PRIME MINISTER'S OFFICE

Finnish Security and Defence Policy 2004

Government report 6/2004

Prime Minister's Office: Publications 18/2004

VNS 6/2004 vp
Government report 6/2004

Finnish Security and Defence Policy 2004

Prime Minister's Office: Publications | 18/2004

ISBN 952-5354-60-1
ISSN 0783-1609
Publisher: Prime Minister's Office
Press: Edita
Subscription of the publication: Kirjasto@vnk.fi tel. +358 9 1602 2060

Publisher:
PRIME MINISTER'S OFFICE

FACT SHEET
24 September 2004

Authors(name, chairperson and secretary of the organ):

Type of publication:
Report

Appointed by:
Prime Minister's Office

Date of appointment:

Title of publication(also in Finnish and Swedish):

Finnish Security and Defence Policy 2004; Government report to Parliament 24 September 2004
Suomen turvallisuus- ja puolustuspolitiikka 2004; valtioneuvoston selonteko eduskunnalle 24.9.2004
Finlands säkerhets- och försvarspolitik 2004; statsrådets redogörelse till riksdagen 24.9.2004

Contents:

Abstract:

The security and defence policy report 2004 makes a broad assessment of Finland's security and defence policy as a whole in accordance with a decision made in the Government Programme. The security and defence policy report 2004 is the Government's basic position, setting out the principles and objectives for Finland's security and defence policy and providing a framework for its implementation in the different sectors.

The report conducts a thorough examination of the change in Finland's international environment and its effects on Finland's capability as well as on comprehensive security into the 2010s. The assessment of the environment creates the basis for determining the line of action. Based on these, the report shows the development and resource needs that focus on the different dimensions of the capability, external capability, especially crisis management capability, defence, the maintaining of internal security and the safeguarding of society's central basic functions.

Keywords:
Reports, Security Policy, Defence Policy, Foreign Policy, Foreign and Security Policy

Further information:

Name and number of the series:		ISSN:	ISBN:
Prime Minister's Office: Publications 18/2004		0783-1609	952-5354-60-1
Pages: 172	Language: En	Price: -	Confidence status: Public

Distributed by:
Prime Minister's Office
Kirjasto@vnk.fi tel. + 358 9 160 22060
http://www.vnk.fi/publications

Published by:
Prime Minister's Office

Summary

Since the report of 2001, Finland's neighbouring areas have become more stable along with the enlargement of the European Union and NATO, the deepening of integration in the European Union and the transformation in Russia. At the same time, however, the broader international situation has become increasingly challenging for Finland as well, and this development has started to reflect more tangibly on Finland's security environment. This trend is expected to continue.

Global problems, development crises and regional conflicts have become increasingly significant for security. Along with globalization Finland's internal and external security has become increasingly dependent on the broad international situation. The key threats affecting security include terrorism, the threat of the proliferation and use of weapons of mass destruction, regional conflicts and the use of military force, organized crime, drugs and human trafficking, economic and technological risks, environmental problems, population growth, population migrations and epidemics.

Security threats and challenges are increasingly cross-border in nature. In responding to them, therefore, it is crucial to increase bilateral and multilateral cooperation in neighbourhood relations, regionally and globally and establish procedures that are legally binding. The most important point for Finland in this context is the capability and influence of the European Union. The role of the United States, the development of the transatlantic relationship and NATO's role and activities are also of key importance. The issues that are accentuated in Finland's immediate vicinity are the transformation in Russia, the significance of the Baltic Sea region and military developments in neighbouring areas.

The line of action of Finland's security and defence policy is aimed at safeguarding the country's independence and society's fundamental democratic values and at promoting the security and welfare of all citizens. Finland's line of action is based on a credible national defence, the functioning of society, a consistent foreign policy as well as a strong international position and an active participation as a member of the EU. The key challenge for Finland's security and defence policy is retaining and strengthening the nation's capability in a changing environment, where global developments, regional conflicts and new threats have become of increasing significance to Finland's security.

Finland is endeavouring to strengthen multilateral cooperation, the UN and international law and to govern globalization in order to increase security by reducing inequality and exclusion. Finland emphasizes the responsibility of the international community in preventing crises and humanitarian disasters and in protecting the civilian population. Decisions on the conditions for the use of mili-

tary force must be made multilaterally on the basis of the principles in the UN Charter.

Finland contributes to strengthening the EU as a security community and an international actor in accordance with the European Union's security strategy approved in 2003. Membership of the Union, which is based on solidarity and mutual commitments in all areas, serves to enhance Finland's security. Finland supports the Union's enlargement process, neighbourhood policy and the development of justice and home affairs as principal factors promoting security.

Finland contributes towards strengthening the EU's common foreign and security policy and common security and defence policy, and participates fully in developing and implementing the common security and defence policy. Finland is developing its capability and readiness to participate in the EU's civilian crisis management activities and military crisis management operations, including rapid response forces, currently being developed. Finland contributes to the forming of permanent structured cooperation and takes part in the Union's capabilities cooperation and the activities of the European Defence Agency. The obligation to provide assistance included in the Constitutional Treaty will strengthen the Union's mutual solidarity.

Finland believes that a strong transatlantic relationship is important for both European and international security and promotes it bilaterally as a Member State of the EU and as a NATO's PfP partner. Finland feels that it is important for the cooperation to be implemented in a spirit of global responsibility, shared basic values and respect for international law.

Finland is developing its cooperation with NATO further by participating actively in partnership for peace (PfP) activities and in EU-NATO cooperation. Finland is continuously monitoring the reforms in NATO, the development of its capability and its international significance. Applying for membership will remain a possibility in Finland's security and defence policy also in the future.

Finland's primary objective in its security and defence policy remains the promotion of security and stability in Northern Europe. Finland will strive to achieve this by strengthening bilateral cooperation with countries in the region and increasing cooperation between the Nordic countries, the Baltic States and countries in the Baltic Sea region. Finland participates actively in implementing and developing the EU's policy on Russia and is developing the EU's Northern Dimension policy. Relationships between important international actors central to the development of security in Northern Europe are still of great importance.

Finland participates in promoting stability and the development of democracy in Europe within the framework of the EU's new neighbourhood policy, the OSCE and the Council of Europe.

Finland engages in an active and comprehensive policy of conflict prevention and crisis management and promotes coherent objectives in security, development and trade policies. Finland considers it important to handle conflict prevention, civilian and military 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 a conflict. In addition to long-term development cooperation, Finland allocates separate assistance for the shorter-term prevention and after-care of crises. Finland lays stress on the importance of human rights policy as a security-shaping factor and emphasizes in particular the rights of women, children and minorities.

Finland urges the consistent usage of civilian and military actions in crisis management operations. Finland is developing and expanding its participation in the development and implementation of civilian crisis management within the framework of the EU in particular, but also in other organizations and modes of operation. National resources will be developed on a wide scale. The Government is preparing legislation on civilian crisis management.

Finland's military crisis management capability will be developed in line with changes in the operating environment, which will require the adoption of new modes of operation. International military cooperation is an essential part of Finland's security and defence policy, and it supports Finland's own defence. Military defence will be developed so that Finland will be able to serve as an active member within the security community formed by the European Union and allocate the necessary military resources for actions required under Union obligations.

Crisis management capability will be developed with regard to EU objectives, the NATO partnership for peace and Nordic crisis management cooperation. Specially designated troops from all services of the Defence Forces will be developed so that they can also be used for international crisis management tasks. At the same time a capability will be created to take part in operations that are more demanding than at present, which will require the development of more capable troops. The development and training of international rapid deployment forces will be based on national troop production. Participation in the rapid deployment forces is voluntary.

For this purpose, Finland is developing adequately trained and equipped troops who can be dispatched rapidly to a crisis area and are capable of undertaking demanding action. Finland is also participating actively in multinational military exercises. The Government undertakes to address the updating of the Act on Peace Support Operations.

Finland will actively participate in international cooperation to prevent the proliferation of weapons of mass destruction and to enhance arms control. Finland will promote the implementation of the EU's weapons of mass destruction strat-

egy bilaterally, as well. National readiness for controlling exports among other things will be improved. Finland will participate actively in arms control and disarmament arrangements applying to conventional weapons, such as small arms and light weapons. Finland will accede to the Ottawa Convention, which prohibits anti-personnel land mines, in 2012, and destroy its land mines by the end of 2016.

Internal security in Finnish society will be maintained in all situations, and the authorities' capability to combat both existing and new threats will be developed. The Government adopted a resolution on the programme for internal security on 23 September 2004. Society's vital functions will be protected in accordance with the Government Resolution made in November 2003 and the related strategy. Executive assistance arrangements will be developed and the security of Finland's border as the EU's outer border will be enhanced.

Finland will contribute actively to improving counter-terrorism action in the EU and stress the importance of addressing background factors as a long-term policy. Participation in the development of counter-terrorism capability in developing countries will be increased. Preparations will be made to implement the solidarity clause in the Constitutional Treaty. Action by the authorities will be improved and cooperation and coordination developed. Police capability to combat terrorism and investigate terrorist crimes will be developed, as will the associated intelligence, analysis, international cooperation and exchange of information.

The combating of organized crime directed at Finland will be strengthened by increasing cooperation among the authorities and by revising authorizations.

Finland will be active in preventing and combating environmental threats. The main areas are predicting the effects of climate change, protecting the Baltic Sea, preparing for risks associated with accidents in neighbouring areas and increasing the safety of international shipping in the Baltic Sea, especially the Gulf of Finland.

As far as protecting society's main basic functions is concerned, greater emphasis will be placed on the security of electronic communications and information systems, preparing for infectious diseases and radiation and chemical threats. Finland's security of supply will be scaled so as to ensure the living conditions of the population, the vital functions of society and the material requirements of national defence under all circumstances. International cooperation will increase and public preparedness measures will be developed.

Finland develops its defence capability as a militarily non-allied country and monitors the changes in its security environment, particularly those affecting Northern Europe. Finland must be able to guarantee the country's independent capability in all situations. The aim of a credible national defence capability is to

prevent the emergence of security threats against Finnish territory. The defence capability is scaled so that the entire country can be defended, the basis for that being general conscription and a territorial defence system. The development of a credible defence system will require focusing on core activities and continuing the structural change of the Defence Forces.

The Defence Forces are prepared to prevent and, if necessary, repel the use of military force against Finland. The crisis and threat scenarios used in defence planning include a regional crisis that could affect Finland; political, economic and military pressure to which can be added the threat of military force and its limited use; and the use of military force that could be a strategic strike or an attack starting with a strategic strike in order to seize territory.

The threat of weapons of mass destruction, threats targeted at information systems, information warfare and terrorism are challenges for which the defence establishment is prepared. The Defence Forces can support other authorities with executive assistance arrangements to combat terrorism and respond to other new threats. The need for connections with the civilian sector will be looked into for this purpose. Moreover, it will be ensured that the efficiency and clarity of executive assistance arrangements fulfil the requirements of the situation at hand.

Military national defence is based on territorial defence, which will be developed taking into account changes in the operating environment, reviewed tasks and the resources available. The Defence Forces' command and administration system will be adapted in order to correspond to changes in the security environment and to decisions based on these concerning a reduction in wartime troop numbers. Wartime troops will be divided into regional and operational troops, the former being some 250,000 in number and the latter about 100,000. Voluntary national defence will be developed.

The Army's readiness brigades will be fully operational in 2008, and their firepower and mobility will be expanded. The Army's striking power will be improved. From 2009, the emphasis in the development of the Army will be on ground-based air defence and regional troops. The focus in developing the Navy will be on protecting sea lines of communications, improving mine countermeasure capability and on developing mobile coastal troops. In the Air Force, particular emphasis will be placed on developing the capability of fighter defence and the air defence command and control system. The capability of the Hornet fleet will be improved by mid-life updates, in addition to which purchases for a long-distance precision guided weapon system enabling air-to-surface operations will be started.

Contents

Summary 5

1 INTRODUCTION 15

2 THE ENVIRONMENT OF FINLAND'S SECURITY AND DEFENCE POLICY 16
2.1 Threats, challenges and background factors to international security 16
2.1.1 Effects of globalization on security 17
2.1.2 Background factors to security problems 18
2.1.3 Terrorism 20
2.1.4 The threat of the proliferation and use of weapons of mass destruction 22
2.1.5 Conflicts and the use of military force 23
2.1.6 Global and cross-border security problems 26
2.2 Responses through international security and defence policy 30
2.2.1 Supporting stability, democracy and peaceful change 30
2.2.2 The Council of Europe and the OSCE 31
2.2.3 More efficient multilateral cooperation and the UN 33
2.2.4 Relations between major powers 35
2.2.5 Enhancing conflict prevention and crisis management 37
2.2.6 Changes in defence systems and developments in military technology 38
2.2.7 Means of disarmament and arms control 40
2.3 The capability and influence of the European Union 43
2.3.1 Deepening integration 43
2.3.2 Enlargement 44
2.3.3 Development of Justice and Home Affairs in the EU 46
2.3.4 The EU's external capacity and the European Security Strategy 48
2.3.5 Development of the common foreign and security policy 49
2.3.6 Development of the common security and defence policy 49
2.3.7 Security and defence policy provisions in the Constitutional Treaty 54
2.4 The United States and the significance of the transatlantic relationship 57
2.4.1 Transatlantic relationship 57
2.4.2 Reforming armed forces and military power 58
2.5 The role and activities of NATO 59
2.5.1 Tasks of NATO 59
2.5.2 NATO enlargement 61
2.5.3 Evolution of the Partnership for Peace and cooperation with third countries 62
2.5.4 Relationship between NATO and Russia 63

2.5.5 Finland and NATO's Partnership for Peace 64
2.5.6 Assessment of the development of NATO 65
2.6 Changes in Russia 66
2.7 Significance of the Baltic Sea region 69
2.8 Military developments in Finland's neighbouring areas 70
2.9 Key observations from the Finnish perspective 75

3 THE LINE OF ACTION OF FINLAND'S SECURITY AND DEFENCE POLICY 78
3.1 Background and objectives 78
3.2 Reinforcing a multilateral security order and international law 78
3.3 Strengthening the European Union's capabilities 79
3.4 Transatlantic relations 81
3.5 Finland's relations with NATO 81
3.6 Finland's neighbouring areas 82
3.7 European stability, the Council of Europe and the OSCE 83
3.8 Comprehensive approach to conflict prevention and management 83
3.9 Crisis management 84
3.10 New threats, terrorism and arms control 85
3.11 Credible national defence 87

4 DEVELOPING THE EXTERNAL CAPABILITY 89
4.1 Furthering Finland's security interests 89
4.2 Development policy implementation, human rights and global security 90
4.3 Conflict prevention 91
4.4 Civilian crisis management 91
4.5 Military crisis management 95
4.6 Arms control 97

5 DEFENCE DEVELOPMENT 100
5.1 The basis for defence development 100
5.1.1 Finland's defence policy and defence solution 100
5.1.2 The crisis and threat scenarios used in defence planning 102
5.2 Development of defence 2005 - 2012 104
5.2.1 Defence in the 2010s 104
5.2.2 The intelligence, surveillance and command and control system 107
5.2.3 The services 109
5.2.4 Troop production and mobilization 116
5.2.5 Defence Forces personnel 116
5.2.6 Military security of supply 119
5.2.7 The Defence Forces in peacetime 121
5.2.8 Developing voluntary defence 124
5.3 Developing military crisis management 125
5.4 Cooperation with different authorities 127

5.4.1 Cooperation with the police 127
5.4.2 Participation of the Frontier Guard in military defence 128
5.4.3 Cooperation with other authorities 129
5.5 Military defence resources 130
5.6 Coordinating total defence 131

6 DEVELOPMENT OF INTERNAL SECURITY 133
6.1 Combating organized and serious crime 133
6.2 Combating cyber crime 135
6.3 Combating terrorism and terrorist crimes 135
6.4 Managed immigration 139
6.5 Civil defence and rescue services 140
6.6 Environmental security 141
6.7 Border security 142
6.8 Development of voluntary activities 143
6.9 Resources for internal security 144

7 SECURING SOCIETY'S CENTRAL BASIC FUNCTIONS 145
7.1 Energy supply 145
7.2 Food supplies 146
7.3 Industry and services 147
7.4 Society's electronic communications and information systems 148
7.5 Traffic and transportation 149
7.6 Social and health care services 149
7.7 Radiation, infectious diseases and chemical threats 150
7.8 Security of supply 151
7.9 Resources for securing key functions of society 152

APPENDIX 1 MAIN ABBREVIATIONS AND DEFINITIONS

APPENDIX 2 ARTICLES CONCERNING THE COMMON SECURITY AND DEFENCE POLICY AND THE SOLIDARITY CLAUSE IN THE EU'S CONSTITUTIONAL TREATY

FIGURES

1. Problem areas of international security in 2004 25
2. Defence expenditure by Finland, Denmark, Norway and Sweden in 1999 2004 74
3. Finnish participation in international civilian crisis management in 2004 94
4. Finnish peacekeepers and military observers in September 2004 96
5. Expenditure on international peacekeeping activities in 1998 2004 97
6. Procurement of defence equipment in 2005 2012 115
7. Military provinces, 1 January 2008 123

FACT BOXES

1. Comprehensive Test Ban Treaty (CTBT) 41
2. Finland's participation in the Proliferation Security Initiative 42
3. Justice and Home Affairs in the EU Constitutional Treaty 47
4. The EU Constitutional Treaty; Article I-43: Solidarity clause 54
5. The EU Constitutional Treaty; Article I-41.6 55
6. The EU Constitutional Treaty; Article I-41.7 56
7. Participation in international civilian crisis management in 2004 by Finnish experts on the rule of law, administration and human rights, and by Finnish civilian police 93
8. Total strength of the Army and its most important units in 2008 112
9. Total strength of the Navy and its most important units in 2008 113
10. Total strength of the Air Force and its most important units in 2008 115
11. General conscription 118
12. Main elements in EU counter-terrorism activities 137

1 INTRODUCTION

The security and defence policy report 2004 makes a broad assessment of Finland's security and defence policy as a whole in accordance with a decision made in the Government Programme.

The 1997 report outlined the basis for the development of Finland's defence up to 2008. The structural change to defence was revised in 2001, at which point the drawing up of the next development plan for defence extending into the 2010s and, at the same time of the overall assessment to security and defence policy was brought forward to 2004.

The report conducts a thorough examination of the change in Finland's international environment and its effects on Finland's capability as well as on comprehensive security into the 2010s. The assessment of the environment creates the basis for determining the line of action. Based on these, the report shows the development and resource needs that focus on the different dimensions of the capability, external capability, especially crisis management capability, defence, the maintaining of internal security and the safeguarding of society's central basic functions.

The security and defence policy report 2004 is the Government's basic position, setting out the principles and objectives for Finland's security and defence policy and providing a framework for its implementation in the different sectors. The Government has recently produced or is producing several reports, surveys and programmes, with guidelines and recommendations which have been taken into account in the report for 2004 and which in their part promote its implementation. The extent of the planning work shows the changing nature and growing demands of the foreign and security policy and the security and defence policy.

These guiding documents include the Strategy for Securing the Functions Vital to Society (Government Resolution 27 November 2003), the Development Policy Programme (Government Resolution 5 February 2004), the Government report on Finland's Human Rights Policy (VNS 2/2004), the Internal Security Programme (Government Resolution 23 September 2004); under preparation are the report entitled Strengthening competence and openness - Finland in the Global Economy (Interim Report 22 June 2004) and the Government report to Parliament on globalization.

The report of the security policy monitoring group set up by the Prime Minister's Office (9 March 2004) has provided important support when the Government was drawing up its own assessments and strategies, implementing the cooperation between Parliament and the Government that was agreed on in the debate on the previous report.

The European Union's security strategy, which was adopted by the European Council in December 2003, and the provisions applying to the common security and defence policy in the Constitutional Treaty, which was approved by the European Council in June 2004, have created in an important way the framework and starting points for drawing up Finland's own lines of actions.

2 THE ENVIRONMENT OF FINLAND'S SECURITY AND DEFENCE POLICY

2.1 Threats, challenges and background factors to international security

Major changes that have occurred in recent years are accentuated in the operating environment where Finland's security and defence policy is operating. The 1990s, the first post-Cold War decade, were characterized by policies aimed at achieving stability. Efforts were made to extend the zone of democracy and market economics, especially in Europe, and institutions were enlarged and integration pursued. The major turning point for Europe took place as a peaceful transition, although instability continued in the Balkans.

Since the publication of the previous report on Finnish Security and Defence Policy in 2001, stability has increased in the areas close to Finland. The enlargement of the EU and NATO has improved security throughout the region. The same trend has been supported by changes in Russia, which, on the other hand, has led the country to seek a stronger international role for itself again.

Although the threat of a conventional war has receded, particularly in Europe, Finland's security is also linked through globalization to the wider international environment. The new threats targeted in recent years at comprehensive security have started to be reflected to an increasing degree in the external and internal security of European countries. For that reason the following examination starts with broader international developments.

International structures handed down from the time of the Cold War, which lasted many decades, and the cooperation system based on states' sovereignty are the subject of many changes and challenges. As yet the international community does not have a completely clear, unified understanding of how to respond to the challenges, as can be seen from the different attitudes of many European countries and the United States to the war in Iraq.

Since the September 2001 terrorist strikes, counter-terrorist activity has become dominant especially in the US policies. Terrorism is gaining new strength from

extremist groups of radical Islamists. Uncertainty is also heightened by the proliferation of weapons of mass destruction. While bringing new opportunities, the process of globalization tends to exacerbate inequalities. Risks of different crises related to internal development of societies are on the increase. Interdependence among states strengthens common security but there are risks attached to it.

Terrorism has been around for centuries, but the new kind of networked terrorism aimed at destruction on a massive scale is a new phenomenon. It takes particular advantage of the vulnerability of Western societies, but it is present everywhere. A wide range of means must be used to combat this phenomenon, and particular attention must be given to the root causes of terrorism as well.
In a modern society there are a great many factors involved in security, which is why security enhancement must include not only military means but also numerous other sectors. Although each country is itself responsible for the security of its citizens, it is essential to have effective international cooperation and to strengthen the international legal order.

While the debate over how the new challenges should be tackled is a heated one, there is broad agreement that the situation can only be managed by pursuing both positive, collaborative solutions and opportunities for imposing sanctions of different kinds. Considerable differences of opinion exist, however, regarding the use of force and its legitimacy in different situations.

Pressures on the international system are being felt in all areas, including the work of the United Nations and other international institutions. It is important to be able to develop their operations so that they should meet the security challenges of the new century.

Finland's immediate security is maintained in various ways, through foreign, security and defence policy measures. The nation's security is increasingly influenced not only by military but also economic and political developments in Europe and globally. It is also affected by the relations between the European Union and other key actors, such as the United States and Russia, and their collaboration in seeking resolutions to the world's crises. Far from being isolated from the rest of the world, Finland and its neighbouring areas are an integral part of the wider entity. This applies as much to the positive opportunities offered as to dangers and risks. Finland's position as a member of the European Union is of particular importance. Finland is sharing in the responsibility for international security to an ever-greater extent.

2.1.1 Effects of globalization on security

Efforts to build workable economic and democratic structures as part of the worldwide process known as globalization have involved both successes and

failures. On the one hand, we have seen the emergence of dynamic centres of economic power and partners that provide a serious challenge to industrial countries, while on the other, the failures have led to crises that have the potential to threaten both regional and global security.

Globalization has made the world smaller. Both worldwide problems and problems transcending national boundaries can have an impact on global security, security in Europe and the security of Finnish society and the country's citizens. Risks and threats have assumed new forms and their effects are felt more quickly and over a wider area. Combating these threats requires extensive international cooperation and a better readiness to tackle problems and their underlying causes.

Rapid changes in the external environment mean that Finland, too, has to put its security and defence policy in a wider context. Global security problems are shaping the objectives and opportunities of the action of the European Union and also Finland. They are thus no longer distant issues for Finland either.
The benefits of globalization are unequally distributed, and people often react violently when there are grievances and pressures for change. The general view is that the successful governance of globalization requires properly capable states and workable cooperation arrangements between them.

Even though globalization and international stability are undoubtedly beneficial to economies such as Finland's, growing interdependence among the countries of the world is making it increasingly difficult for individual states to manage crises on their own. Economic links between countries help people, goods, services, capital and information to move freely around the globe and make more accessible sophisticated technological networks and systems that are easily vulnerable. However, if terrorists and organized crime are also able to make use of these opportunities, security risks will grow and societies will become more vulnerable in many ways.

The unpredictability of globalization and the possibility of it developing into crises pose real economic and security challenges for Finland, too. In the era of globalization, different disturbances in one part of the world can have an immediate impact on other countries both directly and through crises in the functioning of the international order and problems in the global economy. By affecting the conditions under which Finnish companies with international interests operate, such developments ultimately have an impact on the well-being of all Finns.

2.1.2 Background factors to security problems

In most instances security problems manifest themselves in the form of violent eruptions and conflicts. Even though a conflict may be triggered by an acute

event, there are often deeper economic, social and cultural factors behind the problems.

Development crises

About five billion of the world's population of six billion live in developing countries. Poverty, inequality and a lack of development are, as such, contributing to social instability. Failure of development policy and social reforms and exclusion from the benefits of globalization lead to crises that in turn can create new conflicts and security threats. The aim of long-term development and partnership policies is to support countries in their efforts to carry out social and economic reforms, while at the same time, crisis management capabilities should be improved in preparation for dealing with failures.

Failing states

International order is based on individual states acting in accordance with agreed rules and meeting their international obligations. If a state weakens or even collapses, in many cases not only is the country's own population under threat, but also regional and international stability and security. Countries that are no longer able to function often become a security vacuum that provides a fertile ground for new global terrorism and organized crime and generates pressures for migration. The risk of epidemics and environmental threats may also grow. At the same time, the situation in failing states may aggravate and widen regional conflicts and lead to civil wars that may ultimately develop into international crises.

Problems concerning human rights, democracy and the rule of law

Large-scale violations of human rights, a lack of good governance and rule of law, preventing citizens from participating in their own affairs and serious social inequalities generate social instability. They may also create a breeding ground for extremist groups and increase pressures for uncontrolled migration. The rights of refugees and minorities are often under the most serious threat.

Realization of universal human rights promotes the stability and provides a basis for sustainable development. Human rights agreements have been widely ratified and the mechanisms set up to monitor human rights play an important role.

Confrontation between civilizations and action by extremist fundamentalist groups

The building of workable economies and democracies may, in addition to economic, political and social factors, also be hampered or even prevented by the fact that the required modernization of a society meets resistance arising from cultural differences. At worst, this development may turn into a 'conflict of civilizations' in which extremist fundamentalist groups take strong, even violent ac-

tion. During the last few years, Islamic radical movements in particular have gained strength, but extremism may also have other origins.

To prevent conflicts between civilizations and cultures, the dialogue between them must be intensified and the mutual information base and cooperation expanded. Universal emphasis is now on making the political dialogue more effective and on developing other forms of cooperation, particularly between the Western world and Arab and Islamic countries.

2.1.3 Terrorism

Terrorism has been present throughout history in different societies and in various forms, although it may not always have been referred to by that name. Behind the terrorist groups have been separatist, nationalist, regional or ethnic agendas, ideological and revolutionary plans, religious fanaticism, etc. In international cooperation, terrorism as a concept has come to be understood as political violence used by individuals or groups, the targets of which are selected randomly or for their symbolic value.

Traditional terrorism has tended to focus on local operations and on targets selected in accordance with their objectives. The end of the Cold War reduced state support for terrorism but at the same time gave rise to new circumstances in which terrorist groups could become networked, the uncontrolled proliferation of weapons and explosives could occur and links could be established to international flows of capital and organized crime. Many of today's prominent terrorist groups operate without a clear political agenda. Traditional terrorism (e.g. ETA, IRA) has not disappeared, however, even from Europe, but its impact is mainly local. It is possible, too, that some new groups of extremists will take up terror as a weapon.

A new form of terrorism that operates globally and aims at having a large destructive impact is primarily associated with the network of extremist Islamist groups. In Europe too, these extremist groups are currently the most serious terrorist threat and will remain so in the near future. Despite being hit by countermeasures, al-Qaeda remains the most important of these networks, which all have a decentralized operational and leadership structure. Though al-Qaeda itself has been weakened by counter-terrorist measures, it has attracted extremist Islamist groups and networks that have emerged locally and identify with its aims. In addition to the Middle East, Southeast Asia, the Horn of Africa, East Africa and Afghanistan and its neighbouring areas are also bases for global terrorism, and there is a danger that extremist groups may spread to new areas. Islamic immigrant groups in Europe are also being targeted by radical groups trying to recruit new followers.

Western countries and particularly the United States are the main target for attacks. Europe is not only a target but also a recruiting and transit and basing area. By hitting civilian targets, the terrorists try to create panic and cause economic losses. By choosing targets with a high symbolic value, they try to weaken the unity and resistance to crisis of Western countries and moderate Islamic communities. Another aim is to provoke Western countries into countermeasures. Deterrents are useless against suicide bombers.

The course of events in the near future depends on such matters as the aftercare of the war in Iraq, the results of the peace efforts in the Middle East and the success of the counter-terrorist cooperation among the United States, the EU and other countries. The struggle to destroy terrorist networks and obliterate their support and operating base will take years, maybe even decades.

Long-term success in the struggle against terrorism largely depends on how the world community can influence factors contributing to the growth of extremist movements, such as economic, social, political and ideological problems and the conflict between modernization and fundamentalist religions. Long-term commitment, substantial resources and wide-ranging means are required, while at the same time it must also be ensured that counter-terrorist action will not take forms that lead to discrimination and making the implementation of human rights difficult, or result in a growing support for extremist movements and an increase in terrorism.
The new global terrorism has been established as a serious threat to the physical safety of EU citizens, a fact demonstrated by the bomb attacks in Madrid on March 11, 2004. In March 2004, the European Council decided to adopt in advance the obligations on terrorism contained in the solidarity clause of the Constitutional Treaty. The solidarity clause underlines the obligation of the Union and its Member States to assist a Member State hit by a terrorist attack. The solidarity clause and the consequent effects mean that a terrorist strike anywhere in the EU would have an immediate effect on Finland.

The current assessment is that the likelihood of terrorists directly attacking Finland is low. Terrorist groups may target Finns, such as peacekeepers, for strikes and kidnappings in their most important operating areas. As a result of globalization and increasing mobility, terrorist strikes in any part of the world may affect Finnish citizens and the conditions under which Finnish companies operate even if Finnish interests were not a specific target. Terrorists may attempt to strike in Finland at representatives or facilities of countries considered prime targets, especially if security measures are deemed lax. Big international events organized in Finland could provide targets. Terrorists might also use Finnish territory for transit, resting and hiding, and for channelling funds. Extremist groups may also try to gain support among immigrant communities in Finland.

2.1.4 The threat of the proliferation and use of weapons of mass destruction

The threat of the proliferation of weapons of mass destruction is greater and the danger of them being used more real than before. An increasing number of states and non-state actors have the resources to develop weapons of mass destruction. The most worrying threat is the possibility of their being used in a terrorist strike.

The nuclear arsenal of major powers has been reduced from almost 50,000 weapons kept during the Cold War to about 20,000, which is still a high figure. However, the threat of a military counter-strike is useless against terrorists planning suicide attacks. Likewise, pressure from the international community cannot prevent action taken in failing states or by states ignoring international rules.

Even though the international system of treaties and conventions regulates matters covering weapons of mass destruction (chemical, biological and nuclear weapons), the effort by several countries to acquire both weapons of mass destruction and delivery systems has continued.

The most important treaty regulating weapons of mass destruction, the Nuclear Non-Proliferation Treaty (NPT), is in force, but it lacks credibility. Efforts are being made to bring within the Treaty's sphere countries that are currently outside it. There is also concern about certain countries that have not complied with the Treaty's obligations. Efforts to put the Comprehensive Test Ban Treaty (CTBT) into effect have been unsuccessful. The implementation and monitoring systems in treaties are inadequate. Nuclear powers have also been criticized for developing new weapon systems and for not adhering to their obligations to reduce nuclear weapons. Efforts to stem the proliferation of nuclear weapons would be more successful if nuclear powers themselves put less emphasis on nuclear weapons in their strategies.

Tactical nuclear weapons are the least regulated area of nuclear disarmament. The prospect of terrorists gaining possession of nuclear material suitable for explosives originating from them and other sources, or of biological or chemical weapons and material, is considered a real threat. More attention is being paid to the possibility of nuclear materials at research reactors falling into wrong hands. Of particular concern is the prospect of terrorists acquiring radiological materials ('dirty bombs').

Implementation of the Chemical Weapons Convention has begun, with the establishment of a verification system. Agreement has not, however, been possible on the verification arrangements for the Biological Weapons Convention. Many countries, especially in the Middle East, still remain outside these conventions.

A number of countries with significant stocks of missiles are not yet party to the approved codes of contact negotiated within the framework of the Missile Technology Control Regime for preventing the spread of ballistic missiles.

Almost any threat of using weapons of mass destruction against targets in Europe would also have an impact on Finland. The risk of biological or chemical terrorism or the danger of 'dirty bombs' cannot be discounted by Finland either. Terrorists might attempt to acquire technology and know-how from Finland and to use the country as a transit route. Finns may also be targeted for attacks by weapons of mass destruction in crisis management operations.

The aim of the Global Partnership Programme launched by the G8 group of countries in 2002 is to ensure the safety and controlled dismantling of the weapons of mass destruction and the programmes for them inherited from the former Soviet Union. Insufficient monitoring and safety arrangements may lead to accidents or to a situation where weapons, equipment or material end up in the wrong hands or places. It is essential to cut the number of tactical nuclear weapons and dismantle them. The dismantling of the 170 decommissioned nuclear submarines and safe storage and destruction of nuclear waste in Finland's neighbouring areas are also urgent tasks. It should also be remembered that Russia still has a chemical weapons stock of 40,000 tonnes, only one per cent of which had been destroyed by 2003.

The destruction and safe storage of Russia's weapons and materials of mass destruction on the basis of various agreements also directly improve the security of the countries bordering Russia. By participating in arrangements aimed at preventing weapons and materials of mass destruction from falling into the wrong hands, Finland strives to ensure that its territory could not be used for transporting such weapons and materials to groups such as terrorists.

For Finland, the question is not only one of nuclear weapons and materials in its neighbouring areas but also of nuclear weapons that, as a result of developments in missile technology, may reach Finland from other continents.

2.1.5 Conflicts and the use of military force

The nature of regional conflicts has changed since the end of the Cold War. While in the past most conflicts were between states, a majority of the more recent conflicts have been within states and involved citizens of only one country. Of the 57 conflicts started during the past ten years, only three have been between states. Behind many of the conflicts lie historical reasons, ethnic and religious tensions, social inequality and other factors concerning the lack of human rights and democracy. Often the conflicts also involve the question of the control of natural resources.

The significance of regional conflicts is further emphasized when they are linked to the new security threats with global and cross-border effects.

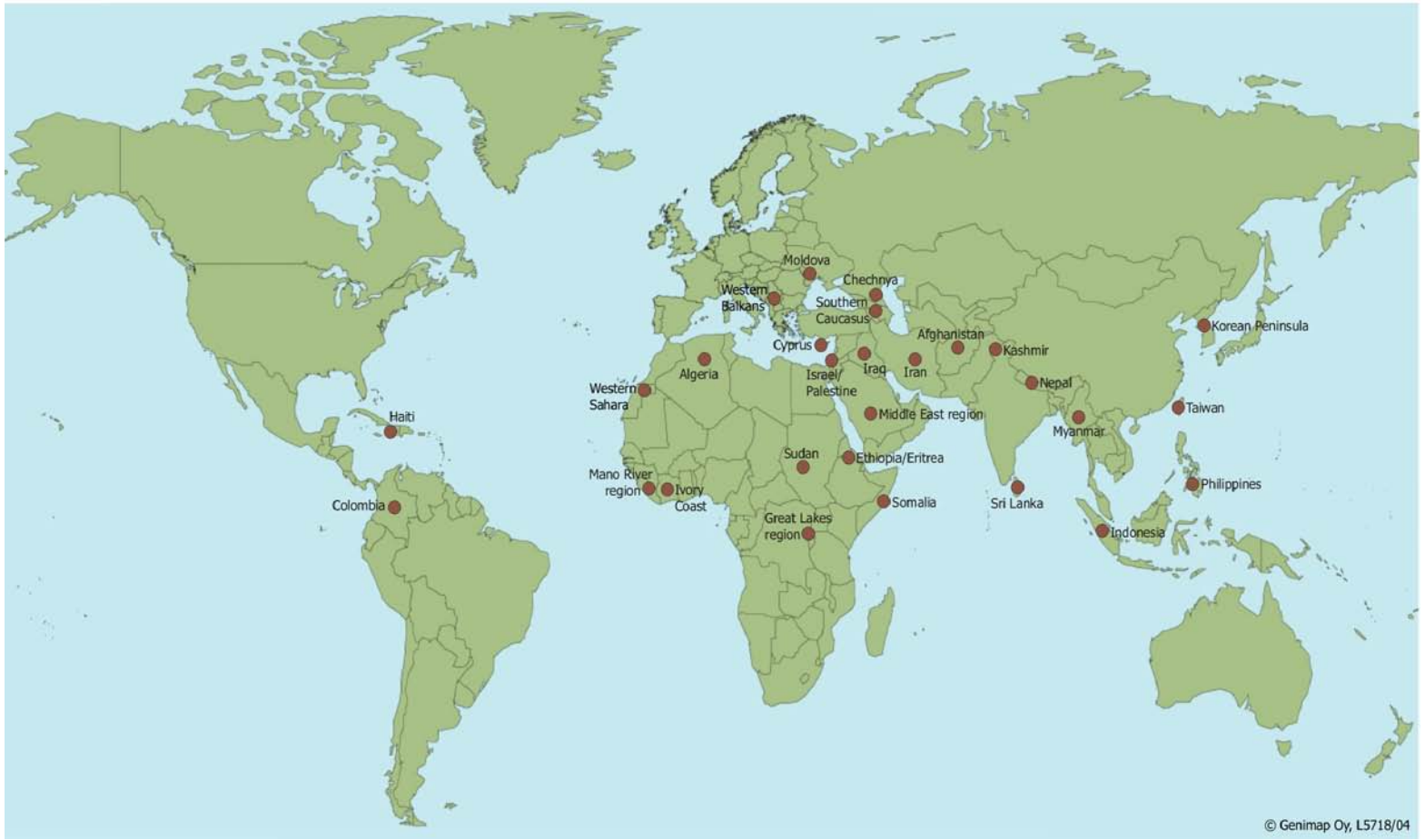
The civilian population, and often women and children, have become the main target for military action. Violence against women, such as rape, is used as a method of warfare, while at the same time increasing use is made of child soldiers. The refugee problem in a country in crisis and its neighbours is often large-scale, and it is very difficult, even impossible, for the refugees to return to their homes. The easy availability of small arms and light weapons can also make it difficult in many instances to stop the cycle of violence, while uncleared mines and other unexploded rests of war cause civilian casualties long after the conflict itself has ended.

