

FINLANDIA DECLARATION

**Industry for a New Era:
An Investment in Finland**



Finland needs a clear and engaging vision of the future one that can strengthen the public's and companies' confidence in collaboration and opportunities for success. When successful, the sustainable growth of industry will benefit everyone in Finland, raising economic well-being, future opportunities and societal resources. That is why industry's conditions for operating and growing must be a political priority.

Finland has unique opportunities for sustainable growth. Our natural resources – minerals, clean water and forests – and potential for clean energy generation provide a stable basis for new economic growth. Our advanced competences in technology and process industry give Finland the opportunity to be both a competitive operating environment and attractive investment. In our aim for carbon neutrality by 2035, Finland must choose a boldly innovative path which will create jobs, income and security for everyone in Finland.

The bedrock of Finland's export industry – chemicals, forestry and technology – are, alongside the energy industry, ready to take new steps towards a sustainable future.

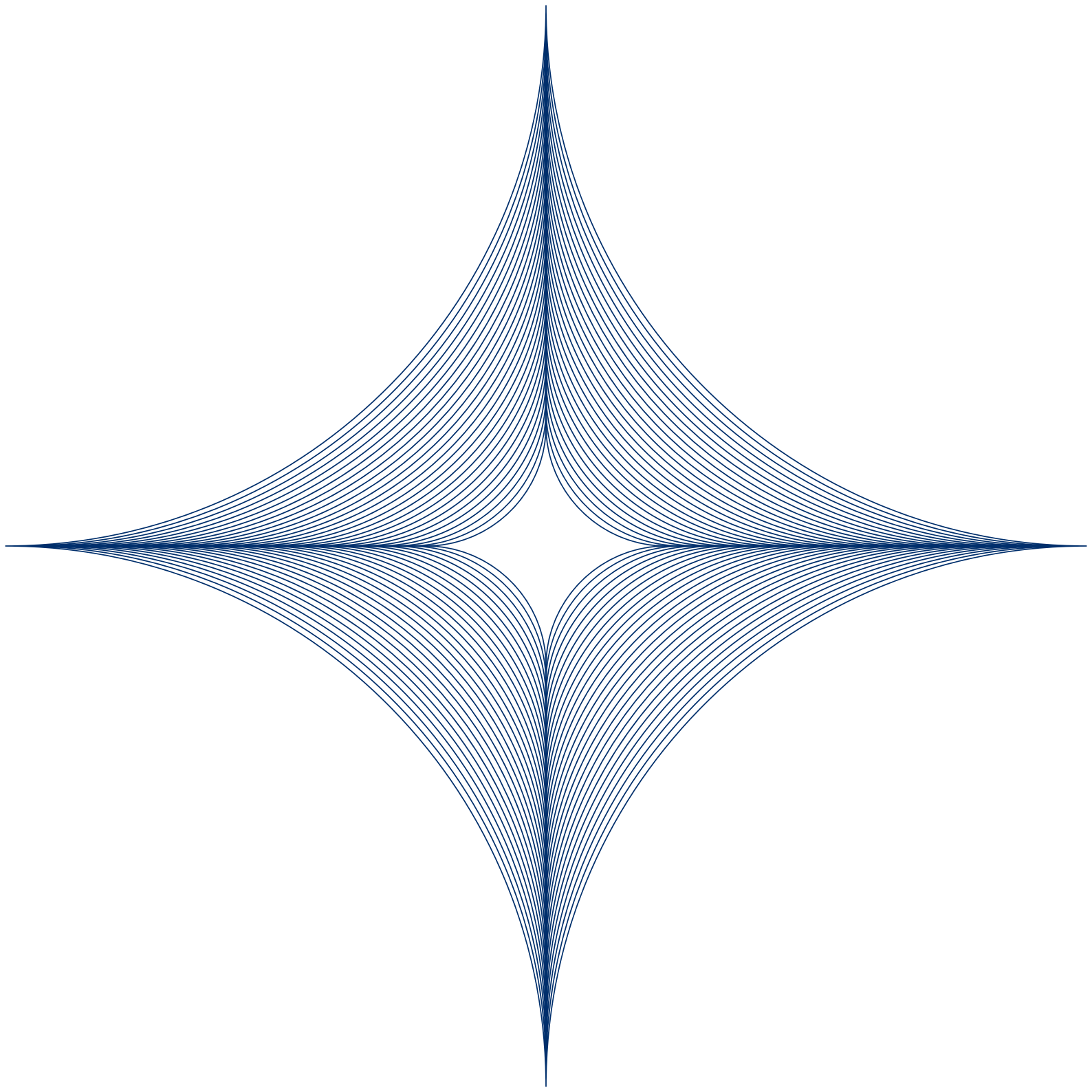
These industries' low-carbon and environmental road maps point the way towards a reimagination of today's industry and towards new business opportunities. These include a battery ecosystem, renewable biomaterials and bioproducts, the bio- and medical industry, the circular economy, digitalization and AI, the hydrogen industry and its downstream products, such as synthetic fuels, and fossil-free steel. In these areas, Finland can collaborate with the other Nordic countries to create sustainable growth value chains in which small and medium-sized enterprises can also thrive.

