

Government decision

on the security of supply goals

Given in Helsinki on 5 December 2013

As presented by the Ministry of Employment and the Economy, the Finnish Government has made the following decision, based on Sections 2(2) and 12(2) of the Act passed on 18 December 1992 (1390/1992):

1 General starting points

Security of supply is intended to ensure the continuity of the economic activities and the functioning of the infrastructure necessary for the economy, national defence and the livelihood of the population in cases of major disruptions and emergencies. The starting points for security of supply are international markets, a diverse industrial base, a stable public economy and a competitive national economy.

Major threats to society's capability to function properly include disturbances in the electrical grid and data-communication networks, interruption of energy supply, serious disturbance affecting public health and the population's ability to function, and natural and environmental disasters. The most serious external threat is considered to be a crisis situation temporarily impeding Finland's ability to produce or import critical products and services.

Security of supply is based on functioning international political, economic and technological links. These are supported by operations that secure the continuity of operations in organisations and networks critical to the security of supply, and sector-specific security of supply measures. The security of supply

operations is carried out in cooperation with the public sector, businesses and organisations in a way that coordinates market-based and regulatory preparation. The National Emergency Supply Organisation initiates and harmonises measures and arrangements laid down in the decision that require cooperation.

National preparatory operations are supplemented by international cooperation, the European Union's joint responsibility principle and regulations, the Agreement on an International Energy Programme (Agreement series 115/1991) and bilateral and multilateral agreements with different countries regarding economic cooperation in crisis situations.

The aim of security of supply operations is to make sure that the most serious emergencies can be handled nationally.

The National Emergency Supply Organisation is made up of the National Emergency Supply Agency, the National Emergency Supply Council, and the individual NESO sectors and pools. The National Emergency Supply Agency is tasked with planning and operations measures related to developing and maintaining emergency preparedness. As part of NESO, the agency is tasked with providing support for the operations of pools

and sectors, in addition to its other statutory duties. In the Region of Åland, the national and regional officials are responsible for preparatory administrative tasks and other preparatory tasks that are the responsibility of the national authorities and are a part of the security of supply, as set according to the contract regulation 900/2000.

Developing the security of supply and matching the preparation tasks are the responsibility of the Ministry of Employment and the Economy, Various ministries develop the security of supply in their own fields. The Security Strategy of Society of 2010 specifies these responsibilities. The arrangement secures the livelihood of the population in cases where normal market operations do not guarantee the security of supply. The starting point of Finland's security-of-supply operations is functional EU internal markets.

2 General goals

2.1 Ensuring the continuity of the operations of organisations and networks

The National Emergency Supply Agency collects and maintains, in cooperation with the Security Committee, other officials, businesses and organisations, up-to-date, predictive information on the production, services and infrastructures critical to the security of supply, as well as information on threats, dependencies and changes affecting the security of supply. The National Emergency Supply Organisation develops the analysis and understanding of national and global systems, organisation networks and supply chains that are important for Finland, and the management of risks related to them. Particular focus is on operations ensuring the availability of data communication networks, electricity and logistics services, and confirming alternative procurement sources.

The National Emergency Supply Organisation helps organisations that are critical to the security of supply to prepare for disruptions that impact their operations (continuity management). It also promotes their ability to recognise dependencies, risks and changes that are critical to their operations. The National Emergency Supply Agency and the

rest of the National Emergency Supply Organisation support operations with what it considers to be necessary tools such as reports, guidelines and training.

The National Emergency Supply Organisation develops contractual practices with the aim of ensuring the continuity of operations and advances their use with authorities and businesses.

The National Emergency Supply Agency develops methods to ensure the availability of materials, products and components and the availability of critical functions.

The Ministry of Employment and Economy monitors and evaluates the effects of ownership structures and their changes, with authorisations given by legislation dealing with foreign corporate buyouts. The National Emergency Supply Agency participates in the evaluations as a referee.

One of the cornerstones of Finnish security-of-supply operations is the interconnect-edness of the various actors of the field. The National Emergency Supply Agency is responsible for maintaining and developing this cooperation, also in increasingly international business life. The maintenance of co-operation should primarily be based on operations benefiting both parties, and guaranteeing the security of supply requires developing operational models that also benefit companies.

The dependencies of different operations are even more important to the national security of supply than previously. Likewise, the importance of international markets and networking to the national security of supply is increasing. For this reason, efforts made to safeguard the security of supply must focus increasingly on national cooperation networks, on understanding international dependencies, and on the development of preparedness measures based on these.

