

Yearbook
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The aim of the amendment is to ensure further implementation of the United Nations Convention on the Law of the Sea, which was ratified by Denmark on 16 November 2004. The amendment, in particular, affects the provisions on enforcement, including the legal basis and level of proof for undertaking the physical inspection of a foreign ship and for establishing the detention of a foreign ship. In order to take action against a foreign ship, it is necessary that there are either clear grounds for believing that a foreign ship has committed a violation, or that the competent authority is able to obtain clear objective evidence that a foreign ship has committed a violation, resulting in a discharge causing major damage or the threat of major damage to the coastline or to any marine resources. The amendments to the Act on the Marine Environment also include provisions on hot pursuit of a foreign ship outside the Danish territorial sea.

Birgitte Egelund Olsen

B. Finland

(1) Major Environmental Policies

Clearly, the main challenge for Finland in the field of environmental protection in 2006 was its tenure as European Union (EU) president from July to December. Since the issues pertaining to EC environmental law and policy are dealt with in another section of this yearbook, a short overview of the main policies will suffice here. The priorities for environmental policy during the Finnish presidency were to curb climate change, conserve the marine environment, halt biodiversity loss, control air pollution, improve waste management, promote sustainable use of natural resources, and conduct the mid-term review of the sixth environmental program of the European Community (EC). With the exception of waste management policy and the mid-term review of the environmental program, a convincing argument can be made that these goals were achieved.

One of the highlights in the area of climate change policy was the commencement of a much-needed dialogue between the EC and the United States on climate, clean energy, and sustainable development. This discussion took place at a high-level meeting organized in Finland on 24–5 October. Due to Finland's geographical proximity to Russia, it is only natural that EC-Russian relations were also a high priority during the presidency. Indeed, the inaugural meeting of the EC-Russia Permanent Partnership Council on environmental protection was held in Finland on 10 October. The forum saw the signing of a new agreement to intensify collaboration between the EC and Russia on environmental protection and

nature conservation. The agreement not only defines principles and objectives for cooperation but also elaborates some of the measures needed in the various issue areas, which are to be taken up in seven joint working groups.

Finland also signed the Countdown 2010 Declaration, an initiative by the World Conservation Union to significantly reduce the loss of biodiversity by the year 2010. One of Finland's aims in signing the declaration was to consolidate the goal of the EC in halting biodiversity loss. In the same forum at which the declaration was signed on 21 September—the Conference on Biodiversity in European Development Cooperation—the Finnish government promised to implement the second Finnish National Biodiversity Strategy and Action Plan for the period 2006–16 and to start a national education and awareness-raising campaign with a focus on biodiversity.

One important concrete manifestation of Finland's environmental leadership during its presidency was its efforts to prevent oil pollution along the Lebanese coast by sending oil spill clean-up equipment for the use of the Lebanese government. When Israeli forces bombed a heating plant at Jiyeh, south of Beirut, some 15,000 tonnes of heavy fuel oil were released into the sea, contaminating beaches along 150 kilometres of the Lebanese coast, threatening wildlife—especially seabirds and sea turtles—and endangering the local groundwater supplies. The beach at Byblos, a UNESCO world heritage site, was reported to have been covered by a layer of oil 1.2 metres thick. In its capacity as EU president, Finland appealed to other member states, asking them to provide assistance to the Lebanese government.

The relations between the Nordic countries in all international policy areas are typically extremely close and supportive of each other. One exception to this relationship, however, concerns Norway's whaling policy, which has caused friction between Norway, on the one hand, and Finland and Sweden, on the other, for some years. In a letter sent to Norway (addressed to the Norwegian fisheries minister) in the beginning of June, the Finnish and Swedish environment ministers stated that Norway's decision to increase catches of minke whales was regrettable, and they called on the Norwegian government not to go through with this policy. The ministers also stated in their letter that increasing the scale of commercial whaling considerably could be seen within the International Whaling Commission (IWC) as a form of protest that would make it harder to find new constructive ways to resolve whaling issues. The two ministers put forward the view that it is important to work through negotiations to find a solution that can be approved by the entire IWC.