The aftercare of the conflict in the Western Balkans still requires long-term commitment by the international community and particularly a wide-ranging policy of stabilization by the European Union. Moreover, crisis management measures are still required in both Kosovo and Bosnia and Herzegovina.

The Middle East and North Africa, two areas adjacent to Europe, are central to the security of the continent. Many of the countries in the region have, or have sought to obtain, weapons of mass destruction. The region's strategic importance is paramount, not least because of its major oil reserves.

In addition to solving acute crises, such as the conflict between Israel and the Palestinians and the situation in Iraq, more attention is being paid to the need for democracy and reform in the wider geographical area. The most important international actors, such as the EU, the United States, G8 and NATO, are preparing initiatives and strategies for the region on the basis of their own interests. They emphasize the need to find solutions to the problems highlighted in the Arab Human Development Reports prepared by the UNDP by supporting measures taken by the Arab countries themselves. In key issues, such as rights of individuals, the status of women and economic and social development, the large area known as the wider Middle Eastern region has fallen behind other regions.

Figure 1 Problem areas of international security in 2004



Central Asia and the Caucasus are becoming increasingly important for the stability of Europe. Not only the EU, but also the UN, the OSCE and other international organizations are targeting the region for action. The greatest challenge is to support the transition countries of the region in the social reforms that are required of them. Two important changes have taken place in the region in recent years: Russia, China, Iran and Turkey have become more active actors in the area, while the United States has established a presence in the region as a result of the war in Afghanistan and the fight against terrorism. The oil and gas reserves in the Caspian Sea are also helping to make Central Asia and the Southern Caucasus more attractive to outsiders.

The 'frozen' conflicts in the region, i.e. the conflict in Nagorno-Karabakh between Armenia and Azerbaijan in the Southern Caucasus, the regional conflicts in Abkhazia and South Ossetia in Georgia and the Transdniestrian conflict in Moldova, all have their origins in the final years of Soviet hegemony. The decade after the cease-fire agreements has not produced progress in settling the conflicts. The war in Chechnya in the Northern Caucasus is still continuing.

Sub-Saharan Africa is becoming poorer and increasingly marginalized, which is creating instability in the region. There are several serious conflicts taking place in Africa, and the region will continue to need UN assistance and an increasing amount of EU assistance to alleviate its humanitarian catastrophes and to support stable and sustainable development.

In Asia there are many unsolved issues that have the potential for developing into wider conflicts. At the same time, Asia is a major operator in the world economy, and thus developments there have a significant impact on European and global security. Any heightening of tension around Taiwan may have global repercussions, and the situation in North Korea may also develop into a conflict if the country continues the development of nuclear weapons. The dispute on Kashmir between India and Pakistan has acquired a new dimension from the struggle against terrorism and the nuclear arsenals of the two countries. The stabilization of Afghanistan will require support from the international community for many years to come.

2.1.6 Global and cross-border security problems

Organized crime, drugs and human trafficking

Organized crime is increasingly operating across state borders. Organizations involved in drug crimes, human trafficking and various types of economic crime threaten the functioning of societies by trying to infiltrate their legal structures. They endanger international security by exploiting the openness of borders and by using failing states as bases and sources of influence. The smuggling of hu-

mans is the most rapidly growing business among international crime organizations and also a method for terrorists to finance their operations. Organized crime helps to boost mass crime, prostitution and the market for stolen goods. There are growing links between organized crime and terrorism, and terrorist organizations are making more use of crime and methods characteristic of organized crime for funding their operations. More extensive international cooperation is required in a situation where increasing interaction and mobility generate new opportunities for crime and other activities that endanger security.

Cross-border crime may also help a ruthless crime culture led from outside Finland to gain a foothold in the country. For organized crime Finland is both a target and a basis for activities directed at other countries, such as financial operations. For Finland, it is essential to cooperate in particular with Estonia and Russia in order to combat organized crime. At the same time there will be more emphasis on measures taken at EU level, including a greater focus on preventive measures, especially in relation to the EU's neighbouring regions.

Economic and technological risks

Globalization enhances the risks involving economic activities and technology. The economic effects of security threats are felt in wide areas through the international financial system, trade, investments, communications and transport links and disruptions to them. More than 80 per cent of all Finnish foreign trade passes through the Baltic Sea, and a growing dependency on the smooth functioning of technical systems is an additional risk factor. The supply of food, water and energy combined with the internationalization of transportation systems and business in general has a direct impact on the security of Finland's supply.

Businesses have adopted global operating models, which has led to centralized production, increasingly networked operations and the lengthening of supply and service chains. Dependency on the smooth functioning of foreign networks and logistical systems has grown, while at the same time subcontracting and various technical systems have become more important. On the other hand, the increasing level of interdependence is also serving to improve international security. Global securities and currency markets operating in real time are increasingly prone to fluctuate violently or collapse altogether.

The strategic importance of the availability of energy and of transmission routes is growing. After the oil and gas reserves in the North Sea have been exhausted, about 90 per cent of all EU energy needs will have to be covered by imports from outside the Union. Stability in the Middle East, Russia, the Caucasus and Central Asia will have an impact on the price and availability of energy. The oil transportation routes in Southeast Asia are also located in conflict-prone areas.

Today's technologically oriented and networked society relies heavily on electricity. At the same time, the energy supply is totally dependent on transportation and delivery systems and the smooth functioning of the information society.

Improvements will be made in the reliability and security of energy supplies by developing Europe-wide power grids. Finland is part of the Nordic power grid, which is connected to Russia (through Finland) and to Germany and Poland (through Denmark and Sweden). During the next few years, Finland and the rest of Europe will remain highly dependent on energy supplies from Russia.

The smooth functioning of the information society and its services are to a great extent based on the use of electronic communications and information systems. The systems are becoming increasingly complicated, while at the same time they are maintained by a growing number of expert organizations and commercial enterprises. Threats to information systems have multiplied, and an information society relying heavily on information networks and systems is vulnerable to malfunctions and crime. Attacks and attempted attacks on information systems occur on a daily basis, and the communications and information systems of security authorities are also under threat. Computer viruses spread rapidly on the open Internet network, and the Internet also provides a platform for transmitting crime-related information. The dependency of data transmission and processing systems on a reliable power supply makes societies exposed to malfunctions. Information warfare may target decision-makers, individual citizens, the media, energy sources, information networks and air defence, and the threats do not differentiate between civilians and the military.

Environmental problems

There are two types of environmental threats: those that accumulate slowly and those that occur suddenly in the form of accidents. Acute threats, such as oil and chemical accidents, are the ones that are usually associated with security concerns. However, gradually accumulating, creeping threats, such as climate change and the eutrophication of the Baltic Sea are more serious and more difficult to combat. The problems resulting from them only become evident gradually, by which time it is too late to stop the pollution, and repairing the damage will take decades of hard work. Preventive action is the only feasible way of combating such threats.

Environmental problems are linked to security problems in a number of ways. The state of the earth's environment has worsened despite international cooperation, and global phenomena, such as climate change, affect Finland too. During the last few years, Europe has been hit by heavy rain, floods and violent storms which have caused serious disruptions at large. In addition to global changes, Finland is heavily affected by environmental problems in its neighbouring areas.

Changes in the earth's atmosphere, especially the greenhouse effect and the depletion of the ozone layer, are a major new threat to mankind. It is difficult to predict how rapid or violent the changes will be. Storms, a rise in the sea level, floods, drought and intolerable heat all test the limits of societies, nature and,

ultimately, the smooth functioning of the ecosystems, which sustain our way of life.

Pollution, scarcity and an unequal distribution of natural resources, especially water, increase the likelihood of conflicts. According to UN estimates, more than half the world population will be suffering from a lack of water in 2030 if present trends continue. This will further increase misery, inequality and instability in the world. Desertification is progressing unabated.

Cross-border pollution may strain relations between countries as one country pollutes the territory of another. The environment is also affected by armed conflicts, for example when a chemical plant is destroyed. Repairing environmental damage is an important part of reconstruction.

Environmental risks in Finland's neighbouring areas are becoming more serious, mainly because of the sizeable environmental problems originating from Russia. The most important of the changes is the rapid growth of oil and chemical exports and the transfer of the shipments to new oil harbours at the eastern end of the Gulf of Finland. During the last ten years, oil transportation has grown from 20 million to 70 million tonnes, and it is expected to reach 130 million tonnes by 2010. In a worst-case scenario, the oil released in a major accident would pollute all the coastal areas of the Gulf of Finland to a varying degree.

The sub-standard infrastructure and antiquated, heavily polluting industrial plants in Russia are major threats from the Finnish viewpoint, particularly if there is an increase in industrial activity in our eastern neighbour. Nuclear safety problems are part of this. Nuclear and chemical accidents may also affect Finnish territory and cause serious damage to the country's population, environment and economy. There is inadequate wastewater treatment in Russia, while at the same atmospheric pollution remains a problem and hazardous waste is not treated appropriately. Moreover, nutrient discharges are threatening to eutrophy the Baltic Sea.

Population growth, population movements, epidemics

Population growth can have a serious impact on the relationship between man and nature and also on the way countries organize their mutual relations and cooperation. Since the Second World War, the world population has grown from 2.4 billion to more than six billion and will probably reach at least nine billion before the growth levels off. At the same time, the ageing of the European population means that in the next few decades, the European Union is expected to need a significant number of immigrants.
Large-scale population movements are in most cases linked with environmental disasters and regional conflicts. Differences in the standard of living are often the main reason for both legal and illegal immigration. It is estimated that more than half a million illegal immigrants will arrive in the European Union every

year. Countries in North Africa also act as transit routes for other immigrants, particularly for those entering Europe from the more remote parts of Africa.

Finland has also become a target and a transit country for illegal immigration. Even though illegal immigration to Finland is small-scale compared with other EU countries, it may increase. It is characteristic of Finland that until now, most illegal immigrants have opted for the asylum procedure and have not remained outside society or the supervision of the authorities. At the same time, it is becoming more and more important to prevent the social exclusion of immigrants.

As people become more mobile, the risk of the spread of contagious diseases also increases. HIV/AIDS is threatening social development, particularly in Sub-Saharan Africa, where most of the world's AIDS victims live. In the coming years, new previously unknown viruses are likely to appear, while there will also be more resistant mutations of known viruses. At the same time, there will probably be SARS-like outbreaks that spread rapidly from one population to another. In addition to health effects, epidemics are also having a growing economic impact. HIV/AIDS and tuberculosis are a particular problem in Finland's neighbouring areas.

2.2 Responses through international security and defence policy

All countries have a primary duty to ensure the security of their citizens. At the same time, security threats and challenges are increasingly transcending national borders. Thus, in response to them increasing bilateral and multilateral cooperation between neighbouring countries, on a regional basis and on a global scale, and establishing legally binding procedures are of central importance.

2.2.1 Supporting stability, democracy and peaceful change

In a world that is in a state of political and economic flux, supporting efforts to make democracy, the rule of law, good governance and human rights a basis for sustainable stability and security in transition countries, crisis areas and weak states remains the central security policy strategy of the international community. This will also help all countries to make a full contribution to collective efforts to solve international security problems, both economically and politically.

Multilateral cooperation, particularly the work carried out by the United Nations, is the key to the prevention and solution of global problems and regional conflicts. Problem solving requires shared responsibility and ownership by all states. At the same time, new forms and enhanced efficiency of cooperation are being sought. Strengthening cooperation and enhancing the capability of multilateral institutions constitute a growing challenge. Ensuring equality and representation

in decision-making have become important goals in the governance of globalization. International organizations are ultimately dependent on the political will and resources of the UN member states.

Supporting countries in transition in their political, social and economic reforms has been a major instrument in consolidating security and stability in Europe after the Cold War. The action has been guided by commonly agreed principles and values of the Organization for Security and Cooperation in Europe (OSCE) and the standards set out by the Council of Europe. The admission of new members to the Council of Europe and the European Union has extended the zone of stable democracy, a development that has been strengthened by the enlargement of NATO after the Cold War. At the same time, the EU and NATO have continued their partnership and neighbourhood policies towards the countries that have the prospect of ultimately becoming members of the organizations and towards other neighbouring countries and regions. The stability policy in regions to the east, southeast and south of the European Union is also a major instrument for preventing conflicts and cross-border threats.

2.2.2 The Council of Europe and the OSCE

The Council of Europe and the Organization for Security and Cooperation in Europe are founded on the principle of a pluralist democratic society, the promotion of human rights and the rule of law. The organizations commit the governments in the region to a multilateral system and the observance of international standards, and provide them with assistance in putting the commitments into practice. The Parliamentary Assemblies of the two organizations are important instruments for monitoring adherence to the obligations and for extending democratic procedures to all the countries in the region. The OSCE and the Council of Europe provide a broad range of complementary instruments for Finland and the EU.

More than half the members of the Council of Europe and almost half the members of the OSCE are also members of the EU, and the new external border of the enlarged EU, which will also form the outer border for free movement by EU citizens and for the European area of justice, marks a border dividing membership between the Council of Europe and the OSCE. The organizations are increasingly focusing their activities on the transition countries that remain outside the enlargement of the EU and NATO.

Council of Europe

The Council of Europe is founded on human rights conventions, and its aim is to strengthen stability and security in Europe by promoting pluralistic democracy, human rights and the rule of law. It also pays special attention to promoting tolerance and minority rights.

The enlargement of the Council of Europe and the pursuit of competence for its membership have provided an opportunity to affect the stabilization of democracy in countries in transition and reforms to their legal systems. Even after the legislative changes and social reforms required by membership, it will take years before human-rights thinking and democracy have taken root in a society, and the state of democracy in those members is monitored constantly. This is done through well-established parliamentary and other procedures and independent institutions, such as the European Court of Human Rights, the European Human Rights Commissioner and the European Commission against Racism and Intolerance (ECRI).

The prevention of oppression and conflicts remains an important task. Finding that the standards have been violated acts as an efficient early-warning system.

Correctly timed intervention by and expert assistance from the European Human Rights Commissioner, the Venice Commission specializing in constitutional matters, the Committee against Torture, and the reporters of the Parliamentary Assembly have often prevented crises from escalating and made the world more aware of the issues behind them. Through its liaison offices, the organization provides host governments and other international organizations with expertise. The standards issued by the Council of Europe often provide a framework for both the OSCE and the United Nations. The organization also has its own cooperation and assistance programmes for promoting the adoption of its standards.

Organization for Security and Cooperation in Europe (OSCE)

The OSCE's special strengths include the legitimacy based on a large membership and cooperative structure and a broad range of instruments. As its operating environment has changed, the OSCE has developed more versatile tools for conflict prevention, early warning, crisis management and conflict mediation. The OSCE is the primary body in election observing and in the building of military openness, trust and democratic control of armed forces. A lean structure allows the OSCE to react quickly to crises and adjust its wide-ranging field of operations to changing situations.

The OSCE has played a special role in the efforts to mediate in the long-standing conflicts in southern Caucasus and in the Moldovan region of Transdniestria. OSCE delegations and offices in the countries of Eastern Europe, the Southern Caucasus and Central Asia help to encourage social change and reforms and make efforts to prevent conflicts.

In the 1990s the OSCE adopted minority, democracy and media issues, election observing, police and judicial cooperation and the promotion of the democratic control of armed forces as its areas of activity.

New and expanding areas of activity include cooperation in border control and security, combating terrorism, restrictions concerning small arms and light

weapons and the combating and prevention of the illegal arms trade, drug trade and trafficking in human beings. In December 2003, the OSCE approved this approach by adopting a strategy to address threats in the 21st century, which also covers the economic and environmental sectors.

2.2.3 More efficient multilateral cooperation and the UN

The United Nations continues to be a central source of norms for the international security policy, a negotiation forum and an important operator. The UN has proved its worth in the settling of conflicts and in the management of global problems and new threats. However, it is necessary to continue with the reforms in the structures and agenda of the UN system. At the same time, the UN and its member states should pay more attention to the effectiveness of practical action.

The Security Council is the UN body which, in many respects, is in particular need of reform. However, it is unlikely that there will be any restrictions to the veto power of the permanent members in the foreseeable future. More detailed discussions are being held on the subject of additional members.

The EU has made effective multilateral cooperation its central strategic objective. The way it is developed is to a great extent determined by the decisions and choices made by the United States and other major powers. There is also multilateral cooperation at the regional level, and other associations, the most important being the G8 group of countries, carry responsibility too. Flexible cooperation and the efficient division of labour between different organizations are becoming increasingly important.

The flexibility and adaptability of the multilateral system are particularly useful in responding to new threats. The 12 counter-terrorism conventions adopted in the UN and the Security Council resolutions in which terrorism is considered a security threat provide a framework for international cooperation against terrorism. Greater compatibility in matters concerning peace, security and development between UN bodies and international financial institutions will become a key issue. At the same time, the implementation of the UN Millennium Declaration contributes to the construction of sustainable international security.
The establishment of the Standby High Readiness Brigade for UN operations (SHIRBRIG) enables the world organization to carry out its peacekeeping operations in a more effective manner. The UN is still responsible for a wide variety of peacekeeping operations, from traditional observation tasks to extensive operations. The UN has also provided authorization for a number of peacekeeping operations carried out by NATO, the EU and African organizations.

The high-level panel appointed by the Secretary-General of the United Nations to examine what changes in security threats and in the international system will mean for the UN will submit its report by the end of 2004.

International law

There are challenges to the application and development of international law in a number of areas, such as the worldwide implementation of human rights and decisions on the legitimacy of the use of force.

The question of the use of force and particularly its relationship with the security system of the UN Charter divide the international community in accordance with their geopolitical status, political orientation and the alliance to which they belong.

International interventions in matters that have traditionally been considered internal affairs of individual states have become more acceptable, especially if they take place through collective procedures and institutions and in order to achieve common aims. The spectrum of these types of intervention is wide, including the involvement (with the consent of the country in question) of international financial institutions in the social policy of developing countries and economies in transition; reports, recommendations and decisions of human rights courts and monitoring bodies; and international sanctions. Military intervention is legitimate under the UN Charter if the Security Council deems it necessary on account of a threat to international peace and security posed by the situation in question.

Large-scale attacks and oppression targeting the civilian population have also led to a reassessment of the concept of sovereignty. The military interventions authorized by the UN Security Council aimed at protecting the civilian population or restoring democracy have changed the interpretation and scope of the principle of non-interference in a country's internal affairs and given the concept a new meaning.

The ban on the use of force stated in the UN Charter remains the basis for the international system, but at the same time the development of the rules governing the use of force and their relationship with state sovereignty has emerged as a central issue.

In the continuing discussion on the use of force it is important that attempts are made to create new solutions within the framework of the collective security system and in accordance with the principles of the UN Charter. The existing system regulating the use of force has proved flexible, when necessary, and it has been possible to adapt the principle through interpretation to new situations.

Despite a large number of proposals and extensive discussion, there is no sign of any mechanism of international law that would, if needed, replace the authority

of the Security Council in situations where a state is unable or unwilling to meet its human rights obligations. The report 'Responsibility to protect', a report on intervention and state sovereignty drawn up by the Canadian government, endeavours to shift the focus from the legitimacy of intervention to the basic problems that might, in exceptional cases, provide justification for outside military intervention. It also stresses the responsibility of the international community in situations in which a country neglects its obligations.

The scope of international treaties and conventions has continued to expand so that international legal regulation now covers most areas of international contacts. The extensive network of conventions on human rights and humanitarian law covering human dignity and individual rights has to a large extent become universally binding. At same time, the mechanisms for monitoring the implementation of and adherence to international obligations have been made more effective and new international courts, such as the International Criminal Court (ICC), have been established. The authority of the International Court of Justice is now more widely recognized than before.

Despite the strengthening and broadening of the scope of international law, many of the problems concerning implementation remain, and individual states do not have any general obligation to bring their conflicts before courts. New threats have made new rules and new cooperation structures necessary. This puts pressure on the concepts and rules of international law, which have basically been state-centric and depend on the capability of states to function. More recently actors and sources of norms in the field of international law have become increasingly multifaceted. Recommendations, non-binding codes of conduct and standards, as well as voluntary ethical guidelines for businesses, have increased. Non-governmental organizations have played a major role in initiating the adoption of such rules and making them widely accepted and in launching and promoting negotiation processes between governments. These include the establishment of the International Criminal Court and the introduction of a comprehensive ban on anti-personnel land mines.

Practices adopted by individual governments can dilute standards of international law and ultimately lead to new practices in customary law. The practices adopted by major powers have a particularly strong impact as they have a wide operating field.

2.2.4 Relations between major powers

As the only global power, the United States maintains its leading position militarily and politically. The importance of other major powers is increasing particularly in the regional context.

Russia is attempting to regain as much as possible of its leading role resembling the influence that the Soviet Union had in Eurasia. China and India, by virtue of

being the two most populous countries in the world, have a chance to become more influential actors in world affairs. Brazil, the leading economic and political power in Latin America, is cooperating with India and South Africa, two other leading third world countries in the G3 group, and is building up its relations with China and Russia. In international arenas, such as the WTO, Brazil is leading a new group of emerging developing countries (G20) so that it can act as a spokesman for all developing countries.

The United States does not consider other major powers a threat to its position as a leading military power. The United States aims to cooperate with other major powers, particularly Russia, in combating terrorism. In collaboration with China, the United States is making efforts to keep the situation on the Korean Peninsula stable. Japan will remain a close partner of the United States.

In South Asia, the United States is cooperating with both Pakistan and India, and with Russia, the EU and the United Nations in efforts to achieve peace in the Middle East and the Balkans. Even though the United States has been a supporter of multilateral institutions for decades, it is also prepared, if necessary, to act unilaterally or as a leading power in a coalition of selected partners, bypassing well-established cooperation forums (UN, NATO).

The political and economic weight of China is continuing to grow and the country is gaining strength as a regional power. In the long run, China can also be seen as a global actor that may pose a challenge to the United States. In Central Asia, China has developed cooperation arrangements with Russia in such matters as the combating of terrorism and promotion of economic cooperation. On the other hand, it is safe to assume that China will focus on its internal affairs, which, however, will require stability within its borders and in the neighbouring areas and also political reforms.

The focus of China's military and economic attention will shift to its eastern coast, to the area between Shanghai and Hong Kong. In strengthening its armed forces, China puts the emphasis on quality rather than quantity. It aims to increase its capability to deploy military power at sea, so that, if necessary, it can support its political and economic objectives, particularly in Taiwan and the South China Sea.

Japan remains the world's second-biggest economy. Even if China and Japan continue to grow at their present rate, it would take about twenty years before China could equal Japan as an economic power. Japan's foreign policy has included a significant role for extensive development cooperation funding. During the last few years, Japanese security policy has also been strengthened, and the country has taken a more active part in, for example, military management of international crises.

2.2.5 Enhancing conflict prevention and crisis management

The prevention and settlement of conflicts together with stabilization and the reconstruction of societies require a substantial long-term commitment on the part of the international community. The action and the range of instruments needed are seen as a continuous process and an entity that comprises development policy, early warning, conflict prevention, military and civilian crisis management during the acute phase, aftercare of crises and reconstruction. These actions should support each other and the most suitable methods should be chosen for each situation.

Development cooperation helps to strengthen economic resources on a long-term basis and encourages developing countries to introduce political and administrative reforms that can make them less prone to crisis and violence. Here, too, education and training play a key role in the development of societies. In addition to the preventive effect of long-term development cooperation, the targeting of development cooperation at crisis areas also has a direct security-policy impact.

Conflict prevention and early warning play a central role in all security strategies today, which makes it essential for the actors involved to act in a co-ordinated manner. In acute situations, military and civilian crisis management action must be quick so that conflicts and crises can be tackled as early as possible and the cycle of violence avoided.

In post-conflict situations it is particularly important to build bridges between humanitarian assistance and reconstruction so that the conflict can be prevented from flaring up again.

Crisis management is an entity that comprises military and civilian activities that are often carried out simultaneously and interdependently. They should be considered together during the planning stage, and attention should also be paid to the potential of civilian crisis management to prevent military conflicts so that military crisis management measures are not required. Military crisis management creates conditions for civilian crisis management, which in turn supports economic growth and efforts to construct democratic societies based on human rights, democracy and the rule of law.

Civilian crisis management is becoming an increasingly important instrument in ensuring that crisis regions can make progress towards democracy, the rule of law, human rights, good governance and a civil society. The development of a civic society is an essential element in stable and stability-promoting social progress.

In addition to increased resources, the development of civilian crisis management will require preparedness for missions particularly in regions where one or

more military and civilian crisis management operations are in progress and where international and non-governmental organizations are active. This underlines the importance of cooperation and coordination. The management of civilian crisis management operations can be a challenge as they often involve such tasks as monitoring, training, advisory tasks, policing, border policing, judicial administration, rescue services, infrastructure and the running of basic services. In civilian crisis management, a rapid reaction capability will often be as crucial as in military crisis management. The need for stabilization and reconstruction work is increasing.

Crisis management operations that may be of a demanding nature and have to be deployed rapidly will be a major challenge for **military crisis management** in the future, when there will be a greater expectation of intervention by the international community, especially in crises that threaten civilian populations or that fuel terrorism. The EU, NATO and the UN are all focusing their efforts on developing a capability enabling them to carry out such tasks. In addition to a rapid reaction capability, emphasis will also be on specialization and the division of labour. The countries involved in such operations must also be able to make quick decisions about their participation.

Demanding and extensive military crisis management requires a substantial military capability. The usability of troops for crisis management operations is of central importance. The troops must be well-trained and equipped and must have special skills enabling them to carry out the missions. The operations usually require a substantial strategic transportation capability, intelligence-gathering resources and effective command and control and communications systems, and interoperability among troops and equipment from different countries.

The simultaneous management of several crisis management missions will require additional resources. There are not available enough well-trained and equipped troops capable of performing demanding operations. It is also important to support the crisis management capability of the African Union and other regional organizations.

2.2.6 Changes in defence systems and developments in military technology

Changes in security threats have strongly influenced the development of strategies and military doctrines after the Cold War. As a result, the defence systems of major powers are undergoing rapid changes, a development that is supported and accelerated by big changes in weapons technology, particularly in the use of information technology. The transformation has been most evident in the Western world, but similar changes are also taking place in the Russian armed forces.

The United States is the world leader in the transformation of defence systems and the development of military technology. The capability and global reach of its armed forces are without parallel, and it spends more on military research and development and purchases of defence equipment than all its European allies combined. The gap between the defence capability of the United States and European countries is growing even wider.

In parallel with the traditional task of territorial defence, more emphasis is being placed on the defence of basic democratic values, interests and vital functions of societies. This often takes place through crisis management far away from the national borders of the countries concerned. However, all European countries have retained the capability to defend their own territories, either as part of a defence alliance or through their own armed forces. The trend is away from large conscription-based defence systems towards smaller and more professional forces. At the same time, there is a move away from extensive use of weapons to a more accurate, controlled and real-time impact. An increasing proportion of military operations will be joint undertakings by all services.

The defence solutions of European countries are based on increasingly closer multinational collaboration. Consequently, the development focus is on improved interoperability and the ability to operate with common norms and standards.

Modern armed forces comprise units with different degrees of readiness. Countries fix prime attention on the development of rapid reaction forces and are prepared to use them outside their own borders. At the same time, countries will use units with a lower degree of preparedness primarily for defending their own national territory. For countries belonging to defence alliances, it is important to contribute to the defence of the alliance's territory as part of the alliance and to ensure that they can receive assistance from their partners. In the future, the assistance by defence alliances will be based on the use of rapid reaction forces comprising units from all services that have a higher level of preparedness than at present.

Even though armed forces are on an increasingly professional basis, reserve systems will be maintained. Reservists will be needed for augmenting the ranks of armed forces within the country's borders when there is a threat of war and for support tasks when action is taken beyond national boundaries.

In the future, countries will increasingly deploy their armed forces in international crisis management operations and other tasks outside their own borders. Countries can also use armed forces to protect themselves against asymmetric threats, which will further add to their tasks. Armed forces cooperate with other security authorities in such matters as the protection of vital functions of society, surveillance of sites and exchange of information. However, even with the increase in new tasks, national armed forces will retain the ability to defend the

country's territory against an attack or a threat of an attack as their core mission.

As weapons technology is making rapid progress, the achievement of information superiority during the early stages of a crisis is becoming a prime goal. The ability to control the combat space is becoming more and more important as warfare is becoming more complex and troops are being deployed in larger areas.

Mobile operations require a good situation picture, which, in addition to traditional methods, can be created with drones, aircraft, satellites and sophisticated command and control systems. Troops will have more precision weapons as part of their equipment. The role of special troops is becoming increasingly important and a large amount of resources is being spent on developing them. Troops will be supported by high-performance logistics systems that are increasingly based on commercial solutions and, particularly in defensive warfare, directly on civil systems. In air power, the emphasis will be on developing the air-to-ground capability, while naval forces will focus on achieving a capability to attack land targets with various long-distance precision-guided weapons systems. All troops will have their protection against weapons of mass destruction improved.

Weapons and battle command and control systems are becoming more deeply integrated, and consequently more complex, more expensive and more vulnerable. To save costs, military technology research and development and materials procurement are being closely networked with other research and purchasing organizations. A large number of the future systems will at least partly rely on the smooth functioning of civil society. This collaboration is being developed through partnership programmes.

2.2.7 Means of disarmament and arms control

Multilateral arms control and disarmament is in a state of transition. Since the mid-1990s little progress has been achieved in traditional multilateral disarmament efforts based on treaties and conventions. At the same time, a number of export control arrangements and other politically binding cooperation models have emerged. There is more focus on efforts to limit the proliferation of conventional weapons, small arms and light weapons and mines and the control of the arms trade.

Missile defence has become a subject of international debate, in particular because the United States is making preparations for the deployment of a missile defence system. NATO and certain individual countries are also planning to introduce systems in the coming years that will provide protection for both population centres and troops. NATO and Russia are cooperating in missile defence matters.

Efforts are being made to establish international obligations to prevent the proliferation of missiles and missile technology.
Increasing attention is being paid to the strengthening of multilateral monitoring systems and the development of verification arrangements.

Confidence-building measures will retain their role as important international instruments. The Open Skies Treaty helps to promote the openness and transparency of armed forces and military activities in Europe.

In its strategy against the proliferation of weapons of mass destruction, the EU would like to make weapons-control systems more credible and effective, particularly by improving verification arrangements. Preventive measures and sanctions are proposed as the main methods. Disarmament measures associated with crisis management will be introduced in the implementation of the new Petersberg tasks.

Comprehensive Test Ban Treaty (CTBT)

The history of the Comprehensive Test Ban Treaty (CTBT) can be traced back to the attempt made in the 1950s to ban nuclear explosions. Following the Partial Test Ban Treaty of 1963, efforts were made a few years later to broaden the Treaty to cover all nuclear detonations. Although this was not accomplished, the initiative did give rise to the 1968 Treaty on the Non-Proliferation of Nuclear Weapons.

After several further attempts, the CTBT finally emerged in 1996. The Treaty will enter into force only when it has been ratified by 44 designated states. The aim of this entry-into-force provision is to guarantee that all countries mastering nuclear technology capability are committed to the Treaty. By August 2004, the Treaty had been signed by 172 and ratified by 115 countries. It has yet to be ratified by 12 of the 44 designated states.

The CTBT's entry-into-force provision emphasizes the importance of this process. In March 2003, Finland was chosen to coordinate the entry into force and to chair the September 2003 meeting between the parties. These tasks will continue until spring 2005.

Although the CTBT is not yet in force, a provisional secretariat has been set up for the purpose of implementing the CTBT aims. As set out in the Treaty, an international monitoring system will be established for monitoring the CTBT provisions and will comprise 321 monitoring stations and 16 radionuclide laboratories. About 60 per cent of the monitoring system was in place by August 2004. This is already sufficient to guarantee almost complete monitoring coverage. The Finnish components of the system are one seismological monitoring station (in Lahti) and one radionuclide laboratory (in Helsinki).

Finland's participation in the Proliferation Security Initiative

The aim of the May 2003 Proliferation Security Initiative of the United States is to prevent the unlawful transport of weapons of mass destruction, their delivery systems and the equipment and technology needed to manufacture them. The countries participating in the Initiative are improving their exchange of information and have agreed on the procedures for inspecting transport consignments that fall under suspicion.

In September 2003, 11 countries (Australia, Great Britain, France, Germany, Italy, Japan, the Netherlands, Poland, Portugal, Spain and the United States) endorsed the PSI Statement on objectives and principles of the PSI cooperation. The intention is to cooperate to prevent the transport of weapons of mass destruction and their components and delivery systems between states and non-state actors that give cause for 'proliferation concern'. Consignments on land or by air that fall under suspicion will be inspected and, if necessary, confiscated. The PSI countries are obliged to inspect any suspicious vessel in their own territorial waters and in contiguous zones, or in their ports, and to give serious consideration to permitting the inspection of their own-flag vessels on the high seas, and confiscation of any weapons of mass destruction. The principles also apply to aircraft and other forms of transport.

The PSI Statement declares that all actions taken must conform with national and international legislation. The PSI cooperation supports the implementation of the UN Security Council Resolution on the non-proliferation of weapons of mass destruction (S/RES/1540), approved in May 2004.

The PSI represents cooperation at a practical level. The PSI countries aim to strengthen their national legislation, improve the exchange of information and organize joint inspection exercises.

The PSI is supported by more than 80 countries, including Finland, as well as Norway, Sweden, Switzerland, Denmark and Russia. The EU supports the PSI activities as part of the implementation of the strategy on weapons of mass destruction.

Information exchanges taking place as part of export-control arrangements will assume a greater role. More efficient use of the same mechanisms will also be made in combating new threats, such as terrorism. Efforts are being made to make treaty systems and export control more effective by applying new instruments, such as the inspection of freight. May 2003 saw the launching of the Proliferation Security Initiative (PSI), an initiative of the United States, which is aimed at containing the proliferation of weapons of mass destruction, their parts and delivery systems through exchange of information and the interception of suspicious freight on land, at sea and in the air.

A new international treaty initiative has been launched to regulate arms trade, a sector not yet covered by any worldwide arrangements. Every year, about half a

million people are killed with small arms and light weapons, and they are the most important instrument of warfare in civil conflicts. A proposal has been put forward for an international tax on arms sales.

2.3 The capability and influence of the European Union

Integration and enlargement of the European Union have provided Europe with unprecedented stability and strength. Through its partnership and neighbourhood policies, the EU is also helping to create sustainable stability in areas adjacent to it. By strengthening its external capabilities, the EU also aims to improve global security.

2.3.1 Deepening integration

The external activities of the EU are based on the promotion of its own cooperation model, multilateralism and a rule-based international system. The deepening of integration within the EU in various areas, including a common foreign and security policy, stabilization and strengthening of the euro area, a smoothly-functioning internal market, and more efficient Schengen cooperation help to improve the common security of the Member States. One of the strengths of the Union is the ability to promote security with a wide range of instruments. A smoothly-functioning internal market boosts economic prosperity, which in turn will generate stability and enhance security. The commitment of the Member States to the implementation of common rules in a broad range of fields will further strengthen security.

The Union will retain its basic character as a supranational community and an intergovernmental institution simultaneously. Under its Constitutional Treaty, the Union is not becoming a federation or a military alliance, but a more broadly-based security community.

