

## **Translation from Finnish**

**Legally binding only in Finnish and Swedish**

**Ministry of the Environment**

### **Climate Act**

(423/2022)

By decision of Parliament, the following is enacted:

#### **Chapter 1**

##### **General provisions**

##### **Section 1**

###### **Purpose of the Act**

This Act lays down the objectives and framework for the planning of Finland's climate policy and the monitoring of its implementation. The purpose of the Act is to:

- 1) enhance and coordinate the planning of the measures aimed at climate change mitigation and adaptation and the monitoring of the implementation of the measures;
- 2) provide Parliament and the public with better opportunities to take part in climate policy planning and influence it.

##### **Section 2**

###### **Objectives of the Act and the planning system**

The objective of the Act and the climate policy planning system based on it is to contribute to ensuring that:

- 1) anthropogenic greenhouse gas emissions decrease and the removals by sinks increase so that, at the latest by 2035, Finland has reached a situation where its greenhouse gas emissions are at most equal to the removals and that the removals continue to increase and emissions decrease after that as well;
- 2) the combined anthropogenic greenhouse gas emissions to the atmosphere from the effort-sharing and emissions trading sectors decrease by at least 60 per cent by 2030 and by at least 80 per cent by 2040 compared to the 1990 levels;

- 3) the combined anthropogenic greenhouse gas emissions to the atmosphere from the effort-sharing and emissions trading sectors decrease by at least 90 per cent but aiming at a reduction of 95 per cent by 2050 compared to the 1990 levels; and
- 4) national measures are taken to adapt to climate change by promoting climate change resilience and the management of climate risks.

The objective of the Act and the climate policy planning system based on it is also to contribute to ensuring that the obligations concerning the reduction and monitoring of greenhouse gases, strengthening of sinks, and adaptation arising from the treaties binding on Finland and from the European Union legislation are met. If an international treaty binding on Finland or the European Union legislation contains objectives concerning greenhouse gas emissions or removals that are stricter than those referred to above, the objectives referred to in subsection 1, paragraphs 1–3 shall be based on them.

In addition, the objective of the Act and the climate policy planning system based on it is to:

- 1) contribute to ensuring sustainable development and justice of the climate measures;
- 2) contribute to ensuring the prerequisites for the Sámi people to maintain and develop their own language and culture.

### **Section 3**

#### **Scope**

This Act shall apply to the tasks of central government authorities in the preparation of climate policy plans and in ensuring their implementation.

Provisions on greenhouse gas emissions within the emissions trading sector and on measures to reduce them are laid down in the Emissions Trading Act (311/2011), the Act on Aviation Emissions Trading (34/2010) and the Act on the Use of the Kyoto Mechanisms (109/2007).

### **Section 4**

#### **Impacts on other planning and decision-making**

The plans prepared under this Act shall, in compliance with the provisions laid down separately on them in other acts, be considered when measures that have impacts on greenhouse gas emissions

and removals and concerning climate change adaptation are planned and decided on under other legislation.

## **Section 5**

### **Measures promoting climate change mitigation and adaptation**

Central government authorities shall promote the achievement of the objectives and implementation of the plans under this Act in their activities.

## **Section 6**

### **Definitions**

In this Act:

- 1) *greenhouse gas* means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride, nitrogen trifluoride and other gaseous components of the atmosphere, both natural and anthropogenic, which absorb and transmit infrared radiation;
- 2) *climate change* means a change in climate that is caused by anthropogenic activities that directly or indirectly alter the composition of the earth's atmosphere and that exceeds the natural climate variability during comparable periods of time;
- 3) *climate change mitigation* means preventing the generation of anthropogenic greenhouse gas emissions and their entry to the atmosphere, strengthening of sinks, and other actions to mitigate or eliminate the impacts of climate change;
- 4) *climate change adaptation* means measures taken to prepare for and adapt to climate change and its impacts, and measures that can be used to benefit from the impacts associated with climate change;
- 5) *national greenhouse gas inventory system* means the national inventory system referred to in Article 2(12) of the Regulation (EU) 2018/1999 of the European Parliament and of the Council on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council;
- 6) *national system for reporting on policy measures* means the system for policies and measures and projections referred to in Article 2(6) of the regulation mentioned in paragraph 5;

