
FOREIGN TRADE STUDIES AND DOCUMENT COLLECTION

HOW TO EXPORT

TO

FINLAND

EMBASSY OF BRAZIL IN HELSINKI
2020

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INTRODUCTION

Finland is a prosperous economically and politically stable industrialized country and has been a member of the European Union since 1995. Finland has gone from forestry-based to technology-based economy, and is now undergoing a further transition to service-dominated society. In the Global Competitiveness Index of World Economic Forum Finland has the 11th position, Brazil has 71st position. The Finnish economy is knowledge-based and strong on innovation. The longstanding national investments in innovation and a forward-looking technology policy have produced world class expertise in many sectors of the Finnish economy. For many years Finland has also been among the top countries globally in terms of R&D spending per capita.

Challenges for the economy: As an EU member state, Finland does not have an independent trade policy. Finland is a small open economy, where fluctuations in exports and imports have shaped the big picture of developments in the economy.

Based on the current development, Finland's population will start decreasing in 2031. The population of Finland is rapidly ageing as the Finnish people are living longer.

The GDP of Finland was USD 258 billion in 2018. The GDP per Capita of Finland \$49,738, higher than that of Germany, United Kingdom, France and Korea, is 5.5 times higher than GDP of Brazil.

The share of Finland of Brazil's global exports is 0.1 % and 0.25 % of Brazil's global imports, only. The main reasons for the relatively small bilateral trade between Brazil and Finland are high import duties and technical barriers in EU.

However, Finland with its neighboring countries Russia, Sweden, Norway and Estonia have a total population of 167 million and a total GDP of USD 2900 billion. Finland, with a population of 5.5 million, is importing from Russia and exporting to Russia clearly more than Brazil with a population of 210 million.

During last 30 years Finnish companies have transferred from diversified into consolidated businesses. First Finnish competitors have been merged and later foreign competitors have been bought. There are few but important global Finnish companies in most of the business segments. Finnish enterprises had business activity in 5,070 affiliates located in 142 countries in 2018. The number of personnel was 534,000 focusing on Europe and Asia. The combined total turnover of Finnish affiliates located abroad amounted to \$182.9 billion.

Finland has several high-tech clusters with many technology companies that have cutting-edge expertise. Finland's particular strengths include Forest, Cleantech & Renewable Energy, Chemical Industries, Information & Communication Technology (ICT), Mining, Health Care, the Pharmaceutical and Bio Medical Industries.

The EU and Mercosur Free Trade Agreement. The EU and Mercosur group of countries (Argentina, Brazil, Paraguay and Uruguay) reached an agreement on a trade pact covering a population of 780 million people on 28 June 2019. For the agreement to enter into force, the provisional text must be ratified by all the parliaments of adhering countries, including the European Parliament and Council.

The EU Mercosur Free Trade Agreement eliminates tariffs on 93 per cent of exports to the EU and grants “preferential treatment” for the remaining 7 per cent.

Green Deal. The Sustainable Europe Investment Plan aims at mobilising **at least EUR 1 trillion of investments over the upcoming decade**. Every Brazilian exporter must take into consideration that the sustainability is a very important decision criteria in Finland and in the rest of EU.

Bioeconomy. Finland has been traditionally a world-leader in wood related (paper, pulp, timber, technology) industries.

Circular economy. Finnish cleantech products, services and processes respond to global environmental challenges, such as environmental pollution, climate change and resource scarcity. Generating a combined annual turnover in excess of \$27 billion, the Finnish cleantech sector comprises around 2,000 enterprises, some 100 of which are large companies.

Telecommunications. Nokia is the best-known Finnish telecommunication company. After the sales of the mobile phone business to Microsoft in 2014, many of these highly skilled ex Nokia engineers started their own companies and joined small startups creating innovation hubs e.g. in Helsinki and Oulu. Nokia began to focus more extensively on its telecommunications infrastructure business and bought its competitor Alcatel-Lucent.

Renewable fuels and chemicals. The annual sales of Neste \$16.4 billion, the largest petrochemical company in Finland, are about the same as the sales of Braskem. Neste is producing renewable diesel and chemicals from waste and residues. Neste is investing to increase its capacity for renewable polymers and chemicals and renewable jet fuel. Brazil could be a location for a new refinery of Neste.

Sustainable mining. More than half the copper and a third of the nickel used globally is made using a flash smelting method developed in Finland, which self-generates the energy required in the process. In the mining sector Finnish companies like Metso, Outotec, Pöyry and Normet are active in Brazil, too. Finland is one of the most attractive countries in Europe because of mineral resources, a large territory with a small population and favorable tax policy.

Food and food technology. Finland is importing e.g. fruits and vegetables worth about one US billion, which is about the same as Brazil’s global export of fruits and vegetables. In the wholesale and retail in Finland the annual sales of S-Group and K-Group are about the same as the sales of Pão de Açúcar in Brazil.

Africa

Finland has been giving annually about one USD billion as a development aid indirectly or directly, mainly for the Eastern Africa (especially in Kenya, Ethiopia, Tanzania, Mozambique). Commissioner Jutta Urpilainen from Finland recently introduced the new EU Strategy for Africa. Brazil and Finland should co-operate in the Eastern Africa, which has a rapidly growing population of 540 million persons, to increase the sustainable food production.

Gateway to Russia. Despite Russia's occupation of the Crimea region of Ukraine and sanctions and counter-sanctions affecting bilateral trade, Finland maintains an important commercial relationship with its larger, more populous neighbor. Many Finnish companies have successful longstanding business operations in Russia. The bilateral business (export + import) between Finland and Russia was \$13.9 billion in 2018

MAP



Finland is the most northern country in the European Union. Its neighbors are Sweden and Norway in the west, Russia in the east and Estonia – across the Gulf of Finland – in the south.

Total length of land borders of Finland is 2,563 km (Norway 709 km, Sweden 545 km, Russia 1309 km).

The Finnish–Russian border is also the border between the European Union and Russia. Biggest cities: Helsinki (Capital of Finland), Espoo, Tampere, Vantaa, Oulu, Turku, Jyväskylä.

BASIC INFORMATION

Area: 338,465 km²

Population: 5,520,866

Population density: 16 inhabitants / km²

Economically active population: 2,734,000

Major cities: Helsinki (capital), Espoo, Vantaa, Tampere, Oulu, Turku, Jyväskylä

Currency: euro (€)

Exchange rate (yearly average): Euro 1 = USD 1.1195 (2019) 1.1810 (2018)

Euro 1 = BRL 4.4134 (2019) 4.3085 (2018)

GDP (2018): \$ 256 billion

Composition of GDP:

Agriculture: 2.7 %

Industry: 28.2 %

Services: 69.1 %

GDP (current prices, forecast for 2020): \$ 250-256 billion

Composition of GDP (forecast for 2020):

Agriculture: 2.5 %

Industry: 28.2 %

Services: 69.3 %

2GDP growth (last 5 years):

2014	2015	2016	2017	2018
-0.4 %	0.6 %	2.6 %	3.1 %	1.7 %

Source: Statistics Finland, National Accounts

GDP growth (forecast for 2020): 1.5-4 % reduction mainly because of the global corona pandemic.

Per capita GDP 2018: US\$ 48,580 (e.g. higher than GDP of Germany)

Per capita GDP (forecast for 2020): US\$ 46,000.

Foreign trade (\$ 2018):

Exports: \$ 70.1 billion

Imports: \$ 73.2 billion

Foreign trade (forecast for 2020): Source: Bank of Finland December 2019

Exports: US\$ 71.0

Imports: US\$ 74.7

Bilateral trade (\$ 2018):

Brazilian exports: \$ 631 million (0.9% of Finland's total imports)

Brazilian imports: \$ 336 million

Credit rating: Fitch Ratings affirmed the "AA+" LT Int. Scale (local curr.) credit rating of Finland on January 24, 2020.

Standard & Poor's credit rating for Finland stands at AA+ with stable outlook

I – GENERAL CHARACTERISTICS

1. Geography

Finland is located in the Northern Europe having Russia, Sweden, Norway and Estonia as closest neighbors. Finland's territory 338.465 km² is about 40 % bigger than the state of Sao Paulo.

Distances by air

Helsinki - Stockholm	397 km
Helsinki - St. Petersburg	300 km
Helsinki – Moscow	892 km
Helsinki – Tallinn	82 km

Neighboring countries:	Population (million)	GDP per capita
- Russia	146.0	USD 11,288
- Sweden	10.2	USD 54,608
- Norway	5.4	USD 81,697
- Estonia	1.3	USD 23,266

Winter usually begins during November in the Southern Finland lasting for about 100 days, however 200 days in Lapland. In summer the mean daily temperature is consistently above 10°C. Summer usually begins in late May in southern Finland and lasts until mid-September. The average temperature in Helsinki (capital of Finland) in January (winter) is: -3.8 to +0.6° Celsius and in July (summer) 12.9 to 20.6° Celsius.

The annual variation in precipitation is similar throughout the country. The driest month is March. The precipitation gradually increases until July and August, after which it decreases towards winter and spring. The lowest annual rainfall may be 200 to 300 mm and the highest annual rainfall 700 mm in northern Finland and 900 to 1100 mm elsewhere. Source: The Finnish Meteorological Institute

2. Population, urban centers and indicators

Population

According to Statistics Finland's preliminary data, Finland's population at the end of 2019 was 5,520,866.

The share of the urban population was 85.38 % and the share of the rural population was 14.62 % of total population in Finland as of 2018.

Finland's capital, Helsinki, together with its neighbouring cities of Espoo and Vantaa, is the biggest urban concentration in the country, with a combined population of about a million.

Population density: 16 inhabitants / km²

Immigration has been the only driver for a very modest population growth during recent years in Finland, 0.2 % growth in 2018.

Population projection:

2020	5,530,922
2021	5,536,943
2022	5,542,572
2023	5,547,759
2024	5,552,441

Population 31.12.2018

Males	2,723,290
Females	2,794,629

Age

0–14 years	16.0 %
15–64 years	62.0 %
65 years	21.0 %

The total active population: 2,740,000.

Population by activity 1000 persons

Mean population 2018	5,517
Population aged 18–64	3,254
Labour force	2,619
Employed	2,363
Unemployed	256
Persons outside laborforce	2,898
Labour force rate, %	71.7
Unemployment rate, %	8.6
Employment rate (persons aged 15-64), %	69.8
Employed	2,469

The number of the population of working age has fallen by 100,000 persons during the last eight years in Finland. According to the projection, the population of working age is expected to decrease by 57,000 persons by 2030 from the present.

Principal economic sectors:

Industry (2018) 1.000 persons	
Agriculture, forestry and fishing; mining and quarrying	105
Manufacturing; electricity, gas, steam and air conditioning and water supply; sewerage and waste management	329
Construction	193
Wholesale and retail trade; repair of motor vehicles and motorcycles	387
Transportation and storage	143
Accommodation and food service activities	97
Information and communication	123
Financial, insurance and real estate activities	77

Professional, scientific and technical activities; administrative and support service activities	181
Public administration and defence; compulsory social security	113
Education	187
Human health and social work activities	422
Arts, entertainment and recreation; other service activities	68
Industry unknown	89

Principal urban centers

Largest municipalities

	Population 31.12.2018	Change, % 2018
Helsinki (Capital of Finland)	648,042	0.7
Espoo	283,632	1.6
Tampere	235,239	1.5
Vantaa	228,166	2.3
Oulu	203,567	0.9
Turku	191,331	0.9
Jyväskylä	141,305	0.8
Kuopio	118,664	0.4

At the beginning of 2020, there were a total of 310 municipalities, of which 110 are cities or towns. Source: Statistics Finland

Key socioeconomic indicators

Per capita GDP 2018: US\$ 48,580 (e.g. higher than GDP of Germany)

Disposable income per capita in 2017: US\$ 25,520.

Source www.kauppakeskushdistys.fi/

Actual Individual Consumption (AIC) is a measure of material welfare of households. Finland's AIC per capita expressed in Purchasing Power Standards (PPS) was 11 % higher than the average in the European Union in 2018. Source: Eurostat

GDP by regions 2018	Area	Population	GDP	GDP
	km ²	43 466	1000 \$	per capita/ % of average
Uusimaa	9 098	1 671 024	86 654	129
Southwest Finland	10 664	478 582	18 218	94
Satakunta	7 820	218 624	7 884	89
Kanta-Häme	5 199	171 364	5 585	80
Pirkanmaa	12 587	515 095	18 944	91
Päijät-Häme	5 124	200 629	6 392	79
Kymenlaakso	5 149	173 388	6 558	93
South Karelia	5 327	128 756	4 918	94

South Savo	14 256	144 615	4 543	77
North Savo	16 770	245 602	8 440	85
North Karelia	17 761	162 240	5 093	78
Central Finland	16 703	275 521	9 535	86
South Ostrobothnia	13 444	189 715	6 070	79
Ostrobothnia	7 755	180 794	6 886	94
Central Ostrobothnia	5 020	68 437	2 470	89
North Ostrobothnia	36 818	412 161	14 072	85
Kainuu	20 197	73 061	2 302	78
Lapland	92 675	178 522	6 747	93
Åland	1 553	29 789	1 296	108
Whole country	303 920	5 517 919	222 664	

Uusimaa region (including e.g. the capital region of Helsinki, Espoo and Vantaa) has 3 % of Finland's territory, but it gained 39 % of Finland's GDP in 2018.



Total earnings by occupation, 2018

Total earnings by occupation 2018 \$	Full-time employees	
	Number	Monthly earnings
Armed forces	6 889	5 016
Managers	45 506	7 196
Professionals	353 936	4 770
Technicians and associate professionals	330 542	3 771
Clerical support workers	89 666	3 081
Service and sales workers	230 624	2 874
Skilled agricultural, forestry and fishery workers	5 275	2 688
Craft and related trades workers	130 109	3 357
Plant and machine operators, and assemblers	112 392	3 447
Elementary occupations	79 535	2 566

Source: Statistics Finland, Wage and salary statistics

Average television viewing time: 2 hours 45 minutes.

The landline services will be discontinued gradually in 2020.

89 % of the population aged 16 to 89 use the Internet (2018).

There are 4.2. million mobile phone users (76 % of population). 2,208,728 mobile phones were sold in 2019 in Finland.

85% of the population has a laptop or desktop computer.

Broadband fixed subscriptions: 31 per 100 inhabitants (2018). Fixed broadband is available for 97 % of households in Finland.

The number of voice-and-data mobile phone subscriptions increased to 6.4 million whereas the number of voice-only subscriptions decreased to less than 900,000 subscriptions in 2018. Finland had 72 active broadband subscriptions per 100 inhabitants at the end of 2018.

At the end of 2019, the Finnish vehicle register contained 5,124,608 vehicles in traffic use (almost one for each Finnish person).

Electricity consumption per capita (kWh per person): 14,951 (6th highest in the world).

In 2017, the Gini coefficient describing relative income differentials received the value 27.7, 8th in OECD countries. The sample data of Statistics Finland's income distribution statistics indicate that 640,000 or 11.8 cent of the household population belonged to households at risk of poverty in 2018. Households' median income from which the at-risk-of-poverty threshold is counted was US\$ 27,445 in 2018.

A literacy rate in Finland is 100 %.

Finland's education system is globally renowned. For more than a decade, Finland has been one of the top performers in the Programme for International Student Assessment (PISA).

Students in education leading to qualifications and qualifications attained

Students	2018
Pre-primary, basic and post-basic education in comprehensive schools	560 503
Basic education of adults	5 013
Upper secondary general school education	103 443
Vocational and professional education	322 296
Polytechnic education	142 022
University education	153 429
Total	1 286 706
Leaving certificates from comprehensive school, compulsory education	56 701
Basic education of adults	997
Upper secondary general school qualifications	30 873
Vocational and professional qualifications	79 588
Polytechnic degrees	27 965
University degrees	30 773
Total	226 612

Total number of students: 1,513,318. Students share of Finland's population: 27.4 %

Source: Statistics Finland, Education Statistics

HDI – Human Development Index: total 0.925

Health 81.7

Education 19.3

Income	Gross National Income 41,779 (2011)
Inequality	0.876
Gender	0.990
Poverty	n.a.
Work	54.0
Human security	1.2
Trade	78.5
Mobility and communication	88.9
Environment	8.3
Demography	5.5
Socio-economic sustainability	89.9

Source: United Nations HDR 2019

There are two official languages in Finland: Finnish and Swedish.

<u>Languages (2018)</u>	<u>%</u>
Finnish	87
Swedish	5
Lappish	0.04
Russian	1
Other	5

Source: Statistics Finland, Demographic statistics

2. Political and administrative organization

Political organization

Finland is a parliamentary representative democracy. Finland is an economically and politically stable society and has been a member of the European Union since 1995. In Finland the Constitution is the basis of all legislation and exercise of government power. It details the fundamental rules, values and principles of Finnish democracy. The Constitution of Finland entered into force on 1 March 2000.

Executive Power

President: Sauli Niinistö

The President of Finland is the Head of State, leader of foreign policy, and the commander-in-chief of the defence forces. He/she is directly elected by absolute majority for a six-year term, renewable once. The President appoints the Prime Minister.

Legislative Power

Legislative power is vested in the Parliament of Finland, with the Government holding limited rights to amend or extend legislation. It is composed of 200 deputies elected for four years by proportional representation. The President has the power of veto over parliamentary decisions although it can be overruled by the parliament.

Prime Minister Sanna Marin, 34, was Dec 10th 2020 the world's youngest sitting PM. The other four parties are also led by women, three of whom are under 35 years old.

Government: The current Finnish Government comprises 12 ministries.

Ministers: Social Democratic Party (7), Centre Party (5), Greens (3), Left Alliance (2), Swedish People's Party (2).

The Ministry for Foreign Affairs

The Finnish Business Partnership Programme

The Ministry of Economic Affairs and Employment

Business Finland

VTT Technical Research Centre of Finland

The Geological Survey of Finland (GTK)

The Finnish Safety and Chemicals Agency (Tukes)

The Ministry of the Environment

The Ministry of Agriculture and Forestry

The Finnish Food Safety Authority Evira

The Natural Resources Institute Luke

The Ministry of Finance

The Finnish Customs

Statistics Finland

The Ministry of Social Affairs and Health

Fimea - The Finnish Medicines Agency

Valvira the National Supervisory Authority for Welfare and Health

The Ministry of Education and Culture

The Ministry of Justice

The Ministry of the Interior

The Ministry of Transport and Communications

Judicial branch:

www.um.fi

www.finnpartnership.fi

www.tem.fi

www.businessfinland.fi

www.vtt.fi

www.gtk.fi

www.tukes.fi

www.ym.fi

www.mmm.fi

www.evira.fi

www.luke.fi

www.vm.fi

www.tulli.fi

www.tilastokeskus.fi

www.stm.fi

www.fimea.fi

www.valvira.fi

www.minedu.fi

<http://oikeusministerio.fi>

www.intermin.fi

www.lvm.fi

Highest courts: Supreme Court (consists of the court president and 18 judges); Supreme Administrative Court (consists of 21 judges, including the court president and organized into 3 chambers). Finland has a dual judicial system - courts with civil and criminal jurisdiction and administrative courts with jurisdiction for litigation between individuals and administrative organs of the state and communities

Judge selection and term of office: Supreme Court and Supreme Administrative Court judges appointed by the president of the republic; judges serve until mandatory retirement at age 68.

Subordinate courts: 6 Courts of Appeal; 8 regional administrative courts; 27 district courts; special courts for issues relating to markets, labor, insurance, impeachment, land, tenancy, and water rights

Administrative organization

Finland comprises 19 regions. The regions are governed by regional councils, which serve as forums of cooperation for the municipalities of a region. The main tasks of the regions are regional planning and development of enterprise and education. In addition, the public health services are usually organized on the basis of regions. In addition to inter-municipal cooperation, which is the responsibility of regional councils, each region has a state Employment and Economic Development Centre, which is responsible for the local administration of labour, agriculture, fisheries, forestry and entrepreneurial affairs.

Regions; Uusimaa, Southwest Finland , Satakunta, Kanta-Häme, Pirkanmaa, Päijät-Häme, Kymenlaakso, South Karelia, South Savo, North Savo, North Karelia, Central Finland, South Ostrobothnia, Ostrobothnia, Central Ostrobothnia, North Ostrobothnia, Kainuu, Lapland, Åland Islands.

In Finland, local authorities have a broad responsibility for the provision of basic services to citizens. Local authorities have strong self-government based on local democracy and decision making, and the right to levy taxes. There are 310 municipalities in Finland (2019). Finnish local and joint authorities employ some 421,000 persons, which is approximately 20 per cent of Finland's workforce. The annual expenditure of local authorities was \$50 billion in 2018.

Finland is represented in several international organizations and cooperation bodies and has

- a Permanent Representation to the European Union (EU) in Brussels
- a Permanent Representation to the Council of Europe (COE) in Strasbourg
- a Permanent Mission to the Organization for Security and Co-operation in Europe (OSCE) in Vienna
- a Permanent Mission to the Organization for Economic Co-operation and Development (OECD) in Paris
- a Permanent Mission to the United Nations (UN) in New York and Geneva
- a Permanent Mission to the World Trade Organization (WTO) and other international organizations in Geneva.

In addition, Finland has

- a Permanent Representative in the Western European Union (WEU)
- and a Mission to the North Atlantic Treaty Organization (NATO) in Brussels

- a Permanent Delegation to the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Paris
- and a Permanent Representative in the United Nations International Atomic Energy Association (IAEA) in Vienna.

Source: Ministry of Foreign Affairs of Finland

Climate Cooperation

At international level, negotiations are conducted within the United Nations Framework Convention on Climate Change (UNFCCC), where Finland negotiates in the capacity of an EU Member State.

The Ministry for Foreign Affairs is responsible for duties vested in the foreign service and participates in international climate negotiations in this role. Also, it serves as the Finnish national authority for the clean development mechanism and monitors the implementation of CDM projects.

The Ministry of the Environment bears the main responsibility for the preparation and coordination of Finnish stands in climate issues. This is done in cooperation with other ministries.

The Ministry of Employment and the Economy is responsible for the preparation of Finnish national climate targets and for emissions trading in the EU.

The Ministry of Agriculture and Forestry and the Ministry of Transport and Communications are responsible for climate affairs in their own administrative sectors.

Finland's cooperation with neighboring areas

The principal target of the neighboring area appropriations of the Ministry for Foreign Affairs will be multilateral regional cooperation, which supports the goals set out in the Government Program, such as the Northern Dimension and Arctic, Baltic Sea and Barents cooperation. Finland is a full member of the Arctic Council, which is consisting of the eight countries with Arctic territory.

II – ECONOMY, CURRENCY AND FINANCES

1. Economic setting

IMF January 16, 2020: Finland's economic performance in recent years has been solid, after a long recession: yearly growth has averaged around 2½ percent, employment has continued to increase, and unemployment (6.9%) is now close to historical lows. But growth has slowed in 2019, and household debt and productivity weaknesses persist. Growth is expected to be only around 1½ percent this year and the next, before converging to a potential growth rate of about 1¼ percent.

The new government has committed to spending more on education, employment, infrastructure, and climate policies. A cornerstone of the new medium-term economic program is for employment to reach a rate of 75 percent by 2023, from 72.6 percent currently—an additional 60,000 jobs from current levels.

The government plans to achieve carbon neutrality by 2035, by reducing emissions and strengthening carbon sinks through increased taxes, subsidies for renewables, and expenditures.

Share of capital goods imports in developing the domestic industrial base

2014	2015	2016	2017	2018
17.7 %	15.8 %	16.7 %	19.4 %	21.2 %

Source Worldbank

Gross domestic product (GDP)

Year At current prices \$

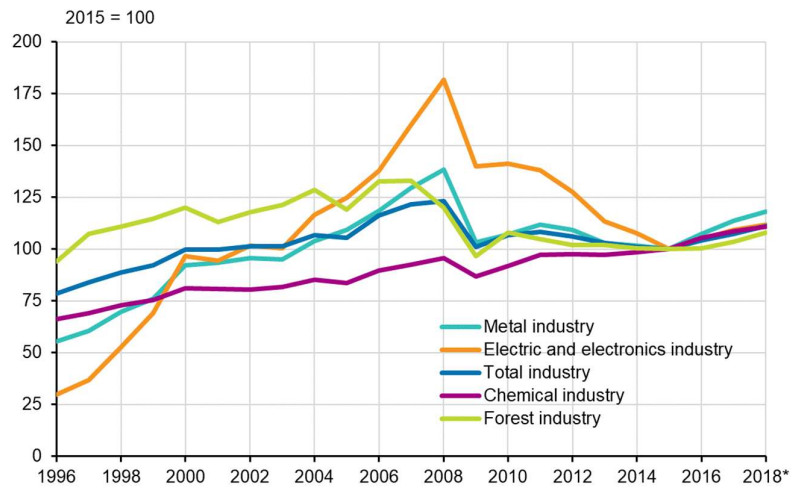
2014	2015	2016	2017	2018
227.6	232.5	239.3	248.4	257.8

According to Statistics Finland's data, the volume of Finland's gross domestic product grew by 2.3 per cent in 2018. The year 2018 was the third successive year when Finland's gross domestic product grew clearly.

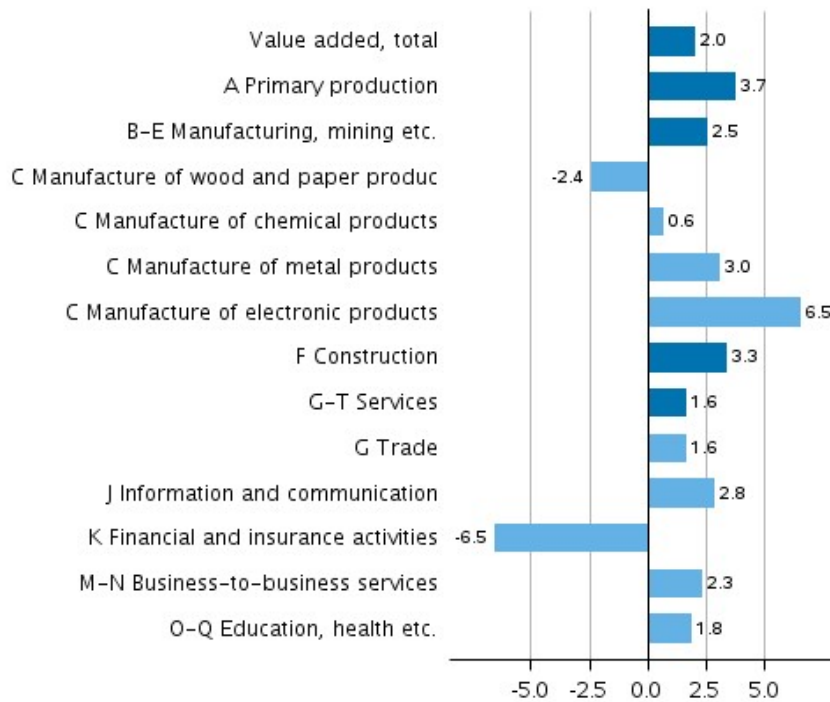
With respect to foreign trade, the key economic sector is manufacturing. The largest industries are metals, forest, chemicals, food and mining.

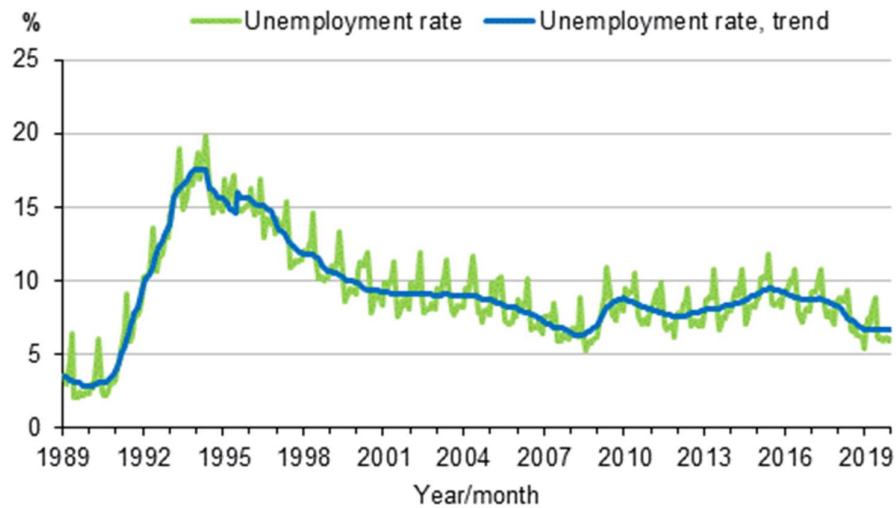
Value of sold industrial output US\$

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Metal industry	35245	35344	41005	43219
Manufacture of basic metals	8880	8891	10344	11252
Manufacture of fabricated metal products	5376	5210	6070	5730
Manufacture of computer, electronic, optical	2026	2135	2345	2341
Manufacture of electrical equipment	4002	3915	4342	4639
Manufacture of machinery and equipment	8456	8844	9389	10163
Manufacture of motor vehicles	2597	2088	3625	4358
Manufacture of other transport equipment	1188	1471	1887	1423
Manufacture of other non-metallic products	2085	2198	2389	2506
Forest industry	17045	17373	18112	19403
Chemical industry	17777	17738	19600	21012
Manufacture of food products, beverages	9284	9230	9563	9841
Mining and quarrying	1280	1387	1716	1844



Changes in the volume of value added generated by industries in 2018 compared to one year ago, per cent

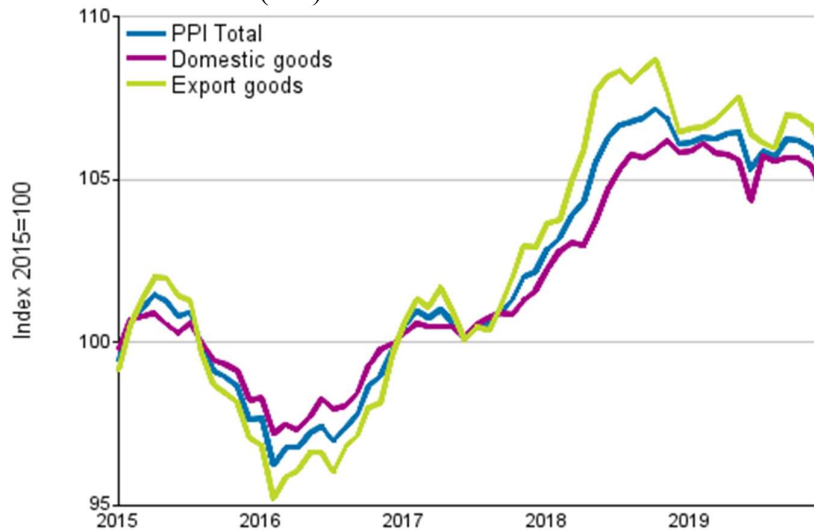




Inflation –
Annual changes of Consumer Price Index

2015	2016	2017	2018	2019
-0.2 %	0.4 %	0.7 %	1.1 %	1.0 %

Producer Price Index (PPI) 2015=100



According to Statistics Finland, producer prices for manufactured products fell by an average of 0.8 per cent from December 2018 to December 2019. The producer prices for manufactured products sold on the domestic market declined by 1.1 per cent, while the producer prices of export products fell by 0.4 per cent.

