

## LIST OF INDICATORS THAT WERE USED IN THE ASSESSMENT

### Key indicators

- Environmental Performance Index
- Human Development Index
- Greenhouse gas emissions
- Total energy consumption
- Use of renewable energy sources
- Endangered species
- Energy and natural resource consumption in relation to economic growth
- Environmental loading in relation to economic growth
- Development of total material requirement
- Proportion of household expenditures on services
- Eutrophying discharges into the Baltic Sea
- Relative changes in population in different regions
- Distance of certain services from homes
- Economic dependency ratio by province
- Service satisfaction of citizens
- Development of public and passenger car transport
- Life expectancy at birth
- Expected retirement age
- Occupational diseases and accidents
- Population development by age group
- People with low employment potential
- Immediate placement of 9th grade students in further studies
- Per capita alcohol consumption and deaths attributable to alcohol
- Employment rate for immigrants and the number of non-Finnish speaking schoolchildren
- Voting activity
- Participation of 14-year olds in social organisational work
- GDP per inhabitant
- Public debt in relation to GDP divided into state and municipal shares of debt
- Number of unemployed and the unemployment rate
- Finland's competitiveness in relation to other OECD countries assessed in terms of relative cost of work unit
- Economic dependency ratio
- Official Development Aid
- Direct investments from Finland into other countries
- Research and development expenditure and patenting

### Supplementary indicators

- CO<sub>2</sub>-intensity of Finland's energy consumption
- Energy intensity of industry
- Household use of electricity
- Bird populations in agricultural areas
- Forest bird populations
- Waste disposed to landfills
- Oil transport in the Gulf of Finland
- The development of algal volumes in marine areas
- Participation in pastimes relating to nature
- Employment by region
- Average distance from workplace
- The inhabitants' satisfaction with their housing and living environments
- Second-home housing
- Availability of services
- Implementation of guaranteed access to care
- Private use of the Internet
- Domestic freight and passenger transport
- Price development in transport
- Distribution of travelling distances between home and work
- Reasons for precarious employment
- Women's pay relative to men's
- Sickness absences
- Age-related social expenditure
- Participation in labour market training
- Education levels
- Income differences
- Those receiving social assistance
- Poor families with children
- Poverty rate
- Children placed outside their own homes
- Obesity
- Daily smokers
- Air quality in cities
- Exercising as a pastime
- Equality in health matters
- Titles in domestic literature
- Purchasing power
- Tax rate and the composition of taxes
- Environment protection expenditures of industry and the public sector
- Ecological footprint
- The wealth stock estimates
- The development aid targeted at the combating of climate change and at the enhancement of health and education
- Environmental certificates received by educational institutions
- Environment related taxes and payments

## BACKGROUND OF THE ASSESSMENT:

The national strategy *Towards sustainable choices. A nationally and globally sustainable Finland* was approved in a meeting of the Finnish National Commission on Sustainable Development in June 2006. The vision of the strategy is to ensure wellbeing within the limits of the carrying capacity of nature nationally and globally. In conjunction with the strategy, 34 key indicators were approved, by means of which the reaching of the objectives can be assessed and monitored. The aim of the indicators is also to support decision making.  
> Link to the strategy: [www.environment.fi/sustainabledevelopment](http://www.environment.fi/sustainabledevelopment)  
> Finland's national strategy for sustainable development

The national indicator network prepared the assessment on the implementation of sustainable development in themed workshops in the spring and autumn of 2007. This assessment is described in this leaflet. The assessment is based on the key indicators selected by the Finnish National Commission on Sustainable Development. The key indicators are supported by the supplementary indicators chosen by the indicator network. In several cases, the uncertainty of the assessment is increased by the contradictory development of the indicators.

The sustainable development indicators are developed and updated by the national indicator network, where there are, apart from the relevant ministries, expert members from the Government Institute for Economic Research (VATT), which also represents the Ministry of Finance, and from the Association of Finnish Local and Regional Authorities and Statistics Finland. The Finnish Environment Institute coordinates the work of the network.

Four times per year an indicator leaflet is prepared for the meetings of the Finnish National Commission on Sustainable Development. In these leaflets, the development trends and challenges relating to the theme concerned are described with the help of a few central indicators and supporting messages. The indicators dealt with in the leaflets are selected via cooperation between civil servants from different administrative sectors and researchers.