Finland must ensure the important strength of its industrial competitiveness: sufficient, clean, reliable and competitively priced electricity. The energy industry is capable of meeting drastically increased demand for clean electricity. Finland provides all the conditions for developing a thriving hydrogen economy. Now, the acceleration of investments in energy production, network and use, as well as the completion of existing projects, are needed.

As demand for sustainable and renewable products grows, there is fierce competition for industrial investments. Finland must be the most attractive option to win those investments and the economic benefits and jobs they create. We believe that this is possible. The Finnish Government has already launched several projects to improve the operating environment which are important to move forward. Our geopolitical and economic landscape creates challenges for our investment prospects. In addition, the European regulatory environment has become more complex. That is why we now need additional action to bolster investors' strength in Finland.

We, the undersigned, express our full support for the Government's growth objectives and propose additional measures to support growing industry for a new era, secure jobs, achieve climate goals, and complement EU industrial policy. That will allow us to lead Finland towards a successful, prosperous future.

*The names of the companies that have signed the Finlandia declaration can be found at **www.finlandia-julistus.fi***





Growth action for Finnish industry

Finland's industrial policy strategy, published on 4 December 2024, provided decision makers with information about transformations, both under way and yet to be begun, with which industrial investments may be promoted. The strategy's contents must become real action that is taken purposefully.

The new European Commission which took office on 1 December 2024 has set itself the priority of strengthening industry's competitiveness, finance and self-sufficiency. Finland must show Europe the way towards successful attainment of these desirable shared goals.

**1****Create initial-phase demand for new products**

Bolster new demand for cleaner, better products so they can progress to global markets. Ensure the birth of value chains in Finland by creating domestic demand and exemplary projects. Encourage demand for responsible products such as clean electricity, hydrogen, synthetic fuels and new materials through tax incentives, public procurements and other demand stimuli.

2**Ease investments and growth through risk management and leveraging public funding**

Target Finnish and EU grants at investments which accelerate growth, such as new technology commercialization and pilot projects, infrastructure construction, and the creation of new industrial clusters. Deploy state guarantees to help manage technological pilot risks. Enable accelerated depreciations of new, high-risk technology. Continue the electrification subsidy and investment tax relief for heavy electricity consumption facilities.

3**Ensure sufficient energy networks and investment conditions for clean electricity generation**

Ensure network operators' capacity to predictably make significant investments in main-grid and distribution systems for industry's growth needs. Accelerate the required administrative processes. Enable continued investment in wind, solar and nuclear power, as well as solutions to level varying generation levels. Ensure the conditions for growth and energy investments in eastern Finland.

4

Systematically secure investments and EU funding for Finland

Develop the investment working group established in the state civil service into an active national securer of significant investments, a contact point, and a resolver of practical challenges in investment conditions. Combine industry's and central government's know-how as a shared basis for a model which guides towards increased receipt of EU funding for sustainable industry projects of various sizes.

5

Create the conditions for carbon capture and use

Create conditions at the EU level for carbon capture and a market for downstream products. The stimulus and demand outlook must be predictable enough, ensuring investment in and operational funding for carbon capture, storage, transport and use. For Finland, it is particularly important to achieve clear regulation and financial incentives for the use of bio-based CO₂.

6

Build holistic security and industrial opportunities side by side

Make use of the strong, secure position of Finland, a NATO member and US partner, to promote industrial investments and long-term investments in securing the operating environment. At the same time, build holistic security and resilience through emergent industry. Use industrial products and services to strengthen security of supply and to maintain skills. Bolster production of defence supplies and high-tech defence products.

**7****Ensure availability of sustainable economy raw materials**

Expanding industry needs more sustainably produced, recyclable Finnish raw materials: renewable timber, minerals and other materials. Resources must be used and clean transition investments made with care for our irreplaceable natural resources and minimal deforestation. Clarify ecological and natural resource impact assessments to ensure compatibility with international targets and regulation, as well as consideration of raw material procurements from abroad.

8**Create and strengthen industrial clusters**

Create operating models for smooth construction and development of industrial parks. Ensure streamlined permits, zoning, municipal actions and enterprise agency roles to grant them a highly functional ecological ecosystem. Apply express processing and regulatory flexibility.

9**Accelerate the hydrogen economy**

Promote in parallel the production, transport, storage and use of hydrogen. Invest in the public infrastructure required for the hydrogen economy. Set rules for the hydrogen markets and operations which consider a wide range of clean electricity sources and enable extensive, technologically risky investments in this new industry. Ensure that Finland enjoys the opportunities and benefits of the hydrogen economy.



