



The future of the Life Sciences & Health sector in Finland

Results of the 2026 international life sciences & health
business climate benchmark

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Foreword

Finland has many of the ingredients of a leading life sciences & health country: a highly educated workforce, a trusted and universal healthcare system, strong public institutions, world-class health data assets, and a research tradition dating back to the Royal Academy of Turku in 1640.

Global competition for life sciences & health investment has intensified. Leading countries have become more intentional in how they develop the sector. Denmark's *Strategy for Life Science towards 2030* sets a clear ambition to become one of Europe's leading life science nations, supported by dedicated funding, stronger company-facing structures, and a target to double life science exports to DKK 350 billion by 2030. Finland competes against that level of ambition.

This leaves Finland with a difficult but important question. The country has improved its overall benchmark position, yet industry stakeholders see investment conditions worsening. Private R&D is falling. Clinical trial activity has strongly decreased. Availability of new innovative medicines has dropped to 44%.

Against this backdrop, this report combines an international benchmark across six domains with qualitative input from stakeholders across the Finnish life sciences & health ecosystem. The objective is to look beyond Finland's headline ranking and understand why strong fundamentals are not translating more clearly into sector investment activity, and what would be required for Finland to move toward a top 3 position.

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Source: sector stakeholder interviews, 2026; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; Erhvervsministeriet (Denmark), Strategi for life science frem mod 2030, 2024; KPMG analysis

Executive summary

Finland ranks 8th, up two spots from last year, but the ranking should be read as potential, not realized attractiveness

Table 1: Results of the international benchmark exercise

Country	Ranking		
	2025	2026	Delta
United States	1	1	-
Switzerland	2	2	-
Denmark	4	3	+1
Germany	5	4	+1
Sweden	3	5	-2
Netherlands	6	6	-
Belgium	7	7	-
Finland	10	8	+2
United Kingdom	9	9	-
China	14	10	+4
Norway	8	11	-3
Austria	13	12	+1
France	11	13	-2
Ireland	12	14	-2
Spain	15	15	-
Italy	16	16	-
Slovenia	17	17	-
Czech Republic	18	18	-
Poland	21	19	+2
Luxembourg	23	20	+3
Portugal	19	21	-2
Hungary	28	22	+6
Lithuania	20	23	-3
Latvia	29	24	+5
Estonia	26	25	+1
Bulgaria	27	26	+1
Cyprus	21	27	-6
Malta	25	28	-3
Croatia	23	29	-6
Greece	30	30	-
Romania	31	31	-
Slovak Republic	32	32	-

The benchmark analysis compares Finland's business climate for life sciences companies across 32 countries. Finland ranks 8th in 2026, up from 10th in 2025, while Nordic peers Sweden and Denmark remain clearly ahead in 5th and 3rd place.

The improvement is real, but it should be read carefully. The benchmark weights each KPI equally, while company investment decisions do not. Stakeholder interviews highlight that access, adoption, reimbursement predictability, and commercial potential carry disproportionate weight when companies decide where to launch products, run clinical trials, and allocate R&D investments.

Finland's weaker areas are concentrated in the indicators closest to realized investment: private R&D, clinical trials, R&D facilities, production sites, headquarters presence, and access to international markets. These stakeholder concerns are also supported by evidence from other key sources. The Finland Investor Confidence Barometer 2026 shows Finland's overall business environment score falling to its lowest level in the past decade.

Finland's 8th place therefore signals strong potential, not yet top tier realized attractiveness. The core question is whether Finland can turn its strong operating conditions into more investment, clinical trials, launches, company scale, and patient access.

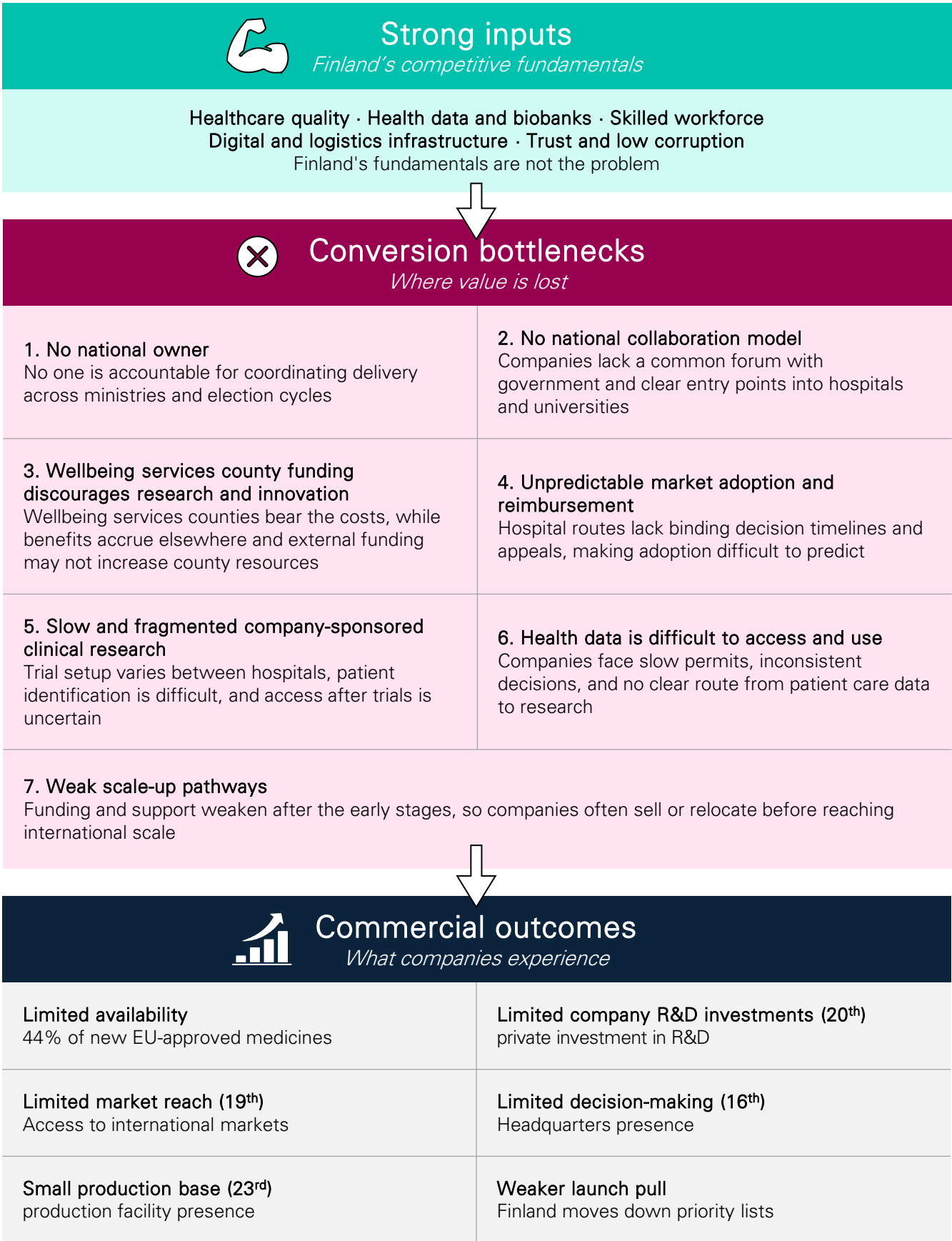


Notes: 2025 ranking contains tied ranking positions due to same benchmark score, while no country received the same benchmark score in the 2026 ranking. Countries with identical KPI values receive the same rank. No secondary tie-breaker is applied.

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis

Executive summary

Finland's strong life sciences fundamentals are weakened by bottlenecks negatively affecting commercial outcomes



Executive summary

Seven interconnected bottlenecks limit Finland's ability to convert strong foundations into investment (1/2)

Interview findings suggest that Finland faces seven interconnected bottlenecks that collectively limit life sciences & health investments. Because these bottlenecks reinforce one another, progress in one area can also support progress elsewhere.

For example, more predictable market access can improve Finland's priority for product launches. A stronger commercial presence can increase the country's relevance for clinical trials, while greater trial activity can strengthen local capabilities, partnerships,

and the case for further investment. Over time, a growing company presence can reinforce Finland's attractiveness for subsequent launches and investments.

The table below summarizes the seven bottlenecks, the corresponding recommendations presented in the final chapter, and the intended outcomes. The recommendations reflect directions proposed in the sector interviews, while the outcomes illustrate the investment decision logic described by interviewees.

Table 2: Identified bottlenecks, recommendations, and intended outcomes

Bottleneck today	Recommendations	Intended outcomes
1. No national owner. Strategies exist, but execution, ownership, and continuity do not; the sector's problems cut across ministries and policy runs in four-year cycles.	Include life sciences & health in the next government program explicitly with a named ministerial owner and cross-ministry mandate; anchor a binding, cross-term regulatory and incentive roadmap; build permanent delivery structures; complete pending legislation this term.	Finland would become a partner country with, e.g., a ten-year investment plan, having a visible national priority with an owner to talk to, targets to track, and predictability that spans election cycles.
2. Public and private collaboration lacks a national operating model. Cooperation depends too heavily on local projects and personal relationships. Companies lack clear routes into the public system and are not consistently engaged early.	Establish a national government and industry forum, inspired by Denmark, to identify barriers and drive action. Create clear company entry points into university hospital ecosystems, building on FinTrials and Hosplnno, and provide systematic support for reinvestment and expansion.	Public capabilities connect more effectively with private capital and expertise. Successful partnerships scale, accelerating research, commercialization, adoption, and investment.
3. Inverted wellbeing services county incentives. Wellbeing services counties pay for innovation and research while benefits accrue to KELA, employers, and the state; external research funding can in practice reduce a wellbeing services county's state funding, and no funding is earmarked for research.	Fix the funding trap in legislation so external and company research funding is genuinely additional; introduce earmarked research funding with dedicated research physicians and nurses; create positive national incentives for adoption and company collaboration; steer on long-term outcomes alongside annual cost.	Counties become the demand side of the ecosystem: reference customers, pilot sites, and trial hosts, for medicines, devices, diagnostics, and digital health alike.

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; KPMG analysis

Executive summary

Seven interconnected bottlenecks limit Finland's ability to convert strong foundations into investment (2/2)

Bottleneck today	Recommendations	Intended outcomes
4. Unpredictable market access. Two reimbursement channels with unequal rules: the hospital route has no binding deadlines, no appeal, and high perceived rejection risk; adoption is hard to estimate across the whole sector.	Extend the outpatient route's procedural discipline to the hospital channel: binding timelines, reasoned decisions, appeal route; evaluate consolidation toward one national pathway; complete the innovation adoption legislation; revisit the value framework openly at policy level.	Launch decisions Finland can win: companies can estimate whether, when, and how broadly a product will be adopted, so launches, prelaunch hiring, and early investment become plannable.
5. Finland lacks the speed and coordination to compete for company-sponsored clinical research. The number of company-sponsored clinical trials decreased by nearly half: fragmented setup across hospitals, slow processes, difficult patient identification, and uncertain post-trial access.	Deliver FinTrials fully and manage it against public national targets for trial volume and startup speed; create a national post-trial access framework; benchmark Finland's application of the EU Clinical Trials Regulation against faster peers and remove stricter than required interpretations.	Trial placements return to Finland: R&D investment flows into hospitals, patients gain early access, and trial numbers become the first visible proof that the system is improving.
6. Health data remains too difficult to access and use. Finland has valuable data assets, but slow permits, inconsistent interpretation, and fragmented access routes reduce their practical value.	Create one operating model connecting data collected in patient care with its use in research. Set and publicly report target processing times for Findata permits, involve more actors in EHDS implementation, and offer clear data services for patient recruitment, registry studies, and real-world evidence.	Researchers and companies can access suitable data faster and use it for clearly defined purposes, increasing clinical trials, registry research, and real-world evidence projects in Finland.
7. Scale-up pathways are too weak to retain value in Finland. Funding and commercialization support weaken after the early stages. Finnish companies can be pushed toward early exits or relocation, while multinational companies mainly maintain sales operations rather than larger research, production, or decision-making functions.	Use public funding alongside private capital to turn university discoveries into investable companies, strengthen early partnerships between academia and industry, attract multinational R&D and production mandates, and remove funding barriers for international participants	More Finnish companies scale and stay, international companies expand their local activities, and successful firms become anchors for the wider ecosystem.

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; KPMG analysis

Executive summary

What would be required for Finland to move toward a top 3 position:

PRIORITY

1

ESTABLISH OWNERSHIP AND FIX THE CORE BARRIERS

National ownership

Name one ministerial owner, publish a binding roadmap, and establish a permanent delivery team.

Wellbeing services county incentives

Ensure external research funding adds to county resources, fund research capacity, and reward innovation adoption.

Predictable adoption

Set binding hospital decision timelines, require reasoned decisions, and establish an appeal process.

PRIORITY

2

BUILD DELIVERY CAPACITY

National collaboration model

Establish a national government and industry forum, clear hospital entry points, and systematic expansion support.

Company-sponsored clinical research

Manage FinTrials against targets for trial volume and startup time and align Finland's implementation with faster EU peers.

Health data access

Set public processing targets for Findata, connect patient care data with research use, and offer clear company use cases.

PRIORITY

3

RETAIN AND SCALE VALUE

Scale-up pathways

Use public funding alongside private capital to turn university discoveries into investable companies, strengthen academia and industry partnerships, and attract multinational R&D and production mandates.

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; KPMG analysis

1. Introduction

Finland's evolution in life sciences & health

Life sciences & health is a broad ecosystem spanning pharmaceuticals, medtech, biotech, diagnostics, digital health, health data services, research institutions, startups, and investors. This report deliberately covers this entire breadth.

Finland has many of the inputs of a leading life sciences & health country: high-quality science, strong health data, biobanks, a trusted public healthcare system, skilled talent, and established companies across pharmaceuticals, diagnostics, medtech, R&D, and production. Tesi, the Finnish state-owned investment company, has identified more than 550 Finnish health & life sciences companies across digital health and software, medical devices, biotechnology and diagnostics, and services.

