



PRIME MINISTER'S OFFICE  
FINLAND



## Action plan for the implementation of the key project and reforms defined in the Strategic Government Programme



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<b>Title</b> Action plan for the implementation of the key projects and reforms defined in the Strategic Government Programme			
<b>Abstract</b> <p>This action plan provides a more detailed description of the timetables, measures and financing of the key projects. It is a programme for change to which the Government is strongly committed. The Government has decided to make a one-off appropriation of EUR 1 billion for the key projects and determined the allocation of the funds in the General Government Fiscal Plan for 2016–2018. This Government action plan will be implemented within the framework of said funding, the existing authorised spending limits and the other provisions of the General Government Fiscal Plan.</p> <p>The action plan for the implementation of the key projects and reforms defined in the Strategic Government Programme involves a large number of operational changes designed to reform Finnish society and underpin the efforts to create favourable conditions for economic growth. This document does not cover the full content of the Government Programme. Its aim is to focus the Government's collegial efforts on key cross-administrative measures to follow through the necessary changes towards the Government's vision.</p>			
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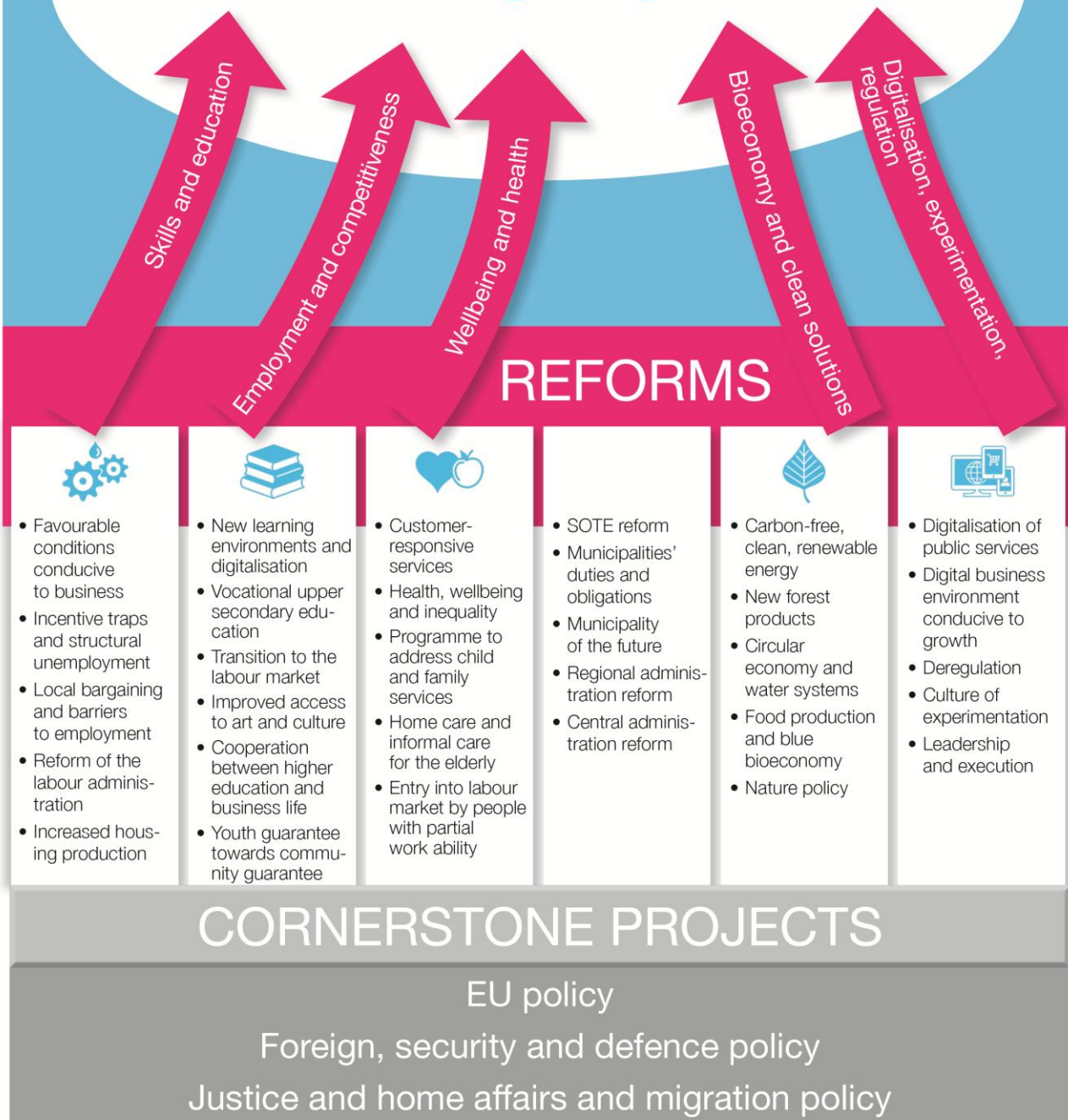
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# Vision: Finland 2025 - built up together



## PREFACE

The Strategic Programme of Juha Sipilä's Government defines Finland's vision for the future as follows: *"In 2025, Finland is an inventive, caring and safe country where we can all feel important. Our society is based on trust."*

The Government's objective is to put the Finnish economy on a sustainable growth track, improve employment as well as ensure the necessary funding for public services and social security. With its **five strategic priorities** in the Government Programme, Sipilä's Government is taking steps to follow through with essential reforms. The strategic objectives are materialised in the form of **26 key projects**. The Government will also overhaul the pension system, implement a social welfare and healthcare reform, reduce the amount of obligations and functions in local government, and reform central and regional administration.

This action plan provides a more detailed description of the timetables, measures and financing of the key projects. It is a **programme for change** to which the Government is strongly committed. The Government has decided to make a one-off appropriation of EUR 1 billion for the key projects and determined the allocation of the funds in the General Government Fiscal Plan for 2016–2018. This Government action plan will be implemented within the framework of said funding, the existing authorised spending limits and the other provisions of the General Government Fiscal Plan. Additional appropriations are divided as follows by priority:

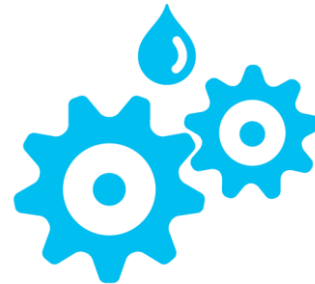
- Employment and competitiveness EUR 170 million
- Knowledge and education EUR 300 million
- Wellbeing and health EUR 130 million
- Bioeconomy and clean solutions
- Digitalisation, experimentation and deregulation

A minister responsible for implementation is designated for each key project and a ministerial working group for each strategic priority. To ensure due implementation and potential redirection of the key projects, the Government will exercise active monitoring and control through its strategic sessions. The impact and effectiveness of the key projects will also be regularly monitored by means of various indicators. The Government will assess the implementation of the key projects and reforms annually in the spring in connection with the updates to the General Government Fiscal Plan.

The action plan for the implementation of the key projects and reforms defined in the Strategic Government Programme involves a large number of operational changes designed to reform Finnish society and underpin the efforts to create favourable conditions for economic growth. This document does not cover the full content of the Government Programme. Its aim is to focus the Government's collegial efforts on key cross-administrative measures to follow through the necessary changes in an attempt to achieve the Government's vision.



# 1 EMPLOYMENT AND COMPETITIVENESS

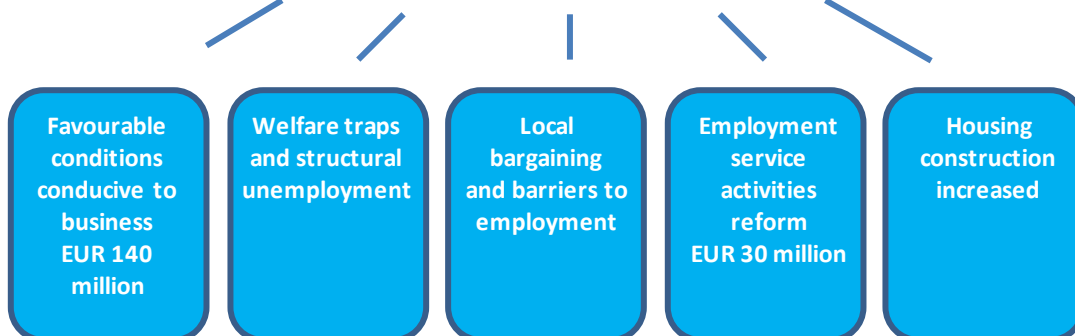


2025: In Finland, doing work and providing work are always profitable. Finland is a competitive country in which entrepreneurship, ownership and investment are more profitable than at present.

Government term objectives for the strategic priority:

- Safeguarding the funding of welfare services and social transfers has been implemented by reforms that improved incentivisation to work, the attractiveness of employment, the effectiveness of employment service activities, and competitiveness. The reforms increased the labour supply, entrepreneurship and the diversification of the business structure, and strengthened public finances by one billion euros. The employment rate has been increased to 72% and the number of people in employment has increased by 110,000. Investment exceeds depreciation, and labour input has grown.

## KEY PROJECTS



## KEY PROJECT 1: STRENGTHENING COMPETITIVENESS BY IMPROVING CONDITIONS FOR BUSINESS AND ENTREPRENEURSHIP

Minister of Economic Affairs Olli Rehn

*Consideration of business competitiveness in all decision making; operation of the market and free competition; a stop to the increase in government-imposed costs in industry; improved opportunities for SMEs to participate in bidding for public contracts.*

*Deregulation of the business environment; steps to intensify the impact of Team Finland's efforts; improved access to financing by corporations; the promotion of cleantech solutions and regional reforms.*

### Measure 1: Reinforce the Team Finland network through closer cooperation.

Minister of Economic Affairs Olli Rehn and Minister for Foreign Trade and Development Leena Toivakka

The Team Finland network will be reinforced by intensifying cooperation between the various actors. Efforts to pursue the Team Finland growth programme will be continued, particularly in bioeconomy, cleantech and digitalisation.

The Foreign Service will direct its resources specifically to countries of increasing political or economic interest to Finland.

1. **By combining the services provided by the Team Finland members** (e.g. Centres for Economic Development, Transport and the Environment, Finnvera, Finpro, Finnish Industry Investment Ltd, the Finnish Funding Agency for Technology and Innovation Tekes, the Ministry of Employment and the Economy, the Ministry for Foreign Affairs and its foreign missions) **and digitalising the service processes**, it is possible to ensure free access to all companies aiming for international expansion to the best possible expertise and information on the opportunities existing in the global markets. Steps will be taken to achieve greater efficiency in the use of the resources made available by the state through closer coordination within the Team Finland network and elimination of the remaining redundancies.
2. **Team Finland growth programmes** will be launched to support the efforts to achieve the objectives established for the internationalisation and exports of the bio- and digital economy and cleantech solutions, and to promote foreign investments in Finland. Aside from the bioeconomy, cleantech and digital business sectors (BCD), measures will also be taken to target industries offering potential for international expansion.
3. **To support the exports and international growth of SMEs** in particular, efforts will be made to improve their contacts and communications with major Finnish and foreign contractors, particularly in the BCD sector. Adequate resources and financing will be made available to Finpro and its international network to ensure the implementation of the revised operating model and strategy.
4. **The Team Finland network will improve the coordination of its activities** with regional development companies, chambers of commerce, merchant associations and other corporate networks. Government-funded corporate services will be provided by making

full use of the expertise available in the private sector and by promoting the role of market-driven services in the efforts to facilitate international expansion by SMEs.

5. **The Ministry for Foreign Affairs and the Ministry of Employment and the Economy will reinforce their mutual cooperation in an effort to promote growth and development in the growing markets of the developing countries:** Finnfund; instruments combining commercial and public funding (instruments to replace concessional credits); reassessment of the foreign missions in the developing countries; Team Finland trips; investments in the development of local business environments within the framework of development cooperation; and the integration of the developing countries into the world economy (Minister Toivakka, Minister Rehn).

6. **Short-term reinforcement of the Team Finland network with experts in business and commerce**

Experts focusing on commercial and financial issues will be hired for selected foreign missions for 2016–2018 on a one-off basis. To support the efforts of Finnish companies to increase exports to key emerging and developing markets, new resources are required capable of devoting their full attention to commercial and financial matters. The missions were selected on the assumption that they offer clear added value in the efforts to increase Finnish exports. The eligible missions were identified in consultation with Finpro. The total costs of the six experts to be assigned to five countries over a period of three years will be EUR 5 million. The project’s effectiveness will be reviewed at the end of the Government’s term. The investments are listed in section Measure 2.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Roll out of Team Finland’s service model in collaboration with Centres for Economic Development, Transport and the Environment, Finnvera, Finpro, Finnish Industry Investment Ltd, the Finnish Funding Agency for Technology and Innovation Tekes and the Ministry for Foreign Affairs. The Foreign Ministry and Finpro will jointly determine the development needs of their respective networks.	8/2015
Phase 2	Deployment of Team Finland network’s shared customer relationship management (CRM) system.	12/2015
Phase 3	Additional funding to Finpro to ensure adequate level of service.	12/2015
	Temporary reinforcement of the Foreign Ministry’s foreign mission network with experts in commerce and finance.	1/2016
Phase 4	Relocation of the head offices of Finnvera, Finpro, Finnish Industry Investment Ltd and the Finnish Funding Agency for Technology and Innovation Tekes to the Team Finland House.	10/2016
Phase 5	Outcomes of the Team Finland growth programmes 2015–2017 duly assessed, followed by decisions on further funding and allocation of resources.	12/2016
<b>Resources</b>	Please note: Resources are listed in under Measure 2.	

## **Measure 2: Reinforce the financial position and equity capital of businesses.**

The Government’s objective is to improve companies’ financial positions to a level prevailing in the key competitor countries. Growth funding will be provided by increasing the resources available from public financial institutions (Finnvera, Finnish Industry Investment Ltd and Tekes) to SMEs in particular. Full advantage will be taken of EU growth funding to this end.

The Government will promote the raising of additional capital for business financing, but based on market needs. The Government supports the Commission’s efforts to create a Capital Market

Union seeking to ensure that its practical implementation will also improve access to financing by Finnish SMEs.

The Government finds it important that the Ministry of Finance draft legislation for creating a legislative framework for crowdfunding and improving the operation of the convertible bond markets by means of the bond trustee model.

Where possible, the amendments will be implemented at the beginning of the Government's term by the end of 2016. More detailed timeframes are presented in the relevant sections.

### 1. **Utilisation of EU funding**

Measures will be taken to make more efficient use of the funding available to Finnish companies and infrastructure projects from the EU's Strategic Investment Fund and other EU sources (EIP, EIR, Horizon2020 and COSME). The objective is to raise EUR 1 billion for financing Finnish companies through these measures. If necessary, ESIR funding will be provided through Finnvera. (12/2015)

### 2. **Finnish Funding Agency for Technology and Innovation Tekes**

In its corporate funding, Tekes will prioritise the development needs of start-up companies and SMEs while giving special consideration to the potential offered by digitalisation, cleantech and the bioeconomy. The resources of Tekes and other financing organisations will be channelled to projects that facilitate the relocation of skilled employees made redundant in the digital industry to existing and new growth companies.

Tekes Venture Capital Ltd will be authorised to provide initial capital to one or several privately managed funds that may invest in emerging companies focusing on commercialising research-based innovations. Ideally, the plan for the establishment of the commercialisation fund will be finalised and the foreseen financiers identified in early 2016 at the latest. For this purpose, an additional appropriation of EUR 10 million is proposed for inclusion in the 2016 government budget.

### 3. **Finnvera**

A decision will be made on the adoption of a new mezzanine financing instrument for supporting the growth of SMEs and mid-cap companies following the completion of the ongoing study. Should Finnvera launch this EUR 300 million (total grant authorisation) junior loan programme, the state would incur an estimated additional cost of EUR 31 million under budget item 32.20.47 over the next few years. (Decision on the new product by 12/2015 and operational decision by 3/2016).

Every effort will be made to maintain the financing authorisations and terms of financing at a level applied by the main competitor countries. The state's guarantee facilities as well as export credit and interest-subsidy authorisations will be increased to ensure Finnish export companies' access to export funding subject to the OECD guidelines for export assistance. (11/2015)

A decision will be made on the adoption of Finnvera's direct export credit facility based on the completed study. (12/2015)



Steps will be taken to explore how Finnvera’s fundraising capabilities to finance exports could be improved in order to secure the competitiveness of financing. (12/2016)

Finnvera will put together a financing programme to facilitate generation changes and transfers of business. (3/2016)

#### 4. Finnish Industry Investment Ltd

Finnish Industry Investment Ltd, together with employment pension insurance companies, will establish an FoF Growth III Fund when the investment period of the current FoF Growth II Fund comes to an end. To finance Finnish Industry Investment Ltd’s portion of the FoF Growth III Fund, the state needs to make a EUR 35 million equity infusion to the company.

Timeframe	
Resources	<p>2016:  Team Finland new growth programmes (most productive to be implemented): EUR 8.5 million.  Finpro (reinforcement of the foreign mission network): EUR 2.0 million.  Foreign Ministry, experts in commerce and finance: EUR 1.66 million.  Tekes (infusion of capital for a fund investing in research-based start-up companies): EUR 10.0 million.</p> <p>2017:  Team Finland new growth programmes: EUR 8.5 million.  Finpro (foreign mission network): EUR 2.0 million.  Foreign Ministry, experts in commerce and finance: EUR 1.66 million.  Compensation for Finnvera’s losses (mezzanine financing: junior loan programme): EUR 3.0 million.</p> <p>2018:  Team Finland new growth programmes: EUR 8.0 million  Finpro (foreign mission network): EUR 1.0 million.  Foreign Ministry, experts in commerce and finance: EUR 1.66 million.  Equity infusion to Finnish Industry Investment Ltd (FoF Growth III): EUR 35.0 million.  Compensation for Finnvera’s losses (junior loan programme): EUR 4.0 million.</p> <p>Authorisations: Finnvera: EUR 300 million for mezzanine financing in 2016.  Total: EUR 87.0 million, of which EUR 82 million for the Ministry of Employment and the Economy and EUR 5 million for the Foreign Ministry.</p>

### Measure 3: Promote cleantech solutions.

**Finland will be the world’s leading country in clean solutions.** New jobs will be created through the sustainable use of natural resources and the growth of cleantech companies. Growth will be accelerated through pilot projects by making use of public contracts, etc.

1. Efforts to pursue the cleantech strategy will be continued in accordance with the *Kasvun kärjet* resolution (8 May 2014). The progress achieved will be assessed and the strategy updated in 2016.
2. Research and innovation funding will be provided from public sources for developing cleantech solutions. Steps will be taken to ensure that due consideration is given to the innovations with

the greatest potential made in the course of the Strategic Centres for Science, Technology and Innovation (CSTI) programmes.

3. Demand for cleantech products and services will be augmented by leveraging the 5% target for innovative procurement established in the Government Programme.
4. The launch of experimental cleantech projects will be facilitated by making efficient use of the financing potential offered by the European Fund for Strategic Investments (EFSI).
5. Licensing and other regulatory procedures for experimental projects will be relaxed using the methods employed in the Reforms key project.
6. Full use will be made of the national materials efficiency programme and other public development schemes to improve the mutual exploitation of inter-industry material and raw material flows ('industrial symbioses') and create markets for recycled materials.
7. Steps will be taken to increase the utilisation of cleantech solutions in the extractive industry and metals processing (Green Mining). Efficient use will be made of the image value of these projects to increase the export of products and services.
8. Low-carbon transport and energy systems (e.g. geothermal energy), smart grids, material- and energy-efficiency infrastructure construction and sustainable housing solutions will be developed in collaboration with municipalities, companies and research institutes. Full use will be made of these outcomes in creating new business and as references in the efforts to promote clean solutions exports.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Strategic and overall planning and organisation completed, permitting the preparation of more concrete measures.	9/2015
Phase 2	Allocation of the necessary funding to Tekes in the 2016–2018 government budgets.	9/2015
Phase 3	Identification and planning of experimental and piloting projects; staggered launch during 2016–2017.	10/2015
Phase 4	Programmes completed.	12/2018
<b>Resources</b>	Support for research, development and innovation activities: Growth-oriented companies. 2016: Tekes EUR 8.0 million (authorisation). 2017: Tekes EUR 8.0 million (authorisation). 2018: Tekes EUR 7.0 million (authorisation). Total: EUR 23.0 million.	

#### **Measure 4: Boost growth and promote competition.**

##### **1. Competition programme for the home market**

A programme to increase competition in the domestic market will be put in place. It seeks to remove legal and structural barriers to competition including restrictive licensing and regulatory procedures unless they are otherwise justified in view of the greater good of society. The programme will include cross-administrative measures designed to combat the shadow economy, ease the regulatory burden in order to promote competition and improve competitiveness as well as to create more favourable conditions for third-sector inputs.

