

Renewable energy policy database and support – RES-LEGAL EUROPE

National profile: Finland

Client: DG Energy

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Finland – summary text

In Finland, electricity from renewable energy sources is mainly promoted through a premium feed-in-tariff. The tariff applies to electricity produced from wind, biomass and biogas. Additionally, investments in RES are supported through state subsidies. The main support mechanism for heat produced from RES, is a “heat bonus” allocated to CHP plants working on biogas and wood fuel. In transport, the main incentive for renewable energy use is a quota system.

Access to the grid by electricity produced from renewable energy sources follows the principle of non-discrimination and electricity produced from RES is not given priority. The connection of a heat generation plant to the grid is market oriented and priority is not granted to heat produced from RES.

In addition to the methods listed, there is a number of policies in place aiming to promoted the development, installations and use of RES installations.

RES-E support schemes

Summary of support schemes

Overview	In Finland, electricity from renewable sources is promoted through a premium feed-in tariff for electricity from wind, biomass and biogas. Apart from the tariff, Finland provides subsidies for investment and research projects.
Summary of support system	• **Subsidies.** The state of Finland provides subsidies for investment and research projects in the field of sustainable energy generation. • **Premium feed-in tariff.** The generators of electricity from wind, biomass and biogas sell their electricity in the market and receive a variable bonus, which is paid on top of the market price and is equal to the difference between a target price and the market price.
Technologies	In general, Finland promotes all renewable energy generation technologies.
Statutory provisions	• Act No. 1396/2010 (Laki uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1396 – Act on Production Subsidy for Electricity Produced from Renewable Energy Sources) • Regulation No. 1397/2010 (Valtioneuvoston asetus uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1397 – Regulation on Production Subsidy for Electricity Produced from Renewable Energy Sources) • Regulation No. 1313/2007 (Valtioneuvoston asetus energiatuen myöntämisen yleisista ehdoista 12.12.2007/1313 – Regulation on the Allocation of Subsidies) • Act No. 688/2001 (Valtionavustuslaki 27.7.2001/688 – Act on the Allocation of Subsidies)

Basic information on legal sources

Name of legal source (original language)	Laki uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1396	Valtioneuvoston asetus uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1397	Valtioneuvoston asetus energiatuen myöntämisen yleisistä ehdoista	Valtionavustuslaki 27.7.2001/688
Full name				
Name (English)	Act No. 1396/2010 on the Production Subsidy for Electricity Produced from Renewable Energy Sources	Regulation No. 1397/2010 on Production Subsidy for Electricity Produced from Renewable Energy Sources	Regulation on General Conditions for the Allocation of Subsidies for Energy Use	Act on the Allocation of State Grants
Abbreviated form	Act No. 1396/2010	Regulation No. 1397/2010	Regulation No. 1313/2007	Act No. 688/2001
Entry into force	01.01.2011	01.01.2011	01.01.2008	01.09.2001
Last amended on	22.12.2011			22.12.2005
Future amendments			01.01.2013	
Purpose	This act aims to incentivise renewable energy generation, improve the competitiveness of renewable energy sources, and	This regulation updates existing legislation concerning subsidies on electricity produced from	Establishing conditions for the allocation of subsidies for investment and development	The Act regulates the allocation of state subsidies.

	increase the diversification of electricity generation to improve Finland's energy independence.	RES.	projects.	
Relevance for renewable energy	Framework to support electricity from wind, biogas, biomass and hydro power.	Refines the terms and conditions of the scheme.	This regulation establishes provisions for the allocation of financial aid for investment and research projects that promote the use of renewable energy.	The Act is the basis for the issue of Regulation No. 1313/2007 on General Conditions for the Allocation of Subsidies for Energy Use.
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/ajantasa/2010/20101396#a22.12.2011-1426*	*http://www.finlex.fi/fi/laki/ajantasa/2010/20101397*	*http://www.finlex.fi/fi/laki/alkup/2007/20071313*	*http://www.finlex.fi/fi/laki/ajantasa/2001/20010688*
Link to full text of legal source (English)	*http://www.emvi.fi/files/Act_Production_Subsidies_Legislation_2011.pdf*			*http://www.finlex.fi/en/laki/kaannokset/2001/en20010688.pdf*

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Työ- ja elinkeinoministeriö (TEM) – Ministry of Employment and the Economy	http://www.tem.fi/		+358 106 060 00	
Energiamarkkinavirasto (EMIV) - Energy Market Authority	http://www.energiamarkkinavirasto.fi/		+358 106 050 00	
TEKES – Finnish Funding Agency for Technology and Innovation	http://www.tekes.fi		+358 101 914 80	

Support schemes

Subsidy (Energy Aid)

Abbreviated form of legal source(s)	• Act No. 688/2001 • Regulation No. 1313/2007	
Contact Authority	tem.fi	
Summary	The so-called "energy aid“ is a state grant for investments in RES. Grants are available for investment and research projects that involve the use of renewable energy (§ 2 Regulation No. 1313/2007).	
Eligible technologies	**General information**	According to the Ministry of Employment and the Economy, all technologies are eligible for grants. Grants are available for research and investment projects that involve the generation of renewable energy or the application of RES technologies (§ 2 Regulation No. 1313/2007). Among other costs, the costs for preparation, planning costs and materials are eligible for subsidies (§ 6 ff. Regulation No. 1313/2007).
	Wind energy	Eligible.
	Solar energy	Eligible.
	Geothermal energy	Eligible.
	Biogas	Eligible.
	Hydro-power	Eligible.

	Biomass	Eligible.
Amount	The amount of subsidy depends on the aim of the project in question. Up to 40% of investment costs may be subsidised (§ 4 Regulation No. 1313/2007). The maximum subsidy is: • 40% for investment projects in the fields of wind energy or PV; • 40% for investment projects that use new renewable energy generation technologies or otherwise involve RES technologies; • 40% for investment projects in the field of energy audit and research in RES technologies • 30% for investment projects that employ traditional technologies for the generation and use of renewable energy. A company or entity receiving a subsidy shall bear at least 25% of the total project costs (§ 4 Regulation No. 1313/2007).	
Addressees	**Entitled party.** The entities entitled to subsidies are companies, municipalities and communities ("Yhteisö"). Support cannot be allocated to farms, housing corporations, residential properties and construction projects benefitting from state aid (§ 3 Regulation No. 1313/2007). According to the Ministry of Employment and the Economy, both private organisations and legal entities like strategic alliances, federations, associations and foundations are eligible. **Obligated party.** The party obligated to satisfy a claim is the state, which is represented by the Ministry of Employment and the Economy or The Centre for Economic Development, Transport and the Environment (ELY Centre) (§ 1 Regulation No. 1313/2007).	
Procedure	**Procedure**	• **Application for subsidy.** Applications shall be submitted to The Centre for Economic Development, Transport and the Environment (ELY Centre) (§ 1 Regulation No. 1313/2007 in connection with § 5 Regulation No. 1313/2007). • **Selection.** Applicants are selected by the ELY Centre according to certain criteria. The Centre has some degree of freedom in the decision-making process. However, if the costs of the project exceed 3 000 000 Euros or if the project aims to take up a new energy production technology, the

