

GOVERNMENT REPORT TO PARLIAMENT, 4 FEBRUARY 2016

# FINLAND'S DEVELOPMENT POLICY

One world, common future - towards sustainable development

MINISTRY FOR FOREIGN AFFAIRS

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## 1. Development Policy is an integral part of Finland's foreign and security policy

Development policy is important not only for those receiving support but also for Finland. In our era, countries and nations have unprecedented opportunities to achieve well-being and success. At the same time, their futures are more closely interlinked than perhaps ever before. They also share many risks and challenges.

Safe living conditions, human rights, people's ability to influence issues which affect them, an adequate income, and a good living environment in the developing countries are important goals in their own right. In achieving these goals, they also strengthen international security, the economy and the environment. Safe living conditions, human rights and an adequate income in the developing countries also enhance international security and the global economy.

When people enjoy good lives in their home countries, they do not have to leave in large numbers to seek refuge or livelihoods abroad. Development increases security: many conflicts are avoided, and there is less room for extremist movements and terrorism. Developing countries do not want to remain dependent on foreign aid forever, but prefer to cover their expenditure with their own resources. This is why development policy must be efficient and other policy areas should work along the same lines: to support sustainable growth of economies in developing countries and their integration into the global economy. Over time, an economic growth in highly populated developing countries will also strengthen the global economy, which, in turn, will reinforce Finland's economy and affluence. Finnish expertise and Finland's many strengths are of interest to developing countries. Through development policy, we can also prepare the ground for diversified cooperation in various areas.

The development cooperation implemented by Finland has been thoroughly evaluated. It has been found to be effective and of high quality.

The development cooperation implemented by Finland over the past years and its outcomes have been thoroughly evaluated. Finnish development cooperation is considered of high quality and effective – despite the fact that the activities are carried out in challenging conditions, the work is not always easy, and problems arise.

Finns have good reason to be proud of Finland, which, even in a dire economic situation, is willing and able to help people in serious need of assistance. Finland has itself been the recipient of many kinds of assistance during the difficult years in its history.

Finland is a modern, advanced and highly educated nation that bears international responsibility for mankind's common future. By contributing to the resolution of world-wide problems, Finland boosts its foreign policy role and economic position and improves its chances to get its voice heard internationally. This has relevance for the country's future. Development policy is an integral part of Finland's foreign and security policy.

# 2. The situation in developing countries: rapid progress and big challenges

The support granted to developing countries by Finland and other donors has helped them achieve significant results. UN estimates show that global development has progressed and developing countries have managed to raise their standards of living in many ways. The share of the world's population living in extreme poverty has halved since 1990. It is now, for the first time, less than 10 per cent, although the number of poor people continues to be too high. The majority of girls and boys can go to school. There has been a significant drop in maternal mortality and the deaths of underfive-year-olds. The number of people without water supply has halved. In most developing countries, the economic base has been consolidated, the share of development aid in the national budget has shrunk, and these countries also obtain funding from other sources to support their development. Today the private sector plays an increasingly important role as a driver of national economies and creator of jobs. Technology helps to strengthen developing countries' economies and improve people's access to and use of information. Societies are evolving in a more positive direction.

For the first time, the share of people living in extreme poverty is less than 10 per cent.

Yet the situation in some developing countries is still very difficult. Some of them are lagging behind as a result of conflicts, terrorism and crime. Extreme poverty and inequality continue to be major problems in many countries, and strong population growth may make the situation worse in many regions. Natural disasters and the effects of climate change are slowing down development. Due to discrimination, attitudes or lack of knowledge, especially women, children, young people and vulnerable people may have limited opportunities to influence their own lives. Developing countries may have weak and corrupt government structures. They may lack an economic base, and because of inadequate tax revenue, governments may be unable to provide necessary services and secure people's rights. Many countries are still guilty of human rights violations.

Many of these problems cross national borders. The consequences and risks may be far-reaching, and extend also to Finland. In such situations the solutions, too, often call for international action. Some examples of these challenges are cross-border armed

The least developed and the most fragile countries and those suffering from conflicts or climate and natural disasters have the greatest need for international support.

activity, the rise of extremist movements, irregular migration, trade or trafficking in persons, epidemics, and illegal or illicit trade in natural resources. The future of all countries is threatened by nature's carrying capacity being exceeded. A particular threat is posed by climate change and consequent extreme weather events, water and forest depletion, and problems in food, water and energy supply.

the for al The least developed countries, the most fragile states and those suffering from conflicts or climate and natural disasters have the greatest need for international support. Support may be required to set up quite ordinary fundamental structures of society and establish democracy and the rule of law, and to safeguard human rights and create basic conditions for building national economies. In addition to develop-

ment cooperation, some of these countries will also need other kinds of assistance, such as peace mediation or peace-keeping measures.

Development cooperation also continues to play a major role in a number of countries that count among the least developed but are more stable, and several dozen per cent of their public spending is covered with development funding. Many of these countries have enjoyed rapid economic growth over the past years, but due to a low starting level, they may need significant support for some time to come. In some countries, new natural resources have been discovered, and tapping them may generate sustainable economic growth and well-being for the entire country.

In increasingly prosperous developing countries, aid dependency is marginal. What they need is a socially responsible private sector and sustainable investments to generate new jobs and livelihood opportunities, to mobilize tax revenue to allow them to finance their own spending. Measures are also called for to reduce and eliminate inequalities within these societies for development to reach all citizens. They need better-functioning and more accountable governance and a civil society that can address irregularities and consolidate the democratic foundations.

Countries need better-functioning governance, a socially responsible private sector, sustainable investments and a civil society that can address irregularities.

### 3. New international goals: the 2030 Agenda for Sustainable Development

The Millennium Development Goals (MDGs), adopted by the UN in 2000, accelerated development by defining the way forward and by setting clear targets. They provided a useful tool for developing countries to intensify their development efforts and show that they have achieved progress. Poverty declined, gender equality increased, health improved, and access to school increased.

2030 in a nutshell: No one will be left behind when it comes to development.

The UN member states have now agreed on goals and targets for the next IS years. The 2030 Agenda for Sustainable Development, which extends until 2030, is a more extensive and more ambitious whole. The goal is to achieve socially, environmentally and economically sustainable development and foster peaceful societies all over the world. The UN has pledged that "no one will be left behind". The 2030 Agenda is expected to accelerate developing countries' own development efforts in a way similar to the MDGs: it provides a reference for planning and political steering in developing countries. The developed countries, in turn, commit to supporting poorer countries in implementing the 2030 Agenda goals and targets, through collaboration and development funding.

The Agenda 2030 concern all states: they have all pledged to promote development in a sustainable way and will draw up their own national plans of action to implement the goals and targets of the 2030 Agenda. The entire nation can be involved: not only governments, but also citizens and civil society, companies, local authorities and all other actors. The progress of each UN member state will be regularly assessed up to 2030. International structures and rules will be adapted to better support the agreed goals and targets.

