

Screening of foreign corporate acquisitions in Finland

Annual report 2022



Työ- ja elinkeinoministeriö
Arbets- och näringsministeriet

Annual report 2022



- The Ministry of Economic Affairs and Employment has compiled statistical data on the screening of foreign corporate acquisitions for 2022 in this annual report. The annual report contains up-to-date information on the number of applications/notifications submitted to the Ministry of Economic Affairs and Employment in 2022 and the past 10 years, as well as on the sectors and domiciles of the applicant businesses.

Act on the Screening of Foreign Corporate Acquisitions - Premise



- The purpose of the Act on the Screening of Foreign Corporate Acquisitions (172/2012) is to screen and, if key national interests so require, to restrict transfer of influence to foreign nationals and to foreign organisations and foundations.
- In practice, key national interests mainly refer to:
 - ensuring military national defence;
 - ensuring functions vital to society, including safeguarding critical infrastructure and security of supply;
 - ensuring the realisation of foreign and security policy objectives; and
 - ensuring national security and public order
- The screening of corporate acquisitions is supported by a network of authorities, led by the Ministry of Economic Affairs and Employment, which screens foreign acquisitions and participates in the related confirmation processes.

EU Regulation establishing a framework for the screening of foreign direct investments



- The national contact point required by Regulation (EU) 2019/452 of the European Parliament and of the Council establishing a framework for the screening of foreign direct investments is located at the Ministry of Economic Affairs and Employment.
- The role of the national contact point is to strengthen the communication and cooperation between the EU Member States and the European Commission.
- Since 11 October 2020, other Member States and the Commission have been notified of cases in the process of confirmation under the Act, if the EU Regulation applies to the case.

Applications/notifications received in 2022



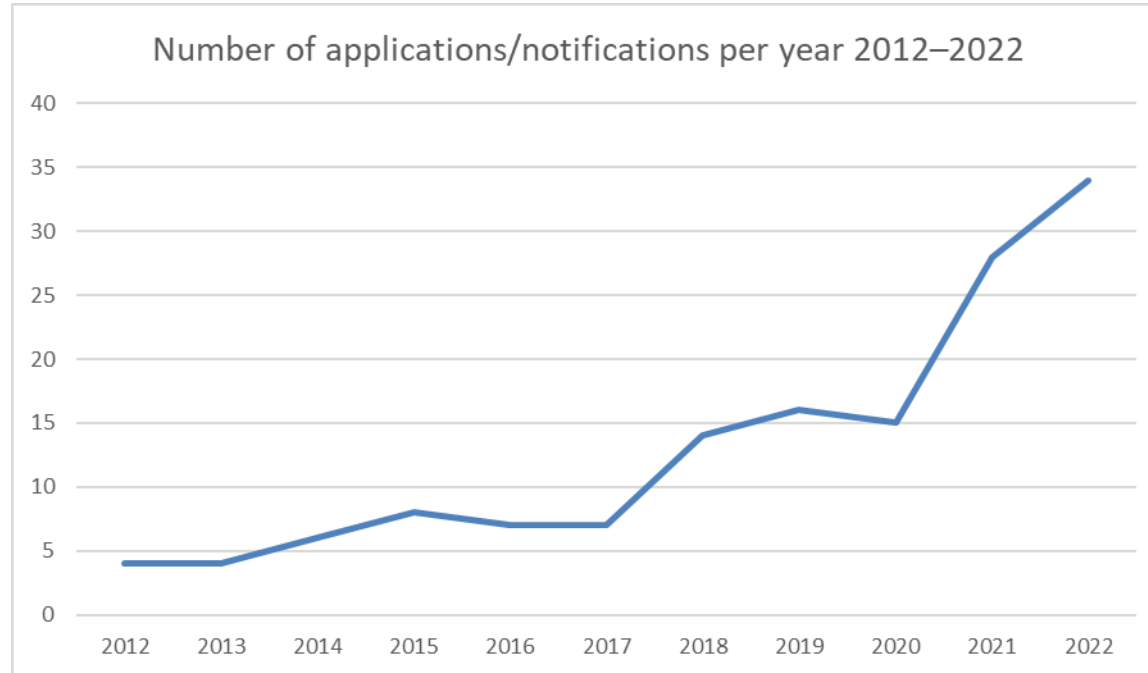
- 35 new applications or notifications under the National Act were received. In one case, the applicant withdrew the application from the process.
- 211 foreign corporate acquisitions were carried out in Finland in 2022.
 - ✓ 16.6% of foreign corporate acquisitions were submitted to the Ministry of Economic Affairs and Employment for assessment (incl. cases declared inadmissible).
 - ✓ 11.9% of foreign corporate acquisitions were included in the full process under the Act (excl. cases declared inadmissible).
- In 2022, all applications under the Act passed the confirmation process.

