The government grant recipient must make small purchases in the most economically advantageous manner and request tenders to be compared from at least two suppliers. This condition applies to purchases amounting to EUR 20,000 + VAT or more. If a purchase is made as separate lots purchased simultaneously, the estimated value of all of the lots must be taken into account when calculating the total value of the purchase.
- However, if a small purchase needs to be made without comparing tenders, for example due to its nature, the government grant recipient must provide grounds for this deviation.
- If a purchase is made in violation of these terms and conditions regarding small purchases, the acquisition cost is not an eligible cost.
- When the government grant recipient reports on the use of the government grant, it must provide evidence of the procedure for making small purchases by appending to the report the small purchases documentation (e.g. the procurement memorandum) or by presenting grounds for a different procedure (e.g. the meeting minutes). OR Procurement-related documents must be stored diligently as part of administrative and accounting records and must be submitted to the government grant authority upon request.
- Taking sanctions into account in all procurement
- In all procurement, the government grant recipient must ensure that the tenderer or its group of beneficiaries is not subject to sanctions imposed by the European Union, the United Nations (UN) or Finnish authorities, or to asset-freezing decisions.
- When procuring goods or services, invitations to tender must include the supplier's assurance that it or its group of beneficiaries is not subject to sanctions.
- When purchasing goods or services, procurement agreements must include a clause stating that the client has the right to terminate the procurement agreement with immediate effect if the service provider is encumbered by a mandatory exclusion criterion referred to in legislation on public procurement or a discretionary exclusion criterion referred to in section 81, subsection 1, paragraphs 3–11 of the Act on Public Procurement and Concession Contracts (1397/2016) or a sanction imposed by the European Union or the United Nations, even if the criterion had emerged only after the beginning of the contractual relationship.

- If the procurement is carried out in violation of these terms and conditions regarding sanctions, the acquisition cost is not an eligible cost. [See also the above condition regarding the storage and delivery of procurement-related documents]

Preventing corruption in procurement

- When purchasing goods or services, invitations to tender and procurement agreements must include a clause stating that the tender can be rejected or the agreement terminated if the agreement arrangements or the implementation of the agreement involve bribery or corresponding unlawful activity (including bribing a foreign public official). (Ministry for Foreign Affairs)

1.8 Other terms and conditions related to general matters

Arrangement of the organisation's administration

Sample texts

- The board of the government grant recipient must see to its organisation's good governance, adequate risk management and internal control. (STEA)

Intellectual property rights

Sample texts

- The government grant recipient must ensure that the copyright or other intellectual property rights of the results achieved in the grant-financed activity or project belong to it by virtue of law or separate agreement and that the achievement of results does not infringe the copyright or other intellectual property rights of third parties.

Accessibility of digital services

Sample texts

- The government grant recipient must determine its potential obligation to comply with the Act on the Provision of Digital Services (306/2019, the Digital Services Act) and take it into consideration in its activities. The Digital Services Act applies to the digital services of a company, a foundation, an association and another organisation when the authority referred to in the Act participates in financing the development and use of these services and covers at least half of their development or annual maintenance costs.

2 General principles of the use of the discretionary government grant

2.1 Obligation to arrange the monitoring of the use of the discretionary government grant

Sample texts

Monitoring the use of the discretionary government grant in accounting

- The government grant decision must be submitted to the accountant for information.
- The government grant recipient must establish in its accounting a cost centre that is separate from other activities to monitor the finances of the grant-financed activity or project. Finances refer to the costs, revenue and financing arising from the activities or the project.
- The government grant recipient must store the documents indicating the use of the grant for a minimum of 10 years from the last grant instalment.

