

FINLAND-U.S. ECONOMIC DEEP DIVE 2023

Annual Survey of Jobs,
Trade and Investment between
Finland and the United States



Partners:



Nordea

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THE NUMBERS TELL A CLEAR STORY: OUR FUTURE IS TRANSATLANTIC

Alexandra Pasternak-Jackson
CEO, Amcham Finland



The transatlantic relationship — which forms the backbone of the global economy — is built on much more than only trade, investment, and data flows. We also share the key common values of democracy, rule of law, sustainability, human rights, and a shared commitment to being a force of good for the generations after us.

The economic relationship between Finland and the United States of America has proven to be incredibly resilient in the face of the dramatic volatility that has shaken the world. Despite supply-chain disruptions, ongoing pandemic uncertainties, dramatic energy shifts, high inflation, Russia's war against Ukraine, and geopolitical tensions, the key indicators of the transatlantic economy remained strong in 2023. The relationship has never been stronger or more necessary.

To highlight the importance of the economic relationship between the U.S. and Europe, Amcham Finland has co-sponsored the *Transatlantic Economy 2023: Annual Survey of Jobs, Trade and Investment between the United States and Europe*. The report presents the most up-to-date facts and figures about the economic relationship, based on independent research by **Daniel Hamilton** and **Joseph Quinlan** from the Foreign Policy Institute at Johns Hopkins University's School of Advanced International Studies and the Transatlantic Leadership Network.

In our *Finland-U.S. Economic Deep Dive 2023* report we aim to supplement the Transatlantic Economy 2023 report with a deeper look at the economic relationship between the U.S. and Finland. We feature U.S.-Finnish economic analysis by Nordea economist **Juho Kostiainen**, further insights from Wall Street economist **Joseph Quinlan**, a Finnish-American focused Reader's Digest of the Transatlantic Economy 2023 report, and much more.* In these pages, you'll note the major progress and significant potential for growing together towards an even stronger and more intertwined economic and investment relationship between Finland and the U.S.

Together, the U.S. and Finland will always be more innovative and create more value for society than we would apart. The strength of our transatlantic ties lies in innovation, human capital, technology, trade and investment, and in our willingness to push forward with optimism and grit. The Amcham Finland team is dedicated to working with our members and stakeholders to help business grow, add jobs to our economies, and deepen the economic relationship between the U.S. and Finland.

Sincerely,

A handwritten signature in black ink, reading "Alexandra Pasternak-Jackson".

Alexandra Pasternak-Jackson
CEO
Amcham Finland

* The Transatlantic Economy Report 2023 draws from U.S. government data, while the Nordea analysis uses data from the Finnish government. Discrepancies between the two are expected.

FROM THE DESK OF **THE U.S. AMBASSADOR TO FINLAND**

Douglas Hickey, U.S. Ambassador to Finland



As President Niinistö said at the closing of Parliament on March 29th, “There are two kinds of forecasters: those who don’t know and those who don’t know they don’t know.” No one could have predicted the worldwide impact of Covid or the Ukraine war. *The Transatlantic Economy Report 2023* presents an opportunity to reaffirm the strength of the transatlantic relationship between the United States and Europe, and highlight our commitment to work in partnership to face the challenges of our time. From supporting a democratic Ukraine, to mitigating the effects of climate change, to ensuring ethical and trusted vendors are dedicated to a rules-based international economic system. The bilateral relationship between Finland and the United States has never been more important or closer.

The United States and the European Union remain each other’s most valued trade and investment partners. The bilateral trade relationship for goods and services was over \$11.5 billion in 2021, with the bilateral cumulative FDI reaching over \$33.9 billion.

The foundation of this relationship is both durable and resilient, as we continue to fortify existing agreements and identify new opportunities. The Trade and Technology Council partnership of 2021 allows us to advance collaboration in Clean Tech, ICT, cloud, and artificial intelligence. The U.S. Inflation Reduction Act of 2022 (IRA) presents business opportunities for Green Tech investment in the United States, while at the same time driving down costs, which will support other nations like Finland to go farther and faster in building their own clean energy economies.

Since my arrival in Helsinki almost a year ago, I have promoted cooperation between the United States and Finland across many sectors, including business, education and culture, and defense and security. As Finland joins NATO, not only will it strengthen our collective defense, but it will also have an indelible impact on our mutual business opportunities.

I am thankful for the role that Amcham Finland plays in the business, trade, and political relationship between the United States and Finland. The issuance of the *Finland-U.S. Economic Deep Dive 2023* not only serves as a useful resource, but also reiterates the positive engagement, and future, between our two countries.

Best regards,

A handwritten signature of Douglas Hickey in black ink. The signature is cursive and stylized, with the first name 'Douglas' and last name 'Hickey' clearly visible.

Douglas Hickey

United States Ambassador to the Republic of Finland

FROM THE DESK OF **THE PERMANENT STATE SECRETARY**

Jukka Salovaara, Permanent State Secretary of the Ministry for Foreign Affairs of Finland



The events of the past year have once again underscored the need to work together and foster partnerships with likeminded countries that share common values and rules. The United States is and remains a vital partner for Finland. Bolstering our bilateral and transatlantic relations is an essential part of our foreign and security policy, and Finland remains committed to deepening this bilateral relationship even further.

Our strong bilateral bond has further solidified during the past year, and as allies it will strengthen even further. We greatly value our friendship with the United States. The closely coordinated transatlantic response to the Russian aggression against Ukraine has demonstrated the nature of this strong relationship. It has become self-evident that in the face of the current geopolitical challenges, our partnership is stronger than ever.

We have seen an unprecedented amount of interest towards Finland during the past year. In the United States, Finland is known as a security provider and a burden sharer — a trustworthy partner in security policy. We are grateful for the solid support that we received from the United States throughout our NATO application process. The clear vote on 3 August 2022 in the U.S. Senate demonstrated a firm U.S. commitment to collective transatlantic security. We value this commitment and we will do our part to make the alliance even stronger.

Bilateral trade relations, as this *Finland-U.S. Economic Deep Dive* clearly demonstrates, continue on a very positive path. The United States is Finland's most important trading partner outside of the European Union. The U.S. market offers significant possibilities for Finnish companies, with demand for Finnish solutions in clean technology, digitalization, forestry and other areas. We are also a trusted partner in emerging technologies.

In these and other sectors we are stronger if we work together on the business and policy side. Finland is known for its dynamic economy, highly-skilled workforce, and excellent public services. There are many opportunities for investment from the U.S. and for research and development cooperation.

The past years have underscored the need to strengthen the international rules-based trading system and improve supply-chain resilience. Accelerating the path to climate neutrality and supporting an inclusive green transition need to be our top priorities. The European Union is active in these areas, but cooperation and mutually supportive policy actions are essential if we want to see results. The EU-U.S. Trade and Technology Council provides an important avenue for this work.

In addition to good cooperation at the federal level, over the past three years Finland has also established long-term partnerships directly with six U.S. states. Through these partnerships we hope to not only increase trade and investment, but also to create meaningful contacts between business and research communities, as well as with decisionmakers. It is indeed people — who through their hard work and their connections — improve and further enhance our bilateral relationship.

The transatlantic economy has been remarkably resilient during the past year and I remain confident that with good cooperation we can continue on this path. I would like to thank Amcham Finland for the valuable work they do to enhance economic ties between our countries.

Best regards,

A handwritten signature in blue ink that reads "Jukka Salovaara". The signature is fluid and cursive, with the first name "Jukka" being more prominent.

Jukka Salovaara

Permanent State Secretary of the Ministry for Foreign Affairs of Finland

THE TRANSATLANTIC INVESTMENT AND TRADE RELATIONSHIP: STRONGER AND MORE IMPORTANT THAN EVER

Juho Kostiainen
Economist, Nordea



Introduction

The global pandemic faded last year, but the economy faced new challenges. The combined effects of Russia's attack on Ukraine, a global surge in energy prices, and high inflation forced central banks to raise interest rates. Despite this turbulence, both the Finnish and the U.S. economies remained resilient through 2022, each recording GDP growth of 2.1%. Finland's westward exports increased last year, as trade with Russia came to a sudden stop. Strong order books fortunately helped to compensate for the closure of the Russian export market. Many commodity prices rose and gave Finnish export prices a boost, but the high price of imported energy significantly increased household living costs.

The economic outlook for 2023 is moderate in Finland, as high inflation and high interest rates are eroding households' purchasing power. Finnish households are sensitive to the rising cost of borrowing, as most mortgages are linked to variable interest rates. Households' interest expenses are set to rise from 2% of disposable income in 2022 to 5% in 2023. At the same time, real wages are declining; inflation remains around 9% while wages are rising by only 3%. Inflation is however expected to decline this year as energy prices have started to fall. A new Finnish nuclear power plant is finally in production, increasing the supply of electricity. On the downside, the flow of new orders in the industrial sector has dwindled, putting exporters in a more challenging situation this year. Demand has decreased in both Europe and the U.S.

