

**Yearbook
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6. Nordic Countries

B. Finland

(1) Major Environmental Policies

As reviewed in last year's report, Finland's policy within the Baltic Marine Environment Protection Commission (HELCOM) sought to have the Baltic Sea designated as a particularly sensitive sea area (PSSA) by the International Maritime Organization (IMO). This goal has now been achieved. Another aim, proposed by the Finnish minister of the environment on 23 November at a conference on the protection of the Baltic Sea environment in Sweden, is to have the HELCOM states submit a joint initiative to the IMO calling for designation of the Baltic Sea as a special area under the International Convention for the Prevention of Pollution from Ships. The convention gives such areas a higher level of protection than other sea areas. This includes, for example, stricter regulations on the release of sewage from ships, a problem that worsens eutrophication and is not covered by existing international agreements. The minister also presented an initiative to HELCOM, requesting that the commission approve a recommendation whereby the parties to the Convention on the Protection of the Marine Environment of the Baltic Sea Area would endeavour to prohibit the release of sewage into the Baltic Sea from ships under their flags.

In the programme for the Finnish chairmanship period of the Environmental Committee of the Barents Euro-Arctic Region, the main priorities for the years 2003 to 2005 were to promote investments for safer production and environmental protection to deal with hot spots in the Russian Barents region, as well as to encourage cooperation within the field of sustainable forestry. (The Environmental Committee represents the inter-state level of the Barents Euro-Arctic Regional Council, whereas the Working Group on the Environment represents the interests of the countries in the region.) This aim was partially realized during the ministerial meeting held on 19 October in Rovaniemi, which marked the end of Finland's term as committee chair. The environment ministers discussed a list of investment projects to be carried out at forty-two sites in the Barents region in order to curb environmental pollution in the Russian Barents area. While the list of hot spots was approved at the previous Barents environment ministers' meeting in Luleå in 2003, it was only during Finland's chairmanship that concrete action was taken at several sites. The aim is to initiate environmental action at all sites by the year 2013, including not only polluting industries but also polluting public-sector projects. To this end, Finland, Sweden, Norway, and Iceland set up a fund in 2005 that makes it possible to start preparing hot spot projects. Known as the Barents Hot Spots Facility, the fund has a capital of about €3 million and is administered by the Nordic Environment Finance Corporation.

(2) Major Environmental Legislation

Finland established an exclusive economic zone (EEZ) in maritime areas in the Baltic Sea (the Act on Exclusive Economic Zone (EEZ Act) entered into force on 1 February). According to the United Nations Convention on the Law of the Sea (LOSC), an EEZ can be extended up to 200 nautical miles from a country's coastal baselines (Article 57). For geographical reasons, the Finnish EEZ could not be this extensive, as it would overlap with the EEZs of other Baltic Sea states. Finland had to negotiate agreements with the Russian Federation, Sweden, and Estonia concerning the borders of the respective EEZs.

The EEZ is particularly important in that it enables improved environmental protection of the Finnish maritime areas beyond the territorial sea. Prior to the EEZ Act, essentially the same maritime areas were covered by the Act on the Fishery Zone and the Act on the Continental Shelf. Once established, an EEZ accords the state more extensive rights to exploit and conduct research on the maritime areas in the zone. In particular, establishing an EEZ enhances a state's rights to protect the EEZ marine environment beyond its territorial sea. For example, Finland may now apply its penal code to situations in which a foreign vessel releases oil illegally in its EEZ. An additional advantage is that the Act on Environmental Impact Assessment and the Act on Environmental Protection apply in the EEZ.

(3) Important Environmental Cases

The District Court of Joensuu handed down a judgment on 6 May in a case dealing with the negligent release of the ozone-depleting substances known as CFCs (chlorofluorocarbons). As both Finland and the European Community (EC) are members of the ozone regime, the District Court based its judgment on national and EC law, which have been used in implementing the regime in Finland and the EC, respectively.

The facts of the case in brief are the following. On 22 October 2000, the City of Outokumpu made an agreement with a private company to outsource the operation of a skating rink. Part of the city's payment for this service included the transfer of physical assets, such as the rink's freezing equipment. The company's intention was to construct a leisure centre. The agreement provided that the city of Outokumpu would be responsible for maintenance of the skating rink until the centre was completed. This condition also applied to the freezing equipment, which used the CFC gas chlorodifluoromethane (the compound HCFC-22) as a refrigerant. Before construction of the leisure centre began, the city official responsible for the project hired another private company to transfer the HCFC-22 from the rink pipes to a refrigerant tank located in the maintenance building. The tank used was only meant for temporary storage, and, while in storage, a considerable amount of this CFC—a total of two tonnes—gradually leaked out into the nearby break

room and into the atmosphere, posing a health risk to the workers using the room and, of course, damaging the ozone layer.