(2) Important Environmental Issues

The dispute between Uruguay and Argentina over the construction of a pulp mill near the town of Fray Bentos and the fear that pollution and other

impacts of the mill would threaten the region prompted Argentina to institute proceedings against Uruguay in the International Court of Justice on 4 May. This very complicated dispute has had various consequences for Finland. Many Argentinians seem to feel that since the company building the pulp mill is Finnish-based (Metsä-Botnia), the Finnish state should be involved in resolving the dispute in some manner. In response to this concern, the Argentinean non-governmental organization Centre for Human Rights and Environment (CEDHA) sent an enquiry to Finland's minister and Ministry of the Environment on 20 March, invoking its right to environmental information on the basis of Finnish legislation on the openness of government activities and the international Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention). A similar request for information was later sent to the Finnish Ministry of Trade and Industry.

CEDHA presented some very detailed questions to the ministries. For instance, it asked for information that the Finnish government has regarding the following: environmental, economic, and social risks and impacts of the project; macroeconomic risks of the project; pre-established guarantees of labour and material costs; and market accessibility and the exclusivity of operations. The Ministry of the Environment responded to these queries. In its letter of reply, the ministry pointed out that Finland's environmental authorities are not empowered to deal with the environmental permit or environmental impact assessment procedures in the Metsä-Botnia project nor are the Finnish state and authorities otherwise empowered to control overseas investments by Finnish companies in this regard. The Ministry of the Environment thus does not draft or receive environmental impact assessments or similar reports about such investments. The ministry stated, however, that even though the Finnish government is not directly involved in the pulp mill project, the ministry has offered the Uruguayan authorities training assistance related to the supervision of pulp and paper mills at their request and is willing to provide similar training for Argentina's environmental authorities.

Some of the questions presented by CEDHA were sent by the ministry to the financing company Finnvera, which manages the export credit guarantees provided for the Metsä-Botnia project (Finnvera is state-owned but acts as an independent company, and the Finnish state is not directly financing Metsä-Botnia's project in Uruguay). Finnvera's reply to CEDHA stated that the environmental impacts of all projects are taken into account as part of the company's overall evaluations when considering export credit guarantees. Finnvera further assured CEDHA that it observes internationally accepted principles and procedures related to environmental impact assessments and operates according to the guidelines applied by the export credit guarantee agencies of the Organisation for Economic Co-operation and

Development countries with regard to environmental policies. According to Finnvera, the projects that it approves must fully comply with local legislation and meet the environmental standards defined by the World Bank Group wherever these are stricter than national legislative standards.

CEDHA sent another enquiry on 8 August to the Ministry of the Environment, this time focusing on the role of Finland 'as an owner of the Nordic Investment Bank (NIB).' CEDHA asked, among other questions: 'Is the Nordic Investment Bank involved in any form, be it financial or otherwise, in the Orion Pulp Mill (Botnia) and/or the Celulosas M'Bopicuá Pulp Mill? Involvement refers to a previous or continuous relationship with either or both companies, including a speculative relationship that may be under consideration.' In its response letter of 4 September, the Ministry of the Environment stated that the NIB had been established in Helsinki on 11 February 2004 via an international treaty between Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden. According to the ministry, the treaty confers international legal personality on the bank, meaning that the bank is not a Finnish government authority, that it does not fall under Finnish jurisdiction, and that the definition of 'authority' under Article 2, paragraph 2, of the Aarhus Convention does not apply to it. For this reason, the ministry stated in its letter that, pursuant to section 15 of the Act on the Openness of Government Activities, it could not forward CEDHA's question to the bank for a reply.

(3) Ratification and Entry into Force of Conventions for Finland

The European Landscape Convention, which is the first convention specifically negotiated to provide for the protection, management, and planning of landscapes, was negotiated within the Council of Europe and opened for signature in Florence, Italy, on 20 October 2000. The convention entered into force on 1 March 2004 after the requirements for its entry into force under Article 13 had been fulfilled. Since Finland ratified the convention after its entry into force, Article 13.3 applies: 'In respect of any signatory state which subsequently expresses its consent to be bound by it, the Convention shall enter into force on the first day of the month following the expiry of a period of three months after the date of the deposit of the instrument of ratification, acceptance or approval.' After its approval by the Finnish Parliament on 4 October 2005 and by the president on 25 November 2005, the instrument of ratification was deposited with the secretary-general of the Council of Europe on 16 December 2005. The convention entered into force for Finland on 1 April 2006.

