

CEDR 2019: Commission II: National Report: Finland

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Questionnaire

1. Characterize the importance of planning instruments to protect agricultural land resources in your country of origin, taking the following issues into account!

The geographical numbers show that Finland is scarcely populated and therefore detailed land-use planning beyond urban areas is not common. The State covers an area of 338,000 km², of which 9% are inland watercourses, among them approximately 60,000 lakes. Forest land (mainly pine and spruce) exceeds 60% of the area, marshland about 30%, and cultivated land (primarily barley and oats) 6%. The economic structure according to main employment branches is 4% for agriculture. This again leads to the consequence that the market for farmland is not particularly controlled by the State.¹ The group of private interested parties from abroad to acquire farmland in Finland is probably small, motivated by family reasons. Foreign investors and actors are share-holders in multinational companies, partly owning farms and related units. Since there are no restrictions other than general market rules to act in the Finnish food and cattle market, specific numbers concerning agricultural and farmland acquisition are relevant, supposed that those would be documented.

1.1. Scope of land-use plans (for the whole territory or only certain areas).

Farm units and planning law

Land-use planning is not sectoral in the sense that plans would be prepared for one specific purpose, except for urban and protection areas. There are three levels of land-use plans, the regional (supra-municipal) plan, the local master plan (municipal) and the local detailed (part of municipality) plan. They compose a plan hierarchy where the more general one serves as guideline for the more detailed one.

Land-use and Building Act 132/1999 (LUBA) Sec. 28: In planning, special attention shall be paid to the following: 1) appropriate regional and community structure of the region; 2) ecological sustainability of land use; 3) environmentally and economically sustainable arrangement of transport and technical services; 4) sustainable use of water and extractable land resources; 5) operating conditions for the region's businesses; 6) protection of landscape, natural values, and cultural heritage; and 7) sufficient availability of areas suitable for recreation.

There is no national plan, i.e. a plan that would cover the entire state in a binding way. However, the Government may adopt objectives for different kinds of land-use for the entire country but these are not legally binding for planning or permit procedures, but they serve as political goals for state authorities when developing their sectoral legislation and programmes. Such objectives may focus on specific needs, mostly of major national interest.

LUBA Sec. 22: National land use objectives may concern matters which have: 1) international or more extensive than regional bearing on local structure, land use, or the

¹ For official statistics see http://www.stat.fi/meta/kas/maatila_en.html

transport or power network; 2) a significant impact on national cultural or natural heritage; or 3) nationally significant impact on ecological sustainability, the economy of the local structure, or avoidance of environmental hazards.

Farmland transactions would hardly be a topic in that connection but other aspects, for instance control of diffuse emissions might be one goal.

LUBA Sec 25: The regional scheme indicates the regional development goals. The regional plan sets out the principles of land use and community structure, and designates areas as necessary for regional development. Areas are designated as reserved only to the extent and accuracy required by national or regional land use goals or by harmonizing the use of land in more than one municipality.

Regional (provincial) and local master plans are classified as general plans because they only exceptionally have a direct binding effect on individual cases, especially building permits. The purpose of the local master plan is to provide general guidance regarding the community structure and land use of a municipality or a part thereof, and to integrate functions. This effect is typical for the local detailed plan, which similarly to zoning allocates limited areas of a municipality for selected purposes of land-use. As detailed plans do not usually cover the entire municipality, the areas beyond the detail-planned areas are rather open for purposes that do not require a plan for densely built-up areas. There are some exceptions especially in nature-districts on shores where erection of constructions is limited by plans. Consequently, agricultural activities do not require a planning permit or a planning allocation but, of course, general regulations concerning building and placement of activities as well as related environmental requirements must be observed. The prerequisites will be, if necessary, determined in permit procedures.

LUBA Sec. 35: The purpose of the local master plan is to provide general guidance regarding the community structure and land use of a municipality or a part thereof, and to integrate functions. A local master plan may also be drawn up to guide land use and building in a specified area. The local master plan presents the principles of targeted development and indicates the areas required as a foundation for detailed planning, other planning and building, and other land use. The local master plan may also be drawn up in stages or by sub-area.

