

# Does the new Finnish Climate Change Act promote urban climate resilience?

**Although climate change is a global problem and states are the main actors in climate governance, the role of sub-national governments is increasing in this field. Finland's national Climate Change Act, revised in 2022, sets the framework for climate policy-making for the state authorities. The new Act addresses municipalities to a limited extent, but it is questionable whether its obligations work towards enhancing urban climate resilience in Finland.**

TUULA HONKONEN

University of Eastern Finland Center for Climate Change, Energy and Environmental Law (CCEEL)

**Municipalities' climate governance.** Climate change has traditionally been perceived as a global problem that nation states seek to address by mitigation and adaptation. In the early days of the climate movement, cities and municipalities were not widely recognized, and they mostly did not recognize themselves, as important regulatory actors in the battle against climate change.

The autonomy and governance powers of cities, and municipalities more generally, vary across countries. Consequently, the extent to which legal obligations are conferred on sub-state governments varies. In recent years, states have increasingly introduced national climate change acts as overarching legislative acts on climate change (ClientEarth 2021; Muinzer 2020). These are directed at the national governments, outlining their responsibilities and setting up the basis for countries' climate change policies. Sometimes climate acts also specifically address the municipal level of climate governance. This is the case with the new Finnish Climate Change Act, which entered into force in July 2022.

**Urban climate resilience and law.** Cities have a key role in societies' resilience towards climate change, the impacts of which are felt at all spatial levels. Globally, and in a great number of countries, the majority of the hu-

man population lives in cities. Furthermore, even a larger share of the national wealth is concentrated in cities, making them represent the largest asset value at risk due to climate change. Urban climate resilience can be understood as climate resilience in the context of urban areas, recognizing their rapid growth (or the shrinking population, in some cases) and the prevailing and projected uncertainties associated with climate change (ADB 2014; Honkonen 2022). In general, climate change resilience entails both mitigation and adaptation. The concept implies the capacity of a system to cope with a hazardous event or trend or disturbance, while at the same time being able to reorganize to maintain its essence and capacity for adaptation, learning and transformation (IPCC 2014).

The role of law and regulation in strengthening urban climate resilience is central, but often at the same time rather subtle. Furthermore, decentralization of municipal governance plays a significant role in many countries. This also applies to Finland. In terms of regulation, promotion of climate resilience entails a focus on reducing vulnerabilities to climate change impacts. This naturally means adaptation, but also broader planning and organizational measures, in various areas of societal

development and in relation to various activities that take climate risks into account and reduce vulnerabilities. At the same time the promotion of climate resilience through regulation entails building capacity to manage change and risks emanating from climate change.

**The role of municipalities in the new Climate Change Act.** The Finnish Climate Change Act was first introduced in 2015, at which point it comprised a rather broad framework act addressed to the government and relevant state authorities but not to sub-national governance actors. A major revision process was initiated only five years after the Act's adoption (on the reform in Finnish, see Albrecht et al. 2020; Kulovesi et al. 2020; Ulvi et al. 2022). The reasons behind the speedy reform were many and included the need to include the new national climate neutrality target and intermediate targets in the Act. The scope of the new Climate Change Act, approved in summer 2022, encompasses the climate policy plans by state authorities (§ 3). The obligation to promote the realization of the targets and plans set out in the Act applies to the actions of state authorities only (§ 5). In this sense, the legislative reform did not change the legal responsibility to regulate urban climate resilience in Finland.

The reform of the Finnish Climate Change Act is not yet complete. The Act will be complemented by a separate amendment due to come into force on 1 March 2023. This amendment includes an obligation to draw up climate plans at the local, district or county level. The issue is complex and involves a mix of interests, which explains why it was omitted from the original government proposal. The amendment to the Climate Change Act specifies that the scope of the Act will include municipalities when they prepare municipal climate change plans and monitor their realization (§ 3 as amended). However, it is noteworthy that § 5, which obliges state authorities to promote the realization of the targets and plans set out in the Act, will not be amended to include municipal authorities within its scope. In contrast, the amendment introduces a new § 14 on municipal climate plans. Accordingly, a municipality will have an obligation to draw up a new climate plan or update an existing one at least once during the term of the city or municipal council. The plan must include:

- a target for the reduction of greenhouse gases in the municipality;
- actions to be taken in the municipality to reduce greenhouse gas emissions;
- information on the development of greenhouse gas emissions in the municipality;
- information on the monitoring of the realization of the plan; and
- other things deemed necessary.

**Does the Act promote urban climate resilience?** It is notable that the amended Climate Change Act will not contain an obligation to address adaptation in the municipal climate plans. Municipalities can, of course, also include adaptation targets and actions in the climate plans, but there will be no legal obligation to do so. It could be argued that this omission is likely to weaken the climate resilience dimension of the plans. A municipal climate plan that solely, or principally, focuses on targets and actions for reducing greenhouse gas emissions will neither address nor strengthen the municipality's capacity to cope with the negative effects of climate change. Furthermore, the focus on emissions reduction does not encourage municipalities to adopt a more holistic view towards coping with climate change. Such a view could draw the attention of sub-national authorities to the reorganization of the functions and structures of their administration towards 'climate-resilient pathways' as advocated by the IPCC (Denton et al., 2014). The stance adopted in the amendment to the Climate Change Act is of course clear and feasible for the municipalities, but at the same time it perceives climate change governance and regulation in a rather narrow sense and lacks ambition in relation to climate change resilience.

The amended provisions of the Climate Change Act do not differentiate between rural and urban municipalities. This is understandable. In Finland, municipalities have broad autonomy and so it is not possible for the state to address targeted climate regulation towards cities responsible for the largest emis-

sion levels, for instance. It is important that the urban aspect of climate change governance, and resilience, is accounted for in city-level policymaking. Numerous Finnish cities already have climate change plans and strategies in place and municipalities have also formed networks that help them build capacity and learn from each other – which is especially useful for building up their resilience in face of climate change. These activities are of course based on voluntarism. Therefore, the new § 14 of the Finnish Climate Change Act is very important because it will subject all municipalities to the obligation to engage in climate change planning.

The fact that the municipal aspect of Finnish climate policy is now included in the amendment to the Climate Change Act is a welcome development as it brings legal rigour and uniformity to the urban climate planning. However, the climate resilience aspect remains unaddressed in either the urban or more general context under the relevant legislation. Consequently, cities' climate resilience may be currently more effectively addressed through other routes than municipal climate plans – for instance, through urban planning and (re)development as a result from financial sector risk assessments.

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