

2026



Finland Investor Confidence Barometer



BUSINESS
FINLAND

INVEST IN
FINLAND

Table of Content

Finland at a Crossroads	2
Introduction	3
Excutive Summary	5
How and Why Foreign Companies Power Finland's Economy	7
The Perception Gap: How and Why Finnish and Foreign Companies See Finland Differently	9
Strength in Stability: Finland's Geopolitical Differentiator	11
The Usual Suspects Resurface: Talent and Permitting Challenges	13
Foreign Companies Show Renewed Confidence in Finland	15
Rising Optimism: Companies Plan to Boost Their Workforce Despite Economic Headwinds	17
Nearly Half of Foreign-Owned Companies Plan to Invest In R&D In Finland	19
When Investors Choose Elsewhere	20
Driving Additional Investment: Finland's Key Challenges	21
How and Why Foreign Companies Power Finland's Economy	22
Political Risk Does Not Diminish on Its Own	23
Talent Gaps Still Matter for Investment Decisions	25
When Climate Policy Becomes a Competitive Factor	26
Recommendations & Action Items: What is Needed from the Next Government?	27
Finland's Inflection Point: Converting Strengths into Investment Wins	31

Finland at a Crossroads

In a global investment environment shaped by geopolitical uncertainty, economic volatility and accelerating competition between locations, investors are seeking destinations that offer stability, clarity, and long-term opportunity. This survey demonstrates that Finland continues to meet these expectations. Based on insights from senior executives operating internationally, the results position Finland as a trusted, resilient and future oriented location for sustainable foreign direct investment.

Now in its fourth edition, the Finland Investor Confidence Barometer is based on a survey conducted by Aula Research, commissioned by Business Finland, Invest in Finland, and Amcham Finland. Between November and December 2025, we collected data from 201 top-level management: executives, CEOs, country managers, board members, and owners, equally representing Finnish and foreign-owned companies. Nearly half have an annual turnover exceeding €20 million, and 42 percent operate outside the Helsinki-Uusimaa region. These are the decision-makers who determine where capital is allocated, and their views carry direct consequences.

Foreign-owned companies are vital to Finland's economic well-being: they employ nearly a quarter of the private-sector workforce, account for over a quarter of total value added, and contribute a disproportionately large share of private-sector R&D spending. Measures that strengthen their operating conditions also benefit Finnish companies, and it is imperative that policymakers cultivate a business environment in which all companies can invest, hire, and grow.

On that front, this year's data provides grounds for rational optimism. Finland's overall business environment score has fallen for the second consecutive time to 6.93, the lowest in the barometer's history, and yet investment intentions are the most positive we have recorded. We cannot afford to let the investment environment deteriorate further.

54 percent of companies expect headcount to grow, and 44 percent plan to increase R&D spending. The findings also reflect recognition of Finland's enduring strengths of societal stability, a well-functioning and predictable business environment, high-quality digital infrastructure, and an exceptional quality of life.

No room for complacency remains, however. Talent is the central challenge: employee skill level is the most important investment factor in the survey, yet only 16 percent see the availability of a skilled workforce as a notable strength. Political risk, assessed for the first time in this edition, has increased over the past two years. And permitting bottlenecks continue to cost Finland real investments it cannot afford to lose. Strengthening cost competitiveness, ensuring predictable and efficient regulation, and accelerating access to skilled international talent remain as the work ahead.

From an Invest in Finland perspective, these findings reinforce a clear ambition: to build on Finland's strong fundamentals while actively shaping an even more attractive, agile, and investor friendly environment. By doing so, Finland is well positioned to capture the next generation of sustainable, high value investments and to serve as a long-term partner for global companies seeking growth, innovation, and resilience.

Finland is at a crossroads: the foundation is strong, the intent is there, and the path forward is clear. Our sincere thanks go to Aula Research for conducting the survey, and above all to the 201 business leaders who shared their candid assessments. Our hope is that this report sharpens the policy discussion and helps Finland make the right choices to convert that intent into long-term competitive advantage.

Alexandra Pasternak-Jackson
CEO
Amcham Finland

Mirja Kaarlela
Senior Director, Growth Services
Business Finland

Introduction

Finland operates in a global business environment marked by geopolitical tensions, economic uncertainty, and rapid technological disruption. These forces directly influence corporate investment decisions, prompting companies to seek locations that offer predictability, stability, and a sustainable long-term operating environment.

Within this context, Finland retains several structural strengths that enhance its attractiveness as a future investment destination.

Foreign-owned companies—who, according to this survey, continue to demonstrate long-term confidence in Finland—play a central role in the country's economic success. In recent years, they have contributed a disproportionately large share of corporate-sector growth, employment, value added, exports, and R&D investments, far exceeding their numerical share of all companies.

The objective of this Barometer, conducted for the fourth time, is to provide decision-makers with a comprehensive overview of the investment environment from the perspective of business leaders and to highlight measures to strengthen Finland's position as a competitive investment destination in the years ahead.

About our Research & Barometer: The View from the C-Suite

This report is based on a survey conducted by Aula Research, commissioned by Amcham Finland, Business Finland, and Invest in Finland. The study examined foreign-owned companies operating in Finland as well as Finnish-owned companies engaged in international business.

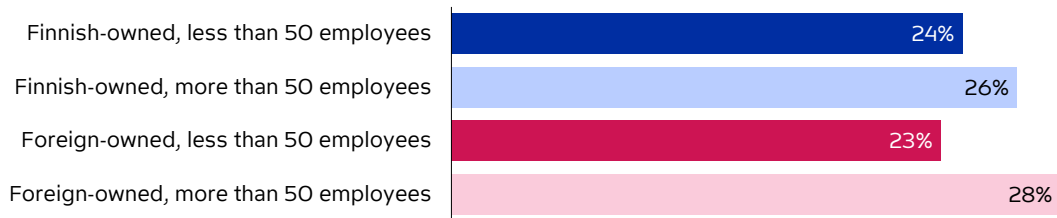
The data was collected from 201 C-level executives, equally representing Finnish and foreign-owned companies, between 17 November and 12 December 2025.

It captures the views of CEOs, country managers, members of executive boards, and owners—the people whose assessment of the Finnish environment directly determines investment decisions.

The study used a mixed-method approach, combining telephone interviews with an electronic survey. Its objective was to identify the **strengths, weaknesses, barriers, and opportunities** in Finland's investment environment, and to highlight potential differences in perceptions between foreign-owned and domestic companies.

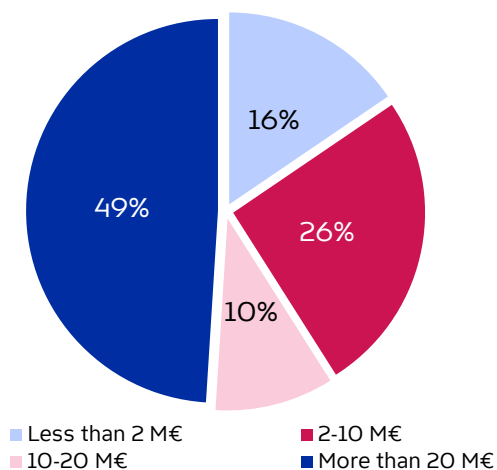
Almost half of the companies surveyed (49%) have an annual turnover exceeding €20 million. The barometer also provides a comprehensive national-level view of Finland's investment environment, as a large share of the respondents (42%) are located outside the Helsinki–Uusimaa region.

Ownership and company size

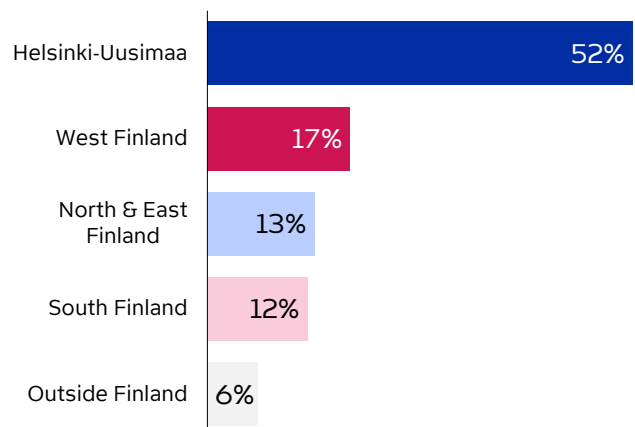


This research provides decision makers with a **comprehensive and up-to-date evidence base** on the factors shaping companies' investment readiness in Finland. It also offers insights into how the business environment should be further strengthened and developed, ensuring that Finland remains an attractive destination for investments amid intensifying global competition.

Turnover of the company represented by the respondents

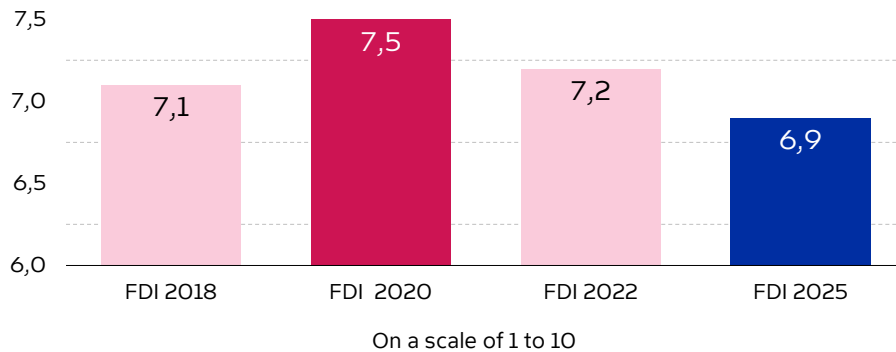


Location of the company represented by the respondents



Executive Summary

Assessment of the Business Environment in Finland



The overall score for the Finnish business environment has weakened slightly for the second time in a row.