##### **2. As part of deregulation, shops' opening hours will be liberalised.**

A draft proposal for the repeal of the act regulating the opening hours of retailers and hairdressers' and barbers' shops (945/2009) is currently under review by the relevant committees. The objective of the Government proposal is to allow retailers, hairdressers and barbers to determine their opening hours independently and eliminate the need for exemptions while at the same time ensuring that small businesses operating in shopping centres are entitled to one day off per week.

**3. For large industrial projects, a fast-track licensing procedure will be introduced and a notification procedure put in place for routine licence issues.**

At the same time, the environmental impact assessment procedure for major investment projects will also be streamlined (model Äänekoski).

Phase 1: A pre-project advisory procedure will be adopted in 2015.

Phase 2: Options in the provision of one-stop-shop services will be determined: autumn 2015–2016.

Phase 3: Legal amendments required by procedural integration in 2016.

**4. Revision of competition laws**

The need for amendments to competition legislation will be assessed and the appropriate measures taken within the framework of the EU competition law. The Ministry of Employment and the Economy will appoint a working group for the term 1 September 2015–28 February 2017 to look into the legal reforms.

**5. Overall reform of the public contracts legislation**

An overall reform of the public contracts legislation will be carried out in order to promote competition neutrality in public bodies, improve the conditions of competition for private companies and offer SMEs better opportunities to succeed in competitive bidding. Entry into force of the amended legislation (4/2016).

**6. Business services and subsidies:** A comprehensive study of the business services provided by the central and local government will be carried out at the beginning of the Government term to determine, among other things, the impact of regulation on the need for advisory services. The services and division of duties will be revised on completion of this overall assessment (3/2016).

**7. The start-up funding system operated by the Employment and Economic Development Offices** and other services offered to new entrepreneurs will be redirected to support the Government’s objectives of promoting entrepreneurship (12/2015).

**8. Efforts to reform the business support system** and related principles and national policies **will be continued** (Ministry of Employment and the Economy, Ministry of Transport and Communications, Ministry of Finance, Ministry of Agriculture and Forestry; 8/2015–1/2016).

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Reform of the start-up funding systems operated by the Employment and Economic Development Offices.	12/2015
Phase 2	Reform of the business support system.	1/2016
Phase 3	Government proposal for the repeal of the act regulating the opening hours of retailers and hairdressers’ and barbers’ shops.	3/2016
Phase 4	Completion of the business services reform.	3/2016
Phase 5	Entry into force of amended public contracts legislation.	4/2016
Phase 6	Entry into force of the amendments to the licensing procedures applied to major industrial investment projects.	6/2016
Phase 7	Completion of the studies and key legal amendments related to the competition programme.	2/2017
Phase 8	Working group on competition legislation.	2/2017

## Measure 5: Commence regional innovations and experimentation.

The objective of the project is to make full and efficient use of all of Finland's resources. To improve employment and boost competitiveness, regions are urged to foresee structural changes and develop more agile responses in their economic policies. The regions will be encouraged to focus on local strengths and try new approaches. Additionally, the state will enter into strategic cooperation agreements with the Helsinki area, other cities and growth corridors in which the key areas of potential growth are jointly identified.

The appropriation made for this purpose will provide initial funding for the efforts to manage structural change, renew the regional economy and enable the contract-based cooperation between regions and the central government.

To improve employment and competitiveness, the following tools and instruments are made available to the regions:

### 1. Anticipation of structural changes in the regional economy

Anticipation of structural changes will be integrated into the regional development planning process and contract-based cooperation.

The regions are to prepare contingency plans to mitigate the negative effects of structural changes and contribute to a faster recovery of the regional economy.

The regions will be encouraged to focus on local strengths and try new approaches. This will provide greater agility in the efforts to renew the local economy.

### 2. Strategic cooperation agreements between the state and the Helsinki area, other cities and growth corridors

The agreements will identify strategic priorities that will be accomplished through the joint efforts of the state and the region involved. The selected priorities support the Government's strategic objectives.

Additionally, this cooperation will be used as a basis for allocating funding for regional competence clusters.

All the actions to be co-financed out of the appropriation must be of national importance, transcend sector boundaries and have a clear impact in terms of boosting economic growth in the region.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Commencement of talks on the agreements.	12/2015
Phase 3	Fulfilment of the agreements begins.	3/2016
Phase 4	Anticipation of structural changes is a firmly established practice and widely applied in the regions Preparation of contingency plans in all regions.	1/2017
	Quality review of the agreements.	12/2018
<b>Resources</b>	Initial funding for regional innovations and experimentation. 2016: EUR 10.0 million. 2017: EUR 10.0 million. 2018: EUR 10.0 million. Total: EUR 30 million.	

**Measure 6: Revise the agreements on land use, housing and transport (MAL Agreements) between the central and local government in the urban regions of Helsinki, Tampere, Turku and Oulu.**

The foreseen measure is designed to improve the compatibility of the urban structure and the traffic and transport arrangements so as to allow a significant increase in the supply of plots and housing production in an effort to improve the regions' competitiveness.

At the same time, it will provide development platforms for diversifying housing production and implementing a new traffic and transport policy. In the preparation of the agreements, the state is represented by the Ministry of the Environment; the Ministry of Transport and Communications; the Ministry of Employment and the Economy; the Finnish Transport Agency; the Housing Finance and Development Centre of Finland (ARA); and the Centre for Economic Development, Transport and the Environment; while the urban regions are represented by the local municipalities, including the Helsinki Regional Transport Authority (HSL) in the case of Helsinki.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Preparations for the negotiations on the agreements completed in all urban regions and the negotiating process commenced.	8/2015
	The Government (Cabinet Committee on Economic Policy) determines the state's positions with regard to the negotiations including its policies with regard to transport infrastructure projects and the promotion of digitalisation.	8/2015
Phase 2	Agreements signed.	12/2015
Phase 3	Agreements approved by municipalities.	1/2016
Phase 4	Government Resolution.	2/2016
<b>Resources</b>	Ministry of the Environment: National Housing Fund. 2016: EUR 25 million (infrastructure and start-up assistance). 2017: EUR 25 million (infrastructure and start-up assistance). 2018: EUR 25 million (infrastructure and start-up assistance). Funding to be provided by the Ministry of Transport and Communications to be determined in more detail later. No key project funding required for this measure; other funding.	

## KEY PROJECT 2: INCENTIVE TRAPS PREVENTING ACCEPTANCE OF WORK WILL BE REMOVED AND STRUCTURAL UNEMPLOYMENT REDUCED

Minister of Justice and Employment Jari Lindström

*Objectives for the reform of the social and unemployment security system: incentives for quick acceptance of new work, shorter periods of unemployment, reduced structural unemployment and savings in public expenditure.*

*Unemployment security will be reviewed, incentive traps preventing the acceptance of new employment removed and a model to deliver inclusive social security created.*

### Measure 1: Reform unemployment security and eliminate incentive traps discouraging the acceptance of work.

1. An unemployment security reform will be prepared encouraging quick acceptance of work and imposing a stricter obligation to accept employment and participate in activation programmes designed to improve employability. The reform will generate a minimum of EUR 200 million in direct savings in annual unemployment benefit costs.
2. A study will be carried out of the existing unemployment security system and of the incentive traps preventing employment by those claiming unemployment benefits, including the ways in which these traps can be eliminated. The study will be carried out by a team of experts to be appointed by the Ministry of Employment and the Economy. Following completion of the study, decisions will be made on the measures to be adopted to address the incentive traps.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin. General outlines for the unemployment security reform determined.	10/2015
	Plan for the elimination of incentive traps completed.	2/2016
Phase 2	Government proposal for the reform of the unemployment security system in spring 2016.	Spring 2016
	Study on incentive traps completed.	12/2016
Phase 3	Decisions on measures to eliminate incentive traps.	2/2017
Phase 4	Potential Government proposal for the elimination of incentive traps.	9/2017
	Measure completed as planned. Entry into force of amendments to unemployment security.	1/2017
	Entry into force of potential amendments to eliminate incentive traps.	1/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## Measure 2: Create a model to deliver inclusive social security.

1. As part of the efforts to create the model, steps will be taken to determine whether unemployment security benefits could be used more extensively for developing skills and competence, lowering the employment threshold and reinforcing inclusion in the labour market.
2. Additionally, a determination will be made whether the social security system includes elements similar to the unemployment security system that make it more difficult for the unemployed to improve their employability.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	12/2016
Phase 2	If any legal amendments are required, a Government proposal containing the necessary provisions is given.	9/2017
Phase 3	Measure completed as planned.	1/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## Measure 3: Stiffen the conditions for job alternation leaves by introducing needs-based assessment and/or by revising the employment history condition.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	6/2015
Phase 2	Government proposal given.	9/2015
Phase 3	Measure completed as planned.	1/2016
<b>Resources</b>	2016: - 2017: - 2018: -	

## KEY PROJECT 3: LOCAL BARGAINING WILL BE PROMOTED AND BARRIERS TO EMPLOYMENT REMOVED

Minister of Justice and Employment Jari Lindström and Minister of Economic Affairs Olli Rehn

*The objective is to introduce a comprehensive reform of the regulation of labour relations in order to promote local bargaining. Social partners are encouraged to adopt local bargaining practices in the workplaces supported by legislative measures designed to improve the necessary preconditions for such bargaining.*

### Measure 1: Launch projects to promote local bargaining.

1. The Government will appoint a rapporteur to prepare a proposal for advancing local bargaining by 15 October 2015.
2. Legislative initiatives will be taken to promote local bargaining in order to allow companies to locally agree on measures to improve competitiveness and safeguard jobs as well as on the terms of employment such as pay, working hours, the pre-conditions for termination of employment, the use of a working time bank in an effort to reduce absenteeism due to sick leaves, and other issues affecting wellbeing at work.
3. Steps will be taken to ensure that all employers are in an equal position when local agreements are made; the role of employees in corporate decision making will also be enhanced. At the same time, a decision will be made regarding staff representation in the governing bodies of companies.

Timeframe (mm/yyyy) and phasing		
Phase 1	Rapporteur (Harri Hietala) starts his work in June 2015. Proposal for local bargaining completed.	10/2015
Phase 2	Appointment of a special working group to prepare legal amendments.	11/2015
Phase 3	A specific working group prepares the necessary legal amendments to promote local bargaining during 2015; proposals to be given to Parliament during the spring session 2016.	Spring 2016
<b>Resources</b>	Regulatory project, no outlays.	

### Measure 2: Allow fixed-term employment contracts of less than 12 months without cause.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation of amendments to chapter 1, section 2 of the Employment Contracts Act, and chapter 1, section 4 of the Maritime Employment Contracts Act.	9/2015
Phase 2	Review by a specific working group and the Seamen's Affairs Advisory Council in October 2015. Government proposal to Parliament.	Spring 2016
Phase 3	Entry into force of the legal amendments no later than	summer 2016
<b>Resources</b>	Regulatory project, no outlays.	



### Measure 3: Extend the probationary period.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation of amendments to chapter 1, section 4 of the Employment Contracts Act, and chapter 1, section 5 of the Maritime Employment Contracts Act.	9/2015
Phase 2	Review by a specific working group and the Seamen's Affairs Advisory Council in October 2015; Government proposal to be given concurrently with the Government proposal regarding the cause for fixed-term employment.	
Phase 3	Entry into force of the legal amendments no later than	summer 2016
<b>Resources</b>	Regulatory project, no outlays.	

### Measure 4: Relax the obligation to re-employ in case of redundancy.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation of amendments to the Employment Contracts Act and the Maritime Employment Contracts Act. Review by a specific working group and the Seamen's Affairs Advisory Council.	9/2015
Phase 2	Government proposal to be given concurrently with the proposal regarding fixed-term employment without cause and extension of the probationary period.	Spring 2016
Phase 3	Entry into force of the legal amendments.	summer 2016
<b>Resources</b>	Regulatory project, no outlays.	

### Measure 5: Improve change security for employees in case of mass redundancy.

1. Steps will be taken to ensure effective implementation of forward-looking cooperation and networked inter-regional ways of working to make it easier to predict training needs and facilitate re-entry to the labour market as quickly as possible. Best practices will be disseminated, particularly in connection with the efforts to improve skills and competence and create new production and jobs.
2. Employees will be assisted in relocating to new jobs and starting up a business through labour market and joint purchase training.
3. Legislative initiatives will be prepared to obligate employers to participate in the re-training of displaced employees or in other measures designed to facilitate re-entry to the labour market. Small firms will be exempted from these obligations.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation of amendments to the Employment Contracts Act and the Maritime Employment Contracts Act by a specific working group. Commencement of preparation.	9/2015
	The ESF's nationwide 'Change Security through Cooperation' programme is launched.	2015
Phase 2	Entry into force of the legal amendments.	2016
Phase 3	Change Security through Cooperation programme ends. Project to develop change security measures and extension of skills and competence is completed.	12/2017
<b>Resources</b>	Regulatory project, no outlays.	

**Measure 6: Amend sick leave provisions to reintroduce six days' exemption from employer's liability for sick leaves during annual leaves of five weeks or longer and to limit the accrual of annual-leave days to a maximum period of six months during parental leaves.**

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Amendments to the Employment Contracts Act and the Maritime Employment Contracts Act commenced.	7/2015
Phase 2	Government proposal given.	10/2015
Phase 3	Entry into force of the legal amendments.	1 April 2014
<b>Resources</b>	Regulatory project, no outlays.	

**Measure 7: Implement overall reform of the Workings Hours Act and Annual Leaves Act to simplify regulation and reduce the cost of compliance and supervision for companies and administration.**

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Appointment of the working group.	9/2015
Phase 2	Proposal for the reform of the Working Hours Act completed.	2016/2017
Phase 3	Proposal for the reform of the Annual Leaves Act completed.	2017/2018
Phase 4	Entry into force of the legal amendments.	2019
<b>Resources</b>	Regulatory project, no outlays.	

**Measure 8: Promote work-related migration that enhances employment in Finland, boosts public finances, improves the dependency ratio and contributes to the internationalisation of the economy.**

Steps will be taken to ensure access to and the supply of labour including skilled labour and to increase demand for labour and amplify its positive effects in terms of economic growth and the dependency ratio. A plan will be prepared to promote work-related migration:

1. Residence permit procedures will be streamlined accompanied by other measures to increase Finland’s attraction and induce greater commitment to Finnish society.
2. Steps will be taken to improve the integration services available to post-graduate students who have completed their degrees in Finland and their family members.
3. Further measures will be taken to promote amicable ethnic relations and equality, and to prevent racism. Accessibility, diversity and equality in the labour market will be ensured.
4. International labour exchange and EURES services will be extended.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning of measures is completed and implementation may begin. Implementation of specific measures already commenced.	12/2015
Phase 2	Implementation of the measures (incl. legislative initiative to amend the Aliens Act).	Spring 2016
Phase 3	Progress review and potential additional measures.	Spring 2016–autumn 2017
Phase 4	Implementation of follow-up measures based on mid-term review.	Autumn 2017–autumn 2018
Phase 5	Foreseen measures completed.	2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## KEY PROJECT 4: LABOUR ADMINISTRATION REFORM TO SUPPORT EMPLOYMENT

Minister of Justice and Employment Jari Lindström

*The objectives are to address the mismatch of jobs and workers in the labour market, eliminate demotivating measures, harmonise the interpretation of regulations across the labour administration and to focus the resources on activation measures.*

*The Government will prepare a proposal and necessary measures for a comprehensive reform of employment services.*

**Measure 1: Clarify the role of the Employment and Economic Development Centres in the provision of employment services. Intensify public employment services' dialogue and cooperation with employers. Carry out the reform to highlight the job seeker's own role in job-seeking while at the same time ensuring effective enforcement of the sanctions provided for in the current legislation.**

1. Companies' possibilities for the recruitment of labour will be improved by developing online services and introducing new forms of cooperation with employers.
2. Follow-up to ensure that vacancies are filled.
3. Online employment and business services will be revamped and operations digitalised as extensively as possible.
4. An automated search engine for all public and private sector vacancies and jobseekers will be put in place. The existing employment services site (TE-palvelut.fi) will also be upgraded into a new type of site that makes efficient use of the Big Data available in the new system and supports personalised service models.
5. The efforts to underline the jobseeker's own role and engagement will be continued on the basis of the report on the effectiveness of employment plans.
6. Efficient enforcement of the sanctions available under unemployment security regulations will be ensured.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	12/2015
Phase 2	Regional experiments testing new forms of cooperation with employers (including private employment agencies).	1/2016–6/2017
Phase 3	Completion of the programme underlining the jobseeker's own role and engagement.	3/2017
	New forms of cooperation with companies put in place.	8/2017
Phase 4	Automation of employment services accomplished.	2/2018
Phase 5	Measure completed as planned.	3/2018
<b>Resources</b>	Digitalisation of employment and business services. 2016: EUR 10.0 million. 2017: EUR 10.0 million. 2018: - Total: EUR 20.0 million.	

**Measure 2: Transfer employment services and resources targeting the least employable workers to the municipalities by commuting area.**

The Government will make preparations for reassigning responsibility for the unemployed with low employment prospects by introducing experimental schemes to be implemented in close collaboration with the largest municipalities.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	12/2015
Phase 2	Reassignment of the responsibility for the provision of services will be prepared in the context of voluntary experimental schemes to be launched in collaboration with the municipalities willing to participate. To be implemented in the largest municipalities, the experimental schemes offer the opportunity to assess the effects of transfer and make the necessary adjustments before nationwide implementation. One argument for this experimental scheme is that the Government will not assign any new duties to the municipalities during its term 2015–2019. The Government proposal for the experimental scheme act cannot be given to Parliament until autumn 2016, which means that the experiment can be launched in early 2017 at the earliest.	1/2017 (launch of the experimental scheme)
<b>Resources</b>	2016: - 2017: - 2018: -	

**Measure 3: Expand the role of private employment services particularly with regard to the most employable workers.**

1. The role of private employment agencies will be enhanced by extending contract-based cooperation (partnering) and increasing purchases from private service providers.
2. Partnering in labour exchange services will be expanded with private recruitment agencies, trade unions and business associations as well as entrepreneurs' organisations.
3. The impact and effects of the partnering agreements signed in 2015 will be assessed and proposals for further development made in response to the findings.
4. Private services will be used to an increasing extent to support job-seeking efforts and work coaching.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	12/2015
Phase 2	The timetable for further preparations will be specified in more detail once it is first determined whether any regulatory amendments or changes to the government budget are called for. If no legal amendments are required, the preparations will be completed so as enable the Government to give its proposal to Parliament during the autumn term 2016. If so, the new regulations could take effect as of the beginning of 2017.	1/2017 (if regulatory amendments required)
Phase 3	Measure completed as planned.	1/2017
<b>Resources</b>	Increased supply of private employment services through the purchase of services from private providers. 2016: EUR 5.0 million. 2017: EUR 5.0 million. 2018: - Total: EUR 10.0 million.	

## KEY PROJECT 5: INCREASED HOUSING PRODUCTION

Minister of Agriculture and Forestry Kimmo Tiilikainen

*The Government's objective is to encourage housing construction. To accomplish this, the zoning and permit systems will be streamlined to facilitate and accelerate construction with the aim of boosting economic growth and employment; increasing the supply of housing; renewing the housing stock; responding to demand for housing; promoting competition in the construction industry; increasing the freedom of choice in housing; and responding to changes in the housing needs. The Government will vigorously pursue its housing policy.*

### **Measure 1: Increase Government-subsidised housing production to target those with the greatest need for affordable housing.**

Developers will no longer be required to meet the 'general interest' requirements in new housing production; instead, the restrictions will be stiffened and applied specifically to each individual project on a case-by-case basis. A new 10-year interim model for rental housing production will be put in place. The restrictions regarding the use and sale of the existing ARA-subsidised housing stock will be relaxed subject to the condition that the capital resources so released are used for housing production or building repairs.

By adjusting the conditions for state aid for housing production, the Government seeks to facilitate the launch of building projects, which will increase the mobility of labour and improve competitiveness.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Legislative project to adjust the restrictions and amend the 'general interest' requirements commenced.	8/2015
	Legislative project to create the interim model commenced.	8/2015
Phase 2	The Ministry of the Environment issues a circular to the Housing Finance and Development Centre of Finland (ARA) on the relaxation of restrictions.	12/2015
	Government proposal concerning general interest requirements and restrictions given to Parliament.	4/2016
	Government proposal concerning the interim model given to Parliament.	9/2016
Phase 3	ARA authorised to make decisions on the relaxation of the restrictions regarding the use and sale of the existing ARA-subsidised housing stock.	1/2016
	Entry into force of the legal amendments regarding general interest and restrictions.	7/2016
	Entry into force of the legal amendments regarding the interim model.	1/2017
<b>Resources</b>	Provision of the necessary authorisations for housing production purposes. Subsidies required for the new interim model to be determined in the course of preparations. Budget item 35.20.60 (National Housing Fund). 2016: - 2017: - 2018: - No key project funding required for this measure; other funding.	

