

FINLAND – REPORTING YEAR 2011

For reporting according to Regulation (EU) 1233/2011

I. Reporting country information

Reporting Country	Finland
Submission Date	19.6.2012
Reporting Institution (Government Department, ECA)	Finnvera plc

II. Reporting country legal and policy information

Mandate/Legal status of ECA	Specialised financing company owned by the State of Finland
Officially supported export credit programs(in the sense of Article 5 of the OECD Arrangement) during reporting period	Export credit guarantees: <ul style="list-style-type: none">• Credit Risk Guarantee• Export Receivables Guarantee• Buyer Credit Guarantee• Letter of Credit Guarantee• Bank Risk Guarantee• Investment Guarantee• Bond Guarantee• Finance Guarantee• (Special Guarantees) Financing of Export Credit Interest equalization scheme
Annual reports available on reporting year	Annual Report 2011 available on Finnvera's website: http://www2.finnvera.fi/annualreport/en/

III. Information on the reporting Member State's Export Credit policies:

General presentation of the reporting MS' policies on export credits, including all information that can help the Commission in carrying out its evaluation regarding the compliance of the Export Credit Agencies with EU objectives and obligations (in the sense of Article 3, Annex 1 of EU Regulation1233/2011)	http://www.finnvera.fi/eng/Export
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<p>Special information on the following policies:</p> <p><i>1) Environment:</i></p> <p>a) Do you apply the OECD Recommendation on Common Approaches to the Environment and Officially Supported Export Credits? (its successor instrument the OECD Recommendation on Common Approaches on Officially Supported Export Credits and Environmental and Social Due Diligence?)</p> <p>b) any other relevant information</p>	<p>Yes, Finnvera follows all OECD Recommendations and Guidelines agreed on. For further information: http://www.finnvera.fi/eng/Export/Export-Credit-Guarantee-Operations/International-co-operation/OECD</p>
<p><i>2) Human rights:</i></p> <p>a) Do you apply the Human Rights related aspects of the Recommendation on Common Approaches, on Officially Supported Export Credits and Environmental and Social Due Diligence?</p> <p>b) Any other relevant information?</p>	
<p><i>3) Anti-Bribery measures:</i></p> <p>a) Do you apply the OECD Recommendation on Bribery and Officially Supported Export Credits?</p> <p>b) Any other relevant information?</p>	
<p><i>4) Sustainable Lending Practices:</i></p> <p>a) Do you apply the OECD Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low Income Countries?</p> <p>b) Any other relevant information?</p>	
<p><i>5) Other policies</i></p>	

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IV. Annual Activity Report data:

“MS shall report, in accordance with their national legislative framework, on assets and liabilities, claims paid and recoveries, new commitments, exposures and premium charges.” From Regulation 1233/2011, Annex 1.

Finnvera Group 31.12.2011	
Total Assets	2 890 mill euros
Liabilities	2 175 mill euros
Equity	715 mill euros

A) Finnvera plc – Export Credit Guarantees and Special Guarantees¹	
Official support is provided in the form of export credit guarantee or insurance (“pure cover”) in the sense of Art 5 a 1) OECD Arrangement	
Total Outstanding Commitments 1.1.2011	8 930 mill euros in total (guarantees in force: 7 579 mill euros, offers: 1 351 mill euros)
New Commitments in 2011 a) Guarantees granted b) Offers	3 159 mill euros guarantees that came into effect 3 796 mill euros guarantees offered
Total Outstanding Commitments 31.12.2011	10 361 mill euros in total (guarantees in force: 9 359 mill euros, offers: 1 002 mill euros)
Premium Income (net) in 2011	63 mill euros ²
Losses a) + Claims paid b) - Recoveries including change in the claims provisions	3,6 mill euros ³ 4,1 mill euros 0,5 mill euros
B) Finnvera Group – Financing of Export Credits (always includes an export credit guarantee)	
Official support is provided in the form of Official Financing Support in the sense of Article 5 a 2) OECD Arrangement	
Outstanding loans (disbursed) 1.1.2011	321 mill euros ⁴
Outstanding loans (disbursed) 31.12.2011	593 mill euros
Off-balance-commitments - binding financing commitments 31.12.2011	1 837 mill euros ⁵
New Commitments 2011	2 029 mill euros (signed and transferred new loan agreements) ⁶
Net Interest Income	311 445 euros