The future effectiveness of the EU may be affected by an increase in institutional tensions. The differences of opinion between large and small Member States in institutional questions have surfaced at the Intergovernmental Conference preparing for the Treaty of Nice and the one that met between autumn 2003 and June 2004. In matters concerning substance, there is no constellation of large against small Member States. With the enlargement of the Union, it will probably become increasingly important for Member States to influence decisions in advance and to seek issue-based forms of cooperation and alliances in order to find solutions to common problems. At the same time, it should be ensured that the real decision-making is not transferred outside EU institutions.

The EU's Constitutional Treaty will be signed in October 2004, after which it will have to be ratified by each Member State. Some Member States will be holding a referendum on whether to accept the Constitutional Treaty. The Treaty will enter into force on November 1, 2006, provided that all ratifications have been made by that date.

The EU may be faced with problems if the Treaty is not ratified within the planned timetable, because ratification problems could weaken the Union's capacity to act. A delay in the ratification of the Constitutional Treaty could also increase the pressure for differentiated integration, in which some Member States deepen their mutual cooperation either within the Union framework (following the rules for closer cooperation) or outside the structures of the Union. Differentiated integration may weaken the EU's global status. Delayed ratification would not, however, bring a halt to progress in important matters of substance. For example, progress is already being made in common security and defence policy on the basis of the existing treaty.
The EU enlargement and the development of the new members into carrying responsibility for the common burden in a fully-fledged manner will take time and consume resources, which may slow down the integration process. Economic stagnation may have a similar impact. Disagreements that have arisen in conjunction with the adherence to the Stability Pact and tensions between Member States may be an indication of the problems the Union has to face in the coming years.

2.3.2 Enlargement

Ten new countries joined the European Union in May 2004. As a union of 25 members, with a population of 455 million and a gross domestic product amounting to a quarter of the world's total, the EU is becoming an increasingly important global actor. The enlargement process is crucial to the stability of the whole of Europe.

Applicant countries will be able to join the EU as and when they meet the membership criteria. The target for Bulgaria and Romania to join the Union has been set for January 2007, while a decision on starting membership negotiations with Croatia was made in June 2004. In late 2004 the Union will assess Turkey's prerequisites for starting membership negotiations. Macedonia (FYROM) submitted its membership application in spring 2004.

The process of building closer relations between the EU and the Western Balkans is gaining momentum. All the countries in the region will probably become union members or be negotiating about the membership during the next 10–15 years. The biggest problems are the stabilization of the internal situation in Bosnia and Herzegovina and Kosovo and the determination of Kosovo's status.

In the Western Balkans the EU is using all the instruments at its disposal. In addition to providing the region with economic support it is involved in military crisis management and in wide-ranging civilian crisis management operations. The Stabilization and Association Process (SAP) of the EU, which provides the countries in the region with assistance and offers them the prospect of Union membership, is crucial for the stability of the region. The Stability Pact for South Eastern Europe launched in the summer of 1999 is also encouraging the countries in the region to adopt European values and increase their economic and political cooperation.

The EU enlargement will help to consolidate the position of the new Member States. However, it also means at the same time that the external border of the Union is drawing closer to unstable areas, which will provide a challenge for the neighbourhood policy of the EU. Social inequality is a problem in the areas bordering the Union. Inter-authority cooperation will be further developed and the work of Europol strengthened in order to prevent and combat organized crime, illegal labour and illegal immigration. Improved cooperation in border control matters is essential. The new Member States will not begin full application of the Schengen acquis until 2007 at the earliest. The work to be done before this, namely the Schengen evaluation of each country in advance of the removal of internal border controls, is essential from the security standpoint.

The importance of the areas adjacent to the Union is growing, both in connection with the combating of new threats and in the consolidation of traditional geopolitical stability, which will put new pressures on the neighbourhood policy. In addition to taking in new members, the Union must also support transition countries and weak states in areas adjacent to it, endeavour to solve frozen conflicts and make its strategic relationship with Russia more workable. The Union will also have to assume more responsibility for peace efforts in the Middle East and for supporting reforms in the Islamic world. The EU also has a direct security interest in the developments in Africa and its stability.

Ukraine, Belarus, Moldova, the Southern Caucasus and Central Asia are the countries and regions of greatest importance for the EU's neighbourhood policy. Eventual Turkish membership will make the Union a neighbour of the Middle East, the Persian Gulf and countries in the Caucasus. The Mediterranean area is becoming increasingly important for the Union. The EU is responding to the challenges in a systematic manner, particularly by making use of its new neighbourhood policy, by developing inter-authority cooperation at national and international level, and by ensuring that the authorities responsible for internal security have the appropriate capabilities.

2.3.3 Development of Justice and Home Affairs in the EU

The EU will have to put more emphasis on internal security in its overall security policy. Cross-border security problems of a non-military kind are on the increase, which will require closer cooperation in the security field.

The sections of the acquis communautaire relating to justice and home affairs and operative cooperation between the Member States remain in a state of vigorous development. The EU is in the process of drawing up a common asylum and immigration policy, which will have partnerships with countries of origin, a common European asylum system, fair treatment of citizens of third countries and the controlling of immigrant flows as central instruments.

Another aim is to create a genuine European area of justice, and in connection with this it is considered important to improve access to justice for people residing in the EU, make court decisions mutually recognizable and continue the harmonization of civil law.

The EU also aims to put the combating of crime in its territory on a more efficient basis. This is to be achieved by preventing crime in the Union, by making cooperation in crime combating more efficient and by taking special measures against money laundering. A new stage will begin when the new Member States start the full application of the Schengen acquis and almost all border controls are removed in practice. Efforts are also being made to prevent the use of illegal labour and its extensive negative effects.

A clear set of rules and regulations, operative cooperation arrangements and possible decision-making on the basis of a qualified majority and co-decision procedure are essential matters for border security. Development work will focus on operative cooperation in border control, the guidelines on which were agreed in the Seville European Council, and the emphasis will be on co-responsibility and burden-sharing among Member States. National border control systems will remain the basis of external border control, and they will be complemented by joint operations on the basis of risk analysis.

Justice and Home Affairs in the EU Constitutional Treaty

In the new Constitutional Treaty, the area of freedom, security and justice is still made up of the following three components, as it was in the Tampere Conclusions: free movement of people, a high level of security, and access to justice. The Treaty combines into one chapter and under the same procedures the provisions on justice and home affairs that are scattered throughout existing treaties.

The changeover to decision by qualified majority, with a few exceptions, is considered the most essential step forward in justice and home affairs in the Constitutional Treaty. At the same time, the system of pillars will be discontinued and legislative procedures standardized. Retention of the Member States' parallel right of initiative alongside that of the Commission emphasizes the special nature of legal and internal affairs. However, the use of the right of initiative by Member States requires that the initiative be supported by at least one quarter of all Member States. The role of the European Council and national parliaments in justice and home affairs is also emphasized.

Justice and home affairs will be developed by including provisions on operational cooperation in matters of internal security. It is important to ensure that all the authorities responsible for internal security are brought into the cooperative arrangements, i.e. the police, the frontier guard, the customs and rescue services authorities.

A further positive outcome is that rescue services matters are given their own legal foundation in the chapter on actions that support and complement the work of Member States.

Under the Constitutional Treaty, the Union will, in principle, be responsible for external relations in regard to justice and home affairs. According to the statement accompanying the Treaty, Member States may, however, still draw up agreements with third countries in the fields of judicial and police cooperation, provided these conform with EU legislation. The protocol made in connection the Amsterdam Treaty incorporating corresponding provisions on the external relations of Member States with regard to the crossing of external borders will remain in force.

The Union is adopting a system of qualified majority decision-making in matters concerning immigration, asylum and border control as widely as possible after May 2004. Police cooperation will mostly be on the basis of Commission initiatives. After the new Constitutional Treaty comes into force, most matters related to justice and home affairs will be decided by a qualified majority and co-decision procedure.

2.3.4 The EU's external capacity and the European Security Strategy

The European Union is strengthening as a global actor as a result of its political, institutional and capability development. The purpose of the European Security Strategy adopted in December 2003 is to guide and strengthen the Union as a global actor that makes more coherent and efficient use of its extensive range of instruments for promoting its common values and security. The EU will continue the stability policy launched after the end of the Cold War, while at the same time responding to the post-2001 challenges.

The EU's security strategy is based on traditional Union strengths in the stability policy. There is a clear need to tackle conflicts and other difficult security threats more efficiently than before. In its security assessment, the EU defines new threats in the same way as the United States and retains the importance of the stability of its neighbouring areas and the consolidation of multilateralism as central goals along with responding to those threats.

In its strategy the EU defines terrorism, the proliferation of weapons of mass destruction, regional conflicts and, related to these, failing states and organized crime as the key threats to the Union. Addressing the key threats, building security and stability in neighbouring areas and an international security and legal order based on efficient multilateral cooperation are given as the strategic objectives.

The EU's security strategy is based on the assumption that the Union is not facing any traditional military threats at the moment. A war between EU Member States is out of the question, and there is no threat of a major war in other parts of Europe either.
The EU has the distinctive advantage of being able to combine a broad range of security-enhancing instruments for preventing and settling crises: political, humanitarian, development policy and economic instruments as well as military and civilian crisis management measures. The EU's security strategy and agreement on the Constitutional Treaty will form the basis for practical action by the Union.

The EU accounts for about half of all world's development assistance, and it has been a pioneer in the development of an international environmental policy and the promotion of sustainable development. It also has a major role in the global trade policy.

The Constitutional Treaty will strengthen the character of the Union as a community with shared values, which will give the EU added credibility as a global actor.

2.3.5 Development of the common foreign and security policy

During the last few years, the European Union has made great progress in its efforts to forge a common foreign and security policy (CFSP) and a common security and defence policy (ESDP), which are closely linked. The aim of the CFSP is to increase stability and support democratic and peaceful change both globally and in neighbouring areas. The instruments range from a dialogue with third countries to the early warning and prevention of crises and from civilian and military crisis management to the reconstruction of societies. The Constitutional Treaty clarifies the instruments used for the common foreign and security policy. The setting up of the post of EU foreign minister will put the management of external relations on a more coherent and consistent footing.

In 2001 the European Union adopted a conflict prevention programme, the aim of which is to incorporate the conflict prevention aspect in all areas of the Union's external relations and make it a stronger element in different Union instruments. Indirectly, the obligation also applies to the national actions taken by individual Member States. Early warning is a central EU instrument and includes reporting, monitoring and the use of special representatives. Cooperation and dialogue with the UN and the OSCE will also be put on a more efficient basis.

2.3.6 Development of the common security and defence policy

As part of its common foreign and security policy, the European Union is building a capability for independent military crisis management so that it can play a comprehensive role in international relations.

The work on the common security and defence policy has progressed in accordance with the decision made in the 1999 Helsinki European Council. In a little more than three years, the Union has established the decision-making structures required by crisis management and developed and gathered military and civilian crisis management resources. At the initiative of Finland and Sweden, crisis management (Petersberg tasks) was made a Union competence already in the Treaty of Amsterdam of 1997. It includes humanitarian and rescue tasks, peacekeeping tasks and tasks of combat forces in crisis management, including peacemaking.

On the basis of the decisions of the Helsinki European Council, the Member States have announced that they can contribute about 120,000 troops, 400 aircraft and 100 ships to the achievement of the Helsinki Headline Goal. Of this commitment, a troop contingent of 50,000 to 60,000 or one or several smaller contingents can be deployed for the EU's crisis management operations.

The building of the civilian crisis management capability is based on the decisions made in the 2000 Feira European Council. More than 5,000 police officers, over 200 legal experts, almost 200 administrative experts, about 150 rescue experts and more than 2,000 rescue personnel have been made available for civilian crisis management in four priority areas.

Countries outside the Union have also made crisis management resources available to the EU.

Operations

The Union carried out its first military and civilian crisis management operations in 2003. There are two civilian operations in progress in 2004: the European Union Police Mission in Bosnia and Herzegovina (EUPM) and the Proxima police mission in the former Yugoslavian Republic of Macedonia.

In 2003 the EU carried out its first military operations: the Concordia operation in the former Yugoslav Republic of Macedonia, which involved about 300 troops and was based on NATO's command and control structures, and the Artemis operation in Bunia, in the Democratic Republic of Congo, which involved more than one thousand soldiers and was led by France as a framework nation. The NATO-led SFOR operation in Bosnia and Herzegovina will be replaced by the EU-led ALTHEA operation at the end of 2004. Parallel to its military component, the operation, which will involve about 7,000 troops, will also have the EUPM project.

The preparatory and decision-making structures of the EU's common security and defence policy have worked smoothly. The first crisis management operations of the Union have also met the targets set for them.

Developing crisis management capabilities

The work on civilian crisis management is proceeding in four priority areas (police, rule of law, strengthening of the civil administration and rescue services). The development of operational capabilities emphases harmonizing civilian crisis management training in the Member States. Cooperation with the UN is developed on the basis of the declaration signed in 2003.

In military crisis management the emphasis is on the development of strategic and other capabilities, which requires larger contributions from the Member States. Capability development is focusing on rectifying deficiencies in intelligence, surveillance, command and control structures, strategic transport capability, helicopters, air-to-air refuelling, systems for suppressing the opponent's air defences, precision-guided munitions and space-based systems. Preparations are also being made for using military resources in combating terrorism and protection against the impact of weapons of mass destruction.

As most aspects of the Headline Goal 2003, i.e. the overall target for the military resources of the EU set out in the 1999 Helsinki European Council, have now been met, the Union has been able to set itself new goals concerning the development of its military crisis management capabilities. In May 2004, the Member States adopted a new overall target (Headline Goal 2010), which takes into account the European Security Strategy, changes in the environment and technology, and the lessons learned from the first EU-led operations. The new Headline Goal incorporates measures aimed at tackling the remaining deficiencies in capabilities. The focus will be on qualitative improvements, (enhanced interoperability, deployability and sustainability).

In their new Headline Goal, the EU Member States have pledged that by 2010 at the latest they will be able to respond with rapid and decisive action, applying a fully coherent approach to the whole spectrum of crisis management operations covered by the Treaty on the European Union and the European Security Strategy (humanitarian and rescue tasks, disarmament operations, advice and support for third countries in combating terrorism and in security reforms, peacekeeping, the use of combat forces in crisis management and peacemaking).

The development of the military capability is continuing within the framework of the European Capabilities Action Plan (ECAP), a common operating programme. The work is on a voluntary basis in multinational project groups focusing on different capabilities. The aim is to provide the Union with troops that are more flexible, mobile and interoperable.

In the capabilities work the aim is to create synergies between the armed forces of the Member States. Another aim is to combine and divide military resources on a multinational basis. This approach will require Member States to adapt their armed forces voluntarily so that they can eventually achieve a high level of interoperability in matters concerning technology, procedures, concepts and operating culture. The EU also plans to promote the principle of interoperability with its partners, particularly NATO and the UN, and with its regional partners in accordance with the EU's security strategy.

The ability of the EU Member States and the European members and partners of NATO to carry out the military reforms required for demanding crisis management also relies on economic and technological input by the Union and harmonization in the defence field. Protectionism remains a problem on transatlantic defence materiel markets. More emphasis will be put on research and development in sectors relevant to security challenges.

The Union will probably not have to carry out for some time operations involving tens of thousands of soldiers envisaged in the Helsinki European Council. Even though the aim is to attain such a capability, the focus has been shifted to tasks that are on a smaller scale but more demanding and require a rapid deployment capability.

Rapid response capability

The main aim of the new Headline Goal for the EU on military capabilities and the permanent structured cooperation incorporated in the Constitutional Treaty is to attain a capability to use rapidly assembled troops for crisis prevention, either as separate units or as part of wider, gradual operations. A specific target for the EU in the development of its rapid response force is the ability to support UN peacekeeping operations in Africa, for example in the form of a rapid troop deployment in a crisis area to support the launch stage of a UN peacekeeping operation. The UN is currently responsible for a large number of extensive peacekeeping operations in Africa.

The need to develop a rapid response capability had already been mentioned in the EU's original Headline Goal agreed in the Helsinki European Council in December 1999. The formation of the EU rapid response force is founded on the proposal on Battlegroups made on the basis of an initiative by Britain, France and Germany in early 2004. Rapid response forces must have a high and credible military performance capability, which requires extensive interoperability, particularly in command and control and communication systems, and thorough preparation and training. The high readiness of the troops also requires effective advance planning.

The aim is that the Member States would form militarily self-sufficient force packages, each of which would comprise a total of about 1,500 personnel plus the required special forces, as well as air and naval reinforcements. The troops should be deployable in the operating area within ten days of the Council decision to launch the operation, and it must be possible for them to sustain in the area of operations for 30–120 days. The need for reserve troops should also be taken into account. The formation of battlegroups is to start in 2005 and they must be fully operational by 2007. After this, the troops must be able to carry out all the tasks set out in the common security and defence policy of the EU.

As the aim of the EU is to carry out two rapid response operations simultaneously, it is estimated that about ten rapid response battlegroups will be required. These troops can be formed in accordance with the framework-nation model (one Member State provides most of the troops, which will be augmented by troops offered by other members) or on a multinational or national basis. However, in order to ensure a high military efficiency, the number of Member States making troops available for one battlegroup will be limited.

The Member States contributing troops to a battlegroup must also assume responsibility for transporting them to the operating area, which may be located at a great distance from the EU, either relying on their own resources or on multinational solutions. This underlines the importance of a long-range strategic airlift capacity. The aim is to make the EU rapid response forces mutually supportive and complimentary in relation to the NATO Response Force (NRF). The Member

States can allocate resources to both forces and the EU will take into account the performance and training specifications and evaluation and certification principles of NATO's NRF concept.

Contribution to EU's rapid response force will be based on the decisions taken by individual Member States. In order to ensure the functioning of the rapid response concept in practice, the Member States must, when necessary, commit to deploy the troops for operations that they have earmarked for rapid response troops. The national reservations concerning participation must be kept to a minimum and notification of them has to be made well in advance. Ultimately, each Member State makes it own decision on participating in an operation. The decision-making process must be efficient enough in order to ensure rapid reaction.

EU-NATO cooperation

One of the most important challenges for the next few years is to put into practice the Berlin Plus arrangement on permanent cooperation between the EU and NATO as agreed in 2003. It has already been applied in the Concordia operation in Macedonia (FYROM), and the intention is to make use of it in the ALTHEA operation in Bosnia and Herzegovina. The arrangement allows the Union to receive NATO support for EU-led operations. The support could involve the use of the NATO command and control structure and planning capabilities in particular.

The purpose of the Berlin Plus arrangement is to ensure maximum coordination between EU and NATO actions. The Helsinki European Council decided, in agreement with NATO and in respect of the autonomous decision-making powers of the Union, that the EU will implement a possible crisis management operation where NATO as a whole is not engaged.

It is possible that the emergence of an independent EU crisis management capability will lead to a kind of rivalry between the EU and NATO, which in turn may generate tension in the transatlantic security cooperation. The United States has often expressed its worry that the EU is establishing structures competing with and duplicate those of NATO. Within the EU, opinions differ on this aspect.

The EU has been developing a common security and defence policy so that it can share in the responsibility for international security and respond to changing threats as a global actor. This is essential to transatlantic relations, in which the focus is shifting from security in Europe to global security concerns.

There is a growing need for the Union to have a better capability for conflict prevention and crisis management. The work aimed at developing capabilities and the question of what kind of operational tasks the Union can successfully carry out in the future are crucial for the capability of the EU and more broadly for its security and defence policy. The implementation of the EU's security

strategy, the development of CFSP and ESDP and the harmonization of different instruments will require a consistent contribution, politically and regarding the development of capabilities.

2.3.7 Security and defence policy provisions in the Constitutional Treaty

The text of the EU's Constitutional Treaty approved at the Intergovernmental Conference ending in June 2004 incorporates a number of provisions on security and defence policy. The aim is both to codify the developments that have already occurred in the Union and to further develop the Union's activities. The articles concerning the common security and defence policy and the solidarity clause are given in full in Appendix 2.

The previous Petersberg tasks on crisis management, in connection with which the Union may use civilian and military resources, have been supplemented by common actions in the field of disarmament, guidance and support in military matters, conflict prevention and post-conflict stabilization. The new tasks are necessary in the light of international developments in recent years. In crisis areas it is often necessary to collect weapons from the opposing parties, ensure the return of ex-combatants to civilian life, and to train the defence forces to operate under democratic control to be part of an organized society.

The Constitutional Treaty states that all the Petersberg tasks can be used in promoting counter-terrorism, including supplying third countries with support for combating terrorism in their own areas.

Article I-43: Solidarity clause

1. The Union and its Member States shall act jointly in a spirit of solidarity if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster. The Union shall mobilise all the instruments at its disposal, including the military resources made available by the Member States, to:

a) – prevent the terrorist threat in the territory of the Member States;
– protect democratic institutions and the civilian population from any terrorist attack;
– assist a Member State in its territory, at the request of its political authorities, in the event of a terrorist attack;

b) assist a Member State in its territory, at the request of its political authorities, in the event of a natural or man-made disaster.

2. The detailed arrangements for implementing this Article are set out in Article III-329. (See Appendix 2)

The solidarity clause creates an obligation on the Union and its Member States to provide assistance to another Member State if the latter becomes the target of a terrorist attack or a victim of natural or man-made disaster.

While the solidarity clause requires the provision of assistance, the content and extent of the assistance is for each Member State to decide itself. The Member States will coordinate within the Council the actions taken to assist a Member State.

The Constitutional Treaty confirms that an agency dealing with the development, research and acquisition of defence resources and the defence materiel sector will be established within the Union (European Defence Agency). The agency will contribute to the development of military crisis management capabilities and will be involved in the deepening of EU defence materiel cooperation and in strengthening the industrial and technological base of the European defence sector.

Article I-41.6

6. Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish permanent structured cooperation within the Union framework. Such cooperation shall be governed by Article III-312. It shall not affect the provisions of Article III-309. (See Appendix 2)

The main revision agreed at the Intergovernmental Conference is aimed at initiating permanent structured cooperation among those Member States that desire it. Permanent structured cooperation will be used to develop troops and military capabilities, with the aim that the Union will be able to carry out more demanding crisis management operations and with greater success in the future. The structured cooperation will also involve development of the Union's rapid deployment capability on the basis of the existing agreement. The aim is that the countries declaring resources within the framework of permanent structured cooperation will develop and maintain their national resources in cooperation with each other and as part of the Union's overall capability development.

Article I-41.7

7. If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States.

Commitments and cooperation in this area shall be consistent with commitments under the North Atlantic Treaty Organisation, which, for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation.

The agreement on the provision of assistance in the event of an attack that was reached at the Intergovernmental Conference in December 2003 strengthens mutual solidarity within the Union. It is politically binding on all Member States, and it takes account of the security and defence policies observed by them. The agreement represents an important step forward in deeper integration and also strengthens Finland's security.

The Treaty on European Union confirmed the aim of creating a common defence, when the European Council so decides. The realization of this will depend not only on the experience gained in implementing the Constitutional Treaty but also on progress with the general integration of the Union and developments in the security situation in Europe and transatlantic relations.

The agreement achieved at the Intergovernmental Conference concerning the security and defence policy articles in the new Constitutional Treaty is a key step in the development of a common security and defence policy. The increasing solidarity within the EU will further strengthen stability in Europe and enhance Finland's security policy position. For this to be achieved, Finland will need to contribute to the joint activities and maintain solidarity with other Member States.

Some of the most important security and defence policy provisions are already being applied on the basis of the existing treaty. These include use of the solidarity clause in regard to terrorism, establishment of rapid deployment capabilities included in the Union's permanent structured cooperation, and creation of the European Defence Agency during 2004.

2.4 The United States and the significance of the transatlantic relationship

2.4.1 Transatlantic relationship

The EU-Europe, the United States and Canada form a transatlantic community that is based on common values and interests and within which violent conflicts are out of the realm of possibility. The Union is committed to constructive, balanced and goal-oriented cooperation with the United States and Canada.

The partnership with the United States is the most important external relationship of the EU. The commitment of the United States to the security of Europe during the Cold War contributed significantly to the rapid and peaceful integration in Europe. The end of the Cold War resulted in changes in the relationship and initially there was a slight growing apart as the United States focused its interests on other continents. The war in the Western Balkans showed, however, that the United States still has an important and constructive role to play in European security.

Interaction between the United States and the European Union has expanded and diversified since the end of the Cold War. The global threats are factors that unite the United States and the EU, although differences may arise in the way the new threats are viewed. Even though the war in Iraq created cracks in the relationship, the post-conflict situation has shown that not even the leading world power can achieve its objectives without cooperating with other countries.

Europe is by far the most important partner of the United States when it seeks responses to global challenges. The cultural and economic ties between the United States and the EU will keep the security relationship between the two parties close after the transition stage.

The economic inter-dependency of the EU and the United States is central to the future of the transatlantic relationship. Trade, investments and real-time capital markets are helping to build stronger ties between the two sides.

The maintenance and development of a working dialogue requires effort. At the same time, the EU is developing its policies and taking initiatives in accordance with its security strategy so that it can assume its share of responsibility of European and global security and stability.

The United States and the EU have different approaches to a number of concrete issues, such as environmental policy, arms control and the strengthening of international law. There are also differences between the two on matters concerning the implementation and application of international human rights

conventions and major disagreements on the question of using military force in crisis situations.

Since the terrorist strikes in September 2001, the main task of the United States' security policy has been to act globally against terrorist groups, the proliferation of weapons of mass destruction and countries supporting terrorism.

The ability of the United States to use force unilaterally is based on its overwhelming military superiority. It can effectively project military power in any crisis area, however distant. On the other hand, permanent pacification of conquered and occupied areas has proved difficult and cannot be done by military force. The wars in Afghanistan and in Iraq in particular have shown how important it is to have a well-thought-out plan for the post-conflict situation and to consider carefully what instruments to use.

2.4.2 Reforming armed forces and military power

As part of the changes in its armed forces and strategy, the United States has made its military capabilities in Europe more flexible and mobile, the aim being to move them closer to crisis areas. Asia, a region of growing prosperity, is becoming increasingly important to the United States, which is also a Pacific power. The substantial resources, modernization and mobility of its armed forces and the reach of weapons systems mean that at the moment the United States is the only power that can have a military impact on a global scale.

The military power of the United States has a crucially important strategic role. The transformation in the armed forces is guided by capability-driven operational planning, maintenance of the global reach, new priorities in homeland defence and the maintenance of the military lead.

The defence budget of the United States for 2004 is about USD 400 billion and the target for 2009, the final year of the five-year planning period, is USD 500 billion. The Department of Defense budget accounts for 3.4 per cent of the GDP. The target is to have 1,400,000 soldiers on active duty, 900,000 in reserve and a civilian staff of 700,000.

At the moment, the United States is reassessing the nature and scope of its military presence outside its borders. The changes will probably lead to significant cuts in the US Army's presence in Europe. As far as its Army is concerned, the United States would like to see a situation in which it can agree in advance with its allies and partners on certain arrangements and the availability of a military infrastructure in crisis situations. No American combat troops will be stationed in these countries on a permanent basis during peacetime. No major changes are expected in the structure of US air and naval bases.

2.5 The role and activities of NATO

2.5.1 Tasks of NATO

As the international security environment has changed, the tasks of NATO are significantly different from ten years ago. A Cold War defence alliance has evolved into an organization whose main function is to carry out crisis management tasks. At the same time, new countries have joined the organization and the partnership structures around the alliance have expanded. Nevertheless, the collective defence obligation and common command and planning systems still form the core of NATO.

At the same time, NATO is also the central security policy cooperation forum for its member countries.

Collective defence

The maintenance of the collective defence obligation and the military structure it requires was the main task of NATO and the cornerstone of the alliance during the Cold War. Collective defence is based on the mutual security guarantee contained in Article 5 of the Washington Treaty. For decades the maintenance of a collective defence capability has ensured stability amongst the member countries and prevented renationalization of the defences of European member countries. In the transformation of NATO's integrated military structure, the focus is on crisis management and responses to new threats, while at the same time the territorial defence remains a prime consideration. Nuclear deterrence will be retained as a part of the alliance strategy, even though its importance has been significantly reduced as the threats have changed.

In the present world situation, the relative importance of mutual defence is no longer as high as it was. In its strategic planning, the alliance no longer considers Russia a military threat. Most former members of the Warsaw Pact are now NATO members. NATO has estimated that if the situation in Russia were to change, the alliance would have several years to react.
Article 5 of the Washington Treaty was applied for the first time after the terrorist attacks of September 2001. The military implications of the decision were limited, and it was primarily a political act to emphasize alliance solidarity in preventing terrorism.

Crisis management

NATO's peacekeeping and crisis management task evolved in connection with the efforts to settle the conflicts in the Western Balkans in the 1990s. NATO has carried out numerous operations of different types in the region, ranging from airspace monitoring and air strikes to extensive ground operations. Crisis man-

agement was incorporated into NATO's strategic concept at the Washington summit in 1999, and the alliance defined the areas adjacent to it as the prime area for its crisis management missions.
The terrorist attacks of September 2001 led to new thinking concerning the tasks and operating area of NATO. The NATO summit in Prague in 2002 declared that the combating terrorism is a task of the alliance and adopted a position that NATO should be able to deploy troops rapidly whenever and wherever they are needed. When NATO's crisis management operations were started, the geographical sphere of operations was considered to be NATO's nearby areas, i.e. the Euro-Atlantic region. The purpose of the new decision was to make it possible to operate farther away if necessary.

NATO's defence system was originally created for a collective defence during the Cold War. The military structure and capabilities have gone through a major adjustment process so that they would be suited for crisis management tasks. The command and control structure is lighter, while troops have been made more deployable and better equipped. The main aim in the modernization of the armed forces is to make use of the rapid progress in weapons technology.

In accordance with the Prague summit decisions, NATO has set up a rapid reaction force of about 20,000 troops (NATO Response Force; NRF), which, when authorized by the NATO Council, can be sent to any crisis region wherever. The first rotation of the NRF was in October 2003, and the force was due to reach initial operational capability by October 2004 and full operational capability by October 2006. The NRF, to which European NATO member states contribute troops on a rotational basis, enables the alliance to develop capabilities for demanding tasks and narrow the gap in the military capability between the United States and its European allies.

The geographical extension of NATO's area of operations became a reality in 2003. That year, the alliance took over the command and coordination of the ISAF peacekeeping operation in Afghanistan. Since then it has been decided to expand the operation outside Kabul, where, as part of ISAF, there are provincial reconstruction teams (PRT) comprising both military personnel and civilians. On the initiative of Poland, NATO has also provided support for a Polish-led division stationed in Iraq. NATO is also due to train Iraq's national security forces, in line with the decisions of the June 2004 Istanbul summit.

At the same time, NATO has reduced its troops in Western Balkan countries. In 2003 the alliance completed a small-scale peacekeeping operation in the Former Yugoslav Republic of Macedonia, and the EU assumed responsibility for the remaining tasks of the operation until December 2003. The NATO-led operation in Bosnia (SFOR) is to be transferred to the responsibility of the EU by the end of 2004. The situation in Kosovo will require a continuous and substantial international presence in the future as well.

Terrorism and other new threats

The threat of terrorism and rogue states, the proliferation and possible use of weapons of mass destruction as well as other new types of threats are all incorporated in the strategic concept that NATO adopted in 1999.

At its summit in Prague in 2002, NATO concluded that terrorism is a serious and growing threat to the population, troops and territory of the alliance members and to international security. Consequently, additional changes were made to NATO security doctrine and operating procedures. The summit defined action against terrorism as one task of the NRF and stated that NATO will pay special attention to the danger of non-state actors using weapons of mass destruction, civil protection and the protection of the troops involved in operations. A number of projects have been launched to prepare the alliance for the threat of chemical and biological weapons, and NATO has begun to examine the possibilities of setting up missile defence in the alliance territory. Moreover, NATO is making preparations for protecting the civilian population against terrorist attacks and for the consequence management of terrorist attacks, should critical infrastructure be hit. Steps have also been taken to provide troops with better self-protection.

At the same time, it should be noted that NATO is primarily a military security organization, and the fight against international terrorism mostly involves non-military action. Common standards and approaches are agreed primarily in the UN, while those covering Europe are an EU responsibility. In all member states, civilian authorities (police, border control and health authorities, the justice system and intelligence agencies) are responsible for putting them into practice. Military authorities only act on the basis of specific requests for assistance.

2.5.2 NATO enlargement

The enlargement of NATO is a part of the efforts to increase stability in Europe after the Cold War. The primary purpose of the enlargement is to ensure that the applicant countries will develop into stable, democratic market economies and that the division of Europe will never again be possible. In the new member countries, the membership is primarily viewed against the historical background. For them, the purpose has been to receive a military security guarantee and thereby also an additional confirmation of their national sovereignty and their position as part of the Western community and, as members, to strive to strengthen the alliance with their activities.

The latest enlargement of NATO took place in spring 2004 when Estonia, Latvia, Lithuania, Slovakia, Slovenia, Bulgaria and Romania joined the organization. This means that, for the first time in its history, the alliance now covers parts of the territories of the former Soviet Union and the former Yugoslavia. Of the countries applying for membership, Macedonia (FYROM) and Albania have not yet

received an invitation to start accession talks with the alliance. They, together with Croatia, are members of NATO's membership action plan, designed to assist aspiring partner countries to meet NATO standards and prepare for possible future membership.

At its Istanbul summit in June 2004, NATO reaffirmed its open door policy. In addition to Macedonia (FYROM), Albania and Croatia, countries such as Ukraine, Georgia and Azerbaijan have expressed an interest in becoming members.

When Hungary, the Czech Republic and Poland joined the organization, NATO also wanted to take into consideration the security concerns expressed by Russia. In 1997, a clause was incorporated into the NATO-Russia Founding Act on Mutual Relations, Cooperation and Security that NATO has no intention, plans or needs to place nuclear weapons in the territory of the new members. In addition to these three 'no's', NATO also gave a unilateral statement not to establish any permanent military bases in the new members countries. NATO is also applying these principles to its most recent members. The alliance's air policing arrangements cover the new members, since Estonia, Latvia and Lithuania do not have a sufficient capability of their own for this purpose. The policing of their air space is carried out by the alliance and other member countries.

2.5.3 Evolution of the Partnership for Peace and cooperation with third countries

The most important components of NATO's Partnership for Peace programme are political cooperation, cooperation in crisis management and cooperation in the civil emergency planning sector. The Euro-Atlantic Partnership Council (EAPC) set up in 1997 is the body steering the Partnership for Peace (PfP) and is a forum for political consultations. It comprises all NATO and PfP countries (incl. Finland), a total of 46 states.

The Partnership for Peace cooperation is facing major new challenges. Originally it was mainly intended for the countries seeking NATO membership but which the alliance was not prepared to adopt immediately. For those countries and the countries that were not applying for membership it provided an opportunity to cooperate with NATO and to carry out reforms in their defence and security sectors.

Most of the states that were seeking to join NATO are now members of the alliance, while the remaining partnership countries have become an increasingly heterogeneous association. It comprises the five militarily non-allied countries of Western Europe (Austria, Finland, Ireland, Sweden and Switzerland) and countries in the Western Balkans, the Caucasus and Central Asia. New partnership candidates are Serbia and Montenegro and Bosnia and Herzegovina, which have already submitted PfP applications.

At the moment, the attention of the alliance in the PfP cooperation is primarily on supporting less-developed partnership countries and, particularly, in making them committed to Euro-Atlantic values and structures by means of improving their defence and security sectors. Combating terrorism is also a factor behind the stabilization efforts. NATO has decided to create Individual Partnership Action Plans (IPAP) for countries in Central Asia and the Southern Caucasus, and it is also planning to appoint representatives or set up missions in these countries.

NATO's civil emergency planning activities are a growing sector of the Partnership for Peace and the only sector that is almost entirely open to the partner countries. After the terrorist attacks of 2001, these activities are aimed at preparing for new threats as part of more comprehensive preparedness and security strategies. The focus is on protecting and assisting the civilian population in different crises and catastrophes. The threats posed by the weapons of mass destruction, the protection of vital infrastructures and the security of supply are all considerations in such operations. NATO is responsible for harmonizing and coordinating the civil emergency activities and resources and providing them with guidelines. NATO also runs a Euro-Atlantic Disaster Response Coordination Centre (EADRCC).

At its Istanbul summit in 2004, the alliance reiterated that Partnership for Peace remains one of its priorities. The decisions made at the summit enable a further differentiation of the partnership activities in view of the specific needs of the countries involved.

The weight of the Mediterranean dialogue in NATO's external relations is growing. The cooperation involves Algeria, Egypt, Israel, Jordan, Mauritania, Morocco, and Tunisia. NATO is extending the cooperation so that certain forms of PfP cooperation could also be applied to Middle Eastern countries. The United States and NATO's southern members in particular consider this to be desirable.

In other respects, too, contacts between NATO and third countries are on the increase. The multilateral and bilateral cooperation network formed around NATO will, in addition to partnership countries, also comprise states that do not take part in PfP cooperation, such as Argentina, Australia, China and Japan. These developments are largely based on interest expressed by countries outside NATO.