Yet Finland's commercial footprint remains relatively small. The country has limited scale-up activity, fewer large-company headquarters, lower production presence, and materially lower private R&D investment than leading Nordic peers. Finland has 9 pharmaceutical production facilities compared with 41 in Denmark, while private R&D investment in the sector is EUR 232 million, clearly below Denmark at EUR 1,771 million and Sweden at EUR 1,184 million.

This is the central question of the report: why do Finland's strong fundamentals not translate more clearly into company activity, investment, and patient access? The issue is not a lack of assets, but a persistent weakness in converting those assets into a competitive growth platform.

This challenge has been recognized for more than a decade. Finland's 2014 Health Sector Growth Strategy already concluded that significant investment in health-related research had not produced sufficient societal or economic value. Today, the same conversion gap is visible in private investment, clinical trials, market access, growth funding, and international scale-up.

Two indicators demonstrate this conversion gap. Company-sponsored clinical drug-trial notifications to Fimea declined from 117 in 2021 to 74 in 2025, showing that Finland's research and healthcare strengths are not translating into company-led clinical activity at the level they could. Patient access shows a

similar pattern: EFPIA's Patients W.A.I.T. Indicator 2025 reports that only 74 of 168 new medicines approved in 2021 to 2024 were available in Finland as of January 2026, equal to 44% availability.

Finland's historical health data advantage is real but is not guaranteed going forward. Larger initiatives such as UK Biobank and the US All of Us program combine improving infrastructure with scale Finland cannot match. Finland's edge must therefore shift from having high-quality data to using it faster and more systematically for trials, real-world evidence, innovation adoption, and company growth.

This publication benchmarks Finland's business climate for life sciences & health companies against all EU countries, Norway, Switzerland, the United Kingdom, the United States, and China. The objective is not only to understand Finland's current ranking, but to identify what is holding the country back from becoming a stronger platform for investment, clinical activity, commercial scale, and patient access.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; ETLA, The Finnish Biotechnology Industry, Report 166, 2025; Fimea, Kliinisten lääketutkimusten tilasto; Lääketeollisuus ry / ESiOR, Kliinisen lääketutkimuksen suunta Suomessa, 2025; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; Tesi, Health & Life Sciences Study Finland, 2023; FinnGen, Cohort and Data; UK Biobank; NIH, All of Us Research Program; Ministry of Employment and the Economy et al., Health Sector Growth Strategy for Research and Innovation Activities, 2014; KPMG analysis

What makes a country attractive to life sciences companies?

To assess country attractiveness for life sciences & health companies, the 2026 benchmark exercise compares 32 countries across six domains and 30 KPIs. The domains cover economic factors, workforce, governance, talent and education, infrastructure, and market access and market potential. Together, they capture the conditions that influence where companies invest, operate, conduct research, scale, and commercialize innovations.

The KPI selection builds on a methodology developed for a comparable benchmark of the Netherlands in 2025 and updated in 2026. Indicators were selected based on relevance, distinctiveness, and limited overlap. The 2026 edition also adds KPIs on universal healthcare coverage and clinical trials, strengthening the assessment of health-system coverage and research activity.

Countries are ranked on each KPI based on their relative position among the 32 countries. A rank of 1 indicates the most favorable outcome and 32 the least favorable. The results should therefore be read as relative comparisons, not absolute measures of performance.

The benchmark applies equal weighting across KPIs to remain transparent and comparable across countries. This is a deliberate design choice, but it has an important implication: real investment decisions are not equally weighted. Companies typically place disproportionate weight on a smaller set of factors, especially patient access, innovation adoption, commercial potential, clinical trial activity, and the predictability of the operating environment.

This distinction is important for interpreting Finland's results. A relatively strong aggregate ranking does not automatically mean that Finland is equally strong as an investment location in practice. Stakeholder interviews indicate that Finland's headline position can understate bottlenecks related to market access, private R&D, clinical trials, and commercial scale, while Finnish funding-environment assessments point to persistent weaknesses in growth funding. Where the benchmark does not fully capture these practical investment bottlenecks, the relevant gaps are flagged in each domain section of this report.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; KPMG analysis

2. An international business climate comparison for life sciences companies

This section presents Finland's performance across the six benchmark domains and the underlying KPIs. The purpose is to show where Finland's business climate is strongest, where it lags behind peers, and which indicators are most relevant for life sciences & health companies considering investment, R&D, operations, or market entry.

Each KPI is interpreted based on how it affects the business climate. Some indicators are straightforward: higher public R&D investment suggests stronger government support for research and innovation, while lower private R&D investment points to weaker business-led innovation activity. Higher healthcare expenditure can indicate larger market opportunity and stronger capacity to adopt new technologies and treatments.

Other indicators require more balanced interpretation. Regulation, GDPR compliance, decarbonization policies, and environmental requirements can strengthen trust, sustainability, and long-term system resilience. At the same time, they can add administrative requirements, compliance costs, and operational complexity for companies. The benchmark therefore assesses these indicators from the perspective of location attractiveness for life sciences & health companies, while recognizing that the same policies may deliver broader societal, environmental, or healthcare benefits.

Finland's performance across the six domains and associated KPIs is shown in the tables below, followed by an interpretation of Finland's results in each domain. Where the KPI ranking alone does not fully explain the practical investment reality, the analysis adds stakeholder evidence and external sources to clarify the gap.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; KPMG analysis

Finland ranks 8th, up two spots, but the ranking should be read as potential, not realized attractiveness

Table 3: Results of the international benchmark exercise

Country	Ranking		Difference
	2025	2026	
United States	1	1	-
Switzerland	2	2	-
Denmark	4	3	+1
Germany	5	4	+1
Sweden	3	5	-2
Netherlands	6	6	-
Belgium	7	7	-
Finland	10	8	+2
United Kingdom	9	9	-
China	14	10	+4
Norway	8	11	-3
Austria	13	12	+1
France	11	13	-2
Ireland	12	14	-2
Spain	15	15	-
Italy	16	16	-
Slovenia	17	17	-
Czech Republic	18	18	-
Poland	21	19	+2
Luxembourg	23	20	+3
Portugal	19	21	-2
Hungary	28	22	+6
Lithuania	20	23	-3
Latvia	29	24	+5
Estonia	26	25	+1
Bulgaria	27	26	+1
Cyprus	21	27	-6
Malta	25	28	-3
Croatia	23	29	-6
Greece	30	30	-
Romania	31	31	-
Slovak Republic	32	32	-

Notes: 2025 ranking contains tied ranking positions due to same benchmark score, while no country received the same benchmark score in the 2026 ranking.

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Finland's Nordic competitiveness is held back by weaker market access and economic performance

Finland ranks 8th overall, behind Denmark in 3rd place and Sweden in 5th, but ahead of Norway in 11th. Finland performs relatively well in governance, infrastructure, and talent, which points to a stable and well functioning operating environment. However, Finland is weaker in economic factors and market access and market potential, the two areas most closely linked to whether strong conditions turn into investment, company growth, and commercial activity.

The gap to Denmark and Sweden is therefore not mainly about basic capability. It is about how countries convert

life sciences strengths into growth. Denmark has a Life Science Council to follow strategy implementation, a 120% R&D tax deduction, a one stop shop to speed up production related permits, and a national health data model with a single contact point and common analytics platform. Finland still relies heavily on strong underlying assets and individual initiatives. Peer countries are more systematic in turning life sciences into investment, exports, and company growth.

Table 4: Nordic country ranking based on benchmark results

Domain	2026 Benchmark rank				Average
	Finland	Sweden	Denmark	Norway	
 Economic factors	10	5	6	15	9.0
 Workforce	4	3	2	1	2.5
 Governance	17	20	22	22	20.3
 Talent and education	6	2	8	13	7.3
 Infra-structure	5	10	5	8	7.0
 Market access and market potential	15	10	7	16	12.0
Overall ranking:	8	5	3	11	6.8

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Erhvervsministeriet (Denmark), Strategi for life science frem mod 2030, 2024; Erhvervsministeriet (Denmark), Rød løber for produktionsvirksomheder, 2024; KPMG analysis

Finland has strengthened its benchmark position, but the most investment-linked KPIs remain weak (1/2)

Table 5: Results of Finland benchmark by domain and KPI

Domain	KPI	Ranking of Finland (score 1 = high, score 32 = low)*		
		2025	2026	Difference
 Economic factors	GDP growth	29	24	+5
	Public investment in R&D	7	6	+1
	Private investment in R&D	18	20	-2
	Presence of R&D facilities	22	22	0
	Median income	11	11	0
	Healthcare expenditure	10	9	+1
	Healthcare system	2	2	0
	Universal healthcare	--	6	--
 Workforce	Work-life balance	21	21	0
	Gender pay gap	2	1	+1
	Productivity	11	12	-1
	Labor laws and regulations	11	6	+5
 Governance	Corporate tax rate	12	10	+2
	Decarbonization policy	20	16	+4
	GDPR regulation	17	17	0
	Environmental regulation	29	29	0
	Corruption	2	2	0
 Talent and education	Presence of universities	14	12	+2
	Skilled workforce	5	4	+1
 Infra-structure	Digital infrastructure	7	6	+1
	Logistics networks	5	4	+1
	Energy prices	9	7	+2
	Presence of production facilities	23	23	0
	Waste disposal	10	13	-3
 Market access and market potential	Patents	15	15	0
	Access to international markets	19	19	0
	Access to new medicines	10	9	+1
	Competitive position	8	10	-2
	Presence of headquarters	15	16	-1
	Clinical trials	--	22	--
Overall ranking:		10	8	+2

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis

Finland has strengthened its benchmark position, but the most investment-linked KPIs remain weak (2/2)

Finland rose from 10th to 8th overall, mainly through improvements in broad operating conditions such as GDP growth, labor regulation, decarbonization policy, logistics networks, energy prices, and digital infrastructure. These strengthen Finland's general operating environment, but they do not by themselves show that life sciences companies are placing more activity in Finland.

The KPIs linked more to investments tell a different story. Finland ranks 20th in private R&D investment, 22nd in R&D facilities, 23rd in production facilities, 22nd in clinical trials, 19th in access to international markets, and 16th in headquarters presence. These indicators are

closest to real company commitment: where companies invest, run trials, build production, place decision-making roles, and scale commercial activity.

Access to new medicines also needs careful interpretation. Finland's benchmark rank improved from 10th to 9th, but this KPI measures median time to availability. It does not measure how many new medicines become available, how widely they are adopted, or whether patients can access them consistently across Finland. EFPIA's W.A.I.T. data shows that only 74 of 168 new medicines approved in 2021 to 2024 were available in Finland as of January 2026, equal to 44% availability.



**While the ranking shows Finland
advancing, the reality is that Finland is
retreating from an attractiveness
perspective**

- Industry stakeholder

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; KPMG analysis



2.1. Economic factors

Economic conditions are an important foundation for the development of the life sciences sector. In this domain, attention is given to indicators that reflect a country's capacity to support innovation-driven industries, such as overall economic performance, investment climate, and expenditure on healthcare and innovation.

Together, these indicators illustrate the extent to which sufficient financial resources, purchasing power, and long-term investment incentives are in place.

For life sciences companies, a strong economic environment supports sustainable growth, reduces operational risks, and enhances the appeal of a country as a competitive and reliable location for research, development, and commercial activities.

Table 6: Results of the KPIs for the economic factors domain by country

Economic factors									2026 Domain rank	2025 Domain Delta Δ
KPI:	1	2	3	4	5	6	7	8		
Countries	GDP growth	Public investment in R&D	Private investment in R&D	Presence of R&D facilities	Median income	Healthcare expenditure	Healthcare system	Universal healthcare		
Austria	28	5	15	19	7	3	17	12	13	-1
Belgium	28	3	7	7	10	8	15	6	7	-1
Bulgaria	6	29	25	22	31	17	13	32	23	0
China	1	10	2	2	32	31	29	8	14	1
Croatia	7	24	27	31	24	26	27	30	30	-2
Cyprus	4	29	26	24	15	16	31	30	23	-2
Czech Republic	10	15	16	7	21	18	24	15	16	4
Denmark	13	8	9	11	6	14	8	8	6	-3
Estonia	21	14	14	27	20	23	19	24	21	4
Finland	24	6	20	22	11	9	2	6	10	1
France	25	12	6	7	14	5	9	18	9	-3
Germany	26	7	4	3	12	2	5	4	2	3
Greece	17	18	21	19	27	21	26	27	25	-1
Hungary	18	23	19	15	29	28	22	23	27	2
Ireland	8	22	17	14	8	27	20	18	18	-2
Italy	32	21	8	7	16	19	25	18	20	-1
Latvia	10	28	29	24	22	25	9	27	22	9
Lithuania	5	25	29	31	25	24	14	25	28	-2
Luxembourg	19	26	29	27	3	29	28	15	25	5
Malta	2	31	29	27	17	32	32	18	29	-7
Netherlands	23	11	13	4	9	11	7	8	8	0
Norway	20	16	22	27	5	13	12	1	15	-1
Poland	3	20	10	13	26	22	18	18	17	1
Portugal	16	17	23	16	23	10	21	15	19	-2
Romania	28	32	24	21	30	30	30	27	32	0
Slovak Republic	31	27	28	24	28	20	22	25	31	-4
Slovenia	13	13	18	16	18	12	3	12	12	0
Spain	12	19	11	5	19	15	11	12	11	-1
Sweden	13	1	12	16	13	6	6	8	5	3
Switzerland	22	4	5	6	2	4	16	4	2	0
United Kingdom	26	9	3	12	4	7	4	2	4	0
United States	9	2	1	1	1	1	1	2	1	0

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Economic factors reveal a sharp divide between Finland's strong public system and weak private sector-led activity

Finland ranks 10th out of 32 countries in the economic factors domain, supported by a strong public sector base. Its highest rankings are in healthcare system quality (2nd), public investment in R&D (6th), universal healthcare (6th), and healthcare expenditure (9th). This provides Finland with many of the economic foundations expected from an attractive life sciences & health market.

