

## Country profile –Finland

Country: Finland												
Support schemes	Electricity and heat production			Consumption				Transport		Supply and others		
	RES	Fossil	Nuclear	RES	Fossil	Electricity	Heat	Biofuels	Fossil	RES	Fossil	El./heat
<b>1. Direct subsidies</b>												
Direct on-budget subsidies	5, 4, 3, 2										9	
Feed-in tariffs												
Feed-in premiums	1											
Adjustment Aids												
Inherited liabilities												
Induced transfers												
Others												
<b>2. Fiscal measures</b>												
Energy Tax Allowance												
Energy Tax Exemptions					23, 22, 20, 19, 18, 16, 15, 10		8	7	17, 14, 13		21	
Other Tax Deductions												
Earmarked refunds of taxes					12, 11	12, 11						
<b>3. Transfer of risk to government</b>												
Adjustment Aids												
Inherited liabilities												
Others												
<b>4. Other financial measures</b>												
Adjustment Aids												
Other Tax Deductions												
Others												
<b>5. Non-fiscal measures</b>												
Quota obligations								6				
Priority Grid Access												
Others												

No.	Datasource	Description
1	RES-LEGAL	Premium tariff - 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.
2	RES-LEGAL	Subsidy (Energy Aid) - The so-called "energy aid" is a state grant for investments in RES production facilities and research projects related to it. Grants are available for projects, which promote the use or production of renewable energies, advance energy efficiency and reduce the environmental effects caused by energy production and use (§3, §5 Regulation No. 1063/2012). At least 25% of the projects' financing must come from non-governmental funds. Energy aid may be granted to companies, municipalities and other communities. According to the Ministry of Employment and the Economy, all technologies are eligible for grants. Grants are available for investments in renewable energy generation facilities and to conduct research related to different environmental and energy projects, such as energy audits, analysis of the new methods and development of services. (§3 Regulation No. 1063/2012). The projects need to either promote the use or production of renewable energies; advance energy efficiency and energy saving or reduce the environmental effects caused by energy production and use (§5 Regulation No. 1063/2012). Among other costs, the costs for preparation, administrative planning and employment are eligible for subsidies (§ 10 Regulation No.1063/2012).

3	RES-LEGAL	Subsidy I (State grant for investment in RES) - The so-called "energy aid" is a state grant for investments in RES production facilities and research projects related to it. Grants are available for projects, which promote the use or production of renewable energies, advance energy efficiency and reduce the environmental effects caused by energy production and use (§3, §5 Regulation No. 1063/2012). At least 25% of the projects' financing must come from non-governmental funds. Energy aid may be granted to companies, municipalities and other communities.
4	RES-LEGAL	Price-based mechanisms ("Heat bonus" for CHP plants) - 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.
5	RES-LEGAL	Subsidy II (Investment support for farmers) - Regulation No. 578/2012 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.
6	RES-LEGAL	Biofuel quota (Distribution obligation system) - 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).
7	RES-LEGAL	Tax regulation mechanism (Excise duty on liquid fuels) - 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).
8	OECDTADFFSS	Reduced CO <sub>2</sub> -Tax for Combined Heat and Power Production. From 2011, a 50% CO <sub>2</sub> -tax reduction is applied to all light-fuel-oil-, biofuel-oil-, heavy-fuel-oil-, coal- or natural-gas-fired combined heat and power (CHP) production.
9	OECDTADFFSS	Peat storage support coverage. In 2008 and 2009 a monthly fee worth EUR 0.03 per MWh was paid to peat producers by the National Emergency Supply Agency to cover the costs of non-commercial stockpiling part of the peat harvested in a given year.
10	OECDTADFFSS	Reduced Energy-Tax Rate on Peat Used in Heating. Estimates not available.
11	OECDTADFFSS	Energy-Tax Refund for Energy-Intensive Enterprises. For certain energy-intensive industries.
12	OECDTADFFSS	Energy-Tax Rebates for Certain Fuels Used in Agriculture
13	OECDTADFFSS	Reduced Energy-Tax Rate on Diesel Used in Transport
14	OECDTADFFSS	Reduced Energy-Tax Rate on Heavy Fuel Oil in road transport and shipping
15	OECDTADFFSS	Energy-Tax Exemption for LPG
16	OECDTADFFSS	Reduced Energy Tax for Heavy and Light Fuel Oils Used in Greenhouses. Commercial greenhouses are entitled to energy-tax rebates on using heavy and light fuel oils for heating purposes.
17	OECDTADFFSS	Energy-Tax Exemption for Fuels Used in Vessel Traffic
18	OECDTADFFSS	Reduced Energy-Tax Rate for Light Fuel Oil Used in Mobile Machinery
19	OECDTADFFSS	Reduced Energy-Tax Rate for Natural Gas Used in Heating. This measure will be entirely phased out by the end of 2015.
20	OECDTADFFSS	Reduced Energy-Tax Rate on Natural Gas Used in Transport. Not calculated because the values are too low.

21	OECDTADFFSS	Strategic-Stockpile-Fee Exemption for Peat. No data available.
22	OECDTADFFSS	Energy tax exemption for biofuels.
23	OECDTADFFSS	Energy tax exemption for fuels used for electricity production.