Annex 1:

National Approaches on implementation of the COP26 Statement on the Clean Energy Transition Partnership

Country: FINLAND			
1) General **description of the method** or approach on which the integration of the COP26 Statement into national policies is based	Finland has the goal of being a carbon neutral society by the year 2035. Finland signed the COP26 declaration on international public support for the clean energy transition. Consequently, Finland joined the E3F coalition in November 2021. Finland therefore commits to actions to align public support towards the clean energy transition and out of unabated fossil fuels. To support this, Finland official ECA's, (Finnvera Plc) board of directors approved new sectoral policy in September 2022. It is based on measures and objectives against climate change laid down in Finnvera's strategy and the international climate objectives to which state of Finland is committed. These include ending public export finance for fossil fuels by the end of 2022, with certain clearly specified exceptions.		
2) Exclusion policies/ phase out plans			
Description of exclusion policies / phase out plans for the unabated fossil fuel energy sector	Exploration, production	Coal	no support
		Oil	no support
		Gas	no support
	Transportation	Coal	no support
		Oil	no support
		Gas	no support
	Storage	Coal	no support
		Oil	no support
		Gas	no support
	Refining	Coal	no support
		Oil	no support
		Gas	no support
	Distribution	Coal	no support
		Oil	no support
		Gas	no support
		Coal	no support

	Unabated power generation	Oil	no support
		Gas	no support
Rationale for exclusion policy / phase out plans and related measures			
3) Exceptions	The exclusion policy does not apply to: • Trade finance (*export credit guarantee project with a repayment period of less than 2 years*) and projects in Finland • Non-fossil fuel based energy production (e.g., energy production using biofuels, hydrogen) and sectors outside energy production (e.g., vessels) • Power generation in energy-intensive sectors (e.g., paper and steel mills) • Electricity and heat networks and power generation of critical infrastructure in society (e.g., hospitals, water utilities) and projects improving the state of the environment or safety Finnvera publishes the guaranteed projects within the scope of the policy and their justifications according to its sectoral policy. In accordance with the COP26 declaration, the aforementioned exceptions must be consistent with the 1.5°C warming limit.		
Description of exceptions from the exclusions / phase out for the unabated fossil fuel energy sector	Exploration, production	Coal	no exceptions
		Oil	exceptions only in cases listed above
		Gas	exceptions only in cases listed above
	Transportation	Coal	exceptions only in cases listed above
		Oil	exceptions only in cases listed above
		Gas	exceptions only in cases listed above
	Storage	Coal	exceptions only in cases listed above
		Oil	exceptions only in cases listed above
		Gas	exceptions only in cases listed above

	Refining	Coal	The limitation does not apply to metallurgical coal used in the manufacture of steel
		Oil	exceptions only in cases listed above
		Gas	exceptions only in cases listed above
	Distribution	Coal	exceptions only in cases listed above
		Oil	exceptions only in cases listed above
		Gas	exceptions only in cases listed above
	Unabated power generation	Coal	Measures to reduce pollution from existing power plants are permitted when the life or capacity of the power plant does not increase.
		Oil	Reserve power plants or isolated electricity networks located in remote areas where other solutions are not feasible to ensure security of supply or enable use of renewable energy“
		Gas	The power plant serves as a reserve or balancing power plant for renewable energy, or the power plant generates baseload and replaces energy production with higher emissions in the energy network, or the use of renewable energy is not justified.
Rationale for exceptions and related measures	Certain energy intensive sectors require large amounts of energy that can only be secured reliably with fossil fuel related power generation. Reliable supply in remote areas may sometimes require having fossil energy. Equally important is that critical infrastructure such as hospitals have reliable energy supply secured at all times. Sometimes this may mean fossil energy. ST-transactions are excluded, because these transactions are fast paced and studying the exact contents against this criteria would not be possible.		