The drop in the producer prices for manufactured products was particularly attributable to fallen prices of pulp, paper, paperboard and cardboard, as well as electricity and timber from December 2018. The fall in producer prices was slowed down especially by higher prices of oil products.

2. Key economic sectors

2.1. Mining

Mining activities are growing in Finland, with an increasing number of foreign companies operating there. Finland is an attractive country for exploration and mining investment thanks to good infrastructure, skilled and well-educated labour, and comprehensive geoscientific databases, available via the internet and maintained by the Geological Survey of Finland.

Fraser Institute Annual Survey of Mining Companies 2018, Finland • Investment Attractiveness Index (globally 17th, in Europe 1st)

Gold remains the main commodity explored and mined by several companies, but significant base metal projects are also being undertaken.

In 2018

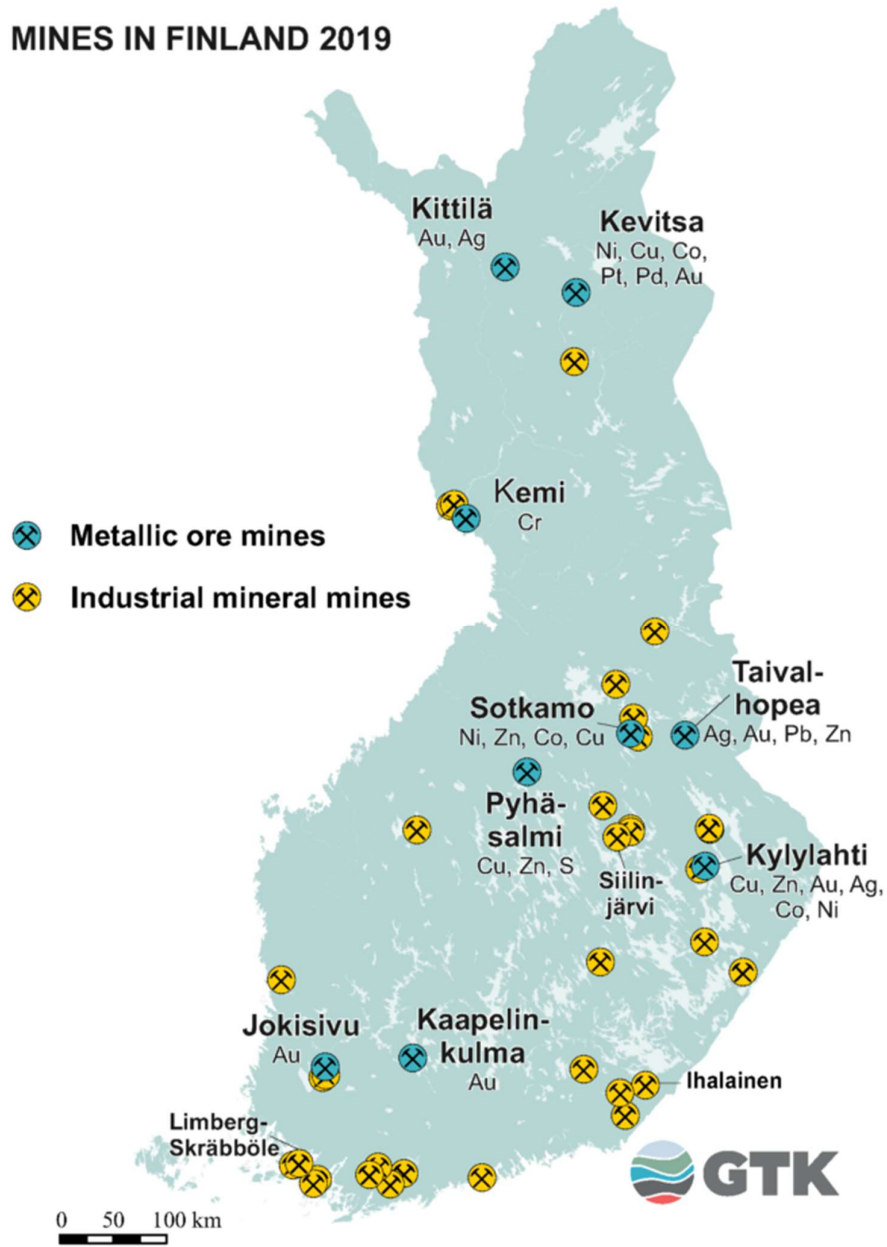
- The turnover of the mining industry in Finland was \$3 billion of which the metallic mineral mines account for about \$ 1.250 million.
- A total of 46 mines were operating in Finland.
- Three of the biggest mines account for 84 per cent of all quarried minerals.
- Excavation of ore 49 million tons.
 - o 32.5 Mt of ore was extracted in Finland's 11 metallic mineral mines,
 - o 16.5 Mt of industrial mineral ores in the 35 industrial mineral mines.
 - o Total excavation 130 million tons.
- Investments in exploration \$77 million, Mine investments \$430 million.

The number of personnel employed by the mines is about 2,700, and their sub-contractors employ some 1,900 people. Finnish mining projects have included excavation of iron, chromium, copper, nickel, zinc, gold, vanadium, titanium, lead, cobalt, silver, tungsten, and molybdenum ores, along with ores containing rare-earth elements.

Turnover in Mining and quarrying (\$000)

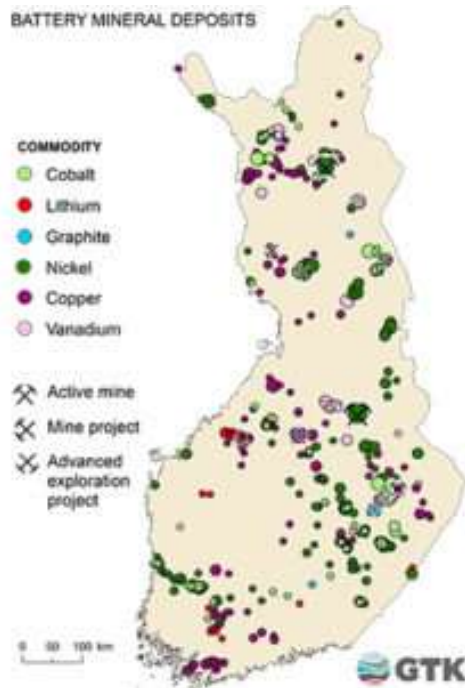
2014	1,967	
2015	2,050	+4.2%
2016	2,220	+8.3%
2017	2,608	+17.4%
2018	3,006	+15.3%

MINES IN FINLAND 2019



Metallic ores	2018	2017	2016	2015	2014
Total excavation (million t)	130.1	120.4	117.2	89.2	74.8
Total ore output (million t)	49.0	48.4	43.7	32.9	29.5

Source: Tukes



The Government aims to make Finland carbon neutral by 2035. Finland’s mineral resources, which are unique on a European scale, can be used for purposes such as the manufacture of batteries. Finland is making determined efforts to claim its share of Europe’s emerging battery industry and the related value chain.

The Geological Survey of Finland (GTK) www.gtk.fi

GTK serves as Finland’s national geo-scientific information centre and participates actively in international research and project work. GTK is an agency of Finland’s Ministry of Employment and the Economy.

In cooperation with other Nordic geological surveys and Russian research organisations, Geological Survey of Finland (GTK) has compiled a new map showing all industrial mineral mines, past and present, and all the relevant deposits in Fennoscandia (Norway, Sweden, Finland, Karelia and the Kola Peninsula).

Major mining companies

Terrafame Oy, Sotkamo, Kajaani, (Zn, Cu, Ni) www.terrafame.com

Terrafame Ltd (formerly known as Talvivaara) is a multi-metal company producing nickel, zinc, cobalt and copper at its mine and metals production plant located in Sotkamo, Finland. Terrafame’s net sales more than doubled from the previous year to \$358 in 2018.

- Mining total 42.2Mt
- Nickel production 27.377t
- Zinc production 61.608t

Terrafame’s nickel is mainly supplied to the batteries of electric cars in Asia.

Terrafame is investing \$ 264 million in the battery chemicals plant, which has a capacity of 170,000 tons/y nickel sulfate and 7,400 tons cobalt sulfate, to complete the plant by the end of 2020.

Terrafame has been granted a permit for uranium recovery and refinery in eastern Finland to become the European Union’s only uranium producer.

Finnish Minerals Group www.mineralsgroup.fi owns 77.0% of Terrafame Ltd while Trafigura Group's private investment arm Galena holds 27.6% and Finnish insurer Sampo 0.6%.

Finnish Minerals Group is a special-purpose company wholly owned by the State of Finland. It is responsible for the State's holdings and development in the mining and battery sector as well as for promoting the development of a battery cluster in Finland.

Finnish Minerals Group: An EIA procedure for two new plants that would produce precursor and cathode active materials needed in the manufacture of lithium-ion batteries.

Boliden Kevitsa Mining Oy, Sodankylä, (Ni, Cu,...

7.6 million tons of metal-containing rock was excavated from Kevitsa. 3 million tons of new ores were found. Boliden Kevitsa, a member of the Boliden Group, produced 27,498 tonnes of copper and 13,948 tonnes of nickel in 2018. Its annual turnover was \$313 million in 2018. \$88 million are investmented to increase the ore production to 9.5 million tons by 2021.

Yara Suomi Oy (Ap) www.yara.com

The Siilinjärvi site consists of a mine and several plants. It produces apatite, biotite and calcite. It is the only apatite mine in EU. Phosphorus is classified as a critical raw material in EU. Yara's ore production was 11 million tons and apatite concentrate production 989,000 tons in 2018. Its annual turnover was \$819 million in 2018. Life of Mine up to year 2035. On going project to determine feasibility of mining up to 2060.

Outokumpu Chrome Oy (Cr)

The only operating chrome mine in Europe is located in Elijärvi, Keminmaa, and owned by Outokumpu Chrome Oy. Kemi boasts in Kemi, Keminmaa, the largest known chromite reserves in Europe. Total ore output in 2018 (t): 2,211,284. Ferrochrome production 497,000 tons in 2018.

Agnico Eagle Finland Oy (Au) <http://agnicoeagle.fi>

Europe's largest gold mine is located in Kittilä, and is owned by Canadian Agnico Eagle Mines. The Kittilä mine extracts annually about 1.6 million tonnes of ore, yielding about 6,000 kg of gold. Annual sales were \$222 in 2018, 460 employees. The Kittilä mine has a on-going 3 years \$275 million investment program. The Agnico-Eagle Kittilä mine is one of the largest known gold deposits in Europe, with a gold reserve of nearly 5 million ounces.

Nordkalk Oy Ab, (Kals, Wo) www.nordkalk.com

Limestone, dolomite, wollastonite. Nordkalk is the leading producer of high quality limestone-based products. Nordkalk's turnover totalled \$330 million in year 2018 and it employs about 950 people. The production of limestone was 13.2 million tons of which 3.3 Mt. in Finland in Parainen and Lappeenranta. Nordkalk has 22 mines in 9 countries.

Mondo Minerals B.V., Sotkamo, (Tlk, Ni)

Mondo Minerals is a leading, multinational producer of high quality and innovative talc products, which are designed to add value to a diverse range of end products in the paper, paint, plastics and other industries. Mondo Minerals extracted 913,047 tonnes of ore in Sotkamo, Finland, in 2018.

Pyhäsalmi Mine Oy (Cu, Zn, S) www.first-quantum.com

The Pyhäsalmi mine is an underground copper and zinc mine located in central Finland. Pyhäsalmi Mine Oy is a 100% owned subsidiary of First Quantum Minerals (FQM). Its sales reached \$144 million in 2018. Total ore output in 2018 (t): 1,247,536. Copper produced (tonnes): 11,904. Zinc produced (tonnes): 22,716

Industrial minerals

Industrial minerals & rocks (tonnes)			
	2016	2017	2018
Apatite concentrate	939,531	978,613	989,073
Talc concentrate	345,739	354,819	374,398
Quartz concentrate	92,813	71,943	81,418
Rocks for rockwool	87,680	99,479	116,867
Feldspar concentrates	18,549	14,926	17,469
Soapstone products	13,006	12,707	13,044
Mica concentrate	53,310	10,740	12,122
"Biotite"	10,843	47,123	50,456

Source: GTK

Tukes <https://tukes.fi>

Tukes is the mining surveillance and permit consideration authority in Finland, as referred to in the latest Mining Act (621/2011). The mining authority duties are attended to in Helsinki and Rovaniemi.

Mining waste

In excess of 99 per cent of all material extracted from a mine can end up as waste or forms waste material, and most of the waste volume comes from metallic mineral mines. In total, Finnish mines produce 90 million tons of waste rock and tailings per year. Waste rock is produced when rock material is removed from around ore. Valuable metals are separated from the ore using physical and chemical processes, and the remaining material is called tailings.

2.2. Manufacturing

2.2.1. Mechanical engineering

The turnover of mechanical engineering companies (machinery, metal products and vehicles) in Finland increased by approximately 3 per cent in 2019 from 2018. In 2019, their turnover in Finland amounted to \$36.1 billion.

The number of personnel employed by mechanical engineering companies in Finland grew by approximately 2 per cent from the 2018 average. The industry employed some 134,200 people, up 2,900 from 2018.

Successful industry products include lifts, cruise liners, engines for ships and power plants, pulp and paper machines, rock and mineral processing equipment, hoists and cranes, forestry and agricultural machinery.

Major companies in mechanical engineering:

Kone www.kone.com

Kone is one of the global leaders in the elevator and escalator industry. In 2019, Kone had annual net sales of \$11 billion and at the end of the year approximately 60,000 employees.

Wärtsilä www.wartsila.com

Wärtsilä's January-December net sales were stable compared to the corresponding period last year, amounting to \$5.7 billion in 2019. Wärtsilä had 18,795 employees at the end of December 2019 and operations in over 200 locations, in more than 80 countries. Wärtsilä is a global leader in complete lifecycle power solutions for the marine and energy markets.

Cargotec www.cargotec.com

Cargotec enables smarter cargo flow with its leading cargo handling solutions and services. Sales increased by 11 percent and totalled \$4.1 billion in 2019.

Kalmar and Hiab achieved record high operating profits while MacGregor was loss making. In 2019 Cargotec completed the acquisition of the marine and offshore businesses of TTS Group ASA. Cargotec has operations in more than 100 countries employing around 12,500 people.

Valmet www.valmet.com

Valmet's net sales in 2019 were approximately \$3.9 billion

Valmet will focus on delivering technology and services globally to industries that use bio-based raw materials. Valmet's main customer industries are pulp, paper, and energy. Valmet will complement its core business by applying its technology and know-how to industries beyond biomass, particularly in the energy sector.

Konecranes www.konecranes.com.br

Konecranes is a world-leading group of Lifting Businesses™, serving a broad range of customers, including manufacturing and process industries, shipyards, ports and terminals. Sales \$3.6 billion in 2019 (+5.4 percent). On December 5, 2019 Konecranes signed an agreement to acquire from Jebsen & Jensen its 50 percent stake in MHE-Demag. After the acquisition, Konecranes holds 100 percent of the shares in the company. Konecranes is a global company with 16,000 employees at 600 locations in 50 countries.

Meyer Turku shipyard

www.meyerturku.fi

Meyer Turku Oy, family-owned by Meyer family, is one of the leading European shipbuilding companies. Meyer Turku Group's turnover grew from \$889 million to \$1067 million for the financial year of 2018. By 2020 Meyer Turku will be able to produce two large cruise ships a year. The activity of the shipyard employs directly about 4,100 persons and indirectly 4,000.



Costa Smeralda is the first LNG-powered cruise ship class in the world. Finland manages 20 percent of the cruise ship market, and has manufactured the world's largest cruise ships.

Rauma Marine Constructions Oy (RMC)

<https://rmcfinland.fi>

Rauma Marine Constructions and the Finnish Defence Forces signed a construction agreement for new multipurpose corvettes. The agreement is valued at \$712 million.

Valmet Automotive Oy

Valmet Automotive has announced its intention to start large-scale production of batteries that will be used in EVs. Its chosen site is a former mobile phone production factory in Salo, Finland.

2.2.2. Electronics and the Electro-technical Industry

Turnover in Electronic and electrical industry (\$1000)

2014	\$ 16,653	
2015	\$ 15,712	-5.6%
2016	\$ 15,160	-3.5%
2017	\$ 16,602	+9.5%
2018	\$ 17,210	+3.7%

The turnover of companies in the electronics and electrotechnical industry (telecommunications equipment, electrical equipment and medical technology) in Finland grew by as much as 15 per cent in 2019 from 2018. In 2019, their turnover in Finland amounted to \$19.8 billion. The industry employed some 38,700 people, up 800 from 2018. The industry employed a further 140,000 workers abroad in its foreign subsidiaries. Expansion has been particularly strong in Western Europe and Asia.

Major companies in the electronic and electrical industry

Nokia www.nokia.com

Net sales of Nokia stood at \$25.6 billion in 2019.

- The network division \$20.0 billion
- The software division \$ 3.0 billion
- The technology division \$ 1.6 billion

(Health devices, digital media and brand license)

ABB Oy www.abb.fi

The annual sales of ABB Finland is \$2.5 billion and the company employs 5,400 in 20 locations. Helsinki factory: HV Motors & Generators, Drives, Process industry systems, Marine. Vaasa factory: LV Motors, Special transformers, Distribution automation, LV products and switchgear, MV products, Power T&D systems, Power generation systems, Large composite plants

Vuosaari factory in Helsinki/Hamina: Azipod® propulsion system was introduced some 25 years ago and the system has gained a position of a major propulsion system for luxury cruise liners and ice going tonnage.



Eltel Networks www.eltelnetworks.com

Eltel Networks in Finland is a part of Eltel Group. Eltel is a leading Northern European provider of technical services for critical infrastructure networks – Infranets – in the segments of Power, Communication and Other, with operations throughout the Nordics, Poland and Germany. In 2018, Eltel had annual sales of \$1.3 billion. The total number of employees currently stands at around 7,000.

Vacon / Danfoss Drives <https://www.danfoss.com/>

Vacon Oy belongs to Danfoss group. In 2018, Vacon's revenues amounted to \$294 million, and the company employed approximately 700 people in Vaasa. Vacon is developing, manufacturing and selling AC drives and inverters.

The turnover of information technology companies (IT services and software) in Finland grew by 11 per cent in 2019 from 2018. In 2019, their turnover in Finland amounted to \$16.5 billion.

The number of personnel employed by information technology companies in Finland grew by 5 per cent from the 2018 average. The industry employed some 74,100 people, up 3,400 from 2018.

TietoEVERY Corporation (formerly Tieto Corporation)

www.tietoevry.com/en TietoEVERY is a leading digital services and software company EVERY is consolidated to TietoEVERY as from 5 December 2019. TietoEVERY's annual turnover is approximately \$3.3 billion. Headquartered in Finland, TietoEVERY employs around 24,000 experts globally.

Google

Google will invest \$1.3 billion euros into its Hamina, Finland data center in 2020, bringing total investment in that site to \$2.2 billion. Google purchased a 60-year-old paper mill, the Summa Mill, in March of 2009 from Finnish paper company Stora Enso.

Supercell www.supercell.net

Supercell is a mobile game developer based in Helsinki, Finland, with offices in San Francisco, Tokyo, Seoul and Shanghai. Supercell, the Finnish maker of games such as Brawl Stars, Clash Royale, and Clash of Clans generated a profit of \$635 million on revenue of \$1.6 billion in 2018. Supercell is mostly owned by Tencent. Supercell has 320 employees of 30+ nationalities.

Rovio www.rovio.com

The full year 2018 revenue amounted to \$309 million, employing 418 from over 40 nationalities. Rovio Entertainment Corporation is a global, games-first entertainment company that creates, develops and publishes mobile games which have been downloaded over 4 billion times. Rovio has its headquarters in Espoo, Finland, and offices in Tampere, the United States, China, Sweden, Japan and the U.K.

Neogames www.neogames.fi

Neogames Finland is a member-based non-profit game industry organization.

The Finnish game industry has stabilized and matured to be over \$2 Billion industry. The Finnish game industry now has about 3,200 employees, of which as many as 27 per cent are from abroad. The total number of employees has increased by about 16 per cent in two years and the number of foreigners by as much as 75 per cent. Finnish game studios believe that more than 500 jobs will be created in the next 12-18 months

2.2.3. Metals Industry

Turnover in Metal industry (\$000)

2014	9,723	
2015	13,118	+34.9 %
2016	11,974	- 8.7 %
2017	14,081	+ 17.6 %
2018	14,996	+ 6.5 %

The turnover of metals industry companies (steel products, non-ferrous metals, castings and metallic minerals) in Finland decreased by approximately 5 per cent in 2019 from 2018. The number of personnel employed by metals industry companies in Finland decreased by approximately 0.5 per cent from the 2018 average. The industry employed some 15,800 people.

The Finnish metal processing industry is famed for its highly efficient use of energy and raw materials. In some processes we are indeed proud to be the global leaders. More than half the copper and a third of the nickel used globally is made using a flash smelting method developed in Finland, which self-generates the energy required in the process.

Metal processing companies manufacture and process steel and copper products, refined steel, zinc and nickel. Recycling is an integral part of the industry. In Finland, more than 90 per cent of discarded steel products are re-processed. More than 80 per cent of globally produced copper is recycled.

Metal concentrates production (tonnes)			
	2016	2017	2018
Sulphur concentrate	719,102	879,031	771,452
Chrome concentrate	1,070,281	972,028	1,099,438
Nickel concentrate	149,981	192,929	212,069
Zinc concentrate	84,073	112,111	140,845
Copper concentrate	193,349	207,246	193,091
Cobalt concentrate	35,463	26,329	19,428

Although the volume of domestic mining of metals has multiplied over the past ten years, the metal processing industry relies largely on imported metal concentrates.

Metals and metallurgical products			
(tonnes)	2016	2017	2018
Raw steel (billets)	4 102 000	4 102 000	4 003 634
Ferrochrome	469 141	416 285	492 774
Zinc	290 599	284 992	295 029
Cathode copper	145 189	146 749	157 288
Nickel products, t Ni	85 424	85 780	92 591
Cobalt products, t Co	12 393	12 222	12 874
Germanium products, t Ge	0.1	0	0
Mercury (kg)	33,120	6,21	9
Silver (kg)	118 180	84 568	91 345
Selenium (kg)	104 420	100 198	108 918
Gold (kg)	8 865	9 102	8 732

Major companies in metal industry

Outokumpu www.outokumpu.com

Outokumpu is the market leader in the stainless steel and high performance alloys. In 2019, Outokumpu's sales decreased to \$7 billion. Stainless steel deliveries were 2,196,000 tonnes. Outokumpu has production facilities also in Germany, Sweden, the UK, the US and Mexico, with headquarters in Helsinki, Finland. Outokumpu's mill in Tornio is the most integrated stainless steel mill in the world. It includes ferrochrome works, melt shop, hot rolling mill and cold rolling mill in the same site as well as chrome mine in the neighboring city of Kemi which boasts the largest known chromite reserves in Europe.

Circular economy. Outokumpu is assessing options to build a new slag furnace produce ferrochrome-nickel (FeCrNi) in Tornio, Finland

SSAB Europe Oy www.ssab.fi

Raahe mill's production capacity is 2.6 million tons steel heavy plates and strip products. Hämeenlinna mill: Strip products and tubes. The net sales were \$2.2 billion in 2018. Tibnor, a subsidiary of SSAB, is a major steel distributor in Nordic and Baltic countries. **Reduction of CO2 emissions by hydrogen.** The steel company SSAB has promised to launch fossil-free steel already in 2026. The giant investment alone will reduce carbon dioxide emissions by 7 per cent in Finland and 10 per cent in Sweden. SSAB aims to replace the coke used in iron ore-based steelmaking with hydrogen. The new technology will increase the demand of recycled steel from 500,000 to over 1 million tons/y.

Norilsk Nickel Harjavalta Oy www.nornik.fi

Norilsk Nickel Harjavalta Oy is a leading nickel chemical and nickel metal manufacturer with annual sales of \$969 million in 2018 located in Harjavalta. Its commercial products include nickel cathodes, briquettes and salts, and cobalt sulphates. The plant also manufactures semi-products, including PGM-bearing copper cake and cobalt solution for further processing by third parties. Norilsk Nickel Harjavalta belongs to the Russian mining and metallurgical Company MMC Norilsk Nickel Group that is the world's largest nickel manufacturer.

BASF has selected Harjavalta, Finland, as the first location for battery materials production serving the European automotive market. The plant will be constructed adjacent to the nickel and cobalt refinery owned by Norilsk Nickel (Nornickel).

Kuusakoski www.kuusakoski.com

Kuusakoski Group Oy comprises the recycling company Kuusakoski Oy and its subsidiaries and foundry operator Alteams Oy and its subsidiaries. Its turnover was \$672 million in 2018. Personnel (average) 2,416. **Recycling.** Total volume of recycled and processed material: approximately 2 million tones. Kuusakoski is an international recycling services company with operations in 11 countries.

Boliden www.boliden.com

Boliden Harjavalta smelts copper and nickel concentrates (296 462 tons in 2018) and refines copper. The main products are copper cathodes (139,087 tons in 2018, gold and silver, as well as sulphuric acid as a by-product. Its annual sales were \$326 million in 2018. Boliden Harjavalta has operations in Harjavalta and Pori.

Boliden Kokkola is the second largest zinc smelter in Europe with its annual production capacity of 315,000 tonnes. It produces approximately 40 different zinc products, including both pure zinc and zinc alloys, with annual sales of \$248 million in 2018.

Circular economy: The zinc smelter Boliden Kokkola in Finland has found new methods to extract zinc, silver and lead as well as produce sulphuric acid from the residue.

Umicore Finland Oy www.umicore.com

Umicore reached an agreement to acquire Freeport Cobalt's cobalt refining and cathode precursor activities in Kokkola, Finland. The state-of-the-art Kokkola refinery is Europe's largest cobalt refinery with 250 employees. In 2018 the sales of Umicore Finland were \$953 million. The cobalt ore is imported from Kongo to Kokkola.

Freeport Cobalt Oy www.freeportcobalt.com

Freeport Cobalt is producing cobalt fine powders, chemicals, catalysts, ceramics & pigments activities located in Kokkola. The amount of personnel in Kokkolassa is 180. Freeport Cobalt Oy is owned by Freeport-McMoRan Copper & Gold Inc.

Luvata Pori Oy www.luvata.com

Luvata is a subsidiary of Mitsubishi Material Corp. since 2017. Annual sales of Luvata were \$228 million in 2018.

Luvata Pori Oy is located in west coast of Finland. It is employing 370 people in the Pori area. It manufactures 40,000 tons of fabricated copper products to many different industry areas yearly.

Aurubis Finland Oy www.aurubis.com

Aurubis Finland Oy is located in Pori, employing nearly 200 persons. The mill is producing annually 40,000 tons copper castings and 30,000 tons rolled copper for the electrical, electronics and construction industry.

Ovako Imatra Oy Ab www.ovako.com

Ovako's production is based on recycled scrap and includes steel in the form of bar, tube, ring and pre-components. Ovako has 3,000 employees in more than 30 countries and sales of approximately \$1.1 billion; \$236 million in Finland. Since March 2019, Ovako is part of the Japanese specialty steel producer Sanyo Special Steel and a subsidiary to Nippon Steel & Sumitomo Metal Corporation.

IMPORT OF FINLAND IN 2018

CN		million \$	
2507	Kaolin	95.6	Total 604,098 tons
	Brazil	42.6	
	USA	37.9	
	United Kingdom	11.6	
2522	Lime	65.1	Total 476,466 tons
	France	52.6	
2601	Iron ores and concentrates	367.5	Total 3,802,306 tons
	Sweden	250.3	
	Russia	117.2	
2603	Copper ores and concentrates	662.0	Total 440,450 tons
	Chile	207.1	
	Canada	166.1	
	Portugal	122.7	
	Brazil	63.7	
	Peru	50.9	
	Sweden	26.2	
2604	Nickel ores and concentrates	178.7	Total 152,170 tons
	Canada	125.4	
	South Africa	22.4	
2505	Cobalt ores and concentrates	21.1	Total 1,634 tons
	Austria	21.1	
2608	Zinc ores and concentrates	569.1	Total 511,710 tons
	Sweden	250.0	
	Ireland	125.7	
	USA	56.8	

2613 Molybdenum ores and concentrates 65.3

Copper was the most important export mineral from Brazil to Finland in 2018.
Brazil has a high market share in kaolin supplies.

Major technology companies in the metals and minerals:

Metso www.metso.com

The annual sales of Metso were \$4 billion in 2019.

Outotec www.outotec.com

Outotec is a world leading technology provider for minerals, metals, energy and environment. Outotec's sales in 2012 totaled \$2.9 billion. Outotec has 4,978 employees. In summer 2019, a merger of two significant operators Metso and Outotec in the sector was announced. The new company Metso Outotec provides process technology, machinery, equipment and services for mineral, metal and rock crushing industries. It will have 15,600 employees and the combined sales are \$4.6 billion.

Neles

Leading position as flow control solution provider serving customers in oil & gas, pulp & paper, chemicals and other process industries. Annual sales are \$652 million, 2,900 employees.