Working time monitoring

- The government grant recipient must arrange working time monitoring as follows: [description of the procedure].
- Each person working for the project must record the time that they allocate to the project on an hourly basis during the duration of the project. Hours spent working on the project must be reported monthly for days when the actual work has been performed. The person in charge of the project or the supervisor of each employee must confirm the working hours at least on a monthly basis and an entry of confirmation must be saved in the monitoring system. The government grant authority has the right to refuse approval of the salaries in whole or

in part if the working time monitoring has not been in compliance with the above terms and conditions or cannot be regarded as reliable. (Business Finland)

- The government grant recipient must see to appropriate working time monitoring if it is required to reliably verify the salary costs allocated to the grant-financed activities. For example, working time monitoring must be arranged if the employee works, in addition to the activities for which the general grant was awarded, in another grant-financed project or activity, for which the general grant cannot be used. (Ministry of Education and Culture) [appropriate working time monitoring means the following:]

2.2 Using the discretionary government grant for an approved purpose

Sample texts

- The purpose of use of the discretionary government grant is specified in the government grant decision. Pursuant to section 13, subsection 1 of the Act on Discretionary Government Grants, discretionary government grants may be used only for the purpose stated in the government grant decision.
- Discretionary government grants may not be used for economic activities. Economic activities refer to offering goods and services on markets.
- Discretionary government grants may not be used for such part of the government grant recipient's activities for which the targeted general grant has not been awarded.
- Uses deviating from the purpose of the government grant include the following cases, for example: [examples].
- Misuse of the discretionary government grant includes the following cases, for example: [examples].
- Misuse of the discretionary government grant includes the following cases, for example: bribery, theft, acceptance of bribes, money laundering, all other forms of financial misuse, sexual abuse and sexual harassment, nepotism in recruitment, partiality, participation in decision-making when disqualified, prohibited

gifts and hospitality, significant accounting errors or non-compliances in accounting, serious errors in the performance of tasks, significant delays in the performance of tasks, unjustified daily allowances and remuneration, violation of the basic principles of procurement rules, procedures violating Finnish legislation or breaching the terms and conditions of the government grant decision, illegal restrictions after the termination of employment, deficiencies in reporting, negligence of submitting material information, refusal of financial or other audits or complicating them, abuse of power, exercising pressure, discrimination or other inappropriate influencing, use of child or forced labour, other violations of human rights, investments in tax havens or other aggressive tax planning according to the OECD's definition, activities referred to in sections xx of these standard terms and conditions or other forms of misuse. (Ministry for Foreign Affairs)

2.3 Terms and conditions regarding redistribution

Sample texts

Obligation to conclude an agreement

- If the government grant decision specifies that the discretionary government grant is also awarded to finance an activity or a project that fulfils the purpose defined in the decision but is carried out by a party other than the government grant recipient, the grant recipient must, before the redistribution of the grant, conclude an agreement on the grant's use and the monitoring of its use and the terms and conditions with the party carrying out the activity or project (the recipient of redistributed funds).

Content of the agreement on the redistribution of a discretionary government grant

- In the agreement on the redistribution of the discretionary government grant, the government grant recipient must ensure that the recipient of redistributed funds knows of the nature of redistributed funds as a discretionary government grant and that, when using the grant, the recipient of redistributed funds complies with the terms, conditions and restrictions of the government grant decision applicable to the grant recipient and reports on the use of the grant to the grant recipient. The agreement must ensure that the government grant recipient

can monitor, in a sufficient manner, the use of the grant by the recipient of redistributed funds. The agreement must ensure that the government grant authority may, if necessary, audit the finances and operations of the recipient of redistributed funds pursuant to section 16, subsection 1 of the Act on Discretionary Government Grants.

- In the agreement on the redistribution of the discretionary government grant, the government grant recipient must ensure that the grant is not redistributed for use to parties or, directly or indirectly, persons or entities that are encumbered by a sanction imposed by the European Union or the United Nations (UN) or a sanction imposed by Finnish authorities or an asset-freezing decision. To ensure this, the agreement must include an assurance given by the recipient of redistributed funds that it or its group of beneficiaries is not subject to sanctions.
- In the agreement on the redistribution of the discretionary government grant, the government grant recipient must ensure that the recipient of redistributed funds does not use the grant for procurement from parties or, directly or indirectly, persons or entities that are encumbered by a sanction imposed by the European Union or the United Nations (UN) or a sanction imposed by Finnish authorities or an asset-freezing decision. To ensure this, the agreement must include the following terms and conditions regarding the recipient of redistributed funds: 1) When procuring goods or services, invitations to tender must include the supplier's assurance that it or its group of beneficiaries is not subject to sanctions and 2) when procuring goods or services, procurement contracts must include a clause stating that the client has the right to terminate the procurement contract with immediate effect if the service provider is encumbered by a mandatory exclusion criterion referred to in legislation on public procurement or a discretionary exclusion criterion referred to in section 81, subsection 1, paragraphs 3–11 of the Act on Public Procurement and Concession Contracts (1397/2016) or a sanction imposed by the European Union or the United Nations, even if the criterion had emerged only after the beginning of the contractual relationship.
- A template [[link to the template](#)] has been created to facilitate the drawing up of the agreement between the government grant recipient and the recipient of redistributed funds.
- The agreement between the government grant recipient and the recipient of redistributed funds must be submitted (upon request) to the government grant authority for its information.

