

Towards the Finland we want by 2050

The state of sustainable
development in 2019
in light of indicators and
comparative studies

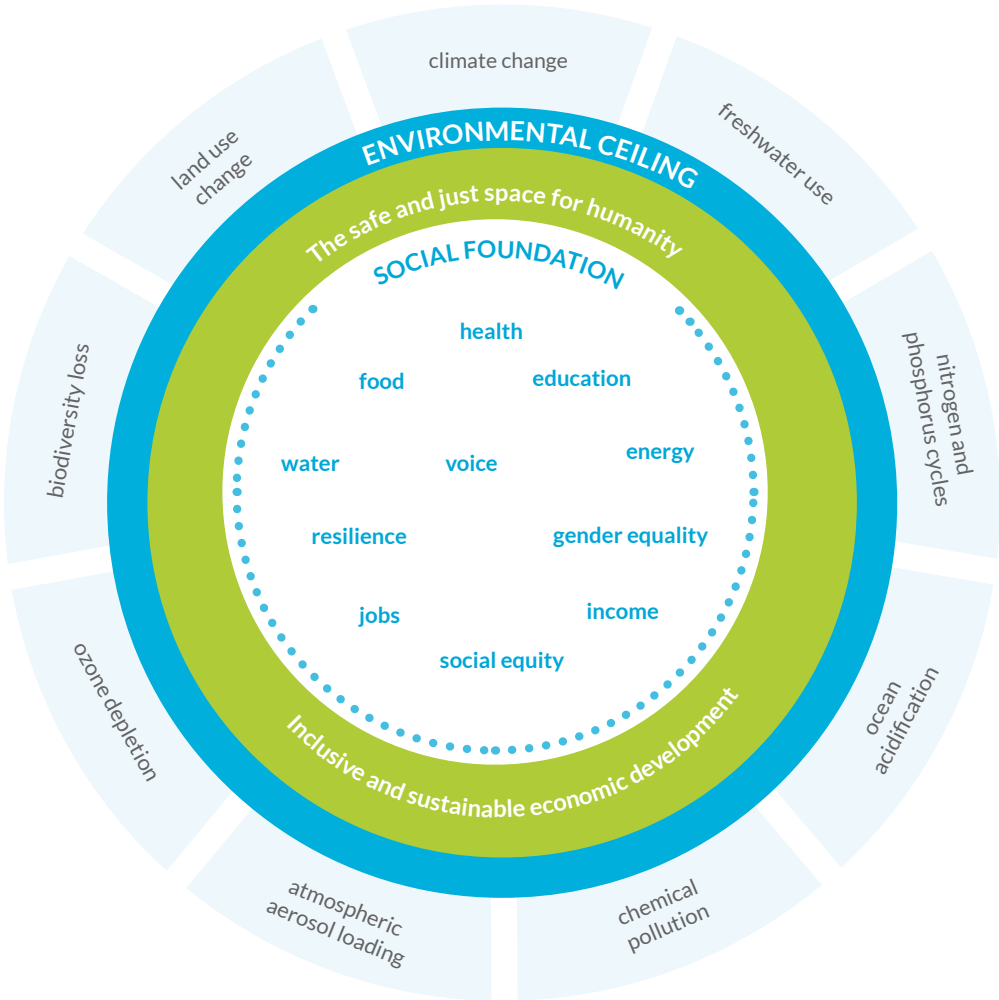
STATE
OF SUSTAINABLE
DEVELOPMENT



Sustainable development

means human wellbeing within the Earth's carrying capacity

According to economist Kate Raworth (2017), sustainability is like a doughnut, where the inner circle contains the social foundation for a life of dignity and the outer circle shows the Earth's carrying capacity. The challenge for the modern world is that, while not everyone's human needs are fulfilled, other people are living beyond the capacity of natural resources. Sustainable development aims at human wellbeing within the carrying capacity of the Earth. This calls for the kind of economic development that takes account of both the limits of the Earth's carrying capacity and the fundamentals of human progress and life.



Contents

How Finland is implementing the goals of the 2030 Agenda for Sustainable Development	4
Summary	6
1 State of nature and the environment	8
2 Resource-wise economy and carbon-neutral society	10
3 Public procurement and consumption	12
4 Housing and communities	14
5 Prerequisites for health	16
6 Social inequality	18
7 Social exclusion and inclusivity	20
8 Working life, quality and change	22
9 Education and development of competence	24
10 Global responsibility and policy coherence	26
What's next for Finland? Recommendations for further action based on the evaluation	28
The view of the Citizen's Panel on the state of sustainable development in Finland	30
Acknowledgements and sources	31

The 2030 Agenda's 17 goals, Finland's 8 objectives and 10 monitoring baskets

The 2030 Agenda for Sustainable Development was adopted at the United Nations Sustainable Development Summit in New York in 2015. The Agenda includes 17 Sustainable Development Goals (SDGs) and 169 targets for the whole world.

Finland is implementing this global Agenda for Sustainable Development by means such as the national Society's Commitment to Sustainable Development. The 8 objectives of the Society's Commitment carry out the 17 goals of the 2030 Agenda.

Finland wants to make decisions that support the achievement of the global goals and national objectives for sustainable development. A monitoring system has been created to support decision-making processes, containing expert analyses on the state of sustainable development in Finland. These analyses – i.e. interpretations – have been divided into ten equally important themes, functioning as monitoring baskets, which are presented in more detail on the following pages. This publication is largely based on information from these baskets.

The monitoring baskets are as follows:

- 1 State of nature and the environment
- 2 Resource-wise economy and carbon-neutral society
- 3 Public procurement and consumption
- 4 Housing and communities
- 5 Prerequisites for health
- 6 Social inequality
- 7 Social exclusion and inclusivity
- 8 Working life, quality and change
- 9 Education and development of competence
- 10 Global responsibility and policy coherence

How Finland is implementing the goals of the 2030 Agenda for Sustainable Development



Summary

Finland and other Nordic countries have performed well in international comparative studies on sustainable development. Nevertheless, there is still some distance to cover to achieve the jointly agreed goals. Finland is committed to achieving the goals of the 2030 Agenda by 2030. Finland is also implementing these goals through the national Society's Commitment to Sustainable Development, which defines the Finland we want by 2050.

Studies have identified high-quality education and the resulting competence, as well as the overall stability of social systems, as Finland's key strengths in sustainable development. Its key challenges include the fight against climate change and excessive consumption of natural resources, as well as economic and employment trends.

This report outlines the state of sustainable development in Finland in 2019. The report is largely based on information produced by the national indicators for sustainable development and it is structured in keeping with the ten baskets of the monitoring system.

1 State of nature and the environment

The state of the environment has been improving as a result of successful efforts to cut down emissions from major individual sources of pollution. Air quality in Finland is good by international standards. However, the loss of biodiversity continues. While emissions into waters have decreased, the Baltic Sea is still suffering from eutrophication.

Around **10%** Finnish species are estimated threatened.

2 Resource-wise economy and carbon-neutral society

Finland is among the top countries in the European Union in the use of renewable energy. Finland's greenhouse gas emissions have taken a downward turn, but there is still much to be done to reduce them. Most of Finland's greenhouse gas emissions originate from the energy sector and traffic. Forests form Finland's most important carbon sinks.

- + Finland's greenhouse gas emissions have taken a downward turn.
- Greenhouse gas emissions must be reduced considerably more swiftly.

3 Public procurement and consumption

An average Finn's carbon footprint is about 10.3 tonnes per year. The carbon footprint of housing and driving has decreased while the footprint of food products has remained unchanged. Between EUR 30 and 35 billion is spent on public procurement every year, but there is no quantitative follow-up data on the impacts of procurement.

- + The CO₂ emissions of cars registered for the first time have declined.
- Finns' diets do not follow recommendations.
- The recycling rate of municipal waste is over 40%, but it needs to be raised further.

4 Housing and communities

Housing and communities are changing as a result of the ageing population, urbanisation and climate change. Most construction activities in Finland are focused on larger cities, which means that their population density is increasing. This will further improve the conditions for well-functioning public transport. Conversely, access to services is declining in smaller urban centres and rural areas. An increasing proportion of elderly people live in their own homes.

In **7%** of households the share of housing costs exceeds 40% of net income.

5 Prerequisites for health

Finns' perceived quality of life has improved. Perceived wellbeing is linked to socio-economic status so that those who are better off also tend to enjoy a higher quality of life. Finns living in the south and west are healthier than their peers in the east and north. Intimate partner violence is a threat to women in particular. Finland is the second most violent country for women within the European Union.

- + Finns' perceived wellbeing has improved.
- + Binge drinking and smoking have decreased.
- Obesity is becoming more prevalent.
- Depression has increased in all age groups.

6 Social inequality

The standard of living and quality of life have improved for a large proportion of Finns over the last few decades. The growth in income disparities and low income rates seems to have come to a halt, but the differences are still high. Nevertheless, income disparities in Finland are among the lowest in the European Union. The number of recipients of basic social assistance has grown.

The Gini coefficient in Finland in 2017

27.7
4th lowest in the European Union

7 Social exclusion and inclusivity

The number of young people not in employment, education or training has decreased slightly in Finland in recent years. Likewise, experience of loneliness among teenage boys has declined, although boys experience more loneliness than girls. Finland is performing well in rankings on corruption and press freedom.

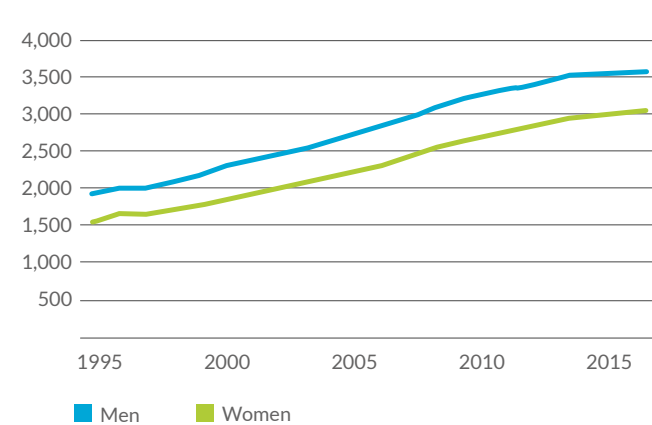
- + More and more young people aged 15 to 24 are in employment, education or training.
- + Loneliness experienced by young people has decreased, especially among boys.
- Voter turnout is declining more than the Western European average.
- Not all young people find Finland an attractive future country of residence.

8 Working life, quality and change

The world of work is changing rapidly. The employment rate has improved and fewer and fewer working people earn a low income. Although by international standards there is a sustainable basis to many aspects of the Finnish working life, inequalities between women and men are large. The pay gap is not shrinking at the desired rate and women have less autonomy at work than men. The pay gap between women and men is above the EU average.