2.2.4. Forest industry

Finland is among the major suppliers of forest-related products to the world market, particularly printing and writing papers, and one of the biggest importers of roundwood. 8.2 million tons of chemical pulp was produced in 2018, up 5.8% from 2017. Export \$2.9 billion.

6.8 million tons of paper (up 1.1%) and 3.8 million tons of paperboard (up 5.4%) were produced in Finland in 2018. Export \$8.14 billion.

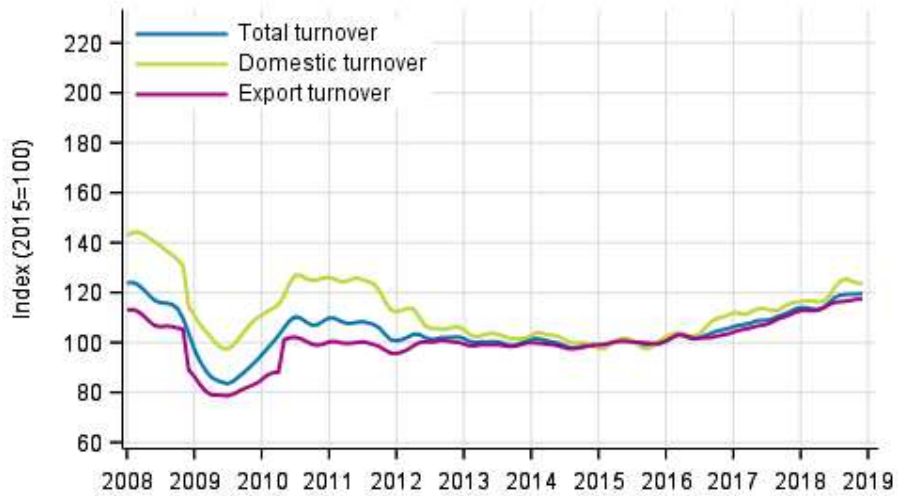
11.8 million m³ sawn softwood (up 0.9%) were produced in Finland in 2018. Export \$2.1 billion.

Plywood production was 1.23 million m³ in 2018, export \$1.1 billion.

Turnover in Forest industry (\$1000)

2014	\$ 20,730	-0.5 %
2015	\$ 21,171	+2.0 %
2016	\$ 21,041	-0.6 %
2017	\$ 22,663	+7.7 %
2018	\$ 24,774	+9.3 %

Trend series on total turnover, domestic turnover and export turnover in the forest industry



Source: Statistics Finland

Major pulp and paper companies:

Stora Enso www.storaenso.com

Stora Enso is Europe's second-largest paper manufacturer. Stora Enso's sales were \$11 billion in 2019. The group has some 26,000 employees in 30 countries. Its annual production capacity is 5.2 million tonnes of chemical pulp, 12.1 million tonnes of paper and board, 1.3 billion square metres of corrugated packaging and 6.0 million cubic metres of sawn wood products, including 3.0 million cubic metres of value-added products. Stora Enso has pulp mill joint ventures Veracel with Suzano in Brazil and Montes del Plata with Arauco in Uruguay.

UPM www.upm.com

In 2019, UPM's sales exceed \$11.3 billion with 54 production plants in 12 countries and 18,700 employees. UPM Biorefining consists of pulp, timber and biofuels businesses. UPM Energy consists of hydropower, nuclear power and condensing power. UPM Raflatac manufactures self-adhesive label materials. UPM Specialty Papers. UPM Communication Papers. UPM Plywood.

UPM announced a USD 2.7 billion investment in a 2.1 million ton eucalyptus pulp mill near Paso de los Toros, in Uruguay.

UPM has an existing Fray Bentos 1.1 million tonnes pulp mill in Uruguay.

Metsä Group

www.metsagroup.com

In 2018, Metsä Group's sales totalled \$6.3 billion, and it employs approximately 9,300 people in some 30 countries. Metsä Fibre is the world's biggest producer of softwood market pulp and Finland's biggest producer of sawn timber. Metsä Forest procured more than 36 million cubic metres of wood in 2018. Metsä Wood manufactures industrial scale wood products for the construction, industrial and distribution sectors. Metsä Board is a leading European producer of premium and lightweight fresh fibre paperboards.

Metsä Fibre is planning to build a new 1.5 million ton/y biorefinery for \$1.7 billion in Kemi, Finland.

Metsä Group's innovation company Metsä Spring Ltd. and Japanese Itochu Corporation established a joint venture, which invests approximately €40 million in building and operating a test plant, with the aim to demonstrate a new technology for converting paper-grade pulp into textile fibres.

Pöyry

<https://afry.com/en>

www.poyry.com

From February 22 2019, ÅF and Pöyry are one company with an annual sales of \$ 2 billion and more than 16,000 experts within engineering design and advisory services around the world. Its focus sectors are power generation, transmission & distribution, forest industry, chemicals & biorefining, mining & metals, transportation, water and real estate sectors.

Forestry

A total of 71.8 million cubic metres of roundwood was harvested from Finnish forests in 2019, being eight per cent less than in the top year 2018. 63.1 million cubic metres, or 88 per cent, consisted of logs and pulpwood. The remainder, 8.6 million cubic metres, consisted of energywood, i.e. stemwood to be used as fuelwood in residential housing or as wood chips in heat and power plants.

In addition, 2.2 million cubic metres of logging residues and stumps were also harvested from forests for burning. Logging residues and stumps are not included in the total roundwood removal statistics.

Roundwood consumption

In 2018, the forest industries' roundwood consumption totalled 74 million cubic metres. In addition to roundwood, the forest industries also consumed approximately ten million cubic metres of sawmill chips and dust in the manufacture of forest industry products.

FOREST INDUSTRIES' ROUNDWOOD CONSUMPTION BY WOOD ASSORTMENT, 2018

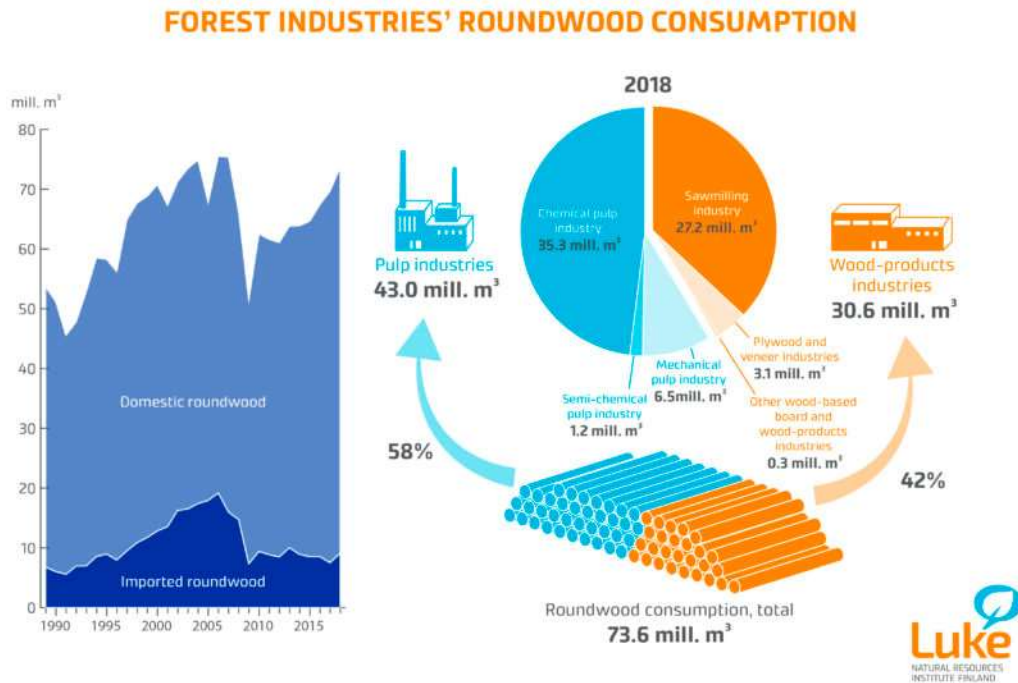


The chemical pulp industry processed the highest amount of roundwood, slightly exceeding 35 million cubic metres. This was nine per cent more than in the year before, and the highest amount recorded in the industry so far.

Roundwood consumption in the sawmilling industry increased by three per cent to 27 million cubic metres.

The most used assortment was pine pulpwood at 19 million cubic metres. The consumption of pine pulpwood increased from the previous year by two million cubic metres, being more than ever before.

It was followed by spruce logs at almost 15 million cubic metres.



Finland imported 11.57 million cubic metres of wood in 2018. Wood imports increased by one-third from the previous year. Pulpwood (63% of the total volume) and chips (27%) were the most significant import articles. The remaining 10% comprised logs, fuelwood, preserved wood and wood residues. The imports of pulpwood increased by 50% and those of chips by 16% from the previous year.

The Finnish forest industry is also highly export-oriented, and in most sectors of the industry, 65% to 90% of production goes abroad.

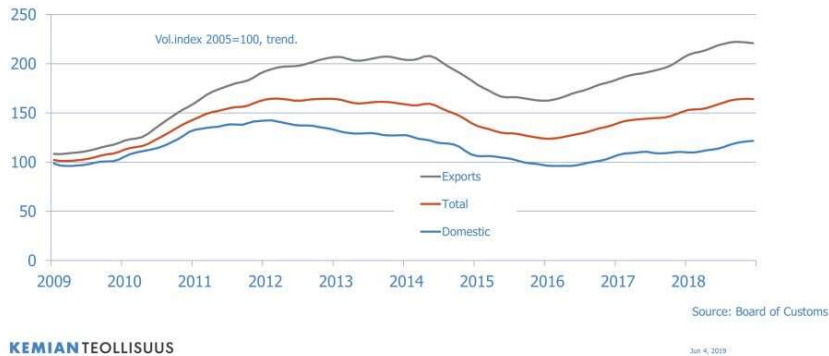
Sources: The Finnish Forest Research Institute / www.luke.fi

2.2.5. Chemical industry

The chemical industry employs approximately 30,000 people in Finland. The share of this field for the whole export industry in Finland amounts to 23 percent.

Total turnover, domestic turnover and export turnover in the chemical industry

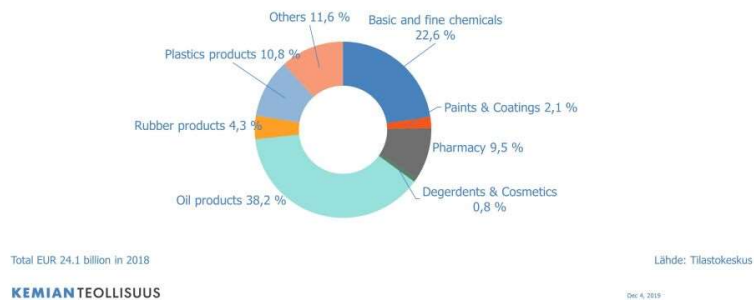
Chemical Sector Sales in Finland



Index of turnover in Chemical industry (\$000)

2014	\$ 24,038	
2015	\$ 20,380	-15%
2016	\$ 20,706	+ 2%
2017	\$ 23,344	+13%
2018	\$ 25,361	+ 9%

Chemical Sector Sales 24 billion in Finland



The share of oil products and base and fine chemicals was approximately 60% of the Finnish chemical industry sales in 2018.

The largest Chemical Sector Importer Countries to Finland are Germany, Sweden and Russia. In 2018, the value of Chemical Sector Imports to Finland totalled approximately \$11.1 billion. Oil products and basic chemicals accounted for around 50% of all imports. The largest export countries of the Finnish Chemical Sector are Sweden, Netherlands and Germany.

The export value of diesel fuel was \$ 5.5 billion in 2018.

Carbon Neutral Chemistry: The chemical industry in Finland has set an ambitious goal to strive for carbon neutrality by 2045.

Major companies in the chemical industry:

Neste www.neste.com

Neste's revenue in 2019 totaled \$17.4 billion, operating profit totaled \$2,5 billion.

Renewable energy: Neste is the world's largest producer of renewable fuels produced from waste and residues. Neste manufactures its renewable fuels at its refineries in Porvoo, southern Finland, Rotterdam in the Netherlands, and Singapore. These refineries produce about three billion litres of diesel per year.

The sales volumes of Renewable Products were 2.85 million tons in 2019.

In Singapore, Neste started the construction of the \$1.5 billion expansion project to increase 1.3 million tons the production of renewable jet fuel and other renewable products.

In the Renewable and Polymers business, Neste have partnered with LyondellBasell and Borealis to do the first-ever commercial-scale production of bio-based plastics from renewable material. Neste aims to use 2 million tons plastic waste in its refineries in Porvoo and Naantali by 2030.

Kemira www.kemira.com

Kemira provides expertise and tailored combinations of chemicals for water-intensive industries. Revenue of Kemira amounted to \$2.9 billion in 2019.

- Pulp & Paper segment \$1.7 billion
- Industry & Water \$1.2 billion.

Kemira Group has 5,000 employees.

Kemira is participating in the development of 100% bio-based chemicals for paper and cardboard production as part of a multinational project under the European Union's Horizon 2020 research and innovation program.

The circular economy: Kemira started extracting ferrous sulphate from an onsite landfill to process drinking water and treat wastewater. The initiative has reduced their dependency on virgin raw materials.

Yara Suomi Oy www.yara.com

Yara Suomi Oy is a subsidiary of Yara International ASA. Its revenue in Finland reached \$819 million in 2018. The Siilinjärvi site in Finland produces mainly NPK fertilizers and phosphoric acid, but also other industrial chemicals.

Circular economy: Gypsum is calcium sulfate and is produced as a byproduct when apatite in Siilinjärvi is processed into phosphoric acid. Gypsum contains 23% calcium, 18% sulfur and 0.2% phosphorus. Gypsum treatment cuts phosphorus leakage quickly and cost-efficiently.

Uusikaupunki has three nitric acid plants as well as two fertilizer plants producing for the Finnish market and for export. The plant has its own deep-water harbor.

Kokkola produces mainly potassium sulfate for the Mediterranean and Chinese markets and feed phosphates for markets worldwide.

Tikkurila www.tikkurilagroup.com

The revenue of Tikkurila reached \$630 million in 2019. Tikkurila operates in eleven countries (Russia, Sweden, Finland and Poland being the most important markets) with 2,600 dedicated professionals Tikkurila offers a broad range of decorative paints for consumers and professionals for surface protection and decoration. Tikkurila's goal is to continuously reduce our environmental impact by investing in the development and promotion of water-borne and low-emission paints.

Borealis Polymers Oy www.borealisgroup.com

The net sales of Borealis Polymers Oy in Porvoo reached \$332 million in 2018. While providing manufacturing services with the production of polyethylene (PE) and polypropylene (PP), it benefits from the proximity to the Nordic markets and is ideally situated to serve the Russian and Eastern European industrial markets.

Renewable energy: Excess heat (about 1000 MW) from the Kilpilahti plants of Neste and Borealis could cover approximately one quarter of the district heating volume required in the Helsinki region.

2.2.6. Food industry

The food industry consists of the manufacture of food products and beverages. The sector employs approximately 38,000 full-time personnel in nearly 1,700 enterprises.

Finnish companies have some 80 production units abroad and in addition joint-venture companies, sales offices, packing units and storages.

The food industry reported a turnover of \$12.2 billion in 2018, showing an increase of 4% on the previous year.

Turnover of Food and Drink industries (\$000)

2014	12,269	
2015	12,029	-2.0%
2016	11,785	-2.1%
2017	11,893	+0.9%
2018	12,166	+2.3%

The three largest food and drinks industry sectors – meat processing, dairy farming, and the bakery industry – represent 50% of the industry’s gross production value. The entire food processing chain employs approximately 300,000 people in Finland, which is around 12 percent of the employed workforce.

In 2018, the value of food imports to Finland was \$5,799 million, roughly the previous year’s level. The majority (65.1%) of Finnish food imports came from the old EU-15 member states.

In 2018, the value of food exports from Finland was \$1,672 million, down nearly 4.0% from the previous year. As a result of sanctions, exports to Russia have dropped dramatically. In 2018, food exports to Russia decreased further to EUR 99 million.

The combined outcome of the developments in imports and exports is that the deficit in the food trade increased again by approximately \$99 million, from \$4,028 million to \$4,127 million.

Traditionally, the balance deficit has largely been due to the large import volumes of fruit, vegetables, raw coffee, alcoholic beverages and tobacco.

Total import / (\$million)	Import from	Total	Brazil’s
Import from Brazil	Brazil	Import	share %
01 Meat and meat preparations	11.7	383.2	3.0
05 Vegetables and fruit	30.6	1,122.2	2.7
06 Sugars, sugar preparations, honey	3.1	154.8	2.0
07 Coffee, tea, cocoa, spices	75.8	476.1	15.9
08 Feeding stuff for animals	1.4	358.2	0.4
22 Oil seeds, oleaginous fruits	6.2	78.2	7.7

The value of the importation of vegetables and fruits into Finland is higher than Brazil's global export value of the vegetables and fruits.

Volumes of main import products in 2018 (tons)

- Bananas	111,647
- Other fresh fruits	101,077
- Apples	40,479
- Citrus fruit	75,841

The Finnish Food and Drink Industries' Federation (ETL) www.etl.fi

ETL represents the interests of the food and drinks industry in Finland. ETL has approximately 260 member companies and two member associations, which cover major part of the industrial production of foodstuffs and drinks in Finland. ETL also has 17 that represent the interests of different food and drinks industry sectors.

The Finnish consumer goods retail market is highly concentrated. The two operators with greatest sway in the market are S-Group and K-Group. They have massive pricing power and a lot of private label products.

Major food processing companies:

HK-Scan Group www.hkscan.com

HKScan's diverse product selection includes poultry, pork, beef, and lamb products as well as charcuterie and meals. Its home markets cover Finland, Sweden, Denmark and the Baltics. In 2019, HKScan's net sales were \$1.9 billion and some 7,000 employees.

Atria Group www.atriagroup.com

Atria Group is one of the leading food companies in the Nordic countries, Russia and the Baltic region. Atria's net sales in 2019 amounted to \$1.6 billion and it employed an average of 4,450 people. Products: Cold cuts, meat products, such as sausages, fresh meat and consumer-packed meat, convenience food, poultry products.

Atria may sell its Russian operations, which might be a good deal for Brazilian meat companies. Because of the ongoing countersanctions by Russia on EU food imports, that are related to the Ukraine conflict, Finland cannot export meat to be processed in its Russian plants.

Atria started the planning of a \$143 million production plant investment project for increasing poultry production in Finland. The investment decision will be made during 2020.

Saarioinen www.saarioinen.fi

Saarioinen produces a selection of convenience food products, meat products and preserved foods. Saarioinen's net sales in 2018 amounted to \$274 million and it had 1,300 employees.

Valio Ltd. www.valio.com

Valio is a manufacturer and exporter of butter, cheeses, ingredients and fresh dairy products. Valio offers also services of technology sales and commercialization including technology licensing of functional dairy technologies worldwide. Valio is owned by 5,100 dairy farms through 15 cooperatives. Its dairy farms produce roughly 80 % of

Finnish milk. Net sales of Valio Ltd were \$1.9 billion in 2018 employing 3,200 in Finland. Valio aims at carbon neutral dairy by 2035. **Renewable energy:** Finland produces roughly 15 million tons/y manure, which can generate biogas and bio-fertilizers.

Fazer Group www.fazer.com

Fazer Group offers bakery, biscuit and confectionery products and catering, restaurant and café services. Fazer operates in eight countries employing 15.696 people on 31 December 2018. Fazer Group's net sales were \$1.8 billion in 2018. Business units: Fazer Bakery, Fazer Confectionery, Fazer Lifestyle Foods, Fazer Retail and Fazer Food Services, which was sold in 2019 to Compass Group.

The new Sustainability Approach consists of four Core goals: 1) 50% less emissions, 2) 50% less food waste, 3) 100% sustainably sourced, and 4) More plant-based. Fazer's research and innovation unit is Fazer Lab.

Paulig Group www.pauligroup.com

Paulig Group, a leading Northern European coffee and food company, work in 13 countries employing 2,000 people. Four business areas: Finland & Baltics, Scandinavia & Central Europe, East and Customer Brands. The portfolio includes popular food and beverage brands, such as Paulig, Santa Maria, Risenta, Poco Loco and Gold&Green Pulled Oats.

Altia www.altiagroup.com

Altia is a leading Nordic alcoholic beverage brand company operating in the wine and spirits markets in the Nordic and Baltic countries. Altia's net sales in 2019 were £396 million and the company employs about 630 professionals. The Altia Industrial segment comprises Koskenkorva plant operations, starch, feed component and technical ethanol businesses, as well as contract manufacturing services at Rajamäki. Altia's target is a carbon neutral distillery by 2025.

Raisio Group www.raisio.com

The year 2019 was the first year of Raisio's new, focused direction as a company providing healthy, plant-based foods and ingredients. Raisio Group's 2019 net sales totalled \$260 million. Benecol is Raisio's most international brand and the original expert in cholesterol-lowering foods. Elovena is Finland's most valued and well-known oat brand. The company employs 325 persons.

Vaasan Ltd www.vaasan.fi

Vaasan Ltd, a subsidiary of Lantmännen Unibake, is a Finnish bakery company that operates also in the Baltic countries. Its product range consists of bread and other bakery products. In 2018 the Vaasan Oy's net sales were \$140 million.

Sinebrychoff www.sinebrychoff.fi

Sinebrychoff is Finland's leading manufacturer of beers, ciders, soft drinks and energy drinks, producing around 300 million liters a year. The company's net sales in 2018 totalled \$347 million. Sinebrychoff is part of the international Carlsberg Group.

Hartwall www.hartwall.fi

Hartwall is a beverage provider in the Finnish beer and soft drinks market. Hartwall's net sales amounted to \$389 million in 2018. Hartwall belongs to Royal Unibrew Group.

Apetit Plc www.apetitgroup.fi

Apetit is a food company based on vegetables and oil seeds mainly for the Finnish market. In 2018 its net sales amounted to \$311 million and it had 594 employees.

Agricultural production

Field crop production

The utilised agricultural area in Finland is about 2.3 million hectares, which is 6.8% of the total surface area and 7.5% of the total land area. Compared to the EU average, the share of agricultural area is small in Finland.

In 2018, the cereal area was 0.91 million hectares, producing a yield of 2,732 million kg. There were a total of 47,633 agricultural and horticultural enterprises in Finland in 2018. Nearly 70 % of farms have plant production as their primary production line, and 27 per cent of farms are classified as livestock farms. The average utilised agricultural area of the farms was 48 hectares.

Barley. In 2018, barley was the most common cereal covering area of 0.41 million hectares. The majority of barley was grown for feed (79%). The barley yield was 1,336 million kg.

Oats. The 2018 oat yield was unable to respond to this demand either in quantity or quality. The oat area was 0.29 million hectares, producing a yield of 818 million kg.

Wheat. The spring wheat yield was 468 million kg. The winter wheat yield was only 27 million kg.

Sugar beet. The sugar beet area was 10,000 hectares, producing a yield of 355 million kg.

Source: www.luke.fi

Livestock production

Number of Livestock in 2018

- The number of cattle 882,000. (dairy cows 271,000)
- The number of pigs: 1,089,000
- The number of poultry: 14,140,000

Milk

The amount of milk delivered to dairies in 2018 totalled 2,285 million litres.

At the end of the year, milk was produced on 6,250 farms, 145 of which were organic. In December 2018, the total number of dairy cows was 263,600, up by 7,000 from the previous year. In 2018, the volume of imported cheese was 70.4 million kg (+1.1%). A significant part of the fat contained in milk produced in Finland is used to manufacture export products. In 2018, more than 60% of all butter produced was exported.

Beef

In 2018, meat production in Finland, including all farm animal species, totalled 393 million kg. Total consumption of meat was 432 million kg. The self-sufficiency ratio was therefore 91%, lower than in the previous year. The number of cattle slaughtered was 274,700.

The number of farms specialising in beef production was more than 3,000. In addition, dairy farms also rear cattle for beef production.

Beef consumption totalled 107 million kg of which imported beef accounted for a quarter. In 2018, a total of 27 million kg (+5%) of beef was imported to Finland, and 4.5 million kg (+23%) of beef was exported. The main countries of origin for imported beef included Poland, Denmark, Germany, Sweden and the Netherlands. Altogether these account for more than fourfifths of the total import quantity.

Pork

In 2018, around 1.83 million pigs (-8%) were slaughtered in Finland. Pork production totalled 168.9 million kg.

Total pork consumption was 177 million kg (-4%). In 2018, pigs were kept on approximately 1,000 farms

In 2018, pork exports decreased by roughly a third to 21.9 million kg, while imports increased by 3% to 33.6 million kg. Imports accounted for 19% of total consumption. Pork was mostly imported from Germany, Denmark and Poland, while exports from Spain decreased.

Poultry meat

In 2018, poultry meat production in Finland totalled 135.3 million kg, the highest ever. Broiler meat accounted for 93% of all poultry meat production. The production of broiler meat was 126 million kg (+5.3%), and that of turkey meat 8 million kg (+1.5%) in 2018. The consumption of broiler meat was 130 million kg (+4.4%) and that of turkey meat was 10.7 million kg (+8.3%).

In 2018, some 22 million kg of poultry meat (-1%) were imported to Finland. Imported meat accounted for nearly 16% of total consumption. Broiler meat was mainly imported as products or boneless pieces. In contrast, turkey meat was imported as boneless pieces meat. Broiler meat was mostly imported from Thailand, Germany, Sweden and Lithuania. Turkey meat imports focused on Poland and Germany, major producers of turkey meat in Europe, and Estonia. Mainly boneless pieces were imported

Eggs

In 2018, egg production totalled 75 million kg, up by 1.8% from the previous year.

In 2018, the consumption of eggs in shells totalled 68 million kg in Finland. Imported eggs comprised a small percentage of total egg consumption. **Source: Luke**

Finnish affiliates abroad in manufacturing industries

Finnish enterprises had business activity in 5,070 affiliates located in 142 countries in 2017. The number of personnel decreased slightly from the previous year, being good 534,000 and focusing on Europe and Asia. Compared with the year before, turnover grew by six per cent, being \$182.9 billion. Most turnover was produced in affiliates located in Sweden.

The major Finnish affiliates abroad in 2017 were:

- Electrical and electronics industry
 - o \$30.3 billion turnover
 - o 126,391 employees.
- Machinery and metal products industry
 - o \$34 billion turnover.
 - o 127,022 employees
- Manufacture of paper and paper products
 - o \$18.0 billion turnover.

- 41,159 employees

Finnish affiliates abroad employed the largest number of personnel in EU countries, altogether 259,890 persons. Measured by the number of employees, the most significant industries in EU countries were the machinery and metal industry with 53,100 employees and the electrical and electronics industry with good 37,990 employees. Affiliates in Asia and Oceania were the second most significant employer of personnel with 137,220 employees. In Asia and Oceania, the biggest employers among manufacturing industries were the electrical and electronics industry with close on 57,790 persons and the machinery and metal industry with nearly 45,230 persons. Sweden was the most significant employer country of Finnish affiliates abroad with 66,350 employees.

Brazil

Number of affiliates	49
Turnover (\$ million)	1,402
Number of employees	7,274
Gross investments in tangible assets (\$ million)	28.5 million.

2.3. Energy

Turnover Electricity, gas, steam and air conditioning supply (\$000)

2014	14,382	
2015	13,664	- 5.0 %
2016	14,193	+ 3.9 %
2017	13,753	- 3.1 %
2018	15,809	- 15.0 %

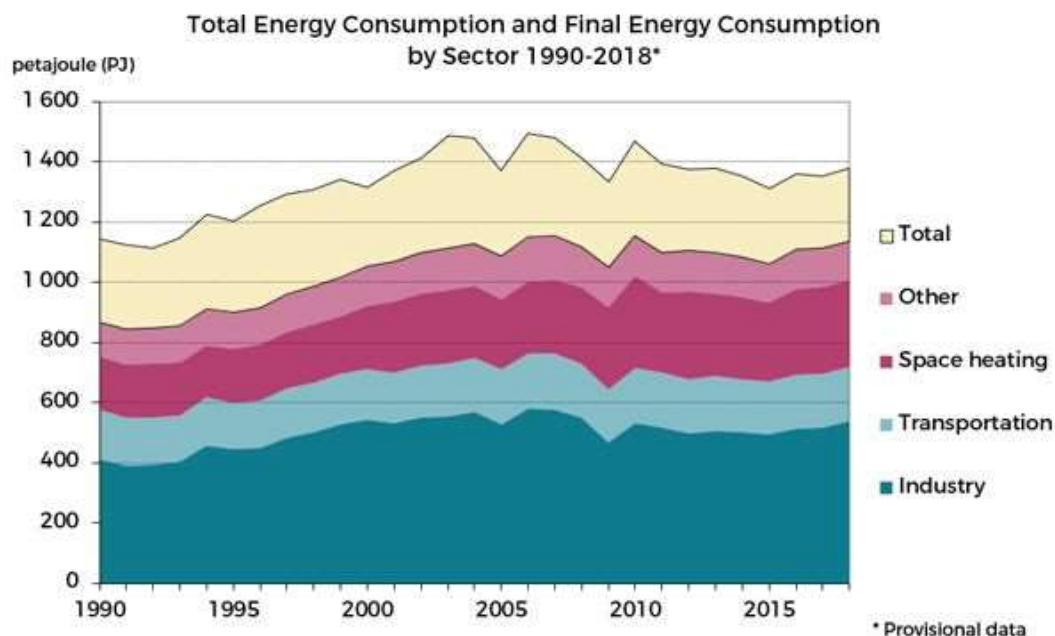
Total energy consumption in 2018 was 1 380 PJ (383 TWh, 33.0 Mtoe), which corresponded to two per cent growth compared with the previous year.

Total energy consumption 2014-2018 in Finland.

