

1 November 2018  
To Parliament



# Finland's Development Policy Results Report 2018

Ministry for Foreign  
Affairs of Finland



# Finland's Development Policy Results Report 2018

## Summary

# Finland's development policy and cooperation generate results

**T**he Development Policy Results Report 2018 presents results of Finland's development policy and development cooperation that were reported between 2015 and 2018. Finland and its partners are achieving the development policy objectives quite well. Finland is generating positive results, which contribute to global stability and wellbeing. Finland has relevant expertise, experience and resources.

The results are produced through cooperation with developing countries, development financing institutions and organisations as well as with other partners. The priority areas of Finland's development policy are anchored in the Sustainable Development Goals of the Agenda 2030 adopted by the United Nations. The results data in the report is grouped in accordance with the four priority areas of Finland's development policy.

The work is most impactful when the financial support provided by Finland is combined with political dialogue, expertise and influencing efforts. This approach produces also most sustainable results. An example of such achievements is the successful support for national education systems. In particular, Finland has made its mark in areas where it is promoting equality, inclusion and non-discrimination, in line with its own core values.

Women and girls are more empowered to make decisions concerning their own bodies: About 1.5 million women have access to contraception and other sexual and reproductive health services. Through its development cooperation, Finland has supported communities in adapting to climate change, while humanitarian assistance provided by Finland has helped people to cope with conflicts and disasters. With Finland's support, about 2.5 million people had access to clean water supplies and nearly six million people had access to adequate sanitation.

Many of the results presented in the report are linked to the influencing efforts by Finland, which is difficult to measure in numbers. It may produce significant policy results, for example by ensuring that multilateral organisations or society at large are focusing their efforts on issues considered important by Finland. The opportunities to influence may at times be determined by Finland's funding share.

Achieving results has been most challenging in re-

gions where partnerships have been weakened by different kinds of instability.

More consideration should be given to these risks. In fragile environments, being able to sustain progress already made or avoiding reverse for worse may be considered a good result as such.

Financial investments and loans have been introduced as new development policy instruments during this government term. Their purpose is to strengthen the economic resilience of developing countries and to help them build a solid tax base. Most of this funding has been channelled towards climate change mitigation and adaptation. No result reports are yet available in regards to this new instrument. Together with grant funding, financial investments allow for enhancing cooperation with the private sector, while mobilising private funding needed to support sustainable development. Substantial broadening of the funding base is essential for achieving the Agenda 2030 Sustainable Development Goals.

The substantial cuts made in official development assistance funding in 2016 have reduced the results of Finland's development policy. The reductions, which were put into effect within a short period of time, mainly affected multilateral development cooperation, civil society partnerships and the human resources allocated to development cooperation. The climate finance of Finland reduced substantially.

One of the key messages of this report is that Finland should focus on a limited number of consistent themes and interventions. Effectiveness requires long-term approach both in terms of resources as well as policy priorities. Development policy can be successful only if it is able to continuously renew its approach and monitor new knowledge on results and effectiveness.

The ability of Finland to set realistic targets and objectives and to analyse and manage risks that are inherent in the field of development policy has been and is improved on the basis of critical evaluations and reviews. Misappropriation of funds always leads to action.

Positive results build societies, wellbeing and global stability. They further Finland's foreign policy objectives and the implementation of international commitments. Development cooperation is an important way to contribute to solving the greatest challenges of humanity.

# Key results

## WOMEN AND GIRLS

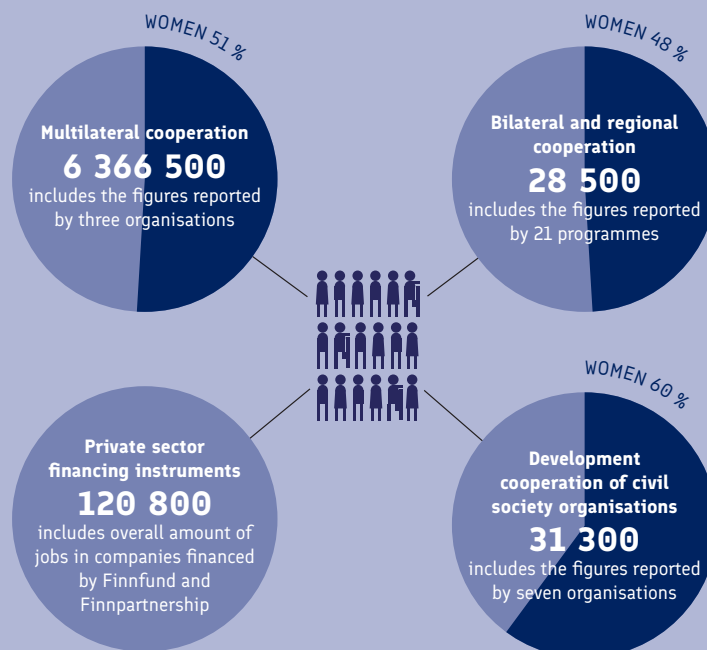
### More women have access to contraception

Over **1.5 million** women and girls have used sexual and reproductive health services through the support of Finland's bilateral cooperation (2015–2018)

Over **56 million** women used contraception through EU support in 2014–2016

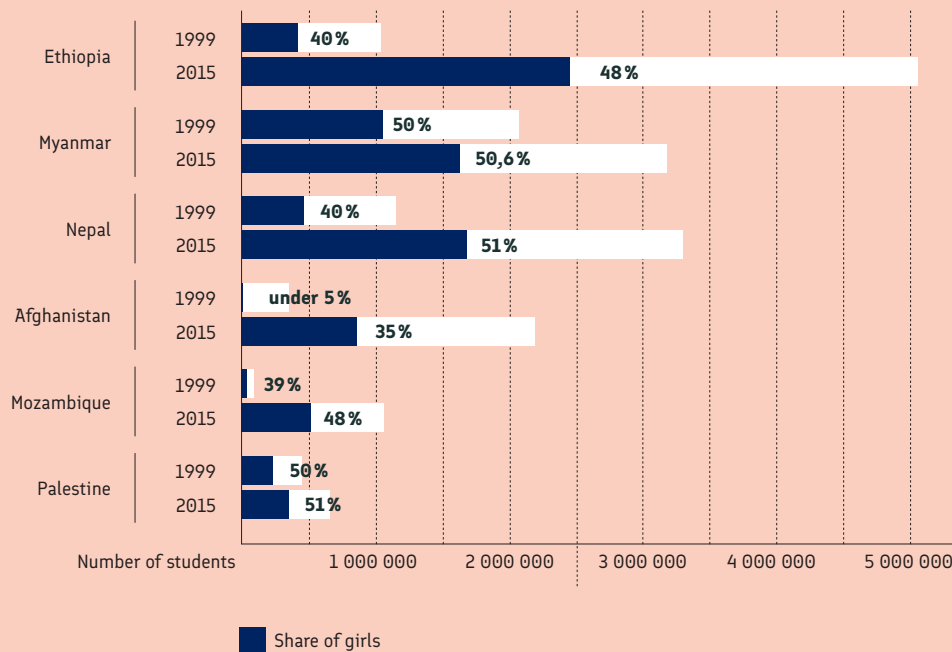
## ECONOMY AND JOBS

### Jobs especially for women



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## More children attending secondary school in Finland's partner countries



SOURCE: MFA/UNESCO

## Better food security and clean water for millions

### SMALLHOLDERS SUPPORTED BY FINLAND



NUMBER OF SMALL-HOLDER FARMERS

433 270



SHARE OF WOMEN

54 %



TOTAL NUMBER OF BENEFICIARIES, INCL. FAMILY MEMBERS

2 062 200

CIVIL SOCIETY COOPERATION

SOURCE: MINISTRY FOR FOREIGN AFFAIRS

### ACCESS TO WATER SUPPLY AND SANITATION

Number of people benefiting from the results



WATER SUPPLY

2 466 700



SANITATION

5 940 500



WATER SUPPLY AND SANITATION IN SCHOOLS

661 380

BILATERAL COOPERATION

SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Assistance to record high humanitarian needs

IN 2017

More than **12 million** refugees and nearly 36 million internally displaced people supported through the UN refugee organisation UNHCR

Food security of **91 million** people in 83 countries enhanced by the WFP

Finland's humanitarian assistance is channelled through UN organisations, the International Red Cross and Red Crescent Movement and six Finnish non-governmental organisations.

## Conclusions

1

Finland should focus its resources towards the most important objectives

2

Results require long-term commitment and responsiveness

3

Adhering to values makes the policy more impactful

4

Fragile states and countries affected by conflicts must be supported to get on their feet

5

Reforms in development cooperation practices and development financing need to continue

6

A more comprehensive approach can lead to better development results







# Foreword

**F**inland's first comprehensive results report on development policy shows that through its development policy and development cooperation, Finland is contributing to the solution of the most serious development challenges of our time. Many of the positive changes in developing countries would not have taken place without the development funding provided by Finland, Finnish expertise, the active role played by Finnish stakeholders, and thousands of volunteers working in different parts of the country.

Finnish people have every reason to be proud of these efforts. I am particularly happy about the progress achieved in promoting the rights of women and girls. For example, our work in the advancing of sexual and reproductive health and rights translate to better life for millions of women and their families. Smaller figures are also important: for example, participation of a few hundred people in democracy training in Myanmar, a country in a particularly sensitive development phase, is a pioneering achievement and of immeasurable importance.