The District Court of Joensuu opined that the city of Outokumpu and the city official both committed an environmental offence as defined in Chapter 48 of the Finnish Penal Code. In the opinion of the court, neither the city nor the official had shown sufficient diligence in storing the CFC compound. Both were found guilty of slight, not gross, negligence, the more serious charge that had been put forward by the prosecutor. The court emphasized that the essential elements of the crime were fulfilled, in particular, because the emission was considerable. Indeed, an expert witness estimated that the amount discharged constituted approximately 14 per cent of Finland's annual CFC emissions. The court imposed a fine on both the city and the official. As the judgment was not appealed, it now has the force of law.

(4) Ratification and Entry into Force of Conventions

On 18 April, Finland accepted the United Nations Economic Commission for Europe's (UN ECE) Protocol on Strategic Environmental Assessment to the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention). It is the third state to have expressed its consent to be bound by it. The protocol was adopted on 21 May 2003 as part of the Ministerial Conference "Environment for Europe" process by the Extraordinary Meeting of the Parties to the Espoo Convention, which was held in Kiev from 21 to 23 May 2003. The protocol will enter into force on the ninetieth day after the date of deposit of the sixteenth instrument of ratification, acceptance, approval, or accession (Article 24).

Some important international environmental protocols entered into force that Finland had already ratified. Since Finland had already ratified the Kyoto Protocol to the United Nations Framework Convention on Climate Change (adopted on 11 December 1997) on 31 May 2002, the protocol came into force for the country when it entered into force on 16 February. The UN ECE Protocol on Water and Health to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes, adopted on 17 June 1999, entered into force on 4 August and became binding as of that date on Finland, which ratified it on 3 March. Another UN ECE Protocol, the Protocol to the Convention on Long-Range Transboundary Air Pollution (LRTAP Convention) to Abate Acidification, Eutrophication and Ground-Level Ozone, entered into force on 17 May. Finland ratified the instrument on 23 December 2003. Finland is now a party to all eight protocols to the LRTAP Convention.

Finland ratified the 1997 Protocol to Amend the International Convention for the Prevention of Pollution from Ships (Annex IV on the Prevention of Air Pollution from Ships) on 31 March, and the protocol entered into force on 19 May. This IMO protocol was adopted at a conference held on 15-26

September 1997 and adds a new Annex VI on Regulations for the Prevention of Air Pollution from Ships. Another IMO protocol, the 2003 Protocol to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage entered into force on 3 March. Finland ratified it on 27 May 2004.

(5) Implementation of International Treaties

Finland prepared itself in many ways for the entry into force of the Kyoto Protocol. The country's efforts have partly focused on the use of the Kyoto mechanisms; the government set up a pilot programme back in 1999 to prepare for their implementation. As reported in 15 YbIEL 395 (2004), Finland and Estonia signed a framework agreement on 17 December 2002, enabling individual joint implementation (JI) projects to be executed in a coordinated manner. On 9 January 2004, Finland and Estonia signed a JI project agreement to reduce greenhouse gas emissions by constructing a wind farm in Paldiski, Estonia. The wind farm was officially opened on 13 June, and it will reduce greenhouse gas emissions by 50,000 tonnes annually by replacing oil shale-based electricity production. According to the agreement, Finland will purchase half a million tonnes of emissions reductions from the project between 2004 and 2012 for the price of €5.8 per tonne of carbon dioxide. It can then use these reductions in meeting its Kyoto emissions reduction target. The total value of the transaction is approximately €2.5 million.

The Finnish Ministry of the Environment has invested €2.5 million in the Baltic Sea Region Testing Ground Facility (TGF), in addition to the €1.75 million previously allotted. The TGF is a regional carbon fund that functions as an instrument for purchasing greenhouse gas emissions reductions under the JI mechanism. The investors receive emissions reductions in proportion to their investments in the fund. As reported in 15 YbIEL 395 (2004), the TGF was established through the Regional Testing Ground Agreement for Flexible Mechanisms of the Kyoto Protocol.

On 24 November, the Finnish government finalized a report, to be submitted to the Finnish Parliament, concerning the measures that will be carried out in energy and climate policy in the near future. The report describes how the government aims to fulfil its Kyoto requirements during the first commitment period of 2008-12, as well as the government's long-term goals for the future trend of greenhouse gas emissions. After the preliminary debate in Parliament, the report will be the focus of thorough political scrutiny in Parliament and in its committees.

