

investments, such as sulphur and nitrogen oxide reduction investments of power stations, and clean vehicles have been reduced or eliminated.

After finalisation of reports of the Commission on a greenhouse gas strategy and the Finnish Energy Policy Council, the government and the Parliament are expected to make conclusions and decisions concerning a greenhouse strategy before the end of 1991.

In the view of the Finnish government, climate change is an international problem that must be handled by international negotiations and agreements. Finland has endorsed the Noordwijk and Bergen declarations and the Ministerial Declaration of the Second World Climate Conference, thereby agreeing that a stabilization of greenhouse gas emissions is necessary as an initial step. The government supports the signing of an international agreement in 1992 at the World Conference on Environment and Development.

Finland has signed the CFCs reduction Protocol to the Vienna Convention. The interim national goal for CFC reduction is 50 per cent by the year 1992 compared to 1986 levels. The use of CFCs will be banned by the end of 1994. Halons will be allowed only for essential uses after 1991.

Finland has also signed agreements to limit emissions of SO<sub>2</sub> and NO<sub>x</sub>. Under the SO<sub>2</sub> agreement the national emissions of SO<sub>2</sub> are to be reduced by 30 per cent by 1993 compared with 1980 levels. In Finland in 1990 emissions of SO<sub>2</sub> have already been reduced by about 60 per cent. The national goal for SO<sub>2</sub> reduction (decided by the government January 1991) is 80 per cent from 1980 levels by the year 2000. Finland has also signed the NO<sub>x</sub> Protocol (Sofla 1988) and agreed to the goal for a NO<sub>x</sub> reduction of 30 per cent from 1980 levels by the year 1998.

## 2. Factors Influencing Decisions

Finland's domestic fossil energy resources are limited. Approximately 30 per cent of its energy needs are met by domestic supplies of hydropower, wood processing wastes, wood and peat. Almost 50 per cent of the total energy consumed is derived from coal and oil. Nuclear energy at present provides some 15 per cent and renewable biomass (including the wood and wood processing wastes listed above) almost 15 per cent.

Both per capita and per GDP energy consumption in Finland are considered to be relatively high. The climate and size of the country and the structure of business and industry can be considered the main factors influencing energy consumption. One fourth of the energy consumption is spent on heating of buildings, while industry accounts for nearly 50 per cent of total final energy consumption. The products of forest based industry, the most energy intensive industry, account for 40 per cent of total exports.