Finland ranks significantly lower in private investment in R&D (20th) and presence of R&D facilities (22nd). In absolute terms, Finland's private R&D investment is EUR 232 million, compared with EUR 1,771 million in Denmark and EUR 1,184 million in Sweden. Denmark's private R&D investment is therefore almost eight times Finland's level, while Sweden's is around five times higher.

This gap aligns with industry stakeholder views. Finland is seen as strong in public research, healthcare quality, registries, and health data, but weaker in the outcomes that drive company investments the most: product availability, sales opportunities, clinical trials, production presence, scale-ups, and local decision-making functions. Companies invest where they see market potential and results, not only where research quality is high.

Stakeholders also point to structural features that limit the private investment engine. Finland's extensive public ownership in parts of the technology and service-supply base can weaken competition and market access for private companies. It also makes the system more

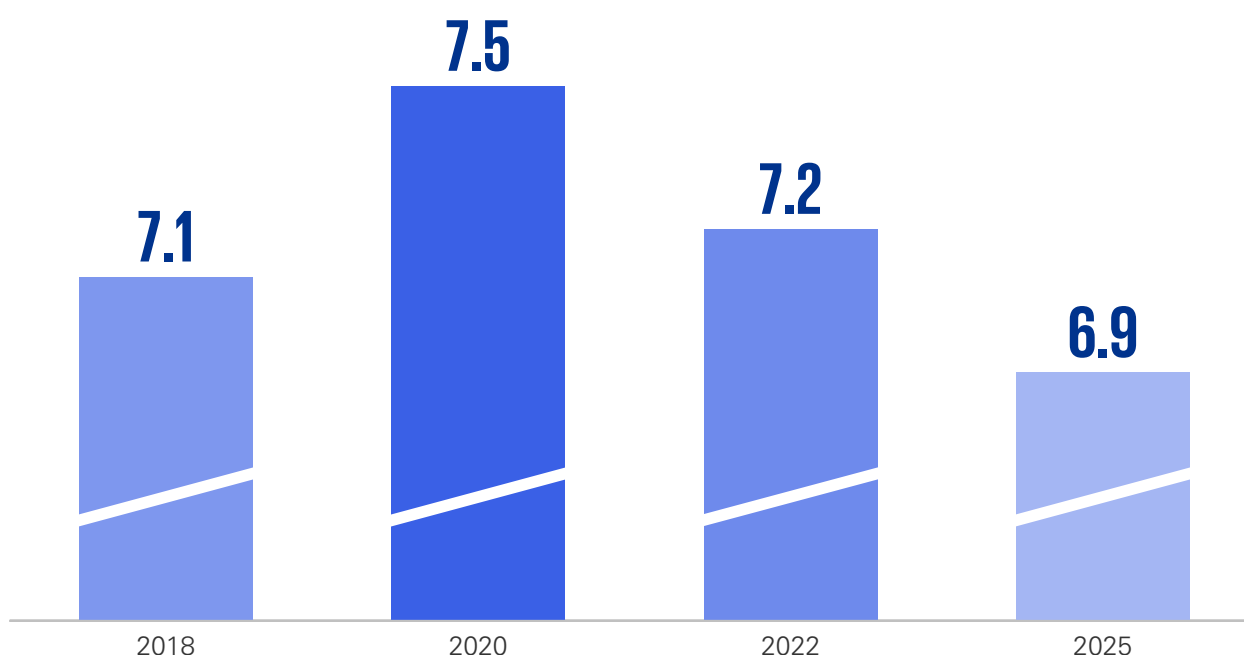
dependent on public budgets: when public funding tightens, there is less private capital in the system to sustain activity through the downturn, according to sector stakeholders.

This is visible in the life sciences sector itself. Stakeholders mention that declining clinical trial activity, limited private R&D investment, few large anchor companies, and weak growth capital availability are concrete signs that Finland's economic base is not generating enough company-led activity. A representative of Pharma Industry Finland stated that clinical trials account for approximately half of its member companies' annual R&D investment in Finland. On this basis, declining trial activity also reduces an important source of private R&D investment.

The broader investment climate reinforces the need for caution. The 2026 Investor Confidence Barometer reports that Finland's overall business environment score fell to 6.9 in 2025, the lowest level recorded in the Barometer's history. The same survey found that nearly 60% of corporate decision makers believe political risk has increased over the past two years, underlining the importance of predictability for investment decisions.

Overall, the economic factors domain shows a clear split: Finland has a strong public sector life sciences & health platform, but a much weaker private investment engine, resulting in a country that performs well on healthcare and public R&D indicators but trails its Nordic peers in company investment activity.

Figure 1: Finland Investor Confidence Barometer, assessment of the business environment in Finland (on a scale of 1 to 10)

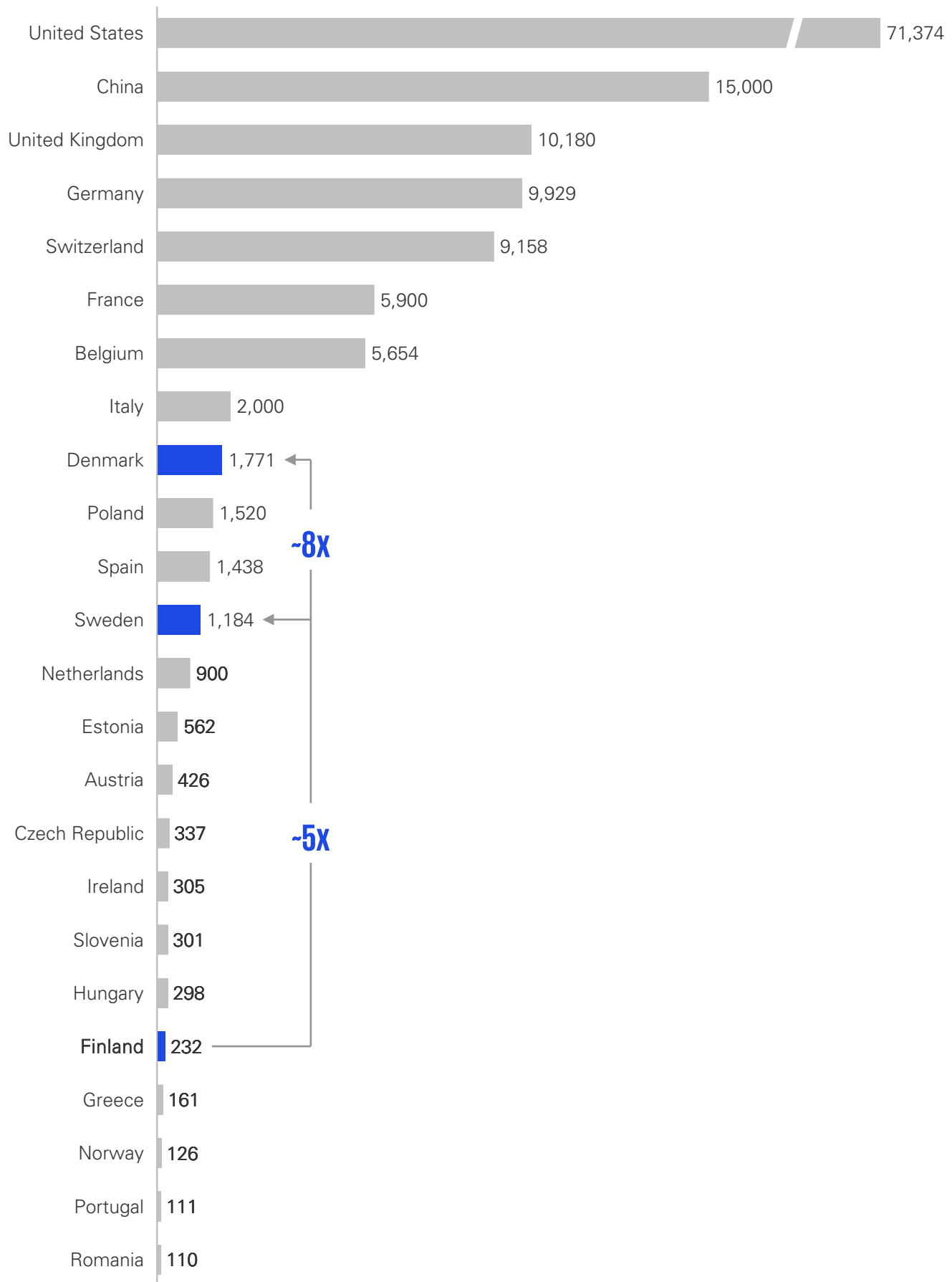


Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Finland Investor Confidence Barometer, 2026; Fimea, Kliinisten lääketutkimusten tilasto; Lääketeollisuus ry / ESiOR, Kliinisen lääketutkimuksen suunta Suomessa, 2025; KPMG analysis



Economic factors reveal a sharp divide between Finland's strong public system and weak private sector-led activity

Figure 2: Private investment in R&D per country (EURm)



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1), KPMG analysis



2.2. Workforce

The workforce domain assesses how labor-market conditions affect life sciences companies' ability to attract, retain, and deploy talent. Given the sector's knowledge- and R&D-intensive nature, factors such as productivity, labor-market flexibility, and workforce inclusiveness are key to operational efficiency and investment decisions. High productivity can offset labor costs and support advanced R&D and other high-value

activities. Labor laws influence hiring flexibility and scalability, which are critical for project-based and rapidly evolving LSH activities. Indicators such as work-life balance and the gender pay gap also signal talent sustainability, employee well-being, and effective use of the labor pool. Together, these factors capture both the cost and quality of the workforce and its importance for a country's LSH investment attractiveness.

Table 7: Results of the KPIs for the workforce domain by country

workforce					2026 Domain rank	2025 Domain Delta Δ
KPI:	9	10	11	12		
Countries	Work-life balance	Gender pay gap	Productivity	Labor laws and regulations		
Austria	30	21	7	1	13	1
Belgium	9	13	6	25	10	-4
Bulgaria	15	25	31	11	24	0
China	15	30	32	24	29	2
Croatia	15	22	19	22	23	-7
Cyprus	15	25	30	16	25	0
Czech Republic	24	31	20	28	31	-2
Denmark	2	9	5	7	2	1
Estonia	21	7	23	21	21	-2
Finland	21	1	12	6	4	1
France	6	16	13	20	11	-1
Germany	8	5	11	32	12	-2
Greece	24	28	26	18	27	1
Hungary	12	32	28	27	28	-2
Ireland	29	6	1	13	9	1
Italy	1	27	14	3	7	-3
Latvia	13	12	28	15	20	-5
Lithuania	9	10	21	23	16	-3
Luxembourg	14	20	2	26	15	2
Malta	15	23	15	10	16	3
Netherlands	5	17	4	19	7	1
Norway	3	2	3	4	1	0
Poland	28	19	25	31	31	0
Portugal	26	15	22	30	26	1
Romania	15	29	24	8	22	0
Slovak Republic	23	24	27	28	30	0
Slovenia	26	13	18	9	19	0
Spain	4	8	16	12	4	2
Sweden	6	4	9	5	3	-1
Switzerland	9	10	8	17	6	3
United Kingdom	31	3	17	14	18	4
United States	32	17	10	2	14	3

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Finland's workforce is a clear benchmark strength, supported by equality and stable regulation, with some caveats around the current unemployment situation and weaker work-life balance

Finland ranks 4th out of 32 countries in the workforce domain, making it one of the country's clearest benchmark strengths. The result is driven by strong performance on gender pay equality (1st) and labor laws and regulation (6th), supported by a solid position on productivity (12th). For companies, this signals a stable, equal, and predictable workforce.

However, the workforce picture is not uniformly strong. Finland ranks only 21st on work-life balance, clearly weaker than its overall domain position. In addition, unemployment remains elevated: Finland's unemployment rate was 10.6% in April 2026, compared with 6.0% in the EU, 8.6% in Sweden, 7.0% in Denmark, 3.9% in the Netherlands, and 3.8% in Germany.

This creates a mixed workforce signal. Finland has high unemployment, but the Investor Confidence Barometer shows that 30% of companies still report talent

shortages and that skilled workforce availability is Finland's largest importance-performance gap. Together with OECD evidence that shortages are concentrated in high-skilled roles, this points to a workforce matching problem rather than a simple lack of available workers.

A partially offsetting strength is cost competitiveness. The Investor Confidence Barometer notes that wages for high-skilled workers are competitive relative to other Nordic countries. This can support R&D, expert work, and knowledge-intensive activity in Finland, provided that the right capabilities are available.

Overall, the workforce domain remains a genuine Finnish strength. However, while Finland performs well on equality, regulation, and workforce stability, weaker work-life balance and high unemployment make the picture less positive than a 4th place ranking alone suggests.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Statistics Finland, Labour Force Survey, April 2026; Eurostat, unemployment statistics, April 2026; OECD, Economic Surveys: Finland 2025; Finland Investor Confidence Barometer, 2026; KPMG analysis



2.3. Governance

The governance domain assesses how regulatory and policy conditions affect investor attractiveness through cost levels, predictability, and operational flexibility.

Lower corporate tax rates are viewed as more favorable, as they reduce firms' direct tax burden and can attract mobile activities such as headquarters and R&D coordination. Data protection rules, including GDPR, are assessed based on compliance burden, which is

especially relevant for activities relying on sensitive health data.

Environmental and decarbonization rules are assessed from a short- to medium-term investment perspective, as stricter rules may increase compliance costs and operational constraints. Corruption is treated in the opposite manner: higher corruption is always unfavorable, as it weakens predictability, institutional quality, and fair competition.

