



FINLAND

Annual Exchange of Information on Defence Planning 2007

According to the Vienna Document 1999

Valid as of 20 March 2007



Defence Command

DEFENCE PLANNING

EXCHANGE OF INFORMATION

1. GENERAL

In accordance with the measures which build upon and add to Chapter II of the Vienna Document 1999, approved by the Participating States in November 1999, Finland hereby provides information concerning defence planning for the fiscal year 2007 and for the planning period 2008 - 2011.

The Finnish Parliament approved the military budget for 2007 on 20 December 2006.

2. DEFENCE POLICY AND DOCTRINE (15.1)

Finland's security environment

Finland maintains and develops its defence capability as a militarily non-allied country and monitors the changes in its security environment. The development in adjacent areas is of central importance from the point of view of national defence.

At the same time, however, broader international security challenges reflect more tangibly on Finland's security environment. Finland considers it important to handle conflict prevention, military and civilian crisis management and post-conflict reconstruction as a single entity where a spectrum of instruments best suited to the situation is available at various stages of conflict. Finland endeavours to strengthen multilateral cooperation. Cross-border threats require an overall increase in international co-operation. Nevertheless, Finland develops its defence capability as a militarily non-allied country. Still, military crisis management capability is developed in line with changes in the operational environment and according to international standards. Finland participates in the joint crisis-management operations of the UN, EU and NATO.

In the north, Finland's territory borders on Norway, in the west on Sweden and in the east on Russia. All these countries have a different basis for security and defence policy. Norway is a member of NATO, Sweden pursues a policy of non-alignment and Russia remains a nuclear power. In the south are the Baltic States, which have joined both NATO and the EU. Despite of the changes in the international security architecture, the situation in Northern Europe has been stable for years. In spite of this, the strategic importance of Northern Europe will remain in the future.

Changes in naval strategy in the Baltic Sea region have affected the positions of all the littoral states. For Finland, sea lines of communication are of primary military and commercial importance from the perspective of well-being and security of society. Finland is also responsible for defending the Åland Islands, which are of strategic importance and demilitarised in peacetime. The city of St Petersburg and the military base of Murmansk, which are central to Russia's politico-military position, are located in Finland's adjacent areas. Russia maintains in both areas prominent military power and readiness. Both areas are of strategic importance for Russia also in the future and not least due to the fact that as Russia's energy

export grows, sea connections are becoming increasingly important for the country. At a general level, Finland considers it important that co-operation with Russia is developed both on a bilateral basis and through multilateral cooperation.

Military strategy – total defence (15.1.1)

Finland's national defence is based on the idea of total defence. Total defence refers to all of the military and civil activities through which Finland's sovereignty and living conditions and the security of its citizens are safeguarded against any external threat. Securing the vital functions of society under all circumstances with coordinated action between different sectors of society is the key object of total defence. In normal conditions, coordination is implemented in periods of about four years, in accordance with the Government Resolution and supplementary strategy on securing vital functions of society. Functions vital to society are: state leadership, external capacity to act, national military defence, internal security, a well-functioning economy and society, income security of the population and its capacity to act and the ability to tolerate a crisis.

The key legislation comprises the Emergency Powers Act and the State of Defence Act, both passed in 1991. Based on legislation on readiness, Parliament has delegated the powers in its use so that the Government can take over the powers of various branches of total defence in a crisis situation. In accordance with the Emergency Powers Act, the authorities are under obligation to prepare for crises.

The Government is the highest executive power in total defence issues. As provided by law, the Cabinet Committee on Foreign and Security Policy, the Ministry of Defence and the Security and Defence Committee are responsible for the tasks of total defence. The Cabinet Committee on Foreign and Security Policy prepares and co-ordinates matters concerning national defence as a whole. It is the remit of the Ministry of Defence to co-ordinate the work of different sectors of government in matters related to total defence. The Security and Defence Committee follows the changes in the position of security and defence policy and estimates their effects on the arrangements of total defence, follows the activities of the different sectors of government and co-ordinates the work carried out in national defence as a whole.

The Ministries are responsible for preparations for crises and national defence arrangements in their own sector. Under the leadership of the State Secretary of the Prime Minister's Office, the officials responsible for readiness matters in the Ministries are in charge of readiness preparations in their sector and related work across the state administration. The President of the Republic is the Supreme Commander of the Defence Forces. The Chief of Defence presents matters related to military command and military appointments and the Minister of Defence takes part in the decision-making process. The Act on the Defence Forces enacted in 1974 defines the tasks of the Defence Forces. The Act was revised by a special committee during the course of 2006 and will be enacted during 2007. The Parliament passed the new Act on the Defence Forces in February 2007. The Act will enter into force on 1 January 2008.

Legislation on readiness

The reform of the legislation on readiness in 1991 renewed the statutory basis for measures to be taken in exceptional conditions. The Emergency Powers Act and the State of Defence Act define the powers to be used in crises and their provisions create the juridical framework for readiness planning.

These laws regulate the use of powers by the authorities and preparations for exceptional circumstances and, under them, the power to carry out measures of national defence in crises

can be given to the Government and through it to government officials. The powers to be used in armed conflict and exceptional conditions below the intensity of armed conflict are given to the Government through the Emergency Powers Act. The purpose of the Act is to secure the nation's livelihood and economy under exceptional conditions, maintain law and order and safeguard the territorial integrity and independence of the nation.

Such crises include armed conflict, a threat of armed conflict and an armed attack directed at Finland. An armed conflict and a threat of armed conflict between other countries and a strained international situation, which requires raised readiness in Finland are included in exceptional conditions. A serious economic crisis, such as hampered or interrupted exports, or a catastrophe may also lead to exceptional conditions; the Emergency Powers Act will then be invoked.

The most serious type of crisis referred to in the Emergency Powers Act is an armed attack against Finland and outright war. During wartime, both the Emergency Powers Act and the State of Defence Act can be applied. The precondition for invoking the State of Defence Act is that the powers granted by the Emergency Powers Act are insufficient.

The Emergency Powers Act is currently under reform. The purpose of the reform is to set the provisions of the Emergency Powers Act in accordance with the provisions of the renewed Constitution, which entered into force in 2000, and furthermore to bring up to date the regulations of the use of powers by the authorities. Also the proposed new Conscription Act will supplement the legislation on readiness. The proposed act shall among other things define more clearly the employment of reserves under exceptional circumstances. Legislative basis for voluntary participation in relation to total defence was created by enacting the Act on Voluntary Total Defence.

Defence policy

The latest Government Report or White Paper on Finnish Security and Defence Policy was published in September 2004.

As defined in the report, "Finland maintains and develops its defence capability as a militarily non-allied country and monitors the changes in its security environment." From the point of view of national defence, Finland's adjacent areas are of central importance. Finland underscores its importance for stability in the whole of Europe and its neighbouring areas. Finland's point of departure at national level is its own defence arrangements and at a higher level, defence and security policy cooperation with various international partners, in particular with the EU.

