



Incentives to foreign companies investing in Finland

Foreign-owned companies in Finland are eligible for a wide range of government and EU incentives on an equal footing with Finnish-owned companies.

Business aid from ELY Centres

Business aid to companies is coordinated by the Centres of the Economic Development, Transport and the Environment (ELY Centres), whose 15 regional offices also provide consulting, training and advice on registration issues and location choices. Foreign investors can benefit from several different types of aid, mainly for Development areas 1 and 2.

Investment aid can be granted to companies in the regional development areas, especially small and medium enterprises (SMEs). Large companies may also qualify if they have a major employment impact in the region.

Aid to business development can be granted to improve or facilitate the company's establishment and operation, know-how, internationalisation, product development or process enhancement.

Subsidies for start-up companies are available for establishing and expanding business operations during the first 24 months.

Transport aid may be granted for deliveries of goods produced to sparsely populated areas like Lapland,

Northern Ostrobothnia, Kainuu, Northern Karelia, North Savo and South Savo.

Energy subsidies can be granted to companies for investments in energy efficiency and conservation.

Loans and guarantees by Finnvera

The state-owned financing company Finnvera plc offers services to businesses of all sizes and in all sectors, except basic agriculture. Its services range from loans and guarantees to start-ups and micro-enterprises, to export credit guarantees to large exporters and their financiers. Finnvera is also Finland's official Export Credit Agency (ECA).

EU-funded support

EU finance is largely channeled through the ELY Centres. It is directed to projects developing the competitiveness, know-how and operating environment of the SME sector, with a special emphasis on start-up businesses and service sector companies.

R&D and innovation incentives by Tekes

Tekes, the Finnish Funding Agency for Technology and Innovation, provides low-interest loans and grants to challenging and innovative projects potentially leading to global success stories. Foreign-owned companies with R&D activities in Finland are eligible for funding. In 2011, Tekes invested EUR 610 million in 1928 innovative projects. From fall 2013 on, Tekes also makes direct investments in early-stage enterprises registered in Finland.

Capital investments from Finnish Industry Investment

Finnish Industry Investment is a state-owned investment company, which makes capital investments in companies during their growth and internationalisation phases, as well as in acquisition and merger situations. It also invests in foreign companies if the capital is used for business development in Finland.

R&D tax break for companies

The Finnish government is supporting research and development activities by offering companies an additional tax deduction based on the salaries of their R&D personnel during the period 2013–2015. The additional tax deduction is for 100% of the salaries paid, and it comes on top of the normal tax deduction of salaries from the company's profits. The maximum tax deduction is EUR 400,000 and the minimum amount is EUR 15,000. The tax deduction is only applicable to limited companies and cooperatives.

Sources and further information
Centres for Economic Development, Transport and the Environment
www.ely-keskus.fi/en

Ministry of Employment and the Economy www.tem.fi/en
Enterprise Finland

www.enterprisefinland.fi

Finnvera www.finnvera.fi/eng

Finnish Funding Agency for Technology and Innovation www.tekes.fi/en

Industry Investment

www.industryinvestment.com

Finnish Tax Administration

www.vero.fi/en-US



Development areas

-  Development area 1
-  Development area 2
-  Development area 3