Building long-term competitiveness to support growth action

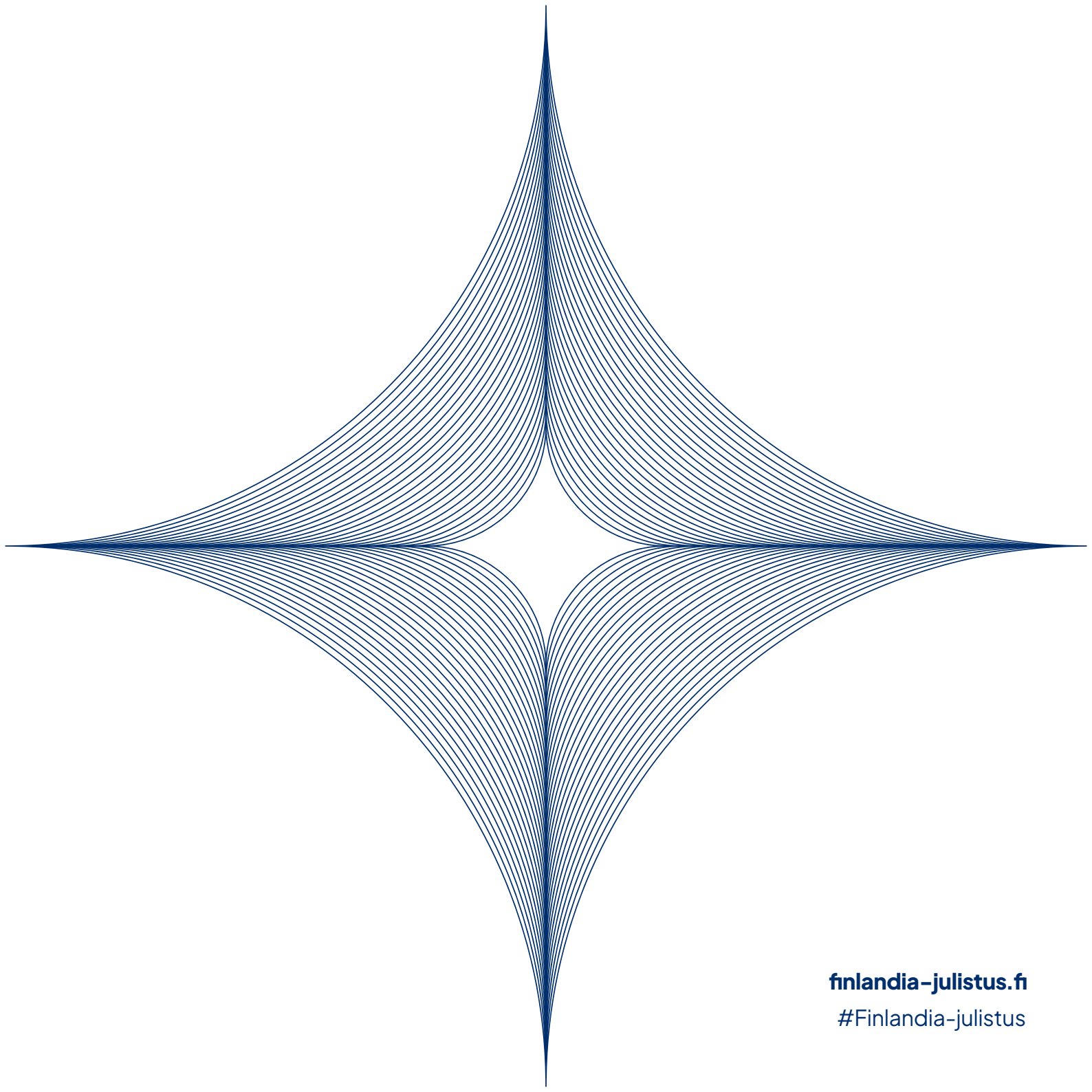
In addition to the measures proposed, Finland must continue to ensure the availability of skilled labour, particularly of fundamental STEM skills, with consideration for increased skill requirements due to growth and digitalization. Vocational education must also be able to match employment needs, in collaboration with employers. In addition, labour needs must be met by streamlining labour-based migration. Fast entry to Finland must also be secured for immigrants arriving on the basis of their professional backgrounds, such as people employed at industrial investment sites.

The duration and clarity of permit processing are critical for investments. To streamline permit issuance, a true one-stop-shop must be created, with predictable, solution-focused collaboration between the permit authorities and stakeholders. Binding processing deadlines must be set for permit issuance. The smoothness of permit issuance must be considered whenever legislation is amended or environmental impact assessments are developed.

Decarbonizing industry and establishing new operations requires a great deal of bureaucracy and impact assessments concerning official processes, development of national legislation, and EU advocacy. These must be funded and provided with sufficient administrative resources in ministries, government agencies and the legal system.

Finland must purposefully burnish its national image abroad. Finland must be distinctly seen and heard as the world leader in clean industry. This work must be conducted from the highest diplomatic levels all the way down to practical contacts and the promotion of processes. RDI for new industrial solutions must continue to be state-funded. The goal of RDI must be to bring competitive new solutions to the market.





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