As land use planning serves as a tool for public administration to control, when necessary, the complexity of different modes of land-use, this has no effect on private transactions concerning those planning units. Of course, certain modes of use may require that the operator holds a title for enforcing that mode of use, for instance an energy plant.

The Finnish real estate registry system does not recognize farms as specific entities of property. Farms are usually real estate units or a combination of those without specification. Farms may also comprise land under lease, exclusively or as a compliment to owned property. Farms are listed in the agricultural administration for financial purposes (aids, taxation etc.) only. Farm units used to be family farms and therefore they were rather small. This has changed and the number of farms has decreased in line with the increase of size. Company-owned large farms are not common but legally possible.

Also, the operator of a farm does not require an allowance or other licence for the activity. This concerns equally the acquisition of farmland, be it for own business or for transfer to lease. Previous

restrictions against acquiring agricultural land were abolished when Finland joined the European Union. This applies to all foreign states, also to those outside the EU and the EES.

However, the national agricultural policy supports and steers the creation and management of agricultural and forestry land. Here the concept of a farm and viable agriculture plays a role for structuring land-use and the formation of economic units (Farm Financial Aid Act 329/1999). Environmental subsidies may be used either for supporting production or for environmental protection; an example of this may be subsequent restrictions against the use of fertilizers along watercourses.

1.2. Special instruments for the conservation of cultivated land (especially priority areas).

A land-use plan may indicate land for agricultural activities. This assignment serves as an exclusive planning measure and, in principle, excludes e.g. industrial constructions. However, it does not create obligations for landowners to use their property for agriculture or cultivation. Protection obligations may be included. Also such an assignment does not restrain the municipality from obtaining an expropriation permit if the area is needed for urban development. More theoretically, a rural landscape with agricultural traditions may be assigned to be protected against extensive amendments of practices, for instance forestry.

LUBA Sec. 57.2 When an area or building requires protection due to its landscape, natural values, built environment, cultural and historical values or other special environmental values, the necessary regulations for this purpose may be issued in the local detailed plan (protection regulations). The protection regulations must treat landowners reasonably.

1.3. Permissibility of activities on agricultural land (in particular buildings) according to land-use plans (or outside of them).

If land is assigned by a plan for rural activities, this usually means that only constructions for that purpose are permissible, i.e. farm housing, cattle and production houses etc. But such exclusive assignments are not a prerequisite for initiating rural activities nor does the planning hierarchy as a whole exclude rural activities on land outside those assignment areas. In fact, the opposite is the case, namely that rural activities and businesses are permitted to be carried out in all planned areas, except for urban areas for which a detailed plan has been adopted.

Restrictive covenants may be entered between holders of titles, especially with the owners and possessors, and a public authority. The aim of such covenants is largely to generate protection of natural sites or cultural buildings. According to the Nature Conservation Act (1096/1966 Sec. 24), private preservation areas may be established based either on the application of the landowner or on the prescription of the competent authority. The conditions of the protection are set by law, but the competent authority and landowner may to some extent assemble the content of the measures in the named preservation. For instance, housing and farming may be allowed at a determined site, but the use of other natural resources may be limited. Also, based on nature protection programmes, voluntary agreements on natural preserves are practiced, especially in order to protect biological diversity in natural forests. The State may, in return for voluntary restrictions, give compensation to the owners.

1.4. Instruments in national planning law aimed at limiting changes to the intended use of agricultural land for purposes not related to agriculture.

The change of a mode of land-use is not specifically regulated by planning law. Plan allocations are stable in the sense that changes of land-use may require the change of the plan itself. As said above, a rural land use assignment may be changed if there are later planning needs for that. Under certain conditions, if unreasonable, such a change may entitle a landowner to compensation from the municipality or the State.

1.5. Consequences of changing the intended use of agricultural land to purposes not related to agriculture in so far as it may alter classification as agricultural land under any regulations of agricultural property transactions.

It is up to the farmer to make changes. That does not require any planning measures nor administrative decisions, unless the new activity itself may need for instance an environmental permit (large-scale livestock installation etc.). The farmer takes the consequences that such a change may have on subsidies and tax benefits; these may require a certain duration or intensity of activities.

