



A STRONG TAILWIND POWERS GROWTH



Attractive market conditions and new premium scheme opening a new construction phase

BUSINESS OPPORTUNITIES IN FINLAND

THE FIRST CONSTRUCTION PHASE COMPLETED

In 2017 total of 153 new wind power plants were built in Finland, bringing the total number of operating wind power plants to 700. The total installed capacity now reaches 2044 MW, of which 513 MW of new capacity was added in 2017. These wind power plants produced 4.8 TWh electricity in 2017, which represents some 5.6% of the total electricity consumption in the country.

The Finnish business environment nurtures the wind power boom. Finland has one of the most stable grids in the world and a steady stream of investments serves to strengthen the grid capacity. It's also a safe currency bet for Euro investors as Finland is the only Nordic country in the Euro zone.

SECOND PREMIUM SCHEME

Finland's EU renewables target of 38% of final energy consumption with emission-free renewable energy by 2020 was reached already in 2014. By 2030, the share of emission-free renewable energy will rise to 50 %. Wind power is expected to play a role in meeting this ambitious national target. This opens up new, additional project development and investment opportunities.

Finland's new premium scheme for renewable energy comprises of a competitive auction process under which the first premium system based, technology-neutral tender process was launched at the end of year 2018. The support scheme is a combination of a sliding and fixed premium and applies to wind power, solar power, wave power, biogas and wood fuel power. The aggregate annual electricity production covered by the scheme is 1.4 TWh. Successful projects, expected to be dominated by wind generators, receive support for 12 years.



WIND POWER INDUSTRY OUTLINE 2019

MARKET-BASED PROJECTS IMPLEMENTED

Increasingly attractive market conditions for wind power development in Finland have produced the first purely market-based projects that do not receive any state subsidies. According to Finnish company **TuuliWatti**, its Viinamäki wind park project in North-Western Finland, consisting of five 4.2 MW wind turbines, is the first market-based investment of this magnitude in the Nordic countries. In addition, other market projects have been announced by international investors. These include **CPC**, **Neoen** and **WPD Finland**, which are benefiting of a PPA

signed with **Google**, Energiequelle project and **OX2** in collaboration with **IKEA**. The projects by **OX2** are together the largest subsidy-free wind power construction in the Nordics with a total of 25 wind turbines and a combined capacity of 107.4 MW.

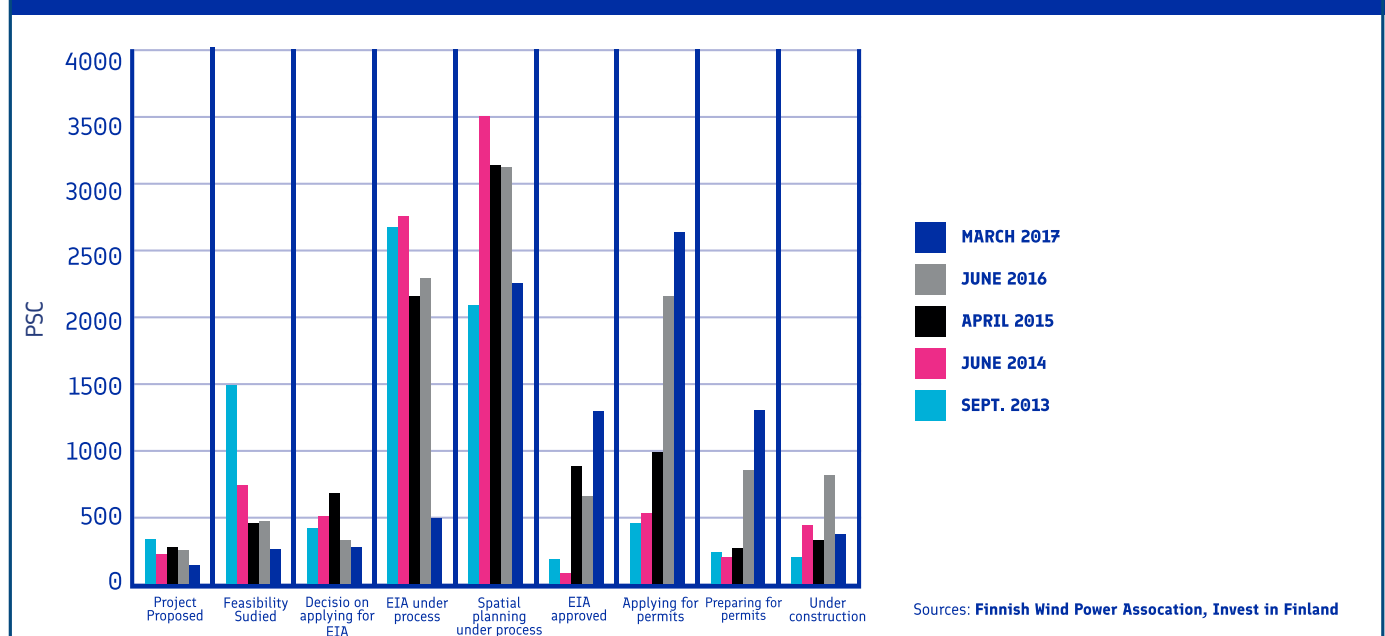
PIPELINE AND PARTNERS

Current projects in various stages of development include close to 13 000 MW on-shore and some 2 700 MW off-shore projects. The vast majority of the developed projects are in the EIA, planning or permit phase. Today, there are close to 200 companies

and other organizations actively operating in the Finnish wind power market. The largest investors to date have been domestic companies **EPV Group**, **Tuuliwatti** and **Suomen Hyötytuuli**.

The share of international investors is increasing. Companies such as **Allianz**, **E-group**, **Impax Asset Mgmt**, **KGAL**, **Susi Partners**, **WPD** and **Yard Energy** have made their first investments in Finland. Other international developers, turbine suppliers, and service providers have already entered the market, including **OX2**, **K2 Management**, **WSP Neue Energien**, **CPC Germania**, **Gamesa**, **Nordex** and **Vestas**.

ON-SHORE PROJECT PIPELINE 2013–2017



INSTALLED CUMULATIVE CAPACITY (MW)/YEAR