GENDER PAY GAP (€/MONTH)

Source: Statistics Finland



9 Education and development of competence

Finland is known as a leading country in education and training. Its library utilisation rate is also at world-class level. Research and development expenditure has picked up after a hiatus, while sustainable development is being taken more and more effectively into account at schools and nursery schools. However, while reading literacy has traditionally been strong among young Finns, it is now declining. Learning differences between girls and boys are among the largest of all OECD countries. Men also acquire less education than women.

In 2016 of 30-year-old

29,8% Men had completed at least a higher education degree.
45,6% Women had completed at least a higher education degree.

10 Global responsibility and policy coherence

Finland's level of commitment to improving lives in the poorest countries is good by international standards. Relative to its population size, Finland plays an active role in civilian crisis management operations. However, Finland falls short of the other Nordic countries in terms of the level of development cooperation funding. Climate financing for developing countries has also dropped from peak years. However, very little is known about the global impacts of Finnish consumption.

According to the Good Country Index published in early 2019, Finland contributes most to the common good of humanity in relation to its size. In the latest ranking of 153 countries, Finland climbed from place 4 to number 1.

Key parties and stakeholders evaluated Finland's sustainable development policy as part of the Polku2030 ('Path2030') project. Based on this evaluation, they have made the following recommendations:

- 1 The next governments must adopt achievement of the 2030 Agenda goals as the foundation for their respective Government Programmes.
- 2 A national roadmap to 2030 should be produced in order to reinforce a goal-oriented and systematic policy approach from the perspective of sustainable development.
- 3 The Government should direct public funds to sustainable development in a more consistent manner.
- 4 Scientific support and monitoring of the 2030 Agenda should be strengthened.
- 5 Sustainable development should be genuinely introduced as part of cross-administrative foreign and development policies.

The Citizens' Panel, made up of 500 Finns, assessed the current state of and recent changes in sustainable development as follows:

- With regard to issues relating to the Earth's carrying capacity, the panellists were particularly satisfied with Finland's good air quality. A particular concern was the continuing loss of biodiversity.
- With regard to issues relating to human wellbeing, the panellists were particularly satisfied with the high level of perceived quality of life and low morbidity rates.
- Finland is shouldering its global responsibility effectively by, for instance, playing an active role in international crisis management and carrying out responsible trade policy. In terms of Finland's development cooperation funding, both the current situation and recent developments received poor marks.



State of nature and the environment

Ecological sustainability is the foundation of sustainable development. In Finland, the focus of environmental protection is shifting from reducing emissions to preventing them, especially in terms of promoting the circular economy. The state of the Finnish environment has been improving as a result of successful efforts to cut down emissions from major individual sources of pollution. A major concern in the state of nature is the continuing loss of biodiversity, which has not been stopped.

The 2018 report by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) suggests that global land and habitat degradation has reached a critical level, affecting 3.2 billion people. The report estimates that, by 2050, habitat degradation will be the single most significant reason for species extinction. Combined with climate change, it will force an estimated 50–700 million people to migrate from their home territories. The report indicates that less than approximately one quarter of the Earth's land surface remains in its natural condition, free from substantial human impacts. IPBES experts estimate that, by 2050, the figure will have dropped to less than 10%, which will also include deserts, mountainous areas, tundra and polar areas unsuitable for human settlement.

According to the WWF Living Planet 2018 report, the size of the entire Earth's vertebrate wildlife populations declined by an average of 60% between 1970 and 2014. Finland was one of the first countries to sign the key convention aiming to safeguard biodiversity, i.e. the Convention on Biological Diversity (CBD). The goal of the Convention is, by 2050, to safeguard biodiversity and ensure that natural resources are used so as to maintain the viability of ecosystems while not exceeding the Earth's carrying capacity.

The actions taken by Finns have a bearing on the state of the

environment the world over. A growing proportion of the environmental impacts caused by Finns is generated outside the country through international trade, transport and travel. Alongside our own actions, the state of the Finnish environment is affected by factors such as global climate change, the potential spread of alien species into its land and waters, and long-range transport of air pollution. The use of fossil fuels is one of the leading causes of climate change. The means of combating climate change include international cooperation and changing social structures and approaches.

Continuing loss of biodiversity in Finland

One of the indicators used to measure the state of ecosystems is biodiversity. It has been estimated that around 10% of Finnish species are threatened. Besides climate change, our native species are threatened by alien species. In Finland, the rate at which the species in forests and rural areas are becoming threatened has slightly decreased over the last few decades, whereas more and more species found in mires, aquatic habitats, shores, rocky habitats and fell habitats have become threatened. According to a study coordinated by the Finnish Environment Institute (SYKE), 48% of just under 400 Finnish habitat types were estimated to be threatened throughout the country. The proportions of threatened habitat types in Southern and Northern Finland

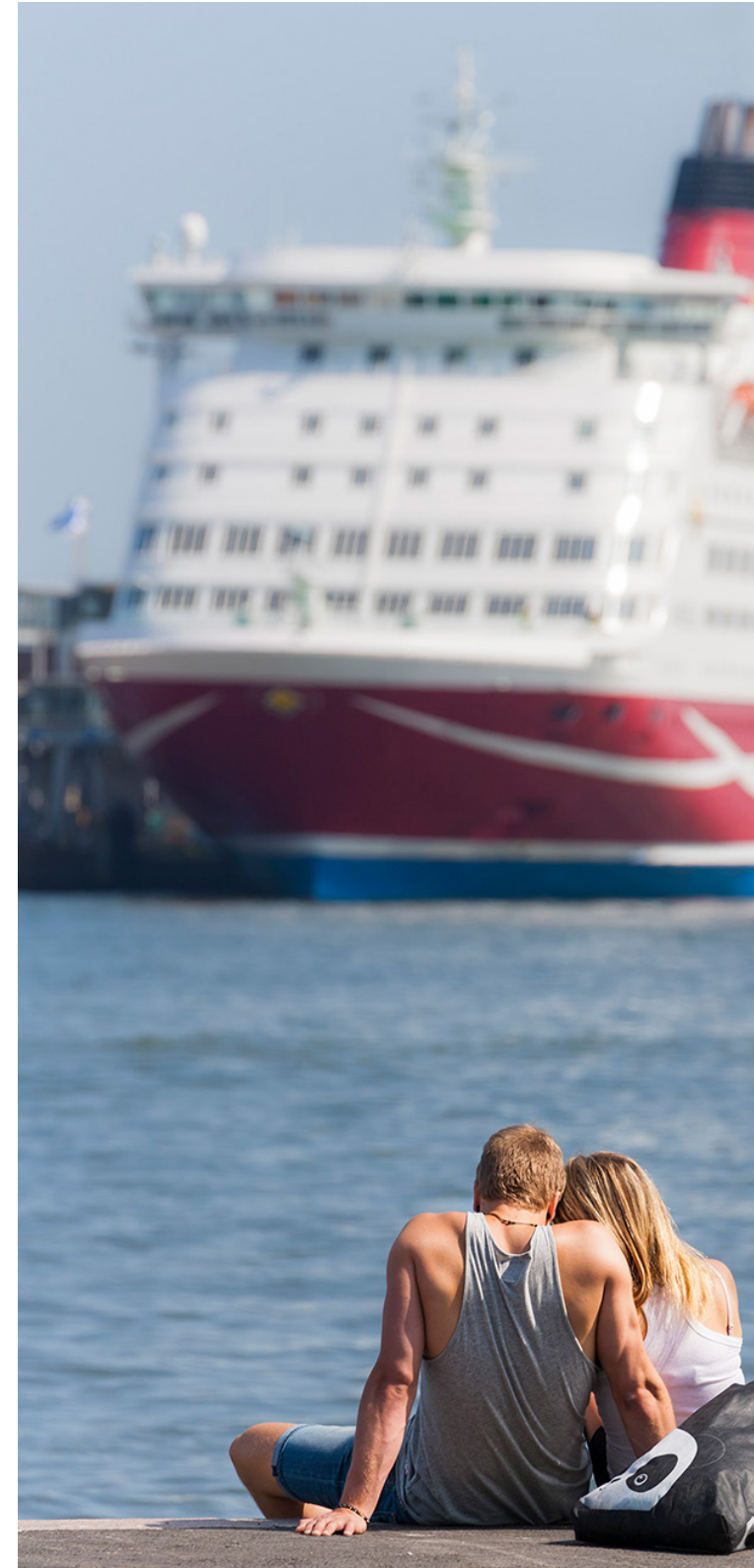


The entire Earth's vertebrate wildlife populations declined by an average of 60% between 1970 and 2014.

Source: WWF Living Planet 2018 report

were 59% and 32%, respectively. Those determined critically endangered included meadows, grasslands, wooded pastures and rich fens. The habitat groups with the highest numbers of endangered and vulnerable habitat types included mires, forests and shores of the Baltic Sea. The study assessed that the primary causes of habitat types becoming threatened include forest management activities, drainage, clearing of areas for arable land, construction, and eutrophication of waters.

Forests are exploited in Finland to a large extent, which is reflected in their species composition. The amount of dead and decaying wood is regarded as an indicator of the diversity of forest species. Decaying wood increases the biological diversity of a forest because, as it decomposes on the ground, it provides nourishment and nesting places for thousands of different organisms, such as fungi, insects and polypores. Most Finnish forests are production forests where trees are cultivated and harvested for useful purposes. As a result, the amount of decaying wood in forests has decreased and many organisms dependent on it have become threatened. There are efforts to increase the amount of decaying wood in production forests by leaving some trees in logged forests to decay naturally. During the 21st century, the amount of deadwood in forests has increased in Southern Finland but decreased in Northern Finland.



Moreover, there are fewer and fewer farmland areas of high nature value. The numbers of small-scale livestock farms, rough grazing areas and permanent pastures have declined, particularly in Southern Finland. Finland is committed to halting biodiversity loss by 2020. If the current trend continues, achieving this objective is unlikely.

The state of the Archipelago Sea and the Gulf of Finland is worrying, but lakes and rivers are generally in good condition

Emissions into water bodies have been clearly reduced in Finland over the past few decades as a result of new pollution abatement technologies and prohibiting the use of the most harmful substances. The ecological status of 85% of the surface areas of lakes and 65% of the length of rivers is excellent or good. The situation is worse in coastal waters, as over half of these are in no more than satisfactory condition or poorer, while only a quarter are classified as excellent or good. Reaching and maintaining a good state of water bodies still requires emission abatement and, in some places, remediation of water bodies. The study coordinated by the Finnish Environment Institute estimates that all of the streams in Southern Finland are threatened and that their quality is affected by water-level regulation and clearing operations. Small brooks and rivers are challenged by drainage and nutrient loads from agriculture and forestry.

