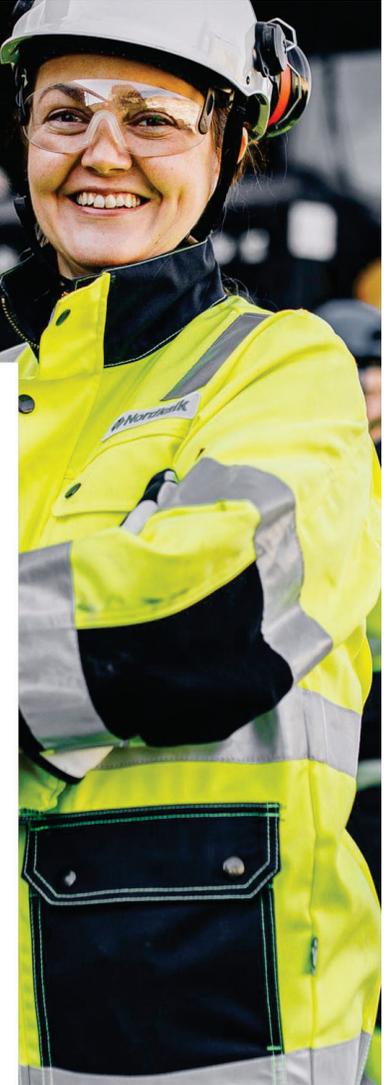




Critical Minerals: Strategy in Finland and the EU

Pekka Suomela, Executive Officer
The Finnish Mining Association FinnMin



Agenda today:

- Some words about mining in Finland
- EU CRMA: geopolitics and raw materials
- Mineral strategy in Finland
- Outlook for Finland
- Sustainability
- Mining tax



FinnMin

58
members

- Mining companies
- Suppliers of machinery and equipment
- Contractors
- Exploration companies
- Service providers

6 000
employees

Our member companies' turnover ranges from 0–1,7 billion euros.