Table 8: Results of the KPIs for the governance domain by country

Governance						2026 Domain rank	2025 Domain Delta Δ
KPI:	13	14	15	16	17		
Countries	Corporate tax rate	Decar-bonization policy	GDPR regulation	Environ-mental regulation	Corruption		
Austria	19	12	17	25	12	20	5
Belgium	22	11	3	18	12	12	-4
Bulgaria	2	3	3	3	31	2	0
China	22	2	1	1	30	6	0
Croatia	7	8	3	10	28	6	0
Cyprus	3	10	3	2	21	1	0
Czech Republic	13	9	3	16	18	8	8
Denmark	14	32	17	23	1	22	0
Estonia	14	22	3	32	9	18	-6
Finland	10	16	17	29	2	17	2
France	27	21	17	21	14	29	-2
Germany	31	20	17	30	8	30	1
Greece	14	15	17	22	25	26	-1
Hungary	1	5	3	6	31	3	5
Ireland	3	14	17	17	9	9	-4
Italy	29	7	17	8	23	19	1
Latvia	10	13	3	7	17	5	9
Lithuania	6	29	3	13	15	12	-1
Luxembourg	20	30	3	31	6	25	5
Malta	32	19	17	19	26	32	0
Netherlands	27	28	17	19	6	28	1
Norway	14	27	17	26	3	22	-9
Poland	8	4	17	14	23	12	12
Portugal	30	26	3	9	20	24	-8
Romania	5	23	3	5	29	11	-9
Slovak Republic	21	6	3	15	27	15	0
Slovenia	14	17	3	11	19	10	0
Spain	22	24	17	12	21	27	1
Sweden	12	25	17	27	4	20	-2
Switzerland	9	18	17	24	4	15	8
United Kingdom	22	31	17	28	11	31	-11
United States	26	1	2	4	16	4	0

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Investors trust Finnish institutions, but they highlight that public decisions, permits, data access, and regulatory interpretation need to be faster, clearer, and more predictable

Finland ranks 17th out of 32 countries in the governance domain, up two places from 2025. The improvement mainly reflects Finland's corporate tax rate ranking, which rose from 12th to 10th, and its decarbonization policy ranking, which rose from 20th to 16th. Finland ranks 2nd in low corruption, while its rankings for GDPR regulation (17th) and environmental regulation (29th) are lower.

The interviews provide additional context for these results. Interviewees described transparency, low corruption, and rules-based administration as Finnish strengths. However, several distinguished institutional stability from predictability in practice, pointing to the speed of decisions, consistency of interpretation, and fragmentation of public processes as areas of concern. Interviewees see Finland as generally stable, but implementation can be slow and cautious.

The 2026 Finland Investor Confidence Barometer also presents regulatory predictability as a Finnish strength. However, only 36% of foreign-owned companies identified the predictability of laws and regulation as a notable strength. The interviews suggest that institutional trust alone does not determine investment attractiveness. Companies also consider how quickly decisions are made, how consistently rules are applied, and how easily public processes can be navigated.

These issues are particularly relevant in life sciences & health, where companies depend on public decisions. Procurement law sets the rules that public bodies must follow when purchasing services, technologies, and other solutions. Interviewees indicated that narrow or inflexible application of these rules can slow public-private collaboration. They also identified data protection legislation as a potential constraint when research and innovation processes require flexibility and speed.

Stakeholders raised similar concerns about access to health data. They recognized the strength of Finland's health data resources but emphasized that Findata permits and other data access processes must be timely and predictable. Some interviewees noted that these

processes have improved, while others continued to identify them as a constraint on research collaboration.

The governance rankings also reflect environmental regulation and decarbonization policy. These policies can support Finland's long-term sustainability profile but may also increase compliance requirements and production costs. The benchmark does not measure these commercial effects directly. The relevant consideration for companies is how the requirements are applied, how long related decisions take, and whether the underlying policy assumptions remain stable.

The Investor Confidence Barometer provides broader evidence on this issue. The barometer found that nearly 60% of surveyed corporate decision makers believed that political risk had increased during the previous two years. The Barometer cites the proposed reclassification of data centers and mines from the lower electricity tax category to the standard rate as an example of an abrupt policy change that weakened investment credibility beyond the sectors directly affected. Its broader conclusion is that companies require stable assumptions when making long-term investment decisions.

Finland's corporate tax rate is competitive, while proposals for additional R&D tax deductions and investment subsidies could further improve the investment case. However, the Barometer finds that the absolute corporate tax rate is not the main competitiveness issue for most respondents. It places greater emphasis on the predictability of taxation across parliamentary terms and investment horizons.

Overall, the benchmark shows that Finland performs strongly on low corruption but ranks lower on several other governance indicators. The interviews present a similar distinction: stakeholders value Finland's trust, transparency, and institutional stability, but identify speed, flexibility, and practical predictability as areas for improvement. For life sciences & health, interviewees therefore emphasized clearer decisions, faster permits, more consistent interpretation, and public processes that are easier for companies to navigate.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Finland Investor Confidence Barometer, 2026; KPMG analysis



2.4. Talent and education

Talent availability and education quality play a decisive role in shaping the investment climate for life sciences and biotechnology. Across advanced economies, persistent shortages of specialized skills, particularly in biomanufacturing and applied research, are limiting the ability to scale innovation, even where funding and infrastructure are strong.

As a result, innovation capacity is increasingly defined by access to skilled labor and human capital, alongside capital investment. Policy frameworks that fail to strengthen this access risk eroding competitiveness over time.

Table 9: Results of the KPIs for the talent and education domain by country

Talent and education			2026 Domain rank	2025 Domain Delta Δ
KPI:	18	19		
Countries	Presence of universities	Skilled workforce		
Austria	10	12	11	-1
Belgium	12	11	12	0
Bulgaria	29	31	31	0
China	1	29	16	0
Croatia	22	30	29	0
Cyprus	22	22	24	-1
Czech Republic	18	15	19	-1
Denmark	17	3	8	-1
Estonia	22	16	20	0
Finland	12	4	6	1
France	7	14	9	0
Germany	4	13	7	-2
Greece	20	28	28	-4
Hungary	20	27	26	2
Ireland	12	9	9	3
Italy	5	23	15	0
Latvia	29	24	30	0
Lithuania	22	20	22	2
Luxembourg	22	8	16	1
Malta	29	17	25	1
Netherlands	9	6	5	-2
Norway	18	7	13	-3
Poland	12	26	20	1
Portugal	12	18	16	3
Romania	29	32	32	0
Slovak Republic	22	25	26	1
Slovenia	22	21	23	-1
Spain	6	19	13	1
Sweden	8	5	2	4
Switzerland	11	2	2	1
United Kingdom	3	10	2	0
United States	2	1	1	0

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Finland's talent quality is strong, but specialized depth and international attraction are becoming investment constraints

Finland ranks 6th out of 32 countries in the talent and education domain, up one place from 2025. Finland ranks 4th in skilled workforce and 12th in the presence of universities. The latter indicator reflects the scale of Finland's university base rather than the quality of its universities.

The 2026 Finland Investor Confidence Barometer identifies skilled workforce availability as Finland's largest gap between importance and performance. While 71% of companies consider availability very important, only 16% identify it as a notable strength. OECD analysis also finds that labor shortages in Finland are concentrated in highly skilled occupations, particularly in green, health, and digital sectors. For life sciences & health, relevant capabilities include STEM, clinical development, regulatory affairs, health economics, biomanufacturing, process engineering, and AI-enabled research.

Interviewees also raised concerns about the future talent pipeline. Life sciences & health stakeholders called for stronger STEM education from an earlier stage of schooling and argued that education funding should be protected. In their view, future sector investment will require a continued supply of scientific, technical, and applied research talent.

Interviewees identified the attraction and retention of international talent as a practical constraint. They cited language requirements, limited employment opportunities for spouses, family integration, Finland's

international reputation, and the three-month rule as barriers to relocation. The new flat 25% tax regime for foreign key employees was viewed as a positive step, although interviewees indicated that taxation alone does not address the broader relocation challenges.

Several interviewees also questioned the emphasis placed on Finland's climate when discussing international recruitment. They indicated that schools, employment opportunities for spouses, and family integration are more important considerations. One interviewee cited FinVector in Kuopio as an example of how local support can enable international recruitment. The city, regional actors, and the Swiss investor worked together to provide conditions for employees and their families, including English-language schooling.

The 2026 Finland Investor Confidence Barometer provides further evidence of the sector's reliance on international recruitment. In the report, GE HealthCare Finland stated that nearly 40% of its recent technology hires came from abroad and emphasized the importance of immigration processes, spouse employment, and services for employees' families.

Overall, talent and education remains one of Finland's stronger benchmark domains. However, the Barometer, OECD analysis, and interviews indicate that the availability of specialized skills and Finland's ability to attract and retain international talent may constrain life sciences & health investment and growth.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; OECD, Economic Surveys: Finland 2025; Finland Investor Confidence Barometer, 2026; KPMG analysis



2.5. Infrastructure

Infrastructure is a key enabler of life sciences and health investment, shaping how efficiently companies can operate, scale activities, and connect to international value chains. This domain assesses the infrastructure most relevant for the sector, including digital infrastructure, logistics networks, energy prices, production facilities, and waste treatment.

Digital infrastructure supports data-intensive research, clinical trials, and regulatory processes, while logistics networks are critical for time-sensitive and highly regulated supply chains. Energy prices and production capacity also affect operating costs and the feasibility of production, biomanufacturing, and other capital-intensive activities.

Table 10: Results of the KPIs for the infrastructure domain by country

Infrastructure						2026 Domain rank	2025 Domain Delta Δ
KPI:	20	21	22	23	24		
Countries	Digital infrastructure	Logistics networks	Energy Prices	Production facility presence	Waste disposal		
Austria	14	9	24	9	2	9	0
Belgium	15	11	29	8	6	11	0
Bulgaria	32	32	4	17	30	29	1
China	7	10	1	2	19	1	0
Croatia	30	30	6	21	23	27	-2
Cyprus	28	29	23	27	31	32	0
Czech Republic	22	20	25	15	15	23	-3
Denmark	3	2	26	10	12	5	-1
Estonia	16	21	21	28	22	26	2
Finland	6	4	7	23	13	5	3
France	13	13	19	11	20	14	0
Germany	11	8	30	3	1	5	1
Greece	29	26	16	16	28	29	0
Hungary	26	24	2	20	24	21	5
Ireland	9	12	32	5	17	12	1
Italy	23	23	31	4	8	19	-2
Latvia	20	22	20	26	9	23	1
Lithuania	10	18	18	31	11	17	3
Luxembourg	17	15	17	32	5	16	0
Malta	18	15	3	24	28	17	2
Netherlands	4	6	21	12	4	3	0
Norway	8	5	5	21	18	8	-2
Poland	25	27	12	7	27	25	-7
Portugal	21	17	14	18	26	21	2
Romania	27	28	9	24	32	31	0
Slovak Republic	31	31	10	28	10	27	0
Slovenia	24	25	11	28	3	20	0
Spain	19	19	15	6	16	12	0
Sweden	5	3	13	19	21	10	-1
Switzerland	1	1	27	13	7	4	0
United Kingdom	12	14	28	14	14	15	-1
United States	2	7	7	1	25	2	0

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Finland has a strong enabling infrastructure, but its limited production facility base shows that these conditions have not yet translated into comparable life sciences production scale (1/2)

Finland ranks 5th out of 32 countries in the infrastructure domain, up three places from 2025. Finland performs particularly well in logistics networks (4th), digital infrastructure (6th), and energy prices (7th). These factors are relevant to data-intensive research, clinical trials, regulated supply chains, and energy-intensive production.

Interviewees also highlighted Finland's clean energy, reliable electricity grid, security of supply, digital maturity, and societal stability. They considered these strengths important to companies and institutional investors assessing long-term locations, particularly in relation to business continuity, supply chain risk, energy reliability, and geopolitical disruption.

Finland's strong infrastructure has not, however, translated into a comparable presence of life sciences & health production facilities. Finland ranks 23rd on this indicator, unchanged from 2025. Finland has 9 pharmaceutical production facilities, compared with 41 in Denmark, 87 in Italy, and 139 in Germany.

Interviewees indicated that infrastructure alone does not determine where production and biomanufacturing investments are made. Other relevant factors include anchor companies, specialized skills, predictable public processes, commercial demand, and a clear national investment proposition. The same applies to Contract Development and Manufacturing Organizations, or CDMOs. These companies develop and manufacture medicines, biologics, and related products for life sciences companies that do not have sufficient production capacity in house.

Stakeholders also pointed to a potential opportunity as Europe seeks to reduce its dependence on pharmaceutical production supply chains in China, India, and the United States. In their view, this could create an opening for Finland to attract pharmaceutical production

and CDMO investment. However, interviewees indicated that responsibility for pursuing this opportunity is not clearly established at the national level.

Existing production sites demonstrate both Finland's capabilities and its limited scale. Orion's sites and Bayer's Turku facility show that relevant production expertise already exists, but these remain individual examples rather than part of a broader effort to attract production. Bayer's approximately EUR 250 million investment in a new Turku facility builds on the company's existing presence and local expertise in polymer-based drug delivery technology and long-acting contraceptives. The investment suggests that Finland can compete for high value production when a company already has a local footprint, relevant expertise, and a clear reason to expand. Based on these examples, near-term opportunities may be strongest around existing anchor companies and competence clusters. Standalone greenfield investments are likely to require a clearer national investment proposition.

Denmark has taken a more deliberate approach. Its Life Science Strategy towards 2030 includes measures to attract life sciences production and foreign investment. These include a "red carpet" approach for production companies, intended to provide more active support for companies considering production investments.

Overall, Finland has the infrastructure to support more life sciences & health production than it currently hosts. Interview findings suggest that the main constraint is not the operating base, but Finland's ability to convert it into production investment, CDMO activity, production ecosystems, and industrial scale. This also links infrastructure to the market access and market potential domain: infrastructure provides the capacity, while commercial potential and investment conditions influence whether companies choose to invest and expand in Finland.

