

## Introduction

Finland is a country located in Northern Europe bordering the Baltic Sea, Gulf of Bothnia, and the Gulf of Finland. Neighboring countries include Sweden, Russia, and Norway, with Estonia lying to its south across the Gulf of Finland. Finland is a republic; the chief of state is the president, and the head of government is the prime minister. Finland has a largely free-market economy in which the economy includes a variety of private freedom, combined with centralized economic planning and government regulation. Finland is a member of the European Union (EU).



**Location:** Northern Europe

**Capital City:** Helsinki (+2 GMT)

**Chief of State:** President Alexander Stubb

**Head of Govt.:** Prime Minister Petteri Orpo

**Currency:** Euro (EUR)

**Major Languages:** <p>Finnish (official) 85.9%, Swedish (official) 5.2%, Russian 1.7%, other 7.2% (2022 est.)<br /><br />&nbsp;</p>

**Primary Religions:** <p>Lutheran 66.6%, Greek Orthodox 1.1%, other 1.7%, none 30.6% (2022 est.)</p>

**Calling Code:** 358

**Voltage:** 230

## Key Websites

Main Government Page: [valtioneuvosto.fi](http://valtioneuvosto.fi)

Commerce Ministry: [tem.fi](http://tem.fi)

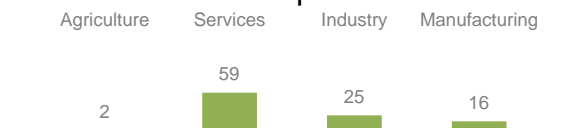
Export Promotion Agency: [businessfinland.fi](http://businessfinland.fi)

Investment Promotion Agency: [investinfinland.fi](http://investinfinland.fi)

## Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developed
GDP, PPP (current international \$):	\$328.00 billion (2022)
GDP growth (annual %):	2.08% (2022)
GDP per capita, PPP (current international \$):	\$59,026.71 (2022)
Manufacturing, value added (% of GDP):	15.85% (2022)
Current account balance (BoP, current US\$):	-\$11.06 billion (2022)
Inflation, consumer prices (annual %):	7.12% (2022)
Labor force, total:	2,823,107 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	6.80% (2022)
Imports of goods and services (current US\$):	\$133.80 billion (2022)
Exports of goods and services (current US\$):	\$126.07 billion (2022)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	1 / 178
EY Globalization Index	13 / 60
Global Competitiveness Index	11 / 141
Global Enabling Trade Index	6 / 136
Global Manufacturing Competitiveness Index (GMCI)	24 / 40
Global Services Location Index	58 / 60
Index of Economic Freedom	11 / 176
International Logistics Performance Index (LPI)	10 / 160
Inward FDI Potential Index	14 / 139
KOF Index of Globalization	12 / 185
Networked Readiness Index (NRI)	2 / 139

## Risk Assessment (Provided by Coface)

**Country rating: A3** - Changes in generally good but somewhat volatile political and economic environment can affect corporate payment behavior. A basically secure business environment can nonetheless give rise to occasional difficulties for companies. Corporate default probability is quite acceptable on average.

**Business Climate rating: A1** - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

### Strengths

- Favourable business climate, strong institutions, and high standard of living
- Strong ICT-sector and domestic supply of commodities
- Diversified energy production with nuclear, biomass, hydro and wind power production
- Finland is part of the eurozone and became a member of NATO in April 2023

### Weaknesses

- Highly vulnerable to international economic conditions
- Direct neighbour of Russia; the two countries share a border which is around 1,340 km long)
- Dependence of the Finnish banking on the Swedish and Danish financial sectors
- Labour market inflexibility leads to relatively high structural unemployment and shortages in certain areas and sectors.

## U.S. Embassy

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