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Source text: Laki kestävän metsätalouden rahoituksesta, 1094/1996
This act has been translated for the Ministry of Agriculture and Forestry.
Helsinki, Finland, March 26, 1997. Päivi Torniainen, translator.

ACT ON THE FINANCING OF SUSTAINABLE FORESTRY

Issued in Helsinki 12th December 1996

In accordance with the decision of Parliament, it is enacted that:

Chapter 1

General provisions

Section 1

Scope of application

Measures which promote the sustainable forest management in accordance with the Forest Act (1093/1996) receive financial support from the annual appropriations included in the State budget in the form of aid and loan as provided in this Act.

The measures specified in paragraph 1 above are:

- 1) ensuring the sustainability of timber production;
- 2) maintenance of the biological diversity of the forests;
- 3) forest ecosystem management undertakings; and
- 4) other promotional measures supporting the activities specified in paragraphs 1-3.

Section 2

Recipients of financial support

Following application for such, financial support may be granted to private landowners. Following application for such, financial support may also be granted for measures specified in section 1, paragraph 2, subparagraph 4, above to parties other than private landowners if the measures to be supported promote the sustainable management of privately owned forests. Funds may also be used for the purposes specified in section 1, paragraph 2, subparagraph 3, above through a decision of the forestry centre in the absence of an application.

A private landowner refers to a natural person, and to a company, co-operative body or other community comprising such persons, or to a trust, the main purpose of which is the practising of agriculture or forestry, and to the shareholders of a jointly owned forest and to the shareholders of a communal area as specified in the Act on Communal Areas (758/89).

What is prescribed in paragraphs 1 and 2 about private landowners may, as regards aid, also be applied to the holder of tenancy from a landowner, the holder of rights of use based on a testament, the holder of a widow's rights of possession, and the holder of pension rights or other corresponding rights.

A guardian may, without the permission of a guardianship board and court, take out on behalf of the legally incompetent party a loan as specified in this Act, for which the property of the party under guardianship is lodged as security.

Section 3

Planning obligation

Financial support for the measures specified in this Act shall be based on a properly drawn up plan.

A plan covering the different activities to be carried out over a number of years (*action plan*) is to be drawn up for the measures undertaken by individual landowners. Financial support may be granted for renovation ditching and forest road construction carried out as a joint undertaking and, as provided by decree, also for other measures on special reasons on the basis of a measure-specific plan (*project plan*).

The ministry responsible for forestry matters shall issue more detailed general regulations concerning the plans and their contents.

Section 4

Restrictions on financial support

Financial support cannot be used for work that has resulted from the devastation of forests as specified in the Private Forest Act (412/67).

Neither may financial support be used for work or for measures which have been prescribed as the responsibility of the landowner:

- 1) in the Forest Improvement Act (140/87) or in a corresponding earlier Act or in section 38 of this Act;
- 2) in the Act on the Rehabilitation of Poorly Productive Forests in Lapland (1057/82);
or
- 3) in the Forest Act, apart from the measures specified in section 6, paragraph 1, subparagraph 1 c, and in section 19 of this Act.

In addition, financial support may not be used for work or for a measure that has resulted from actions confirmed to be in violation of the Forest Act, or which is not in compliance with that provided in the Forest Act or elsewhere.

The appropriations reserved for the purposes of this Act may not be used for compensation to be paid on the basis of an agreement made for the temporary protection of land in compliance with section 25 of the Nature Conservation Act (1096/1996), nor for compensation under the provisions of section 53 and section 55

of the said Act or otherwise, nor for compensation that is based on corresponding provisions preceding the said provisions.

Chapter 2

Ensuring the sustainability of timber production

Section 5

Types of work

In order to ensure the timber production sustainability and vitality of forests, financial support may be granted for the following types of work that promote the forest management:

- 1) forest regeneration;
- 2) prescribed burning;
- 3) tending of a young forest;
- 4) harvesting of energy wood;
- 5) forest remedial fertilisation;
- 6) renovation ditching; and
- 7) forest road construction.