## CONTACT POINTS:

Chairperson of the indicator network,  
Senior Adviser Jarmo Muurman, Ministry of the Environment,  
+358 50 3658872 / [jarmo.muurman@ymparisto.fi](mailto:jarmo.muurman@ymparisto.fi)

Coordinator of the indicator network,  
Senior researcher Ulla Rosenström, Finnish Environment Institute,  
+358 400 225529 / [ulla.rosenstrom@ymparisto.fi](mailto:ulla.rosenstrom@ymparisto.fi)

Secretary General, National Commission on Sustainable Development,  
Environment Counsellor Sauli Rouhinen, Ministry of the Environment,  
+358 50 5658394 / [sauli.rouhinen@ymparisto.fi](mailto:sauli.rouhinen@ymparisto.fi)

Deputy Secretary General, National Commission on Sustainable Development,  
Senior Adviser Annika Lindblom, Ministry of the Environment,  
+358 400 143 919 / [annika.lindblom@ymparisto.fi](mailto:annika.lindblom@ymparisto.fi)

Assistant, National Commission on Sustainable Development  
Satu Kapanen, Ministry of the Environment,  
+358 50 5527338 / [satu.kapanen@ymparisto.fi](mailto:satu.kapanen@ymparisto.fi)

Photo: Photo registry of the environment administration, Jouko Lehmuskallio

# Towards sustainable choices – a nationally and globally sustainable Finland

The assessment of the national  
indicator network of the progress  
towards sustainable development in 2007



## PROGRESS MAINLY POSITIVE



### PROMOTING SUSTAINABLE PRODUCTION PATTERNS

There has been relative decoupling in the consumption of natural resources: the total consumption of energy and natural resources grows more slowly than the economy. The consumption of Finnish natural resources has somewhat decreased in the past couple of years. As to acidifying and eutrophying emissions, absolute decoupling has been implemented. However, the rate of CO<sub>2</sub> emissions continues to grow.

### CHANGING CONSUMPTION HABITS

The proportion of household expenditure on services has grown because of the increased use of services and the rise in service costs. The aging of the population increases the need for and use of services.

### ENSURING THE AVAILABILITY OF SERVICES

Citizens are, on the whole, satisfied with municipal services. Service satisfaction is highest in small municipalities and lowest in the largest municipalities. The residents living in municipal centres or inner cities are more satisfied with the services than those living in rural areas, suburbs or in areas bordering on the city centre.

### BALANCE BETWEEN INDIVIDUAL AND SOCIETAL RESPONSIBILITY

It is likely that life expectancy for both men and women will continue to increase. Prolonged unemployment and other factors causing social exclusion as well as other changes that are disadvantageous to health may slow down this favourable development or cease it. The socio-economic differences in life expectancy have grown.

Since 1996 there has not been any major change in the expected retirement age, which has fluctuated on either side of 59 years. In the past couple of years, there has been development towards later retirement.

### PREVENTING SOCIAL EXCLUSION AND POVERTY

In the past few years, measures for employment have been considerably intensified. The number of long-term unemployed has clearly decreased and the success rate for finding employment after employment measures has improved. In addition, economic growth has led to an increased demand for labour.

Annually only 0.5% of pupils fail to obtain the comprehensive school leaving certificate. In the transition point between basic education and upper secondary education, some 3,000 young people (5%) are, annually, left outside the public education system and permanently detach themselves from the education system.

### NATIONAL IDENTITY AND A MULTICULTURAL FINLAND

At the end of 2006, the unemployment rate among immigrants was 26%. Compared with the year of 1995, this unemployment rate has nearly halved. The majority of immigrants have moved to Finland because of family reasons and only about one tenth for work reasons. The number of foreign-language pupils has increased considerably.

### THE ECONOMY AS A SAFEGUARD FOR SUSTAINABLE DEVELOPMENT

At the moment the State economy is strong but the municipalities' economic situation has weakened. The public economy has been in surplus since 1999 and the amount of public debt has been reduced.

The number of unemployed has declined from the gloomiest years of economic depression and was at 6.9% in 2007. Matters related to job-matching must be solved in order to further reduce unemployment.

In international comparison, the Finnish industry's cost competitiveness is good and it improved substantially in the 1990s. The development has no longer been favourable in the past few years.

Because of the depression, the economic dependency ratio grew sharply and was, at its peak, 148 in 1994. However, it stabilised to the level of about 120 at the beginning of the 2000s.

### EDUCATION TO PROMOTE SUSTAINABLE DEVELOPMENT

The Finnish National Commission on Sustainable Development has set an objective according to which 15% of day care centres, schools and educational institutions will receive a certificate on or an external symbol for their sustainable development activities. The percentage of certified or Green Flag schools is currently less than 5% of all schools but it is on the rise.

## NO CHANGES OR THE PROGRESS IS CONTRADICTIONARY



### INCREASING ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY

The total consumption of energy strongly increases but at a slower rate, however, than the GDP. The year 2005 forms an exception because of the large net imports of energy and the work stoppage in the forest industry. The use of renewable energy sources is currently less than 30%. The largest group of these renewable energy sources is formed by wood fuels in industry and in energy production and waste liquor generated by the wood-processing industry. The decrease in the forest industry production in Finland reduces this amount.

### IMPROVING THE STATE OF THE BALTIC SEA

Algal blooms in the Baltic Sea are a growing problem. Agriculture is the largest single source of nutrient loads entering into the Baltic Sea. At the same time the percentage of point source pollution out of the discharges has decreased.