The report contains an important message: to meet the challenges arising from climate change, conflicts and natural disasters, and to make societies better prepared to adjust to the coming changes, a broader set of instruments is needed for the implementation of development policy. Finland and the international community as a whole must be able to react more quickly. New innovative approaches and additional development and climate funding are needed to prompt governments and the private sector to take quick climate action and provide them with opportunities in this field. At the same time, we need stronger

and closer cooperation between development policy, mediation and foreign policy when seeking solutions to conflicts.

This report is submitted to Parliament at a critical juncture. As we prepare for the next parliamentary term, we need to consider how Finland can increase its development funding to 0.7 per cent of the gross national income (GNI), how to continue with the work that has already achieved good results, and how to reform approaches without causing fluctuations that may put the achievements at risk. We also need to consider how Finnish expertise and know-how can best contribute to sustainable development without weakening the ownership of developing countries.

Development policy is an important part of the work jointly carried out by Finland and developing countries to solve global challenges and to achieve the Sustainable Development Goals by the year 2030. The support of the Finnish people to development cooperation is steady and based on principles. The value of the work already and what can be achieved are widely recognised. We now have a better picture of the results achieved and of our challenges and strengths in different sectors. My hope is, therefore, that this report will encourage public discussion on Finland's development policy.

Helsinki, 1 November 2018

**Anne-Mari Virolainen**

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Ministry for Foreign Affairs of Finland

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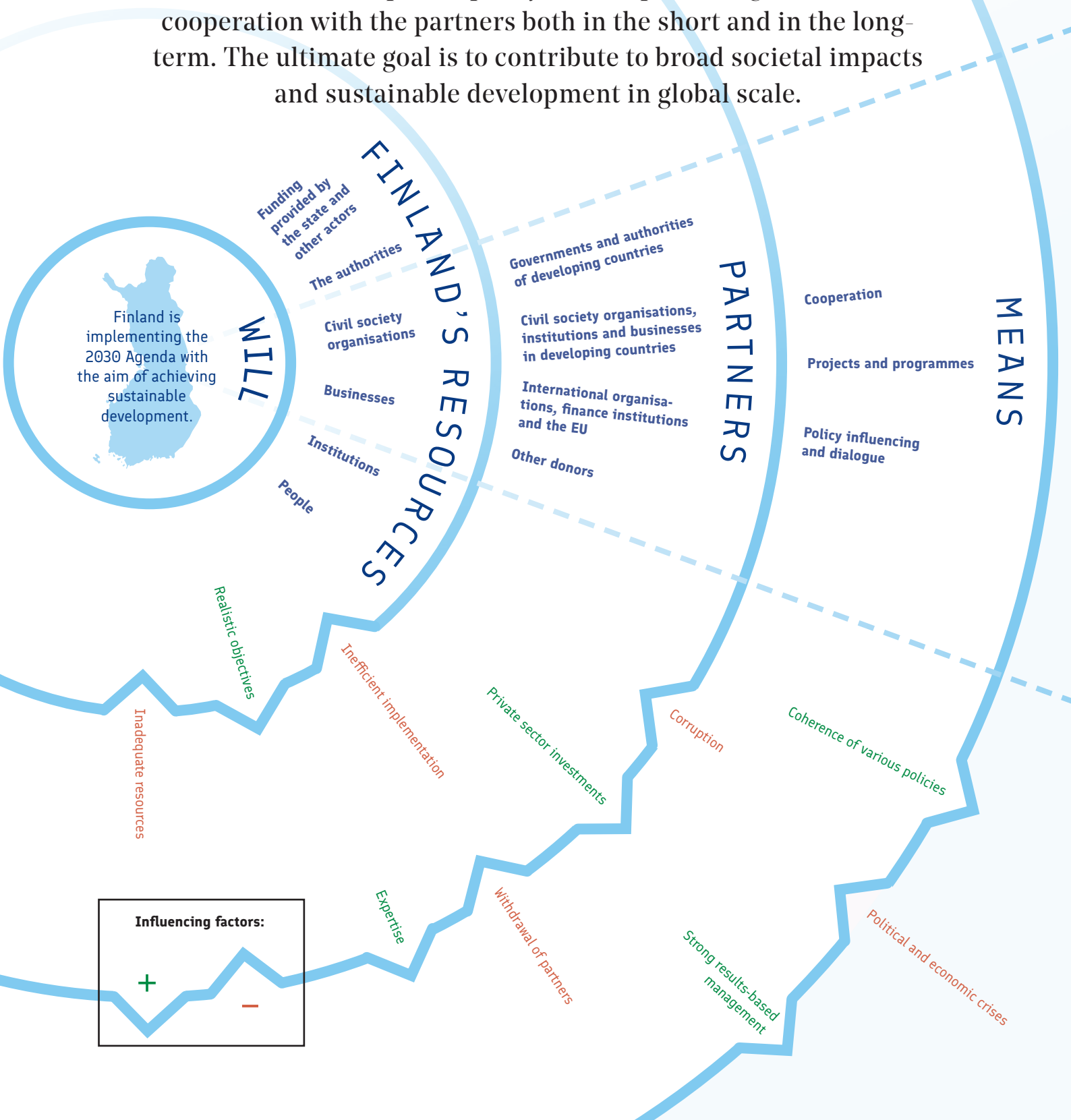


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# Towards sustainable development

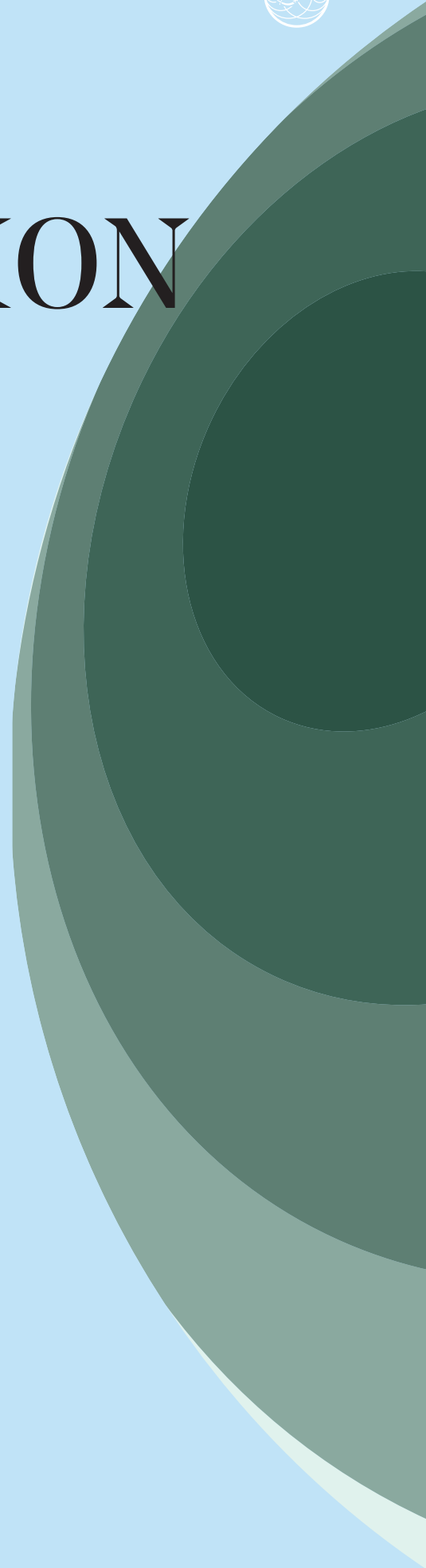
Finland's development policy aims at producing results in cooperation with the partners both in the short and in the long-term. The ultimate goal is to contribute to broad societal impacts and sustainable development in global scale.







# 1 INTRODUCTION







# Finland's development policy and cooperation are producing results

Development policy is an instrument for pursuing foreign policy goals and for meeting international commitments.

The work brings about improvements in people's lives, and builds societies as well as advances security. The results are built upon funding and influencing work.





**T**his results report describes how Finland has succeeded in its work to promote global development goals over the past few years. It presents the key results in the priority areas laid out by Finland for its development policy and development cooperation, as well as in humanitarian assistance. Implementation of Finland's development policy and conclusions made by external evaluators are also reviewed in the report.

The report presents results reported between 2015 and 2018. Many of the cooperation programmes behind the results had already been launched during previous government terms, some as early as 2006.

Finland collects information on progress in many ways. Parties to bilateral cooperation projects, civil society organisations and Finland's other partners provide updates of project results and assessments on progress each year. In many areas, the progress can be monitored and measured using indicators (e.g. percentage of girls of all children starting school, or the number of people with access to water services). This report presents the results based on 11 monitoring indicators, which have been used to collect results data from a number of pro-

grammes in different parts of the world. Not all results can be measured in numbers or added together, and for this reason, the report also contains case examples and results achieved by individual partners.

The results are always achieved through cooperation. Finland cooperates with the governments, institutions and people of developing countries and other states, as well as with organisations, finance institutions and other actors. Nowadays, few of the programmes are implemented by Finland on its own. The results are influenced by the action taken by Finland and other parties but crises, natural disasters and other factors beyond our control also play a role.