Finland's Strengths & Weaknesses

Strengths



- Societal stability and functionality
- Quality of life
- Digital infrastructure
- Societal resilience and preparedness
- Energy costs
- Employee skill level
- Predictability of laws and regulation

Weaknesses



- Personal income tax
- Labor costs
- Corporate tax
- Access to funding

Optimism for the Investment Outlook

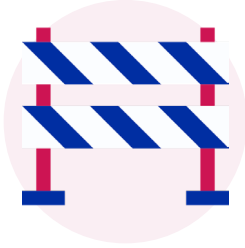


54% of business decision-makers believe that the number of employees will increase in the next 2 years



49% of large foreign companies believe that R&D investments will increase in the next 2 years

Obstacles to Investments in Finland



- Uncertain economic situation
- Level of labor costs
- Other cost levels in Finland
- For foreign-owned companies, Finland's geographical location is highlighted as an obstacle to investments
- Predictability of permitting process



Employee skill level and workforce availability is considered to be the most important factor for companies.



Foreign-owned companies consider Finland's climate policy to be more important to their company's operations than Finnish companies.



The political risk is seen to have increased over the past 2 years.

How and Why Foreign Companies Power Finland's Economy

Approximately 5,700 foreign-owned companies operate in Finland, accounting for 1% of all companies and employing around 334,000 people, which is roughly 23% of the entire private sector workforce. Between 2010 and 2024, these companies created 119,000 new jobs, underscoring their pivotal role in Finland's labour market. Without the growth contribution of foreign-owned companies over the past fifteen years, Finland's employment landscape would be significantly weaker.

These companies account for 26% of Finland's total value added across its entire corporate sector, with a combined output of €133.3 billion. Value added increased by roughly 6%—about €2 billion—year on year in 2024, in sharp contrast to domestic companies, whose value added grew by only 0.6%.

Foreign-owned companies account for 44% of Finland's goods exports and 38% of services exports. They are responsible for nearly one third of private-sector R&D spending, a critical proportion given Finland's ambition to raise total R&D investment to 4% of GDP. In 2024, they paid 22% of all corporate tax collected in Finland.

These figures need to be held alongside the FDI stock growth of €8 billion between 2021 and 2024. Despite the challenges highlighted by this barometer, both in Finland's domestic business environment and globally, investment in Finland continued to grow in real terms during this period.

1% of Companies in Finland are Foreign-Owned, but their Impact is Much Greater



5,700

Companies



44% (€30 billion)

of Good Exports in 2024



24% (€128 billion)

of Turnover in 2024



38% (€11.4 billion)

of Service Exports in 2023



23% (334,000 jobs)

of Private Sector Workforce in 2024



22% (€1.652 billion)

of Corporate Tax in 2023



28% (€1.6 billion)

of Private Sector R&D in 2023



26% (€35 billion)

of Value Added

Source: Statistics Finland 2025; Tulli 2025; Verohallinto 2024

Celebrating Where Value is Built Despite the Ownership

The debate about “foreign” and “Finnish” companies overlooks one essential point: the Finnish corporate landscape has long been global. Many of the companies that employ and invest significantly in Finland are internationally owned, yet their roots in Finland run deep and are long-standing. **IBM** has operated in Finland for over a hundred years, and **Bayer** is among Finland’s most significant taxpayers.

Ownership structure does not determine a company’s economic or societal significance. The value creation of foreign-owned companies takes place in Finland, regardless of ownership structure. **Measures that support the operating conditions of foreign companies automatically also support Finnish-owned companies.** The investment environment is shared by all and when businesses thrive in Finland, the benefits are shared across the country.

“

Finland stands out as one of the world’s most digital and trusted societies, qualities that matter even more when companies are making long-term investment decisions. We’ve been part of Finland’s development for over three decades, and we continue to invest in local skills and secure digital infrastructure that help local businesses grow responsibly.



Teemu Vidgrén
General Manager
Microsoft

“

Finland, still recovering from the productivity shock of the early 2010s, has seen a rapidly accelerating wave of innovation-driven entrepreneurship.

As these companies move into the next stage of their lifecycle, scaling, one factor becomes critical: smart capital. Research shows that foreign, multinational investment is exactly that. It brings strong management expertise and market know-how, strengthening the growth of these firms and, in turn, the entire national economy. Foreign investments are needed to turn rational optimism in Finland into reality.



Mika Maliranta
CEO
Labour Institute for
Economic Research
LABORE

The Perception Gap: How and Why Finnish and Foreign Companies See Finland Differently

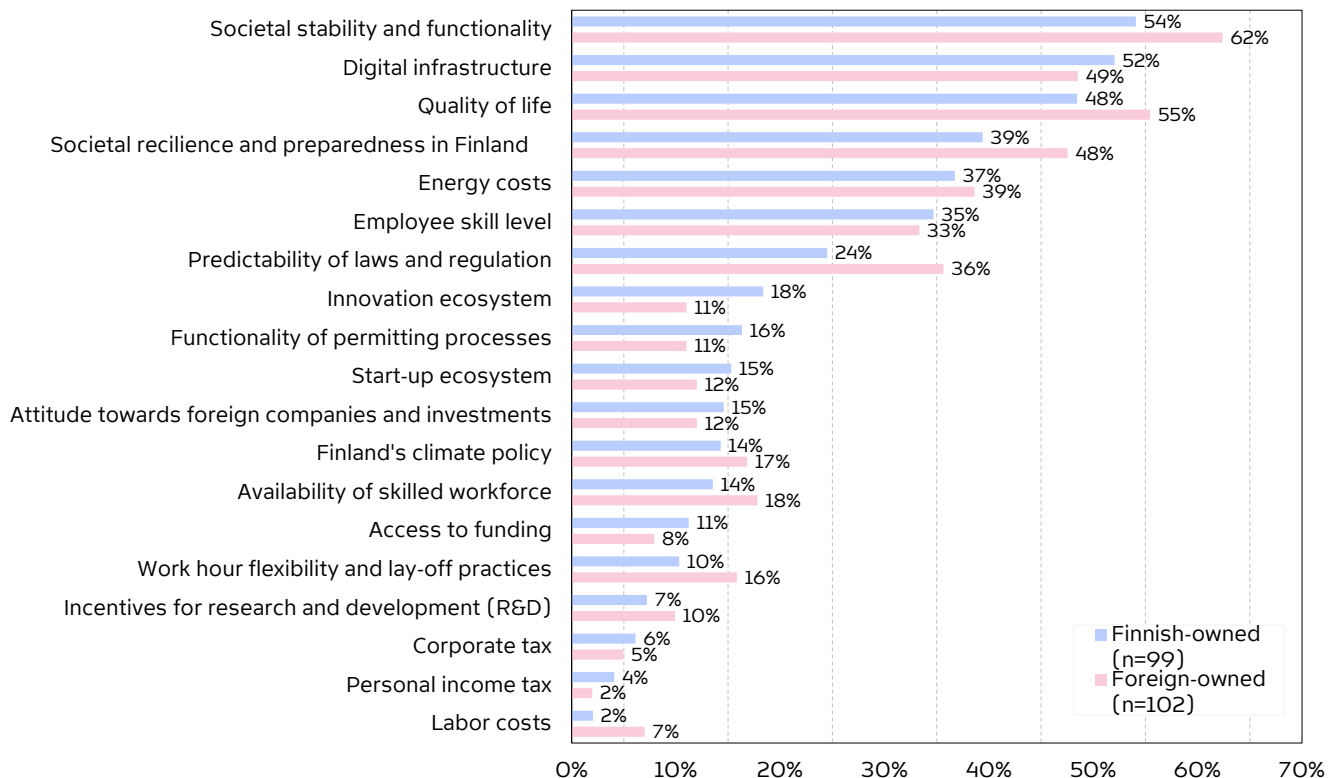
There are clear and meaningful differences in how Finnish and foreign-owned companies perceive Finland as a business environment.

Foreign-owned companies operate as part of global networks, and their headquarters continuously benchmark Finland against alternative investment locations. Their assessments therefore reflect Finland's relative competitiveness on a global scale.

Finnish companies, particularly smaller domestic firms, evaluate Finland through a different lens. Their views are shaped primarily by their day to day operational experience and by what they believe the national business environment could or should deliver. They are not comparing Finland against competing countries, but against internal expectations and perceived untapped potential.

For policymakers, understanding both perspectives is essential. Together, they provide a more complete picture of where Finland stands today and what must be improved for the country to remain an attractive and competitive business environment in the years ahead.

Notable strengths



Foreign-owned companies rate Finland substantially higher than Finnish companies on factors related to governance quality and institutional characteristics: societal stability and functionality (approximately +8 percentage points in notable strength rating), quality of life (+7pp), and predictability of laws and regulation (+12pp). These are factors where Finland's comparative advantage against a global benchmark is most visible.

On factors related to operational cost and process – labor costs, personal income tax, corporate tax, permitting functionality – the gap between Finnish and foreign company assessments is small or non-existent. Access to funding generates slightly higher positive ratings from Finnish companies than foreign-owned ones.

In today's highly unpredictable global business environment, Finland's regulatory predictability stands out as a clear competitive advantage. Foreign-owned companies recognize this more strongly than domestic firms: 36% of foreign companies identify regulatory predictability as a notable strength, compared to 24% of Finnish companies.

This gap highlights how foreign-owned companies, often operating across multiple jurisdictions, place particular value on Finland's stability and consistency in regulation, especially when uncertainty elsewhere is rising.