The defence capability is scaled so that the entire country can be defended. The ultimate goal is to create a credible national defence by which a potential aggressor is discouraged from attempting to occupy Finland or to use its territory, thereby preventing any attacks. Should Finland be the subject of a military threat or an attack, the Defence Forces will be a tool by which defence measures can be extended from territorial surveillance and prevention of territorial violation to extensive and tenacious defence operations.

Finland promotes military transparency as part of the Confidence and Security Building Measures within the OSCE. Finland has become a state party of the Open Skies Treaty as of 2003. Finland is not a party of the CFE Treaty.

Finland participates in military crisis management as prescribed by law. Finland may participate in crisis management operations executed by the UN, EU, NATO and the OSCE.

There are currently some 850 Finnish peacekeepers involved in crisis management operations. Around 160 Finnish troops are on stand-by in the EU BG together with Dutch and German units during the first half of 2007. Finland also participates in the Nordic BG together with Sweden, Norway, Estonia and Ireland during the first half of 2008.

Germany is Framework Nation of the German-Dutch-Finnish Battle Group and provides it with a mountain infantry battalion, among other elements. The Netherlands is responsible for the combat support functions of the group and provides the core of the combat service support battalion. A force protection company forms the main part of the Finnish contingent in the Battle Group. In addition, Finns also hold reconnaissance, medical, military police and headquarters posts.

EU Battle Groups constitute an instrument of EU military crisis management. As of 1 January 2007, Battle Groups are in full readiness. Member States of the European Union have, in different constellations, committed to provide Battle Groups for standby periods until the year 2011. All Member States are preparing to contribute to the formation of Battle Groups, with the exception of Malta and Denmark, which does not engage in EU military crisis management because of a reservation it has made concerning this cooperation. The other contributors are the non-EU countries Norway and Turkey.

Most EU Member States are also members of NATO. Therefore, EU Battle Groups comply with NATO standards and practices. The establishment of EU Battle Groups does not mean that the Union is undertaking new crisis management tasks. Rapidity, which is a new qualitative element in EU military crisis management, refers above all to a more rapid implementation of political decisions to launch an operation. In an EU battle group operation, forces are expected to start implementing their mission on the ground no later than 10 days after the EU Council of Ministers has decided on the matter. In conventional operations, the timeframe is 60 days. The requirement of a rapid response capability increases the need for joint exercises and prior preparations and planning.

The Finnish Defence Forces International Centre (FINCENT) is responsible for the practical arrangements of Finnish participation in crisis management operations. Finland has put its special knowledge of peacekeeping at the disposal of NATO's Partnership for Peace (PfP) programme and has participated in staff courses and seminars. The KFOR operation in Kosovo has also shown the importance of PfP in training for and planning of interoperability. Finland was the first non-NATO country in charge of commanding a brigade (MNB (C)) in a KFOR operation. Finland also plays an active role in the development of the crisis management capability of the European Union by attending the ECAP programme, BG concept and EDA activation.

Nordic cooperation in peacekeeping is well established and improves Finland's capacity to participate in crisis management operations. The training of personnel to handle special duties is currently divided between the Nordic countries. In 1996, the Nordic countries started a process to increase and develop closer Nordic cooperation in peacekeeping matters. This resulted in NORDCAPS (Nordic Coordinated Arrangement for Military Peace Support). The effective Nordic cooperation enabled the formation of the Nordic BG.

The tasks of the Defence Forces

The Finnish Defence Forces are required to practise territorial surveillance and to be able to defend Finland's integrity and sovereignty at all times. The tasks of the Defence Forces as they are described in the Law on Defence Forces are:

1. To handle surveillance of the country's land and sea areas and airspace in co-operation with other supervisory authorities;
2. To secure the territorial integrity of the country, using force if necessary;
3. To defend the country and its judicial system, and the livelihood and basic rights of the population;
4. To manage the maintenance and development of the country's military defence readiness;
5. To provide military training;
6. To support voluntary defence training as is provided for in the statute or is ordered by the Ministry of Defence or, depending on the matter, by the Defence Command, and to increase also in other ways defence motivation and encourage activities to improve the physical condition of citizens;
7. To provide executive assistance in the maintenance of law and order as prescribed by law;
8. To take part in rescue operations by making available the equipment, personnel resources and expert services required in rescue operations if it is considered necessary because of the scope or special nature of the accident; participation in rescue operations should not jeopardize the national defence tasks of the Defence Forces;
9. To participate in peace support operations as provided for in the Act on Military Crisis Management (211/2006);
10. To carry out other functions as prescribed by law.

The new Act on the Defence Forces will alter the tasks of the Defence Forces, when it enters into force on 1 January 2008.

A credible defence capability secures national sovereignty and territorial integrity

The goal of Finland's security policy is to preserve the country's independence, safeguard the basic values of society and guarantee the political capability for action amid changing international relations. The basic elements in Finnish security policy are: maintaining and developing a credible defence capability, preserving military non-alliance in the prevailing conditions and participating in international co-operation to strengthen security and stability.

Finland's security position is first and foremost influenced by the situation in Northern Europe, development in Russia, and the Baltic Sea region. Although the threat of a conventional war has receded, particularly in Europe, Finland's security is linked through globalization to a wider international environment. Membership of the European Union has strengthened Finland's international position, increasing our contribution to and responsibility for stability policy in Europe and more widely in the world. Membership has also improved Finland's ability to work towards consolidating security in Northern Europe and the Baltic Sea region. Because of the special historical relationship between Finland and Sweden and the similarity of their interests, decisions made by Sweden in the field of security policy are an important factor for the security of Finland as well.

Our ability to safeguard the security and integrity of our territory continues to be of the utmost importance. Our defence capability must be sufficient to deter threats of the use of military power and to prevent our territory from becoming the target of military action. Finland's political leadership must be able to use the Defence Forces as an instrument of security policy that enables flexible regulation of our defence readiness, ranging from territorial surveillance and the repulse of territorial violations to harnessing all of the nation's resources in its defence.

The promotion of international military cooperation in the field of security is a precondition for Finland's credible participation in crisis management operations. Participation in international

crisis management operations enhances our capacity for military cooperation, strengthens our international position and also supports the development of our own defence capability.

National procedures for defence planning (15.1.2)

The Ministry of Finance provides the guidelines for the defence budget, which is annually approved by Parliament. The Ministry of Defence establishes the guidelines for defence planning. The Chief of Defence (CHOD) executes the financial steering of the Defence Forces.

The development programmes presented in the White Paper of 2004 require that the budget remain at its current level.

Planning consists of three layers: a long-term plan covering twelve years, a medium-term plan covering four years and an annual short-term plan, which is closely connected to the annual budget.

