

## Annual agreement between Metsähallitus and Finnish Ministry of Environment – what is the content and how it is functioning?

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The annual agreement between MoE Finland and Metsähallitus NHS regarding the management and financing of public duties under MoE.

### • Content of the agreement:

1. What are the public duties of which NHS is responsible
2. Expected outcomes and quality control
3. Efficiency
4. Human capital
5. Financing
6. Follow up and monitoring
7. Signatures
  - Annex: measurable indicators



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## 1) What are the public duties under MoE of which NHS is responsible

- Based on the law on Metsähallitus
- Totally 17 tasks, e.g.
  - Administrate and manage state owned PAs
  - Maintain visitor facilities and visitor centres
  - Managing of Kvarken World heritage Site
  - Inventory of marine (underwater) habitats
  - Inventories and planning of management measures in private owned protected areas
  - Of-road traffic in all state land
  - Co-operation with saame people in order to support cultural heritage
- Additionally six tasks regarding the consultation of other MH business units by invoicing the costs



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## 2. Expected outcomes and quality control (1)

- Totally 7 outcomes of which six comes through parliament and one from the ministry
- The six outcomes from parliament (accepted budget), are further divided into 29 sub-results which form the basic result matrix (measurable indicators in annex) e.g.:
  - Target for inventories in hectares, restoration in peat lands and forests, both for state owned areas and private protected areas
  - Building of new IT-tools for species inventories and management
  - Number of management plans
  - Management and monitoring responsibility of seven endangered species, e.g. Golden eagle, Saimaa ringed seal
  - Marine inventories, number of video points/lines
  - Number of visits in NPs and visitor centres, visits in outdoor.fi pages, target for customer satisfaction

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## 2. Expected outcomes and quality control (2)

- Other outcomes(targets) set by MoE (totally 14) e.g.
  - Participating in international nature conservation work, especially Fennoscandian Green Belt, Ramsar coordination in Finland, HELCOM etc.
  - Examining the chances of establishing four new national parks.
  - Active promotion of outdoor life and the importance of biodiversity in general
  - Participating in Natura reporting
  - Examining the possibilities to transfer the management of historical sites from Finnish National Board of Antiquities to Metsähallitus NHS.
  - Increase possibilities for voluntary work

The goals set by the parliament are quite stable, the volume may differ, new tasks comes mainly from the MoE

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## 3. Efficiency

### a) Economic efficiency including:

- Financing: where the money comes: MoE, other ministries, EU, incomes, others
- Expenses: where the money goes: salaries, equipment, services, investments

### b) Productivity

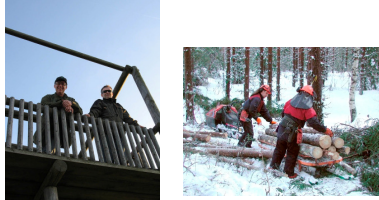
- Input is working hours allocated to different tasks, output is set of key measurable indicators
- Improvement in NHS productivity has to be higher than average in public sector



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#### 4. Human capital

- Number of personnel (e.g. 2013: 850) and number of man-year (e.g. 2013: 520)
- Obligation to take staff well-being into account and conduct annually an inquiry among the staff on work satisfaction



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#### 5. Financing

- The total sum based on government budget (2013: 30 M€), which Metsähallitus invoice four times a year from MoE
- The funds are eligible for three years, which means that the funds which are not spent last year stay in NHS and can be spent on next year automatically
- Additionally all incomes coming from PAs can be directly used for the management, estimate e.g. 2013 is 3,7 M€



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#### 6. Follow up and monitoring

- Follow-up meetings four to six times during the year
- Official report after August and Annual Report on March 15
- Reports cover outputs, outcomes and finances



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#### 6. Signitures

- MoE: Minister and Permanent Secretary
- MH: Director General and Director of Nature Conservation

After the budget is confirmed in parliament, normally just before Christmas.



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#### ANNEX: Measurable indicators: totally 32

	2009	2010	2011	2012	2013
1. Määrälliset tavoitteet ja muut tunnusluvut					
2. Kassa-ohjelmat ja muut toimenpiteet					
3. Kassa-ohjelmat ja muut toimenpiteet					
4. Alueelliset tavoitteet					
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31. Kassa-ohjelmat ja muut toimenpiteet					
32. Kassa-ohjelmat ja muut toimenpiteet					

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#### Finally

- One national agreement for the whole PA management
- Expected results as one entity versus money as total
  - Not detailed allocation (earmarked) into different tasks or processes
  - Not detailed allocation to regional units or NPs
  - Sometimes earmarked extra money from parliament during the year -> annex to the agreement
  - As far as results are achieved and funds spent "legally", NHS has substantial freedom to act and organise its structure
  - However, sometimes it is good to ask guidance from MoE, finally they are responsible to the parliament and politicians, to avoid surprises
  - Trust between MoE and NHS is crucial
  - Sometimes MoE asks something without giving extra money, mainly our policy is to accept these requests - service attitude
- In the future, four year agreement, less direct indicators, shift to indicators describing the achievement of "overall objectives" (e.g. Improvement in conservation status of Natura sites or increase in outdoor activity among Finns)

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