Section 6

Definitions

For the purposes of this Act:

- 1) *forest regeneration* means:
 - a) the afforestation of an area suitable for growing a forest, adopted for forestry purposes;
 - b) the promotion of natural regeneration in protection forest and protection area; and
 - c) the measures needed to achieve a new tree stand following regeneration felling of a forest of low growing stock, or of low commercial value, in cases provided by decree;
- 2) *prescribed burning* means the burning of slash and ground vegetation to be carried out in connection with forest regeneration as specified in subparagraph 1, or as a separate measure;
- 3) *tending of a young forest* means the cleaning and thinning and the pruning of high-quality tree individuals in seedling stands and young forests, provided that an amount of wood, fit for sale as a marked stand fulfilling the quality and dimension criteria of merchantable timber, does not accumulate in connection with the measures carried out in the area;
- 4) *harvesting of energy wood* means the bunching and hauling of wood felled in connection with the management of young forests and to be supplied for energy production;
- 5) *forest remedial fertilisation* means the fertilisation of such forests whose development, despite silvicultural measures, is becoming retarded owing to nutrient imbalances in the soil, and which may be made to recover through fertilisation;
- 6) *renovation ditching* means the cleaning of the ditch system in a previously drained area, the digging of supplementary ditches to the extent presupposed by the technical implementation of renovation ditching and water conservation, and the work required

from the point of view of transport or environmental protection or for other reasons, and the construction and renovation of equipment and constructions; and
 7) *forest road construction* means the making of forest roads specified in section 5, paragraph 2, of the Private Roads Act (358/62), the basic improvement of roads constructed as forest roads financed by forest improvement funds, and the construction or basic improvement of roads connected to forest roads or roads leading to the storage areas and unloading sites required in forestry.

The ministry responsible for forestry matters may issue more detailed general regulations concerning the definitions of different types of work and their contents.

Section 7

General requirements set on work

The work is to be directed, within each region and depending on the type of work, primarily at those sites which are the most appropriate from the point of view of the sustainability of timber production. The work is to be appropriate from the economical point of view and with respect to the management of forest ecosystem and the environment, as well as the maintenance of the biological diversity of the forests, and may not cause, to other areas of the environment, injurious effects that may reasonably be avoided. The work is to be integrated, if possible, in such a way that it may be implemented in the economically most favourable manner.

The ministry responsible for forestry matters may issue more detailed general regulations concerning the overall requirements set on the work.

Section 8

Financial support of work

Full financial support may be provided for the costs arising as a result of the purchase of seeds, seedlings and other necessary material used in artificial forest regeneration, and for the insurance required in connection with prescribed burning. In compliance with the stipulations from the ministry responsible for forestry matters, full financial support may also be provided for the costs incurred in planning the work. In addition, provisions concerning the financing of costs through environmental aid shall be provided in section 19.

Either an aid or a loan may be provided for financing the costs (*implementation costs*), other than those specified in paragraph 1, of renovation ditching and forest road construction carried out as a joint undertaking; and for other types of work only an aid may be provided.

Loan decisions made in compliance with this Act, within the framework of the authority of the forestry centres, bind the State as one of the parties to the debt relationship, unless otherwise prescribed.

Section 9

Amount and grounds of financial support

The country shall be divided into zones for the purpose of determining the amount of aid provided for the implementation costs. The maximum amount of aid shall be 70 per cent of the realised costs or corresponding average costs, which shall be approved annually by the ministry responsible for forestry matters. However, the maximum amount of the aid for the harvesting of energy wood shall be a sum in Finnmarks, approved by the ministry, per solid cubic metre of wood supplied for energy production purposes.

A loan may be provided for financing the measures to be carried out, either as a sum corresponding to the realised costs or to the average costs approved by the ministry.

