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WORK RELATED TRAVELLING EXPENSES IN FINLAND

The aim of this document is to outline the basic concept and structure for compensation of work related travelling expenses in Finland. This is especially important if you are a partner, and the project is coordinated from another country with slightly different compensation structure.

We would like you to take into account that the system in Finland may vary slightly from the system in other countries. However, **the Leonardo da Vinci programme does not include any restrictions that stands in contrast to the Finnish system. The Finnish partners should be able to report their travel costs as they occurred, according to real expenditure and national rules, not of course disregarding the daily maximums stipulated by the programme**

The Finnish system

The Finnish system can be summed up in this excerpt from the homepage of the Finnish Ministry of Finance:

"Extra expenditure incurred by an employee on account of a journey on official business qualify for reimbursement as travelling expenses. The employer will reimburse the employee for travelling expenses incurred on an official business trip in accordance with the terms of the relevant agreements. Reimbursable expenses include the actual costs of travelling, a standard daily allowance, a meals allowance, an accommodation or hotel allowance, a night travel supplement and a daily course allowance for employees attending training courses. There are also a number of other special allowances."

Some more background information concerning the system can be found on the Finnish Ministry of Finance homepage at <http://www.vm.fi/vm/liston/page.jsp?r=3014&l=en>

Travelling abroad

The Finnish system is, hence, based on the idea that an employee should be reimbursed for all extra expenses connected with work related travelling abroad including the following cost groups:

- **Air fares, train tickets or bus tickets**
- **Hotels**
- **Taxis, metros, local buses and other means of local transport**
- **Daily allowance**
- **Other special costs**



Specifically the following points are worth to notice:

- A certain basic, lump daily allowance is paid based on length of travel and the destination (fairly low levels, see table for year 2004 on <http://www.vm.fi/tiedostot/pdf/fi/51030.pdf>)
- Furthermore, local travel in connection to the work is covered i.e. metros and buses in cities and taxis if needed and at inconvenient times/places (based on receipts/invoices)
- Furthermore, exchange fees for foreign currency (based on receipts/invoices)
- Furthermore, insurance if not provided by employer (based on receipts/invoices)
- Certain other special costs, if argued for and approved by employer

Tickets or air fares are paid in full and according to receipts/invoices.

Travelling inside Finland

Much the same rules apply also for travel within Finland, i.e. both the use of air and train travel is allowed if the distance so requires and hotel costs etc will be covered if the length of the trip requires an over-night stay.

The daily allowances are smaller for travelling inside Finland, and the rates for the year 2004 can be found at <http://www.vm.fi/vm/liston/page.lsp?r=53739&l=fi&menu=3014>

In addition, the use of ones own car is allowed according to the national agreements. Civil servants and other central government as well as educational institution personnel are compensated for work-related travel in their own vehicles on the basis of an annually agreed rate per kilometre. The rates tend to be lower than the ones allowed in the Leonardo da Vinci programme (train or air fare) and for the year 2004 can be found at <http://www.vm.fi/tiedostot/pdf/fi/55691.pdf>

Questions or clarifications

If you have any further questions or require any clarification concerning this matter please don't hesitate to contact us at the below address either by e-mail or phone.

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