



## **Characteristics of the current boom in metals mining in Finland**

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Finland is currently undergoing a significant boom in mineral exploration and metals mining after the two decades bust in the metals mining industry. The current boom is driven by the rising metal prices, the recent emergence of international mining companies in the country, the ore-potential of Finnish bedrock and a politically stable society.

The current boom has many interesting issues which separate it from the earlier mining boom in Finland that started in the 60's and continued throughout the 70's. The first mining boom was caused mainly by the need of raw materials for the construction of the Finnish society and industry after World War II due to the war indemnities owed to Soviet Union, most of which were paid with the products of metal-processing industries. The mining companies were domestic, and the Finnish law forbade foreign stakeholders. In the beginning of the 80's both the in-situ value and the amount of mined ore began to decrease, bottoming in the beginning of 21st century.

Shortly afterwards the metal prices began to rise rapidly due to the growing demand in Asia. This enhanced intensive exploration and mining activities also in Finland, where the operations of the foreign mining companies had been allowed from 1994 onward. Today, most of the mining operations as well as exploration are performed by foreign companies, and only a few operations are run by solely Finnish companies. Also the operational environment has changed from the 60's and the 70's. Today the sustainable development principles are firmly included in the politics and in the decisions made by authorities. This requires companies and decision-makers to take into account not only economic, but also environmental and social issues in their actions.

Of the sustainable development principles, environmental aspects are emphasized in Finland. When combined with the importance of private ownership and the expectance of democratic decision-making, the collisions between priorities of different stakeholders are evident. Although in most of the highly developed countries the mining industry has found resistance, the public opinion towards mining in Finland, especially in eastern and northern parts of the country, remains mainly positive. However, environmental harm caused by the mining operations, both actual and imaginary, combined with the non-transparent reporting policies of some companies, has recently generated some opposition towards mining.

Finland has a good opportunity to further its prosperity by tapping the metallic ore resources found in the country, and the current mining boom has spurred hopes to develop eastern and northern Finland by creating employment and general welfare. However, at the same time there are discussions whether the country is benefiting enough from the utilization of its metal ore resources when operations are mostly in foreign hands. When these aspects are combined to the potentially increasing environmental damages, and possibly resulting public opposition, connected to the intensified mining, Finland will most likely face complicated political issues in the future if the current boom in the metals mining industry is to continue.