“

Companies entering Finland often remark on the exceptional level of trust and predictability in the business environment – agreements are honoured and surprises are rare. Finland already has many of the ingredients global investors look for, including clean energy, strong institutions and exceptional technical talent, and as our own Global Business Complexity Index shows, stability and clarity matter when companies decide where to invest and operate. As the global economy increasingly values resilient supply chains and sustainable energy, the key is to make these strengths far more visible internationally and compete with greater confidence for investment and talent.



Carolina Ambite
Country Leader - Finland
TMF Group

“

The life science industry uniquely drives economic growth by improving population health and productivity, while speeding up R&D and fostering innovation. This has intensified global competition for biopharmaceutical leadership and investment, especially given current geoeconomic and macroeconomic challenges.

Finland, however, with its strong fundamentals, could significantly bolster its competitiveness by adopting an integrated and intentional strategy that enhances Finland's strength in clinical trial uptake, public-private partnerships, predictable health technology assessments (HTA), access to innovation, and dynamic venture capital and financing ecosystems.



Baedr Kayali
General Manager
AbbVie Finland

Strength in Stability: Finland's Geopolitical Differentiator

Finland's highest-rated strength is the **stability and functionality** of its society, rated a notable strength by 58% of all respondents. The foreign-owned-Finnish difference is approximately 12 percentage points, reflecting the governance premium that Finland earns from international investors, compared to less stable alternatives.

Energy prices

are perceived as a clear strength for Finland, with the change from the previous survey being significant (+33 percentage points). Companies particularly value the stability of the energy system and the volume of carbon-neutral production.

The employee skill level

is still Finland's most important strength. It is simultaneously the most important investment factor for companies (very important for 80% of all respondents, reaching 100% among construction companies) and one of Finland's genuine competitive strengths (34% notable strength overall, with only 17% seeing it as a weakness). This combination of high importance, strong performance, is a real advantage for Finland. From companies' perspective, key strengths include the education system, technology expertise, digital capability, and strong engineering education.

Quality of life

is widely regarded as one of Finland's most attractive features for foreign companies and international talent, a view confirmed in the survey: 52% of all respondents rate it as a notable strength. There is also a substantial gap between the two groups of companies; 55% of foreign owned companies consider quality of life a notable strength, compared with 48% of Finnish companies.

The high rating among foreign owned firms reflects the perspective of executives assessing Finland as a destination for international staff, where the country competes directly with other global locations. For Finnish companies, quality of life is often seen as something "given," but this perception may shift as more firms begin competing for internationally mobile talent.



Finland's defence-industrial ecosystem is developing rapidly, building on long-standing national traditions in the sector. Finnish industry's openness to collaboration, high educational standards, strong language skills and a culture of societal trust make the country an attractive and reliable partner for investors.



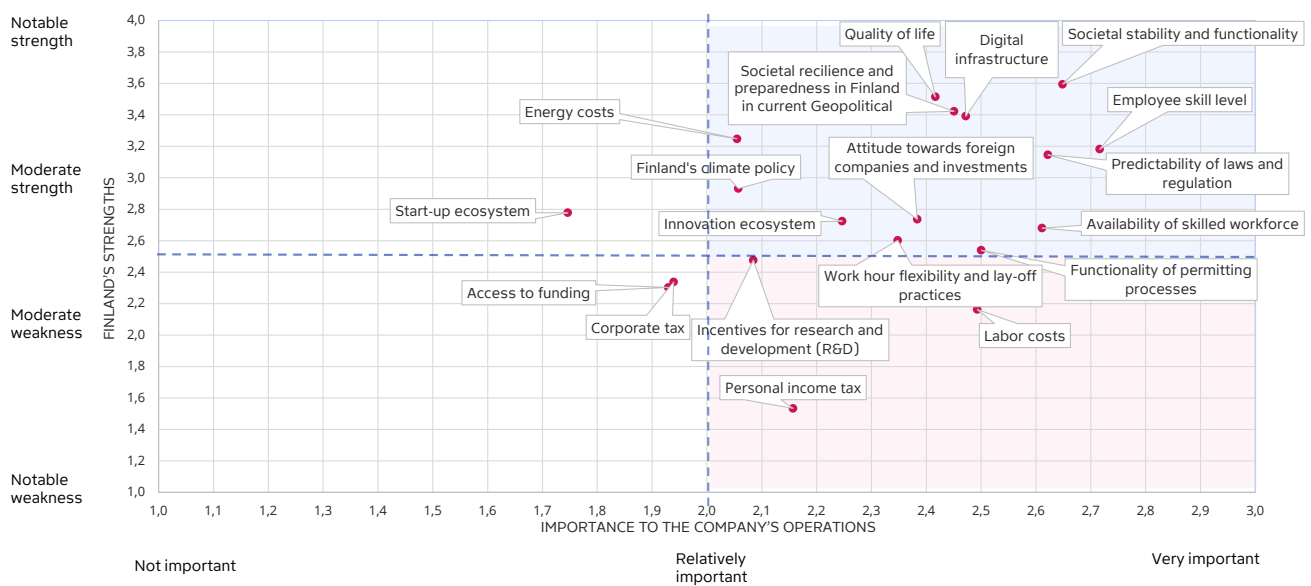
Markku Korhonen
Managing Director
Kongsberg Defence Oy

Digital infrastructure

is rated a notable strength by 50% of all respondents. Foreign owned companies are almost as positive as 49% of them view digital infrastructure as a notable strength, compared with 52% of Finnish companies. This is likely because they see it as a genuine differentiator compared to other global locations. Regional differences also stand out: North and East Finland rate digital infrastructure the highest at 63%, probably reflecting significant data centre and telecommunications investments in those areas.

When it comes to attracting investments to Finland, low electricity prices, a low carbon energy mix, reliable connectivity, institutional security, and NATO membership together form a meaningful strategic advantage.

Foreign-owned Companies: Finland's strengths and their importance to the company's operations



Laura Kuusela

Trade Policy Analyst

Organisation for Economic Co-operation and Development



[OECD analysis of Finland's regulatory environment for foreign investment](#) shows that strong institutions, transparent regulation, and economic and political stability contribute to an attractive business environment in Finland. Although some targeted reforms could further improve conditions for doing business in the country, there are few explicit restrictions on foreign investment, and regional regulatory integration in the Nordic-Baltic area and harmonisation within the EU's Single Market have further reduced barriers for EEA investors. Finland's strength in knowledge-based services is reflected in high foreign participation in these sectors, and wages for high-skilled workers are competitive relative to other Nordic countries.

The Usual Suspects Resurface: Talent and Permitting Challenges

Talent is critical for companies:

71% rate the availability of skilled workers as very important, yet only 16% see it as a notable strength. Skill level itself is rated very important by 80% of respondents and viewed as a strength by 34%, meaning Finland's expertise is high, but not sufficiently available. This gap between skill quality and skill availability is the most consequential finding in the barometer. Since both factors rank among the top criteria companies use when choosing investment locations, closing this gap will be a critical priority for decision-makers going forward.



Permitting process functionality

is rated very important by 57% of all respondents, rising to 72% among industrial companies. This is significantly higher than in the previous edition when 46% of all companies rated permitting processes as very important. Only 14% rate it a notable strength overall, with industrial companies rating it at just 11%. The importance-performance gap for industrial companies on permitting is 61 percentage points: 72% importance, 11% performance.

Personal income taxation

generates an almost complete consensus between Finnish and foreign-owned companies: only 2% of Finnish firms and 4% of foreign-owned firms consider it a notable strength. At the same time, 45% of all respondents view personal income tax as very important for their operations.

R&D incentives

is rated by only 9% of all respondents as Finland's notable strength, even though 35% consider them very important. The gap is equally significant among foreign-owned companies, which account for nearly one third of all private sector R&D spending - a critical share given Finland's ambition to raise total R&D investment to 4% of GDP. Yet only 10% of these firms view R&D incentives as a notable strength, despite 30% rating them as very important.

Finland introduced an R&D tax credit system in 2023, but policymakers will need to continue improving the competitiveness of the broader incentive landscape. Equally important is ensuring predictability and stability: companies planning five to ten-year R&D investment programs in Finland need confidence that the incentive framework will remain consistent throughout the investment period.

Finland's 20% corporate tax rate

is competitive by European standards and sits well below the continental average. The Government's proposal to reduce the rate further to 18% would position Finland among the lowest tax jurisdictions in the EU. Against the usual perception, corporate taxation is considered very important by only 27%, comparing to the much higher importance placed on personal income taxation and labour costs. Notably, 34% of Finnish companies view the corporate tax rate as an important factor, whereas only 19% of foreign-owned companies do.

For the overwhelming majority of companies operating in Finland, corporate taxation is simply not the defining competitiveness challenge, labour costs, regulatory burden, and access to talent consistently rank as far more pressing concerns, and where taxation does matter, the data point not to the absolute rate but to its predictability across parliamentary terms and investment horizons: stable and foreseeable tax policy is a key condition for maintaining investor confidence.



Anne Horttanainen

CEO

Finnish Venture Capital Association



Pääomasijoittajat

Finnish Venture Capital Association

Finland's strengths lie in predictability and operational reliability, which are central to managing country risk for private equity investors. Concerns relate mainly to regulatory volatility and the predictability of taxation and permitting processes. From a competitiveness standpoint, the key is a clear commitment to consistent, long-term regulation and smooth, on-schedule public authority processes.