The Baltic Sea is suffering from eutrophication; the state of the Archipelago Sea and the Gulf of Finland is particularly worrying. Eutrophication is driven by nutrients accumulated on the seabed over centuries. The volumes of nutrients flowing down rivers into the Baltic Sea have remained relatively stable since the 1970s. While oil emissions have been reduced, the increasing frequency of oil and chemical transport operations heighten the risk of environmental accidents. Microplastic litter also poses a new environmental threat.

Air quality is good in Finland, but particulate matter poses a health risk

By international standards, air quality in Finland is very good. However, outdoor particles have been estimated to cause 1,300 premature deaths and over 600 new cases of bronchitis each year. The majority of these particle emissions originate from energy production and traffic. More than one half of particulate emissions are caused by small-scale combustion of wood in the fireplaces of homes and holiday cottages.

Long-range transport = Spread of harmful substances, such as acidifying air pollutants, lead, radioactive pollution or other impurities, from emission sources to large areas over long distances.



Positive developments:

- + The rate at which forest and rural species are becoming threatened has slowed down.
- + Emissions into water bodies have decreased.
- + Finland's air quality is good by international standards.



Causes for concern:

- Loss of biodiversity.
- Eutrophication of the Baltic Sea.
- Long-range transport of air pollution.
- Impacts of international trade, transport and travel.



Resource-wise economy and carbon-neutral society

The resource wisdom of an economy stems from efficient production and energy-efficient solutions. Finland is among the top countries in the European Union in the use of renewable energy. In 2017, the total amount of Finland's greenhouse gas emissions was 56.1 million tonnes in carbon dioxide equivalents. Emissions decreased by almost 5% from the previous year.

For a long time now, Finland has aimed to increase the proportion of renewable energy while cutting that of fossil energy sources. Finland's renewable sources of energy are hydro and wind power, solar energy, geothermal heat, biogas, recovered and waste fuels, wood-based fuels as well as other biofuels derived from vegetable oils or animal fats. Finland's cold climate, long distances and fairly energy-intensive industry have a bearing on energy consumption. The use of renewable energy sources increased by 6% in 2017, accounting for a record level of 37% of Finnish total energy consumption and over 40% of final energy consumption. The National Energy and Climate Strategy estimates that renewable energy will account for 47% of final energy consumption in 2030, while the target is 50%.

Most of Finland's greenhouse gas emissions originate from the energy sector and traffic

In 2017, the total amount of Finland's greenhouse gas emissions was 56.1 million tonnes in carbon dioxide equivalents. Emissions decreased by almost 5% from the previous year, standing at 21% below 1990 levels. Domestic traffic accounts for about one fifth of total greenhouse gas emissions in Finland.

In 2017, 74% of total emissions were generated in the energy sector through fuel combustion and evaporative emissions.

The factors that contributed most to emission reductions in the energy sector were the declining use of fossil fuels and the growth in the renewable share of transport fuels. Approximately 1.2 million tonnes of greenhouse gas emissions were reduced by the bio-shares in liquid fuels in 2017. Industrial processes and product use accounted for 11% of total emissions, while the figures for agriculture and waste treatment stood at 12% and 3%, respectively. Emissions from agriculture have decreased by almost 14% since 1990. This reduction is mostly due to the declining use of industrial fertilisers, but the structural change in agriculture has also played a role, as it has resulted in fewer and larger farms.

Forests form Finland's most significant carbon sinks

Forests constitute one of Finland's key natural resources and its most significant carbon sinks. Carbon sequestration is strongly contingent on a tree's growing phase and growth rate, which is slower in the north of Finland than in the south. The increment of growing stock has continued at a good level ever since the 1970s. This is due to improved forest management, the age class structures of forests and global warming. The annual increment amounts to roughly 110 million cubic metres. Although the use of wood has increased among Finns, over one fifth of the growth will remain in the forest to increase timber resources and

carbon sequestration. Retaining forest biodiversity will also require active and sustainable forest management measures as well as forest conservation and protection efforts in the future. Forests are increasingly vulnerable to weather and climate risks. Preventing risks of tree damage and disease as well as growing forests with multiple species promote stock growth.

The Finnish Ministry of Agriculture and Forestry and the Natural Resources Institute Finland (Luke) recently submitted to the European Union an estimate of the carbon sink levels of Finnish forests for 2021–2025. The estimate submitted was -34.77 million tonnes in carbon dioxide equivalents per year, with harvested wood products included in the calculation. If harvested wood products are excluded, the estimated level is -27.88 million tonnes per year.

Carbon neutral = Carbon neutral refers to a situation where an activity has a zero carbon footprint.

Carbon dioxide equivalent = Quantity used in climate science, describing the climate impact of greenhouse gases from human activity.

Carbon sink = A carbon sink absorbs and stores carbon. Examples of natural carbon sinks include seas, mires, forests and plants.

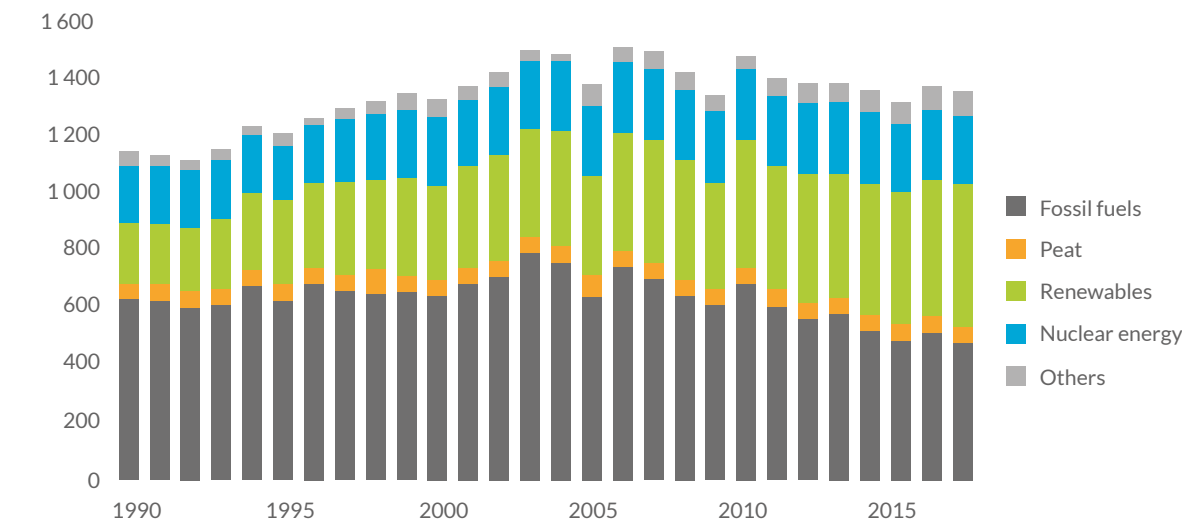


Finland's emission reduction target by 2030 should be at least 60% when compared with 1990 levels. In light of these figures, there is still some distance to go to achieve this. The key is to give up fossil fuels, increase the use of renewable forms of energy and protect carbon sinks.

– Katja Hintikainen, Kepa (currently known as Fingo)
comment from online discussion at kestavakehitys.fi/monitoring

TOTAL ENERGY CONSUMPTION 1990–2017

Source: Statistics Finland



Positive developments:

+ Finland's greenhouse gas emissions have taken a downward turn.



Causes for concern:

- Greenhouse gas emissions must be reduced considerably more swiftly.



Public procurement and consumption

In the autumn of 2018, the Intergovernmental Panel on Climate Change (IPCC) published a report revealing new information on the importance of limiting global warming to 1.5 degrees Celsius. Slowing down global warming requires everyone to take rapid action. Changes to consumption volumes and priorities are key. Accordingly, Finland is paying more and more attention to the environmental impacts of both public and private consumption. Finland is aiming for an 80% reduction in greenhouse gas emissions from 1990 levels by 2050. The Finnish Innovation Fund Sitra estimates that all Finns need to halve their carbon footprint in order to avoid over-consumption of natural resources.

The carbon footprint of an average Finn amounts to a total of 10.3 tonnes per year. The footprint is made up of living (33%), transport and tourism (22%), food (20%), and other consumption (25%), such as goods, hobbies and free time. Individuals can influence their own carbon footprint through their consumer choices. The Prime Minister's Office runs a web-based Commitment2050 service (Sitoumus2050), where individuals can calculate their own carbon footprint and make a plan to reduce it based on the suggestions provided.

Finnish enterprises have paid attention to their carbon footprint, and today's investors are increasingly mindful of the climate when deciding what to include in their portfolios. A survey commissioned by Sitra indicates that the carbon footprint of companies listed on the Helsinki Stock Exchange decreased by more than 15% in 2017. The carbon footprint decreased for a second year in a row, but it is still larger when compared with the Stockholm Stock Exchange, for example. The Stockholm Stock Exchange lists more companies operating in low-emission sectors, such as financing and consumer products, whereas total emissions for the Helsinki Stock Exchange are elevated by the electricity-production, manufacturing and materials industries in particular.

It is also possible to influence the carbon footprint through new technologies and low-emission products and services.

Furthermore, consumption can be steered by means of energy and fuel prices, regulations concerning construction and renovation, transport infrastructure, and transport pricing.

Everyone can make a difference on climate through food choices

Through food choices, everyone can make a difference when it comes to global warming, environmental eutrophication, increasing pollution loads and biodiversity loss. Food production and consumption account for about one fifth of the carbon footprint of all consumption. Most of the climate impacts of food are created in primary production. Animal-based products have more adverse effects on the climate than plant-based goods.

Meat consumption has been growing slightly in Finland; in recent years, Finns have consumed about 80 kg of meat each year. Women and young people favour poultry meat over beef or pork. Fish consumption has remained relatively steady over the last few decades. Vegetable and fruit consumption is steadily growing, but there is still some way to go to reach the recommended daily portion of half a kilo.

Decline in CO₂ emissions from new cars

One of the objectives of the National Energy and Climate Strategy is to cut traffic emissions by half from 2005 levels by 2030. Domestic

traffic accounts for around one fifth of total greenhouse gas emissions in Finland. As electric and gaspowered vehicles are becoming increasingly popular in Finland, the CO₂ emissions of vehicles registered for the first time have declined. In late 2018, a working group appointed by the Ministry of Transport and Communications published an objective according to which Finland's vehicle fleet would soon be renewed to run on electricity and gas. Fossil fuels are to be replaced with renewable and low-emission alternatives. There are also plans to improve the energy efficiency of vehicles and the transport system. An incentive for purchasing electric cars will be made available, while also promoting the conversion of old cars into vehicles powered by biofuel and flex-fuel, which means that a formerly petrol-driven vehicle can run on ethanol fuel.