¹ Figures under this section include the following export credit guarantees: Credit Risk Guarantees, Export Receivables Guarantees, Buyer Credit Guarantees, Letter of Credit Guarantees, Bank Risk Guarantees, Investment Guarantees, Bond Guarantees and Finance Guarantees, as well as the following special guarantees: Environmental Guarantees, Ship Guarantees and Venture Capital Guarantees.

² Finnvera’s Annual Report 2011, Notes to the income statement, NO. 30 (Act on the State Guarantee Fund §4)

³ Finnvera’s Annual Report 2011, Notes to the income statement, NO. 9

⁴ Claims on the public and public-sector entities – other (Finnish Export Credit Ltd, Report of the Board of Directors and Financial Statements 31.12.2011)

⁵ Notes on Collateral and Contingent Liabilities (Finnish Export Credit Ltd, Report of the Board of Directors and Financial Statements 31.12.2011)

⁶ Page 2, Finnish Export Credit Ltd, Report of the Board of Directors and Financial Statements 31.12.2011

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C) Finnvera Group's Interest Equalisation Scheme administered by FEC (subsidiary of Finnvera plc) on behalf of the Finnish Government (may include a guarantee and financing of Finnvera plc, but not necessarily)	
Official support is provided in the form of Official Financing Support in the sense of Article 5 a 2) OECD Arrangement	
Outstanding amount of loans supported by interest equalization 1.1.2011	1 646 mill euros ⁷
Outstanding amount of loans supported by interest equalization 31.12.2011	1 532 mill euros ⁷
New Commitments in 2011	128 mill euros ⁷

V. Contingent liabilities – the Government Status

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| A. Export Credit Guarantees - State of Finland covers the possible deficit. |
| B. Export Credit Financing – State of Finland covers the deficit and guarantees the funding. |
| C. Interest Equalisation Scheme – responsibility of the State of Finland. |

⁷ Figures from the internal reporting of Finnvera Group.

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VI. Evaluation and incorporation of environmental risks – export credit guarantees

Environmental risks:	
a) Number/exposure of transactions Category A	3 guaranteed transactions, 770 mill euros
b) Number/exposure of transactions Category B	11 guaranteed transaction, 222 mill euros
How are environmental risks, which can carry other relevant risks, taken into account in the officially supported export credit activities?	<p>Finnvera's export credit guarantee activities are guided by the following environmental principles:</p> <ul style="list-style-type: none">• Before granting export credit guarantees and confirming their terms and conditions, Finnvera considers the environmental impacts of the project to be guaranteed as a part of the project's overall risk assessment. This requirement is also stated in the Export Guarantee Act.• Finnvera is actively engaged in the discussions and negotiations between Export Credit Agencies (ECA) regarding common approaches in environmental issues. Finnvera supports international developments towards a common set of rules for ECAs in environmental issues in order to provide equal competitive opportunities in this respect for exporters from different countries.• Finnvera follows the Recommendation on Common Approaches on the Environment and Officially Supported Export Credits issued by the Organisation for Economic Co-operation and Development (OECD).• In Finnvera's export credit guarantee activities, the principle of sustainable development is defined through responsibility. Responsible export credit guarantee operations are defined using the following practical policies:<ul style="list-style-type: none">- Environmental policy- Anti-bribery actions

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	<ul style="list-style-type: none">- Commitment to allocate guarantees to the poorest countries for productive projects- Directing exporters' attention to the OECD Guidelines for Multinational Enterprises <ul style="list-style-type: none">• Finnvera is continuously working to improve its environmental policy and environmental review process methods. When planning improvements, factors related to international competitiveness, the developments in environmental issues related to export credit guarantee activities, and Finnvera's own experiences are taken into consideration. Finnvera trains its personnel to identify environmental aspects and to assess environmental risks. Environmental information and lessons learned from projects are disseminated internally in Finnvera.