Overall, the economic outlook for 2023 is very mixed. Consumer and corporate confidence in the economy is bleak, resulting in caution around larger acquisitions and investments. On the other hand energy prices are falling, and the inflationary pressures caused by bottlenecks in global supply are easing. These developments are expected to provide relief for household finances towards the end of the year. Employment is expected to decline only moderately. The outlook for the European economy

is brighter too, as the worst-case scenarios involving an energy shortage do not seem to be materializing.

Nordea has forecast that Finland's GDP will contract moderately in the first half of the year, only to return to a growth track in the second half. We expect GDP growth to be zero for the full year 2023. For 2024, we forecast low GDP growth of 1%.

Finland-U.S. trade fares well

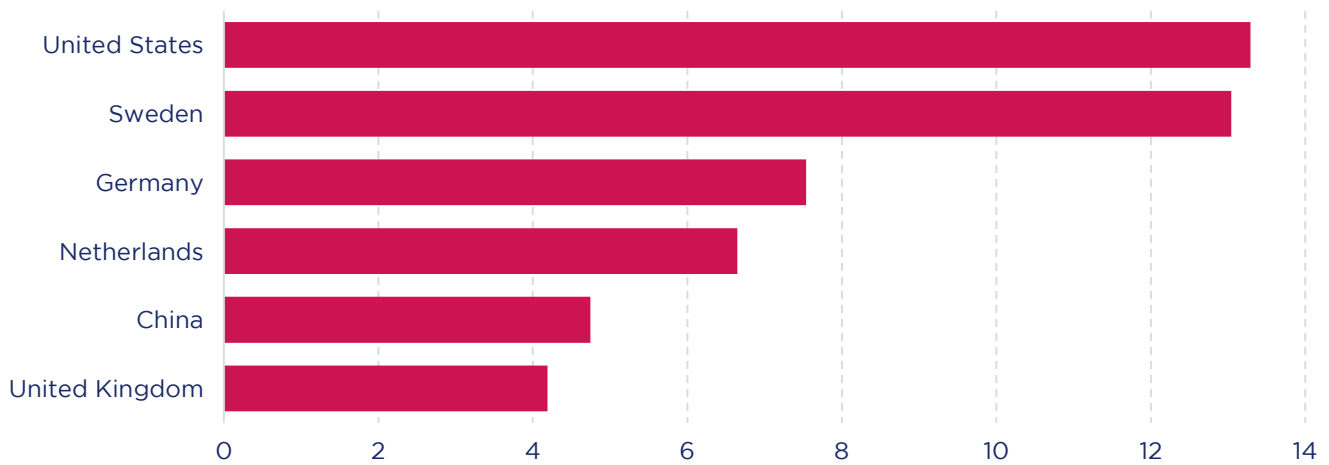
Finnish exports to the U.S. increased by 38.2% in 2022; double-digit growth for the fourth year running. The U.S. became the largest trading partner for Finland in 2022, overtaking Sweden. Export growth to the U.S. was driven by goods, which grew 68% year-on-year, while exports of services grew 9.7%. The extraordinarily high growth in exports of goods is driven by higher export prices, but also by significant increases of export volumes of forest-industry products and biofuels. The delivery of a cruise ship to the U.S. last year increased exports by one billion euros compared to the previous year.

Manufacturing and goods exports will continue to play a role in the Finnish economy. However, the impact of these sectors may be reduced as globalization takes a few steps back. Finland has some natural strengths, including the availability of commodities such as metals and timber. Relatively cheap and low-emission power generation also provides Finland with a competitive edge over many other countries, and will help to maintain local production in the future.

Finland's main advantages are know-how and innovation. Instead of investing in manufacturing capacity, Finland should shift its focus towards R&D investments. When manufacturing products, the greatest value add is created on the drawing board where technology is developed and brands are built. The Finnish export industry would benefit from focusing more on technology and services with high value-add, and less on mass production.

Figure 1. Finland's exports by country, 2022

(export share, %)



Sources: Statistics Finland, Nordea and Macrobond

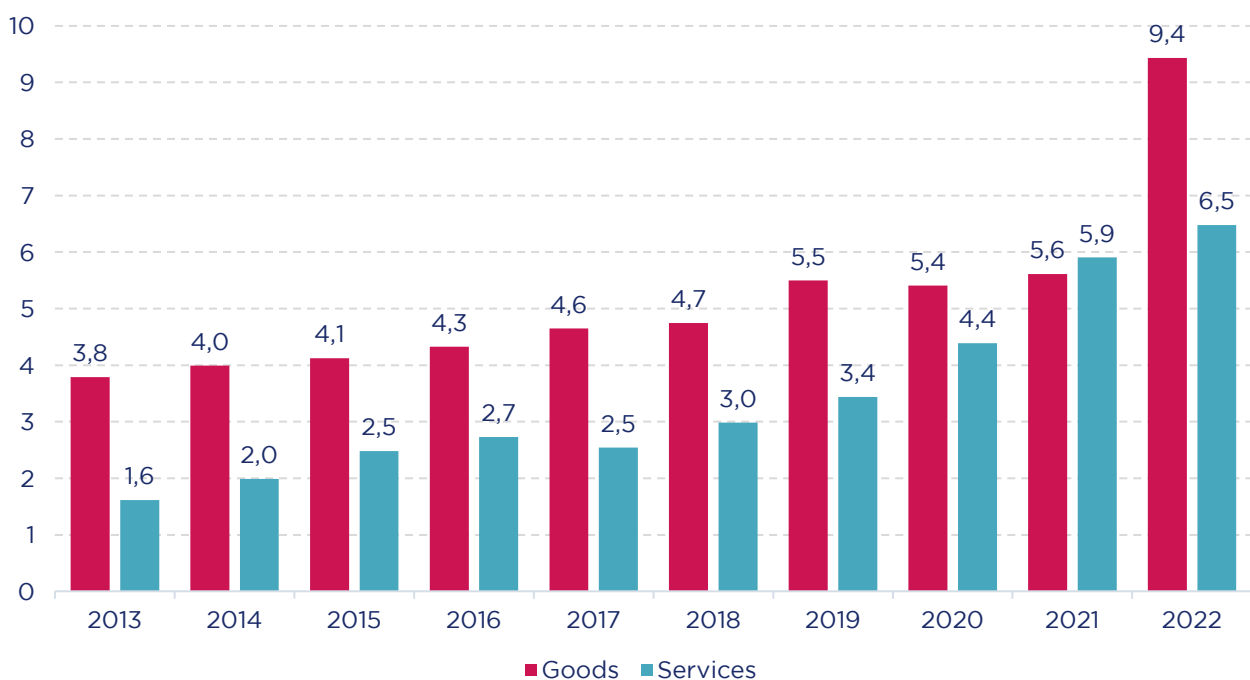
Services trade

Trade in services between Finland and the U.S. has increased significantly in recent years. The U.S. remained by far the most important service-export country for Finland, worth €6.5 billion and accounting for 20% of Finland's total exports of services. ICT services are in the lead, followed by fees for the use of intellectual property. Imported services from the U.S. to Finland were worth €3 billion in 2022. Business services represent the largest services import item from the U.S. to Finland. It should be noted that some U.S. companies use European subsidiaries, especially in Ireland, and hence do not show in U.S. bilateral trade statistics.

The digital economy is growing fast and has made service exports one of the high-productivity sectors. The U.S. market provides Finnish service suppliers with substantial opportunity to follow the leading example of the IT sector and the gaming industry. On the other hand, Finland can provide strong infrastructure and highly skilled labor to U.S. tech giants looking to expand their European operations.

Figure 2. Finland's foreign trade, exports to the U.S.

(€, billion)



Sources: Statistics Finland, Nordea and Macrobond

Goods trade

The U.S. is also one of Finland's main goods-trading partners, with an 11% share of total Finnish goods exports. In 2022, total exports of goods from Finland stood at €9.4 billion. These figures saw some tailwind as a cruise boat worth one billion dollars was delivered to the U.S., whereas in the previous year this annual ship delivery went to Italy. Mineral fuels, mainly biodiesel, stood out last year as Finland's single largest export category, underlining the Finnish industrial renaissance in the green economy. Imports of goods from the U.S. grew by 72% to €3.5 billion in 2022. Finland replaced Russian oil imports with imports from other countries, including the U.S. A new liquefied natural gas (LNG) terminal was established in Finland, allowing future imports of natural gas from the U.S. In the coming years, goods imports will be boosted by the delivery of American F-35 fighters.