	2014	2015	2016	2017	2018	
	petajoule	(PJ)				%
Oil	348	335	353	338	331	22.0
Wood fuels	306	271	321	316	319	27.0
Nuclear energy	247	243	243	235	239	17.0
Coal	87	64	91	82	79	8.0
Natural gas	96	82	72	66	76	5.0
Peat	61	58	56	53	62	5.0
Net imports of electricity	65	59	68	74	72	5.0
Hydro power	48	60	56	53	47	3.0
Wind power	4	8	11	17	21	2.0
Other energy sources	30	32	36	36	39	5.0
Total	1,351	1,311	1,360	1,353	1 381	100
Renewable energy sources %	33	35	34	36	37	

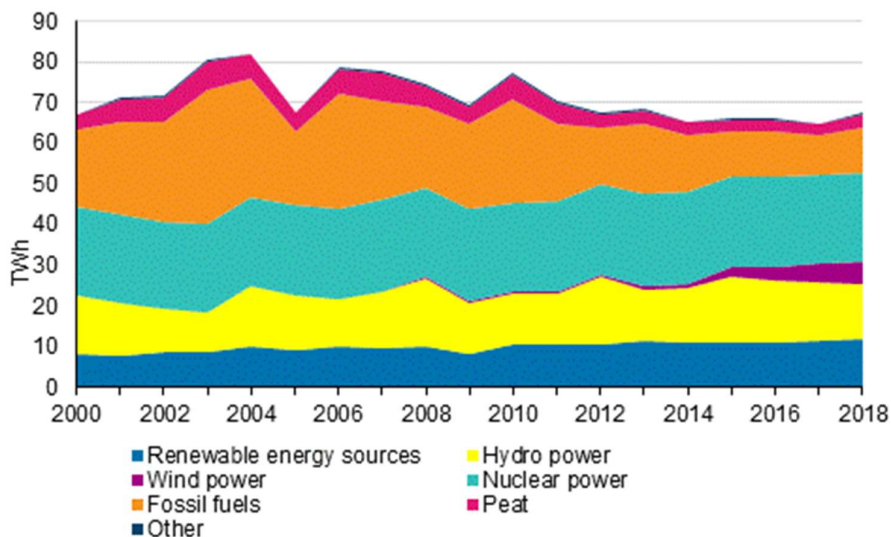
Source: Statistics Finland, Energy statistics

Final consumption of energy in 2018 1 137 PJ (316 TWh, 27.2 Mtoe) went up as a whole by two per cent.



Total electricity consumption in 2018 87.4 TWh, which corresponded to two per cent growth compared with the previous year.

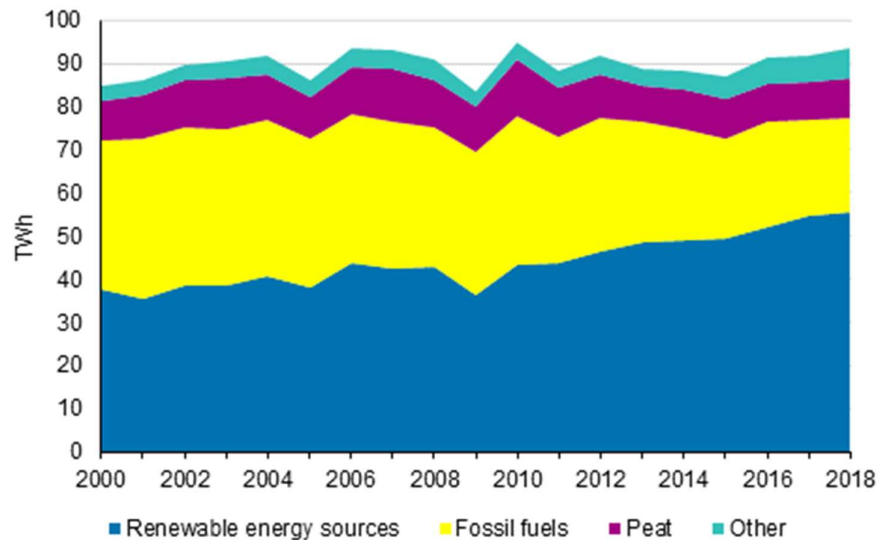
Domestic production of electricity in 2018 was 67 TWh, which was four per cent more than one year ago.



46.2 per cent of electricity was produced with renewable energy sources in 2018. One-third of electricity was produced with nuclear energy. Finland has four nuclear reactors, a fifth reactor (Olkiluoto 3) is expected to start operation in 2021 and construction of Fennovoima is planned.

Net imports of electricity to Finland amounted to 20.4 TWh, which corresponded to 24 per cent of total electricity consumption. Most energy products were imported from Russia, whose share of the value of imports was around 61 per cent.

District heat and industrial heat production by fuels 2000-2018



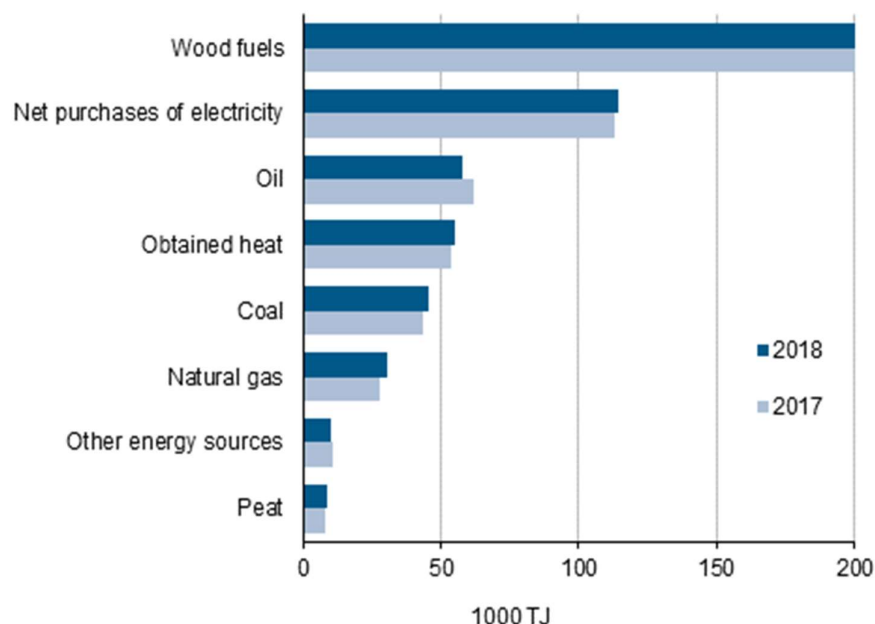
The production of district heat totalled 38.5 TWh in 2018, being 0.5 per cent higher than in the previous year. Clearly less than one-half of district heat was produced with fossil fuels. Most of district heat was produced with wood fuels (33%) and hard coal (20 %). The **production of industrial heat** was 55.2 TWh in 2018. Production went up 3.2 per cent from the year before. One-half of heat produced for the needs of manufacturing comes from black liquor. In all, 75 per cent of the production of industrial heat was based on renewable fuels.

Source: Statistics on production of electricity and heat, Statistics Finland and Electricity statistics, Finnish Energy Industries

The Finnish Parliament has approved a government proposal to ban the burning of coal for energy production from May 2029. The amount of wood fuels will be doubled in the district heating, which means a considerable increase in imports.

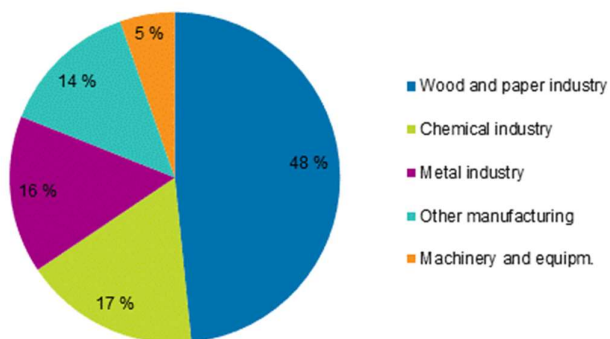
According to Statistics Finland, the energy use in manufacturing increased by three per cent in 2018. Manufacturing consumed 536 petajoules (PJ) of energy, which was 3.1 per cent more than in the year before. Total use of electricity increased by 2.8 per cent from the previous year.

Use of energy in manufacturing



In 2018, industrial output continued growing and increased by a few per cent from the year before. This also resulted in increased energy use in manufacturing. Energy use grew most in energy-intensive industries, the forest industry, the metal industry and the chemical industry. The growth especially in the forest industry increased the consumption of wood fuels. Wood fuels are the biggest energy source used by manufacturing covering 40 per cent of energy consumption. The second most important fuel based energy sources are oil and coal.

Total electricity consumption in manufacturing



Source: Energy use in manufacturing, Statistics Finland

Waste-to-energy / Material recovery

In 2018, only 0.7 % of 3 million tons municipal waste was disposed at landfill sites. It has been replaced by recovery of waste: both energy production and material recovery are competing for the recovery of former landfill waste.

Energy recovery: 1.7 million tons.
Material recovery: 0.9 million tons.
Aerobic and anaerobic digestion: 0.4 million tons.

Major energy companies:

Fortum www.fortum.com

A leading clean-energy company across the Nordic region, the Baltic countries, Poland, and Russia. A circular economy champion, providing solutions for sustainable cities, including waste, recycling, and biomass.

Sales \$5.9 billion in 2019. Personnel 8,200.

Generation capacity MW

Hydro	4,677
Nuclear	2,821
CHP	831
Other thermal	565
Wind	159

Fortum has two nuclear power plants both with capacity of 507 MW net in Loviisa, Finland, with operating licences until 2027 and 2030.

In 2018, Fortum closed its tender offer to shareholders in Uniper (holding of 49.99% of the outstanding shares and voting rights as of 31.12.2018), in 2020 additional >20% stake to be closed.

TVO www.tvo.fi

Teollisuuden Voima Oyj (TVO) is a Finnish nuclear power company with more than 30 years of experience. The net output of both Olkiluoto 1 and Olkiluoto 2, TVO's two nuclear plant units currently in operation in Olkiluoto, Eurajoki, is 880 MW.

Electricity production at the Olkiluoto nuclear power plant of Teollisuuden Voima (TVO) totalled 14.1 terawatt hours in 2018, accounting for about 16 percent of electricity consumption in Finland and about 21 percent of electricity generation in Finland. The consolidated turnover in 2018 was \$385 million.

Olkiluoto 3 (1600 MW) is expected to start operation in 2021.

Posiva is construction the world's first permanent underground nuclear storage facility (costing an estimated US\$550 million). Once complete, it will store up to 6,500 tons of waste. Operation of the repository is expected to begin in 2023.

Fennovoima www.fennovoima.fi

Fennovoima's 1200 MW nuclear power plant unit Hanhikivi-1 is to be built in Pyhäjoki, located in Northern Ostrobothnia. Fennovoima is owned by Finnish Voimaosakeyhtiö SF (66%) and Rosatom's subsidiary RAOS Voima Oy.

The Russian energy firm Rosatom will be the supplier of the nuclear power plant and. It is one of the largest investments by a Russian company in Finland. A scheduled start-up will be in 2028.

Gasum www.gasum.com

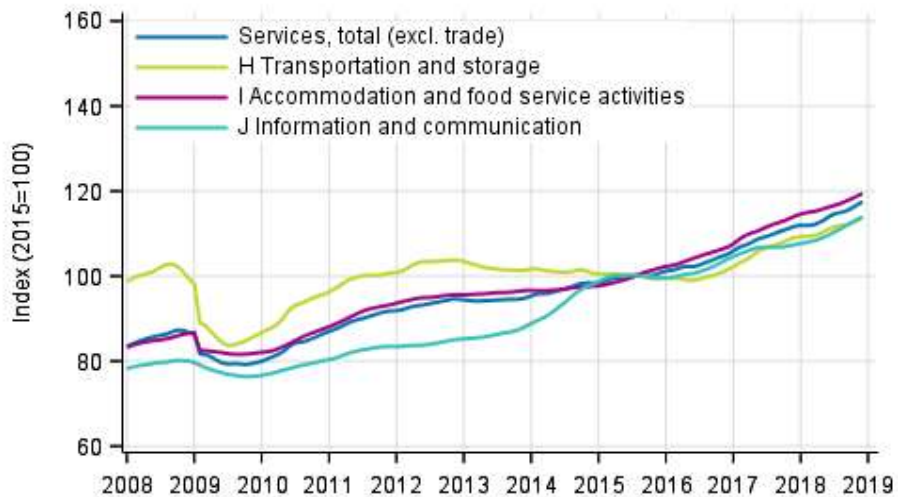
Gasum is a fully state-owned company. Its revenue for 2018 was \$1.3 billion. Gasum is building a Nordic gas ecosystem based on local biogas, natural gas and LNG. Gasum is the leading supplier of biogas and processor of biodegradable waste fractions in the Nordic countries building a gas filling station network that also serves heavy-duty vehicles in a sustained manner. Gasum has 13 biogas plants in Finland and Sweden.

The Finnish government is considering raise the target of 50,000 gas vehicles set for 2030.

2.4. Services

The largest sector of the Finnish economy is services at 68.8%

Turnover of service industries, trend series



Source: Statistics Finland

Transportation and storage (\$2018)	27,102,193
Information and communication	24,351,870
Accommodation and food service	8,001,842

The turnover of information technology services grew by around 13 per cent in 2018. Measured by turnover, the biggest service item of information technology services in 2018 was computer programming services and other information technology and computer services.

	2015	2016	2017	2018
Service exports \$ billion	24.0	25.3	28.2	29.6
Service imports	27.4	28.4	29.6	32.4
Balance	-3.4	-3.1	-1.4	-2.8

Computer and information services (ICT) and transport services together account for around 60% of Finland's service exports and 65% of imports.

In 2018, the most important service export countries for Finland were Sweden, the United States and Germany.

Source: Structural business and financial statement statistics by Industry, Statistics Finland

Consulting services

The turnover of consulting engineering companies (industrial, social and construction expert services) in Finland grew by 5 per cent in 2019 from 2018. In 2019, their turnover

in Finland amounted to \$7.4 billion.

The number of personnel employed by consulting engineering companies in Finland grew by 5.5 per cent from the 2018 average. The industry employed some 56,200 people, up 2,900 from 2018.

The Finnish Association of Consulting Firms SKOL www.skolry.fi

Pöyry <https://afry.com/en>

From February 22 2019, ÅF and Pöyry are one company with annual sales of \$ 2 billion and more than 16,000 experts within engineering design and advisory services around the world. Its focus sectors are power generation, transmission & distribution, forest industry, chemicals & biorefining, mining & metals, transportation, water and real estate sectors.

Tourism

The amount of passengers in seaborne traffic decreased some what during the year, to 19.0 million passengers. A total of 8.9 million cruise passengers travelled between Finland and Estonia and 8.7 million passengers between Sweden and Finland in 2018.

Finavia served nearly 25 million passengers at its airports in 2018. Helsinki Airport reached the 20 million passenger milestone for the first time.

Foreign visitors spent 34.5 million nights in 2018 in Finland, which was 4 % less than in 2017. Main countries of domicile: Russia, Germany, UK, Sweden, China, France, USA.

Source: The Finnish Transport Agency <https://vayla.fi>

3. Currency and finances

Currency and exchange rates

Standard currency: Euro since 1.1.2002.

The Euro is freely convertible



The European Exchange Rate Mechanism (ERM) was a system introduced by the European Community in March 1979, as part of the European Monetary System (EMS), to reduce exchange rate variability and achieve monetary stability in Europe, in preparation for Economic and Monetary Union and the introduction of a single currency, the euro, which took place on 1 January 1999. ERM II was formed in January 1999 to ensure exchange rate fluctuations between the Euro and other EU currencies did not disrupt economic stability in the single market.

Bank of Finland www.suomenpankki.fi

The Bank of Finland acts as Finland's central bank, national monetary authority and member of the European System of central banks and the Eurosystem.

Exchange rates:

	<u>January 2, 2015</u>	<u>February 14, 2020</u>	<u>Average</u>
	EUR USD	EUR BRL	
2019	1.1195	4.4134	
2018	1.1810	4.3085	
2017	1.1297	3.6054	
2016	1.1069	3.8561	
2015	1.1095	3.7026	

March 23rd, 2020 the Brazilian real was devaluated by 19.2 % against EUR compared with the average EUR/BRL rate in 2019, which gives a big advantage for Brazilian exporters in Finland and in the European Union, at least temporarily.



Finland does not have differentiated rates for euro (commercial, financial, tourism, etc. or black market).

Balance of payment and international reserves

Balance of payment	2014	2015	2016	2017	2018
Current account	-2124	-959	-1967	-1658	-3515
Goods	990	2052	332	1880	905
Services	-2008	-1769	-2342	-1164	-2791
Primary income	1537	1313	2100	-118	947
Secondary income	-2647	-2551	-2058	-2257	-2576
Capital account	208	178	105	196	217
Financial account	-8129	-510	-8164	-10040	-14144
Direct investment	-13933	-18037	15040	-3509	12697
Portfolio investment	4084	480	4114	-4200	-22277
Other investment	-650	-6860	-1258	-4773	-3782
Financial derivatives	-650	-6860	-1258	-4773	-655
Reserve assets	-228	-261	604	-400	-128

Source: Balance of payments
Statistics Finland

International reserves: End-December 2019 Data in \$ millions

Reserves	11,185
Total reserves minus gold	8,837
Gold	2,348
Foreign currency reserves	6,677
IMF reserve position	624
SDR holdings	1,527
Other foreign currency assets	538

Source: (Bank of Finland)

Public finances

The 2020 budget (\$):

Income and wealth taxes	17.4
Taxes on sales	22.3
Excise taxes	8.4
Other tax revenue	3.5
Other revenue	9.5
<u>Net borrowing</u>	<u>2.4</u>
Revenues	63.5 billion

Operating expenditure	7.5
Other consumption expenditure	10.0
Capital expenditure	1.0
Transfers to local governments	13.4
Subsidies to industries	4.0
Transfers to households and social security funds	22.2
Other transfers	4.5
<u>Debt interest payments</u>	<u>1.0</u>
Expenditure	63.5 billion

Banking system

At the end of 2018, there were 255 credit institutions operating in Finland if group structures are ignored. Credit institutions include deposit banks and other credit institutions that do not take deposits, such as finance houses, credit card companies, mortgage credit banks, and Municipality Finance plc. Nordea, OP Financial Group and Municipality Finance are under direct supervision of the European Central Bank (ECB), while other credit institutions in Finland are supervised by FIN-FSA.

The most important piece of legislation that governs banking in Finland is the Act on Credit Institutions. Compliance with the laws and regulations is overseen by the Financial Supervisory Authority, which also monitors that banks maintain a healthy ratio of capital adequacy.

OP-Pohjola Group (www.op.fi), Nordea Bank Finland (www.nordea.fi), Municipality Finance (www.munifin.fi), Danske Bank (<https://danskebank.fi>) and Handelsbanken (www.handelsbanken.fi) are biggest banks in Finland by market share. Nordea is the world's 20th largest bank. In 2018, Nordea Group's balance sheet amounted to €551 bn; in contrast, the OP Financial Group's balance sheet was €140bn. Finland's banking sector is now one of Europe's largest relative to the size of the national economy.

The Finnish banking sector's return on equity (ROE) was 8.5%, well above the average ROE for all EU banking sectors (6.2%)

At the end of 2018, households held €302.9 billion in financial assets and €167.8 billion in financial liabilities. Their net assets thus totalled €135.1 billion, which is €100 billion more than 20 years ago.

Source: the Federation of Finnish Financial Services.

Country risk

Often cited as a model example for its economic performance, competitiveness and innovative success, Finland has nevertheless faced difficulties to recover from the global financial and the Eurozone crisis.

Credit rating: Fitch Ratings affirmed the "AA+" LT Int. Scale (local curr.) credit rating of Finland on January 24, 2020.

Standard & Poor's credit rating for Finland stands at AA+ with stable outlook

III FOREIGN TRADE OF FINLAND

1. Recent development

Finland is heavily depending on the international trade. The value of imports was 39.29 % and the value of exports was 38.56 % of the GDP.

The Finnish industry will grow globally outside Finland, especially in Europe and Asia.

Changes in trade					
Year	Imports		Exports		Balance
	\$ million	Change %	\$ million	Change %	\$ million
2014	63,546		61,570		-1,976
2015	59,942	-6	59,268	-4	-674
2016	60,503	1	57,066	-4	-3,438
2017	68,716	14	65,682	15	-3,034
2018	73,244	6	70,050	7	-3,193

Imports

Finland is 44th in the global ranking in imports in the world.

Main imports SITC2 (2018):

- Road vehicles US\$ 6.5 billion,
- Electric machinery US\$ 4.6 billion,
- Metalliferous ores and metal scrap US\$ 3.7 billion,
- Iron and steel US\$ 2.3,
- Medicinal and pharmaceutical products US\$ 2.2 billion.

The importation of electric and electronics products has increased by US\$ 2.6 billion (32.9 %) from 2014 to 2018 mainly because of the closure of Nokia's mobile phone manufacturing.

In terms of imports, 70% come from EU Member States.

The value of capital goods imports was 19.4% of total imports in 2018 in Finland.

Food imports

In 2018, the value of food imports to Finland was \$5,799 million, roughly the previous year's level. The majority (65.1%) of Finnish food imports came from the old EU-15 member states.

In 2018, the value of food exports from Finland was \$1,672 million, down nearly 4.0% from the previous year.

The combined outcome of the developments in imports and exports is that the deficit in the food trade increased again by approximately \$99 million, from \$4,028 million to \$4,127 million.

- Traditionally, the balance deficit has largely been due to the large import volumes of fruit, vegetables, raw coffee, alcoholic beverages and tobacco.

When the EU and Mercosur Free Trade Agreement will be ratified by all the parliaments of adhering countries, including the European Parliament and Council, it eliminates tariffs on 93 per cent of exports to the EU and grants "preferential treatment" for the remaining 7 per cent.

Exports

- Finland is 44th in the global ranking in exports in the world.
- Intra-EU trade accounts for 59% of Finland's exports.
- The export of forest products has increased by US\$ 2.1 billion (17.1 %) from 2014 to 2018.

2. Origin and destination

Imports

- The value of imports increased in 2018 by six per cent, to \$ 73 billion.
- Germany is Finland's biggest trading partner as a source of imports for Finland with 15.6 % share of all imports in 2018 and as a destination of exports with 15.1 % market share.
- The import from Russia is mainly consisting of oil, gas, coal and wood products.
- The participation of Brazil was 0.9 % of Finland's total importation in 2018.

Imports by country of origin						
	\$ million	%				
	2018	2018	2017	2016	2015	2014
Germany	11 415	15.6	10 612	8 914	9 095	8 521
Russia	10 157	13.9	9 077	6 745	6 576	9 529
Sweden	7 945	10.8	7 565	6 772	6 820	7 206
China	5 108	7	5 072	4 454	4 364	4 101
Netherlands	4 006	5.5	3 860	3 648	3 896	4 018
United States	2 429	3.3	2 151	2 319	2 213	2 410
Poland	2 269	3.1	2 014	1 749	1 554	1 607
Estonia	2 209	3	2 010	1 795	1 690	1 669
France	2 202	3	2 566	2 448	2 275	2 021
Norway	2 087	2.8	1 642	1 199	1 117	1 794
Other countries	23 417	32	0	0	0	0
Total	73 244	100	68 716	60 136	59 682	63 369

Exports

- According to Finnish Customs' data, the value of Finnish goods exports increased by seven per cent in 2018. The value of exports amounted to \$ 70 billion.

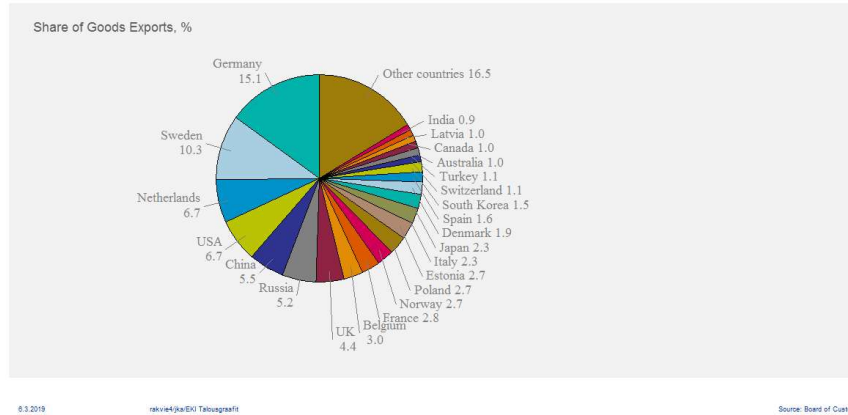
Exports by country of destination						
	USD million	%				
	2018		2017	2016	2015	2014
Germany	10 594	15.1	9 324	7 513	8 247	7 369
Sweden	7 257	10.4	6 763	6 113	6 074	6 830
United States	4 747	6.8	4 473	4 303	4 134	4 195
Netherlands	4 739	6.8	4 539	3 834	3 911	3 735
China	3 887	5.5	3 737	2 936	2 790	2 814
Russia	3 660	5.2	3 760	3 273	3 474	5 095
United Kingdom	3 132	4.5	2 956	2 720	3 058	3 344
Belgium	2 131	3	2 166	1 900	1 682	1 997
France	1 970	2.8	2 005	1 744	1 656	1 664
Estonia	1 937	2.8	1 979	1 641	1 726	1 944
Other countries	25 997	37.1	0	0	0	0
Total	70 050	100	65 682	56 958	59 212	61 412

- Germany, Sweden, USA and Netherlands were the main destinations for the Finnish

exports in 2018.

- Brazil's share of Finland's total export was 0.5 % in 2018.

Finnish Exports of Goods by Country 2018 63.8 billion euro



3. Composition by product

- Finland is importing primarily metals and minerals, machines, transport equipment and petrochemicals.

Imports by Products by Activity	2018		2017		2016		2015		2014	
	\$ bn	%	%	%	%	%	%	%		
Metal machine transport equipment	14.3	19.5	20.5	30.0	16.9	28.1	16.0	26.8	14.9	23.4
Chemical industry products	12.8	17.4	12.0	17.6	11.0	19.7	11.6	19.3	13.0	20.5
Electric and electronics products	10.5	14.4	9.7	14.2	8.8	14.7	8.5	14.1	7.9	12.6
Products from mining and quarrying	9.4	12.9	7.8	11.5	6.2	10.3	6.8	11.4	10.5	16.5
Other	26.2	35.9	18.7	26.7	17.6	27.2	17.0	28.4	17.2	27.0
Total	73.2	100	68.7	100	60.5	100	59.9	100	63.5	100

Exports by Products by Activity	2018		2017		2016		2015		2014	
	\$ bn	%	%	%	%	%	%	%		
Metal machine and transport equipment	19.9	28.4	24.2	37.0	19.4	34.2	21.1	35.6	20.1	33.1
Forest industry products	14.4	20.6	13.1	20.0	12.4	21.8	12.7	21.5	12.3	20.1
Chemical industry products	13.5	19.4	12.5	19.1	11.2	19.7	11.1	18.8	14.2	23.1
Electric and electronics products	8.2	11.6	7.8	11.9	6.9	12.1	7.2	12.1	7.9	12.0
Other	14.0	20.0	7.8	12.0	6.9	12.1	7.2	12.0	7.1	11.7
Total	70.0	100	65.4	100	56.8	100	59.3	100	61.6	100

The following export product groups represent the highest dollar value in Finnish global shipments during 2018.

Paper, paper items	\$9.7 billion	12.8% of total exports
Machinery including computers	\$9.7 billion	12.8%
Mineral fuels including oil	\$6.9 billion	9.1%
Electrical machinery, equipment	\$6.4 billion	8.4%
Vehicles	\$5.9 billion	7.8%
Iron, steel	\$4.9 billion	6.4%

Wood	\$3.5 billion	4.6%
Optical, technical, medical appar.	\$3.4 billion	4.5%
Woodpulp:	\$3.2 billion	4.2%
Plastics, plastic articles:	\$2.6 billion	3.5%

Finland's top 10 exports accounted for almost three-quarters (73.9%) of the overall value of its global shipments.

4. Participation in international organizations and agreements

Finland has been a member of the World Trade Organization (WTO) since 1st of January 1995.

Finland is a member of the European Union. The European Union has concluded free trade agreements (FTAs) and other agreements with a trade component with many countries worldwide and is negotiating with many others.

Free Trade Agreements e.g. with:

Canada (CETA)	- 21 September 2017
Chile	- 30 December 2002
Mexico	- 29 September 2000
Colombia	
Ecuador	
Peru	

Some Brazil's competitor countries get Generalised Scheme of Preferences (GSP) in EU e.g.:

<u>Ethiopia</u>	- 31 October 2012
<u>Kenya</u>	- 31 October 2012
<u>Viet Nam</u>	- 31 October 2012

The EU Mercosur Free Trade Agreement, when ratifies, eliminates tariffs on 93 per cent of exports to the EU and grants "preferential treatment" for the remaining 7 per cent.

IV - ECONOMIC RELATIONS BRAZIL - FINLAND

1. Bilateral trade

Recent development

The value of exports to Finland was 0.1 % of Brazil's global exports in 2018 USD 242,580 million. The value of imports from Finland was 0.25 % of Brazil's global imports in 2018 USD 223,178 million.

Brazil's share in Finland's total importation was 0.9 %. Brazil's share in Finland's total export was 0.5 %.

Finland & Brazil					
Balance of trade 2018-2014					
(1 000 \$)	2018	2017	2016	2015	2014
Total export to Brazil	336,172	384,793	419,647	522,724	529,728
Total import from Brazil	631,347	630,484	647,534	625,584	673,434
Balance of trade	-295,175	-245,691	-227,887	-102,860	-143,706

The Brazilian export to Finland has been decreased from 2014 to 2018 by \$42 million (6.2 %).

The Finnish export to Brazil has been decreased by \$194 million (36.5 %).

