

Facts and News from Finland

February 2020

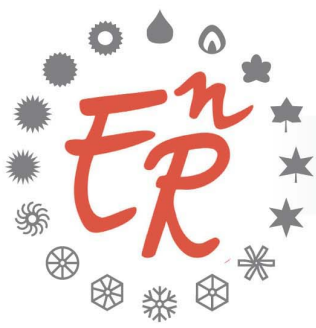
Government led by Prime Minister Sanna Marin appointed

On Tuesday 10 December 2019, the President of the Republic appointed Finland's 76th Government. On the same occasion, the President of the Republic released the ministers of Antti Rinne's Government from their duties. The Government led by Prime Minister Sanna Marin has 19 ministers. The Social Democratic Party has 7 ministers, the Centre Party 5, the Greens 3, the Left Alliance 2, and the Swedish People's Party of Finland 2.

Government appoints new Climate Panel, Markku Ollikainen to continue as Chair

The Finnish Government appointed a new Climate Panel on 19 December 2019, to be chaired by Markku Ollikainen, Professor of Environmental and Resources Economics at the University of Helsinki, who also chaired the previous Panel. The new Panel has a total of 15 members, ten of whom are new. The Panel will elect a deputy chair from among its members. The Panel's working term will be 1 January 2020–31 December 2023.

The role of the Finnish Climate Panel is defined in the Climate Change Act, which entered into force in 2015. The Panel is a scientific and independent actor that promotes dialogue between science and policymakers in the preparation of climate and energy policy. According to the Act, the Panel supports the planning of climate policy and related decision-making. The Panel's opinion must be requested concerning plans under the Climate Change Act. The Climate Change Act is currently being reformed, so it is possible that the functions of the Panel will be further specified in the Act. Funding for the Panel has also been increased to EUR 750,000 per year so that the Panel can better provide its expertise to support the Government.



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Government parties assembled for joint climate meeting

The Government and the parliamentary groups of the parties in the Government met for a joint climate meeting in Helsinki on 3 and 4 February. Under the theme 'A fair transition to a carbon-neutral economy', the meeting discussed climate policy measures, timeframes for action and a fair and just transition towards a carbon-neutral society.

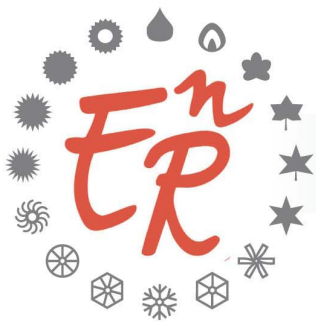
The objective of the present Government Programme 'Inclusive and competent Finland – a socially, economically and ecologically sustainable society' is for Finland to be carbon-neutral by 2035 and the first fossil-free welfare society. This requires even faster emissions reductions in all sectors and the strengthening of carbon sinks.

The focus of the meeting was on the Government's common climate challenges, including how to bridge the gap between climate actions and commitments and the impacts of climate policy on Finland. The meeting discussed regionally, socially and economically sustainable climate measures.

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Report of the energy efficiency working group released

The task of the energy efficiency working group appointed by the Ministry of Economic Affairs and Employment on 5 November 2018 was to submit proposals for the measures to be taken by Finland to achieve the binding target of Article 7 of the revised Energy Efficiency Directive for the period of 2021–2030 and to assess the need to revise the Energy Efficiency Act. Expert working groups for the industry, consumers, services, and transport worked together with the energy efficiency working group. A total of almost 100 people participated in the work of the energy efficiency working group.



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The key measures in the sectors were identified as 53 action cards. These measures will form the basis for Finland's energy efficiency work in the coming years. The coverage of the current energy efficiency measures has been good, but there is a need for improved efficiency. Based on the impact assessment, energy efficiency agreements play a key role in achieving the objectives of Article 7 and the continuation of the agreed activities must also be ensured after the current contract period of 2017–2025. The implementation of the agreements will be improved by increasing and developing energy audit activities, energy support, communications and reporting. A more efficient utilisation of surplus heat was a new measure identified in the report. Of the measures identified by the working group, the taxation of transport fuels, installation of heat pumps in detached and row houses and energy solutions in farms are estimated to result in the most extensive energy savings. The importance of provision of advice and competence as well as of procurements and investments in promoting energy saving and energy efficiency cannot be overlooked in any sector. Energy advice and communication will ensure the achievement of consumer-related targets in the energy transition. The service sector creates preconditions for the activities of other sectors, for example through new operating models. Many measures are needed to improve energy efficiency of buildings and in the transport sector. Cross-sectoral interconnections and, consequently, a focus on ecosystem thinking instead of separate energy efficiency measures will present a challenge for the future. More active cooperation and interaction between different sectors is a prerequisite.

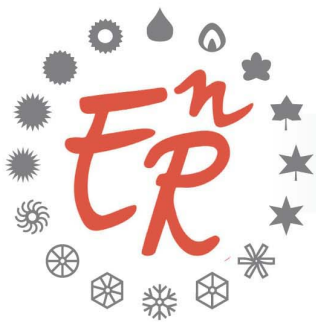
Further information:

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Finland aims to add 5,000 domestic EV charging points

The government has allocated 5.5 million euros to install electric vehicle charging points this year. Finland wants to boost electric vehicle usage with an extra 5,500 charging points at apartment blocks and detached home complexes as part of the government's drive to make the country carbon neutral by 2035.

The government agency in charge has already paid for 3,000 charging points over the last two years, but this year funding for EV infrastructure will jump by four million euros from the 1.5 million euros allocated in 2019.



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The money can be claimed by housing companies, through which individuals own apartments and some other types of homes, but not by private individuals. Parking firms owned by housing companies can also apply for the aid.

Source: Yle

Finnish gas market opens up

From 1 January 2020, the Balticconnector gas pipeline will connect the Finnish and Baltic gas markets, thus opening up the Finnish market to competition. EU legislation requires that gas transmission be unbundled from the sale of energy in an open market. The unbundling requirement also concerns the ownership structures of companies operating at present.

From the start of the year, Gasum Oy's gas transmission business will be run by Gasgrid Finland, a new company unbundled from Gasum. Gasum is owned jointly by the State and the special assignment company Gasonia Oy. Gasonia will be split up to form the special assignment company Suomen Kaasuverkko Oy. Suomen Kaasuverkko and the State will be joint owners of Gasgrid Finland, and responsibility for the ownership steering of these two companies will rest with the Ministry of Finance.

Gasum will continue as a gas production and sales company, and the unbundling has no impact on the ownership relations of the remaining parts of Gasum.

Now that the Balticconnector gas pipeline has been completed, gas can be imported to Finland from Russia and via the Baltic States.

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