



Central government R&D funding in 2025

The Government is committed to the national target of increasing Finland's research and development (R&D) expenditure to 4 per cent of GDP by 2030. In line with the national target and the Act on Research and Development Funding, the Government will raise central government funding for R&D activities to 1.2 per cent of GDP by 2030, provided that private sector investments increase to 2.8 per cent.

The targeting of the funding is guided by the objectives of the multiannual plan for the use of government R&D funding, with the key objectives identified being to increase cooperation between private and public R&D stakeholders, leverage private investments, ensure the adequacy of R&D experts, support research and technology infrastructures more broadly, and enable European and international cooperation.

Amount of central government R&D funding in 2025 under the Act on R&D Funding

- As regards the amount of funding decided previously, account has been taken of the spring 2024 decisions and updates have been made to various estimates, with the target level under the Act on R&D Funding being the same as in the spring.
- The updated estimate of the required increase for 2025 is higher than estimated in the spring.
 - The greatest change is a technical specification made by Statistics Finland: going forward, the operating expenditure of the Research Council of Finland and Business Finland will no longer be even partly covered by the definition of R&D activity (which will reduce the amount of R&D funding in the funding base by around EUR 25 million).

2025 budget proposal	2025
Previously decided R&D funding, EUR million	2,864
Target level under the Act on R&D Funding, EUR million	2,916
Increase required, EUR million	52



Increases in R&D funding, totalling EUR 52 million

Item	Matter	2025	Appropriation requirement 2025	Further information
Ministry of Education and Culture 29.40.51	Research Council of Finland: Increasing research project funding by increasing the budget authority (incl. EUR 5 million for research on Finnish forest biomass for 2026–2029)	budget authority 7		permanent increase
Ministry of Education and Culture 29.40.51	Research Council of Finland: Funding for clinical research	budget authority 10		permanent funding
Ministry of Education and Culture 29.40.51	Research Council of Finland: Strengthening the R&D activities of wellbeing services counties	budget authority 8		one-off budget authority 2025
Ministry of Economic Affairs and Employment 32.01.04	Implementation and commissioning of GTK MinTec pilot plant, phase 1	budget authority 18	5	fixed-term project, 2025–2028, totalling EUR 55 million
Ministry of Economic Affairs and Employment 32.20.40	Business Finland: Funding for research and development activity in the creative industries	budget authority 9		permanent funding
Total		52	5	

Room for manoeuvre for coming years

- The intention is to leave room for manoeuvre for R&D funding needs in coming years. Decisions on increases for 2028 will be made in the next parliamentary term.

	2026	2027	2028
Amount of room for manoeuvre (estimate), EUR million	90	200	540

R&D funding outlined in government budget session

Central government investment in R&D activity will be targeted in accordance with the objectives and constraints laid down by the Act on R&D Funding and the multiannual plan for the use of R&D funding. The activity funded must be effective, and it must promote the objectives outlined by the Research and Innovation Council. Central government funding aims for the comprehensive development of the Finnish R&D system.



In the government budget session, additional funding decisions totalling EUR 52 million were made on top of the decisions made in the government spending limits discussion. The decisions emphasised, in particular, strengthening funding for basic research, improving research, product development and productivity in the health, social welfare and wellbeing sectors, funding for research on sustainable development and forestry, promoting R&D activities in the creative industries, and new research infrastructures.

Research in the healthcare and social welfare sectors, research and product development activities of wellbeing services counties and university hospitals, and increased cooperation are key ways of improving productivity and the quality of care received by people. By means of the decisions made in the government budget session, the Government will increase funding for research and product development in the health and social services sectors and remove obstacles to R&D activity that is high in quality and effective.

The Government wants to enable Business Finland funding for the wellbeing services counties, too, for long-term, target-oriented and effective R&D cooperation of university hospitals with enterprises, higher education institutions and research institutes that leverages private-sector R&D investments. The statutory duties of the university hospitals include specialised healthcare at the basic, demanding and highly specialised levels as well as education and training, research, development and innovation activities carried out at university hospitals.

In addition, the information guidance of wellbeing services counties will strengthen the uniformity of practices in R&D activity and enterprise cooperation around the country. Cooperation will also be supported through funding that strengthens the R&D activities of wellbeing services counties distributed through the Research Council of Finland. R&D activities are a key element of efforts to improve productivity and quality of care in the health and social services sector.



Appendix 1: Further information on packages

1. Research Council of Finland: increasing the budget authority, EUR 7 million

As outlined in the multiannual plan for the use of government R&D funding in 2025–2032, funding through the Research Council of Finland will be increased for high-quality research that produces new knowledge financed through competed research funding, and Research Council of Finland funding will also be increased for pre-commercial applied research that aims at the transformation of business and society, is based on pioneering in science and promotes extensive utilisation of research findings.

The competed research funding of the Research Council of Finland will strengthen the national competence base over the long term and create opportunities for new openings and innovations. Channelling competed research funding through the Research Council of Finland supports the objective of the multiannual plan for the use of government R&D funding to raise the level of ambition for research and development activities in Finland. According to an international audit of the Research Council of Finland's activities, a lot of ambitious research remains unfunded in an international comparison.