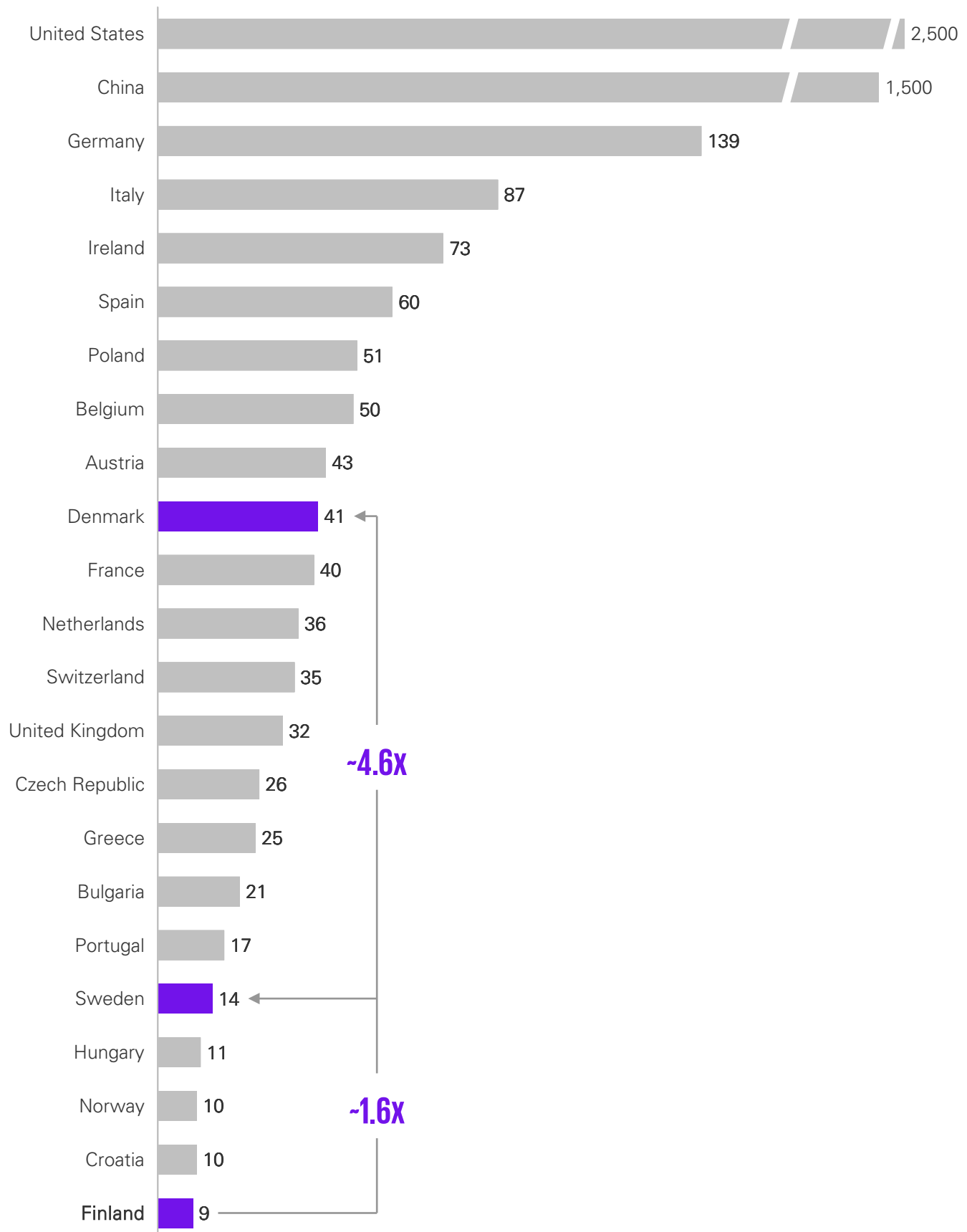


KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Finland Investor Confidence Barometer, 2026; Erhvervsministeriet (Denmark), Strategi for life science frem mod 2030, 2024; Erhvervsministeriet (Denmark), Rød løber for produktionsvirksomheder, 2024; KPMG analysis



Finland has a strong enabling infrastructure, but its limited production facility base shows that these conditions have not yet translated into comparable life sciences production scale (2/2)

Figure 3: Production facility presence per country illustration (top 23 out of 32 countries)



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



2.6. Market access and market potential

This domain assesses how effectively countries translate life sciences innovation into market entry, scale, and long-term commercial presence. It covers the full pathway from innovation to market, including patents, access to international markets, availability of new medicines, company-sponsored clinical trials, competitive position, and headquarters presence.

Together, these indicators reflect both innovation output and market attractiveness. Patents indicate the strength of innovation activity, while market access, medicine availability, and clinical trials show how well countries convert innovation into patient access, research activity, and commercial opportunity. Headquarters presence reflects the sustained attractiveness for life sciences companies.

Table 11: Results of the KPIs for the market access and market potential domain by country

Market access and market potential							2026 Domain rank	2025 Domain Delta Δ
KPI:	25	26	27	28	29	30		
Countries	Patents	Access to international markets	Access to new medicines	Competitive position	Presence of headquarters	Clinical trials		
Austria	14	14	4	14	14	16	14	-1
Belgium	12	6	14	16	10	11	11	-1
Bulgaria	30	22	26	30	23	19	24	6
China	5	12	12	7	5	1	5	1
Croatia	31	24	29	29	21	25	30	-5
Cyprus	29	29	11	24	27	30	24	-1
Czech Republic	20	23	24	17	17	12	18	-1
Denmark	11	11	5	2	13	13	7	0
Estonia	26	31	22	13	30	28	24	5
Finland	15	19	9	10	16	22	15	-1
France	4	10	19	20	4	4	8	2
Germany	2	3	1	11	3	5	3	0
Greece	22	21	25	27	25	15	23	3
Hungary	23	16	16	28	20	14	19	2
Ireland	10	2	23	2	12	24	12	-3
Italy	8	7	8	25	8	6	9	3
Latvia	31	27	21	19	27	27	28	-1
Lithuania	24	25	30	17	30	26	28	-4
Luxembourg	19	32	13	8	22	31	20	-3
Malta	27	28	32	15	27	31	31	0
Netherlands	7	9	10	4	7	10	6	-2
Norway	17	26	20	9	15	21	16	-1
Poland	16	17	28	23	18	9	17	4
Portugal	18	18	31	22	19	20	21	-1
Romania	25	20	32	31	25	17	24	3
Slovak Republic	27	30	27	32	23	23	32	0
Slovenia	21	8	18	26	30	29	22	-3
Spain	13	13	15	21	8	3	12	4
Sweden	9	15	7	5	11	18	10	-2
Switzerland	3	4	2	1	6	7	2	-1
United Kingdom	6	5	6	12	2	8	4	1
United States	1	1	3	6	1	2	1	1

Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); KPMG analysis



Finland's core challenge is not a lack of life sciences & health assets, but weak conversion of those assets into adoption, company-sponsored clinical trials, growth, and company presence (1/5)

Finland ranks 15th out of 32 countries in this domain in 2026, one position lower than in 2025. Finland's ranking remains unchanged in patents (15th) and access to international markets (19th), declines in competitive position (from 8th to 10th), and improves slightly in access to new medicines, from 10th to 9th. At the same time, headquarters presence declines from 15th to 16th, and Finland ranks 22nd on the newly introduced company-sponsored clinical trials KPI.

Several interviewees noted that Finland performs relatively well in research and innovation but faces challenges related to commercialization and adoption. These observations were most commonly discussed in the context of pharmaceuticals, although interviewees reported similar challenges in medical technology, diagnostics, digital health, and health data services. According to interviewees, public healthcare reimbursement, procurement, and adoption processes play a significant role in determining the attractiveness of the Finnish market.

What access really means

The benchmark's access measure and the 395-day figure cited in this report capture the median time before a new medicine first becomes available in Finland. While this provides an indication of availability, several interviewees noted that market access also depends on whether products are reimbursed, adopted into routine clinical practice, and used at sufficient scale.

The EFPIA W.A.I.T. Indicator 2025 shows that 44% of medicines approved centrally in the EU between 2021 and 2024 are available in Finland, similar to the EU average of 45%. In other words, more than half of centrally approved medicines are not available through the routes measured by the indicator. Interviewees cited fragmented reimbursement pathways, uncertainty around hospital uptake, strict cost-effectiveness requirements, pricing considerations associated with a small market, and limited incentives for wellbeing services counties to adopt innovations as factors affecting access and adoption.

Two routes, unequal predictability

Market access was one of the most frequently raised topics in stakeholder interviews. Finland operates two separate pathways for introducing new medicines. The outpatient pathway covers medicines dispensed through pharmacies. The Pharmaceuticals Pricing Board (Hila), operating in connection with the Ministry of Social Affairs and Health, determines reimbursement status and wholesale pricing, while

the Social Insurance Institution (KELA) administers reimbursement. The hospital pathway does not have an equivalent national reimbursement decision. Instead, adoption depends on hospital and wellbeing services county procurement processes, supported by national assessment procedures for hospital medicines and health technologies.

Interviewees highlighted differences between the two pathways in transparency, timelines, and predictability. One industry stakeholder argued that a market of Finland's size would benefit from a single national pathway, which the stakeholder believed would improve predictability for companies.

Interviewees generally described the hospital pathway as more challenging. Several stakeholders perceived the likelihood of rejection to be high, with one interviewee estimating that 70–80% of hospital channel submissions are rejected. Interviewees also noted that the hospital pathway does not include some of the procedural mechanisms that apply to outpatient reimbursement decisions. Hila decisions fall under the EU Transparency Directive, which establishes decision deadlines and provides a formal right of appeal. According to interviewees, hospital medicines are not subject to the same framework, resulting in less predictable timelines and limited recourse in cases of negative decisions or prolonged assessments. Several interviewees referred to examples where assessments had remained unresolved for extended periods. Stakeholders also reported that increasing cost-effectiveness requirements and comparisons against lower-cost generics and biosimilars can make outcomes difficult to anticipate.

Interviewees further noted that industry has advocated for reforms that would consolidate assessments into a single national pathway with defined timelines, although stakeholders generally reported limited visible progress to date. According to interviewees, uncertainty regarding adoption decisions, timelines, and uptake makes it more difficult to assess the commercial potential of launching products and investing in Finland.

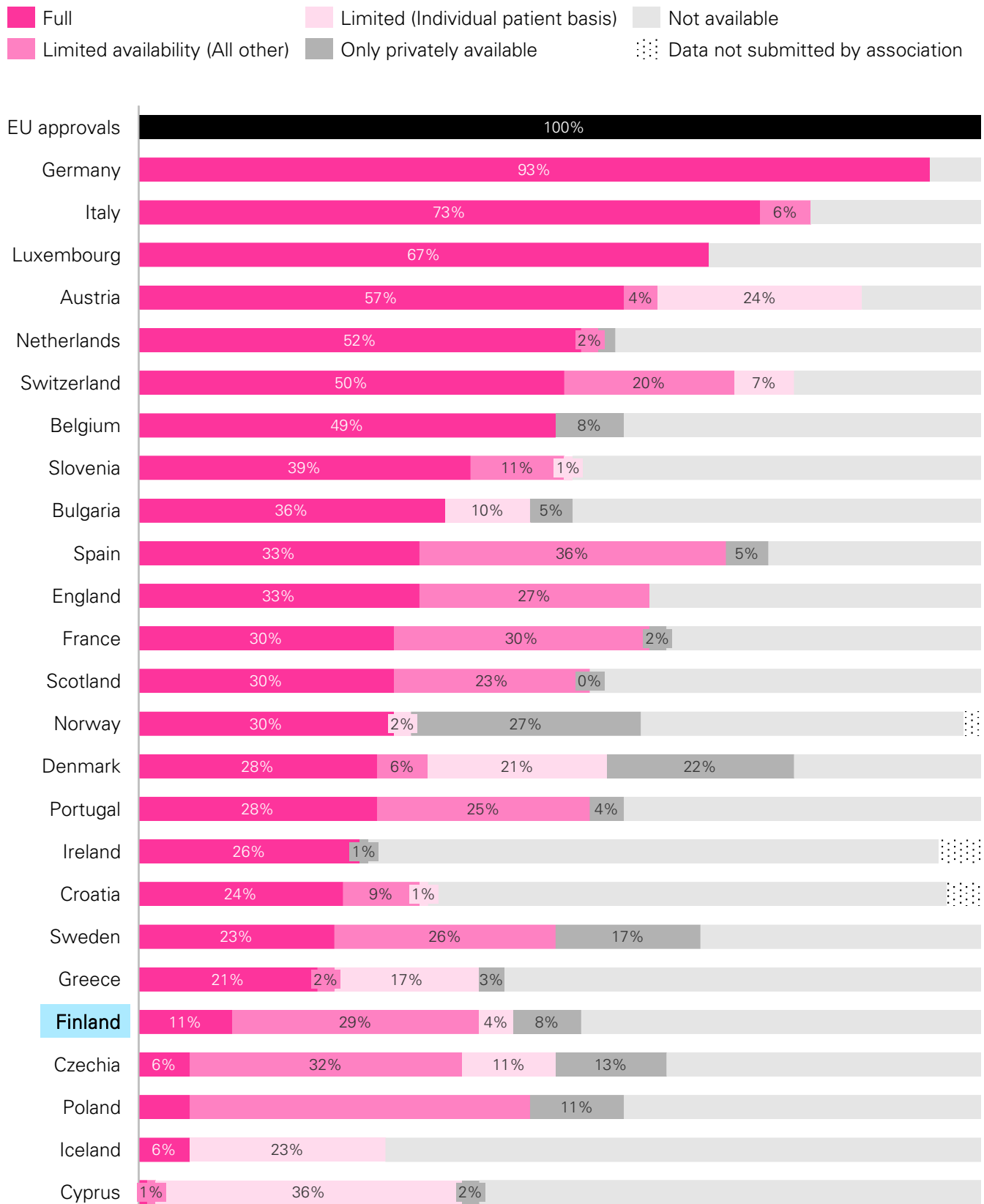


Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; THL, Finances of Healthcare and Social Welfare Services 2024; KPMG analysis



Finland's core challenge is not a lack of life sciences & health assets, but weak conversion of those assets into adoption, company-sponsored clinical trials, growth, and company presence (2/5)

Figure 4: Breakdown of total availability (% , 2021–2024), the composition of medicines available to patients in European countries as of January 5, 2026. The breakdown includes all medicine-availability categories to provide a complete picture of availability.