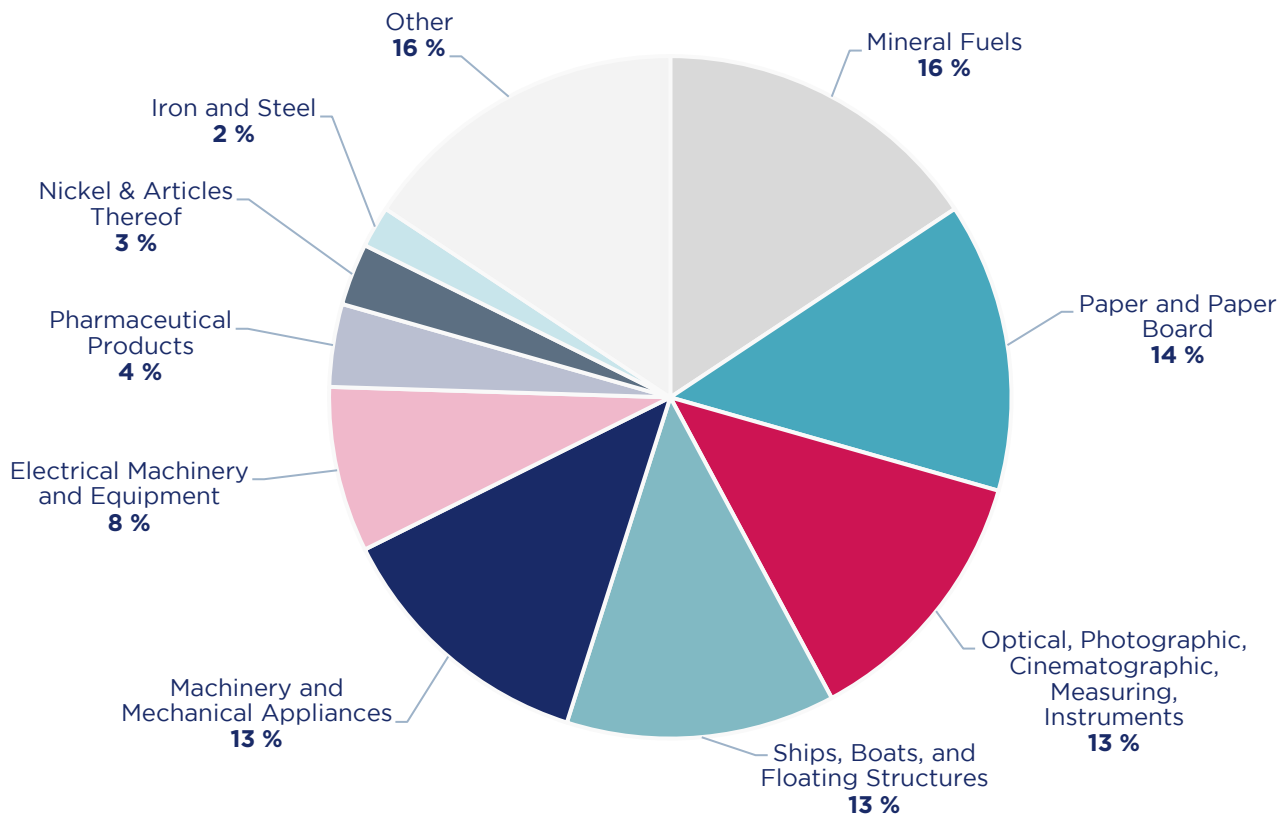


Figure 3. Share of goods exports in 2022 from Finland to the U.S. (%)

Sources: Finnish Customs and Nordea

Jobs and foreign direct investment

Foreign companies are big contributors to the Finnish economy. In 2021, some 278,000 people (18% of the Finnish workforce) worked for foreign-owned enterprises. U.S. companies employed 26,920 people in Finland and generated an annual turnover of €14.5 billion, distributed in approximately equal thirds between industry, trade, and services sector companies. Finnish companies employed 39,700 people in the U.S., with an annual turnover of €25 billion in 2020 .

The U.S. is the second-largest source of foreign direct investment (FDI) in Finland after Sweden. In 2021, total investments from the U.S. to Finland were €14 billion, accounting for 18% of total FDI in Finland. U.S.-owned enterprises produced most of their added value in the ICT industry. Almost two-thirds of output from U.S. firms in the ICT industry is exported. The U.S. also undertakes significant foreign direct investments in wholesale trade and the chemicals industry.

NATO membership

Finland applied for NATO membership during 2022 and joined the alliance on April 4th, 2023. NATO is first and foremost a defense organization that will strengthen Finland's security and its relationships with its transatlantic partners.

Joining NATO should bring economic benefits to Finland by increasing security and stability in the region. This could potentially attract more foreign investment, boost trade, and create jobs. Increased military spending and investment in the defense industry will create jobs and stimulate economic growth.

Inflation Reduction Act (IRA)

The Inflation Reduction Act (IRA) of 2022 is the most important U.S. clean-energy legislation in recent history. The Act gives investors unprecedented policy transparency that was previously lacking. Energy tax credits have been expanded to cover investments such as standalone energy storage, clean transportation, hydrogen, and more, opening the door for new investment opportunities. A subsidy and tax-break package aims to further boost U.S. domestic green-energy projects.

The IRA is a significant and welcome climate law. It also includes trade-distortive subsidies, including local-content requirements prohibited under World Trade Organization rules. This could trigger protectionism in other countries.

The IRA has pros and cons for Finnish companies. Large subsidies in the U.S. may attract investments from Europe to the U.S. On the other hand, a big stimulus for the green economy could provide export opportunities for Finnish companies in the U.S. market.

Conclusions

The U.S. is one of Finland's key trading partners in terms of goods and services, as well as for foreign direct investment. The economic relationship between Finland and the U.S. has deepened further in recent years, covering a wider range of economic activities. Service exports from Finland to the U.S. have grown especially rapidly over the past years, but in 2022 the goods-export industry took a huge leap, making the U.S. the largest export destination for Finland.

The Russian invasion of Ukraine is highlighting the importance of defense co-operation between Finland and the U.S., while surging energy prices due to the war are making the green transition an even more timely topic. As a frontrunner in energy efficiency and the creation of a carbon-free economy, Finland can be a valuable partner for the U.S. in the context of the Inflation Reduction Act.

Sources:

Statistics Finland (2023). Turnover of Swedish-owned companies in Finland EUR 27 billion in 2021

Tulli. International trade statistics

Statistics Finland (2022). Stocks of foreign direct investments (FDI) grew in 2021

Hamilton and Quinlan (2023). "The Transatlantic Economy 2023: Annual Survey of Jobs, Trade and Investment between the United States and Europe"

THE TRANSATLANTIC ECONOMY REPORT 2023: READER'S DIGEST

Transatlantic economy breaks records despite geopolitical uncertainty

The transatlantic community has shown remarkable resilience through unprecedented crises.¹ The \$7.1 trillion transatlantic economy employs 16 million workers on both sides of the Atlantic² and accounts for half of total personal consumption worldwide.³ Together, the U.S. and the EU represent close to one-third of world GDP in terms of purchasing power.⁴

Record-breaking trade figures have reflected the transatlantic community's unification in response to Russia's assault on Ukraine. Goods trade between the U.S. and Europe reached an all-time high of \$1.2 trillion, with U.S.-EU trade at \$909.5 billion — 25% higher than U.S.-China goods trade.⁵ The U.S. and Europe are also each other's largest services markets. U.S. services exports to Europe rebounded to \$332 billion in 2021, while U.S. services imports from Europe rose to \$230 billion.⁶



Goods Trade

\$1.2tn

U.S.-Europe

\$909.5bn

U.S.-EU

Traditional trade figures alone cannot capture the size of the transatlantic economy. U.S. affiliates in Europe earned a record high of approximately \$325 billion in 2022, while European affiliates in the U.S. earned the second highest level on record with \$151 billion.⁷ Despite Europe's energy crisis, U.S. foreign direct investment (FDI) totaled \$235 billion in 2022, marking the second strongest year on record.⁸ European investments to the U.S. remained strong at \$170 billion,⁹ signaling remarkable trust and commitment in the face of an uncertain geopolitical environment.

Finland thrives in the transatlantic partnership

The U.S. is now Finland's largest trading partner.¹⁰ As noted by Nordea economist **Juho Kostiainen**, Finnish exports to the U.S. grew 38.2% in 2022, with goods exports up 68% year-on-year.¹¹ This extraordinary growth was driven by higher export prices, high export volumes in the forest industry and biofuels, as well as a billion-euro cruise ship delivery to the U.S.¹²



The U.S. is now Finland's
largest trading partner

The rapidly growing digital economy is a significant opportunity for Finland. In terms of maturity and gross value-added contribution, Finland's digital economy is on par with the U.S.¹³ Digital health and green energy are especially promising growth areas for Finland, provided that policymakers take key steps in improving Finland's innovation environment.

The transatlantic economy is our anchor in times of uncertainty, yet Finland and the EU cannot afford to take its future for granted. U.S. companies employed 21,400 workers in Finland, and Finnish companies employed 36,300 workers in the U.S. in 2021.¹⁴ Still, manufacturing jobs in Europe have plateaued since 2000, and the 2017 overhaul of the U.S. tax code has prompted more U.S. companies to keep their investments at home.¹⁵ Some in Europe have called for greater sovereignty in the digital sphere, which carries the risk of more entrenched protectionism.¹⁶ Realizing the potential of the digital economy and clean technology industry will require a strong sense of direction from decisionmakers and closer collaboration with industry.