- The government grant recipient is responsible for the appropriate use of the grant also when it comes to a grant redistributed to an activity or a project carried out by a party other than the grant recipient.
- As part of its obligation to report on the use of the discretionary government grant, the government grant recipient must report on the use of the grant also when it comes to a grant redistributed to an activity or a project carried out by a party other than the grant recipient. [Description of the more detailed content of the reporting obligation, such as the recipient of redistributed funds, the amount of redistributed funds from a government grant and the purpose of grant in more detail]

2.4 Restrictions concerning the period of use

Sample texts

- The discretionary government grant may be used only during the period of use specified in the decision on awarding a government grant.
- The discretionary government grant may be used for costs arising during the year when the grant was awarded and the following calendar year.

2.5 Restrictions and obligations related to the use of property purchased with the discretionary government grant

Sample texts

- Pursuant to section 13, subsection 3 of the Act on Discretionary Government Grants, if a discretionary government grant has been awarded for the purpose of purchasing or modernising a property that is to be used for a specific purpose defined in the government grant decision, the property may not be permanently used for purposes other than that specified in the government grant decision, nor may the ownership or right of possession of the property be transferred to another party during the property's period of use defined in the government grant decision.

- Pursuant to section 13, subsection 4 of the Act on Discretionary Government Grants, however, the period of use of a property for which a discretionary government grant has been awarded is 30 years from the awarding of the grant if the grant was awarded for a purpose other than promoting business activity to purchase or modernise immovable property, a building or an apartment in a building.
- The government grant recipient must insure the property purchased with the discretionary government grant to a sufficient value. (Ministry of Education and Culture)
- The government grant recipient is under an obligation to pay back, without delay, a grant awarded for a building's construction or modernisation costs or for purchasing other property or for paying debt arising from these 1) if the use of the property is changed so that it no longer meets the conditions for awarding a discretionary government grant or 2) if the ownership or possession of property financed with the discretionary government grant is assigned to another party or the property is pledged or mortgaged without the government grant authority's permission. The government grant recipient must notify the government grant authority of matters that, on the basis of the above, create an obligation to pay back the discretionary government grant. The notification must be submitted immediately after the grounds for the notification emerge, however within one month at the latest. (Ministry of Agriculture and Forestry)

Obligation to monitor the use of a discretionary government grant awarded for research infrastructure

- If a research infrastructure is also used for economic activity, the activity may only be of an ancillary nature. Ancillary activities are directly associated with and essential to the research infrastructure or closely affiliated with the infrastructure's non-economic activities. In economic activities, the annual capacity of ancillary activities must not exceed 20 per cent of the infrastructure's annual total capacity. The Academy must be notified as soon as possible if the annual capacity of ancillary activities exceeds 20 per cent. (Academy of Finland)

2.6 Changing the special terms and conditions specified in the government grant decision

Sample texts

- The government grant recipient must request for a revision of the special terms and conditions specified in the government grant decision in advance from the government grant authority in the following cases: [listing the cases, such as a change to the purpose and period of use of the discretionary government grant and other than minor changes to the cost estimate]. Grounds must be provided in the request.
- Other than minor changes to the cost estimate refer to the following: [examples of potential euro-denominated or percentage thresholds and so on].
- The government grant authority may, based on the request submitted by the government grant recipient and for a justified reason, change the purpose and period of use and revise the terms of the discretionary government grant. The government grant recipient must submit the request for a revision of a government grant no later than 30 days before the end of the period of use of the grant. The reference number of the government grant decision must be mentioned in the request. (Ministry of Education and Culture)