2.5.4 Relationship between NATO and Russia

The two latest rounds of enlargement have also been linked with NATO intensifying its relations with Russia. When NATO decided to invite the Czech Republic, Hungary and Poland to become members, NATO and Russia concluded the Founding Act and set up the Permanent Joint Council (PJC). The latest intake of new members has involved to even closer relations between the alliance and Russia, a development helped by rapprochement between the

Russia, a development helped by rapprochement between the United States and Russia after the terrorist attacks of 2001. The NATO-Russia Council (NRC) was established as a new cooperation body between the two parties, replacing the PJC.

The arrangement gives Russia an equal status in a forum of 27 participant countries, which comprises the 26 NATO members and Russia and which takes up issues for mutual agreement. Both NATO and Russia have declared their political will to develop the cooperation further. The cooperation involves summits, ministerial meetings, regular meetings at ambassadorial level, committees and working groups as well as mutual representation in NATO headquarters and Moscow.

Russia has no right of participation or veto concerning NATO's internal decisions. Decisions on the NRC agenda are adopted by consensus and it covers international security policy matters and a wide range of cooperative projects between the parties. Topics include the interoperability of missile defence, creation of common military air policing, assessments of the terrorism threat, political management of peacekeeping operations, a framework document on submarine crew rescue, joint programmes for training and exercises, rescue service exercises and defence reform.

A crucial question for the future is whether the NRC will be able to sustain the political momentum and transform it into practical cooperation. The NATO-Russia relationship is largely a derivative of the US-Russian relationship and the willingness of the West and Russia to cooperate in general. Thus, it is sensitive to changes in the political climate. Another factor that may have an impact on the partnership is to what extent the two sides are willing to commit resources to it and particularly to what extent NATO members are willing to provide funding for cooperation projects and reforms in Russia.

Even though Russia is a member of the Euro-Atlantic Partnership Council, it will continue to manage most aspects of its relations with NATO through the NRC. Russia contributed to SFOR and KFOR troops until 2003. It does not take part in the Partnership for Peace Planning and Review Process (PARP) but aims to make use of other aspects of its cooperation with NATO in its defence reforms.

NATO also has a distinctive partnership with Ukraine and a NATO-Ukraine commission has been established to coordinate cooperation.

2.5.5 Finland and NATO's Partnership for Peace

The Euro-Atlantic Partnership Council (EAPC) and PfP provide the framework for Finland in its cooperation with NATO.

The EAPC and the Partnership for Peace cooperation provide Finland with an opportunity to cooperate in security policy, participate in crisis management tasks in NATO-led operations, improve its national crisis management capabilities and their interoperability, and participate in cooperation covering civil emergency planning. In addition to Sweden, Finland has been one the most active partners and has contributed to the development of the PfP as it has evolved. As an EAPC member, Finland has consistently sought to promote security in the Euro-Atlantic region and to make its own contribution.

For Finland the most important and most concrete element of the PfP is crisis management cooperation. Finland has been involved in extensive NATO-led ground operations (IFOR/SFOR in Bosnia, KFOR in Kosovo and ISAF in Afghanistan) that are important for European security and which the UN itself has not conducted but instead has mandated NATO to carry out. Finland has also twice been responsible for the coordination and command of a KFOR brigade C in Kosovo directly under the KFOR Commander. The PARP process has helped Finland to make its military forces more interoperable with NATO. During 2004 Finland has adopted 55 Partnership Goals through which it can enhance its national crisis management capabilities.

Approximately 20 Finnish ministries and other authorities are involved in NATO's civil emergency planning sector. On the one hand, Finland can contribute in the field of expertise and capabilities, while on the other, participation is useful for Finland as a way of exchanging information and forming an overall picture of the situation.

2.5.6 Assessment of the development of NATO

Collective defence will remain a core task of NATO, as reaffirmed at the Istanbul summit. However, in a changing world the defence aspect is, in relative terms, no longer as important in practice as in the past. One of the original tasks of NATO during the Cold War and after has been and will be in the future as well to provide a transatlantic forum linking European and North Atlantic countries in their security-policy relationship and cooperation.

A central issue for the development of NATO is to what extent the United States will in the future carry out crisis management operations through a multilateral alliance system. For other NATO countries the organization is a way of committing the United States to multilateral action. The effect of NATO's enlargement on the capabilities and internal activities of the alliance in the longer term is also important. From the United States' perspective an alternative to NATO is to carry out operations using mission-based coalitions of willing countries under her command. In an enlarged NATO, this may in fact be a more appropriate way of operating. In tasks requiring the extensive use of military force or coercion and

possibly resulting in disagreements with its allies, the United States will probably continue to act unilaterally, if it deems its national security so requires.

A central observation is that crisis management will effectively remain NATO's most important military task. By virtue of its large membership, permanent military structures and capabilities, NATO will remain the organization best equipped to carry out demanding and extensive crisis management operations.

Within the alliance a debate continues about the extent to which NATO should be involved in military operations outside its territory. NATO is also considering its role in crises outside Europe. In the next few years the focus of its activities will be in Afghanistan, and in Asia, and possibly also in the Middle East and the Persian Gulf. NATO's role as an organization carrying out extensive operations outside Europe may also be strengthened if it assumes responsibility for stabilization and reconstruction tasks not only in Afghanistan but in other countries, such as Iraq. The biggest challenges to the organization are the development of the military capabilities required by new threat scenarios, the management of its global role, the reforming of its command arrangements and the strengthening of the transatlantic relationship.

A central factor in Finland's environment is the recently implemented enlargement of NATO to the Baltic Sea region. The development of relations between NATO and the EU and the future direction of NATO's activities will also be of significance. There will probably be no need to involve NATO in any military coercive tasks in the future, either, but there will be coalitions assembled for such tasks from its members when necessary, relying on alliance capabilities. The likeliest prospect is that the organization will focus on stabilization and consequence management tasks and operations outside Europe. Moreover, the alliance will also remain a forum for interaction between the United States and Europe. Challenges outside Europe, such as missile defence and combating terrorism, offer the best prospects for cooperation between NATO and Russia.

2.6 Changes in Russia

The future international status of Russia, both militarily and politically, is closely linked with the development of its economy and the progress in domestic reforms. In the short term, economic development is dependent on energy prices on the world market, while in the longer term problems with the infrastructure and insufficient investment may cause significant difficulties and a slowdown in growth. If rapid economic growth continues but is not accompanied by a corresponding development of the economy, Russia will remain principally a producer of energy and raw materials. In that scenario, a sudden drop in energy and raw-material prices on the world market remains the most serious threat to its domestic development.

The process of privatizing the Russian economy continues. However, the government will continue to play a strong role, particularly in energy and raw-material sectors, but also in telecommunications and the mass media. More foreign investment is needed for broadening the industrial production base, but continued government control over the most important production sectors will not inspire confidence among investors.

Russia's key objective is to cooperate with other European countries with the emphasis being on an equal partnership between Russia and the European Union. Rapprochement, such as WTO membership and the deepening cooperation with the EU, also involves problems, as there are conflicting domestic interests within Russia.

Russia has become more stable, both politically and socially, particularly during President Putin's term of office. However, Russia still has a long way to go before it becomes a functioning civil society where the rule of law prevails. The Duma elections in December 2003 and the presidential election in March 2004 gave a clear mandate to President Putin and his supporters. They also showed that nationalistic tendencies are on the rise.

Internal stability and progress in social and economic reforms during Putin's second presidential term will also be important for the security of Europe, the Baltic Sea region and Finland. The country's domestic stability requires that market economy reforms be accompanied by social reforms that strengthen democracy and openness.

Interaction between the EU and Russia, which is based on the strategic partnership between the two parties, are expanding in a number of fields. The most important areas are economy and trade, justice and home affairs, internal and external security, and research and scientific cooperation. In all these areas, the Baltic Sea region will provide a central point of contact between the Union and Northwest Russia, geographically and economically. The neighbourhood policy of the enlarged Union will also provide an opportunity to make Russia a closer partner in the development of cooperation in the Baltic Sea region.

Thus developments in Russia are a great opportunity for Finland but they also involve risks and problems. Russia is becoming an increasingly important trading partner for Finland. On the other hand, there are many new threats, such as organized crime, environmental problems and the health-care situation, which represent a problem for Russia's own development as well. The combating of new risks requires determined long-term cooperation with Russia and active participation by the EU and all the countries in the Baltic Sea region.

The criticism levelled by Russia at Estonia and Latvia, particularly in minority matters, and at Lithuania in connection with the status of Kaliningrad, means that the Baltic Sea region will not be entirely free of tension in the future. As

logistics in Northern Europe become more sophisticated and particularly as Russia's energy exports grow, Finland's neighbouring areas are becoming increasingly important for Russia. In the region of the Baltic Sea and the Gulf of Finland, more emphasis will have to be placed on economic, transport and environmental matters. At the same time, the strategic role of the area as a transportation route for energy will grow. Russia may also take measures to speed up economic growth in its border areas, especially in the Murmansk and Leningrad regions and St. Petersburg.

The war in Chechnya and its impact on social development are a major internal problem in Russia. The war has resulted in large humanitarian problems and human rights violations. The continuation of the conflict is a major obstacle to the reforms in the Russian armed forces. The war is also linked with the conflicts in the Southern Caucasus and makes it more difficult for Russia to build relations with the EU, the United States and NATO.

During the last few years Russia has again become an active international actor, which asserts itself more strongly than before as a major power and an equal partner of other big countries. The primary aim of present-day Russia is to expand its influence in the CIS region. Most of its attention will continue to be focused on problems on its southern borders. The borders between CIS states and Russia remain largely undetermined.

Relations with the West are becoming closer as Russia is intensifying its links with the EU and NATO. As Russia is regaining its self-confidence, its foreign policy is expected to become more assertive. The development of relations between Russia and China will assume an ever greater role as the Chinese economy is expanding more rapidly than that of Russia.

An important aim for the United States and the EU has been to encourage economic development and democratization in Russia and to incorporate it more quickly into the international community.
The EU is a strategic partner for Russia, in practice particularly in economic matters. More than half of Russia's foreign trade is with the enlarged Union, while at the same time the EU is becoming increasingly dependent on Russian energy supplies. The EU is developing the cooperation on the basis of four common areas. At the political level Russia is continuing its efforts to set up special relations with the top leadership of the major Union members, bypassing the EU's common procedures.

NATO is also intensifying its relations with Russia, and the two parties have declared that they do not consider each other enemies. However, there is a fundamental political tension in the relationship. Russia would like to use the NATO-Russia Council for gaining influence in the internal affairs of NATO, while NATO would like to use the forum for making Russia more committed to cooperation within the framework of jointly agreed projects. Russia has been against the

Baltic States' membership of NATO and remains unconvinced of its necessity. Russia has announced that it is closely monitoring developments in the Baltic States.

2.7 Significance of the Baltic Sea region

Accentuating factors affecting the situation in Finland's neighbouring areas are the manifestation of global problems as internal security threats and the future of relations between major powers. Closer cooperation and integration are major factors contributing to regional stability.

Finland's neighbouring areas have become more stable. The disintegration of the Soviet Union, the fact that the new Russia has been undergoing a steady, albeit slow, reform process and Poland's and the Baltic States' membership of the EU and NATO have transformed the situation in the area. EU enlargement has effectively made the Baltic Sea a joint inland sea of the EU and Russia. It has also made Poland and Germany Finland's neighbours, which means that they are becoming increasingly important as partners. The development of Russia's relations with the EU, NATO and the United States and the relations between the EU and the United States is crucial to security in the Baltic Sea region.

It is important to make cooperation with Russia more effective in the Baltic Sea region on the basis of EU cooperation and the objectives of the Northern Dimension action programme. It is also essential to make Russia more closely involved in the regional councils (Council of the Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council). There is also cooperation in combating crime within the Baltic Sea Task Force, of which Finland will assume chairmanship in 2005.

Informal contacts between the three Nordic and the three Baltic EU members are also likely to be an important forum for influencing matters in the Baltic Sea region. Prime ministers and foreign ministers of the six countries meet regularly in the 3+3 composition and contacts are also maintained at civil-servant level. In the enlarged Union modes of activities must be more pre-emptive than before, and the importance of seeking coalitions among Member States will increase. The 3+3 cooperation and good relations with Poland and Germany are important for achieving progress in matters specific to the Baltic Sea region.

The current practical problems are those in the region connected with the environment, maritime safety, nuclear safety, organized crime and challenges in the social and health sector. Russia and the CIS are a source of and a route for many new types of threat to Finland. EU enlargement makes developments in the CIS increasingly relevant to Finland.

2.8 Military developments in Finland's neighbouring areas

In keeping with the overall military developments, many countries neighbouring Finland are also shifting the focus of their defence and military policy towards the development of capabilities for rapid reaction and crisis management.

Russia will remain the most important military power in Finland's neighbouring areas. Its military is in transition but a capability for traditional use of force in the region will be retained.

The equipment of the air and naval forces inherited from the Soviet era is becoming outdated, while at the same time the modernization that should be completed in the 2010s is making only slow progress. The existing army equipment of the Leningrad military district will, from the Finnish point of view, remain strong for several years. The concentration of resources on units of continued readiness — motorized infantry brigades and air regiments — appears to have been successful. The Leningrad military district has a relatively large amount of air force equipment and its use has been made more effective. The troops stationed in the Leningrad military district will retain the capability to use tactical nuclear weapons.

The organizational changes in the upper echelons of the armed forces have been completed, and there will be improvements in the command and control and information systems of the armed forces. Russia, too, is moving towards more professionalism in the armed forces and the use of high technology, but economic problems will delay implementation of the changes. Economic growth in recent years has made it easier to carry out training and exercises in the armed forces. Russia's arms exports have been on the increase in recent years, and the country remains one of the biggest exporters of military equipment in the world.
Russia is focusing its military attention on the Caucasus and Central Asia. Northern Europe and the EU countries in general are among Russia's most stable neighbouring regions. The Kola region will remain an important area in terms of military strategy by virtue of its location as a base for nuclear submarines. St. Petersburg and the areas adjacent to it will remain important militarily, and because of this Russia will continue to maintain a high degree of military readiness in the Kola region and around St. Petersburg. Links to Kaliningrad will remain important for Russia. Securing the commercial shipping going through the Baltic Sea is essential for the country's economy. New oil harbours and growing transportation of raw materials will make the area increasingly important. Large gas and oil deposits under the sea, on the other hand, will focus attention on the northern sea areas of Russia.

According to a document on current issues relating to the development of the Russian armed forces published by the Russian defence ministry in October 2003, Russia has divided its military threat scenarios into external, internal and cross-border security threats that may all require the use of military force. In its

2000 military doctrine Russia declared that it can use nuclear weapons to defend itself or its allies if weapons of mass destruction are used against them or if they are targeted for a large-scale conventional attack and other means prove insufficient.

The defence budget has increased annually since 2000. The budget for 2004 was RUB 470 billion (EUR 13.4 billion) or 3.1 per cent of GDP. The aim is to raise the defence budget to 3.5 per cent of GDP. The amount of funding for all military forces as a proportion of GDP will probably remain at between 5 and 6 per cent. The aim is to increase the proportion of materiel procurement from the present 38 per cent to 50 per cent of the defence budget.

The military reform which applies to all security structures, will continue into the next decade. The strength of the armed forces will be cut to about one million men, but at the same time the number of contract soldiers is to be increased. The special forces and most of the high-readiness units will consist of contract soldiers. The military personnel in other power agencies (such as the internal forces and border troops) will total about 450,000. The armed forces cannot expect large amounts of new military equipment before the middle of the next decade, and most of it will go to units with permanent readiness. The nuclear capability will be retained, although in terms of quantity it will be at a significantly lower level than at present.

Of **the Nordic countries**, Denmark puts a strong emphasis on NATO in its security and defence policy. The country has reservations on participating in the security and defence policy cooperation of the EU. Norway, another NATO member, also considers Nordic and EU cooperation important. The interoperability of the Swedish defence forces with NATO systems is high. The most important manifestation of Nordic defence policy cooperation is the NORDCAPS arrangement, which is used to coordinate Nordic cooperation in crisis management operations. In Sweden, Norway and Denmark the trend is towards fewer conscripts and more contract soldiers. At the same time, wartime troop numbers are being cut, home guards will retain their present strength and there will be more international activities.

Sweden will continue as a militarily non-aligned country. According to the threat scenario used as a basis for the restructuring of the Swedish defence forces, the country is not likely to face any threat of large-scale attack in the next few years. Instead, the scenario emphasizes asymmetric threats such as international terrorism, international crime and information threats. Environmental catastrophes and the consequences of international crises are also seen as potential dangers. A defence resolution for 2005–2007 is being prepared and will be submitted to the country's parliament at the end of 2004.

International activities and participation in crisis management play an important role in Sweden's security policy and the activities of its defence forces. In its

decision on restructuring the government set the early 2010s as the goal for all operational troops to achieve crisis management capability. Future international tasks will be carried out with contract soldiers.

Despite cuts in operation and maintenance funding, the military defence budget is still about SEK 40 billion (c. EUR 4.4 billion), or approximately 1.9 per cent of the gross domestic product. The defence budget will probably be cut by SEK 3 billion. The defence system is based on general conscription, but less than a third of each age group actually receives training. As a result of cuts in territorial defence, the wartime strength of the Swedish defence forces, currently about 250,000, will probably be reviewed in the defence resolution under preparation. In particular the number of operational troops will be reduced significantly, while the home guard will retain its present strength of about 50,000. Territorial defence will be retained, albeit with significant cutbacks. Restructuring has progressed more slowly than planned, and both the wartime and peacetime strength of troops and other personnel will have to be cut more than envisaged.

NATO membership remains the basis of **Norway's** defence. Terrorism, information warfare and the proliferation of weapons of mass destruction are the main elements in Norway's threat scenarios. Norway is developing special forces suitable for dealing with them, and it is also increasing its involvement in international operations. The task of Norway's armed forces is to maintain a defence capability enabling them to repel an attack in northern Norway.

The Norwegian defence budget has traditionally been above the average of European NATO members, and in 2003 it totalled NOK 29.6 billion (EUR 4 billion) or two per cent of the country's GDP. The defence budget is to remain unchanged in the next few years. The increased costs of international operations are to be covered with arrangements within the defence budgets and through rationalization of the national defence. Norway has a general conscription system and approximately one half of each age group is trained.

During the last few years, the Norwegian defence forces have been undergoing extensive restructuring. The aim is to adjust the present troop structure to the demands of NATO's new strategic concept by establishing an international crisis management unit, which is also the only part of the army that will be developed. According to the plans, the wartime troop strength in 2005 will be about 147,000, of which 83,000 belong to the home guard.

In **Denmark**, too, there will be more focus on defence forces becoming more professional for international tasks. Some elements of the traditional conscript armed forces will be retained but cut down significantly. In the future the four-month long military service will be on a voluntary basis. Those wishing to be assigned to international operations and to serve in the defence forces will be given additional training lasting eight months. Despite reductions in defence forces' support functions, cuts in training and the concentration of activities, the

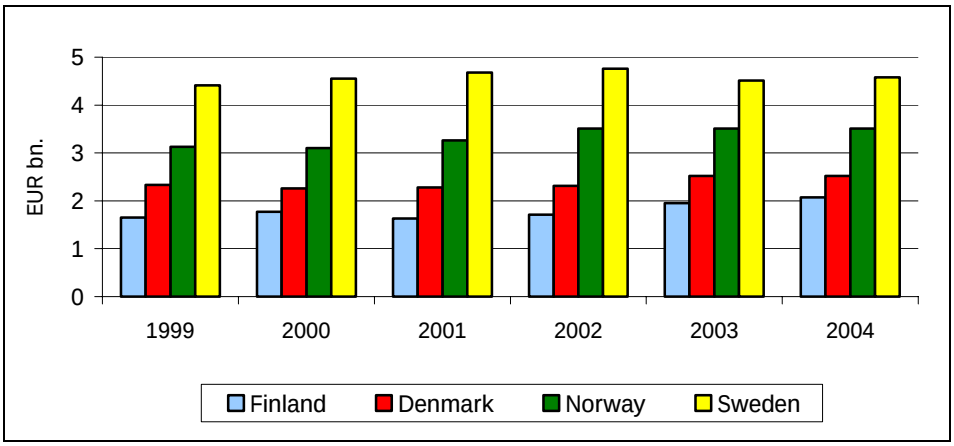
Danish defence budget will show a slight increase. The planned defence budget for the period 2005–2010 will be about EUR 2.6 billion every year, or an average of about 1.3 per cent of the GDP. The savings achieved through reforms and the additional defence funding will be used for making international operations more efficient.

Membership of the EU and NATO, which **Estonia, Latvia and Lithuania** achieved in 2004, will contribute to stability in the Baltic Sea region, though the relations between Russia and the Baltic States are yet to be fully stabilized. Russia has put off ratification of the border treaties with Estonia and Latvia and is paying particular attention to the status of the Russian minorities in the two countries. The Baltic Sea is effectively becoming an inland sea of the EU and Russia. The presence of NATO helps to commit also the United States to the region's security.

The Baltic States consider that membership of the alliance has significantly decreased the military threat against them. As NATO members, they will base their new doctrine on collective defence. Latvia will abolish conscription and start the transition to fully professional armed forces, while Estonia and Lithuania will cut the number of conscripts and increase the number of professional soldiers. Of the present doctrines, some parts that cover territorial defence will remain in force. Voluntary defence organizations will assume prime responsibility for territorial defence. All the Baltic States are of the view that soldiers sent on international missions must be professionals. In all the Baltic States the proportion of defence budgets of GDP is on the increase, the goal being approximately two per cent. The development of armament and other defence equipment is based on NATO recommendations.

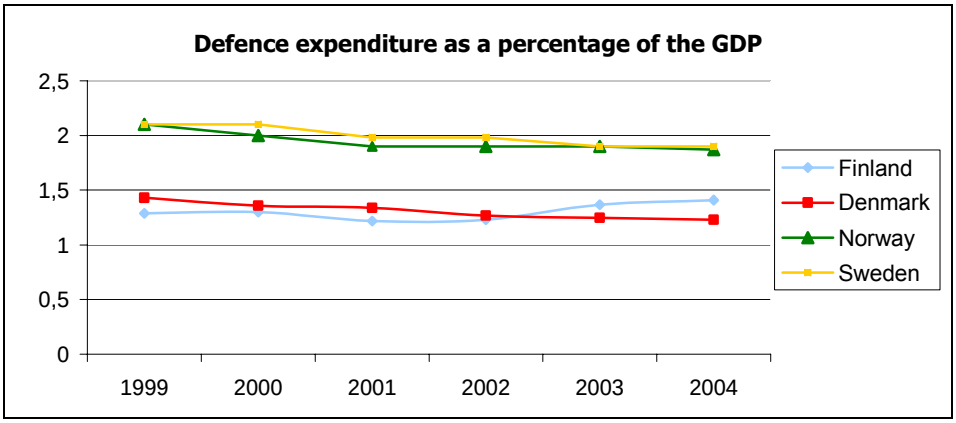
Poland aims to retain a strong territorial defence capability, even as a NATO member. Cuts are being made in the armed forces, but at the same time their capability is being increased. Poland will retain large reserves and a territorial defence system. The aim is to use about two per cent of the gross domestic product for defence. Within NATO, Poland is developing a capability to participate in international crisis management and Poland supports the efforts to improve the defences of the Baltic States.

Figure 2 Defence expenditure by Finland, Denmark, Norway and Sweden in 1999–2004



Total defence expenditure in 1999–2004

Finland	approx. EUR 10.8 bn.
Denmark	approx. EUR 14.2 bn.
Norway	approx. EUR 20.0 bn.
Sweden	approx. EUR 27.5 bn.



VAT expenditure added to Finnish defence budget from 2003

Source: websites of the Finnish, Swedish and Norwegian defence forces and defence ministries, The Military Balance

2.9 Key observations from the Finnish perspective

The overall impression is that the enlargement of the European Union and NATO, deepening integration of the EU and changes in Russia have increased stability in Finland's neighbouring areas.

At the same time the international situation in general, as well as from the Finnish perspective, has become more challenging. Security is becoming more closely linked with global problems, development crises and regional conflicts. Finland has also become more dependent on the wider international situation. Globalization has created new opportunities but also led to growing marginalization and inequality. In a globalized world, the impact of security problems is felt across borders more quickly and in wider areas, and also affects Finland and the rest of Europe in various ways.

Regional conflicts, failing states, terrorism and the threat of the proliferation and use of weapons of mass destruction are some of the continuing security problems. Developments in the areas adjacent to the European Union (Western Balkans, the Middle East, the Caucasus, Central Asia and other parts of the CIS) are a particular challenge for Finland. The unsolved issues in Asia, such as Kashmir, Taiwan and North Korea involve a potential for wider conflicts. Responding to the huge challenges in Africa also requires continuously increasing attention on the part of the EU.

Security in Europe has continued to strengthen and the area of stability has widened. Deepening integration of the Union, EU enlargement and the neighbourhood policy pursued by the Union towards the adjacent areas have all contributed significantly to this development. Continuation of the integration and neighbourhood policy of the EU is essential to the security of Europe and areas adjacent to it. The enlargement of NATO and its partnership activities have strengthened the trend.

As a result of its political, institutional and capability development, the EU is becoming an increasingly important global actor. The EU's security strategy emphasizes the ability of the Union to address new key threats, although in practice the wide neighbouring areas will remain the focus of its activities.

The European Union is also assuming new responsibilities in security and defence policy. The central challenges are the development of instruments to prevent conflicts, responding to the needs of civilian crisis management and development of military crisis management in order to ensure rapid response capability. Tensions have arisen in transatlantic relations, but the need to respond to new security challenges, extensive ties of cooperation and common interests between the EU and the United States will continue to affect the importance of this relationship in the future as well.

The agreement reached on the Constitutional Treaty in matters concerning the development of a common security and defence policy and increasing solidarity between Member States will further strengthen Finnish security. The EU is becoming a new kind of security community and a dynamic actor that can rely on a uniquely broad range of instruments as its strength.

The significance of the United States as a global actor will remain. The essential question for the future is in what manner the United States will cooperate with other countries and multilateral institutions.

NATO will retain its defence function, although the role of demanding crisis management tasks, some of which may be carried out far way from Europe, will become greater in its activities in practice. A crucial question for the future of NATO is how and to what extent the United States will act through the organization, particularly in crisis management tasks. NATO countries are increasingly opting for case-by-case cooperation ('coalition model') in crisis management and particularly in demanding military operations.

Developments in Russia are very important for the security and stability of Europe. Because of rapid economic growth, Russia's capabilities for playing a major role in foreign and security policy are increasing. However, there are a number of extensive challenges concerning the economic growth and uncertainties concerning the social development in the country. Russia is focusing its attention primarily on the CIS region. More emphasis will be placed on cooperative arrangements with the EU and NATO.

Global and cross-border problems, such as threats to information systems, environmental risks, disasters, organized crime and the threat of the spread of contagious diseases can also affect internal security, the everyday functioning of societies and the security of their citizens. Threats and risks concerning the security of Europe are also becoming more complex and their sources are increasingly outside the continent. At the same time the link between external and internal security is becoming emphasized. Threats to national sovereignty and territorial integrity in Europe have diminished since the end of the Cold War, while the importance of threats to internal security has increased since the end of the Cold War. In Europe, terrorism is considered a serious threat to security.

The OSCE and the Council of Europe will remain important cooperation fora and actors in conflict prevention in Europe.
The solving of security problems will place emphasis on the correctly timed use of a broad range of instruments. Influencing the background factors behind conflicts and preventing problems are becoming increasingly important. In international security policy, too, more attention is being given to economic, social and cultural issues. More emphasis is being placed on the link between the policies on development, human rights and security. The trend is towards intervening in

acute conflicts as early as possible and with a broad range of instruments. The close link between civilian and military crisis management is being emphasized.

Increasing demands are being placed on military crisis management, with the challenge of rapid deployment and often militarily demanding missions. In addition to a rapid reaction capability, development efforts are focusing on specialization, the international division of tasks and coordination between different actors. At the same time, the countries involved must be able to make rapid decisions about their participation. The aftercare of conflicts must also be started as early as possible.

It is significant that Finland is developing its defence capability in a situation where defence solutions made by European countries are based on ever-closer multinational cooperation. Consequently, Finland is making its defence forces more interoperable in accordance with international norms and standards. The ability to defend the country's own territory against a military attack or against the threat of it remains the core task of the Defence Forces. The Defence Forces can also be used for protecting society against asymmetric threats, which will require them to cooperate with other security authorities in areas such as the protection of society's vital functions, site monitoring and information exchange.

In overall terms, military capabilities are being made more mobile and more rapidly deployable, while at the same time making use of information technology. Many countries are focusing on developing military forces suitable for crisis management instead of the earlier emphasis on territorial defence. In Finland's neighbouring areas the trend is similar, even though the capability for the traditional use of force will be retained.

There will be more emphasis on the importance and responsibility of multilateral cooperation in preventing and solving global problems. Pressures are being put on the capability and efficiency of the UN. As far as the use of force is concerned, the UN Security Council will remain the sole source of authorization, but its use will depend on the willingness of major powers to cooperate. Cooperation between the EU and the United States is necessary if sustainable solutions are to be found to different problems and if the multilateral system is to be made more effective. The governance of globalization has become the key means of affecting sustainable solutions in security.

3 THE LINE OF ACTION OF FINLAND'S SECURITY AND DEFENCE POLICY

3.1 Background and objectives

The line of action for Finland's security and defence policy is aimed at safeguarding the country's independence and society's fundamental democratic values and at promoting the security and welfare of all citizens. Finland's line of action is based on credible national defence, the functioning of society and a consistent foreign policy as well as a strong international position and an active participation as a member of the European Union. Sharing in the responsibility for international security and stability and peaceful change in line with shared values and principles is also an integral part of Finland's policy.

In the international cooperation, Finland promotes security within the framework of the Organization for Security and Cooperation in Europe (OSCE), the Council of Europe and NATO's Partnership for Peace, and in other contexts, while also reinforcing the ability of the United Nations to function effectively. Finland promotes Nordic cooperation and cooperation with its neighbouring areas.

The key challenge for Finland's security and defence policy is retaining and strengthening the nation's capability in a changing environment, where global developments, regional conflicts and new threats have become of increasing significance to Finland's security. Finland will work to prevent and combat environmental risks, disasters, organized crime, threats to information systems, infectious diseases, the proliferation and use of weapons of mass destruction, and terrorism. Efforts in these areas must be pursued through both domestic measures and international cooperation. Finnish policy is also based on a credible crime-fighting capability. The connection between external and internal security is becoming much more apparent.

3.2 Reinforcing a multilateral security order and international law

Finland is endeavouring to strengthen multilateral cooperation and international law and to govern globalization in order to increase security by reducing inequality and social exclusion. Finland is supporting the plans to reform the activities of the UN. Special attention is given to the consistency of the aims and activities of the UN Security Council and UN Economic and Social Council and the bodies

subordinate to them, and the International Monetary Fund, the World Bank and the WTO.
Decisions on the conditions for the use of military force must be made through multilateral cooperation based on the principles of the UN Charter. Finland supports efforts to develop the protection responsibilities of the international community and is promoting solutions to protect civilian populations and prevent humanitarian disasters more effectively than at present and in accordance with international law. Finland emphasizes the international community's responsibility in preventing situations that could lead to armed intervention. The preventive use of force can be considered only in exceptional cases and must be based on a decision of the UN Security Council.

Finland supports more effective enforcement of international law and treaties and a strengthening of the functional capacity of the International Criminal Court.

3.3 Strengthening the European Union's capabilities

Finland is working to strengthen the European Union as a security community and an international actor. The Union must bear its responsibilities regarding international stability and security as set out in the security strategy approved by the European Council in December 2003 and must improve its external capabilities. The Union must be able to combine the resources and means of its different policy areas into a coherent and broad-based line of action. Membership of the Union, which is based on solidarity and mutual commitments in all areas, serves to enhance Finland's security. Finland will foster the internal unity of the Union.

Finland supports the Union's enlargement process and the development of a smoothly functioning neighbourhood policy as key elements for the security of Europe.

Finland is acting to strengthen the effectiveness of the European Union's common foreign and security policy and the related common security and defence policy. Special attention is given to the coherence between the common foreign and security policy, development cooperation and trade policy. Finland is also promoting initiatives within the Union concerning the governance of globalization and the ability to respond to new global security threats.

Finland will participate fully in the development and implementation of the Union's common security and defence policy. The Union's coherence, solidarity, and common commitments in this area, too, will serve to enhance Finland's security.

Finland emphasizes the need to develop and plan the Union's civilian and military crisis management as a single entity. Resources must be adjusted to meet

the changing circumstances by minimizing delays and improving flexibility and interoperability.

Finland considers that the obligation to provide assistance set out in the Constitutional Treaty will considerably reinforce the Union's solidarity.

Finland supports an independent crisis management capability for the European Union and is in favour of strengthening that capability. Closer cooperation between the EU and NATO will serve as an important basis for the build-up and use of this capability.

Finland will develop its capacity and readiness to participate in the EU's evolving civilian crisis management work and military crisis management operations for the purpose of implementing the expanding Petersberg Tasks. Finland is preparing to participate in the rapid response forces being developed by the Union and will actively contribute to the shaping of permanent structured cooperation which is aimed at promoting the Union's military capability.

Finland will participate in the Union's growing cooperation on military and civilian capabilities and in the creation of new capability goals, especially regarding the quality of the capabilities.

Finland will participate actively in the activities of the agency for development, research and acquisition and armaments (European Defence Agency). Finland is aiming to enhance the competitiveness of the Finnish defence industry within the EU framework and within common, clearly defined rules.

Finland will actively contribute to the preparation of the Union's forthcoming multiannual programme on justice and home affairs (known as Tampere II). Its contribution will be based on the Tampere European Council conclusions, assessment of their implementation, and the provisions of the Constitutional Treaty.

Finland's contribution to enhancing the Union's performance in justice and home affairs will also include the development of the common European asylum system, promotion of a comprehensive approach to immigration policy and introduction of an integrated border security system in accordance with the Constitutional Treaty.

The effects of EU enlargement on the sub-areas of internal security will be monitored.

Finland considers it important to develop closer cooperation at the operational level between the police authorities of Member States. It also emphasizes the role of Europol in information exchange and analysis among Member States.

3.4 Transatlantic relations

Finland considers a strong transatlantic relationship to be important for the security of Europe and in efforts to resolve international problems.

Finland will foster transatlantic relations on a bilateral basis with the United States, as an active Member State of the EU and as a partner through Partnership for Peace with NATO. Finland will also strive to support further expansion and improvement in the already considerable transatlantic dialogue and cooperation.

Finland considers it important that transatlantic cooperation be conducted in a spirit of global responsibility and shared basic values and respect for international law.

Finland believes that EU unity is vital for ensuring that the Union can work together with the United States in good cooperation with the purpose of strengthening international security.

The need and scope for improving the operation of the institutional structures of cooperation between the EU and the United States must be studied within the Union and with the United States.

3.5 Finland's relations with NATO

Finland continues to advance its cooperation with the North Atlantic Treaty Organization by actively participating in NATO's Partnership for Peace programme and EU-NATO cooperation.

Finland is developing its cooperative relations with NATO both through the multilateral Euro-Atlantic Partnership Council (EAPC) and the bilaterally implemented Partnership for Peace programme. Finland will endeavour to ensure that the development of the Partnership for Peace activities takes into account Finland's viewpoint and need for cooperation.

Through its NATO cooperation, Finland will also seek more extensive transatlantic collaboration on security policy. Finland considers NATO to be an organization of key importance for military transatlantic security policy and security cooperation. In Finland's view, the development and functioning of EU-NATO cooperation is essential.

Within the framework of its partnership relations, Finland aims to encourage regular political dialogue with NATO on security policy issues important to Finland. Finland will also improve its readiness to participate in NATO-led crisis

management operations also in the future. To this end, cooperation to develop military interoperability, force planning and the necessary capabilities will be sought, and Finland will participate more extensively in training exercises. Dispatching Finnish civilian or military personnel to NATO headquarters and commands to positions considered of key importance to Finland, and for training, are essential areas for further cooperation.

Cooperation in the civil emergency planning sector as well as other collaboration to protect societies in crisis situations and to combat terrorism are areas where, in Finland's view, cooperation will be developed further. At the same time, Finland is contributing to the support given to the transition countries participating in the Partnership for Peace programme.

Finland is continuously monitoring the changes occurring in NATO, the development of its capability and the organization's international significance. Applying for membership of the alliance will remain a possibility in Finland's security and defence policy also in the future.

3.6 Finland's neighbouring areas

Promoting security and stability in Northern Europe remains a primary objective of Finland's security and defence policy.

Developments in Russia are a key factor affecting security and stability in Finland's neighbouring areas. In its bilateral relations with Russia, Finland is continuing and intensifying its wide-ranging cooperation. Finland is an active participant in the implementation of the EU's policy on Russia and in the development of dialogue, with the aim of supporting reforms in the country and a successful partnership in all four sectors of cooperation (economy, justice and home affairs, external security, and research and education). Finland considers it particularly important that environmental cooperation be strengthened.