		selection is done by the Ministry of Employment and Economy (§ 1 Regulation No 1313/2007). • **Allocation of subsidies.** Subsidies are awarded to the selected projects (§10 Regulation No. 1313/2007). • **Project implementation.** According to the Ministry of Employment and the Economy, applicants are informed of the decision concerning the subsidy and of the requirements for project implementation, which are a prerequisite for receiving energy aid. • **Payment of the subsidy.** Support is paid after the start of the project based on the application and actual cost documents. The subsidy is paid either in one or several parts based on the decision allocating the support. Projects that include leasing or partial payments, can be paid in one part after the completion of the project (§ 10 Regulation No. 1313/2007).
	Competent authority	The Competent Authority is the Ministry of Employment and the Economy.
Flexibility mechanism		
Distribution of costs	**State**	The cost of the subsidy is borne by the state (§ 1 Regulation No. 1313/2007).
	Consumers	
	Plant operator	
	Grid operator	

	European Union	
	Distribution mechanism	

Premium tariff

Abbreviated form of legal source(s)	• Act No. 1396/2010 • Regulation No. 1397/2010	
Contact Authority	tem.fi	
Summary	The generators of electricity from wind, biogas and biomass receive a variable premium feed-in tariff on top of the wholesale electricity price for a period of 12 years. The generators thus get a fixed (target) price for their electricity. Wind energy plants will be eligible for an increased target price until the end of 2015.	
Eligible technologies	**General information**	All technologies used for the generation of electricity from wind, biogas, wood chips or wood fuels are eligible if they meet the following requirements: • The plant/system must be located in Finland or in Finnish waters and be connected to the grid (§ 7 Act No. 1396/2010). • The project must meet economic and technical requirements for electricity generation (§ 7 Act No. 1396/2010). In addition, generators must meet certain requirements according to the technology employed (see below).
	Wind energy	Both onshore and offshore generation is eligible as long as the following criteria are met: • The plant must not have received other state grants (§ 9 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The plant must be built entirely from new parts (§ 9 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The nominal capacity of the generator must be at least 500

		kVA (§ 9 Act No. 1396/2010).
	Solar energy	
	Geothermal energy	
	Biogas	Eligible under the following conditions: • The plant must not have received other state grants (§ 10 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The plant must be built entirely from new parts (§ 10 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The biogas used must have been produced in a plant which was not government-subsidised and was built entirely from new parts (§ 10 Act No. 1396/2010). • The nominal capacity of the generator must be at least 100 kVA (§ 10 Act No. 1396/2010). Electricity generated by a biogas plant may be eligible for an increased "heat bonus" if the following conditions are met: • The plant must produce both electricity and usable heat. • The plant must achieve an efficiency rate of at least 50%, or even 75% if the capacity of the generators is equal to or exceeds 1 MVA (§ 10 Act No. 1396/2010).
	Hydro-power	
	Biomass	Wood-chip plants are eligible if they meet the following conditions: • The plant must not have received the premium feed-in tariff before (§ 8 Act No. 1396/2010).

		• The nominal capacity of the generator must be at least 100 kVA (§ 8 Act No. 1396/2010). Wood fuel plants are eligible if they meet the following conditions: • The plant must not have received other state grants (§ 11 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The plant must be built entirely from new parts (§ 11 Act No. 1396/2010; § 1 Regulation No. 1397/2010). • The nominal capacity of the generator must be between 100 kVA and 8 MVA (§ 11 Act No. 1396/2010); • The plant must produce both electricity and usable heat. • The plant must achieve an efficiency rate of at least 50%, or even 75% if the capacity of the generators is equal to or exceeds 1 MV (§ 11 Act No. 1396/2010).
Amount	**General information**	The payment is variable and depends on the market price. The sum of the market price and the premium feed-in tariff is the fixed target price. For this reason, the premium feed-in tariff is equal to the difference between the target price and the average market price of the previous three months. However, if the market price falls below € 30 per MWh, the target price will be reduced by € 30 (§ 25 Act No. 1396/2010).
	Wind energy	The target price is € 83.5 per MWh (§ 23 Act No. 1396/2010). Until 31.12.2015 (for three years at maximum), there will be an "early bird rate", i.e. an increased target price of € 105.3 per MWh (§ 62 Act No. 1396/2010).

	Solar energy	
	Geothermal energy	
	Biogas	The target price is € 83.5 per MWh (§ 23 Act No. 1396/2010). Plants that qualify for the heat bonus receive € 50 per MWh on top of the target price (§ 26 Act No. 1396/2010).
	Hydro-power	
	Biomass	The target price is € 83.5 per MWh for electricity from wood fuels and € 18 per MWh for electricity from wood chips (§ 23 Act No. 1396/2010). Plants that qualify for the heat bonus receive € 20 per MWh on top of the target price (§ 26 Act No. 1396/2010).
Degression	**General information**	Only the tariff for wood-chip power generation will decrease over time.
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-power	

	Biomass	The tariff for wood-chip power generation (€ 18 per MWh) decreases if the average price for emission permits exceeds € 10. If this price reaches € 23, the feed-in tariff for electricity from wood chips will be discontinued (§ 25 Act No. 1396/2010).
Cap	Feed-in tariffs will be available only until the total capacity installed and/or the number of generators installed reaches a certain maximum. This maximum depends on the technology used. The following caps apply: • Wind energy: 2,500 MVA • Biogas: 19 MVA • Energy from wood fuel: more than 50 generators with a nominal capacity of 150 MVA (§ 6 Act No. 1396/2010).	
Eligibility period	Eligibility ceases after 12 years of operation or • for wind, biogas and wood-chip plants if the amount specified in the grant award notification is reached, • for wood fuel plants, if a plant has produced gains of more than € 750,000 in four consecutive obligation periods (§ 16 Act No. 1396/2010).	
Addressees	**Entitled party.** Producers who use wind, biogas, wood chips or wood fuels for the generation of electricity and whose plant is connected to the grid and located in Finland or in Finnish waters are entitled to receive the premium tariff (§6 , §7 Act No. 1396/2010). **Obligated party.** The support system is financed by the state budget and managed by the Ministry of Employment and the Economy (§2, §4 Act No. 1396/2010).	
Procedure	**Process flow**	• **Advance notification.** Within one month of his decision to install a plant, a given electricity producer shall inform the Energy Market Authority about his plans and about the technical specifications of the plant including its capacity in writing (§ 13 Act No. 1396/2010). • **Application.** A given producer shall apply to the Energy

