



Finland Facts & News February 2018

Sauli Niinistö re-elected as Finland's president

Few weeks ago, the people of Finland re-elected **Sauli Niinistö** as President of the Republic in a historic election, where Niinistö received majority of the votes in the first round. It was the first time that this has happened since the direct popular vote was introduced for presidential elections in 1994.

In accordance with the Constitution, Finland's foreign policy is directed by the President of the Republic in cooperation with the Government. The presidential election demonstrated that a particularly broad consensus prevails over the fundamentals of Finland's foreign and security policy. The election has given Niinistö considerable backing for continuing this policy.

Further information: www.vnk.fi/en

The medium-term climate change plan to 2030 covers transport, food and heating.

In September 2017, the Finnish Government adopted the medium-term climate change plan to 2030. The plan 'Towards Climate-Smart Day-to-Day Living' sets out the necessary means to reduce greenhouse gas emissions by 2030 in the non-emissions trading sector, i.e. transport, agriculture, heating and waste management.

This climate change plan, based on the Climate Change Act that entered into force in 2015, is the first of its kind. Together with the Energy and Climate Strategy adopted in November 2017 it implements the Paris Climate Change Agreement in Finland and steers us to a path by which the EU's climate objectives can be reached by 2030.

"Efficient mitigation of climate change requires fundamental changes in societies. The plan narrows down the gap between the business-as-usual scenario and meeting the objectives in various sectors and examines how the society could support climate-smart consumer choices in everyday life. It is also an important tool as we aim for a carbon-neutral Finland by 2045", said Minister for Housing, Energy and the Environment **Kimmo Tiilikainen**.



Greatest emissions reductions in transport

In the non-emissions trading sectors the greatest potential for reducing emissions is in the transport sector, which now causes about a fifth of Finland's greenhouse gas emissions. The aim by 2030 is to halve the emissions from transport compared to the levels in 2005.

The emissions are to be reduced by replacing fossil fuels with new-low-emission alternatives and by improving the energy-efficiency of vehicles and transport systems. Changes in consumer patterns, digitalisation and sharing economy stress the role of consumption and consumers in climate change policy. Consumers are encouraged to halving their carbon footprint by 2030. The implementation of the climate change plan is followed by annual reports to be submitted to the Parliament.

Further information: www.ym.fi/en

Business Finland started operations on 1 January 2018

The President of the Republic approved the Act on Business Finland on 28 December 2017. The Act entered into force on 1 January 2018. The new Act changed Tekes into the Business Finland innovation funding agency and Finpro into the Business Finland company. Business Finland has a staff of around 600 persons and nearly 40 offices abroad. It operates in 15 different regions in Finland.

The new Business Finland makes public business services more effective. There is one operator providing companies with services in internationalisation, innovation funding, foreign investment and travel. One operator can better consider the entire lifecycle of companies' regeneration, growth and internationalisation and remove overlapping activities. The goal is an unbroken chain of services from the development of products, services and business models to their introduction into the market.

The Business Finland innovation funding agency, serving as a State authority, and the Business Finland company, responsible for client functions, form an operational whole under a unified management. The Ministry of Economic Affairs and Employment is responsible for the performance guidance of the agency and define the strategic performance targets and resources for Business Finland as a whole. The agency exercises ownership steering of the company, while the company's operations are mainly based on a service agreement it has with the agency.

The agency is responsible for strategic management, official duties and ownership steering of the companies under its management. The company plans and implements research, development and innovation programmes and provides information and guidance on the EU's research and innovation activities.

The new Business Finland supports the Government's objectives to clarify and simplify the business service system, fosters the global spread of the Finnish innovation system, doubles the export volumes of SMEs by 2020 and supports the counties' growth services with a strong national-level operator that promotes business growth and internationalisation. The merger also aims to allocate human resources towards the client interface and operations abroad.

The law on Business Finland can be found in www.tem.fi/paatokset



Ten municipalities to become forerunners of the circular economy

Ten Finnish municipalities – Ii, Jyväskylä, Kuopio, Lahti, Lappeenranta, Porvoo, Riihimäki, Rovaniemi, Turku and Vantaa – have committed themselves to promoting the circular economy in an ambitious and concrete way. As the first Finnish municipal network, they intend to implement the goals of the national waste plan by recycling at least 55 per cent of their municipal waste, by utilising at least 70 per cent of construction and demolition waste as materials, and by decreasing the amount of waste that they generate to the level that it was in 2000 by 2020.

The municipalities are free to select the methods that they will use to promote the circular economy in their regions. These will initiate new business, activate their citizens and create new collaborative opportunities with different actors.