16.1.2025

FinnMin

KAIVOKSET SUOMESSA 2023

39 mines

Kaivos, toiminnassa

⊗ Metallimalmi

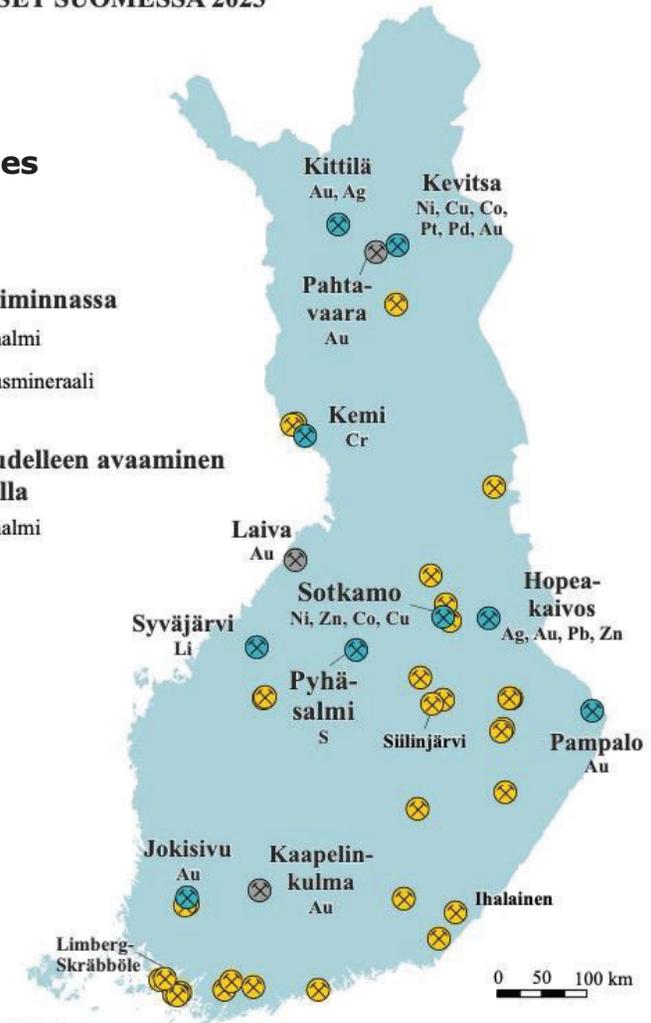
⊗ Teollisuusmineraali

Kaivos, uudelleen avaaminen suunnitteilla

⊗ Metallimalmi

ARVOAINEET

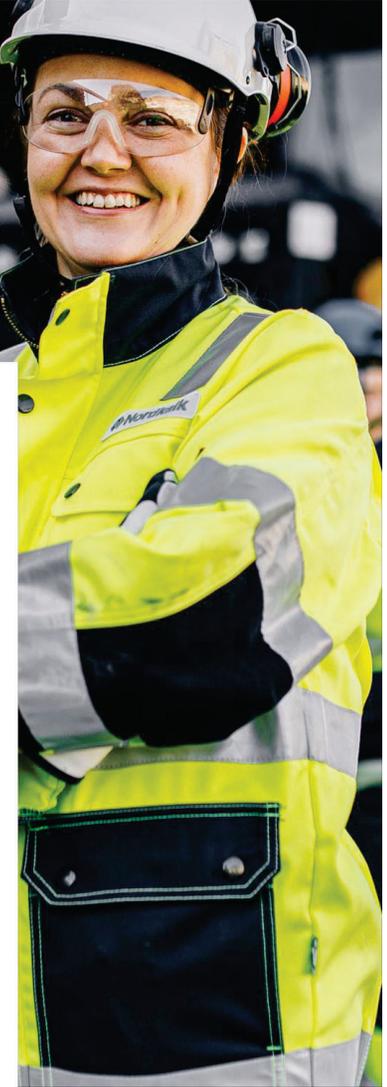
Ag – hopea
Au – kulta
Co – koboltti
Cr – kromi
Cu – kupari
Li – litium
Ni – nikkeli
Pb – lyijy
Pd – palladium
Pt – platina
S – rikki
Zn – sinkki



24.3.2023
Kaivostiedot: Tukes
Pohjakartta © Maanmittauslaitos, 2020



EU CRMA: geopolitics and raw materials



EU: CRITICAL RAW MATERIALS ACT



"Democratic institutions must constantly gain and regain the citizens' trust. We must live up to the new challenges that history always puts before us. Just like Europeans did when millions of Ukrainians came knocking on their door. This is Europe at its best. A Union of determination and solidarity."

Ursula von der Leyen, President of the European Commission

[Read the full address](#) | [Watch the international sign language version](#)

Setting Priorities

DEFINING CRITICAL AND STRATEGIC RAW MATERIALS (SRM)

CRM

Whole EU economy, based on:

- supply risk
- economic importance

SRM

SRM are a subset of CRM:

- Key for strategic technologies (green, digital, defence and space)
- Forecast demand risks outstripping supply

2030 BENCHMARKS

Towards more SRM supply security

- EU's extraction capacity cover **at least 10%** of the EU's SRM consumption
- EU's processing capacity cover **at least 40%** of the EU's SRM consumption
- EU's recycling capacity cover **at least 25%** of the EU's SRM consumption

Towards more diversification of supply

- **Not more than 65%** of EU consumption of each SRM should come from a single third country.



Mineral strategy in Finland



Understanding metals & mining: Case Finland

New regulation

- Mining law amendment with risks for exploration and permitting
- A new mining taxation