Provisions on the costs to be financed and determination of the average costs, and the zones and aid percentages applied in them, shall be provided by decree. A decrease in aid percentage may be provided by decree in cases where the action plan presented by the applicant is not based on an up-to-date, holding-specific forest plan (*forest plan*), inspected by the forestry centre with respect to the measures provided in this Act, apart from the employment with selective measures specified in section 11.

Section 10

Passive participant in joint undertakings

A party gaining benefit from renovation ditching and forest road construction carried out as a joint undertaking, but who has not demanded the construction of ditches or roads or endorsed such a demand, but who has been obliged by the administrative proceedings for the drainage plan or road construction plan to participate in the undertaking, may be granted aid as specified in section 8.

Section 11

Funding for employment with selective measures

Aid equivalent to a maximum of 80 per cent of the implementation costs may be provided for the tending of a young forest, which is carried out in accordance with the guidelines concerning the use of labour issued by the ministry responsible for employment matters, and with the employment funds (*employment with selective measures*) allotted by the above ministry to the ministry responsible for forestry matters. Aid for the employment with selective measures, equivalent to a sum in Finnmarks per solid cubic metre as approved by the ministry responsible for forestry matters, may be granted for the harvesting of energy wood.

Section 12

Loan terms

The loan shall be repaid, for the time being, at an annual payment rate of 12 per cent unless, on the basis of the minimum amount provided by decree for annual payments, the loan is to be recovered with an annual payment larger than that stated above.

The annual payment shall be considered to include the current rate of interest on a loan of 4 per cent of the outstanding capital. The remaining part of the annual payment shall be considered to be an instalment of the capital to be repaid.

When a loan is granted and when it is being recovered, the property of the same landowner belonging to the same undertaking shall be regarded as one entity as long as the property is in the possession of the same owner.

Provisions on the minimum amount, penal interest, starting date of the annual payments and collection of the loan and the extra repayment instalments of the outstanding loan and other terms of the loan to be granted shall be provided by decree.

The Council of State may, notwithstanding what is otherwise provided about the repayment of a loan, decide on the grounds, according to which the amount of the outstanding loan capital that is to be repaid may be reduced, in cases where the party responsible for remittance repays all of the outstanding loan capital in one instalment.

Section 13

Responsibility for the State's claim

The property is pledged as security for the granted loan and payment of the interest accruing on the loan as provided in chapter 20 of the Land Code (540/95).

Security, as specified in paragraph 1 or otherwise, shall not be required from the shareholding association of a jointly owned forest. Security, approved by the forestry centre, shall be pledged for the forthcoming claim of the State and its interest as regards an area specified in the Act on Communal Areas.

If a jointly owned forest is divided up between the shareholders or sold for the benefit of the shareholders, and if the shareholding association of the jointly owned forest has neglected payment of the claim of the State, each shareholding shall be pledged as security, in accordance with the provisions of chapter 20 of the Land Code, for that part of the State's claim and the interest owed by the shareholding association of the jointly owned forest that corresponds to the proportion of each shareholding in the jointly owned forest.

When a permit, as specified in section 5 of the Act on Jointly Owned Forests, for dividing up or selling jointly owned forest has been granted, the forestry centre may order immediate repayment of the claim of the State and interest owed by the shareholding association of the jointly owned forest.

Section 14

Changing the registration of lien and redress of the State's claim

The forestry centres may grant permission for changing or removing the registration of a property, pledged as security as specified in section 13, paragraphs 1 and 3, concerning the part of the property formed by parcelling. Consent may only be given if recovery of the claim to the State is not endangered owing to the termination of the right of lien.

If division of the costs of the undertaking, which have not been confirmed on the basis of other legislation, is found to be erroneous, the forestry centre may rectify the division. Before rectification, an opportunity to be heard is to be provided for those parties whose rights may be affected by the measure. In rectification the amount of the loan may only be increased for the part which has not become due for repayment.

If changes in the obligation to participate in the costs of an undertaking specified in this Act are based on other provisions than those of this Act, the forestry centre may, on application, change the allocation of the State loan between the properties for that part for which the loan has not become due.