2.2 Regional and local preparedness

The officials responsible for the security of supply maintain and develop local and regional cooperation and awareness of situations to ensure the security of supply between the authorities, companies, municipali-

ties and organisations. The National Emergency Supply Agency and the rest of the National Emergency Supply Organisation, together with the regional authorities, develop regional and local education and training. Ensuring the continuity of municipal operations enables the operation of companies and organisations that are critical to the security of supply during disturbances and emergencies.

Together with regional and local operations, the National Emergency Supply Organisation develops regional arrangements for ensuring the continuity of electricity, fuel, domestic water and food distribution, as well as data and telecommunication networks.

The officials responsible for the security of supply, rescue operations and social and health care develop the population's individual operational capability in serious disturbances and exceptional situations. These, together with guidance and communication, support the population's readiness to ameliorate the immediate effects of disturbances, and the ability to adjust to the effects of long-time disturbances and exceptional situations.

2.3 Cooperation with international actors

The Foreign Service maintains international cooperation supporting Finland's security of supply together with the EU, UN, NATO, OECD, the Nordic Countries and other operators important to Finland's security of supply. The National Emergency Supply Agency actively participates in international cooperation arrangements, and supports the participation of business representatives in them. The National Emergency Supply Agency actively participates in cooperative arrangements in international organisations and in the coordination of national security of supply operations. Officials actively influence the decision-making of the European Union, its legislation and monitoring so that security-of-supply aspects are taken into consideration. Ministries develop state-based arrangements based on inter-state security of supply agreements.

International aspects also have increasingly come to the fore in the NESO pools, and networks affecting the security of supply are increasingly global, as companies are often managed from outside Finland. It is therefore essential that international business managers understand the nature and synergistic character of supply-securing work. The pools are naturally suitable for this international dialogue.

3 Securing critical infrastructure

3.1 Energy production, transmission and distribution systems

The security of supply in energy maintenance is based on a variety of energy sources and fuels, a sufficiently extensive and well-distributed energy production capability and securely operating transfer and distribution systems. The starting points of the security of supply in energy are functional energy markets, a clear, long-term, pro-investment energy policy and energy efficiency.

To improve the security of supply, the country's self-sufficiency in energy, particularly electricity production capacity, is increased by using energy sources and forms of production in a sustainable way. The refining and distribution logistics of fossil and renewable oil products are maintained at a sufficient level to ensure the country's security of energy supply. The growing importance of wood-based energy is taken into consideration when preparing for the maintenance of infrastructure, sufficient harvesting, sufficient provision of transportation equipment and the availability of labour.

Peak electricity demands are met by maintaining domestic electricity production capacity and a reliable electricity transmission and distribution network, and by developing the means of steering and flexibility for consumption. Increasing the production of renewable energy is noted in regulating power and electrical system solutions.

In case of a supply disturbance concerning imported energy and to fulfil international agreement duties, the National Emergency Supply Agency always maintains imported fuels in the state's emergency supplies so that

the country can use imported fuel storages corresponding, on average, to five months of normal consumption. When determining the storage amounts, oil products as a reserve fuel for natural gas are only considered in the context of the energy maintenance of local communities.

The goal levels set for the government's emergency storages may, if necessary, for a reasonable period, fall below a set amount corresponding to, at most, two weeks' average consumption without the security of supply being endangered. This part of the government's emergency supplies may, if necessary, for a short period, be located in another EU member state in the Baltic region. Each fuel importer may keep at most 30% of their storage requirement outside Finland, in the European Economic Area (EEA).

To ensure the delivery of district heating, the operators in the field shall consider, in their emergency plans, the placement of sufficient fuel supplies at energy centres for serious disturbances and exceptional situations, and prepare for blackouts. The use of peat in the joint production of electricity and heat is secured. In order to secure its availability in case of weather risks, the aim is to form reserve peat stocks covering approximately six months' use when the peat production season begins. In order to secure the supply of natural gas, the sources of natural and biogas connected to the transmission network are diversified. The creation of terminal capacity connected to the transmission network is ensured.

In case of emergencies, the State must either have direct control over key actors or a statutory ability to ensure the functionality of the main electricity grid and gas transmission network and those in charge of these systems, and to control their operations.

If necessary, the Ministry of Employment and Economy will use regulatory procedures to steer energy production and consumption in ways consistent with security of supply, and so as to fulfil international agreement requirements.

3.2 Data-communication systems, networks and services

Data communication systems

The general aim is for companies and organisations with significant roles in the vital functions of society to take account of cyber-threats in their continuity management and uphold a sufficient level of protection against such threats. The National Emergency Supply Organisation and NESO support these activities by drawing up reports and guidelines, and conducting training.