The long-term plan is based on the defence solution of Finland, the White Paper and the strategic plan. The long-term plan is approved by the CHOD and revised in four-year cycles. The current plan covers the years 2005 to 2016.

The services and branches have a key role in planning. On the basis of the objectives and resources allocated, they prepare their own medium-term plans. These plans are then compiled within the comprehensive medium-term plan of the Defence Forces and approved by the Ministry of Defence. The plan itself is a necessary tool for guidance and an important source of information for headquarters, formations and units at all levels of the Defence Forces. It covers all activities within the next four years.

The short-term planning (budget) covers one fiscal year with the exception of procurement authorizations. As part of the State budget, the defence budget is a public document and subject to open debate prior to its final adoption by Parliament.

In order to meet uncertainties and possible unforeseen changes in the procurement process, procurement of defence materiel is mainly carried out through the so-called procurement authorizations. This means that while adopting the budget for a certain fiscal year, Parliament authorizes the Defence Forces to make acquisition contracts for a period of several years. At the same time, Parliament approves the necessary funds for those years. This procedure has proved to be a flexible and useful tool in financing major acquisitions.

Current personnel policy (15.1.3)

The greatest changes in the personnel structure of the Defence Forces are brought about by the Personnel Strategy, which was revised in 2005, and by the White Paper of 2004. Officers, special officers, military chaplains, warrant officers, non-commissioned officers (NCOs) and civilians form different personnel categories in the Defence Forces.

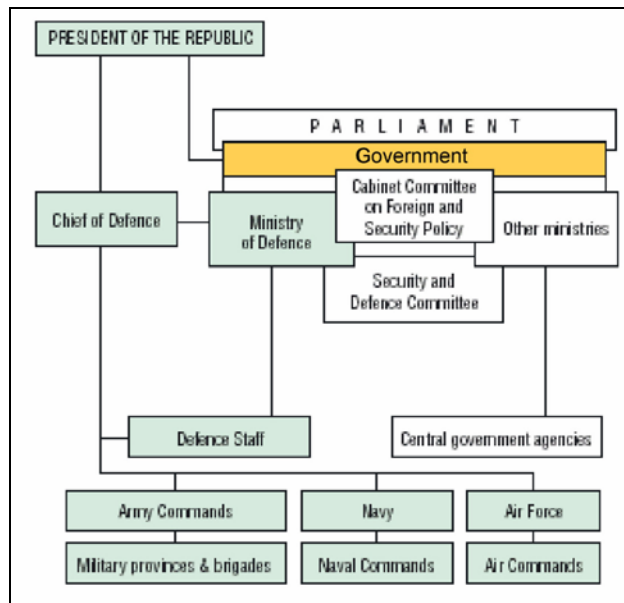
The internal development within the Defence Forces, changes in society and the available resources cause continuous development in the personnel system.

There are 2,800 officer posts and a total of 900 special officer and military chaplain posts. Warrant officer posts total 3,250. There are 1,700 posts for non-commissioned officers (NCO) and posts for civilian personnel number about 7,400. The number of women among the civilian personnel is 3,750. By the end of the planning period in 2013, the estimated number of personnel totals 14,900, including about 9,000 posts for uniformed personnel.

The structure of offices and posts, the success of recruitment and commitment, competence and combat efficiency are the key questions to be dealt with in the personnel system. The goal in developing the structure of offices and posts is to make the system more simple and flexible. Good personnel management forms the basis for the flexibility and vitality of the organization.

3. FORCE PLANNING (15.2)

Command structure in national defence



The President of the Republic has the power of decision over key principles of national military defence, important changes in military defence readiness, principles of implementation of military defence, as well as other military operations of the Defence Forces and matters of military command that are of far-reaching significance or important in principle. The President also has the power of decision over promotions in military rank of officers.

Command structure of the Defence Forces

The Defence Forces are under the command of the Chief of Defence, who is directly subordinate to the President of the Republic in matters related to military command. The Defence Command functions as the supreme headquarters of the Chief of Defence. The Defence Command is subordinate to the Chief of Defence in matters of military command, and in administrative matters to the Ministry of Defence. The Chief of Defence leads the three Army Commands (Western, Eastern and Northern) and the Air Force and Navy. The Navy and Air Force are independent services led by their respective Commander, each with their own headquarters.

An Army Command is responsible for planning, preparing and leading military defence in its area and for co-ordinating defence preparations between the services and authorities. Capable of independent military action, a Command is a regional echelon, responsible for defending its area under all circumstances. The Commanders of the Army Commands and the Command Headquarters are responsible for preparation and leading of the military defence of their area and for co-ordinating defence preparations with the different services and authorities. In these issues, Commanders are the military leaders of all the military provinces and army troops within the area under their command; the Command Headquarters is the highest administrative body of these troops.

The Defence Forces' command and administration system will be adjusted to meet the changes in the security environment and the decrease in the size of wartime forces. The command and administration structure will be fully operational on January 1 2008. The Chief of Defence commands the Defence Command, three services (Army, Navy and Air Force) and National Defence University. Linked with these changes, an independent Army Headquarters

will be established in Mikkeli. The current tasks of the Army Commands will be divided between the Army Headquarters and operational military provinces.

The Navy is responsible for naval surveillance and for maintaining territorial integrity at sea, and for planning, preparing and implementing Finland's maritime defence. The Air Force is responsible for the surveillance of our airspace, for maintaining territorial integrity in the air, and for planning, preparing and implementing Finnish air defence. The Air Force performs the functions of state authority in military aviation.

Currently, the 12 military province headquarters under the Commands deal with matters of conscription within their areas and are responsible for the mobilization of wartime units, local defence and other functions ordered by the Command. They also perform the functions of state authority within their area. The White Paper of 2004 streamlined the peacetime command structure. From January 1 2008 there will be four operational, and three regional military provinces under the command of the Army Headquarters. Operational military provinces are in charge of Army troops and regional military provinces within their area. The regional logistics system is under Army Headquarters command.

Military command structure



Size and structure of the Defence Forces (15.2.1)

The Defence Forces are divided into Army, Navy and Air Force. The Army is made up of infantry, field artillery, ground-based air defence, engineer, signal and Army aviation branches.

The Navy comprises Naval Command units. The Air Force comprises Air Command units and support units. The peacetime strength of the Defence Forces is 16,500, of which about 8,900 are professional soldiers. Each year 27,000 conscripts (including nearly 500 women) and about 24,500 reservists (including voluntaries for military service or training) are trained. The wartime strength of the Finnish Defence Forces is about 420,000 men and women. As stated in the White Paper of 2004 the overall strength of the wartime troops will be cut to 350,000 soldiers by the year 2009.

The strength of the Army is about 324,000, the Air Force about 35,000 and the Navy about 39,000. The wartime strength of the Border Troops, set up by the Border Guard, is about 22,000 men. When required by defence readiness, all or part of the Border Troops can be incorporated into the Defence Forces by decree. In addition, personnel are also needed to ensure the mobilization of troops, to handle measures essential for the proper functioning of society and to replace men exempted from combat duties.