“Even on a global scale, the plans of these municipalities are ambitious. For example, they're planning to recover precious metals from electronic waste, utilise the side flows of the forest and mining industry as a replacement for concrete, create a bioindustry park and circular economy cluster, transform a landfill into a renewable energy production area, and construct a smart and low-carbon infrastructure. Many of the municipalities also want to involve their citizens in the development of the circular economy,” said Head of Unit **Tuuli Myllymaa** from the Finnish Environment Institute (SYKE).

SYKE and Motiva selected the pioneering municipalities from a group of twenty applicants. Their selection criteria included the commitments made by the municipalities during the application phase as well as the measures that the municipalities have utilised to promote the circular economy so far.

Updated National material efficiency programme points out the need for additional funding

The Ministry of Employment and Economy published the updated National material efficiency programme on 8 February 2018. The goal of the programme is sustainable growth through material efficiency, aiming simultaneously at economic growth, the sensible use of natural resources, and disengagement from harmful environmental effects. The programme proposes an assessment of means to increase funding for advancement of material efficiency.

The programme determines major measures which will later be put into projects with separate decisions. These include material audits, voluntary material efficiency commitments between the administration and companies and the Finnish Industrial Symbiosis model. Motiva contributes actively to the development and implementation of these systematic models.

In practice, material and energy efficiency are the main elements of companies' resource efficiency, and they cannot always be separated from each other. The updated programme points out that it will be necessary to examine how material and energy efficiency audits could be integrated.



The update was prepared by working group including members from different ministries. The opinions of other interest groups were surveyed with digital inquiries and with two workshops organized by Motiva.

Further information: www.tem.fi

Prime Minister's Office and Motiva join forces to promote culture of experimentation

Promoting piloting and experimenting is one of the key projects of Prime Minister Juha Sipilä's Government. The Prime Minister's Office has created a 'Place to Experiment' platform in collaboration with the Finnish experimental community. The Prime Minister's Office and Motiva will now work together to develop ways and means to promote piloting and experimenting.

The Prime Minister's Office aims to dismantle administrative barriers to new approaches and to speed up process of taking new solutions into use in practice. The Place to Experiment (kokeilunpaikka.fi) is a platform for presenting new and innovative solutions to help advance society and different services, and thereby promoting sustainable wellbeing.

The Government's central themes include circular economy, artificial intelligence, and employment. A call for applications for circular economy projects was carried out in the summer, and experimenting is now under way. The Place to Experiment can be adapted to many other themes as well.

Working in collaboration with Motiva is a natural step to take in further promoting the culture of experimentation. The number of ideas and users of the platform is increasing all the time.

"At Motiva, we are keen to accelerate sustainable development. Close cooperation with the Prime Minister's Office in promoting experimenting and its practical implementation fits well with our business concept. We will cooperate with the Experimental Finland team at the Prime Minister's Office so that we can put the culture of experimentation into practice," said Managing Director **Hille Hyytiä**.

Further information: www.kokeilunpaikka.fi/en

Competence Centre for Sustainable and Innovative Public Procurement established

In Finland public procurement is recognized and will be actively used as a strategic tool helping to reach the political goals of the Government. It is seen vital that public procurement entities actively exchange experiences and learn from each other. The new competence centre will start on 1 March and it will operate as a network. It has been formed by the major stakeholders including Motiva (coordinator), the Association of Municipalities, Finnish Technology Fund, VTT Technical Research organisation, Finnish Environment Institute, the centralised purchasing bodies for the Government, Hansel Ltd, and the Municipalities, KL Kuntahankinnat and Sitra The Finnish Fund for Tehcnology and Innovation.



The main tasks of the new centre cover strategic public procurement, monitoring and impact assessment, public procurement Green Deals and enhancing lead markets by buyer groups, capacity building and regional support for sustainable and innovative procurement as well as strengthening international networks and peer to peer learning for procurers.

The centre will build procurement networks and peer to peer learning for forerunners and contribute to concrete international procurement co-operation.

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The European Resource Efficiency Knowledge Centre went live!

The European Resource Efficiency Knowledge centre (EREK) was officially launched on 20 February 2018. Motiva is one of the business support organization from the pan-European EREK network of highly-motivated organisations who want to stay tuned, gain knowledge, share their expertise and promote Resource Efficiency in their region and sectors. They are committed to more resource-efficient companies and a more competitive Europe.

The EREK centre has been established to help European companies, especially SMEs, save energy, material and water costs. It provides tools, information and business opportunities that show companies new and better ways to be resource efficient and benefit from circular economy business models which turn waste into an asset.

EREK also supports national, regional and local organisations across Europe that work with SMEs to improve their environmental performance, helping them to become more resource efficient.

Further information: www.resourceefficient.eu/en

Motiva has a brand-new office in a new location

Motiva's new office is still situated in the centre of Helsinki, within easy reach of public transport, but the street address is now Pohjoinen Rautatiekatu 25, 4th floor, 00100 HELSINKI.

[The city map on Motiva's website show you the location.](#)

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