

Finland

An overview of the economy and of the business environment



The scent of warm Karjalanpiirakka, with its thin rye crust and rice porridge filling brushed with a buttery glaze, captures the essence of Finland's way of doing things. The pastry relies on a short list of pure ingredients and on careful technique.



The country's economy follows the same logic. Finland combines dependable natural resources, disciplined engineering, and trusted institutions to produce value that is greater than the sum of its parts.

This parallel is helpful now, because Finland is moving out of a soft patch and toward a measured recovery that rests on competitive manufacturing, an educated workforce, and reliable integration with regional and global demand.

The current macroeconomic picture shows a country that went through a contraction in 2023 and experienced only a small rebound in 2024. In 2025 growth is almost flat, but most official forecasters expect activity to expand again in 2026 and 2027 at a rate close to one percent per year. Inflation has cooled to a level close to the target used by European authorities and unemployment is expected to ease only slowly. Public finances remain in deficit and the public debt ratio is rising, which limits room for fiscal stimulus and puts the emphasis on private investment and on the external sector. The balance of risks still reflects global trade frictions and a slow healing process in housing and construction, yet the competitive position of Finnish industry has held up well and order books improved through 2025.



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The primary sector is small in output terms but central to Finland's identity and to several downstream value chains. Agriculture operates under northern conditions that require specialization and careful productivity management.



The star of the primary sector is forestry, which supplies pulp, paper, packaging and a growing stream of inputs for the bio economy. This flow of raw material supports employment in rural regions, sustains rail and port logistics, and feeds higher value manufacturing lines. It also anchors Finland's reputation for sustainable production. While the share of the economy that comes directly from the forest is lower than it was in past decades, the forest remains the starting point for many export products and for innovation in bio based chemicals and materials.

Industry is where Finland turns those inputs and its engineering capability into goods that compete in world markets. During 2025 manufacturers saw better order intake even in the face of a firm currency and unsettled trade policy. Costs are under control and the country's location inside the European single market provides stable sourcing and predictable rules. Investment in machinery and equipment has resumed after a period of weakness, helped by public demand for defence related goods and by projects tied to the energy transition.

Construction is still healing but is expected to recover in 2026 as mortgage costs normalize and residential projects restart. The industrial mix includes mechanical engineering, pulp and paper, chemicals and refining, and a focused set of electronics and instruments. Defence and dual use technologies are gaining weight as Europe rebuilds capability. These conditions create openings for partners that can supply advanced components, automation, testing and certification, power electronics and other enabling technologies that raise productivity and support clean industry goals.

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Services dominate employment and value added and they will likely carry the next stage of the recovery. Real wages are improving as inflation cools, negotiated pay agreements support purchasing power, and consumer confidence stabilizes from low levels. By late 2025, trade in services was strengthening, and the country's advantages in digital government, education quality, secure data infrastructure and cyber expertise were once again visible. This translates into opportunities for international partners that can bring artificial intelligence based productivity tools, cloud and edge integration, modern logistics, specialized healthcare solutions and education technology. As households feel a little more secure and as financing costs ease, services become the main growth engine and also a channel through which innovation spreads into manufacturing clients.



Trade is the bridge between Finnish capability and global demand, and it remains central to the growth story. Preliminary data for 2025 indicate that the volume of goods exports increased compared with the previous year. The most important export groups continue to be machinery and transport equipment, paper and packaging based on pulp, chemicals and refined fuels, and selected electronics and instruments. On the import side, Finland relies on energy commodities, vehicles, industrial machinery and high specification electronics. The supplier base is concentrated inside Europe, with Germany the largest source, followed by Sweden and China, while Norway and the Netherlands are important partners in energy and petrochemicals.

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For a foreign company that wants to sell into Finland, the practical conclusion is to position products where lifetime cost, energy efficiency and certification standards matter. For a company that wants to source from Finnish suppliers, the conclusion is to look for engineered systems, clean process solutions, and digital services that meet demanding quality thresholds and that can be traced and audited for sustainability.



