

NATIONAL EMERGENCY SUPPLY AGENCY - INTRODUCTION-

28.3.2022 Hanna Havumäki

HUOLTOVARMUUSKESKUS
FÖRSÖRJNINGSBEREDSKAPSCENTRALEN
NATIONAL EMERGENCY SUPPLY AGENCY



NESA FACTS

- Established by a Government Act in 1992
- Governed by a Board of Directors
- Staff of c. 70 persons managed by the CEO
- Financed by the National Emergency Supply Fund
- Reports to the Ministry for Economic Affairs and Employment

“The consequences are more important than the causes - As far as security of supply is concerned, it is more important to pay attention to the consequences of disruptions rather than their root causes.”

NESA MISSION AND TASKS

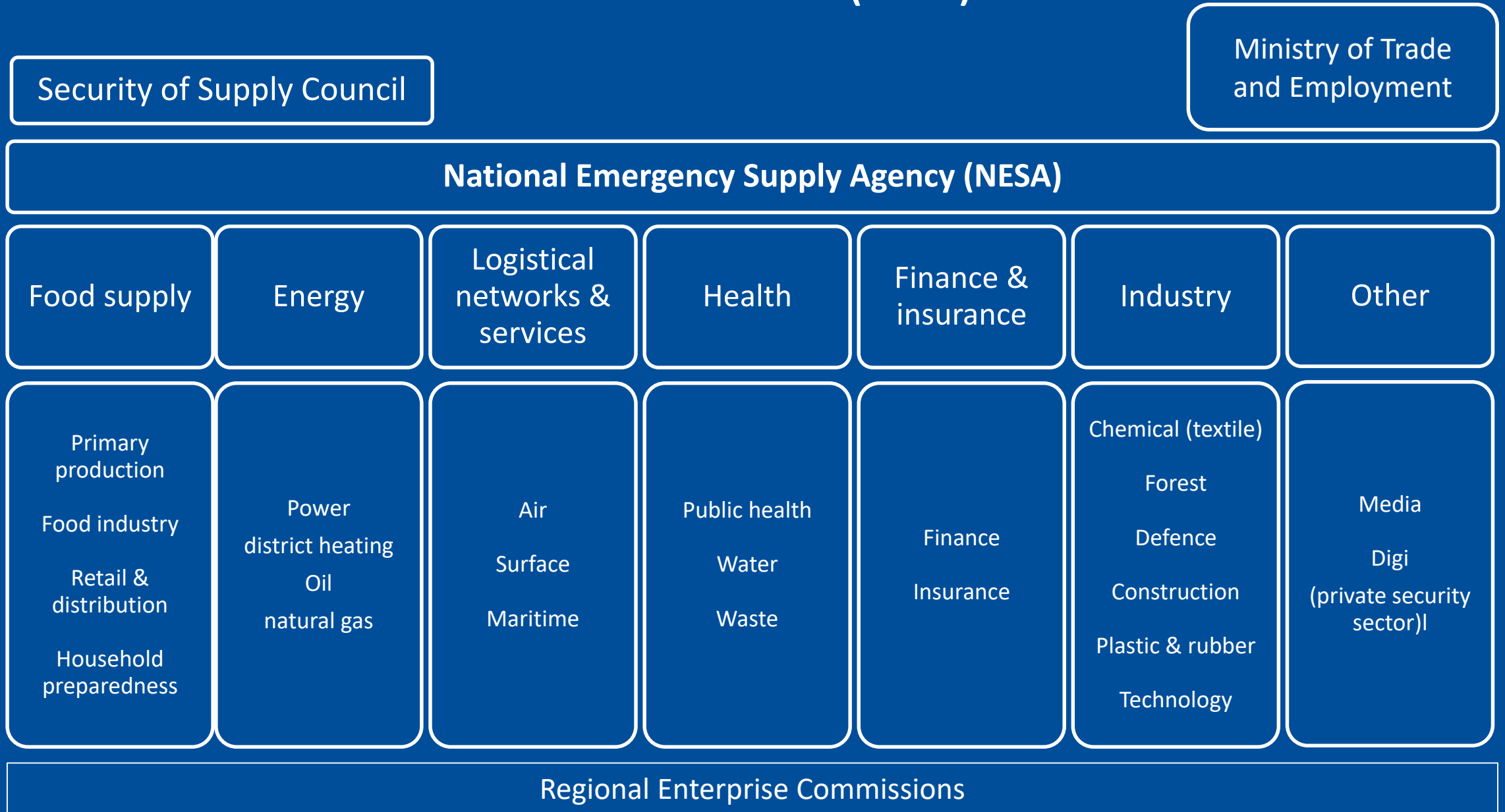
Mission:

Secure the continuity of the society's critical economic functions and technical systems for citizens' wellbeing and national defense in the event of serious disruptions and emergencies.

Tasks:

- Promote public-private cooperation**
- Secure the functioning of critical technical systems (funding)**
- Secure the production of critical goods and services, including for national defense**
- Manage the mandatory stockpiles and security stockpiles**
- Maintain reserve stocks critical for fulfilling both the NESA mission and Finland's international commitments (material preparedness)**

NATIONAL EMERGENCY SUPPLY ORGANISATION (NESO)



SECTORS

POOLS

STOCKPILING

State Emergency stockpiling is implemented through these 3 models, operated by NESAs:

1. **Security stockpiles**
2. **Compulsory stockpiles**
3. **State-owned stockpiles**

Security stockpiles and Compulsory stockpiles should be maintained

- The purpose of holding Security stockpiles is to ensure the population's livelihood and the continuity of industrial production in the event of disruption in the availability of necessary raw materials and goods.
- The purpose of holding Compulsory (Obligatory) stockpiles is to guarantee supply of fuels and pharmaceuticals in the event of a major disruption in their availability.

State-owned stockpiles have fundamental importance

- The State-owned stockpiles are used to maintain viable production of energy, food, and health-care services or for military purposes. NESAs are tasked with maintaining these stockpiles.

THE STOCKPILING SYSTEM

	Legal basis	Purpose	Products
State owned reserve stockpiles	Act on Safeguarding Security of Supply (1390/1992)	Protecting the livelihood of the population and functions of the economy during a severe crisis	Grains and seeds, imported fuels and crucial raw materials, hospital supplies, alloys, chemicals
Compulsory stockpiles	Act on Compulsory Stockpiles of Imported Fuels (1070/1994), Act on Compulsory Stockpiling of Medicinal Products (979/2008)	Protecting the supply of fuels and pharmaceuticals during a severe interruption in import	Crude oil, oil products, coal, (natural gas), medicines
Security stockpiles	Security Stockpiling Act (970/1982) agreement based	Protecting the livelihood of the population and manufacturing during an interruption of supply of crucial raw materials	Critical products and materials (GO 552/2013)

SOURCES OF FINANCING

- **Security of supply levy**
 - **Electricity** EUR 0.00013/kWh
 - **Coal (in terms of heat)** EUR 1.18/t
 - **Natural gas (in terms of heat)** EUR 0.084/MWh
 - **Petrol** EUR 0.0068/l
 - **Diesel and light fuel oil** EUR 0.0035/l
 - **Heavy fuel oil** EUR 0.0028/kg
- **Borrowings (up to EUR 200 million)**
- **Internal financing**
- **Holdings**

FUNDING THE SECURITY OF SUPPLY

The costs associated with security of supply are addressed by the extra-budgetary National Emergency Supply Fund, managed by NESAs. The National Emergency Supply Fund covers the expenditure involved in the reserve stocks, auxiliary technological arrangements, and preparedness planning.

Where does the money come from?

A security of supply contribution is imposed in connection with energy taxes.



KEY STRATEGIC & POLICY DOCUMENTS

- **Security Strategy for Society 2021**

https://turvallisuuskomitea.fi/wp-content/uploads/2018/04/YTS_2017_english.pdf

- **National Risk Assessment 2018 (2022)**

<https://intermin.fi/julkaisut/julkaisu?pubid=URN:ISBN:978-952-324-249-4>

- **Government Decision on the Objectives of Security of Supply 2018**

<https://cdn.huoltovarmuuskeskus.fi/app/uploads/2019/04/08092304/Government-Decision-on-the-Objectives-of-Security-of-Supply.pdf>

THANK YOU!

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