1.6. Evaluation of the adopted instruments for the protection of agricultural land resources in the light of national academic literature.

Despite the decline of farms by number and some increase by size, most of farms are still family-based relatively small units. Some extension has been reached also by leasing additional land. Productivity and viability are followed up in research on the basis of the development financing, investments and the impact of generation changes. Structural changes increase because the capacity of smaller farms do not obtain financing for needed investments or are not able to take the costs. Statistics are available on the website of the Finnish Natural Resources Institute (<https://www.luke.fi/en/natural-resources/agriculture/>)

Multifunctionality is one way for traditional farms to stay alive, some of those functions may be environmentally focused. Otherwise, there are hardly any specific or formally assigned protected rural areas but rural businesses tend to combine farm activities with other environmental and touristic services. The structural change bans fossil energy sources and adopts natural and renewable sources. By 2025, the bioeconomy output will increase to EUR 100 billion and the number of people employed in it will grow by 100,000. The bioeconomy strategy seeks to reduce the dependency on fossil natural resources, to prevent the impoverishment of ecosystems and to promote economic development and create new jobs in compliance with the principles of sustainable development.

2. Characterise the importance of instruments to counteract the degradation and devastation of agricultural land in your country of origin!

Also here, there are no specific rulings focusing on agricultural land. The Environmental Protection Act (527/2014) provides for general rules in case of polluted soil or groundwater or a risk thereof.

Section 133: “Any party whose operations have caused the contamination of soil or groundwater is required to treat the soil or groundwater (contaminated site) to a state where it does not pose a risk or cause harm to health or the environment. If the party that has caused the soil contamination cannot be determined or prevailed upon to fulfil the treatment

obligation, and if the contamination has occurred with the consent of the party in possession of the area or if he or she has known, or should have known, the state of the area when it was acquired, the party in possession of the area shall treat the soil in so far as this is not clearly unreasonable. The party in possession of the area is also responsible, under the same conditions, for the treatment of groundwater if the pollution was caused by soil contamination in the area concerned. In so far as the party in possession of the contaminated site cannot be required to treat contaminated soil, the municipality shall establish the need for soil treatment and carry out the treatment of the soil.”

If there is reason to suspect that the soil or groundwater has been contaminated, the party responsible for treatment shall establish the level of contamination of the area and the need for treatment. The report shall be delivered to the state supervisory authority.

Agriculture may be both a victim and the reason for pollution. The goal with the liability rules is to reach the state of quality of soil and groundwater as it was before the polluting activity. Often the history of activities is long and it is difficult to identify each actor in the chain. The polluter pays - principle is the starting point but in the end the present possessor being mala fide may be liable without any polluting impact of his own. If the original state of the soil was suitable for agriculture, this should also be the goal for restoration. But in reality farmland being cleaned up is more valuable for other purposes than traditional farming. Same liability rules apply when pesticides, manure deposits and similar activities are the reason for pollution. Such a situation may also affect negatively the farmer’s title to obtain subsidies under CAP.

2.1. Degree of agricultural land degradation and devastation; issue of erosion and desertification of agricultural land.

The Climate Change Report of the Finnish Environment Institute (SYKE) states on its website²:

“There is no end in sight for the depletion of biodiversity in Finnish agricultural ecosystems. More efficient cultivation techniques, structural changes in agriculture, growing sizes of production units, and decreasing numbers of dairy farms have changed agricultural ecosystems together with the slightly earlier sowing and longer growing seasons. Due to changes in agriculture, the number of important cultural landscapes, or cultural biotopes, has decreased by more than 90% in the after-war period. Climate change may increase the depletion of biodiversity but also bring new species.”

“Human activity and land use are the factors that affect the future of agricultural ecosystems the most. The indirect effects of climate change through the profitability of agriculture and adaptation measures relating to the timing of cultivation practices, such as tillage, the use of pesticides, and sowing and harvesting, are significant especially in the short term. Direct effects such as the lengthening of the growing season, the impact of increasing levels of carbon dioxide in the air on fertilisation, and the introduction of new species also affect the future of agricultural ecosystems. Information about the effects of climate change on the ecosystem processes that maintain the biodiversity and productivity of agricultural ecosystems is still limited.”