Section 15

Management and maintenance obligation

The landowner gaining benefit from forest regeneration, renovation ditching or forest road construction shall be obliged to manage and maintain the area or forest road in which the measure was carried out for 15 years after final repayment of the financial support provided for the undertaking. When the right of ownership of the property or other area passes to a new owner, the management and maintenance obligation shall also be transferred to the new owner. Provisions on the measures concerning the management and maintenance obligation shall be provided by decree.

The forestry centre shall be responsible for ensuring that the management and maintenance obligation is observed. If management of a regeneration area or area benefiting from renovation ditching or maintenance of a forest road is neglected, the forestry centre shall urge the parties responsible for management and maintenance to rectify their remissness within a specified period of time.

If, owing to the remission specified in paragraph 2, the measure is in danger of losing a marked part of its significance, and the landowner has not rectified the situation within the specified period of time, the forestry centre may decide that the aid provided for the measure shall be partially or wholly recovered, or the loan shall be terminated, and the management and maintenance obligation becomes void.

An aid shall be recovered from the party holding the right of ownership at the time when remission of the management and maintenance obligation took place. A loan shall be recovered from the debtor or taken from the property pledged as security irrespective of ownership during the period when the remission of the management and maintenance obligation took place. Legal consequences as specified in section 29 may be ordered against the receiver of the financial support in cases where the receiver has neglected the obligation in question.

Section 16

Change in the form of use of the area

If the landowner has started to use a forest regeneration area or area benefiting from renovation ditching in such a way that use of the area for the purposes of commercial forestry is prevented to an essential extent, the forestry centre shall, on becoming

aware of the fact, order immediate repayment of the loan pertaining to the area. If 15 years have not elapsed since final payment of an aid, the forestry centre may order that the aid provided for the area, apart from an environmental aid in accordance with section 19, paragraph 1, be partly or totally repaid to the State. When the forestry centre has made a decision specified here, the management and maintenance obligation for the area lapses. The aid shall be recovered from the party during whose period of ownership the form of use of the area has been changed. A loan shall be recovered from the debtor or taken from the property pledged as security irrespective of ownership during the period when remission of the management and maintenance obligation took place.

Section 17

Change in the rights of ownership

If the right of ownership of a property has been transferred to a community or trust, for which according to section 2 a loan may not be granted, the forestry centre shall, on learning of the fact, order the loan pertaining to the property to be immediately repaid.

Section 18

Loss of benefit

If the landowner has lost, to an essential degree, the economic benefit based on forest regeneration, renovation ditching or forest road financed with State funds, as a result of natural damage, forest fire caused by factors independent of the landowner, or for some other reason, or as a result of the damage caused through an action necessary to prevent the damage, and repetition of the work in accordance with this Act is not considered appropriate, the forestry centre may, on application, decide that the management and maintenance obligation of the area or forest road subjected to the damage or measure, is void, and that further recovery of the loan shall be terminated.

If the economic benefit specified in paragraph 1 is lost as a result of measures specified in section 1, paragraph 2, subparagraphs 2 and 3, or as a result of a treatment restraint or restrictions on use concerning the area or the road, on the basis of different acts, the forestry centre may, on application, decide that the management and maintenance obligation of such an area or forest road is void and, if the lost benefit has not otherwise been compensated for, that further recovery of the loan is terminated.

Chapter 3

Financial support for the maintenance of biological diversity in forests

Section 19

Environmental aid

If in measures associated with forest management, the maintenance of the biological diversity of the forest, nature management or use of the forest other than for timber production are taken into account more extensively than what is provided in the Forest Act as the responsibility of the forest owner or as provided in section 7 of this Act, or as concerns the fulfilment of an obligation as specified in section 10, paragraph 3 of the Forest Act, then the landowner may be provided with partial or total financial support for the greater than insignificant additional costs and economic losses through State funds (*environmental aid*). However, environmental aid cannot be provided in cases where a reduction in forest yield or other economic loss resulting from the maintenance of diversity is insignificant as specified in section 11, paragraph 1, of the Forest Act.