Aiming to promote the circular economy and reduce waste destined for landfills or incinerators

The amount of municipal waste generated annually in Finland amounts to about 500 kg per person, while the recycling rate remained at about just over 30% during the last 12 months. During the 21st century, the per-capita amount of municipal waste generated in Finland has stayed below the EU average. It is possible to increase waste recycling by measures such as promoting ecological product design, developing producer responsibility schemes and business models as well as encouraging people to change their consumer habits.

An average Finn's carbon footprint is

10.3 tonnes



Test your carbon footprint

and make a commitment at www.sitoumus2050.fi/lifestyles

A survey commissioned by the Helsingin Sanomat newspaper in 2018 suggests that Finns are lazy at recycling. As much as 80% of items in rubbish bags could be recycled. People aged 30–40 are the laziest recyclers, whereas those aged over 60 are the most diligent. The European Union's recycling target is for the Member States to recycle half their municipal waste within two years' time. Finland's current recycling rate is 40%, but one of the objectives set out in the National Waste Plan drawn up by the Ministry of the Environment is to recycle 55% of municipal waste by 2023.

Sustainable development is poorly considered in public procurements

Municipal and regional authorities can contribute to the sustainability of production and consumption through their procurement decisions. Public procurement accounts for about 16% of Finland's national economy every year. If selection is made solely on the basis of price, it may ignore supply chain issues such as work-related, human rights and environmental aspects.

The Public Procurement Act (1397/2016) was reformed in 2017, improving the opportunities of public bodies to take responsible production into account in their procurement processes. An estimate by the Finnish Environment Institute (SYKE) indicates that about half of Finnish municipalities are considering sustainability goals as part of their procurement strategies or other guidance on procurement. Based on the report, about a quarter of municipalities had defined more detailed sustainability criteria for their procurements, such as requiring that devices have the best energy ratings. According to a study conducted by Finnwatch, a non-governmental organisation focused on global corporate social responsibility, only a few Finnish municipalities include criteria to guarantee social responsibility in their invitations to tender.

Carbon footprint = The climate impact of a product, activity or service, i.e. the amount of greenhouse gases generated during the life cycle of a product or activity.



Finns use up their fair share of the Earth's yearly natural resources as early as in April

The overshoot day marks the date by which people have used up all the renewable natural resources that the Earth can generate. For the rest of the year, we are living on credit. The Global Footprint Network has worked out the dates on which different countries have used up their respective shares of the Earth's natural resources for the year. In this comparison, Finland's overshoot day for 2018 was 11 April. The average overshoot day for the entire world was not until 1 August. In other words, Finns used up their fair share of the Earth's natural resources well in advance. Today, the world's population as a whole consumes the equivalent of 1.7 Earths' natural resources.

– Global Footprint Network, www.overshootday.org/

In terms of promoting sustainable procurements, recognising their strategic importance in cascading climate and environmental objectives plays a key role. Success is underpinned by the leadership's support and sufficient resources to ensure communication and procurement competencies. In the preparatory phase, people must recognise common environmental objectives and considerations as well as those of their own area of responsibility and promote procurement decisions in keeping with these.

Sustainable public procurement - current state and recommendations



Positive developments:

- + The carbon footprint of companies listed on the Helsinki Stock Exchange has decreased.
- + The CO₂ emissions of cars registered for the first time have declined.



Causes for concern:

- Meat consumption is increasing.
- Finns are lazy at recycling.



Housing and communities

In Finland, housing and communities are changing as a result of the ageing population, urbanisation and climate change. Finland's population density has risen in large urban areas in particular. Regional differences are increasing as new construction activities are focused on the largest cities. Ageing demographics draw more and more attention to the accessibility of living environments. Climate change challenges the sustainability of communities in terms of both mitigation and adaptation. Key factors in climate change mitigation include measures to influence the community structure. Using vehicles other than passenger cars for daily commutes, for example, reduces traffic emissions. Adaptation, in turn, can be promoted with measures such as enhancing flood preparedness.

A solid community structure ensures demand for public transport services. As a result of urbanisation, population density has been growing in recent years, particularly in large urban areas. They are therefore best positioned to develop well-functioning public transport systems. Sufficient density and inhabitant base guarantee demand for frequently operating public transport services. The minimum population density that supports organising profitable public transport is considered to be 20 inhabitants per hectare. An increasing number of Finns live in such areas.

In medium-sized and small urban areas, population density is generally highest in the central area and its peripheral zones. In medium-sized urban areas, goal-oriented infill development helps retain public transport services in housing estates. New transport services may also introduce smaller-scale public transport solutions to small and medium-sized urban areas.

Rising inequality between residential areas

Inequality between residential areas has increased at least in the Turku, Tampere and Helsinki areas during the 21st century. According to research carried out by the National Institute for Health and Welfare (THL), the poor and wealthy, as well as Finnish and foreign-born people, are becoming concentrated in separate areas in Finland's largest cities. The research indicates that this segregation affects children the most.

Differences between regions are growing throughout the country as new construction activities are solely focused on larger urban areas, which, in turn, have the best opportunities to influence the development of community structures. Correctly located and sufficient housing production will restrain home prices and rents.

In 2016, housing costs exceeded 40% of net income in around 176,000 households. The trend of a growing number of households burdened with high housing costs reversed in the previous year; a few years earlier, the figure was as high as 190,000 households. High housing costs put pressure on those living in rented housing in particular. In 2016, around 14% of households in rented housing were burdened with high housing costs, depending on their place of residence.

Over 90% of Finns aged 75 or over live at home

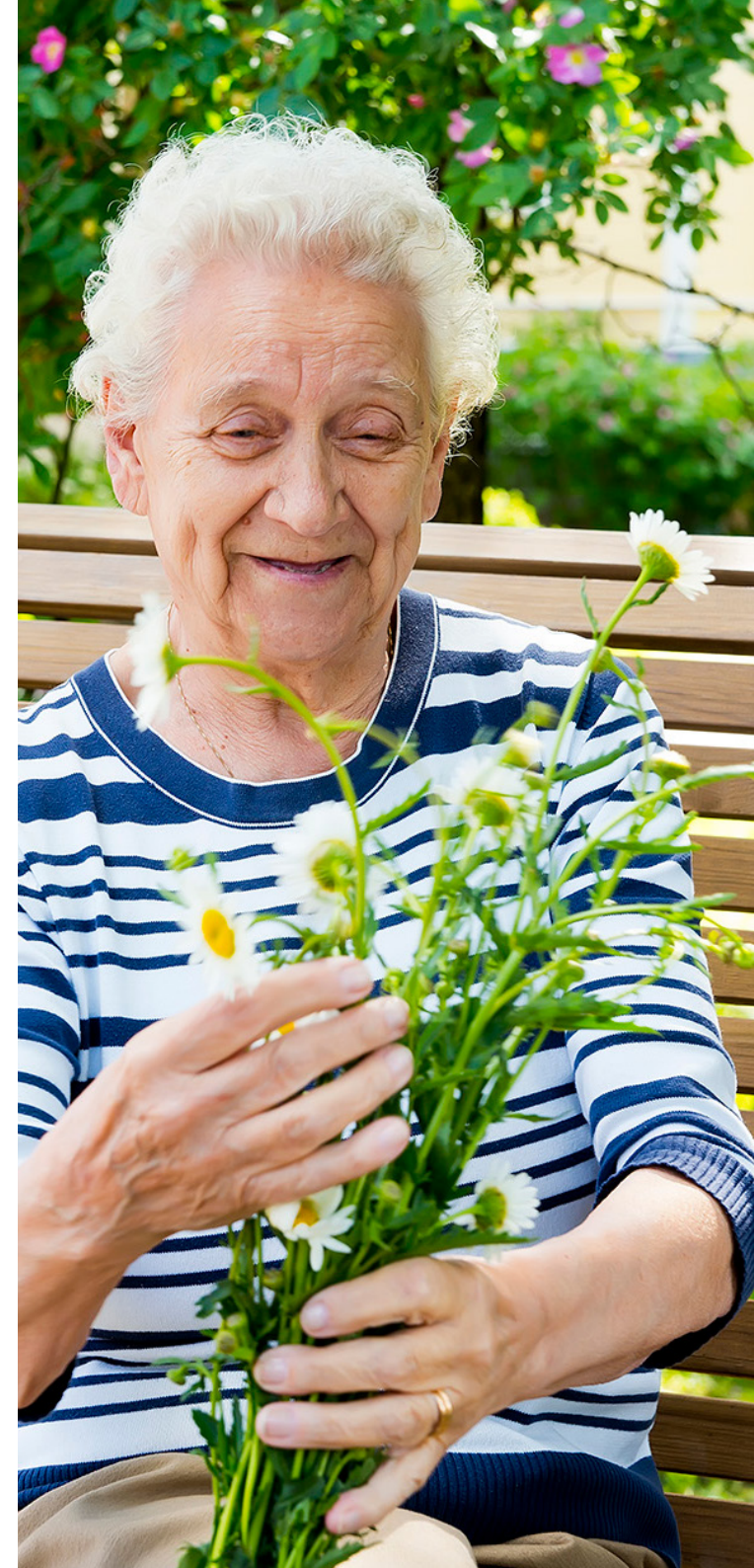
The percentage of people aged 75 or over who live at home has been growing since 2012. While those belonging to the age group are in better shape when compared with previous generations, there are also elderly people in frailer condition than before still living at home. Finland's national objective is to further increase the number of people living at home by paying attention to the accessibility of homes and living environments. The Housing Finance and Development Centre of Finland (ARA) grants renovation subsidies for the purposes of refurbishing homes for

elderly and disabled people, removing barriers to mobility and building new lifts in blocks of walk-up flats. Living at home is also supported by home care and meal services.

Elderly inhabitants find it important that various services are easily accessible. Since 2012, the accessibility of grocery shops has declined slightly in larger urban areas, moderately in many small urban areas and considerably in rural areas. The accessibility of local shops has declined in recent years due to factors such as concentration of trade.

Flood risks to grow in the years to come

Based on estimates by the Finnish Environment Institute (SYKE), flood risks will double or triple in Finland by the year 2100. According to a long-term forecast, climate change will especially increase flood risk on sea coasts. It is necessary to prepare for flood risks because they may cause considerable damage to people, environments and economic activities. This can be done by means such as flood maps. Flood risks must be considered in the construction of new residential buildings and land use planning, among other things. When compared with many other countries, however, the flood risks in Finland are relatively low. The lakes level out flow rates and people know how to manage flood risks.