During wartime, three Readiness Brigades, six Jaeger Brigades and one Armoured Brigade are formed from the best-equipped army troops, and these make up the Army's spearhead units. In addition, 11 infantry brigades equipped with older materiel will be formed. Local troops cover the territory of the entire country. The Navy's wartime composition includes two Naval Commands. The Air Force has a wartime composition of three Air Commands.

Implementation of national defence

The main principles of the defence solution of Finland are the following:

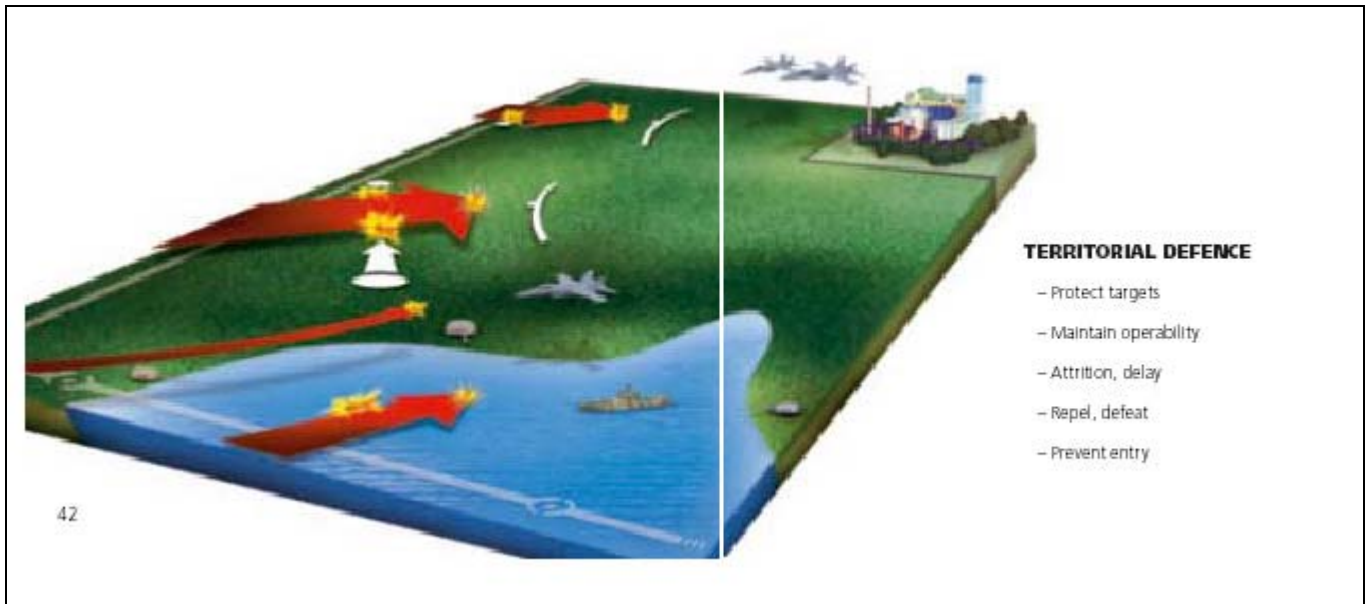
- military non-alliance,
- general conscription,
- territorial defence,
- training of conscripts for wartime units,
- dispersed mobilisation and
- flexible readiness responding to military threats of various degree.

Finland's security policy is not built on a specific threat perception. In all situations, the Defence Forces are responsible for territorial surveillance and the protection of our territorial integrity. Defence plans in case of a possible attack have been drawn up on the basis of the following crisis and/or threat models:

1. A regional crisis that may have effects on Finland.
2. Political, economic and military pressure, which may include a threat of using military force and its restricted use.
3. Use of military force in the form of a strategic strike or an attack beginning with a strategic strike aimed at seizing territory.

The crisis and threat models that are used in Finland's defence planning are assessed and adapted according to the country's demography, economic resources, circumstances and needs. The focal point in developing Finland's defence is planning on how to prevent and repel an unexpected strategic attack. All available resources will be used to repel the attack in accordance with the principles of territorial defence.

Finland's main objective is to keep strategically important areas in our possession and, taking advantage of the size of the country, to delay and wear down the invader so that the superiority needed to repel and defeat the enemy can be achieved in a decisive place of our own choosing., The Army plays a major role in Finland's capacity to repel an attack due to geography and resources.



The air defence provided by the Air Force and ground-based air defence would prevent an attacker from gaining air superiority and protect our own troops and objects of national importance. The Navy and other authorities are responsible for maritime defence. This aims to secure our territorial integrity, identify and repel territorial violations and attacks, and protect marine traffic at sea, on the coast and in the archipelago.

Maritime defence relies on wearing down the attacker in a deep area by fire from missile, mine warfare and artillery weapon systems. The capital area, Lapland, the Northern Baltic Sea and the entrance of the Gulf of Finland are seen as main areas of operation, but the defence measures noted above will naturally cover all the waters surrounding the Finnish coastline. The defence of the demilitarised Åland Islands places special demands on our maritime defence.

The supreme authority for border security is the Finnish Border Guard, which is subject to the Ministry of the Interior. The Border Guard Headquarters also constitutes the Border Guard Department of the Ministry. The duties of the Border Guard are laid down in the Border Guard Act (578/2005). The Border Guard maintains law and order in border and sea areas. In addition to border security, the Border Guard participates in the surveillance of Finland's territorial integrity. The Border Guard is in charge of and contributes to maritime search and rescue services. The Border Guard carries out customs and police tasks in cooperation with the customs authorities and the Police. The Border Guard has a military command structure.

The Border Guard participates in national defence. The strength of the Border Guard is 3,100 employees. It can be integrated partially into the Defence Forces if so required by defence readiness. The wartime strength of the Border Guard is 22,000 persons, but it will be cut to 8,500 by the year 2008 in accordance with the White Paper of 2004. The Border Guard maintains and develops defensive preparedness in co-operation with the Defence Forces. The Border Guard troops can be used also to intensify the readiness of border control and for that purpose, mobilized separately from the Defence Forces. In spite of this possible partial integration, the Border Guard will proceed to take care of its main tasks even in times of crisis.