Changing the government grant recipient

- If the government grant recipient needs to reassign the government grant decision to a third party during the grant's period of use, [the government grant authority's] prior written consent must be obtained. [the request for revision and decision after this] Prior to the reassignment, the original government grant recipient must report and declare its share of the project. The auditor must submit an auditor's report on the declared costs. (Business Finland)

3 Terms and conditions related to grant-financed costs, revenue and financing

3.1 Eligible costs

Sample texts

General principles for approving costs

- The time when eligible costs arise in relation to the grant-financed activity or project [how the costs must be timed to be eligible and whether there are exceptions to the main rule].
- Eligible costs are costs incurred by the activity or the project (the matching principle).
- Eligible costs are necessary and reasonable.
- Reasonable costs that are necessary for the grant-financed activities are considered to be eligible costs. Costs that according to the Accounting Act (1336/1997), the Accounting Ordinance (1339/1997) and good accounting practice must be recorded as expenditures for the accounting period in question will be taken into account as eligible costs for the year in question. (Ministry of Education and Culture, general grant)
- Costs are approved when they have arisen during the duration of the project (accrual principle). However, costs arising from the auditor's report given in connection with the closing of the project accounts are eligible costs even if they arise after the approved duration of the project. (Business Finland, project grant)

Eligibility of value-added tax

- The costs of the government grant recipient are accepted inclusive of value-added tax (VAT) when they are associated with activities that are not subject to VAT and the VAT remains to be paid as a final cost by the grant recipient.

Eligibility of acquisition costs

- If the procurement or small purchase is made in violation of the terms and conditions regarding the procurement procedure laid down in section 1.7 of these standard terms and conditions, the acquisition cost is not an eligible cost.
- Eligible project costs only include purchases that are made for creating results for the government grant recipient's own use and are necessary to achieve the results of the government grant recipient's research project. (Business Finland)
- If the discretionary government grant is used for the acquisition of movable fixed assets and the acquisition costs are capitalised in accounting, the acquisition costs can, however, be fully taken into account as eligible costs for the acquisition year. (STEA, general grant)
- If the discretionary government grant is used for the acquisition of movable fixed assets, the acquisition costs can be fully taken into account as eligible costs for the acquisition year. (STEA, targeted general grant)

Eligibility of travel expenses

- Travel expenses are eligible to the extent they are reasonable and the compensation payable to the traveller does not exceed the terms and conditions of the collective agreements applicable to the government grant recipient.
- Costs arising from accommodation and travelling are reasonable to the extent that they comply with the State Travel Regulations.
- If the collective agreements applicable to the government grant recipient do not contain terms and conditions regarding compensation for travel expenses or if there are no collective agreements applicable to the government grant recipient, all travel expenses are accepted according to the State Travel Regulations.
- Grounds for choosing the travelling method must be presented upon request. (STEA)

3.2 Non-eligible costs

Sample texts

- Discretionary government grants may not be used to cover expenses without any consideration given, such as scholarships, donations, prizes or other similar monetary payments.
- Discretionary government grants may not be used to cover penalty interest and interest expenses, service fees charged for account transactions, currency exchange fees, exchange rate losses or other financing-related costs.
- Discretionary government grants may not be used to cover fines, parking tickets, penalty payments, other law-based financial consequences or legal costs.
- Discretionary government grants may not be used to cover entertainment expenses. Entertainment expenses do not include necessary and reasonable negotiation expenses, such as refreshments served at steering group meetings. Entertainment expenses are defined in the Finnish Tax Administration's standardised instructions and their interpretation on the differentiation between entertainment expenses and negotiation expenses (the Finnish Tax Administration's guidance on entertainment expenses in income taxation, 18 August 2014, available in Finnish or Swedish). (Business Finland)

3.3 Terms and conditions related to the revenue accrued in the activity or the project

Sample texts

Alternative ways to take revenue into account

- Revenue refers to cash flows, with consideration given, that can be accrued directly with the reported costs of the grant-financed activity or project. Revenue may be accrued from sales, rental, compensation for use or other consideration given.
- No revenue may be accrued in the project.