Supporting people in the most vulnerable position in difficult conditions is often extremely costly and difficult, and in many cases, it also involves the highest risks. However, as laid out in the objectives and principles of Finland's development policy, it is the most important part of the work.

### What is a result?

The results of development policy and development cooperation can be divided into outputs, outcomes and impacts. For

example, constructing a well may be the output produced through cooperation in water sector. Effective cooperation at community level in the management of clean water and sanitation is the outcome. The situation where people have access to safe drinking water (their right to safe water becomes reality in a sustainable manner) is the impact.

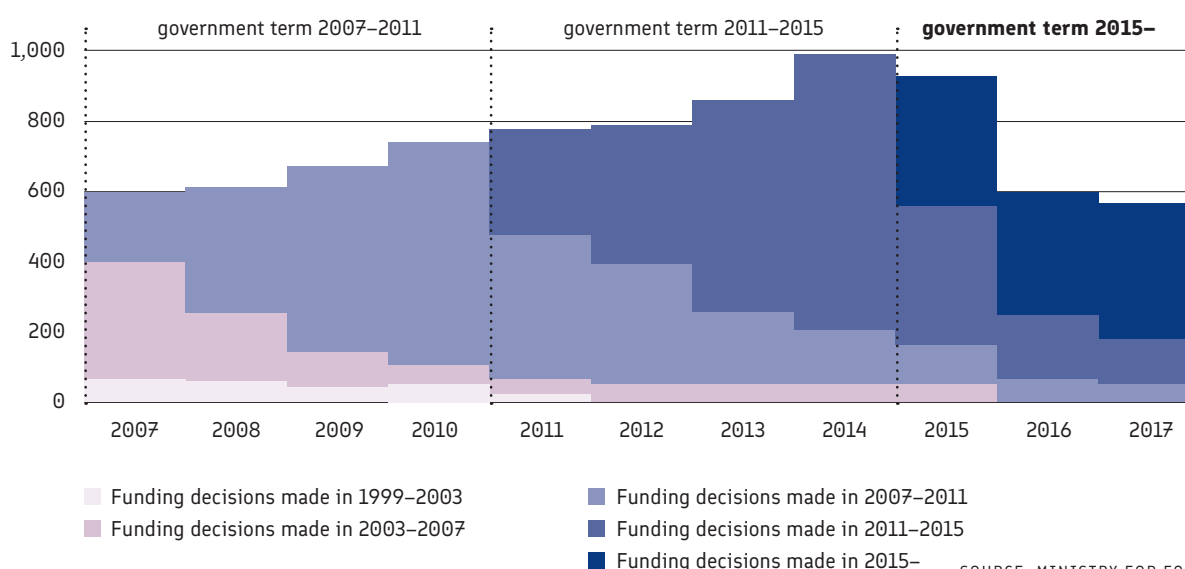
Some of the impacts and results of development cooperation are quite concrete, while others are more difficult to capture. For example, influencing people's attitudes is important work but it takes time to generate tangible outcomes.

The further up we move in the results chain, the more important the actions taken by non-Finnish players become.

At each stage, the impacts of Finland's activities are accompanied by assumptions regarding the operating environment and the activities of Finnish and non-Finnish players. The assumptions and risks inherent in the cooperation are examined during the programme planning stage and monitored during the implementation process. If the situation changes, the implementation will be adjusted accordingly. At the same time, however, conflicts and crises cannot be

## PROGRAMMES CONTINUE FOR MORE THAN ONE GOVERNMENT TERM

Exclusive ODA budget item payments, according to the government term when decision on programme launch was made.<sup>1</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS



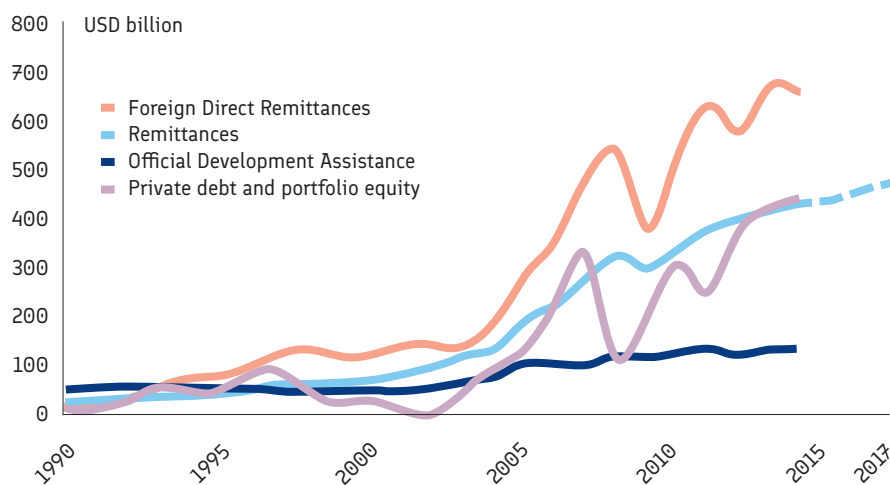
## Definition of development policy and development cooperation

**Development policy** means the broad range of different actions and interventions aimed at reducing global poverty, safeguarding human rights and promoting sustainable development. Development policy includes the political influencing work by Finland in international organisations and the dialogue with the developing countries.

**Development cooperation** means the interventions that are funded with the support of official development assistance in the state budget.<sup>2</sup> It is carried out in cooperation with partners, such as the public administration of developing countries or civil society organisations. Development cooperation is one of the instruments of development policy.

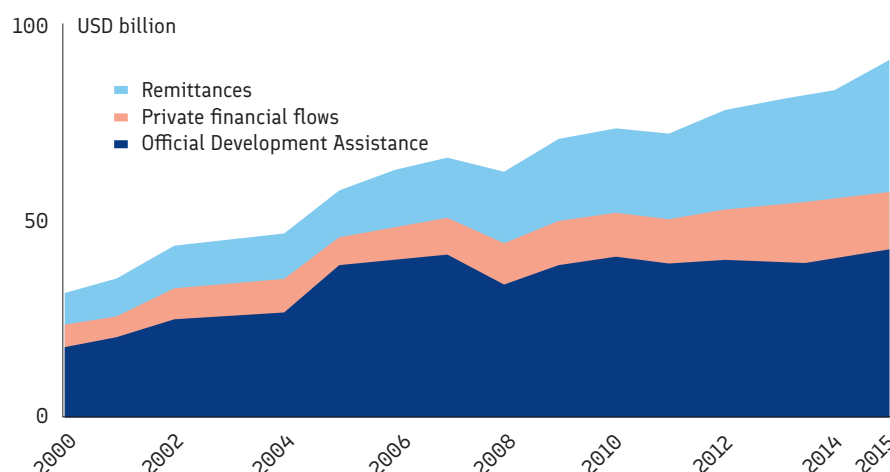
**Development finance** covers a broad range of different financing instruments that are used to achieve development policy objectives. These include official development assistance, developing countries' own tax revenue, as well as domestic and foreign investments. The proportion of official development assistance of all financial flows to developing countries has decreased, while at the same time, other types of financing have become increasingly important. However, official development assistance remains important, especially in the least developed countries and fragile states. Furthermore, official development assistance is increasingly used to attract other modes of financing to developing countries.

## MORE INVESTMENTS ARE MADE IN DEVELOPING COUNTRIES<sup>3</sup>



SOURCE: WORLD BANK

## DEVELOPMENT ASSISTANCE IS IMPORTANT TO THE LEAST DEVELOPED COUNTRIES



SOURCE: OECD

solved through development policy instruments alone, and other tools, such as crisis management measures, are also needed.

### What are the inputs behind the results?

The development cooperation funds in the state budget, government loans and financial investments, as well as the personnel inputs of the Ministry for Foreign Affairs and other government actors are the development policy inputs provided by Finland. Finnish stakeholders are also

a major resource: the time and expertise contributed by Finns doing paid and voluntary work, private donations and investments, cooperation and innovations.

The development cooperation funds in the state budget comprise the exclusive ODA budget item, which is administered by the Ministry for Foreign Affairs, and other expenditure that is entered as development cooperation payments in the statistics. Other official development cooperation includes the investments made by Finnfund in developing countries and Finland's contribution to the European



Union's development cooperation budget. The costs arising from the first year of individuals seeking asylum in Finland are also partially included in development cooperation.

The exclusive ODA budget item grew steadily between 2006 and 2015. For three years, Finland also directed the revenue from emission allowance auctions. A total of EUR 142.8 million of this revenue was allocated to the purpose in supplementary budgets between 2013 and 2015.