² <https://ilmasto-opas.fi/en/ilmastonmuutos/vaikutukset/-/artikkeli/3cf501d5-3ee3-4672-9a0d-936>

2.2. Legal instruments to counteract the degradation and devastation of agricultural land (administrative orders and prohibitions; creation of protected areas surrounding industrial facilities; other).

Other than industrial or large-scale agricultural activities do not need planning provisions or environmental permits. Changes in agricultural practices are therefore admissible for farmers as is the change of the mode of cultivation. There are no specific provisions concerning agriculture aimed at the prevention of land degradation or erosion. However, at the general level these changes are limited by two important prevention rules of environmental law, namely the prohibition to pollute or alter soil in a harmful manner or to cause risk of pollution of ground water. These provisions are relevant for instance when using fertilizers and pesticides or when storing or spreading manure. For these purposes guidelines, often related to the type and size of product or material, are based on the principle of best environmental practice (BEP). The problem that GMO cultivation may cause economic losses to traditional and biological cultivators, will not be discussed here; it is not a social problem because such cultivations do not exist yet.

Farmers have to restrict the effluents from agriculture in accordance with the Directive 91/676 on the protection of waters from pollution by nitrates. Eutrophication is a remarkable threat to waters also beyond the area of that Directive. For this reason, the national water programme policy supports voluntary measures to limit the impact of fertilizers and pesticides, partly in order to prevent further eutrophication of the Baltic Sea. The measures to be taken and the restrictions to be applied (good agricultural practice) are in these cases based on covenants. Large units require a permit for the production and for emissions.

Finland has promulgated the Act on Preventing Wild Oat, the purpose of which is to control wild oat and prevent spreading of wild oat.

2.3. Reclamation of degraded or devastated agricultural land (its methods; entities obliged to perform this task).

A survey: Schulz T. M. 2009. Vulnerability assessment of ecosystem services for climate change impacts and adaptation, Action 7: Assessment of impacts and adaptation measures for agricultural production, Deliverable 1: Review of warming impacts in boreal agriculture. 33 s.
<http://www.ymparisto.fi/download.asp?contentid=114258&lan=en>

2.4. Evaluation of instruments adopted to counteract the degradation and devastation of agricultural land and methods for reclamation in the light of academic research.

A report of the Finnish Natural Resources Institute (LUKE, 2017 by Harri Lilja, Markku Puustinen, Eila Turtola ja Jari Hyväluoma)³ about the vulnerability and documentation of impacts erosion causes to agriculture:

“Abstract: Erosion is a major source of agricultural phosphorus loading, and the development of erosion risk is one of the international agri-environmental indicators. Therefore it is important to direct agri-environmental measures for fields under greatest erosion risk. Field blocks (even parts them), must be able to be classified by erosion risk. The goal of this project was to produce a nationwide system for efficient erosion map production based on RUSLE2015-model. To get the model, maps and ser-vices equally available for users the full coverage of the country must be

³ http://jukuri.luke.fi/bitstream/handle/10024/540188/luke-luobio_42_2017.pdf?sequence=5