Finland, too, will align its policies with the 2030 Agenda. Finland adapts its development policy to support the capacity of developing countries to achieve the sustainable development goals and targets.

There are 17 individual goals, divided into targets. All of them support one another. The eradication of poverty everywhere has been listed as the first goal.

Development financing has also been agreed upon as part of the Agenda 2030. Primary responsibility for development and its financing rests with individual countries, which is the way to achieve sustainable results. Public national resources, domestic and foreign private funding, and development cooperation funds are all needed. Implementation will be supported in many other ways as well, including policy choices, innovation, and promoting capacity-building.

Development cooperation funding only accounts for part of the financial flows to developing countries. Foreign investments already make up over 40 per cent of revenues in developing countries, and investments in the poorest countries have grown significantly. In 2014, foreign investment amounted to roughly USD 680 billion – five times more than the funding for development cooperation, which was around USD 135 billion. Migrants'

Primary responsibility for development and its financing rests with individual countries.

### Sustainable development goals (SDGs)

- **1.** End poverty in all its forms everywhere.
- 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- **3.** Ensure healthy lives and promote well-being for all at all ages.
- **4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- 5. Achieve gender equality and empower all women and girls.
- **6.** Ensure availability and sustainable management of water and sanitation for all.
- 7. Ensure access to affordable, reliable, sustainable and modern energy for all.
- 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **9.** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- **10.** Reduce inequality within and among countries.
- **11.** Make cities and human settlements inclusive, safe, resilient and sustainable.
- **12.** Ensure sustainable consumption and production patterns.
- **13.** Take urgent action to combat climate change and its impacts.
- **14.** Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- **15.** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- **16.** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- **17.** Strengthen the means of implementation and revitalize the global partnership for sustainable development.

remittances to developing countries exceeded USD 426 billion. The revenue of developing countries from international trade was also significant.

Differences between countries are nevertheless important. The level of financial flows to the poorest developing countries is lower, and development cooperation funds account for some 70 per cent of all the funding they receive. Poor countries manage to raise just some 10–15 per cent of their gross national income in taxes and other fees. They also lose significant amounts of potential tax revenue because of illicit financial flows.

Development cooperation funding can help remedy problems when national funds are insufficient or private funding is not suitable.

Different forms of financing have different purposes. While the overall growth of developing countries' economies and strengthening of tax base are necessary, they alone do not always suffice to bring development to everyone. By targeting development cooperation funds strategically, it will be possible to bring about development and accelerate it where private funding is not targeted at remedying problems or where domestic funding is insufficient. Development cooperation funds can be used to address major bottlenecks in the societies of developing countries, making it possible to secure the countries' development in the long term. It is also hoped that development cooperation funding will mobilise more private funding. Funding needs may differ from country to country.

# 4. Finland's main goals

# 4.1 The underlying principles and sustainable values of Finland's development policy

Finland's development policy and development cooperation are guided by the 2030 Agenda for Sustainable Development, endorsed within the UN. Under the Agenda, Finnish development policy will have a special focus on the following priority areas, enshrined in the Finnish Government Programme: enhancing the rights and status of women and girls; improving the economies of developing countries to ensure more jobs, livelihood opportunities and well-being; democratic and better-functioning societies; increased food security and better access to water and energy; and the sustainability of natural resources. Finland will pursue its develop-Finland's ment policy coherently to ensure that the individual policy goals listed in values and the Government Programme support the achievement of sustainable principles and development. its international commitments provide

Iong-term guidelines for action. Finland's values and principles and its international commitments will be taken account of in the planning and implementation of all action, irrespective of what field, where and by whom development policy and development cooperation are being implemented. They provide long-term guidelines for action, which remain valid from one government term to the next. These values and principles include **democracy** and **the rule of law; gender equality and human rights; freedom of speech; a sustainable market economy and sustainable use of natural resources;** and the Nordic welfare state, including a high level of education. The Nordic social model enjoys a good reputation in many developing countries, and there is a demand for related know-how. The core goal of Finland's development policy is to eradicate extreme poverty and to reduce poverty and inequality. The UN Universal Declaration of Human Rights states that all human beings are born free and equal in dignity and rights. The realisation of human rights is a key goal in Finland's development policy. The aim is also to strengthen the capacity of individuals and authorities to promote human rights as well as to assure that development cooperation is not discriminatory and people have an opportunity to participate in decision-making. This is known as the human rights-based approach.

The rights of children and the most vulnerable, notably the disabled, are taken account of in all our activities. Finland has the appropriate knowhow and resources to support the disabled, who are in a particular need for support because they are often excluded from other support.

Finland's development policy also takes account of climate change, one of mankind's greatest challenges, the negative impacts of which compromise development in many countries. All our activities are geared to climate change mitigation and giving support for climate change adaptation and preparedness. Today, climate financing is part of Finland's development cooperation funding, and disaster risk management is also covered by our development cooperation.

Finnish development cooperation is based on the national development plans of the developing countries receiving our support. Finland underlines the significance of local ownership and accountability. Partner countries' commitment to the set goals as well as mutual accountability and transparency are indispensable to ensure success. The specific circumstances and needs of each country will always be considered when planning support. Instead of directing long-term support to the implementation of a specific activity

All activities are geared towards climate change mitigation, adapting to and preparing for it. Finland pursues development policy in collaboration with the EU, the UN and other international players in order to avoid duplication and maximise impact.

on behalf of the government or authorities of a developing country, the goal in all activities funded and carried out by Finland must be to strengthen the ability of developing countries to move forward.

Finland focusses on development cooperation in which Finnish know-how and funding have particular value and there is a specific demand for them. Finland pursues development policy in collaboration with the EU and other international players in order to avoid duplication and to maximise complementarity and impact. Decisions in individual sectors are made along the same lines and coherently, with awareness of their consequences for developing countries. In this way, activities in one policy area can underpin results obtained in another one.

Finland intends to increase its development cooperation funds as its own economy picks up. Our long-term goal is to raise the level of our development cooperation funds to 0.7 per cent of gross national income in accordance with UN goals. Even during the current government term, the share of our funding for the least developed countries will remain above the international recommendation of 0.2 per cent of GNI. Nearly all of Finland's bilateral partners count among the least developed countries.

In the coming years, the appropriations and human resources available for the implementation of Finnish development cooperation will be more limited. Action must therefore be made more efficient, targeting the resources more accurately in support of the set goals, through strict prioritisation of the programmes and projects. We shall look for new partnerships and new forms of cooperation with e.g. companies, research centres, educational institutions and civil society. Planning will be based on more extensive wholes, thus diminishing the relative share of administrative work. Sometimes it is possible to achieve a significant development impact even with a small input, which is why carefully thought-out smaller support measures continue to be needed. Potential measures include support and advice for peace projects or for consolidating democracy and enhancing society's capacity to act, and expert services by Finnish public bodies or research and educational institutions to strengthen specific competence capital in a developing country.