### THE CULTURAL SIGNIFICANCE OF NATURAL RESOURCES

The utilisation of intangible natural resources is important to Finns: almost half of them roam in nature as a leisure pursuit. In addition, about half of Finns pick berries or mushrooms, or fish in their spare time.

### A POLYCENTRIC AND NETWORKED REGIONAL STRUCTURE

In 2000–2005 there was more migration between and within municipalities in Finland than ever before. In 2005 the largest migration took place to rural areas adjacent to cities. As for the living environment, Finns appreciate living close to nature and services, peacefulness and good means of transport. The lower prices for houses and housing plots attract them to areas bordering on the cities. The remote rural areas that are located in between the urban regions have the weakest prospects.

### PROMOTING CIVIL ACTIVITY

The voting percentages in municipal and parliamentary elections have declined from the rates of the 1960–1970s from over 80% to lower than 70%. The citizens' voting activity was at its lowest in 1999 in the parliamentary elections and the European Parliament elections and in the municipal elections in 2000. However, it appears that the situation has improved.

### RESEARCH AND DEVELOPMENT, KNOW-HOW AND INNOVATIONS

In Finland expenditure on research and development has continued to grow and its share of GDP has, for a long time, been the second highest in the EU. Since the beginning of the 1990s, expenditure has increased mainly due to input from enterprises but also, in recent years, due to the input from the higher education sector. Although these inputs are high even by international standards, they have not, however, led to growth in productisation.



[www.environment.fi/indicators](http://www.environment.fi/indicators)

## PROGRESS MAINLY NEGATIVE



### LIMITING GREENHOUSE GAS EMISSIONS

The rates of greenhouse gas emissions vary annually. There has been a slow upward trend but the growth is slower than that of the GDP. In 2005, the greenhouse gas emission rates were almost 3% below the emission level of 1990 as the labour dispute in the forest industry reduced the demand for energy and the amount of imported electricity reached a record-breaking high. In 2006, the emission rate rose again and was 13% higher than the targeted level recorded in the Kyoto Protocol.

### ENSURING BIODIVERSITY

According to an evaluation conducted in 2000, some 10% of Finnish species are under threat. The number of threatened species was largest in forests and their share of all species is largest in fell areas. It would appear that the largest growth in the number of threatened species takes place in forests, agricultural environments and in waterbodies.

### FUNCTIONALLY DIVERSE AND STRUCTURALLY SOUND COMMUNITIES AND A GOOD LIVING ENVIRONMENT

The distance to services has grown. The largest growth has taken place for those who live within a distance of 2.0–9.9 km from services as well as in grocery trade. The development trends are the concentration of services as well as urban sprawl.

### ENSURING A VITAL RURAL REGION AND ITS SERVICES

The deterioration of the economic dependency ratio weakens the municipalities' opportunities to maintain welfare services. The heaviest economic dependency ratio is in the Kainuu Region and the lowest in Åland and Uusimaa. The population change, the changes taking place in work structures and the effects of globalisation further deepen the regional differences.

### THE TRANSPORT SYSTEM

The share of public transport out of all forms of transport has decreased. Apart from the life-style favouring the use of private cars, the development trend is also affected by the declining level of service in public transport and the rise in ticket prices. The price level in public transport in relation to the use of private cars has risen year by year.

### QUALITY OF WORKING LIFE MEASURED WITH WORK-RELATED ACCIDENTS

Since 1998 the number of occupational accidents has slightly decreased but during the past couple of years the situation has worsened. The number of fatal occupational accidents has also increased.

### COHESION BETWEEN DIFFERENT GENERATIONS

There has been an ongoing change in the population's age structure for a long time. Although the population number has increased in 50 years by more than one million people, there are now 300,000 fewer children under 15 years of age in Finland than 50 years ago. At the same time, the working age population has grown by nearly 900,000 people. Today the number of those who are 65 years old or more is almost half a million higher than in the year of 1950. The increase in immigration may have a very significant effect on forecasts.

### PROMOTING HEALTHY LIFESTYLES AND FUNCTIONAL CAPACITY AND PREVENTING HEALTH THREATS

The mortality and morbidity rates caused by alcohol have clearly grown quicker than alcohol consumption though both the consumption and mortality have considerably increased in the past few years.

### FINLAND AS A GLOBAL BEARER OF RESPONSIBILITY

In 1991 Finland met the UN's target set for development cooperation appropriations. Due to the economic downturn, however, the appropriations decreased sharply. In 2005 the share was 0.46% of GDP and in 2006 only 0.39% of GDP. Finland has committed itself to the decisions made by the European Council to achieve the minimum target of 0.51% in 2010 and 0.7% by 2015.

The largest flow of capital from the investments made by Finnish enterprises are directed to Europe and North America. The aim is to also direct the interest and operations of Finnish enterprises to the poorest developing countries but so far the level of investments made in Africa, for example, is very low.