7) *emissions of the emissions trading sector* means the emissions referred to in sections 2–5 of the Emissions Trading Act falling under the scope of that act, and the emissions referred to in section 2 of the Act on Aviation Emissions Trading falling under the scope of that act;

8) *emissions of the effort-sharing sector* means the greenhouse gas emissions referred to in Article 3(1) of the Regulation (EU) 2018/842 of the European Parliament and of the Council on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013;

9) *land use sector* means the following land use categories based on the land use, land-use change and forestry sector (LULUCF) used in the national greenhouse gas inventory system:

- a) forest land;
- b) cropland;
- c) grassland;
- d) wetlands;
- e) settlements;
- f) other land;

10) *sink* means a process, activity or mechanism that sequesters a greenhouse gas, aerosol, or precursor of a greenhouse gas from the atmosphere;

11) *removal* means the amount of greenhouse gases that a sink sequesters from the atmosphere within a specific time period.

## **Chapter 2**

### **Planning system**

#### **Section 7**

##### **Climate policy planning system**

The climate policy planning system under this Act comprises the following climate policy plans:

- 1) Long-term Climate Plan;
- 2) National Climate Change Adaptation Plan;
- 3) Medium-term Climate Plan;
- 4) Climate Plan for the Land Use Sector.

The climate policy planning system sets out the targets for reducing greenhouse gas emissions, strengthening sinks and climate change adaptation as well as the measures required to achieve the targets in different administrative branches.

## **Section 8**

### **General requirements for climate policy plans**

The objectives and measures concerning climate change mitigation and adaptation set out in the climate policy plans shall be based on up-to-date scientific knowledge so that the progress of climate change, its probable positive and negative impacts, the risks and hazards associated with it, and the capabilities to prevent accidents and limit their adverse impacts are taken into account.

The plans shall present the obligations arising from the international treaties binding on Finland and from the European Union legislation and the plans shall contribute to ensuring that the obligations are met. In addition, the following shall be taken into account in the preparation of the plans:

- 1) information produced in the national greenhouse gas inventory system and in the national system for reporting on policy measures;
- 2) estimates of the development of the international and European Union climate policy;
- 3) environmental, economic and social factors in line with the principle of sustainable development;
- 4) cost-effectiveness of the measures concerning climate change mitigation and adaptation;
- 5) level and development of the technology concerning the reduction of greenhouse gases, strengthening of sinks and climate change adaptation;
- 6) coordination of the plans with energy and transport policy planning, where necessary;
- 7) any impacts of the plans on domestic food security;
- 8) any impacts of the plans on biodiversity;
- 9) factors other than those referred to in paragraphs 1–8 that are essential in terms of the development of society.

## **Section 9**

### **Long-term Climate Plan**

The Government shall adopt a Long-term Climate Plan at least once every ten years. To achieve the objectives referred to in section 2, the following matters shall be presented in the plan:

- 1) scenarios concerning the trends in combined emissions and removals of greenhouse gases in the effort-sharing, emissions trading and land use sectors that cover at least the following 30 years and in which consideration is given to the reduction in greenhouse gas emissions, strengthening of sinks and climate change adaptation;
- 2) key sector-specific ways forward based on the reduction target for greenhouse gases referred to in section 2, subsection 1, paragraph 3, and the target concerning the increase in removals by sinks referred to in paragraph 1;
- 3) estimate of the long-term development prospects of methods to reduce greenhouse gas emissions and strengthen sinks;
- 4) necessary matters other than those referred to in paragraphs 1–3.

