

FINLAND

1. Official Position

In 1990 the government prepared a report of current and planned national activities concerning sustainable development. This report was submitted to the Parliament in autumn 1990. The Report discussed climate change as the most important environmental issue for the future. This was the first time that Parliament had discussed the climate change issue.

In the beginning of November 1990 the government established a commission for elaborating strategies to control greenhouse gas emissions in Finland. The Commission will report its proposals in the beginning of June 1991. The work of the Commission is the first step in preparing a detailed national greenhouse strategy in Finland.

The Parliamentary Energy Policy Council published its interim report on energy strategy in Finland at the end of October 1990. The final report is expected to be published in autumn 1991. The interim report lists as the main objectives of energy policy secure energy supply, efficient energy production and use as well as the limitation of the emissions (greenhouse gases included) of the energy sector. The report stresses the importance of stabilizing CO₂ emissions before the year 2000 and demand side management and energy conservation. The primary measures to achieve the objective of the strategy listed in the interim report include financial support to new investments, intensified research and development activities, regulations and norms as well as environmentally motivated taxes on energy.

A new approach to reduce the emissions in Finland is the use of environmental taxes. In 1990 the government proposed the imposition of a carbon dioxide tax which is estimated to raise the price of gasoline by 6 per cent, the price of gas by 2 per cent and the price of coal by 8 per cent. In the budget for 1991 this tax is estimated to add (over 1990 levels) about 7 per cent to the price of gasoline and about 5 per cent to the price of other fossil fuels. On the other hand, taxes on environmental