MINISTRY OF AGRICULTURE AND FORESTRY

Memorandum

Annex 1

Ministerial Adviser
Titta Berlin

16 March 2026

PROPOSAL FOR A GOVERNMENT DECREE AMENDING THE GOVERNMENT DECREE ON THE USE OF FERTILISING PRODUCTS AND MANURE CONTAINING PHOSPHORUS

The use of fertilisers and manure that contain phosphorus is regulated by Government Decree (64/2023), i.e. *the Phosphorus Decree*. The Decree includes a so-called manure derogation, which permits a higher phosphorus allowance for the application of phosphorus from manure in certain circumstances. The amendment to the Decree would allow for an exemption regarding manure, with the exception of certain municipalities in the Archipelago Sea catchment area. The Decree would also provide for the exclusion of tree planting in landscaping and environmental construction projects from phosphorus restrictions during the construction phase in urban areas. It is proposed that the Decree shall enter into force on 1 January 2027.

1. Background and powers to issue decrees

The Decree would establish further provisions on the use of phosphorus contained in manure under section 6 of the Fertilisers Act (711/2022). The Decree would supplement national legislation implementing Article 11(3)(h) of the Water Framework Directive.

It is proposed that the Decree shall enter into force on 1 January 2027.

2. Preparatory work

The Decree has been prepared as part of the official duties of the Ministry of Agriculture and Forestry.

Opinions on the proposal were invited from: the Ministry of the Environment, the Government of Åland, the Economic Development Centres, the Finnish Food Authority, the Finnish Supervisory Agency, the Natural Resources Institute Finland (Luke), the Finnish Environment Institute, the Bioenergy Association, the John Nurminen Foundation, The Finnish Organic Association, the Central Union of Agricultural Producers and Forest Owners (MTK), Natur och Miljö, the beef cattle association Pihvikarjaliitto, the Association of ProAgria Centres, the Finnish Organic Food Association Pro Luomu, the Finnish Biocycle and Biogas Association, the Finnish circular economy association Kiertovoima ry, the Finnish Association for Nature Conservation, the Finnish poultry association Suomen Siipikarjaliitto ry, the Finnish pig farmers' association Suomen Sikayrittäjät ry, the Finnish Fur Breeders' Association FIFUR, the confederation of Swedish-speaking agricultural producers and forest owners Svenska Lantbruksproducenternas Centralförbund r.f. (SLC), WWF Finland and the organic producers' alliance Yhdistyneet luomutuottajat. The request for opinions was also available via the lausuntopalvelu.fi service.

3. Current situation

Nutrients end up in water bodies as point source pollution from industry, communities and fish farming and as diffuse pollution from agriculture and forestry, sparsely populated areas and urban run-offs. Nutrients

end up in the Baltic Sea mainly with river water or directly as point source pollution. According to current estimates, agriculture accounts for around 60 per cent of the phosphorus load resulting from human activities, whilst landscaping and environmental construction account for around 1.3 per cent.

The Phosphorus Decree will govern the use of phosphorus fertilisers in mainland Finland. The objective of the Decree is to reduce the nutrient load and damage to water bodies by restricting the use of phosphorus on land where phosphorus fertiliser does not increase crop yields. The Decree applies to all phosphorus fertilisers, including inorganic and organic products and livestock manure. The Decree includes a so-called manure derogation, which permits a higher phosphorus allowance for the application of phosphorus from manure. The derogation applies to certain plant species (cereals, oil plants, legumes, silage grasses and silage maize) in soil fertility classes 4 and 5.

The manure derogation was introduced in 2023 as a temporary measure and was due to expire at the start of 2025. The transition period for its removal was extended until the end of 2026. On the basis of the entry in the Government Programme, the economic and environmental impacts of removing the manure derogation were examined in a report commissioned from the Ministry of Agriculture and Forestry.

In landscaping and environmental construction, the use of phosphorus is regulated per hectare, and the specific characteristics of tree planting in urban areas are not taken into account.