Foreign affiliates power global R&D

Foreign affiliates are the foot soldiers of the transatlantic economy.¹⁷ Their sales and investments form the backbone of the transatlantic economy.¹⁸ U.S. (FDI) totaled \$235 billion in 2022, marking the second strongest year on record.¹⁹ European investments to the U.S. remained strong at \$170 billion.²⁰ Finland has more than doubled its net FDI inflows from the U.S. since the 1990s.²¹

These transatlantic investments drive global research and development.²² U.S. affiliates spent \$31.6 billion on R&D in Europe in 2020, while European investments accounted for over half of total foreign U.S. R&D in 2020 with a total investment of \$71.4 billion.²³ Eleven Amcham Finland members ranked among the top 20 transatlantic R&D spenders.²⁴

1. All data cite Hamilton and Quinlan (2023) ["The Transatlantic Economy 2023: Annual Survey of Jobs, Trade and Investment between the United States and Europe"](#) unless otherwise stated. Amcham Finland is a supporting partner of the report.

2. page V. Counting both direct employment (9.8 million in 2021) and estimated number of jobs supported by transatlantic trade.

3. p. V

4. p. V

5. p. V

6. p. 24

7. p. V

8. p. 2

9. p. 3

10. See p. 6 in this report

11. See p. 6 in this report

12. p. 58

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18. p. V

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Foreign affiliates also employ a steadily increasing number of workers in Europe. Since the turn of the century, affiliate employment has grown from 3.7 million to 4.8 million workers in 2020 — a 33% increase.²⁵ Like inbound U.S. investments to Europe, these employment figures cannot be taken for granted. Competitive wages and energy costs²⁶ are two considerable factors in decisions to move investments outside of Europe.

Derisking, not decoupling: China and the transatlantic partnership

Economic and geopolitical disruptions have forced companies and governments to consider their vulnerabilities and adopt new approaches to supply chains and investments.²⁷ While “decoupling from China” has dominated public discussion, Europe’s posture is better described as derisking. For governments, derisking means seeking ways to promote trade and investment while protecting security interests and human rights.²⁸ For companies, it means identifying strategies to maintain and expand commercial ties with China while mitigating supply-chain vulnerabilities and navigating a growing web of government restrictions.²⁹

Recent data show that China remains a powerhouse in goods trade³⁰ and an attractive earnings engine for U.S. companies.³¹ Both the EU and U.S. are highly dependent on China for their rare earths, with China accounting for 98% and 80% of their imports, respectively.³² These figures make clear that China is and must remain a stakeholder in future discussions.



Share of the EU’s total outward FDI position globally (2020)



Still, China’s trade relationship with the U.S. or Europe should not be overestimated. U.S.-China trade links have been weakening for more than 15 years,³³ and EU27 services trade with the U.S. was six times that of the EU and China in 2021.³⁴ These figures fall victim to the same deficiencies as traditional trade indicators. Standard metrics fail to capture the value of intangibles, such as intellectual property, in global value chains, and therefore underestimate the nature and value of exports from developed countries.³⁵ Moreover, standard trade measures tend to only account for manufacturing production, despite the fact that pre- and post-production tasks such as R&D, marketing, and distribution add twice as much value and account for more jobs.³⁶

For Finland, the still nascent drive towards “friend-shoring” is a significant opportunity. Finland is part of the Minerals Security Partnership launched in 2022, which has declared its intent to form a supply-chain bloc for critical materials, excluding China.³⁷ As the

green transition accelerates and countries continue to assess their dependencies, the transatlantic partnership will once again be critical. On average, U.S. and EU companies that received transatlantic investments reached growth stage and received funding faster than those that did not.³⁸ Moreover, deal sizes for EU innovator investment rounds were significantly larger when U.S. risk capital was included.³⁹

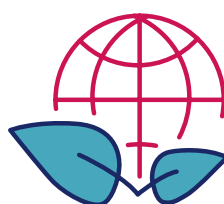
Sustainable energy: Clean technologies and beyond

The transatlantic energy economy faces three major trends: first, the increasing role of the U.S. as a critical energy supplier to Europe; second, groundbreaking policy initiatives on both sides of the Atlantic, which generate some growing pains but ultimately promise to accelerate the transition to cleaner energies; and third, the importance of deep, long-established transatlantic ties that offer substantial opportunities for spearheading the next generation of clean technologies.⁴⁰

The transatlantic relationship kept the lights on in 2022. As Europe reduced its dependence on Russian natural gas by 30%,⁴¹ U.S. exports of liquefied natural gas (LNG) to Europe hit their highest levels on record and accounted for more than half of Europe’s LNG imports.⁴² Though Europe’s divestment from Russian oil has been slower, U.S. crude oil exports to Europe jumped by 70% in 2022.⁴³ A recent EU package including price caps on Russian oil could shrink Russian oil supplies by 90% in 2023.⁴⁴

The Inflation Reduction Act (IRA) continues to rouse passionate conversation in Europe. Some carmakers have expressed concern that their exports could be hit by provisions that limit tax credits to manufacturers that complete final vehicle assembly in North America.⁴⁵ The main European automakers, however, already complete assembly in the U.S., meaning that European exports of finished vehicles to the U.S. are relatively low.⁴⁶ When European manufacturers do export these vehicles to the U.S., they incur a much lower tariff than that imposed on U.S. cars by the European Commission.⁴⁷

In general, U.S. and EU subsidies for electric vehicles and clean technology manufacturing are roughly similar in size.⁴⁸ Policy initiatives across the Atlantic do however differ in their respective visions. While the IRA is focused mainly on addressing climate change through the mass deployment of current-generation technologies, EU-level support seeks to spur innovation and new technologies.⁴⁹



Global clean technology market value by 2030

\$870 billion

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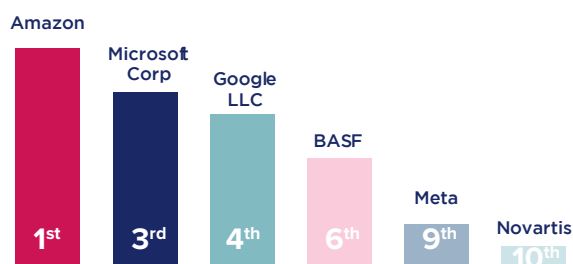
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Crucially, these initiatives are not a zero-sum game.⁵⁰ In the U.S., European companies are the leading source of FDI in the energy sector.⁵¹ U.S. companies in Europe have become a driving force of the green revolution and account for more than half of the long-term renewable-energy purchase agreements signed in Europe since 2007.⁵² Six of the top 10 purchasers of renewable energy in Europe between 2008-2021 are Amcham Finland members.⁵³



New frontiers in the digital economy

The effects of the Covid-19 pandemic on digitalization are by now an established story. Digital technologies were adopted three to four years faster than projected, global internet bandwidth has tripled since 2017, and more than two billion digital payments are now made every day.⁵⁴ The World Economic Forum estimates that as much as 70% of new value generated over the next decade will be digitally enabled.⁵⁵

The transatlantic community is squarely in the midst of these developments. Total investment in the European digital economy was on track to reach \$85 billion in 2022, marking the second highest level on record and an eight-fold increase since 2015.⁵⁶ Looking forward, global spending on the digital transformation is forecast to reach \$3.4 trillion, with a five-year compound annual growth rate of 16.3%.⁵⁷ The U.S. and Western Europe will be the largest markets for this spending.⁵⁸ Harnessing this momentum through appropriate policymaking will be critical for mature digital economies like Finland.

The digital health industry exemplifies the meteoric rise of the digital economy. By 2025, 40% of the global datasphere is projected to be in health,⁵⁹ with the digital health industry valued at more than \$550 billion by 2027.⁶⁰ The proliferation of available genetic and health data, as well as ways to process this data, hold significant potential for medical and scientific innovation.⁶¹ Realizing this potential is dependent on businesses' ability to conduct meaningful research and safely transfer data across borders, while meeting privacy and data-protection standards.⁶²

Transatlantic data flows are critical even beyond the digital health industry. Despite increased government activity in the digital policy space, there is still no consistent method for determining the value of data flows.⁶³ Shared, workable standards for the transfer of personal data also are yet to be set. The EU-U.S. Data Privacy Framework, announced in early 2022, strengthened principles-based governance, and the EU later determined that these protections were essentially equivalent to those provided in the EU.⁶⁴ Still, precedent from the Court of Justice in the European Union suggests that the Data Privacy Framework will likely face legal challenges from within the EU.⁶⁵



Cloud and web-based services are further driving the growth in transatlantic bandwidth.⁶⁶ Based on current trends, demand for these services could outpace design capacity growth by 2025.⁶⁷ While most cloud computing currently still happens in centralized data centers, this is expected to reverse as data is increasingly processed in smart devices close to the user.⁶⁸ U.S.-based "hyperscalers" — led by Amcham Finland members Amazon Web Services, Microsoft Azure, and Google Cloud — are at the frontiers of developing data centers that can store more data and quickly scale up or down in response to shifting demand in computer tasks.⁶⁹ Revenues in the Western European and Nordic hyperscale data center market are expected to reach \$29 billion in 2023.⁷⁰

Finally, the digital Arctic may soon become a reality. The Far North Fiber project — led by Alaskan, Finnish, and Japanese companies — would connect Scandinavia and Ireland to Japan via the Arctic Northwest Passage.⁷¹ Though most damage to fairly fragile subsea cables is caused by shipping and environmental degradation, NATO governments are ramping up their own surveillance and capabilities to protect maritime infrastructure.⁷² As Finland's NATO accession became reality in April, these developments will only grow in importance.