At its sixth session in November 1951, the Food and Agriculture Organization's (FAO) Conference approved the International Plant Protection Convention, which came into force on 3 April 1952. The convention

became binding on Finland on 22 June 1960. The FAO Conference adopted a wide-ranging amendment to the convention at its twenty-ninth session in November 1997. In accordance with Article XIII, paragraph 4, of the original 1951 convention, the new revised text came into force with respect to all contracting parties as from the thirtieth day after acceptance by two-thirds of the contracting parties—that is, on 2 October 2005. For Finland, this means that even though it did not deposit its instrument of ratification with the director-general of the FAO until 4 April 2006, the convention has been in force for the country since 2 October 2005.

(4) Implementation of International Treaties

Finland has prepared itself in many ways to meet its greenhouse gas reduction target for the first commitment period of the Kyoto Protocol. Among other things, it has applied the so-called flexibility or Kyoto mechanisms, for which the government set up a pilot implementation program as early as in 1999. As reported in the 2004 volume of this yearbook, Finland and Estonia signed a framework agreement on 17 December 2002, enabling individual joint implementation (JI) projects to be executed in a coordinated manner. This agreement resulted in the construction of a wind farm in Paldiski, Estonia. In line with this policy, the Finnish and Romanian ministers of the environment signed an agreement on JI on 15 December 2006, which also covers cooperation on international emissions trading. A similar JI agreement was signed with Bulgaria on the same day. Finland is planning to purchase a total of twelve million tonnes of emissions credits in the Kyoto commitment period of 2008–12. The agency responsible for the identification of concrete JI projects is the Finnish Environment Institute's Finnder Carbon Procurement Programme, which is currently negotiating projects with its Romanian counterparts. The signing of the official agreement enables these projects to proceed, meaning that the emissions reductions they bring can be transferred to Finland.

Another way to procure emissions credits is via the international carbon funds. Finland decided to subscribe to the European Bank for Reconstruction and Development's (EBRD) Multilateral Carbon Credit Fund for an amount of €10 million, an agreement that it signed in December. Finland's stated goal is to obtain approximately one million tonnes of carbon dioxide equivalent from countries in the EBRD's area of operation—that is, eastern and central Europe, central Asia, and Caucasus. Finland is also a member of the World Bank's Prototype Carbon Fund and the Nordic Environment Finance Corporation's Baltic Sea Region Testing

Ground Facility carbon fund. The latter was described in last year's country report.

(5) Application of International Environmental Treaties

The environmental impact assessment for the planned offshore natural gas pipeline from Russia to Germany presents a formidable challenge in applying the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention). The project proponent is Nord Stream AG, a company jointly owned by Russian and German interests, and the 1,200-kilometre pipeline is planned to go through the maritime zones of Russia, Finland, Sweden, Denmark, and Germany on the seabed of the Baltic Sea. The pipeline would traverse the economic zone outside Finnish territorial waters for a distance of 369 kilometres.

The first stage of the procedure under the Espoo Convention was for the parties of origin (Russia, Finland, Sweden, Denmark, and Germany) to officially inform each other as well as Poland, Latvia, Lithuania, and Estonia, who are also the likely affected parties. Nord Stream AG has prepared an environmental impact assessment (EIA) program describing the reports needed to conduct a good quality environmental impact assessment. The assessment will be disseminated in the countries of origin, whereby the public will have an opportunity to influence the EIA program.

In Finland, the program was made available for public inspection in thirty-three municipalities on the Gulf of Finland coast and archipelago in the southern part of the Archipelago Sea. Public hearings were held on 11–14 December in the cities of Helsinki, Hanko, Turku, and Kotka. The Regional Environment Centre of Uusimaa will collect the opinions and comments of the citizens, municipalities, and authorities and prepare its own statement with reference to these sources by the end of February 2007. The party responsible for the project must then revise the program in light of this information. Once the alternatives put forward in the impact assessment program and their impacts have been examined, the results will be compiled into an assessment report, which citizens will be given an opportunity to comment on. Significantly, because of the Espoo Convention, Finnish citizens will have the opportunity to express their views on the environmental impacts of the entire project through the assessment procedure that is underway, and their opinions will be conveyed to the relevant countries. By the same token, Russia, Estonia, Latvia, Lithuania, Poland, Germany, Denmark, and Sweden can take part in the assessment procedure in Finland. Nord Stream AG expects the environmental report to be ready by mid-2007.

Timo Koivurova