Sweden is an important cooperation partner. Finland stresses an increase in mutual cooperation among Nordic countries and with Estonia, Latvia and Lithuania, as well as clearer cooperation mechanisms. With the enlargement of the European Union, the importance of the Baltic Sea region is growing, which will also increase the importance of cooperation with Poland and Germany.

Enlargement has increased the significance of the European Union and the strategic partnership between the Union and Russia also to the security in Finland's neighbouring areas. Finland will pursue further development of the EU's Northern Dimension policy as part of the Union's neighbourhood policy.

Finland is providing support for economic and social reforms and improvements in cooperative readiness in its neighbouring areas, at regional and local level and

among non-governmental organizations. In particular, measures are being taken to combat organized crime, cross-border environmental and health threats, as well as disaster and nuclear safety risks.

Finland supports the confidence- and security-building measures that promote military stability in Northern Europe.

3.7 European stability, the Council of Europe and the OSCE

Finland is taking an active part in developing and implementing the EU's new neighbourhood policy, which is aimed at achieving a politically and economically stable region committed to European values.

In addition to the development of democracy and economic stability, key challenges include the prevention and combating of new threats emerging via the CIS region and directed at Finland and the territory of the Union. Finland will allocate both development cooperation resources and civilian crisis management resources to the problem issues.

Finland believes that the OSCE will continue to have a significant security policy role, especially with regard to transition countries outside the EU, unstable regions and frozen conflicts. The range of instruments at the disposal of the OSCE and their use must be further developed.

Finland supports the Council of Europe's work to promote human rights, democracy and the rule of law, as this is a significant factor in furthering the security and stability of a wider Europe. Finland will seek to ensure that implementation of the European Convention on Human Rights and the work of the European Court of Human Rights are more effective and all-encompassing, and will actively support the work of the European Human Rights Commissioner and the rights of minorities.

3.8 Comprehensive approach to conflict prevention and management

Global developments, regional conflicts and new threats have become more significant factors in Finland's security. A broad range of instruments is needed for responding to these and for taking preventive action against any threats. Finland practises an active policy of conflict prevention and crisis management as an essential part of its security policy, and, through its own participation, Finland contributes to crisis resolution and enhanced international security.

Finland considers it important that conflict prevention, civilian and military crisis management, and post-conflict reconstruction be treated as a single entity in which a range of instruments best suited to the situation at hand is available at the different stages of a conflict. Finland will contribute to the development of the European Union's conflict prevention programme and to furthering cooperation between international organizations.

Finland will promote parallel objectives for different policy sectors, such as security, development and trade policies, and will develop mechanisms in support of these. Finland emphasizes that development policy and development cooperation are also instruments of security policy. Besides long-term development cooperation, Finland will also allocate separate support for shorter-term crisis prevention and aftercare. Finland considers it important to maintain and develop an open, rule-based international trade and financing system and transport and communications systems. More attention will be given to dealing with environmental threats as factors in conflict prevention, and to the repair of environmental damage caused by conflicts.

Finland stresses the importance of human rights policy as a factor in promoting security in general terms and specifically at different stages of a conflict, from prevention to rebuilding. Finland emphasizes the protection of civilians, especially women and children, during a crisis, which must be taken into account already during the planning and training for crisis management operations. In post-conflict situations, Finland emphasizes the need to strengthen democracy, human rights and the rule of law, with particular attention to the position of women and minorities. Finland will take part in election monitoring and in developing electoral systems and post-conflict reconciliation processes. Finland will seek to contribute to the support given to the security and defence sectors, with the aim of supporting the ability of the country in question to take responsibility for its own security as part of the work of a normal society.

3.9 Crisis management

Finland aims to develop crisis management in both the civilian and military crisis management sectors. It stresses the coherent use of civilian and military activities in crisis management operations. In joint operations, this means that civilian and military activities have to be examined together and that planning, joint action and readiness in the different administrative sectors will have to be developed further, both at national and international level.

Finland believes that the need for and importance of civilian crisis management will continue to grow. Finland will develop and broaden its participation within the framework of different organizations and in other forms of activity. Finland will seek improved coordination of the civilian crisis management activities of the

European Union, international organizations, especially the UN and the OSCE and other operators, as well as closer cooperation.

From the Finnish perspective, the European Union is the principal actor in the development of civilian crisis management activities. Finland will contribute to the development, realization and timely use of resources in EU-approved priority areas.

Finland will develop its national resources for civilian crisis management tasks across a broad spectrum, so that its level of participation can be raised in the longer term. Special attention will be given to education and training. The main areas are the promotion of human rights and the rule of law, support for democracy, equality issues, civil society, border security and border policing, rescue services and development of civil administration. The Government is preparing legislation on civilian crisis management.

Finland's military crisis management capability will be developed in accordance with changes in the operating environment, which requires the adoption of new modes of operation. Finland's participation will remain at least at the present level. Consideration of the different forms of participation includes particular attention to the potential impact involved.

Finland will develop military resources of a more diverse nature and with improved performance, and will actively participate in multinational training exercises. The priority in capabilities development is on quality-based objectives and multinational cooperation. Finland will develop its capability to dispatch sufficiently trained and equipped troops rapidly to a crisis area for demanding military crisis management missions.

The Government will consider the need to update relevant parts of the Act on Peace Support Operations, with the presumption that the present decision-making system requiring the cooperation of Parliament will remain.

3.10 New threats, terrorism and arms control

Finland is contributing to the prevention and combating of new cross-border and global security problems through a wide range of instruments.

Internal security in Finnish society will be maintained in all situations. To this end, the Government has prepared an internal security programme. This will also cover threat factors inside Finland that affect security and the necessary measures to respond to them. A long-term approach will be taken in promoting internal security.

The functions vital to society will be protected against threats and crises with the aid of effective and comprehensive internal precautionary measures and associated external capabilities. The strategy drawn up for securing these functions will be effectively implemented and will be subject to continuous development.

Existing executive assistance arrangements will be developed and refined as part of the precautionary measures against new threats. Joint action and shared responsibility within the EU will also serve to strengthen Finland's internal security.

In the prevention of terrorism, Finland emphasizes the importance of long-term measures targeting the underlying causes as well as respect for human rights. Finland will expand its participation in the creation and reinforcement of counter-terrorism capabilities in developing countries.

Finland will take an active role in improving the effectiveness of the European Union's counter-terrorism activities. Finland is making preparations to plan, at EU and national level, the implementation of the solidarity clause of the Constitutional Treaty.

The effectiveness of the police and other authorities acting in support of them in the prevention, uncovering and investigation of terrorism will be improved. Powers will be commensurate with the severity of the threat and exercised in a manner respecting human rights.

Finland is an active participant in international cooperation to prevent the proliferation of weapons of mass destruction and to promote arms control. To achieve the aims of the different treaty arrangements, such as the Nuclear Non-Proliferation Treaty, it is essential to improve the enforcement and verification procedures and to promote implementation of the obligations incumbent on the signatory states.

Finland pursues disarmament and arms control objectives primarily through the EU, and promotes implementation of the EU's strategy on weapons of mass destruction also through bilateral interaction. An improvement in the effectiveness of export control and other collaboration will require an increase in the level of domestic readiness. Finland takes a positive view towards the creation of new arrangements and is participating in the Proliferation Security Initiative (PSI) and the Global Partnership programme. Finland will actively pursue efforts to achieve an international agreement on the limitation of trade in small arms and light weapons in particular.

The Treaty on Conventional Armed Forces in Europe (CFE Treaty) enhances European security. Ratification of an adapted CFE Treaty has been delayed, and Finland has no cause to consider joining the CFE Treaty at this stage.

Finland will accede to the Ottawa Convention, which prohibits anti-personnel landmines, in 2012 and destroy its landmines by 2016.

In parallel with threat prevention work, Finland will also maintain and develop the capability of its internal security authorities to combat both existing threats in the country and threats that are constantly growing as the operating environment changes.

The fight against organized crime targeted at Finland will be stepped up, especially for responding to changes that have occurred in Finland's neighbouring areas. Prevention, uncovering and investigation work at national level against serious and organized crime will be improved through increased cooperation between the police and other law enforcement authorities and by reforming the powers available. The security of Finland's border as an external border of the EU will be made more effective.

Finland is actively working at both international and national level to prevent and combat environmental threats. A key area is forecasting the effects of climate change and adopting precautionary measures to meet them. Finland is contributing to protection of the Baltic Sea and has precautionary measures in place against the risk of accidents in neighbouring areas. Finland will endeavour to increase the safety of international shipping in the Baltic Sea and especially the Gulf of Finland.

To safeguard the functioning of the economy and society, Finland's security of supplies will be scaled to be commensurate with the need to secure the living conditions of the population, the vital functions of society and the material requirements for national defence in all circumstances. Increasing international cooperation will constitute an ever-more important part of Finland's security of supplies. Public-sector preparedness planning will be developed to cope with serious market disruptions and sector-specific supply threats, and for the purpose of safeguarding the infrastructure critical to Finnish society.

3.11 Credible national defence

Finland maintains and develops its defence capability as a militarily non-allied state and monitors the changes in its security environment. The aim of a credible national defence capability is to prevent security threats against Finnish territory. Finland must be able to guarantee the country's independent capability and secure the functioning of a democratic society under all circumstances.

Defence planning is charged with preventing and combating the effects of a regional crisis and political, economic or military pressure as well as the use of military force against Finland. A further aim is, through joint action with other authorities, to prevent the use of asymmetric means of warfare against society.

Finland's defence capability is scaled to be commensurate with the need to defend the entire country. To this end, a system of general conscription is maintained and the nation's defence is based on a territorial defence system. Preparations are in place for military defence throughout the country.

Further development of the credible defence system will require concentrating on the core activities and continuing the structural changes in the Defence Forces. Establishing the readiness for international military cooperation in different crisis situations will also be continued in parallel with this.

The Defence Forces will further develop their capability to support other authorities in controlling different security risks where necessary.

International military cooperation is an essential part of Finland's defence and security policy and serves to support Finland's own defence. Military defence will be developed in a way that allows Finland to function as an active member in the security community formed by the European Union and to allocate the necessary military resources for actions required under EU obligations. Subject to national decisions, capabilities can be used for crisis management operations of the UN, the OSCE and the EU, as well as those led by NATO.

4 DEVELOPING THE EXTERNAL CAPABILITY

The security and defence policy challenges outlined in this report place new and growing demands on Finland's capabilities in all sectors of its external relations. Productive action to safeguard Finland's interests requires that all parts of the state administration cooperate effectively and have an improving level of readiness, interoperable activities and appropriate resources.

The Government has recently approved or is in the process of preparing policies for action in development, human rights, globalization and cooperation with neighbouring areas as well as securing functions vital to society, and internal security. Implementing these policies will, in key respects, support this report's aims for Finland's external capabilities, on the basis of a broad understanding of security.

Information acquisition and creation of situation picture will be enhanced to support the capabilities of the President of the Republic, the Government and its Cabinet Committee on Foreign and Security Policy to direct action in a crisis situation.

4.1 Furthering Finland's security interests

In line with its adopted strategy, the Ministry for Foreign Affairs functions as the ministerial expert and coordinator of foreign policy. The Ministry's actions are based on the Government's security and defence policy. Through wide-ranging diplomatic activity, the Ministry for Foreign Affairs seeks to further the implementation of Finland's foreign and security policy objectives bilaterally and multilaterally and within a regional and global framework. Significant opportunities for doing this will arise in the next few years, when Finland will assume the EU Presidency, Nordic Presidency and OSCE Chairmanship.

Finland's primary channel of influence is the European Union. Strengthening the Union's external capabilities is in Finland's interests. Finland will be active in proposing initiatives for the development and enforcement of the Union's common foreign and security policy and common security and defence policy. Finland will contribute to the preparation and implementation of sectoral strategies and action plans being put together within the framework of the security strategy approved by the European Council. Multidisciplinary cooperation with NATO will be pursued within the EAPC and Partnership for Peace frameworks, in implementing the partnership objectives, in crisis management operations and in the civil emergency planning sector. Development of the network of diplomatic missions will also take into account Finland's security and defence policy objectives and the related need for access to information. Information management

and analysis capabilities at the Ministry for Foreign Affairs will be further developed.

In an international crisis, the security of Finns residing abroad is the particular responsibility of the Ministry for Foreign Affairs. The consular activities of the Ministry for Foreign Affairs will be further developed and stronger cooperation sought among the Nordic countries and the EU countries. Through cooperation, Finland will endeavour to achieve the best possible use of resources, an improved information flow between Member States and a better service for citizens of the EU Member States.

Improved stability and cooperation will be sought in Finland's neighbouring areas on the basis of the neighbouring area strategy approved in 2004. Cooperation between Finland, Estonia, Latvia, Lithuania and Russia will be intensified. Special attention will be given to the coordination of neighbouring area cooperation, existing financing instruments and the EU's new neighbourhood policy instrument.

Efforts will be made to improve the operating potential of Finnish businesses in world markets shaped through globalization. These will include taking part in the revision of international trade rules, removing barriers to the export of goods and services and barriers to investment, encouraging investment in Finland and securing vital imports in all circumstances.

Finland will actively participate in developing means by which the international community can meet the challenges of globalization. The Helsinki Process will be brought to its conclusion in 2005, and implementation of the concrete recommendations arising from it for increasing fairness and democracy in international relations and improving dialogue between different actors will be promoted.

4.2 Development policy implementation, human rights and global security

In drawing up its development policy programme and human rights report and completing its globalization report, the Government will achieve greater consistency and coherence in Finland's policies. Cooperation between the authorities in programme implementation will be further developed and efforts made to establish new practical forms of working and new operating methods.

The focus areas of the Government's development policy programme are commitment to the UN's Millennium Declaration and its objectives, and concentration on those activities in which Finland can offer added value. The aim is to ensure the efficiency and the quality of the use of increasing development cooperation appropriations, and to enhance consistency in different policy sectors. As set out in the development policy programme, Finland sees development policy as part

of security policy. The aim is therefore to increase the amount of support allocated separately for crisis prevention, management and aftercare in developing countries, in parallel with long-term development cooperation.

Human rights are promoted in accordance with the objectives set in the Government's human rights policy report. As a member of the UN Commission on Human Rights in 2005–2007, Finland will seek improved monitoring of the compliance with human rights and further development of human rights norms.

4.3 Conflict prevention

Finland is contributing to conflict prevention in accordance with the conflict prevention programme approved by the EU in 2001, by participating in international and regional organizations, through bilateral political relations and through the use of financial instruments. Finland emphasizes commitment to pluralist democracy, good governance, the rule of law and internationally accepted human rights norms.

Finland contributes to the fostering of peace, security, human rights, democracy and good governance by engaging in bilateral projects with its long-term cooperation partner countries and with other countries as well. In this regard, Finland also emphasizes cooperation with Arab states and the Islamic world.

Development cooperation will include more systematic actions and methods for promoting internal and regional security and preventing conflicts. These actions and methods will allow an improved response to changes occurring in partner countries. Work undertaken by non-governmental organizations will also be developed.

Regionally targeted development cooperation will be further improved by supporting projects that promote regional integration and stability or have an impact on solving development problems with regional dimensions (e.g. environmental threats, infectious diseases, crime, anti-drugs work). In addition, Finland supports the activities of international organizations that are engaged in regional work in developing countries. In South-East Europe and the CIS countries, conflict prevention is a key consideration in crisis management, in work on human rights, democracy and arms control within regional organizations, and in bilateral relations.

4.4 Civilian crisis management

Civilian crisis management will be developed within the priority areas specified by the European Union and in accordance with the expanded range of crisis

management duties included in the Constitutional Treaty. The aim is to promote the synergy and joint action made possible by participating in both civilian and military crisis management.

Participation in civilian crisis management in the Western Balkans and CIS region will be strengthened within the framework of the European Union, the OSCE and the Council of Europe. Further input will be required in any new operations, particularly EU operations in crisis areas outside Europe, such as in the Middle East and Africa. In accordance with the EU's action plan on civilian crisis management, Finland, too, is aiming to develop capabilities applicable to a diverse range of activities, especially in the areas of human rights and security issues, political situation picture, reconciliation, border control, rescue services, disarmament, demobilization, reintegration and media skills. Finland will also continue to participate in civilian crisis management projects of other organizations and operators wherever its special expertise is needed.

It is the duty of the Ministry for Foreign Affairs to assess and decide on the Finnish contribution needed in crises. The task of the Ministry of the Interior is to maintain and develop the nation's readiness for civilian crisis management to match the commitments given by Finland.

The Government's different branches contain the experts necessary for civilian duties in connection with a crisis. Development of internal administrative systems and readiness will ensure that a high-level reserve of experts is continuously available for civilian crisis management. The civilian crisis management recruitment system and the related rosters will be developed so as to allow the dispatch of experts to crisis duties as quickly and flexibly as possible. The personal aptitude, professional skills and readiness of experts for civilian crisis management duties must be of the standard required for the duties in question.

Participation in international civilian crisis management in 2004 by Finnish experts on the rule of law, administration and human rights, and by Finnish civilian police

Western Balkans

Bosnia and Herzegovina
- European Union Police Mission (EUPM).
- European Union Monitoring Mission (EUMM).

FYROM
- Proxima. The EU's civilian police mission.
- OSCE Spillover Monitoring Mission to Skojpe.

Kosovo
- UNMIK. The UN's Interim Administration Mission in Kosovo; civilian police.
- OSCE Mission in Kosovo. Rule of law mission, part of the Interim Administration.

Albania
- OSCE Presence in Albania. Rule of law mission.

Caucasus and Central Asia

Georgia
- OSCE Mission to Georgia. Mission facilitating and monitoring the process of a peaceful political settlement.

Turkmenistan
- OSCE Centre in Ashgabad. A liaison office.

Other countries and regions

Afghanistan
- ISAF/PRT. Regional reconstruction.
- Office of the EU's Special Representative.

Jordan
- USA-led Iraqi police training project.

Sri Lanka
- Sri Lanka Monitoring Mission (SLMM). Joint Nordic mission to monitor implementation of the peace agreement.

Northern Ireland
- Independent International Commission on Decommissioning.

Finnish experts in international organizations

EU/Council Secretariat
OSCE/Secretariat
Council of Europe
NATO/International Secretariat

The readiness needed in civilian crisis management is also being developed through training. There are plans for the Emergency Services College to provide special training in accordance with the standardized training system being developed by the EU for experts who are to be dispatched to civilian crisis management duties. The scope for developing the Emergency Services College as a centre for training and research in integrated military and civilian crisis management will be investigated. In the coordination of training, attention is given to special readiness needs at the national level and to international training opportunities and experience. The training provision of Finnish non-governmental organizations will also be promoted as part of the broad development of national resources.

Figure 3 Finnish participation in international civilian crisis management in 2004

In cooperation with other authorities, the Ministry of the Interior coordinates the development of materials management, transportation and other logistics arrangements required for participation in civilian crisis management. The Ministry of the Interior has reached agreement with the Ministry of Defence on the forms of cooperation, including the procedure to be followed in equipment loans.
The scope for cooperation over materials and equipment acquisition and the storage of these for contingency purposes will be studied with the National Emergency Supply Agency, the Defence Forces and non-governmental organiza-

tions. The use of a TETRA-based communications network in civilian crisis management will also be investigated.

4.5 Military crisis management

The need for more diverse and demanding crisis management missions in the international operating environment in the 2010s must be taken into account. This will require Finland to adopt new forms of operation. Crisis management today demands greater flexibility, faster response and continuous adjustment to the changing security situation. Finland's participation in international crisis management serves to support the development of interoperability and the credibility of national defence. The large part of the capabilities used in international crisis management belong at the same to those reserved for national defence.

In the last few years, Finland has participated in two to three crisis management operations simultaneously, making a substantial overall contribution. Participation in traditional military crisis management and peacekeeping operations will remain at the present level, as a minimum, and particular attention will be given to the impact the activities will have. Finland is also preparing for involvement in the rapid response force being developed by the EU.

Development of interoperability and new types of forces will mean focusing on high technology, quality and highly specialized skills. The aim is that international rapid deployment forces should also be used as formations below company and battalion level, as part of a multinational force.

Placement of Finns in international headquarters secures Finland a voice in the planning of EU and NATO-led crisis management operations at as early a stage as possible. When participating in NATO-led crisis management operations — and with the aim of following developments in international crisis management — Finland will also seek to place personnel in headquarters and centres of competence involved in preparing and leading operations.

The aim of international defence materiel cooperation is to establish and maintain for all forces an interoperability that incorporates materiel compatibility, shared principles of use and training, and preconditions for the mutual security of supplies. A further aim of joint projects is to achieve financial and operational savings. Finland is participating in the materiel cooperation undertaken within the EU framework and will participate in the further development of that cooperation alongside development of the Union's Defence Agency. It will also place sufficient resources at the disposal of the agency.

With regard to international crisis management cooperation, Finland is studying the possibility of opening its training areas and airspace to EU needs and for

other international training activities and exercises. These plans include an initiative for a helicopter training centre meeting international requirements, planned for Enontekiö in Northern Finland.

Detailed objectives and programmes for establishing the new readiness capability required for crisis management cooperation are included in the section on Finland's defence system.

Figure 4 Finnish peacekeepers and military observers in September 2004

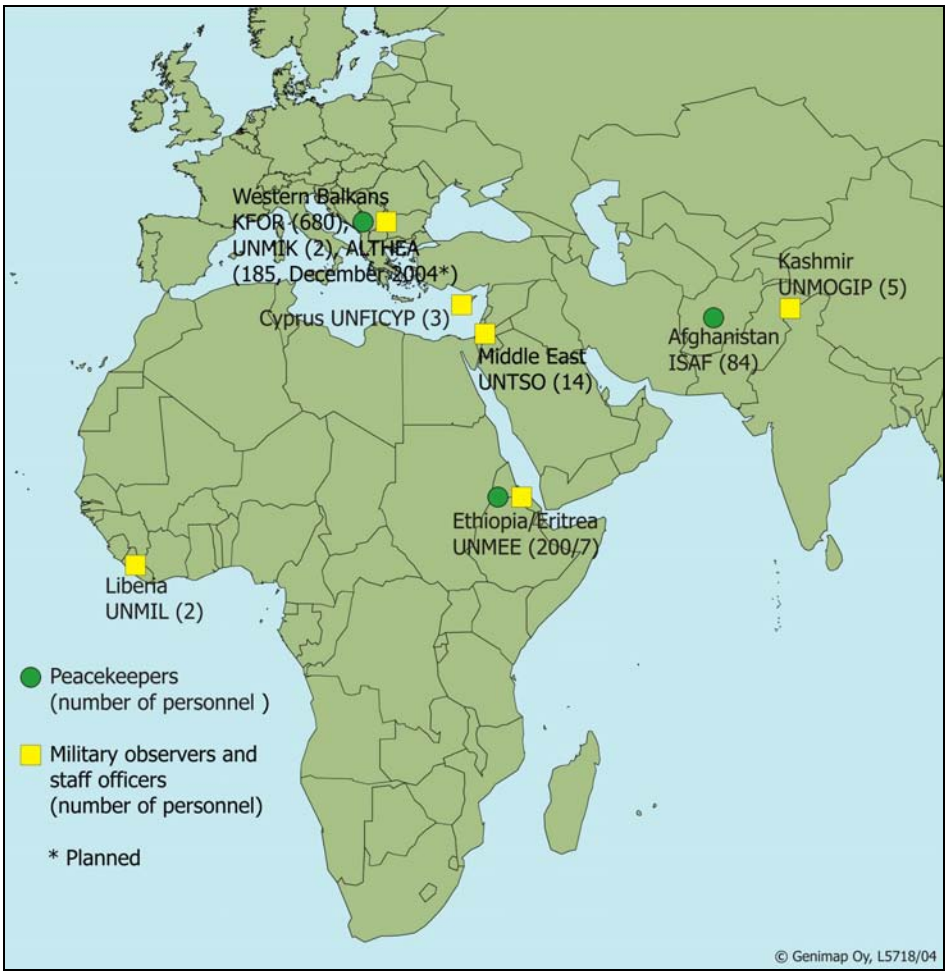
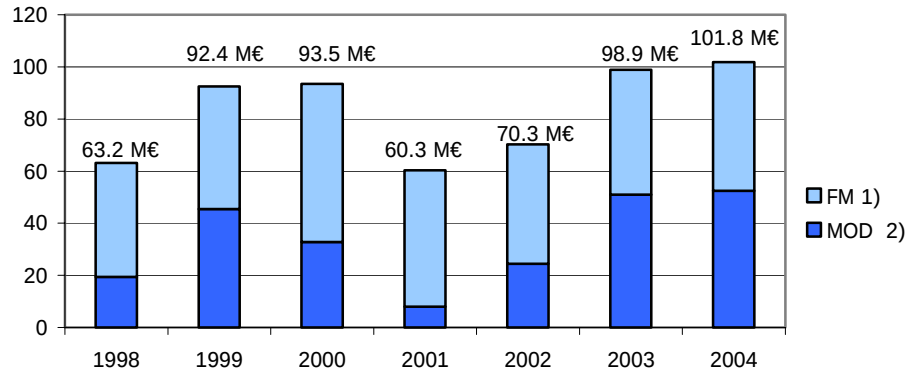


Figure 5 Expenditure on international peacekeeping activities in 1998–2004 (outturn, MEUR)



Key:
1) Expenditure on maintaining Finnish peacekeeping troops (estimated appropriations)
2) Expenditure on peacekeeping equipment and administration (estimated appropriations)

Figures for 2004 include the expenditure given in the 2004 budget and in the first supplementary budget proposal for 2004.

Figures for 2002–04 for the MOD Also include expenditure on implementing the programme to develop crisis management forces initiated on the basis of the 2001 security and defence policy report (e.g. EUR 16 million in 2003); the development programme will be concluded in 2006.

4.6 Arms control

Finland is a participant in the international cooperation concerning key priorities in international arms control, especially the work on preventing the proliferation of weapons of mass destruction.

Finland is also involved in efforts to improve the enforcement of treaties and other collaborative arrangements concerning the prevention of the proliferation of weapons of mass destruction. In addition, Finland participates in particular in international action related to troop protection.

Making export control and other areas of cooperation more effective requires an improvement in the nation's readiness. Closer coordination between authorities will be established and an action plan drawn up for measures required in inter-

national collaborative activities and for Finland's own protection for the purpose of combating threats related to weapons of mass destruction.

Finland is a participant in the Global Partnership programme initiated by the G8 countries. A plan is being drawn up for the necessary appropriations and projects for this purpose. Finland will ensure that the authorities have the readiness to engage in PSI cooperation on the prevention of the proliferation of weapons of mass destruction.

Promoting the entry into force of the Comprehensive Test Ban Treaty (CTBT) is one of Finland's principal objectives. With regard to the Biological and Toxin Weapons Convention (BTWC), Finnish expertise and inter-authority cooperation will be developed, with the immediate aim of a review conference in 2006, during Finland's EU Presidency.

Finland provides support for developing countries to ensure that they can commit themselves to international arms control obligations. Finland is studying the possibilities for increasing the aid given to developing countries in the form of training and experts.

Finland will continue its active role in the multilateral arms control and disarmament arrangements concerning conventional weapons. Implementation of the UN Programme of Action on Small Arms and Light Weapons, the OSCE Document on Small Arms and Light Weapons and the EU's action plans will be continued, with the aim of preventing the uncontrolled proliferation of small arms and light weapons. In its own actions, Finland will endeavour to include the subject of small arms and light weapons in its development cooperation and projects on civilian crisis management. On the basis of experience gained and through development cooperation funding, Finland will consider continuing its participation in security policy projects that have a clear developmental impact also in the future.

Finland is involved in the international efforts to prevent and reduce the humanitarian problems caused by mines and explosive remnants of war.

Finland is party to the Convention on Certain Conventional Weapons (CCW), which restricts the use of mines. It is also involved in the negotiations on improving the effectiveness of the Convention, including restrictions on anti-vehicle mines.

Finland will accede to the Ottawa Convention on prohibiting anti-personnel mines in 2012 and will destroy its landmines by the end of 2016. Finland's credible defence capability will be maintained by acquiring systems to replace landmines in the period 2009–2016. The necessary additional funding for this will be allocated to the defence appropriations framework.

Finland’s defence administration will continue to carry out the country's obligations under the Treaty on Open Skies and the Vienna Document on Confidence and Security Building Measures. To increase the effectiveness of operations, improvements in international cooperation will continue to be sought, especially in respect of flights under the Treaty on Open Skies.

5 DEFENCE DEVELOPMENT

5.1 The basis for defence development

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's defence is based on general conscription and on a modern territorial defence system. The defence system cost-effectively meets the challenges and requirements of both national defence and the changing security environment. Modernization of the Defence Forces' organization and defence materiel takes into consideration changes in warfare, developing technology and international cooperation.

A common intelligence, surveillance and command and control system covering all services and fulfilling the requirements of network-centric warfare will be created for the Defence Forces.

Increasing attention is being focused on developing military crisis management and rapid reaction capabilities and on increasing international cooperation. In addition, the preparedness of the Defence Forces to support other authorities is being further developed.

5.1.1 Finland's defence policy and defence solution

Finland's defence solution is based on a credible national defence capability. The aim of Finland's defence is to guarantee the country's independence and to safeguard the living conditions of the population and the freedom of action of the national leadership under all circumstances. National defence aims at being able to respond to all military crises and threats by using national resources. Preparedness for international military cooperation in various crisis situations is continuing to be established by developing military interoperability.

Finland's defence solution presupposes broad support and acceptance from the country's citizens. A strong defence will is the basic precondition for a credible defence capability. The will to defend the country and a positive attitude toward the Defence Forces will be maintained and promoted by increasing the ways and means by which citizens can participate in voluntary defence activities.

The Defence Forces' statutory tasks are surveillance and safeguarding of territorial integrity, defence of the country, its legal system and the living conditions of its people, maintenance of military defensive readiness, military training, support for voluntary defence training, executive assistance to other authorities, participation in emergency and rescue operations, and participation in international crisis management. Finland's defence capability and its effectiveness rely primarily on:

- a high level of training and performance among its personnel and troops,
- modern military equipment sufficient in both quantity and quality,
- robust intelligence, surveillance and command and control systems,
- national emergency supply security, international cooperation and interoperability,
- the ability to regulate defensive readiness as required by the situation, and
- a strong defence will among citizens.

Finland's defence is being developed on a long-term basis, taking primarily into account external security threats and the consequent requirements regarding the capabilities of the Defence Forces and available resources.

Territorial defence in the 2010s will place a clearer focus on defending targets and society's vital functions. Cooperation between the Defence Forces and other authorities is emphasized in all threat scenarios

Participation in international crisis management is important for Finnish defence policy and for developing the preparedness of the Defence Forces. In addition to maintaining current capabilities, Finland will also allocate resources to developing niche capabilities and specialized units. Here, the main attention will be given to central requirements in international crisis management as well as to maintaining Finnish competence in high technology, quality and professional know-how. Specialization requires developing the material readiness of international readiness units and a closer commitment of specialist personnel to international duties. In order to ensure international military cooperation, the Defence Forces' operational and material interoperability will be developed according to NATO standards and norms.

The development of a credible defence system requires intensified concentration on core functions and further restructuring of the Defence Forces. This is mainly due to the increasing complexity of threats and the operating environment, the expansion of international cooperation, the rapid advancement and rising cost of technology and demographic trends in Finland.

5.1.2 The crisis and threat scenarios used in defence planning

The Defence Forces must be prepared to prevent and, if necessary, to repel any use of military force against Finland.

The crisis and threat scenarios used in defence planning are:

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

Preparedness to prevent or limit any use of asymmetric warfare against the society in cooperation with other authorities is also included in defence planning. In addition, the preparedness to support other authorities as required by the European Union solidarity clause will be taken into account in defence planning. The clause requires the Union and its members to provide assistance to any Member State that falls victim to a terrorist attack or natural or man-made disaster. Assistance can be given by all available means, including military resources. Each Member State itself decides on the content and scope of the aid it will supply.

A regional crisis

In this connection, a regional crisis means a situation in which a regionally limited crisis outside Finland's borders could have an impact on Finland.

Such a crisis may have military, political or economic causes, or a combination of them. It may also occur as a result of a disaster, environmental catastrophe or social problems outside of Finland. A regional crisis can also occur farther away from Finland, threatening the security of Europe or of the world.

The impact of a regional crisis on Finland will be averted or limited by flexible control of readiness and by utilizing Defence Forces troops as needed in cooperation with other authorities. Efforts will also be made to influence regional crises beyond the areas bordering on Finland by participating in international crisis management tasks.

Political, economic and military pressure

Political, economic and military pressure means activity by which a state or another actor aims to influence governmental decision-making in Finland.

Military pressure can include violations of territorial integrity, armed skirmishes, interference in land, sea, air and communications traffic, and information opera-

tions, which are aimed at influencing public opinion and the population's will to defend the country, as well as disrupting the normal functioning of the society and weakening national defence. The pressure can also be exacerbated by means of asymmetric warfare.

A pressure situation requires the ability of the Defence Forces to regulate readiness flexibly and proactively. The nation's defence capability is demonstrated by mobilizing the necessary troops and by protecting the society's vital functions. This raises the threshold for use of military force against Finland.

Use of military force

Exertion of pressure could be followed by a swift execution of military force aimed at forcing the national leadership to make the desired decisions by crippling vital systems, targets and functions of the society and of the defence system. Possible military targets include integrated intelligence, surveillance and command and control systems, as well as the air defence system, airfields and ports.

A strategic attack of this kind could involve disruption and prevention of air and sea traffic. It can take the form of independent or joint action by all services, using long-range weapon systems and special forces. Information operations constitute an integral element of this kind of strike.

An attack aimed at seizing territory can also begin with a strategic strike, continued by intensive use of force by all services. It will be aimed directly at targets and functions vital for defence, and at seizing central areas crucial for the war's overall goals.

An attempt to break the defence will use as wide a range of methods as possible. The objective will be pursued by the combined impact of information warfare, special forces and sabotage, long-range precision weapons and a ground attack, and by isolating the country internationally. Achieving this goal does not necessarily require seizing extensive land areas or annihilating the entire armed forces of the defender. Preparing for an operation more extensive than a strategic strike will probably take months.

Preventing the use of military force requires demonstrating defence capability by raising defence readiness to a sufficiently high level. Repelling the use of military force always requires partial or full mobilization.

Asymmetric warfare

Asymmetric warfare in the broad sense means military and non-military action using methods or means that the opposite side is not prepared to counter. In

the future, asymmetric warfare will become a significant security threat and may be an element in all threat scenarios.

Asymmetric warfare methods can be used to damage an adversary, even a superior one. An open and highly developed information society is particularly vulnerable to asymmetric attacks from any quarter. Terrorism and sabotage, the proliferation and use of weapons of mass destruction, and information warfare are considered the main asymmetric threats.

Special forces' operations and information warfare methods may follow patterns exactly similar to strikes perpetrated by terrorist or criminal organizations. When asymmetric warfare is employed, the actor's objectives and the risk of escalation of the crisis may be difficult to assess, especially in the case of lower level threat scenarios than the use of military force.

Threats from asymmetric warfare are being taken into account by every branch of government in planning the society's general preparedness.

5.2 Development of defence 2005 - 2012

5.2.1 Defence in the 2010s

The most important task of the Defence Forces is to defend Finland and its people. The Defence Forces also participate in international crisis management, which requires better readiness, equipment and special training. In developing the Defence Forces, the requirements of the new constitutional treaty of the EU are considered. Defence Forces personnel, troops and materiel will be used even more effectively for executive assistance in both normal and various exceptional situations.

For the defence of the nation, the Defence Forces maintain the readiness to prevent and repel military threats, monitor and secure territorial integrity and participate in safeguarding the vital functions of society in cooperation with other authorities. These tasks require compiling and updating a real-time situation picture.

The Defence Forces need to be able to:

- provide advance warning of any significant developments in the military security environment,
- defend the entire area of the nation,
- carry out territorial surveillance and guarding on land, at sea and in the air,

- support other authorities in safeguarding the vital functions of society,
- make use of the necessary resources provided by the rest of society, for combating crises and threats,
- participate in international crisis management, and
- participate in international military cooperation in various crisis situations.

Military defence is based on territorial defence, which is being developed in accordance with changes in the operating environment, revised tasks and available resources. The command system will be retained at national, regional and local levels. The tasks and roles of headquarters will be reviewed. The defence capability is based on peacetime troops in various stages of readiness as well as on wartime troops, which will be mobilized when necessary.

Wartime troops are divided into regional and operational forces. The strength of the regional forces is approximately 250,000 troops and the operational forces approximately 100,000 troops. The regional forces, to which the new local defence troops also belong, will be used to protect structures of central importance to the society and to the Defence Forces and to control areas crucial for the defence of the nation. They will be developed to be able to defend vital targets and areas in all crisis and threat scenarios. The capacity of the border units, belonging to regional forces, to handle demanding reconnaissance, special force and counter-special force tasks will be improved.

Operational forces will be used to create the centre of gravity of defence. They comprise the most effective formations and units of the three services, and will be used in a concentrated fashion in areas of operation throughout the country. These troops are capable of joint mobile operations and have long-range firepower at their disposal. Some operational forces can also be used to support civil authorities in normal conditions.