## 2 SKILLS AND EDUCATION

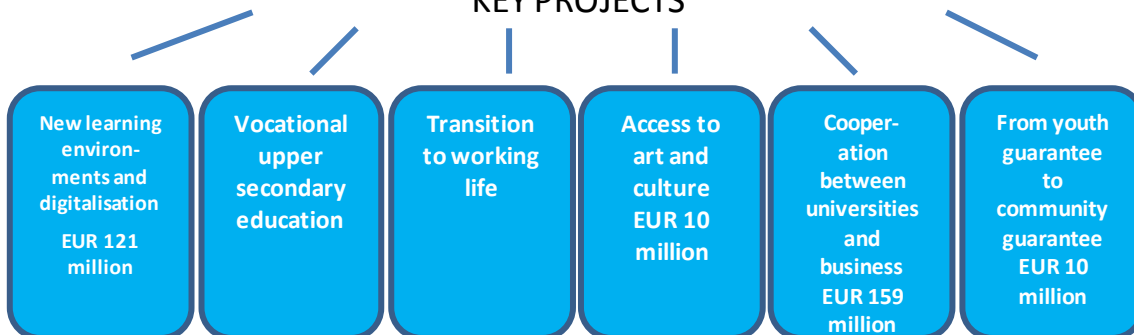


2025: Finland is a country where people always want to learn new things. Skills and education levels in Finland have risen, promoting the renewal of Finnish society and equal opportunities. Finland is in the vanguard of education, skills and modern learning techniques.

Government term objectives for the strategic priority:

- Learning environments have been modernised and the opportunities offered by digitalisation and new pedagogical approaches are grasped in learning.
- The number of young people who have dropped out of education or working life has fallen. The drop-out rate in education has declined.
- Dialogue between educational institutions and working life is more active.
- The quality and effectiveness of research and innovation have begun to improve.
- Education and research have become more international and obstacles to education exports have been removed.

### KEY PROJECTS



## KEY PROJECT 1: NEW LEARNING ENVIRONMENTS AND DIGITAL MATERIALS TO COMPREHENSIVE SCHOOLS

Minister of Education and Culture Sanni Grahn-Laasonen

*The objective is to make Finland a leading country of modern learning and inspiring education.*

### **Measure 1: Update the comprehensive school system to the 2020 requirements to make Finland the number one country of inspiring learning and education.**

The reform will be carried out in three areas: new pedagogy, new learning environments and the digitalisation of education. The goal is to improve learning results, respond to future skills and competence needs, renew pedagogy through experimental schemes and inspire lifelong learning.

This key project will be implemented by making full use of teachers' skills and experiences while giving them extensive pedagogic latitude. Local solutions, creativity and experimentation will be encouraged. The objective is to make Finland into a world-class laboratory of new pedagogy and digital learning.

As part of the key project, efforts will be made to promote school peace and ensure a psychologically, physically and socially safe and secure school day for every pupil and student.

1. Basic and supplementary teacher training will be reformed. The introduction of digital materials and new learning environments will be facilitated through digital-pedagogic supplementary training. Every Finnish teacher will be offered access to competence-based supplementary training geared to the personal skills level.
2. Experimental schemes and workshops on pedagogy, digital learning and new learning environments will be instituted.
3. The National Board of Education will establish an 'experimental centre' to coordinate the experiments and to ensure the efficient dissemination of best practices. Additionally, a unit for modern learning facilities will be set up to assist education providers in upgrading their facilities.



<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	<p>Planning completed, implementation can begin.</p> <p>Unit for modern learning facilities established by the National Board of Education.</p>	12/2015
Phase 2	<p>Support for education providers in implementing the reforms necessitated by the new pedagogy, modernisation of school facilities and digitalisation. Call for applications for new pedagogy, learning environment and digital learning projects and workshops.</p> <p>Plans for the provision of supplementary training for teachers completed and ready for implementation.</p> <p>Broad-based teacher training forum to develop teacher training in collaboration with teachers, universities and stakeholders by making full use of research data.</p> <p>Development programme for basic and supplementary teacher training completed and implementation commenced.</p>	<p>1/2016– 12/2016</p> <p>8/2016</p>
Phase 3	<p>Data gathering on the modernisation of learning environments, experimental schemes and best practices.</p> <p>Interim report on digital projects.</p> <p>New call for applications based on best practices. Preparation of final report.</p> <p>Implementation of nationwide supplementary training for teachers. Efforts to develop learning environments continued.</p> <p>Progress made in the implementation of the development programme for basic and supplementary teacher training assessed by the Finnish Education Evaluation Centre in connection with the overall assessment of teacher training.</p> <p>Assessment commenced.</p>	<p>11– 12/2017</p> <p>1/2017</p> <p>12/2018</p> <p>1/2017– 12/2018</p> <p>2018</p>
Phase 4	Foreseen measure implemented in full.	12/2018
<b>Resources</b>	<p>Teacher's competence leap through teacher training.</p> <p>2016: EUR 9.5 million.</p> <p>2017: EUR 19.0 million.</p> <p>2018: EUR 21.5 million.</p> <p>Facilitation of the adoption of digital materials including experiments with and further development of digital learning.</p> <p>2016: EUR 6.0 million.</p> <p>2017: EUR 16.0 million.</p> <p>2018: EUR 18.0 million.</p> <p>Total EUR 90.0 million.</p>	

**Measure 2: Expand the ‘Schools on the Move’ project across the country to ensure one hour of physical activity each day. Introduce physical exercise elements into various subjects.**

The objective is to support diverse physical activities and equality in the pursuit of hobbies, reduce costs and facilitate time usage by families. Resources and advice will be provided to encourage local governments to upgrade schoolyards so as to promote physical activities.

The programme will be implemented through extensive cross-administrative collaboration by promoting a culture of active involvement in preschool education, club activities, morning and afternoon activities and by improving school peace. Elements of physical exercise will be incorporated into various subjects and the ‘Schools on the Move’ programme extended across the country. All the key administrative departments (sports, education, social welfare and health, youth, environment and transport) and third-sector parties will be involved.

1. The Schools on the Move programme will be extended to embrace the entire country with the aim that all comprehensive school students engage in physical activities for at least one hour a day. Practical implementation will be left to individual schools. Best practices and experiences gained from extended recesses, third-sector cooperation, etc., will be disseminated. The recommendations issued by the Ministry of Social Affairs and Health designed to reduce sedentary work will be adopted.
2. As part of the pedagogic reform, learning based on physical activities will be extended beyond the classroom environment. Barriers to the more extensive use of school premises for physical activities will be removed and the opportunities for third-sector parties to use the school facilities in the mornings and afternoons improved.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	1–3/2016
Phase 2	Extension of the Schools on the Move activities across the country. Call for applications for projects to promote learning based on physical activity.	1–5/2016
	Schools on the Move experiments at secondary-level educational institutes.	1/2017
Phase 3	Interim assessment.	12/2017
Phase 4	Compilation and final reporting of best practices.	8–12/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 7.0 million. 2017: EUR 7.0 million. 2018: EUR 7.0 million. Total: EUR 21.0 million.	

**Measure 3: Increase and diversify language teaching. A regional experiment will be launched introducing the first foreign language in the first year and another regional experiment to extend the range of languages offered in accordance with the resolution approved by Parliament.**

The goal of early language teaching is to support learning, motivate students and diversify the range of languages taught. The measure will be enabled by granting special subsidies to education providers for the purpose of organising regional experiments with a view to introducing the first foreign language in the first school year.

1. A regional experiment will be launched introducing the first foreign language in the first year. Special assistance may be granted to education providers offering language teaching beyond the minimum weekly hours with the first foreign language being introduced in the first year and teaching continued thereafter as an A2 language course in subsequent years. When the experimental schools are selected, special attention will be given to the diversity of languages offered, which may be one of the criteria for selection. Priority will be given to education providers' regional joint projects with a designated coordinator. No legal amendments are required for the experiment.
2. A regional experiment will be launched to extend the range of languages offered in accordance with the resolution approved by Parliament. The legal framework for the implementation of the regional experiments for the diversification of languages without the obligation to study the second official language will be determined. The Ministry of Education and Culture has identified the necessary amendments to the relevant legislation. Additionally, there are a number of other issues related to the realisation of fundamental rights that the Ministry will examine in consultation with the Ministry of Justice.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	1–3/2016
Phase 2	Call for applications for language teaching experiments and commencement of assessment.	1–5/2016
	Activities commenced.	8/2016
	The legal framework for the implementation of the regional experiments for the diversification of languages without the obligation to study the second official language is determined. If the requirements are met, the experiments are carried out.	1–12/2016
Phase 3	Monitoring and interim assessment of language teaching experiments.	1–12/2017
Phase 4	Summary and reporting of experiments.	8–12/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: - 2017: EUR 5.0 million. 2018: EUR 5.0 million. Total: EUR 10.0 million.	

## KEY PROJECT 2: REFORM OF VOCATIONAL UPPER SECONDARY EDUCATION

Minister of Education and Culture Sanni Grahn-Laasonen

*The objective is to reform vocational education by creating a competence-based customer-oriented system and to improve efficiency. Additionally, on-the-job learning and individual learning paths will be promoted and detailed regulation and overlapping functions eliminated.*

### **Measure 1: Reform vocational upper secondary education to respond to the skills and competence requirements of the future.**

1. Steps will be taken to eliminate overlapping functions and services.
2. The barriers between vocational education for young people and adults will be removed and the provision of education, its funding and management will be merged to create a coherent whole under the auspices of the Ministry of Education and Culture.
3. Provision of vocational education will be restructured and operational processes overhauled.
4. The legislation on vocational education will be reformed by combining the existing acts on basic vocational education and vocational adult education to enact a new law providing for competence and customer orientation. Vocational education will be reformed by extending the scope of qualifications and reducing the number of individual qualifications as well as by streamlining and simplifying the regulation and administration related to the qualification system. Additionally, student admission to vocational education and application services will be revised.
5. Steps will be taken to increase the labour market compatibility, cooperation and synergy of the training provided for the unemployed including voluntary training. Provision of training permitting quick response to the changes in the economy will be ensured and the necessary development services provided. Such services may also be offered by parties other than the existing licensed education providers.
6. A programme will be launched to develop the current provider structure to safeguard the capacity of the service provider network and to improve the regional coverage of education. Education providers will be encouraged to enter into voluntary mergers with due regard to the principle of neutrality.
7. The operational processes and learning environments of the education providers will be renewed and digitalised. A development programme for greater competence and customer orientation will be launched to renew the functional processes of vocational education; improve efficiency of the operations of education providers and streamline administration; increase and diversify learning in the workplace and apprenticeship training in particular; reduce the administrative and financial burden of the provision of training on employers; and improve the quality of workplace learning. A new model contract for education and training will be introduced to permit greater flexibility in the provision of workplace training and completion of qualifications in a more hands-on manner.
8. A wide range of digital services and learning environments supporting these goals will be developed and adopted, and the skills and competence of the teaching staff enhanced.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Programmes for reorganising the education provider system and developing operational processes commenced.	1/2016
Phase 3	Government proposal for the legislative amendments to vocational education given to Parliament. It will be linked to legislative amendments governing the funding of vocational education with the proposal to this effect given concurrently.	1/2017
Phase 4	Revised legislation takes effect. New model contract for educational services adopted.	1/2018
Phase 5	Foreseen measure completed in its entirety.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## **Measure 2: Centralise funding and administration of vocational upper secondary education.**

1. The funding system of vocational education will be centralised by combining the existing funding systems for basic vocational training, supplementary vocational training, apprenticeship training and labour market training. The effectiveness and outcomes of the training and education as a criterion for the funding granted to education providers will be highlighted while at the same time relaxing regulations complicating the provision of efficient customer-responsive services.
2. The regulation and supervision of vocational education will be reformed by introducing a single license for all vocational training and education. The control system will be revamped by focusing on outcomes, quality and impact, and the regulatory guidance given to education providers will be streamlined.
3. As part of the reform of the regulatory and supervisory system, access to vocational education by those without any secondary education in special learning environments – such as prisons – will be improved. Studies suggest that the education of prisoners is one of the most cost-effective ways of reducing recidivism and the costs incurred by society.
4. Steps will be taken to increase the appeal of apprenticeship and workplace training to employers, education providers and students.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	9/2015
Phase 2	Government proposal related to the implementation of the savings to be made in vocational education in 2017 and the first phase of the reform of the funding system given to Parliament.	3/2016
Phase 3	Government proposal related to the second phase of the reform of the funding system given to Parliament. The reform of the regulatory and supervisory system will be linked to legislative amendments governing vocational education with the proposal to this effect to be given concurrently.	1/2017
Phase 4	Entry into force of the amended legislation on funding. Measure completed as planned.	1/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## KEY PROJECT 3: ACCELERATED TRANSITION TO WORKING LIFE

Minister of Education and Culture Sanni Grahn-Laasonen

*The objective is to prolong careers and provide for flexible learning paths to facilitate the transition to advanced studies by young people. Flexible learning paths make it possible to complete degrees and reconcile work and studies.*

*The Ministry of Education and Culture will carry out negotiations with universities in 2016 to agree on the objectives for the quicker transition to working life for the period 2017–2020. These efforts will be supported by funding from strategic schemes.*

### **Measure 1: Accelerate transition from the upper secondary level to universities.**

1. The Ministry of Education and Culture will initiate a process with the universities to renew admission tests in order to reduce unnecessary gap years and the average age at which university studies are commenced. Funding will be redirected to encourage universities to abandon arrangements requiring long-term preparation for admission examinations, which will substantially reduce the need for preparatory courses. The Matriculation Examination Board and universities will jointly prepare an action programme for better utilisation of the matriculation examination in the student selection process.
2. Transition to university studies will be accelerated by expanding cooperation between upper secondary and higher education, intensifying contacts with employers and developing student guidance services. Pilot projects will be launched to explore the potential for closer cooperation between general upper secondary schools and universities; best practices will be disseminated.

### **Measure 2: Facilitate university studies by enabling year-round studies and wider recognition of previously acquired skills and competence.**

1. The Ministry of Education and Culture supports measures by the universities to improve, increase and diversify summer education, network learning and intensive courses. The provision of summer education will be monitored to determine the progress made in this respect. Support will be provided for the introduction of exam aquariums at all universities.
2. Greater recognition to the skills and competence acquired while working. Work carried out during studies may also be recognised and credited. The progress made in the recognition of previously gained skills and competence will be monitored.

**Measure 3: Promote digital learning environments at the universities, the provision of online teaching and digitalised cooperation in education to facilitate progress in studies and quicker transition to university.**

1. Textbook materials and educational content will be created for shared use by the universities.
2. Steps will be taken to encourage a versatile use of digital tools in education, diversify assessment procedures using digital systems, equip class rooms with aids that support digital teaching methodology and promote educational cooperation between universities.
3. The digital literacy of the teaching staff will be improved and learning analytics developed in support of studies and guidance.
4. Massive open online courses (MOOC) will be offered for use in education and made available to upper secondary level students and institutes of education.

Through these measures, efficiency in education and instruction will be improved, students offered a wider range of opportunities, and access to education by upper secondary level students will be improved. At the same time, basic IT skills necessary for successful digitalisation will be taught to all university students by making full use of ubiquitous forms of education. The objective is that students in all the fields and at all the levels of studies master basic ICT skills.

#### Measure 4: Update qualification requirements in the public sector.

1. The current situation and the requirements imposed by the professional qualifications directive will be determined.
2. National priorities will be defined.
3. The necessary proposals will be prepared for reduced regulation of the required qualifications.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	<b>Year-round studies</b> The Ministry of Education and Culture disseminates best practices in collaboration with universities and student and employee organisations.	12/2015
	Negotiations are carried out with universities to agree on shared and specific objectives.	6/2016
	<b>Updating qualification requirements in the public sector</b> The current situation and the requirements imposed by the professional qualifications directive will be determined, the national priorities defined, and the necessary proposals for reduced regulation of required qualifications prepared. Preparation of legislative amendments commenced.	12/2015
	<b>Reform of student selection for higher education</b> Negotiations are carried out with universities to agree on shared and specific objectives.	2016
Phase 2	<b>Cooperation with upper secondary education</b> The National Board of Education's Studyinfo.fi site will be upgraded to provide more efficient support for cooperation between universities and upper secondary schools by improving the visibility of services intended for secondary level students in particular.	2016/ 2017
	<b>Recognition of previously acquired skills and competence</b> Negotiations are carried out with universities to determine shared and specific objectives for improving the efficiency of learning processes and wider recognition of skills and competence gained in working life.	12/2016
	<b>Updating qualification requirements in the public sector</b> Completion of the legislative initiatives.	
Phase 3	<b>Year-round studies</b> The objective is that by 2020, the credits earned during the summer account for 20% of all credits. Mid-term assessment.	8/2017
	Assessment of the recognition of previously acquired skills and competence by the individual universities and the identification of areas where improvements are called for.	2017
<b>Resources</b>	2016: - 2017: - 2018: -	



## KEY PROJECT 4: ACCESS TO ART AND CULTURE WILL BE FACILITATED

Minister of Education and Culture Sanni Grahn-Laasonen

*The objective is to incorporate culture into children's daily lives, support the creativity of children and young people, and make art and culture easily accessible to all.*

### **Measure 1: Improve access to basic art education and children's culture currently not available to all in every part of the country.**

Children and young people will be offered greater opportunities to take an active part in art and cultural pursuits, and to improve their creative skills, cultural competence and capacity for learning. Cooperation will be expanded between basic and early education providers and those providing basic art education, art and culture professionals, institutions and other actors, libraries and third-sector parties. Access to children's cultural services will be ensured across the country. Regular art and cultural activities and the pursuit of children's free-time hobbies in school premises will be increased also outside school hours. Efforts will be taken to make it possible for children and families to spend more time together (children's long afternoons, family time).

The main actors will be institutions providing basic art education, basic education providers, children's cultural centres, art institutions, museums, libraries, heritage associations and other actors in the field of art and culture. Due consideration will also be given to informal learning environments.

1. The provision of basic art education and other art and cultural activities will be increased through structured club activities and cultural pursuits organised for children by schools. Operational models will be created for enhancing cooperation between various actors and fields of art. The provision of basic art education and the arrangement of other club activities by art and culture actors in the school premises in the afternoons will be expanded.
2. The activities of the children's cultural network will be extended across the country to ensure that each municipality will have access to the necessary expertise and the art and culture services offered by the centres.
3. Innovative models and tools will be developed for use by education providers, families and cultural institutions for the purpose of inspiring children and families to engage in arts, culture and cultural heritage.
4. An experimental development project will be launched to promote children's and young people's multiliteracy skills. It also aims to reinforce the early, pre-school and basic education structures and support the efforts of libraries and culture actors contributing to such skills. Multiliteracy refers to a range of skills needed for the interpretation and production of various texts (comprehension of written and spoken language, ability to understand mathematics, images, media literacy and digital literacy).

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed.  Implementation starts in the spring. First call for applications for special grants for multiliteracy projects.	12/2015  2016
Phase 2	Implementation of the action plan and potential additions. Second call for applications for special grants for multiliteracy projects.	1–12/2017
Phase 3	Implementation of the action plan.  Project evaluation and proposals for further action.	1–12/2018  1–11/2018
Phase 4	Measure completed as planned.	12/2018
<b>Resources</b>	Improved access to children’s cultural activities through club activities organised by schools and basic art education providers in school premises in the afternoons. 2016: EUR 0.8 million. 2017: EUR 1.0 million. 2018: EUR 1.0 million.  Improved access to art and culture. 2016: EUR 1.2 million. 2017: EUR 2.0 million. 2018: EUR 2.0 million. Total: EUR 8.0 million.	

