The research goal was to find out how regional needs result in projects funded by the structural fund. The scope was in Finland’s Objective 2 programs and the projects based on them in 1995-1999. Objective 2 areas are regions affected by industrial decline. In 1995-1999 there were Objective 2 programs in eight regions in Finland.

The research analysed Objective 2 programs, regional development programs, project lists from Fimos database, TEKES and Ministry of Trade, and evaluation reports of the Objective programs. The persons responsible for Objective 2 programs answered a questionnaire about the groundwork for program process, the regional emphasis and the participation of citizens in the program preparation work. Two implemented projects (Hamina bastion and Lahti harbour) were studied by interviewing actors related to the project financing. Hoppe’s (1993) model was used when analysing the interviews.

The needs end up as financed projects by a combined effect of two processes: Needs affect strategy programs and the project selection criteria. Needs also arouse applications to finance projects. A project is financed if there is a match between the objectives of the strategy program, the needs of the project owner, and the criteria valued by the financing authority. This is especially influenced by the ability of the regional strategy program to reflect true regional needs.

The nature of the strategy formation process affects the strategy that in turn guides the project funding through the project selection criteria. It was essential how the decision-making authorities interpreted the implementation of programs and EU principles in their own region. The Objective Programs might have implemented sectoral objectives of the ministries rather than regional needs.

Getting the regional needs on the agenda depends on the national competence in the program work. Proceeding with a projects demands interest consolidation between the EU objectives, the national goals of the regional policy, and the regional needs, both vertically through these levels and horizontally within them.

The success of the case projects to get EU funding was a result of a practical model where local, regional needs where combined with central government's targets.

**Avainsanat-Keywards**
- needs
- objective 2 program
- regional policy
- region
- project