Since 2016, Finland has significantly reduced its exclusive ODA budget item. At the same time, Finland established a new budget item for development policy financial investments, which allows the introduction of new types of financing instruments. Their use is accompanied by a clear expectation that the investments will generate returns and pay themselves back. Financial investments supplement the exclusive ODA budget item, and they also help Finland to pursue its development policy objectives.<sup>7</sup>

The trends in human resource inputs have been similar. When development cooperation funds increased, there was also an increase in the human resources of the Ministry for Foreign Affairs, which administers Finland's development policy and is responsible for most aspects of its implementation. This led to an increase in

## What is Finland committed to?

Finland's development policy and development cooperation are based on the 2030 Agenda for Sustainable Development set out by the member states of the United Nations in 2015 (Appendix 3) and on development funding commitments.<sup>4</sup>

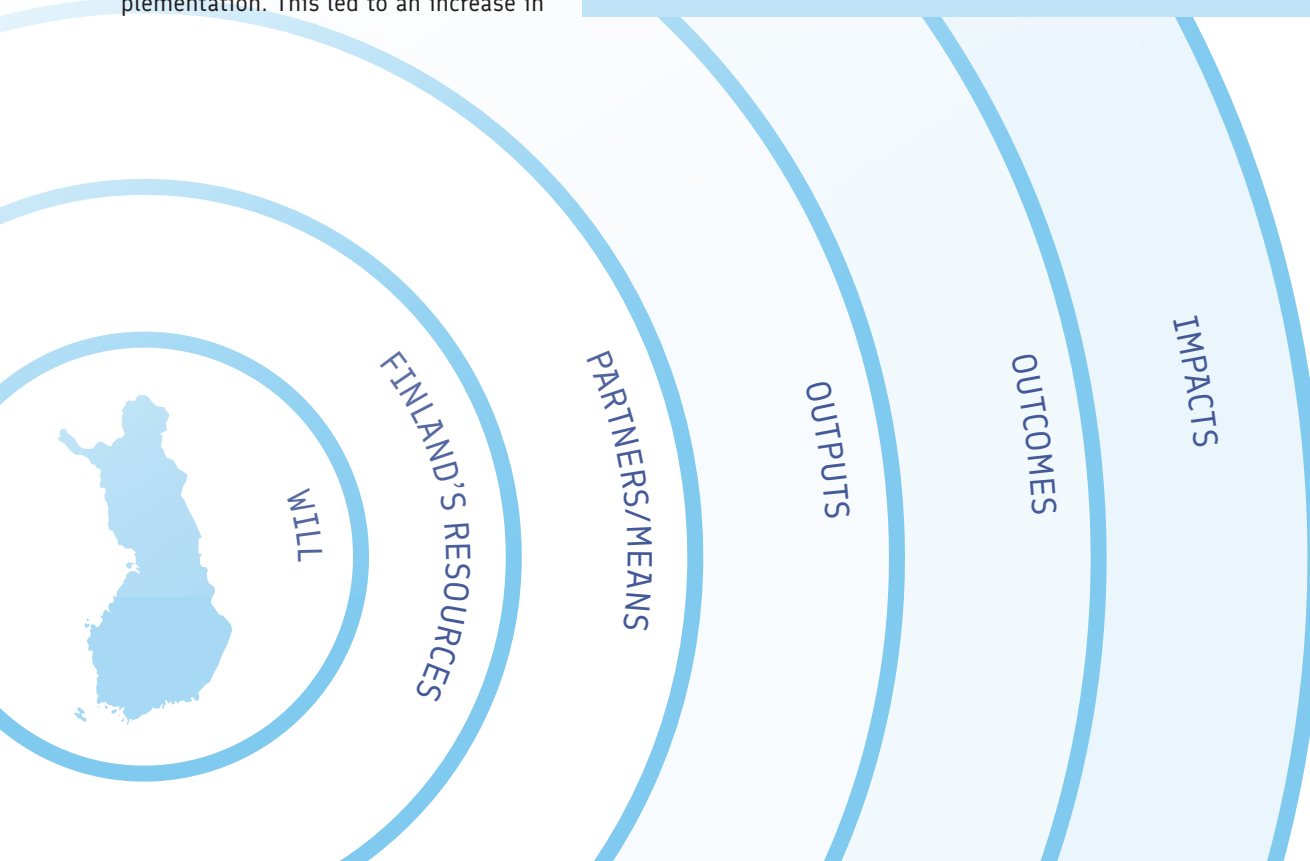
The joint 2030 Agenda action plan guides the efforts towards sustainable development between 2016 and 2030. The agenda contains 17 goals and 169 targets. The aim is to ensure wellbeing in an environmentally sustainable manner, reduce inequality and eradicate extreme poverty from the world by the year 2030.

The 2030 Agenda applies to all countries of the world, irrespective of their level of development. Individual countries have prime responsibility for its implementation. Finland has prepared its own national plan to implement the 2030 Agenda.<sup>5</sup>

The goals laid down in the 2030 Agenda can only become reality if there is a substantial increase in public and private funding at national and interna-

tional level to support them. The United Nations estimates that the need for additional funding is USD 2,500 billion each year. According to the Organisation for Economic Co-operation and Development (OECD), global development assistance totalled USD 147 billion in 2017. Its role in the provision of financial aid to developing countries has changed in recent years: development assistance is still of crucial importance to the least developed countries, whereas in other developing countries, private investments and remittances are becoming increasingly important. The harnessing of new financing modalities, science, technology and innovations, as well as the active participation of a broad range of different actors are key to the implementation of the 2030 Agenda.

Leaving no one behind is the key principle in the 2030 Agenda. This means that Finland will pay more attention to the people in the most vulnerable position in the implementation of its development policy.





the number of fixed-term development cooperation professionals and provided the ministry with more expertise. In 2016, in connection with cuts in development cooperation appropriations, the development cooperation administration was reduced by 35 person years.

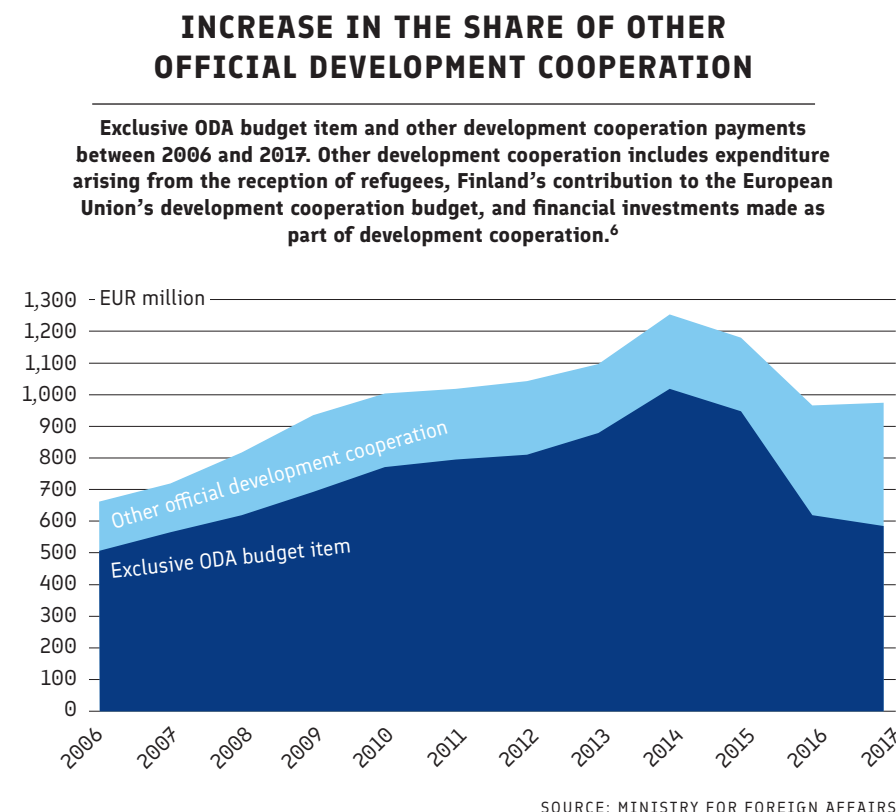
As development cooperation and other tasks of the foreign affairs administration are integrated into the ministry, it is difficult to give an exact overview of the human resources allocated to development policy. The estimate is that currently about 179 person years are allocated to development cooperation tasks in the Ministry for Foreign Affairs and Finland's diplomatic missions. This means that about 7.5 per cent of all ministry personnel are employed in these duties. In 2011, the figure was about 9.3 per cent.

Stakeholders' human resources have also undergone similar fluctuations (increases followed by cuts). At the same time, voluntary work has become more important. In 2016, civil society organisations put the amount of voluntary work in development cooperation at 460,000 hours, or about 250 person years.

### In which areas is Finland active?

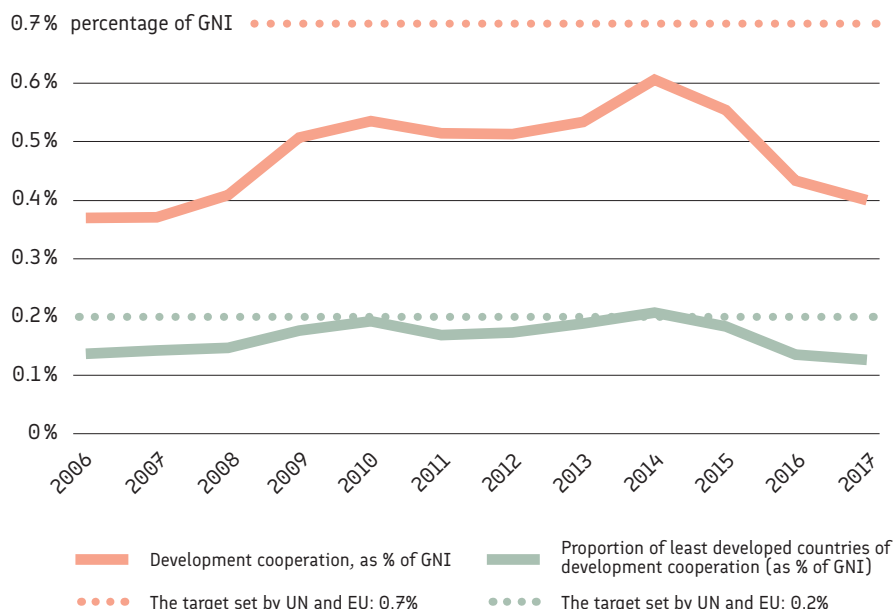
The priorities in Finland's development cooperation have remained largely unchanged over the years. This is also shown in the payments made during the last few government terms. Ensuring better public administration and education, and well-being of citizens in developing countries have been the most important areas of cooperation. New financial investments are boosting the energy sector. Conflict prevention has also become more important, while less focus is put on health and population policy. At the same time, the role of the agriculture, forestry, water and sanitation sectors has fluctuated over the years.