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The Transatlantic Economy Report 2023: Annual Survey of Jobs, Trade and Investment between the United States and Europe

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THE U.S. IS A KEY DESTINATION FOR FINNISH COMPANIES

Joseph P. Quinlan

Senior Fellow, Transatlantic Leadership Network



The near-term outlook: From crisis to crisis

The transatlantic economy has exhibited remarkable resiliency over the past few years in the face of stiff headwinds, including post-pandemic uncertainties, a war in the heart of Europe, aggressive monetary tightening by the world's central banks, and rising U.S.-China tensions.

Against this backdrop, it's little wonder that economic growth in both the United States and Finland will be moderate in 2023. The International Monetary Fund expects the Finnish economy to expand by just 0.5% this year, while the U.S. economy — the world's largest — is forecast to grow 1.5%. Recessionary fears remain on each side of the Atlantic, but the economies of both Finland and the U.S. have continued to grow in the face of many challenges. The outlook for 2024 is more constructive, with the expectation that weaker growth in 2023 will give way to more economic vigor next year. Easier monetary policies will re-ignite growth in the U.S. over the medium term, but for both Finland and America the war in Ukraine and continued U.S.-Sino tensions remain wildcards.

Another key variable to watch is rising protectionism on both sides of the Atlantic, with increasing calls for “reshoring” and “strategic autonomy” representing potential barriers to future bilateral trade and investment between Finland and the United States. The European Union's Green Deal and America's Inflation Reduction Act have emerged as flashpoints to the transatlantic economy, stoking debate about the future of globalization.

It's far from certain that the world has entered a period of de-globalization. Indeed, world trade volumes reached record highs in 2022, supported not only by a rebound in trade of goods, but also by an acceleration in cross-border flows of data, services, intellectual property, and related activities that have moved to the forefront of globalization. Contrary to the gloomy “de-globalization” narrative, we see technological drivers accelerating the pace of global connectivity, with the transatlantic economy leading the way. Knowledge-intensive and intangible-driven global value chains are deepening the thick web of transatlantic commerce.

The bottom line is that the transatlantic economy remains the most interconnected, robust, and resilient commercial artery in the world. To this point, the combined output of the U.S. and Europe accounted for roughly one-third of world GDP in terms of purchasing power parity in 2022 — higher than the combined output of China and India (which together represent one-quarter of the global total). In addition, the transatlantic economy is not only large, it's also wealthy. This wealth drives consumption. The U.S. and Europe combined accounted for 51% of global personal consumption in 2021, the last year for which data is available. The combined share of China and India was just 16.4%. Meanwhile, when it comes to R&D spending and investment in innovation, the transatlantic economy continues to lead the way.

With all this as a backdrop, and notwithstanding the rising economic might of China, the U.S. and Europe still control the commanding heights of global commerce. In the aggregate, the macroeconomic backdrop for the transatlantic economy is challenging but constructive for this year. Real growth is decelerating on both sides of the Atlantic, and near-term prospects remain contingent upon the war in Ukraine, the future path of energy prices, and U.S.-China relations. That said, Finnish firms involved in and exposed to the U.S. economy should expect another volatile but rewarding year in the United States.

Why? Because Finnish affiliates in the U.S. operate in one of the most dynamic and resilient economies in the world.

No country produces as much output (in excess of \$22 trillion in 2022) with so few people (less than 5% of the world population) than the United States does. The United States is not only large, it's wealthy, with a per capita income of roughly \$72,000 in 2022. According to the latest Federal Reserve *Flow of Funds* data, U.S. household net worth was in excess of \$130 trillion at the end of last year, a staggering figure and a number some one-third greater than the entire output of the global economy.

Granted, the bulk of this wealth is skewed towards the top 1 percent; income inequality remains a key challenge for America's future. That said, the combination of U.S. wealth and a strong U.S. labor market portends solid demand from U.S. consumers over the near term. This spending, in turn, will continue to trickle down to the bottom line of many affiliates of European and Finnish firms.

The U.S. economy is also extraordinarily diversified, which gives a wide breadth to Finnish firms in terms of participating in and leveraging the U.S. market. From agriculture to aerospace, and everything in between, the United States remains a global leader and a prime market for non-U.S. firms. Energy, education, health care, life sciences, biotechnology, finance, manufacturing, steel, R&D, entertainment, transportation, social media – pick your sector and there's a good chance there is a mature or budding firm in the United States. America's highly diversified economy – whether for goods or services – combined with its wealthy consumers, sets it apart from the rest. This is the one key reason the United States remains the global leader in attracting foreign capital.

Finnish firms investing in the United States gain access to a desirable pool of skilled, flexible, and productive labor. We estimate that U.S. jobs supported directly by affiliates of foreign companies totaled 8 million in 2022, or about 6% of total private industry employment in the United States. European companies – including Finnish firms – accounted for 61% of that figure, or nearly 5 million jobs.

Meanwhile, transparent rule of law, sophisticated accounting, auditing, and reporting standards, secure access to credit, ease of entrepreneurship, and respect for intellectual property rights have all contributed to the stable and supportive business environment in the United States. Another attraction of the U.S. market lies in the hypercompetitive and dynamic nature of its economy, driven by strong institutions, advanced technological readiness, world-class universities, a strong capacity and culture of entrepreneurship, and a dense web of university-industry collaboration in research and development (R&D). The ability to attract R&D from companies abroad is important to the innovative culture of the U.S. economy. R&D performed by affiliates of European companies accounted for 67% of total foreign R&D spending in the U.S. in 2020.

Add it all up and it's little wonder the United States remains among the most attractive markets in the world for foreign investors. No one knows this better than European firms, which have maintained a dominant foreign investment position in the United States for decades. To this point, FDI inflows from Europe represented nearly 60% of total U.S. inflows in 2022.

Finnish foreign investment in the U.S. totaled \$63 million in 2022, down from the robust levels of 2021 (\$2 billion). Meanwhile, Finnish foreign affiliate income earned in the U.S. hit a record \$939 million in 2022, up nearly 40% from the levels of 2021. Finally, reflecting the deepening roots of corporate Finland in the United States, Finland's foreign investment stock in the U.S. doubled between 2010 and 2021, rising from \$4.9 billion to \$10 billion in 2021, the last year for which data is available.

In conclusion, the United States remains a key destination for Finnish companies looking to expand their global footprint. The U.S. is large, wealthy, richly endowed, open for business, and an innovation leader in many key global industries. It's a market that's ripe for Finnish firms.

FINLAND PARTNERS WITH SIX U.S. STATES

Okko-Pekka Salmimies,
Consul General of Finland in Los Angeles



A closer look at Finland's partnerships with six U.S. states

Since 2019, Finland has signed partnership agreements of cooperation in prioritized thematic areas with six U.S. states. The chosen priority sectors of the respective states are as follows:

Maine: Cooperating in the field of forest-based bioeconomy with a focus on bio refineries, pulp-based new materials, new value-added products, smart forestry, and forest policy

Michigan: Cooperating in the field of clean technologies with a focus on battery technology, smart maritime transport, and the bioeconomy

Minnesota: Promoting sustainable technologies with a focus on clean energies, the bioeconomy, and digital technologies

Washington: Cooperation in cutting-edge technologies and the green transition, with a focus on 5G technology, clean and smart ports, and a sustainable forest economy

Colorado: Cooperation in super computing and quantum, the green economy, and aerospace

Texas: Cooperation in digitalization, 5G/6G, high-performance computing, artificial intelligence, renewable energy, and energy-efficient materials

These six states are natural cooperation partners for Finland in the above-mentioned areas, as their market, innovation, science, and research ecosystems are a good match for the Finnish offering and counterparts. The partnerships are about mutual interest, compatibility, and complementarity between Finland and the six states in the identified fields of cooperation.

The competitive offering of Finnish companies is strongly focused on green and digital solutions. These utilize the most advanced technologies related to wireless networks, artificial intelligence, sensor technology, renewable-energy technology, automation, and robotics. Parallel to these technologies, Finnish companies and research institutions are frontrunners in many emerging disruptive technologies, including microelectronics, quantum and supercomputing, photonics, innovating new materials, and biotechnology.

There is genuine demand in the six states for ready solutions, as well as desire to cooperate with Finland in research, development, and innovation. Finnish companies and research institutions have a lot to gain from the leading research and innovation ecosystems in the partnership states. The partnership agreements have already led to increased cooperation in the fields of high-performance computing, AI and biosciences, as well as in the form of research collaborations and student mobility.

The cooperation has been extremely active even through the pandemic. Within the past six months alone we have seen four high-level delegations between these partner states and Finland, with close to 100 participating businesses and researchers. Many more such initiatives are planned for the rest of 2023.