		Market Authority for the feed-in tariff. All applications except applications regarding wood-chip plants must be submitted before the plant starts commercial operation. The application must contain certain information specified by law (§ 14 Act No. 1396/2010). • **Allocation of support.** The Energy Market Authority awards a feed-in tariff if the applicant meets the formal and technical requirements (§ 15 Act No. 1396/2010).
	Competent authority	The Ministry of Employment and the Economy manages, supervises and assesses the feed-in tariff scheme. The Energy Market Authority assesses compliance with all legal requirements (§ 14 Act No. 1396/2010).
Flexibility Mechanism		
Distribution of costs	**State**	The Energy Market Authority pays the tariffs and bonuses (§ 29 Act No. 1396/2010). These costs are covered by the state budget (§ 2 Act No. 1396/2010).
	Consumers	
	Plant operator	
	Grid operator	
	European Union	

	Distribution mechanism	

RES-E grid issues

Overview

Overview of grid issues	In Finland, the use of the grids for the transmission of electricity from renewable sources is regulated by the general legislation on energy (Electricity Market Act - Sähkömarkkinalaki - 386/1995). There are no special provisions for electricity from renewable sources.
Connection to the grid	Plant operators are contractually entitled against the grid operator to connection to the grid. The grid operator is obliged to enter into an agreement with a plant operator following the non-discriminatory principle in regards to other plant operators. Detailed provisions regarding the connection of a particular plant are specified in a connection agreement.
Use of the grid	A plant operator is contractually entitled to connection to the use of the grid against the grid operator. The grid operator is obliged to grant access to the grid according to non-discriminatory criteria until the grid is used to full capacity.
Grid development	The grid operator shall expand his grid according to the reasonable needs of his customers without discriminating against certain plant operators. The operators of plants whose capacity exceeds 2 MW have to bear part of the costs of the connection works.
Statutory provisions	• Act No. 386/1995 (Sähkömarkkinalaki 17.3.1995/386 – Electricity Market Act)

Basic information on legal sources

Name of legal source (original language)	Sähkömarkkinalaki 17.3.1995/386		
Full name			
Name (English)	Electricity Market Act (Law no. 386/1995)		
Abbreviated form	Act No. 386/1995		
Entry into force	01.06.1995		
Last amended on	01.01.2011		
Future amendments			
Purpose	Regulating the electricity market, cf. § 1 Act No. 386/1995.		
Relevance for renewable energy	The Act also lays down provisions concerning the generation and sale of renewable energy sources within the electricity market.		
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/ajantasa/1995/19950386*		
Link to full text of legal source (English)	*http://www.finlex.fi/en/laki/kaannokset/1995/en19950386.pdf* Please note: The English translation does not provide information		

	on the latest amendment of the Act.		

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Työ- ja elinkeinoministeriö (TEM) – Ministry of Employment and the Economy	http://www.tem.fi/		+358 106 060 00	
Energiamarkkinavirasto (EMIV) - Energy Market Authority	http://www.energiamarkkinavirasto.fi/		+358 106 050 00	
Fingrid – transmission system operator	http://www.fingrid.fi/portal/suomeksi		+358 303 955 000	

Grid issues

Connection to the grid

Abbreviated form of legal sources	• Act No. 386/1995	
Contact Authority	fingrid.fi	
Overview	A plant operator is statutorily entitled to connection to the grid against the grid operator. The grid operator is obliged to enter into an agreement with the plant operator if the plant in question meets the grid operator's objective and non-discriminatory criteria (§ 9 Act No. 386/1995). Detailed provisions regarding the connection of a particular plant to the grid are specified in a connection agreement between the plant operator and the grid operator. **Entitled party.** Every operator of a plant that generates electricity from renewable sources is entitled to connection as long as he meets the conditions for connection and the technical requirements specified by the grid operator (§ 9 Act No. 386/1995). **Obligated party.** The party obliged to grant connection to the grid is the licensed grid operator whose area the plant is situated in (§ 9 Act No. 386/1995). The grid operator's area of operation is determined by his licence (§ 6 Act No. 386/1995).	
Procedure	**Process flow**	The grid connection procedure is not regulated by law. According to the grid operator, projects must usually adhere to the following procedure: • **Informal negotiations between plant operator and grid operator.** The plant operator describes his project (location and capacity of the plant) and the grid operator conducts a grid capacity study to find out whether grid capacity is sufficient. • **Assignment of grid connection point.** The grid operator assigns a connection point to the plant operator.

		• **Investment plan.** The plant operator sets up an investment plan. • **Letter of intent.** The grid operator declares that he will reserve a certain capacity for a certain period of time to connect the plant. Within the specified period of time, the plant operator must comply with certain requirements (e.g. he must obtain full building permission). • **Planning and building permission.** The plant operator must obtain planning and building permission. • **Grid upgrade agreement.** • **Grid expansion or upgrade** (if grid capacity is insufficient). • **Connection agreement.** The connection agreement sets out the technical conditions for the connection of the plant to the grid. • **The plant is connected and electricity is exported to the grid.**
	Deadlines	The Act does not lay out a time frame within which a plant is to be connected to the grid. Nevertheless, the plant operator suffering from loss due to the unreasonable delay concerning the connection to the grid has the right for compensation by the grid operator (§ 27 b Act No. 386/1995). The compensation size is fixed at 5% of the connection fee for the first two weeks of delay. Thereafter the fee is 10% of the connection fee for each beginning week of the delay. The maximum compensation is 30% of the connection fee, it can nevertheless not exceed 1,700 Euros (§ 27 a Act No. 386/1995).
	Obligation to inform	Before concluding a contract the plant operator needs to receive information concerning the principal conditions to be applied to the contract. The exact details are given in §25 c Act No. 386/1995. (§ 25 c Act No. 386/1995).
Priority to renewable energy	( ) Priority to renewable energy	The grid operator is obligated to grant connection to the grid according to non-discriminatory criteria (§ 9 Act No. 368/1995). Electricity generated from renewable

(qualitative criteria)	(x) Non-discrimination	sources is not given priority.
Capacity limits **(quantitative criteria)**	The grid operator is obligated to connect a plant to the grid as long as it is necessary to provide sufficient and continuous provision of electricity to customers (§ 9 Act No. 386/1995).	
Distribution of costs		
	State	
	Consumers	
	Grid operator	
	Plant operator	The plant operator shall pay to the grid operator the reasonable cost for the connection of his plant to the grid. He may request from the grid operator a detailed list of the costs incurred by the connection of his plant to the grid (§ 9 Act No. 368/1995). In case a grid upgrade is necessary to connect the plant, small plant operators (capacity < 2MW) are not obliged to pay this part of the connection costs (§14 b par.1 Act No. 386/1995).
	European Union	
	Distribution mechanism	