Composition of bilateral trade

The main products imported from Brazil in 2018 were:

- Pulp and waste paper US\$ 259 million
- Iron and steel US\$ 81 million
- Coffee, tea, cocoa, spices US\$ 76 million
- Metalliferous ores and metal scrap US\$ 64 million
- Crude fertilizers and crude minerals US\$ 43 million
- Vegetables and fruit US\$ 31 million

Import from BRAZIL	2018	2017	2016	2015	2014
01 (2002--.) Meat and meat preparations	11 672 477	13 348 964	15 646 968	17 278 262	20 828 537
05 (2002--.) Vegetables and fruit	30 623 923	30 344 009	25 618 790	27 045 423	27 804 241
06 (2002--.) Sugars,sugar preparations and honey	3 111 306	11 278 501	28 542 847	8 819 166	11 078 342
07 (2002--.) Coffee,tea,cocoa,spices	75 774 883	97 745 234	102 697 746	111 977 909	92 698 638
08 (2002--.) Feeding stuff for animals	1 394 773	453 622	2 337 060	2 895 676	4 125 139
22 (2002--.) Oil seeds,oleaginous fruits	6 045 879	470 023	15 818 855	302 106	21 620 459
24 (2002--.) Cork and wood	4 414 336	10 285	778	50	29 897
25 (2002--.) Pulp and waste paper	259 362 232	196 637 133	181 229 168	181 068 432	144 005 848
27 (2002--.) Crude fertilizers and crude minerals	42 680 222	52 882 069	54 569 760	52 614 491	44 696 672
28 (2002--.) Metalliferous ores and metal scrap	64 049 203	95 256 766	83 308 074	64 190 348	120 445 005
52 (2002--.) Inorganic chemicals	2 507 745	1 161 243	1 535 362	1 673 480	1 893 846
54 (2002--.) Medicinal and pharmaceutical products	10 245 299	10 485 577	11 057 302	11 908 817	12 385 804
57 (2002--.) Plastics in primary forms	1 247 876	899 169	633 292	4 564	12 536
63 (2002--.) Wood and cork manufactures	4 184 641	3 923 656	3 848 964	3 843 767	3 935 920
67 (2002--.) Iron and steel	80 839 563	86 458 043	94 650 491	119 416 667	122 986 672
69 (2002--.) Manufactures of metals,n.e.s.	3 112 748	3 921 823	2 891 981	3 425 896	1 410 654
71 (2002--.) Power generating machinery and equipment	11 466 632	11 040 920	9 364 595	7 298 106	11 202 041
72 (2002--.) Machinery for specialized industries	7 058 852	4 768 783	1 029 523	1 150 896	2 395 459
73 (2002--.) Metal working machinery	1 121 299	1 027 033	2 501 582	566 333	3 100 880
74 (2002--.) General industrial machinery n.e.s.	1 431 705	1 229 344	874 037	1 843 826	16 545 450

77 (2002--.) Electric machinery,n.e.s.and parts	1 514 041	853 549	2 310 924	677 256	954 936
78 (2002--.) Road vehicles	1 235 120	643 279	669 659	769 270	983 443
Total	631 347 232	630 484 000	647 534 000	625 584 000	673 434 000

Brazil has increased from 2014 to 2018 considerably only export of pulp (\$115 million), which is 41 % of the total export.

Total import / Import from BRAZIL	Import from Brazil	Total Import	Brazil's share %
01 Meat and meat preparations	11 672 477	383 174 625	3.0
05 Vegetables and fruit	30 623 923	1 122 215 108	2.7
06 Sugars,sugar preparations and honey	3 111 306	154 772 527	2.0
07 Coffee,tea,cocoa,spices	75 774 883	476 134 164	15.9
08 Feeding stuff for animals	1 394 773	358 178 130	0.4
22 Oil seeds,oleaginous fruits	6 045 879	78 216 323	7.7
24 Cork and wood	4 414 336	757 117 369	0.6
25 Pulp and waste paper	259 362 232	354 560 224	73.2
27 Crude fertilizers and crude minerals	42 680 222	317 169 522	13.5
28 Metalliferous ores and metal scrap	64 049 203	3 679 181 584	1.7
52 Inorganic chemicals	2 507 745	790 034 574	0.3
54 Medicinal and pharmaceutical products	10 245 299	2 170 041 638	0.5
57 Plastics in primary forms	1 247 876	1 170 893 703	0.1
63 Wood and cork manufactures	4 184 641	315 788 460	1.3
67 Iron and steel	80 839 563	2 317 026 470	3.5
69 Manufactures of metals	3 112 748	2 006 531 055	0.2
71 Power generating machinery and equipment	11 466 632	1 682 604 102	0.7
72 Machinery for specialized industries	7 058 852	1 946 981 463	0.4
73 Metal working machinery	1 121 299	268 467 581	0.4
74 General industrial machinery	1 431 705	3 241 229 728	0.0
77 Electric machinery,n.e.s.and parts	1 514 041	4 558 257 944	0.0
78 Road vehicles	1 235 120	6 524 840 868	0.0

Brazil has high market shares in the importation of

- Pulp and waste paper US\$ 259 million (73.2 %)
- Kaolin US\$ 39 million (44.6 %)
- Coffee US\$ 78 million (15.9 %)
- Crude minerals US\$ 43 million (13.5 %).

Export to Brazil by product groups

Export to Brazil by product groups	USD				
	2018	2017	2016	2015	2014
25 Pulp and waste paper	5 920 259	572 804	9 662 646	14 023 884	15 696 654
51 Organic chemicals	15 147 680	15 884 801	12 505 361	6 894 450	9 839 277
52 Inorganic chemicals	1 431 926	1 220 846	2 567 887	20 769 642	2 736 554
56 Fertilizers,manufactured	23 226 012	20 094 950	14 390 005	22 000 882	6 925 503
57 Plastics in primary forms	3 738 429	2 901 139	2 035 182	3 162 631	3 021 523
58 Plastics in non-primary forms	2 070 624	3 004 107	1 714 840	1 782 512	1 071 310
59 Chemical materials and products,n.e.s.	7 653 588	6 988 013	7 973 911	7 282 245	7 121 431
62 Rubber manufactures,n.e.s.	8 206 887	5 818 300	2 394 536	3 164 396	4 188 546
64 Paper,paperboard and articles thereof	63 086 009	61 423 733	48 342 443	67 771 992	90 122 700
66 Non-metallic mineral manufactures,n.e.s.	2 279 506	1 402 264	1 630 004	3 985 476	6 251 984
67 Iron and steel	4 271 188	2 963 648	3 435 507	3 294 605	9 252 569
68 Non-ferrous metals	7 129 244	11 673 144	6 888 959	2 896 319	1 367 546
69 Manufactures of metals,n.e.s.	2 685 444	3 154 582	2 289 883	4 299 843	4 922 506
71 Power generating machinery and equipment	7 852 725	48 076 909	37 104 872	33 613 834	60 329 627
72 Machinery for specialized industries	66 575 754	70 983 891	116 235 863	162 003 207	118 265 115
74 General industrial machinery n.e.s.	33 323 131	39 209 782	49 108 738	67 841 109	83 417 777
77 Electric machinery,n.e.s.and parts	22 189 063	19 863 439	24 960 617	31 521 029	35 618 891
78 Road vehicles	8 657 662	13 915 101	14 472 050	12 965 546	16 246 603
87 Instruments and apparatus n.e.s.	37 603 102	38 869 023	29 909 201	28 196 528	29 444 586
89 Miscellaneous manufactured articles,n.e.s.	4 676 157	3 341 153	3 226 048	3 241 635	3 997 098

Finland has increased the export to Brazil 2014-2018 in following product groups:

- Fertilizers (\$16 million), instruments and apparatus (\$8 million), organic chemicals (\$5 million), rubber manufactures (\$4 million)

The Finnish export has been decreased 2014-2018:

- Power generating machinery (\$52 million), machinery for special industries (\$52 million), general industrial machinery (\$50 million), paper paperboard (\$27 million), electric machinery (\$13 million), pulp (\$10 million), road vehicles (\$8 million), iron and steel (\$8 million).

2. Bilateral investments

Finland's investments in Brazil

Finland's share was 0.1 % of Brazil's Foreign Direct Investments Stock \$684 billion in 2018. Finnish affiliates in Brazil (2017)

Number of affiliates	49
Number of employees	7,274
Foreign Direct Investments 2018 (stock)	\$754 million
Turnover	\$1,400 million

Principal investment sectors:

Pulp, paper, bioenergy: Stora Enso (50 % of Veracel), Valmet and Pöyry (pulp and paper mills, bioenergy power plants), Ahlstrom-Munksjö (paper mill), Kemira (chemical plants), Ponsse (harvesters)

Energy: Wärtsilä
Mining: Metso, Outotec, Normet
Telecommunication: Nokia, Salcomp
Logistics: Cargotec, Konecranes, Solving

Brazil's investments in Finland

In July 2017, Suzano (formerly Fibria), invested in Spinnova Oy and entered a long-term partnership with Spinnova. Spinnova is a Finnish, sustainable deeptech company that has developed a disruptive technology for manufacturing cellulose-based textile fibres. Spinnova's patented method includes 0% harmful chemicals and 0% waste or side streams, making the fibre and the production the most sustainable in the world. Eventually an industrial plant will be built in Brazil at some Suzano pulp mill.

With Spinnova technology highly sustainable textile fibre can also be made from agricultural waste, like wheat straw.

3. Principal economic agreements with Brazil

The EU and Mercosur Free Trade Agreement

The EU and Mercosur group of countries (Argentina, Brazil, Paraguay and Uruguay) reached an agreement on a trade pact covering a population of 780 million people on 28 June 2019. For the agreement to enter into force, the provisional text must be ratified by all the parliaments of adhering countries, including the European Parliament and Council.

The European Green Deal

The European Green Deal, presented on 11 December 2019 in the Parliament, aims to make Europe the first continent to be climate-neutral. How compatible the Green Deal is with the trade agreement?

Double taxation convention

Brazil holds a double taxation convention with Finland. Finland has an agreement 92/1997 with Brazil on the taxation. Tax sparing ends and internal rates are applied as to dividend, interest and royalty.

Academy of Finland (AKA).

Both sides highlighted the potential for bilateral co-operation in science, technology and innovation, propitiated by the co-operation between the Academy of Finland (AKA) and Brazilian institutions for research funding, notably the National Council for Scientific and Technological Development (CNPq) and the Foundation for Research Support of São Paulo (FAPESP). AKA, CNPq and FAPESP participate in the EU-CELAC Platform and AKA and FAPESP participate in the Trans-Atlantic Platform for the Social Sciences and Humanities.

4. Credit lines from Brazilian banks

ACC – Adiantamento sobre Contrato de Câmbio

Banco do Brasil

O ACC é um dos mais conhecidos e utilizados mecanismos de financiamento à exportação. Trata-se de financiamento na fase de produção ou pré-embarque. Para realizar um ACC, o exportador deve procurar um banco comercial autorizado a operar em câmbio. Tendo limite de crédito com o banco, o exportador celebra com esse um contrato de câmbio no valor correspondente às exportações que deseja financiar. É isso mesmo, o contrato de câmbio é celebrado antes mesmo do exportador receber do importador o pagamento de sua venda. Então, o exportador pede ao banco o adiantamento do valor em reais correspondente ao contrato de câmbio. Assim, além de obter um financiamento competitivo para a produção da mercadoria a ser exportada, o exportador também fixa a taxa de câmbio da sua operação.

ACC indireto

Trata-se de um mecanismo que permite ao exportador indireto financiar sua produção exportável com linhas de crédito externas. Podem se utilizar do ACC indireto os fabricantes de insumos que integrem o processo produtivo, o de montagem e o de embalagem de mercadorias destinadas à exportação, bem como os fabricantes de bens exportados por tradings. A empresa que vai exportar o produto final deve declarar que os produtos serão exportados.

www.bb.com.br

ACE – Adiantamento sobre cambiais entregues

Banco do Brasil

www.bb.com.br

O ACE – Adiantamento sobre cambiais entregues é um mecanismo similar ao ACC, só que contratado na fase de comercialização ou pós-embarque.

Após o embarque dos bens, o exportador entrega os documentos da exportação e as cambiais (saques) da operação ao banco e celebra um contrato de câmbio para liquidação futura.

Então, o exportador pede ao banco o adiantamento do valor em reais correspondente ao contrato de câmbio. Assim, além de obter um financiamento competitivo para conceder prazo de pagamento ao importador, o exportador também fixa a taxa de câmbio da sua operação.

Pré-pagamento (PPE)

Banco do Brasil

O pré-pagamento de exportações brasileiras é um financiamento para a exportação em moeda estrangeira, concedido por agência do BB no exterior antes do embarque da mercadoria ou da prestação do serviço. O objetivo é proporcionar aos exportadores recursos antecipados para produção, armazenagem e comercialização de bens e serviços. A quem se destina: Empresas domiciliadas no Brasil ou no exterior, inclusive filiais e subsidiárias de empresas brasileiras em outros países (offshores).

Vantagens: Recursos de curto ou longo prazo para financiamento do processo produtivo. Financiamento que pode chegar a 100% do valor da exportação. Taxas de juros compatíveis com as praticadas no mercado internacional. Até 360 dias para começar a pagar.

Características: Financiamento concedido por agência do BB no exterior. Capital remetido ao exportador brasileiro. Financiamento à exportação na fase pré-embarque,

antecipando recursos ao exportador para produção, armazenagem e comercialização de seus produtos.

Condições de contratação: Possuir conta corrente no BB no Brasil. Ter limite de crédito disponível.

www.bb.com.br

BNDES- Exim

www.bndes.gov.br

O apoio do Banco Nacional de Desenvolvimento Econômico e Social (BNDES) destinado à exportação de bens e serviços nacionais pode ser aplicado tanto na fase pré-embarque como na fase pós-embarque, por meio dos seguintes subprodutos:

Fase Pré-embarque

"O produto BNDES Exim Pré-embarque compreende as seguintes linhas de financiamento: BNDES Exim Pré-embarque, BNDES Exim Pré-embarque Empresa Âncora e BNDES Exim Pré-embarque Empresa Inovadora. No produto pré-embarque, o financiamento é destinado à produção dos bens e serviços destinados à exportação. Este apoio conta com a intermediação de um agente financeiro credenciado ao BNDES, em geral bancos comerciais com os quais o exportador já mantém relacionamento, e que são os tomadores do risco de crédito do exportador perante o BNDES".

Fase Pós-embarque

"O produto BNDES Exim Pós-embarque compreende as seguintes linhas de financiamento: BNDES Exim Pós-embarque Bens, BNDES Exim Pós-embarque Serviços, BNDES Exim Pós-embarque Aeronaves e BNDES Exim Automático.

No produto pós-embarque, o objeto do financiamento é a comercialização de bens e serviços brasileiros. Nesse caso, o BNDES antecipa à empresa brasileira exportadora o valor dos bens ou serviços devido pelo importador estrangeiro. Esse desembolso de recursos se dá em reais no Brasil, e o importador estrangeiro passa a dever ao BNDES. Portanto, não há remessa de divisas ao exterior. O pagamento do financiamento pelo importador estrangeiro é realizado por intermédio de banco mandatário, que entre outras atribuições, fecha o câmbio e repassa o valor em reais ao BNDES.

5. Business opportunities

5.1. Food industry

Food and food technology. Finland is importing e.g. fruits and vegetables worth about one US billion, which is about the same as Brazil's global export of fruits and vegetables. In the wholesale and retail in Finland the annual sales of S-Group and K-Group are about the same as the sales of Pão de Açúcar in Brazil.

Coffee

The EU – Mercosur Trade Deal is expected to benefit Brazilian coffee producers.

According to the agreement, a substantial percentage of EU green coffee imports for roasting (40%) and of soluble coffee (40% to 50%) must come from Brazil. This will allow Europeans to sell roasted and soluble coffee to Mercosul countries tax free.

Finland is importing green coffee mainly from Brazil, but importing 11 million kg roasted coffee mainly from Netherlands, Sweden and Germany.

Paulig Group is the biggest Finnish importer of green coffee from Brazil.

Paulig Incubator is particularly interested in circularity/waste, the next generation of plant-based foods & alternative proteins as well as personalized nutrition & convenience. Paulig can invest up to 2 million euro in a project as an entry point. Paulig is looking for startups that can scale to make a revenue of 10-50+ million euro within the next 5-10 years.

Vegetables and fruits

The value of the importation of vegetables and fruits into Finland is \$1.1. billion; about the same as Brazil's global export value of the vegetables and fruits.

Volumes of main import products in 2018 (tons)

- Bananas	111,647
- Other fresh fruits	101,077
- Apples	40,479
- Citrus fruit	75,841

The agreement proposes immediate tariff reductions for 81 per cent of agricultural products from the South American bloc, including apples, pears, stonefruit, table grapes and some dried fruit, while other products, including citrus, berries and some vegetables, will see tariffs reduced gradually to zero over a four to ten-year period.

Superfood from Amazonia

Açaí is an example of many “superfoods” from Amazonia region. It is a sustainable natural food, which is dense in quality vitamins and minerals. Superfoods offer an easy way to add extra nutrition into our diets often without significant extra calories, artificial chemicals, harmful fats or other nasties.

Alternative proteins

New proteins and plant-based substitutes for meat are increasing in popularity. Brazilian startups and even the world's biggest Brazilian meat producers are introducing new alternative plant-based proteins.

E.g. Paulig aims for international growth, especially in the Tex Mex and plant-based protein categories. Paulig established an incubator for future innovations and ventures in Stockholm.

5.2. Bioeconomy

Bioeconomy. Finland has been traditionally a world-leader in wood related (paper, pulp, timber, technology) industries. Finnish companies like Valmet and Pöyry are involved in most of the paper and pulp projects in Brazil, too. The bioeconomy plays a considerable role in the Finnish economy: Its annual output exceeds \$70 billion or around 17% of Finland's total national output. Around 300,000 people in Finland are employed directly by the bioeconomy, while the total value of the country's bioeconomy exports is around \$19 billion. The objective of the Finnish Bioeconomy Strategy is to raise Finland's bioeconomy output to €100 billion by 2025 and create 100,000 new jobs.

Neste www.neste.com

Neste is the world's biggest producer of renewable biodiesel. Neste has refineries in Porvoo (Finland), Rotterdam (Netherlands) and Singapore.

Neste is buying annually 3 million tons waste materials for the diesel production.

Neste's technology can already process more than 10 different feedstocks (palm fatty acid distillate (PFAD), distillers corn oil, waste animal fat, fish processing industry waste fat etc.).

UPM (www.upm.com)

Biorefinery in Uruguay

UPM has recently made the investment decision to construct a 2.1 million tonne greenfield eucalyptus pulp mill for USD 2.7 billion near Paso de los Toros in central Uruguay.

Kotka Biorefinery in Finland - Brassica carinata

UPM is planning to build a biorefinery in Kotka, Finland, to produce 500,000 tons/y bio-fuels and bio-based raw materials for the chemical industry. **Brassica carinata** is an oilseed crop especially suited to the sustainable production of biofuels. UPM is planning to import it from Uruguay, but it could be supplied from Brazil, too.

Lappeenranta Biorefinery in Finland - tall oil

UPM makes its BioVerno biofuel from wood-based tall oil.

ST1

Gothenburg, Sweden - Tall oil

Finnish energy company St1 is construction a Hydrogenated Vegetable Oils (HVO) manufacturing unit in Gothenburg, Sweden, to start the production of renewable diesel. Expected to be operational in the beginning of 2022, the new plant will produce 200,000 tonnes of renewable fuel annually of tall oil in the form of HVO.

St1 - Bioethanol

St1 is the distribution company of transport fuels. It operates 1,300 fuel stations in Finland, Sweden and Norway. Mercosul – EU agreement will increase the bioethanol quota by 650,000 tons/year from EU's actual importation 102,000 tons/y.

Forchem, Kraton, Fintoil – crude tall oil

The demand for the crude tall oil is increasing in Finland, also (potential clients Forchem, Kraton, Fintoil).

Fortum

Uniper, Rotterdam - wooden pellets

Co-firing of wooden pellets in 1100 MW Maasvlakte Power Plant 3 coal power plant in Rotterdam, Netherlands.

Valo Ventures <https://valoventures.org>

Fortum has committed 150 million euros to Valo Ventures, a global venture capital fund in Palo Alto, CA.

Helen Ventures

www.helenventures.fi

Helen Ventures is a strategic investor supporting creative startups that share our passion to transforming the energy sector. Helen Ventures' investment scope is up to EUR 50 million.

Helsinki Energy Challenge <https://energychallenge.hel.fi>

The Mayor of Helsinki Jan Vapaavuori has launched the global EUR 1 million Helsinki Energy Challenge. The City of Helsinki wants to look for new solutions to replace coal in heat production with other means than biomass.

Metsä Spring Oy

<https://metsaspring.com>

Metsä Spring invests in promising startups and early-stage companies with a visible path to the Metsä Group business ecosystem.

VTT Technical Research Centre of Finland www.vtt.fi

VTT is a part of the Finnish innovation system under the domain of the Ministry of Employment and the Economy. VTT Technical Research Centre of Finland is the biggest multitechnological applied research organisation in Northern Europe.

Personnel: 2,000. VTT's turnover and other operating income is \$295 million.

5.3. Circular economy

Circular economy. Finnish cleantech products, services and processes respond to global environmental challenges, such as environmental pollution, climate change and resource scarcity. Generating a combined annual turnover in excess of \$27 billion, the Finnish cleantech sector comprises around 2,000 enterprises, some 100 of which are large companies.

Brazil has the Legislation for the Solid Residues (PNRS) since 2014, but it is only partly implemented.

The substitution of fossil plastics is a serious global problem, which requires stakeholders from several industries and research institutions.

Renewable packagings and packagings made of recycled plastic waste

The substitution of fossil plastics is a serious global problem, which requires stakeholders from several industries and research institutions. Brazilian companies must take into consideration the existing and new directives of the European Union that affect both manufacturers and retailers. Simultaneously the global food brands and main retailers set tough targets for the renewable packagings and packaged made of recycled packages. E.g. Kesko's objective is that by the end of 2025, all packaging for Kesko's own brand products will be recyclable, reusable or biodegradable.

Black plastics are not recyclable because the optical sorting system used in recycling plants cannot detect the black carbon pigment used to colour the plastic. Due to this, in Finland and in Sweden, HKScan has decided to remove black plastics from packages by the end of 2019 and replace them with other colours or materials.

New products of recycled plastics

Brazil is generating annually 11 million tons plastics, which could be recycled to produce new composite products for construction, packaging, industries like for the export and local use.

5.4. Sustainable mining

Safe tailings

The disasters of tailings dams, as well Brumadinho, Mariana and Barcarena in Brazil as Talvivaara in Finland, indicate clearly need for multibillion investments, but it is an opportunity for the Brazilia-Finnish cooperation, also. Brazil is currently investing several billions in the dry stacking.

The generation of tailings is a significant environmental concern in the mining industry. In excess of 99 per cent of all material extracted from a mine can end up as waste or forms waste material, and most of the waste volume comes from metallic mineral mines. In total, Finnish mines produce 90 million tons of waste rock and tailings per year.

The annual disposal of iron ore tailings in Brazil is about 200 million tons, approximately 35% of the total generation of tailings in the country.

Material recovery of tailings

In addition to being environmentally less attractive to store tailings in ponds, valuable resources might be lost in tailings. Metals could be recovered through the treatment of tailings and thus form a more environmentally benign waste.

Batteries for electric vehicles (EV)

The Government aims to make Finland carbon neutral by 2035. Finland's mineral resources, which are unique on a European scale, can be used for purposes such as the manufacture of batteries. Finland is making determined efforts to claim its share of Europe's emerging battery industry and the related value chain.

It has been predicted that the total value of the European battery market will reach €250 billion by 2025. Finland is one of the few countries where all of the key minerals used in the production of lithium-ion batteries – cobalt, nickel, lithium and graphite – are found in the soil. Finland possesses solid expertise throughout the battery value chain: the mining industry, battery raw materials refinement, technologies and services relevant to battery production and use and the charging technology and recycling solutions.

Low carbon cement / concrete

Industrial waste and sidestreams of mining, metal and chemical industries and from power plants can be used to produce Low carbon cement, which may reduce even 60 % CO₂ emissions of the cement industry. Alternatively concrete can be produced without cement.

5.5. Telecommunication

Nokia 5G in Brazil

Nokia began to focus more extensively on its telecommunications infrastructure business and bought its competitor Alcatel-Lucent. Brazil's telecommunications regulatory agency Anatel will carry out the world's biggest auction for 5G late 2020 / early 2021, where Nokia will be one of three major bidders. Nokia will subcontract a lot locally.

Nokia Bell Labs driven industry group is building key enablers for fast 5G network based on smart light poles, which will form the digital backbone of future smart cities.

Many of these highly skilled ex Nokia engineers started their own companies and joined small startups creating innovation hubs e.g. in Helsinki and Oulu.

The coronavirus pandemic

The growing need for remote interactions amid the coronavirus pandemic has highlighted a need for 5G technology, potentially accelerating adoption in the long term. 5G's lightning-fast speeds, near-instantaneous communications and increased connection density make it primed for remote interactions, which has become top of mind for many organizations and enterprises as caution mounts over the spread of the virus. Two key areas—telehealth and teleconferencing—are becoming critical for enterprise operations amid the pandemic, and we think that increased dependence on these areas will help strengthen the appeal of 5G:

Telehealth:

The technical superiority of the new standard empowers physicians to diagnose, treat and operate on patients without the need to be physically near them.

Teleconferencing:

Many employers have increased their reliance on enterprise teleconferencing tools as their employees switch to remote work due to public health concerns. Employers' dependence on such tools during the coronavirus pandemic will strengthen the case for 5G connectivity in the home—and in the office as enterprises recognize the value that teleconferencing tools offer. That's because a 5G connection will be able to provide real-time and uninterrupted communication that's not possible with most wired connections today.

5.6. Eastern Africa

Brazil and Finland should co-operate in the Eastern Africa, which has a rapidly growing population of 540 million persons, to increase the sustainable food production. The population of Africa is expected to double to 2.4 billion by 2050. The continent will have to create 20 million new jobs per year by 2035 to address the population growth alone. Finland has been giving annually about one USD billion as a development aid indirectly or directly, mainly for the Eastern Africa (Kenya, Ethiopia, Tanzania, Mozambique). Commissioner Jutta Urpilainen from Finland recently introduced the new EU Strategy for Africa.

Apart from co-investing with Finnish companies Finnfund can finance ventures that use Finnish technology, cooperate with Finnish partners on a long-term basis or generate major environmental or social benefits. Typically Finnfund invests \$ 1-13 million.

Sustainable charcoal

Charcoal to be made of bamboo or invasive species like mathenge to stop the serious deforestation. Energy recovery of pyrolysis gas and pyrolysis oil.

Biochar soil improver

Soils are naturally poor in nutrients suffering of droughts. Charcoal to be made of bamboo or invasive species like mathenge to improve the fertilizer and water holding capacities. One ton biochar in the soil will reduce even 3.1 tons CO₂, when the pyrolysis gas and oil is utilized e.g. as a thermal energy.

Smart farming / Agriculture 4.0.

Digital farming based on sensors to increase the food production.

V - MARKET ACCESS

1. Tariff system

Import tariff structure

European Customs Portal

- Find all customs tariff numbers and harmonized codes from the European external trade statistics:

<https://www.tariffnumber.com>

Search by goods code (HS Code) and geographical area (Brazil)

The Harmonized System classification

HS code is a six-digit standard, called a subheading, for classifying globally traded products. HS codes, also called HS numbers, are used by customs authorities around the world to identify the duty and tax rates for specific types of products.

The Combined Nomenclature (CN)

- The Combined Nomenclature (CN) is an additional tool of product classification used to classify goods that are declared to EU Customs.
- CN codes are eight digits, consisting of the six-digit HS code and the two-digit CN subheadings.

TARIC https://ec.europa.eu/taxation_customs/dds2/taric/

- The Integrated Tariff (TARIC) provides information on **all trade policy and tariff measures** applicable to specific goods in the EU (e.g. temporary suspension of duties, antidumping duties, etc).
- It comprises the eight-digit code of the combined nomenclature plus two additional digits (TARIC subheadings).
- **TARIC, the integrated Tariff of the European Union**, is a multilingual database integrating all measures relating to EU customs tariff, commercial and agricultural legislation.

Customs duty

Goods imported from third countries to the customs territory of the Community are subject to import duty. In addition, customs duties and payments include agricultural levies paid for certain processed agricultural products on importation.

EU does not have a ratified preferential tariff agreement with Brazil, so customs duty according to the customs tariff is always levied on goods originating from Brazil.

The customs duty is usually a percentage rate, and it varies according to the type of goods. The duty rates are given in the Common Customs Tariff of the EU. A precise description of the goods is required for correct classification and, consequently, for correct assessment of customs duty.

Customs duties and payments levied in Finland are based on a common customs tariff (TARIC).

https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en

The import duty and taxes payable are calculated on the value of the imported goods plus the cost of importing them (shipping and insurance).

Tariff preferences arising from trade agreements

The European Union doesn't have applicable preferential arrangements with Brazil.

The EU and Mercosur group of countries reached an agreement on a trade pact on 28 June 2019. For the agreement to enter into force, the provisional text must be ratified by all the parliaments of adhering countries, including the European Parliament and Council.

EU GSP

- **The new EU GSP 1.1.2014 excluded countries such as Brazil.**
- EU's GSP removes import duties from products coming into the EU market from vulnerable developing countries. REGULATION (EU) No 978/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 applying a scheme of generalised tariff preferences and repealing Council Regulation (EC) No 732/2008.
- The EU adopted a new Generalized Scheme of Preferences (EU GSP) as of January 1, 2014. The EU GSP provides for reduced import duty rates for goods imported into the EU originating from so called beneficiary countries.
- At the end of 2019, there were 71 beneficiary countries.

Quotas

European Union has many quota restrictions e.g. for Brazil's agricultural and food products, which can be found at TARIC.

https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en

After the ratification of the Mercosul-EU agreement most quotas will be reduced or removed immediately or gradually during several years.

Finnish Customs (www.tulli.fi)

Customs taxation and procedures are an integral part of the European Union. Customs duties are based on common customs legislation which has mainly replaced the national customs legislations of the EU Member States; in fact, the field of customs activities is the most integrated part of EU-level administration. Finnish Customs operates within the administrative branch of the Ministry of Finance and is responsible for the implementation and monitoring of customs duties in Finland.

The Customs Union applies to all trade of goods. The Customs Union applies a common customs tariff, which is applied to countries outside the EU, also known as third countries. This means that, as a rule, the same customs duties are levied on imports and exports in all the EU countries, and that the same trade policy measures, such as quotas or other import restrictions, are applied to goods imported from outside the EU.