The government aims to invest especially in the use of renewable energy sources, in energy conservation, and in utilizing the Kyoto mechanisms. The report contains an ambitious goal: to increase the total consumption of renewable energy by at least one-fourth by 2015 and by at least 40 per cent by the year 2025. Renewable energy could then account for nearly one-third of

primary energy consumption. In particular, the strategy focuses on the increased utilization of wood chips made from logging waste, the use of field biomass, recycled fuels, and biogas. The target is to at least triple the proportion of these sources in primary energy, from about 2 per cent in 2004 to over 6 per cent within the next fifteen to twenty years. The strategy notes that important results have already been achieved in increasing the efficiency of energy use. The government will increase these efforts by introducing new energy conservation measures whose goal is to achieve an additional 5 per cent reduction in energy consumption by the year 2015.

Timo Koivurova

C. Norway

(1) Ratification of, and Accession to, Treaties

Norway did not sign, ratify, or accede to any environment-related treaty of significance during 2005.

(2) Legislation to Implement Treaties

Norway has not adopted or prepared any legislation of significance related to implementation of environmental treaties during 2005. A law establishing a system of carbon dioxide emissions trading (Act 2004 no. 99) was implemented in 2005, and an initial allocation of allowances was carried out. As a result of the allocation decision, enterprises covered by the scheme will have to reduce their emissions by 5 per cent in 2005–7. A new government regulation on labelling, transport, import, and export of genetically modified organisms was adopted to implement the Cartagena Protocol on Biosafety. The regulation was notified to the World Trade Organization SPS Committee, where it met no significant objection. Norway pursues a more restrictive policy on marketing of genetically modified organisms than the European Community (EC).

Two significant proposals for new legislation were presented in 2005. One commission that was established in 2003 presented a report proposing a substantial revision of existing legislation concerning the safety of ships (NOU 2005:14). The proposed legislation, which includes a separate chapter on environmental safety, will constitute the core of Norway's implementation of relevant obligations under International Maritime Organization treaties and the UN Convention on the Law of the Sea (LOSC). Another commission established the same year presented a report proposing a substantial revision of legislation on management of marine living resources (NOU 2005:10). The proposed legislation contains rules on all aspects of exploitation of marine living resources and will constitute the basis for Norway's implementation of

relevant provisions under the LOSC and fisheries agreements. The proposed legislation will apply to Norwegian vessels regardless of where they carry out their activities (both reports can be accessed at <<http://odin.dep.no/>> (only in Norwegian)).

(3) Bilateral Cooperation

Norway has been engaged in bilateral cooperation, in particular, with South Africa, China, and Russia. A new five-year programme of cooperation with South Africa was signed, which, in particular, focuses on assisting South Africa to participate in, and implement, several environmental treaties. Cooperation with China, which has existed since 1995, was extended to environmental technology, environmental accounting, and support for specific projects undertaken to implement commitments under environmental treaties, with a focus on climate issues and options to make use of the clean development mechanism under the Kyoto Protocol. Norway's cooperation with Russia has focused mainly on treatment of nuclear wastes and preparations for the future exploitation of petroleum resources in the Barents Sea.

Norway continued its controversial policy on hunting of wolves in 2005, as it allowed the hunting of five wolves in areas where there had been a high level of conflict between wolves and sheep farmers. Norway's policy in this context has been a source of friction between Norwegian and Swedish authorities.

(4) General Legislation

Some legislation of general interest was adopted by Norway in 2005. A new law on cosmetics (Act 2005 no. 126) contains provisions on animal testing and antibiotics resistance. The specific rules on these issues are contained in the government regulations. The regulations contain specific rules prohibiting the production and sale of cosmetics that have been, or that contain, inputs that have been subject to animal testing. Moreover, products containing genes coding for antibiotics resistance are prohibited in Norway.

One law that has taken more than a decade to prepare and that has been highly controversial is the law on rights to land and natural resources in the county of Finnmark (Act 2005 no. 85). This is the northernmost county of Norway and the home to the majority of the Sami population, the main indigenous people of Norway. One controversy related to the law has been how to implement Norwegian obligations under International Labour Organization Convention no. 169 Concerning Indigenous and Tribal Peoples in Independent Countries (1989), in particular, Article 14. The law strikes a compromise between the Sami population's claim to exclusive rights over natural resources and non-Sami inhabitants' claim to access to natural resources.

A new law on aquaculture (Act 2005 no. 79) contains environmental provisions in a separate chapter. The act itself does not contain specific rules on environmental standards or requirements. Such rules are established through