- Project revenue is taken into account as a deduction when determining the eligible costs of the project.
- The following revenue generated by the activity or project are not taken into account as a deduction when determining the eligible costs: [list of revenue types].
- Revenue from the activity or project must be reported as follows: [for example, requirements in section 4.3 of the standard terms and conditions].

3.4 Terms and conditions related to the financing of the activity or project

Sample texts

- Financing refers to the money received for the grant-financed activity or project without a requirement of any consideration given.
- The self-financing contribution to eligible costs refers to the share of the total sum of eligible costs that remains after the total sum of eligible costs covered with external financing has been deducted.

Variation of financing level (percentage) among government grant recipients on certain grounds

- In cases where project financing has been awarded at an augmented level, the finance provider has the right to lower the level of financing if the conditions for the augmented level stated in the financing decision are not met. (Business Finland)

Government grant recipient's obligation to report other public financing, and the consideration of other public financing (see also 4.3 Obligation to report)

- The reports must specify all other public financing awarded for the project by the state, municipalities and other public entities, or bodies or foundations governed by public law. Financing awarded by the European Union must also be reported. The combined total financing that the project receives from the finance provider and other providers of public financing may not exceed the project's maximum limit for public financing. If necessary, the finance provider will

reduce its own contribution so that the maximum amount of public financing is not exceeded. (Business Finland)

Government grant recipient's obligation to report other private financing, and the consideration of private financing (see also 4.3 Obligation to report)

- [terms and conditions]

3.5 Terms and conditions concerning resources made available without payment

Sample texts

- If it seems that resources specified in the government grant decision and made available without payment for the activity or project may not be used in accordance with the decision, the government grant authority must be notified of this change. (See also 4.1 Obligation to provide information and notification obligation)
- If the resources made available without payment for the activity or project were taken into account in the government grant decision, the government grant recipient must report their use when reporting on the use of the discretionary government grant (see 4.3 Obligation to report on the use of the discretionary government grant).

4 Government grant recipient's special obligations

4.1 Obligation to provide information and notification obligation

Sample texts

- Pursuant to section 14, subsection 1 of the Act on Discretionary Government Grants, government grant recipients must provide government grant authorities with correct and sufficient information for monitoring that the terms and conditions of the government grant decision are observed.
- Pursuant to section 14, subsection 2 of the Act on Discretionary Government Grants, government grant recipients must notify the government grant authority without delay of any changes affecting the use of the grant in accordance with its purpose and any other change affecting its use.
- For example, the notification obligation applies to the following cases: [examples].
- The government grant recipient must keep updated the information about its persons in charge.
- [See also the condition concerning the obligation to notify of the repayment of investment grants under 2.5]

4.2 Repayment obligation

Sample texts

- Pursuant to section 20, subsection 1 of the Act on Discretionary Government Grants, government grant recipients must without delay pay back, in full or in part, any government grant they have received through error, in excess or clearly without justification.

- Pursuant to section 20, subsection 1 of the Act on Discretionary Government Grants, government grant recipients must also pay back, in full or in part, a grant that cannot be used as specified in the government grant decision.
- Pursuant to section 20, subsection 1 of the Act on Discretionary Government Grants, if the repayable sum does not exceed EUR 100, it is not necessary to pay it back.
- [See also the condition concerning the obligation to pay back investment grants under 2.5]
- Pursuant to section 24 of the Act on Discretionary Government Grants, government grant recipients must pay an annual interest in accordance with section 3, subsection 2 of the Interest Act (633/1982) plus 3 percentage points on the amount to be paid back or recovered from the day the government grant was paid.

4.3 Obligation to report on the use of the discretionary government grant

Sample texts

Timing of reporting on the use of the discretionary government grant

- The government grant recipient must [by certain time in relation to the use of the discretionary government grant] provide a report on the use of the discretionary government grant.
- The government grant recipient must provide a report on the use of the discretionary government grant (annual report) by the end of May of the year following the year in which the grant was used. (STEA)

Content requirements for reporting on the use of discretionary government grant / general grant

- The following must be appended to the report (STEA's general grant):
- Report of the Board of Directors and/or annual report

- Signed financial statements
- Balance sheet itemisations
- Consolidated financial statements and the report of the Group's Board of Directors (if prepared voluntarily or required by law)
- Signed auditor's report (and/or the performance audit report) and the auditor's (and/or the performance auditor's) memoranda
- Auditor's report on the use of the government grant if more than EUR 200,000 of STEA's grant has been used for the grant-financed project or activity on accrual basis during the year and the government grant decision does not state otherwise.
- Cost centre-specific income statement of the grant-financed project or activity.