**Measure 2: Extend the principle of investing up to 1% of the construction costs of public buildings in the acquisition of works of art in cooperation with the social welfare and healthcare sector in order to support the welfare impacts of the arts.**

1. A new approach linked to the current one-percent rule will be created to facilitate the acquisition of art- and culture-based wellbeing services in the social welfare and healthcare sector. Aside from visual arts, it would also encompass other fields of art (e.g. music, dance, theatre, literature) and culture in the widest sense of the term (e.g. reminiscence). The appropriation will be used for assisting municipalities in piloting the model thereby expanding the provision of various fields of art and cultural services and improving access to art in institutions.
2. A cross-administrative working group will be appointed for the project with the mission of developing the most suitable ways of working for the various operating environments. It will also draft a proposal to establish an operating model consistent with the one-percent rule and to improve access to art and culture in the social welfare and healthcare sector.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	With the project plan completed and working group appointed, implementation may begin.	12/2015
Phase 2	The Ministry of Education and Culture/Social Affairs and Health launches an information campaign to promote the key project and encourage other actors to participate in piloting.	Spring 2016
Phase 3	First call for grant applications and decisions.	Autumn 2016
	Second call for grant applications and decisions.	Spring 2017
Phase 4	Assessment of the impact of the first and second calls for applications and the outcomes of the pilots. Completion of the working group's proposals for further action.	2018
	Ministerial recommendation for the establishment of the operating model.	
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 0.6 million. 2017: EUR 0.8 million. 2018: EUR 0.6 million. Total: EUR 2.0million.	

## KEY PROJECT 5: INTENSIFIED COOPERATION BETWEEN HIGHER EDUCATION AND BUSINESS LIFE TO COMMERCIALISE INNOVATIONS

Minister of Economic Affairs Olli Rehn in collaboration with the Minister of Education and Culture Sanni Grahn-Laasonen

*The objective is to make maximum use of scientific and research resources and to boost education exports.*

**Measure 1. Higher education institutions and research institutes will be required to prepare a proposal regarding their respective responsibilities and intensified cooperation between faculties and research units. Higher education institutes will be recapitalised.**

1. Universities and research institutes will be required to submit proposals for structural development in February 2016 as foreseen in the Government Programme. Instructions will be provided in October 2015.
2. Universities and research institutes will allocate resources to centres of excellence of their choice with due regard to the strategic priorities specified by the Government.
3. Additional capital resources will be made available to universities and universities of applied sciences (Ministry of Education and Culture). The profiling and division of duties between higher education institutes will be clarified and efforts to increase research impacts and promote commercialisation intensified. The share of private money to be put out to open tender will be increased in university funding. Of the various criteria for the provision of additional capital resources, special attention will be paid to the ability to raise external funding as well as the productivity, quality and impact of operations.

Timeframe (mm/yyyy) and phasing		
Phase 1	The Ministry of Education and Culture's circular to universities and the instructions to research institutes from the responsible ministries regarding the process for the preparation of the proposal for the division of duties and intensification of cooperation as well as the quick commercialisation of research outcomes.	Autumn 2015
Phase 2	Decision on the provision of additional capital resources to universities as part of the General Government Fiscal Plan. Implementation of the necessary legislative amendments to the Money Collection Act and tax deductibility of private donations as outlined in the Government Programme.	Autumn 2015
Phase 3	Submission of proposals for cooperation and the division of duties between higher education institutes and research institutes to the ministries.	2/2016
Phase 4	Negotiations between higher education institutes and the MoEC regarding the period 2017–2020 and agreements between research institutes and responsible ministries for 2017–2020.	2016
Phase 5	Assessment of the changes in the intensified cooperation between higher education institutes and research institutes, and the implementation of the division of duties and structural reforms.	12/2018
	Disbursements of the capital infusion to universities of applied sciences and universities.	2018
<b>Resources</b>	Measures aiming for the structural development of higher education institutes will be supported with the strategic development funds included in regular university funding. 2016: - 2017: - 2018: Universities to receive a capital infusion of EUR 46 million and universities of applied sciences EUR 24 million. Total: EUR 70.0 million.	

## **Measure 2: Provide financial support for regional and industry-specific centres of excellence.**

Centres of excellence will be utilised to improve the efficiency and impact of research, development and innovation efforts, and to increase Finland's appeal as a host for advanced skills-intensive companies. Regional hubs make use of local skills and resources while industry-specific hubs accumulate expertise to create areas in which Finland can lead the way.

Public and private resources will be drawn upon to put in place high-impact strategic projects and promote a national division of duties in research, development and innovation efforts by employing the measures outlined in the multiannual process of intensified cooperation between higher education institutes and research institutes as well as the EU's Horizon 2020 research and innovation programme, the European Regional Development Fund (ERDF) and the European Fund for Strategic Investments (ESFI).

Cooperation between higher education institutes, research institutes, businesses and cities will be increased in an effort to develop and commercialise new products and services. The investments in the future made by urban regions will serve as development platforms generating demand for innovative solutions.

A coherent range of measures with clearly defined objectives and performance indicators will be put in place to support the centres of excellence by drawing upon the experiences gained from the Innovative Cities Programme and the Strategic Centres for Science, Technology and Innovation (CSTI). This will call for the following measures:

1. Advanced internationally recognised research will be supported by re-allocating part of the resources of the higher education institutes and research centres (incl. research infrastructure) to centres of excellence and corporate cooperation with due regard to the individual profiles of the centres and the strategic priorities defined by the Government. (MoEC and individual ministries involved).
2. Existing and new R&D&I programmes will be aligned to promote centres of excellence (MEE, MoEC). To achieve competence-based growth and create centres of excellence of international standing and to uphold the standard of quality and impact of research, appropriations for research by the Academy of Finland subject to open tendering will be increased. To ensure a better match between the needs of business and industry and publicly funded research, Tekes will launch 'Challenge Finland' – a challenge-based solution-oriented research programme. Use will be made of the 'Research Benefit' joint research vehicle being planned by Tekes in order to harness the outcomes of the CSTI programmes in business.
3. Construction of infrastructure environments to promote research-intensive priorities of strategic importance (such as cleantech, the bioeconomy, other technology industries, healthcare and the service sector) will be supported (MoEC, MEE). Steps will be taken to ensure that the existing infrastructures are updated and centres of excellence encouraged to allocate resources to the efficient utilisation of research infrastructures transcending sector boundaries through advanced division of duties and cooperation. Financing will be provided to open the infrastructures to all actors in an effort to maximise the use of resources, improve their impact and effectiveness as well as to restructure the economy.
4. Initiatives will be launched jointly by universities, research institutes and companies to provide a platform for the commercialisation of research and competence, the establishment of new businesses and the creation of international business in select

prioritised areas. In these business ecosystems, full use will be made of digitalisation, R&D&I programmes and the principles of open scientific research. The preparation of reference projects in bioeconomy, clean technology and other prioritised areas of strategic importance will be supported. An innovation bank will be established to contribute to the more efficient utilisation of innovations and patents. (MEE, MoEC).

5. A regional division of duties and regional centres of excellence to facilitate smart specialisation will be supported through agreements between the state and urban regions. The agreements will be developed into increasingly strategic cross-administrative vehicles for improving international competitiveness. The objective is to create clusters of international standard. (MEE, MoEC).
6. Major investments in the future by cities and municipalities (including joint municipal authorities) will be used as a testing ground for new innovations and model projects to promote exports. To support these efforts, a unit for innovative public procurement will be established and Tekes' Smart Procurement programme utilised. Cooperation between cities and municipalities will be expanded to create a larger lead market and disseminate best practices. (MEE).
7. Adequate resources will be provided for the preparation of the EU's Horizon 2020 projects and infrastructure investments of international standards by drawing upon the financing provided by the Council for Strategic Research, the Academy of Finland and Tekes as well as EFSI and the EU structural funds. Steps will be taken to ensure that national R&D&I programme financing can be channelled to provide the national public funding required for major EU research and innovation initiatives (e.g. platform-building initiatives) and international networked cooperation. Structural funding from the EU (ERDF) will be directed to promote innovation, service platforms and ecosystems offering international business potential and requiring cooperation between various regions and fields of expertise.
8. As part of the efforts to reinforce the centres of excellence and commercialise research, the measures outlined in the roadmap for strategic growth in research and innovation in the healthcare sector will be implemented in order to develop an internationally competitive operating environment, increase investments in the healthcare sector and to boost exports in this field (MoEC, MoSAH, MEE).

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Plan for the implementation of the centre-of-excellence measures completed.	12/2015
	Definition of the role of centres of excellence in the context of the agreements between the state and cities.	12/2015
Phase 2	Additional resources for cross-administrative strategic management in implementing the priorities (particularly in the field of the bioeconomy, cleantech, digitalisation and healthcare).	1/2016
	Funding needed in preparation for EU programmes available to applicants.	1/2016
	Measures and pilots outlined in the roadmap for strategic growth in healthcare designed to reinforce interaction between research and business and commercialisation of research findings have reached the implementation stage.	12/2016
<b>Resources</b>	2016: - 2017: - 2018: -	

**Measure 3: Give full consideration to the effectiveness and commercialisation of research results in steering public research, development and innovation funding, as well as in the provision of incentives for research institutes and higher education institutions.**

1. Public funding will be allocated and measures taken to promote in-house or joint projects by companies, universities, universities of applied sciences and research institutes based on advanced expertise and research designed to commercialise new knowledge generated by research, and to create new products and services for the markets. Tekes' existing instruments for commercialising research (e.g. From Bench to Business) will be developed and new instruments adopted (Challenge Finland, Innovation Scout).
2. Cooperation between Tekes and the Academy of Finland will be reinforced, for example by preparing plans for corporate cooperation in consultation with Tekes for projects granted funding put out to open tender by the Academy and achieving a greater impact and more efficient commercialisation of research, accompanied by joint efforts by Tekes and Finpro (including the Team Finland Growth Programme) to this end.
3. Higher education institutes will be encouraged to cooperate with companies and intensify the impact and efforts to commercialise the research findings through guidance and public funding by ensuring that they are strategic choices by the universities and that the goals are ambitious. In support of these efforts, data gathering by universities will be developed to make it possible to assess the impact of the cooperation between business and higher education institutes and to evaluate the exploitation and commercialisation of research.
4. Renewal of the service structures, processes and career advancement models conducive to the exploitation and commercialisation of research will be implemented as part of the multi-year process to deepen cooperation between universities and research institutes.
5. Researchers' awareness of the commercial potential of research and entrepreneurship will be reinforced and funding allocated to experimentation, prototypes, quick starts and risk-filled projects.
6. The need for any legislative amendments to the Act on University Inventions will be assessed and the law updated if needed.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	From Bench to Business financial instrument is revised and adopted.	12/2015
	Principles for the gathering of follow-up data on cooperation between universities and business and the commercialisation of research are defined.	12/2015
	The need for any legislative amendments to the Act on University Inventions is assessed and the legislative initiative launched in case it is determined that such need exists.	12/2015
Phase 2	University funding is revised to intensify the harnessing and impact of research and expertise, including in fields such as commercialisation and corporate cooperation.	Government Proposal 4/2016 effective as of 1/2017
	Tekes' new financing instruments are available to actors engaged in research. Impact of the financial instruments is monitored and assessed as part of the ongoing processes.	1/2016
	Plan for the revision of the service structures and processes conducive to the exploitation of the research carried out and the expertise possessed by universities and research institutes is finished.	2016
	Fist decisions on projects funded by the Academy of Finland made, including plans for corporate cooperation and greater impact and intensified commercialisation of expertise prepared in consultation with Tekes.	9/2016
	The Act on University Inventions amended and enacted in January 2017 if determined that the need for amendments exists.	1/2017
	Experimental projects to support commercialisation of research initiated.	9/2016
Phase 3	Conclusions from assessment and monitoring available for directing the activities of research organisations.	12/2018
<b>Resources</b>	<p>MEE: Support for R&amp;D&amp;I activities; Challenge Finland, Research Benefit, Innovation Scout.  2016: EUR 14 million.  2017: EUR 20 million.  2018: EUR 25 million.  Total EUR 59 million.</p> <p>MoEC: Cooperation between Academy of Finland and Tekes to promote commercialisation; Academy of Finland's input.  2016: EUR 2 million.  2017: EUR 8 million.  2018: EUR 20 million.  Total EUR 30 million.</p> <p>Total: EUR 89.0 million.</p>	



#### Measure 4: Remove barriers to education exports at all levels.

1. Barriers to made-to-order education will be eliminated. Similarly, barriers to exports of upper secondary education services will be removed.
2. Tuition fees will be introduced for students from outside the EU/EEA. Access to education by low-income students from outside the EU/EEA will be facilitated by a specific grant system. Incentives will be created to persuade students to remain in Finland upon graduation.
3. According to a Tekes survey (2015), the total value of Finland's education exports is approximately EUR 260 million. A new objective is established to increase the volume to EUR 350 million by 2018.
4. The measures outlined in the Future Learning Finland will be complemented by means of the Team Finland network, etc.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Government proposal given on tuition fees for students from outside the EU and EEA.	Autumn 2015
	The Ministry of Education and Culture to prepare a roadmap for the expansion of education exports.	2016
	The measures outlined in the Future Learning Finland will be complemented by means of the Team Finland network, etc.	Autumn 2015
Phase 2	Legislative amendments to remove barriers to education exports.	8/2016
	Higher education institutes and other education providers have, through commercialisation, created opportunities for the export of education modules and degree programmes.	
	Export-promoting efforts will be made focusing on strategically important markets.	
<b>Resources</b>	2016: - 2017: - 2018: -	

## KEY PROJECT 6: YOUTH GUARANTEE TOWARDS COMMUNITY GUARANTEE

Minister of Education and Culture Sanni Grahn-Laasonen in collaboration with Minister of Justice and Employment Jari Lindström and Minister of Family Affairs and Social Services Juha Rehula

*The objective is to support young people's life management skills, learning paths and employability. Additionally, cooperation in the efforts to assist young people will be intensified and the best practices disseminated across the country.*

**Measure 1: Upgrade the youth guarantee to provide a model where responsibility for a young person in need of support is assumed by a single party and youth outreach efforts intensified. Cooperation between public, private and third-sector actors will be increased. Full use will be made of the best practices and projects of the youth guarantee by incorporating these elements into nationwide programmes.**

1. To help young people facing difficulties, a range of one-stop-shops established with ESF funding in the context of the youth guarantee will be expanded and the network extended across the country. The one-stop-shops will be operated jointly by public, private and third-sector actors in compliance with the principles of the youth guarantee.
2. Of the existing models, the best or most promising elements will be identified and adopted across the country. This will help create efficient standardised services customised to local conditions that the young people can participate in and commit to.
3. Outreach youth workers who have won the trust of the young people will assist them in finding the necessary services flexibly and coordinate the range of available parallel services. Outreach youth work will be intensified by drawing upon the positive experiences gained from the youth guarantee and expanding the trustee model. The trustee model for one-stop-shops and outreach youth work will be implemented jointly by MoEC, MEE and MoSAH. In localities with no one-stop-shop services, steps will be taken to increase the role of the statutory youth guidance and service network in coordinating the various services available to young people.

Timeframe (mm/yyyy) and phasing		
Phase 1	Action plan is completed and implementation may begin.	12/2015
Phase 2	Local multiparty cooperation is supported and outreach youth work intensified by developing the trustee model. All ESF-funded one-stop-shops in operation.	4/2016
Phase 3	Local multiparty cooperation is supported and outreach youth work intensified by developing the trustee model.	4/2017
Phase 4	Local multiparty cooperation is supported and outreach youth work intensified by developing the trustee model.	4/2018
Phase 5	Measure completed as planned.	12/2018
	One-stop-shop activities established on a permanent contract-based footing and financed jointly without ESF funding.	
<b>Resources</b>	2016: EUR 2.0 million. 2017: EUR 1.5 million. 2018: EUR 1.5 million. Total: EUR 5.0 million.	

## Measure 2: Guarantee all comprehensive school graduates a place of study.

Flexible basic education in years 7–9 aims at preventing dropping out. By expanding flexible basic education (JOPO) in years 7–9, it is possible to help pupils prepare for further studies and ultimately make it easier to find employment and, in extreme cases, prevent social exclusion. This positive trend can be achieved by early intervention to ensure the attainment of the objectives of the core syllabus and advancement to upper secondary education. The objective is to provide additional support to young people with a potential drop-out risk on transition from upper level school to secondary education.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	12/2015
Phase 2	Study on the implementation of flexible basic education commenced.	2016
Phase 3	Reporting.	12/2018
Phase 4	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 0.4 million. 2017: EUR 0.3 million. 2018: EUR 0.3 million. Total: EUR 1.0 million.	

## Measure 3: Improve social, healthcare and mental health services for young people and guarantee access to rehabilitation.

1. The services available to young people will be combined to provide a highly accessible integrated range of multidisciplinary guidance and support services. The ‘missing link’ of the youth guarantee in the previous Government term was the absence of support for young people left without training and work: insufficient availability of social and healthcare services and poor coordination with other services intended for youth. To address this, a new operating model will be built and implemented for the provision of social, mental health and substance use services for young people by integrating them closely with guidance and consulting services. In particular, group and community activities for the purpose of assessing young people’s functional capabilities and psycho-social resources will be expanded, and individual coaching developed and reinforced.
2. Evidence-based methods for the provision of mental health and substance use services will be adopted extensively in student and school healthcare; efficient operating models will also be tested and put in place to create a integrated range of social and healthcare services for children, young people and families.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	1/2016
Phase 2	<ol style="list-style-type: none"> <li>1. Applications are invited for targeted state aid for the implementation of rehabilitative and community-centric operating models, with a special emphasis on social assistance clients with no income by making determined efforts to stake out a path for studies and/or labour market entry. They are to be offered concrete work to provide an opportunity to participate in community-building activities, the objective being to make it possible for each young person to find his or her place in society. Under the new youth guarantee, no youth may be left to live on social assistance alone for any prolonged period of time.</li> <li>2. Assembling and adopting a toolkit of effective measures in student healthcare.</li> </ol>	1/2016
Phase 3	<ol style="list-style-type: none"> <li>1. Active experiments and testing commenced to provide psycho-social training and community-centric activities for young people with no income, training or work.</li> <li>2. Assembling and adopting a toolkit of effective measures in student healthcare.</li> </ol>	1/2017
Phase 4	<ol style="list-style-type: none"> <li>1. Impact assessments are used to determine the best operating practices and to disseminate them effectively to all social welfare and healthcare regions.</li> <li>2. Best operating models and evidence-based methodologies implemented through training and communications campaigns and made available to all municipalities/social welfare and healthcare regions as part of the overall reform of social and healthcare services for children and young people.</li> </ol>	1/2018
Phase 5	Measure completed as planned.	2018
<b>Resources</b>	2016: EUR 1.5 million. 2017: EUR 1.5 million. 2018: EUR 1.0 million. Total: EUR 4.0 million.	

**Measure 4: Intensify job search activities and develop pay subsidies for young people as well as the Sanssi card in order to provide added incentives for employment.**

1. The pay subsidies system has been revised and made more convenient for employers. Pay subsidies are intended to lower the employment threshold for university graduates and people who have just completed their vocational training. The uses of the Sanssi card will be extended and more closely linked to corporate services. Apprenticeship training (pay-subsidised for the unemployed) is of growing interest to young people. Unemployed youth with no vocational qualifications are offered suitable training, for example in the form of apprenticeship training. The appeal of apprenticeship training to employers can be increased by introducing various operating and financial models across administrative boundaries in collaboration with the labour market parties. The opportunity for completing even a short preliminary period of a few months is important in order to determine the right training path as quickly as possible with due regard to individual capabilities. Closer links to labour and corporate services are called for. Greater attention will be paid to familiarity with the labour market and job seeking skills.
2. Aside from pay-subsidised work, entrepreneurship is a viable employment option. Entrepreneurial workshops will be provided throughout the country for those young people keen to start up a business. The objective is to encourage young people to become entrepreneurs. The workshops offer business advice, sparring, start-up grants, training and mentoring by employing operating models specifically tailored for young people.
3. The employment and economic development administration will purchase services intended for young people from private service providers based on their track record. The service providers will focus on individual guidance, coaching, skills assessment and job searching. Phases 1, 2 and 3 will be carried out subject to the availability of employment appropriations (budget item 51).
4. Digitalisation of the one-stop-shop and guidance services: digital guidance services will be developed for all young people (web services, telephone and video guidance) and integrated into electronic search services (Studyinfo.fi). The labour administration has already gained experience from the provision of training and career guidance by phone. Social media services will be used to reach young people who need f2f services. The efforts to develop the services have been initiated jointly by MEE, MoEC and MoSAH as an ESF-funded project. However, to put it on a permanent footing, additional joint efforts are required, such as cooperation with the Ministry of Finance. Co-financing from the various ministries is also called for.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	1/2016
Phase 2	Progress monitoring; any additional measures.	1/2017
Phase 3	Progress monitoring; any additional measures.	1/2018
Phase 4	Measure completed as planned.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

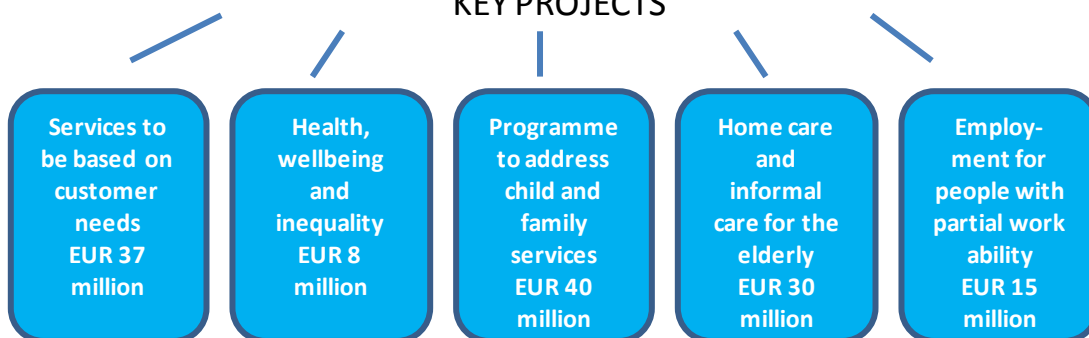


### 3 WELLBEING AND HEALTH

2025: People in Finland are healthier and in better control of their lives. They feel that they can have an influence, make choices and take responsibility. Social welfare and health care focus on prevention, ensuring that personnel are coping well and that the clinical pathway is smooth and information systems work well. Through reform, joint resources can be used to foster better health and wellbeing.

