

Unofficial translation

Act on State Guarantees for Ensuring the Supply of Basic Raw Materials

(651/1985; no amendments included)

In accordance with the decision of Parliament, the following is enacted:

Section 1

In order to ensure the supply of raw materials for Finnish enterprises, the Export Guarantee Board may grant State guarantees as prescribed by this Act.

Section 2

A State guarantee may be granted as collateral for such credit, as has been granted to a foreign debtor in connection with a long-term delivery contract for raw materials.

The guarantee may cover the creditor's loss in full.

Section 3

The total book value of the liability on guarantees granted on the basis of this Act shall not exceed FIM 2,000 million.

The book value of guarantee liability shall be calculated by taking into account the full principal of the credits guaranteed in case of guarantees that have entered into force, and half of the principal to be guaranteed in case of binding guarantee offers. In calculating the book value of guarantee liability, guarantee liability denominated in a foreign currency shall be converted to Finnish marks by using the selling rate quoted by the Bank of Finland at the time when the guarantee was granted or, in the absence of such a quotation, the last selling rate quoted by the Bank of Finland prior to the granting of the guarantee.

Section 4

When a guarantee is granted, special attention shall be paid to the necessity of the credit to be guaranteed as a requirement for a long-term raw material import contract of importance to the national economy.

Section 5

The State shall be liable for the guarantees granted on the basis of this Act.

Section 6

Otherwise, the provisions of sections 4, 4a and 5-8 of the Export Guarantee Act (479/62), to the extent appropriate, shall apply to the guarantees referred to in this Act.

Section 7

Further provisions on the implementation of this Act may be given by decree.

Section 8

This Act enters into force on August 1, 1985.