Why has Finland decided to pursue cooperation at the U.S. state level, and how does this align with the work Finland does at the federal level?

Green and digital transition solutions are highly innovation-driven. The U.S. market has always been important for Finnish innovation and tech-driven companies. Due to economic, geopolitical, and security policy changes, the U.S. market and cooperation with the U.S. in the fields of science, research, and innovation have become even more important for Finland. The ecosystems of high-tech industries often include companies and research institutes. Therefore, bringing these together and framing them within partnership agreements can facilitate interaction between Finnish and U.S. players. State partnerships offer a useful channel for focused collaboration in prioritized sectors.

The states have a strong, independent legislative and budgetary mandate to support major infrastructure, innovation, and science projects related to the green and digital transitions. The United States has been accumulating vast investment debt in infrastructure ever since the 1990s. Huge federal financing packages — such as the Infrastructure Investment and Jobs Act, the Inflation Reduction Act, and the CHIPS and Science Act — provide massive public funding for strengthening and rebuilding the infrastructure and technological capacity of the United States. Very often the state or regional authority is the commissioner of an infrastructure project.

Providing a common framework to discuss public-private partnerships and a platform for peer learning between government representatives, research institutions, and companies can provide significant value-add for both the U.S. states and for Finland. The state partnerships are not competing with the dialogue and cooperation between Finland and the U.S. federal government. The two levels of co-operation complement and support each other.

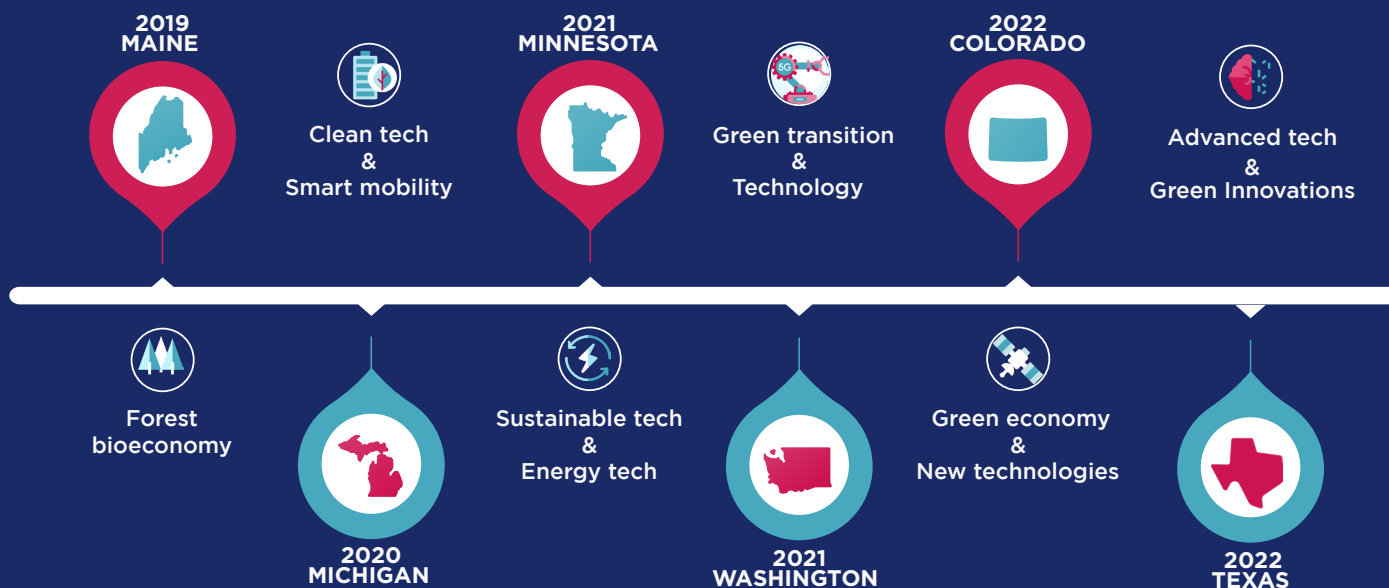
How can companies and other stakeholders leverage these partnerships?

Participating in the implementation of the partnerships provides opportunities for companies, research institutions, and other stakeholders to connect with potential partners and clients, to present their solutions and research findings to relevant audiences, and to become involved in key ecosystems related to their respective business and research. Concrete forms of activity include thematic working groups, cooperation at the ecosystem and one-on-one levels, workshops, matchmaking events, and business-delegation visits.

What are the next steps regarding the state partnerships and how do you see them evolving?

The next steps include company activation and enhancing the activity of the working group. We will also continue delegation visits and dialogue at the political level. By the end of 2024, it is appropriate to review the results achieved and possibly set more concrete goals for future cooperation.

FINLAND'S STATE PARTNERSHIPS SINCE 2019



SECURING FINLAND'S FUTURE PROSPERITY WITH FDI

Rosa Thurman
Director of Foreign Affiliate Services & Sustainability, Amcham Finland



In 2023, Finland was again ranked as the happiest country in the world, for the sixth year in a row. But if you look at this sentiment from the economic or business perspective, does it still hold true?

A slightly more diverse picture emerges from the latest data in the *Finland FDI Barometer* study, which Amcham Finland has published together with Business Finland biannually for the past six years. This unique study of 400 C-level executives and country managers of Finnish and foreign-owned companies provides us with important insights on the opportunities, risks, and key development areas for decisionmakers to focus on, with the aim of improving the Finnish business environment amid growing global competition for investments.

The strengths of Finland's business environment — including societal stability and functionality, predictability of regulation, and digital infrastructure — have not changed much over time. However, rather alarmingly, most respondents reported negative effects from a shortage of talent. This sentiment is particularly strong among large foreign-owned companies, 86% of which reported being negatively affected.

Amcham Finland will continue to emphasize the strong link between availability of talent and attracting foreign direct investment (FDI), as well as the important role Finland's new government will play in securing the future talent pool for business. Nurturing talent is a long-term project that requires continuous dialogue between business and the public sector, as well as clear messaging from the companies about what kind of talent they expect to need in the future.

The world has become vastly more complex, which has both changed the entire FDI landscape and severely influenced companies' investment decision-making processes. Greenfield FDI is expected to decline in 2023, while populist movements across Europe, increased regulation, and economic turmoil are also negatively affecting FDI streams. On the positive side, the Green Transition and putting sustainability in focus provide countries like Finland with many opportunities to attract new kinds of FDI.

In 2022, Finland was ranked first in the UN's Sustainable Development Report, which compares 193 UN member states on the basis of 17 sustainability goals. This ranking comes as companies around the globe are looking to shift their focus on sustainability from talk to action. With its ambitious goals to reach carbon neutrality by 2035, and with supportive legislation by the government, Finland will be seen even more favorably by those companies that have equally high sustainability goals and are looking to invest. Finland's position will be further strengthened by the Finnish government's proposal to fast track Green Transition investments — such as those in renewable energy plants, green hydrogen, carbon capture, and battery plants — as well as the recently introduced tax incentive for R&D activities. Amcham Finland's proposals for streamlining the processes around the granting of environmental permits should also further remove significant bottlenecks for industrial investments.

According to the latest investment figures provided by the Finnish government, in FDI-terms Finland has fared well in weathering the storms of the Covid-19 pandemic, geopolitical instability, and rising inflation. Inward FDI to Finland grew by €2.5 billion during 2021 and was €76.2 billion at the end of the year. According to the latest *Transatlantic Economy Report*, U.S. investment in Finland grew to \$6.5 billion from \$5.3 billion in 2021. U.S. companies currently employ 21,412 people in Finland, an increase of around 3%.

Importantly, the data from the recent *FDI Barometer* prove that foreign-owned companies continue to believe in Finland, with 57% of respondents considering expanding their operations during 2023, and nearly half planning to hire more personnel. The positive impact of FDI also is clearly seen in the number of jobs created by foreign-owned companies, with 65,000 jobs added since 2010 that account for 20% of the private-sector workforce.



23% of foreign-owned companies plan to increase R&D investments in Finland in 2023.



49% of foreign-owned companies plan to increase the number of employees in Finland in 2023.

With the tough global economic conditions — including higher inflation and energy prices — expected to affect FDI streams for the foreseeable future, Finland will face even stiffer competition for investment and talent. All eyes will be on the new government to be formed after the April 2023 parliamentary elections, and what measures they will implement to make Finland's business environment more competitive and attractive.

