

Expropriation in Finland

Petri Lukin (Finland)

Key words: Cadastre; Land management; Legislation; Valuation; Expropriation/compulsory purchase

SUMMARY

In my presentation, I shall describe the Finnish expropriation (coercive purchase) system and the legislation upon which it is based. There are a few Finnish acts that steer the expropriation procedure. The actual grounds for expropriation may, however, be found in several acts.

In some cases, an expropriation permit from the Prime Minister's Office is the prerequisite for expropriation. That said, in most cases a plan that has entered into force, such as a local detailed plan, gives the right to expropriate. In some cases, a cadastral surveyor or the National Land Survey may grant the expropriation permit.

An expropriation proceeding is almost always performed by a cadastral surveyor who works for the National Land Survey. In some exceptional cases, the cadastral surveyor can be employed by the municipality.

In most cases, the expropriation means the transfer of ownership, but in some cases, only the right to use a property is expropriated. In most cases, the beneficiary of the expropriation is the State or a municipality. In expropriations related to power lines or natural gas pipelines, the beneficiary is the utility company concerned and in expropriations related to mines, the mining company. In Finland, it is also possible for individuals to expropriate so-called reliction areas and parts of plots. The coercive purchase of reliction areas is a Finnish specialty and it is, in fact, the most common expropriation proceeding.

I shall describe the various kinds of expropriation proceedings that are possible in Finland and what kind of property is expropriated in each case. I shall also specify the number of proceedings of each type that are undertaken each year. I shall also briefly describe the stages of a typical expropriation

procedure and how compensation is determined. In most cases, the property to be expropriated is decided and the compensations determined in the same cadastral proceeding. Sometimes, an expropriation proceeding only pertains to the compensation.

The Finnish expropriation system is probably relatively advanced, at least in comparison with many European countries. The number of expropriation proceedings is also relatively large. In the acquisition of individual objects, the aim is often to achieve a voluntary purchase, but in large projects, expropriations are more common. For example, the State acquires almost all highway and railway areas through expropriation. The advantages of expropriation in larger projects are that the proceeding is cost-effective and all parties are treated impartially. In general, the expropriation system is seen as relatively fair, although appeals against both expropriation permits and compensation occasionally occur.