Command of the smaller, more mobile wartime forces in the 2010s requires a situation picture as real-time as possible. To ensure correctly timed command arrangements, an integrated intelligence, surveillance and command and control system will be developed for the Defence Forces. This will enable the common real-time situation picture to be communicated to every service and the creation of sufficient communication links. The command and control system will be internationally interoperable.

The Defence Staff functions as the supreme headquarters of the Chief of Defence and as the central administrative authority for the defence establishment. In addition to strategic planning and command, it is also responsible for the development and coordination of the activities of the services as well as international cooperation.

The tasks and organization of the Defence Staff will be reviewed. The Defence Staff will be reorganized in order for it to be able to concentrate on the overall development of the Defence Forces and on planning and leading joint operations of all services. The Army Staff, currently belonging to the Defence Staff, will be disbanded and replaced by a separate Army Headquarters. In the future, the Army, Naval and Air Force Headquarters will each be responsible for their own performance, development and activities, as well as leading the operations of their own service in accordance with the tasks assigned by the Chief of Defence.

The task of the Army is to defend land areas together with the other services. The Army is responsible for tracking and assigning wartime positions for all those liable for national service in all three services, and it also participates in supporting other authorities.

The regional commands of the Army are the headquarters of the Military Provinces, which are responsible for the planning and command arrangements of defence, conscription issues and tasks of regional administrative authority in their own area. The Military Provinces are divided into two groups according to their tasks. Some are operational Military Provinces, with total responsibility for the planning of Army operations and for coordination of the functions of the services within their area of responsibility. Operational Military Provinces can lead regional forces, other Military Provinces and operational and other forces seconded to them by a higher echelon.

The task of the Navy is to protect Finland's sea lines of communication and repel attacks from the sea together with the other services. The Commander-in-Chief of the Navy is in charge of the Naval Commands responsible for planning and leading maritime defence in their respective areas. The lower echelons in the naval command structure, vessel units and other operational troops are trained and equipped to operate on the open sea and in the archipelago.
The task of the Air Force is to protect functions and targets vital to the Defence Forces and society against aerial attack, together with the ground-based air defence. In addition to fighter defence, the Air Force participates in joint operations using long-range air-to-ground firepower. The Commander-in-Chief of the Air Force is in charge of three Air Commands responsible for planning and commanding the air defence of their respective areas. The air commands are in charge of flight districts and operational troops. In an operation Air Force interceptors are mainly used in concentrated form and are centrally led.

The Defence Forces' supply and logistics system forms part of the national security of supply. Its function is to supply and sustain the troops in all circumstances. The system is networked with the Finnish society and with international partners. In a state of raised readiness, the system is supplemented with the logistic elements of newly mobilized forces, regional logistic units and resources from enterprise and society at large according to advance agreements. Rationalization of the Defence Forces Materiel Command will continue, while military

depots and stockpiles of materiel will be reduced to correspond to the needs of wartime troops totalling 350,000.

Wartime troops' training is based on general conscription. The number of garrisons and troops will be adjusted to the needs of the 2010s.

From 2005 to 2012, development of the defence system will concentrate on improving the performance of operational Army forces, the air defence, and the Defence Forces' integrated intelligence, surveillance and command and control system. The goal is to ensure flexible deployment of operational forces in all the services based on a real-time situation picture and the effect of long-range weapons. Protection of systems, targets and functions vital to society and the Defence Forces will mainly be the responsibility of regional forces.

5.2.2 The intelligence, surveillance and command and control system

The Defence Forces' intelligence, surveillance and command and control system provides sufficient early warning at the strategic level and an efficient operational/tactical situation picture for raising readiness, and for correctly timed command of troops. The system also generates information on territorial violations of Finnish land and sea areas and air space. It enables command of the entire Defence Forces in wartime and in peacetime even under electronic warfare, and it enables cooperation with other authorities as well as international cooperation.

The system will be developed so that an integrated operational data transfer, processing and management environment will be in place by 2012 covering all the services and branches. This will enable the coordinated functioning of sensors, weapons systems and decision-making at all levels and will speed up decision-making and other command processes substantially. At the same time, the mobility and the survivability of the system will be improved. Development will focus on strategic and operational levels during the present planning period. The foundations will also be built for tactical-level interoperability between the services.

The rationalization of data management administration needed to support development of the integrated intelligence, surveillance and command and control system will be carried out by separating the operational and administrative information environments, by phased introduction of partnerships in administrative services, and by introducing processes and technologies that enable international cooperation and collaboration with national security authorities. This rationalization process will comprise reorganization of the data administration, centralization of its decision-making procedures and financing structure, and comprehensive integration of information technologies.

The intelligence and surveillance system

Development of the intelligence system will improve strategic and operational early-warning capabilities, the situation picture for the Defence Forces and the national leadership, and the capability for promulgating intelligence information. Advance warning of supranational and asymmetric threats to the Finnish population and infrastructure will be obtained in cooperation with other authorities. The surveillance system will combine incoming surveillance data and provide all the services with a common operational and tactical situation picture. By 2009, data from all the sensors of the Defence Forces will be combined to form one joint situation picture.

The capability of each service for strategic intelligence and operational/tactical intelligence, surveillance and targeting in an information warfare environment will be improved. Flexible interservice use of resources will be developed. Improvements in Army operational/tactical intelligence will be made part of the integrated intelligence, surveillance and command and control system network as it is constructed. The concentration of maritime surveillance and increasing remote control of its systems will continue, allowing surveillance personnel at the fortresses to be reassigned to other duties. Updating of underwater surveillance in key areas will continue, alongside the development of mobile surveillance. Surveillance systems required by the fighter defence will be upgraded and combat efficiency will be improved through the procurement of passive sensors.

International interoperability will be taken into account in developing intelligence and surveillance so as to facilitate cooperation with the intelligence and surveillance systems of other countries in crisis management operations and, if necessary, enabling real-time exchange of target information as well as other information.

The command system

Command arrangements and organizational structures at the strategic and operational level will be developed by applying general international principles in such a way that joint use of information networks is possible. Development of the command system will take place in accordance with the guidelines of the information management rationalization strategy and the requirements of the new command and administration system.
The Defence Forces' information management system will be rationalized. The new information technology platform will be divided into operational and administrative environments by the end of 2009. The administrative environment will be highly centralized, allowing allocation of resources to meet the needs of the operational information technology environment and also to enable other security authorities (determined separately) to be linked as users into the system.

Rapid advances in the information society and growing networking are expanding the Defence Forces' field of cooperation. This calls for involvement in the development of national authorities' IT arrangements. The Defence Forces play an active role in creating nationwide preparedness in advance prevention of information warfare threats.

By the end of the decade, the network infrastructure of the Defence Forces' new integrated intelligence, surveillance and command and control system will be supplemented to meet the requirements for repelling a strategic strike. Creation of such preparedness needed in a more serious crisis will employ the resources of the society as a whole. The increased need for cooperation between all branches of government in, for instance, various abnormal conditions and in information security places additional demands on the future development of the command system and specifically on its technological implementation.

Development of the Defence Forces' command and control system will take into account the need for international cooperation. Information management architectures will comply with international practice and interoperability will be assessed in various test environments and in exercises.

In the 2010s, the Army will have the capability to lead regional and operational troops using the Defence Forces' new intelligence, surveillance and command and control system. The Army's mobile command capability will be developed. The Navy and Air Force command and control systems and their survivability will be developed as an integral element in the Defence Forces' integrated intelligence, surveillance and command and control system.

Information warfare capability will be developed as a whole with the objective of setting up and introducing national operating methods that respond to the potential threats. Resources will especially be concentrated on electronic and information system warfare. In electronic warfare, the focus will be on developing an electronic attack capability. In information systems warfare, the initial focus is on continued development of protective systems and on information attack method research, later continuing with the development of counter-measures capability. Research on electronic warfare will be expanded and updated training given.

5.2.3 The services

The Army

The Army must be able to defend Finland's entire territory, protect vital targets, provide executive assistance to other authorities, and prevent and repel military attacks supported by the other services. Regional forces are used for surveillance of land areas, to protect the society's vital infrastructure and to hold key

areas. Invaders will be defeated by using operational forces that are deployable nationwide, supported by long-range fire.

The Army's peacetime organization comprises the Army Headquarters, regional echelons, military units, institutions of military education, and the Defence Forces Materiel Command.

In accordance with the objectives set out in the 2001 Government Report to Parliament, the Army will, by the end of 2008, decommission one of its two wartime armoured brigades, detached armoured battalions, four regional brigades, three Jaeger brigades and over two hundred smaller units. The wartime army strength will be reduced by around 60,000 personnel by the same date, leaving the total of around 285,000. The remaining troops will be developed as part of the defence system in the 2010s.

Army operational forces will comprise operational brigades, mechanized task forces, special forces and a helicopter battalion, as well as reconnaissance and surveillance units and service branch troops.

Regional troops include brigades, battalions and units deployed to protect particular targets. Some smaller and more versatile unit types will be added to the regional forces.

The readiness brigades of operational forces will reach full operational capability during 2008. Their firepower and mobility will be enhanced by procuring armoured mortar vehicles, armoured personnel carriers and mobility combat support vehicles. Leopard 2 main battle tanks, CV-9030 armoured fighting vehicles, and anti-tank missiles will be put into operational use. Units that have this equipment will be trained primarily during the planning period. The reconnaissance and command and control capacity of the readiness brigades will be improved by updating and supplementing their command and control equipment and by increasing their night-vision performance capability. Self-protection will be improved by supplementing the ground-to-air defence system and by acquiring protective gear and equipment for units and personnel. As of 2009, the performance of the readiness brigades will be maintained by increasing their ammunition supplies and by further improving their mobility.

The helicopter battalion will reach full operational capability by the end of 2010 and it will then be able to support the readiness brigades and army special forces and also the Navy and the Air Force. The performance and readiness of special forces will be developed by also taking the requirements of international crisis management into account. Border troops will especially be used for reconnaissance, surveillance, special operations and counter-special force operations.

The NBC defence branch and NBC defence medicine will be developed in all services. The materiel readiness and personnel training of Army NBC defence

units will be increased, focusing on NBC defence reconnaissance, NBC defence surveillance and on self-protection capability. The development will be conducted in cooperation with other authorities. The best-trained and best-equipped troops will also be used in crisis management tasks abroad.

The striking power of the Army will be developed by procuring heavy rocket-launchers to extend the effect of fire to the adversary's operational depth. Special ammunition for firing on area and pinpoint targets will be procured for the artillery, and the Air Force will establish an air-to-ground capability. In conjunction with developing striking power, a reconnaissance and target acquisition system needed for long-range fire will be set up, based on utilizing effective UAVs and modern sensors.

The main focus for improving the Army's logistic system will be on forming regional logistics regiments. Logistics battalions set up in peacetime units will form the framework for wartime logistics regiments. These will already network with local business and industry in their area during peacetime. When readiness is raised, the regiments will be mobilized and augmented to wartime strength.

From 2009 onwards, development of the Army will concentrate on ground-based air defence and on regional forces. Ground-based air defence in the capital region will be increased in efficiency. Regional forces' capacity for rapid action to protect military targets, the capacity to provide executive assistance to other authorities, and the capacity to protect society's vital functions will be improved. The capacity of the troops in the capital region to safeguard operating conditions for the national leadership and to safeguard vital functions of the society will be further upgraded.

Total strength of the Army and its most important units in 2008

Total strength (285,000)

Operational troops (60,000)

3 readiness brigades
1 armoured brigade
4 jaeger brigades
2 mechanized battle groups
1 helicopter battalion
special forces and service branch troops

Anti-aircraft missile and
ground-based air defence artillery units
Ground-based air defence command and control centres

Regional troops (225,000)

7 infantry brigades
29 detached battalions/battle groups
170 local defence units, including local defence troops
detached units

The Navy

The Navy must be able to compile and maintain a recognized maritime picture, conduct surveillance of territorial integrity, repel any violations of territorial integrity, protect sea lines of communication and repel attacks from the sea in cooperation with the other services.

The Navy's peacetime organization comprises the Naval Headquarters, two Naval Commands, the Uusimaa Brigade, the Kotka Coastal Command, the Naval Academy and various other establishments.

By the beginning of the next decade, the Navy will decommission its ageing fast attack craft (missile) and mine counter measures vessels (MCM). Most of the mobile coastal artillery will be decommissioned and the fixed coastal artillery reduced. The Navy's wartime personnel strength will be downsized by some 25,000 by the end of 2008, leaving a total strength of around 30,000.

Most naval forces belong to operational troops comprising all combat vessel units and mobile units of the coastal forces. The combat vessel units are the mine counter measures squadrons, fast attack craft (missile) squadrons and minelayers. The mobile coastal troops include coastal jaeger battalions, coastal missile companies, detached coastal jaeger companies, anti-ship missile batteries and coastal artillery battalions.

Development of the Navy will concentrate on protecting sea lines of communication, improving mine counter measures capacity and upgrading the mobile coastal troops. Surface-to-surface defence capability will be maintained at the present level. The Navy is able to support other authorities by using environmental protection vessels, naval engineer units and transport and combat vessels.

The Squadron 2000 will reach full operational capability by 2009. The squadron can also be used to protect sea lines of communication against an air threat, thanks to its efficient air surveillance and surface-to-air missile systems.

Mine counter measures capability will be enhanced by procuring a new mine counter measures squadron by 2012. This squadron will comprise MCM-vessels, diver platoons and a mine warfare information system.

Total strength of the Navy and its most important units in 2008

Total strength (30,000)

Vessel units
2 fast attack craft (missile) squadrons (8 fast attack craft)
3 mine counter measure squadrons
3 minelayer ships and 3 minelayers
4 patrol boats

Coastal troops
2 coastal jaeger battalions and
detached coastal jaeger companies
2 coastal missile companies
4 anti-ship missile batteries
fixed and mobile coastal artillery

The minelaying capability will be developed by continuing to procure domestic influence mines and by modernizing the Hämeenmaa class minelayers. The vessels will be equipped with new surface-to-air missiles, after which they will also be more suitable for escort tasks. The requirements of international crisis management tasks will be taken into account when modernizing the minelayers.

Work will continue on equipping the mobile coastal troops that replace fixed coastal defence, and capabilities for protecting important targets will be enhanced.

Ground-based air defence of naval bases and coastal troops will be developed as part of the national ground-based air defence development programme.

The Air Force

The Air Force must be able to conduct surveillance of territorial integrity in the air space and to repel violations of territorial integrity, compile and maintain a recognized air picture, repel air attacks, execute long-range air-to-ground operations and provide air transport. During crises under normal conditions operational forces are used to support the civil authorities.

The Air Force peacetime organization comprises the Air Force Headquarters, three Air Commands, military education establishments and other establishments.

The wartime strength of the Air Force will remain at around 35,000. Most of the air force troops are operational troops, comprising four fighter squadrons, a support squadron, main bases and the most important intelligence, surveillance and base units.

During the planning period special attention will be given to raising the performance of fighter defence and to the air defence command and control system. The performance of the Hornet fleet will be increased by mid-life updating, thus improving the system's situational awareness, interception capacity and international interoperability. Performance of the Hornet fleet will also be enhanced with the gradual procurement of a long-range precision guided weapon system, permitting air-to-ground operations.

The Air Force Hawks will be concentrated in Kauhava in 2006, and the potential for setting up a common European flight training centre at Kauhava will be investigated. Common European flight training could also be initiated under bilateral agreements. Finnish Air Force pilot training will be developed by taking interoperability issues into account.

The Air Force basing system's survivability and ability to react rapidly to crisis requirements will be improved by making structural improvements at bases. Base units will be given the necessary clearance, repair, NBC defence and supply and maintenance capabilities. Updating and development of the air surveillance system's survivability will begin as part of the overall development of the integrated Defence Forces intelligence, surveillance and command and control system. The Air Force's ground-based air defence capability will be improved as part of the national ground-based air defence, focusing on the capacity to protect the most important bases.

Total strength of the Air Force and its most important units in 2008

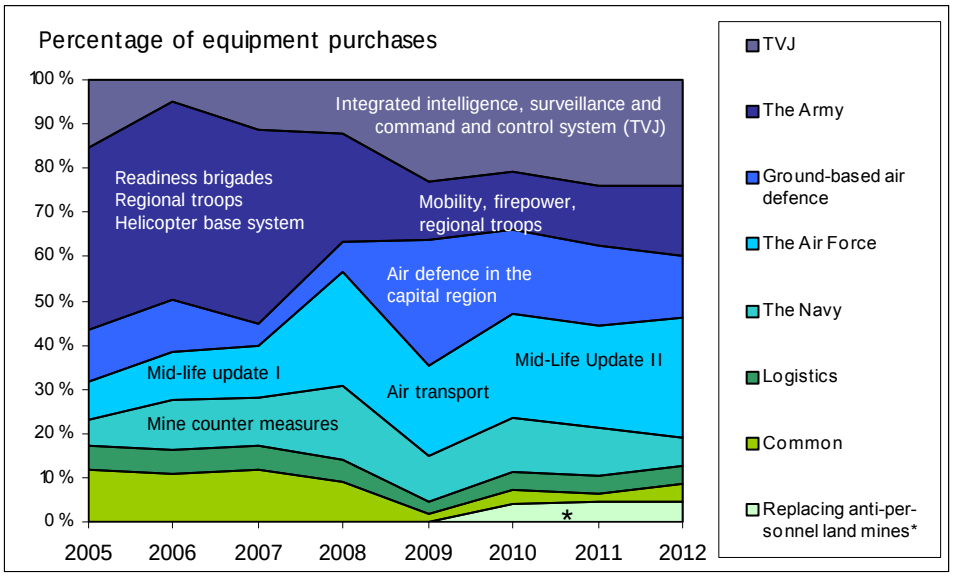
Total strength (35,000)

Fighter defence
3 Air Commands, 4 fighter squadrons
63 F/A-18 Hornet interceptors
50 Hawk Mk-51/A advanced trainers

The Air Force's present transport and liaison aircraft will be replaced by 2010. The new aircraft will facilitate domestic transportation and troop support in international operations and exercises in Europe.

Air transportation capacity will be increased by procuring 2–3 heavier transport aircraft, which are needed during the next decade, allowing better support for domestic operations and for troops in international operations. The procurement options will be studied. The increase in transportation capacity will also enhance the Defence Forces' ability to support the rest of society and to support humanitarian missions.

Figure 6 Procurement of defence equipment in 2005–2012 Major purchases



5.2.4 Troop production and mobilization

The troop production and mobilization organization will enable flexible wartime troop activation as required by the situation. Training of Defence Forces wartime troops and supplying them with the necessary materiel are included in troop production.

Even in the 2010s, general conscription will guarantee the training and mobilizing of a wartime force of 350,000 troops. A sufficiently large reserve allows the allocation of personnel to positions essential to the vital functions of society and to other branches of government.

The personnel performance of operational troops and the regional troops to be mobilized most rapidly is maintained through refresher training over 10–15 years. Thereafter, the personnel of these troops are reassigned to regional forces, which are to be mobilized later on. In addition, personnel are assigned to regional forces' specific individual duties on a voluntary basis and according to their civilian skills. In addition to refresher exercises, troops' wartime performance is also developed by voluntary defence training.

The Defence Forces' materiel is stockpiled with maximum cost-effectiveness, while ensuring, however, that troop mobilization can be guaranteed under all circumstances. The potential for local storage of local defence troops' materiel and for cooperation in materiel maintenance with companies in their area is being investigated.

The Defence Staff and the service headquarters are responsible for guidelines as well as maintenance and development of the mobilization system. Regional headquarters are responsible for preparing for and leading the activation of units and for coordinating preparations with the various services and authorities in their area. The regional echelons and military units are responsible for the activation of troops.

5.2.5 Defence Forces personnel

A guaranteed supply of skilled and motivated personnel for the Defence Forces, sufficient in quantity and quality to meet wartime and peacetime needs is the objective of the personnel system development.

Reduction of the Defence Forces' wartime strength, modernization of the peacetime command and administration system and higher skill requirements, the increasingly technical nature of weapons systems, and the diversification of international tasks all call for development of the personnel system. The goal is to

create the right balance between Defence Forces' tasks, resources, know-how and personnel. The personnel structure is to be as cost-effective as possible.

The Defence Forces' personnel will be reduced from the present level primarily by means of natural attrition and following 'good employer' principles. The aim is to achieve a reduction of some 1,200 man-years by the end of 2012 by reorganizing and rationalizing the command and administration system. At the same time, the aim will be to reassign at least 500 man-years to Defence Forces development programmes. It is estimated that in 2012, the Defence Forces will have some 15,000–16,000 man-years available.

The entire military personnel structure will be simplified. A class of professional non-commissioned officers will be created mainly to operate and train the increasingly advanced weapons systems and for other duties calling for special skills. This will be done through the natural attrition of warrant officers and by making adjustments in the number and duties of officers, special officers and enlistees. The preparedness of special officers for wartime duties will be increased using the officer training system. Personnel size and personnel needs arising from international duties will be regulated by recruiting enlisted personnel. In 2012, about 15% of all professional military personnel will have a fixed-term contract.

Development of the Defence Forces' civilian personnel structure is based on development programmes, partnership arrangements and reforms in the command and administration system. The professional skills of the civilian personnel will be upgraded but their number will be reduced. Civilian personnel contracts are usually permanent.

Defence Forces' training

The Defence Forces' operating culture is being developed on 'learning organization' principles. At the individual level, learning and initiative will be supported, combining Defence Forces' needs with the individual's desire and ability to learn.

The skills of professional personnel will be enhanced by creating conditions for self-development, individual career planning, and for well-functioning job rotation. It is possible to study military sciences, complete academic graduate and postgraduate degrees, and enrol in continuing education in the Defence Forces. Military degrees are being made compatible with the degree system approved by the European Union. The special skills needed for duties of varying difficulty, and in different services and branches, will be provided through supplementary training. The training system is flexible and responds to the changing needs of the Defence Forces and total defence. When recruiting special officers and non-commissioned officers, particular emphasis will be given to their civilian training.

The national service training system will be developed to form an entity, comprising call-up, conscript training, refresher training, voluntary exercises run by the Defence Forces, and voluntary defence training provided by the voluntary defence training organization Maanpuolustuskoulutus ry. The goal is for competence acquired during national service to be taken into account more widely in the national education system, and vice versa. The population's will to defend the country is bolstered through national service training and contacts with the reserve.

The foundations of performance for those liable for national service are created through the choices made in the call-up process and during conscript service. Conscript training focuses on an environment favourable to individuality and self-development. The key areas are combat training, leadership and instructor training, and physical education. The effectiveness of training will be increased by developing systems for theoretical and practical qualification and assessment.

General conscription

The defence of the entire country is only possible if general conscription is maintained. The high educational standard of conscripts makes it possible, with the current periods of service, to provide conscript training in even the more demanding tasks, and to recruit high-quality personnel for international crisis management tasks and for the professional personnel posts in the Defence Forces.

Due to conscription, the obligation to defend the country can be met equally throughout society. At the same time this creates a foundation for the strong will of citizens to defend their country and for commitment to national defence. It also guarantees transparency of the Defence Forces' activities in society at large.

By training conscripts of a similar young age in each intake, it is possible to maintain the age structure of the operational forces at a low enough level and at the same time ensure a sufficient reserve in staff, support and local defence duties.

Reservist training maintains and develops defensive readiness, ensures the operational readiness of the defence system and boosts the defence will of the population. The goal is to train some 25,000–30,000 personnel in refresher exercises annually. The focus is on maintaining the capabilities of the most important troops and enhancing the competence of officers, NCOs and special personnel of other forces.

Voluntary defence training enhances the defence capability, strengthens the will to defend the country and supports authorities in ensuring preparedness for

abnormal and exceptional conditions. Refresher exercises are systematically supplemented with voluntary training.

Training is being developed by making greater use of the latest teaching technology, such as combat simulators and optical target-practice equipment. National gunnery and firing ranges will be developed to enable training of mobile troops and the use of longer-range weapon systems. The potential for European collaboration will be taken into account when developing and planning the use of ranges and training areas.

5.2.6 Military security of supply

Ensuring the crisis preparedness of the Defence Forces means signing national and international agreements and making arrangements related to security of supply. These ensure the availability of maintenance and repair competence, spares, materiel and other support to keep critical systems functioning in exceptional conditions, using both domestic and foreign sources. Creating such maintenance superiority initially requires information management and resource availability identification from diverse information systems and from various European users.

From the points of view of national defence and European crisis management capacity, international system interoperability is a key requirement in all defence materiel procurement projects. The objective is to maintain the production potential of the domestic defence materiel industry and the research facilities of the scientific community through long-term domestic contracts and research and development projects. The maintenance, updating and integration of defence materiel into the Defence Forces and other public sector systems in both peacetime and exceptional conditions form a substantial part of the production base of the defence industry. The defence establishment procurement process is being developed in such way that the industry can already be involved in projects at the planning stage with the objective to maintain domestic integration and maintenance skills, as well as competitive manufacturing and utilization of domestic dual-use technologies. These competence areas will be developed into centres of competence encompassing different technologies with a high level of skill and familiarity relating to the Defence Forces. Simultaneously, the potential will be created for domestic industry networking.

Maintaining and enhancing the defence industry's know-how requires sufficient investment from the Defence Forces in R&D supporting development programmes. Research and development efforts will be focused on strengthening those production and know-how areas where Finland is already competitive. Domestic public financing will be sought whenever feasible.

When it comes to foreign procurements, supply security will be ensured by:

- integrating into the European cooperation process and by using internationally approved standards,
- procuring materiel together with other countries,
- ensuring that the domestic industry has sufficient maintenance capability by involving it in ongoing procurement; it is particularly important to be able to leverage new technologies and thereby to expand society's technological base,
- participating in user cooperation, especially with the manufacturing country,
- ensuring that materiel and system replacements are possible throughout their lifespan,
- formulating common quality assurance and acceptance procedures,
- maintaining a register of original suppliers and other users and standard ordering routines,
- securing availability and maintenance support for spares through contractual arrangements and, if necessary, through international agreements.

The quality strategy ensures that procured materiel and systems correspond to user requirements and that quality control systems meet international standards. Procedures will be incorporated into long-term agreements whereby the industry's own quality control organization can make quality and acceptance inspections on behalf of the Defence Forces. Compliance with international standards and common procedures, and with European or NATO requirements and their implementation creates interoperability, saves resources and provides real potential for collaboration at all levels of readiness.

The introduction of European standards, procedures and approval processes into Finland will support the competitiveness of the domestic industry on the global defence materiel market.

Maintenance of defence materiel is being developed by focusing on a two-level supply system. The Defence Forces provide direct support for combat troops. Repairs — especially wartime damage repair — and scheduled services and modifications are carried out by the defence industry under long-term agreements. Maintenance outside the Defence Forces relies on strategic industrial cooperation that covers and guarantees the availability of materiel, servicing and repairs also during exceptional conditions. This requires special industry/defence agreements for exceptional conditions and preparedness for them.

Finnish gunpowder and heavy ammunition production capacity and know-how will be maintained. The scale of production needed to maintain capacity will be ensured through the Defence Forces' own procurements, in addition to which active support will also be given to export potential.

The Defence Forces' logistics form a support system that takes into account both normal and crisis conditions. To guarantee the resources needed for defence purposes and to optimize the use of resources available from other sectors of society, the Defence Forces have links with domestic enterprise and other systems in society, and agreements with sources abroad.
Work to develop the Defence Forces' logistics system focuses on improving the logistic command system and the military security of supply, rationalizing the stockpiling of defence materiel, and developing combat support logistic field troops. Field logistics of the Defence Forces will be developed so as to be able to supply both operational and regional forces.

Defence Forces' medical services will be integrated with the public health care system primarily at the level of specialist care and medical logistics. In other respects forms of cooperation are being actively developed following the strategy for safeguarding vital functions of the society referred to in the relevant Government Resolution, e.g. in the areas of biological and chemical hazards, training, research and development. Maintenance of production capability of intravenous fluids and certain pharmaceuticals for the Defence Forces will be reviewed. According to a decision of the Ministry of Defence, a centre for military medicine will be established in Lahti in 2006.

5.2.7 The Defence Forces in peacetime

Organizational changes

The Defence Forces' command and administration system will be adjusted to correspond to the changes in the security environment and to the decrease in the size of wartime forces. New tasks, the increase in international cooperation and the continuous rise in costs add to the pressure to further increase the cost-effective use of limited resources. The new command and administration structure will be fully operational on 1 January 2008.

The biggest changes will be made within the Army. The Army Staff at the Defence Staff will be closed down and a separate Army Headquarters will be established in Mikkeli. The present regional commands and military provinces will be disbanded. Seven military province headquarters will be established as the regional echelons of the Army. The Southern Finland Military Province Headquarters will be placed in Helsinki, the Western Finland Military Province Headquarters in Hämeenlinna, the Ostrobothnia Military Province Headquarters in Vaasa, the Eastern Finland Military Province Headquarters in Kouvola, the Savo-Karelia Military Province Headquarters in Kuopio, the Northern Finland Military Province Headquarters in Oulu and the Lapland Military Province Headquarters in Rovaniemi. The Southern, Western, Eastern and Northern Military Provinces are operational military provinces. If necessary, regional offices subordinate to the Military Provinces will be founded in place of those military provinces that are

closed down to manage national service issues and to provide other services and contacts to the reserve.

The Army training organization will be modified to fulfil the requirement of conscript training. The transformation will be done by reorganizing and combining administrative and organizational arrangements of military units and by reviewing their tasks. The Ministry of Defence will make a decision on which superfluous units of real estate and functions at garrisons will be given up.

The possibilities of centralizing the service branch schools of the Army will be reviewed so that the results will be available during the preparation of the next Government Report.

The Defence Forces Materiel Command has the overall responsibility for maintaining and storing Army war materiel. Rationalization of the Materiel Command will continue. Its functions will be adjusted to correspond to the number and logistic requirements of crisis-time troops. Robust system depots will be created by combining existing depots and installations. Superfluous land areas and real estate will be given up. Some of the functions will be carried out through partnership arrangements in the future.

In relation to the overall reorganization, the Naval Headquarters will be relocated from Helsinki to Turku. Reasons contributing to this are the reorganization of headquarters in the Helsinki area and the tasks of the Navy in various crisis situations. Relating to these arrangements, the possibility of combining overlapping functions of the different Navy units and installations in the Turku area will be reviewed.

Maritime surveillance will be centralized and the fixed coastal artillery reduced. Conscript training at the Utö, Örö, Russarö and Mäkiluoto fortresses will come to an end and the fortresses will be changed into stand-by fortresses during 2005. The Turku Coastal Battalion will be disbanded as a battalion-level unit by the end of 2006.

In 2005, within the organization of the Air Force, the Support Squadron will be merged into the Air Force C3 Systems School in Luonetjärvi. The Air Force's Hawk advance trainers will be concentrated in Kauhava in 2006, in relation to which the possibilities of establishing a European flying training centre will be examined.

The measures mentioned above will result in cost savings and enable reallocation of resources to create new capabilities. At the same time, the use of resources and activities will be made more efficient and redundant structures abandoned.

Figure 7 Military provinces, 1 January 2008

When the organizational changes are made, the fact that the personnel of the Defence Forces are obligated to transfer to a different post or task in accordance with what is laid out in section 9a(1) of the Act on the Defence Forces will be taken into consideration. Where possible, notices of termination to personnel will be avoided by relocating the personnel from organizations that are being closed down or moved elsewhere in the Defence Forces or by being employed by another employer in accordance with the support measures laid out in previous Government Reports.

Partnership arrangements with service providers will form part of the Defence Forces' controlled restructuring. The support functions and services needed can in the future be procured from specialist providers under long-term contracts. A reassessment of the need for, efficiency of and practicality of support functions will be part of this process.

5.2.8 Developing voluntary defence

People's interest in voluntary activities is a resource that promotes everyday security, preparedness for new threats and military defence readiness. The basic premise for this activity must be the needs of the society as well as the needs of the Defence Forces and voluntary organizations.

Voluntary defence activities supporting military defence will be reorganized to facilitate collaboration between authorities at all levels. For this purpose, local defence troops will be formed, which will belong to the Defence Forces' wartime forces. The Government will consider the necessity of a separate act on voluntary defence.

In this context, the reorganization of the chain of command, tasks and resource distribution principles, as well as the rights, duties and responsibilities of volunteers will be reviewed. Systems for assignment and commitment and for providing incentive to those citizens participating in voluntary defence will be developed. The status of women not liable for military service and opportunities for them to function within the voluntary defence will be expanded.

At the same time the preparedness training for officials in the civil administration and training for local defence troops will be reviewed. The division of tasks and cooperation arrangements between authorities and voluntary organizations will be reviewed. In the same context, the status and tasks of Maanpuolustuskoulutus ry will also be determined.

To make voluntary activity more efficient, the possibility of forming a nationwide network of centres to serve the various branches of government will be studied. Buildings, facilities and training areas earmarked by Defence Forces units, emergency authorities, municipalities or organizations could be used as these kinds of centres.

Parliamentary control of voluntary defence activities will be intensified also by strengthening the role of the Advisory Board for Voluntary Defence Work. The Ministry of Defence is responsible for the supervision of voluntary defence activity. The pertinent authorities remain responsible for the supervision of other activities.

The goal is to prepare the new arrangement so that it would be ready at the same time as the Defence Forces' new command and administration system, on 1 January 2008.

5.3 Developing military crisis management

Finland's international crisis management capacity will be developed by taking into account the EU's troop requirements, the performance requirements in NATO's Partnership for Peace planning and assessment process, and Nordic crisis management cooperation. Finland is making a full contribution to the development and implementation of EU resource and materiel cooperation, and to the creation of new troops with greater capabilities.

Finland's present international rapid deployment forces (RDF) comprise a mechanized infantry battalion, a headquarters and signal company, an engineer battalion, units specializing in civil-military cooperation, a transport company, a minelayer, and staff officers and military observers. Specially designated troops from all services will be trained for use in international crisis management tasks. At the same time, the capacity will be created for participation in more demanding operations.

Developing and training international rapid deployment forces is based on national troop production. International training is given in designated military units. All troops being trained for international tasks are also trained for national defence tasks. At the end of their conscript service, those having been trained for international tasks sign a stand-by contract under which they can be called from the reserve for international rapid deployment forces. Participation in the RDF is voluntary. The materiel used by Finnish rapid deployment forces is procured mainly for national defence purposes. Only that materiel which is required for special requirements and conditions is procured separately.

The Army's potential for deployment in international crisis management tasks is being enhanced by developing the command and information systems, with the objective of establishing a brigade-level lead nation capability. In addition, NBC defence and special forces are trained for crisis management tasks. Other troops planned for international tasks are various intelligence and logistic troops, a UAV reconnaissance unit and a transport helicopter unit.

The contribution of the Navy to international crisis management is increased by creating a boarding team, a coastal jaeger unit, a mine counter measures unit, and a special navy operations unit.

Air forces are needed for the surveillance of no-fly zones and other air space as part of the protection for international military crisis management operations. From 2008 onwards, and by separate decision, the Finnish Air Force will have

the capability to participate in international operations as part of a multinational flying unit. This requires among other things the creation of an air-to-air refuelling capability. Air Force performance, enhanced in international operations, is an integral element in the overall development of national defence. The requirements of international interoperability will be taken into account when communication systems are developed for fighter aircraft and fighter control. In addition, possible participation in operations with support personnel, such as parts of a base company, emergency and rescue personnel and liaison officer groups, will be reviewed.
In addition to specialization, developing international crisis management calls for closer multinational cooperation and capacity for rapid response. When troops for the Rapid Reaction Force of the EU are identified, the development plans for troops prepared for international crisis management tasks will also be utilized.

Participation in the EU's Rapid Response Force, especially in the so-called Battlegroups, calls for faster deployment capability than at present. It must be possible to transport troops so that they are fully functional in the area of operations within ten days after a Union decision and to sustain them in the area for 30–120 days.

According to plans, the EU's Rapid Response Force battlegroups will be formed on the framework nation principle, on a multinational basis or, alternatively, on a national basis using resources from a single Member State. The nominal strength of a battlegroup is around 1,500 soldiers, and to ensure effective interoperability, the number of countries providing troops for one battlegroup has to be limited in practice. The Finnish troops will be primarily assembled from Defence Forces' professional and enlisted personnel. Battlegroups also require more special equipment and materiel.

Participation in EU battlegroups requires special air transport arrangements from Finland before the planned development of its own new air transport capacity in the 2010s (e.g. the leasing of transport planes or multinational arrangements). Changes in personnel contract systems, equipping troops for new tasks and conditions as well as additional training and exercises will be needed. Troops must have greater situational awareness, better intelligence information and situation picture of, for instance, operating conditions, the area of operation and of possible threats and risks.

Development of EU crisis management resources follows NATO standards. The EU will not, in the next few years at least, conduct any separate troop exercises of its own, but instead will rely on NATO exercises or other multinational and national exercises. NATO will open up some of its exercises to willing and able Partner countries. Participation in such training and in further bolstering troop interoperability, within the Partnership for Peace Planning and Review Process (PARP), will be central in enhancing practical crisis management capabilities.

