

Almost Half of Finnish Companies Hit by Russia Sanctions

By [The Moscow Times](#)

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Germany's Chancellor Angela Merkel listens to Finland's Prime Minister Alexander Stubb (R) during an European Union leaders summit in Brussels, Belgium.

Almost half of Finland's companies are being hurt by the sanctions the EU and Russia have imposed on each other over the Ukraine crisis, a survey shows.

The survey published Thursday by the country's Chamber of Commerce showed 6 percent of firms said they were being hit directly by the sanctions, while 41 percent said they see their businesses suffering from the indirect impact of the sanctions. Of those, one quarter say the impact is significant.

But half the respondents said the sanctions were justified, while 16 percent would like to see more forceful action. Some 24 percent of managers surveyed did not approve of the sanctions.

Russia is Finland's third-biggest export market, accounting for about 10 percent of total

Finnish sales abroad. Russian tourists spend roughly 2 billion euros annually in Finland.

"The survey shows that businesses understand the use of sanctions in the current political situation," Risto Penttila, who heads the Chamber of Commerce, said in a statement.

Some 79 percent of respondents said they are in wait-and-see mode regarding business in Russia, 3 percent are shelving expansion plans in the country and 0.5 percent will exit the eastern neighbor's markets.

The triple-A rated Nordic country has suffered two years of economic contraction as key industries, mobile phones and paper, struggled with weak demand.

Finland's gross domestic product edged up 0.1 percent in the second quarter from the first three months of the year, preliminary data showed on Thursday, indicating the economy may be out of its technical recession. But the Ukraine crisis has increased fears the recovery will be delayed.

Finland's president is to meet his Russian counterpart Vladimir Putin in southern Russia on Friday, the two governments said, in the first bilateral meeting with an EU leader on Russian soil since the Sochi Winter Olympics in February.

A Kremlin source, speaking on condition of anonymity, said that the agenda would focus on bilateral issues, primarily trade.

The office of the Finnish president, Sauli Niinisto, however, said the meeting would focus on the Ukraine crisis.

The survey of 2,676 managers was conducted on Aug. 8-12. It included both large and small firms.

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