Research data shows that public funding has the greatest impact when targeted at basic research. Competed research funding provides an effective way of increasing the quality of research to an internationally high level, as the funding is directed to the projects assessed to be the best. Research shows that competed funding boosts the quality of research. The Research Council of Finland's competed research funding complies with all of the principles of R&D system development.

The budget authority will be permanently increased by EUR 7 million, which includes a fixed-term EUR 5 million allocated for 2026–2029 for the Research Council of Finland call for applications concerning Finland's forest biomass as part of the Academy Programme for Climate Change and Carbon Neutrality Research (Climate-Synergy).

1.1. Research Council of Finland: Research Council of Finland call for applications concerning Finland's forest biomass as part of the Climate-Synergy Academy Programme, EUR 5 million (included in the above)

As part of the increase in the budget authority of the Research Council of Finland, EUR 5 million will be allocated to the Climate-Synergy Academy Programme. The programme examines the impacts of climate change both in the environment and in society and seeks solutions to promote a carbon-neutral future. Climate-Synergy is a joint programme of the Research Council of Finland and the Strategic Research Council (SRC) operating within the Research Council of Finland and consists of research projects funded



through several funding instruments.

In 2025, a targeted call for applications will be launched under the Climate-Synergy Academy Programme for diverse research concerning forest biomass. The call will be designed to support the partnerships of the research actors and to supplement projects already funded so that, for example, structural changes arising from changes in the operating environment of the bioproduct industry, energy production and nature tourism, as well as climate and conservation targets, will be taken into account.

The appropriation impacts will be realised in 2026–2029.

2. Research Council of Finland: Funding for clinical research, budget authority EUR 10 million

The level of clinical research has long been high in Finland when measured by scientific indicators, but the level has taken a downturn. Relatively fewer peer-reviewed findings are being published in Finland in the fields of clinical medicine. The impact of publications is lower than in reference countries.

Clinical research findings are utilised in healthcare and medical care processes, diagnostics and treatments. Commercial products and services are also created based on knowledge generated by clinical research. Clinical research is funded by organisations including universities, the Research Council of Finland and wellbeing services counties. Clinical research takes place in universities and wellbeing services counties and in close cooperation between them. Increased funding would strengthen opportunities to carry out clinical research and generate knowledge for work in healthcare and social services and for commercial activities.

The additional funding would be allocated for the Research Council of Finland as a permanent budget authority increase of EUR 10 million.

The funding will support the objectives of the multiannual plan for the use of government R&D funding and the Research, Development and Innovation Programme to Boost Growth and Renewal in the Health and Wellbeing Sector launched in cooperation by the Ministry of Economic Affairs and Employment, the Ministry of Education and Culture and the Ministry of Social Affairs and Health (formerly the Health Sector Growth Strategy for Research and Innovation Activities) and improve opportunities to carry out clinical research after the transition phases of the structural change in the health and social services system.



3. Strengthening the R&D activities of wellbeing services counties through R&D cooperation (one-off budget authority of EUR 8 million)

EUR 8 million will be allocated on a one-off basis for the 2025 budget authority of the Research Council of Finland, and corresponding appropriations will be allocated for 2026–2028 to strengthen cooperation between the collaborative areas and other research actors in the area. The funding aims to promote the R&D activities of wellbeing services counties and strengthen related cooperation in the reformed healthcare service system structures. R&D activities are being and have been built in wellbeing services counties and their collaboration areas based on the structures of the former catchment areas. Research data and effective R&D activities create the foundation for promoting health and wellbeing and for developing services.

The funding must be used 100 per cent for R&D activities. The collaboration areas of wellbeing services counties will act as the funding applicants. The Research Council of Finland will determine the more specific subject of the call for applications and the application assessment criteria once it has consulted the Ministry of Social Affairs and Health.

4. Implementation and commissioning of the research infrastructure of the GTK MinTec pilot plant, phase 1, budget authority EUR 18 million (appropriation requirement EUR 5 million in 2025) for the GTK item

In the government discussion on spending limits, an entry was made according to which an assessment will be carried out during spring 2024 of the opportunities to fund the GTK MinTec pilot plant through existing R&D funding and, based on this, the need for budget funding under the 2025 budget will be assessed as necessary. The competed research funding of the Research Council of Finland and Business Finland was regarded as not suitable for the funding of the research infrastructure of the pilot plant, which is why an increase is proposed for the GTK operating expenditure item

A budget authority of EUR 18 million is proposed for the item for the implementation and commissioning of the shared R&D infrastructure of the new GTK Mintec pilot plant. The R&D infrastructure implementation of the pilot plant investment is estimated to have a total value of EUR 55 million during the 2025–2028 budget planning period. The funding will be used for R&D activities.

Located in Outokumpu, GTK Mintec is one of the world's leading research platforms for mineral processing and circular economy. The GTK Mintec research project has already been developed systematically for four years. JTF and ERDF funding has been received for the development project, and there is strong regional support for the development of the Mintec R&D infrastructure facility. The additional funding now proposed will ensure the implementation of the research infrastructure of the plant.