EU's outer borders are countries bordering Russia and Norway as well as the Russian sea border of the Gulf of Finland. Outer borders are also ports and airports, through which third country traffic enters and exits the country.

Goods move freely in trade between the countries that are members of the Customs Union, i.e. in the internal market without any customs formalities. This means that all export and import duties and other charges with the same effect are prohibited.

In the fiscal territory of the European Union, the Union legislation on harmonised indirect taxation, i.e. VAT and excise duties, is applied, incorporated in the national VAT and excise legislation of the Member States.

Apart from harmonised excise duties there are also national excise duties, which the Union legislation does not concern. Customs collects VAT and excise duty from cash-customers for imports from non-EU countries and from all customers when customs procedures have been violated.

Customs also compiles and publishes Finland's official statistics on foreign trade and makes them available in the form of monthly and topical reviews to be used by authorities, business life, political decision makers and the press.

Customs now has ten independent customs offices with subordinate branch offices: Helsinki Customs, Airport Customs, and the customs offices of Kotka, Vaalimaa, Nuijamaa, Imatra, Turku, Tornio and Mariehamn. Customs has around 1 900 employees.

Customs value is primarily based on the trade value of the goods, that is, on the price actually paid or payable for the goods when they are sold for export to the customs territory of the EU.

A trade invoice showing the price paid for the goods and the terms of delivery, among other things, must be presented for the goods in connection with the customs clearance. The transport costs to the place where the goods entered the EU, for example, are also included in the customs value. The place of entry is the location in the customs territory of the EU where the goods are first brought.

The majority of customs duties levied in the EU comprise ad valorem duties, calculated as a percentage of the customs value of the goods. The amount of value added tax levied on import is usually based on the customs value as well. The scope of Customs competence regarding value added tax on importation changed on 1 January 2018. The value added taxation was transferred from Customs to the Tax Administration in situations where the importer is included in the register of VAT payers.

<https://tulli.fi/en/statistics/uljas-statistical-database>

- The detailed international trade statistics of Finnish Customs can be obtained from the Uljas statistical database
- Brazilian exporters can find out volumes and values of imported goods (total and by countries).
- The database can be used free of charge and it doesn't require registration.

SITC is the classification of international trade issued by the United Nations (UN). The data complying with the SITC classification are deducted from the Combined Nomenclature CN in accordance with the definitions of the UN. The most detailed SITC

classification level contains 2 970 commodity categories. The SITC classification is applied to compile foreign trade statistics owing to its international comparability.

Examples of tariffs:

Wood pulp

HS code 47031900 Semi-bleached or bleached non-coniferous chemical wood pulp

Third country duty (01-01-1999 -) **0 %**

HS code 47032900 Semi-bleached or bleached non-coniferous chemical wood pulp

Third country duty (01-01-1999 -) **0 %**

Kaolin HS Code 25070020

Third country duty (15-09-1994 -) **0 %**

Copper, ores, concentrates HS Code 26030000

Third country duty (15-09-1994 -) **0 %**

Meat and meat preparations

Carne bovina

ApexBrasil: As exportações de carne para a UE enfrentam cotas de 10.000 toneladas (t) para carne bovina fresca e 53.000 t para carne bovina congelada.

Desde 2013, ambas se beneficiaram da cota tarifária de 20%, que está sujeita a uma licença de importação. Estas cotas são partilhadas com outros países produtores e também decorrem da Rodada do Uruguai, que permitiu cotas tarifárias de carne bovina de alta qualidade e carne de búfalo congelada. Finalmente, é aplicada uma tarifa elevada às preparações de carne bovina (3,034 €/t).

O Brasil exporta principalmente dentro da cota Hilton. Desde 2012/16, a UE impôs cotas sobre carne de alta qualidade da Argentina, Austrália, Canadá, Nova Zelândia, Estados Unidos e Uruguai. Uma tarifa de 0% aplica-se a 47 mil toneladas de carne bovina, sejam frescas, refrigeradas ou congeladas, por ordem de chegada.

After the ratification of Mercosul-EU agreement:

Carne bovina: 99 mil toneladas equivalente carcaça ([TEC](#)), dos quais 55% resfriada e 45% congelada, com tarifa intraquota de 7,5%. O acordo determina também a eliminação da tarifa para países do Mercosul na quota Hilton, da OMC. A liberalização para carne bovina ocorrerá linearmente em seis estágios anuais.

Carnes de aves

ApexBrasil: Em relação ao frango, as exportações do Brasil são cobertas por cotas tarifárias que abrangem três categorias de carne de aves, a saber:

- preparações de carne de aves;
- carne de aves salgada ou em salmoura;
- preparações de carne de peru. Uma tarifa de 0% aplica-se a vários produtos, que vão desde cortes congelados a carne de frango em salmoura, que são originários do Brasil, enquanto que outros países enfrentam cotas tarifárias obrigatórias de 85,10 €/t.

After the ratification of Mercosul-EU agreement:

180 mil toneladas TEC, sem tarifa intraquota, dos quais 50% com osso e 50% desossado. A liberalização ocorrerá linearmente em seis estágios anuais.

Carne suína

Na União Europeia, há a **proibição de entrada de carne suína pelo histórico de febre aftosa no Brasil**, apesar de a Organização Mundial de Saúde Animal (OIE) certificar que o Brasil cumpre com os padrões internacionais.

After the ratification of Mercosul-EU agreement:

Carne suína: 25 mil toneladas, com tarifa intraquota de EUR 83 por tonelada. O volume da quota aumentará linearmente em seis estágios anuais.

Vegetables and fruits:

Fresh watermelons HS Code 08071100 -

Third country duty (01-07-2000 -) 8.80 %

Unit price (06-03-2020 - 19-03-2020) 93.90 EurUP / 100 kg

Fresh, table, grapes HS Code 0806101005

Unit price (06-03-2020 - 19-03-2020) 239.26 EurUP / 100 kg

Fresh, dried lemons HS Code 0805501010

Non preferential tariff quota (15-01-2020 - 14-06-2020) 6.00 %

Standard import value (18-03-2020 -) 100.20 EUR / 100 kg

Bananas, fresh HS Code 08039010

Third country duty (01-01-2019 -) 114.00 EUR / 1000 kg

Fresh apples HS Code 0808108090

Standard import value (18-03-2020 -) 106.80 EUR / 100 kg

After the ratification of Mercosul-EU agreement:

uvas de mesa (desgravação imediata)

limões e limas eliminação de tarifas (sete anos)

melões e melancias (sete anos)

maçãs (dez anos)

Sugars, sugar preparations

Raw cane sugar HS Code 17011310 -

Non preferential tariff quota under end-use (01-07-2017 -) 11.00 EUR / 1000 kg + 0.154 EUR / 10 000 kg/polar

ApexBrasil: Açúcar de cana usado para refino

- Taxa de importação de € 339 por tonelada

- € 98 por tonelada de tarifa intracomunitária - 412.054 toneladas por ano

- 78 mil toneladas adicionais por ano a 11 euros por tonelada

Açúcar de cana – outros 17011390

Cota Tarifaria €419 por tonelada

After the ratification of Mercosul-EU agreement:

Açúcar: eliminação de tarifa em 180 mil toneladas da quota do Brasil na OMC de açúcar para refino, desde a entrada do acordo em vigor.

Etanol: 450 mil toneladas para uso químico, com tarifa intraquota zero, e 200 mil toneladas para todos os usos, com tarifa intraquota a um terço da tarifa OMC. A liberalização ocorrerá linearmente em seis estágios anuais.

Orange juice

Many countries (Israel, Turkey, Colombia, Mexico etc.) have preferential agreements with European Union for the orange juice e.g. 0 % tariffs.

The average tariffs of the Brazilian orange in the European market vary from 12.5 % to 15 % according to CitrusBr.

After the ratification of Mercosul-EU agreement:

Suco de laranja terá um sistema misto, com desgravação a zero de sucos com preço acima de € 30/100 kg e, para os demais, preferência de 50% sobre a alíquota ad valorem acrescida de uma tarifa específica

Coffee

Green coffee 09011100

Third country duty (01-07-2000 -) : **0 %**

Com relação ao café, o Brasil é o maior fornecedor de grãos de café verde para a UE

Roasted coffee 09012100

Third country duty (01-07-2000 -) : **7.50 %**

Ecuador

Tariff preference (01-01-2017 -) : **0 %**

Vietnam

Tariff preference (01-01-2015 -) : **2.60 %**

Brazil

Third country duty (01-07-2000 -) : **7.50 %**

Coffee concentrates 21011100

Colombia

Tariff preference (01-08-2013 -) : **0 %**

Ecuador

Tariff preference (01-01-2017 -) : **0 %**

Peru

Tariff preference (01-03-2013 -) : **0 %**

Brazil

Third country duty (01-01-2008 -) : **9.00 %**

After the ratification of the Mercosur-EU agreement the tariff is expected to be reduced to 0 % in four years. Abics (the Brazilian Association of the Soluble Coffee Industry) projects a 35% growth in export volume over the next five years.

Iron and steel

72081000

Brazil

Additional duties (safeguard) (01-10-2019 -): 25.00 %

Excluding: United Arab Emirates (AE), China (CN), Indonesia (ID), Moldova, Republic of (MD), Macedonia (Former Yugoslav Republic of) (MK), Mexico (MX), Malaysia (MY), Thailand (TH), Ukraine (UA), Viet Nam (VN)

Sources:

https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en
<http://www.apexbrasil.com.br/Content/imagens/ce0f015c-418f-4eed-acb7-990c58f0c550.pdf>

Tariff suspensions

Coconut water 2009 89 99 96

- unfermented,
- not containing added spirit or sugar, and
- in immediate packing of a content of 20 litres or more

Third country duty (01-01-2012 -) : **17.60 %**

Autonomous tariff suspension (01-01-2020 -) 0 %

Acai berry juice concentrate 20098979

Third country duty (01-01-2012 -) : **16.80 %**

Autonomous tariff suspension (01-01-2020 -) : 0 %

Cashew nuts 0801 2100 00 / 0801 2100 00

Third country duty (01-01-2005 -) : **0 %**

Sources:

European Customs Portal

<https://www.tariffnumber.com/>

Taric

https://ec.europa.eu/taxation_customs/dds2/taric/

Other import fees and obligations

Value Added Tax on Imports

From 1 January 2018, the Finnish Tax Administration (www.vero.fi) will be responsible for VAT on imported goods if the importer is entered in the VAT Register.

According to the national tax legislation **the tax rate is 24%**, apart from certain exceptions specified in the legislation. The bases for VAT and customs value of goods as well as provisions on zero VAT rate and zero customs tariffs are mostly congruent with each other.²

In the Value Added Tax Act (1501/1993), importation refers to the importation of goods from non-Community countries and from outside the tax territory of the European Community.

The importation of goods from other EU member states to Finland is considered intra-Community acquisition of goods. Therefore, the taxation is carried out by regional tax offices.

Two reduced rates (10% and 14%) are in use in Finland. A zero-rate of VAT is also applied to certain goods, such as export deliveries. In that case, tax is not payable on sale,

but sellers are reimbursed VAT on production input purchases. The tax rate is indicated as calculated from prices before taxes.

VAT is calculated on the value of the goods, plus the international shipping costs and insurance, plus any import duty due.

Excise Duty <https://vm.fi/en/excise-duty>

Excise duty is an indirect tax on the consumption or use of a product. Excise duty is mainly levied to increase the central government's income from taxes. Several excise duties also have goals related to e.g. environmental control.

Excise duties are keys in combating climate change. The focus of the taxation of fuels used in transport has already been moved towards a carbon dioxide tax. The excise duty on beverage packages has directed people to use recyclable packaging, and the tax on waste has effectively reduced the amount of waste that ends up in landfill.

In 2018, a total of \$8.2 billion in excise duties were collected. The largest excise tax bracket includes energy taxes, with a total tax revenue of \$5.1 billion in 2018. Economically significant taxes are also the excise duty on alcohol and alcoholic beverages and the excise duty on tobacco products.

Harmonized Excise Duties

Harmonised excise duties in the EU Member States are regulated by a directive. The directive is implemented via national legislation. The harmonised excise duties apply to alcohol and alcoholic beverages, most tobacco products, liquid fuels, electricity, and certain other fuels.

National Excise Duties

National non-harmonised excise duties are levied on soft drinks, beverage packages, and waste delivered to municipal landfill sites.

The general procedures for national excise taxation are regulated by the Act on Excise Duty. Each excise duty or group of excise duties is laid down in detail in its own Act. The Tax Administration is responsible for implementing the excise duties.

Excise duty is levied on all products that are subject to it, whether domestically produced, imported from a member state of the European Union, or imported from a country outside the Union's tax territory.

Source: The Ministry of Finance

Other taxes and custom fees

Some products originating from certain countries may also be subject to additional, anti-dumping and countervailing duties. Fresh fruit and vegetables, prepared fruit and vegetables and some wines are subject to an entry price system, i.e. the higher the entry price on import, the lower the customs duty. Fishery products are subject to a reference price system. An agricultural component, additional duty for sugar or additional duty for flour is levied, in addition to customs duty, on certain processed agricultural products. Additional custom fees can be charged to cover the expense of performing any required examinations, verification and or testing of the imported goods.

The Customs Laboratory

Finnish Customs examines imported foods of non-animal origin as well as the safety and compliance of certain utility and consumer goods in accordance with its sampling plan. Customs also examines some of the so-called combined foodstuffs, which include, in addition to ingredients of a plant origin, refined animal-based ingredients. Customs' competence is based on the Food Act, the Consumer Safety Act, the cosmetics Act and the Chemicals Act. The control samples are analysed at the Customs Laboratory. The results are reported regularly to e.g. Finnish Food Authority and the EU Commission. Together with the Finnish Food Safety Authority (Evira) and the Finnish Safety and Chemicals Agency (Tukes), the Customs Laboratory takes an active part in the alert systems of the EU, which publish EU-wide product alerts. The Customs Laboratory is a testing laboratory accredited by FINAS (T006), and its qualification range covers all the key research methods used in laboratories.

2. Regulation of foreign trade activities

Administrative standards

As a member of the European Union Finland is following the general trade policy of the EU.

Licensing

There are a large number of products on the market that are subject to import restrictions. Import restrictions are imposed e.g. on certain foodstuffs, textile and clothing products and steel products. The import of these products requires import licenses and surveillance documents.

Agricultural products

Finnish Food Authority www.ruokavirasto.fi/en/

The import of agricultural products into the European Union may require an import licence. There are two types of import licences:

- standard import licence
- quota import licence.

Currently, a standard import licence is required only for the import of certain rice, flax, hemp, hemp seed and agricultural ethyl alcohol goods.

The quota system provides tariff and payment alleviations when importing goods to the EU. The quotas are based on preferential agreements between the EU and other countries. An import licence for certain import licences may only be applied for by an operator that has already applied for a right of import in advance. Import licence securities and validity periods vary quota-specifically.

In the Finnish Customs Tariff and in the DDS/TARIC database, you will find the information about the licenses required for the commodity code and country of origin in question.

The Customs Laboratory examines the safety of foodstuffs and clothes. Foodstuffs of animal origin must undergo a border veterinary control.

Product safety

The EU has general legislation on product safety: Directive 2001/95/EC prohibits the placing on the market of products that pose a risk to consumers' health, caused by

dangerous substances or by unsafe construction. The Directive applies to all products on the consumer market. As it can be seen as a framework directive, it is supplemented by product-specific safety directives, such as those covering safety of food products, toys, children's articles, electric appliances, etc. The CE (or new Approach) Directives cover 25 different product groups, which represent a potential risk for the consumer. The importer is responsible for having such products marked with the CE mark. The CE-mark is regulated by the EU (see regulation No 765/2008/EC of the European Parliament and the Council setting out the requirements for accreditation and market surveillance relating to the marketing of products and decision No 768/2008/EC of the European Parliament and the Council on a common framework for the marketing of products). Source: Finnpartnership Exporting to the Nordic countries

Product Liability

According to EU Directive 85/374/EC¹⁹, your Finnish buyer (importer) can be held responsible by consumers if a product is defective and the defect causes damage. This is called product liability. Claims for financial compensation for injuries caused by defective products may be passed on to you by your buyer if he expected a certain level of product safety (often established in the agreed contracts) and these expectations were not met. Product safety shall always be controlled before the product enters the market in order to avoid product liability cases. If a consumer can prove that a defective product has caused him/her personal injury or property damage, he/she can seek financial compensation in the first place from the distributor under the above mentioned EU Product Liability Directive. The distributor is then entitled to pass the claim on to the importer, manufacturer or whoever comes earlier in the distribution chain. The Directive covers all industrial products; hence e.g. agriculture is not included and is covered by separate legislation. Source: Finnpartnership Exporting to the Nordic countries

Packaging and labeling

The aim of the EU packaging directive (94/62/EY, 2015/720/EU, 2018/852/EU) is that by the end of 2025, the annual consumption of plastic bags does not exceed 40 bags per person. In Finland, this means a reduction of some 40% compared to the 2017 level. The amendments to the EU Waste Directive tighten the objectives set for the recycling of plastic containers (2025: 50%, 2030: 55%) and expand the requirement for separate collection of other plastics.

The new rules take various forms including product bans, consumption reduction measures, 'extended producer responsibility' and marking requirements. Products made from oxodegradable plastic are banned because of their contribution to microplastic pollution. Single-use food and beverage containers and cups for beverages made of expanded polystyrene are also banned. The Directive was agreed after seven months of discussions between the European Parliament, Council of the EU and European Commission. Member States have until 3 July 2021 to transpose the Directive into national law.

In order to protect the environment from the waste of packaging of products placed on the Finnish market, Finland has laid down requirements on packaging. Government Decree on packaging and packaging waste (518/2014).

The most important requirements on the materials used for food packaging are laid down in the legislation on so-called food contact materials. The legislation covers materials (e.g. ceramics and plastics) as well as specific substances (e.g. Vinyl chloride monomer, Nitrosamines, BADGE, BFDGE and NOGE, and Bisphenol A). Please note that this

legislation, in addition to packaging, also applies to articles that are intended to come in contact with food, such as: bottles (plastic and glass), containers, cutlery, dishes, domestic appliances (e.g. coffee makers), and adhesives and inks for printing labels.

Those requirements are based on EU Directive 94/62/EC and cover the following: the manufacturing and composition of packaging and its reusable and recoverable nature (recycling, energy recovering, composting, and biodegradable packaging). Most of the requirements involve obligations for your Finnish importer (which may be indirectly passed on to you). However, the legislation also restricts the use of several heavy metals in packaging, which is a direct requirement. Please note that packaging of food must also meet the requirements on food contact materials while wooden packaging materials must also meet phytosanitary requirements.

Packaging is within the scope of [producer responsibility](#). Producer responsibility means that the company that has packaged the product or imported the packaged product to Finland is responsible for the waste management costs when the packaging is removed from use. <https://tukes.fi/en/packaging-and-packaging-waste>

Source: **Finnpartnership Exporting to the Nordic countries**

EU 1169/2011 is a new European Union directive that affects both manufacturers and retailers. In fact it applies to food business operators at all stages of the food chain, where their activities concern the provision of food information to consumers. The directive concerns the display of product information on product packaging and online stores; pertaining to food and beverages sold in the EU. The objective of which, is to standardize food labeling and provide greater clarity to consumers on ingredients, nutrition and allergens. Online retailers must ensure that the information they provide conforms to the regulation and it must be identical to the product information provided on the manufacturers physical packaging. Compliance with the new legislation will ensure that product information is consistent throughout the supply chain at every consumer touch-point, both in-store and online.

Food Safety

In the beginning of 2019, the Finnish Food Authority www.ruokavirasto.fi will take up the tasks of a central authority for food safety control and the tasks that Evira currently performs.

EU food legislation and import requirements are constantly evolving. It is essential to check the food-safety section of the [European Commission website](#) for the most recent requirements. General food law: Regulation (EC) 178/2002 on the general principles and requirements of EU food law has been implemented in all EU Member States. The food law applies to all stages of production, processing, and distribution of food and feed "from-farm-to-fork".

Hygiene legislation: the so-called "food-hygiene package" sets out general rules on hygiene (Regulation N. 852/2004) and specific rules for foods derived from animals (Regulation N. 853/2004).

EU legislation establishes official controls of additives, contaminants, maximum residue levels etc. along the food chain, namely Regulation [854/2004](#) (products derived from animals) and Regulation [882/2004](#) (verification of compliance with laws on feed and food, and animal health and welfare).

Food stuffs of animal origin (meat, fish, milk, eggs and products thereof) must come from an EU approved establishment in the country of origin, and be accompanied by a health certificate.

Commercial imports of foodstuffs of animal origin from third countries are only permitted via approved veterinary border inspection posts (BIPs) on the external borders of the Union.

EU food labels must include information about nutrition, list all potential allergens (e.g. nuts, cow's milk, shellfish) and meet new standards for legibility. Some products will also be subject to new labelling standards for listing product origin; the labels of unprocessed frozen meat and fishery products must indicate date of freezing.

A new regulation amending Regulation (EC) No 1235/2008 regarding the rules for imports of organic products from third countries (Text with EEA relevance) has been published. The new Commission Implementing Regulation (EU) 2020/25 of 13 January 2020 main changes include an amendment to Article 11 to define the deadline for receiving applications for recognition as 30th June 2020 and updates to Annex III (list of 'equivalent' countries) and Annex IV (list of 'equivalent' control bodies).

Traceability: The EU's General Food Law entered into force in 2002 and makes traceability compulsory for all food and feed businesses. It requires that all food and feed operators implement special traceability systems. They must be able to identify where their products have come from and where they are going and to rapidly provide this information to the competent authorities.

Fumigation Procedure

Wooden packaging material imported from non-EU countries must be manufactured from debarked wood and treated and labeled in compliance with the ISPM 15 standard. Standard requirements apply to all wooden packaging material: pallets, boxes, frames, supporting and base wood etc. ISPM 15 is an international measure that directly addresses the need to treat wood materials. Its main purpose is to prevent the international transport and spread of disease and insects that could negatively affect plants or ecosystems. ISPM 15 affects all wood packaging material (pallets, crates etc.). Products exempt from ISPM 15 are made of alternative material, such as paper, plastic or wood panel products (hardboard and plywood).

Plant Health – Phytosanitary Requirements

To protect the Finnish environment from organisms that are harmful to plants (e.g. insects, mites, bacteria, fungi, or viruses), the national legislation (based on EU Directive 2000/29/EC29) sets requirements for plants (and plant products) imported into Finland.

Source: Finnpartnership Exporting to the Nordic countries

Medicines

To enter the EU, medicinal products for human use must be authorized at either the member state or EU level. Authorizations are granted only to applicants established in the EU. Medicinal products from outside the EU must conform to Good Manufacturing Practices (GMP) that are at least equivalent to EU standards.

The Finnish Medicines Agency Fimea www.fimea.fi is the national competent authority for regulating pharmaceuticals. Import of Medicines requires authorisation granted by Fimea. Also, the supervision of medical devices, operators in the sector and device trials was transferred from Valvira to Fimea as of 1 January 2020.

Fimea will also strengthen its collaboration with the European Medicines Agency (EMA) with regard to the regulatory processes of medicinal products in the EU, and will further expand its international cooperation.

Chemical safety

REACH applies to all categories of chemical substances manufactured, imported or used in the EU, with only a few limited exemptions. REACH also applies to chemicals contained in mixtures and in finished products. The Regulation (EC 1907/2006) is called REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and its aim is to improve the protection of human health and the environment. Manufacturers and importers will have greater responsibility to manage the risks from chemicals and to register required information in a central database run by **the European Chemicals Agency (ECHA) in Helsinki, Finland.** <http://echa.europa.eu>

The Finnish Safety and Chemicals Agency (Tukes) www.tukes.fi

Tukes promote the safety and reliability of products, services and industrial activities in Finland. The chemicals product surveillance tasks form the basis of the array of safety duties performed by Tukes. Tukes is an important partner of the European Chemicals Agency (ECHA).

Demonstration of Compliance

The EU Declaration of Conformity is a document, in which the manufacturer declares that the product conforms to the requirements. The EU Declaration of Conformity is a part of the conformity assessment procedure in accordance with the EU product legislation. The manufacturer draws up and signs the declaration and states that the product fulfils all relevant requirements. The manufacturer's declaration of conformity lists all of the directives and regulations with requirements that the product fulfils. The manufacturer can appoint an authorised representative to take these measures on the manufacturer's behalf. The EU Declaration of Conformity of a product on the Finnish market must be available in Finnish, Swedish, or another language approved by the market surveillance authority.

An EU Declaration of Conformity is not required for all product groups. For example, instead of the an EU Declaration of Conformity, a [Declaration of Performance](#) is drawn up for CE marked construction products

For high-risk products, product properties may have to be verified by means of producing laboratory test reports or inspection reports. In some cases (e.g. organic products), an independent certification is necessary.

For test reports and certificates, recognized European laboratories and certification bodies shall be used. If the European authorities do not recognize a given documentation, additional testing or inspection may be required when the product arrives in Europe, which leads to delays and extra costs. In certain cases, the EU may send inspectors to the country of origin.

The national market surveillance authorities in the EU have established a European network RAPEX, the EU rapid alert system for all dangerous products except for food, pharmaceuticals, and medical devices. The EU Commission publishes a weekly overview on RAPEX notifications. When unsafe products are discovered, alerts go out across the EU.

Source: Finnpartnership Exporting to the Nordic countries

Endangered Species

In an attempt to ensure that no species of wild fauna and flora become or remain subject to unsustainable exploitation, the EU implemented the Convention on International Trade in Endangered Species (CITES, Regulation (EC) No. 338/9730). This means that

endangered plants and animals, or products made from them, are strictly restricted in Europe and thus also into Finland. Import of endangered species always requires permits. Source: Finnpartnership Exporting to the Nordic countries

Trademarks and patents:

The Finnish Patent and Registration Office (PRH) www.prh.fi

PRH registers companies, associations, foundations and other organizations and corporations, as well as enterprise mortgages and LEI codes. PRH examines and grants patents and registers utility models. PRH also registers trademarks for products and services and provides design protection. PRH oversees and approves auditors and monitors foundations and the collective management of copyright.

The Unitary Patent Regulation of EU will create a system in which a unitary patent granted by the European Patent Office is directly enforceable in all countries participating in the system. The system is expected to come into effect by the end of 2020.

Finnpartnership <https://finnpartnership.fi> and Fairtrade Finland <https://reilukauppa.fi/en/> are the main organizations promoting importation from developing countries. Finnpartnership shares information about operators, markets and information sources associated with importing from developing countries as well as companies that are currently importing.

Because of the Nordic climate Finland's food imports are US\$ 4.1 billion bigger than the food exports. Traditionally, the balance deficit has largely been due to the large import volumes of fruit, vegetables, raw coffee and alcoholic beverages.

SISCOMEX www.siscomex.gov.br/exportacao

SISCOMEX D.E. – WEB (responsável: Receita Federal):

o Siscomex Exportação Web – Módulo Aduaneiro (DE-WEB) é um sistema que disponibiliza para os exportadores, bem como seus representantes legais e ajudantes de despachantes aduaneiros, funcionalidades para a elaboração, retificação, consulta e impressão das Declarações de Exportação.

SISCOMEX NOVOEX (responsáveis: Receita Federal e SECEX):

Um sistema de registro e controle administrativo das operações de exportação. Atualmente, o Siscomex Exportação Web (NovoEx) registro dois tipos de documentos: o Registro de Exportação (RE) e o Registro de Crédito (RC). Além disso, controla o consumo de cotas de exportação.

Exchange regime

The primary objective of the monetary policy of the Eurosystem is to maintain price stability. The Eurosystem has no explicit exchange rate objective. The euro floats freely on world foreign exchange markets.

Whenever necessary, the Eurosystem may counteract fluctuations in the euro exchange rate by purchasing or selling euro against other currencies. Any foreign exchange

intervention by the Eurosystem is conducted in a decentralised manner between national central banks and foreign exchange counterparties.

The ECOFIN Council composed of Ministers of Finance and Economy may issue foreign exchange policy guidelines to the ECB, but these may not restrict the independent position of the European System of Central Banks (ESCB) or be in conflict with the price stability objective.

3. Documentation and requirements

Custom clearance in Brazil

As a general rule, exports are not subject to taxation. In order to be able to export, a company must be enrolled with the RFB. Such enrolment, known as RADAR, provides access to the integrated foreign trade system (SISCOMEX), through which all Brazilian foreign trade transactions are processed.

A commercial invoice should be issued by the Brazilian exporter and it must contain, at least:

- name and address of the exporter;
- full name and address of the importer, buyer or predetermined order;
- characteristics of the goods;
- marking;
- numbering and number of reference to the different volumes;
- quantity and type;
- gross weight;
- net weight;
- country of origin;
- country of acquisition;
- country of departure;
- total price and price per unit of each type of goods and the value and nature of any given discounts;
- transportation cost;
- conditions and currency of payment;
- conditions of sale.

The packing list is essential for customs clearance for export. Normally, it contains information about the goods, such as net weight, gross weight, the packaging setting, value per unit, volume and specific contents. However, the exporter should contact the importer so as to check the requirements of the importing country.

The Export Registry (RE), filed by the exporter through SISCOMEX, is the set of commercial, financial, foreign exchange and tax information that characterises an export transaction and defines its treatment.

Before submitting the RE to SISCOMEX, the exporter must check if the goods to be exported require prior approval, since several authorities may be competent to examine and approve the export of goods, depending on their tariff code. The exporter (most commonly through its customs broker) registers the RE directly with SISCOMEX, indicating the tariff code of the exported goods. A tax invoice or bill of sale must also be

issued to accompany the goods throughout the operation, from its exit from the Brazilian exporter's facility to the actual exportation and customs clearance.

The transporter hired by the parties must then issue a bill of lading or airway bill, a document that will specify the type, quantity and destination of the goods and attest to their shipment to the place of destination (indicated in the commercial invoice).