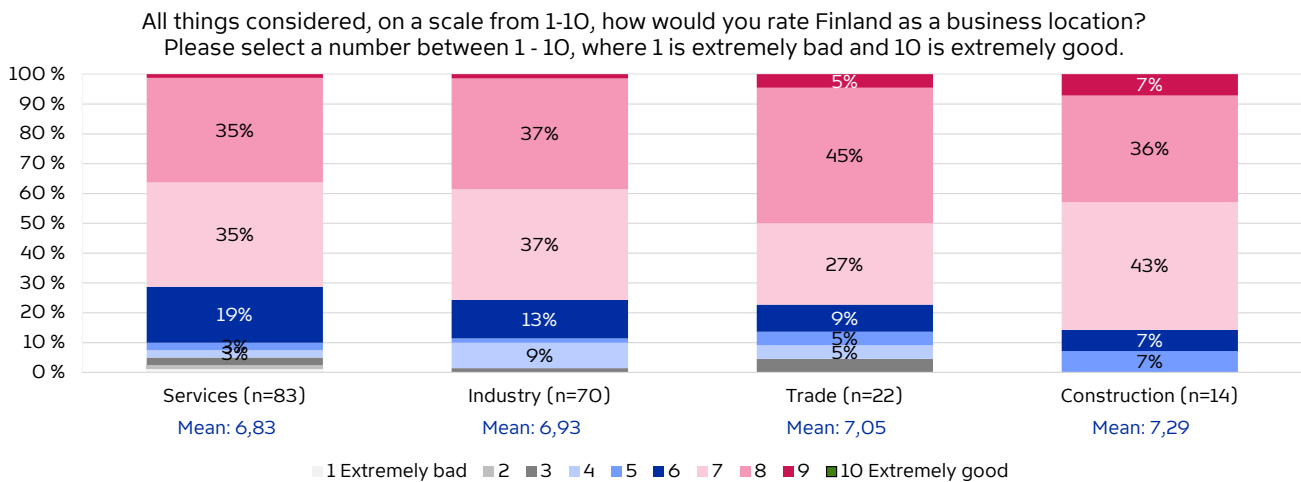
There continues to be clear foreign interest in the Finnish market. However, relatively weak economic performance in recent years, combined with subdued consumer demand, has weakened Finland's position compared to peer countries when private equity investors make allocation decisions.

To strengthen investment activity going forward, it is essential to build credible confidence in future growth. Concrete measures to secure the availability and retention of skilled talent are particularly important, as access to a competent workforce is one of the most critical factors underpinning long-term investment decisions.

To build companies large enough to attract international investors, Finland should also further strengthen its domestic private equity ecosystem. This includes removing regulatory barriers that currently hinder foreign investments into Finnish funds and ensuring that the overall framework conditions remain competitive.

Foreign Companies Show Renewed Confidence in Finland

This fourth edition of the Investor Confidence Index captures a paradox. Finland's composite score as a business environment, 6.93 out of 10, is the lowest recorded in the barometer's history. And yet investment intentions are at their most positive in years: 54% of companies expect headcount to grow, 44% plan to increase R&D spending, and over 400 follow-on investment decisions were made by foreign-owned companies in Finland in 2025 alone.



“

Google has operated data centers in Finland since 2011, invested over €4.5bn and expanded the site 6 times. When we make investments, we do it for the long run.

Globally, there is an unprecedented wave of AI infrastructure investments in the making. Our locations are expected to continue growing as compute demand increases and when appropriate framework conditions are in place. We hope that Finland recognizes data centers as a new base industry, part of the nation's infrastructure that every Finn uses everyday and which is vital for the competitiveness of Finnish business.

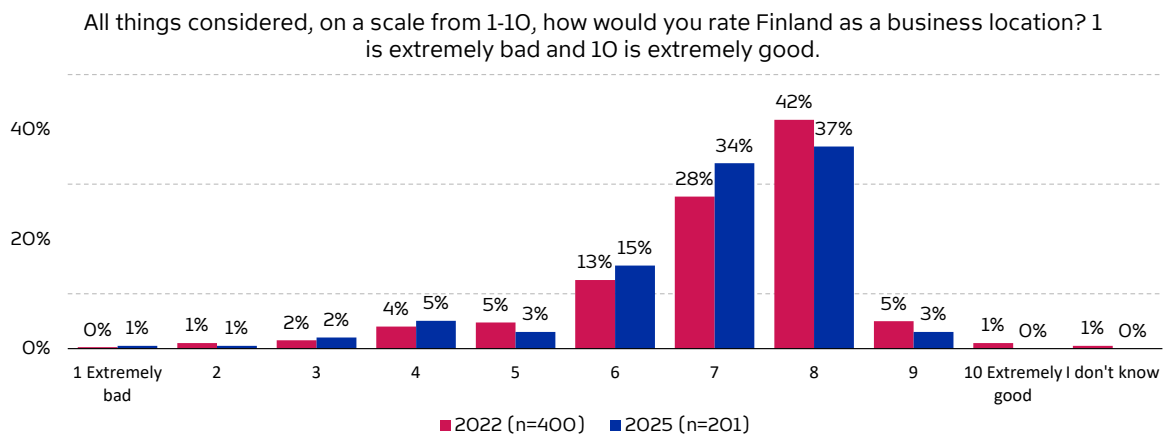
Key to attracting and leveraging such investments is a predictable, long-term investment environment and a continued commitment to the clean transition.



Antti Järvinen
Country Director
Google Finland

The foreign-owned companies score Finland slightly higher, 6.96, than the Finnish-owned companies, which score at 6.90. Large Finnish companies score Finland at 7.22, small Finnish companies at only 6.55.

Geography matters too. Helsinki-Uusimaa dominates the sample (52% of respondents) and shows the most positive assessments of Finland’s strengths across most factors. The capital region offers substantially better access to talent, international connectivity, and digital infrastructure than anywhere else in Finland. Companies in North and East Finland rate digital infrastructure highest (63% notable strength), likely reflecting the data centre and telecommunications investment in those regions. But talent availability is dramatically weaker outside Helsinki: only 8% of West Finland respondents and 7% of South Finland respondents rate skilled workforce availability as a notable strength, compared to 19% in Helsinki-Uusimaa.



Finland has significant untapped potential to become a leading hub for life sciences. By recognizing that the rapid adoption of innovative therapies is a direct driver for global investment, we can create a world-class operating environment. Leveraging our unique health data and ensuring timely access to new treatments are the keys to unlocking this growth; investing in access is investing in Finland’s future.



Lisa Slater
General Manager
Roche Oy

Rising Optimism: Companies Plan to Boost Their Workforce Despite Economic Headwinds

A notable 54% of all surveyed companies report that they plan to increase their personnel over the next two years, up from 49% in the previous edition. This optimism stands out given Finland's currently weak economic growth and high unemployment levels.

The most confident group consists of small foreign-owned companies, 62% of which expect their personnel numbers to grow. Across sectors, industrial companies are the most bullish: 64% anticipate increasing their workforce.

In which way do you think your employee count in Finland will change in the next 2 years?

54%

It will grow

30%

It will not change from 2025

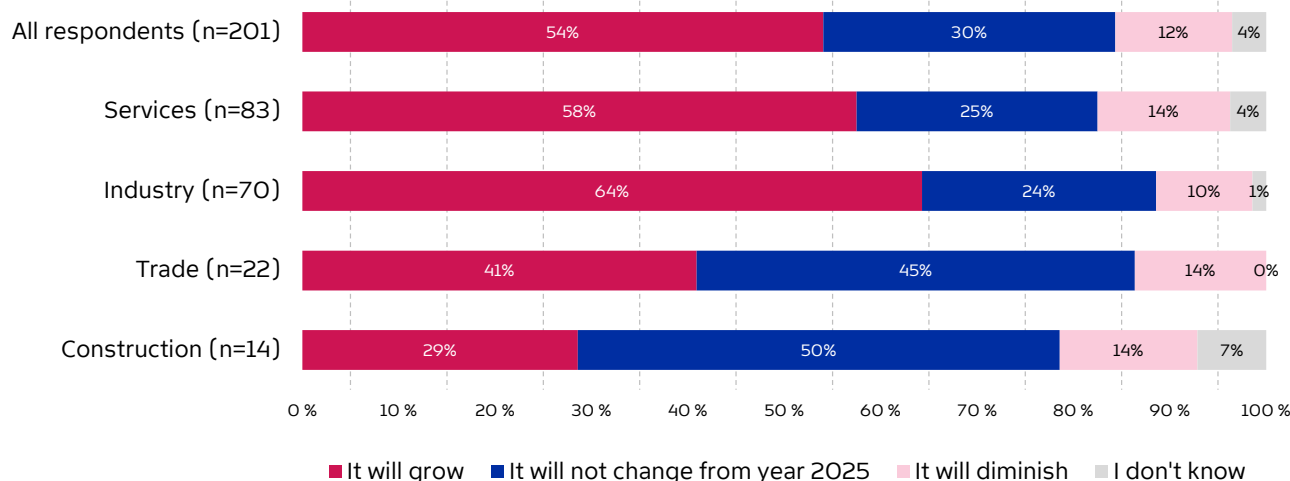
12%

It will diminish

The divergence from the macroeconomic picture has structural explanations. Foreign-owned companies in Finland are concentrated in higher-growth sectors where global demand drives hiring independently of local conditions, and the 33 percentage point improvement in energy cost perception has prompted some manufacturers to shift production toward Finnish facilities, with headcount following capacity. The R&D intent documented elsewhere in this report also translates almost directly into people: 49% of large foreign-owned companies planning R&D increases are signaling advanced demand for engineers and technical specialists.

It bears noting, however, that this survey captures a self-selected population of companies already committed to Finland. The hiring intent is real – but whether it can be executed depends on whether the talent these companies need will actually be available.

In which way do you think your employee count in Finland will change in the next 2 years?