Deployment of the Defence Forces (15.2.2)

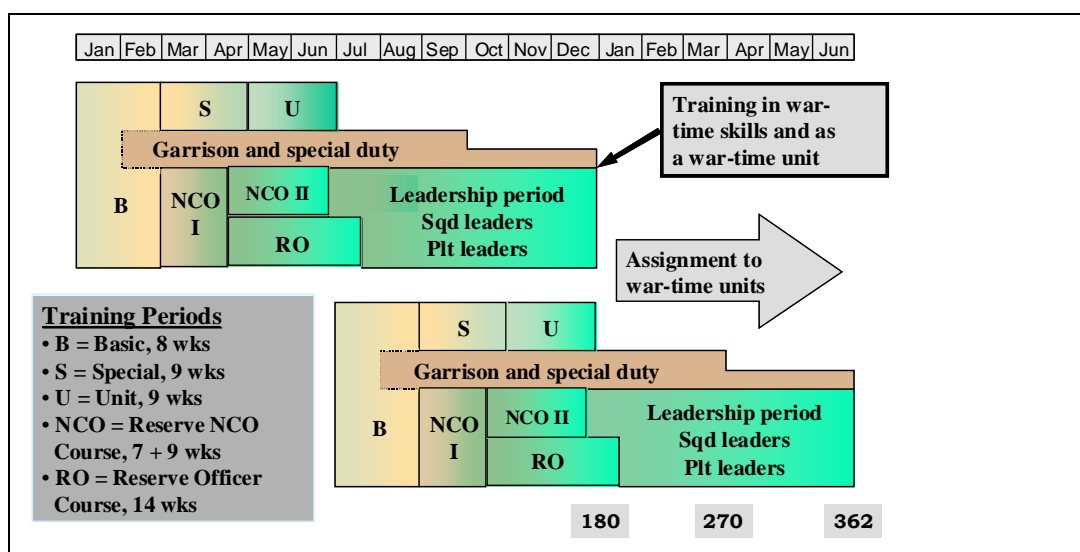
Finland's defence is based on mobilization. Because Finland has no forces standing fully combat-ready in peacetime, but rather mainly in training units, the success of mobilization is vital. The fully mobilized wartime Defence Forces presently consist of about 420,000 men.

The fundamental idea is that the Defence Forces and the Border Guard shall have the capability to mobilise the troops. The system allows for a flexible adaptation of readiness. Peacetime units and military establishments are responsible for the mobilization of the most important troops, such as the Readiness Brigades, Jaeger Brigades, Armoured Brigades and the most important Air Force and Naval units. The military province headquarters will be responsible for the mobilization of infantry brigades and regional troops. Troops will need a few days' training period before they are operationally deployable.

Training programmes and conscription (15.2.4)

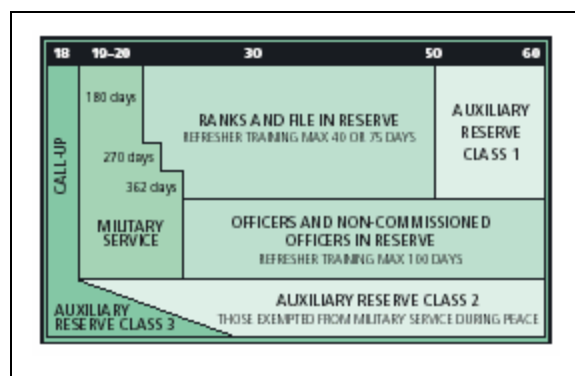
Military service is often seen as applying to conscripts only. Reservist training on refresher courses is, however, an equally essential part of military service. By law, the period of liability for compulsory military service starts at the beginning of the year in which a young man reaches his 18th birthday and continues until the end of the year in which he turns 60. Military service on a voluntary basis started for women in 1995. In general, military service is done within the two years following call-up, at the age of 19 or 20. It is possible to volunteer at 18, and deferment can be granted until the end of the year in which a man turns 28. Conscripts enter the Army, the Air Force and the Navy twice a year.

Military service lasts 180, 270 or 362 days. The training period for an officer, a non-commissioned officer or a conscript in an especially demanding post is 362 days. The service period for conscripts trained for work requiring special skills is 270 days and for the other rank and file 180 days. More than 80 per cent of the age group completes their military service, during which they receive training and orientation in functions serving military defence, thus giving the country the ability to form total units in case of war. Each conscript must be trained for wartime duties according to his abilities and talent. Reserve training is given both in the form of exercises with individual duties and in command post and field-training exercises.



Reserve officers and non-commissioned officers can be detailed to undergo refresher training for a period of 100 days, other ranks with special training for 75 days and other ranks without special training for 40 days. The aim is to re-train the principal wartime units at intervals of five years. During the year 2006 it has been possible to re-train almost 10,000 reservists. During the year 2007 the amount of reservists will be about the same. Reservists have also been trained in voluntary exercises organized by the Defence Forces since 1996, to supplement refresher-training courses, with an annual target figure of 12,000.

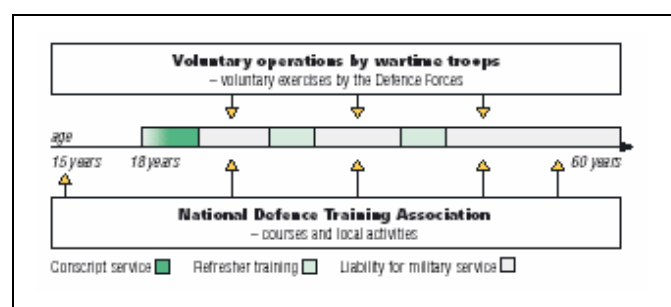
Reservists have the opportunity to supplement their wartime readiness with voluntary exercises run by the Defence Forces and on courses organized by the National Defence Training Association and supported by the Defence Forces. On the basis of the Conscription Act, conscripts and reservists are entitled to free accommodation, provisioning, clothing, health care, other forms of upkeep, economic and social benefits (such as daily allowances and subsidized travel) and to legal and social assistance (social welfare officers).



Voluntary defence training

The main objective of voluntary defence training is to reinforce defence motivation, promote defence capability and support preparations made by the authorities for exceptional circumstances. The Defence Forces command the voluntary operations of their wartime troops and take part in directing and supporting the National Defence Training Association. The voluntary activities of wartime troops consist of voluntary training for reservists commanded by the Defence Forces. Reservists, who are posted to the same wartime units as in conscript service, keep in touch and practice military skills in the reserve under the command of the Defence Forces.

The National Defence Training Association provides training directed and supported by the Defence Forces and other officials. Military training includes basic training, specialized training and leadership courses. Participation in voluntary exercises is taken into account in reserve promotions. An annual total of approximately 35,000 persons take part in voluntary exercises and the courses of the National Defence Training Association.



The cost of a conscript and a reservist

The overall cost of a conscript is on average €41 per service day and the overall cost of a trained conscript is on average €9,500. The costs consist of provisioning, health care, daily allowance and other upkeep costs, and training costs. The overall cost of a reservist taking part in refresher training is on average €179 per day. The overall cost for a single reservist is on average €845 per each refresher training course.

4. INFORMATION ON PREVIOUS EXPENDITURE (15.3)

The expenditure of the fiscal year 2006 is given in Annex 2. The figures are based on the preliminary closing of the accounts of the Finnish Defence Forces. The relation of defence expenditure to the gross national product is approx. 1.2 %.