The ministry responsible for forestry matters may issue more detailed general regulations concerning environmental aid.

Chapter 4

Forest ecosystem management

Section 20

Planning and implementation of undertakings

A separate forest ecosystem management undertaking may be planned and implemented in the form of:

- 1) work involved in the management and restoration of the important habitats extending over an area covered by a number of holdings;
- 2) a survey of important habitats from the point of view of diversity specified in section 10, paragraph 2, of the Forest Act;
- 3) remedial forest work of importance from the point of view of the landscape management of managed forests;
- 4) the drainage of sedimentation basins in forest drainage areas or the prevention or rectification of watercourse damage caused by forest ditching, if the measure is of greater importance than usual from the point of view of the management of watercourses and aquatic ecosystem, and the costs cannot be directed at a specific guilty party;
- 5) restoration of a forest ditching area in an area of important natural values; and
- 6) other significant undertakings of regional importance, corresponding to the above, that place emphasis on forest ecosystem management and multiple forest use, and landscape, cultural and recreational values.

Forest ecosystem management undertakings shall be planned and implemented by the actions of the forestry centres or under their supervision. The work involved in the undertaking shall be planned in cooperation with the landowner, and implementation of the work presupposes the consent of the landowner.

Section 21

Financial support for undertakings

The forestry centre shall decide on the use of funds for financing such undertakings within the funds reserved for this purpose, taking into account other sources of financial support possibly available for the purpose.

Chapter 5

Other promotional measures

Section 22

Measures to be provided with financial support

Financial support may be provided for other promotional measures specified in section 1, paragraph 2, subparagraph 4, above:

- 1) for drawing up an action plan specified in section 3, paragraph 2;
- 2) for the control of annosus root rot;
- 3) for correcting an unforeseeable mistake;
- 4) for damage compensation; and
- 5) for experimental and research activities promoting the sustainable management of privately owned forests.

Mistake and damage mean the mistake and damage associated with measures funded in accordance with this Act.

Section 23

Amount of financial support

The costs arising from drawing up an action plan specified in section 3, paragraph 2, may be funded in total with financial support on the grounds stipulated by the ministry responsible for forestry matters.

In areas with a high risk of the spread of annosus root rot, aid may be provided for the control of annosus root rot to the party carrying out the felling work, up to an amount corresponding to the costs of the control products.

Decisions concerning aid provided for experimental and research activities shall be made by the ministry responsible for forestry matters on the basis of the application presented to the ministry.

The costs arising from the correction of mistakes and compensation for damages may be refunded in total with State funds only when, with respect to the quality and costs of the case, it is considered reasonable and it is not a question of intent or negligence.

Chapter 6

Applying for, granting and paying of financial support, its recovery and legal consequences

Section 24

Applying for and granting

Financial support for work ensuring the sustainability of timber production specified in chapter 2, environmental aid specified in chapter 3, and financial support for other promotional measures specified in section 22, paragraph 1, subparagraphs 1-4, shall be applied for from the forestry centre.

The application shall include an explanation of the measures for which financial support is being applied, and a plan with the relevant explanations, as is provided in more detail by decree.

The forestry centre shall decide on, within the funds at its disposal, the applications which concern the granting of funds for purposes specified in paragraph 1. At the same time, the forestry centre shall decide on the date by which the measures included in the funding decision are to be completed.

If an environmental impact assessment report has to be made, as specified in the Act on Environmental Impact Assessment Procedure (468/94), about the intended measures, the decision concerning the granting of State funds may not be made before the forestry centre has received the assessment report in question. If a report contains sufficient information about the environmental impacts for applying the provisions of this Act, a new report on the case does not have to be demanded.

The forestry centre shall, when deciding whether to provide financial support for the measures, take into account the restrictions resulting from sections 9, 29-35, 47-49, 55 and 56 and chapter 10 of the Nature Conservation Act. Provisions concerning the procedure for obtaining of comments associated with such decision-making shall be provided by decree.