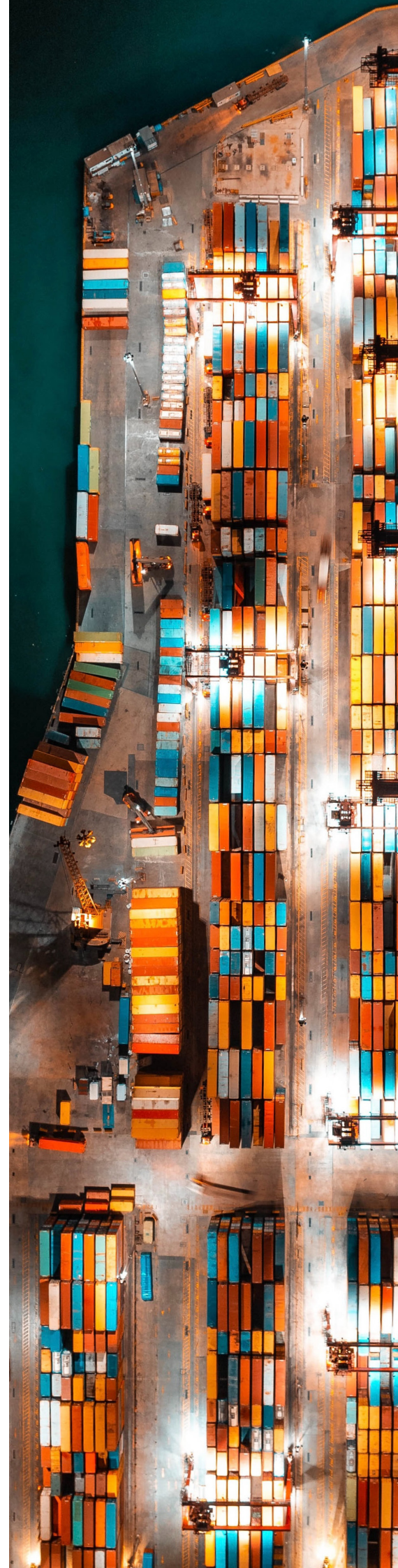
The ability of the United States to control inflation at an earlier stage than its European counterparts could further strengthen the prominence of the U.S. as the leading outbound FDI location, both for Finland and Europe as a whole. This is why building up and nurturing strong transatlantic ties is essential in ensuring the future growth and prosperity of Finland.

Sources:

Statistics Finland (2022). Stocks of foreign direct investments (FDI) grew in 2021

Amcham Finland & Business Finland (2023). Finland as a Business Location Barometer 2023

Hamilton and Quinlan (2023). "The Transatlantic Economy 2023: Annual Survey of Jobs, Trade and Investment between the United States and Europe"



THE TRANSATLANTIC OPPORTUNITY AWAITS

Mike Klyszeiko
Director of Launchpad USA, Amcham Finland



There has never been a better time for Finnish companies to do business in the United States. Over the past decade we've seen a noticeable change in the attitudes held by Finnish business leaders towards U.S. markets. The fear, anxiety, and overwhelming apprehension of the past have given way to a sense of optimism and a belief that Finnish businesses can succeed in the U.S.

As a result, trade of goods and services between the two countries has flourished, and we have reached a monumental moment for the Finnish business community. The United States is now Finland's largest export market, surpassing countries like Sweden and Russia that have historically been Finland's largest trading partners. I expect that over the next decade we will see trade between the two countries increase further, and for those Finnish companies already in the U.S. to see their businesses grow there. As for Finnish companies not yet present in the U.S., I expect to see more enter and do very well in the market.

Finland is now an established brand in the United States. With recent discussions around the war in Ukraine and Finland joining NATO, Finland has been the focus of attention. Many Americans have learned about Finland; a country of relatively small size but of great strength. Thanks to its resilience, Finland has not only maintained its independence from Russia, but has flourished into a modern-day success story. Brands matter in America, and Finland's brand is strong. Finnish companies should leverage this when doing business with their American counterparts. Finland has established itself as a reliable, innovative and, honest partner to American businesses. This perception is now more important than ever.

The geopolitical landscape is shifting dramatically from day to day as new alliances are formed and the long-term ambitions of certain regimes become increasingly apparent. As a result, markets to the east that once represented great promise for Finnish companies now pose even greater risks. Over the past year we have had discussions with many companies that have shifted their focus westward not only out of necessity, but also out of hope that they too can find success in the largest economy in the world. This trend will remain.

Finally, America is in the process of transforming itself into a more sustainable and resilient economy. Finnish industry has a role in this process, and we will see more opportunities for Finnish businesses in the U.S. We are already seeing Finnish companies investing in this emerging opportunity and more are expected to follow. It's a new and exciting phase of trade between Finland and the United States; one where more and more Finnish companies are playing a key role in shaping the new American economy.

As for us at Amcham Finland, we look forward to continuing in our role of helping Finnish companies understand where these opportunities lie, and what steps should be taken in order to capitalize on them.

Launchpad USA is the most effective U.S. market-entry platform available to Finnish companies. On the Launchpad, Finnish companies receive a tailored market-entry plan that is designed to:



Minimize risks associated with doing business in America



Deepen knowledge of the U.S. market



Accelerate marketing and sales activities



Provide ongoing support through the entry and growth stages of doing business in America

FINLAND AND THE UNITED STATES



United States in Finland

21,412



Jobs

Finland in the United States

36,312

Jobs directly supported by majority-owned affiliates. Estimates for 2021. Total U.S.-related jobs are likely to be higher, because these figures do not include jobs created by trade flows, indirect employment effects through distributors or suppliers, or via non-equity arrangements such as strategic alliances, joint ventures, or other deals.



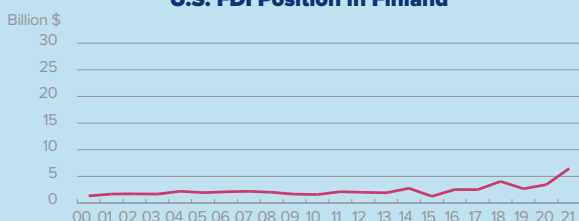
Investment

\$6.5 bn

Foreign Direct Investment (FDI), 2021

The direct investment balance favors the United States, with Finnish investment in the U.S. rising again in 2021 to over \$10 billion. Total employment by Finnish companies in the U.S. has also risen substantially over the past few years from 23,000 in 2015 to over 36,000 in 2021. Finnish direct investment in the U.S. is heavily concentrated in the wholesale trade and manufacturing industries, representing 21% and 61% of total FDI, respectively.

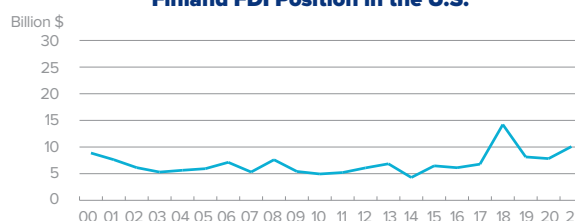
U.S. FDI Position in Finland



\$10.1 bn

Foreign Direct Investment (FDI), 2021

Finland FDI Position in the U.S.



Foreign direct investment position, historic-cost basis, 2000-2021.



Trade in Goods

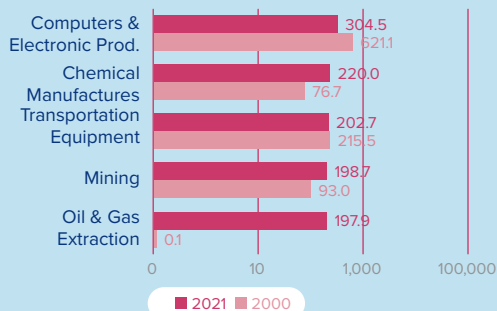
\$1.7 bn

U.S. Goods Exports to Finland, 2021

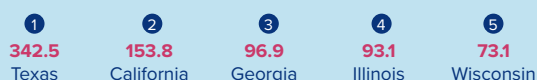
1.9% The U.S. supplied 1.9% of Finland's total imports...

6.4% ...but the U.S. share increases to 6.4% when intra-EU trade is excluded from the total.

Top Five U.S. Goods Exports to Finland (\$ millions)



Top State Exporters of Goods to Finland (\$ millions)



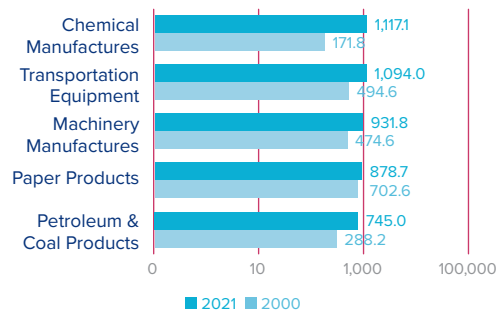
\$6.8 bn

U.S. Goods Imports from Finland, 2021

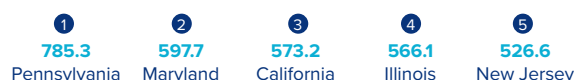
6.9% The U.S. received 6.9% of the total goods Finland exported to the world...

15.6% ...but the U.S. share increases to 15.6% when intra-EU trade is excluded from the total.

Top Five U.S. Goods Imports from Finland (\$ millions)



Top State Importers of Goods from Finland (\$ millions)



Trade in Services

\$1.6 bn

U.S. Services Exports to Finland, 2021

\$1.4 bn

U.S. Services Imports from Finland, 2021

EU AND THE UNITED STATES



United States in Europe

4,802,954



Jobs

Europe in the United States

5,008,506

Jobs directly supported by majority-owned affiliates. Estimates for 2021. Total U.S.-related jobs are likely to be higher, because these figures do not include jobs created by trade flows, indirect employment effects through distributors or suppliers, or via non-equity arrangements such as strategic alliances, joint ventures, or other deals.

