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# Finland

## About the country

- Geographic size: 338,424 sq km
- Population: 5,410,233
- Currency and exchange rate: €1 = 0.8008
- Political landscape: There is currently a coalition government headed by the Prime Minister Jyrki Katainen and the National Coalition Party, who is elected and appointed by the Head of State, the President of Finland. Finland is a Parliamentary Republic with the central government based in Helsinki and local self-governing municipalities. There is also an autonomous region of the Åland Islands.

### Business climate:

- GDP: \$198.2 billion (2011).
- Finland has a highly industrialised, largely free-market economy with per capita output roughly that of Austria, Belgium, the Netherlands, and Sweden. It is the only Nordic country to be member of the Eurozone.
- Employment Law: Collective agreements are common, with 80% of the population belonging to a trade union or an employer's association. Finland issues no minimum wage, however collective agreements specify a minimum salary for various sectors. Employees are offered generous holiday, sickness and maternity / paternity entitlements.

### Export/import trading stats and relationship:

- Finland is highly integrated into the global economy. International trade contributes to a third of GDP and the EU represents 60% of the total trade. 2011 estimates put exports at \$72.7 billion.
- Around 70%-80% of the equity quoted on the Helsinki Stock Exchange is owned by foreign-registered entities.
- The main exported commodities are electronic goods and high-tech products, as well as telecommunications services and engineering capabilities.
- Some raw materials are also exported, mainly timber as part of the country's 'forest industry' but minerals are also exported. However, these are exceptions as Finland's economy depends more on the import of raw materials, energy and some components for manufactured goods.
- Finland's main trading partners are: the UK, Sweden, Germany, the Netherlands, Russia, China and the USA.

### Key business hubs:

- Finland is home to just one Global 500 company, which is Nokia, located in Espoo.
- The cities of Espoo, Vantaa and Kauniainen – also located in the capital region – are the other metropolitan areas in which businesses are based.



- Leading Finnish companies: Apart from the former mobile industry leader, Nokia, the country's other notable business successes are: Stora Enso (packaging, paper, and wood products), Neste Oil (oil refining and marketing), UPM-Kymmene (pulp, paper and timber manufacturer) and Rovio Mobile (entertainment media – famed for Angry Birds).

- In 1906 Finland became the first country in the world to give women the right to vote in national elections and to have the right to be electoral candidates.
- After World War II Finland was rapidly industrialised, achieving equal levels of GDP to Japan or the UK in the beginning of the 1970s. Two export-led industries emerged as the basis of such development, the metal industry and forest industry. Finnish exports have recently diversified into electronics, and chemical engineered products. The Economist Intelligence Report issued in September 2011 outlines Finland as the second most competitive country.
- Deregulation of the Finnish financial markets in the 1980s led to a domestic credit boom, collapsing in the early 1990s. Productivity stalled while unemployment rose to 20%. The recession lasted until 1993 until Finland devalued its currency. Since joining the Euro in 1999, Finland's public debts have remained high and the privatisation of many state-owned businesses has aided the much needed growth in revenue. Finland's banks and financial institutions seemed to avoid catastrophic economic disaster in the global crisis of 2008.

## Credit Ratings

Average credit rating of all businesses by region

### Top five metropolitan regions by average business credit rating

1 Uusimaa
2 Ostrobothnia
3 Päijät-Häme
4 Northern Ostrobothnia
5 Central Ostrobothnia

### Bottom five metropolitan regions by average business credit rating

15 Åland Islands
16 Central Finland
17 Lapland
18 Satakunta
19 Southern Savonia

Average age of directorships in the country 51

Industries with the highest average credit rating

- 1 Mining and Power
- 2 Financial and Business Services
- 3 Transport

Industries with lowest average credit rating

- 7 Health Edu and Other Community
- 8 Construction
- 9 Retail

## Fascinating facts

- In terms of medals and gold medals won per capita, Finland is the best performing country in Olympic history.
- The Finnish population spend more time reading newspapers than any other nation, partly due to strong media and a huge variety of publications – 3,000 in all. The media is so diverse that it even broadcasts in Latin, which is unique to Finland.
- Finland has 1.8 million saunas. Saunas are used as much for business as leisure and it is completely normal for a business or political meeting in the sauna. The Finns believe it to be an excellent place for negotiations, and exchange of ideas and opinions and conducive to mutual understanding and consensus.
- If you want to take your children to see Santa Claus, you will need to go to Finland. Rovaniemi, the capital of Lapland in the north of Finland is the 'official hometown of Santa Claus'.

## About Creditsafe

Creditsafe is Europe's most used supplier of on-line business credit information supplying over 50,000 organisations. It offers an innovative suite of credit information, monitoring and sales and marketing solutions. Creditsafe has offices in Sweden, the UK, Germany, France, Belgium, Ireland and the Netherlands. Five Creditsafe Group reports are downloaded every second! Creditsafe can offer companies across Europe detailed intelligence on nearly 1.5 million companies in Poland. The company offers information on over 90 percent of European companies, accessible through its Creditnet solution.