## **Section 10**

### **National Climate Change Adaptation Plan**

The Government shall adopt a National Climate Change Adaptation Plan at least every second parliamentary term. To achieve the objectives referred to in section 2, the following matters shall be presented in the adaptation plan:

- 1) up-to-date assessment of risks and vulnerabilities;
- 2) assessment of the adaptation in individual administrative branches, across the boundaries of administrative branches and on a regional basis as considered necessary;
- 3) measures to achieve the adaptation targets and estimate of their effectiveness;
- 4) necessary matters other than those referred to in paragraphs 1–3.

However, during the parliamentary terms when there is no obligation to prepare the plan as laid down in subsection 1, the up-to-dateness of the plan in force and the need for new measures shall be assessed.

## **Section 11**

### **Medium-term Climate Plan**

The Government shall adopt a Medium-term Climate Plan once every parliamentary term. To achieve the objectives referred to in section 2, the following matters shall be presented in the plan:

- 1) target for the trends in greenhouse gas emissions of the effort-sharing sector;
- 2) measures to reduce anthropogenic greenhouse gas emissions of the effort-sharing sector;

- 3) data on the trends in greenhouse gas emissions and removals;
- 4) estimates of the trends in greenhouse gas emissions and the impacts of the measures on them;
- 5) necessary matters other than those referred to in paragraphs 1–4.

The information and estimates referred to in subsection 1, paragraphs 3 and 4 shall contain the following:

- 1) data on the trends in combined greenhouse gas emissions of the effort-sharing and emissions trading sectors since 1990;
- 2) data on the trends in greenhouse gas emissions and removals in the emissions trading, effort-sharing and land use sectors since 2005;
- 3) estimate of the trends in combined greenhouse gas emissions of the effort-sharing and emissions trading sectors and, separately, in emissions of the effort-sharing sector in the 10 to 15 years following the adoption of the plan on the basis of existing measures;
- 4) estimate of the trends in greenhouse gas emissions of the effort-sharing sector in the 10 to 15 years following the adoption of the plan on the basis of existing and new measures;
- 5) necessary matters other than those referred to in paragraphs 1–4.

## **Section 12**

### **Climate Plan for the Land Use Sector**

The Government shall adopt a Climate Plan for the Land Use Sector at least every second parliamentary term. To achieve the objectives referred to in section 2, the following information shall be presented in the plan:

- 1) target for the trends in greenhouse gas emissions and removals in the land use sector;
- 2) measures to reduce greenhouse gas emissions and to increase removals in the land use sector;
- 3) data on the trends in greenhouse gas emissions and removals;
- 4) estimates of the trends in greenhouse gas emissions and removals in the land use sector and the impacts of the measures on them;
- 5) necessary matters other than those referred to in paragraphs 1–4.

The information and estimates referred to in subsection 1, paragraphs 3 and 4 shall contain the following:

- 1) data on the trends in combined greenhouse gas emissions of the effort-sharing and emissions trading sectors since 1990;

- 2) data on the trends in greenhouse gas emissions and removals of the land use sector since 1990;
- 3) estimate of the trends in greenhouse gas emissions and removals of the land use sector in the 10 to 15 years following the adoption of the plan on the basis of existing measures;
- 4) estimate of the trends in greenhouse gas emissions and removals in the land use sector in the 10 to 15 years following the adoption of the plan on the basis of existing and new measures;
- 5) necessary matters other than those referred to in paragraphs 1–4.

However, during the parliamentary terms when there is no obligation to prepare the plan as laid down in subsection 1, the up-to-dateness of the plan in force and the need for new measures shall be assessed.

### **Section 13**

#### **Preparation of the climate policy plans**

When the climate policy plans referred to in sections 9–12 above are prepared, members of the public shall be provided with an opportunity to examine the draft plan and express their opinions on it. In addition, the key authorities and organisations as well as the Finnish Climate Change Panel referred to in section 20 and the Sámi Climate Council referred to in section 21 shall be requested to submit their opinions on the draft plan. Opinions shall also be requested from the Sámi Parliament and the Skolt Village Assembly.

