

Compensation for the indirect costs of EU emissions trading system 2017

A new subsidy scheme will be introduced in Finland, under which certain industrial sectors will receive compensation for the higher electricity prices arising from EU emissions trading. Companies can submit first subsidy applications this year on the basis of the electricity consumption figures for 2016. As the authority responsible for managing the subsidy scheme, the Energy Authority will process the subsidy applications and decide on granting and paying the subsidies.

The following sectors and subsectors are eligible for the subsidy:

ELIGIBLE SECTORS OR SUB-SECTORS (Nace rev. 1.1)	
1310	Mining of iron ores
1430	Mining of chemical and fertiliser minerals
1711	Preparation and spinning of cotton-type fibres
1810	Manufacture of leather clothes
21111400	Mechanical pulp
2112	Manufacture of paper and paperboard
2413	Manufacture of other inorganic basic chemicals
2414	Manufacture of other organic basic chemicals
2415	Manufacture of fertilisers and nitrogen compounds
24161035	Linear low-density polyethylene
24161039	Low-density polyethylene
24161050	High-density polyethylene
24163010	Polyvinyl chloride
24164040	Polycarbonate
24165130	Polypropylene
2470	Manufacture of man-made fibres
2710	Manufacture of basic iron and steel and of ferro-alloys
2742	Aluminium production
2743	Lead, zinc and tin production
2744	Copper production

The Energy Authority aims to have a situation where operators could start submitting plant-specific subsidy applications through the Energy Authority's electronic services in August 2017. The deadline for submitting the applications would be on 30 September 2017.

The compensation granted is based on the electricity consumption of the applicant, which will be assessed on the basis of the production process or the electricity consumption arising from the production process. The information required for the application must be verified by an independent verifier and the verifier must be approved by the Energy Authority.

Provisions on the compensation for the indirect costs of EU emissions trading system are contained in the [act 138/2017](#), which will be supplemented with a decree at a later date. The act and the decree will only enter into force if the European Commission approves the subsidy scheme. Any delays in the entry into force of the act may also mean that the planned timetable for submitting the subsidy applications will have to be revised. Moreover, an individual may only be approved as a verifier of the information required for the application when the act is in force.

The Energy Authority will provide more details of the prerequisites concerning the application and granting of the subsidy and the process timetable on its website at energiavirasto.fi/kompensaatiotuki and on bulletins. Applicants will also be invited to an information briefing in May 2017.



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Questions and enquiries concerning the compensation subsidy can be sent to:
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