Source: EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; KPMG analysis



Finland's core challenge is not a lack of life sciences & health assets, but weak conversion of those assets into adoption, company-sponsored clinical trials, growth, and company presence (3/5)

Predictability is an investment signal

Several interviewees highlighted predictability of reimbursement and adoption decisions as an important consideration in investment decisions. According to interviewees, when companies have confidence that a product is likely to be reimbursed and adopted, they are more willing to commit resources to clinical trials, prelaunch activities, and local commercial or medical functions. Conversely, interviewees noted that uncertainty regarding reimbursement or uptake may reduce the priority given to Finland when companies allocate resources across markets.

Interviewees also emphasized the connections between market access, clinical research, and investment. According to stakeholders, decisions related to product launches, clinical trial placement, employment, and investment are often considered together rather than independently. Several interviewees described a reinforcing cycle in which lower launch prioritization can reduce clinical trial activity and investment, while reduced industry presence can further weaken Finland's attractiveness as a launch and research market.

International pricing risk

Most Favored Nation (MFN) pricing refers to mechanisms under which medicine prices in one country can influence pricing decisions or reference prices in other markets. This issue primarily concerns pharmaceuticals, although stakeholders noted that the pharmaceutical sector remains an important contributor to clinical research activity, R&D investment, and commercial presence in Finland.

Several interviewees identified international reference pricing as a potential challenge for small markets such as Finland. According to stakeholders, low medicine prices in Finland may influence pricing outcomes in other countries, either directly or through broader reference pricing systems. As a result, interviewees reported that companies may consider the potential international pricing impact when making launch and

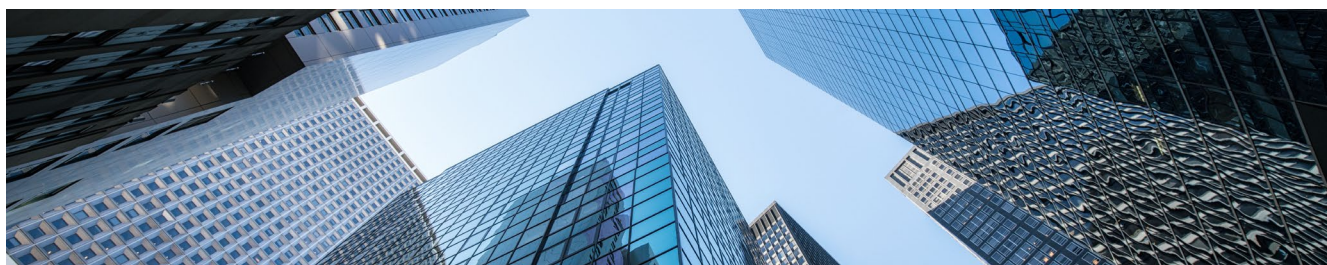
pricing decisions. Stakeholders noted that this can affect the timing of launches, willingness to accept lower prices, and, in some cases, continued market participation. Interviewees emphasized that the impact varies by product and company and should therefore be viewed as a potential risk rather than an inevitable outcome.

Company-sponsored clinical trials: a symptom, not a separate failure

Company-sponsored clinical trials represent Finland's lowest-ranked KPI in this domain. Finland ranks 22nd on the newly introduced indicator, while Fimea data shows that the number of notified company-sponsored clinical drug trials declined from 117 in 2021 to 74 in 2025. Interviewees highlighted the broader significance of company-sponsored clinical trials beyond their role in research. According to stakeholders, trials can contribute to R&D investment, provide earlier patient access to new treatments, strengthen collaboration between industry and healthcare providers, and support future commercial activity in the market.

Interviewees generally did not attribute the decline in company-sponsored clinical trials to shortcomings in Finland's research capabilities, healthcare quality, or data assets. Instead, stakeholders pointed to operational and market-access-related factors. Several interviewees noted that trial setup processes remain fragmented across hospitals, while others highlighted uncertainty regarding access to treatment following completion of a trial. According to interviewees, companies evaluate trial locations based on factors including setup speed, costs, patient recruitment, post-trial access, and future market potential.

Some stakeholders argued that predictability of reimbursement and adoption decisions can influence a country's attractiveness for company-sponsored clinical trials. When comparing Nordic markets, interviewees suggested that countries such as Sweden and Denmark may in some cases be viewed more favorably due to their larger market size and perceived predictability of market access.

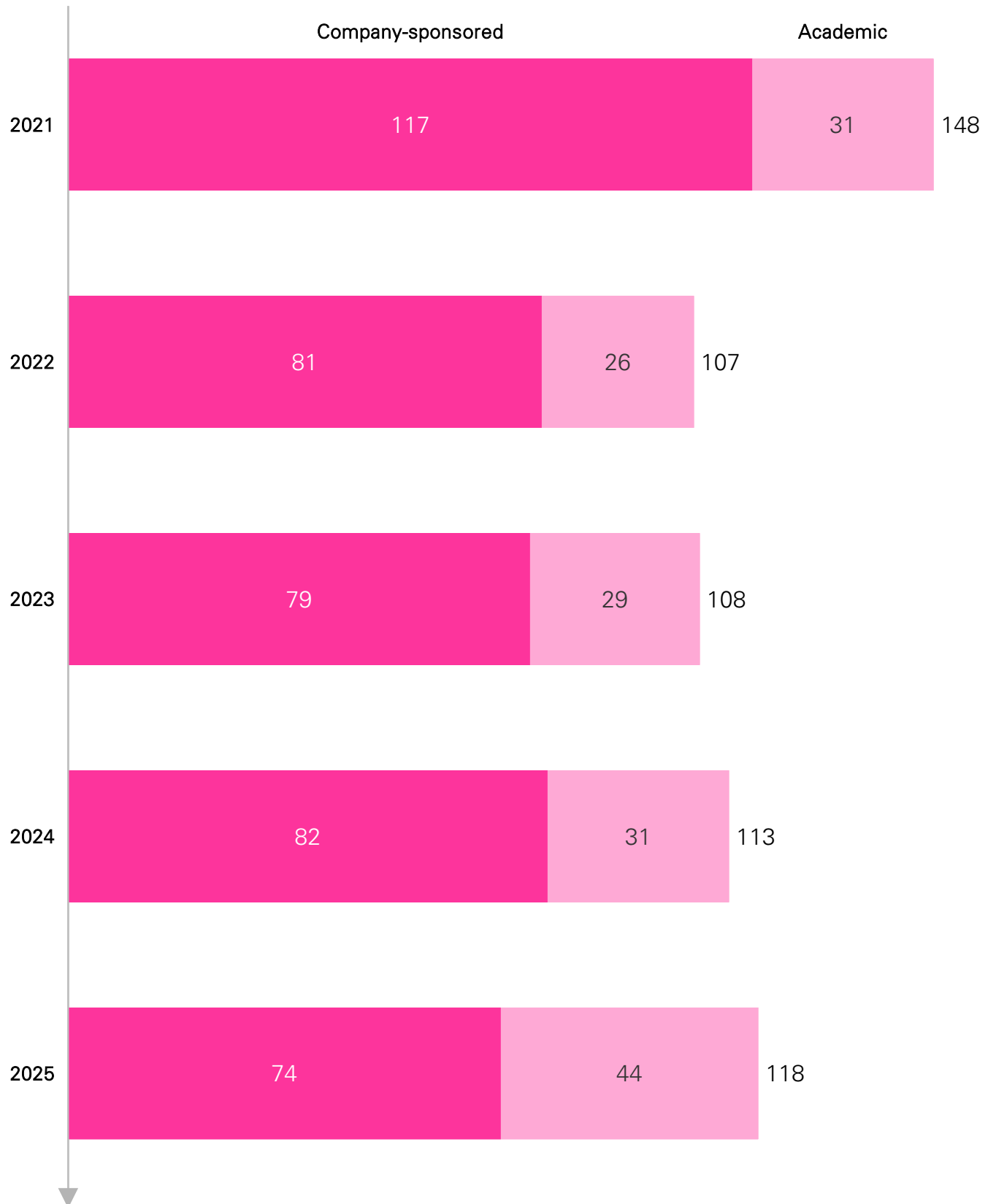


Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Fimea, Kliinisten lääketutkimusten tilasto; Lääketeollisuus ry / ESiOR, Kliinisen lääketutkimuksen suunta Suomessa, 2025; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; KPMG analysis



Finland's core challenge is not a lack of life sciences & health assets, but weak conversion of those assets into adoption, company-sponsored clinical trials, growth, and company presence (4/5)

Figure 5: Development of clinical trials in Finland (2021–2025)



Source: Fimea, Kliinisten lääketutkimusten tilasto; KPMG analysis



Finland's core challenge is not a lack of life sciences & health assets, but weak conversion of those assets into adoption, company-sponsored clinical trials, growth, and company presence (5/5)

Wellbeing services county incentives reward saving, not adopting

A recurring theme in the interviews was the incentive structure of the 21 wellbeing services counties. Since the 2023 reform, the counties have been responsible for organizing healthcare, social welfare, and rescue services. Several participants noted that the direct costs of new treatments, technologies, and research participation are borne by wellbeing services county budgets, while many of the broader benefits, such as improved work ability, reduced sickness absence, and lower long-term societal costs, accrue to other actors including KELA, employers, and the state.

The discussion also highlighted the strong focus on short-term cost control in the healthcare system. Industry representatives argued that while the cost of adopting new innovations is visible in annual budgets, the consequences of delayed adoption are more difficult to quantify.

The scale of medicine expenditure provides context for the discussion. Hospital medicine costs amounted to approximately EUR 630 million in 2024, representing around 2.2% of the EUR 28.7 billion in total wellbeing services county operating costs.

Similar challenges were described across medical technology, diagnostics, and digital health. Participants noted that adoption can be slowed when costs are incurred by one organization while the benefits materialize elsewhere or only over a longer period.

The interviews also pointed to differences in approaches to industry collaboration across the Nordic countries. Examples frequently mentioned included Rigshospitalet in Denmark and Karolinska University Hospital in Sweden, which were described as maintaining active dialogue with companies around clinical challenges and innovation. Finland was often perceived as taking a more cautious approach to collaboration with industry.

At the same time, participants pointed to several existing initiatives that support innovation adoption, including co-creation platforms such as Hosplnno at

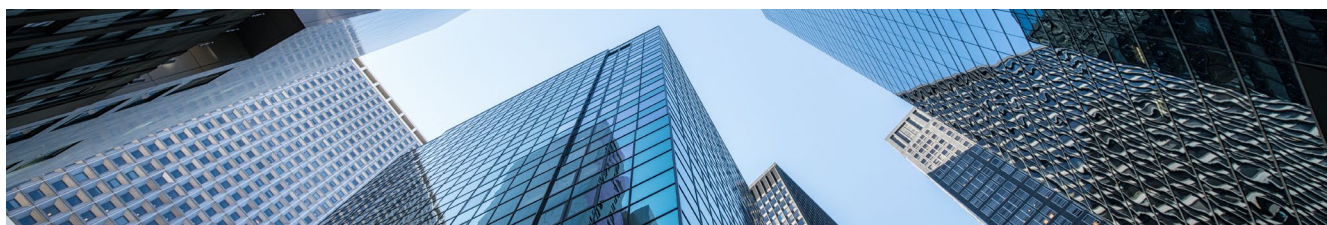
Oulu University Hospital, more flexible procurement approaches, and value-based payment models. The general view was that the pace of adoption and openness to collaboration influence Finland's attractiveness as a location for testing, launching, and scaling new healthcare solutions.

Company presence and commercial scale

The same conversion challenge is visible in company presence. Finland ranks 16th in headquarters presence and 19th in access to international markets. Limited market scale, weak anchor ecosystems, low production investment, and a shortage of growth capital have contributed to headquarters and decision-making functions moving to other Nordic or larger markets, according to stakeholders. This affects not only the Finnish affiliates of foreign pharmaceutical companies, but also Finnish biotech, medtech, diagnostics, and digital health companies, which need growth funding, reference customers, international connections, and stronger commercial pathways to scale from a Finnish base.

Conclusion: ranking versus reality

Market access and market potential is where the gap between Finland's benchmark position and its investment reality is most visible. Finland has strong fundamentals, but the system for converting them into commercial outcomes is too weak. Access is split across two routes with very different levels of predictability. Too few new treatments reach patients. Company-sponsored trial activity has fallen, largely as a symptom of that same access uncertainty. Wellbeing services counties are rewarded for short-term cost control rather than long-term health outcomes. The market is small, and peer countries are actively reforming. Improving this domain is therefore not only about faster patient access. It is about making Finland a credible market for launches, company-sponsored clinical trials, R&D investment, scale-ups, headquarters functions, and long-term company presence, and about recognizing that predictable adoption of innovation is the signal on which all of those decisions depend.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; THL, Finances of Healthcare and Social Welfare Services 2024; Sitra, The Finnish Health Sector Growth and Competitiveness Vision 2030; KPMG analysis