Section 25

Programmes partially funded by the European Union

In cases where the funding of work, in accordance with this Act, is within the framework of programmes partially funded by the European Union, the funds, in accordance with this Act for measures specified in section 1, paragraph 2, may be granted as partial national funding presupposed by the programmes.

Notwithstanding what is provided in this Act, the granting of funds for measures partly funded by the European Union shall comply with what is provided in the acts of the European Communities, or in decisions issued thereunder by the European Union Institutions, or with what is provided in the Act on Structural Policy Measures in Agriculture and Forestry (1303/94) concerning the preconditions for providing financial support, the amount of support and the recovery of support, and other terms.

Section 26

Payment of aid and loan

The aid or loan granted is paid in accordance with the funding decision as one or a number of instalments. However, the funding decision shall stipulate that at least one-quarter of the aid or loan granted shall not be paid until the recipient of the financial support has provided a notification in writing of the completion (*completion notification*) of the measures outlined in the application.

Section 27

Cancellation of financial support and alterations to it

A forestry centre that has issued a funding decision may cancel the financial support or alter its decision concerning the support for that part of the work that has not been completed if it is apparent that the area in question shall be used in such a way that the target of the work, for an essential part, will not be achieved.

Section 28

Recovery of financial support

The forestry centre shall decide that the financial support is to be cancelled, the aid already paid is to be recovered to the State or the loan withdrawn, if the financial support has been used for purposes other than for that which it was granted, or that the recipient of the financial support has provided incorrect information that essentially affected the granting or paying of the financial support, or acted otherwise dishonestly, for that part which the said action has had an effect on the granting of the financial support and its magnitude.

The forestry centre may also decide that the financial support is to be cancelled in part or in whole, or that the aid is to be recovered, or that the loan is to be withdrawn on the basis of more detailed provisions laid down by the Council of State, if:

- 1) the financial support has been granted on otherwise incorrect grounds;
- 2) the conditions set in the decision concerning the granting of financial support, or in the documents on which it is based, have not been complied with; or
- 3) there is another weighty reason comparable with the above for cancelling or recovering the financial support or withdrawing the loan.

The recipient of the financial support shall, without delay, inform the forestry centre of such changes in circumstances which may result in the legal consequences specified in paragraph 2. The party from whom State financial support may be recovered on the basis of the provisions of sections 15-17 has the same notification obligation.

Apart from the withdrawal of a loan, financial support may no longer, on the basis of this section, be ordered to be recovered when ten years have elapsed since the granting of the financial support.

The provisions of paragraphs 1, 2 and 4, of this section shall not be applied in cases where it is a question of the grounds for recovery specified in sections 15-17.

Section 29

Legal consequences of recovery

If a loan is withdrawn on the basis of section 15 or section 28, paragraphs 1 and 2, a sum corresponding to the accrued interest benefit, as provided in more detail by a government resolution, may be recovered from the recipient of the loan.

If the recipient of the financial support has intentionally or through gross negligence failed to comply with the management and maintenance obligation specified in section 15, or acted in the manner specified in section 28, paragraph 1, and four years have not elapsed since the action, then the amount of aid to be recovered and the amount of interest benefit specified in paragraph 1 may be increased by at the most 20 per cent or, if it is a question of an extremely gross action by at the most 100 per cent.

In the case of continuous or repeated actions, the four-year period of limitation specified in paragraph 2 shall start from the day when the misuse has ceased. In the case of programmes, that last for a number of years and are in compliance with the legislation of the European Communities, the period of limitation continues, however, up until the final completion of the programme. The enforcement period of a legally valid decision concerning the sanction is three years.

More detailed provisions on the cases where interest may be ordered to be paid on financial support and on the interest benefit that is to be repaid, and where interest may be ordered to be paid by an increased rate as a sanction shall be provided by decree. Provisions concerning the penalty interest that is ordered to be paid on the State's claims shall be provided by decree.