Use of the grid

Abbreviated form of legal sources	• Act No. 386/1995	
Contact Authority	fingrid.fi	
Overview	The grid operator must provide transmission grid capacity as required until the grid is used to full capacity. He may impose charges for this service. The grid operator shall organise the metering of the electricity supplied in an appropriate manner (§ 10 Act No. 386/1995). **Entitled party.** Every plant operator whose plant has been connected to the grid and who requires grid capacity is entitled to use the grid (§ 10 Act No. 368/1995). **Obligated party.** The party obliged to grant connection to the grid is the licensed grid operator whose area the plant is situated in. The grid operator's area of operation is determined by his licence (§ 6 Act No. 386/1995).	
Procedure	**Process flow**	The plant operator is contractually entitled to grid access against the grid operator. The claim arises at the date of conclusion of the agreement between the plant operator entitled and the grid operator. The grid operator is obliged by law to enter into this agreement. Plant operators are entitled to compensation for damage caused by a breach of duty by the grid operator (§ 44 Act No. 386/1995).
	Deadlines	The Act does not lay out a time frame for the process of grid usage.
	Obligation to inform	
Priority to renewable energy	( ) Priority to renewable energy	The grid operator is obliged to grant access to the grid according to non-discriminatory criteria unless the grid is used to full capacity (§ 10 Act No. 386/1995). Electricity from

(qualitative criteria)	(x) Non-discrimination	renewable sources is not given priority.
Curtailment	The grid operator is obliged to transmit only those amounts of electricity that are within the capacity of his grid (§ 10 Act No. 386/1995). Apart from this principle, grid stability is not regulated by law.	
Distribution of costs		
	State	
	Consumers	According to the Energy Market Authority, the cost of use of the grid is born by the consumers.
	Grid operator	
	Plant operator	
	European Union	
	Distribution mechanism	The grid operator may charge a reasonable fee for the use of his grid (§ 10 Act No. 386/1995). According to the Energy Market Authority, this fee is passed on to the consumers in the form of grid use charges.

Grid development

Abbreviated form of legal source	• Act No. 386/1995	
Contact Authority	fingrid.fi	
Overview	The grid operator shall expand his grid according to the needs of his customers (§ 9 Act No. 386/1995). According to the Ministry of Employment and the Economy and the Finnish transmission grid operator, this obligation includes upgrading the grid if the upgrade is required to connect a renewable energy plant to the grid and if the upgrade is economically and technically reasonable. **Entitled party.** All customers of the grid operator are entitled to the expansion of the grid. According to the Ministry of Employment and the Economy, the term 'customers' also refers to the plant operators. **Obligated party.** The grid operator has the obligation to develop the grid (§ 9 Act No. 386/1995).	
Procedure	**Process flow**	Expansion works for the connection of a plant must be based on a grid upgrade agreement and must be implemented prior to the connection of the plant.
	Enforcement of claims	Whether and when the grid operator is obliged to expand his grid depends on the reasonable needs of his customers (§ 9 Act No. 386/1995).
	Deadlines	The Act does not stipulate a time frame within which the grid shall be expanded.
	Obligation to inform	
Regulatory incentives for grid		

expansion and innovation		
Distribution of costs	According to the Ministry of Employment and Economy, the cost of a grid expansion is born either by the grid operator or by the plant operator.	
	State	
	Consumers	
	Grid operator	According to the Ministry of Employment and the Economy, the grid operator shall bear the cost of the expansion of his grid if it is carried out to satisfy the needs of more than one grid user. The grid operator shall also bear the cost if the capacity of the plants does not exceed 2MW (§ 14 b Par. 1 Act No. 386/1995).
	Plant operator	According to the Ministry of Employment and the Economy, the operator of a plant or plant shall bear the cost of installing a transformer if it is to his own benefit only.
	European Union	
	Distribution mechanism	
Grid studies	Nordic Grid Master Plan 2008 (multiregional planning project report combining all the Nordic countries). https://www.entsoe.eu/resources/	

RES-H&C support schemes

Summary of support schemes

Overview	In Finland the main way through which heat produced from RES is promoted, is a "heat bonus" allocated to CHP plants working on biogas and wood fuel. In addition to that, various investment supports are made available.
Summary of support schemes	In Finland the production of heat from renewable energies is subsidised through various support schemes and investment aids. • A fixed "**Heat bonus**" is paid for heat produced by CHP plants working on biogas and wood fuel. • **Investment supports** are available for the construction of production facilities using renewable energies. • **Investment support** is available for farmers to support the construction of heat plants working on renewable energy.
Technologies	"Heat bonus" is allocated to heat produced by CHP plants working on biogas and wood fuel. In case of other support schemes, subject to certain conditions, all RES technologies may be eligible.
Statutory provisions	• Act No. 1396/2010 (Laki uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta – Act on the Production Subsidy for Electricity Produced from Renewable Energy Sources) • Regulation No. 1397/2010 (Valtioneuvoston asetus uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta – Regulation on Production Subsidy for Electricity Produced from Renewable Energy Sources) • Regulation No. 1197/2011 (Valtioneuvoston asetus vuonna 2012 myönnettävän maatilan investointituen kohdentamisesta – Regulation on Farm Investment Allocation for the year 2012) • Regulation No. 299/2008 (Valtioneuvoston asetus maatalouden investointituesta ja nuoren viljelijän aloitustuesta – Regulation on Farm Investment Support and Young Farmers Support) • Regulation No. 1313/2007 (Valtioneuvoston asetus energiatuen myöntämisen yleisistä ehdoista –

	Regulation on General Conditions for the Allocation of Subsidies for Energy Use)

Basic information on legal sources

Name of legal source **(original language)**	Laki uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1396	Valtioneuvoston asetus uusiutuvilla energialähteillä tuotetun sähkön tuotantotuesta 30.12.2010/1397	Valtioneuvoston asetus vuonna 2012 myönnettävän maatilan investointituen kohdentamisesta
Full name			
Name (English)	Act No. 1396/2010 on the Production Subsidy for Electricity Produced from Renewable Energy Sources	Regulation No. 1397/2010 on Production Subsidy for Electricity Produced from Renewable Energy Sources	Regulation No. 1197/2011 on Farm Investment Allocation in 2012
Abbreviated form	Act No. 1396/2010	Regulation No. 1397/2010	Regulation No. 1197/2011
Entry into force	01.01.2011	01.01.2011	07.12.2011
Last amended on	22.12.2011		
Future amendments			
Purpose	This act aims to incentivise renewable energy generation, improve the competitiveness of renewable energy sources, and increase the diversification of energy generation to improve Finland's	This regulation updates existing legislation concerning subsidies on electricity produced from RES and heat produced by CHP plants.	This regulation sets the conditions for the allocation of investment support for farmers for the year 2012.

	energy independence.		
Relevance for renewable energy	Framework to support electricity from wind, biogas, biomass and heat produced by CHP plants.	Refines the terms and conditions of the scheme.	Investment aid also concerns the construction of heating plants working on renewable energy sources.
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/ajantasa/2010/20101396#a22.12.2011-1426*	*http://www.finlex.fi/fi/laki/ajantasa/2010/20101397*	*http://www.finlex.fi/fi/laki/alkup/2011/20111197*
Link to full text of legal source (English)	*http://www.emvi.fi/files/Act_Production_Subsidies_Legislation_2011.pdf* Please note: the English translation does not take into account the latest amendments of the Act.		