3. The way up and toward the future

What needs to be resolved

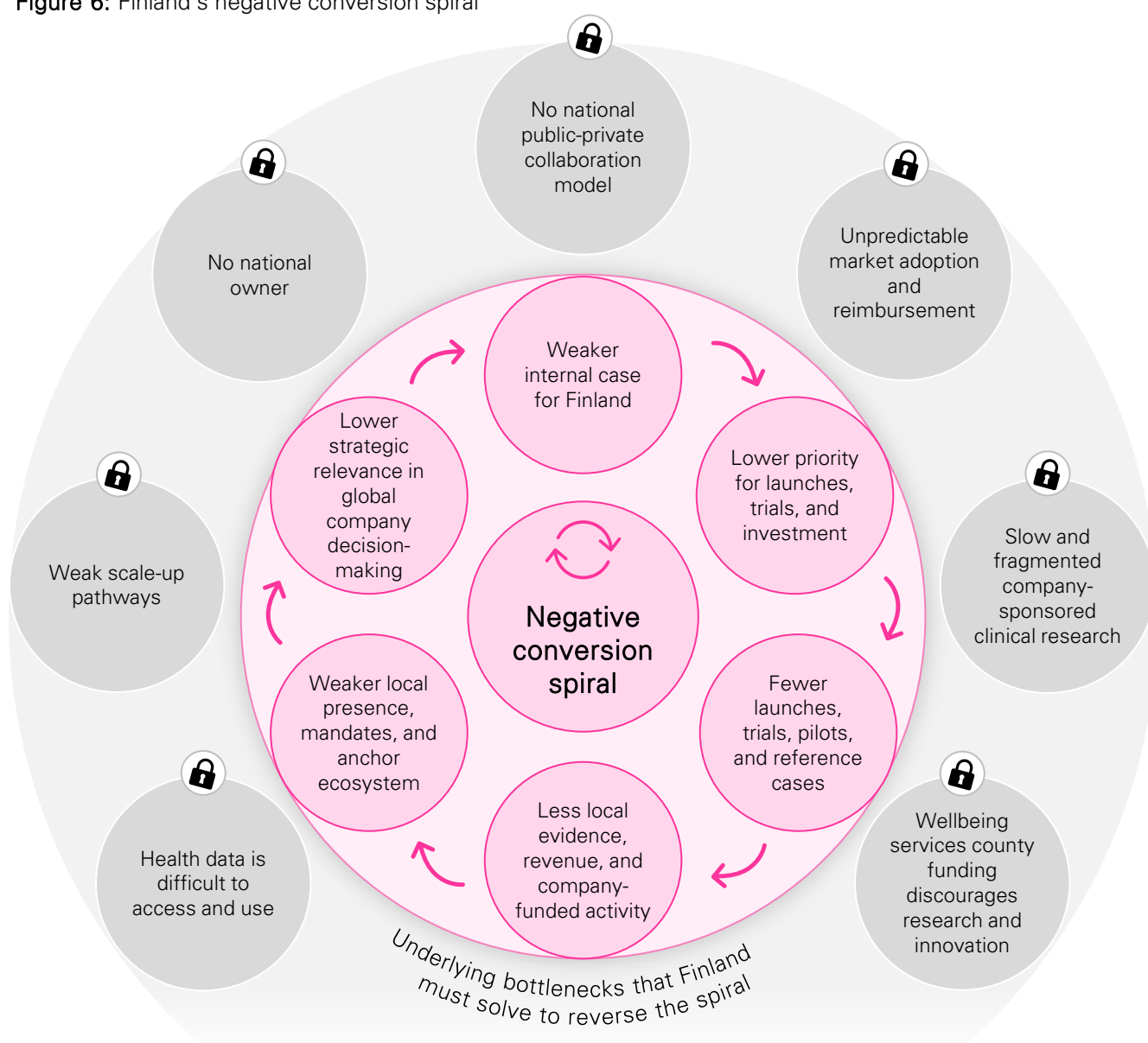
Finland's challenge is not a lack of life sciences & health fundamentals. The country has strong healthcare quality, talent, health data, biobanks, infrastructure, and institutional trust.

However, interviews and benchmark comparisons suggest that Finland does not yet convert these strengths into the commercial outcomes seen in leading life sciences & health hubs. Strong fundamentals do not consistently translate into innovation adoption, clinical trial activity, scale-up success, production investments, or long-term company presence.

A recurring theme across stakeholders was the challenge of commercial conversion. Many noted that Finland's current bottlenecks can make it harder to compete for launches, trials, investments, and growth opportunities within global organizations.

Figure 6 illustrates this dynamic. The outer ring shows the seven bottlenecks highlighted by stakeholders, while the inner loop shows how they influence company decisions and market outcomes over time.

Figure 6: Finland's negative conversion spiral



Source: sector stakeholder interviews, 2026; KPMG analysis

Bottleneck 1: Life sciences & health lacks clear national ownership and accountability

What is the bottleneck?

Finland has strategies and initiatives, but no owner. The 2014 Health Sector Growth Strategy identified largely the same issues as this report, which shows the gap is execution, not analysis. Companies across the sector plan investments on five-to-ten-year horizons, while Finnish policy operates in four-year election cycles.

Why this is critical

Ownership is the meta bottleneck: without a named owner, targets, and continuity, none of the other six bottlenecks has anyone accountable for fixing it. It is also a signal. Investment decisions are shaped not only by what a country can do but by whether its government visibly wants the sector. The interviewees were blunt on this point: the sector's problems are horizontal, cutting across ministry boundaries, so as long as no one owns the whole, each ministry optimizes its own slice, and the bottlenecks fall between silos.

Bottleneck evidence

The need for a dedicated national strategy with a clearly mandated owner was raised across a broad majority of interviews, by industry and public administration alike. A public sector interviewee argued that a strategy creates an immediate mandate to resolve the identified challenges and makes necessary legislative changes far easier to advance and noted it would carry real market value in the Nordic context. An industry interviewee pointed out that Denmark has built its position systematically for thirty years, estimated Finland needs six to ten years of equally systematic work, and stressed that a strategy cannot be a declaration alone: ambition without action leaves the known problems unaddressed.

Current movement

The current growth program has produced concrete actions, including FinTrials. Interviewees described these as good initiatives rather than an owned agenda, called for permanent structures instead of case-by-case efforts, and noted that even the program's current name fails to communicate life sciences ambition. Several also emphasized that national priority choices already exist on paper, since life sciences and health technology are among the government's named RDI priority areas; what is missing is converting that choice into predictable, funded, cross-term execution.

Further development recommendations

- Write life sciences & health into the next government program as a strategic growth and industrial sector with a named ministerial owner and cross-ministry mandate; STM (health), TEM/MEAE (economy), and OKM (education).
- Anchor the strategy in a binding, cross-term regulatory and incentive roadmap, explicitly modeled on the Danish 2030 approach, so companies can plan five-to-ten-year investments against it.
- Build permanent delivery structures so that when a need for funding, legislation, or new work is identified, a standing mechanism exists to act on it.

What this unlocks

Ownership converts the remaining six bottlenecks into an accountable agenda and replaces the current impression of a country that changes direction every four years with the predictability long horizon investors require.

“

Denmark has built this systematically for thirty years. We have never done anything comparable.

— Sector interview

Source: sector stakeholder interviews, 2026; Ministry of Employment and the Economy et al., Health Sector Growth Strategy for Research and Innovation Activities, 2014; Erhvervsministeriet (Denmark), Strategi for life science frem mod 2030, 2024; KPMG analysis

Bottleneck 2: Public and private collaboration lacks a national operating model

What is the bottleneck?

Finland lacks a systematic model for government, wellbeing services counties, hospitals, academia, and companies to set shared priorities and act together. Collaboration depends too heavily on local champions, personal relationships, and individual projects. Companies often struggle to identify the right contact or navigate the public system, while mistrust can limit early engagement.

Why this is critical

The public sector controls much of the research infrastructure, health data, clinical environments, and routes through which innovations are tested and adopted. Companies bring capital, technology, product development capabilities, and access to international markets. Without a more open and structured relationship, Finland's research, data, and healthcare assets remain disconnected from commercialization, adoption, and investment.

Bottleneck evidence

Finland has relevant capabilities and examples of effective cooperation, but these have not become a repeatable national model:

- Collaboration was described as working between individuals, but poorly at the structural level.
- The Helsinki University Hospital ecosystem was described as lacking a clear connector or single company entry point despite involving numerous organizations.
- Public organizations can be reluctant to engage companies early, while companies may struggle to understand how to enter the public system or get solutions tested and adopted.
- Denmark and Sweden were described as more open to public-private interaction in some contexts.
- A previous government and industry forum was discontinued. Dialogue now relies too heavily on separate meetings and occasional roundtables, despite bottlenecks spanning several ministries.

The issue is therefore not only a lack of structures and incentives, but also a lack of trust and a culture that does not consistently treat public and private actors as partners.

Current movement

FinTrials is an important step toward a national company interface for clinical research. A company

collaboration model has also been developed for wellbeing services counties, while Hosplnno demonstrates how healthcare needs and company solutions can be connected. Sitra's Vision 2030 identifies public-private collaboration, co-creation platforms, and innovative procurement as central to sector growth.

These are useful building blocks, but Finland still lacks a common partnership model connecting national priorities with implementation across the sector.

Further development recommendations

- Establish a regular government and industry forum for life sciences & health to identify barriers, track actions, and strengthen public and private collaboration, drawing on Denmark's approach.
- Create clear company entry points into university hospital ecosystems, connecting companies with clinical research, health data, co-creation, testing, procurement, and relevant experts. Build on FinTrials, Hosplnno, and successful local models.
- Make expansion support systematic and strengthen Finland's "we want you here" posture through dedicated company contacts, reinvestment mapping, stronger country branding, and support for local teams engaging headquarters on new mandates and investments.

What this unlocks

More structured collaboration would connect Finland's public research, data, and healthcare capabilities with private capital, technology, and commercial expertise. It would help successful partnerships scale, attract more private investment, trials, and R&D mandates into Finland, and accelerate commercialization and adoption.



In Denmark, the hospital calls and says, 'We have this challenge. Can you help us?' That kind of attitude is largely missing in Finland

— Sector interview

Source: sector stakeholder interviews, 2026; Sitra, The Finnish Health Sector Growth and Competitiveness Vision 2030; KPMG analysis

Bottleneck 3: Wellbeing services county funding discourages research and innovation

What is the bottleneck?

Wellbeing services counties pay for new treatments, technologies, and research participation from their own budgets, while the benefits—sustained work ability, fewer sick days, and avoided long-term costs—accrue to KELA, employers, and the state. On top of this cost-benefit split, the funding model itself actively discourages engagement. Interviewees across industry and public administration described how external or company research funding can in practice reduce a wellbeing services county's state funding rather than add to it.

Why this is critical

This is the structural root beneath the access problem: adoption is unpredictable partly because the payer has limited reason to say yes. It also decides how Finland's 21 wellbeing services counties act on the demand side of the ecosystem. Because most healthcare is publicly organized, there are few alternative customers to route around. If the public customer's incentives point away from innovation and research, the whole sector's domestic market shrinks, from medicines to devices and digital health. The interviews described the current incentives as not merely weak but inverted.

Bottleneck evidence

The funding mechanics were raised independently in three interviews and confirmed in a fourth, by both industry and public sector voices. State funding to wellbeing services counties is allocated as general coverage money, with no earmarking for research, research staff, or data quality. Interviewees described the consequences in overlapping ways: one noted that external supplementary funding reduces the base funding counties receive from the state. Another explained that some counties interpret incoming company funding for a clinical trial as deductible from their general allocation, calling the non-earmarked funding model a financial trap created by the reform. A third, citing a roundtable discussion with a wellbeing services county R&D director, described how research units cannot keep external funds they attract because everything flows into the same pot, and how counties that have improved their financial position have seen funding redirected away, a pattern summed up as perverse incentives, with counties themselves saying openly that they have no incentive.

A public sector interviewee added a structural point: in the wellbeing services county reform, economic development duties remained with municipalities,

while no comparable duty was set in law for the counties, so their engagement with industry varies greatly by region. One interviewee also described the practical consequence at hospital level: because no funding is earmarked for research, hospitals lack dedicated research physicians and nurses, so clinical research depends on doctors doing it alongside full patient workloads, effectively on evenings and weekends, something younger physicians are increasingly unwilling to do.

Current movement

The problem is now clearly recognized within government: interviewees noted that a parliamentary working group has been established around wellbeing services county funding, with the funding model on its agenda, and that the growth program is seeking to influence the outcome. No change has yet been implemented.

Further development recommendations

- Fix the funding trap in legislation: ensure external and company research funding is genuinely additional for counties, never deducted from or absorbed into the general allocation, as interviewees across industry and administration proposed.
- Introduce earmarked research funding and dedicated research physician and research nurse capacity, so research participation does not depend on clinicians' spare time.
- Create positive national incentives for counties to adopt proven, cost-effective innovations and to collaborate with companies, so adoption and research appear in wellbeing services county books as opportunities rather than only costs.
- Develop steering that recognizes long-term outcomes alongside annual cost, building on the value-based healthcare and innovative procurement direction described in Sitra's Vision 2030.

What this unlocks

Aligned incentives would convert the counties from cautious cost controllers into the demand side of the ecosystem and remove the single most concrete, legislatively fixable disincentive the interviews identified.

Source: sector stakeholder interviews, 2026; Sitra, The Finnish Health Sector Growth and Competitiveness Vision 2030; KPMG analysis

Bottleneck 4: Market adoption and reimbursement pathways are fragmented and unpredictable

What is the bottleneck?

Finland's routes for taking innovation into use differ fundamentally in predictability. For medicines, the outpatient route has statutory deadlines and appeal rights, while the hospital route has neither and carries high perceived rejection risk. For medical devices, diagnostics, and digital health, adoption runs through assessment and wellbeing services county procurement processes, where timelines and criteria are similarly hard to anticipate.

Why this is critical

Adoption predictability is the single strongest investment signal a small market can send, because it determines every downstream decision at once. When a company can estimate its probability of adoption, it will run trials in Finland without fearing that patients lose treatment when the trial ends, and it will hire local staff ahead of launch. When it cannot, Finland is deprioritized for launches, trials, and hiring simultaneously. This is why access is not only a healthcare question: a country that does not take innovations into use is telling long horizon investors something about itself.

Bottleneck evidence

44% of centrally approved new medicines are available in Finland, with a median time to availability of 395 days; Germany reaches 93% and 56 days in the same measurement, showing how strongly system design drives outcomes. One industry interviewee estimated that roughly 70–80% of hospital channel submissions are rejected; another described an assessment process stuck for years with no binding deadline and no appeal route. Market

access was the most repeated concern across the interview program.

Current movement

Legislative initiatives on innovation adoption are in progress, and interviewees urged completing them within this term. Industry has proposed consolidating assessment toward a single national pathway; movement on the hospital channel remains limited.

Further development recommendations

- Extend the procedural discipline of the outpatient route to the hospital channel: binding decision timelines, reasoned decisions, and a defined appeal route. Industry has additionally proposed consolidating assessment toward a single national pathway.
- Complete the pending innovation adoption legislation swiftly, so streamlined uptake starts attracting investment within this cycle.
- Revisit the value framework: current cost pressures may prevent access to treatments that could give patients several additional meaningful years of life. Decisions on these trade-offs should be made explicitly through policy, rather than indirectly through budget constraints.