Finland's development policy must produce results and positive impacts also in the long term. Reporting on results will be intensified so that decision-making can be based on increasingly reliable data on the results obtained and potential problems. Finland will pursue its development policy in the spirit of transparency.

The underlying principles and values of Finnish development policy apply to all Finnish development actors.

### 4.2 Priority areas governing our action

Finland will strive to ensure, for its part, that during the current government term

- I the rights and status of women and girls have strengthened;
- I developing countries' own economies have generated jobs, livelihood opportunities and well-being;
- **III** societies have become more democratic and better-functioning;
- **IV** food security and access to water and energy have improved, and natural resources are used sustainably.

All these four priorities are mutually reinforcing and mutually supportive.

### I The rights and status of women and girls have been enhanced

*Supports in particular the UN sustainable development goal 5*: Achieve gender equality and empower all women and girls.

*Why is it important?* The rights of women and girls are self-evident to all Finns, whereas in developing countries gender inequality is one of the greatest problems. Experience has shown that enhancing the rights and the status of women and girls and their opportunities to participate strengthens the society as a whole, thus promoting the achievement of the other development goals. Finland possesses the credibility and know-how to foster gender equality internationally.

### What are our goals? Finland's actions strive to promote that

- women and girls are better educated and have better skills;
- women and girls have better access to high-quality basic services;
- women and girls have better opportunities to influence political decision-making and participate in economic activity;
- more women and girls enjoy the right to make decisions, which affects their lives, and a smaller number of them fall victims of violence and abuse.

*How is this promoted?* Finland will promote the achievement of these goals by supporting the work of actors that have a direct impact on gender equality and on the know-how and opportunities of women and girls. Finland will promote the capability of countries to respect, protect and fulfil the rights of women and girls, including

sexual and reproductive health and rights, and to remove the obstacles to their realisation. Finland will support the capacity of developing countries' public administration to provide public services, such as education and health. Finland will support the local private sector and its international partners to encourage them to improve the chances of women to find employment, work as entrepreneurs, own property and participate in the economy. Organisations that promote the position of women will receive support. Finland will work within the EU and at international level to ensure that international standards and practices form a sustainable basis for the realisation of women's and girls' rights.

Finland will ensure that gender equality is mainstreamed into all development policy.

Finland will ensure that equality is taken account of in all development policy. Finland will strive to secure the protection and rights of women in conflict situations and their participation in the resolution of conflicts in accordance with international conventions and treaties and UN decisions, including Resolution 1325.

II Developing countries' own economies have generated more jobs, livelihood opportunities and well-being

Supports in particular the UN sustainable development goals 8, 9 and 12: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; Ensure sustainable consumption and production patterns. *Why is it important?* Without a solid economic base, poverty and inequality cannot be eliminated, societies won't have income to cover their spending, and they won't develop to be eventually able to support themselves. One of the main challenges is unemployment, especially young people without jobs. Decent jobs and livelihood opportunities are the cornerstones of human well-being and well-functioning societies. A socially responsible private sector plays a key role, as do private financial flows that support sustainable development. To facilitate the operation of businesses and entrepreneurs and to encourage investments, it is important that developing countries' administrative systems function predictably, play by the rules and respect human rights. In many developing countries, the economic base is weak or almost inexistent, making the foundation for development difficult. Finland possesses know-how as a promoter of resource-wise and accountable business.

### What are our goals? Finland's actions strive to promote that

- everyone, including women, young people and the poorest, have better access to decent work, livelihoods and income;
- the private sector and economic activity in developing countries are more dynamic and more diversified;
- international business rules lend better support to the development of businesses, their accountability and the observance of internationally agreed standards in developing countries;
- better use is made of new know-how, value chains, technologies and innovations that respect sustainable development.

*How is this promoted?* Finland will support the developing countries' efforts to build and strengthen their economic foundations, improve their business environments, and manage and use their natural resources responsibly. Finland will support local authorities

and companies as well as public authorities, companies or organisations working with them, in order to improve their know-how and operations, boost investments and partnerships and enhance the use of technologies and innovations. As a member of the EU, Finland will influence international trade negotiations, promoting the market access of products essential for progress in developing countries. Finland will also influence in the shaping of new rules on international corporate taxation and corporate social responsibility as well as the guidelines of financial institutions and other relevant actors. Finland will fund collaboration among research and educational institutions, companies, civil society and the public sector to ensure that the necessary know-how is strengthened and transmitted to developing countries.

#### III Societies have become more democratic and better-functioning

*Supports in particular the UN sustainable development goals 16 and 17*: Promote peaceful and inclusive societies, provide access to justice for all, and build effective, accountable institutions at all levels; Improve developing countries' capacity to collect taxes and raise other revenue.

*Why is it important?* Democracy and respect for human rights, a transparent and well-functioning public administration, taxation capacity and public services, a good justice system, an independent media and a free civil society are indispensable for the achievement of development and peace. Finland has a lot to offer in all these sectors, and also in the field of education, which is a cornerstone for development. From a welfare perspective, economic growth alone does not suffice if the developing country's entire society does not benefit from the positive development. Here, too, the well-functioning Nordic model serves as a good example.

### What are our goals? Finland's actions strive to promote that

- political institutions are functioning more democratically and citizens' equal opportunities to influence political decision-making have increased;
- public administration and the judiciary produce better public services, including educational services, and people have better access to them;
- taxation is more efficient, allowing to fund public services; and
- the enabling environment for the civil society to function and the freedom of speech have improved.

*How is this promoted?* Finland will support the improvement of public and political institutions in developing countries bilaterally and through the EU, international and regional actors and local authorities. Finland will work to improve the conditions for democ-

Finland will direct more funds to enhance taxation capacity and upgrade financial management in developing countries.

racy, human rights, good governance, the media and civil society to function well, and also to combat corruption, through development programmes and effective policy dialogue. Finland will strive to promote peaceful solutions and national dialogues, strengthen the rule of law and develop the functioning of societies and good governance.

Education will receive support because a well-educated population is vital for progress in all other development goals. Basic and higher level education will be improved in developing countries. The opportunities to increase support also to vocational training will be explored, since it is in many cases the key to the inclusion of young people and to economic development in developing countries. Finland will dedicate more resources to the upgrading of financial management and taxation capacity in developing countries and participate in world-wide efforts to improve global tax rules. These are needed to eliminate international tax evasion and avoidance, curb illicit financial flows, and increase corporate social responsibility. Finland will also support the strengthening of civil society in developing countries, working in partnership with Finnish civil society.