Applications and notifications received in 2022:



Application/notification	Number of decisions
Applications under section 4 of the Act (acquisitions in the defence and security sector)	12
Notifications under section 5 of the Act (other acquisitions subject to screening)	4
Applications/notifications under sections 4 and 5 of the Act (acquisition fell under sections 4 and 5)	9
Matters declared inadmissible under section 5c of the Act (acquisitions that were not within the scope of the Act)	9
Total:	34

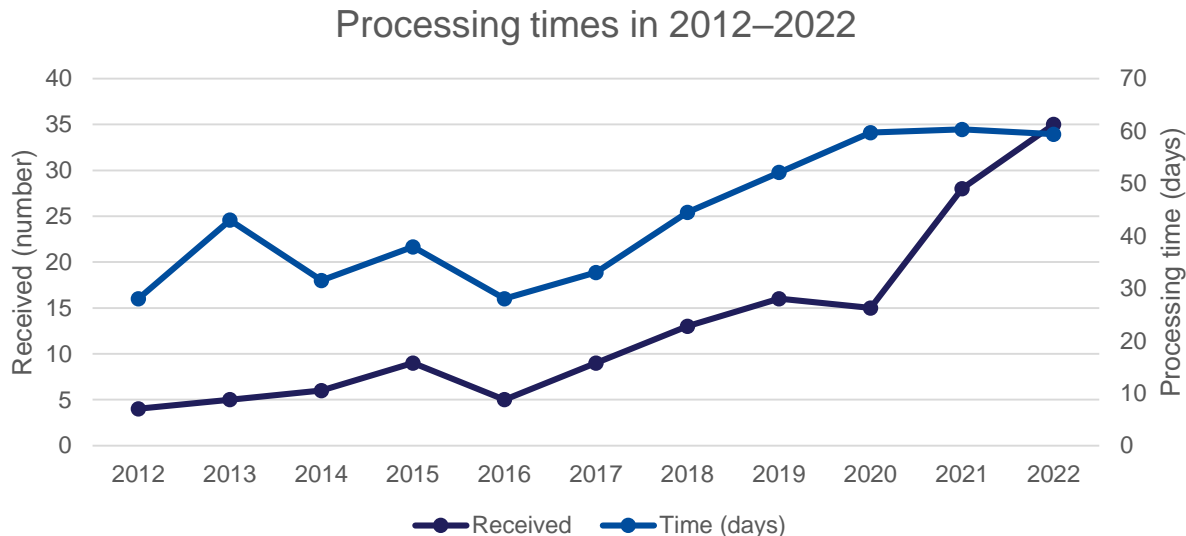
Number of applications/notifications per year 2012–2022





Average processing times of applications

In 2022, the average processing time of applications and notifications was 59 days. As the number of cases has increased approximately sevenfold since 2012, the processing time has doubled.



Sectors



Sector	Number of applications/notifications
Industry	11
IT	8
Building and construction	5
Research and development	2
Other sectors	8

Domicile of applicants



Applicant's domicile by the most distant parent company	Number of applications/notifications
USA	9
Luxembourg	5
Sweden	4
USA and Canada	3
France	3
Japan	2
Jersey	2
Chile	1
Cyprus	1
Norway	1
Singapore	1
Denmark	1
United Kingdom	1
Applications in total:	34

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