5.4 Cooperation with different authorities

Defence Forces' cooperation with various authorities is a statutory mandate and is also based on inter-authority collaboration agreements and other practical cooperation arrangements. The Defence Forces provide the police with executive assistance under the act on Defence Forces executive assistance to the police, and participation in emergency and rescue operations is based on the Rescue Services Act.

In addition to conventional military threats the defence establishment also carefully monitors the threat from weapons of mass destruction, attacks on information systems, information warfare and terrorism. To intensify this monitoring work, the defence administration will contribute, as necessary, to the development of an early warning system together with other authorities. The threats of terrorism and weapons of mass destruction may also have an impact on Finnish troops involved in international operations. Consequently, the Defence Forces will take the challenges posed by these new threats into account in its troop structure, training and equipment of troops. The Defence Forces can support other authorities through various forms of executive assistance in combating terrorism, and the Defence Forces may also be asked for assistance in countering other new types of threat. To this end, the requirements for efficient communications with the civil sector are being studied. In addition, it will be ensured that executive assistance arrangements are clear and function well, given the requirements of the situation. Executive assistance obligations will also be taken into account in Defence Forces' materiel procurement.

Continuous close inter-authority cooperation will ensure the most efficient use of available resources in various threat situations. At the same time, unnecessary duplication of capabilities and structures will be averted. To guarantee unhindered cooperation, the Defence Forces have already seconded liaison officers to several other authorities' organizations.

The Defence Forces cooperate with various authorities at all levels of government, and collaboration is not limited to normal conditions. Cooperation during normal conditions at various levels of the administration creates the foundations for close and effective collaboration in abnormal and exceptional conditions.

5.4.1 Cooperation with the police

Cooperation between the Defence Forces and the police comprises mainly executive assistance provided by the former under the relevant Act and Decree. Assistance is always based on a detailed case-by-case request from the police. The military authorities decide on the provision and scale of such assistance, which may comprise troops, experts or materiel.

Action to combat terrorism and serious crime is the responsibility of the Ministry of the Interior, in which case the Ministry of the Interior requests executive assistance from the Ministry of Defence. A decision to use military force is made by the Government. In an urgent situation, the supreme police command may request executive assistance directly from the Defence Staff. In this case, executive assistance given by the Defence Forces to the police is carried out in accordance with the proposed amendment to the act on executive assistance given to the police by the Defence Forces, which is to be issued later. In the proposal, it is recommended that the act on executive assistance given to the police by the Defence Forces should be changed. According to this proposal, the police should have the right to receive such necessary executive assistance from the Defence Forces that requires the use of military force in order to prevent or interrupt terrorist crimes.

Only professional Defence Forces' personnel can be used for executive assistance functions that require the use of force in combating terrorism. Other troops and equipment can be deployed to protect and monitor sites and areas, and to isolate specific areas, as defined in the police request for assistance. Air Force and Navy units and ground-based air defence units can be placed at the police's disposal if the threat involves the possible use of aircraft or vessels to commit a terrorist type crime. The police can also be supported using NBC defence troops and equipment if it is suspected that terrorists may use radioactive, biological or chemical weapons or devices.

Development of Defence Forces' capabilities in military defence also provides the capacity for more efficient executive assistance, especially in combating terrorism and serious crime.

5.4.2 Participation of the Frontier Guard in military defence

Provisions concerning participation of the Frontier Guard in military defence are stipulated in the Frontier Guard Act, which requires the Frontier Guard to contribute to the defence of the nation and makes it part of the Finnish defence system. Defence planning and preparations related to the Frontier Guard's contribution to national defence take place in close cooperation with the Defence Forces. If defensive readiness so requires, the Frontier Guard's border troops or parts of them can be attached to the Defence Forces.

In connection with border surveillance and border controls, the Frontier Guard monitors compliance with the provisions on Finland's territorial integrity. It provides its personnel, conscripts assigned to the Frontier Guard and women performing voluntary military service with military training, and maintains and develops defensive readiness together with the Defence Forces.

The basic arrangements for the Frontier Guard's contribution to military defence will not be changed. In preventing and repelling the use of military force, border troops will mainly be used for the surveillance of territorial integrity and in counter-special forces tasks. These are duties for which the border troops are particularly well suited because of their geographical location and statutory authorizations already existing under normal conditions. Reconnaissance and ranger operations by the border troops will support other wartime troops in the case of military attack against Finnish territory.

The composition, principles of use and military equipment of the border troops will be developed according to the requirements of the security environment and threat scenarios, as part of the Defence Forces' wartime composition. Overall capabilities of the border troops will be enhanced, while at the same time their present wartime strength will be reduced by around 14,000, to total some 8,500, by the end of 2008. Frontier Guard conscript training will therefore be concentrated into two training centres. Border troops' capacity for counter-special forces tasks, for reconnaissance, for active ranger operations and for special forces activities will be increased by promoting troop mobility, upgrading protective equipment, improving the command arrangements and by developing the intelligence gathering equipment. Conscript training will be developed in line with the above requirements. The border troops' development programme is part of the Defence Forces' long-term development programme.

The legislation on the Frontier Guard will be revised. New provisions will be issued that permit the Defence Forces to provide the Frontier Guard executive assistance in its statutory duties.

5.4.3 Cooperation with other authorities

The Rescue Services Act requires the Defence Forces to contribute to emergency and rescue operations by providing the relevant authorities with necessary equipment, personnel and experts. That includes vessels, aircraft and vehicles, equipment for communications, NBC defence, logistics, medical and intelligence gathering gear as well as and rescue and clearance gear. The need to provide assistance in rescue operations, civil crisis management and other assistance to international crisis spots will be taken into account in the procurement of Defence Forces' transport aircraft.

In the case of a major accident, the Defence Forces can help the rescue authorities by providing transportation and cordoning off affected areas, and by supplying materiel and rescue units. If necessary, Defence Forces' troops can be used to find missing persons, to extinguish forest fires, to support evacuations, and to set up communications in disaster areas. Participation in emergency and rescue operations must not endanger the performance of national defence tasks.

The Defence Forces support civilian crisis management by supplying assigned detachments with materiel unobtainable from other sources. The decision to supply materiel will be made on a case-by-case basis for each operation.

The Defence Forces support the environmental authorities by utilizing surveillance systems to detect environmental hazards as part of normal surveillance operations. In addition, Defence Forces' equipment and troops can be used to contain and clean up oil spills, for instance. The Navy is responsible for ensuring the readiness and for providing the crews for the Ministry of the Environment's environmental control vessels.

5.5 Military defence resources

Future development of Finland's military defence will be based on a 350,000-person wartime organization and the personnel as outlined in sub chapter 5.2.5.

The goal is to spend about one third of the defence budget on defence materiel procurement. The latest defence technology tends to be more expensive. The acquisition cost of materiel only accounts for about a third of life cycle costs. Rising costs can be compensated by making materiel maintenance more efficient. The defence establishment is investigating options for European cooperation in maintaining and updating defence materiel, so that the Finnish defence industry's requirements are also taken into account. New opportunities for this will emerge with the creation of the EU's new European Defence Agency.

The Ministry of Defence's budget will be proportioned according to the spending limits for the years 2005–2008. The same level in real terms will be maintained during the years 2009–2012. In addition, in order to replace the anti-personnel land mines' effect extra funding of EUR 200 million will be included in the spending limits of the defence establishment in 2009–2016 for the procurement of systems to replace the anti-personnel land mines. This will be taken into consideration when estimating the need for funding after 2016.

Unforeseen cost changes will be assessed separately during the planning period in connection with the normal budget proceedings.

In the development of defence the command and administrative structure will be reformed in order to create resources and savings in operational expenditure and the restructuring will continue. As the structural rationalization measures will not start to have an effect until 2008, the growth pressures on the Defence Forces' operation and maintenance (O&M) expenditures will be reduced between 2005–2007 by prioritizing functions within the defence branch and by continuing the restructuring. The aim of the structural measures from 2008 to 2012 is to bring the O&M expenditures to the 2004 level with annual savings of EUR 50 million to be allocated to development projects. This will require permanent

savings in personnel expenditure and real estate expenditure. The reform of the command and administrative system and the rationalization measures will reduce the personnel in the Defence Forces by some 1,200 man-years by the end of 2012. In addition, at least 500 man-years will be allocated to development programmes for the Defence Forces from their present duties.

Conclusions based on the comprehensive assessment of the changes in the defence establishment's real estate system to be made in 2006 will be taken into account in the 2007 budget.

5.6 Coordinating total defence

'Total defence' means all of the military and civil functions by which Finland's sovereignty and the living conditions and security of its citizens are safeguarded against threat by other nations or by other external threats. Coordination of total defence involves coordinating measures by the public sector — that is, the Government, State authorities and the municipalities — and the private sector and voluntary activities by citizens to maintain functions vital to society under all circumstances.

The Government is responsible for ensuring that total defence can function in all situations. The Cabinet Committee on Foreign and Security Policy deals with important matters related to total defence. Each ministry, government body and agency is responsible for preparation and implementation in the area of total defence that falls within its purview, in accordance with section 40 of the Emergency Powers Act. The Defence Ministry is responsible for overall coordination between branches of government.

The Security and Defence Committee assists both the Ministry of Defence and the Cabinet Committee on Foreign and Security Policy in matters related to total defence.

Total defence plays an integral role in safeguarding the vital functions of society. In normal conditions, its coordination is implemented in periods of about four years, in accordance with the Government Resolution and supplementary strategy on securing the vital functions of society.

The Government Resolution and the strategy outlined in its preamble define the desired end state of these vital functions, and the principles and main focuses of efforts to safeguard them. They also define the strategic tasks that must be carried out in order to safeguard vital functions, together with capability requirements and the division of responsibility, and provide the basis for development programmes in the branches of government.

The Government, other State authorities and the municipalities must maintain readiness to function with minimal disruption in all conditions. This requirement also applies to all enterprises of importance to the country's total defence, as stipulated by legislation.

The plans and other measures required to ensure readiness are tested in exercises. At roughly four-year intervals, national preparedness exercises are arranged involving every branch of government as well as every level and functional sphere of the administration, which share a common overall situation. Lessons learned in these exercises provide concrete information on safeguarding vital functions and related collaboration, and consequently any need for improvements. In addition, the various branches of government also conduct their own exercises and inspections.

6 DEVELOPMENT OF INTERNAL SECURITY

Prime Minister Matti Vanhanen's Government Programme, which was adopted on 24 June 2003, states that a comprehensive, intersectoral programme dealing with internal security will be drawn up in order to increase public security. The programme in question was adopted in autumn 2004 (Government Resolution 23 September 2004). It outlines the goals for internal security, and the measures and resources needed. The Internal Security Programme's strategic guidelines are based on studies and reports about the state of internal security and on a long-term statistical evaluation.

The threats to internal security and the action needed have undergone a fundamental change during the past ten years. This means that police powers and operating methods will have to be developed and new technology introduced in combating crime. At the same time, however, it is important that, as the powers of those in charge of internal security expand, there is a corresponding development in the forms of supervision of legality, management systems and monitoring their actions. When powers are granted and used, care will be taken to safeguard basic civil rights and impose restrictions only within the law.

This chapter mainly examines the sub-areas of internal security that fall within the administrative sector of the Ministry of the Interior and are crucial for the security and defence policy report. Environmental safety is also discussed.

6.1 Combating organized and serious crime

For organized and serious crime to be combated effectively, a comprehensive, up-to-date and accurate overall picture of it is needed. This will be obtained by means of advanced intelligence and crime-analysis operations and through close cooperation between the authorities. The development of the crime-intelligence and crime-analysis structures shared by the police, customs and border authorities will be continued and made a permanent feature of crime combating. A more precise overall picture obtained by means of intelligence and analysis operations will make it possible to direct combating measures at targets that will yield the maximum effect. Shared intelligence and analysis units will also support the solving of mass crime.

The use of investigative methods that are as effective as possible is crucial for combating crime. The aim is to develop legislation so that serious and organized crime can be combated more effectively.

Crime prevention will focus attention on preventing social exclusion and improving social conditions.

Criminals will prepare themselves for the different methods used by the police. This means that information-gathering and investigative methods will need comprehensive protection. Reforming the national information-gathering regulations and the increasing usage of unconventional methods in international cooperation mean that police operating methods will have to be developed. Because criminals have changed their operating methods, the equipment and methods used for technical surveillance will be developed and the protection of technical surveillance installations improved. In order to improve telecommunications interception, the telecommunications interception system will be replaced and a centralized processing system for identification data will be created.

Because criminals have become more brutal, witness protection and the combating of threats targeted at public authorities will be developed. The focal areas will include protection methods and techniques. The possibility of setting up an intersectoral base that will consult and provide technological equipment and, if necessary, protected accommodation for law enforcement and judicial authorities in individual cases will be looked into by 2008.

The police will develop international cooperation in order to combat cross-border crime and support the development of police work in the new Member States of the European Union in line with the Union's demand. Agreements on international crime-prevention cooperation will increase the scope for real-time cooperation both bilaterally and multilaterally. International police cooperation will contribute to the authorities in each country being able to combat crime that would otherwise have an impact extending to Finland. Cooperation with Finland's neighbouring areas will be developed in order to obtain a situational awareness of cross-border crime. This will be used to choose targets the detection of which will require cooperation from authorities in several countries. Joint investigation teams will be used in the home countries of foreigners in order to support the investigation and create criminal liability. The introduction of the Finnish model of cooperation between police, customs and border authorities will be promoted in the Baltic States and Russia.

Effective systems already in existence will be used to develop combating methods. As far as police cooperation in the European Union is concerned, some of the focal points of activities will be determined in various action programmes and strategies the contents of which will be influenced actively at the initial stages of preparation in order to ensure that they will include objectives and measures that are essential for Finland.

If the combating of organized and serious cross-border crime is to be effective and credible, criminal liability must be effectively imposed on those who have committed crimes. International cooperation among prosecutors will be im-

proved both at the level of the European Union and between the competent authorities.

6.2 Combating cyber crime

Police capacity for protecting information systems, telecommunications connections and e-transactions and for combating cyber crime will be expanded. The combating of cyber crime will require considerable resources and expertise in the future. As one of the official national information security authorities, the Finnish Communications Regulatory Authority will participate in monitoring and combating cyber crime. Cooperation between the police and the Finnish Communications Regulatory Authority will raise the level of protection for information systems to that required in an open network environment.

Exposing and detecting crime taking place in information networks and committed with the use of IT will be improved by increasing the capacity for intelligence, surveillance and undercover activities. The analysis and investigation of cyber crime and the gathering, recording and analysis of electronic evidence will be improved. Equipment for investigations and associated software will be utilized for maintaining and developing the identification of the systems, software and methods used for network attacks, the evaluation of the extent of crimes and the investigation of crime that threatens e-transactions.

Centralized functions and specialized personnel will be used to safeguard the level of IT expertise that is required for combating crime and is appropriate for pre-trial investigation authorities at both the regional and local levels. As cyber crime is supranational and spreads quickly, the police must be in a state of readiness to cooperate internationally twenty-four hours a day. The capacity for combating IT crimes must be exploited in investigating traditional crimes too, as evidence processing increasingly involves IT.

6.3 Combating terrorism and terrorist crimes

Combating terrorism is part of combating organized crime in general. The capacity of the police to combat terrorism and to detect terrorist offences will be improved by securing appropriate police powers to obtain information about acts of a terrorist nature at their planning and preparation stage and about their root causes. Furthermore, police intelligence and analysis operations in combating terrorism, as well as international cooperation and the exchange of information, will be developed. Contacts and exchange of information with the rest of the police organization will also be ensured. The combating of terrorism will respect the legal protection of the individual.

The methods used in the investigation of terrorist offences will be similar to those employed for investigating other organized crime and major accidents. The most important sub-areas include forensic investigation, advanced technical surveillance, monitoring cash flows, other modern information acquisition methods and crime intelligence and surveillance relating to information networks. The equipment that will be purchased for investigating terrorist offences will also be available for investigating other serious crimes and major accidents. Combating terrorism will also take into account the threat posed by weapons of mass destruction.

The police may obtain executive assistance from the other security authorities in the combating of terrorism. To this end, the Frontier Guard's operating capacity will be developed, as will its preparedness for combating terrorism through special expertise and equipment and its powers to take part in combating terrorism and other demanding tasks and special situations. The ways in which the police and Defence Forces will cooperate in combating terrorism will be developed.

If Finland were to become a target of a serious terrorist threat, the threat would most likely be directed not only at buildings and public premises, but also at transport and means of transport, and transport terminals, i.e. ports and airports. For this reason, the authorities and organizations responsible for transport cooperate with the police in outlining possible threats and making preparations for them. A terrorist act can be compared to a major accident in terms of its impact. The rescue services will improve their preparedness for acts of terror, including situations where chemical and biological substances have been used. The important factors in combating bio-terrorism include nationwide on-call and emergency preparedness systems for the health of human beings and animals and nationwide laboratories acquainted with the threat of bio-terrorism. In addition to rescue operations, attention will also be paid to the preparedness and protection required by crime-scene investigation.

Combating terrorism and managing its consequences will emphasize cooperation and coordination between the authorities in order to guarantee the efficient use of resources. In order to coordinate the analysis and pre-emptive work by the various authorities involved in combating terrorism, an intersectoral co-operative body operating under the aegis of the Ministry of the Interior will be set up. It will be one part of the overall system that the Government has decided will be the focal point in the strategy to protect the vital functions of society.

Finland will endeavour to contribute, through the EU, to the ratification and implementation of counter-terrorism conventions as widely and effectively as possible. Finland will participate actively and constructively in negotiations concerning new counter-terrorism conventions. Finland will act within EU institutions dealing with terrorism to improve the exchange of information, draw up joint threat-assessments and develop cooperation with third countries. The exchange of information among security authorities will be promoted. The focal points in

preventive action include action against the proliferation of weapons of mass destruction and the financing of terrorism.

Finland will take part in aid operations within the framework of the EU and bilaterally in order to create and strengthen the capacity of developing countries to act against terrorism. A mechanism will be created for implementing technical assistance and the financing needed will be set aside. Finland will carry out measures in accordance with the EU's Declaration on Combating Terrorism in order to combat terrorism at the national level and cooperate at the international level in furthering the implementation of the objectives set out in the declaration. In this connection, the adequacy of present procedures for possible assistance to another Member State will also be looked into.

Main elements in EU counter-terrorism activities

Immediately after the terrorist attacks on 11 September 2001, the European Union expressed its solidarity with the United States of America and undertook extensive measures as follows:
- 21 September 2001: Plan of Action to Combat Terrorism, which was updated in June 2004. The plan is due for revision twice a year starting from December 2004.
- 27 December 2001: Two Council Common Positions and a Council Regulation on specific measures to combat terrorism, which implemented the obligations of UN Security Council Resolution 1373 (2001) on preventing the financing of terrorist acts at the Community level. Furthermore, a Council Decision was taken on 19 December 2002 to improve police and judicial cooperation in this respect. The Council Decision is being revised at present. In February 2002, Eurojust was set up, the aim being the promotion of judicial cooperation within the Union. A Counter-Terrorism Task Force was set up within Europol. The agreement between Europol and Eurojust was signed in spring 2004.
- 15 April 2002: Council Conclusions on a list of concrete measures with regard to the implications of the terrorist threat on the non-proliferation, disarmament and arms control policy of the European Union.
- 13 June 2002: Council Framework Decisions on combating terrorism, and on the European arrest warrant and surrender procedures between Member States.
- 21 – 22 June 2002: Declaration by the European Council on the Contribution of the CFSP, including the ESDP, to the Fight against Terrorism, and the setting up of the common unit for external-border practitioners composed of Member States' heads of border control.
- 20 December 2002: Programme of cooperation of the Commission and the Council on preparedness and response to biological and chemical agent attacks.

- 12 December 2003: European Security Strategy in which terrorism is defined as a key threat and which provides the basis for improving the coordination and effectiveness of EU counter-terrorism activities.
- The Guidelines for a Common Approach to the Fight against Terrorism were updated in spring 2004.

As a result of the Madrid bombings on 11 March 2004, the EU counter-terrorism action was intensified. On 25 and 26 March 2004, the European Council approved the Declaration on Combating Terrorism, which strengthened existing cooperation structures and models e.g. in the following ways:
- The European Council believed that full implementation of measures to combat terrorism was a matter of urgency, and it agreed updated strategic objectives to combat terrorism.
- The European Council welcomed the political commitment, taken as of that date, to act jointly against terrorist acts, in the spirit of the Solidarity Clause of the draft Constitution for Europe.
- The European Council agreed to the establishment of the position of a Counter-Terrorism Coordinator to work within the Council Secretariat. Mr Gijs de Vries from the Netherlands was appointed to the position. Furthermore, the European Council endorsed the efforts to integrate, within the Council Secretariat, an intelligence capacity on all aspects of the terrorist threat, which would be needed as the basis for political decision-making.
- Precise deadlines were set for the national implementation of EU legislative measures already approved.
- The Council was given the task of examining measures in the following areas: legislation on retaining communications traffic data by service providers, developing the exchange of information on convictions for terrorist offences, legislation on cross-border hot pursuit, legislation on a European register on convictions and disqualifications, a database on forensic material and simplifying the exchange of information and intelligence between law enforcement authorities of Member States.
- Operational cooperation was reinforced: Member States were urged to ensure that competent authorities cooperate with each other in exchanging information on terrorism, in particular to ensure the optimum and most effective use was made of Europol and Eurojust. In addition, Europol's Counter-Terrorism Task Force was reactivated, and Europol was called on to proceed with the implementation of the Europol Information System as soon as possible, and the role of the Police Chiefs' Task Force in coordinating operational measures was emphasized.
- Border security and document security were strengthened.

The EU has two working groups dealing with terrorism.

- The COTER working party in the Common Foreign and Security Policy pillar concentrates on the international aspects of terrorism. It coordinates EU activities in international organizations and other multilateral fora, draws up threat assessments together with the EU's Situation Centre SITCEN, coordinates assistance activities to strengthen developing countries' counter-terrorism capacity and engages in dialogue with major partners.

- The terrorism working party in the Justice and Home Affairs pillar for internal and judicial affairs concentrates on terrorist threats and operations within the EU for instance by improving the exchange of information on terrorism and developing the capacity that supports Europol's operational activities. Coordination between the pillars has been increased by means of joint meetings and jointly drawn-up reports.
- In addition to these working groups, matters relating to terrorism are dealt with in several other compositions in fields such as judicial and police cooperation, immigration policy and transport.

The EU has recently been paying particular attention to the suppression of the financing of terrorism and recruitment into terrorism. The EU is trying in the long term to affect factors that promote recruitment into terrorist groups and create favourable conditions for their activities. As far as the financing of terrorism is concerned, several measures have been undertaken to improve the freezing of the assets of terrorists and terrorist organizations. In June 2004, the European Council urged the Council of the European Union to draw up a coherent overall approach for a further strengthening of the fight against terrorist financing by December 2004.

The EU has also promoted the combating of terrorism both by legislative means and within the framework of operational cooperation in such areas as border management, maritime and aviation safety, police cooperation, civil protection, document security, information security and the exchange of intelligence information.

The aim is to integrate counter-terrorism activities into the EU's external relations policies. The EU has made efforts to improve its cooperation with the main international and regional organizations and the most important partners in the fight against terrorism. The EU supports the UN's central role in international counter-terrorism cooperation and is endeavouring in its relations with third countries to promote the ratification of the UN's counter-terrorism conventions. Recent cooperation agreements with third countries have included clauses about counter-terrorism cooperation.

6.4 Managed immigration

Finland promotes managed immigration and at the same time prevents illegal immigration effectively. In line with international agreements, Finland provides protection for those needing it. Finland is active in participating in the development of the European Union's common asylum and immigration policy. Developing the decision-making procedures for immigration will shorten the processing time that the decisions demand. The regionalizing of the functions of the Directorate of Immigration will be finalized as soon as possible. The Government will be looking into the functioning and development needs of the administration of immigration affairs and preparing an immigration-policy programme during 2005.

Problems over the abuse of the visa, residence and asylum procedure are being addressed by the preparation of legislation both in Finland and the EU and in other international cooperation, but with regard for the individual's legal protection. Finland is active in participating in operations within the EU that prevent asylum seekers moving illegally from one country to another inside the Union. Finland's asylum administration will be made more efficient.

6.5 Civil defence and rescue services

Preparations will be made for civil defence against threats posed by exceptional conditions with the continued construction of civil defence shelters throughout the country. In normal conditions, the shelters can be used for other purposes such as storage and leisure-time activities. It must be possible to convert these premises into civil defence shelters within 24 hours. The requirement that they be ready for use can be reviewed regionally, taking into consideration the threat scenarios and changes in them. The Ministry of the Interior will draw up a strategy dealing with the principles for civil defence by 2006. The strategy will take into consideration the latest assessments of the threat posed by weapons of mass destruction when used for military or terrorist purposes.

Protection will be afforded not only by civil defence shelters but also by evacuation. Evacuation plans will be revised during 2005, the basis for them being a more thorough analysis of the risk areas and targets, which will make evacuations more flexible than previously.

The threats posed by radiation and major accidents in normal conditions and the possible threat of terrorism mean that adequate readiness for extensive rescue operations and the necessary surveillance, alarm and management systems must be maintained throughout the country. The protection and back-up of the systems will be developed, with due consideration given to the demands placed by the threats under exceptional conditions. The air raid warning system is outdated and will be replaced, and the local alarm systems for major accidents and other dangerous situations will be checked.

Changes to the rescue services and emergency response centres and the rapid development of telecommunications technology mean that the management system for the rescue services will have to be partly replaced. The ability to maintain situation awareness and share it with others who need it will be created for all levels of administration. System-level compatibility between the Defence Forces and other important partners will be taken into consideration when the system is being developed.

The change in the rescue-service system means that arrangements for civil defence and other preparations for exceptional conditions will have to be revised.

The division of duties between the rescue services districts and local authorities must be clearly defined, and the cooperation between the parties must work well. Local authorities are responsible for important tasks relating to rescue services and civil defence. In spite of the changes caused by the forming of the rescue services districts, local authorities will have to attend to the preparations designated as their responsibility in the future as well.

The rescue services will participate in international rescue operations and civilian crisis management. The readiness required by EU decisions and the commitments made by Finland will be maintained and developed. A solution for financing materials procurements will be looked into.

Rescue service arrangements for the biggest inland waterways will be looked into by 2006. Finland's maritime search and rescue capacity will be maintained at the present level. The service life of the Frontier Guard's sea-rescue helicopters will come to an end around the turn of the decade. Replacing the helicopters will start in 2007 and take into account the possibility of cooperating with the support and training system for the Defence Forces' transport helicopters.

6.6 Environmental security

The state of the environment and its changes are monitored be regions throughout the country. The reasons for changes are being looked into and reduced. Indicators for timely observation of environmental risks will be developed under the aegis of the Ministry of the Environment by 2008.

The increasing transportation of oil on the Baltic Sea is the most likely environmental risk, and one that is growing all the time. The safety of transporting oil and other hazardous substances by sea will be ensured through the requirements placed upon the vessels themselves and by developing directions for sea traffic. Finland's oil spill prevention and response capacity will be increased with a multipurpose icebreaker that can be used for oil and chemical spill response. The budget proposal for 2005 presents a EUR 134 million authorization for the Finnish Maritime Administration and the Finnish Environment Institute to put out to tender and acquire the services of a multipurpose icebreaker suitable for oil and chemical spill response for a contract period of 20 years. The possibility of establishing a new centre of expertise for oil spill prevention and response will be looked into by 2005. Oil-recovery equipment will be installed in two of the Frontier Guard's Tursas class patrol vessels by 2006. Arrangements for oil spill prevention and response in the sea area will improve considerably after these projects have been implemented. Arrangements for oil spill and prevention response on the biggest inland waterways will be examined by 2008. The safety of transporting oil and other hazardous substances overland will be guaranteed by the choice of route. Preparations will be made to protect sensitive spots, such as groundwater areas, along the transportation routes.

The possibility of a serious natural disaster or major accident taking place in Finland's neighbouring areas will be taken into account further in the provision for extensive immigration.

In recent years, many European countries have experienced extreme weather conditions. Preparations will be made for climate change and the related increase in extreme conditions.

6.7 Border security

Finland's four-tier border security model, which has generally been accepted for the management of the external borders of the European Union, will be strengthened. The four tiers are:

1. The activities of the Finnish missions abroad in implementing immigration legislation and, on the other hand, supporting the target country.
2. International border security cooperation.
3. An efficient national border security system and close national collaboration.
4. Measures inside Finland, particularly immigrant monitoring inside the country.

Finland's border security will be improved by developing the procedure for granting visas at consular offices in Finland's neighbouring areas, continuing close cooperation with the Russian border guard service, ensuring the capacity of Finland's own border security system and increasing cooperation within the police, customs and Frontier Guard. Development of the work of the EU border security agency will focus on the external border arrangements of an enlarging Union so that the same border security model will be applied across the new external border.

Combating illegal immigration and the trafficking of human beings as well as other cross-border crime will be improved by maintaining the capacity for checking traffic on the external border of the European Union and by surveying Finland's eastern border with sufficient efficiency. Border surveillance efficiency on the eastern border will be developed to respond to the threat of growing illegal immigration by increasing border surveillance personnel and technical monitoring. At the same there will be an increase in the use of technologies that will improve the accuracy of border checks and crime investigation and save human resources. Border checks will incorporate automatic identification based on biometrics. The Frontier Guard's responsibility for combating illegal immigration and the trafficking of human beings will be increased. The present provisions on the Frontier Guard's obligation to hand over a criminal case will be amended, and it will then be possible for the Frontier Guard to carry out pre-trial investigations into illegal immigration and the trafficking of human beings.

Finland's internal security will be improved in cooperation with the border authorities in neighbouring countries. Finland will support the development of border management in the new EU Member States in line with Union requirements. An active contribution will be made to the preparations concerning the European Union's border security. The number of international liaison officers will be increased in order to combat illegal immigration and the trafficking of human beings.

A considerable amount of the European Union traffic to Russia is directed through Finland, which is highly important for Finland's economy. For this reason, attention will be given to the smooth flow of border traffic, but this must not lead to a deterioration in internal security. The Schengen acquis dictates that everybody crossing the external border will be checked, and a thorough check will always be made on those who are required to have a visa. The smooth flow of traffic will be guaranteed by developing the structures at international border crossing points, increasing automatic surveillance and checking and adjusting the number of personnel carrying out checks to correspond to the growth and structural change in border traffic and to the number of checking points.

6.8 Development of voluntary activities

Voluntary activities will be developed together with organizations, the aim being to make cooperation easier and to achieve synergy benefits. Voluntary organizations will be offered the opportunity to participate in a nationwide network of regional operating centres that will be developed, but voluntary activities supporting the internal security authorities will always be directed by the relevant authority.

Voluntary fire brigades employ some 23,000 volunteers, about half of whom take part in actual rescues. Alongside these volunteers there are about 4,000 paid-on-call part-time staff. Volunteers are particularly important in sparsely populated areas. In the area that covers more than 90% of Finland's territory and where almost half the population lives, the nearest fire brigade is voluntary or based on paid-on-call staff. The availability of voluntary and paid-on-call staff for rescue services is crucial for maintaining readiness. A threat is posed by a deterioration in the availability of personnel in areas with negative migration and in the readiness for an emergency because of volunteers' commitment to their main jobs.

Other voluntary rescue service organizations also take part in rescues, such as Red Cross first aid groups. About 25,000 people belong to the search and rescue groups of the voluntary rescue services via 40 national organizations and their local associations. The Finnish Red Cross coordinates the cooperation of organizations taking part in activities. The local defence troops to be set up within the

Defence Forces will make it possible to support the rescue services better than at present.

The Finnish Lifeboat Society plays a considerable role in carrying out maritime search and rescue operations. This voluntary service is the most important maritime search and rescue service after the Frontier Guard. It provides maritime search and rescue services in accordance with its own rules and the nature of its activities. The present organization and arrangements of maritime search and rescue services are efficient, and the legislative basis is up-to-date.

The Police Act does not lay down provisions on the employment of volunteers to assist the police. This issue will be addressed when the Police Act is amended. The police are helped in searches primarily by members of the voluntary rescue service and hunting and sports clubs. Volunteers can also help the police in cordoning off an area and starting the necessary food supply.

Recently situations where people have to be evacuated from danger areas have become more and more common. It is often voluntary organizations that provide these people with emergency accommodation and other support.

6.9 Resources for internal security

The Internal Security Programme considers, in particular, issues relating to organized crime, financial crime, biometrics, surveillance of the foreign labour workforce and border surveillance, and the measures they demand. The resources for internal security will be considered when the Internal Security Programme is being discussed. The programme will be financed within the framework of the spending limits in effect at the time for each competent ministry.

7 SECURING SOCIETY'S CENTRAL BASIC FUNCTIONS

The functions vital to society are: state leadership; external capacity to act; the nation's military defence; internal security; a well-functioning economy and society; securing the livelihood of the population and its capacity to act; and the ability to tolerate a crisis. This chapter deals with safeguarding the particular basic functions that are required for a functioning economy and society and are at the same time related to Finland's security and defence policy.

Internationalization and structural changes in society greatly affect society's ability to secure its vital functions. The Government's Report on Finnish Security and Defence Policy 2001 paid attention to these and also to the threats associated with international developments. Amid changing circumstances, the security of society's electronic communication and information systems, and the preparedness for infectious diseases and radiation and chemical threats are taking on growing importance.

In accordance with the 2001 Report, the Government launched a study designed to identify the vital functions of society and to draw up action and development plans. This Resolution and the Strategy for Securing the Functions Vital to Society define society's vital functions and establish targets and development policies for securing them that will guide each administrative branch of the Government in dealing with its strategic tasks under all circumstances. The Government Resolution of November 2003 on securing the functions vital to society and the related strategy will be reviewed in 2006 based on the preparation by the Security and Defence Committee.

7.1 Energy supply

The energy market has been deregulated by legislative measures in Finland and the EU in recent years. Since the market was opened up, overcapacity in electricity generation has decreased in the Nordic countries and demand is now expected to be satisfied on market terms. Currently, the market involves the risk that a situation may arise that involves several unfavourable elements all at one time. These could include a year of low precipitation, the drying up of imports, serious technical disruptions and difficult conditions for winter navigation. Finland is working in active cooperation with the other Nordic countries to achieve a common market-based arrangement for preventing any possible shortfall in power generation capacity.

Interruptions in electricity supply can occur, with responsibility for the shortest cuts being carried by the consumer and that for more serious failures by the

vendors under their obligation to make compensation, while liability for problems affecting the general preconditions for production is carried by the State. The national energy strategy requires the latter to ensure the availability of power, an aim furthered by decentralizing production and employing several different fuels and sources of supply. Domestic power production and the use of indigenous fuels are being developed in order to safeguard the availability of energy. Despite our EU membership and both international and inter-Nordic energy cooperation, our climate, limited internal energy resources and energy-intensive economy make it rational to continue to keep the level of essential supply above what our international agreements require.

Safeguarding society's basic functions means ensuring not only fuel supplies but also electricity and heating production capacity, and power transmission and distribution, during a 12-month emergency situation. This, taken together with the provisions of international agreements, means maintaining considerable fuel stocks. The level and management of such contingency reserves take account of changes in threat scenarios and both environmental and quality standards. Finland is prepared to control both the production and consumption of energy using rationing and other measures if needed, through action scaled to safeguard the basic functioning of society appropriately and meet the obligations arising from international agreements.

7.2 Food supplies

Food supplies rely on the sufficient primary production of basic foodstuffs, adequate processing capacity by the food industry, a well-functioning distribution system, contingency stocks of critical raw materials, and efficient food controls. The population will be ensured access to clean household water and basic nutrition with normal energy content in all circumstances.

The crucial thing in ensuring the food supply is to have a well-functioning production chain and logistics extending from primary producer to processor, with a reliable distribution system from the processor to households and institutions throughout the country. The smooth functioning of logistics systems is being ensured by analysing general vulnerability factors and developing various modes of cooperation. Basic preconditions for food supply are secured against one poor harvest. There is preparedness for safeguarding production and consumption by means of rationing and other suitable measures. There are contingency stocks of certain imported materials needed by agriculture and the food industry.

Food safety has been underlined in recent years, for instance because of the occurrence of serious animal diseases elsewhere in Europe. These cases have shown the precautionary measures taken by Finland's food supply system to be effective in this respect. On the other hand, there are continuous threats to food

supply, and action to combat them must take into account the possibility of the deliberate spread of harmful agents.

7.3 Industry and services

Ensuring the production of goods and services means maintaining conditions in which companies essential for the national economy, the livelihood of the population and national defence can continue to operate. The smoothest possible production of goods and services must be ensured under all conditions. Readiness for coordination of production and consumption and their proper management must be maintained.

Business and industry ensure uninterrupted production primarily through their own expertise and procedures. In terms of the operating environment and the whole of Finnish business life, one vital factor is the ever-sharpening global competition in both production and investment. One element in this competition is the attractiveness of the national operating environment. Business environment policy must be tailored to maintain an environment that gives companies internationally competitive operating potential. Business conditions throughout the regions must also be safeguarded.