Since 2015, the manner in which new funding decisions contribute to current development policy priorities has also been monitored more systematically. With this breakdown, it can be estimated to what extent the work is in accordance with the priority areas laid down for Finland's development policy. The priorities cover a



### FINLAND IS FALLING BEHIND ON INTERNATIONAL COMMITMENTS

Proportion of development cooperation payments, as % of GNI



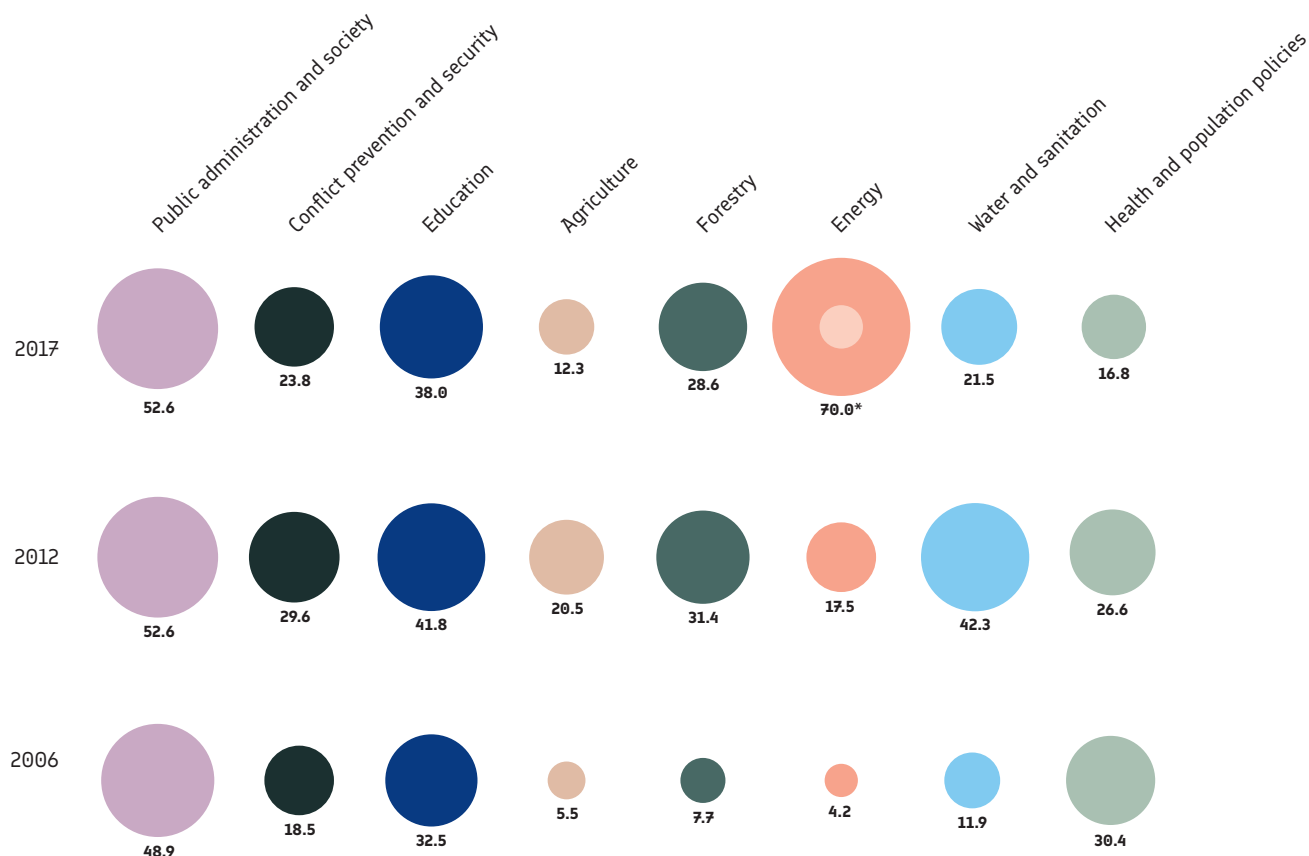
large number of different sectors. For example, the work to improve public administration, society and education contribute to the achievement of the objectives set for the priority area "Well-functioning

society". This priority area also plays a key role in the programmes launched during the current government term, especially in Finland's country strategies and in civil society work.



## THE KEY SECTORS HAVE REMAINED THROUGHOUT THE YEARS

Payments in selected sectors in 2017, 2012 and 2006, EUR million.<sup>8</sup>

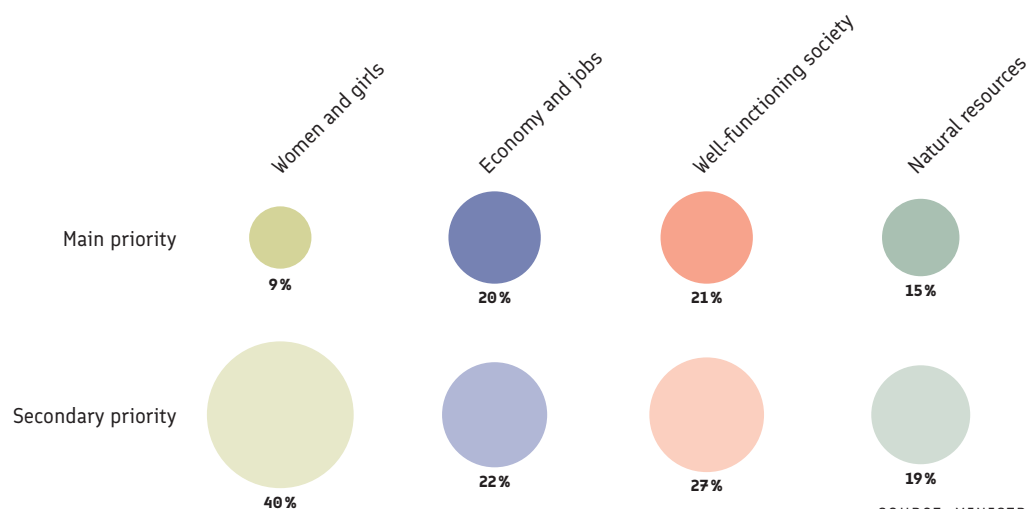


\* = Includes an investment of EUR 68 million in the IFC climate fund and EUR 5 million (net) in capital returned from Finnfund's investments. EUR 7 million appropriated to exclusive ODA budget item.

SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## GOVERNMENT'S PRIORITY AREAS ARE SHOWN IN NEW PROGRAMMES

Funding decisions in the period 2015–2017, laid out according to the development policy priorities and the programmes' primary and secondary objectives. There can be one primary objective, several secondary objectives.<sup>9</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS



## The influence of Finland extends beyond funding

In this report, the overall results of the programmes funded by Finland are presented without specifying Finland's share. This is because the funding shares do not tell the whole story of the results. The results also depend on the innovations created in the programmes as well as dialogue and other policy influencing. The role and importance of these factors is difficult to separate. The results are owned by the developing countries, while Finland contributes to achieving them. Strategic funding decisions, combined with advocacy and capacity strengthening, can broaden the influence of the Finnish contribution beyond the results of the programme concerned.