The ministries responsible for the most important functions of society shall recognise the most important ICT structures, services, technical maintenance and related expertise and data storages, together with the National Emergency Supply Organisation. The related risks, vulnerabilities and international dependencies, as well as their effects, must be recognised and evaluated.

The officials and the National Emergency Supply Organisation create national requirement management bases in order to ensure critical data and communication systems and the related services, as well as their security and continuity. The organisations that are responsible for public sector ICT systems use them for defining the structure of the systems critical for the security of supply, organising the services, arranging their competitive tendering and outsourcing them. The National Emergency Supply Organisation also supports their application in the private sector.

If a single part of data communication systems that are critical to security of supply ceases to function or is damaged, this must not halt the entire system. The systems and information assets that are most critical to the security of supply must also be secured in a situation where international data communication connections are not in use or where their operation is severely compromised. When designing and constructing data systems, a risk analysis should be used to consider whether the supporting production systems, technical maintenance and expertise should be kept entirely in Finland or only the vital parts, or whether it is enough that they can be provided using arrangements pre-planned in Finland.

Information assets that are critical to the security of supply must be duplicated in Fin-

land. Critical data and operations can be transferred to other EU Member States if their conformity to the law, security and availability have been ensured. The National Emergency Supply Agency ensures that both the evaluations of new and current systems are carried out.

Mass communications

The national ability to safeguard the provision of electronic and print news coverage and other communications to the general public must be ensured equally across the country. The security of terrestrial and cable-based telecommunication programming transfer and distribution network and graphical communication infrastructure must be maintained as required by technological development.

The Prime Minister's Office, the Ministry of Internal Affairs, the Ministry of Transport and Communications and the National Emergency Supply Organisation develop their cooperation with the media to ensure the technical preconditions for serious disturbances and efficient emergency communications.

The authorities' information, warning and alarm systems must function with great reliability in all conditions. Using security-of-supply operations, the authorities may advance the development of a mass communication network suitable for sending official statements. The coverage of official communications and danger alarms in particular must be ensured by taking measures to maintain and enhance the preparedness of commercial radio and television channels. Those practising electrical communications develop communications for disturbances and emergencies using the generally used channels. The solutions ensure a bilateral flow of information for the authorities, business, organisations and people.

3.3 Financial services

The authorities and the National Emergency Supply Organisation define the operations that are critical for the security of supply and confirm the up-to-date nature of the related

information in a way that ensures that the organisation of the funding of domestic economies, businesses and the public sector is secured, that payment intermediation and securities trading continues to be efficient, and that the ability to offer financial and insurance services is maintained.

The authorities and the National Emergency Supply Organisation ensure that, when arranging their business, financial operators make sure that the systems necessary for maintaining their critical operations work well and maintain the usability of up-to-date information, including in situations where the systems are located beyond national borders. Particular care needs to be paid to alternative arrangements for securing inter-bank payment traffic, the clearing, delivery and containment operations for securities, and payments of pensions and other repeating payments, even when the systems critical for these functions in Finland or beyond the country's borders are not usable. Likewise, the card payment infrastructure and card clearing operation functionality in Finland must be ensured.

The authorities and National Emergency Supply organisation operate actively to advance international cooperation and effectiveness connected to financial sector preparations at the EU level and between state authorities. The goal is connecting the preparations of the financial field effectively to the domestic and EU-level monitoring of the field. The National Emergency Supply Organisation develops the cooperation, data exchange and exercises of the operators.

3.4 Transport and logistics

The main goal is for logistics to be sufficient for the security-of-supply needs of the people and society, and for it to work as flawlessly as possible. The basis of the logistical security of supply is an existing, reliable transportation system, which has its operational continuity confirmed by the authorities and the operators in the field.

Logistics infrastructures to be secured include main transport routes, ports, airports, cargo and passenger traffic stations, terminals and warehouses and data communica-

tion systems and security systems. The operators recognise and evaluate the most critical targets and risks to these, and secure their usability and ability to recover in all situations. The dependence on data traffic and electricity systems should be considered in particular.

The focus areas of preparedness include sea transport, domestic transport critical to businesses and the functioning of society and the economy, and the support of military defence. The most important goods transport to be secured includes energy, chemical and food transport. Essential postal services are secured so as to cover the whole country.

In traffic policy, attention is paid to securing foreign trade in serious disturbances and exceptional situations. Securing functional markets and the security of supply requires transportation capacity and route maintenance capacity, including ice-breaking. It is important for the security of supply to make sure that not only businesses and their equipment stay sufficiently Finnish, but that Finnish expertise is also maintained.