The RE and the other export documents must be prepared before the registration of the export declaration (DE) and the respective shipping of the goods. The DE formally initiates the exportation customs clearance to be processed at SISCOMEX. Every RE must be registered with a respective DE, although a DE may contain more than one RE. The DE must indicate the number of the registered RE; the identification of the facilities of the exporter involved in the exportation process; the number of the bill of sale; quantity, volume, net and gross weight of the exports; the total value of the operation; and the route negotiated with the foreign importer, as well as other information.

With the registration of the DE at SISCOMEX and the presentation of the export documents (invoice, packing list etc) to the RFB, the exportation customs clearance is processed. It is not uncommon for RFB to request further information before approving the transaction. Source: Pinheiro Neto Advogados

Inland ports

Most exports from Brazil to Finland are **Maritime**. The maritime traffic between Finland and Brazil is regular and served by first-class ship-owners and most exports are for Raw Materials as Woodpaper Chemicals, Copper Ore and Ferroalloys, as well Food as the Brazilian Coffee.

With 8.5 thousand navigable kilometers coast, Brazilian ports moves approximately 1 billion of tons of a wide variety of imported and exported goods.

The most important Brazilian cities and large exporter centers, like São Paulo and Rio de Janeiro, are located close to the coast. The Southeast region corresponds to almost 50% of the regional shifting of cargo, as per Brazilian National Agency of Waterway Transport – ANTAQ, due to the clearance capacity of products.

The most important ports of the Southeast region are listed below:

- Port of Santos (Distance 8088 nautical miles to Port of Helsinki, Finland)
- Port of Vitória
- Port of Rio de Janeiro

The South is an alternative for maritime routes and as important as the Southeast. According to ANTAQ data, the southern region accounts for handling 159 million tons of goods shipped per year.

The South region has important ports, as listed below:

- Port of Paranaguá
- Portonave
- Port of Itajaí
- Port of Itapoá
- Port of Rio Grande do Sul

Although not included among the main Brazilian ports, the ports of the Northeast and the Amazon Basin are well developed and have received continued investments in infrastructure; especially the ports of Suape, Salvador, Fortaleza/Pecém, and Manaus. The region accounts for more than 440 million tons of shipped goods per year.

Air transport is quite efficient for loads with reduced weight and volume, high added value, and those requiring optimized delivery. This method of transportation represents less than 5% of Brazilian foreign trade.

Brazil is served by the main national and international airlines, with the biggest concentration of international flights in the southeastern region of the country, particularly in São Paulo.

Three of the four busiest cargo airports in Brazil, are located in the southeastern region, two are located in São Paulo (GRU Airport and VCP Airport) and one in Rio de Janeiro (GIG Airport). This explains why the region accounts for nearly 65% of air shipments.

Source: Razac Trading www.razac.com.br

Brazilian goods are normally shipped to ports in Netherlands or Germany and transshipped further to Finland Helsinki being the main import port.

There are several weekly connections from Travemünde, Hamburg, Bremerhaven and Rotterdam to Helsinki.

Port of Helsinki Ltd
P.O. Box 197
FI-00141 HELSINKI, Finland
Olympiaranta 3, 00140 Helsinki

Most of the goods transported via the Port of Helsinki are unitized cargo, i.e. cargo transported in trucks, trailers and containers. Import accounted for 5.6 million tonnes (+1.3%) of unitized cargo, while export accounted for 6.4 million tonnes (+0.9%).

Vuosaari Harbour serves container and RoRo traffic. The Harbour offers excellent traffic connections to sea and via the Ring III road to the main road network.

www.portofhelsinki.fi/en/vuosaaritoday



CHARGE TABLE FOR CARGO TRAFFIC 2020

The cargo charge is €/1,000 kg gross weight

Foreign traffic	IMPORT
General cargo	3.16
Forest industry products and Base metals	1.86
New vessels (without manifest) % of the vessel's value	0.10%

Other documents and procedures

The Union legislation requires that transport operators submit data electronically regarding goods transported from outside the EU, before they arrive in the Union. Arrival declarations are submitted through Customs Safety and Security System (AREX), which interfaces with Customs' other systems as well as with systems in other countries. Thus, Customs ensures that importing the goods into the territory of the Union is permitted, and that the goods have been presented before they are assigned a customs clearance procedure. Customs also uses the Safety and Security System to supervise customs clearance.

For customs clearance, a commodity code must be declared for all goods to be imported. It is important to use the correct TARIC commodity code; the code determines the amount of customs duty to be levied for the goods as well as the restrictions and the import prohibitions, among others. Read more [from tull.fi-site](#) .

Fintaric is a public user interface for browsing commodity code information. Fintaric is based on the Integrated Tariff of the European Union (TARIC). Fintaric contains measures pertaining to customs, trade and agricultural policies of the EU (for example different customs duties such as general customs duty, preferential duty, anti-dumping duty, countervailing duty and additional customs duty), as well as the import and export restrictions of Finland and of the EU.

It is the responsibility of the importer or the authorised agent to declare imported goods to Finnish Customs. This can be done through the Single Administrative Document (SAD). The SAD form is an import declaration form for all EU Member States.

The following documents are required for customs clearance:

- A customs declaration form endorsed by the National Board of Customs in Finland
- A valuation declaration for imports exceeding the value of EUR 5,045.64
- A copy of the commercial invoice

Address to the Customs Clearance and Goods Control Group of Helsinki Customs is V6 building, Harbour Road In. www.tulli.fi

The customer service is open from Monday to Friday from 8 a.m. to 4.15 p.m.

List of freight forwarders operating in the Port of Helsinki:

<https://www.portofhelsinki.fi/en/services-companies/companies-operating-port/freight-forwarders>

Clearance procedures for postal packages

Incoming goods from outside the EU must be declared to customs if their value exceeds EUR 22.00 or, in the case of items sent as gifts, EUR 45.00. The goods must be declared and the taxes paid within 20 days of arrival. If the customs declaration has not been paid by the end of the storage period, the item will be returned. The storage period of items cannot be extended.

Customers can clear postal consignments by using the Customs web application or by visiting any customs office that provides customer service, and pay import duties at the same time. Customers can still refer customs clearance to their agents.

4. Special customs regimes

Transit transport via Finnish ports in 2018 (tons) – Transit mainly to Russia

Export 8,303,757

Major commodities in export transit:

Ores and concentrates 3,947,160

Fertilizers 1,707,391

Chemicals 1,560,445

Major ports in export transit:

Kokkola 3,946,128 <https://portofkokkola.fi>

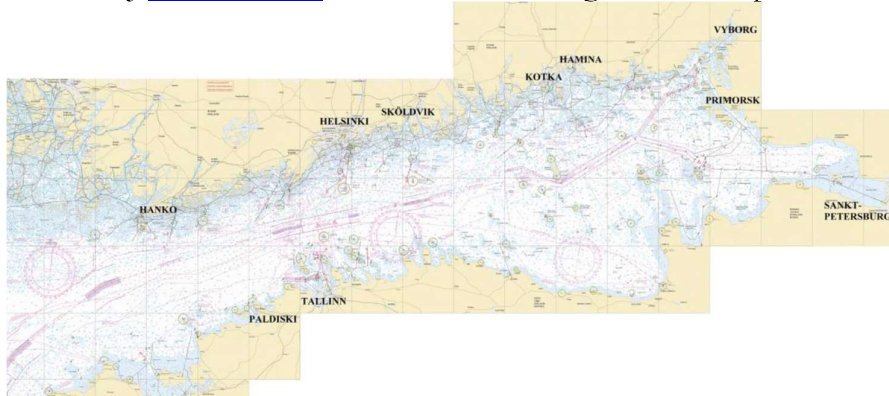
Haminakotka 3,315,619

Import 726,428

Port of HaminaKotka Hamina Free Zone

www.haminakotka.fi

Cursor Oy www.cursor.fi Kotka-Hamina Regional Development Company



- HaminaKotka is the closest port to Russia in the EU (35km from the border), 245 kilometers from St. Petersburg and 900 kilometers from Moscow area.
- In HaminaKotka over 4 million tons of transit cargo is handled annually due to following benefits for companies trading with Russia.
- The transport access to Russia is straight-forward, including railroad as a result of the common rail gauge.
- Hamina allows secure and duty-effective storage through its bonded (duty-free, free zone) warehouses.
- As the largest full-service universal port in Finland, HaminaKotka serves all kind of cargo: container, RORO, liquid bulk, dry bulk, LOLO, project cargo, passengers in addition to full range of value added services.

Freeport of Finland

www.freeport.fi

- Freeport of Finland in Hanko has become the car logistics centre of Finland, processing and forwarding near 100.000 vehicles each year for use in Finland and other countries.

Lappeenranta Free Zone Oy Ltd. www.portoflappenranta.fi

- The Port of Mustola is the most important cargo port within the Saimaa Lake District. It is located along the Saimaa Canal less than 10 kilometres from the centre of Lappeenranta, roughly 20 kilometres from the Finnish-Russian border.

Turku Free Zone <https://www.portofturku.fi/>

VI TRANSPORTATION INFRASTRUCTURE

1. Domestic infrastructure

The Finnish Transport Infrastructure Agency

<https://vayla.fi/web/en/projects/all-projects>

- The Finnish Transport Infrastructure Agency is a central government agency operating in the administrative branch of the Ministry of Transport and Communications.
- It is responsible for maintaining and developing the service level of the transport infrastructure administered by the State of Finland.

Road network



The Finnish road network is approximately 454,000 kilometres long in total. It includes around 350,000 kilometres of private and forest roads and 26,000 kilometres of municipal streets. In total, the Finnish Transport Agency is responsible for approximately 78,000 kilometres of highways. Approximately 65% of highways, or some 50,000 kilometres, are paved.

Circular economy - aggregate materials:

One big challenge in road engineering is the economic and ecological use of soil and aggregate materials. The design of pavement layers in Finland is mainly based on empirical methods. This has led to a situation where high quality virgin aggregates have been used in excess and the use of secondary materials has been challenging. Finland, in proportion to its population, is one of biggest user of aggregates inside the European Union. Annually, 80–100 million tons of aggregates are used in Finland. The conditions of cold climate and long distances caused by the relatively low density of population both increase the need to use a lot of aggregates. Road and street construction consumes about 50 million tons of non-renewable aggregates and the amount of CO₂ emissions caused is 0.8 million tons annually.

Besides, in Europe the built environment is responsible for 40% of greenhouse gases emission, 50% of resource extraction, and 30%–45% of waste production. The application of secondary or recycled materials was only 1% of the total use of aggregates. Of the total consumption of aggregates, around 10% is used to produce concrete and 10% to produce asphalt concrete. Therefore, it is of vital importance to significantly increase the utilization of “waste” materials.

As a secondary material, quarry fines are a valuable material to be reused for many purposes in civil engineering projects. The aggregate source depletion, especially the lack of high quality aggregates as expected in the future, as well as the demand for a carbon-neutral society and circular economy, also promotes the high-volume utilization of secondary materials such as quarry fines.

Swedish Skanska, Peab and NCC have bought the majority of Finnish asphalt road construction companies.

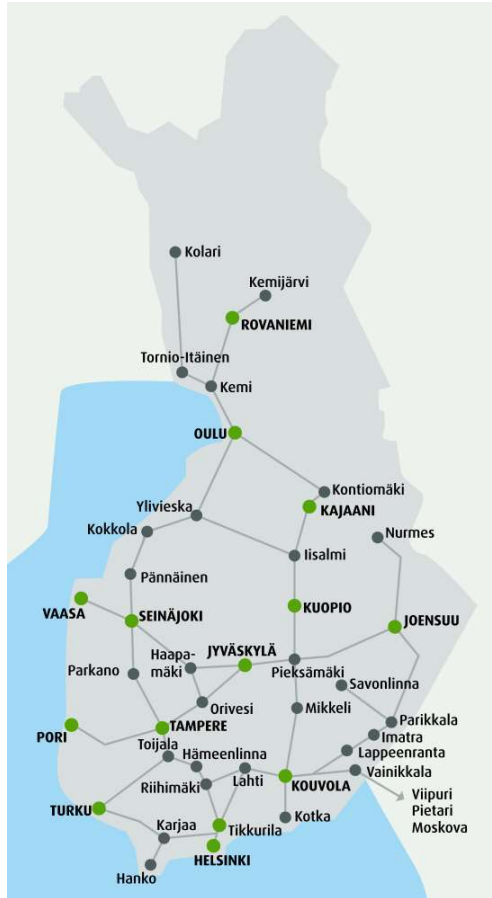
Climate change: NCC Green Asphalt ® reduces carbon dioxide emissions By further developing production and blending methods, NCC has managed to lower the temperature of hot asphalt to 120 °C while maintaining quality. The environmental benefits include reduced carbon dioxide (up to 30 percent lower) and nitrogen oxide emissions.

Railways

As at the end of 2018, Finland has 5,926 kilometres of railways in use, of which 3,330 kilometres are electrified lines. This includes 5,234 kilometres of single-track railways. The rail width of the Finnish rail network is 1524 mm, which differs from the rail width of 1435 mm in use in most parts of Europe.

Railway companies operating in Finland comprise VR, Fenniarail and Aurora Rail. The railway companies are responsible for the planning, marketing and sales, operation and real-time traffic control of the services they provide.

Railway map



VR GROUP www.vrgroup.fi

- VR Group is an environmentally friendly passenger and logistics service company. VR Group’s businesses operate mainly on the Finnish and Russian markets.
- The Group employs 7.500 professionals. VR Group’s net turnover in 2018 totalled \$1.4 billion. VR Group is one hundred per cent owned by the Finnish State.
- VR Group comprises three business areas with operations based around customer segments. The business areas are VR, providing passenger services; VR Transpoint, providing logistics services, and VR Track, specialising in infrastructure engineering. As of 7 January 2019, VR Track is part of the Norwegian NRC Group

Finland Railway

<https://suomirata.fi/en/what-finland-railway>

- The planning of the “Finland Railway” has got a planning budget. It is a vision of the future for Finland’s main railway line for passenger and freight transport.
- It’s total budget is US\$ 6 billion.
- It aims to raise the service standard all through the main railway line and to take a decisive step in the development of how the line is operated. Building Finland Railway will make it possible to travel from Tampere to Helsinki in about an hour.

- It will also enable a direct long-distance train service from the main line to Helsinki-Vantaa Airport and an even faster service from Helsinki city centre to the airport. The state will have at least 51 % of the shares.

Helsinki-Turku high-speed railway

www.tunninjuna.fi/en/

- A high-speed rail link “One-hour train” from Helsinki to Turku has been started has got a planning budget. Its total budget is US\$ 2.6-3.1 billion.

Air transportation

Finavia Corporation www.finavia

- Finavia manages and develops 21 airports in Finland.
- In 2018 Finavia’s corporate revenue totalled \$415 million and the number of employees was 2,850.
- Helsinki Airport or Helsinki-Vantaa Airport is the main international airport of the whole of Finland.

Finnair www.finnair.com

- Finnair’s total revenue in 2018 reached \$3.1 billion and the total amount of passengers served was 13.3 million

www.finnaircargo.com

- Finnair Cargo's extensive network connects 19 cities in Asia and 8 cities in North America with over 100 destinations in Europe. The volume of cargo carried increased by 0.7 per cent to 158,140 tonnes.

2. Import/export infrastructure



In 2018 the accumulated amount of goods transported in foreign traffic was 103.8 million tonnes, which is an all time record in Finnish international trade. Export was 52.9 million tonnes and respectively import was 50.9 million tonnes. About 90% of Finnish import and export is transported by sea.

Maritime ports and connection

The most important import ports in Finland in 2018 were (tons):

Kilpilahti-Sköldvik	12,873,862	petroleum products
Helsinki	7,193,129	general cargo
HaminaKotka	4,709,429	general cargo
Raahe	4,321,135	raw materials for steel industry
Naantali	4,139,181	petroleum products

Import volumes by commodity groups in 2018 (tons)

Commodity group

Crude oil	11,889,441
General cargo	9,214,655
Ores and concentrates	4,855,165
Crude minerals and cement	4,779,894
Oil products	4,767,546
Coal and coke	4,254,867
Timber	3,167,139
Chemicals	2,815,815
Metals and metal manufactures	1,279,761
Wood pulp	430,809
Fertilizers	256,369
Paper	208,360
Cereals	124,896
Sawn wood	36,216
Plywood and veneers	32,547
Other merchandise	2,744,086

TOTAL

50,857,566

Source: The Finnish Transport Agency, analyzed by www.latinamerica.fi

Sea transportation Import 2018	Million tons
Russia	15.5
Sweden	7.1
Germany	3.1
Norway	3.6
Estonia	2.0
Netherlands	2.6
Latvia	1.3
Belgium	1.4
Poland	1.3

Source: The Finnish Transport Agency

International airports and connections

Helsinki-Vantaa International Airport is the main international airport of the city of Helsinki, its surrounding metropolitan area, and the Uusimaa region. The airport is located in the city of Vantaa, about 17 km of Helsinki city center. The airport is operated by state-owned Finnair. The airport is the largest in Finland and the fourth busiest in the Nordic countries in terms of passenger numbers. About 90% of Finland's international air traffic passes through Helsinki Airport.

The airport handled 21.8 million passengers in 2019, including 18.9 million international passengers and 2.9 million domestic passengers. On average, the airport handles around 350 departures a day.

The volume of the international air freight in 2018 was 267,000 tons.

The airport is the main hub for Finnair, the flag carrier of Finland, and its subsidiary Nordic Regional Airlines. Helsinki Airport has around 50 regularly-operating airlines. The airport has around 80 scheduled destinations to other parts of Europe and 21 direct long-haul routes to Asia, the Middle East, and North America.

1. Distribution channels

General considerations

Finland is not well known for its high streets, as consumers tend to prefer doing their shopping in shopping centres, especially in northern cities. According to the Finnish Council for Shopping Centres, there are 87 shopping centres in Finland. The majority of high street shopping locations can be found in the largest cities. Due to the sparsity of high street locations in Finland, retail units are highly sought after.

Finland has several retail outlet areas located all over the country, typically just outside city centres, with just under 700 outlet stores in total. Traditionally, retail outlet areas in Finland consist of big box stores that are located in close proximity to one another. The retail park segment, however, consists mostly of furniture retailers and other home or household-related retailers, as well as sport equipment retailers.

According to recent figures, e-commerce has witnessed rapid growth and has become a viable option for Finns, whether it is for retail, groceries or other products. The increasing interest in e-shopping has forced offline retailers to develop their own e-shopping platforms in order to maintain customer satisfaction. Additionally, the increasing use of e-shopping has fostered more price-conscious shopping behaviour by customers who now have the option of choosing between online and traditional retail.

Goods can be sold through an agent, distributor, established wholesaler or selling directly to retail organisations.

The main sectors of the Finnish economy are dominated by oligopolies.

General structure

Turnover of motor vehicles, wholesale and retail trade, trend series



Source: Statistics Finland

Wholesale and retail trade; repair of motor vehicles and motorcycles (\$000)

2014	128,530,906	
2015	125,528,343	-2.3%
2016	127,148,189	+1.3%
2017	129,382,441	+1.8%
2018	135,157,397	+4.5%

The total turnover of trade amounted to \$135.2 billion in 2018.

- wholesale trade 53%
- retail trade 32%
- motor vehicle trade 15%

In 2018, the value of grocery retail sales was approximately \$20 billion.

Group	Market share, %	Grocery sales (\$ million)
S-Group	46.4%	9,295
K-Group	36.1%	7,225
Lidl	9.6%	1,929
Tokmanni Group	3.0%	608
Minimani	0.5%	96
M Chain	0.5%	94
Other	3.9%	755

Sources: The Finnish Grocery Trade Association www.ptv.fi

The share of retailers own brands were 23% in consumer purchases in 2018.

Clothing trade in 2018 was \$3.0 billion (-0.4%) according to the Finnish Association of Textile and Footwear Importers and Wholesalers (TMA).

- 32.2% Chains
- 23.4 % Department stores
- 11.1% Sporting goods chains
 - 3.2% Sportswear in department stores and markets
- 8.8% E-commerce from the EU (fashion)
- 1.3% E-commerce from the EU (sports)
- 0.5% E-commerce from outside the EU
- 18.0% Other clothing trade
 - 1.4% Other sportswear trade

Scandinavian chains dominate the fashion and sports market. Largest companies are Swedish H&M, Norwegian Varner Group and Danish Bestseller Group. International fashion companies in the market include Inditex Zara and Massimo Dutti, New Yorker, Mango and Marks&Spencer

Shoe sales in 2018 were \$625 million in Finland.

Source: www.ptv.fi

Typical retail margins are 40–50% of the sales price in specialty goods, such as clothing, home textiles, shoes, sporting goods, etc., and 20–40% (average 30%) in foodstuffs and other daily consumer goods.

Finnish Electrotechnical Trade Association (STK) www.stkliitto.fi

STK has circa 80 members of which 12 are wholesaling companies and the rest are manufacturers or importers. The association represents all major players of electrotechnical trade in Finland.

The electrical wholesales of the member wholesalers were about \$2.7 billion in 2018.

Recommended channels

S GROUP (www.s-kanava.fi)

S Group's total sales were \$12.9 billion in 2019 employing 37,764. S Group with more than 1,800 outlets in Finland is accountable to 2.4 million co-op members for all products in its assortments. Inex Partners Oy www.inex.fi is a fully-owned subsidiary of SOK Corporation whose main task is to provide warehousing and transportation services for the grocery and consumer goods chain of the S Group.

In procurement, S Group works in collaboration with Nordic Coop Trading, of which SOK owns one quarter. (www.cooptrading.com). The procurement partner in consumer goods trade is Li & Fung. Meira Nova Oy is SOK's subsidiary which specialises in the procurement, marketing and logistics of grocery goods for the HoReCa sector. NEOT (North European Oil Trade Oy) is a fuel procurement company jointly owned by SOK and St1 Nordic Oy.

KESKO CORPORATION www.kesko.fi

Kesko's annual sales were \$11.8 billion in 2019.

Kesko is the leading Finnish listed trading sector company. Kesko's operations include the grocery trade, the building and technical trade and the car trade. Its divisions and chains act in close cooperation with retailer entrepreneurs and other partners. Kesko has approximately 1,800 stores engaged in chain operations in Finland, Sweden, Norway, Estonia, Latvia, Lithuania, Belarus and Poland. For the fifth year in a row, Kesko ranks as the most sustainable trading sector company in the world on the Global 100 list.

Kesko Food is a member of Associated Marketing Services (AMS), a strategic buying alliance based in the Netherlands.

Kesko's objective is that by the end of 2025, all packaging for Kesko's own brand products will be recyclable, reusable or biodegradable.

Lidl Suomi Ky www.lidl.fi

Lidl has increased its share of the Finnish retail market to 9.6 percent in 2018. The chain has expanded its presence to 186 stores in Finland employing 5,500 persons.

Tokmanni Group www.tokmanni-konserni.fi

The Tokmanni Group, a national discount-store, has 3 % market share, 191 stores and 3,600 employees. The Tokmanni Group's 2019 sales amounted to \$1038 million.

2. Sales promotion

Because of the long distances, different time zones and different languages it is natural that Brazilian exporters usually have representatives in Finland. The sales promotion belongs to the representatives' ordinary tasks. Samples are often requested by final clients and representatives.

International trade fairs and expos

Finnish potential clients can be met at international trade fairs.

Anuga www.anuga.com 9th – 13th October 2021

- The world's largest food and beverage fair in Cologne, Germany

Fruit Logistica www.fruitlogistica.com 3 - 5 February 2021

- Known as the world's leading international trade fair for fresh fruits and vegetables, dried fruits, and tree nuts. Hosted in Berlin, Germany.

SIAL www.sialparis.com 18. - 22. Oktober 2020

- The world's largest food innovation exhibition. Hosted in Paris, France.

The leading trade fairs in Finland

- Messukeskus, Expo and Convention Centre Helsinki
Helsinki
www.messukeskus.com
- Tampereen Messut Oy
Tampere
www.tampereenmessut.fi
- Jyväskylän Messut Oy
Jyväskylä
www.paviljonki.fi

The Association of Trade Fair and Event Organisers in Finland represents the vast majority of Finnish trade fair organisers.

<https://messutsuomessa.fi>

Advertising channels

Typically Brazilian exporters don't advertise in the Finnish traditional mass media; it would be often waste of money.

If and when advertising is needed, the Finnish representatives take care of it in industry specific channels, sometimes with the principals' financial support.

Because the Finnish business is consolidated, normally there are a few important clients in each business segment, only. The sales and marketing is directly business-to-business. In one week Brazilian exporters can visit major Finnish clients.

According to Statista's Digital Market Outlook forecast, the number of social network users in the country is projected to exceed 3.1 million users in 2018 and increase annually thereafter, the penetration rate remaining close to 60 percent. According to a 2018 report regarding the digital landscape in Europe, active social media penetration in Finland amounted to nearly 60 percent, referring to not only registered social media users but also those who actively log into social media services on a monthly basis. According to a survey on digital media usage in Finland, daily social media usage grew by over 20 percent in 2018.

Marketing consulting

Business Finland and Finnpartnership provide free consulting; Business Finland has an office in Brazil, too.

Pro Materials Consulting Oy (PMC) has been working as a Partnerlink between Brazil and Finland since 1997. In this guide PMC has highlighted the major solid companies in many business sectors in Finland.

3. Trade practices

Import negotiations and agreements

Correspondence is normally held by e-mail. Postal correspondence (= express courier) is used when required by the formalities, only. Normal mail is very slow and occasionally unreliable as well in Brazil as in Finland.

English language most commonly utilized; Swedish (second native language), German and Russian languages spoken, too. Don't try to export in Portuguese, very few Finnish persons speak Portuguese.

The prices to be quoted by Brazilian exporters in euro or US\$.

Terms of delivery:

FOB (named port of shipment) Incoterms 2020

- The seller delivers the goods to the buyer by loading them on board the vessel at the agreed port of loading within the agreed period.
- The seller pays the cost and bears the risks of damage to or loss of the goods until he has delivered them.
- The seller takes care of the export formalities.

CIF (named port of destination) Incoterms 2020

- The seller delivers the goods to the buyer by loading them on board alongside the vessel at the agreed port of loading within the agreed period.
- The seller pays the cost and bears the risks of damage to or loss of the goods until he has delivered them.
- The seller contracts for the carriage of goods to the named port of destination and pays the freight.
- The seller takes care of the export formalities
- The seller insures the goods on behalf of the buyer during transit from the port of loading to the port of destination

Delivery times

Brazilian exporters must take into consideration the delays caused by congestions in Brazilian ports, which are much less efficient than e.g. the ports in Netherlands or in Finland.

Designating agents

Act on Commercial Representatives and Salesmen in Finland 417/1992.

Finnish sale representatives normally expect exclusivity in agency agreements taking into consideration the rather small market and very long distances to Brazil.

Brazilian companies should visit potential final clients in Finland with Finnish representatives.

Association of Trade Partners Finland

www.agenttiliitto.fi

The Association of Trade Partners Finland (ATPF) is a membership organization which facilitates international trade for small and medium size companies. Members of the organization are commercial agents, importers and distributors of various industry sectors.

Opening trade representations

A limited company may be established by one or more natural or legal persons (founders).

At least one of the founders shall be permanently resident or, if the founder is a legal person, have its domicile in the European Economic Area - unless the National Board of Patents and Registration grants an exemption from this rule. The nationality of the founder is thus irrelevant.

Notifications to the Trade Register have to be filed either in Finnish or in Swedish on official start-up notification forms. Registration also safeguards one's company name so that no one else, for example a competitor, is able to monopolise it.

Using the same forms, you can also report a business to registers kept by the Tax Administration, which are the VAT Register, the Prepayment Register, the Employer Register, and the register of bodies liable for tax on insurance premiums.

National Board of Patents and Registration of Finland (PRH)

https://www.prh.fi/en/kaupparekisteri/yrityksen_perustaminen/perusilmoituksen_tekeminen.html

There are restrictions on market access for certain regulated sectors in Finland, such as: Telecommunications, Life sciences, Media, Health care, Energy, Banking, Insurance, Construction, Defence, Postal services, Agriculture.

Forming joint ventures

Finnfund

www.finnfund.fi

Finnfund offers equity, long-term loans and mezzanine financing to private companies operating in developing countries. Finnfund also provides expertise on investing in developing markets. Finnfund's emphasis is on clean energy, sustainable forestry, sustainable agriculture and financial institutions as these sectors make a significant impact on sustainable development. At the end of 2018 Finnfund's portfolio contained 181 investments in 45 countries.

Apart from co-investing with Finnish companies Finnfund can finance ventures that use Finnish technology, cooperate with Finnish partners on a long-term basis or generate major environmental or social benefits. Typically Finnfund invests \$ 1-13 million.

Cargo insurance

Cargo insurance assures the goods being transported. Cargo insurance is usually taken by the party, which has, according to agreement, the risk of goods damaging during transportation including intermediate storage. When defining responsibilities in the trade agreement, well-established terms of delivery (Incoterms 2020) are usually used.

www.logistiikanmaailma.fi/en/contracts/insurances/

Cargo supervision

The Finnish Freight Forwarding and Logistics Association

www.huolintaliitto.fi

The Nordic countries have pulled together to develop standard conditions; the General Conditions of the Nordic Association of Freight Forwarders. The current version is known as NSAB 2015. The NSAB conditions, the use of which is relatively well established in the delivery sector, define the rights and obligations of the forwarders and cont-

ractors. The conditions also define the responsibilities of the forwarders according to various transport conventions and regulations.

Import financing

The interest rates are very low in Finland and financially solid companies can get easily financing.

Letter of Credit (L/C) is a frequently used term of payment. The importer instructs his bank to issue an L/C in favour of the exporter.

The International Chamber of Commerce (ICC) introduced in June the 2013 edition of International Standard Banking Practice (ISBP), the most up-to-date guide for examination of documents under documentary credits. This revised guide details banking practices to be applied when working with documentary credits that are subject to Uniform Customs and Practice for Documentary Credits, UCP 600 - ICC's most recent rulebook on documentary credits used for letter of credit transactions worldwide.