For example, Finland has contributed less than five per cent of the funding for the joint programme totaling 440 million aimed at enhancing the quality of general education in Ethiopia. Most of the funding has been contributed by the World Bank. The aim of the programme is to reduce the number of dropouts, to improve teaching in key subjects and to enhance the quality of textbooks. The programme is also intended to improve learning results and to increase the proportion of children completing their studies. Basic education and general upper secondary level students in Ethiopia, totalling about 28.5 million, are the

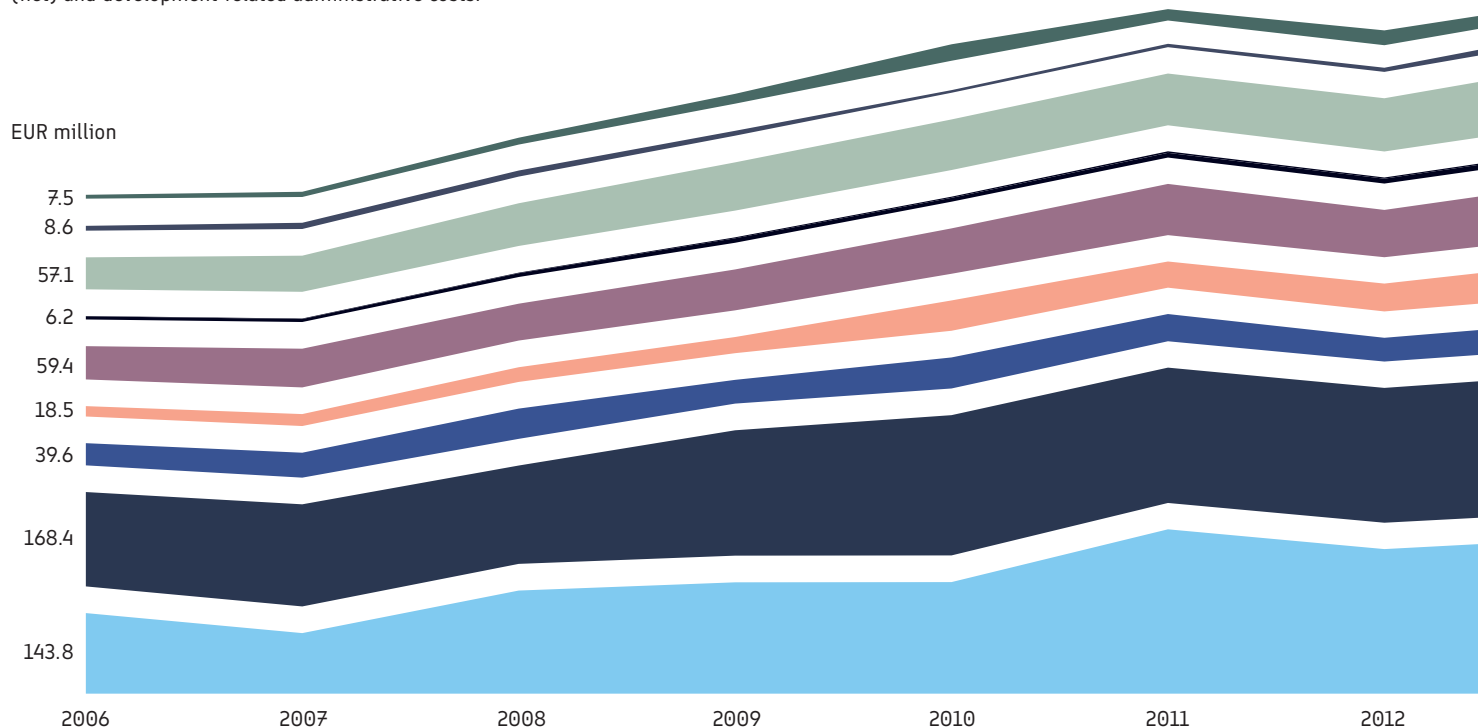
beneficiaries of the programme. They all benefit from the Finnish support. Finland is also helping to develop the teaching through an active policy dialogue and technical assistance. With them, regional and gender equality in education, as well as inclusive teaching have been incorporated in the core result areas of the programme.

Finland has contributed 90 per cent of the funding for a bilateral land registration project with Ethiopia. The remaining 10 per cent of the EUR 8 million project came from the Ethiopian government. As a result of the project, 16,000 people received land ownership documents in 2015 and 155,000 in 2017. The impacts of the Finnish contribution go beyond the project itself: The direct funding and technical assistance provided by Finland have helped to develop a land register data system that the Ethiopian authorities are gradually introducing throughout the country. The system will also be used in the land registration projects launched by the World Bank and the British government, which have a budget of more than USD 100 million. After the data system has been introduced on a country-wide basis, the number of beneficiaries can be counted in millions

## MAJOR CHANGES IN COOPERATION MODALITIES IN RECENT YEARS

### Breakdown of funds by modality and/or partner 2006–2017

Payments under the exclusive ODA budget item as well as Finnfund's investments (net) and development-related administrative costs.



## Finland is improving the effectiveness of its work

Finland applies the principles of results-based management in its development cooperation. The focus is on achieving the result objectives set out in advance. The progress is continuously monitored and assessed through annual reporting. The activities are adjusted as necessary if meeting the objectives so requires.

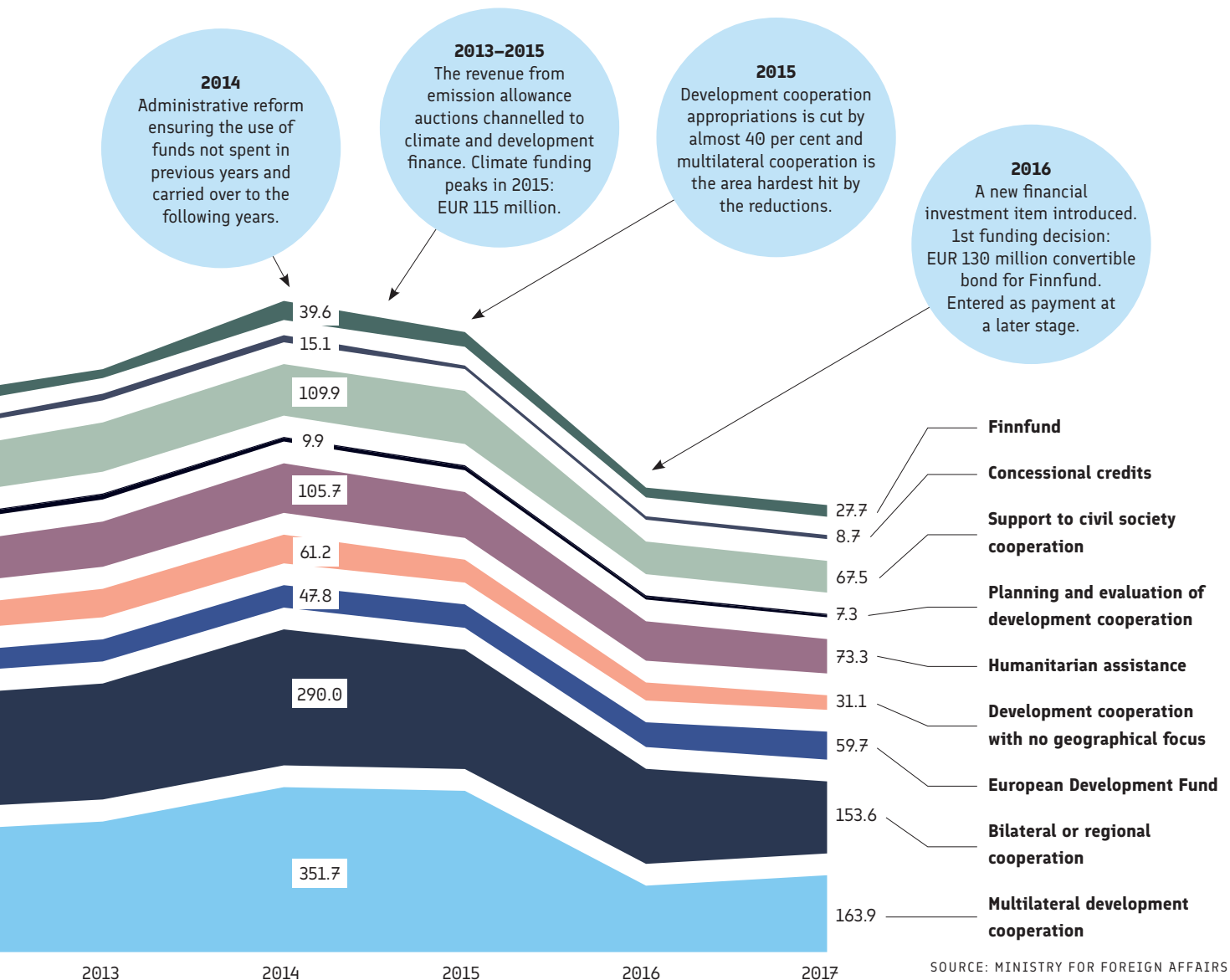
Results-based management has been systematically developed since 2005. Before that, there was substantial variation in the indicators used and reporting practices.

Since 2015, the main focus in developing results-based management has been on the comprehensive steering of development policy. Results data is compiled and analysed, and the area as a whole is steered so that the development policy objectives set can be achieved.

Results-based management is continuously developed. The

aim is to ensure that results data can be more easily obtained, and this is done by making use of a broad range of uniform indicators and reporting practices, as well as electronic systems. Consideration is given to the analysis of results data and to learning from it. In the future, development policy steering should be more strongly based on the information and expertise arising from the work and the ability to react to changes in the operating environment.

Over the past two decades, each Finnish government has revised Finland's development policy priorities by means of development policy programmes and reports. The evaluation of these documents carried out in 2015<sup>10</sup> shows that this approach has added a degree of unpredictability to Finland's development policy. According to the evaluation, this has weakened the impact of Finnish activities.