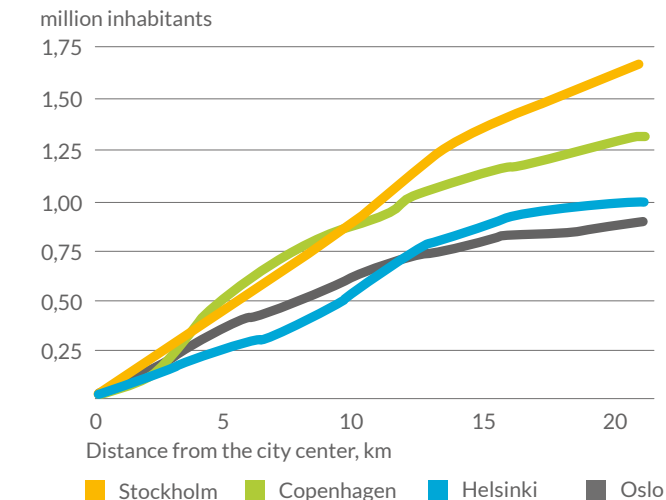


It is difficult to estimate how many senior citizens aged 75 or over who live at home and who may require home care are happy with their living arrangements.

– Kristiina Ruohonen
comment from online discussion
at kestavakehitys.fi/monitoring

POPULATION DENSITY IN HELSINKI COMPARED WITH OTHER NORDIC CAPITALS

Sources: Eurostat, Marko Terviö, Helsingin Sanomat



INDICATORS OF FINLAND'S AREAS OF SIGNIFICANT FLOOD RISK

Source: SYKE



around
25,000
buildings



around
40,000
inhabitants



around
400
heritage sites



Positive developments:

+ Prerequisites for well-functioning public transport are improving.



Causes for concern:

- Regional inequality is on the rise.
- Flood risks are growing.
- Access to services has declined.



Prerequisites for health

Various studies indicate that Finns’ quality of life has improved. A comparative OECD study indicates that, alongside education, health is one of the areas where Finland has achieved its targets relating to the 2030 Agenda for Sustainable Development. These targets focus on aspects such as child mortality, accident fatalities, alcohol consumption and the incidence of various epidemics. According to the morbidity index produced by the National Institute for Health and Welfare (THL), Finns are getting ill less and less frequently. However, as the proportion of elderly people in the population increases, diseases are becoming more prevalent. Finns’ health status also reflects social inequality. The health problems that Finns tend to wrestle with involve obesity, elevated blood pressure, tobacco, alcohol and depression.

The THL quality of life indicator suggests that perceived quality of life among Finns aged over 20 improved from 2013 to 2018. Women and men estimated their quality of life to be equally good. Broken down by region, perceived quality of life in 2018 was best in Uusimaa and poorest in Satakunta.

The majority of Finns rate their quality of life as good well into advanced age. While the quality of life starts to decline after the age of 80, more than half of this age group still rated their quality of life as good. However, one in ten of those aged 80 or over perceived their quality of life as poor, whereas this was rare in other age groups. The THL 2017 National FinHealth Study nevertheless indicates that the quality of life experienced by older age groups has developed positively. By way of example, their vision has improved and their lives are more social than before.

The quality of life is influenced by social status. Besides old age, the highest risk factors for poor quality of life include disability, unemployment and poverty. The best defences against poor quality of life include good education, good health, secure employment, an adequate income, an intimate relationship, and living in at least a two-person household. Risks for poor quality of life are mostly linked to problems with income and housing

among young people and to reduced functional capacity among older people.

Finns living in the south and west are healthier than their peers in the east and north

According to the THL morbidity index, the overall morbidity of Finns has been steadily declining since 2000. People are healthier in Western and Southern Finland than in the east and north. When comparing cities with a population of 50,000 or more, the healthiest Finns live in Espoo, Helsinki and Vantaa, while morbidity is highest in Kuopio, Kotka and Oulu. Coronary disease, musculoskeletal diseases and mental health disorders are more common in the large cities of Eastern and Northern Finland than in those located in the western and southern parts of the country. Cerebrovascular diseases and cancers are fairly evenly distributed across the country. The incidence of accidental injuries is highest in Joensuu and Rovaniemi, while the number of dementia diagnoses is highest in Kotka.

There are many factors behind regional differences in morbidity. Lifestyles such as smoking, alcohol consumption, physical activity, sleeping and eating habits are relevant, but unemployment, financial standing and education are also reflected in the

population’s health. The effectiveness of health and social services as well as cultural and genetic factors play a role, as well. Most diseases are much more common in older age groups than among young people. Although morbidity has declined and this positive trend seems to be continuing, the proportion of elderly people in the population is growing, which means that the number of people suffering from illnesses will increase.

The index takes account of the following groups of diseases: cancers, coronary disease, cerebrovascular diseases, musculo-skeletal diseases, mental health disorders, accidental injuries and dementia. When comparing the figures in the morbidity index, it must be borne in mind that an effective healthcare system may also contribute to a higher level of morbidity as diseases are screened, diagnosed and treated efficiently.

Binge drinking and smoking on the decline; weight gain and depression on the rise

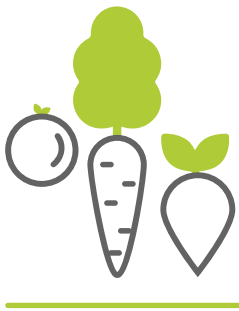
The 2017 National FinHealth Study indicates that positive signs in Finnish lifestyles include a decline in daily smoking, increasing prevalence of sobriety and decreasing rates of binge drinking among the working-age population. Adults also get more physical

exercise than before. The population’s total cholesterol levels have taken another downward turn, which may significantly reduce the incidence of cardiovascular diseases. Elevated blood glucose levels have not become more prevalent either. The persistent increase in allergic symptoms would seem to be levelling off.

However, Finns do have many health-related problems. Despite the declining trend, the proportion of adults who smoke daily is still far from the objective specified in the Tobacco Act (549/2016), which aims to put an end to the use of tobacco and nicotine products by 2030. Drinking to inebriation has become more prevalent among retired people. Obesity is one of the major public health problems and affects people of all ages. In particular, obesity has increased among working-age adults. Elevated blood pressure is still very common in Finland. Many adults also suffer from psychological stress and depression. Depression symptoms have become more prevalent across the board, while psychological stress has especially increased among working-age women. Musculoskeletal pains are also common. A previously observed improvement in the population’s perceived working capacity has stagnated or even slightly declined. The proportion of people who perceive their oral health as good or fairly good has also decreased.

Intimate partner violence pose a threat to women in particular

The 2017 National Crime Victim Survey indicates that the risk of intimate partner violence is clearly higher among women than men. The survey suggests that violence and threats by a current or former partner seem to have declined from 2012 to 2017 among both men and women, whereas violence and threats by unknown perpetrators have increased. A significant difference between the genders is the fact that women experience violence or threats by a current or former partner more frequently than men. No such gender difference can be found in other groups of perpetrators. According to an EU-wide survey conducted by the European Union Agency for Fundamental Rights (FRA) in 2014, women in Finland experience more intimate partner violence than the EU average. The survey suggests that Finland is the second most violent country for women within the European Union.



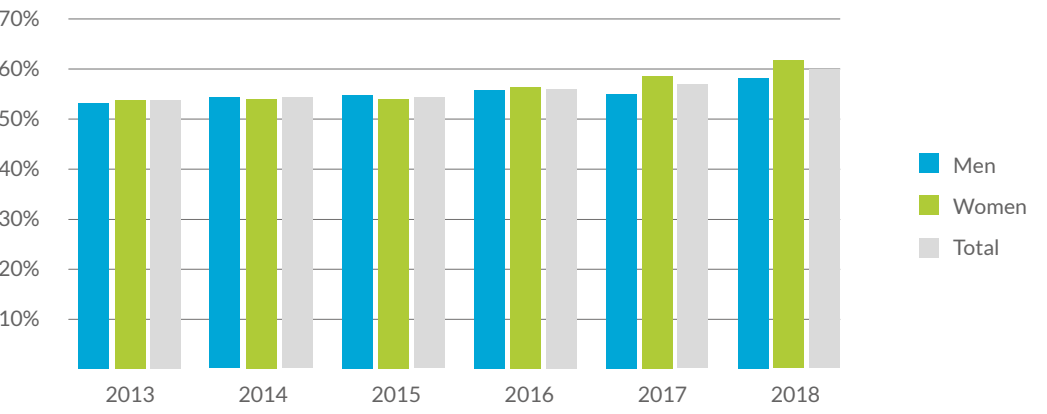
Women eat more healthily than men

According to THL’s National FinDiet 2017 Survey, Finnish men have considerably less healthy eating habits than women. Men eat too much red meat and too few vegetables. While women eat more vegetables than men, only slightly over one fifth of women reach the recommended half a kilo a day.

– National FinDiet 2017 Survey

PERSONS WHO RATE THEIR QUALITY OF LIFE AS GOOD

Source: THL



Positive developments:

- + Finns’ perceived wellbeing has improved.
- + Binge drinking and smoking have decreased.



Causes for concern:

- Obesity is becoming more prevalent.
- Depression has increased in all age groups.



Social inequality

Social inequality is a global problem and a challenge also in Finland. The indicators suggest that the sharp expansion of income disparities and the increase in low income rates have come to a halt, but the differences are still high compared with the early 1990s. The growth in the number of people living on basic social assistance is of particular concern. Moreover, the number of young adults satisfied with their lives has decreased.

It is important to reduce inequalities because both affluence and deprivation tend to accumulate. Inequality is manifested in aspects such as income disparities, health, social exclusion, perceived wellbeing and life satisfaction, education, and confidence in the future. A level playing field guarantees more equal opportunities for younger generations to advance in society, while also ensuring social peace.

In early 2017, Prime Minister Juha Sipilä appointed a working group to explore new practices and means to halt social segregation. According to the working group's report, the standard of living, quality of life and lifestyles have generally improved for a large proportion of Finns since the mid-1970s.

Finland's income disparities among the EU's lowest, but proportion of basic social assistance recipients on the rise

One way of measuring inequality is to look at the proportion of people on low incomes. In 2017, the figure was 12.1% in Finland, which means that 654,000 people lived in low-income households. Income disparities can also be measured using the Gini coefficient, which assigns the value of zero to a society where everyone receives the same income. It is generally recognised

that income disparities are small if the Gini coefficient is less than 25%. In 2017, the Gini coefficient in Finland was 27.7%. Income disparities in Finland are among the lowest in the European Union. According to Eurostat, the statistical office of the European Union, only the Czech Republic, Slovenia and Slovakia have lower income disparities than Finland. The average Gini coefficient in the European Union is over 30%.

Another good indicator for analysing inequality is the proportion of people on basic social assistance. In 2017, more than 400,000 people received basic social assistance in Finland, accounting for 7% of the population. The proportion of recipients was highest in the Uusimaa region, followed by Päijät-Häme and Kymenlaakso. The numbers of people on basic social assistance are directly linked to economic upturns and downturns.

Life satisfaction declining among young adults

The satisfaction of young adults reflects their attitudes towards the future and the opportunities provided by society. The European Social Survey indicates that 91.9% of young Finnish adults were satisfied with their lives as recently as in 2006. However, the percentage took an alarming downturn

following the 2008 recession, currently standing at 85.0%. Dissatisfaction has increased as a result of growing unemployment and financial problems among young people.