The Ministry of Transport and Communications and the National Emergency Supply Organisation jointly advance the operation of a transportation system necessary for the work-related traffic of transportation field operators and the subsistence and security of the population. Rescue authorities draw up letters of intent and readiness for transportation in case of serious disturbances and exceptional situations.

The Ministry of Transport and Communications, the Defence Forces and the National Emergency Supply Organisation define the most essential transportation requirements for security of supply. The sufficiency of the transportation equipment and professional personnel for terrestrial transportation needs in emergencies and similar serious disturbances shall be confirmed. The Ministry of Transport and Communications, Ministry of Employment and the Economy and the National Emergency Supply Organisation prepare to steer the fuel maintenance of critical transportation.

3.5 Water supply

Well-functioning water supply is an essential requirement for the people and a considerable part of the economy. The availability of water supply services is secured for households, communities, social welfare and health care institutions and for production critical to the security of supply.

Responsible authorities take care of the sustainable use of water supplies and prepare for disturbances and exceptional weather and water conditions. Water utilities serving large communities, central hospitals and water-critical foodstuff production ensure the continuity of their operations and alternative water sources.

Water utilities ensure their operational readiness and prepare for disturbances in water supply. The municipalities coordinate and develop preparation and continuity management related to water supply and other civil engineering work. The National Emergency Supply Organisation coordinates the water supply preparations with other local and regional preparations. Water utilities, together with energy-, device and chemical suppliers, create an emergency system to manage long-term disturbances in distribution.

Cooperation between the different operators in the water supply chain is improved in order to improve the management of disruptions.

3.6 Construction and maintenance of infrastructure

Construction and the repair and maintenance of the built environment are necessary for the operation of the population, finance and defence.

The ready availability of construction capacity is ensured in case of severe disruptions in traffic infrastructure and energy and telecommunications networks. The National Emergency Supply Organisation, rescue departments and municipalities investigate the development of the letter of intent and preparedness agreement system in order to ensure the rapid availability of transport and working equipment required by rescue authorities in case of severe disruptions.

The construction and construction product industries prepare to support the Defence

Forces in order to improve preparedness and in case of emergencies. Contracting parties maintain and create letters of intent and readiness agreements for this. The responsible authorities create plans and maintain administrative readiness to rapidly execute extensive construction projects required by national defence.

The good conditions and continuous readiness of the use of flood protection structures need to be maintained to prevent and counteract flood damage.

3.7 Waste management in special circumstances

In special conditions, such as when fighting oil and chemical damage, radiation hazard situations and preventing epidemics, waste management is secured so that after an acute prevention phase, the collection, intermediate storage and handling of waste can be arranged appropriately and that normal operations can be resumed in all areas after the emergency.

4 Securing critical production and services

4.1 Food supply

Diverse and sufficient domestic food production, and the role of the domestic food industry as a food refiner, is secured. The National Emergency Supply Organisation supports the operation of food logistics and trade in the distribution of locally produced and imported foodstuffs. The Government influences the European Union's agricultural policy so that the common agricultural policy and national efforts offer domestic primary production sufficient for the security of supply.

The state-owned stockpiles reserve grain in order to secure domestic supply in case of severe disruptions to normal conditions and in emergencies, so that the amount available for use corresponds to six months of average human consumption. Primary production is secured by stocking certified seeds, fodder

protein and other fundamental production inputs.

Municipalities secure the continuity of foodstuff services that are their responsibility in serious disturbances and exceptional situations. Central foodstuff service producers develop their continuity management, supported by the National Emergency Supply Organisation.

The Ministry of Agriculture and Forestry, together with the Ministry of Employment and the Economy, prepares to direct the use of resources, food production and supply in serious disturbances and emergencies in ways that are efficient for security of supply.

4.2 Health care and basic services

Social and health care with sufficient adjustment and performance capabilities is the central requirement for the population's functioning and welfare, the continuity of business and military defence.

Public and private sector health care operators cooperate in securing and developing procedures ensuring the availability of social and health care devices and goods, as well as essential goods, blood supplies and maintaining medical devices. The Ministry of Social and Health Services together with the National Emergency Supply Organisation develops a reserve storage of the most important medicines and health care products for serious disturbances, diseases and exceptional situations. For this reason, the Ministry of Social and Health Services proposes the evaluation of the appropriateness of the current stockpiling system. Health care preparations also consider biological, chemical and radiological threats.