5. INFORMATION ON BUDGETS (15.4)

Fiscal year 2007

The figures of the 2007 budget are given in Annex 3 in categories set out in the United Nations Instrument. The budget has been approved by Parliament. The allocation of funds in the budget is approved by the Chief of Defence.

The two fiscal years following the forthcoming fiscal year (2008-2009)

The preliminary figures for 2008-2009 are given in Annexes 4 and 5. The plan for 2008 is based on the Government's spending limits, and is binding in principle. However, the spending limits are subject to changes proposed by the Ministry of Defence and Parliament by the end of 2007 or to changes in the general economic situation. The plan for 2009 is based on a preliminary framework given by the Government and is subject to change.

The last two years of the forthcoming fiscal years (2010-2011)

The figures are based on the preliminary spending limits given by the Government and given in Annexes 6 and 7. The figures are subject to change.

The explanatory data

The figures for 2007 are current. The figures for 2008-2011 are at the 2007 level. The index change from 2006 to 2007 has been estimated to be 1.5.

ADDITIONAL INFORMATION

List of available documents reflecting Finland's defence policy and military doctrines:

Facts about The Finnish Defence Forces; published by the Defence Staff, Public Information Division, P.O. Box 919, 00131 Helsinki, Finland, Tel +358-9-1812 2424, Fax +358-9-1812 2439.

"Finnish Peace-Keepers"; published by the Ministry of Defence, UN Division, P.O. Box 31, 00131 Helsinki, Tel +358-9-1601, Fax +358-9-1608 8133.

"European Security Development and Finnish Defence". The Report by the Council of State to Parliament on 17 March 1997. Published by "Oy Edita Ab", Helsinki 1997. ISBN 951-53-1279-5

"Finnish Security and Defence Policy 2004". Government report to Parliament 24 September 2004. Published by the Prime Minister's Office, Helsinki 2004. ISBN 952-5354-60-1.

These documents have been provided for the CPC secretariat to be available to the Participating States upon request.

"Securely into the Future. Ministry of Defence Strategy 2025." Published by the Ministry of Defence. Helsinki, 6 July 2006. ISBN 951-25-1694-2. Available also on the Internet at http://www.defmin.fi/files/674/Securely_into_the_future_-_strategy_2025.pdf

Additional information on the Finnish Defence Forces is also available on the Internet at www.mil.fi.

FISCAL YEAR 2006
(1000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 2

Force groups	Strategic forces	Land forces	Naval forces	Air forces	Other combat forces	Central support administration and command		Paramilitary forces	Military assistance			Undistributed keeping	Total military expenditures	Civil defence
						Support	Command		Home territory	Abroad	UN peace keeping			
Resource costs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1. OPERATING COSTS		842 909	150 096	357 621	0	0	11 960	184 475	0	0	100 865	0	1 647 926	0
1.1. Personnel		492 304	90 803	168 016	0	0	6 458	139 232	0	0	49 119	0	945 932	0
1.1.1. Conscripts (incl paramilitary forces)		23 305	4 130	2 065				3 000					32 500	
1.1.2. Other mil personnel including reserves		314 223	58 101	111 187			904	117 732			49 119		167 755	
1.1.3. Civilian personnel		154 776	28 572	54 764									262 167	
1.2 Operations & maintenance		350 605	59 293	189 605	0	0	5 502	45 243	0	0	51 746	0	701 994	0
1.2.1. Materials for current use		73 627	13 892	51 400			598	13 623					153 140	
1.2.2. Maintenance and repair		8 200	2 523	31 784				11 941					54 448	
1.2.3. Purchased services		70 135	14 026	71 693			3 110	15 137					174 101	
1.2.4. Rent costs		151 573	23 622	21 653			359	3 364					200 571	
1.2.5. Other		47 070	5 230	13 075			1 435	1 177			51 746		119 733	
2. PROCUREMENT & CONSTR		478 002	78 220	87 078	0	0		6 055	0	0	0	0	643 300	0
2.1. Procurement		478 002	78 220	87 078	0	0			0	0	0	0	643 300	0
2.1.1. Aircraft and engines		58 625	0	45 741									104 366	
2.1.2. Missiles including conventional warheads		0	0	0									0	
2.1.3. Nuclear warheads and bombs		0	0	0									0	
2.1.4. Ships and boats		0	55 379	0									55 379	
2.1.5. Armoured vehicles		70 900	0	0									70 900	
2.1.6. Artillery		8 700	0	0									8 700	
2.1.7. Other ordnance and ground forces weapons		242 273	0	0									242 273	
2.1.8. Ammunition		33 600	0	0									33 600	
2.1.9. Electronics and comms		17 904	7 000	22 320									47 224	
2.1.10. Non-armoured vehicles		19 000	3 414	3 900									26 314	
2.1.11. Other		27 000	12 427	15 117									54 554	
2.2. Construction		0	0	0	0	0	0	1 346	0	0	0	0	0	0
2.2.1. Airbases, airfields													0	
2.2.2. Missile sites													0	
2.2.3. Naval bases & facilities													0	
2.2.4. Electronics, etc													0	
2.2.5. Personnel facilities													0	
2.2.6. Medical facilities													0	
2.2.7. Training facilities								1 346					0	
2.2.8. Warehouses, depots etc													0	
2.2.9. Command & adm facilities													0	
2.2.10. Fortifications													0	
2.2.11. Shelters													0	
2.2.12. Land													0	
2.2.13 Other													0	
3. RESEARCH & DEVELOPMENT		20 817	3 462	1 715									25 994	
3.1. Basic & applied research		3 781	1 040	670									5 491	
3.2. Development, testing and evaluation		17 036	2 422	1 045									20 503	
													0	
4. TOTAL (1+2+3)		1 341 728	231 778	446 414	0	0	11 960	190 530	0	0	100 865	0	2 317 220	0