# 2

# RESULTS

Global situation

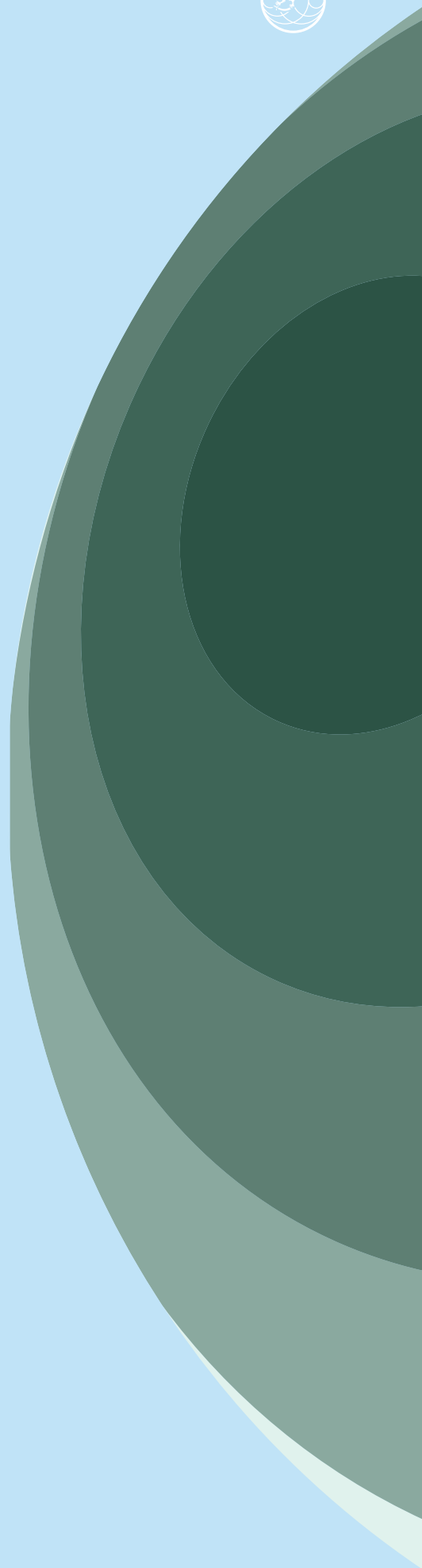
Women and girls

Economy and jobs

Well-functioning society

Natural resources

Humanitarian assistance









# Greater efforts needed for global development

Maternal mortality has decreased, work productivity has increased and more people have access to electricity. Too little progress, however, has taken place in combating climate change or inequality.

**I**n many respects, the world has become a better place. However, achieving the goals laid out in the 2030 Agenda requires a more determined approach. In his report published in summer 2018 – three years after the adoption of the goals – the UN Secretary-General António Guterres demanded swift action.<sup>1</sup>

On a positive note, substantial progress has been achieved in many areas. In Sub-Saharan Africa, maternal mortality has decreased by 35 per cent and mortality among under five-year olds by as much as 50 per cent over the past two decades. In South Asia, a girl's risk of marrying in childhood has declined by over 40 per cent. According to statistics, access to electricity has more than doubled in the least developed countries. In global scale, work productivity has improved and unemployment has declined.

However, the Secretary-General's report highlights a number of areas where progress has been inadequate. About 783 million people still live in extreme poverty. Excluded and marginalised people are in the weakest position. Young people are

three times more likely to remain unemployed than adults. The HIV virus is ten times more common among fertile-age women in Sub-Saharan Africa than in the world on average. More than half of all children and young people do not even achieve minimum reading and mathematics skills. Almost one billion rural residents are without electricity. About 90 per cent of the world's urban population are breathing polluted air.

According to the UN Secretary-General, the slowness of the international community is the most serious challenge to sustainable development. The weak status of women, conflicts, climate change and inequality are all problems in which not enough progress towards a solution has been made.

Fragile states where violent conflicts and weak administrative structures are hampering the work are facing the most serious obstacles on the path towards achieving Sustainable Development Goals. Development cooperation plays an important role in providing assistance to these countries. It is estimated that in 2030, as much as 80 per cent of the

world's poorest people will be living in fragile and conflict-prone states if the international community fails to change its approach to the issue.

## Extreme poverty has decreased

The first goal laid out in the 2030 Agenda is to eradicate extreme poverty from the world by the year 2030. A person managing with less than USD 1.90 a day is considered to live in extreme poverty.

In global scale, the number of people living in extreme poverty has decreased since 1990, both in absolute and relative terms. The world's population has increased by 2.3 billion in the same period.

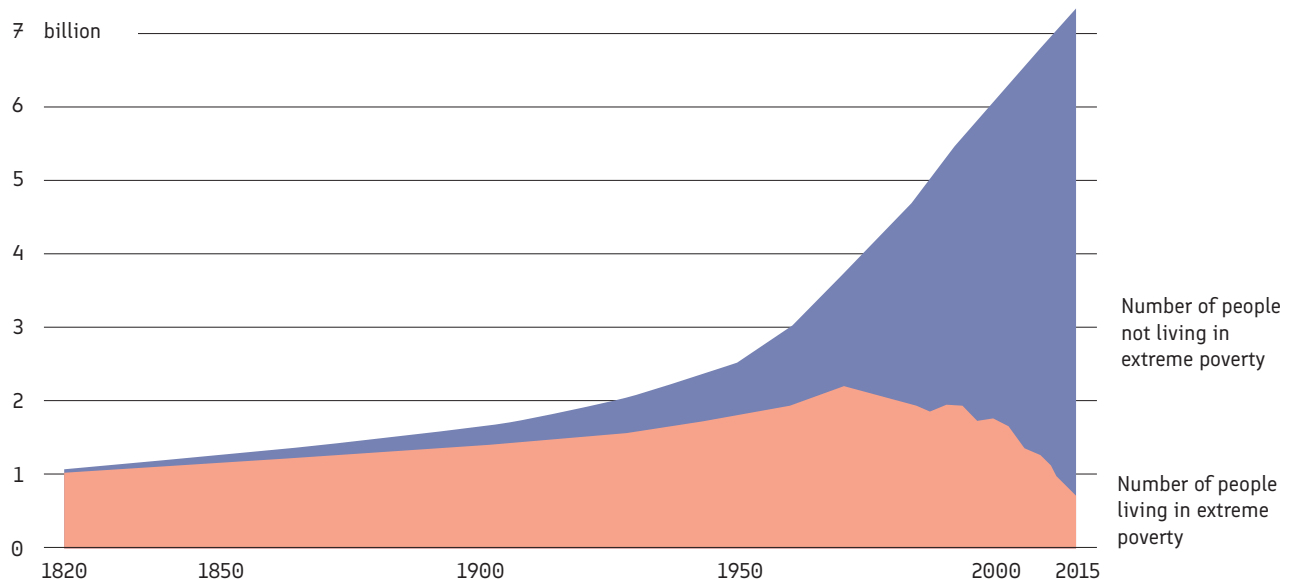
The latest UN statistics are from 2013. According to the figures compiled by the world organisation, about 11 per cent of the global population lived in extreme poverty. This is one third of the total that was considered to live in extreme poverty in 1990.

The most substantial reductions have been achieved in Asia but in some Asian countries, poverty levels remain high. In relative terms, there has also been a reduction in extreme poverty in Sub-Saharan

## FEWER PEOPLE ARE LIVING IN EXTREME POVERTY

World population and extreme poverty, 1820-2015, billion people

In the definition of extreme poverty (currently USD 1.90/day), consideration has been given to the effects of exchange rates and changes in the value of money.



SOURCE: OUR WORLD IN DATA / WORLD POVERTY IN ABSOLUTE NUMBERS – OWID BASED ON WORLD BANK (2016) AND BOURGUIGNON AND MORRISON (2002)

Africa. However, in absolute terms, the number is higher than twenty years ago. There are two reasons for this: people are living longer and the population in the region is growing rapidly. A large proportion of the people living in extreme poverty live in fragile conditions and they are difficult to reach.

### Inequality within countries has increased

Economic inequality between countries has decreased but it has increased within countries. In developing countries, gross national income grew at an average annual rate of 11 per cent between 1990 and 2010. More than 75 per cent of the world's population live in societies where income is now more unequally distributed than in 1990. Not all population groups benefit from the increase in prosperity generated by economic growth and reducing inequality is not a high priority in all countries.

The aim of the 2030 Agenda is to reduce poverty within countries so that the proportion of women, men and children living under the nationally defined poverty lines is halved.

Targets have also been set for reducing inequality. The income levels of the poorest 40 per cent of the population is one of the indicators used. The income of this group should grow more rapidly than the income levels in the country on average. Statistics have been compiled from 94 countries. In 60 of these countries the target has been achieved: in them the income of the poorest section of the population grew more rapidly in 2018 than the income of the population as a whole.

Poverty and inequality are not only a matter of money. Inequality often arises from discrimination and discrimination often leads to poverty. An individual facing discrimination is less empowered and has fewer choices. Getting into education or a job is more difficult and discrimina-

tion also has negative effects on health and makes people vulnerable in many ways.

Persons with disabilities are one group facing discrimination. According to the World Bank, persons with disabilities account for about 20 per cent of all people living in extreme poverty. There are about one billion people with disabilities in the world and 80 per cent of them (800 million) live in developing countries. They have not been adequately considered in the efforts to reduce global poverty.

The Sustainable Development Goals can only be achieved if discriminatory laws, structures and attitudes are tackled and the rights of all people are used as a basis for the work. This is in the interests of both individuals and societies at large. It is estimated that the discrimination against persons with disabilities reduces the gross national income of developing countries by between three and seven per cent.

# GLOBAL S WOMEN AN

## Progress and challenges in gender equality

### Finland focuses on the education of women and girls

Finland aims to ensure that schools provide high-quality education for both girls and boys. Finland focuses on the education of girls because this has significant multiplicative effects on families and society at large. Finland also promotes the access of women and girls with disabilities to primary education and vocational education.