## IV Food security and access to water and energy have improved, and natural resources are used sustainably

Supports in particular the UN sustainable development goals 2, 6, 7, 13 and 15: End hunger, achieve food security and improved nutrition and promote sustainable agriculture; Ensure availability and sustainable management of water and sanitation for all; Ensure access to affordable, reliable, sustainable and modern energy for all; Take urgent action to combat climate change and its impacts; Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

*Why is it important?* People have the right to adequate food and water. A sustainable use of renewable natural resources forms a basis for food security, well-being, jobs and income. Progress has been made, but much still remains to be done in developing countries for everybody to have access to sustainably produced food, clean water and energy, particularly in view of climate change impacts.

### What are our goals? Finland's actions strive to promote that

- people's possibilities to produce or buy food have improved;
- the number of people with access to high-quality water supply has increased and more people have access to and use decent toilets;
- developing countries' investments to sustainable energy solutions have increased, and the share of renewable energies has increased and that of fossil energies decreased; and
- the sustainable management, use, protection and control of renewable natural resources and ecosystems, such as forests and water bodies, have become more widespread.

*How is this promoted?* Finland is a country of clean technology and bioeconomy, boasting excellence in the realisation of well-functioning, environmentally-sustainable and climate-smart solutions in these goal areas. Finland also has a lot to offer in fostering the management of natural resources and the sustainable use of forests. Finland will support developing countries' public, private and collective producers in the fields of water, food and energy supply to improve their know-how and ability to attract investment and partners and to make use of the latest clean technologies and expertise. Finland will support developing countries' public, ners and to make use of the latest clean technologies and expertise. Finland will support developing countries' and energy, paying attention to women's rights. Better management of natural

> resources will be supported by Finland bilaterally, regionally and multilaterally. Finland will contribute to international and EU policy-making in climate, energy, environmental, agricultural and corporate social responsibility issues, supporting developing country dialogue. Finland will fund collaboration between research and educational institutions, companies, civil society and the public sector to generate necessary know-how.

# 5. The effects of refugee flows and increased migration on development policy

The large number of refugees and immigrants have created a new situation in Europe. Finland, too, has experienced a sharp increase in the number of asylum-seekers. Violent conflicts and also the lack of future prospects have resulted in massive migration especially from Syria, Iraq, many African countries as well as Afghanistan. It is estimated that significant population growth in certain countries, especially in Africa, and climate change will further increase such migration with time.

Development cooperation is a good way of influencing the development of societies in developing countries so that they will have the capacity to create sources of income and peaceful living conditions for their citizens. What most people all over the world most hope for is to be able to lead safe and secure lives in their home countries and get sufficient income there. Securing this is an important goal in Finland's development policy. The living conditions in the countries of origin are a key issue.

More support will be channelled to the countries of origin of refugees and asylum-seekers to strengthen the conditions for peace, as well as human rights and income opportunities so that people do not have to leave their native countries, or they can return there. Finland will provide more support for countries that have received great numbers of refugees, and also transit countries, thus improving their capacities and refugee protection and preventing human trade and trafficking. Support will be given in the form of humanitarian aid and development cooperation. In the most difficult circumstances, Finland will when necessary provide support through experienced international organisations

More support will be given to sending countries for the enhancement of peace and human rights and the improvement of income opportunities so that people need not leave their native countries. or development financing institutions (DFIs) to ensure an the best possible way to deliver Finnish aid.

Finland advocates joint solutions to the refugee situation and seeks to address the root causes of refugeeism.

The main target regions include Middle Eastern countries and regions bearing the consequences of the situations in Syria and Iraq, and countries suffering directly from the unrest in the volatile Horn of Africa region and countries hosting large numbers of refugees, such as Somalia, Kenya and Ethiopia. Support to Afghanistan will be continued also for refugee-related reasons. In these and many other countries, Finland will also support the valuable input of other development actors, which represent the Finnish society, such as NGOs.

Significant amounts of Finnish support for refugees, transit regions and countries of origin is also channelled through the EU. Finland promotes joint, well-planned and well-coordinated action in EU policy-making. Finland advocates joint solutions to the refugee situation and seeks to address its root causes.

In international organisations and fora, Finland advocates for the following: increased support for countries of origin and transit countries, more efficient coordination of the support, the protection of the rights of refugees, asylum-seekers and migrants and their just treatment. Finland is active in developing approaches to resolve the issue of asylum-seeking by child refugees, and other related challenges.

Finland supports efforts to solve the situation in countries of origin in a comprehensive manner, not only through development cooperation but also by other means. Human rights and stability in these countries can be addressed with foreign and security policy, through e.g. political dialogue or crisis management. The development of the economy and job creation can be furthered by means of EU trade policy by e.g. taking better account of export products vital to countries of origin. In the longer term, a strong Finnish and European climate policy will also help to reduce human migration caused by environmental changes. The 2030 Agenda as a whole addresses various root causes of refugee situations.

Migration is not a new phenomenon, and orderly human mobility is normal. The reasons for leaving of the 230 million migrants in the world are complex. Regular migration for the purpose of work or study may be useful for the host country's development by making the population younger and improving the availability of labour force, and it can benefit the sending country by expanding its intellectual capital and economic activity. People who have moved to Finland from developing countries and their know-how will be increasingly resorted to also in the field of development cooperation.

The situation in sending countries can also be addressed through human rights, crisis management and trade policies.

## 6. Humanitarian aid for those in distress

The key goal of humanitarian aid is to save lives, relieve human suffering and distress, and maintain human dignity during crises. Aid relieves distress caused, for example, by armed conflict or natural disasters, by offering food, water, shelter and first aid, etc.

In situations such as flooding the need for humanitarian aid may be short-term and limited. Ex ante preparedness and long-term development cooperation can also reduce the extent of damage and save human lives. On the other hand, a growing number of humanitarian crises tend to persist and their underlying reasons are complex. The need for humanitarian aid may last several years or even several decades if people are unable to resume normal life. Humanitarian aid also includes organising education and creating work opportunities.

The needs for humanitarian aid have multiplied over the past few years, especially in the Middle East and Africa.

The needs for humanitarian aid have multiplied over the past few years. There are several serious conflicts going on in the world. The progressing climate change and other reasons have caused natural disasters to become more common. Especially the conflicts in the Middle East and Africa have increased human distress, and the gap between needs and resources has grown. The global funding deficit of humanitarian aid amounts to billions of euros annually. At the same time, the operating environment has become more demanding and more dangerous for aid organisations and their staff. The number of actors has grown. Development aid is often needed already in the early phases of a crisis, also to strengthen the capacity of the country or region in crisis. Finland will continue to devote a significant share of its development cooperation appropriations to humanitarian aid, focussing it – on the basis of reliable situation assessments – to where the need and distress are greatest. Finnish aid will be channelled to those in need through UN Agencies, notably the Office of the UN High Commissioner for Refugees (UNHCR), the International Red Cross and Red Crescent, and Finnish aid organisations. The focus of Finnish humanitarian aid will be on the poorest countries and helping the people most in need.