Provisions on the assessment of the environmental impacts of climate policy plans are laid down in the Act on the Assessment of the Effects of Certain Plans and Programmes on the Environment (200/2005). The economic, social and other impacts of the plans shall also be examined in conjunction with the preparation of the plans to the extent necessary.

### **Section 14**

#### **Promotion of Sámi culture**

When the climate policy plans referred to in sections 9–12 above are prepared, consideration shall be given to the right of the Sámi people to maintain and develop their own language and culture in the Sámi Homeland referred to in the Act on the Sámi Parliament (974/1995). To safeguard this right, the authorities shall negotiate with the Sámi Parliament when preparing the plans. The

negotiations shall take place in accordance with the procedure laid down in section 9 of the Act on the Sámi Parliament.

The provisions of the Skolt Act (253/1995) on promoting the living conditions of the Skolt people and opportunities to practice their livelihoods in the Skolt area and on maintaining and promoting the Skolt culture shall also be taken into account in the preparation of the plans.

## **Chapter 3**

### **Reporting and monitoring**

#### **Section 15**

##### **Report to Parliament**

The Government shall submit reports to Parliament on the following documents that it has adopted:

- 1) the Long-term Climate Plan referred to in section 9;
- 2) the National Climate Change Adaptation Plan referred to in section 10;
- 3) the Medium-term Climate Plan referred to in section 11;
- 4) the Climate Plan for the Land Use Sector referred to in section 12.

#### **Section 16**

##### **Monitoring the implementation of the climate policy plans**

The Government shall monitor the implementation of the climate policy plans referred to in sections 9–12 adequately to determine whether the targets concerning climate change mitigation and adaptation set out in the plans and the objectives referred to in section 2 will be achieved. On the basis of the monitoring, the Government shall, if necessary, decide on the additional measures required to achieve the targets.

The Government shall monitor the adequacy of the objectives referred to in section 2 on the basis of up-to-date scientific knowledge concerning the progress of climate change and to ensure that the objectives meet the obligations laid down in the international treaties binding on Finland and in the European Union legislation.

The realisation of the emission and removal projections set out in the climate policy plans referred to in sections 9, 11 and 12 above shall be monitored on the basis of the data concerning greenhouse gas emissions produced annually in the national greenhouse gas inventory system. In addition, information produced in the national system for reporting on policy measures shall be taken into account in the monitoring of the plans.

The Government shall provide the public with information on the monitoring results.

## **Section 17**

### **Revising the climate policy plans**

The Government shall revise the climate policy plans referred to in sections 9–12 in accordance with the decision concerning additional measures referred to in section 16, subsection 1. Revising the plans shall be in accordance with the provisions on the procedure followed in the preparation of the plans laid down in sections 13 and 14.

In addition to the provisions in subsection 1, climate policy plans referred to in sections 9–12 may also be revised if inadequacies are detected in information of minor importance contained in them. The procedures laid down in sections 13 and 14 need not be complied with when revising such matters.

## **Section 18**

### **Annual Climate Report**

The Government shall submit an Annual Climate Report to Parliament each calendar year. The Annual Climate Report shall contain:

- 1) data on the trends in emissions and removals;
- 2) assessment of the adequacy of the existing and planned measures presented in the climate policy plans with regard to the achievement of the targets set for the following 15 years and an assessment of the need for the additional measures required to achieve them referred to in section 16, subsection 1;
- 3) data on the achievement of the emissions reduction targets contained in the Medium-term Climate Plan referred to in section 11;

- 4) data on the achievement of the targets concerning emissions and removals contained in the Climate Plan for the Land Use Sector referred to in section 12;
- 5) data on the implementation of the existing and planned measures referred to in paragraph 2 and of the additional measures referred to in section 16, subsection 1;
- 6) to the extent necessary, an estimate of the adequacy and effectiveness of the adaptation measures contained in the adaptation plan referred to in section 10 and, if necessary, a report on the implementation of the planned adaptation measures in individual administrative branches and regionally.

The Ministry of the Environment shall provide the public with information on the publication of the Annual Climate Report and its key content.