4. Main proposals

The Decree would lay down provisions on the manure derogation and the regional restrictions related to its application. The manure derogation shall not apply in those municipalities within the Archipelago Sea catchment area that have a significant portion of their total area inside the catchment area. The Decree would also provide for the exclusion of tree planting in landscaping and environmental construction projects from phosphorus restrictions during the construction phase in urban areas. The proposal aims to reduce the costs of livestock farming, taking into account the specific characteristics of the Archipelago Sea, and to promote the planting of trees in urban areas.

5. Principal impacts

5.1 Economic impact

A study conducted by Natural Resources Institute Finland (Economic and environmental impact of the manure derogation, 13/2026, https://urn.fi/URN:ISBN:978-952-419-160-9) estimates that the total cost of manure processing in animal husbandry is more than EUR 74 million. The number includes the transportation and spreading involved in the conventional use of manure. The cost will cover the level of manure use required by the current legislation.

The study by the Natural Resources Institute Finland assessed the potential additional costs of removing the manure derogation for livestock farming. It is estimated that a removal of the manure derogation would affect at least one in four livestock farm parcels and limit the fertilisation of these parcels with manure, compared to the limits of the current provision. Additional costs would arise as a result of the withdrawal of the livestock manure derogation, due to e.g. longer transport distances and nitrogen released from the farm. The released nitrogen would most likely be replaced with the purchased chemical fertiliser instead of manure. The additional costs of withdrawing the manure exemption would vary from one production line to another, as manure volumes also vary. On poultry farms, existing legislation and the already higher phosphorus levels in the fields on these farms mean that the costs of no longer using livestock manure would be lower. According to the study by the Natural Resources Institute Finland, the cost of withdrawing the livestock manure derogation for all livestock farms would be approximately EUR 4.2 million, which would mean that manure processing costs would increase by 2 to 10 per cent, in relative

terms, for different production lines. If the derogation were to be withdrawn, the cost burden on livestock farms would increase.

The additional costs of livestock farming are unavoidable if the manure derogation is enabled. To minimise costs, it would be justified for the areas excluded from the manure derogation to be the most environmentally sensitive areas. Public funds are already being allocated to these areas, which include the catchment area of the Archipelago Sea, for the management of nutrients.

Through Finland's island policy, the Archipelago Sea catchment area is targeted by more measures and receives more public funding than other areas for the management of nutrient loads and the prevention of adverse effects. Similar efforts have been made under the Water Protection Enhancement Programme (2019-2023) and the Nutrient Recycling Programme (2012-2023). The withdrawal of the manure derogation from this target area is in line with these measures, as economic incentives and regulatory constraints are mutually supportive.

Livestock farms receive support for livestock production and arable farming through normal agricultural subsidies for farmers. The optional farm-specific measure for organic nutrients supports on-site manure processing (separation) at the farm, the use of manure in a biogas plant or the delivery of manure, for example, to crop production farms. A parcel-specific measure to promote the circular economy encourages the collection of manure and the spreading of liquid manure or slurry through investment. In addition to these measures, livestock farms may, when investing, receive grants for investments that improve the state of the environment by enhancing methods for the use and processing of manure.

In the Archipelago Sea catchment area and, more broadly, along the coast, a scheme funded by the Ministry of the Environment to promote the use of gypsum and building lime has also been in effect for some time. The nutrient cycling support for biogas plants and the support for projects and investments under the pilot scheme for nutrient recycling, financed by the Ministry of Agriculture and Forestry, also promote the recycling of nutrients from manure and thus contribute to the efficient use of manure. A results-based grant scheme is also underway in the Archipelago Sea catchment area, with the aim of reducing the phosphorus levels of farmland. The Ministry of the Environment is also funding nutrient recycling projects under the Ahti programme, with a focus on the Archipelago Sea catchment area. The total amount of funding for the latter projects alone is around six million euros.

In landscaping and environmental construction, investing sufficient nutrient resources into the growing medium of tree plantations is cost-effective. The trees planted and managed as part of professional urban management activities are almost exclusively planted and managed with funding from local authorities, cities and the state. In landscaping, the aim is not to produce a crop, so fertilisation is a cost rather than an investment that brings additional benefits. The costs associated with fertilisation include the fertilisers used, the labour involved, and the increased need for maintenance of green spaces as a result of increased growth.