Name of legal source (original language)	Valtioneuvoston asetus maatalouden investointituesta ja nuoren viljelijän aloitustuesta	Valtioneuvoston asetus energiatuen myöntämisen yleisistä ehdoista	
Full name			
Name (English)	Regulation No. 299/2008 on Farm Investment Support and Young Farmers Support	Regulation on General Conditions for the Allocation of Subsidies for Energy Use	
Abbreviated form	Regulation No. 1197/2011	Regulation No. 1313/2007	
Entry into force	12.05.2008	01.01.2008	
Last amended on	17.11.2011		
Future amendments		01.01.2013	
Purpose	This regulation forms the basis for the allocation of supports.	Establishing conditions for the allocation of subsidies for investment and development projects.	
Relevance for renewable energy	The conditions also apply to farmers applying for investment support for the construction of heating plants working on renewable energies.	This regulation establishes provisions for the allocation of financial aid for investment and research projects that promote the use of renewable energy	
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/ajantasa/2008/20080299*	*http://www.finlex.fi/fi/laki/alkup/2007/20071313*	

Link to full text of legal source (English)			

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Työ- ja elinkeinoministeriö – Ministry of Employment and the Economy	http://www.tem.fi/		+358 106 060 00	
Maa- ja metsätalousministeriö – Ministry of Agriculture and Forestry	http://www.mmm.fi		+358 (0) 295 16 001	
Elinkeino-, liikenne- ja Ympäristökeskus – Centre for Economic Development, Transport and the Environment	http://www.ely-keskus.fi		+358 29 502 1000 (Helsinki office)	

Support schemes

Subsidy I (State grant for investment in RES)

Abbreviated form of legal source(s)	• Regulation No. 1313/2007	
Contact Authority	tem.fi	
Summary	The so-called "energy aid "is a state grant for investments in RES. Grants are available for investment and projects that involve the use of renewable energy (§ 2 Regulation No. 1313/2007).	
Eligible technologies	**General information**	According to the Ministry of Employment and the Economy, all technologies are eligible for grants. Grants are available for research and investment projects that involve the generation of renewable energy or the application of RES technologies (§ 2 Regulation No. 1313/2007). Costs concerning construction of district heating network are eligible only if they use new technologies (§7 Regulation No. 1313/2007).
	Aerothermal	Eligible
	Hydrothermal	Eligible
	Biogas	Eligible
	Biomass	Eligible

	Geothermal energy	Eligible
	Solar Thermal	Eligible
Amount	The amount of subsidy depends on the aim of the project in question. The maximum subsidy for investment projects that use new renewable energy generation technologies or otherwise involve RES technologies is 40% of the eligible costs (§ 4 Regulation No. 1313/2007). A company or entity receiving a subsidy shall bear at least 25% of the total project costs (§ 4 Regulation No. 1313/2007).	
Addressees	**Entitled party.** The entities entitled to subsidies are companies, municipalities and communities ("Yhteisö"). Support cannot be allocated to farms, housing corporations, residential properties and construction projects benefitting from other state aid (§ 3 Regulation No. 1313/2007). According to the Ministry of Employment and the Economy, both private organisations and legal entities like strategic alliances, federations, associations and foundations are eligible. **Obligated party.** The party obligated to satisfy a claim is the state, which is represented by the Ministry of Employment and the Economy or The Centre for Economic Development, Transport and the Environment (ELY Centre) (§ 1 Regulation No. 1313/2007).	
Procedure	**Process flow**	• **Application for subsidy.** Applications shall be submitted to The Centre for Economic Development, Transport and the Environment (ELY Centre) (§ 1 Regulation No. 1313/2007 in conjunction with § 5 Regulation No. 1313/2007). • **Selection.** Applicants are selected by the ELY Centre according to certain criteria. The Centre has some degree of freedom in the decision-making process. However, if the costs of the project exceed € 3 000 000 or if the project aims to take up a new energy production technology, the selection is done by the Ministry of Employment and Economy (§ 1 Regulation No 1313/2007). • **Allocation of subsidies.** Subsidies are awarded to the

		selected projects (§10 Regulation No. 1313/2007). • **Project implementation.** According to the Ministry of Employment and the Economy, applicants are informed of the decision concerning the subsidy and of the requirements for project implementation, which are a prerequisite for receiving energy aid. • **Payment of the subsidy.** Support is paid after the start of the project based on the application and actual cost documents. The subsidy is paid either in one or several parts based on the decision allocating the support. Projects that include leasing or partial payments, can be paid in one part after the completion of the project (§ 10 Regulation No. 1313/2007).
	Competent authority	The Competent Authority is the Ministry of Employment and the Economy.
Flexibility mechanism		
Distribution of costs	**State**	The cost of the subsidy is borne by the state (§ 1 Regulation No. 1313/2007).
	Consumers	
	Plant operator	
	Grid operator	
	European Union	

	Distribution mechanism	

Subsidy II (Investment support for farmers)

Abbreviated form of legal source(s)	• Regulation No. 1197/2011 • Regulation No. 299/2008	
Contact Authority	ely-keskus.fi	
Summary	Regulation No. 1197/2011 states the conditions for the allocation of investment support for farmers, which can be used for the construction of heating facilities working on renewable energies.	
Eligible technologies	**General information**	The support can be allocated for the construction, expansion or renovation of heating facilities used for agricultural production. The condition for the allocation of the grant is that the plant needs to work on either waste, aerothermal, geothermal, solar thermal, biomass or any other renewable source (§27 Regulation No. 299/2008).
	Aerothermal	Eligible.
	Hydrothermal	Eligible.
	Biogas	Eligible.
	Biomass	Eligible.
	Geothermal energy	Eligible.
	Solar Thermal	Eligible.

Amount	The aid can be in the form of either a state investment subsidy, lowered interest rates for loans or state acting as a guarantee for a loan. The exact amount of subsidy varies from the action supported, details for each action are provided in the annex of the Regulation No. 1197/2011.	
Addressees	The support scheme is addressed to farmers. The exact conditions that applicants have to fulfil are given in detail in the regulation No. 299/2008 (§1 Regulation No.1197/2011).	
Procedure	**Process flow**	• Applications for investment supports are accepted during four periods in a year: 1) 7.12.2011-20.01.2012 2) 6.02.2012-30.03.2012 3) 16.04.2012-17.08.2012 4) 3.09.2012-19.10.2012 (§31 Regulation No. 1197/2011). • Final payment shall be made no later than two months after the work is finished. First and final payment must be at least 20% of the overall support (§44 Regulation No 299/2008).
	Competent authority	The responsible authority is the Ministry of Agriculture and Forestry, the allocation of support is administered by the Centre for Economic Development, Transport and the Environment.
Flexibility mechanism		
Distribution of costs	**State**	The costs of the subsidy are born by the state budget (§2 Regulation No. 1197/2011).
	Consumers	
	Plant operator	

	Grid operator	
	European Union	
	Distribution mechanism	

Price-based mechanisms ("Heat bonus" for CHP plants)