Finland directs its aid to where the need and distress are greatest.

Finland considers a reform of humanitarian aid important. The UN must continue to take the lead in coordinating international humanitarian aid. The value base and independence of humanitarian action and the status of humanitarian law must be strengthened. Aid must be implemented with greater effectiveness and efficiency. Finland strives to ensure that humanitarian aid, peace mediation, reconstruction and development cooperation are mutually supportive and complementary. The capacity of societies to be better prepared for natural disasters and survive crises must be strengthened by mainstreaming these aspects into development cooperation.

# 7. Intensified development policy dialogue

Finland will advance its development policy goals in a more goal-oriented manner with its bi- and multilateral partners alike. The main tools are policy dialogue and development funding, often a combination of the two. Finland's policy dialogue activities are planned annually, and their results are also monitored on an annual basis.

Within the European Union, Finland influences development policy decisions and promotes the principle that the consequences of EU action for developing countries should be considered more broadly. EU decisions and agreements in fields such as taxation, trade and agriculture and similar decisions by other organisations carry major immediate or indirect consequences for developing countries.

International organisations and financial institutions possess significant resources for supporting developing countries. Their executive boards are some of the fora where Finland acts to ensure that their operations reflect the goals of Finnish development policy and produce results.

Finland advocates developmentenhancing choices resolutely.

In bilateral cooperation, Finland can exert influence on the activities of developing countries and on the other donors. For example, Finland tries to convince its partner countries of the need to adopt legislation that would help remedy the specific problems faced by each country. Policy dialogue is conducted in bilateral contacts and via the EU, and also within working parties of donors and partner-country governments, and in the steering committees of projects supported by Finland. Country- and project-specific goals are defined at the planning stage and in country strategies. Development issues are an integral part of our foreign and security policy, and they have linkages with external economic relations. Drawing a line between different policy areas is not always easy, or even possible. Finland's UN, human rights, trade and climate policies, for example, involve development aspects. Mobilising development cooperation funds in crisis situations may be a useful way to participate in the solution-seeking efforts of the international community. The poorest countries are not always able to influence international policy-making that carries implications for them. Finland can help ensure that their development needs are taken into account.

In crisis situations, mobilising development cooperation funds may be a useful way to participate in solution seeking.

# 8. Finland reinforces the efforts of international actors

Finland funds actors that can best promote Finnish development policy priorities.

The European Union, the United Nations, the Organisation for Economic Co-operation and Development (OECD), development financing institutions (DFIs) and other international organisations establish common principles and practices for development policy and for the quality of development cooperation. They provide developing countries with substantial loans and grants, wide-ranging policy advice and expertise, also with Finnish support.

Due to Finland's present economic situation, its financial contribution will be focussed on players that most effectively promote the priorities of Finnish development policy. For the most important institutions, policy dialogue plans will be drawn up and their results will be monitored annually. Finland considers it important to reinforce the implementation of jointly-agreed rules.

#### **The European Union**

The combined aid granted by the member states and the Commission accounts for more than half of the public development cooperation funds in the world. The EU is engaged in development cooperation with about 160 countries, regions and organisations all over the word, including some of the most fragile states. The decisions made within the EU carry major repercussions for sustainable development. The EU is a key international participant in development policy and development cooperation. The goals of its development policy are the reduction of poverty and the promotion of human rights, democracy and good governance.

Finland works actively to promote the realisation of its development policy goals through EU action. As a member of the EU, Finland influences the future of interna-

tional development policy and participates in the formulation of development cooperation all over the world.

Finland actively advocates a revision and reinforcement of EU development policy to implement sustainable development. The EU is also revising its cooperation with the most important group of developing countries: the African, Caribbean and Pacific (ACP) countries. EU immigration and refugee policy will also be significant for development policy. It is important that the promotion of gender equality as part of EU external relations is implemented in accordance with the new EU Plan of Action on Gender Equality.

The EU is an important channel for Finland to wield its influence in global climate, environmental and economic issues in order to ensure that the decisions will improve conditions in poor countries. The EU is also the world's biggest development aid donor.

The EU also provides an important channel for Finland to wield its influence in global climate, environmental, trade, tax, investment and economic issues so as to ensure that the decisions and agreements made will also improve conditions in poor countries. This is why Finland systematically brings up development policy goals also in the work in other EU policy fields.

#### The UN and other multilateral partners

The extensive activities of multilateral organisations and players in the field of development policy are guided by the 2030 Agenda for Sustainable Development. Finland's own activities within the multilateral system are based on our development policy priorities with regard to both financing and policy dialogue. Finland principally works with the following partners in promoting the priorities set by the Finnish Government: Finland particularly supports UN Women, UNFPA and UNICEF. They strive to enhance the rights and position of women and girls.

*Enhancing the rights and position of women and girls* is on the agenda of especially the following UN agencies: UN Women, the Population Fund (UNFPA) and the Children's Fund (UNICEF). Finland wants to actively contribute to the work of these agencies, which also are the priority organisations for our financial support.

UN Women works globally for the empowerment of women and girls and the promotion of gender equality. UNFPA is a key player in issues relating to demographic trends and the rights of women and girls, including sexual and reproductive health and rights, family planning and the prevention of maternal and infant mortality. In many countries, the

Population Fund has to work in a challenging environment, and there is a great need for Finnish funding. For several decades already, UNICEF has been successful in protecting and promoting the status and rights of children world-wide.

Finland will also continue to collaborate with the World Health Organization (WHO), the Joint UN Programme on HIV/AIDS (UNAIDS), and the UN Organization for Education, Science and Culture (UNESCO).

*In supporting developing countries' economies*, Finland's main partners include development finance institutions and some UN- and WTO-administered trade and development organisations and programmes, e.g. the UN Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC), and the Enhanced Integrated Framework (EIF). Finland will also continue its collaboration with the International Labour Organization (ILO).

As for the priority related to *well-functioning societies and democracy*, Finland's international partners include the UN Development Programme (UNDP), the Organisation for Economic Co-operation and Development (OECD), the African Tax Administration Forum, and the International Institute for Democracy and Electoral Assistance (IDEA). Finland will also continue to cooperate with the g7+ group of fragile states.

In the fields of *water, food security and energy and the management of climate change and natural resources*, Finland's main partners are the Global Environment Facility (GEF), the Green Climate Fund (GCF), the International Fund for Agricultural Development (IFAD), and the World Food Programme (WFP). Finland will also continue to cooperate with the Food and Agriculture Organisation of the United Nations (FAO) and the United Nations Environment Programme (UNEP) and support the implementation of international climate conventions in developing countries.