- Government term objectives for the strategic priority:
- Intersectoral health promotion and early support play a stronger role in decision-making, services and working life due to legislative changes and improved delivery. Differences in health and wellbeing have narrowed.
  - Support is provided to people of all ages, to enable them to take responsibility for their own state of health and lifestyles. The public service promise is defined within the limits of society's economic capacity. People in a variety of life situations have greater choice.
  - The wellbeing and individual resources of children and families have been enhanced.
  - The focus has been placed on home services for older people. Informal care has been reinforced.
  - Social welfare and health care reform has improved basic public services and information systems.
  - Social protection has been overhauled to encourage participation and employment.
  - Participation in organisations and voluntary activities has been facilitated and citizens' sense of involvement increased by cutting red tape.

#### KEY PROJECTS



## KEY PROJECT 1: SERVICES RESPONSIVE TO CUSTOMER NEEDS

Minister of Social Affairs and Health Hanna Mäntylä, Minister of Family Affairs and Social Services Juha Rehula

*The objective is to provide customer-responsive operating processes conducive to independent living in the context of social and healthcare services, and to ensure an appropriate level of social security.*

### **Measure 1: Reform the operating process of social welfare and healthcare services by placing the customer centre stage.**

A project to reform the operating process of social welfare and healthcare services will be launched. The various functions will be fused to provide customer-responsive service regimes. The tools offered by digitalisation will be utilised and red tape reduced. The customer's initiative and capacity for unassisted living will be supported and shared access to information provided. Resources will be reallocated to achieve cost savings. The necessary legislative amendments will be implemented.

The reform will result in customer-responsive, accessible, multi-professional electronic services tailored to customer needs and capabilities. Care and service plans are prepared to ensure timely and coordinated access to care/service. In developing and directing the services, due consideration will be given to customer experiences and feedback.

Implementation will be coordinated through a change programme which calls for broad-based inter-administrative cooperation in accordance with the national service architecture. The key project will be coordinated with the digitalisation measures defined in the Government Programme.

1. The outlines for the reform and change programme, including child welfare, will be determined by the Government.
2. A definition of a customer-responsive service processing that makes use of digitalisation will be provided for the social welfare and healthcare system.
3. An operating model for experience expertise and customer participation will be defined.
4. The legislative amendments foreseen in the change programme will be implemented.
5. The necessary IT system solutions will be put in place (Selfcare, Mydata, service directory, service voucher).
6. A service voucher experiment will be carried out by piloting the administrative model for service vouchers and IT systems containing both public and private sector data in select municipalities.
7. Experiments will be carried out with self-care and electronic services and the outcomes assessed.
8. The public service promise will be defined. The functions of strategic importance covered by the service promise in the realm of public social and healthcare services will be identified and the contents of the promise defined in more detail.



<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	12/2015
Phase 2	The outlines for the reform and change programme, including child welfare, are determined by the Government.	1/2016
Phase 3	Customer-responsive service process defined.	2015–
	Operating model for experience expertise defined.	9/2016
	Legislative amendments supporting the provision of e-services implemented.	
	IT system solutions implemented.	12/2017
Phase 4	Public service promise defined.	2018
	Other experiments and tests completed.	12/2017
	Service voucher experiment completed and related legislative amendments and IT system modifications made.	12/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 2.0 million. 2017: EUR 6.5 million. 2018: EUR 6.5 million. Total: EUR 15.0 million.	

## **Measure 2: Assess the allocation of social assistance under the residence-based social security system.**

A survey of the residence-based social security system will be carried out. As part of this, an assessment will be made of the cost and impact of immigration and the criteria for the payment of social security benefits abroad as well the allocation and appropriateness of the benefits. The Government will define Finland's strategic and detailed objectives for the EU legislation on social security.

1. A survey of eligibility for benefits will be carried out.
2. A Government proposal will be given.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	9/2015
Phase 2	Preliminary study carried out by civil servants completed.	12/2016
Phase 3	Government positions and Government proposal circulated for submission of comments.	9/2017
Phase 4	Government proposal to Parliament.	9/2018
Phase 5	Measure completed as planned.	3/2019
<b>Resources</b>	2016: EUR 1.0 million. 2017: EUR 1.0 million. Total: EUR 2.0 million.	

### Measure 3: Carry out a basic income experiment.

An experiment will be carried to determine whether income poverty, non-access to services and red tape related to welfare benefits and taxation can be reduced and incentives for employment increased within the framework of sustainable public finances.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Study of the optional ways of implementing the basic income experiment.  Criteria for and implementation of the basic income experiment prepared by a team of experts.	2016
Phase 3	Government determines the contents of the experiment followed by a Government proposal.	12/2016
Phase 4	Experiment 2017–2018 and follow up in 2019.	
Phase 5	Measure completed as planned.	12/2019
<b>Resources</b>	2016: EUR 0.5 million. 2017: EUR 9.5 million. 2018: EUR 10.0 million. Total: EUR 20.0 million.	

## KEY PROJECT 2: HEALTH AND WELLBEING WILL BE FOSTERED AND INEQUALITIES REDUCED

Minister of Family Affairs and Social Services Juha Rehula

*The goal is to promote healthy lifestyles such as exercise, to boost the mental health of all citizens in their everyday lives and to reduce differentials in health and wellbeing.*

### **Measure 1: Change everyday environments to facilitate lifestyles supporting wellbeing and health.**

Everyday environments and workplaces will be changed so that everyone will have better opportunities for active lifestyles supporting wellbeing and health in their everyday lives. Special actions will be sought and targeted for those who need support the most. Residents will be involved in the search for solutions. NGOs and networks will participate in the effort through innovation, implementation and establishment.

Ministries will create permanent means for cross-sectoral cooperation, through which the promoting of wellbeing and health and the narrowing of social differentials will be introduced into the actions and legislation of every administrative branch. The public sector, NGOs, businesses, workplaces and citizens will create new ways of working together locally, regionally and nationally. Innovations in services and investments encouraging choices conducive to health and social wellbeing will increase.

Actors will work together to experiment with new ways of doing things and to establish best practices. The measures under the key project will be evaluated, and effective practices will be introduced and disseminated.

1. The Government will specify the major long-term wellbeing and health policy goals that augment the Government Programme. These will be compiled in the packages titled *Wellbeing and health through cooperation 2025* and *Occupational healthcare 2025*. The packages will include mental health promotion and a package to reduce psychosocial stress in working life.
2. The packages *Wellbeing and health through cooperation 2025* and *Occupational healthcare 2025* will be launched. They will be planned and implemented on a cross-sectoral basis, involving a variety of actors.
3. Experimental projects under the packages will be evaluated and best practices and operating models adopted.
4. A building health programme will be launched. Its first phase will comprise research and investigation projects for the purpose of developing sound operating models. Operating models will increase our understanding of building health and help improve current practices in building studies, patient care, removal of health hazards, cooperation between authorities and communications.
5. A new model for cross-sectoral cooperation will be created. As part of this modelling process, the ministerial working group on wellbeing and health will select key projects that the responsible ministry and the Ministry of Social Affairs and Health will jointly evaluate for their impact on wellbeing, health and social differentials, besides identifying opportunities for alternative actions.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	9/2015
Phase 2	A cross-sectoral steering group with NGO representation appointed for the promotion of wellbeing and health and the reduction of social differentials.	10/2015
	Government adopts the building health programme action plan, and implementation begins.	1/2016
Phase 3	Government adopts the packages <i>Wellbeing and health through cooperation 2025</i> and <i>Occupational healthcare 2025</i> .	9/2016
	Impacts of the Government's key projects on wellbeing and health evaluated with the responsible ministries. Potential alternative actions identified.	10/2016
	Experiments and establishing under the key project launched.	1/2017
Phase 4	Cross-sectoral cooperation model completed.	2/2017
	Models found to be effective introduced and disseminated.	1/2018
	Measures under the key project evaluated using the agreed indicators, and a report on the results published.	1/2019
Phase 5	Measure completed as planned.	1/2019
<b>Resources</b>	2016: EUR 1.5 million 2017: EUR 3.5 million 2018: EUR 3.0 million Total: EUR 8.0 million	

## KEY PROJECT 3: PROGRAMME TO ADDRESS CHILD AND FAMILY SERVICES

Minister of Family Affairs and Social Services Juha Rehula

*The goal is to create services that are better based on the needs of children and families, focus on prevention and are more effective.*

### **Measure 1: Implement the programme to address child and family services.**

The current heterogeneous system of services for children and families will be reformed. All services for children, adolescents and families will be integrated into a single coherent service system. This change will reinforce basic social welfare and healthcare services, and shift the focus towards preventive and early support and care services. In this change, the best interests of children and support for parents are paramount. The implementing of the change programme will improve the wellbeing of children, adolescents and families, and they will feel that they have an influence on their own wellbeing and on the services provided for them.

This change is a sweeping reform that involves many administrative branches and services, and as such it requires robust steering at the national level and considerable financial resourcing. Among the key functions whose integration is important from the perspective of children, adolescents and families with children are: social welfare and healthcare services (Ministry of Social Affairs and Health); education, school and cultural services, and youth work (Ministry of Education and Culture); immigrant and integration services, matters involving assault and abuse (Ministry of the Interior); matters concerning youth employment and family-friendly workplaces (Ministry of Employment and the Economy); matters concerning military service (Ministry of Defence); guardianship issues and services for adolescents who have committed offences (Ministry of Justice); and also similar services provided by NGOs and parishes.

The reform can result in significant cost-cutting while making services more timely and more effective. The reform will reduce the need for corrective services such as taking into care and institutional care. Without the reform, it will not be possible to respond to major health and wellbeing challenges such as the social exclusion of children and adolescents, the exacerbation of mental health problems, the increasing need for child welfare services and the increase in guardianship disputes.

1. A new service structure will be modelled in the change programme. The national change effort will be supported with municipality-specific experiments and targeted start-up grants.
2. A coordinating body will be set up to steer and implement the reform. Management, personnel competence and multi-professional cooperation will be reinforced at all levels of the change.
3. Regional centres of excellent and support will be established for persons in need of special support and assistance, and for children and adolescents with severe symptoms. These centres will bring together children's and adolescents' mental health and substance abuse services, child welfare specialists and child and adolescent forensic psychiatry expertise.
4. A child and family impact assessment will be modelled and introduced. The change under this key project will be supported through developing population-based budgeting.

5. 'Toolkits' for professionals with evidence-based support and care methods will be created. A national governing body will be established to take responsibility for the evaluation and dissemination of new methods so that these methods can be efficiently and widely deployed among local authorities and professionals.
6. New low-threshold services supporting parents will be set up, for instance through digital services. A family centre model intended for all families with children will be introduced nationwide, bringing the related services of NGOs, parishes and peer support together with low-threshold public-sector services.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	9/2015
Phase 2	Government adopts the programme to address child and family services, prepared through expert collaboration.	12/2015
	Regional and national steering and an implementation body set up for the practical implementation of the reform. Comprehensive cross-sectoral knowledge base and effective monitoring indicators established.	8/2016
	Regional centres of excellence and support established for children and adolescents with severe symptoms.	12/2016
	Child and family impact assessment modelled and introduced. Continued development of population-based budgeting.	12/2016
	'Toolkits' created for professionals working with children and adolescents of various ages and with families, containing evidence-based support and care methods.	12/2016
	New low-threshold services supporting parents established. Target group for the family centre model broadened to include families with children of school age, with particular reference to multicultural families and families that have undergone divorce.	1/2016– 12/2017
Phase 3	Reform supported through municipality-level experiments set up together with the Association of Finnish Local and Regional Authorities in 2016–2017 and through start-up grants for the setting up of new service packages.	1/2016– 5/2018
Phase 4	Effectiveness of the measures evaluated.	9/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 7.0 million 2017: EUR 17.0 million 2018: EUR 16.0 million Total: EUR 40.0 million	

## KEY PROJECT 4: HOME CARE FOR OLDER PEOPLE WILL BE DEVELOPED AND INFORMAL CARE ENHANCED IN ALL AGE GROUPS

Minister of Family Affairs and Social Services Juha Rehula

*The goal is to provide older people, informal carers and family carers with services that are on a more equal basis, better coordinated and lower in cost.*

### Measure 1: Reform home care.

The system of services for the elderly will be reformed by creating an integrated service package that will be modelled and piloted. The reform will be implemented in practice through a regional and national coordination framework. The result will be a client-oriented, cost-effective and integrated service package focusing on services provided in the client's home.

Implementation of the reform will be ensured through cross-sectoral cooperation between the Ministry of the Environment, the Ministry of Transport and Communications, the Ministry of the Interior, the Ministry of Employment and the Economy and the Ministry of Education and Culture, with strong national-level steering and knowledge-based management. A comprehensive knowledge base is now available.

1. A regional and national steering and implementation framework for the practical implementation of the reform will be established.
2. The Government will adopt the policy outline for the reform.
3. The service package will be modelled.
4. Municipality-level experiments will be conducted to pilot the new, individual concepts for home care and communal housing for the needs of various elderly people (e.g. immigrants) defined in the service package.
5. The operating model will be evaluated in the course of the process and at its end.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Coordination framework for practical steering of the reform implementation set up together with all participating bodies.	10/2015
	Service package modelled by the National Institute for Health and Welfare.	11/2015
	Government adopts the policy outline for the reform.	
Phase 3	Municipality-level experiments implemented with the aid of targeted start-up grants.	2016–2017
Phase 4	Effectiveness of measures evaluated.	5/2016, 6/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 7.8 million 2017: EUR 7.8 million 2018: EUR 7.0 million Total: EUR 22.6 million	

## Measure 2: Diversify the structure and range of services in informal care and family care.

A new operating model for informal care and family care will be created in the key project. This will focus on supporting wellbeing (cf. occupational healthcare), coaching and rehabilitation. The wellbeing of informal carers and family carers will be helped through measures rendering care work more attractive and making it easier to reconcile informal care and employment. As a result, the quality of life of clients of various ages being provided informal care and family care, and the quality of life of their carers, will be upheld; simultaneously, the need for institutional care and other forms of 24-hour care will decrease.

The operating model will be inaugurated with municipality-level experiments. Procedures that prove effective in the experiments will be deployed through regional coordination networks under strong steering (see action 1, 'Reform home care') in cross-sectoral cooperation.

1. The Government will adopt the policy outline for the reform.
2. A new operating model for informal care and family care will be created.
3. Municipality-level experiments will be carried out.
4. The operating model will be evaluated in the course of the process and at its end.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Government adopts the policy outline for the reform of informal care and family care.	11/2015
	Reform implemented through a practical coordination framework steering the implementation (see action 1, 'Reform home care').	10/2015
	Service package modelled by the National Institute for Health and Welfare. Government monitors progress and implementation of the national change programme.	2016
Phase 3	Municipality-level experiments carried out.	2016– 2017
	Government ensures through a national steering framework that the results of the experiments will be leveraged and that the reform will achieve national coverage.	
Phase 4	Effectiveness of the measures evaluated.	5/2016, 5/2018
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: EUR 1.7 million 2017: EUR 3.7 million 2018: EUR 2.0 million Total: EUR 7.4 million	



## KEY PROJECT 5: CAREER OPPORTUNITIES FOR PEOPLE WITH PARTIAL WORK ABILITY

Minister of Social Affairs and Health Hanna Mäntylä

*The goal is to significantly increase the number of persons with partial work ability who remain at work, and also to help such persons find employment on the open labour market.*

### **Measure 1: Introduce reforms in the service system and at workplaces to facilitate employment for persons with partial work ability.**

The key project involves a broad national training intervention in order to improve the competence of professionals in the service system. This will bring the fragmented range of means available in the system together in an efficient and effective service package for promoting employment for persons with partial work ability. A more client-oriented and solution-oriented approach will be introduced. Cooperation among actors in the system will result in seamlessly provided services. Work ability coordinators, who provide support both for persons with partial work ability and for employers, are key figures in this process of change. The change will be based on the information and operating models gained from the experiments under the programme *Working with partial work ability*. The new practices assembled in the research portion of the programme will be deployed into the structures of workplaces and society at large. This key project combines elements similar in content and timing that focus on achieving a significant increase in persons with partial work ability finding employment and remaining at work.

1. The competence of professionals in the service system will be augmented through a national training intervention bringing together work ability coordinators and actors in the system. An online portal and tools for employers will be created in parallel.
2. Operating models for referral to treatment and rehabilitation and for early support will be created.
3. A study on opportunities available for disabled persons as entrepreneurs will be conducted and further actions taken as feasible.
4. Pilot projects in developing social services supporting participation in working life will be conducted. The pilot projects will be evaluated, and proposals will be submitted to the Government on the basis of the evaluation.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Government adopts resourcing for the programme as a temporary project, with its own project personnel supported by a cross-sectoral expert group.	10/2015
	Recommendations for the employment and remaining at work of persons with partial work ability given in the programme <i>Working with partial work ability</i> (Osku) implemented. Also, a study on opportunities available for disabled persons as entrepreneurs conducted.	1/2016– 4/2017
	Training for work ability coordinators and key actors in the service system. Supervisors also trained.	6/2016– 6/2018

Phase 3	Municipality-level pilots for developing social services supporting participation in working life.	4/2016–6/2018
	Evaluation of the impacts of the work ability coordinator training. Results of the work of work ability coordinators and new practical solutions in the workplace collected and reported.	12/2016–12/2017
	Proposals adopted based on the study conducted for measures increasing the potential for disabled persons to become entrepreneurs.	4/2017–12/2017
Phase 4	Setting up of the online portal for the Osku programme and related training continues.	1/2017
	Effectiveness of the municipality-level pilots for developing social services supporting participation in working life evaluated. Legislation reform based on the experiences gained.	4/2016–12/2018
	An experiment concerning the potential for SMEs to employ a work ability coordinator conducted.	1/2017–11/2017
	Proposal for dialogue and cooperation among administrative branches and actors in the service system with regard to the employment of persons with partial work ability.	12/2017
	Treatment path model and rehabilitation model, and processes for referral and early support, created and piloted in the new social security, healthcare and rehabilitation system.	12/2018
<b>Resources</b>	2016: EUR 2.0 million 2017: EUR 7.0 million 2017: EUR 6.0 million Total: EUR 15.0 million	

## Measure 2: Dismantle welfare traps between disability pension and earned income.

A linear model will be introduced in the reconciliation of disability pension and earned income. This will result in increased earned income, which in turn will increase total income. The welfare traps inherent in the current system will be eliminated.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	1/2016
Phase 2	Implementation options and their impacts explored.	1/2016–12/2016
	Preparation of the Government proposal begun.	1/2017
Phase 3	Government proposal submitted to Parliament.	10/2017
Phase 4	IT system changes implemented at the employment pension institutions and at KELA.	1/2018–12/2018
Phase 5	Measure completed as planned. Entry of the act into force requires access to information from the National Income Register.	No earlier than 2019
<b>Resources</b>	2016: - 2017: - 2018: -	

## 4 THE BIOECONOMY AND CLEAN SOLUTIONS

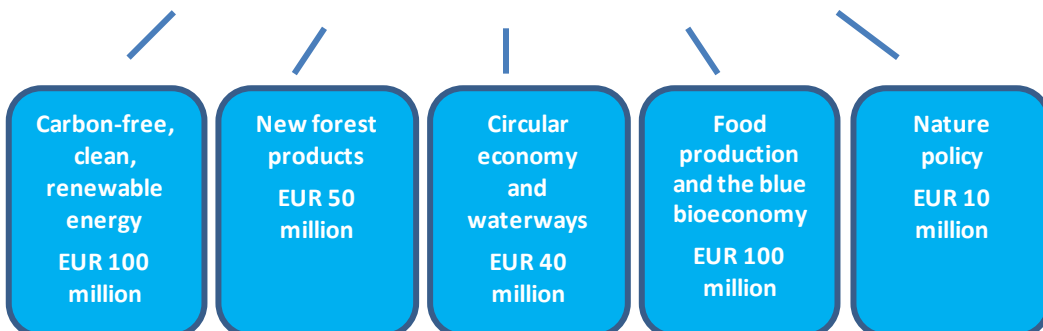


2025: Finland is a forerunner in bioeconomy, circular economy and cleantech. By developing, introducing and exporting sustainable solutions we have improved the balance of current accounts, increased our self-sufficiency, created new jobs, and achieved our climate objectives and a good ecological status for the Baltic Sea.

