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Government R&D funding up by nearly EUR 100 million in 2004

Government budget appropriations or outlays on research and development for 2004 amount to EUR 1,538 million. Increases following the Government programme can be seen in funding, since it is up by EUR 93 million from the previous year. In 2004 government research expenditure as a proportion of overall government spending exclusive of debt servicing stands at 4.5 per cent, which is slightly higher than the year before. In nominal terms research expenditure is set to rise by 6.4 per cent and even in real terms by 3.6 per cent. This represents the biggest growth since 1997.

Increases in R&D funding mainly concern administrative branches that are major receivers of R&D funding. Funding will go up most, by EUR 45 million, in the administrative branch under the Ministry of Education. Funding under the Ministry of Trade and Industry will also increase by nearly EUR 32 million. R&D funding will decrease only in the administrative branches under the Ministries of Transport and Communications and Defence.

The proportion of universities of total research and development funding will remain more or less unchanged from the previous year's 27 per cent. The proportion of funding of the Academy of Finland will grow by nearly one percentage point in 2004, but the proportion of the other organisation awarding funding on competitive basis, the National Technology Agency (Tekes), will remain essentially unchanged. Funding of Tekes as the largest funding organisation will grow, however, by EUR 25 million to EUR 432 million. Increases in funding awarded by the Academy of Finland will be of equal magnitude, although the real growth of Academy of Finland funding will be threefold that of Tekes, close to 11 per cent. Differing from one year ago, budget funding of Government research institutes will grow, whereas their external funding will fall.

Examining R&D funding by its socio-economic objective, the major change relates to general advancement of knowledge, which is in any case the largest main category with its over 40 per cent share. Most of the EUR 49 million increase will be channelled through the Academy of Finland to funding of science.

Government R&D funding in 2003

	R&D funding EUR million	Share of total R&D funding, %	Change from previous year in nominal terms, %	Change from previous year in real terms, %
Major administrative branches				
Ministry of Education	648.1	42.1	7.5	4.7
Ministry of Trade and Industry	529.4	34.4	6.4	3.6
Ministry of Social Affairs and Health	122.6	8	4	1.3
Ministry of Agriculture and Forestry	99.1	6.4	7.3	4.5
By organisation				
Universities	407.9	26.5	3.7	1
University central hospitals	48.7	3.2	0	-2.6
Academy of Finland	214.6	13.9	13.7	10.7
National Technology Agency Tekes	432.4	28.1	6.2	3.4
Government research institutes	253.6	16.5	5.9	3.1
Other R&D funding	181.1	11.8	7.6	4.8

Source: Government R&D funding in the State Budget for 2004. Statistics Finland
Further information available at: www.stat.fi/yr/ittiede_en.html