FISCAL YEAR 2007
(1 000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 3

Force groups Resource costs	Strategic forces (1)	Land forces (2)	Naval forces (3)	Air forces (4)	Other combat forces (5)	Central support administration and command		Para-military forces (8)	Military assistance			Undistributed keeping (12)	Total military expenditures (13)	Civil defence (14)
						Support (6)	Command (7)		Home territory (9)	Abroad (10)	UN peace-keeping (11)			
1. OPERATING COSTS		901 102	163 252	316 586			13 568	3 000			122 157		1 519 665	
1.1. Personnel		494 354	91 068	167 823				3 000			66 767		823 012	
1.1.1. Conscripts (incl paramilitary forces)		26 794	4 754	2 366				3 000					36 914	
1.1.2. Other mil personnel including reserves		313 272	57 828	110 864							66 767		167 355	
1.1.3. Civilian personnel		154 288	28 486	54 593									237 367	
1.2 Operations & maintenance		406 748	72 184	148 763							55 390		683 085	
1.2.1. Materials for current use		95 597	16 965	34 963									147 525	
1.2.2. Maintenance and repair		23 650	4 197	8 650									36 497	
1.2.3. Purchased services		155 883	27 664	57 012									240 559	
1.2.4. Rent costs		85 691	15 207	31 340									132 238	
1.2.5. Other		45 927	8 151	16 798							55 390		126 266	
2. PROCUREMENT & CONSTR		403 360	40 709	101 461			221 638						767 168	
2.1. Procurement		403 360	40 709	101 461			221 638						767 168	
2.1.1. Aircraft and engines		65 641		71 764									137 405	
2.1.2. Missiles including conventional warheads														
2.1.3. Nuclear warheads and bombs														
2.1.4. Ships and boats			29 740										29 740	
2.1.5. Armoured vehicles														
2.1.6. Artillery		8 500											8 500	
2.1.7. Other ordnance and ground forces weapons		184 390											184 390	
2.1.8. Ammunition		31 900	1 700										33 600	
2.1.9. Electronics and comms		19 750		9 420									29 170	
2.1.10. Non-armoured vehicles														
2.1.11. Other		93 179	9 269	20 277									122 725	
VAT							221 638						221 638	
2.2. Construction														
2.2.1. Airbases, airfields														
2.2.2. Missile sites														
2.2.3. Naval bases & facilities														
2.2.4. Electronics, etc														
2.2.5. Personnel facilities														
2.2.6. Medical facilities														
2.2.7. Training facilities														
2.2.8. Warehouses, depots etc														
2.2.9. Command & adm facilities														
2.2.10. Fortifications														
2.2.11. Shelters														
2.2.12. Land														
2.2.13 Other														
3. RESEARCH & DEVELOPMENT		34 102		1 300									35 402	
3.1. Basic & applied research														
3.2. Development, testing and evaluation		34 102		1 300									35 402	
4. TOTAL (1+2+3)		1 338 564	203 961	419 347			235 206	3 000			122 157		2 322 235	

FISCAL YEAR 2008
(1 000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 4

Force groups Resource costs	Strategic forces (1)	Land forces (2)	Naval forces (3)	Air forces (4)	Other combat forces (5)	Central support administration and command		Para-military forces (8)	Military assistance			Undistributed keeping (12)	Total military expenditures (13)	Civil defence (14)
						Support (6)	Command (7)		Home territory (9)	Abroad (10)	UN peace-keeping (11)			
1. OPERATING COSTS		894 266	158 741	326 919			13 598	3 000			104 381		1 500 905	
1.1. Personnel		506 316	93 271	171 885				3 000			56 381		830 853	
1.1.1. Conscripts (incl paramilitary forces)		27 442	4 869	2 424				3 000					37 735	
1.1.2. Other mil personnel including reserves		320 852	59 227	113 547							56 381		493 626	
1.1.3. Civilian personnel		158 022	29 175	55 914									243 111	
1.2 Operations & maintenance		387 950	65 470	155 034							48 000		656 454	
1.2.1. Materials for current use		95 192	16 064	38 041										
1.2.2. Maintenance and repair		22 852	3 856	9 132										
1.2.3. Purchased services		153 457	25 898	61 325										
1.2.4. Rent costs		86 196	14 546	34 446										
1.2.5. Other		30 253	5 106	12 090							48 000		95 449	
2. PROCUREMENT & CONSTR		401 962	71 336	147 014			228 392						848 704	
2.1. Procurement		417 912	57 600	144 800			228 392						848 704	
2.1.1. Aircraft and engines		67 400		122 050									189 450	
2.1.2. Missiles including conventional warheads														
2.1.3. Nuclear warheads and bombs														
2.1.4. Ships and boats			24 000										24 000	
2.1.5. Armoured vehicles														
2.1.6. Artillery		9 600											9 600	
2.1.7. Other ordnance and ground forces weapons		115 150											115 150	
2.1.8. Ammunition			33 600										33 600	
2.1.9. Electronics and comms		64 150		7 450									71 600	
2.1.10. Non-armoured vehicles														
2.1.11. Other		161 612		15 300									176 912	
VAT							228 392						228 392	
2.2. Construction														
2.2.1. Airbases, airfields														
2.2.2. Missile sites														
2.2.3. Naval bases & facilities														
2.2.4. Electronics, etc														
2.2.5. Personnel facilities														
2.2.6. Medical facilities														
2.2.7. Training facilities														
2.2.8. Warehouses, depots etc														
2.2.9. Command & adm facilities														
2.2.10. Fortifications														
2.2.11. Shelters														
2.2.12. Land														
2.2.13 Other														
3. RESEARCH & DEVELOPMENT		21 070	3 121	1 821									26 012	
3.1. Basic & applied research														
3.2. Development, testing and evaluation		21 070	3 121	1 821									26 012	
4. TOTAL (1+2+3)		1 317 298	233 198	475 754			241 990	3 000			104 381		2 375 621	

FISCAL YEAR 2009
(1 000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 5

Force groups Resource costs	Strategic forces (1)	Land forces (2)	Naval forces (3)	Air forces (4)	Other combat forces (5)	Central support administration and command		Para-military forces (8)	Military assistance			Undistributed keeping (12)	Total military expenditures (13)	Civil defence (14)
						Support (6)	Command (7)		Home territory (9)	Abroad (10)	UN peace-keeping (11)			
1. OPERATING COSTS		886 364	157 427	323 681			13 726	3 000			104 381		1 488 579	
1.1. Personnel		507 629	93 513	172 330				3 000			55 094		831 566	
1.1.1. Conscripts (incl paramilitary forces)		27 514	4 881	2 430				3 000					37 825	
1.1.2. Other mil personnel including reserves		321 684	59 381	113 841							55 094		494 906	
1.1.3. Civilian personnel		158 431	29 251	56 059									243 741	
1.2 Operations & maintenance		378 735	63 914	151 351							49 287		643 287	
1.2.1. Materials for current use		95 192	16 064	38 041										
1.2.2. Maintenance and repair		22 852	3 856	9 132										
1.2.3. Purchased services		153 457	25 898	61 325										
1.2.4. Rent costs		86 196	14 546	34 446										
1.2.5. Other		21 038	3 550	8 407							49 287		82 282	
2. PROCUREMENT & CONSTR		474 389	15 110	170 685			237 710						897 894	
2.1. Procurement		474 389	15 110	170 685			237 710						897 894	
2.1.1. Aircraft and engines		35 600		170 685									206 285	
2.1.2. Missiles including conventional warheads														
2.1.3. Nuclear warheads and bombs														
2.1.4. Ships and boats														
2.1.5. Armoured vehicles			11 610										11 610	
2.1.6. Artillery		59 500											59 500	
2.1.7. Other ordnance and ground forces weapons		11 610											11 610	
2.1.8. Ammunition		40 500	3 500										44 000	
2.1.9. Electronics and comms		133 530											133 530	
2.1.10. Non-armoured vehicles														
2.1.11. Other		193 649											193 649	
VAT							237 710						237 710	
2.2. Construction														
2.2.1. Airbases, airfields														
2.2.2. Missile sites														
2.2.3. Naval bases & facilities														
2.2.4. Electronics, etc														
2.2.5. Personnel facilities														
2.2.6. Medical facilities														
2.2.7. Training facilities														
2.2.8. Warehouses, depots etc														
2.2.9. Command & adm facilities														
2.2.10. Fortifications														
2.2.11. Shelters														
2.2.12. Land														
2.2.13 Other														
3. RESEARCH & DEVELOPMENT		20 768	3 077	1 795									25 640	
3.1. Basic & applied research														
3.2. Development, testing and evaluation		20 768	3 077	1 795										
4. TOTAL (1+2+3)		1 381 521	175 614	496 161			251 436	3 000			104 381		2 412 113	