Discrimination is a serious problem in Finland

Ending discrimination is one of the UN Sustainable Development Goals for 2030. Nevertheless, discrimination, physical violence and hate speech are still current concerns. A survey conducted by the EU Fundamental Rights Agency (FRA) shows that Finland was one of the most discriminating countries in Europe in 2017. While discrimination was most frequently experienced in connection with looking for employment, it was also common in public and private services, such as shops, restaurants and banks. Experiences of discrimination are particularly prevalent among second-generation immigrants. Conversely, the 2018 World Happiness Report suggests that the happiest immigrants in the world could be found in Finland between 2005 and 2017.

No change in Finland's refugee quotas in recent years

Inequality is also linked to the vulnerable position of refugees. Globally, there are over 65 million people who have been displaced due to wars and conflicts as well as changes in their

young adults
are satisfied
with their
lives

85%

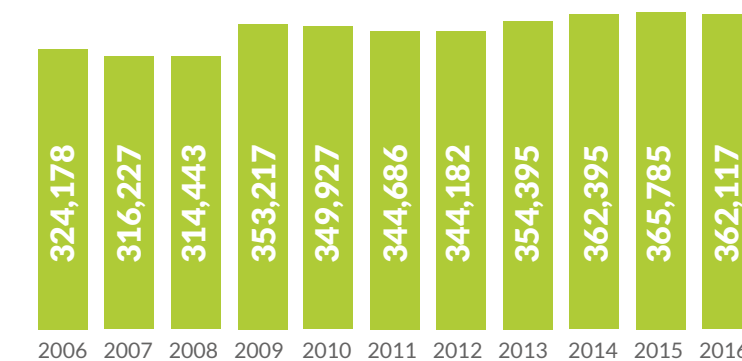
20%

of all
households
receiving basic social
assistance are families
with children

REFUGEE RESETTLEMENT QUOTAS FOR 2018 IN SWEDEN , NORWAY AND FINLAND
Source: UNHCR



BASIC SOCIAL ASSISTANCE CHARTS 2006–2016
Source: Kela, THL



Positive developments:

- + Income disparities are among the lowest in EU countries.



Causes for concern:

- Discrimination is too prevalent.
- Young people's life satisfaction is declining.



Social exclusion and inclusivity

The number of young people not in employment, education or training has decreased slightly in Finland in recent years. Likewise, experience of loneliness among teenage boys has declined, although boys experience more loneliness than girls. Finns turn out to vote in elections less frequently than before, but other forms of participation have emerged in lieu of voting. Finland is still performing well in international country rankings on corruption and press freedom.

There is no established definition for 'social exclusion'. Nevertheless, young people occupy a key position in any exploration of the subject. Experts have therefore selected the proportion of young people aged 15 to 24 not in employment, education or training (NEETs) as one of the indicators of social exclusion and inclusion. In 2017, the proportion was about 9% of the age group. The figure has been decreasing slightly every year since 2015.

Social exclusion is also linked to the issue of loneliness. A child or young person with no friends might accumulate many risks related to health and wellbeing. The School Health Promotion Survey carried out by the National Institute for Health and Welfare (THL) reveals that one out of ten schoolchildren feels lonely. In 2017, just over 10% of boys in grades 8 and 9 (aged 14–15) had no close friends, while the corresponding figure for girls was slightly over 6%. However, the proportion of young people with no close friends, boys in particular, has declined over the last ten years.

Varying confidence in Finland as a future country of residence
Young people's trust in Finnish society varies. As recently as in 2008, nearly three out of four respondents to the Youth Barometer believed that Finland would be a good country of residence in the future; in 2016, the proportion of those with positive attitudes towards Finland as a place to live had dropped to 55%. However, the sense of belonging to Finnish society is experiencing rapid

fluctuations. The 2017 Youth Barometer showed a reversal towards a closer sense of belonging, back up to the 2012 levels. Researchers suggest that these fluctuations may reflect current public debate about themes that affect young people's lives, such as the economic situation or immigration, but this is not a certainty.

Decline in voter turnout above the Western European average
Voter turnout is often used as an indicator of political participation because reliable data is easily available. According to democracy indicators, voter turnout in Finland has declined over the last few decades at a rate exceeding the Western European average. Voting is no longer perceived as a civic duty to the same extent as some decades ago. The concept of citizenship is undergoing a transformation in other respects as well. In a follow-up report by civil society organisations (CSOs) entitled 'Finland and the 2030 Agenda', Finnish Environmental Organisation Dodo points out that many Finns see themselves primarily as consumers rather than citizens. Only a small fraction is involved in politics. Participation in civil society organisations is more common, but Dodo states that they are not having their voices adequately heard in politics.

Especially young people vote infrequently. At the most recent municipal elections in 2017, over two thirds of voters aged under 25 failed to vote. However, voter turnout is a limited indicator of participation in society. Many new forms of participation have

cropped up alongside the more traditional ways, including the citizens' initiative, online participation and voluntary activism. In particular, the citizens' initiative is becoming an established channel for political participation. As an increasing number of citizens' initiatives clear the threshold of 50,000 supporters, several initiatives have been sent to Parliament for consideration during the 2015–2019 electoral term.

Finland ranked the third least corrupt nation in the world
Social inclusion also entails freedom of expression and free media. Finland is performing well in rankings on corruption and press freedom. Transparency International's Corruption Index ranks Finland the third least corrupt nation in the world, only surpassed by New Zealand and Denmark. However, the organisation has pointed out that the index fails to capture the kind of structural corruption typical of Finnish society. Finland is nevertheless one of the least corrupt countries in the world.

Finland is also doing well in terms of press freedom when compared with many other countries. In recent years, however, there has been some backsliding. Finland was ranked first in the World Press Freedom Index for many years, until it slid to third place in 2017 and then to fourth place in 2018.

All Youth project



Photo: Katja Koskinen

The 'All Youth Want to Rule Their World' (ALL-YOUTH) research project, led by the University of Helsinki, aims to find solutions to motivate young people to take an active part in society. The multidisciplinary project explores the capacities of young people aged 16 to 25 to engage with society and obstacles that may hinder them, as well as their ideas of sustainable development, growth and wellbeing. The project is funded by the Academy of Finland and will run through to 2023.



The involvement of children and young people in sustainable development must be promoted by all available means. According to the recent Youth Barometer, young people yearn for the means to have a say in society. This is a signal for us grown-ups that needs to be taken seriously. Young people should definitely be invited to get involved in building our future here and now. Making use of the Youth Barometer as part of monitoring Agenda implementation is a good initiative and encourages us to pay attention to young people's experiences.

– Sanna Rekola, Adviser, Fingo
comment from online discussion at kestavakehitys.fi/monitoring

NUMBER OF YOUNG PEOPLE AGED 15 TO 24 NOT IN EMPLOYMENT, EDUCATION OR TRAINING 2007–2017:

Source: Statistics Finland



4.

Finland's ranking in the World Press Freedom Index



Positive developments:

- + More and more young people aged 15 to 24 are in employment, education or training.
- + Loneliness experienced by young people has decreased, especially among boys.
- + The citizens' initiative is becoming an established channel for political participation.



Causes for concern:

- Voter turnout is declining more than the Western European average.
- Finland's status as the leading country in press freedom has diminished.
- Not all young people find Finland an attractive future country of residence.



Working life, quality and change

The world of work is changing at a dizzying pace. Labour productivity is at a good level in Finland, while employment has developed positively after the recession, already catching up with the levels preceding the latest economic crisis. There are no major changes in the numbers of employees who find their work mentally or physically strenuous. Opportunities to influence work have not improved, although the level of educational attainment has increased. The gender pay gap is shrinking slowly. Inequalities between men and women are also visible in the world of work in terms of their opportunities to influence their own work as well as in employment rates.

According to Statistics Finland, both employment and labour productivity have developed positively after the recent recession. The employment rate is already close to the levels preceding the latest economic crisis. The economic recovery can be attributed more strongly to employment trends among men than women. The differences in employment rates between men and women were at their lowest level in 2014, after which they have again taken an upward turn. In 2017, the average employment rates among men and women aged between 16 and 64 stood at 70.7% and 68.5%, respectively.

After declining over the last few years, the proportion of low-income workers started to grow again in 2017, standing at 12.1%, which represents an increase of 0.6% on the previous year. However, the figure is low by international standards. A low-income worker is one whose household's disposable income is below 60% of the median income of the whole population. In 2017, the limit for one-person households was EUR 14,750 per year, or about EUR 1,230 per month.

No change in the physical and mental strain of work

The proportion of employees who find their work physically and mentally strenuous has remained unchanged. Slightly over

one third find their work physically demanding and about 60% find it mentally demanding. A lack of autonomy at work contributes to the level of strain experienced at work. During the 21st century, people's opportunities to influence their work tasks and rates and the division of work have not improved, although the level of educational attainment has increased. According to Statistics Finland's Quality of Work Life Survey, the opportunities to influence one's work tasks and the division of work were still improving as recently as between 1984 and 1997. While these opportunities have not improved, they have been at a fairly high level by international standards. Men have more opportunities to influence their work than women.

Finnish working life has been changing and there is no end in sight. According to the Work 2040 scenario report produced by think tank Demos Helsinki, employees' competencies have increased as a result of factors such as technology. The report indicates, however, that this has only been reflected in increasing productivity instead of also benefiting employees. Employees can perform a larger number of more versatile tasks than before. Job descriptions are becoming fragmented while the contents of professions are diversifying. Working hours, physical workplaces and incomes have been reorganised.

Pay gap between women and men shrinking slowly

The gender pay gap has only shrunk by about four percentage points in the last 20 years. In 2016, a woman earned 84% of a man's average monthly pay, while the figure for 1995 was 80%. In other words, the pay gap has shrunk only four percentage points, even though women have become more educated. In 2016, women and men earned an average of EUR 3,023 and EUR 3,599 per month, respectively. A significant part of the pay differential can be explained by the fact that men and women often work in different fields, occupations and positions. There are also more men than women in management roles. Furthermore, women do a larger share of family care work and are therefore absent from working life more frequently than men. The absences and uneven division of care responsibilities affect women's career development and perpetuate pay differentials. According to an OECD study entitled Measuring Distance to the SDG Targets, Finland is far from its targets for gender equality.

Corporate social responsibility difficult to monitor comprehensively

Good working life also entails responsibility. In Finland, an organisation focusing on corporate social responsibility (CSR) called FIBS carries out annual interview surveys exploring CSR practices in



It's great that both productivity and employment are growing and the share of low-income workers is shrinking. Unfortunately, the proportion of underemployed people is still increasing. This negative trend could be halted by stabilising working hours, enhancing employer practices in offering extra work to their own part-time employees, and improving shift planning at workplaces. Besides this, reinstating the subjective right to day care would make it easier for parents to accept full-time work.