UNDP and development financing institutions, for instance, work as Finland's partners in many ways and in the fields of several priorities. In many fragile partner countries, they administer Finland's collaboration with other donors and the funding provided by them. Other organisations working as Finland's partners over a wide range of areas are the UNHCR and the UN Partnership to Promote the Rights of Persons with Disabilities (UNPRPD).

The World Bank and the African, Asian and Latin American Development Banks are key actors in supporting a stable macroeconomy and a solid infrastructure. Finland channels its development funding especially through the World Bank and the African Development Bank. In doing this, it can have an influence on the priorities and practices of the said institutions. In collaboration with them and the Nordic Development Fund, Finland helps to build up infrastructure, develop public administration and the enabling environment for the private sector, and it also participates in projects in support of climate change mitigation and adaptation. Support for increasing developing countries' own financial flows and especially their tax revenue accounts for an increasingly important share of the work of development finance institutions. They combine public and private money so that public funding generates impacts that substantially surpass its nominal value.

# 9. Finland's cooperation with partner countries yields results

Finland has selected partner countries for bilateral development cooperation on strong grounds on the basis of the following criteria:

- There is great need for Finland's support, and the target country will not develop to an adequate extent without external assistance. The primary and basic goal is to build up or boost the country's own capacity.
- The supported countries' own national development efforts reflect Finland's values and objectives even in difficult circumstances.
- Finnish expertise and strengths can be exploited, and support can be targeted specifically at the four priorities of Finnish development policy.

Some of Finland's partner countries have become or are about to become middle-income countries. This will allow the gradual scaling-down of aid.

Nearly all of Finland's development cooperation partner countries count among the least developed countries (LDCs). Many of them are also regarded as fragile states that have been or are in danger of turning into unstable societies, and have the greatest need for assistance. Several Finnish partner countries will need external support for a long time to come.

aling-down aid. Some of Finland's partner countries have achieved progress, however, and they have become or are about to become middle-income countries. This will allow the gradual scaling-down of aid and gearing the focus towards, for example, providing an important type of expertise. It will also be possible to step up cooperation in the fields of trade, investment, research and innovation, and increase interaction in other fields. Development cooperation takes place in the real world. The list of selected partner countries or regions or the content of the support will be reviewed when changes in circumstances or the achievement of results so requires. For each partner country, a country strategy is drawn up, setting out the actions in more detail and defining the cooperation priorities. The country strategies are updated and their results are reported annually.

In addition to bilateral work, Finland supports its partner countries and other countries globally by working via the UN system, development finance institutions, the European Union and regional organisations. Finnish NGOs, companies, higher education institutions, public bodies and local authorities that have been allocated development cooperation funds are also implementing projects widely in many countries. In its partner countries, Finland seeks to ensure practical coordination and complementarity between the various actors. This concerns EU actions and international organisations as well as Finnish actors.

According to the 2030 Agenda, adopted by the UN member states, the development goals will be promoted in the context of other activities conducted with developing countries, including those relating to external relations, trade and economic relations, or support to the business activities of companies in developing countries. Finland can promote progress to a considerable degree through well-thought-out EU trade policy measures.

## Finland's bilateral cooperation with partner countries

### **ETHIOPIA**

Finland will increase its support to Ethiopia, Africa's second most populous country, where the need for support is great. Ethiopia shows a will to develop, and its development is important for the future of the entire Horn of Africa, also in view of the refugee situation. The support will focus on water supply, education and the rural private sector with the aim of creating jobs.

### SOMALIA

Finland will increase its support to the fragile Somalia to reinforce stability and well-being and to intensify the prevention of international terrorism. Support to health care for women and children will be continued, and new fields of activity in support of stability and development will be identified.

### **KENYA**

Support to Kenya will be continued for the time being. While Kenya is the economic and political hub of Eastern Africa, it suffers from problems caused by extremist movements and large numbers of refugees. A stronger Kenyan society will promote stability. Finland will support good governance, the status of women, and access to water, while also diversifying bilateral relations.

### TANZANIA

Finland will continue to support Tanzania, because it is one of the world's poorest countries and it is launching necessary reforms. The support will focus on accelerating progress by strengthening the country's economic base, promoting job creation in the innovation and forest sectors, and by consolidating public financial management and taxation capacity.

### ZAMBIA

Zambia's development is well on its way. In Zambia, Finland can capitalise on its long-term relations to ensure development while gradually shifting to other, multidimensional forms of cooperation in various fields. Development cooperation will lay particular emphasis on the strengthening of the private sector in order to create jobs.

### MOZAMBIQUE

Mozambique will be supported because it continues to be one of the world's poorest countries and suffers from tensions dating back to its civil war. The priorities are education, girls included, which benefits the whole society, and support for the country's capacity to plan its macroeconomy, with a view to receiving income from natural resources in due time.

#### AFGHANISTAN

Finland will support Afghanistan to encourage its gradual positive evolution and to prevent the country from falling back into chaos, which would be against Finland's interests. Support priorities include the strengthening of the position of women and girls and the reinforcement of education and governance as well as the creation of livelihoods to build up an economic base.

#### NEPAL

Finland will support Nepal, which counts among the least developed countries and has striven to move from absolute monarchy, through civil war, towards a democratic and more stable federal state. In Nepal, access to water, the quality of education and the implementation of women's rights will be improved.

#### **MYANMAR/BURMA**

Myanmar is a relatively recent partner. Support to Myanmar will be stepped up to boost the democratisation process after the military dictatorship. At the same time, a basis for diversified economic cooperation will be built. Finland will support Myanmar's national process of reconciliation, the management of natural resources, and education.

### FINLAND ALSO SUPPORTS THESE COUNTRIES AND REGIONS:

**UKRAINE** Finland will support Ukraine because the conflict poses a security threat to Europe and Ukraine needs assistance for its structural reforms and reconstruction efforts. Support priorities include constitutional and legislative reforms.

THE MIDDLE EAST AND NORTHERN AFRICA Finland will increase its support to this area where instability and large numbers of refugees pose great problems. It will strive to achieve stability and progress, support peace mediation and democratisation, alleviate human suffering, strengthen countries' and local communities' resilience in the refugee crisis, and support the general development of societies. Cooperation can also help to undermine the attraction of extremist movements.

**PALESTINIAN TERRITORY** Finland supports the capacity of the Palestinian Authority to preserve the Palestinian statehood goal and achieve peace. The rights of women, girls and vulnerable persons will be enhanced. Support will be targeted at the education sector and land administration. **CENTRAL ASIA** Finland will also support Kyrgyzstan and Tajikistan, the poorest countries of Central Asia. Finland's support will be used to strengthen human rights, the rule of law, the business environment, water resource management, and climate change preparedness.