Permitting procedures

- Time consuming
- Terms and conditions not predictable

4.11.2024

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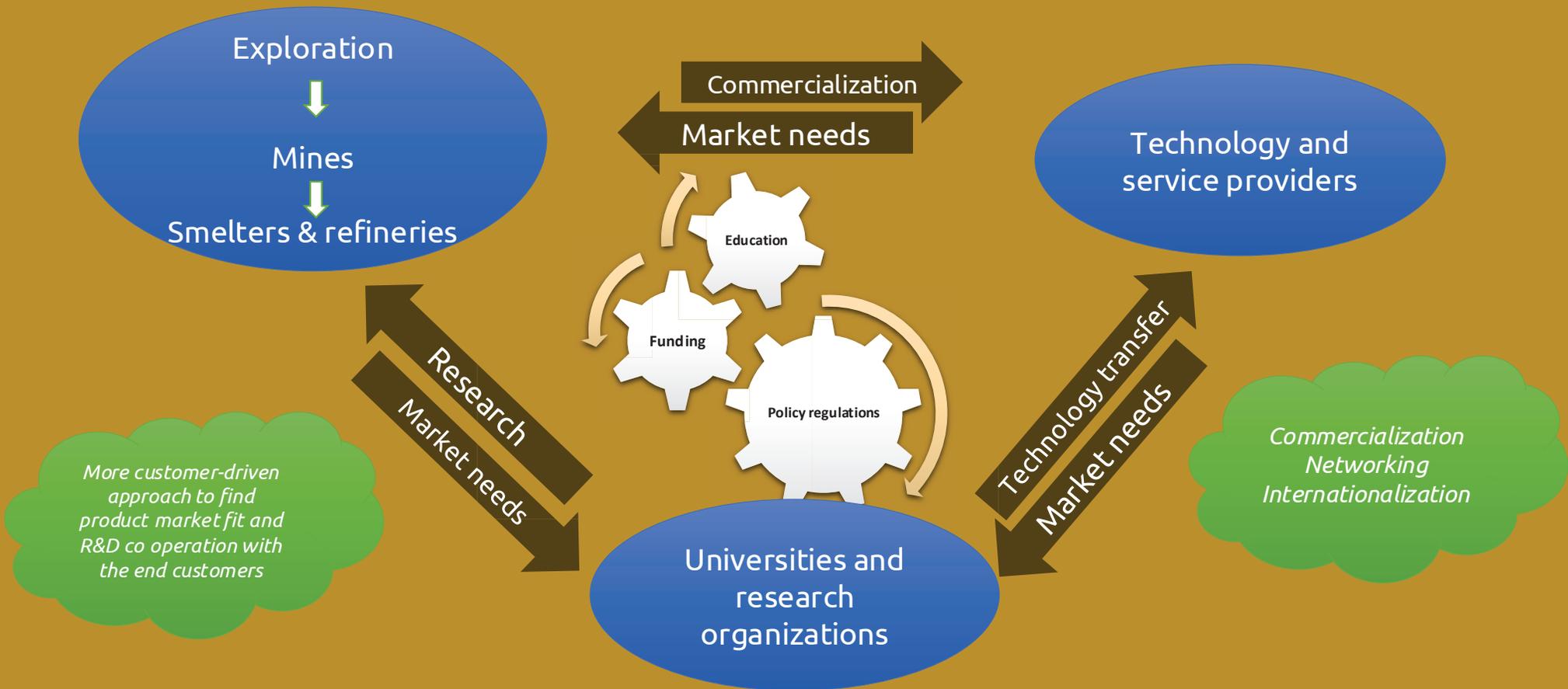
The need for a new mineral strategy



"The Mineral Strategy outlines an ambitious vision and objectives for the Finnish minerals sector and proposals for action to achieve these objectives. The key objective of the strategy is to promote the growth of the Finnish mineral cluster in order to strengthen the clean transition and strategic autonomy of Europe and to increase the value added of mining raw materials."