– Pia Björkbacka, Central Organisation of Finnish Trade Unions SAK
comment from online discussion at kestavakehitys.fi/monitoring

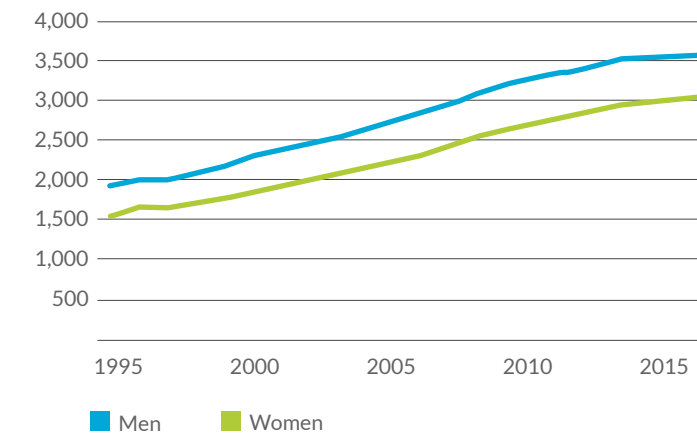
large and medium-sized companies. Its 2018 report indicates that corporate social responsibility in Finland has made progress from the previous situation. More than half the companies have included objectives relating to sustainable development as part of their strategies. Larger companies report on various measures more frequently than smaller businesses.

Monitoring corporate social responsibility within companies operating in Finland is challenging because there are no adequate indicators or comprehensive follow-up data. One of the ideas suggested as a solution is enacting a law on corporate social responsibility, which would require enterprises to undertake to comply with certain obligations and, if irregularities are detected, to correct the situation.

Labour productivity = the amount of value added or output gained per hour worked.

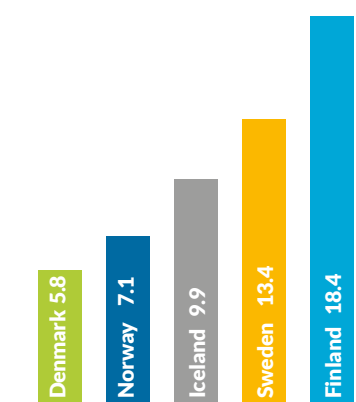
GENDER PAY GAP (€/MONTH)

Source: Statistics Finland



GENDER WAGE GAP BY NORDIC COUNTRY (%)

Source: OECD



Act on corporate social responsibility and the #Ykkösketjuun ('First Line') campaign

The #Ykkösketjuun campaign is calling for Finland to adopt legislation on corporate social responsibility. Such a law would require enterprises to avoid and reduce any negative human rights impacts that their operations may create. The campaign involves more than 100 businesses, civil society organisations and trade unions. It is coordinated by Finnwatch, a Finnish CSO focused on corporate accountability. France and Switzerland have already drafted national legislation on corporate social responsibility. Similar projects are also ongoing in other countries.

– ykkosketjuun.fi/en



Positive developments:

- + Unemployment is decreasing.
- + Labour productivity is improving.
- + Fewer and fewer working people earn a low income.



Causes for concern:

- Gender equality is not reality in working life.
- Opportunities to influence work have not improved.
- Work is perceived as strenuous to the same extent as before.



Education and development of competence

Finns are known around the world as an educated people. Accordingly, a comparative OECD study indicates that Finns have achieved the Sustainable Development Goals in terms of education. Reading literacy among schoolchildren remains above the OECD average. According to the most recent Programme for International Student Assessment (PISA) survey from 2015, however, there has been a decline in literacy among young Finns. Another concern in the PISA results was the skills gap between boys and girls, which is the biggest in all the countries surveyed. The GDP share of research and development expenditure has picked up after a five-year hiatus.

Since Finland became an independent state, the level of educational attainment among its population has been constantly increasing. The growth has been steady over recent decades. By the end of 2017, 72% of people aged 15 or over had completed a post-compulsory educational qualification. Since the start of the current decade, however, the level of educational attainment among younger age groups has ceased to rise. In 2010, people holding at least vocational qualifications accounted for 78.2% of the 30–34 age group, whereas the figure had slipped to 77.1% in 2016.

There are major differences between men and women. In 2016, just over 71% of 30-year-old men had completed at least a vocational qualification and almost 30% held at least a higher education degree, whereas the corresponding figures for women stood at over 80% and almost 46%, respectively. Participation in adult education has decreased slightly in recent years, but Finns still pursue adult education at high rates by international standards.

Decline in literacy among 15-year-olds

While reading literacy has traditionally been strong among young Finns, it is now declining. The international PISA surveys have examined reading literacy among 15-year-olds. From 2000 to 2006, young Finns scored high in reading literacy, at 547–543 points, while the OECD average was 500. In 2015, however, the

literacy scores of young Finns fell to 526 points. This is among the sharpest drops in proficiency within the OECD countries. Notionally, about 30 to 40 points correspond to the syllabus of one school year. The PISA survey has determined different proficiency levels for reading literacy, where level 2 is considered necessary for being able to participate in modern society. In Finland, the proportion of pupils falling below level 2 has increased from 7% to 11%. At the same time, the proportion of readers at the highest end of the scale has decreased from 18.5% to 13.7%.

In all countries participating in the PISA survey, girls performed better in reading literacy than boys. In Finland, however, the skills gap between girls and boys is the largest of all OECD countries. While regional differences have traditionally been negligible in Finland, the Helsinki Metropolitan Area fared better in the most recent survey than other regions. Conversely, young Finns performed excellently in the PISA survey's collaborative problem-solving skills, where Finland was ranked seventh out of 51 countries. Indeed, the report indicates that collaborative problem-solving is Finnish pupils' strongest skills area. The next PISA results will be published in December 2019.

Finland's library utilisation rate at world-class level

Libraries play an important role in the context of civic knowledge

and skills as they reach all population groups. There was an increase in borrowings and physical visits to libraries up until 2004, after which both borrowing and visitor rates started to decline. Nonetheless, Finland's library borrowing and visitor rates are still among the highest in the world.

In the peak year of 2004 for library visits, there were nearly 67 million visits to the country's libraries. The number of physical visits has declined since 2005, standing at just over 49 million in 2016. The decline seems to have levelled off in 2017, as the number of visits exceeded the 2016 rate by one million.

At the same time as physical visits have decreased, library services have moved online. Above all, this development is a result of digitalisation. There was a dramatic increase in online visits in the first years for which statistics on the topic were compiled. The instructions on compiling statistics were specified as of 2014, which is reflected in a drop in online visits. In 2017, the number of online visits decreased from the previous year, which can at least partly be attributed to technological changes to information systems.

Sustainable development certificates

increasingly common at nursery schools and schools

In view of the future, it is important to determine what is learnt

about sustainable development at schools and nursery schools. Sustainable development certificates are being granted to an increasing number of nursery schools, schools and other educational institutions. A certificate attests to commitment to sustainable development. Furthermore, the concept of 'eco-social education' has been enshrined in the National Core Curricula for basic education and general upper secondary schools.

Research and development expenditure picked up again

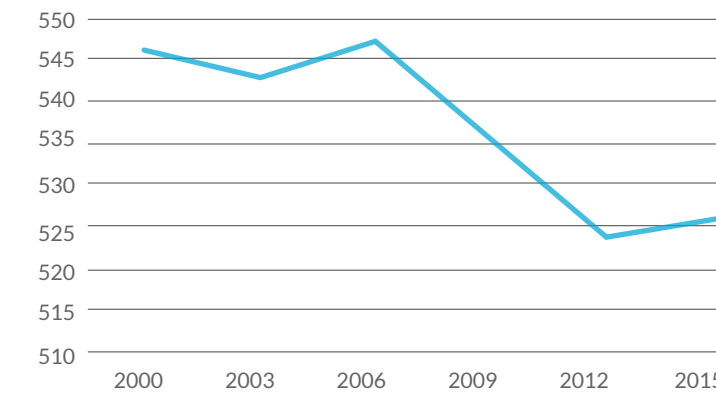
Research advances society. One of the targets included in the 2030 Agenda is to significantly increase public and private funding for research and development (R&D) activities by 2030. In Finland, public and private spending on research and development has decreased in the current decade. The decline in R&D investments has been particularly significant in the private sector. The reduction in public sector investments bottomed out and the rate of decline in private sector investments slowed down in 2016. According to Statistics Finland, R&D expenditure picked up again in 2017, which saw a business-driven increase to the tune of EUR 100 million, estimated to account for 2.7% of GDP. There was growth in research spending by the public and private sectors as well as by higher education institutions. The last time that R&D expenditure increased was in 2011.

An investment survey published by the Confederation of Finnish Industries (EK) in early 2019 suggests that R&D expenditure will also grow in 2019. The Government's Research and Innovation Council has set an objective for Finland to increase its investments in research and innovation activities to the level of 4% of GDP by 2030.

PISA survey = The Programme for International Student Assessment (PISA) is a joint research programme of OECD countries, producing information about the status and outcomes of education as well as about learning outside school settings in an international frame of reference. The survey explores the extent to which young people aged 15 master key skills essential for the future, the kinds of factors that influence these skills, and the ways in which the skills develop over time.

YOUNG FINNS' READING LITERACY HAS DECLINED SIGNIFICANTLY

Source: OECD, PISA 2015



An eco-socially educated citizen is an agent of social change leading to sustainable lifestyles and culture, ensuring that the ecological foundation of life will endure and the prerequisites for human rights will be preserved. The economy is an instrument for fair distribution of the material good instead of economic growth for its own sake. The core values of all-round education are predicated on responsibility, moderation and human interaction.

– Arto O. Salonen, Associate Professor, University of Eastern Finland, Faculty of Social Sciences and Business Studies



Positive developments:

- + The level of education attainment among Finns has increased.
- + Young Finns' problem-solving skills are world-class.
- + R&D expenditure picked up after a five-year hiatus.



Causes for concern:

- Young Finns' reading literacy has plummeted.
- Differences between girls and boys in reading literacy are among the largest in the world.
- Men acquire less education than women.



Global responsibility and policy coherence

Taking global responsibility means that Finland and other highly developed, high-income countries participate in international cooperation and promote the achievement of the Sustainable Development Goals across the world. Support from developed countries such as Finland is highly significant for developing countries in issues such as the fight against climate change. However, a considerable proportion of the environmental impacts caused by Finns is generated outside the country. The climate financing offered by Finland to developing countries increased considerably around the turn of the current decade but plunged in 2016. The level of Finland’s development cooperation funding is low when compared with other Nordic countries.