Content requirements for reporting on the use of discretionary government grant / special grant

- Reporting (Business Finland):
- The accountable project leader reports on the realisation of activities according to the financing decision, the use of financing and the achievement of objectives
- Cost reporting with a salary specification appended to it
- Auditor's report
- Upon request, additional information, such as copies of receipts, invoice itemisations, the selection criteria for purchased services and working time monitoring reports, must be provided.

Good governance, risk management and internal control

- If this condition exists, the manner of providing appropriate and reliable governance is investigated. [Content requirements]

4.4 Impact assessment of the grant-financed activity or project

Sample texts

- The government grant recipient must provide an effectiveness report of the grant-financed project or activity by a separately provided deadline. (STEA)
- After using and reporting on the discretionary government grant, the government grant recipient must participate in producing and providing information on the impact of the grant. [more details about how this is done]
- After the completion of the projects, the finance provider will continue to evaluate their ability to have effects. If necessary, the government grant recipient will be expected to report on project results for five years after the completion of the project. The government grant recipient must, on request, provide details of the outcome of the plans and forecasts presented during the processing of the application and during the project. Upon request, the government grant recipient will report to the finance provider on how the business targeted in the project has developed. The finance provider must be able to access the government grant recipient's financial statements and audit reports, which are stored in the Finnish Patent and Registration Office database, for a period of five financial periods following the completion of the project. The finance provider has the right to commission an analysis of the government grant recipient's financial statements from another provider of public financing. (Business Finland)

4.5 Utilisation of results

Sample texts

Academy of Finland

- All results produced with funding from the Academy of Finland must be made public.
- The Academy requires that Academy-funded researchers and research projects make research outputs wholly or partially produced with Academy funding

available to the public immediately after publication. [Additionally, how this can be done]

- Peer-reviewed scientific articles shall be published under a global licence that guarantees immediate access free of charge. The licence must also guarantee the free redistribution and reproduction of article contents. The condition supports both the dissemination and reuse of research outputs and the researcher's rights to research outputs and the results presented in them. The licence must also guarantee the free redistribution and reproduction of article contents. As a rule, the Academy requires the use of Creative Commons Attribution (CC BY) 4.0, but deviations from this requirement are possible in these cases: [...]
- Research data and material produced with Academy funding in research projects and research infrastructure projects must be made freely available as soon as possible after the research results have been published. The principal investigators of Academy-funded research projects should also store their research data and material and make them available through major national or international archives or storage services that are important in their own fields.

5 Monitoring of the use of the government grant, suspension of payment and recovery

5.1 Monitoring and supervision practices

Sample texts

- Communications between the government grant authority and the government grant recipient during the use of the discretionary government grant. [description of procedures]
- The government grant recipient's obligation to produce monitoring information (such as information about the results) during the grant-financed activity or project. [description of procedures]
- Setting up a steering group for the project. [description of procedures]

5.2 Right to audit

Sample texts

- Pursuant to section 16, subsection 1 of the Act on Discretionary Government Grants, government grant authorities have the right to audit government grant recipients' finances and operations as required by the payment and monitoring of the use of government grants.
- Pursuant to section 16, subsection 1 of the Act on Discretionary Government Grants, if a discretionary government grant has been awarded under section 7, subsection 3 of the Act for a project or activity of a party other than the government grant recipient but in accordance with the purpose specified in the government grant decision, the government grant authority has the right to audit the finances and activities of the party implementing the activities specified in the government grant decision.