Government term objectives for the strategic priority:

- Finland has achieved the 2020 climate objectives already during the government term. Imported fossil fuel-based energy has been replaced by clean and renewable domestic energy.
- The growth of cleantech enterprises, the increase in the sustainable use of natural resources, pluriactive rural enterprises and an efficient circular economy have contributed to the creation of new jobs.
- Profitability of food production has improved and the trade balance has risen by 500 million euros.
- The administrative burden which has slowed down the renewal has been significantly reduced.

### KEY PROJECTS



## KEY PROJECT 1: TOWARDS CARBON-FREE, CLEAN AND RENEWABLE ENERGY COST-EFFICIENTLY

Minister of Economic Affairs Olli Rehn; Minister of Agriculture and the Environment Kimmo Tiilikainen

*The goal is to sustainably increase the percentage of renewable energy out of total energy consumption so as to exceed 50% in the 2020s. This will be achieved particularly through increasing the supply of bioenergy and other emissions-free renewable energy sources.*

### Measure 1: Prepare an energy and climate strategy aiming at the year 2030 and related measures allowing the attainment of the targets of the Government Programme and the obligations imposed by the EU.

1. A new energy and climate strategy aiming at the year 2030 will be prepared, considering the energy system as a whole. Attaining the targets of the Government Programme will be ensured in connection with the strategy, including policy measures and resourcing needs. In addition to the targets concerning bioenergy in the Government Programme, the usage of other alternative technologies and power sources, such as electric car technology, will be increased cost-effectively. Smart grids and flexible demand response will be promoted. The strategy will also serve to implement the obligations of the 2030 climate and energy framework of the EU and a national energy plan pursuant to the Energy Union administrative model.
2. The Government's medium-term climate policy plan will be prepared as per the Climate Change Act.
3. Added appropriations for energy subsidies will be allocated to renewable energy investments by businesses and to major demo projects for new clean energy technology.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation of the strategy and climate policy plan organised, research needs surveyed and preparation ready to begin under the steering of the ministerial working group on bioeconomy and clean solutions.	9/2015
Phase 2	Separate working groups (officials + stakeholders) set up e.g. to prepare a renewable energy subsidy system (electricity and CHP) and to promote increased use of renewable fuels in transport.  Working group appointed by the Ministry of the Environment to prepare the medium-term climate policy plan.	9/2015 and 10/2015
Phase 3	Climate and energy strategy completed, submitted to Parliament as a report of the Government. The exact timetable depends on EU demands for the content and preparation process of the national plan, and on the new electricity market design proposed by the European Commission.  Draft Government proposal for the renewable energy subsidy system.  Completed Government proposal on transport biofuels.  Medium-term climate policy plan completed, submitted to Parliament as a report of the Government.	12/2016  1/2017  4/2017  5/2017
Resources	2016: EUR 20.0 million 2017: EUR 40.0 million 2018: EUR 40.0 million Total: EUR 100.0 million	



Phase 6	Overall reform of construction decrees and regulations completed and guidance material produced.	1/2017
Phase 7	Promoting forest industry investments and the sawmill industry taken into account in corporate funding in measures under the 'competitiveness' key project and measures planned to encourage foreign investments (Team Finland), in measures to streamline regulation in the 'reforms' key project, and in measures involving Tekes, Tes and Finnvera.	2016–2018
Phase 8	All measures completed.	12/2018
<b>Resources</b>	2016: EUR 4.0 million 2017: EUR 5.0 million 2018: EUR 4.0 million Total: EUR 13.0 million  Road infrastructure needs for wood supply will be addressed in the package for transport and other infrastructure investments (EUR 0.6 billion).	

## Measure 2: Develop new bioeconomy products, services and business models.

1. The implementation of the national bioeconomy strategy in accordance with the Government's decision-in-principle on leading fields of growth (8 May 2014) will be continued. Achievements will be evaluated and the strategy updated in 2016.
2. Public research and innovation funding will be allocated to the bioeconomy sector. In key areas (e.g. new biofuels and bioproducts, renewable energy, biomaterials and biochemicals, wood construction, wood products industry), operating models more coherent than at present will be created, bringing public funding providers closer together. Development projects will also draw on the expertise and infrastructure of universities and sectoral research institutions (e.g. VTT, Luke, Syke).
3. The most promising outcomes of earlier research (particularly centres of excellence in the bioeconomy sector) will be identified and measures necessary for their further development determined together with businesses and public funding providers, for instance by using the Tekes Research Benefit funding model.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Strategic and overall planning and organisation (including a shared strategic management model for the relevant ministries) completed; preparation of component measures can begin.	9/2015
Phase 2	Government decides on the allocation of funding to R&D and innovation programmes in the bioeconomy in the central government budgets for the years 2016-2018.	9/2015
Phase 3	Bioeconomy strategy evaluation completed.	12/2016
	Government adopts the updated strategy.	4/2017
Phase 4	All measures completed.	12/2018
<b>Resources</b>	2016: EUR 7.0 million 2017: EUR 12.0 million 2018: EUR 13.0 million Total: EUR 32.0 million	

**Measure 3: Accelerate the introduction of new bioeconomy innovations through pilot projects and innovative public procurement.**

1. A joint funding programme for pilot and demo projects by Tekes and Finnvera will be launched for experimental and introduction projects involving new technology and operating models, particularly in the BCD sectors.
2. Permit procedures and other official requirements for experimental bioeconomy projects will be simplified, using measures outlined under the 'reform' key project.
3. Demand for products and services of the bioeconomy sector will be boosted by leveraging the Government Programme's goal that 5% of all public procurement will be innovative procurement.
4. The launching of experimental projects in the bioeconomy sector will be accelerated, for instance by exploring the potential of the European Fund for Strategic Investments (EFSI).
5. VTT's Bioruukki will be grown into an internationally significant research and testing environment for new bioeconomy technologies.
6. Pilot, demo and reference projects involving the reuse, recycling and other use of by-product flows and waste from production and consumption (e.g. producing biogas from sludge to fuel public transport) will be conducted by key actors (local authorities, businesses, Tekes, Sitra, VTT, Syke, Luke).

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Strategic and overall planning and organisation (including a shared strategic management model for the relevant ministries) completed; preparation of component measures can begin.	9/2015
Phase 2	Government decides on the required appropriations for VTT in the central government budgets for the years 2016-2018.	9/2015
Phase 3	Funding providers' joint pilot and demo programme launched.	3/2016
Phase 4	Bioruukki infrastructure investments and staggered start-up:	1/2016
	Bioinfra 1 start-up	6/2016
	Stages 2 and 3 started up.	12/2019
Phase 5	Programmes completed.	12/2018
<b>Resources</b>	2016: EUR 3.5 million (authorisation EUR 5.0 million) (VTT) 2017: EUR 1.5 million 2018: - Required Tekes actions budgeted under the previous measure.	

## KEY PROJECT 3: BREAKTHROUGH OF A CIRCULAR ECONOMY, GETTING WATERS INTO GOOD CONDITION

Minister of Agriculture and the Environment Kimmo Tiilikainen

*The goal is to utilise the growing opportunities offered by a circular economy. Actions to promote a good ecological status of the Baltic Sea are taken in cooperation with domestic and international actors. The amounts of nutrients and organic material leaching to the waters will be reduced, while the nutrient and energy self-sufficiency of agriculture will be enhanced. Business in the circular economy will grow and new jobs created.*

### Measure 1: Prepare regulation and other solutions that promote recycling.

1. The Government Decree concerning the recovery of certain wastes in earth construction, also known as the MARA Decree (591/2006), will be revised, and a new Government Decree on the reuse of earth waste will be prepared. The purpose of the Decrees is to simplify permit procedures related to such reuse.
2. An impact assessment on restricting municipal monopolies in waste management will be conducted, and necessary amendments to the Waste Act will be prepared on the basis of studies conducted.
3. Actions to promote the recycling of community waste will be explored and implemented in preparation of the National Waste Plan. At the same time, the national goals and measures for waste management, waste reduction and recycling for the years 2017–2022 will be defined.
4. A report will be produced on the impact of the prohibition of dumping organic waste in landfills, the waste fractions that will continue to be dumped in landfills, and the need for further regulation. Amendments to legislation will be prepared accordingly.
5. The need for and impact of national end-of-waste (EoW) legislation will be explored, including a survey of their use and impact in certain EU Member States. On the basis of reports produced, national end-of-waste legislation will be prepared for waste fractions in order of importance.
6. Projects for promoting material and waste recycling, for removing obstacles from the circular economy and bioeconomy, and for accelerating the adoption of new innovative business models and recycling products will be launched.

Timeframe (mm/yyyy) and phasing		
Phase 1	New decree on earth construction adopted.	3/2016
	Background study for the earth waste decree.	2016
Phase 2	Impact assessment on the restriction of municipalities' waste management monopolies and other required studies conducted.	2015–2016
	Government proposal adopted.	2016
Phase 3	Government decision-in-principle on the National Waste Plan completed.	12/2016
	Study on the need for end-of-waste legislation. Preparation of eventual national legislation to be timetabled later.	12/2016
Phase 4	Study on the impact of a ban on landfill dumping of organic waste and on the need for further regulation.	2017
	Legislative amendments implemented according to a preliminary estimate.	2017–2018



Phase 5	Overall project plan completed.	6/2016
	Competitive tendering.	2016
	Projects completed.	12/2018
<b>Resources</b>	2016: EUR 0.8 million 2017: EUR 0.2 million 2018: - Total: EUR 1.0 million	

## Measure 2: Increase recycling of nutrients and step up actions to protect the Baltic Sea and other waterways.

1. An experimental programme funding product development and innovation related to renewable energy and nutrient recycling will be conducted, including demo and reference projects. Under the programme, venture funding will be provided to farms, SMEs and processing plants. Industrial symbioses and innovations related to new usages will also be promoted.
2. One or two pilot projects will be launched for building a full-scale test site for treating sludge from a waste water treatment plant for a community of 20,000-50,000 residents, its purpose being to separate phosphorus from ash for fertilisers and to process fermented sludge to recover phosphorus and nitrogen also for use in fertilisers.
3. Horse manure, like all manure from domestic animals, should be entered into an advanced treatment system so that the nutrients in the manure may be recycled. A horse manure nutrient recycling project will be set up, and provision will be made for the use of horse manure as fuel.
4. In order to secure attainment of the Government's nutrients recycling goals and in order to fully leverage the measures included in the Rural Development Programme, the *Programme to promote recycling of agricultural nutrients* (MMM) and the second phase of the *Programme to promote recycling of nutrients* (RAKI, Ministry of the Environment) (2016–2019) will be implemented.
5. A new operating programme for the management of the marine environment will be prepared and implemented along with new regional measures for the management of waters, defining the need for enhancing the actions taken. Projects to improve the state of waterways will be conducted to find new, effective ways of reducing the load of nutrients and pollutants in waters.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	The Ministry of Agriculture and Forestry, the Ministry of the Environment and the Ministry of Employment and the Economy prepare detailed plans for component measures, including funding mechanisms and responsibilities for implementation. Planning completed, implementation can begin.	12/2015
	A ministerial working group determines policy on implementation alternatives.	12/2015
	Government adopts the plans for the management of waterways and the operating programme for the management of the marine environment. The Ministry of the Environment and the Ministry of Agriculture and Forestry specify further the responsibilities involved in the measures to be implemented and explore funding with other ministries (Ministry of Transport and Communications, Ministry of Employment and the Economy, Ministry of the Interior).	

Phase 2	Implementation of selected projects begun. The Ministry of the Environment and the Ministry of Agriculture and Forestry ensure implementation synergy with partners, including other ministries and international partners.	1/2016
Phase 3	Pilot programme for new solutions launched.	1/2016
Phase 4	Survey for pilot projects on waste water treatment sludge begun with a preliminary survey to be completed by the end of 2015. Pilot projects conducted.	2016–2018
Phase 5	Horse manure recycling project launched. Talks opened immediately with the European Commission concerning the allowing of burning horse manure as fuel either by amending EU legislation on by-products or with national legislation.	early 2016
	About 1/3 of the measures proposed for the management of the marine environment and the management of waterways completed (implementation period for the waterway management plans and the operating programme for the management of the marine environment to continue until the end of 2021).	12/2018
Phase 6	Second-phase nutrient recycling programme completed.	12/2015
	Implementation begun.	2016–2018
	New stage in the <i>Programme to promote recycling of agricultural nutrients</i> of the Ministry of Agriculture and Forestry begun.	10/2016
<b>Resources</b>	2016: EUR 12.0 million 2017: EUR 11.0 million 2018: EUR 11.0 million Total: EUR 34.0 million	

### Measure 3: Experimental programme in contaminated soil reconditioning and soil recycling.

A national experimental reconditioning programme for contaminated land areas will be launched for the purpose of exploring the most critical at-risk areas, protecting groundwater areas important for the water supply, increasing the reuse of soil and accelerating the development of domestic clean technologies (sustainable reconditioning methods). An experimental programme for rock aggregate supply and construction will be conducted to develop and introduce operating models and processes for a streamlined and resource-efficient rock aggregate supply system.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Programme implementation planned.	12/2015
Phase 2	Initial experiments in reconditioning contaminated soil launched as Government waste management projects; the adoption of decision-making models supporting reuse and sustainable reconditioning.	2016
Phase 3	Full-scale implementation.	1/2017
Phase 4	Experimental project in rock aggregate supply and construction launched.	2016
Phase 5	Experiments and measures implemented as planned and evaluated.	12/2018
<b>Resources</b>	2016: EUR 2.3 million 2017: EUR 2.0 million 2018: EUR 0.7 million Total: EUR 5.0 million	

## KEY PROJECT 4: FINNISH FOOD PRODUCTION WILL BE PROFITABLE, TRADE BALANCE AND BLUE BIOECONOMY ON THE RISE

Minister of Agriculture and the Environment Kimmo Tiilikainen

*The goal is to improve the profitability of agriculture and to strengthen the solvency of farms. No new obligations that would cause costs will be laid down during the Government term. The domestic use and export of our pure foodstuffs, fish resources and waters will be promoted.*

### Measure 1: Make Finnish food production profitable.

Improving the profitability and competitiveness of Finnish food production requires investments to improve the production structure, cut costs and enable the introduction of new technologies and processes. Investments and their knock-on effects will improve the vitality of rural areas and diversify their entrepreneur base.

1. The operating potential and competitiveness of agricultural and food businesses will be improved by dismantling costly norms and by simplifying and streamlining permit and notification procedures. Risk-based monitoring and self-monitoring will be increased in agriculture and the food industry. Administrative work by farmers and other entrepreneurs will be cut by taking functions online and eliminating duplication in information collecting.
2. Research and advisory services will be targeted at projects for reducing production costs and for improving processes and environmental competence. Competence at SMEs in applying food legislation will be improved through advisory services and training.
3. Domestic food production will be evaluated to determine how competitive, responsible, market-oriented and consumer-oriented it is, and also with a view to security of supply, in a food policy report to be submitted to Parliament.
4. Extra funding of EUR 90 million will be allocated to the Development Fund Agriculture and Forestry (Makera) for funding investments in agriculture. Funding will also be allocated to other measures contributing to the food production profitability goal under the Government Programme.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning is completed and implementation can begin.	1/2016
Phase 2	Strategic policy for project implementation completed.	1/2016
	Needs for changes in permit and notification procedures investigated.	12/2016
Phase 3	Component measures implemented.	2016–2018
	Legislative amendments to dismantle norms completed.	12/2017
Phase 4	Measures to improve the profitability of food production completed.	12/2018
<b>Resources</b>	2016: EUR 14.0 million 2017: EUR 38.0 million 2018: EUR 38.0 million Total: EUR 90.0 million	

## Measure 2: Open up export markets for Finnish foods.

1. The balance of trade will be improved by boosting food exports and by improving the competitiveness of domestic food production.
2. Efforts to boost food exports will include emphasising quality and investing in measures creating potential for opening new export channels and promoting access to market in the food sector. Such measures include improving export competence in SMEs, undergoing the official reports and inspections required by target countries, export negotiations and the monitoring procedures required for initiating exports. Unfinished studies and projects, to which a total of EUR 1.6 million in funding was allocated for the years 2015–2017, will be completed in 2018. New entry-to-market projects will be launched in 2017–2018. Electronic export certificate systems required for or supporting exports will be developed.
3. The competitiveness of domestic food will be improved in various ways, for instance by supporting consumer choices by providing more information on the country of origin, product ingredients, the safety of Finnish foods and environmental impacts. Also, biodynamic and local food programmes will be implemented and the percentage of Finnish food in public procurement increased, for instance by improving procurement competence, taking into account quality, nutritional recommendations, seasonal produce and environmental aspects.

Timeframe (mm/yyyy) and phasing		
Phase 1	Strategic policy and planning completed and implementation can begin.	1/2016
Phase 2	Component measures implemented (export studies, origin information and other details).	2016–2018
	Development of electronic export certificate system completed.	12/2017
Phase 3	Measure completed as planned.	12/2019
<b>Resources</b>	2016: EUR 1.0 million 2017: EUR 2.5 million 2018: EUR 1.5 million Total: EUR 5.0 million	

## Measure 3: Promote sustainable growth by means of water-related livelihoods and expertise (blue bioeconomy).

1. A national blue bioeconomy development plan will be drawn up, identifying targets and key measures for exploiting water-related sustainable growth potential in keeping with the goals of maintaining waterways in good condition (e.g. fisheries, biomass in water, energy, expertise, tourism, services and exports). The development plan will be prepared and executed in broad-based cooperation between the administration, businesses and NGOs.
2. Previously identified measures that have the highest yield expectations for businesses will be launched. These include improving administrative steering measures and investing in new innovations facilitating national and international growth, and measures supporting the export of water-related expertise.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	National blue bioeconomy development plan prepared.	5/2016
	A blue bioeconomy roadmap prepared during Finland's Presidency of the Nordic Council of Ministers.	2016
	Blue bioeconomy roadmap implemented.	2017–2018
Phase 2	Measures under the national development plan implemented and previously identified measures implemented: 1. Administrative steering methods developed to facilitate the sustainable growth of water-related businesses, in keeping with the goals of maintaining waterways in good condition. Creating potential for growth for a sustainable aquaculture is a particular focus area. 2. R&D, expertise development and testing platforms. As immediate concrete measures, R&D and the building of test platforms will be initiated in cooperation with businesses in the sector for the purpose of leveraging next-generation aquaculture technology and reusing nutrients leached into waterways. One aim is to develop technological solutions that will yield a competitive advantage in production in Finland's circumstances by drawing on Finnish expertise on the cycle of seasons, energy efficiency and nutrient recovery. Another aim is to transfer economically viable solutions developed elsewhere for reusing nutrients and energy leached into waterways that are suitable for Finland's circumstances and to develop these solutions further. 3. Pioneering and exploiting international business opportunities related to water resources and water expertise promoted. A water exports growth programme launched and joint ventures promoted, particularly with China and other strategic partners.  Additional funding under the measure allocated to measures under the national development plan and to actions specified in points 2 and 3 above.	2016–2018
	Needs for changes in permit and notification procedures investigated.	12/2016
	Legislative amendments to dismantle norms completed.	12/2017
	The water exports programme and the blue bioeconomy test projects completed.	12/2018
	<b>Resources</b>	2016: EUR 2.0 million 2017: EUR 2.0 million 2018: EUR 1.0 million Total: EUR 5.0 million

## KEY PROJECT 5: NATURE POLICY BASED ON TRUST AND FAIR MEANS

Minister of Agriculture and the Environment Kimmo Tiilikainen

*The goal is to safeguard the current level of nature protection and to improve the local acceptability of nature protection measures through transparent cooperation and involvement in decision making. National and international recreation and nature tourism will be increased.*

### Measure 1: Increase recreation and nature tourism.

1. The choices and policies outlined in the Roadmap of Tourism will be used.
2. Obstacles to business growth will be identified and resolved through cross-sectoral programme cooperation. New avenues will be explored. One possible such new venture is investigating the potential for a demo project concerning a waterways tourism cluster.
3. An internationalisation programme for nature tourism, Outdoors Finland (Finpro), will be launched to improve the capabilities of businesses to develop services in order to correspond to demand, to produce ready-made packages and to pursue multi-channel communications and marketing.