Abbreviated form of legal source(s)	• Act No.1396/2010 • Regulation No. 1397/2010	
Contact Authority	tem.fi	
Summary	In Finland the cogeneration of heat and electricity is promoted by giving CHP plants working on biogas and wood fuel the right for an increased fixed "heat bonus". The granting of the support is subject to certain conditions.	
Eligible technologies	**General information**	Eligible for an increased "heat bonus" are CHP plants working on biogas or wood fuel. In addition, the plant must be located in Finland or in Finnish waters and be connected to the grid (§ 7 Act No. 1396/2010). CHP plants must meet certain requirements according to the technology employed (see below) (§26 Act No. 1396/2010).
	Aerothermal	
	Hydrothermal	
	Biogas	CHP plant working on biogas is eligible for an increased "heat bonus" if the following conditions are met: • The plant must produce both electricity and usable heat. • The plant must achieve an efficiency rate of at least 50%, or even 75% if the capacity of the generators is equal to or

		exceeds 1 MVA (§ 10 Act No. 1396/2010).
	Biomass	Wood fuel plants are eligible for an increased "heat-bonus" if they meet the following conditions: • The plant must produce both electricity and usable heat. • The plant must achieve an efficiency rate of at least 50%, or even 75% if the capacity of the generators is equal to or exceeds 1 MV (§ 11 Act No. 1396/2010).
	Geothermal energy	
	Solar Thermal	
Amount	**General information**	
	Aerothermal	
	Hydrothermal	
	Biogas	The bonus is fixed at € 50 per MWh for CHP plants working on biogas (§26 Act No. 1396/2010).

	Biomass	The bonus is fixed at € 20 per MWh for CHP plants working on wood fuel (§26 Act No. 1396/2010).
	Geothermal energy	
	Solar Thermal	
Degression	**General information**	The law foresees no degression mechanism for the heat bonus.
	Aerothermal	
	Hydrothermal	
	Biogas	
	Biomass	
	Geothermal energy	
	Solar Thermal	
Cap		
Eligibility period		
Addressees	**Entitled party.** Energy producers who produce heat and energy in a CHP plant working on biogas or woodfuel.	
Procedure	**Process flow**	• **Advance notification.** Within one month of the decision to install a plant, the electricity producer using biogas and wood fuel in CHP plant shall inform the Energy Market Authority about his plans and about the technical specifications of the plant (including heat utilization, plant efficiency and total

		capacity) in writing (§ 13 Act No. 1396/2010). • **Application.** A given producer shall apply to the Energy Market Authority for the "heat bonus". All applications except applications regarding wood-chip plants must be submitted before the plant starts commercial operation. The application must contain certain information specified by law (§ 14 Act No. 1396/2010). • **Allocation of support.** The Energy Market Authority awards the "heat bonus" if the applicant meets the formal and technical requirements (§ 26 Act No. 1396/2010).
	Competent authority	The responsible authority is the Ministry of Employment and the Economy, the supervision of the support scheme is done by the Energy Market Authority (§4 Act No. 1396/2010).
Flexibility Mechanism		
Distribution of costs	**State**	The Energy Market Authority pays the bonuses (§ 29 Act No. 1396/2010). These costs are covered by the state budget (§ 2 Act No. 1396/2010).
	Consumers	
	Plant operator	
	Grid operator	
	European Union	

	Distribution mechanism	

RES-H&C grid issues

Overview

Overview of grid issues	There is no specific law regulating heating and cooling. This also means that in the case of heating and cooling grid access, grid use and grid development obligations are not regulated by law. The approach is market orientated, meaning that different heat providers are in competition with each other. In Finland the most common form of heating is district heating. District heating companies are supervised by general legislation like competition and consumer protection legislation and related authorities (Consumer Agency, Finnish Competition Authority and Energy Market Authority).
Connection to the grid	
Use of the grid	In Finland, grid use is not regulated by law. However, heat producers are subject to certain requirements provided in Act No. 1211/2009 obligating them to give information to their customers and the Energy Market Authority concerning their total sales of energy and price formation mechanism.
Grid development	
Statutory provisions	• Act No. 1211/2009 (Laki energiamarkkinoilla toimivien yritysten energiatehokkuuspalveluista – The law regulates energy companies' energy services, including informing obligations and energy efficiency)

Basic information on legal sources

Name of legal source (original language)	Laki energiamarkkinoilla toimivien yritysten energiatehokkuuspalveluista		
Full name			
Name (English)	Act No. 1211/2009 on Energy Services of Energy Companies		
Abbreviated form	Act No. 1211/2009		
Entry into force	01.01.2010		
Last amended on			
Future amendments			
Purpose	The act regulates energy companies' practices to promote energy efficiency and reasonable use of energy among their clients. It also sets out obligations for energy companies to inform the Energy Market Authority.		

Relevance for renewable energy	It equally applies to companies producing energy and heat from RES.		
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/alkup/2009/20091211*		
Link to full text of legal source (English)			

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Kilpailuvirasto – Finnish Competition Authority	http://www.kilpailuvirasto.fi		+358 9 73141	Tiedotus@kilpailuvirasto.fi
Energiamarkkinavirasto – Energy Market Authority	http://www.energiamarkkinavirasto.fi/		+358 29 5050 000	kirjaamo@energiamarkkinavirasto.fi

Grid issues

Use of the grid

Abbreviated form of legal sources	• Act No. 1211/2009	
Contact Authority	energiamarkkinavirasto.fi	
Overview	In Finland grid use is not regulated by law. However, in case of a request by the Energy Market Authority, heat producers and distributors have an obligation to give information concerning their total sales of energy and their price formation mechanism (§5 Act No. 1211/2009). The district heating companies are equally obliged to provide their customers with a metering system, to inform them about their final heat consumption, price formation mechanism and ways to improve energy efficiency (§3, §4 Act No. 1211/2009).	
Procedure	**Process flow**	
	Deadlines	
	Obligation to inform	
Priority to renewable energy (qualitative criteria)	( ) Priority to renewable energy ( ) Non-discrimination	
Curtailment		
Distribution of costs		
	State	
	Consumers	
	Grid operator	

	Plant operator	
	European Union	
	Distribution mechanism	

Grid development

Abbreviated form of legal source		
Overview	In Finland grid development obligations are not regulated by law.	
Procedure	**Process flow**	
	Enforcement of claims	
	Deadlines	
	Obligation to inform	
Regulatory incentives for grid expansion and innovation		
Distribution of costs		
	State	
	Consumers	
	Grid operator	
	Plant operator	
	European Union	
	Distribution mechanism	
Grid studies	Finnish Competition Authority report on District Heating Networks: http://www.kilpailuvirasto.fi/cgi-bin/suomi.cgi?sivu=raportit/raportti-2009-00-0431	