Finland has a strong mining ecosystem

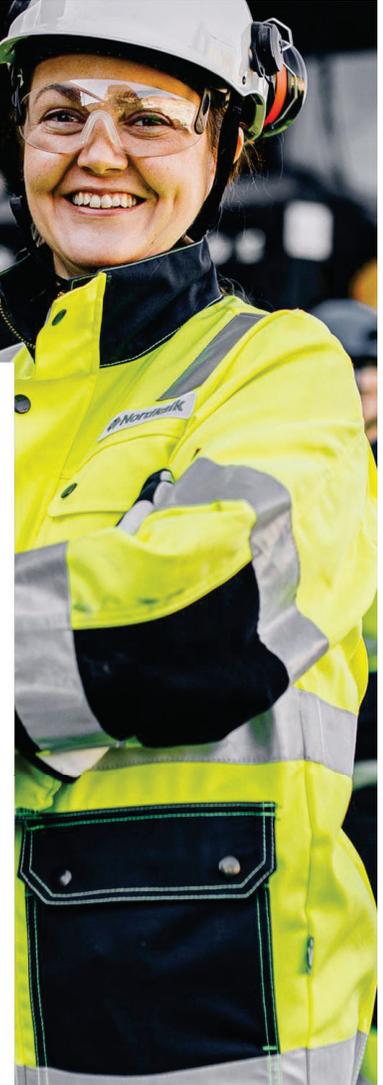




Outlook for Finland

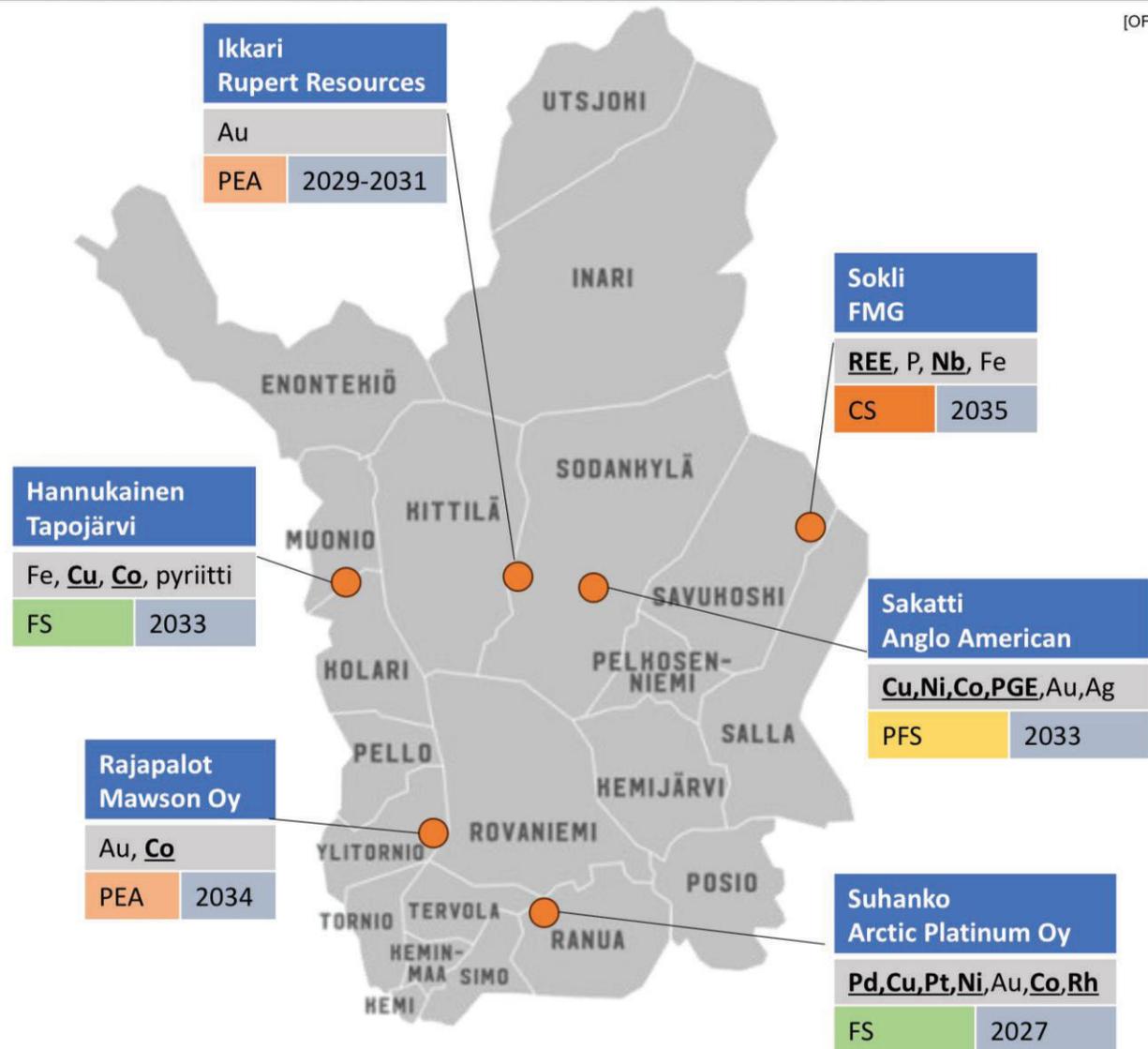


TOWARDS
SUSTAINABLE
MINING



Projects:

- 4 billion investments
- Up to 2 000 direct jobs
- Strategic metals for green transition
- Gold
- Demanding permitting