The 2013 edition of ISBP covers, among others, practices identified from Opinions approved by ICC national committees since 2007, and also features the following documents which were not previously covered:

- Packing list
- Weight list
- Beneficiary certificate
- Non-negotiable sea waybill
- Analysis, Inspection, Health, Phytosanitary, Quantity and Quality certificate

Trade disputes and arbitration

The Arbitration Institute of the Finland Chamber of Commerce

<https://arbitration.fi>

The Arbitration Institute of the Finland Chamber of Commerce (FAI) administers domestic and international arbitrations governed by its Arbitration Rules and Expedited Arbitration Rules. Further, it appoints arbitrators in ad hoc cases when the arbitration agreement so provides, and acts as appointing authority under the UNCITRAL Arbitration Rules. FAI also administers domestic and international mediations governed by its Mediation Rules.

Established in 1911, FAI is one of the world's oldest arbitration institutes. Since 1919 it has operated in connection with the Finland Chamber of Commerce. However, being an autonomous and impartial arbitration body, it carries out its functions independently of the Finland Chamber of Commerce.

4. E-commerce

Overview

- Share of e-commerce in retail: 8.6 %
- 4 million e-shoppers: 73 % of the population.
- Cross-border e-shoppers: 35 %

Revenue of E-commerce in 2018

Fashion	US\$ 1,028
Electronics & Media	US\$ 1,155
Toys, Hobby & DIY	US\$ 1,273
Furniture & Appliances	US\$ 778
Food & Personal care	US\$ 275

Domestic	96 %
Cross-border	4 %

Payment (2018):

Bank transfer	53.8 %
Cards	22.6 %
Cash on delivery	2.8 %
E-wallet	12.0 %
E-invoice	7.3 %
Other	1.5 %

Prepared online for immediate offline purchase (e.g. searched for locations online) 27%

Looked for early inspiration and made initial discoveries online 33%

Compared choices online	58%
Sought advice online	26%
First exposure to a product via online research	59 %
First exposure to a product via advertising	10 %
Search engine use during purchase decision	36 %

PRODUCT RESEARCH BREAKDOWN, BY DEVICE

Computer	82 %
Smartphone	13 %
Tablet	12 %
Other Internet enabled device	2 %
Didn't recall device type	2 %

[Source: www.cbcommerce.eu/finland/](http://www.cbcommerce.eu/finland/)

Small packages less than 22 euro

Finland is importing from China annually 14 million packages worth less than 22 euro. European Union has decided that VAT will be charged since 2021 for these small parcels, too.

Packages EUR 22 or more

Posti introduced a new handling fee as of January 31, 2020. The fee only applies to goods whose value exceeds EUR 22 and that arrive from outside the EU or from special areas of the EU's Excise Duty and Value-Added Taxation Area and require customs clearance. When the value of the item is EUR 22 or more, the handling fee is EUR 2.90 per individual item. Perform the customs clearance and pay taxes, if any, and the handling fee immediately after you have received the notice of arrival for the item to be cleared. The taxes and the handling fee must be paid within 20 days of the item's arrival date. Items that are not cleared will be returned to the sender.

www.posti.fi/en/customer-support/receiving/import-clearance/service-changes

Development, outlook and trends of Electronic market

In the eCommerce market, the number of users is expected to amount to 5.1m by 2024. Revenue in the eCommerce market amounts to US\$5,630m in 2020. Revenue is expected to show an annual growth rate (CAGR 2020-2024) of 5.8%, resulting in a market volume of US\$7,042m by 2024. The market's largest segment is Toys, Hobby & DIY with a market volume of US\$1,555m in 2020.

<https://www.statista.com/outlook/243/135/ecommerce/finland>

Consumer rights

Finnish Competition and Consumer Authority

P. O. Box 5, FI-00531 Helsinki, Finland
Visiting address: Lintulahdenkuja 2, 00530 Helsinki
Exchange: +358 (0)29 505 3000
www.kkv.fi/en

Some EU-wide legal points to check out

Shopping – Your rights

http://europa.eu/youreurope/citizens/consumers/shopping/index_en.htm

Consumer rights

http://ec.europa.eu/consumers/consumer_rights/rightscontracts/directive/index_en.htm

Privacy and Communication EC Directive / Anti-spam regulations

<http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0058:en:HTML>

Contract information

http://europa.eu/youreurope/citizens/consumers/shopping/contractinformation/index_en.htm

Pricing and payments

http://europa.eu/youreurope/citizens/consumers/shopping/pricingpayments/index_en.htm

VAT - Value Added Tax

http://europa.eu/youreurope/citizens/consumers/shopping/vat/index_en.htm

VAT threshold registration

<http://www.vatlive.com/eu-vat-rules/eu-vat-numberregistration/vat-registration-threshold/>

Shipping and delivery

http://europa.eu/youreurope/citizens/consumers/shopping/shippingdelivery/index_en.htm

The Consumer Disputes Board

The Consumer Disputes Board is a neutral and independent expert body whose members represent consumers and business in a balanced way.

The Consumer Disputes Board is directed by a full-time chairman, Dr Pauli Ståhlberg. The Board's members work part-time. They are appointed by the Ministry of Justice for a five-year term.

Cases are decided by sections or by plenary sessions if they are especially significant. Cases are prepared by staff with legal and product expertise.

The Board's decisions are recommendations and cannot be enforced by coercive measures. Businesses comply with decisions in over 80% of cases, however.

The Board handles cases free of charge. Activities are funded through the state budget. As a rule parties are responsible for covering any costs they may incur, however. These costs are generally much smaller than in legal proceedings. Costs typically arise from telephone calls, mailing letters and copying documents such as bills.

In recent years the handling of cases has taken from six to fourteen months, depending on the nature of the case.

Supplier responsibilities

Regulatory framework. The main requirements that suppliers must comply with in Finland relate to consumer protection under the Consumer Protection Act (*Kuluttajansuojalaki, 38/1978*). The application of this Act is mandatory in transactions between businesses and consumers. There are detailed sector-specific rules on, for example, product labelling and safety and other standards that products must comply with.

A contractual term that deviates from the mandatory provisions of the Consumer Protection Act is either null and void or otherwise non-binding on the consumer. Technical standards (such as safety standards) are set for the most part at EU level

Returns: Obligations and timetables

http://europa.eu/youreurope/citizens/consumers/shopping/guaranteesreturns/index_en.htm

Under EU rules, a **trader must repair, replace, reduce the price or give you a refund** if goods you bought turn out to be faulty or do not look or work as advertised.

If you bought a **product or a service online or outside of a shop** (by telephone, mail order, from a door-to-door salesperson), you also have the right to cancel and return your order within 14 days, for any reason and without a justification.

Finnish clients have commonly right to return e.g. clothes free of charge, even 40-50 % of the cloths bought from E-commerce will be returned to the seller.

The logistic costs from Brazil are often higher than for example from China or Germany. Logistical Performance Index (LPI)

	Germany	Finland	China	Brazil
Ranking	1	10	26	56
Customs	4.09	2.41	3.29	2.41
Infrastructure	4.37	2.93	3.75	2.93
International shipments	3.86	2.88	3.54	2.88
Logistics competence	4.31	3.09	3.59	3.09

Tracking & Tracing	4.24	3.11	3.65	3.11
Timeliness	4.39	3.51	3.84	3.51

Source: The World Bank

VIII – RECOMMENDATIONS TO BRAZILIAN COMPANIES

1. The Brazilian real is at this moment (23.3.2020) 19 % cheaper against EURO compared with the average exchange rate in 2019. Brazilian exporters have exceptionally good chances to compete in the prices.
2. There are 50 global Finnish companies like (Valmet, Pöyry, Metso Outotec, Wärtsilä, Nokia, Stora Enso, Kemira etc.) operating in Brazil. A Brazilian exporter can easily contact these companies in Portuguese language.
In addition to Finland you may export to global Finnish companies all over the world, where logistic costs may be lower (e.g. Neste and Fortum Upiter in Rotterdam, ST1 in Gothenburg). The sales of Finnish companies abroad were \$182.9 billion in 2018.
3. The EU Mercosur Free Trade Agreement eliminates tariffs on 93 per cent of exports to the EU and grants “preferential treatment” for the remaining 7 per cent. The EU Helpdesk <https://trade.ec.europa.eu/tradehelp> informs on the EU tariffs, requirements, preferential arrangements, quotas and statistics affecting business in developing countries. The database can be searched by HS code and/or product name.
4. Green Deal. The Sustainable Europe Investment Plan aims at mobilising at least EUR 1 trillion of investments over the upcoming decade. Every Brazilian exporter must take into consideration that the sustainability is a very important decision criteria in Finland and in the rest of EU.
5. Brazil exported worth US\$ 42 billion to EU in 2018. If a Brazilian company has got the required EU certificates and exported to the EU, already, it is much easier to do good business in Finland, too.
6. Brazilian-Finnish co-operation to be developed in the Eastern Africa, which has a rapidly growing population of 540 million persons. Finland has been giving annually about one billion US\$ as a development aid indirectly or directly, mainly for the Eastern Africa (Kenya, Ethiopia, Tanzania, Mozambique). Finnish companies have opportunities to participate in the Nordic and EU tenders, which frequently provide 50-75 % grants. Brazil has similar climate than in the Eastern Africa and the food technology developed for the tropical climate. E.g. Southern and Eastern Africa has as much suitable land for the sugarcane as Brazil. Sugarcane can produce bioethanol, bagasse can be burnt in biomass boilers and biomethane can be made of vinasse.
7. A Brazilian exporter will avoid a lot of problems in Russia by cooperating with Finnish companies, which have long time experiences and operations in Russia.
8. **Innovation Startup Slush.** As well Brazilian startup and growup companies as Brazilian investors should attend Slush November 19-20, 2020 in Helsinki, Finland.

www.slush.org Slush had 25,000 participants, including 4,000 startups and 2,000 investors in November 2019.

9. This guide gives the contacts of the major companies in Finland. By visiting Finland for a week (when the coronavirus pandemic is over) a Brazilian company may most probably meet all potential clients, because each business sector typically has few major companies, only. The commercial sections of the Brazilian Embassy may help Brazilian exporters. It is a good idea to visit a major local expo in addition to company visits.

ANNEXES

I - ADDRESSES

1. Official agencies

In Brazil

Embaixada da Finlândia

Avenida das Nações
SES-Qd 807, Lt 27
CEP 70417-900 BRASÍLIA – DF
E-mail: sanomat.bra@formin.fi
<https://finlandabroad.fi/web/bra>

Business Finland Brazil

Av. Alfredo Ignácio Nogueira Penido, no 305 - Sala 302, Aquarius Business
Center - Jardim Aquarius
CEP: 12246-000 Sao José dos Campos
tel. +55 12 3942 1133
[matti.landin \(at\) businessfinland.fi](mailto:matti.landin@businessfinland.fi)
tel. +55 12 9 9744 4762

- Information on the market, include access, local importers, and trade opportunities: distribution of the Ministry of External Relations “Foreign Trade Studies and Document Collection” (“Coleção Estudos e Documentos de Comércio Exterior”):

Trade Information Division:

Divisão de Informação Comercial - DIC
Ministério das Relações Exteriores
70.170-900 Brasília-DF
Telephone: (61) 3411.8932
Email: dic@itamaraty.gov.br

- Support to Brazilian business delegations to Finland or to economic and trade missions of Finland in Brazil:

Trade Promotion Operations Division:

Divisão de Operações de Promoção Comercial- DOC
Ministério das Relações Exteriores
70.170-900 Brasília-DF
Telephone: (61) 3411 8531
doc@itamaraty.gov.br

- Information on the market, shipping documents and requirements:

Department of Foreign Trade Operations:

Departamento de Operações de Comércio Exterior – DECEX
Ministério do Desenvolvimento, Indústria e Comércio Exterior
Esplanada dos Ministérios, Bloco “J”, sala 918

70053-900 Brasília – DF
Telephone: (61) 2027.7000
E-mail: decex.gabin@mdic.gov.br
www.desenvolvimento.gov.br

In Finland

Brazilian Embassy

Trade promotion Sector / Consular sector

Itäinen Puistotie 4 B 1

00140 Helsinki, Finland

Tel. +358 9 684 150 0

E-mail: secom@brazil.fi

E-mail: consular@brazil.fi

www.brazil.fi

Open to the general public from 10:00 to 13:00, Monday to Friday.

Finnpartnership - Finnish Business Partnership Programme

c/o Finnfund

Porkkalankatu 22 A

00180 Helsinki

Tel: +358 9 348 434

<https://finnpartnership.fi>

Finnfund

Uudenmaankatu 16 B,

00120 Helsinki

Tel. (09) 348 434

www.finnfund.fi

Academy of Finland

Hakaniemenranta 6, POB 131

FI-00531 Helsinki

Tel. +358 295 335 000

www.aka.fi

5. Brazilian companies in Finland (not known any)

6. Chambers of Commerce (bilateral)

ICC Finland WTC Helsinki

Aleksanterinkatu 17 FI 00100 Helsinki

Tel. +358 9 4242 6200

E-mail: icc@icc.fi

www.iccwbo.org | www.icc.fi

The Finnish – Latin American Business Council

c/o Finland Chamber of Commerce

Anne Hatanpää, coordinator

P.O. Box 1000

FI-00101 HELSINKI

Tel. +358 9 4242 6261

<https://kauppayhdistys.fi/suomi-latinalaisamerikka>

7. Principal local trade entities/associations

S GROUP

Fleminginkatu 34

00510 HELSINKI

Tel: +358 10 76 8011

www.s-kanava.fi

KESKO CORPORATION

Työpajankatu 12

00580 Helsinki

Phone +358 10 5311

www.kesko.fi

Lidl Suomi Ky

Niittymäentie 7

02200 Espoo

Tel. +358 9 234561

www.lidl.fi

Tokmanni Group

Isolammintie 1

04600 MÄNTSÄLÄ

Tel: +358 300 472 220

<https://ir.tokmanni.fi/en>

Finnish Grocery Trade Association

Eteläranta 10,

00130 HELSINKI

tel. +358 9 172 860

www.pty.fi

Finnish Association of Electronics Wholesalers

Mannerheimintie 76 A

00250 Helsinki

tel. +358 400 597 492

www.etkry.com

Finnish Association of Textile and Footwear Importers and Wholesalers
Mannerheimintie 76 A 5 krs.
00250 HELSINKI
Tel: +358 9 4315 6141
www.textile.fi

Finnish Electrotechnical Trade Association (STK)
Takomotie 8
00380 Helsinki
tel. +358 40 735 8673
www.stkliitto.fi

Finnish Foreign Trade Agents' Federation
www.agenttiliitto.fi

Pharma Industry Finland
Porkkalankatu 1
00180 Helsinki
tel. +358 (0)9 6150 4900
www.laaketeollisuus.fi

Finnish Association of Automobile Importers
Ateneuminkuja 2 C, 10. floor
00100 Helsinki
tel. +358 40 729 4513
www.autotuojat.fi

Finnish Association of Automobile Spare Parts Distributors
Eteläranta 10
FI-00130 HELSINKI
tel. +358 (0)9 1728 5113

Finnish Hardware Association (DIY)
Eteläranta 10
00131 Helsinki
tel. +358 50 383 4465
www.rasi.fi

Major Exhibitions and Fairs

Messukeskus, Expo and Convention Centre Helsinki
Messuaukio 1
P.O. Box 21, FI-00521 Helsinki
Tel. +358 +358 40 450 3250
www.messukeskus.com

PulPaper 2021
27.-29.4.2021
www.pulpaperevent.com

- PulPaper is the most significant trade fair within chemistry, process industry and wood processing industries in Northern Europe

Tampereen Messut Oy

Ilmailunkatu 20, P. O. Box 163

Tampere

Tel: +(358) 20 7701200

www.tampereenmessut.fi

Food and Drink Industry

9.-10.9.2020

Jyväskylän Messut Oy

P.O.Box 127, Lutakonaukio 12

FIN-40101 Jyväskylä, Finland

Tel. +358 14 339 8100

www.paviljonki.fi

Finnmateria (Mining)

18.11.2020 – 19.11.2020

The leading exhibition for mining, metal processing, rock material industry and earth construction offers the latest knowledge, technology and innovations.

8. Primary e-commerce firms and consumer protection bodies

verkkokauppa.com

gigantti.fi

power.fi

zalando.fi

motonet.fi

prisma.fi

cdon.fi

netrauta.fi

taloon.fi

apple.com

9. Leading banks

Bank of Finland

www.suomenpankki.fi

Nordea Bank Finland

www.nordea.fi

The asset management arm of Nordea (NDAFL.HE), one of the Nordics' biggest banks, said it is suspending purchases of Brazilian government bonds, the latest Nordic investor to take action in response to the outbreak of Amazon forest fires. Nordea Asset Management said its current exposure to Brazilian sovereign bonds was approximately 100 million euros (\$111 million). Helsinki-based Nordea Asset Management had 205 billion euros in total assets under management as of the end of 2018.

OP Group

www.op.fi

Danske Bank group

www.danskebank.fi

Handelsbanken group:

www.handelsbanken.fi

Aktia Group

www.aktia.fi

10. Media outlets**Sanoma Oyj**

Töölönlahdenkatu 2, Helsinki

Tel: +358 105 1999

www.sanoma.com

- Helsingin Sanomat (city of Helsinki) is the largest subscription newspaper in Finland and the Nordic countries.
- Sanoma bought Aamulehti newspaper (city of Tampere) from Alma Media.
- Sanoma employs around 4,400 professionals in Finland, the Netherlands, Poland, Belgium and Sweden. In 2018, the Group's net sales totalled \$1.4 billion.

Turun Sanomat newspaper (city of Turku) www.ts.fi

Keskisuomalainen newspaper (city of Jyväskylä) www.ksml.fi

Alma Media Oyj

Alvar Aallon katu 3 C, FI-00100 Helsinki

Tel: +358 10 665 000

Alma Media is a dynamic digital service business and media company with a strong capacity for renewal. The company's best-known brands are Kauppalehti, Talouselämä, Iltalehti, Etuovi.com and Monster.

MTV Media

Ilmalankatu 2, 00240 HELSINKI

Tel: +358 10 300 300

www.mtv.fi

Finland's leading commercial broadcasting group. A Telia subsidiary.

The Finnish Association of Marketing Communication Agencies (MTL)

Eteläranta 10, 00130 Helsinki

E-mail: tarja.virmala@mtl.fi

<http://mtl.fi>

Yle Radio Suomi

3.4 million Finnish people, 69 % of the population over 9 years, listen to radio daily 2 hours 40 minutes. Yle Radio Suomi is the most popular radio station.

Commercial radio stations

Radio Suomipop, Radio Nova and Radio Rock.

Salomaa Group

John Stenbergin ranta 2, 00530 Helsinki
Tel: +358 9 6945155
info@salomaa.fi
www.salomaa.fi

- The biggest advertising & media agency in Finland.

11. Consulting services

The Finnish Association of Consulting Firms SKOL

P.O. Box 10 (Eteläranta 10)
FI-00131 HELSINKI
FINLAND
Tel. +358 9 19 231
Email skolry@teknologiateollisuus.fi
www.skolry.fi

Afry Finland Oy (ex. Pöyry)

P.O.Box 4, Jaakonkatu 3
FI-01621 VANTAA
Phone: +358 10 3311
www.poyry.com

Kiwa Inspecta Oy

Sörnäistenkatu 2, 00580 Helsinki
Tel: +358 10 521600
www.kiwa.com

Etteplan Oy

Muovitie 1
15860 HOLLOLA
Tel: +358 10 3070
E-mail: info@etteplan.com
www.etteplan.com

Neste Engineering Solutions Oy

PL 310 06101 PORVOO
Tel: +358 10 458 1200, 10 458 7347
www.neste.com

VTT Technical Research Centre of Finland

P.O. Box 1000, FI-02044 VTT, Finland
Tel. exchange +358 20 722 111
www.vtt.fi

Pro Materials Consulting Oy (PMC)

Yrjönkatu 24 C 30
FIN-40100 JYVÄSKYLÄ
Tel: [+358-14-618 323](tel:+358-14-618-323)
Mobile: [+358-40-5026 430](tel:+358-40-5026-430)
E-mail: kauko.matilainen@gmail.com
www.latinamerica.fi

12. Document acquisition

Finnish Customs

Pasilan virastokeskus (Pasila Office Centre), Opastinsilta 12,
00520 Helsinki
PO Box 512, 00101 Helsinki
Tel. +358 295 52 7000
www.tulli.fi

The Customs Laboratory

Postal address: PL 512, 02151 ESPOO
Street address: Tekniikantie 13, 02150 Espoo
Tel: +358 295 5200
www.tulli.fi

Finnish Food Safety Authority (Evira)

Mustialankatu 3, FI-00790 Helsinki
Tel: [+358 29 530 0400](tel:+358-29-530-0400)
www.evira.fi
(Information about natural health products and food supplements)

The Finnish Safety and Chemicals Agency (Tukes)

P.O. Box 66 (Opastinsilta 12 B)
FI-00521 Helsinki, Finland
Tel [+358 29 5052 000](tel:+358-29-5052-000)
www.tukes.fi

The Finnish Medicines Agency Fimea

P.O. Box 55, 00034 FIMEA
Tel: +358 29 522 3341
www.fimea.fi

Instructions for making a request for classification of a product and more information about herbal medicinal products and medicinal homeopathic and anthroposophic products, etc.

The European Chemicals Agency (ECHA)

Telakkakatu 6
00150 Helsinki
PHONE +358-9-686180
<http://echa.europa.eu>

Valvira the National Supervisory Authority for Welfare and Health
P.O. Box 43, FI-00521 Helsinki
Ratapihantie 9
tel. +358 295 209 111
www.valvira.fi
Application of the Alcohol Act on e-commerce and authorisation requirements for importing alcohol etc.

13. Transportation companies

Hapag-Lloyd Finland Oy Ab

P.O. Box 142
00101 HELSINKI
+358 9 689 131
www.hapag-lloyd.com

- 24 days from Santos via Rotterdam to Helsinki

Hamburg Süd Norden AB

Filial i Finland
Sörnäisten rantatie 29
00500 HELSINKI
+358 9 4252 4400
www.hamburgsud.com

- 31 days from Santos to Helsinki

Maersk Finland Oy

P.O. Box 11
00511 HELSINKI
+358 9 425 0510
www.maersk.com

DB Schenker Oy

PL 29, 01531 Vantaa
Tikkurilantie 147, 01530 Vantaa
Tel: +358- 10 520 00
www.dbschenker.com

DHL Express

Tullimiehentie 10
01530 Vantaa
Tel +358 20 5333

VR GROUP

Radiokatu 3
00240 Helsinki
Tel: +358 29 43 43
www.vrgroup.fi

14. Cargo supervision

Finnsteve
Komentosilta 1
FI-00980 Helsinki
Phone +358 (0)10 565 60
www.finnsteve.fi

Finnsteve-companies are together a full service port operator providing all required services for port operations. Finnsteve-companies are part of the Finnlines Group. Finnsteve Oy Ab is the largest port operator in Vuosaari Port and in Turku port and specialised in unitised cargo traffic.

Steveco Oy
Kirkkokatu 1
48100 Kotka
Tel: +358 5 23231
www.steveco.fi

Hacklin Oy Ltd
Mäntyluoto
28880 PORI
+358 2 628 2111
www.hacklin.fi

II – FREIGHT WITH BRAZIL

1.1 Maritime

- For specific and updated maritime freight information, interested Brazilian executives should submit their inquiries in Brazil to the maritime transport companies listed in Annex I, item 10.

1.2 Ground

- To obtain updated information, interested executives should submit their inquiries to the ground, rail, or water transport companies listed in Annex I, item 10.

1.3 Air

- To obtain updated information, executives should submit their inquiries to the cargo sections of the air transportation companies listed in Annex I.

III – ADDITIONAL INFORMATION

1. Currency and subdivisions: coin and paper.
Exchange rate: Euro 1= USD 1.1 (January 30, 2020).
2. Weights and measures: The Metric System.
Length: metres
Weight: kilo
3. Communications: A wide variety of internal and international facilities, including free services.
4. Public holidays in Finland in 2020:

Wednesday	01/01/2020	New Year
Monday	06/01/2020	Epiphany
Friday	10/04/2020	Good Friday
Sunday	12/04/2020	Easter
Monday	13/04/2020	Easter Monday
Friday	01/05/2020	Labour Day
Thursday	21/05/2020	Ascension
Sunday	31/05/2020	Whit Sunday
Friday	19/06/2020	Midsummer Eve
Saturday	20/06/2020	Midsummer Day
Saturday	31/10/2020	All Saints
Sunday	06/12/2020	Finland's Independence Day
Thursday	24/12/2020	Christmas Eve
Fridayday	25/12/2020	Christmas
Saturday	26/12/2020	St. Stephen's Day
5. Time zone: The Central European Time (CET): GMT+1.
The Central European Summer Time: GMT+1. The time difference between Brasília/Rio de Janeiro/São Paulo and Helsinki, the capital of Finland, is fours (4) hours during the Brazilian summer season and six (6) hours during the Brazilian winter season.
6. Business hours:
Companies are working most commonly 08.00-16.00.
5. Electric power: 230 V, 50 Hz
6. A business visit to Finland:
Atualização 17.3.2020
Finlândia fecha parcialmente sua fronteira a partir de 19.3.2020
A partir da meia-noite desta quinta-feira, dia 19.3, haverá restrições de entrada na Finlândia, conforme a decisão tomada na data de hoje pelo Conselho de Estado. A União Européia fecha também suas fronteiras por 30 dias para conter avanço do coronavírus. A Finlândia declarou Estado de Emergência em razão do coronavírus até o dia 13 de abril de 2020. As fronteiras do país serão parcialmente fechadas, e haverá controle nas fronteiras internas do país com o Espaço Schengen. Devido ao Estado de Emergência, somente finlandeses e residentes permanentes na Finlândia poderão

ingressar ao país. Os turistas estrangeiros que estão na Finlândia têm o direito de sair do país.

Under normal conditions: It is recommended to arrange the business trips to Finland avoiding the summer vacation period (from late June to early August). Winter months from November to March are coldest, but the temperature is comfortable in all hotels, offices, factories and apartments because of efficient heating systems.

7. Visa:

Atualização 17.3.2020

Finlândia fecha parcialmente sua fronteira a partir de 19.3.2020

Under normal conditions:

Brazilian don't need a visa for a business visit Finland. People from countries outside the EU may stay in Finland as tourists for three months without a permit. If they wish to work in Finland, they need to apply for a residence permit, even if the period of stay is shorter than three months.

Additional info regarding the visit: The Finnish Embassy in Brazil.

8. Vaccines are recommended or required for Finland.

The CDC and WHO recommend the following vaccinations for Finland: hepatitis A, hepatitis B, rabies, meningitis, polio, measles, mumps and rubella (MMR), Tdap (tetanus, diphtheria and pertussis), chickenpox, shingles, pneumonia and influenza.

9. Customs and currency

Travelers must show proof of sufficient funds for the duration of their stay. You may need to show proof of a return airline ticket.

10. Hotels (US\$ 150-180/night)

Radisson Blu Royal Hotel

Runeberginkatu 2, Kamppi

00100 Helsinki,

Tel: +358 9 85653366

E-mail: reservations.finland@radissonblu.com

www.radissonhotels.com

Radisson Blu Plaza Hotel

Mikonkatu 23, Kluuvi

00100 Helsinki

Tel: +358 20 1234703

E-mail: reservations.finland@radissonblu.com

www.radissonhotels.com

Marski by Scandic

Mannerheimintie 10, Kamppi

00100 Helsinki

Tel: +358 9 68061

marski@scandichotels.com

www.scandichotels.fi/hotellit/suomi/helsinki/marski-by-scandic

Hilton Helsinki Strand

John Stenbergin ranta 4, Kallio

00530 Helsinki

Tel: +358 9 39351

E-mail: helsinkistrand@hilton.com

www.hiltonhotels.com/fi_FI/suomi/hilton-helsinki-strand/

Crowne Plaza Helsinki

Mannerheimintie 50, Taka-Töölö

00260 Helsinki

Tel: +358 9 2521 0000

E-mail: hotel@crowneplazahelsinki.fi

<https://helsinki.crowneplaza.com>

BIBLIOGRAPHY

Primary sources and publications consulted for development of the study:

Statistics Finland www.tilastokeskus.fi

Finnish Customs (www.tulli.fi)

The detailed foreign trade statistics of Finnish Customs can be obtained from the **Uljas** database (distribution system for foreign trade statistics).

The database can be accessed at the website: <http://uljas.tulli.fi>

The database can be used free of charge and it doesn't require registration.

The database can be used in Finnish, Swedish and English

Bank of Finland www.suomenpankki.fi

- The balance of payment.

The Ministry of Employment and the Economy

www.tem.fi www.businessfinland.fi

The Ministry for Foreign Affairs <http://formin.finland.fi>

The Ministry of Finance www.vm.fi

- The budget for 2020.

Finnpartnership www.finnpartnership.fi

- Guide: Exporting to the Nordic Countries

The Ministry of Transport and Communications www.lvm.fi

- Transport statistics

Embassy of Brazil in Helsinki www.brazil.fi

Port of HaminaKotka

- Activities of the free trade zone.

The Federation of Finnish Technology Industries www.teknologiateollisuus.fi

- Principal economic sectors

VTT Technical Research Centre of Finland www.vtt.fi

- Biorefineries, Cleantech

The Geological Survey of Finland (GTK) www.gtk.fi

- Mining industry

The Finnish Forest Research Institute www.metla.fi

- Forest industry

The Finnish Meteorological Institute

<https://en.ilmatieteenlaitos.fi>

Eurostat <https://ec.europa.eu/eurostat>

OECD <https://www.oecd.org>

Digital Finland

<https://www.slideshare.net/DataReportal/digital-2018-finland-january-2018>

CIA World Factbook <https://www.cia.gov/library/publications/the-world-factbook>

Banco Nacional de Desenvolvimento Econômico e Social (BNDES)

www.bndes.gov.br

Banco do Brasil

www.bb.com.br

European Customs Portal

<https://www.tariffnumber.com/>

Taric

https://ec.europa.eu/taxation_customs/dds2/taric/

Fairtrade Finland

Kuortaneenkatu 1, 4th floor

00520 Helsinki

Phone +358 45 127 5179

www.reilukauppa.fi

Pinheiro Neto Advogados

<http://www.pinheironeto.com.br>

Razac Trading

www.razac.com.br