- Pursuant to section 16, subsection 2 of the Act on Discretionary Government Grants, the government grant authority may issue a decision authorising another authority or an external auditor to carry out the audits referred to in subsection 1. The auditor must be an auditor referred to in the Auditing Act (1141/2015). Audit firms must designate an auditor to be in charge of the audit.
- Provisions on the auditing procedure are laid down in section 17 of the Act on Discretionary Government Grants.
- Provisions on the National Audit Office of Finland's right to audit are laid down in section 2 of the Act on the National Audit Office of Finland (676/2000).
- Audit rights of the European Commission and the European Court of Auditors [description]

5.3 Government grant recipient's obligation to assist in the audit

Sample texts

- Pursuant to section 17, subsection 1 of the Act on Discretionary Government Grants, government grant recipients must provide auditing officials and auditors referred to in section 16, subsection 2 with all information and reports, documents, records and other material necessary for performing the audit and otherwise provide assistance with the audit free of charge.

5.4 Suspension of payment

Sample texts

- Pursuant to section 19 of the Act on Discretionary Government Grants, the government grant authority may decide to suspend the payment of a discretionary government grant: 1) if there are reasonable grounds to suspect that the government grant recipient is not complying with the provisions laid down in section 12, subsection 4 or sections 13 or 14; 2) the grounds on which the government grant was awarded have essentially changed; or 3) suspension of payment is required by European Community law.

5.5 Recovery and interest

Sample texts

Government grant authority's recovery obligation

- Provisions on the government grant authority's obligation to recover discretionary government grants are laid down in section 21 of the Act on Discretionary Government Grants. The authority has a recovery obligation if the discretionary government grant recipient has:
 - 1) failed to pay back a government grant which under section 20 must be paid back in full or in part;
 - 2) used the government grant for a purpose essentially different from that for which it was awarded;
 - 3) provided the government grant authority with false or misleading information on a matter that was conducive to influencing the awarding, amount or terms of the government grant, or concealed such matter; or
 - 4) in a manner comparable to paragraphs 1–3, otherwise essentially violated the provisions concerning the use of government grants or the conditions of the government grant decision.

Discretionary recovery

- Provisions on the government grant authority's right to discretionary recovery and on the discontinuation of payments are laid down in section 22 of the Act on Discretionary Government Grants. Government grant authorities may issue a decision to discontinue the payment of a discretionary government grant and to recover in part or in full a grant already paid, if:
 - 1) the government grant recipient has violated section 12, subsection 4 or sections 13 or 14;
 - 2) the government grant recipient has refused to provide the data referred to in section 17, subsection 1, or provide the assistance referred to in said subsection with an audit;

- 3) the government grant recipient has discontinued the grant-financed activities, reduced them substantially or assigned them to another party;
- 4) the government grant recipient has in violation of section 13 assigned to another the ownership or possession of property purchased with the government grant;
- 5) the government grant recipient has in violation of section 13 permanently altered the purpose of the grant-financed property;
- 6) the government grant recipient has been subject to recovery proceedings, or placed into liquidation, bankruptcy or made subject to debt adjustment referred to in the Restructuring of Enterprises Act (47/1993) or debt rescheduling referred to in the Act on Adjustment of the Debts of a Private Individual (57/1993), unless the purpose of the government grant requires otherwise, or
- 7) the government grant recipient in practical terms takes action that is comparable to what is laid down in this subsection by giving a subject related to the awarding, payment or use of the government grant a legal form that is not compatible with its true nature or purpose.

Recovery of investment grants

- Provisions on the recovery of government grants for investment purposes are laid down in section 23 of the Act on Discretionary Government Grants. [The entire section copied to the terms and conditions of investment grants]

Interest

- Pursuant to section 24 of the Act on Discretionary Government Grants, government grant recipients must pay an annual interest in accordance with section 3, subsection 2 of the Interest Act (633/1982) plus 3 percentage points on the amount to be paid back or recovered from the day the government grant was paid.
- Pursuant to section 25 of the Act on Discretionary Government Grants, if the recovered sum is not paid by the due date set by the government grant authority, an annual penalty interest is payable on the sum in accordance with the interest rate referred to in section 4, subsection 1 of the Interest Act.

Offsetting

- Pursuant to section 30 of the Act on Discretionary Government Grants, a sum to be repaid or recovered, including interest, may be collected by deducting it from another discretionary government grant paid to the same recipient and awarded by the same government grant authority.