achieved. According to National land Survey of Finland the Lidar-based Digital Elevation Model will cover the whole country in 2019. In this project we developed production system that allows effective creation of erosion sensitivity maps for Finland by using these high resolution DEMs. The new high-performance computing technology also enables quick updating of the model and, if necessary, the maximum automation. The principle of high-performance computing is described in the scientific journal. Farmers estimated the qualitative accuracy of maps (the relative risk of occurrence of erosion) to be good in several projects. Quantitative accuracy (t / ha / y) has not been as good. Previous attempts to apply USLE type of models in the boreal conditions has been difficult. The European Commission's Joint Research Centre (JRC) recently published RUSLE2015 model, which has been adjusted to European conditions. The model can be considered scientifically controversial because the assessments have not been based on model simulation or field survey. We evaluated and adjusted RUSLE2015 for boreal conditions using best available data sources (Evaluation of RUSLE2015 erosion model for boreal conditions, Geoderma Regional). After some ad-justments the model has potential to produce results within tolerance on most of the experimental plots. It succeeded to pass $\pm 50\%$ criteria in 74% of cases on field level having controversial and failed results on bare soils treatments (cereals with normal tillage) and continuous bare soil (e.g. fallow). It must be noticed that the original RUSLE was developed by extensive field work in the US with big amount of similar replicates (standard plots). Our fields and plots are hardly comparable to the US, because they are so various. We also have short time series compared to the original USLE-measurements. More studies of all factors are necessary: R-factor could be evaluated using disdrometer and weather radar data. As the low R-factor does not necessary mean the low soil erosion, we should better understand other than splash dominated erosion mechanisms. Testing and developing new resolution independent flow accumulation algorithms for the LS is desired. The K-factor of differently managed soils ought to be studied as well as the C-factor with remote sensing methods (e.g. drones) concentrating on bare soil freezing-thawing. We also have limited knowledge of the P-factor values of grass strips on various slopes and subsurface drainage systems as a whole.”

3. *Are there any specific regulations concerning agricultural property transactions in your country? If so, characterise them,*

Pre-emption is an exceptional instrument for the public authority to interfere in transactions between private parties. The regular measures to satisfy public needs are expropriation and other modes of compulsory taking. Today, the needs for extraordinary measures have decreased. In one case of redemption to the State, based on an old Act with roots in agricultural law, at a public auction, the competent state authority had the right to interfere and redeem the farm in a procedure regulated by law (Act on Redemption of Farms to the State at Public Auctions 23/1938). The purpose was to obtain land for restructuring agricultural conditions and for enforcing national rural policies. The State has made use of this right in rare cases only. The Act has now expired (362/2016).

Other (support and protection of family farms, etc.).

Support for young starting farmers (generation transfer). Conditions: newcomer, under 41 years age or a private company engaged in farming.

Rural development aid for initiating structurally profitable projects. Investment support for agriculture. These are administrated by the National Food Agency.

3.2. *Scope of the specific regulation:*

a. Ownership transactions

No specifications concerning conveyance of rural property rights.

b. Lease transactions

The categories relating to rural areas are rent of habitation land (other than ground rent) and of farming land, with or without necessary buildings (Land Tenancy Act 258/1966). If land is rented for purposes other than habitation or farming (e.g., for recreation, fishery), certain more simple rules apply. Lease of agricultural land without buildings has been a rather common way to increase the area of the cultivator's own farm, e.g., in order to make industry more viable or to fulfil the requirements of receiving State subsidy. The main purpose of the lease is to provide additional field area for small farms. The Act also provides for specific rules on tenants' rights and obligations concerning existing and new constructions and equipment. More simple provisions apply if the lease concerns agricultural land without buildings. For improvements on land or constructions, the tenant may claim compensation only if this has been agreed upon.

Farming land may be leased with (farm) or without buildings (agricultural land). A farm may consist of one or more parcels. A farm is not a category of property units, rather a term of agriculture. Therefore there are no limits for leasing farm land in terms of property rights. A habitation farm (with buildings) may be rented for a maximum of 25 years. The lease term for other agricultural land is limited to a maximum of 20 years, but the duration may also depend on the cultivation season. If the term endures for more than two years, a written contract is required.

A lease gives possession of the land for farming purposes which is eventually defined by contract. The tenant may not, if not agreed, transfer his right to third parties. The Tenancy Act provides rules concerning tenant's buildings and the use of existing buildings on the farm. If buildings have been erected in conformity with the lease, the landowner may be obliged to redeem these objects at the end of the lease term. The tenant may also receive compensation for improvement or investments on the farm. A crop which matures after the lease term, as a rule is property of the tenant who sowed it.

3.3. *Subject of the specific regulation: agricultural property, farms, other specific areas (mountains, coast, etc.), taking their qualifying criteria into account.*

The property register and the land register, which are still separately maintained, are today combined by a data-based information system (real estate information data register), which is operated by the national land survey administration. There are also other registers that are relevant for property information (farm register, private road register).