The operators responsible for the social and health care field service system secure the service system critical for maintaining security, the continuity of support operations and the ability to adjust both with their own operations and using the necessary agreement arrangements.

Data storages important for social and health care and their operation-managing systems must be located on Finnish servers. The Social and Health Care Ministry supported by the National Emergency Supply

Organisation offers directions that are used to develop social and health care continuity planning nationally on a common basis.

The service production and material preparations of the health care system take into account the dependence of the Defence Forces on public health care. The social and health care maintenance authorities and Defence Forces cooperate in making the use of resources more efficient at every level of government.

Social and health care authorities advance the field's national preparation efforts in the World Health Organization, European Union and NATO, as well as between the Nordic countries.

4.3 Industry

The conditions for industries operating in Finland and their capability of delivering products critical for the security of supply are developed, as well as production inputs and services in serious disturbances and exceptional situations. The National Emergency Supply Organisation ensures, for its part, that measures are taken to guarantee the availability of critical industrial materials and parts.

The expertise of production automation and process maintenance services staying in Finland is supported by the cooperation of officials, companies, the National Emergency Supply Organisation and research institutions.

The State retains, in different policy areas and through measures taken by all ministries, industrial research, design and product development critical to Finland's security of supply. From the point of view of the security of supply, it is important to reduce Finland's dependence on foreign energy sources. To achieve this end, expertise is enhanced in the fields of industrial bioeconomy infrastructures and the production of propellants from domestic raw materials.

The operating conditions of the export industry are advanced by taking care of the continuity of the basic functions of society and supporting company- and field-based preparations. In addition to Finnish export industries, continuity planning is advanced in

the Finnish subsidiaries of global companies that are essential for security of supply.

4.4 Production and services supporting military defence

The performance of the Defence Forces can best be maintained in conditions where the entire society's security of supply is secured and where expertise, technology and economy are internationally competitive.

Areas critical for the military security of supply include intelligence, monitoring, leadership, targeting support and effectiveness. The Defence Administration ensures that Finland continues to have sufficient expertise, technology and production for these matters in the future, and the ability to integrate, maintain, sustain and repair damage during crises, kept available in the logistics chain. The Finnish Defence Forces develop information security and encryption expertise and technology critical to military security of supply, according to Finland's Cyber Security Strategy. The National Emergency Supply Organisation supports and advances this work.

The State maintains and supports the critical defence industries related to these central national security interests, as well as their expertise and service production, with all the necessary operations. The Defence Administration together with the National Emergency Supply Agency maintains the production capacity of the most important consumable wartime materiel, such as artillery propellants and munitions, and reserve storages required for military defence.

The Defence Administration develops critical defence materiel and system management, using partnership arrangements.

The Defence Administration advances Nordic cooperation, particularly in ordnance logistics and production and in maintaining and storing defence materiel.

Finland participates in international partnership projects with central operators such as the European Defence Department, NORDEFECO and NATO. The Defence Administration develops the bi- and multilateral security of supply arrangements to enable common development, distribution and use

of military performance. The Defence Administration and Ministry of Employment and the Economy advance the European Union's security-of-supply arrangements to improve the functioning of defence equipment markets.

5 Development of security of supply operations

Security of supply operations and the supporting cooperation of the public and private sector are central to civil society, but still not a particularly well-known field. The National Emergency Supply Agency needs to pay particular attention to improving knowledge concerning security of supply operations and making the operations and their starting points better known.

The National Emergency Supply Agency is an authority, and its operating principles are defined by the Act on Openness of Government Activities. Due to the nature of security of supply organisations, the number of justified exceptions may be larger than with other organisations, but as a rule of thumb, the operations and ways of operating are public.

The competitive effects on economic operations exerted by public authority have been the subject of growing attention. The Nation-

al Emergency Supply Agency is expected to organise its operations in a way that does not endanger neutrality in competition between economic sectors, unless there are justified reasons for it as regards national defence or security. As an authority, nor does the National Emergency Supply Agency need to operate as a business or take considerable economic risks, unless this is necessary for its operations.

The preparedness and crisis readiness of the private sector's critical operators are created in normal conditions. The most important means are the systematic management of corporate security and business continuity planning. The National Emergency Supply Agency and the National Emergency Supply Organisation advance the use of continuity management methods in businesses that are critical for the security of supply.

6 Adjusting emergency storages

The state-owned reserve stockpiles must be adjusted to the amounts mentioned in this decision by 31 December 2016.

This decision shall enter into force on 5 December 2013.

Given in Helsinki on 5 December 2013

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Commercial Counsellor Tomi Lounema