5.2 Effects on public governance and administration

The amendment to the Decree is not expected to have any significant effects on public governance and administration. The demarcation of the livestock manure derogation at a regional level has implications for supervision, but its effects are assessed as minor, provided that the demarcation of the derogation is done administratively by means of a simple demarcation based on municipal boundaries. In this case, the additional costs are limited to those arising from communication, training and minor changes to information systems. The changes to landscaping are not expected to have any impact on public governance and administration.

5.3 Environmental Impact

Studies have shown that phosphorus concentrations in run-off water increase almost linearly with increasing soil test phosphorus levels. Fertilisation tailored to the plants' needs has been found to be the most effective measure for reducing the leaching of soluble phosphorus. Lowering phosphorus values by limiting fertilisation in the case of the highest levels of phosphorus in the soil is therefore appropriate from the point of view of water protection and is not considered to be detrimental to plant phosphorus intake. Fertiliser restrictions work step by step so that phosphorus fertilisation can be used in areas of low phosphorus levels more than in areas of high phosphorus levels.

According to the latest research results, in the long term, the high phosphorus levels in the soil have gradually started to decline. The extension of the derogation for livestock manure would have an impact on arable land where phosphorus fertilisers are used and which at the end of the derogation would be required to reduce the quantity of manure used from the current level. The derogation would allow a higher quantity of phosphorus fertiliser than is needed by plants and would slow down the decrease in soil phosphorus levels in soil fertility classes 4 and 5.

The average depth of the Archipelago Sea is just 23 metres, so there is little water and it changes slowly. The biggest problem facing the Archipelago Sea is eutrophication. Excess nutrients encourage the growth of blue-green algae and filamentous algae. Water clouded by algae threatens recreational, tourism and commercial uses of the sea, as well as many species of wildlife. Nutrients come mainly from agriculture, untreated wastewater, boating and fish farming. The territorial delineation of the manure derogation would protect the sensitive Archipelago Sea area from agricultural nutrient run-offs.

In landscaping and environmental construction, nutrients are generally added only during the construction phase, even though the entire life cycle of the green space can span decades. Green spaces improve air quality, absorb carbon and prevent erosion. Tree planting in urban areas also plays an important role in the treatment and management of stormwater. Green areas are kept completely covered with vegetation, which also reduces the risk of phosphorus leaching. Incorporating nutrients into the growing medium during the construction phase is likely to result in less leaching than adding nutrients later through repeated surface application.

6. Feedback

The draft regulation was out for comment...

7. Provision-specific rationale

Section 4a Manure derogation. The Decree would allow the application of the manure derogation, in accordance with Annex I to the Phosphorus Decree, to cereals, oil plants and legumes, annual and perennial silage grasses, and silage maize on agricultural parcels with fertility classes 4 and 5. However, the manure derogation should not be applied closer than 25 metres to water. According to the proposal, phosphorus balancing may be applied to the manure derogation, but no crop yield corrections may be applied. The content of the proposal is similar to the temporary manure derogation that was previously in force. However, according to the proposal, the manure derogation may not be applied in the municipalities listed in Annex 3 (Aura, Kaarina, Kemiönsaari, Koski Tl, Kustavi, Lieto, Marttila, Masku, Mynämäki, Naantali, Nousiainen, Oripää, Paimio, Parainen, Pöytyä, Raisio, Rusko, Salo, Sauvo, Somero, Taivassalo, Turku, Vehmaa). The boundary is an administrative one: the designated area does not lie entirely within the catchment area.

Section 10 Use of phosphorus in landscaping and environmental construction. The Decree would exempt tree planting in urban areas from phosphorus restrictions during the construction phase. The growing media of the trees require a small area and are deep (80–120 cm). Because of this, surface erosion and the resulting leaching of phosphorus are minimal, as the surface area is small in relation to volume. Furthermore, the growing media for urban trees are usually either permanently sealed, covered with a protective layer or permanently covered with vegetation, which means that surface run-off is also minimal.

8. Entry into force

It is proposed that the Decree enter into force on 1 January 2027.

It is proposed that the Government adopt a Decree amending the Government Decree on the use of fertilising products and manure containing phosphorus