The information held within the land register is collected on the basis of land survey decisions.

Buildings may not be constructed in so-called shore zones in the shore area of the sea or of a body of water without a local detailed plan or a legally binding local master plan which contains special provisions concerning use of the local master plan or a part thereof as the basis for granting a building permit. This provision does not apply to the following: (1) building required by agriculture and forestry or fishery; (2) building to serve the needs of national defence or frontier control; (3)

building required by navigation; (4) building of an outbuilding within the curtilage of an existing residential building, or (5) repair of or limited extension of an existing residential building.

3.4. Instruments of the specific regulation concerning inter vivos transactions:

None.

3.5. Instruments of the specific regulation concerning mortis causa transactions:

a. At the grant of the legacy (special categories of inheritors, division of inheritance into "agricultural" and "non-agricultural", etc.)

The farm assigned to one part of the heirs does not constitute a separate property or capital; instead it will be distributed as part of the heir's share. If the value of the share is less than the value of the farm, the compensation to the other inheritors who lose their share in the farm and property under legacy may be financed by a loan mortgaging the farm. A farm may also be assigned to one of the heirs as an advance against his inheritance. Since in Finland farming is closely connected to financial aid and other financing instruments, the value of the farm may increase due to public support. If this is the case before the event of death of the intestate, the public support will be added to the share of the heir who received the farm as advancement. This regulation is partly a consequence of the reform of European CAP due to which subsidies are given to production units, not to the producers personally (the policy measures have been transposed into Finnish law through the Act 193/2013; the referred section 11 of this Act corresponds to the EC Regulation (EC) 1307/2013 Annex I).

b. At the distribution of the legacy (preferred beneficiaries in the case of agricultural property, criteria for their individualisation, issue of refunds, etc.).

Specific rules apply when an inherited estate includes an agricultural farm. The purpose of the regulation is to keep a farm undivided where there are several inheritors, especially the direct heirs of the decedent. Heritage Law includes a system where agricultural aspects may be prioritised during the distribution of the parts of the real estate (Heritage Code 40/1965, Chapter 25). The rules are not compulsory for the inheritors or the decedent. The provisions apply to the distribution of an estate comprising a farm, other real property or a part of real property in agricultural use, unless it is otherwise stipulated in a testament or unless the shareholders in the estate agree otherwise. The provisions do not apply, if the farm, the real property or the part of real property is fully or mainly located in an area where a town plan. For the purposes of this Act (1) farm is defined as an agricultural entity consisting of one or more pieces of real property or parts thereof; (2) viable farm is defined as a farm which suffices as the main livelihood of the farmer and his or her family; (3) part of real property is defined as a share in, or a parcel of, real property; and (4) suitable agricultural successor is defined as an heir or a universal beneficiary under a testament who has this status at the time of distribution and who has the necessary professional competence to pursue an agricultural business.

A suitable agricultural successor has the right to demand that a viable farm belonging to the decedent's estate, or such real property or parts of real property belonging to the decedent's estate which by themselves or together with other real property or parts of real property owned by the successor or his or her spouse constitute a viable farm, be allotted undivided, and with any agricultural movables, into his or her share of the estate. For some specific situations there are exceptions and additions. There are also provisions concerning the determination of the allotted

property and the taxation. If several suitable agricultural successors demand that a farm, real property or part of real property be allotted into their share in accordance with the provisions in this chapter, preference shall be given to the person with the highest professional competence to pursue an agricultural business. Before the final distribution of an estate where these provisions are applied, the estate distributor shall, if necessary or if a shareholder so requests, obtain an opinion from the Rural District where the farmhouse of the farm belonging in full or in part to the estate is located.

Altogether, the ruling allows one heir or some of them to continue the farming activity and to satisfy the other inheritors with compensatory measures. The idea of farm heritage is the protection of the farm activity in the event of transfer to the next generation. The problem may arise that the farm unit would be split up between the heirs so that it no longer fulfils the criteria for public subsidies or special treatment on taxation. Thus the distribution of the farm estate has a relationship to the rules concerning subsidies for agricultural farming, and the inheritor in question must fulfil the legal requirements for being acknowledged as a farmer in accordance with the national agricultural policy.