**ERITREA** Eritrea will start to receive small-scale support because Finland seems to be in a position to contribute to the gradual opening of the country. This would enable development and promote stability in the Horn of Africa. The current focus of Finland's support is on the development of higher education institutions.

**VIETNAM** Vietnam is now prosperous enough to be classified as a middle-income country. In Vietnam, traditional development cooperation will give way to other forms of support and diversified cooperation, including economic cooperation. Finland will support Vietnam up to 2018 through the Innovation Partnership Programme and the Forest Programme.

Finland supports regional cooperation in Africa in order to contribute also to the solving of cross-border problems. It cooperates with the African Union (AU) in peace mediation and disability matters. The Energy and Environment Partnership Programme (EEP) of Southern and East Africa promotes the introduction of renewable energy solutions in these regions with the help of the private sector. It Finland wants to also creates new jobs, combats climate change and improves the status increase stability, of women. In addition to the Horn of Africa, the regions of the Sahel, find employment and Central Africa and Lake Chad are suffering from an immense humaneducational opportunities itarian crisis brought on by the expansion of extremist movements, for young people conflicts, poverty and climate change. Population growth is rapand prevent id. Finland will explore the feasibility of supporting these areas. radicalisation. It will also support them through the EU Trust Fund for Stability.

The aim is to increase stability, find employment and educational opportunities for young people, and prevent radicalisation.

## 10. Effective cooperation with Finnish partners

The implementation of the 2030 Agenda for Sustainable Development is based on the active participation of various societal actors and on strong, multidimensional partnerships. Finnish development policy and development cooperation are well-placed and well-equipped for this. Together, the public sector, research and educational institutions, private companies and civil society can achieve more.

# 10.1 Cooperation with the private sector deepens development impact

Finland promotes the consolidation of the developing countries' own economic base. This calls for corporate social responsibility and the creation of jobs in developing countries. These will help developing countries to cover their own spending in the future. Finland supports developing countries' access to finance for investments that enable sustainable development and the implementation of Finland's priorities in particular. Investment financing also enhances the opportunities of Finnish companies to participate in development cooperation, using Finnish know-how and work.

Parallel to this, commercial cooperation with developing countries to promote sustainable development is supported by Team Finland activities, which will be further developed. Finnish companies are encouraged to provide commercially viable, development-enhancing solutions to fast-growing developing country markets. Finnish know-how in the fields of clean technology and bioeconomy can boost the implementation of circular economy in developing countries. This is a way to support climate change mitigation and sustainable development through ordinary business activities. Information about services and forms of funding available for compa-

Finland supports the access of developing countries to financing for necessary investments. Finnish companies are encouraged to provide commercially viable, development-enhancing solutions to developing country markets.

nies will be improved. Start-up companies' contacts with developing countries will be reinforced. The strengthening of societies and business environments in developing countries through Finnish development cooperation will also benefit Finnish companies more generally.

Finnish institutions active in various fields can play a significant role in improving local competences in e.g. the natural resource sector and in climate change mitigation.

The Government sees Finnish companies as key partners in development cooperation, encouraging them to actively engage in the development programmes financed by Finland. Companies' capacities to offer their expertise for use in procurements and programmes funded by international organisations, development finance institutions, and the EU will be supported more systematically. Cooperation opportunities will be sought in the provision of solutions for handling natural disasters and crises, for example. Information gathering about up-coming development projects and procurements across the world will be intensified through Team Finland activities.

#### **Corporate social responsibility**

It is a common interest that Finnish companies operate responsibly in developing countries, respecting human rights and supporting sustainable development goals. The Finnish Government considers it important that businesses promote sustainable development in their own fields, respecting the best practices and obligations of corporate social responsibility. Progress has been achieved in the international definition of corporate social responsibility. The UN has agreed that corporate responsibility for human rights means that companies are responsible for respecting human rights, avoiding human rights violations, and taking remedial measures if their activities have adverse effects. The development of Finnish companies' corporate social responsibility will continue. A work plan will be drawn up and support and training will be offered to smaller companies in particular. The work will continue in collaboration with companies and organisations, building on the positive experience of the implementation of UN's guiding principles on business and human rights.

Responsible companies flourish in developing countries.

The Government will continue to require that companies and other players that are state-owned act responsibly and transparently, also in taxation, and produce regular reports. The principles of responsible ownership steering will be systematically applied.

Corporate social responsibility is a Government requirement for all companies in receipt of development cooperation funding. When deciding on support, the development impacts of the activities are assessed, and a completed human rights impact assessment and result reporting are required. Projects that support specifically the poorest and fragile countries and persons will be given priority.

#### Available development financing instruments to be further developed

The possibilities for Finnish companies to participate in development cooperation will be enhanced by expanding the coverage and volume of private sector development financing instruments.

Financing for *Finnfund* will be stepped up substantially. Finnfund is a Finnish development finance institution and development cooperation actor providing loans and capital for investments that support economic and social development in developing countries. It supports projects with a Finnish interest, which may involve a goal important for Finland, or a Finnish company. Finnfund's operations will be developed and its possibilities for risk-taking in projects that are of importance for devel-Finnish opment will be improved. The financing operations must focus on poor financing will developing countries. Finnfund is a state-owned company steered by the multiply the amount Ministry for Foreign Affairs, which sets goals for the operations' developof other support for the generation ment impact. Progress towards the goals is subject to annual reporting. of development

*A new generation investment support for developing countries – the Public Sector Investment Facility –* will be introduced. It will be used to support developing countries' public sector investments in order to strengthen the capacities of developing countries with the help of Finnish technology and expertise. The investment support includes a loan to the developing country in question, guaranteed by Finnvera. A relatively small amount of Finnish financing will make it possible to mobilise more funding to achieve important development impacts. At the same time, the introduction of high-quality solutions and technology will be promoted.

The *Finnpartnership -programme* will continue to provide seed financing to joint development projects of Finnish and developing country actors. Pilot and demonstration projects will also be supported. This programme is particularly designed to encourage small and medium-sized companies to establish business partnerships in developing countries.

*The new Business with Impact (BEAM) Programme* will be further developed. It is a joint programme of the Ministry for Foreign Affairs and Tekes – the Finnish Funding Agency

for Innovation. BEAM provides funding and support for creating innovative and sustainable solutions for developing country markets in cooperation with local actors. Half of the funding comes from commercial sources.

Work to identify and develop new financial investment opportunities will be launched without delay. It will be a way to increase direct capital investments and loans to developing countries, particularly in the fields of clean technology, sustainable water management, energy and food production, and combating climate change.

*Team Finlan*d activities will be enhanced to support the activities of Finnish companies in developing countries, including through the Developing Markets and Digital Africa growth programmes.