Section 30

Enforced collection

The annual payments due on the loans may be collected through recovery proceedings without judgement or decision in the order of priority provided in the Act on the Recovery of Taxes and Fees by Recovery Proceedings (367/61). The recovery of financial support or other payments ordered to be paid to the State as provided in this Act may be recovered through execution, notwithstanding possible appeal, in the said order of priority. The appellate authorities may, however, annul an execution, or order it to be suspended.

Chapter 7

Steering and supervision

Section 31

Directing of funds

The ministry responsible for forestry matters shall annually decide on the directing of funds for measures specified in this Act, and provide against account statement funds for the use of the forestry centres.

The decision shall include a plan for usage of funds and, in its preparation, account is to be taken of the conditions and employment prospects in the different parts of the country, and the special regional features and needs set out in the regional forestry target programmes specified in section 4 of the Forest Act.

Section 32

Steering and supervision of activities

The ministry responsible for forestry matters shall issue general regulations and guidelines concerning activities in accordance with this Act, and supervise the activities and use of State funds.

Each forestry centre shall, within its region, supervise activities and the use of State funds in accordance with this Act in compliance with what is provided concerning the management of these tasks in the Act on Forestry Centres and the Forestry Development Centre (1474/95), or elsewhere.

Chapter 8

Miscellaneous provisions

Section 33

Appeal

A decision of the forestry centre made in accordance with this Act may be appealed to the provincial administrative court. The competent provincial administrative court shall be determined according to the judicial district of the provincial administrative court in which the majority of the forestry land is located.

The appeal shall be handled according to the appeal procedure laid down for the decision of an administrative authority in the Administrative Judicial Procedure Act (586/96).

If the appellate authorities or forestry centre considers it necessary, or if the landowner so demands, an inspection shall be carried out on the matters specified in sections 15, 16, 18, and 19, in section 22, paragraph 1, subparagraphs 3 and 4, and in section 27. The inspection shall be carried out by the inspection committee specified in section 15 of the Act on Forestry Centres and the Forestry Development Centre.

Section 34

Taxability of financial support

The financial benefits obtained on the basis of this Act are not taxable.

Section 35

Implementation of the Act

The ministry responsible for forestry matters shall direct and supervise the implementation of this Act.

Section 36

More detailed provisions

More detailed provisions concerning the implementation of this Act shall be provided by decree.

Chapter 9

Entry into force and transitional provisions

Section 37

Entry into force

This Act enters into force on 1st January 1997.

This Act shall repeal the Forest Improvement Act (140/87) issued on 13th February 1987, and its amendments.

Measures required to enforce this Act may be taken before it comes into effect.

Section 38

Transitional provisions

The funds appropriated for the purposes of this Act may be used, in accordance with the Forest Improvement Act which shall be repealed, up until the end of 1999 for financing such forest improvement undertakings, where field work has been completed by the end of 1996 or financing decisions has been issued before this Act enters into force, and for the funding of such forest improvement work, started before this Act enters into force, which has been carried out without a plan approved beforehand by the forestry board or forestry centre, and whose final report on the improvement work including the application for financial support has been delivered to the forestry centre at the latest at the end of 1997.

Those funds which have been granted in the State budget for the purposes of the Forest Improvement Act which shall be repealed, may also be used for the purposes of this Act.

As regards the rights and obligations arising on the basis of the Forest Improvement Act, which shall be repealed as well as the work funded on the basis of the said Act, all rights and obligations are to comply with the provisions in force when this Act enters into force. However, this does not concern organs and procedures to which the provisions of this Act may be applied in cases where the provisions of the Forest Improvement Act, which shall be repealed, are otherwise applied.

What is provided in sections 10, 11, 15, 16, 18, 19, 25, 26 and 28-30 may be applied to those cases where are otherwise applied the provisions in force when this Act enters into force. However, the provisions of sections 28 and 29 shall not be applied to such cases where the decision concerning financial support has been issued prior to confirmation and publication of this Act.