\$4.0 tn

Foreign Direct Investment (FDI), 2021

In terms of the U.S.-Europe investment balance, the U.S. had a larger net cross-border impact in 2021. U.S. foreign direct investment in Europe increased in 2021 to \$4 trillion. Europe's foreign direct investment in the U.S. rose to over \$3 trillion. According to estimates for 2021, U.S. affiliates employed over 4.8 million workers in Europe while European affiliates employed about 5 million Americans.

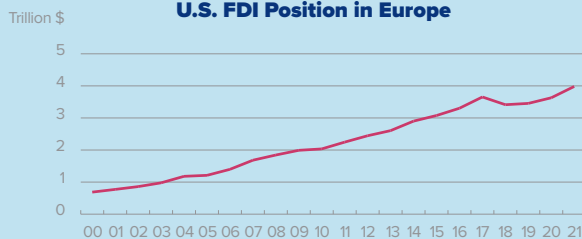


Investment

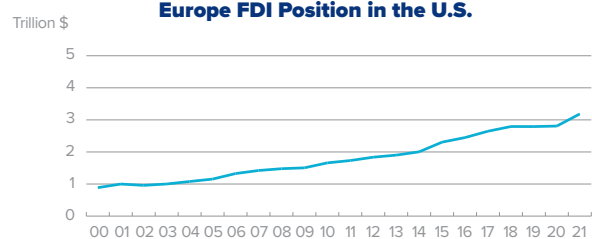
\$3.2 tn

Foreign Direct Investment (FDI), 2021

U.S. FDI Position in Europe



Europe FDI Position in the U.S.



Foreign direct investment position, historic-cost basis, 2000-2021.

\$386.0 bn

U.S. Goods Exports to Europe, 2021

4.8% The U.S. supplied 4.8% of the Europe's total imports... **15.7%** ...but the U.S. share increases to 15.7% when intra-Europe trade is excluded from the total.



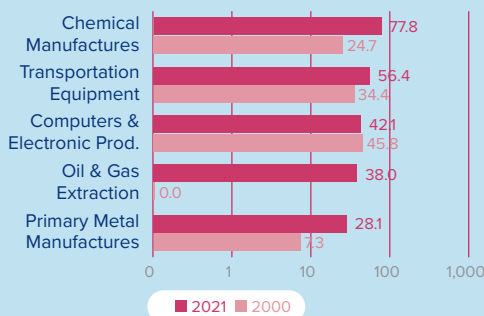
Trade in Goods

\$669.3 bn

U.S. Goods Imports from Europe, 2021

7.5% The U.S. received 7.5% of the total goods Europe exported to the world... **25.7%** ...but the U.S. share increases to 25.7% when intra-Europe trade is excluded from the total.

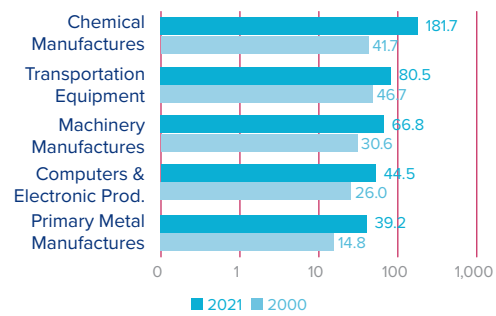
Top Five U.S. Goods Exports to Europe (\$ billions)



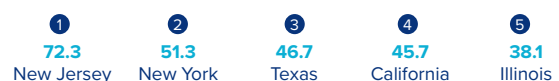
Top State Exporters of Goods to Europe (\$ billions)



Top Five U.S. Goods Imports from Europe (\$ billions)



Top State Importers of Goods from Europe (\$ billions)



\$331.5 bn

U.S. Services Exports to Europe, 2021



Trade in Services

\$230.1 bn

U.S. Services Imports from Europe, 2021

"Europe" refers to all 27 members of the European Union in 2020 plus Albania, Andorra, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Gibraltar, Greenland, Iceland, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Malta, Moldova, Monaco, Montenegro, Norway, Russia, Serbia, San Marino, Switzerland, Turkey, Tajikistan, Turkmenistan, Ukraine, United Kingdom, Uzbekistan, Vatican.

Sources: Bureau of Economic Analysis; U.S. Commerce Department; International Monetary Fund; Office of Trade and Economic Analysis.

ABOUT AMCHAM FINLAND

The Voice of the International Business Community

Amcham Finland is a non-profit, member-funded and politically independent business community. We are the voice of international business in Finland, and Finland's leading source of transatlantic insights and commerce.

Mission & Vision

As the voice of international business, Amcham is committed to building a competitive business environment in Finland and creating sustainable transatlantic business ties through diverse networks, superior quality programs and cross-industry advocacy.

How Amcham Works

Access & Influence

by improving the operating environment for international business in Finland through our policy and advocacy work

Education & Inspiration

for your leadership team through Amcham events, best-practice networks, and activities

Exclusive Networking

and business development opportunities in English

Success

in the U.S.A. through 1:1 facilitation, transatlantic insights, and ongoing support

Find out more about Amcham and join us to build your business ties across the Atlantic and with stakeholders in Finland.

Visit www.amcham.fi



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Altum	Elisa	JA Finland	Nordic Business Forum	STERIS Finn-Aqua
Technologies	Enter Espoo	Janssen-Cilag	Novartis	Suomen Ekonomit
Amazon Web Services	Equinix		Novita	
American Express	EY	K. Hartwall	ONEiO	Tallink Silja
GBT Finland	EVA Global	Kaiku	OP	T-Drill
Amgen	Eversana	Kesko	Oracle	Tekir
Anglo-Nordic	Eversheds	KONE	Outokumpu	Teleste
Apple	Fastems	Konecranes	OWG	Thales
Artek Vitra	FedEx Express	Kongsberg		The Boeing Company
Aspocomp	Finavia	Defence	Patria	The Warming Surfaces Company
Asqella	Finnair	KPMG	Paulig	Thermo Fisher Scientific
Atradius	FINNERO	Kyndryl	Pfizer	Thoughtworks
August Associates	Fiskars	Labkotec	Philip Morris	TikTok
	FTI Consulting	Lexia	Picosun	T-Media
	Fujitsu	Lockheed Martin	Pillsbury	Tracegrow
		Look Closer	Polartherm	
BAE Systems			Pratt & Whitney	
BASF			Premix	
Bayer	GE Healthcare	MacWell Creative		University of Helsinki
Berlitz	Gemalto	Magisso		University of Vaasa
BC Platforms	Glaston	Marimekko	Raytheon Technologies	UPM
Biogen Finland	GSK	Marsh	Reaktor	
Bird & Bird	Google	MBDA	Refinitiv	
Blic	GROW	Meta	Reima	Vaisala
Borenus		M-Brain	Revenio	Varjo
Bristol-Myers Squibb	Haaga-Helia UAS	McDonald's	Roche	Vattenfall
Brown-Forman Finland	Halton	MCF Corporate Finance	Roschier	VTT
Business Tampere	Hannes Snellman	Medtronic Finland	Routa Digital	
	Hard Rock Cafe	Megin	Rud Pedersen	
	Harris Computer	Merck		Wärtsilä
	Helsinki Partners	Metsä Group	Saga Furs	Waselius & Wist
Castrén & Snellman	Helsinki Uusimaa Region	Metso	Santander	We Are Group
Chubb	Hertz	Meyer Turku	SAS Institute	Wihuri
Cisco	Hill+Knowlton Strategies	Microsoft	Scan Global	WithSecure
Citi	Hilltip	Mingle Advisors	Logistics	
Clear Channel	Hofstede Insights	Molton Ventures	Scandic	Xerox
Coca-Cola	Honeywell	Moving Talent	Siili	
Conlog	HP	MPS Enterprises	Silverskin	Yousician
Corning Incorporated		MSD Finland	Information	



A RECORD-BREAKING YEAR FOR TRANSATLANTIC TRADE



The U.S. has surpassed Sweden as Finland's largest trading partner.



Finnish goods exports to the U.S. grew 68% year-on-year, while services exports grew 9.7%

Since Amcham's first report in 2021, services trade has grown in the double digits every year

The U.S. is the second largest source of FDI to Finland.



Finland has more than doubled its net FDI inflows from the U.S. since the 1990s

Finland ranks as the most advanced digital economy in the EU, on par with the U.S.



Global spending on digital transformation is forecast to reach \$3.4 trillion over the next three years

2022 was a record-breaking year for transatlantic trade.



Goods trade between the U.S. and Europe reached an all-time high of \$1.2 trillion

Foreign affiliates drive global R&D.



U.S. affiliates spent \$31.6 billion on R&D in Europe in 2020. Of the top 20 transatlantic R&D spenders, 11 are Amcham Finland members

U.S. and EU companies are driving the green energy revolution. European companies in the U.S. are the leading source of energy sector FDI. Six of the top 10 purchasers of renewable energy in Europe between 2008-2021 are Amcham Finland members