The new GTK Mintec pilot plant is a research platform that enables the production of research data vital for the production of raw materials for mining and circular economy on a pilot or plant scale. The research activity of the pilot plant will enable the technological development and enterprise cooperation necessary for Finnish mining and beneficiation technology exports, the continuous engagement in top-level international research, and the strengthening of the status of Finland and repatriation of international research funding in raw materials research. The new pilot plant is a facility that cannot be offered by any other operator in Europe.

The minerals research carried out at Mintec is vital for both Finland's Minerals Strategy and for the EU's strategic self-sufficiency in raw materials. The realisation of each new mine project requires both laboratory and pilot plant scale research. GTK Mintec's significance as a unique European research platform has increased further following the entry into force of the EU's Critical Raw Materials Act (CRMA). The funding will support the objective of the multiannual plan for the use of R&D funding to maintain the level of internationally high-quality, shared research and technology infrastructures in areas of strength.

The European security and defence arrangements currently underway further emphasise the significance of GTK Mintec as regards the availability of raw materials, while at the same time the pilot plant contributes towards ensuring progress in Finland's energy and climate targets in line with the Government Programme and the continuation of research activity focusing on minerals in Finland.

5. Funding for research and development in creative industries, budget authority EUR 9 million

The multiannual plan for the use of government R&D funding outlines that R&D funding will be allocated through Business Finland using competitive procedures to enterprises that are launching their R&D activities and to SMEs that commit to increasing their R&D activities over the long term. In Finland, enterprise R&D activities have focused not only on a small number of active enterprises but also on just a handful of sectors. For the objectives set for R&D activities to be reached, it is essential to attract more and more Finnish enterprises to implement and make use of R&D – including in sectors where R&D activities are less common.

In conjunction with the government spending limits discussion on 15–16 April 2024, the Government decided on R&D funding allocations for 2025–2028 and on the principles of allocating additional funding. In that context, the Government outlined that (Business Finland) funding will also be used to promote the increased R&D intensity of the creative industries and the commercialisation of research-based innovations created in the fields of arts and culture.

There is significant employment and growth potential in the creative industries and the events industry. These industries rely on entrepreneurship. The creative industries account for a share of GDP in Finland that falls clearly behind the other Nordic countries and the EU average. Changes in the operating environment create, among other things, opportunities to develop the industries' own operating and production models from the export perspective, too.



Within the framework of the funding decisions made in the government budget session, a funding package increasing the R&D intensity and effectiveness of the creative industries and the cooperation of enterprises and research organisations of the sector will be launched. This permanent funding of EUR 9 million will promote the regeneration of the creative economy and increases in the value added created by the sector through R&D activities. The special characteristics of the creative industries will be taken into account in the planning and terms and conditions of funding of the package. The funding will support the implementation of the Government's cultural policy report and the related intersectoral growth strategy for the creative industries.

Appropriation impacts are estimated not to occur until 2026.



Appendix 2: Previous R&D funding decisions

Increases in R&D funding, autumn 2023 (2024 budget proposal and General Government Fiscal Plan 2024–2027) (compared with the previous spending limits decision)

Permanent increases in funding (EUR million)	2024	2025	2026	2027
Business Finland's budget authority for supporting R&D activity	92	92	92	92
Business Finland's loan authorisation for R&D activity	10	10	10	10
National match funding of EU projects for higher education institutions and state research institutes	35	35	35	35
Research Council of Finland's budget authority for research projects	55	45	45	45
Central government funding for healthcare units for university-level research and for university-level research in social work	5	5	5	5
Fixed-term funding (EUR million)				
Researcher education pilot (2024–2027)	40	86	86	50
VTT Technical Research Centre of Finland, pilot environment for microelectronics and quantum technology (2024–2027)	5.3	11.2	45	17.5
VTT Technical Research Centre of Finland, quantum computer (2024–2027)				
VTT Technical Research Centre of Finland, development of small modular reactor projects (2025–2027)	5	25 2.12	25 2	15 0.38
REPowerEU, clean energy and material flows R&D project (2024–2026)	16.5	19	4.3	
Funding decisions under the 2024 budget proposal	264	330	349	270



Increases in R&D funding, spring 2024 (General Government Fiscal Plan 2025–2028), EUR million (compared with the previous spending limits decision)

Permanent increases in funding	2025	2026	2027	2028
Business Finland, grants to enterprises	45	130	230	230
Business Finland, grants for research	40	70	130	130
Research Council of Finland, increasing research project funding	15	15	45	45
Research Council of Finland, thematic research infrastructure calls	15	15	15	15
Research Council of Finland, shared research infrastructures (incl. testing platforms)		20	50	50
EU match funding for higher education institutions and research organisations	15	20	25	25
Central government funding for healthcare units for university-level research and for university-level research in social work	5	5	5	5
Support for R&D activity in bioeconomy	4	4	4	4
Fixed-term funding				
Replacement of the EuroHPC LUMI supercomputer with a new supercomputer (2026–2028, totalling EUR 250 million)	50	75	75	50
Post doc programme for research institutions (2025–2029, totalling EUR 40 million)	4.9	13.3	13.3	8.4
Total, EUR million	193.9	367.3	592.3	562.4