“

Finland offers a resilient, digitally advanced and sustainability driven operating environment that aligns strongly with Fujitsu’s commitment to responsible innovation and long-term value creation.

To reinforce its global competitiveness, Finland would benefit from greater regulatory predictability, more streamlined permitting processes and stronger R&D incentives. By improving access to skilled talent and deepening public-private collaboration, Finland can accelerate sustainable growth and strengthen its position as a top-tier investment destination.



Ilona Ylinampa

Deputy Managing Director, Head of Strategic Partners, Portfolio Offering & Defence Business, Finland & Estonia
Fujitsu

“

Global competition on knowledge is increasing. The most successful economies know that research forms the foundation for both a highly educated workforce and innovation – the key drivers of future growth.

Hence, Finland’s strong knowledge base cannot be taken for granted. Public investment is essential to strengthen our university-centered innovation ecosystems and to support the commercialization of research and higher education.

The University of Helsinki hosts internationally recognized research environments, such as the major genome research initiative FinnGen or Kumpula Campus, one of the largest natural science centers in the Nordic countries. Around these hubs, we are building innovation ecosystems that bring research closer to companies and accelerate the development of new solutions. When strong multidisciplinary research is translated into practical applications, companies that rely on specialized expertise and product development will benefit.

At the same time economic and demographic trends mean that we must invest even more ambitiously in higher education and in attracting international talent. This is how we create opportunities for young people, make our country attractive to leading companies, and secure societal well-being.

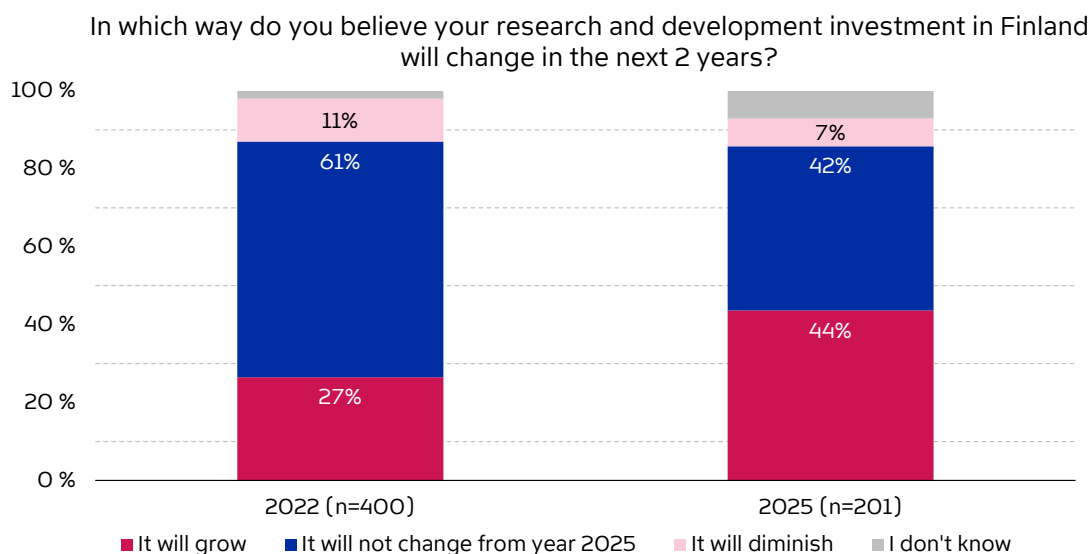


Sari Lindblom

Rector
University of Helsinki

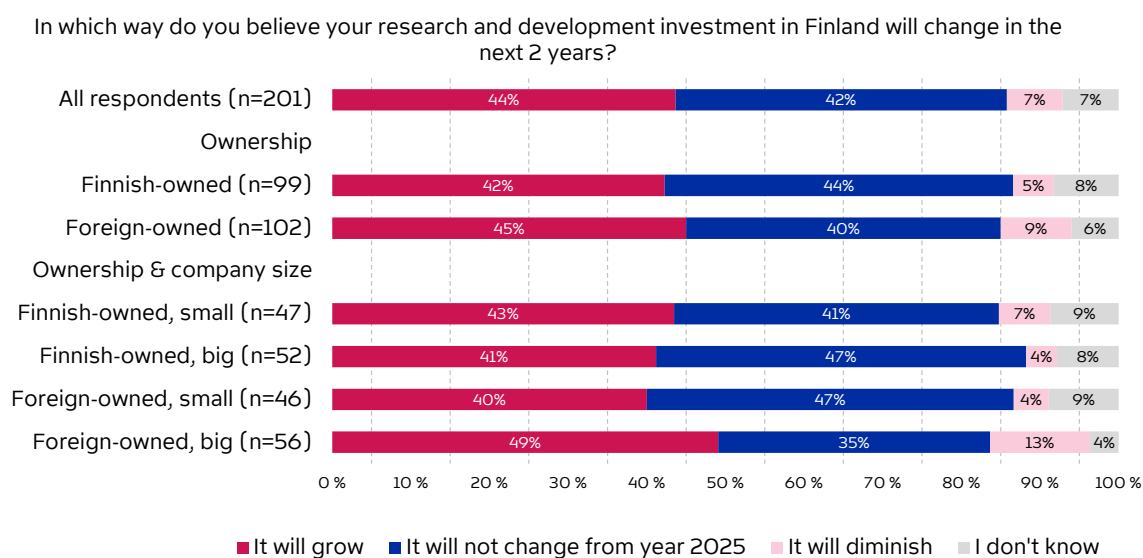
Nearly Half of Foreign-Owned Companies Plan to Invest In R&D In Finland

R&D investments have become a critical competitive factor for companies. According to the survey, 44% of all companies plan to increase their R&D spending in the next two years, a rise of 17 percentage points compared to 2022. The momentum is even stronger among foreign-owned firms: 44% plan to increase their R&D investments, up from 27% in 2022. Of the large foreign-owned companies, an impressive 49% expect their R&D investments to increase.



Given Finland's ambition to raise total R&D investment to 4% of GDP, this is highly encouraging. Foreign-owned companies already account for nearly one-third of all private sector R&D spending in Finland, despite representing only 1% of the total number of companies.

For this reason, it is essential that Finland continues to strengthen the attractiveness of its R&D environment for foreign-owned companies. Any decline in competitiveness would directly weaken the investment base needed to achieve the 4% R&D target.



When Investors Choose Elsewhere

The barometer captures interesting data on investments that did not land in Finland – 36 companies described where their investments went instead and why. The competing destinations were: the United States (2), Sweden (2), Germany (2), South Korea (1), China (1), Spain (1), India (1), United Arab Emirates (1), the Netherlands (1), and – in 17 cases – investments targeted at Finland that did not proceed, plus 3 cases where no investment was made at all.

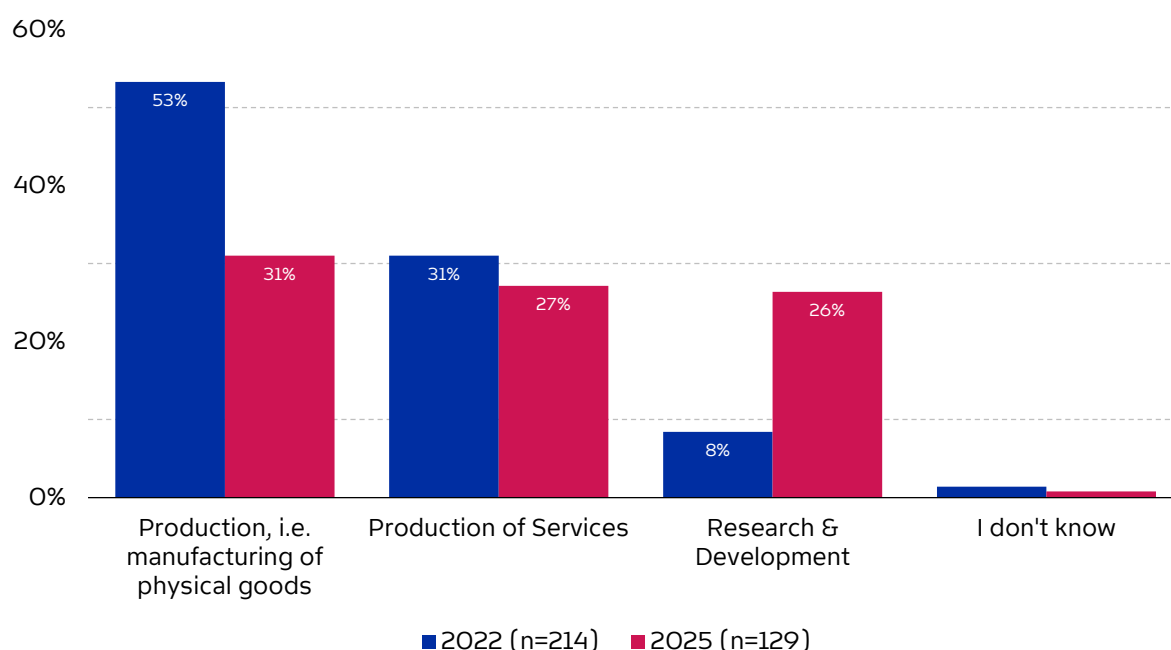
A weak business environment in Finland overall, or a relatively stronger environment elsewhere, was cited in five cases: “To other countries of the group because the overall economic environment is more attractive.”

Geographical location was cited in three cases: “It would be Germany. Infrastructure and geographically advantageous.” The geographical constraint is real and cannot be fully addressed by policy. But it is also somewhat mutable: geographical disadvantage is partly a matter of logistics infrastructure (flight connections, freight access) and partly a matter of market positioning (whether Finland is perceived as part of the European core or as a peripheral addition to it).