RES-T support schemes

Summary of support schemes

Overview	In Finland the main support scheme for renewable energy sources used in transport is a quota system. This system obliges fuel vendors to ensure that biofuels make up a define percentage of the company's total annual sale of fuel. Furthermore, the use of biofuels is supported through tax regulation.
Summary of support schemes	• **Biofuels quota.** The main scheme used to support renewable energies in the transport sector is a quota obligation. This mechanism obliges companies selling petrol or diesel fuels to ensure that biofuels compose a defined percentage of the company's total annual sale of fuel. • **Tax Regulation mechanism.** In Finland the taxation of liquid fuels is carried out as taxation of separate fuel components based on their energy content and carbon dioxide emission, meaning reduced taxation for biofuels.
Technologies	The biofuels quota and the tax regulation mechanism apply to biofuels only.
Statutory provisions	• Act No. 446/2007 (Laki biopolttoaineiden käytön edistämisestä liikenteessä – The Act on the Promotion of Biofuels in Transport) • Act No. 1472/1994 (Laki nestemäisten polttoaineiden valmisteverosta – Act on Excise Duty on Liquid Fuels) • Act No. 1469/1994 (Valmisteverotuslaki – Excise Tax Act)

Basic information on legal sources

Name of legal source (original language)	Laki biopolttoaineiden käytön edistämisestä liikenteessä 13.4.2007/446	Laki nestemäisten polttoaineiden valmisteverosta 29.12.1994/1472	Valmisteverotuslaki 29.12.1994/1469
Full name			
Name (English)	The Act on the Promotion of Biofuels in Transport	Act on Excise Duty on Liquid Fuels	Excise Tax Act
Abbreviated form	Act No. 446/2007	Act No. 1472/1994	Act No. 1469/1994
Entry into force	01.01.2008	01.01.1995	01.01.1995
Last amended on	30.12.2010	16.11.2012	22.12.2009
Future amendments			
Purpose	The aim of the act is to support the use of biofuels in the transport sector.	The act sets out the taxation levels on liquid fuels.	Sets out the provisions for excise duty.
Relevance for renewable energy	The act sets out the obligation for retailers to distribute biofuels.	It shows how the taxation of fuels is dependent on the energy content and carbon dioxide emission, thereby creating favourable tax conditions to biofuels.	Sets the framework for the taxation of liquid fuels, including biofuels.
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/ajantasa/2007/20070446*	*http://www.finlex.fi/fi/laki/ajantasa/1994/19941472*	*http://www.finlex.fi/fi/laki/ajantasa/kumotut/1994/19941469*

Link to full text of legal source (English)			

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Valtiovarainministeriö – Ministry of Finance	http://www.vm.fi/		+358 295 16001 .	
Tulli (Finnish Customs)	http://www.tulli.fi/		+358 20 690 600	

Support schemes

Tax regulation mechanism (Excise duty on liquid fuels)

Abbreviated form of legal source(s)	• Act No. 1472/1994	
Contact Authority	tulli.fi	
Summary	In Finland fuels are taxed according to their use. Excise duty on liquid fuels is collected on all types of fuels, including biofuels. The latest amendment to the Act of Excise Duty on Liquid Fuels sets out a taxation system, according to which each component of a liquid fuel is taxed separately, based on its energy content and carbon dioxide emission, meaning reduced taxation for biofuels (§1 Act No. 1472/1994).	
Eligible technologies	**General information**	Subject to tax allowances are biofuels, which comply with the requirements defined in the European RES-Directive (§2 par. 27 a Act No 1472/1994).
	Biofuels	Eligible.
	Electricity	
	Hydrogen	
Amount	The tax on petrol released for consumption is at least €ct 35.9 per litre, for diesel the amount is at least €ct 33 per litre (§4 Act no. 1472/1994). The exact excise duty rates of the different components of the liquid fuels are shown in the annexed table of the Act No. 1472/1994. For information in English concerning the exact rates, please refer to the Finnish Custom's document: http://www.tulli.fi/en/finnish_customs/publications/excise_tax/excise_taxation/021.pdf	

Addressees	According to the Finnish Customs, the party obligated to pay the excise duty on liquid fuels is the supplier. The supplier of biofuels or fuels blended with biofuels has to pay the reduced tax (§6 Act No. 1472/1994).	
Procedure	**Process flow**	The authorized fuels suppliers must keep account of the quantities released for consumption (§6 Act No. 1472/1994) and submit a tax return for the fiscal year by the 18th of the following month to the district customs authority (§22, §25 Excise Tax Act).
	Competent authority	The Finnish Customs Authority.
Flexibility Mechanism		
Distribution of costs	**State**	The costs of tax relief are born by the state.
	Consumers	
	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	

Biofuel quota (Distribution obligation system)

<table>
<tr><td>Abbreviated form of legal source(s)</td><td colspan="3">• Act No. 446/2007</td></tr>
<tr><td>Contact Authority</td><td colspan="3">tulli.fi</td></tr>
<tr><td>Summary</td><td colspan="3">The Act on the Promotion of Biofuels in Transport obliges vendors of petrol and diesel to fulfil a defined quota of biofuels. The amount of biofuels has to be increased year by year to make up 20% of the total sales by the year 2020 (§ 5 Act No. 446/2007).</td></tr>
<tr><td rowspan="4">Eligible technologies</td><td>General information</td><td colspan="2">This obligation only applies to biofuels.</td></tr>
<tr><td>Biofuels</td><td colspan="2">Biofuels have to comply with the requirements defined in the European RES-Directive (§ 5 a Act 446/2007).</td></tr>
<tr><td>Electricity</td><td colspan="2"></td></tr>
<tr><td>Hydrogen</td><td colspan="2"></td></tr>
<tr><td>Amount</td><td>Amount of quota and period of application</td><td colspan="2"><table>
<tr><th>Obligation period</th><th>Quota obligation</th></tr>
<tr><td>2011-2014</td><td>6.0 %</td></tr>
<tr><td>2015</td><td>8.0%</td></tr>
<tr><td>2016</td><td>10.0%</td></tr>
<tr><td>2017</td><td>12.0%</td></tr>
<tr><td>2018</td><td>15.0%</td></tr>
<tr><td>2019</td><td>18.0%</td></tr>
</table></td></tr>
</table>

		2020 and afterwards: 20.0% When biofuel is produced from waste, residues or inedible cellulose or lignocelluloses, its energy content is counted as double when calculating the final amount of biofuels (§5 Act No.446/2007).
	Adjustment of quotas	
	Fees and penalty charges	If the retailer fails to fulfil the quota a fine will follow. The penalty payment will be calculated based on the amount by which the retailer has failed to fulfil the quota, where each mega joule (MJ) is charged 0.04 Euros (§ 11 Act No. 446/2007).
Addressees	The quota obligation applies to fuel retailing companies (§ 3 Act No. 446/2007).	
Procedure	**Process flow**	• The obligated company has to send an **annual report** to the local customs authority showing the part of petrol, diesel and biofuels in their annual sales and thereby proving the fulfilment of obligation. The report has to be sent by March for the previous calendar year (§ 7 Act No. 446/2007). • If the company fails to fulfil the quota the local customs authority is entitled to charge a **penalty payment** (§ 11 Act No. 446/2007). • In case where the obligated company presents false or otherwise incomplete data about their sales, the customs authority has the right to impose an **error payment** up to 5000 Euros (§ 12 Act No. 446/2007). • If the fuel retailing company has **exceeded the quota** of

		biofuels during one calendar year, it shall be taken into account for the following calendar year (§5 b Act No.446/2007).
	Competent authority	The Finnish Customs Authority
Flexibility Mechanism		
Distribution of costs	**State**	
	Consumers	The costs are borne by the consumers.
	European Union	
	Others	
	Distribution mechanism	The obliged companies pass on the costs arising from the quota obligation to the consumers by adding a surcharge to their fuel.