What this unlocks

Predictable adoption reverses the most spiral nodes at once: launch priority, trial placement, and local hiring all depend on it, across the whole sector.

“

If a company knows from day one that access is realistic, it runs trials here and hires people. If it cannot know, Finland drops down the list

— Sector interview

Source: sector stakeholder interviews, 2026; EFPIA, Patients W.A.I.T. Indicator 2025 Survey, 2026; KPMG analysis

Bottleneck 5: Finland lacks the speed and coordination to compete for company-sponsored clinical research

What is the bottleneck?

Company-sponsored clinical research has declined sharply, driven by fragmented setup across hospitals, slow processes, difficulty identifying patients, and uncertainty about post-trial access, not by weaknesses in data, clinicians, or care quality. The challenge covers drug trials and, increasingly, clinical investigations of medical devices, which face the same fragmented hospital interface.

Why this is critical

Commercial trials are the most measurable meeting point between companies and the Finnish healthcare system, which makes them both an economic lever and a leading indicator. Each trial brings R&D investment into hospitals, gives patients early access to new treatments, and builds the relationships that precede launches and larger investments; conversely, a sustained decline tells companies' international decision makers that Finland is drifting off the map. Because trial placement decisions are revisited constantly, this is also the fastest place where improvement or continued decline becomes visible.

Bottleneck evidence

Company-sponsored clinical drug trials notified to Fimea fell from 117 in 2021 to 74 in 2025, with Finland ranking 22nd on the commercial trials KPI. Public sector interviewees noted Finland has applied the EU Clinical Trials Regulation unusually literally, making shared EU rules run slower here than in peer countries that actively market fast handling. Industry interviewees identified post-trial access as a decisive factor in Nordic placement decisions, as trials form a major share of pharmaceutical companies' investments.

Current movement

The government decided on the introduction of the FinTrials operating model at its mid-term policy review. FinTrials creates a one-stop national coordination model covering both clinical drug trials and clinical investigations of medical devices, rolling out in stages across 2026 and 2027. The national coordination unit is being established in connection with the biobank cooperative FINBB, which will act as the national point of contact for research sponsors, with counterpart clinical trial offices in the university wellbeing services counties and HUS. A state grant call to strengthen regional research structures and establish the coordination unit opened in June 2026,

with EUR 2 million awarded. Interviewees welcomed all of this while stressing that coordination alone does not resolve the access uncertainty behind the decline.

Further development recommendations

- Deliver FinTrials fully and manage it against numbers: national targets for trial volume and startup speed. Stakeholders explicitly described trial startup speed as an easily measurable national goal.
- Benchmark Finland's national application of the EU Clinical Trials Regulation and the device investigation process against faster peer implementations and remove stricter than required national interpretations.
- Create a national post-trial access framework defining how patients continue to receive effective treatment after a trial ends, removing the uncertainty identified as decisive in Nordic placement decisions.

What this unlocks

Every recovered trial brings three benefits at once: R&D investment into hospitals, early patient access to new treatments, and stronger relationships between companies and the healthcare system. And because trial placement decisions are made continuously, rising trial numbers would be the first visible proof that Finland's fixes are working.



Source: KPMG Finland benchmark data 2026 (see data sources in Appendix 4.1); sector stakeholder interviews, 2026; Fimea, Kliinisten lääketutkimusten tilasto; Lääketeollisuus ry / ESIOR, Kliinisen lääketutkimuksen suunta Suomessa, 2025; Finnish Government, FinTrials decision, June 2026; Sitra, FinTrials – kliinisten lääketutkimusten kansallinen toimintamalli, 2025; KPMG analysis

Bottleneck 6: Health data remains too difficult to access and use

What is the bottleneck?

Finland's registries, biobanks, and lifetime data are genuine assets, but companies judge countries on permit speed, legal interpretation, and linkage rather than data quality. The users are broader than pharma: health tech companies, diagnostics developers, and research organizations depend on the same access routes.

Why this is critical

Data is one of Finland's most cited differentiators, which makes its underuse costly. The interviews were consistent that data supports investment decisions rather than driving them alone, but they were equally consistent that when a company's first practical encounter with Finland is a slow permit, the country's strong selling point becomes a source of frustration. Peer countries are also improving their infrastructure while starting from far larger populations, so a lead built in the 2010s cannot simply be assumed to hold.

Bottleneck evidence

Interviewees summed the problem up directly: data is one of Finland's biggest assets, yet it is hard to get hold of and making it easier to use is the priority. A public sector interviewee confirmed companies have chosen objectively worse foreign data because access was faster. Another interviewee identified the structural cause. Health data is created in care, by the wellbeing services counties, but reused in research through a separate system. Because the two are organizationally disconnected, the counties that produce the data gain nothing from making it research ready, and no actor is clearly responsible or funded for improving research use: it is in everyone's interest but no one's job. The same interviewee noted that Finland's preparation for the European Health Data Space, the incoming EU framework for health data,

currently rests on too few actors to build real momentum.

Current movement

The 2019 Secondary Use Act and Findata made Finland a European first mover, and later legislative updates have improved availability, particularly for registry studies, which interviewees linked to recent registry study investment. EHDS implementation is in preparation and will proceed on the EU regulation's timeline.

Further development recommendations

- Connect primary and secondary use in one operating model so counties benefit from investing in data quality.
- Make permit speed a managed metric: set a public service level for Findata processing and report against it, since speed and consistency of interpretation were identified as the remaining barriers.
- Broaden and resource the EHDS implementation beyond the current circle, converting the first mover history into a renewed advantage rather than a fading legacy.
- Package the offering around use cases companies pay for: patient recruitment, registry studies, and real-world evidence connected to FinTrials, rather than communicating data quality in the abstract.

What this unlocks

Usable data converts Finland's reputational asset into billable research activity and reinforces the trial and access cases rather than substituting for them.



Finland's health data is world-class, yet companies have chosen lower quality data elsewhere simply because they could access it faster

— Sector interview

Source: sector stakeholder interviews, 2026; Act on the Secondary Use of Health and Social Data (552/2019); Sitra, FinTrials – klinisten lääketutkimusten kansallinen toimintamalli, 2025; KPMG analysis

Bottleneck 7: Scale-up pathways are too weak to retain value in Finland

What is the bottleneck?

Finland funds early stages reasonably well, but the ecosystem stops around Series A, the first major funding round. Too few companies grow into significant international players: they exit or relocate when growth capital must come from abroad, and therapeutic development faces an additional runway gap, since preclinical and early phase work costs millions before any commercial partner engages.

Why this is critical

This bottleneck determines whether Finland's public research investment ever returns as companies, production, and decision-making functions. Every early exit and headquarters move exports not just one company but its future hiring, its supplier relationships, and its role as an anchor for the next generation. An interviewee also noted that the number of headquarters has declined and that Finland lags on production and observed that the large life science and health companies present in Finland nearly all operate sales offices, the open question being how to get them to bring R&D activity and, through it, production, since in this sector production follows research.

Bottleneck evidence

Industry interviewees described the pattern directly: funding is available up to Series A, after which the domestic capital ecosystem does not support scaling, so companies exit or headquarters migrate to other Nordic countries or the US. Public sector interviewees confirmed growth funding as a recurring pain point, the multimillion cost of preclinical and phase 1 development, and commercial competence gaps in research founded teams. One interviewee argued that university-stage discoveries should be partnered with companies much earlier, citing Nordic co-location models where startups work alongside senior industry expertise, and observed that Finland lacks even an identifiable life sciences hub location. Interviewees also noted that a national funding instrument's

domestic partner requirement may limit international participation. The 2014 growth strategy warned that impatient capital sells inventions abroad prematurely; a decade later the interviews describe the same pattern.

Current movement

Finland has built relevant early-stage infrastructure, including the national drug development center (Kansallinen lääkekehityskeskus) alongside established competence centers such as the national cancer and neurocenter structures. Examples also exist of Finnish science scaling into international production and jobs, FinVector in Kuopio being the clearest, but interviewees described these as exceptions rather than a repeatable path.

Further development recommendations

- Review using public grants and investment alongside private investors to fund the validation, preclinical development, and company formation needed to turn promising university discoveries into investable businesses.
- Create structures for earlier partnering between academia and companies around university discoveries, drawing on the Nordic co-location and hub models interviewees named.
- Work systematically to convert existing multinational sales presence into R&D and production activity, which interviewees described as the underused lever, since research presence is what production follows.
- Review national funding instruments for unintended barriers to international participants.

What this unlocks

Repeatable scale-up paths turn Finland's research output into companies, production, and decision-making functions that anchor the ecosystem, rather than exits that feed other countries' clusters.



Funding exists up to Series A. After that the ecosystem stops supporting you, and companies leave or sell

— Sector interview

Source: sector stakeholder interviews, 2026; Ministry of Employment and the Economy et al., Health Sector Growth Strategy for Research and Innovation Activities, 2014; KPMG analysis

4. Appendices

4.1. Explanation & source of KPIs (1/3)

Domain	KPI	Explanation	Source
Economic factors	GDP growth	Annual growth of gross domestic product (GDP)	IMF DataMapper — World Economic Outlook: Real GDP growth, series NGDP_RPCH
	Public investment in R&D	Share of GDP invested in research and development	OECD — Gross domestic spending on R&D, with the Main Science and Technology Indicators (MSTI) database
	Private investment in R&D	Pharmaceutical expenditure per capita in selected countries	EFPIA — The Pharmaceutical Industry in Figures 2023
	Presence of R&D facilities	Number of R&D facilities of pharmaceutical companies and medtech and biotech companies by country	KPMG Switzerland — Site Selection for Life Sciences Companies in Europe, 2024 edition
	Median income	Median income per capita	EUROSTAT. Mean and median income by age and sex
	Healthcare expenditure	Healthcare expenditure as % of GDP	OECD Data Explorer. Health expenditure and financing
	Healthcare system	Quality and affordability of the public healthcare system	Global Health Security Index. GHS Index
	Universal healthcare	Coverage of essential health services across the population	WHO — UHC service coverage index, SDG 3.8.1, indicator 9A706FD
Workforce	Work–life balance	Balance between material living conditions and quality of life	OECD Better Life Index — Work-Life Balance
	Gender pay gap	Difference in average hourly pay between men and women as a percentage	World Economic Forum — Global Gender Gap Report 2025
	Productivity	GDP per hour worked	ILOSTAT — Statistics on labour productivity, table Output per hour worked
	Labor laws and regulations	Quality and effectiveness of laws and regulations governing labor rights	Heritage Foundation — 2025 Index of Economic Freedom, Labor Freedom component

4.1. Explanation & source of KPIs (2/3)

Domain	KPI	Explanation	Source
Governance	Corporate tax rate	Tax on taxable profit	Tax Foundation — Corporate Income Tax Rates in Europe, 2026
	Decarbonization policy	Climate mitigation performance for greenhouse gas emissions, renewable energy, energy consumption, and climate policy	Climate Change Performance Index 2026 — Results
	GDPR regulation	General Data Protection Regulation	KPMG Switzerland — Site Selection for Life Sciences Companies in Europe, 2024 edition
	Environmental regulation	Laws and regulations aimed at protecting the environment	Yale — 2024 Environmental Performance Index, overall EPI results
	Corruption	Degree of corruption in a country	Transparency International — Corruption Perceptions Index 2025
Talent and education	Presence of universities	Number of universities	ShanghaiRanking — Academic Ranking of World Universities 2025
	Skilled workforce	Number of graduates in relevant fields by year	INSEAD / Portulans Institute — Global Talent Competitiveness Index 2025
Infrastructure	Digital infrastructure	Average Internet speed and coverage of digital networks	IMD — World Digital Competitiveness Ranking 2025
	Logistics networks	Efficiency of transportation and logistics networks, measured by average delivery time and cost	IMD World Competitiveness Booklet 2025 — Infrastructure factor rankings, available through CEDA
	Energy prices	Average cost of energy for businesses	World Population Review — Cost of Electricity by Country
	Presence of production facilities	Number of facilities available for production	KPMG Switzerland — Site Selection for Life Sciences Companies in Europe, 2024 edition
	Waste disposal	Waste generation and treatment for the entire economy and for specific waste streams	Eurostat — Waste statistics, with datasets env_wasgen for generation and env_wastrt for treatment

4.1. Explanation & source of KPIs (3/3)

Domain	KPI	Explanation	Source
Market access and market potential	Patents	Registered patents in life sciences in a country by year	European Patent Office. Patent index statistics
	Access to international markets	Total exports of medicinal and pharmaceutical products	Eurostat COMEXT — International trade in goods, dataset DS-059331
	Access to new medicines	Median time to availability is the number of days between the date of marketing authorization and the date of availability to patients. For most, this is when products access the reimbursement list.	EFPIA Patients W.A.I.T. Indicator 2025 Survey, published May 2026
	Competitive position	Overall competitiveness of a country as measured by international competition	IMD — World Competitiveness Ranking 2026
	Presence of headquarters	LSH companies headquartered in the country	Mergr — Life Science Companies directory
	Clinical trials	Number of clinical trials per country by year	EMA — CTIS public search and WHO — ICTRP Search Portal

Clinical trials are primarily based on EMA data; for countries not covered (Switzerland, the UK, China, and the US), WHO ICTRP data is used to ensure full benchmark coverage. While the two sources differ in scope, cross-checking shows that country rankings remain largely stable (within ~1–2 positions).

4.2. Overview of additional references

1. KPMG Finland, Life Sciences & Health business climate benchmark data 2026 (32 countries, 30 KPIs). Individual KPI sources listed in Appendix 4.1
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 - Industry and business associations (4)
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The Amcham Finland Life Sciences Working Group consists of companies operating in the life sciences sector. They strive to improve the operating environment for life sciences businesses in Finland by creating a constructive platform for public-private dialogue. The working group brings together companies to address technical and legislative challenges and improve the public sector's understanding of opportunities for innovation and investment. They envision an operating environment in which life sciences companies can spur innovation, create high-quality jobs, and contribute to Finland's economic growth, with companies involved earlier in public sector decision-making.

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