Infrastructure deficiencies were cited in two cases, including one specifically involving health sector infrastructure: “Finland lacked health-related infrastructure, outdated care practices.” This is a specific and actionable signal: in health technology and life sciences investment, sector-specific infrastructure and regulatory frameworks – not just generic business environment quality – determine whether Finland is a viable location.

The permitting case, cited in two responses, provides the most significant testimony. One respondent stated that Finland had missed out on a significant investment due to country risk concerns and the uncertainty of the environmental permit appeal process.

For which operation was the expansion or investment considered?



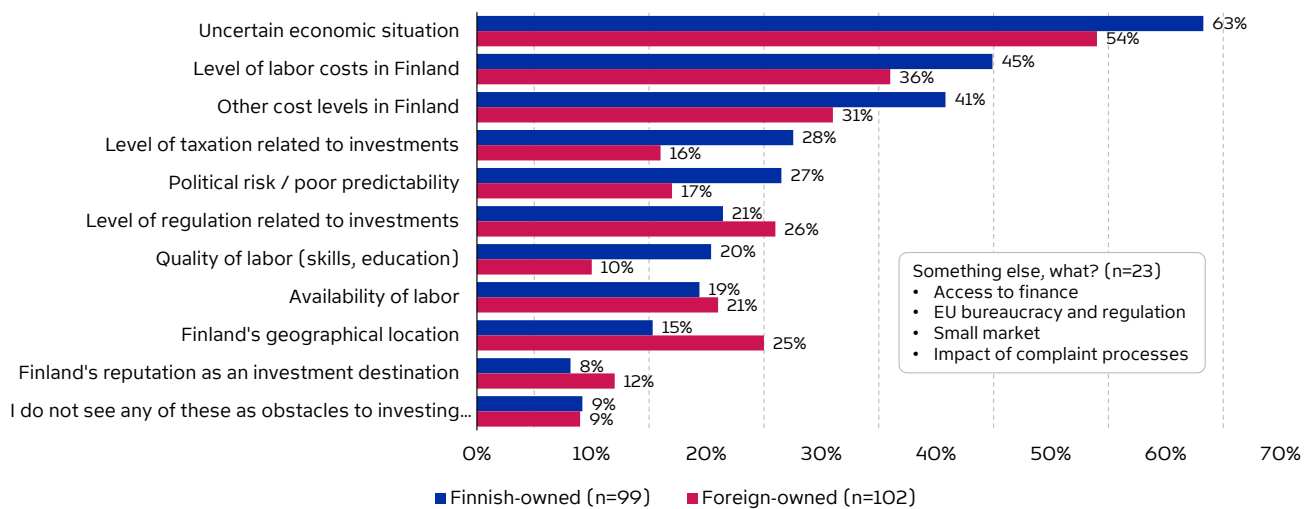
Driving Additional Investment: Finland's Key Challenges

When companies were asked what prevents them from making additional investments in Finland, the most frequently cited reason was the uncertain economic situation, mentioned by 59% of respondents. This was followed by concerns about labor costs, the level of regulation, and political risk.

The contrast between Finnish and foreign-owned companies on investment obstacles is revealing. Finnish companies are significantly more likely to cite the uncertain economic situation, labor costs, investment-related taxation, and political risk or poor predictability as concerns.

Foreign-owned firms cite regulatory burden, labor availability, and Finland's geographical location more frequently than their Finnish counterparts. 25% of foreign-owned companies flag location as an obstacle, compared to 15% of Finnish firms. For a Finnish company, geography is simply a given but for a global company comparing Finland with alternative locations, such as those in Central Europe, the situation looks very different.

From your point of view what is stopping your company from making additional investments in Finland?



“

Nearly 40% of our recent technology hires come from abroad. Access to international talent is one of the most critical factors in our ability to grow in Finland. Simplifying immigration processes, reducing administrative friction, and making everyday life work smoothly for international employees and their families – including career opportunities for spouses as well as schooling and leisure activities for children – are essential to ensure that top talent not only comes to Finland, but also stays.



Erno Muuranto
Managing Director
GE HealthCare Finland

Political Risk Does Not Diminish on Its Own

Political risk

Political risk affects both foreign and domestic companies and investors. From the perspective of a company or investor, political risk can be defined as the risk of strategic or financial loss resulting from economic or political factors outside the market. Such factors include changes in economic and monetary policy, trade policy, investment policy, industrial policy, income policy, labor market policy, and development policy.

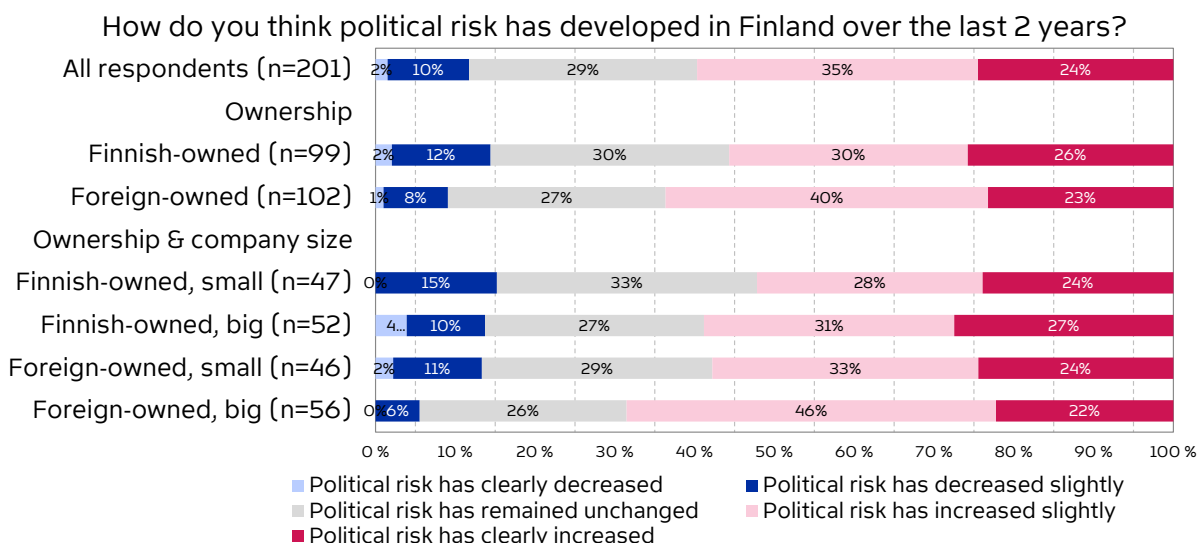
Political risk in Finland has risen to a level that few would have considered likely just a few years ago. According to the survey, nearly 60% of corporate decision-makers believe political risk has increased over the past two years, while only 12% see it as having declined. The same finding is echoed in Aula Research’s survey on political risk, conducted annually since 2012: political risk is now perceived in Finland as higher than at any previous point in the measurement period.



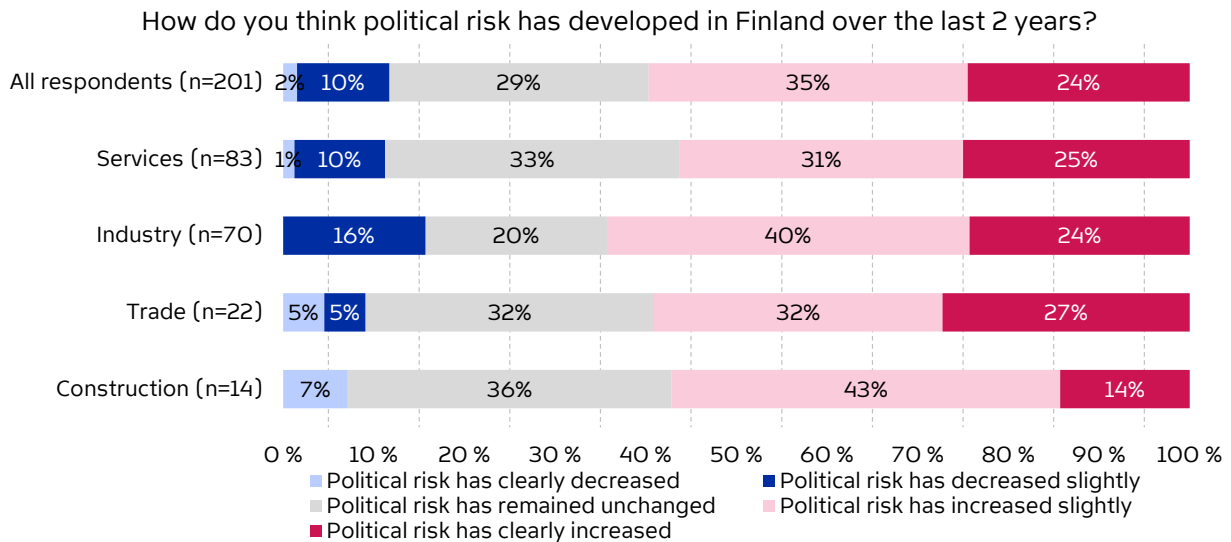
Aula Research



The views of business leaders and politicians on the sources of this risk diverge in an interesting way. Business sees the volume of regulation, its unpredictability, and general economic uncertainty as the primary drivers. Political assessments, by contrast, tend to emphasise the geopolitical situation and Finland’s geographic position. Both are right, but at different scales.



Finland cannot remove geopolitical tensions on its own. What it can do, however, is decisively shape how it is perceived by investors, companies, and international actors as a predictable and consistent country. Investment decisions are not made solely on the basis of absolute risk levels, but in relation to available alternatives. If uncertainty is growing everywhere, what becomes decisive is where that uncertainty is most manageable.