Timeframe (mm/yyyy) and phasing		
Phase 1	1st stage of the recreation and nature tourism development and internationalisation programme completed, programme implementation continued. New collaboration with businesses launched. Bioeconomy, cleantech and digitalisation project for the sustainable waterways tourism cluster launched. Ground rules drawn up for access to private lands in nature tourism.	12/2016
Phase 2	Development programme completed. Interim review of implementation.	12/2017
Phase 3	Implementation completed; final report and conclusions for further action.	3/2019
<b>Resources</b>	2016: - 2017: - 2018: -	

### Measure 2: Establish a national park in 2017 when celebrating the 100th anniversary of Finland's independence.

A national park will be established in 2017, the 100th anniversary year of Finland's independence.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning is completed and implementation can begin. Preliminary actions for selecting a national park area and deciding on its location completed; preparations for the Government proposal can begin.	12/2015
Phase 2	Government proposal for establishing a centenary national park completed.	10/2016
Phase 3	Government proposal debate in Parliament completed; Act adopted.	3/2017
Phase 4	Measure completed as planned. Opening ceremony of centenary national park.	6/2017
Phase 5	New national park in public use; on-site services built.	12/2017
<b>Resources</b>	2016: EUR 0.5 million 2017: EUR 2.3 million 2018: EUR 0.2 million Total: EUR 3.0 million	

### Measure 3: Revive migratory and endangered fish populations.

Reviving fish populations will improve the potential for sustainable tourism and the breeding of migratory fish, as well as promoting biodiversity and the improvement of the Baltic Sea to an ecological status of good quality.

1. The natural reproductive cycle of migratory fish will be restored at top sites listed in the National Fish Passage Strategy (pilot sites) by introducing new technology and procedures, the aim being to achieve business, employment and wellbeing impacts. The national salmon fishing regulatory system will be revised in accordance with the salmon and sea trout strategy. The protection of threatened fish species will be intensified.
2. Measures for the top sites selected on the basis for the National Fish Passage Strategy will be planned and timetabled, and their responsibilities allocated. These measures will take into account the overall use and management of waterways (good condition goals, management of flood and drought risks, recreation and tourism use, renewable energy).
3. Also, new solutions for managing fish populations in harnessed waterways will be developed and introduced in cooperation with local stakeholders.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning and selection of pilot sites; implementation can begin.  Government Decree on species protection legislation and fin-cutting requirements adopted.	12/2015
Phase 2	Cooperation groups set up, measures planned and their implementation launched.  Projects concerning fish passages, repairs, experiments in transporting upstream and other solutions implemented.	5/2016  2016– 2018
Phase 3	Measure completed as planned. Impacts monitored.	12/2018
Phase 4	Targeted follow-up of research and monitoring; enhanced fisheries supervision.	2015– 2018
<b>Resources</b>	2016: EUR 1.5 million 2017: EUR 2.5 million 2018: EUR 3.0 million Total: EUR 7.0 million	





## 5 DIGITALISATION, EXPERIMENTATION AND DEREGULATION

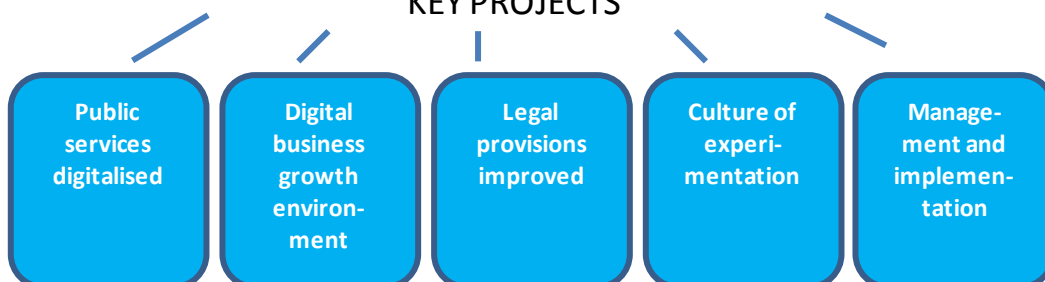


2025: Finland has made a productivity leap in public services and the private sector by grasping the opportunities offered by digitalisation, dismantling unnecessary regulation and cutting red tape. The flexible renewal of Finnish society is supported by a management culture based on trust, interaction and experimentation.

Government term objectives for the strategic priority:

- User-based, one-stop-shop digital public services that improve productivity and efficiency have been developed with the help of determined management. Public decision-making has been innovative and created a favourable operating environment in Finland for digital services, Industrial Internet applications and new business models. People's everyday lives, business operations, agriculture, investments, construction, healthy competition and voluntary activities have been markedly facilitated by deregulation, the reduction of the administrative burden and improvements to permit processes. Bold steps have been taken to reform management and implementation by strengthening knowledge-based decision-making and openness and by making use of experiments and methods that encourage civic participation.

### KEY PROJECTS



## KEY PROJECT 1: PUBLIC SERVICES WILL BE DIGITALISED

Minister of Local Government and Public Reforms Anu Vehviläinen

*Public services will be designed to be user-oriented and primarily digital. This will be achieved by a reform of practices. This is one of the crucial means for achieving the desired productivity leap in public administration. Digitalisation will be a cross-cutting theme in the Government strategy. Principles for client-oriented public services will be drawn up. The public sector as a whole will be encouraged to commit to automation and the digitalisation of their practices.*

### Measure 1: Establish principles for the digitalisation of all public services.

1. The digitalisation principles will be prepared.
2. Digitalisation will be implemented with a client-oriented perspective.
3. A management model will be drawn up for the principles of digitalisation.
4. A model for supporting digitalisation and related testing in the public administration will be drawn up. Actors in the public sector will be advised to focus on the digitalisation of their core services. Advisory services and expertise training will be offered to organisations.

Timeframe (mm/yyyy) and phasing		
Phase 1	Planning completed, implementation can begin.	10/2015
Phase 2	Policy for principles of digitalisation established.	12/2015
Phase 3	Policy for principles of digitalisation adopted by the ministerial working group.	1/2016
Phase 4	Principles of digitalisation enshrined in legislation as required, and their implementation managed and supported.	12/2017
<b>Resources</b>	-	

### Measure 2: Digitalise internal administrative processes and dismantle old processes.

1. From among the development ideas collected, the processes with the greatest impact (e.g. the National Income Register and ODA (self-treatment and digital value services)). The selected ideas will be processed further, and projects will be launched together with the responsible ministry (separate funding provided, see below).
2. Administrative branches and local authorities (in keeping with the timetable for organising the new autonomous regions) will be encouraged to commit to client-oriented automation and the digitalisation of their practices. Existing processes and structures will be completely dismantled in connection with digitalisation. The work described here will be undertaken within the current framework of operational expenditure.

Timeframe (mm/yyyy) and phasing		
Phase 1	Prioritisation criteria and selection of first projects.	9/2015
	Planning completed, implementation can begin.	10/2015
	Process review in the administrative branches begins with a study conducted by the State Treasury.	start 9/2015
Phase 2	Development ideas for separate funding collected; first experiments prioritised and projects set up. Review of processes in the administrative branches by the State Treasury completed.	1/2016
Phase 3	Process digitalisation begun in the administrative branches. Review of processes in local government begun, taking into account the new autonomous region scheme.	3/2016

Phase 4	Presentation of the results from the first developments. Support model for digitalisation of internal processes and the dismantling of former processes implemented. Process digitalisation begun in the administrative branches and in local government.	9/2016
<b>Resources</b>	<p>2016: EUR 33 million (separate funding)  2017: EUR 33 million (separate funding)  2018: EUR 34 million (separate funding)</p> <p>Process automation and digitalisation in the administrative branches and in local government funded out of operational expenditure.</p> <p>All digitalisation investments in public services discussed and given preliminary prioritisation in the digitalisation working group.</p> <p>For digitalisation in expertise and training, separate funding will be allocated from the focus area in question; thus, the resources presented here do not cover digitalisation proposals concerning expertise or training. Also, the resources do not cover IT system alterations required because of the social welfare and healthcare (SOTE) reform.</p>	

**Measure 3: Request information only once and then use it for all applications. Reinforce citizens' right to access their own information and officials' access to information for official use.**

1. A one-stop-shop service model will be developed for client-oriented usage of essential national databases. New open interfaces for accessing the national service architecture will be devised to support the service model. A management solution for core data in the public administration will be created, and distribution of public data will be increased. The service model will be tried out in knowledge-based management. In order to improve the knowledge base in the planning and steering of public finances, financial data management processes and information management practices will be integrated according to the operating model presented in the *Kuntatieto* (Local government information) programme.
2. A proposal for an Information Management Act will be prepared (responsible body: Ministry of Finance / JulkICT). The new Act will bring together the general provisions currently found in several Acts concerning the management, publicity, use and the archiving of information. The new Information Management Act will establish a unified operating model for information management, the use of databases and citizens' rights. It will also enable the digitalisation of public services.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Planning completed, implementation can begin. Preliminary investigation stage and project planning. Pre-preparation of legislation.	12/2015
Phase 2	Indicators for monitoring the implementation of the Government Programme, and for steering public finances, created for Government; leveraging the information generated under the new service model.	3/2016
Phase 3	Trials of interfaces and systems begun; service model and its organisation planned; legislative amendments submitted to Parliament.	3/2017
Phase 4	Legislation enters into force; legislative amendments added to if necessary; operating model launched and the introduction of systems begun.	3/2018
Phase 5	Measure completed as planned. Operating model and systems in production use.	1/2019
<b>Resources</b>	This measure will be funded out of the EUR 100 million reserved for measure 2 in this key project.	

## KEY PROJECT 2: A GROWTH ENVIRONMENT WILL BE CREATED FOR DIGITAL BUSINESS OPERATIONS

Minister of Transport and Communications Anne Berner

*The goal is to create a favourable operating environment for digital services and new business models. In this key project, a regulatory and operating environment will be outlined that fosters innovation and new services. Big data and robotisation will be leveraged to create new businesses and new practices. Information security will be ensured, which will lead to increased competitiveness.*

### Measure 1: Establish an Internet of Things programme to coordinate the ministries' activities.

1. A programme will be set up to achieve a change in business practices embracing the potential of digitalisation. The programme will achieve a comprehensive improvement in the operating potential of companies in Finland in a digitalised operating environment (the Internet of Things programme). This will be a joint effort by businesses and the public sector. The programme will boost digital services and experiments in cloud computing environments, besides making Finland an attractive investment target for new technology companies and augmenting the international operations of Finnish businesses. Incentives for digital commodities, new earnings models and innovative enterprises will be created in the programme.
2. The programme will focus specifically on identifying digital service platforms and ecosystems, and on fostering their growth. This will involve focusing existing and new R&D and innovation programmes on the development of digital services, business models and value networks (e.g. the 5th Gear, Industrial Internet and Bits of Health programmes of TEKES and internationalisation support for businesses). Regional and thematic innovation clusters (Digile, FIMECC, FIIF) have research programmes related to the Internet of Things. The programme will also involve an evaluation of how to leverage the EU growth fund for project funding and an evaluation of the actors or clusters bringing together and enhancing expertise.

Timeframe (mm/yyyy) and phasing		
Phase 1	Programme work plan completed and measures outlined.	10/2015
Phase 2	Programme launched.	11/2015
Phase 3	Interim evaluation of the progress of the measure. Survey of how the measures progressed, amendments and corrective actions as required.	3/2017
Phase 4	Measures under the programme mainly completed.	1/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## Measure 2: Build a growth environment for digital transport services.

Innovation and service platforms will be promoted in sectors where the public administration plays a role in terms of the functioning of the markets, as with the broad deployment of the ‘mobility as a service’ concept. The growth environment will be created particularly through legislative amendments and experiments.

1. Obstacles to entry to market will be dismantled and the offering of new service concepts based on digital information will be facilitated. The aim is to achieve transport services of high quality that are affordable and meet user needs. The broad introduction of the ‘mobility as a service’ concept will foster the emergence of data-based services, besides activating existing businesses to develop new, innovative services for the national and international markets and attracting new start-up enterprises to the transport sector. Particular attention will be paid to the leveraging of big data for a variety of purposes, e.g. real-time monitoring of road conditions.
2. Another aim is to find operating models that may be used to create broader new opportunities for businesses in various sectors, particularly SMEs, and for improvements in product development, private-sector services and exportable service expertise, leading to the creation of new jobs.

Timeframe (mm/yyyy) and phasing		
Phase 1	Strategic policy for developing infrastructure as a platform for digital services.	9/2015
Phase 2	Legislative amendments enabling innovative transport services prepared in projects so that the legislation would enter into force in 2017 at the latest. (Related to key project 3: Legal provisions will be improved. The legislation will also implement the overall reform of passenger, mail and goods transport services entered under the structural policy reforms in the Government Programme as a means of cutting local government expenditure.)	9/2015
	The transport lab will be established as a permanent forum for experimental projects for the period 2016–2020.	6/2016
	Transport Code, stage 1.	
Phase 3	Transport Code, stage 2.	2017
	Transport Code, stage 3.	2018
Phase 4	New experiments launched (e.g. the mobility-as-a-service trial in the archipelago) and the Smart Countryside concept implemented as one of the experiments to foster the development of new, customer-oriented service solutions and to support living and entrepreneurship in rural areas.	2016–2018
<b>Resources</b>	2016: - 2017: - 2018: -	

### Measure 3: Draw up an information security strategy to boost confidence in the Internet and digital practices.

This will be a comprehensive strategy drawn up jointly by the central government and businesses, focusing on boosting Finnish competitiveness and export potential, development of the digital internal market of the EU and securing privacy and other fundamental rights. The essential thing here is to remove obstacles from the development of a market for safe and dependable digital commodities, and to improve information security competence and risk management in various sectors. The strategy will address events that erode confidence such as information security breaches and extensive violations of privacy online. The strategy aims to achieve a change whereby information security will be incorporated as a standard feature in various systems, services and terminal devices.

1. The legislative amendments required by the EU Network and Information Security (NIS) Directive currently under preparation will be implemented as part of the strategy. At the same time, an assessment will be conducted of the impact of national legislation on the potential of citizens and businesses to use IT-enabled services and business models safely, and to manage the related risks.
2. The strategy is intended to increase the supply and use of commercial information encryption and protection methods. Implementation of the strategy will result in information security improvements to terminal devices, operating systems, browsers, search engines, communications applications, cloud services and other essential ICT commodities. Measures undertaken under the strategy will also improve the compatibility, transparency and verifiability of the information security properties of digital commodities. Capabilities for detecting and resolving information security anomalies will be reinforced, and consideration given to attracting to Finland companies that can offer information security expertise and information security services that are crucial for Finnish businesses.
3. The role of the central government is to foster trust by ensuring the functioning of legislation, adding to information security expertise for its part and pursuing an active role in international forums.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Working group consisting of producers and users of reliable digital commodities set up to support the preparation of strategic targets, and to assess means for the central government and the private sector to attain the targets.	9/2015
Phase 2	Adoption of a confidence-inspiring information security strategy.	2/2016
Phase 3	Checkpoint for the launching of the implementation plan; amendments and corrective actions if required.	8/2016
Phase 4	Legislative amendments required under the EU Network and Information Security Directive enacted, and the impact of national legislation on information security evaluated.	2016– 2017
Phase 5	Measure completed as planned.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

#### Measure 4: Increase the development and use of robotics in Finland.

The development and more widespread use of robotics and automation solutions will be a significant factor in the future of Finnish businesses and organisations. These solutions can significantly boost the efficiency and competitiveness of Finnish industry, services and information work.

1. Expertise will be attracted to Finland by providing an experiment-friendly environment. The task of the public administration is to ensure that legislation allows for this and to allocate existing funding to innovations supporting the entry of businesses to the markets. Closer cooperation between the public and private sectors will be pursued.
2. In Finland, the potential of robotics and automation has been explored in various contexts (e.g. in *Industry as part of a thriving business structure*, Ministry of Employment and the Economy report 20/2014 and in the ongoing *Future digital manufacturing technologies and systems* programme of FIMECC); however, no comprehensive measures to support this have been undertaken to date. Accordingly, it is necessary to identify relevant measures that will boost progress; to this end, each administrative branch will draw up an automation/robotisation promotion plan. At the same time, the potential for running experiments in specific administrative branches, such as social welfare and healthcare, will be explored. The ultimate aim is to boost the efficiency and competitiveness of Finnish industry, services and information work significantly.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Smart automation promotion plan for transport published.  Planning completed for other administrative branches and implementation can begin. The recommendations of the artificial intelligence and robotics strategy (AiRo) completed at the beginning of 2015 used as input, among other things.	9/2015
Phase 2	International benchmark comparison on measures in principal comparable countries completed.	12/2015
Phase 3	The following to be explored in more detail: 1) impacts of robotisation (e.g. labour market and economy, competence needs in Finland, for instance through the analysis, assessment and research functions of Government (TEAS); 2) potential for funding development projects; and 3) working with actors in the field of robotics/automation to identify regulatory hindrances and other bottlenecks.  Measures requiring strategic decisions submitted to the Government.	2/2016
Phase 4	An automation/robotisation promotion plan drawn up in every administrative branch. Potential for pilot projects in certain administrative sectors assessed.	9/2016
Phase 5	Promotion plans implemented.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

## Measure 5: Increase usage of big data and business based on big data in Finland, and the launch of pilots based on My Data.

The goal is to create potential for new business focusing on the leveraging and dissemination of data, and to achieve significant growth in this field.

Personal data may only be used if such use is justified by benefits to citizens. Also, consent must be obtained from citizens for the handling of their data and their privacy respected. Joint efforts to improve public confidence in privacy will help encourage citizens and businesses to disclose their data to other businesses as material for new kinds of business and services. New business can be generated by facilitating a more efficient and more understandable procedure for giving consent for accessing personal data.

The operations of today's most successful businesses are data-oriented. Unnecessary hindrances and bottlenecks in the leveraging and dissemination of data must be found and eliminated. The central government can support these efforts by evaluating whether the privacy protection legislation governing such business is up to date, by exploring alternative control methods and through pilot projects.

1. An implementation plan for leveraging big data and for piloting My Data will be drawn up (based on the Big Data Strategy of the Ministry of Transport and Communications, 8/2014).
2. An investigation of the legal impacts of using big data and My Data will be conducted.
3. Any legislative amendments required will be enacted.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	An implementation plan for leveraging big data and for piloting My Data will be drawn up (based on the Big Data Strategy of the Ministry of Transport and Communications, 8/2014). Implementation focused on the use of existing platforms and actors (such as the Finnish Industrial Internet Forum, the Big Data Forum and educational and research institutions) and drawing on the results of earlier research programmes.	10/2015
Phase 2	Investigation of the legal impacts of using big data and My Data (data ownership, privacy protection, copyright, data transfer) conducted. New research findings on the impacts of leveraging big data available (VNK TEAS 2015 theme 1.5/Etla). Process for enacting any required legislative amendments begun.	1/2016
	Measures requiring strategic decisions submitted to the Government.	2/2016
Phase 3	Survey of how measures progressed, amendments and corrective actions as required. For instance, several projects drawing on big data ongoing in the administrative branch of the Ministry of Social Affairs and Health. New research findings and recommendations (VNK TEAS 2015 theme 1.5 / big data) for formulating more accurate indicators and measures, and for specifying budget impacts.	5/2016
Phase 4	Checkpoint for measures in progress, amended as necessary.	5/2017
Phase 5	Measures completed as planned. Effectiveness of the measures evaluated.	1/2018
<b>Resources</b>	2016: - 2017: - 2018: -	



## KEY PROJECT 3: LEGAL PROVISIONS WILL BE IMPROVED

Minister of Transport and Communications Anne Berner

*The goal is regulation that is enabling, deregulation and the reduction of the administrative burden. The everyday lives of citizens will be eased, competitiveness boosted, and market access and digitalisation will be promoted.*

**Measure 1: Cut through red tape, deregulate where regulations are unnecessary and revise legislation as required. Measure 1 is to be implemented in each ministry (administrative branch) under the direction of the responsible minister.**

1. Regulation simplification and deregulation will be coordinated through a cross-sectoral executive group.
2. Criteria for the outcomes of deregulation will be established.
3. Any required legislative amendments will be enacted quickly and systematically.