Policies

Summary of policies

Overview	In Finland state grants are made available to support research and development in the field of renewable energies. RES-H infrastructure development is supported through available investment subsidies. In other areas, such as the building sector and certification and training programmes, the development of specific regulatory measures is still in the process.
Summary of policies	• In Finland the development of **training programmes and certification system for installers** is currently still at work and is expected to be finished by the end of the year 2012. • Concerning the building sector, new legislation regulating energy efficiency requirements for new buildings will shortly enter into force. According to the Ministry of the Environment, the **minimum requirements for buildings concerning RES** use will be inserted in building law and regulations by the end of 2014. • **Research and development** in relation to renewable energies is supported by the state through grants. • **RES-H infrastructure development** is also supported through investment subsidies.
Statutory provisions	• Regulation No. 1313/2007 (Valtioneuvoston asetus energiatuen myöntämisen yleisista ehdoista 12.12.2007/1313 – Regulation on the Allocation of Subsidies)

Basic information on legal sources

Name of legal source **(original language)**	Valtioneuvoston asetus energiatuen myöntämisen yleisistä ehdoista		
Full name			
Name (English)	Regulation on General Conditions for the Allocation of Subsidies for Energy Use		
Abbreviated form	Regulation No. 1313/2007		
Entry into force	01.01.2008		
Last amended on			
Future amendments	01.01.2013		
Purpose	Establishing conditions for the allocation of subsidies for investment, research and development projects that promote the use of renewable energies and support RES-H infrastructure development.		
Relevance for renewable energy	The regulation sets out provisions for the		

	allocation of finances concerning research and development projects that promote the use of renewable energies and support the relevant infrastructure development		
Link to full text of legal source (original language)	*http://www.finlex.fi/fi/laki/alkup/2007/20071313*		
Link to full text of legal source (English)			

Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Ympäristöministeriö – Ministry of the Environment	http://www.ymparisto.fi/		+ 358 20 610 100	
Työ- ja elinkeinoministeriö (TEM) – Ministry of Employment and the Economy	http://www.tem.fi/		+358 106 060 00	

Policy categories

Training programmes for Installers

Abbreviated form of legal source(s)		
Sectors	Electricity, Heating & Cooling	
Contact Authority	ymparisto.fi	
Description	In Finland the development of training programmes and certification system for installers is currently at work. A pilot training course was held in autumn 2010, the finalised training scheme should be ready by the end of 2012.	
Addressees		
Competent authority	Ministry of the Environment.	
Further information		
Distribution of costs	**State**	
	Private Financing	
	European Union	

	Others	

Certification Programmes for RES installations

Abbreviated form of legal source(s)		
Sectors	None (Electricity, Heating & Cooling, Transport)	
Contact Authority	-	
Description	In Finland there is currently no certification or standardisation in place concerning RES installations. However, support schemes supporting renewable energy require that RES-technologies comply with various EU and national level legislation (environmental law, building regulation, land use).	
Addressees		
Competent authority		
Further information		
Distribution of costs	**State**	
	Industry	
	Plant Producers	
	European Union	

	Others	

Exemplary role of public authorities in accordance with Art. 13 par. 5 RES Directive

Abbreviated form of legal source(s)	
Sectors	Electricity, Heating & Cooling
Contact Authority	ymparisto.fi
Description	When construction or renovation works are carried out in state owned public buildings, there is no law obliging to use/promote the use of RES. However, through the Real Estate and Energy Efficiency Agreement, which brings together different ministries and building sector representatives, all participating sides commit to achieving greater energy efficiency and better spatial planning. According to the Ministry of the Environment, the minimum requirements for buildings concerning RES use will be inserted in building law and regulations by the end of 2014.
Addressees	
Competent authority	
Further information	

RD&D Policies

Abbreviated form of legal source(s)	• Regulation No. 1313/2007
Sectors	Electricity, Heating & Cooling, Transport
Contact Authority	ely-keskus.fi
Description	Grants are available for research and development projects that involve the generation of renewable energy or the application of RES technologies (§ 2 Regulation No. 1313/2007). Among other costs, the costs for preparation, planning costs and materials are eligible for subsidies (§ 6 ff. Regulation No. 1313/2007).
Addressees	The entities entitled to subsidies are companies, municipalities and communities ("Yhteisö") (§3 Regulation No. 1313/2007). According to the Ministry of Employment and the Economy, both private organisations and legal entities like strategic alliances, federations, associations and foundations are eligible.
Competent authority	The responsible Authority is the Ministry of Employment and the Economy, the applications are processed by The Centre for Economic Development, Transport and the Environment (§ 1 Regulation No. 1313/2007).
Further information	**Centre for Economic Development, Transport and the Environment** http://www.ely-keskus.fi **TEKES – Finnish Funding Agency for Technology and Innovation** http://www.tekes.fi

RES-H building obligations

Abbreviated form of legal source(s)	
Sectors	Heating & Cooling
Contact Authority	Ymparisto.fi
Description	According to the Ministry of the Environment, the minimum requirements for buildings concerning RES use will be inserted in building law and regulations by the end of 2014. As for now, however, long-term co-operation projects are in place, which include various actors and put down certain goals and guidelines, e.g. to improve the energy efficiency of buildings and to promote the use of renewable energies, which the parties agree to follow in their actions.
Further information	**For an energy smart built environment** 2017 is one of such long-term co-operation projects, which brings together public, private and research sectors with the goal to improve the energy efficiency of buildings and to promote the use of renewable energies – http://era17.fi/
Obligation on regional level	Finnish building code is nationwide, so centralised rules apply also on regional level.

Support of RES-H infrastructure (Investment Support)

Abbreviated form of legal source(s)	• Regulation No. 1313/2007
Sectors	Heating & Cooling
Contact Authority	tem.fi
Description	This investment support can be allocated for the construction of pipelines in order to connect the new district heating facility to the grid (§ 6 par. 4 Regulation No. 1313/2007). Costs relating to the construction of the district heating network are eligible only when they include the use of innovative new technology solutions (§ 7 Regulation No. 1313/2007).
Addressees	The entities entitled to subsidies are companies, municipalities and communities (“Yhteisö”). Support cannot be allocated to farms, housing corporations, residential properties and construction projects benefitting from other state aid (§ 3 Regulation No. 1313/2007). According to the Ministry of Employment and the Economy, both private organisations and legal entities like strategic alliances, federations, associations and foundations are eligible.
Competent authority	The Ministry of Employment and the Economy.
Further information	