Trust is built when societal actors, politicians, authorities, and business, share a common sense of direction and justify their decisions on the basis of evidence. When this does not happen, political risk grows, even if the regulatory environment otherwise remains unchanged. Companies require stable assumptions about tax treatment, regulation, and labour market rules.

The 2025 proposal to reclassify data centres and mines from the lower electricity tax category to the standard rate, announced without prior industry consultation, illustrates how abrupt policy changes undermine investment credibility.

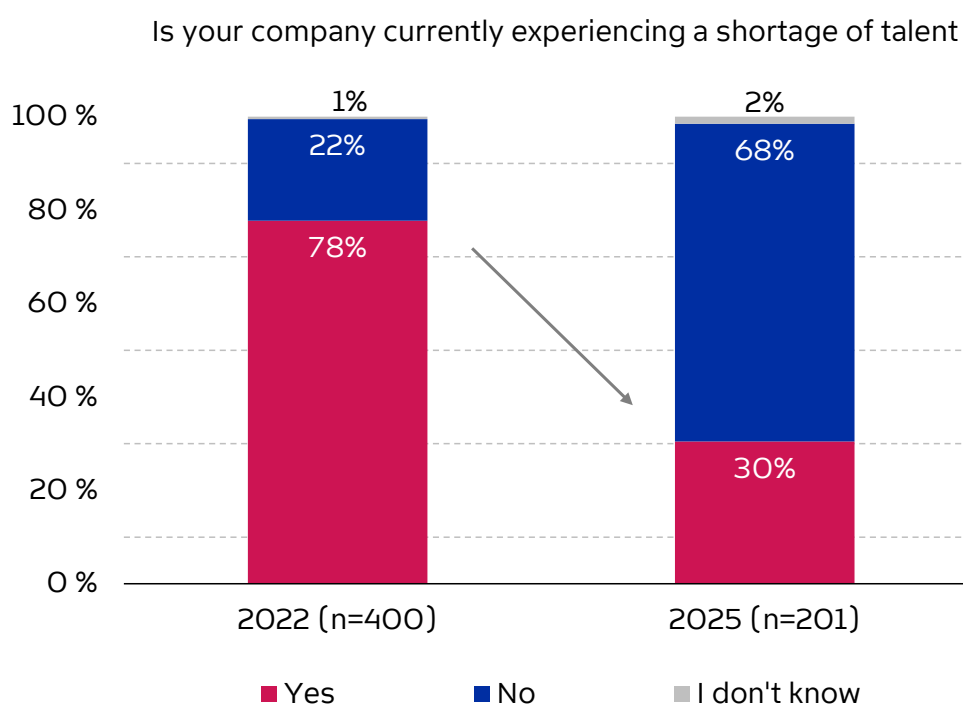
Finland still has the opportunity to reverse this trajectory. That requires, however, that political risk be recognised as a distinct challenge to be actively managed and not merely a by-product of external crises. Predictability does not arise on its own. It is built decision by decision.

Talent Gaps Still Matter for Investment Decisions

Employee skill level is rated very important by 80% of all respondents – more than any other factor in the survey, reaching 100% among construction companies. Finland performs genuinely well on skill quality: only 17% see skill level as a weakness, 34% rate it a notable strength.

When companies were asked whether they currently experience a shortage of talent, 30% of all respondents answered yes, which represents a significant shift from the previous Barometer, in which 78% reported a shortage of workers.

The difference in the data can be partly explained by the currently high unemployment levels in Finland. However, despite the decline in companies reporting a talent shortage, skilled workforce availability, rated very important by 71% of respondents, nearly as high as skill level itself, is viewed as a notable strength by only 16%. The gap between skill quality (34% notable strength) and skill availability (16% notable strength) underscores a structural challenge that decision makers will need to address soon.



Finland continues to enjoy an excellent reputation for having a well-trained and technically capable workforce. Yet the open-ended responses on recruitment challenges suggest that companies are struggling to find a highly diverse range of skills. This indicates that while overall skill quality remains strong, the breadth and availability of specific competencies do not fully meet the needs of employers.

AI experts are cited by 16% of companies experiencing recruitment difficulty. The global competition for AI practitioners, different from AI researchers, is among the most demanding in any field. Finland has strong university research programs in machine learning and AI, but the domestic supply of practitioners who can deploy AI systems in commercial contexts is severely limited.



16% of companies report shortages in various types of **technical experts and specialists**, but the most significant gap is in **blue collar skilled workers**, where 20% of companies report a shortage. Blanket Finnish-language requirements actively narrow the available international talent pool for roles where language is not operationally necessary. Amcham’s Talent Working Group has recommended occupational-specific language standards, targeted language vouchers, and better alignment of vocational training output with the sectors where shortages are most acute. Expanding work-based learning models, where students earn qualifications through structured employment, offers the fastest route to closing this gap while giving employers a direct role in shaping the skills being developed.

A shortage of **sales professionals** is reported by 12% of respondents. Expanding the pipeline of commercially experienced and internationally capable business developers could also help strengthen Finnish companies’ ability to scale into global markets.

The same share of companies, 12%, also report a shortage of **software developers**. Finland has been a net exporter of software talent for several years, and retaining this talent is essential for safeguarding the country’s long term competitiveness.

The geographic concentration of Finland’s talent pool remains a structural challenge. Expertise in AI, software development, advanced engineering, and financial services is heavily concentrated in the Helsinki metropolitan area. At the same time, most large green industrial investments that Finland aims to attract, such as battery manufacturing and hydrogen projects, are predominantly located outside the capital region. Ensuring a sufficiently large and skilled regional talent pool is therefore critical for maintaining Finland’s attractiveness for these investments in the future.

“

Growth isn’t found in a survival mindset; it’s found in the courage to invest when others are retreating. While the public conversation fixates on AI replacing junior roles, forward-thinking leaders ask a more uncomfortable question: if we stop hiring juniors today, where will tomorrow’s seniors come from? Companies that fail to build a junior pipeline are choosing their own irrelevance by creating a **“senior talent debt”** they won’t be able to repay a decade from now.



Laura Christie
Managing Director
Academic Work

When Climate Policy Becomes a Competitive Factor

One of the notable findings in this edition of the Barometer is that foreign owned companies place greater importance on Finland's climate policy than Finnish companies do. The difference is meaningful: 31% of foreign owned companies rate climate policy as important to their operations, compared with 22% of Finnish companies.

International companies operating in Finland are embedded in global value chains and must meet reporting requirements across multiple jurisdictions. For them, Finland's clean energy system, carbon neutral production capability, and credible climate policy are direct operational inputs that determine whether Finnish sites can fit into low carbon supply chains. The fact that Finland's ambitious climate targets and abundant clean energy are already attracting foreign companies and driving green industrial investment should signal to policymakers that major policy shifts can undermine this advantage. Business Finland notes that many international investors choose Finland specifically for its sustainability aligned operating environment, underscoring that climate policy and clean energy are central factors in foreign companies' investment decisions.



Finland is an attractive location for green FDI due to its ambitious climate-neutrality goals. Green investments offer new growth opportunities for municipalities that have access to renewable energy, industrial connectivity, and ample available land.

The most suitable locations are often small municipalities outside the capital region. However, many of them have limited resources and experience with FDI processes, which require proactively building relationships with foreign investors and promoting the municipality to them; negotiating land-use agreements; facilitating stakeholder engagement with local citizens and environmental organizations; and planning necessary infrastructure investments. Municipalities therefore need an entrepreneurial mindset to succeed in the global competition for green FDI. They also need support and resources from the national government throughout these processes to successfully attract green FDI and become hotspots of the green transition.

Municipalities should not be left alone.



Iris Saittakari

Assistant Professor
Aalto University
School of Business

Recommendations & Action Items: What is Needed from the Next Government?

The message from business leaders is quite clear: Finland is fundamentally a competitive investment destination, but competition for investments is intensifying, and Finland must improve particularly those factors that can most quickly and significantly influence location decisions. Below are recommendations based on the study's key findings.

1. Talent policy must become Finland's strategic competitive advantage

According to the study, the skill level is the most important attractiveness factor for investments. At the same time, skilled workforce availability is Finland's largest importance-performance gap and the constraint that most directly limits both current operations and future investment.

Key Measures:

- **Accelerate permit processes for international talent.** Processing times for skilled work permits should be reduced to a maximum of 30 days with binding administrative accountability for that timeline.
- **Establish a clear, fast, and predictable pathway from Finnish university graduation to work permit to permanent residence,** designed specifically to retain internationally educated graduates.
- **Accelerate personal income tax reform for internationally mobile talent.** Government's new taxation regime for foreign key employees, which entered into force at the beginning of the year, offering a flat 25 percent tax rate for seven years instead of progressive taxation is a step to the right direction and will directly improve Finland's competitive position in international talent markets.
- **Align higher education output with key growth sectors**
- **Strengthen funding for secondary and higher education,** particularly in the technology, energy, and advanced manufacturing and biotechnology.
- **Scale the continuous learning funding model** allowing the existing workforce to upskill through technological change rather than becoming obsolete to it, also making sure the that professionals match companies' investment and future talent pool needs.

For Universities:

- **Make work placements mandatory** for all programs and require faculty to maintain external corporate contacts.
- **Implement modular, flexible degrees co-created with companies** and recognize prior work experience for study credits
- **Embed employer visibility** throughout studies through thesis fairs, mentoring, and project-based assignment

2. A Predictable and Long-Term Economic and Regulatory Environment

Companies assess unpredictability as one of Finland's key weaknesses. This is not only about political changes, but about mechanisms that ensure long-term continuity in decision-making.