Timeframe (mm/yyyy) and phasing		
Phase 1	Analysis of Acts, Decrees and other regulatory instruments begun immediately.	
Phase 2	List drawn up of legislation to be amended or repealed.	12/2015
Phase 3	Together with the impact assessment expert unit, criteria (indicators) established for evaluating and monitoring the results of legislative streamlining, regulation simplification and deregulation.	5/2016
	Proposals for amending legislation prepared in 2016–2017 together with lobbying at the EU and international levels. Lower-level regulations repealed.	2016–2017
Phase 4	Latest Government proposals concerning amendments submitted to Parliament.	12/2017
Phase 5	National legislation overhaul completed.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

**Measure 2: Make permit and complaint processes smoother and issue a public service promise on such processes.**

1. A public service promise will be issued and included in the performance management of Government agencies.
2. Processes will be systematically revised.
3. Further adoption of notification procedures will be promoted.
4. Online services for permit and complaint processes will be developed.

Timeframe (mm/yyyy) and phasing		
Phase 1	Public service promise prepared and published. Also included in the performance management of Government agencies.	12/2015
Phase 2	Permit and complaint processes evaluated and needs for reform presented. Agencies encouraged to commit to updating their permit practices.	2/2016
Phase 3	Online services (e-transactions) developed to ease permit and complaint processes.	2016
Phase 4	Adopting notification procedures within the bounds of EU legislation.	2017
Phase 5	All measures completed.	12/2018
<b>Resources</b>	2016: - 2017: - 2018: -	

**Measure 3: Minimise the number of complaints filed by authorities against other authorities, e.g. through an advance negotiation procedure.**

As part of the process to streamline regulation, complaint and appeal processes will be systematically reviewed and the necessary legislative amendments enacted.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Regulation streamlining regarding complaint and appeal processes begun.	autumn 2015
Phase 2	Required legislative amendments enacted.	6/2016
Phase 3	Authorities' consultation procedures harmonised (e.g. by standardising the use of advance hearings or talks).	
Phase 4	All measures completed.	12/2018 (2019)
<b>Resources</b>	2016: - 2017: - 2018: -	

**Measure 4: Establish a body charged with the task of ensuring the high-quality impact assessment of legislation within the Government.**

The principal task of the impact assessment body is to evaluate financial impacts, including impacts on private individuals and businesses (administrative burden) as well as impacts on the tasks and obligations of local authorities. This expert body is set up as a committee.

The impact assessment body is an independent, permanent expert body. A secretariat with competence in legislative preparation and impact assessments will be set up to support the committee in preparation and presentation. One of the tasks of the impact assessment body is to help the Government determine indicators for measuring and monitoring the economic impacts of streamlining legislation, simplifying regulations and deregulation. See Measure 1.

<b>Timeframe (mm/yyyy) and phasing</b>	Implementation preparation begun immediately; the new function to start up on 1 January 2016.	
Phase 1	Procedure and criteria for appointing the committee completed; legislative amendment proposals prepared jointly by the Prime Minister's Office and the Ministry of Justice completed. Government discussion.	10/2015
Phase 2	Committee composition decided and secretariat recruitment prepared so that the committee can begin its work on 1 January 2016.	11/2015
Phase 3	Legislation enters into force. Committee and secretariat begin work.	1/2016
Phase 4	Measure completed as planned.	1/2016
<b>Resources</b>	2016: proposed Government TAE 2016 2017: 2018:	

## KEY PROJECT 4: A CULTURE OF EXPERIMENTATION WILL BE INTRODUCED

Minister of Local Government and Public Reforms Anu Vehviläinen

*Experimentation will aim at innovative solutions, improvements in services, the promotion of individual initiative and entrepreneurship, and the strengthening of regional and local decision-making and cooperation.*

### **Measure 1: A culture of experimentation will be introduced.**

Willingness and competence to experiment will be enhanced in order to foster a culture of experimentation.

Experiments include an experimental programme and legislative amendments facilitating such experiments.

The experimental programme will function on three levels: 1) the strategic level (e.g. experiments entered in the Government Programme: basic income, language studies, service voucher system, service initiatives and a free municipality trial); 2) the experiment cluster / partner level (experiments which promote the Government's goals and require Government support but which are conducted by local authorities, regions, NGOs or businesses); and 3) the grass-roots level (the civil society).

1. The three-level programme will be implemented on the umbrella principle: all actors are independent but provided with certain shared support measures, such as the services of an 'experiment bureau', a peer community, competence improvement and communications.
2. A website promoting experimental activities will be set up as a forum for actors in experimentation, for sharing information and for publishing problems and solutions encountered. Public challenges and ideas competitions will be organised to encourage experimentation.
3. Legislation will be amended to facilitate experimentation, including the Local Government Act; obstacles to experimentation will be eliminated. A parliamentary advisory board will be appointed to promote experimentation.
4. Public procurement will also be used as an active tool for promoting experiments and reforms. Setting up an experiment fund will be explored. The experiment fund would be a facility with funding for instance of EUR 15 million from a variety of funding providers. These funding providers might be local authorities (Association of Finnish Local and Regional Authorities), regions, businesses, foundations and NGOs. Drawing on European structural funds will also be explored. The experimentation function would be responsible for the fund.

<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Experimentation programme planning completed and implementation can begin. Experimentation coordination organised (Prime Minister's Office).  Resourcing provided for strategic-level experimentation entered in the Government Programme. Parliamentary advisory board appointed.	9/2015  10/2015
Phase 2	First strategic experiments launched, and changes in operating culture achieved at the cluster and operational levels. Website aiming at eliminating obstacles to experimentation set up. Investigation on the experimentation fund completed.	6/2016
Phase 3	First experiences gained from strategic-level experiments. Number of experiments increased, obstacles to experiments eliminated and deregulation proceeded with as a result of experiments. Evidence, documentation and experiential information gained on how change can be promoted through experimentation. Legislative amendments and overview by the Government.	6/2017
Phase 4	Experimentation programme evaluation launched. Knowledge and experience concerning changes in procedures gained through experimentation verifiably conveyed to decision-making and preparation functions.	4/2018
Phase 5	Experimentation programme concluded. Measure completed as planned.	12/2018
<b>Resources</b>	<b>EUR</b>	<b>Comment</b>
2016	2–3 person-years and EUR 300,000 in operating expenditure appropriations (TEAS budget item).	Note! Funding for strategic-level experiments entered in the Government Programme allocated separately via the relevant key projects. Potential for separate experimentation fund investigated.
2017	2–3 person-years and EUR 200,000 in operating expenditure appropriations (TEAS budget item) (funding not found), experimentation fund to be investigated.	
2018	2–3 person-years and EUR 300,000 in operating expenditure appropriations (TEAS budget item).	

## KEY PROJECT 5: MANAGEMENT AND IMPLEMENTATION WILL BE IMPROVED

Minister of Local Government and Public Reforms Anu Vehviläinen

*Government and central government management processes will be reconciled with the Government's strategy work. Knowledge-based management and implementation reaching across administrative branches will be strengthened.*

### Measure 1: Improve management of public administration through strategy-based goals.

Government and central government management processes will be reconciled with the Government's strategy work and decision making; qualitative goals will also be set and monitoring provided. Management reforms will strengthen implementation capability and the knowledge-based attainment of cross-sectoral goals in the Government Programme.

1. A Government management operational programme will be drawn up by the end of October 2015. The entire Government and key civil servants will be encouraged to commit to the execution of cross-sectoral projects. Persons with management experience outside the central government administration will be consulted in the preparation of the operational programme.
2. Reforms in central government according to the proposals of the Parliamentary Committee on the Structure of the Central Administration Reform Project (Kehu committee) will be continued by strengthening the Government's strategic steering and implementation capability, and by improving unity in governance. Cross-sectoral preparation by civil servants for reforming ministries' internal management systems will be launched (2016–2017).
3. A feasibility study on unified governance in Finland will be conducted (cf. the model already in use in Sweden) (December 2016).
4. Management concept pilots (e.g. Lean, Six Sigma) will be implemented to explore the optimisation of Government structure, i.e. simultaneous maximising of client satisfaction and resource efficiency (2016–2018).
5. Cross-sectoral mobility and learning in management will be boosted.
6. Professionalism in public management will be reinforced; readiness to respond to changes in public administration in Finland and other OECD countries will also be improved (World class management) (June 2016 – December 2017).

Timeframe (mm/yyyy) and phasing		
Phase 1	Management operational programme completed.	10/2015
Phase 2	Experiments for management and implementation concepts launched.	12/2015
Phase 3	Report on a unified Government completed.	12/2016
Phase 4	Ministries' internal management systems reformed and unified.	12/2017
Phase 5	Operational programme completed. Experiments concluded.	12/2018
<b>Resources</b>	2016: 2017: 2018:	

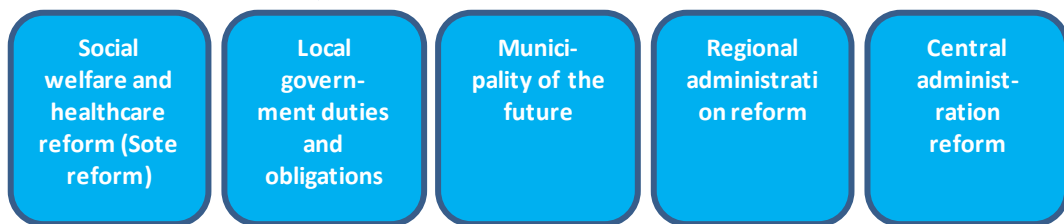


## 6 REFORMS

### Government term objective:

- The Government will improve the sustainability of public finances with the following structural reforms. The goal is for the implemented solutions to have economic effects totalling at least EUR 4 billion. Before the legislative proposals are submitted and implemented, their impact on the sustainability gap as sought through the reforms will be assessed.

### KEY PROJECTS



## REFORM 1: REFORM OF SOCIAL WELFARE AND HEALTHCARE

Minister of Family Affairs and Social Services Juha Rehula

*The goal is to transfer the responsibility for providing public social welfare and healthcare services from local authorities to larger autonomous regions. A complete horizontal and vertical integration of services provided by these autonomous regions will be executed. The aim is to create a streamlined entity out of the service chains that are vital for residents' health and wellbeing. The reform will narrow wellbeing and health differentials in the population and bring costs under control.*

### **Measure 1: National social welfare and healthcare reform (SOTE reform).**

In this reform, the responsibility for providing social welfare and healthcare services will be transferred from local authorities to larger autonomous regions (SOTE regions). Regional councils for the SOTE regions will be elected by direct popular vote. The number of regions and their geographical placement will be determined in further preparation of the reform so that the number of regions will be feasible in terms of the successful provision of social welfare and healthcare services and cost control; no more than 19 regions.

SOTE regions will have the independent power to decide on how to provide the services for which they are responsible. They may provide services themselves and/or outsource them to private and third-sector service providers. ICT and digitalisation will be leveraged in providing the services. Funding for the autonomous regions will at least initially be provided by the central government.

The reform will require the enactment of a new act on social welfare services and a separate implementation act concerning its entry into force. Amendments will also need to be made to the Act on Transfers to Local Government and to tax legislation. It may also be necessary to enact a separate act on autonomous regions larger than municipalities. The reform will in any case require amendments to be enacted to dozens of other acts.

In the second phase of the reform, the current multiple-channel funding system will be simplified. The potential for broadening the range of choices available to clients will also be explored. The aim is to improve basic services and to guarantee rapid access to services.

The purpose of the structural reform in social welfare and healthcare services is to narrow wellbeing and health differentials in the population and to control costs. The aim is to create a streamlined entity out of the service chains that are vital for residents' health and wellbeing through improving basic services. The financial viability of service organisers will be strengthened. This will have a significant impact on the sustainability gap in public finances.

The reform dovetails with a separate local government reform also included under the strategic goal.



<b>Timeframe (mm/yyyy) and phasing</b>		
Phase 1	Decision on the number of regions and basic funding model.	10/2015
Phase 2	Policies on ICT steering, coordination of building investments and election principles.	12/2015
Phase 3	Act on service organisation circulated for comment.	4/2016
Phase 4	Government proposal submitted to Parliament.	10/2016
Phase 5	Social welfare and healthcare implementation act enters into force.	7/2017
Phase 6	Election and transitional administration.	2017–2018
Phase 7	Responsibility for organising services transferred from local authorities to SOTE regions.	1/2019
<b>Resources</b>	<p>With the implementation of this reform, the responsibility for providing social welfare and healthcare services will be transferred from local authorities to autonomous regions larger than a single municipality. With the removal of this responsibility, the liability of local authorities to pay for social welfare and healthcare services will also be removed. Local authorities will thus not be liable for funding the execution of the reform. The preparation and implementation of the reform will be paid for out of central government funds.</p> <p>Because of the extent of the reform, preparation will require additional resources at the Ministry of Social Affairs and Health and the Ministry of Finance. Separate studies must also be commissioned from outside the relevant ministries.</p> <p>An organisation preparing for implementation of the reform will be set up for the new autonomous regions to be established (no more than 19). Preparations for the transfer of responsibility must include provisions for instance for the transfer of personnel, property arrangements, IT system compatibility as well as the revision of service and other agreements. The first elections in the autonomous regions must be held.</p> <p>Coordination of ICT, digitalisation and best practices will be ensured in implementing the reform.</p> <p>The costs of all of the above will be established and funding decided on as the preparation progresses.</p>	

## REFORM 2: CUTTING LOCAL GOVERNMENT COSTS BY REMOVING TASKS AND OBLIGATIONS

Minister of Local Government and Public Reforms Anu Vehviläinen

*The goal is to reduce local government expenditure by EUR 1 billion.*

### Measure 1: Remove tasks and obligations from local authorities.

An operational programme for reducing the tasks and obligations of local authorities will be prepared.

1. The tasks of local government will be reduced and narrowed. A preliminary listing will be made of statutory local government tasks to be transferred to central government, businesses or NGOs in whole or in part, or to be no longer provided for by law at all.
2. Obligations of local authorities will be reduced and made more flexible. Potential changes will be selected separately for each obligation category.
3. Smoother, cross-sectoral operating potential will be created. Service packages will be determined and sectoral obstacles and inflexibilities related to their implementation eliminated.
4. The 'free municipality' experiment and other local government experiments will be launched and fast-tracked. Experiments will be implemented in matters that do not require legislative amendments. Experimentation will be facilitated through permanent legislation in specifically defined domains.
5. The principles of regulatory policy and the steering of local government tasks will be reformed.
6. Local authorities' fee income will be increased, and publicly subsidised passenger transport will be reformed.
7. Indicators for local authorities' production costs will be created.
8. A service-specific information collecting system for local government will be set up.

Timeframe (mm/yyyy) and phasing		
Phase 1	Selection of change proposals and the inclusion of proposals in the operational programme. Proposal submitted to the Government budget discussion.	8/2015
Phase 2	Specification of legislative amendments, timetabling and preparation by ministries. Detailed joint plan and proposals for legislative amendments concerning the reduction of local government tasks and obligations submitted to the Government for approval.	12/2015
Phase 3	Overview of estimated cost savings under the plan, and completed cost savings estimates.	3/2016
Phase 4	Preparation of Government proposals by ministries, submitted to Parliament and debated so that the legislation enters into force on a case-by-case basis as determined in the plan drawn up in Phase 2.	2016– 2017
<b>Resources</b>	2016: - 2017: - 2018: -	

## REFORM 3: MUNICIPALITY OF THE FUTURE

Minister of Local Government and Public Reforms Anu Vehviläinen

*The goal is to define the role and duties of local authorities and the relationship of municipalities to the new autonomous regions. The system of Government transfers regarding basic services will be reformed.*

### Measure 1: Define the role, tasks and new practices of local authorities.

Changes in the role and status of municipalities in the wake of the SOTE reform and the establishment of autonomous regions will be outlined through parliamentary discussion.

Timeframe (mm/yyyy) and phasing		
Phase 1	Research and investigation material collated for outlining the parliamentary discussion.  Parliamentary working group appointed. Required separate investigations launched.	autumn 2015
Phase 2	Working group's preliminary proposals concerning the role of local authorities from the perspectives of vitality, entrepreneurship, employment and the promotion of health and wellbeing.	12/2016
Phase 3	Change support programme for local authorities.	2017–2020
Phase 4	Any legislative amendments required / Government proposals.	2017-
Phase 5	Government proposals enter into force.	1/2019
<b>Resources</b>	2016: - 2017: - 2018: -	

### Measure 2: Revise the system of central government transfers for basic services.

With the changes in the role and tasks of local government, the existing system of central government transfers for basic services will be revised and updated.

Timeframe (mm/yyyy) and phasing		
Phase 1	Preparation launched, coordinated with the preparation and establishment of the autonomous regions.	autumn 2015
Phase 2	Government proposal for legislation concerning central government transfers for basic services that remain the responsibility of local authorities submitted to Parliament, coordinated with the timetable of preparing for the establishment of the autonomous regions.	
Phase 3	Act enters into force, measure completed as planned.	
<b>Resources</b>	2016: - 2017: - 2018: -	

## REFORM 4: REGIONAL ADMINISTRATION REFORM

Minister of Local Government and Public Reforms Anu Vehviläinen

*The goal being to coordinate the central government's regional administration and provincial administration;. A separate decision will be made aimed at simplifying the arrangement of public regional administration (central government, regions and municipalities).*

### Measure 1: Regional administration reform.

With respect to the coordination of the central government's regional administration and provincial administration, a separate decision will be made aimed at simplifying the arrangement of public regional administration (central government, regions and municipalities). The primary solution is centralising functions in autonomous regions whose tasks and authority are clearly defined. A project will be set up to prepare for the regional administration reform.

Timeframe (mm/yyyy) and phasing		
Phase 1	Government policy decision on the coordinating of the central government's regional administration and provincial administration once the basic decision on the SOTE reform has been made (decision on regional division). A regional administration reform project set up based on the Government's policy decision.	1/2016
Phase 2	Preparation complete.	4/2016
Phase 3	Draft Government proposal and other proposals completed.	12/2016
Phase 4	Government proposal submitted to Parliament.	5/2017
Phase 5	Legislation enters into force.	1/2019
<b>Resources</b>	2016: - 2017: - 2018: -	

## REFORM 5: CENTRAL ADMINISTRATION REFORM

Minister of Local Government and Public Reforms Anu Vehviläinen

*The aim is to create a central administration with a clear structure, steering and management systems with the capability for change and risk management, and with client-oriented, primarily electronic services. The big picture will be managed across administrative and sectoral boundaries.*

### Measure 1: Central administration reform.

The reform of the central administration's agency structure will continue immediately, based on the development principles adopted in the KEHU and VIRSU projects with respect to:

1. clear structure and governance
2. national competence
3. customer perspective
4. digital services
5. capacity for change and risk management
6. cooperation of public administration in customer service

In the reform, particular attention will be paid to clarifying the management system as well as to overall management that crosses administrative sector boundaries. The Government will implement the reform while at the same time adhering to good human resources policy.

A project will be set up to prepare for the central administration reform.

Timeframe (mm/yyyy) and phasing		
Phase 1	Central administration reform project set up based on the Government's policy decision.	1/2016
Phase 2	Preparation complete.	4/2016
Phase 3	Draft Government proposal and other proposals completed.	12/2016
Phase 4	Government proposal submitted to Parliament.	5/2017
Phase 5	Legislation enters into force.	1/2019
<b>Resources</b>	2016: - 2017: - 2018: -	

## 7 CORNERSTONE PROJECTS OF THE GOVERNMENT

### **Project 1: Foreign and Security Policy Report**

- Begun in early autumn 2015, completed in spring 2016.

### **Project 2: National programme implementing the global sustainable development action plan**

- Completed 2016.

### **Project 3: Finland's development policy outline, including connections to the global sustainable development action plan**

- Autumn 2015.

### **Project 4: Defence Report**

- Begun in early autumn 2015, completed in spring 2017.

### **Project 5: Implementation of the Defence Forces' strategic capability projects**

- Navy warship replacement project: begun in 2015, calls for tender sent out in 2016, investment decision made in 2019.
- Hornet fleet capabilities replacement project: begun in 2015, calls for tender sent out in 2018, investment decision made during the following electoral period in 2021.

### **Project 6: Arctic strategy update**

- Begun in 10/2015, including consultant report to further specify the business plan of the Arctic Centre of Excellence.

### **Project 7: Cybersecurity safeguarding the everyday lives of citizens and fostering business growth**

- A cybersecurity investigation will be conducted and cybersecurity legislation drafted.

### **Project 8: Legislative basis for cross-border intelligence and telecommunications intelligence**

- Begun 10/2015, completed 6/2016.

### **Project 9: Implementation of the Programme for the Reform of the Administration of Justice, including structural reform of the District Courts, merger of the Supreme Courts, judiciary agency**

- Implementation of the programme was begun in 2013. Most of the projects in the programme are under preparation, some already completed. Completed 2025.

### **Project 10: Government Report on the Future**

- Begun in autumn 2015, completed by the end of 2018.

### **Project 11: Government Report on Internal Security**

- Begun 9/2015, completed 2/2016.





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