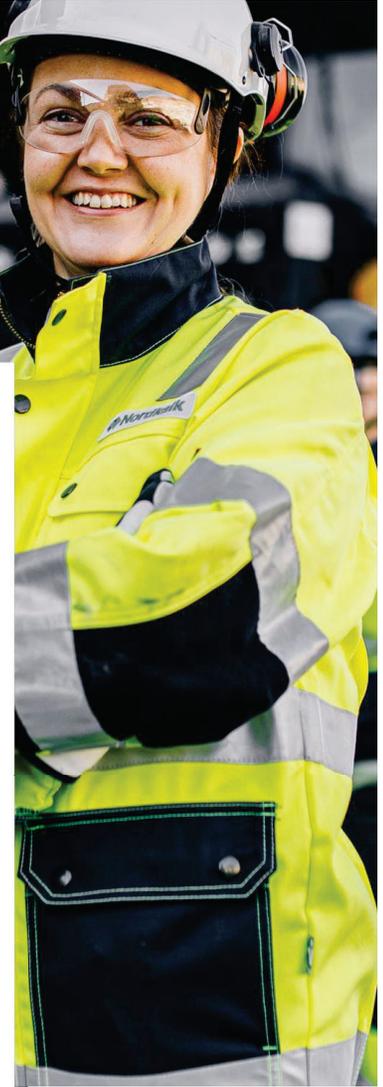




Sustainability



TOWARDS
SUSTAINABLE
MINING



How we collaborate regarding sustainability work

- FinnMin requires members to commit to complying with and developing jointly accepted responsibility systems
- Based on continuous improvement

16.1.2025

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TOWARDS
SUSTAINABLE
MINING

Our responsibility system TSM Finland

- Public, annual corporate responsibility and TSM-reports help our stakeholders to follow the industry's development on a site level
- Self-assessments annually, third party audits every third year

16.1.2025

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TOWARDS
SUSTAINABLE
MINING

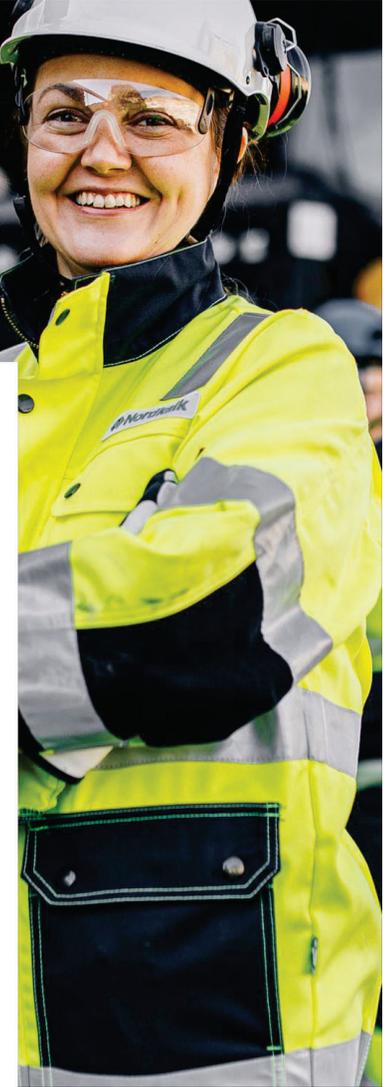
Responsible exploration

- A separate tool to assess sustainability practices in exploration
 - Unique on a global level
- Guidebook for Exploration
 - Information and guidance for both companies and stakeholders





Mining and processing TAXATION IN FINLAND



Summary of the Finnish Mining Tax Law 1 – metal mines

- Value-based royalty of 0.6 % for metallic minerals: This tax is based on the taxable value of the metal included.
- Tax for metallic minerals is payable once the ore is feeded to the mill for processing.
- The taxable value of the metal is based on international market price data, obtained from sources such as the London Metal Exchange and the London Bullion Market.



Summary of the Finnish Mining Tax Law 2 – industrial minerals

- Volume-based royalty of EUR 0.20 per extracted ton for non-metallic minerals: This tax is based on the quantity of minerals extracted.
- Tax for non-metallic minerals is payable once the mineral is extracted.



National Tax Authority

- [Briefly in English](#)
- <https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/excise-taxation/tax-on-mined-minerals/>



New Tax rates

from 1.1.2026 and 1.1.2027

The Cabinet in Finland has made ~~two~~ four decisions on mining tax

- In their governmental program 2023
- During their budgetary negotiations 2024
- And in mid-April 2025

➤ ~~10 million € increase from 1.1.2026~~

➤ ~~10 million € increase from 1.1.2027~~

➤ Yllätys yllätys.... 70 000 000 euroa



New Tax on Electricity

from 1.1.2026

The Cabinet announced in early 2025 that there will be an increase on electricity tax for mining (not milling).

Totalling some 10-12 million €





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