## **Chapter 4**

### **The authorities and other actors**

#### **Section 19**

##### **Tasks of the authorities**

Each ministry shall prepare the part of the climate policy plans referred to in sections 9–12 concerning its own administrative branch and submit the information on its administrative branch for the Annual Climate Report referred to in section 18. The coordination and compilation of the climate policy plans with respect to the Long-term Climate Plan referred to in section 9 is the responsibility of the Ministry of Economic Affairs and Employment, with respect to the National Climate Change Adaptation Plan referred to in section 10 the Ministry of Agriculture and Forestry, with respect to the Medium-term Climate Plan referred to in section 11 the Ministry of the Environment, and with respect to the Climate Plan for the Land Use Sector referred to in section 12 the Ministry of Agriculture and Forestry.

The guidance and monitoring of the implementation of the plans laid down in this Act is the responsibility of individual ministries in their respective administrative branches. The Ministry of the Environment is responsible for the compilation of the Annual Climate Report.

Statistics Finland is the unit responsible for the national greenhouse gas inventory system.

## **Section 20**

### **Finnish Climate Change Panel**

The Finnish Climate Change Panel, which serves as an independent scientific advisory body, shall be appointed by the Government for a term of four years at a time. Different fields of science shall be represented in the Finnish Climate Change Panel.

The task of the Finnish Climate Change Panel is to produce, compile and analyse scientific information and identify information needs concerning climate change mitigation and adaptation for climate policy planning, implementation, monitoring and decision-making. For these tasks, the Finnish Climate Change Panel submits opinions on climate policy documents related to climate change mitigation and adaptation. The Finnish Climate Change Panel may also produce other reports and materials and communicate on these to the public and decision-makers as necessary. A reasonable remuneration may be paid to the members of the Finnish Climate Change Panel for carrying out their duties.

Further provisions on the tasks and composition of the Finnish Climate Change Panel and on other procedures concerning the activities of the Finnish Climate Change Panel as well as on the selection, terms of office and remuneration of its members can be laid down by Government decree.

## **Section 21**

### **Sámi Climate Council**

To support the preparation of the climate policy plans referred to in sections 9–12 above, the Government shall appoint a Sámi Climate Council for a fixed term. The members of the Sámi Climate Council shall include persons in possession of traditional Sámi knowledge and persons representing the key fields of science.

The task of the Sámi Climate Council is to submit opinions on the climate policy plans referred to in sections 9–12 with regard to the promotion of the Sámi culture. The Sámi Climate Council may also carry out other tasks concerning the production of information related to climate change and Sámi culture and rights. A reasonable remuneration may be paid to the members of the Sámi Climate Council for carrying out their duties.

Further provisions on the tasks and composition of the Sámi Climate Council and on other procedures concerning the activities of the Sámi Climate Council as well as on the selection, terms of office and remuneration of its members can be laid down by Government decree.

## **Chapter 5**

### **Entry into force**

#### **Section 22**

##### **Entry into force**

This Act enters into force on 1 July 2022.

This Act repeals the Climate Change Act (609/2015).

#### **Section 23**

##### **Transitional provisions**

The first Long-term Climate Plan referred to in section 9 shall be adopted 2025 at the latest.

The Medium-term Climate Plan referred to in section 11 above shall be adopted for the first time during the first parliamentary term starting after the entry into force of this Act. The National Climate Change Adaptation Plan referred to in section 10 above and the Climate Plan for the Land Use Sector referred to in section 12 shall be adopted for the first time during the second parliamentary term starting after the entry of the force of this Act. However, the assessment referred to in section 10, subsection 2 and section 12, subsection 3 shall be carried out for the first time during the first parliamentary term starting after the entry of the force of this Act unless the plan referred to in sections 10 and 12 is adopted during the parliamentary term in question.

Provisions in force upon the entry into force of this Act shall apply to the preparation and content of the climate policy plans that have not been finalised upon the entry into force of this Act.

Chapter 3 of this Act shall also apply to the climate policy plans in force upon the entry into force of this Act.