One important element in the business environment policy must be to maintain and develop a well-functioning, viable and expert defence materiel industry. This applies to the manufacture of materiel produced competitively either for the Defence Forces or for Finnish industry in general. Domestic industry takes part in international defence materiel cooperation either as part of the Defence Forces procurements or independently.

The Finnish defence materiel industry plays an important role in maintaining and developing the country's defensive readiness. The aim is to involve the industry in defence administration procurement processes and technology projects at an early stage of planning so that the industry's views can be taken into account.

The present authorization practice for ordering connected with research and prototype projects will be pursued and further developed to meet the future performance capability needs of the Defence Forces. Successful research and product development demand R&D funding that is adequate, long-term and allows for risk-taking, while also utilizing the financing potential offered by the civil sector. Major international partners will be sought in research and technology work.

Safeguarding the operating conditions of industry also means ensuring realistic export potential for its products. Industry must strive to develop networks not only in Finland but also with European structures and project programmes, and, according to the possibilities, efforts will be made to give public support to its

export endeavours. It must be able to participate in European joint projects, especially in aeronautics, and to enhance its know-how by seeking contracts on defence materiel component manufacture and assembly work here in Finland.

The EU's new European Defence Agency currently being set up plans to improve operating conditions of industries on the European defence materiel market, and the Finnish defence industry must monitor and participate in these processes to the best of its ability.

7.4 Society's electronic communications and information systems

More and more functions and services of modern society rely on electronic information and communications technology (ICT) systems. As wireless data transfer between these systems spreads, and as a result of the digitalisation of data, the security of an increasing number of private and public sector services and operations is based on the reliable operation of electronic systems. At the same time, the dependence of the whole of society on these systems is growing, and a shift to the use of manual reserve systems is no longer possible to any significant degree. This trend is also allowing the growing use of networks and systems for criminal purposes.

In data networks, too, individuals must have a non-repudiable electronic identity in order to prevent on-line identity theft and identify fraud. It has been a distinct advantage that the Finnish Government guarantees official documents such as passports and identity cards that verify personal identity. Similar verification of identity is now being incorporated into the data network. The Finnish authorities have been building a personal verification system, the first element of which is an electronic identity card. This carries electronic identification guaranteed by the State. Public support measures will be applied in order to speed up the introduction of this card.

The structures of electronic ICT systems allow unauthorized intervention in the vital functions of society from outside our borders. The importance of international collaboration between authorities and economies in preventing these threats is emphasized. The scale of electronic ICT systems' influence on the functioning of society and everyday lives of citizens is directly proportionate to the number and effectiveness of attacks on these networks and systems. It is particularly challenging to safeguard system operation in serious emergencies, for instance during armed attack and war.

Action to guarantee the operation of electronic ICT systems focuses on increasing the security level of communication networks and related arrangements, so as to avert grave consequences for the functioning of government and industry and the safety of the population. The electronic systems used by top govern-

ment, security authorities and vital industries are safeguarded by prioritization and by constructing communication networks and data systems for special use. These systems focus specifically on the need for security and reliability. For instance, employment of the VIRVE official radio network for communications vital to the security of society is being expanded by increasing the number of users.

Electronic mass media and the companies responsible for technical distribution of the programmes play an essential role in maintaining public safety. The impact of threats to the functioning of society and the safety of the population largely depend on how rapidly the scale of a threat can be assessed in advance and how efficiently warnings are communicated to the authorities and the population at large. A threat of this kind may arise because of dangerous weather conditions, the spread of radioactive or toxic substances, serious attacks on data security, and military or other threats to the functioning of society and public safety. The supply to the authorities of the efficient and secure systems needed for alerting the population and ensuring the properly timed and reliable distribution of information between authorities is being ensured.

7.5 Traffic and transportation

Against serious international crises, care is being taken to ensure the existence of sufficient land, sea and air transport equipment under Finnish control, or at least at the country's disposal, to ensure the transportation essential for foreign trade and national supply purposes. The smooth operation of this transportation and logistics systems in emergencies and disruptions is also being safeguarded through advance planning and detailed preparation.

Traffic and transportation rely increasingly on electronic information systems and efficient transportation logistics, and problems in these areas could seriously disrupt transportation in exceptional circumstances and crisis situations. This is why it is essential that the systems controlling transportation and traffic be kept operational in all situations.

Public transport and vehicles may also be the target of terrorist criminality. The probability and effects of such attacks are being reduced through extensive international cooperation between states and organizations, and by action within Finland.

7.6 Social and health care services

The most important social and health services in terms of the population’s health and functioning capacity will be safeguarded under all circumstances. The level

of services will be adjusted to the prevailing security situation and the resources available.

The structural and operational readiness, testing and care resources, and staff competence at health centres and hospitals in dealing with health hazards and diseases caused by biological and chemical agents and radiation will be developed and maintained at the level required by threat analyses. Systems will be developed for isolating and quarantining even large numbers of people affected by biological agents.

The use of first-response and ambulance resources outside hospitals will also be intensified on a regional model and by expanding flying doctor and medical helicopter activities based on regional service needs as part of the public health care system and work of university hospital districts.

The availability of drugs, vaccines, and health care equipment and supplies will be ensured. Stocks to guarantee supplies of pharmaceuticals, medical materials and vaccines will be supplemented in response to the new threats. The availability of crisis-specific drugs and health care supplies will be ensured using government contingency reserves.

The health care districts will provide services at specialist level for the Defence Forces' health care system under regional cooperation agreements. These will also incorporate plans for joint use of resources in abnormal situations and emergencies. The Ministry of Social Affairs and Health and the defence administration will jointly ensure the qualified health care personnel needed for a field medical system, taking account of their own overall staffing requirements.

7.7 Radiation, infectious diseases and chemical threats

The NBC network system of local, regional and central laboratories is used to identify and manage situations hazardous to health arising from nuclear (N), biological (B) and chemical (C) agents. Maintenance of the network is the responsibility of municipal laboratories and State regional and central laboratories. The food and veterinary disease authorities are also involved.

Systems for identifying, monitoring and combating health threats are being developed and maintained by increasing material, training and operational cooperation with the Defence Forces, police and emergency service authorities.

Radiation monitoring ensures fast reaction to abnormal radiation conditions and generates the information on which action to protect individuals, the environment and industry is based. Environmental radiation monitoring covers both the automatic monitoring of external radiation and identification of radioactive substances in foods and the environment. A comprehensive external automatic

monitoring network, the laboratories of the Radiation and Nuclear Safety Authority of Finland, regional laboratories and local food and environment laboratories carry out the necessary measurement work.

The operational readiness of the automatic measurement and laboratory networks is guaranteed in all conditions by ensuring that Finland is properly equipped with observation and analysis equipment and hardware for transmitting measurement data, as well as an adequate and competent laboratory infrastructure. Radiation surveillance takes account of Finland's obligation to contribute fully to surveillance under the Comprehensive Test Ban Treaty.

In order to identify and combat infectious diseases and environmental health hazards, systems are in place for reporting contagious diseases, easily communicable animal diseases, plant diseases, pests and any likelihood of food or water-based epidemics, together with risk assessment and epidemiological testing in collaboration between different authorities.

To identify and manage any biological or chemical threat, Finland must have a network of laboratories able to perform sufficiently high-level diagnostics, which can also offer expertise in the diagnosis of other than common biological and chemical agents. To cope with these threats, nationwide duty systems, specialist units, an expert advisory system and collaboration between authorities are being developed. The centres of competence will support and augment the work of the networks of B and C laboratories and centres of expertise.

To guard against serious chemical threats, preparedness will be maintained for the provision of first response, assessment and expert advice. In addition, means and plans must exist for protecting health care personnel and other first-response staff from themselves falling victim to the threats. The Poison Information Centre will be made the national centre of expert medical advice in dealing with emergency situations caused by chemicals, by increasing its capacity for first-response treatment of intoxication and its know-how and resources in dealing with mass exposure.

7.8 Security of supply

The aim of a well-functioning economy and society is to ensure that business and industry, the public economy and the social infrastructure are able to maintain society's vital functions. The general objective of the Government decision on the aims of ensuring security of supplies is to ensure provision by employing primarily national procedures and resources during a crisis lasting one year. The same decision defines as essential services the basic technological structures of society, transport, storage and distribution systems, food supply, energy supply, social and health care, and production and system maintenance supporting military defence. Changes in the threat scenarios, growing international cooperation

in security of supply, and society's increasing reliance on networking and technical systems have all shaped the objectives and substance of our national preparedness.

With growing internationalization and a more networked environment, international collaboration in security of supply has taken on increasing importance in national preparedness. The forms this collaboration takes comprise bilateral agreements on security of supply, cooperation under the International Energy Agency (IEA) membership agreement, and participation and discussions through the NATO Partnership for Peace programme and within the Western European Armaments Group (WEAG) defence industry cooperation. It is in Finland's interests to continue to be actively involved in such international cooperation through agreements and other arrangements.

The fast growth of the EU's single market has further increased the European Union's crucial importance as Finland expands its international collaboration in security of supply. When it comes into force, the new Constitutional Treaty will bring new opportunities for improving the security of supply at the European level. A report on this issue is being prepared.

EU membership and the common currency have reduced the domestic range of instruments in safeguarding security of supply, but on the other hand they have increased economic stability. Earlier, preparedness for the most serious crises was also seen as generating readiness for less grave problems. Preparedness was also considered to involve a grace period offering time to take counter measures. As far as the new threats to information networks are concerned, there will be no such extended time. In the last few years, the old starting premise for preparedness has changed, and the purpose is to focus on safeguarding the continuity of various critical functions equally during problems in normal times, market disturbances in specific essential services, and emergency conditions.

7.9 Resources for securing key functions of society

Development programmes for securing society's vital functions will be drawn up for each administrative branch. The development work to secure the central basic functions of society will be undertaken on the basis of the framework of the spending limits in effect at the time.

APPENDIX 1

MAIN ABBREVIATIONS AND DEFINITIONS

1. Abbreviations

BTWC
Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction.
Adopted in 1972, the Convention prohibits the development, production and stockpiling of biological weapons (e.g. viruses and bacteria suited to warfare and the equipment needed for spreading them) and other acquisition and storing of them. The use of biological weapons was prohibited under the Geneva Protocol of 1925.

CCW
Convention on Prohibitions or Restrictions on the use of Certain Conventional Weapons Which May be Deemed to be Excessively Injurious or to have Indiscriminate Effects.
Adopted in 1980, the Convention consists of five protocols. An amended protocol (Protocol II) that is included in the Convention concerning the prohibition and restrictions on the use of landmines, booby-traps and other devices came into force in 1998, when Finland ratified the Convention. The United States of America, Russia and China, who remain outside the Ottawa Convention, participate in Protocol II.

CFE
Treaty on Conventional Armed Forces in Europe.
Signed in 1990. Parties: Armenia, Azerbaijan, Belarus, Belgium, Bulgaria, Canada, Denmark, France, Georgia, Germany, Greece, Hungary, Iceland, Italy, Kazakhstan, Luxembourg, Moldova, Norway, Poland, Portugal, Romania, Russia Slovakia, Spain, the Czech Republic, the Netherlands, the United Kingdom, Turkey and Ukraine

CFSP
Common Foreign and Security Policy.

CIS
Commonwealth of Independent States.
Established in 1991. Members: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Belarus, Russia.

CSBMs
Confidence- and Security-Building Measures.
Confidence and security increased by military measures. In Europe the measures are defined in the Vienna document of the OSCE.

CTBT
Comprehensive Test Ban Treaty.
Signed in 1996.

EADRCC
Euro-Atlantic Disaster Response Coordination Center.
Established in 1998.

EAPC
Euro-Atlantic Partnership Council.
Membership totals 46 (26 NATO countries and 20 PfP partner countries).

ECAP
European Capabilities Action Plan.
A plan that was launched in the spring of 2002 for developing the military capabilities of the European Union.

ECRI
European Commission Against Racism and Intolerance.
Established in 1993 and working together with the Council of Europe.

ESDP
European (Common) Security and Defence Policy.

EU
European Union.
Members: Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, the United Kingdom.
Candidate countries: Bulgaria, Croatia, Romania, Turkey.

EUMM
European Union Monitoring Mission.
The EU monitoring operation in the Western Balkans.

EUPM
EU Police Mission.
The EU's civilian crisis management police operation in Bosnia and Herzegovina, started on 1 January 2003. The EUPM is continuing the work of the UN's international police units. The task of the operation is, in accordance with the general aims of the Paris/Dayton Peace Accords, to establish Bosnia and Herzegovina's

own permanent policing arrangements in line with best European and international practices

FYROM
Former Yugoslav Republic of Macedonia.

G3
Members: Brazil, India, South Africa.

G8
Forum of the world's leading industrial countries. Members: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom, the United States of America.

G20
Members: Argentine, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi-Arabia, South Africa, South Korea, the United Kingdom, the United States of America, Turkey and the EU.

ICC
International Criminal Court.
Established in 1998. It is the first permanent court for dealing with war crimes genocides and crimes against humanity. Situated in the Hague, the court started its work on 1 July 2002.

IEA
International Energy Agency.
Established in 1974. Members: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Luxembourg, New Zealand, Norway, Portugal, South Korea, Spain, Sweden, Switzerland, the Czech Republic, the Netherlands, the United Kingdom, the United States of America, Turkey.

IFOR
Implementation Force.
A NATO-led multinational crisis management force in Bosnia. Besides NATO countries, 18 countries not belonging to NATO (such as Finland) also took part. Started in December 1995, ended in December 1996. The work was continued by SFOR.

IGC
Intergovernmental Conference.
An intergovernmental conference within the European Union.

IPAP
Individual Partnership Action Plans.
NATO's development programmes for partnership countries in Central Asia and the Southern Caucasus.

ISAF
International Security Assistance Force.
A NATO-led military crisis management operation in Afghanistan under a UN mandate.

ISAF/PRT
Provincial Reconstruction Team.
Operates in Afghanistan outside Kabul under ISAF. It has a civilian component as well as military personnel.

KFOR
Kosovo Force.
A NATO-led multinational crisis management force in Kosovo.

NATO
North Atlantic Treaty Organization.
Established in 1949. Members: Belgium, Bulgaria, Canada, Denmark, Estonia, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, the Czech Republic, the Netherlands, the United Kingdom, the United States of America, Turkey.

NBC laboratory system
The purpose of the NBC laboratory system is to identify and manage health hazards caused by nuclear (N), biological (B) or chemical (C) sources. The system comprises local, regional and central laboratories.

NORDCAPS
Nordic Coordinated Arrangement for Military Peace Support.
A Nordic pool of troops the aim of which is the readiness to establish Nordic troops for crisis management operations up to brigade level.

NPT
Treaty on the Non-Proliferation of Nuclear Weapons.
Came into force in 1970.

NRC
NATO-Russia Council.
Established in May 2002.

NRF
NATO Response Force.

OSCE
Organization for Security and Cooperation in Europe.
Previously the CSCE, the Final Act of which was signed in Helsinki in 1975. Participating countries: Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia (FYROM), Malta, Moldova, Monaco, Norway, Poland, Portugal, Romania, Russia, San Marino, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, the Czech Republic, the Netherlands, the United Kingdom, the United States, the Vatican, Ukraine, Turkey, Turkmenistan, Uzbekistan.

PARP
Planning and Review Process.
Part of the NATO Partnership for Peace programme (PfP). Its aim is to develop the military capabilities of the countries taking part in the PfP programme. The participating countries are: Albania, Armenia, Austria, Azerbaijan, Belarus, Croatia, Finland, Georgia, Ireland, Kazakhstan, Kyrgyzstan, Macedonia (FYROM), Moldova, Russia, Sweden, Switzerland, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

PCB
Police, customs and border (PCB) authorities. Form of cooperation within the administrative sector of the Ministry of the Interior.

PfP
Partnership for Peace.
NATO programme established in 1994.

PJC
NATO-Russia Permanent Joint Council.
Established in 1997. Replaced by the NATO-Russia Council in May 2002.

PSI
Proliferation Security Initiative.
Cooperation arrangement to prevent the smuggling of weapons of mass destruction and related materials. Initiative by the United States in May 2003.

SAP
The Stabilization & Association process.
Process for countries applying for EU membership.

SFOR
Stabilization Force.
A NATO-led multinational crisis management operation in Bosnia that started in December 1996 and continues the IFOR operation. SFOR will be replaced by the EU's ALTHEA operation by the end of 2004.

SHIRBRIG
The Multinational Stand-by-High Readiness Brigade for UN Operations.

SITCEN
The EU Situation Centre.

SLMM
Sri Lanka Monitoring Mission.
A joint Nordic operation monitoring the ceasefire agreement.

TETRA
Terrestrial Trunked Radio.
A digital radio telephone standard designed for use by authorities.

UN
United Nations.
Established 1945. 191 member states.

UNDP
United Nations Development Programme.
A worldwide development cooperation network operating in 166 countries.

UNFICYP/
United Nations Peacekeeping Force in Cyprus.

UNMEE
United Nations Mission in Ethiopia and Eritrea.

UNMIK
United Nations Interim Administration Mission in Kosovo.
A UN-led operation organizing the civilian administration in Kosovo.

UNMIL
United Nations Mission in Liberia.

UNMOGIP
United Nations Military Observer Group in India and Pakistan.

UNTSO
United Nations Truce Supervision Organization.
A UN-led operation in Egypt, Israel, Lebanon and Syria.

VIRVE NETWORK
The Virve Network is a digital radio network constructed between 1998 and 2002 and meant for use by the Finnish authorities. It promotes the co-operation between authorities in all circumstances. The network's main users will be security authorities in central and local government.

WEAG
Western European Armaments Group.
Members: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hungary. Italy, Luxembourg, Norway, Poland, Portugal, Spain, Sweden, the Czech Republic, the Netherlands, the United Kingdom, Turkey. Associate partners: Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, Slovenia.

WTO
World Trade Organization.
Established 1995. 147 members.

2. Definitions

Anti-personnel land mine
An anti-personnel mine, designed to detonate from a person's presence, vicinity or touch and which incapacitates, injures or kills.

Arms control, disarmament and non-proliferation
Arms control is intended to limit the quantity or the possession of weapons through bilateral or multilateral agreements or other arrangements. Disarmament aims at the elimination of entire categories of weapons. Agreements and arrangements can involve both arms control and disarmament. Recently, increased attention has been given to arrangements designed to prevent the proliferation of conventional weapons or weapons of mass destruction (non-proliferation).

Asymmetrical threat/warfare
Military and non-military action that uses means or equipment for which the opponent is unprepared. The main forms of asymmetrical threat are terrorism, sabotage, the proliferation and use of weapons of mass destruction and information warfare.

Battle group
A military unit assembled for a particular operation or task, bringing at least two individual units representing the same or different branches under one command. The concept also used in international crisis management.

Berlin Plus agreement
Framework agreement on permanent cooperation arrangements between the EU and NATO regarding crisis management. Under this agreement, the EU can rely,

if necessary, on NATO resources in EU-led crisis management operations, particularly NATO planning and command and control structures.

Conflict prevention
Measures that endeavour through international cooperation to affect the structural and other background causes of conflicts and to find peaceful solutions to conflict situations. Long-term action includes poverty reduction, promoting economic growth, political dialogue, support for human rights, democracy and the rule of law, stabilizing human safety, disarmament, improving the state of the environment and fair exploitation of natural resources. The short-term range of means the purpose of which is to reduce tensions and prevent the emergence of violent conflicts from being created includes diplomacy, humanitarian action and crisis management operations. Early warning includes monitoring the human rights situation.

Constitutional Treaty of the EU (also Constitution for Europe)
Treaty between the EU Member States to be signed in Rome on 29 October 2004. This Treaty repeals and replaces all earlier Founding Treaties of the EU. The Treaty will come into force on 1 November 2006 at the earliest, provided that all Member States have ratified it by then. Not only does the Treaty codify all existing Founding Treaties, it also defines a single legal personality for the EU and enacts changes and improvements to the institutional system, decision-making process and competences of the EU. The Treaty further gives force of law to the EU Charter of Fundamental Rights.

Conventional weapons
Weapons that are not chemical, biological or nuclear weapons.

Counter-special forces
Troops trained specifically to act against the adversary's special forces.

Crisis management
Measures through which the international community endeavours to prevent and limit conflicts, bring an end to the use of violence, repair damage and restore safety, stability, social functions and the rule of law to a crisis area. Military crisis management involves crisis management operations that use military means (peacekeeping). The operations are aimed primarily at restoring and maintaining stability and safety in a crisis area, the aim being the creation of the preconditions for the start of other functions of society. Civilian crisis management uses expert assistance and other means to support the development of crisis areas towards democracy, the promotion of and respect for rule of law and human rights, good governance and a smoothly functioning civil society.

Defence solution
A principle on which national military defence is based, such as independent defence or collective defence.

Defence system
The Defence Forces defence system consists of command and control and administration systems, intelligence and surveillance systems, troop production and mobilization systems, a supply and logistics system, command echelons and troops.

Dirty bomb/radiological weapon
A bomb designed to spread radioactive material through detonation of a conventional explosive. It may come in a variety of sizes and compositions, and the time and place of its detonation have a considerable impact on the extent and severity of the damage it causes.

Dual-use technology
Dual-use technology refers to products that can be used for both civilian and military purposes.

Emergency planning
Readiness planning and preliminary preparations for it, to ensure that duties can be carried out with minimal disruption under exceptional circumstances.

European Defence Agency
Agency defined in the Constitutional Treaty, subordinate to the Council of the European Union, acting in the field of defence capabilities development, research, acquisition and armaments. The purpose of the Defence Agency is to develop defence capabilities in the area of crisis management, to promote and improve defence materiel cooperation in Europe, to reinforce the industrial and technological basis of European defence and to create a competitive European defence materiel market, and to promote research and technology cooperation in the defence sector. The joint action to establish the Defence Agency was approved in July 2004, and the agency will be operational by the end of 2004.

Global Partnership
A global partnership programme agreed at the G8 summit in June 2002 for the purpose of preventing the proliferation of weapons of mass destruction and of combating the threat of terrorism. The aim is to provide the programme with USD 20 billion in allocations over ten years. The primary objectives of the programme are to assist in the dismantlement of Russia's weapons of mass destruction and to safeguard the security of storage of its nuclear and chemical weapons and materials.

Headline Goal 2003 and Headline Goal 2010
Headline Goal 2003 is the general goal for military capabilities agreed at the European Council in Helsinki in 1999. It has, on the whole, been achieved. Headline Goal 2010 consists of the new general goals for the further development of the military crisis management capability, approved in May 2004. The focus of development is on qualitative issues, i.e. interoperability, deployability and sustainability.

Information warfare
The use of the information environment to influence state's social and military decision-making and operability as well as public opinion, or the steps taken to protect against this. Information warfare can be conducted by social, communicational, political, psychological, economic and military means at all levels of warfare.

Military doctrine
Principle guiding the functioning and use of armed forces in the prevention and combating of threats.

Mobilization system
The national procedures of the Defence Forces for activating wartime troops, and the acts, decrees and other regulations pertaining to them as well as plans, information systems and personnel required. The purpose of the system is to bring the country's military capabilities in a timely manner up to the level of the demands of exceptional circumstances.

National defence
Comprises all military and civil functions to secure Finland's sovereignty and the living conditions of its population, and to safeguard against external threats caused by other governments or any other parties.

Operational troops
The Army, Navy and Air Force units with the highest capability, mobilized to enhance national defence and to create the centre of gravity of defence.

Ottawa Treaty
An international convention on the prohibition of the use, storage, production and transfer of anti-personnel land mines and on their destruction. Came into force in 1999. By August 2004 143 countries have acceded to the treaty, 9 others have signed but not ratified it.

Partnership for Peace
A NATO cooperation programme involving countries in the Euro-Atlantic zone that are not members of NATO. With the enlargement of NATO, it has evolved into a programme more generally aimed at promoting stability in the region. Cooperation is being developed in the political, crisis management and civil

emergency planning sectors, in the military interoperability and in defence reform. Cooperation to combat terrorism has also become more important. The programme includes militarily non-allied countries in Europe and countries in the Balkans, the Caucasus and Central Asia.

Permanent structured cooperation
A form of cooperation defined in the Constitutional Treaty, aiming at qualitative and structural development of troops and military capabilities among participating Member States so that the Union will be able to execute better and more demanding crisis management operations in the future. Developing the EU's rapid response capability is part of structured cooperation.

Petersberg Tasks
EU crisis management tasks included in the Treaty of Amsterdam in 1997; they are humanitarian and rescue tasks, peace-keeping tasks and tasks of combat forces in crisis management, including peace-making. In the Constitutional Treaty, joint disarmament operations, military advice and assistance tasks, conflict prevention and post-conflict stabilisation have been added to the tasks.

Readiness brigade
The most rapidly activated wartime formation established by readiness formations, which are better equipped than other formations and at higher readiness.

Readiness planning
Planning undertaken by the authorities and other organizations essential for national defence concerning the carrying out of their duties under exceptional circumstances.

Regional forces
Troops intended for combat, protection, surveillance or support functions, stationed in a specific region or at a specific site.

Schengen acquis
The essential feature of this arrangement is the abolishment of checks on individuals at borders between participating countries and the carrying out of standard checks at outer borders. The Treaty of Amsterdam incorporated the Schengen acquis into the European Union as of 1 May 1999. Finland and the other Nordic countries began to apply the acquis as of 25 March 2001. All the old EU Member States except for the UK and Ireland are party to the arrangement, as are Norway and Iceland. The new Member States that acceded to the EU on 1 May 2004 can enter the arrangement in 2007 at the earliest.

Security of supply
The safeguarding of economic functions vital to the livelihood of the population, the national economy and national defence in exceptional circumstances.

Services
The services of the Finnish Defence Forces are the Army, Navy and Air Force.

Small arms and light weapons
Firearms which one person can carry and use. The definition can also include light rocket launchers, missiles and mortars, with a calibre of less than 100 mm.

Smart weapon
A smart weapon or smart round is a target-seeking component of a weapons system. Smart weapons are used when a high hit probability is required. Depending on the type of system, a smart weapon can either seek out its target independently or it can be guided through external target painting.

Solidarity clause
Article I-43 of the Constitutional Treaty, whereby "the Union and its Member States shall act jointly in a spirit of solidarity if a Member State is the victim of terrorist attack or natural or man-made disaster and assist a Member State at the request of its political authorities". On 26 March 2004, the European Council entered in its Conclusions a paragraph whereby the Council "welcomes the political commitment of the Member States and of the acceding States, taken as of now, to act jointly against terrorist acts, in the spirit of the Solidarity Clause contained in the draft Constitution for Europe."

Special forces
Troops trained and equipped for a variety of missions differing from conventional military operations. They usually operate in small teams.

Strategic strike
A military action executed with augmented peacetime troops, aiming at a surprise attack. Its purpose is to force the target country to make desired decisions by aiming paralyzing strikes at the vital sites and functions of its society and defence system.

Tactical nuclear weapon
A non-strategic battlefield nuclear weapon, usually with a short range and a low kiloton rating.

Territorial defence
Finland's defence principle and the framework of Finland's defence system in the prevention and combating of threats within Finnish territory. Territorial defence consists of various types of military action and preparations for it, depending on the type of threat to be prevented or combated.

Treaty of Amsterdam
Treaty signed by the EU Member States in Amsterdam on 2 October 1997, entering into force on 1 May 1999. This Treaty amended and simplified the Treaty

on the European Union, the Treaty establishing the European Community and certain earlier Treaties pertaining to them.

Treaty of Maastricht (also the Treaty on European Union)
Treaty signed by the EU Member States in Maastricht on 7 February 1992, entering into force on 1 November 1993. This Treaty amended the Treaty establishing the European Community and introduced new forms of cooperation between the Member States' governments, creating hereby a new political and economic structure consisting of three pillars, the European Union (EU).

Treaty of Nice
Treaty signed by the EU Member States in Nice on 26 February 2001, coming into force on 1 February 2003. This Treaty amended the Treaty on European Union, the Treaty establishing the European Community and certain other earlier Treaties. The Treaty enacted changes in the functioning of EU institutions in preparation for the enlargement of the EU.

Troop production
A process consisting of the measures required in normal times for the training of the personnel required for wartime composition and the equipping of wartime troops with materiel, transport, vessels and aircraft.

Weapons of mass destruction
Chemical and biological warfare agents, and nuclear weapons.

APPENDIX 2

ARTICLES CONCERNING THE COMMON SECURITY AND DEFENCE POLICY AND THE SOLIDARITY CLAUSE IN THE EU'S CONSTITUTIONAL TREATY

ARTICLE I-41

Specific provisions relating to the common security and defence policy

1. The common security and defence policy shall be an integral part of the common foreign and security policy. It shall provide the Union with an operational capacity drawing on civil and military assets. The Union may use them on missions outside the Union for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter. The performance of these tasks shall be undertaken using capabilities provided by the Member States.

2. The common security and defence policy shall include the progressive framing of a common Union defence policy. This will lead to a common defence, when the European Council, acting unanimously, so decides. It shall in that case recommend to the Member States the adoption of such a decision in accordance with their respective constitutional requirements.

The policy of the Union in accordance with this Article shall not prejudice the specific character of the security and defence policy of certain Member States, it shall respect the obligations of certain Member States, which see their common defence realised in the North Atlantic Treaty Organisation, under the North Atlantic Treaty, and be compatible with the common security and defence policy established within that framework.

3. Member States shall make civilian and military capabilities available to the Union for the implementation of the common security and defence policy, to contribute to the objectives defined by the Council. Those Member States which together establish multinational forces may also make them available to the common security and defence policy.

Member States shall undertake progressively to improve their military capabilities. An Agency in the field of defence capabilities development, research, acquisition and armaments (European Defence Agency) shall be established to identify operational requirements, to promote measures to satisfy those requirements, to contribute to identifying and, where appropriate, implementing any

measure needed to strengthen the industrial and technological base of the defence sector, to participate in defining a European capabilities and armaments policy, and to assist the Council in evaluating the improvement of military capabilities.

4. European decisions relating to the common security and defence policy, including those initiating a mission as referred to in this Article, shall be adopted by the Council acting unanimously on a proposal from the Union Minister for Foreign Affairs or an initiative from a Member State. The Union Minister for Foreign Affairs may propose the use of both national resources and Union instruments, together with the Commission where appropriate.

5. The Council may entrust the execution of a task, within the Union framework, to a group of Member States in order to protect the Union's values and serve its interests. The execution of such a task shall be governed by Article III-310.

6. Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish permanent structured cooperation within the Union framework. Such cooperation shall be governed by Article III-312. It shall not affect the provisions of Article III-309.

7. If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States.

Commitments and cooperation in this area shall be consistent with commitments under the North Atlantic Treaty Organisation, which, for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation.

8. The European Parliament shall be regularly consulted on the main aspects and basic choices of the common security and defence policy. It shall be kept informed of how it evolves.

ARTICLE I-43

Solidarity clause

1. The Union and its Member States shall act jointly in a spirit of solidarity if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster. The Union shall mobilise all the instruments at its disposal, including the military resources made available by the Member States, to:

a) – prevent the terrorist threat in the territory of the Member States;
– protect democratic institutions and the civilian population from any terrorist attack;
– assist a Member State in its territory, at the request of its political authorities, in the event of a terrorist attack;

b) assist a Member State in its territory, at the request of its political authorities, in the event of a natural or man-made disaster.

2. The detailed arrangements for implementing this Article are set out in Article III-329.

SECTION 2

THE COMMON SECURITY AND DEFENCE POLICY

ARTICLE III-309

1. The tasks referred to in Article I-41(1), in the course of which the Union may use civilian and military means, shall include joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peace-making and post-conflict stabilisation. All these tasks may contribute to the fight against terrorism, including by supporting third countries in combating terrorism in their territories.

2. The Council shall adopt European decisions relating to the tasks referred to in paragraph 1, defining their objectives and scope and the general conditions for their implementation. The Union Minister for Foreign Affairs, acting under the authority of the Council and in close and constant contact with the Political and

Security Committee, shall ensure coordination of the civilian and military aspects of such tasks.

ARTICLE III-310

1. Within the framework of the European decisions adopted in accordance with Article III-309, the Council may entrust the implementation of a task to a group of Member States which are willing and have the necessary capability for such a task. Those Member States, in association with the Union Minister for Foreign Affairs, shall agree among themselves on the management of the task.

2. Member States participating in the task shall keep the Council regularly informed of its progress on their own initiative or at the request of another Member State. Those States shall inform the Council immediately should the completion of the task entail major consequences or require amendment of the objective, scope and conditions determined for the task in the European decisions referred to in paragraph 1. In such cases, the Council shall adopt the necessary European decisions.

ARTICLE III-311

1. The Agency in the field of defence capabilities development, research, acquisition and armaments (European Defence Agency), established by Article I-41(3) and subject to the authority of the Council, shall have as its task to:

(a) contribute to identifying the Member States' military capability objectives and evaluating observance of the capability commitments given by the Member States;

(b) promote harmonisation of operational needs and adoption of effective, compatible procurement methods;

(c) propose multilateral projects to fulfil the objectives in terms of military capabilities, ensure coordination of the programmes implemented by the Member States and management of specific cooperation programmes;

(d) support defence technology research, and coordinate and plan joint research activities and the study of technical solutions meeting future operational needs;

(e) contribute to identifying and, if necessary, implementing any useful measure for strengthening the industrial and technological base of the defence sector and for improving the effectiveness of military expenditure.

2. The European Defence Agency shall be open to all Member States wishing to be part of it. The Council, acting by a qualified majority, shall adopt a European decision defining the Agency's statute, seat and operational rules. That decision should take account of the level of effective participation in the Agency's activities. Specific groups shall be set up within the Agency bringing together Member States engaged in joint projects. The Agency shall carry out its tasks in liaison with the Commission where necessary.

ARTICLE III-312

1. Those Member States which wish to participate in the permanent structured cooperation referred to in Article I-41(6), which fulfil the criteria and have made the commitments on military capabilities set out in the Protocol on permanent structured cooperation shall notify their intention to the Council and to the Union Minister for Foreign Affairs.

2. Within three months following the notification referred to in paragraph 1 the Council shall adopt a European decision establishing permanent structured cooperation and determining the list of participating Member States. The Council shall act by a qualified majority after consulting the Union Minister for Foreign Affairs.

3. Any Member State which, at a later stage, wishes to participate in the permanent structured cooperation shall notify its intention to the Council and to the Union Minister for Foreign Affairs.
The Council shall adopt a European decision confirming the participation of the Member State concerned which fulfils the criteria and makes the commitments referred to in Articles 1 and 2 of the Protocol on permanent structured cooperation. The Council shall act by a qualified majority after consulting the Union Minister for Foreign Affairs. Only members of the Council representing the participating Member States shall take part in the vote.

A qualified majority shall be defined as at least 55% of the members of the Council representing the participating Member States, comprising at least 65% of the population of these States.

A blocking minority must include at least the minimum number of Council members representing more than 35% of the population of the participating Member States, plus one member, failing which the qualified majority shall be deemed attained.

4. If a participating Member State no longer fulfils the criteria or is no longer able to meet the commitments referred to in Articles 1 and 2 of the Protocol on permanent structured cooperation, the Council may adopt a European decision suspending the participation of the Member State concerned.

The Council shall act by a qualified majority. Only members of the Council representing the participating Member States, with the exception of the Member State in question, shall take part in the vote.

A qualified majority shall be defined as at least 55% of the members of the Council representing the participating Member States, comprising at least 65% of the population of these States.

A blocking minority must include at least the minimum number of Council members representing more than 35% of the population of the participating Member States, plus one member, failing which the qualified majority shall be deemed attained.

5. Any participating Member State which wishes to withdraw from permanent structured cooperation shall notify its intention to the Council, which shall take note that the Member State in question has ceased to participate.

6. The European decisions and recommendations of the Council within the framework of permanent structured cooperation, other than those provided for in paragraphs 2 to 5, shall be adopted by unanimity. For the purposes of this paragraph, unanimity shall be constituted by the votes of the representatives of the participating Member States only.

CHAPTER VIII

IMPLEMENTATION OF THE SOLIDARITY CLAUSE

ARTICLE III-329

1. Should a Member State be the object of a terrorist attack or the victim of a natural or man-made disaster, the other Member States shall assist it at the request of its political authorities. To that end, the Member States shall coordinate between themselves in the Council.

2. The arrangements for the implementation by the Union of the solidarity clause referred to in Article I-43 shall be defined by a European decision adopted by the Council acting on a joint proposal by the Commission and the Union Minister for Foreign Affairs. The Council shall act in accordance with Article III-300(1) where this decision has defence implications. The European Parliament shall be informed.

For the purposes of this paragraph and without prejudice to Article III-344, the Council shall be assisted by the Political and Security Committee with the support of the structures developed in the context of the common security and defence policy and by the Committee referred to in Article III-261; the two committees shall, if necessary, submit joint opinions.

3. The European Council shall regularly assess the threats facing the Union in order to enable the Union and its Member States to take effective action.

PRIME MINISTER'S OFFICE

SNELLMANINKATU 1, HELSINKI
PO BOX 23, FIN-00023 GOVERNMENT, FINLAND
tel +358 9 16001 | +358 9 57811
fax +358 9 1602 2165
e-mail registry@vnk.fi
www.vnk.fi/publications