As regards investments for sustainable development, private and institutional investors are also important. The Government will pursue its dialogue with Finnish actors to explore the possibilities of identifying viable investment opportunities also in developing countries.

### 10.2 Maintaining a strong partnership with civil society

One of Finland's aims is to reinforce the civil society in developing countries. The civil society, which includes associations, interest and expert organisations, religious communities and the media, has played a significant and independent role in Finland's own evolution.

A free and diverse civil society is one of the cornerstones of a democratic and just society, promoting good governance and political accountability, giving

A strong civil society is the best support for development. The Finnish civil society is an important development actor. expression to the citizens' point of view and acting as a driver of change and solver of problems. Stable social conditions, peace, freedom of speech, well-functioning institutions and other prerequisites for sustainable development are all based on the citizens' right to form associations, have a say in the society, and influence their own lives. In many developing countries these rights are not implemented, and they have become increasingly weak. A strong civil society is the best support for development efforts in developing countries, bringing stability and prosperity for the whole society also in the long term.

The Government considers it important that, even in times of scantier economic resources, Finnish civil society contributes to the fostering of the civil society in developing countries. NGOs are able to operate in countries and situations and among population groups that, for one reason or another, cannot be reached by the means and tools of Finnish official development assistance or where these are not suitable.

Organisations receiving state support are to take into account the common values and principles of Finnish development policy in their activities. Finnish civil society is encouraged to work particularly in the poorest countries. In Finland's partner countries, civil society representatives are urged to interact with Finnish diplomatic missions and to take account of other activities supported with Finnish development cooperation funding. Supporting civil society's development efforts in Finland's partner countries also enhances the impact of Finland's overall development cooperation. In all activities, NGOs build on their own expertise and networks. They can also play a valuable role by implementing programmes or projects that are part of intergovernmental cooperation.

Where NGO action complements the provision of basic services, which is the responsibility of the developing country's public sector, they are encouraged to ensure that their know-how is transferred. The aim should be that, in time, local authorities will be able to assume responsibility for the activities and that people will know how to assert their rights.

The resources of civil society support will mainly be targeted at programme support, which is primarily granted to the multi-annual programmes of experienced organisations. In addition, a moderate number of NGO projects will be granted project support. Support to international NGOs will be continued in a selective manner to promote Finnish goals relating to e.g. peace and stability, human rights, goals for taxation, or reproductive health and rights. Support will also be granted to actors engaged in development communication and global education activities in Finland. The activities of local civil societies can receive support directly through Finnish Embassies.

## 10.3 Other important actors

In the implementation of Finnish development cooperation, the Government wants to rely broadly on the expertise available in the Finnish society. Cooperation with expert institutions in different fields, higher education institutions, scientific and research communities, and local authorities will be strengthened with regard to both the content and the implementation of development cooperation. Actors will be encouraged to engage in international cooperation and to utilise the various forms of support available for both joint projects and individual actors. Forms of support for the participation of higher education institutions will be further developed. In terms of the sustainable development goals, the above actors may play an increasingly significant role in the search for solutions to complex challenges in all sectors of the society.

Finnish development cooperation relies broadly on expertise available in different sectors of Finnish society.

## 10.4. New, stronger partnerships

Businesses, NGOs, local authorities and higher education institutions are encouraged to cooperate more closely with each other.

All Finnish development cooperation actors are encouraged to engage in regular exchange of information and interaction. Businesses, NGOs, local authorities and higher education institutions are invited to cooperate more closely and will be supported in these efforts. The aim is to make better use of the actors' complementary strengths to support sustainable development. Many of the support forms described above are open to different types of Finnish actors. Information-sharing about best practices will be improved. New approaches will be devised to make better use of the actors' expertise, innovations and local networks. The feasibility of devising suitable forms of funding will be explored.

## 11. New working methods

Methods for the implementation of development policy and development cooperation will be reformed. The activities and the amount of staff will be made proportionate to the available appropriations and the goals set in this report. Practices must enhance the predictability of activities, while enabling flexible responses to unexpected changes. By enhancing allocation planning, resources can be focussed flexibly and efficiently to promote the attainment of the main goals.

Adequate conditions will be ensured to allow Finland to use development cooperation funds more efficiently and more rapidly to support or participate in peace mediation and facilitation, national dialogue processes, and in providing guidance and support in matters relating to the functioning of the society, such as the rule of law. These are areas of great significance in terms of foreign policy, but they are also extremely complex and – in the countries concerned – sensitive, and have their own distinctive characteristics. Sufficient resources for these activities will be provided. In addition, to ensure the necessary operating conditions, any need to revise regulations, procedures or practices will be assessed and the necessary changes will be promptly implemented.

The effectiveness and impact of development cooperation will be improved. Informed decision-making and risk management will be further enhanced, and the measuring, reporting and evaluation of results and impacts will be stepped up. This will be implemented in a clear and simple manner, relying on information accumulated while delivering results and on e-Services. Information systems will be upgraded to serve these goals. The monitoring of long-term development impacts will be enhanced. When considering the allocation of the current, more limited staff resources, priority will be given to needs related to the attainment of results.

The more limited resources will be put to more efficient use. We must also be able to react to rapid changes. More attention will be given to fostering the competence of staff. Dialogue with various partners will be enhanced to share best practices and to increase peer learning.

The citizens and development policy stakeholders need up-to-date and easily understandable information on the state of the world, Finnish development policy and the results of development cooperation. Timely information will

We need up-to-date of information on the state of the world, its implications for Finland, and the results of development cooperation.

cy, and the results of development cooperation. Timely information will introduce into topical public debate the aspect of international interdependence and Finland's ability to influence global development. Communicating transparently and actively is part of the work of everyone involved in development policy implementation. Global education and lifelong learning also play an important role in understanding complex issues. The authorities and NGOs collaborate to provide support for the school-attending age groups to grow into responsible global citizens.

Policy-makers and central government actors must be informed of development issues to be able to implement policies that promote sustainable development. Dialogue and information sharing on development policy and sustainable development issues between different ministries, political actors and various stakeholders will therefore be stepped up.

## 12. Implementation and follow-up of the report

The implementation of this report will start at once. Country strategies and policy dialogue plans will be adapted in accordance with this report, and necessary changes to regulations and working methods will be prepared and implemented. Any necessary plans or guidance will be drawn up or updated, carefully considering the quantitative need for these. Adequate planning and reporting practices will be prepared for all activities to be financed with development cooperation funds.

The implementation of this report will start at once.

By the end of 2018, the Government will draw up a report to the Parliament on the realisation of the current Report and on the results of development policy and cooperation, with particular reference to the progress achieved in the set priority goals. This overall picture will be complemented with information gathered by the UN and its member states on the progress of the 2030 Agenda.

# The 2030 Agenda for Sustainable Development and its 17 goals were adopted at the UN Sustainable Development Summit in September 2015.