Finland needs more coordinated approach to attract the right investments, protecting national interests, and maximizing economic and innovation benefits, through close alignment across ministries and active collaboration with key investment-promotion players.

Key Measures:

- **Develop a regulatory and tax policy roadmap that extends beyond government terms**, in which key changes are locked in over a multi-year timeframe. The fiscal framework should incorporate multi-year commitments on business-relevant tax parameters where possible, replacing the current practice of annual adjustment that creates unnecessary uncertainty.
- **Improve the quality of impact assessments** before regulatory changes, particularly in manufacturing, energy, and digital infrastructure projects. Companies' complaint about regulatory unpredictability is not primarily about the direction of regulation but about its speed, transparency, and predictability.

3. A Competitive and Consistent Tax System

Companies identify Finland's tax system as a significant factor slowing location decisions. Solutions must be predictable and competitive at the Nordic level.

Recommendations:

- **Reduce personal income taxation** to support international recruitment. The new taxation regime for foreign key employees, introduced at the beginning of the year and offering a flat 25% tax rate for seven years instead of progressive taxation, already improves Finland's ability to compete for highly skilled international talent
- **Lock in long-term tax policy directions** that extend beyond individual government periods, enabling companies to plan investments with greater certainty and stability. Sudden changes such as the revision of the data-center electricity tax, which raised concerns among investors across several sectors, undermine confidence.
- **Clarify tax policy objectives**: a comprehensive framework that supports growth, employment, and investments.
- **R&D-incentive strengthening and long-term development**. Make sure to commit to multi-year R&D Tax Incentive.

4. Strengthening Financial Markets and Access to Risk Capital

Access to financing affects the timing and scale of investments, particularly in manufacturing and energy sector projects.

The hydrogen economy, energy transition, and sustainable data infrastructure sectors represent Finland's most significant medium-term investment opportunities and are the most capital-intensive.

Key Measure:

- **Finland needs specialized project finance infrastructure** : public-private investment vehicles, long-term power purchase agreement frameworks, and co-investment structures, to compete effectively for the capital these sectors require.
- **Improving access to finance for Finnish companies:** Finland's financing environment has tightened, especially for growth oriented and innovative firms. Structural issues such as bank dominated financing, reduced lender risk appetite, and economic uncertainty are now directly constraining investment. Targeted state actions can significantly ease these bottlenecks.

5. Permitting Process

Environmental permitting reform is a central pillar of the government's investment strategy. The reform program includes key measures such as the adoption of a one-stop-shop model, the introduction of voluntary ecological compensation, and the development of industrial parks to accelerate investment processes in Finland. While many improvements have already been implemented, significant bottlenecks in the permitting system remain. These delays continue to cost Finland valuable investments and create reputational damage, issues that must be resolved as quickly as possible to protect Finland's competitiveness and credibility as an investment destination.

The one-stop-shop model and prioritization on green transition projects will not as a whole expedite permit timelines for investment projects, as certain green transition projects are prioritized ahead of other projects.

Amcham's proposals on removing bottlenecks between land use planning and permits would speed up permit processes with up to 2 years. Currently it seems that the Government will not remove these bottlenecks.

Amcham's proposal on industrial parks as go-to areas has been watered down. The Government doesn't seem to prepare legislation to enable, for example, possibilities to license operations in advance. Other proposals made for ways to make Finnish industrial parks more competitive in an international comparison are also lacking preparation for legislation.

“

Finland has taken important steps to integrate all environmental permit authorities into one single national entity. The next steps need to focus on improving interplay between different permit regimes and zoning and reduce delay caused by appeal processes. The government should have a right to declare strategic projects to have national importance.



Casper Herler
Partner
Borenius

6. Investor Aftercare: Retaining Existing Investors Must Be a Priority

In 2025, foreign-owned companies operating in Finland made over 400 reinvestments – a clear testament to a well-functioning operating environment. As the current European investment landscape makes securing new greenfield investments increasingly difficult, strengthening Finland’s ability to support and scale the operations of existing investors has become even more important. By enabling these committed companies to expand, Finland can secure additional growth and reinforce long-term competitiveness. Reinvestments remain the fastest way to increase employment and production, and retaining and expanding them requires making reinvestment a national key objective supported by cost-effective, targeted, and impactful investor aftercare.

Key Measures:

- **Strengthen systematic aftercare-activities.** Ensuring proactive, regular, direct engagement with the senior leadership of established foreign investors both on national and regional level to identify expansion opportunities, remove specific operational barriers, and demonstrate that Finland is genuinely committed to their continued success.
- **Re-establish the Foreign Investors’ Council under the Ministry of Economic Affairs and Employment.** This council would serve as a platform for regular, constructive dialogue to address challenges and bottlenecks in Finland’s investment environment. Such an initiative could not only encourage foreign companies to maintain their presence in Finland but also incentivize them to expand their operations, enhance their local activities, and move further up the value-added ladder—strengthening Finland’s position as a premier investment destination.



Finland’s ability to nurture successful technology companies is based on a long tradition of research, high-quality technical education, effective digital services and ecosystems, and the ability to identify specialized global market niches.

To ensure future growth, we must focus on encouraging companies operating in Finland to take commercial risks, invest in RDI activities, and promote export trade. The government should make Finland an attractive investment destination internationally and improve the competitiveness of companies by easing taxation and legislation. A small country should not try to control everything but rather focus on areas of strength where we already have top expertise and where we can achieve a leading position in the global market.

Less ambition is not enough.



Milja Kalliosaari
Government Relations
Manager
IQM

Finland's Inflection Point: Converting Strengths into Investment Wins

According to the survey, Finland is still perceived as a stable and high-quality business environment, where factors such as expertise, security, robust digital infrastructure, reliable and ample grid capacity, and competitively priced low-carbon energy, provide a clear international competitive advantage.

Against this backdrop, the survey findings paint an intriguing picture: while the overall score has fallen to a record low, investment intentions are the most positive they have been in years. Political risk is rising, yet R&D investment plans have reached a six-year high. At the same time, permitting failures continue to cost Finland significant investments, underscoring the urgency for reform.

Despite these challenges, Finland retains a strong foundation for sustaining, and even strengthening, its attractiveness as global investment headwinds persist. Encouragingly, companies already committed to Finland signal exceptionally positive investment intentions: 54% expect headcount growth, 44% plan to increase R&D investments, and over 400 follow-on investments were made by foreign-owned companies alone in 2024.

These signals demonstrate that, with the right actions now, Finland can turn growing investor engagement into long term competitive advantage.

Challenges however remain and Finland will need to continue improving the conditions for that intent to translate into actual investment. This includes:

1. **Securing the availability of skilled labor and strengthening talent policy**
2. **Reducing political risk through predictable decision-making**
3. **Streamlining investment permits and simplifying regulation**
4. **Strengthening financial markets and access to investment financing**

The focus is often on attracting new companies and investments to Finland yet the fact that most of the investments Finland receives come from companies already established and committed to operating here, is overlooked. In 2024, foreign-owned companies accounted for 400 expansion investments in Finland, and in 2022 nearly 50% of all FDI inflows originated from companies and investors already present in the country (€4.0bn out of €4.6bn in total FDI flow).

This reflects a broader Europe-wide trend: according to UNCTAD and multiple investor surveys, in the current climate expansions of existing operations (brownfield/expansion projects) are significantly easier to attract than entirely new greenfield investments. Many companies expect to expand rather than establish new sites in Europe over the next 12 months.

Given this shift, retaining and expanding existing investments should be a strategic priority for Finland. Effective investor aftercare - ensuring we fully understand the challenges and expectations of companies already operating in Finland - is essential. Equally important is maintaining open dialogue between companies and decision-makers, including at the local level, so that investment barriers and bottlenecks can be identified and removed early. The data from this study provides an excellent additional tool for supporting this work.

Finally, a stronger FDI push can benefit all of Finland, not only the Helsinki-Uusimaa region. Many green transition and industrial projects (e.g., grid anchored, energy-intensive, or land-intensive investments) tend to locate outside the capital region, spreading employment, tax revenues and export capacity across regions.

As noted earlier in the report, Finland has performed well in attracting Foreign Direct Investment (FDI), with the country's FDI stock increasing from €75.9 billion in 2021 to €83.5 billion in 2024. At the same time, investment flows into Europe declined sharply in 2024. In this environment, competition for internationally mobile investment is, and will remain, intense.

The report's data shows that there is abundant investment potential and that the companies already located here have a clear desire to continue investing in Finland and expand their operations. Finland has the foundations to succeed; making the right choices now will ensure that investment becomes a key means of securing Finland's future growth and well-being.

AMCHAM FINLAND

Amcham Finland is where business leaders gain the trusted insights, powerful networks, and problem-solving capabilities needed to compete, grow, and confidently navigate the future. We bring companies together to exchange best practices, influence policy, and unlock opportunities across Finland and the transatlantic economy.

We're a non-profit, fully member-funded, and politically independent international business community promoting a strong transatlantic economy and a healthy business environment in Finland.

WWW.AMCHAM.FI

BUSINESS FINLAND

Invest in Finland, as part of Business Finland, supports international companies in identifying business and expansion opportunities in Finland, and provides reliable information on Finland as a business destination. The team works closely with regional partners and international networks to coordinate and strengthen national efforts to promote foreign direct investment. Invest in Finland also maintains and updates data on foreign-owned companies operating in Finland, helping build a clear picture of the country's international business landscape.

WWW.BUSINESSFINLAND.COM

**BUSINESS
FINLAND**

**INVEST IN
FINLAND**