Policy and the economic cycle will shape the operating climate during the next two years. The central bank's baseline shows growth picking up through 2026 and 2027 with inflation staying below two percent for a time and financing conditions easier than in the prior period. The national finance ministry expects investment to improve as construction stabilizes and as projects in defence and clean energy move forward, but also warns that the budget deficit will narrow only gradually. The European Commission projects that the debt ratio will remain on an upward path through 2027. Together these views point to a cautious but supportive backdrop for private investment, especially for projects that raise productivity, strengthen national resilience and lower emissions.



The green transition is a structural theme that plays to Finland's strengths. The power mix already has a low emissions profile, energy use per unit of output continues to fall, and engineering firms have a long history of building efficient equipment for cold climates and for resource intensive processes. This creates a natural test bed for electrified transport, industrial heat pumps, grid flexibility software, bio based process chemistry, advanced pulp applications and circular materials.

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At the same time, the long term outlook depends on productivity growth and on the size and skills of the working age population. Demographic aging is a real constraint and the authorities emphasize the need for investment in education, in the attraction of international talent and in capital deepening with modern technologies. For international firms this implies a need to plan carefully for recruiting and training, to work with universities and technical institutes, and to consider cross border team setups that connect Finland with the wider Nordic and Baltic region.



For exporters and investors that are evaluating Finland as a partner, the commercial case has four parts. The first is reliability that shows up in rule of law, contract enforcement and a culture of precise delivery. The second is technical quality that shows up in machinery, measurement, clean process technology, packaging and information services where lifetime performance and safety are the core of the sale. The third is deep integration with the European market that provides predictable regulation and access to a large customer base even when global politics is noisy. The fourth is timing, because domestic demand looks set to support growth as wages settle higher and as construction and investment recover, while the export engine continues to run.

The culinary metaphor is a useful reminder. A good Karjalanpiirakka depends on simple inputs and exact preparation. Successful entry into the Finnish market depends on the same approach. Put the emphasis on careful verification of counterparties, on understanding ownership structures, on credit risk screening and on compliance with sector specific rules, especially where business touches defence, dual use items or sensitive data. This is where SkyMinder is crucial.



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SkyMinder delivers business information and credit risk analysis on Finnish companies, including financial statements, corporate linkages and indicators of payment behavior. With that insight, you can move faster, negotiate more confidently and build partnerships that are not only profitable but also resilient over time.

On SkyMinder, it is possible to purchase complete Full Reports on Finnish companies both online and offline. These reports include the following information (when available from local sources):

- Complete company identification details: correct company name, address(es), and contact details such as phone, fax, email, website, etc.
- Company registration details.
- Directors and company structure: board of directors, shareholders, and related companies.
- Financials: balance sheet and profit and loss accounts (if disclosure is mandatory).
- Credit rating and suggested credit limit.
- Number of employees.
- Activity details: in-depth information about the company's sector and industry.
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In addition to Full Reports containing complete details on Finnish companies, SkyMinder also offers other types of reports depending on your specific needs:

- SkyMinder Executive Reports include all the information from the Full Report, plus an AI-generated executive summary that highlights the key data influencing the company's credit situation.

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- Slim Report: includes summarized information about the company's credit situation.
- Compliance Check Report and Extended Check Report: through SkyMinder you can access the LexisNexis Risk Solutions platform to verify whether a business partner is involved in financial crimes, bribery, corruption, or money-laundering activities.
- Cyber Risk Report: thanks to tests performed on a company's website, domains, and related emails, you can assess whether a current or potential partner is vulnerable to a cyber-attack.
- Registry documents, company profile, and shareholder list from the official Legal Entity Identifier registry.

Through this combination of reliable data sources, specialized report options, and continuous monitoring capabilities, SkyMinder positions itself as a trusted partner dedicated to delivering the highest standards of business information to meet the diverse needs of its customers.

Sources: <https://economy-finance.ec.europa.eu>; <https://www.bofbulletin.fi>; <https://www.imf.org>; <https://stat.fi>; <https://tilastot.tulli.fi>; <https://vm.fi>; <https://publications.bof.fi>