Finland promotes sustainable development globally by, for instance, participating in international crisis management and prevention and in post-crisis recovery by military and civilian means. The aim is to promote peace and security, which creates the preconditions for sustainable development. In relation to its population size, Finland sends more participants to civilian crisis management operations than any other EU country.

Through its trade policy, Finland can contribute to the realisation of, for example, equality and human rights and to more sustainable use of natural resources. Finland plays an active role in the implementation of clauses on trade and sustainable development in EU free trade agreements. Finland promotes exports of environmental products and aims to prevent fossil fuel subsidies at the international level. At the same time, however, the goods imported to Finland from abroad include plenty of products manufactured using non-renewable natural resources, while Finnish exports include significant amounts of renewable wood and processed wood-based products. Because a rapid reduction in the use of

fossil fuels is necessary to mitigate climate change, imports of fossil materials can be expected to decline. Many products also involve so-called hidden material flows. Indeed, a considerable proportion of the environmental impacts caused by Finns is generated outside the country.

Every year, a non-governmental organisation called the Center for Global Development ranks 27 of the world’s richest countries on their commitment to improving the status of people living in the poorest countries using the Commitment to Development Index (CDI). Finland performs well in this ranking: in 2018, Finland scored 5.32 on the index, ranking third after Sweden and Denmark.

According to the Good Country Index published in early 2019, Finland contributes most to the common good of humanity relative to the size of its national economy while burdening the planet the least among all countries. In the latest ranking of 153 countries, Finland climbed from fourth place to number one. Other top countries are Ireland, Sweden, Germany and Denmark.

Finland’s development cooperation appropriations far from the target share

The support Finland and other donor countries have given developing countries has made a difference. The percentage of the world population living in extreme poverty has halved since 1990. The vast majority of girls and boys can go to school. Mortality rates among mothers and children under five years of age have decreased significantly. The number of people living without water supply and sewerage has halved.

In the long term, Finland is committed to increasing its development cooperation appropriations to 0.7% of its gross national income (GNI). The target was close in 2014, when the figure was 0.59%. The amount and GNI share of development cooperation expenditure fell in 2016, landing at 0.41% of GNI in 2017. The other Nordic countries spend about one per cent of their gross national income on development cooperation. Finland was the ninth biggest donor country within the European Union.

Climate financing for developing countries dropped from peak years

Like other industrialised countries, Finland also has an obligation to support the reporting measures of developing countries as part of the Climate Change Convention as well as their actions to mitigate and adapt to climate change. As a result, Finland’s climate financing has been rising in the 21st century. The record years were 2014 and 2015, when climate financing amounted to about EUR 115 million per year. There was a dramatic drop in 2016, when Finland’s financing plunged to only about EUR 43 million in total, i.e. 0.02% of gross national income. This reflects the cuts made to development cooperation appropriations.

In 2013 and 2014, Finland allocated its revenues from auctions of emission allowances to development cooperation. This method was used for purposes such as making contributions to the Green Climate Fund in 2015. Subsequently, Finland has also financed climate action through additional support granted in 2016 to Finnfund, which is involved in climate projects, and through the climate fund jointly founded by Finland and the International Finance Corporation (IFC) in 2017.

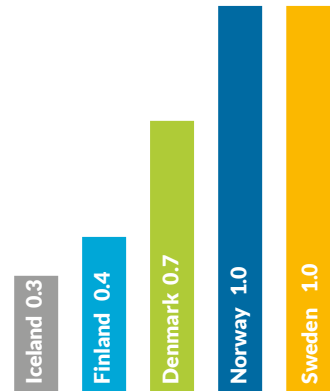
Hidden import flows = Hidden flows consist of the kinds of direct material and energy inputs used for manufacturing products abroad that are not visible in the weight of the raw materials and products. Examples of hidden flows include land use and greenhouse gas emissions created in the country from which the product is exported.

Official development assistance (ODA) = A quantity commonly used among OECD countries to describe the percentage share of development expenditure in gross national income (GNI).

Auctioning of emission allowances = The European Union Emissions Trading System (EU ETS), a mechanism used in the European Union, where installations producing harmful emissions are obliged to own a certain number of emission allowances per each unit of emissions produced, which these installations can trade with one another. In this system, the European Commission sets a cap on the total number of emission allowances for each emissions trading period, corresponding to the maximum amount of emissions. This cap is allocated between the Member States.

GNI SHARE OF DEVELOPMENT COOPERATION APPROPRIATIONS IN NORDIC COUNTRIES (%)

Source: OECD, Ministry for Foreign Affairs



Proposals for taking sustainable development into account in a global economy from Kehys (now known as Fingo)

- Develop new indicators to measure social progress and wellbeing in lieu of GDP. The new indicators ought to account for factors such as environmental impacts and income differentials.
- Ecological tax reform: Shift the focus of taxation from wages and salaries to emissions.
- International environmental, climate and human rights agreements should always take precedence over trade and investment agreements.
- Seek solutions to safeguard human wellbeing without continuous economic and consumption growth.

Kehys, the Finnish NGDO Platform to the European Union

Finland’s

participation in international crisis management



Participation focuses in

- Middle East
- Afghanistan
- Africa

Source: Ministry for Foreign Affairs



Positive developments:

+ Active participation in civilian crisis management operations.



Causes for concern:

- Cuts to development aid and climate financing.

What's next for Finland?

Recommendations for further action based on the evaluation

The Prime Minister's Office commissioned and funded the Polku2030 ('Path2030') project, which evaluated Finland's sustainable development policy and made recommendations for further action. The evaluation was carried out by key parties and stakeholders involved in sustainable development policy. According to the evaluation, Finland has national objectives and action plans that lead in the right direction, but there is no overarching vision, nor a sufficiently ambitious approach. The specific challenges identified in the questionnaire survey and expert interviews conducted as part of the evaluation process included the environmental impacts of domestic consumption beyond our borders and Finland's responsibility in a global context.

The evaluation produced the following recommendations for action:

1

The next governments must adopt achievement of the 2030 Agenda goals as the foundation for their respective Government Programmes.

Government objectives should be fully aligned with sustainable development. Finland still has much to do in areas such as combating climate change and reducing inequalities and the overall global impacts of production and consumption.

2

The Government should launch a process to produce a national roadmap to 2030 in order to reinforce a goal-oriented and systematic policy approach from the perspective of sustainable development.

The roadmap should determine how Finland will achieve the 2030 Agenda goals and support their achievement at the EU and global levels. The roadmap would allow Finland to assume a leading international role in developing an economic system responsive to nature's carrying capacity.

3

The Government should direct public funds to sustainable development in a more consistent manner.

Set targets for areas such as phasing out environmentally harmful subsidies and increasing investments that promote sustainable development in both the public and private sectors. Develop budgeting and the monitoring and impact assessment of the use of appropriations so as to make it possible to analyse central government resources allocated to the key phenomena of sustainable development as a whole.

4

Scientific support and monitoring of the 2030 Agenda should be strengthened.

Take the 2030 Agenda as the premise for national sustainable development work. Increase awareness and utilisation of the national indicators for sustainable development by linking them clearly to the 2030 Agenda goals.

5

Sustainable development should be genuinely introduced as part of cross-administrative foreign and development policies.

Create a credible plan to raise the level of development cooperation appropriations to 0.7% of gross national income (GNI) and secure a broad-based commitment to achieving this target. Ensure that Finland's sustainable development policy reduces inequalities. Consolidate efforts to assess the human rights impacts of all areas of foreign policy.



The view of the Citizens’ Panel on the state of sustainable development in Finland

In late 2018, the Prime Minister's Office put together a Citizens' Panel on sustainable development. The panel was made up of 500 Finns who assessed the current state of and recent changes in sustainable development in Finland on the basis of the national indicators for sustainable development.

With regard to issues relating to the Earth's carrying capacity, the panellists were particularly satisfied with Finland's good air quality. Further causes for satisfaction included the increasing use of renewable energy and the significant decline in the CO₂ emissions of new vehicles. The current state was not assessed to be particularly good in either respect. A significant cause for concern for the Citizens' Panel was the continuing loss of biodiversity. The panellists also assessed the situation concerning greenhouse gas emissions and removals as well as the phosphorus and nitrogen loads on rivers to be somewhat worrying.

With regard to issues relating to human wellbeing, the panellists were particularly satisfied with the high level of perceived quality of life and low morbidity rates. Further causes for satisfaction included freedom of the press, the low level of corruption and the high level of educational attainment. In many issues relating to young people, the panellists were concerned about recent developments, although they assessed the current state of these issues to be good.

According to the assessment of the Citizens' Panel, Finland is shouldering its global responsibility effectively by means such as playing an active role in international crisis management and carrying out responsible trade policy. In terms of Finland's development cooperation funding, both the current situation and recent developments received poor marks. The numbers of asylum applications and decisions were also assessed as poor.

Further information about the Citizens' Panel is available in Finnish at kestavakehitys.fi/en/monitoring



Acknowledgements and sources

The content of this publication is largely based on articles and discussions on the State of Sustainable Development website. We would like to thank the national network of experts on sustainable development and all those who participated in the discussions.

kestavakehitys.fi/en/monitoring

Center for Global Development
Finnish Environmental Organisation Dodo
Demos Helsinki: Work 2040 Scenario Report
European Asylum Support Office (EASO):
Annual Report on the Situation of Asylum in the European Union
Confederation of Finnish Industries (EK)
Eurostat
European Social Survey
European Union Agency for Fundamental Rights (FRA)
Fingo
FIBS
Global Footprint Network
The Good Country Index
Intergovernmental Panel on Climate Change (IPCC)
University of Helsinki: ALL-YOUTH project
Intergovernmental Science-Policy Platform on Biodiversity
and Ecosystem Services (IPBES) Report
National Crime Victim Survey
Finland and the 2030 Agenda: A follow-up Report by CSOs
Natural Resources Institute Finland (Luke)
Finnish Nature League
Ministry of Agriculture and Forestry

OECD (incl. PISA, Measuring Distance to the SDG Targets)
Ministry of Education and Culture
Finnish Innovation Fund Sitra
Finnish Environment Institute (SYKE)
Institute for Health and Welfare (THL)
Statistics Finland
Helsinki Term Bank for the Arts and Sciences
Transparency International
Reporters Without Borders (RSF)
Ministry of Economic Affairs and Employment: Working Life Barometer
UNHCR
Ministry for Foreign Affairs
United Nations (UN)
Ministry of the Environment
WWF: Living Planet 2018 Report
Wikipedia
World Happiness Report 2018
Ykkösketjuun.fi

PUBLISHED BY

Prime Minister's Office

CONTACTS

General Secretariat
on Sustainable Development
Sami Pirkkala, Senior Specialist
sami.pirkkala@vnk.fi
kestavakehitys@vnk.fi

kestavakehitys.fi/en/monitoring