According to marriage law, each spouse requires the other's consent before selling property which belongs to the common household. This is also true for one's private property. In addition, the spouses have a marital right to each other's property, unless this has been excluded by contract or legacy. This is not a property right, and the spouse cannot be registered as co-owner of the immovable property. It can be viewed as a form of expectancy.

3.6. Evaluation of the special regulation of agricultural property transactions in the light of agrarian literature:

No controversies in relation to EU law or human rights regulations have been reported in public. To the CAP scheme, Finland has added a national subsidy system for areas where the agricultural conditions are, for climate and geographical reasons, demanding. The CAP has been transposed by the Farm Subsidy Act (193/2013) and the Decree of the Council of State on the enforcement of the payment system (758/2005).

4. Are there any restrictions as to the acquisition of agricultural property by foreigners in your country?

Today, there are no restrictions to the acquisition of any kind of land or property. Before Finland joined the European Union, there were restrictions concerning the right of foreign citizens and organizations to purchase land and comparable property rights. These restrictions had to be abolished or updated. Therefore the restrictive system of Act 219/1939 concerning restrictions on purchase of property by foreign natural and legal persons without a permit was moderated in 1992 and the real estate market was opened not only union-wide but globally. From 1992 onward, the purchase of real estate was available to a foreigner, for example, foreign companies and people living abroad, but in some rather limited regions, for instance, frontier zones, conveyance of real estate required a permit granted by the regional environmental centre. A permit could only be granted under special conditions. A more general restriction applied to shores and other recreational areas. The purpose of the latter restriction has been to keep nature areas free from constructions.⁴ In reality, the pressure from abroad to purchase land for recreation has been rather unimportant.

⁴ According to the Government's Bill 120/1992, these restrictions were in conformity with the ruling of the European Communities on Member States' rights to restrict free movement of capital.

Therefore, also this restrictive legislation was considered superfluous (Act 1200/1999) for all foreigners and foreign companies.

Nationally there are restrictions, for instance a specific permit, in addition to the building licence, may be required for everyone when building in shore areas beyond zoning areas. But citizenship is here irrelevant. A plan provision may presuppose that the plan has a specified developer. This is the case with public administration, traffic areas, hospitals, and more. Should such a property be in the hands of a private individual or private company, it may be transferred on the basis of the plan by compulsory purchase to the municipality or the State; of course, a contractual transfer is also possible.

Planting regulations may affect farming, not on the basis of land property but in terms of immaterial rights. These are transferable under international conventions and do not automatically follow ownership of land. The owner of the plant species usually gives contractual rights to use the registered item. The contracting party, for instance the farmer, may not transfer the right to third parties unless this has been explicitly agreed. However, a compulsory right to use a registered plant species may be granted by the court to a professional user in cases where the holder of the right does not open the market for the product, and there are no acceptable reasons for his refusal to do so. There are requirements concerning the entitlement to obtain a compulsory right as well as the modes of using the species. The right may be cancelled at a later stage.

The other legal sector of planting regulations refers to the European CAP (EC Regulation No. 1782/2003, presently Regulation (EU) No 1307/2013),⁵ according to which community aid may be granted to farms under specific conditions.

5. Given the data available to you, does the issue of the so-called land grabbing exist in your country and are there any regulations concerning it, to counteract this phenomenon? If so, characterize them, taking following issues into account.

Whatever this might mean or cover, this concept is not legally used. If one understands this to refer to situations where a large, usually not yet planned area is sold to an investor or operating company in order to be later parceled for economic purposes, municipal housing policies might be a similar phenomenon. According to Finnish law, the municipality may purchase, usually by means of expropriation, non-urban, often agricultural land and later enforce projects under an urban zoning plan. The municipality does not itself act as operator but it sells building rights, created by zoning, to developers or constructors.

LUBA Sec. 99.1: When the general need so demands, the competent ministry may permit the local authority to expropriate an area needed for community construction and related arrangements, or for other planned development by the municipality.

⁵ Council Regulation (EC) No. 1307/2013 establishing common rules for direct support schemes under the common agricultural policy.