FISCAL YEAR 2010
(1 000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 6

Force groups Resource costs	Strategic forces	Land forces	Naval forces	Air forces	Other combat forces	Central support administration and command		Para-military forces	Military assistance			Undistributed keeping	Total military expenditures	Civil defence
						Support	Command		Home territory	Abroad	UN peace-keeping			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1. OPERATING COSTS		888 675	157 853	324 466			13 704	3 000			104 381		1 492 079	
1.1. Personnel		509 927	93 936	173 109				3 000			55 094		835 066	
1.1.1. Conscripts (incl paramilitary forces)		27 638	4 903	2 441				3 000					37 982	
1.1.2. Other mil personnel including reserves		323 141	59 649	114 356						55 094			497 146	
1.1.3. Civilian personnel		159 148	29 384	56 312									244 844	
1.2 Operations & maintenance		378 748	63 917	151 357						49 287			594 022	
1.2.1. Materials for current use		95 192	16 064	38 041										
1.2.2. Maintenance and repair		22 852	3 856	9 132										
1.2.3. Purchased services		153 456	25 898	61 325										
1.2.4. Rent costs		86 196	14 546	34 446										
1.2.5. Other		21 052	3 553	8 413						49 287				
2. PROCUREMENT & CONSTR		417 713	74 132	152 776			234 938						879 557	
2.1. Procurement		513 429	27 860	103 330			234 938						879 557	
2.1.1. Aircraft and engines		6 400		103 330									109 730	
2.1.2. Missiles including conventional warheads														
2.1.3. Nuclear warheads and bombs														
2.1.4. Ships and boats			24 360										24 360	
2.1.5. Armoured vehicles														
2.1.6. Artillery		43 200											43 200	
2.1.7. Other ordnance and ground forces weapons		6 360											6 360	
2.1.8. Ammunition		97 000	3 500										100 500	
2.1.9. Electronics and comms		150 480											150 480	
2.1.10. Non-armoured vehicles														
2.1.11. Other		209 989											209 989	
VAT							234 938						234 938	
2.2. Construction														
2.2.1. Airbases, airfields														
2.2.2. Missile sites														
2.2.3. Naval bases & facilities														
2.2.4. Electronics, etc														
2.2.5. Personnel facilities														
2.2.6. Medical facilities														
2.2.7. Training facilities														
2.2.8. Warehouses, depots etc														
2.2.9. Command & adm facilities														
2.2.10. Fortifications														
2.2.11. Shelters														
2.2.12. Land														
2.2.13 Other														
3. RESEARCH & DEVELOPMENT		20 739	3 073	1 792									25 604	
3.1. Basic & applied research														
3.2. Development, testing and evaluation		20 739	3 073	1 792									25 604	
4. TOTAL (1+2+3)		1 327 127	235 058	479 034			248 642	3 000		104 381			2 397 240	

FISCAL YEAR 2011
(1 000 OF NATIONAL CURRENCY)
Currency unit: EUR

ANNEX 7

Force groups Resource costs	Strategic forces (1)	Land forces (2)	Naval forces (3)	Air forces (4)	Other combat forces (5)	Central support administration and command		Para-military forces (8)	Military assistance			Undistributed keeping (12)	Total military expenditures (13)	Civil defence (14)
						Support (6)	Command (7)		Home territory (9)	Abroad (10)	UN peace-keeping (11)			
1. OPERATING COSTS		893 903	158 740	326 536			13 674	3 000			104 381		1 500 234	
1.1. Personnel		510 255	93 996	173 221				3 000			55 094		835 566	
1.1.1. Conscripts (incl paramilitary forces)		27 656	4 907	2 442				3 000					38 005	
1.1.2. Other mil personnel including reserves		323 348	59 687	114 430							55 094		552 559	
1.1.3. Civilian personnel		159 251	29 402	56 349									245 002	
1.2 Operations & maintenance		383 648	64 744	153 315							49 287		650 994	
1.2.1. Materials for current use		95 192	16 064	38 041										
1.2.2. Maintenance and repair		22 852	3 856	9 132										
1.2.3. Purchased services		153 456	25 898	61 325										
1.2.4. Rent costs		86 196	14 546	34 446										
1.2.5. Other		25 952	4 380	10 371							49 287		89 990	
2. PROCUREMENT & CONSTR		514 134	28 910	95 450			235 400						873 894	
2.1. Procurement		514 134	28 910	95 450			235 400						873 894	
2.1.1. Aircraft and engines		7 000		95 450									102 450	
2.1.2. Missiles including conventional warheads														
2.1.3. Nuclear warheads and bombs														
2.1.4. Ships and boats			25 410										25 410	
2.1.5. Armoured vehicles														
2.1.6. Artillery		48 400											48 400	
2.1.7. Other ordnance and ground forces weapons		5 410											5 410	
2.1.8. Ammunition		152 200	3 500										155 700	
2.1.9. Electronics and comms		144 230											144 230	
2.1.10. Non-armoured vehicles														
2.1.11. Other		156 894											156 894	
VAT							235 400						235 400	
2.2. Construction														
2.2.1. Airbases, airfields														
2.2.2. Missile sites														
2.2.3. Naval bases & facilities														
2.2.4. Electronics, etc														
2.2.5. Personnel facilities														
2.2.6. Medical facilities														
2.2.7. Training facilities														
2.2.8. Warehouses, depots etc														
2.2.9. Command & adm facilities														
2.2.10. Fortifications														
2.2.11. Shelters														
2.2.12. Land														
2.2.13 Other														
3. RESEARCH & DEVELOPMENT		20 760	3 076	1 794									25 630	
3.1. Basic & applied research														
3.2. Development, testing and evaluation		20 760	3 076	1 794									25 630	
4. TOTAL (1+2+3)		1 428 797	190 726	423 780			249 074	3 000			104 381		2 399 758	