### Finland promotes strengthening the role of women in decision- making and the economy

Finland promotes the right of women and girls to participate in decision-making and become economically empowered. This covers political decision-making, conflict resolution, work and social protection, as well as land ownership and inheritance law. Gender equality is key to progress in many areas.

The status and rights of women and girls have improved over the last few decades. In the early 1990s, only one in three of the world's girls started **school**. In 2017, roughly the same number of girls and boys started school. However, girls drop out of school more often than boys. The reasons include the housework performed by girls, teenage pregnancies and more positive attitudes towards boys' education.

The number of women **parliamentarians** in the world has doubled over the past thirty years. Despite this, only one in five of all parliamentarians are women.

About 70 per cent of all people living under the poverty line are women. Most of the unpaid care work in the world, which is not entered in official labour or productivity statistics, is performed by women. Unpaid care work is connected with the weaker status of women in the labour market. Half of all working-age women and 70 per cent of working-age men work outside home.

Progress has been achieved in **sexual and reproductive health and rights**: since 1990, maternal mortality has declined by an impressive 44 per cent at global level. Even though giving birth



# SITUATION AND GIRLS

without professional assistance is now less common, one mother in four still has to give birth without the help of midwives or other professionals. Every two minutes, a woman dies of pregnancy or childbirth.

More and more women have access to family planning services, including sexual education. However, there are still an estimated 225 million women in the world who would like use contraception but who are unable to do so.

Globally, women's marriage age has risen. Nevertheless, there are still about 700 million women in the world who have got married under the age of 18 and one third of them are younger than 15. As much as 60 per cent of all uneducated girls are married below the age of 18 and every year, girls aged under 18 give birth to more than seven million children. Globally, complications related to pregnancy and childbirth are the most common cause of death among young girls.

**Violence** against women remains a major human rights problem in all parts of the world. Globally, one woman in three experiences sexual or other physical violence during their lives. Half of all women dying a violent death have been killed by a person in their own family circle. In one third of the world's countries, domestic violence is not considered a criminal offence. In 37 countries, rape will not lead to charges if the perpetrator is the victim's current or future husband. About 200 million women and girls are victims of genital mutilation.

Most of the estimated 800 million people with disabilities living in developing countries are women (about one woman in five has some type of disability). Disabilities arise from violence and discrimination, as well as the failure to receive professional care during pregnancy and in childbirth. According to the World Health Organization WHO, about 20 million women are disabled each year as a result of complications related to pregnancy and childbirth. It is estimated that among **women with disabilities**, the risk of becoming a victim of sexual or other physical violence is between four and ten times higher than among non-disabled women.

## Finland supports sexual and reproductive health and rights

Finland adheres to the principle that every woman and girl of the world has a fundamental right to decide on their own bodies and lives. This is a question of safeguarding women's and girls' human rights. At the same time, this promotes also the wellbeing of the family and society at large, as well as sustainable economic development.

## Finland continues work to reduce violence

Every human being has the right to live without violence or the threat of violence. For this reason, Finland is working to reduce violence at several levels: by influencing legislation and attitudes, by disseminating information, and by offering concrete support to women and girls who have experienced violence or the threat of violence.

## Finland highlights multiple and intersecting forms of discrimination

Women and girls with disabilities and those belonging to sexual and gender minorities face discrimination on many different grounds. This is important to take into account in refugee situations or in war and conflict regions. Finland advances the status and human rights of the persons with disabilities through international negotiations and by taking concrete action.



# Finland is working to enhance sexual and reproductive health and rights

As recently as three decades ago, only 13 per cent of all women in Sub-Saharan Africa used contraception. The figure is now about 30 per cent.

Disparaging attitudes towards women's rights are having a negative effect on women's status. It has become more difficult to obtain funding for gender equality work. Sexual and reproductive health and rights of women, on which agreements have been concluded in the United Nations and in other forums, are a particularly contested area. Many countries have restricted women's and girls' rights in such areas as abortion. Even for EU Member States, it has been difficult to find a common position in international negotiations.

Finland is cooperating with other countries so that the international consensus on sexual and reproductive health and rights will hold. Even retaining existing agreements requires constant efforts in international negotiations and when funding decisions are made.

Most of the work by Finland in the field of sexual and reproductive health takes place through the United Nations Population Fund (UNFPA) and other international

organisations. The aim of UNFPA is to ensure that every pregnancy is wanted and every child birth is safe. Finland has been a major contributor to UNFPA for many years.

The work is increasingly carried out in fragile regions where situations can change quickly and where the work is often hampered by such problems as the weak security situation, supply of water and energy and difficulty making long-term plans.

## **Tighter US policy on abortion gave rise to a new movement**

Finland has played an important role in the SheDecides movement, which was established in 2017 and the purpose of which is to promote women's and girls' sexual and reproductive health and rights. SheDecides was set up after the United States had decided to end support to organisations engaged in abortion services and providing information on abortion.

SheDecides grew rapidly from an international conference into an global political and social movement. It emphasises the self-determination of women and girls in such matters as partnerships, getting married and having children, as well

as planning when to have them. A total of EUR 440 million in funding meeting the SheDecides criteria was granted in 2017 and Finland accounted for EUR 41 million of this amount.

## **Sexual and reproductive health and rights are promoted by**

- sexual education
- health services geared towards the needs of young people
- contraception
- counselling services and safe childbirth
- access to safe abortion
- combating violence against women
- combating harmful practices (such as female genital mutilation and child marriages)



## More women have access to contraception

As a result of the bilateral cooperation between Finland and its partner countries, more than **1.5 million** women and girls used sexual and reproductive health services between 2015 and 2017<sup>2</sup>

More than **56 million** women used contraception with EU funding between 2014 and 2016

In 2017, **243,000** people were provided with sexual and reproductive health services and education with the support of World Vision Finland, Family Federation of Finland and WWF Finland

## With the support of UNFPA between 2014 and 2017



3.3 billion condoms



21 million unwanted pregnancies were prevented



47,000 midwives in 39 countries



6 million dangerous abortions were not performed



the number of young people with access to sexual and reproductive health services increased by about 40 million



more than 6,700 communities stopped the practice of genital mutilation between 2015 and 2017

Between 2014 and 2017, Finland granted UNFPA about EUR 115 million in core funding. This was about nine per cent of the organisation's core funding. This contribution made Finland the fifth largest core donor of UNFPA.

## Somalis living in Finland are training people to safe childbirths

EXAMPLE OF RESULTS

The maternity and childbirth wards in the Hargeisa hospital in Somalia established with the support provided by Finland and the International Organization for Migration (IOM) have saved the lives of many newborn babies. Infant mortality decreased from 24 to five per cent between 2014 and 2017.

Doctors and nurses belonging to the Somali community in Finland have acted as initiators and instructors in the project for ten years. A total of 700 health workers in Somalia have received training under the scheme. Dialysis and intensive care units as well as a dental clinic have also been opened in the hospital.

Seven permanent and two mobile clinics operating in Somalia have received support through the Finnish Red Cross. A total of 66,600 patients received care in 2017. About 42 per cent of them were aged five years or under, while 62 per cent were women and girls.

## More people are using contraception in Afghanistan

EXAMPLE OF RESULTS

About 3.7 million people in Afghanistan benefited from family planning services through Marie Stopes International between 2002 and 2017. The organisation is supported by Finland.

Contraception is a taboo in Afghanistan. For this reason, the approach adopted by Marie Stopes is crucial. Once religious leaders and their wives had agreed to join the scheme, the organisation was also able to offer the services to other people. The clinics have men-only days, when such matters as sexually transmitted diseases, impotence and infertility are dealt with. Condoms are distributed in many mosques. The services are supplemented by mobile clinics and a telephone hotline.





# Women and girls: decision-making, economy and security

## EXAMPLE OF RESULTS

### Working outside home enhanced independence and gender equality

Between 2014 and 2016, Finland provided funding for three women's centres in Za'atari, the largest refugee camp in Jordan. The purpose of the centres was to provide vocational education, income and legal aid to women in the most vulnerable position, many of whom were single mothers.

More than 10,000 women benefited from these services.

For example, the women sewed clothes for babies born in the camp and many of the items were similar to those contained in the Finnish maternity package. About 91 per cent of the participants were of the view that the project had enhanced their self-esteem and made them more independent. Domestic violence against women declined by 20 per cent during the project.

### Empowering women

With Finnish support, women have become more actively involved in decision-making in Kenya, Tanzania and Nepal. Women have received training in how to stand as a candidate and how to run election campaigns. Political parties and election organisers have also received training in gender equality. According to a recently published external evaluation of Finland's gender equality work<sup>3</sup>, a broad range of different themes can be successfully combined. For example, enhancing technical skills and leadership in parallel produces successful results.

Most of the Finnish efforts are channelled through UN Women, the United Nations Entity for Gender Equality. Finland is one of the most important state contributors to the organisation and it is actively involved in the drafting and implementation of the multi-annual strategies steering its activities. Sauli Niinistö, the President of the Republic of Finland, has been an active participant in the HeForShe campaign of UN Women promoting gender equality.

With Finnish support, women are now also more extensively involved in the sustainable management of natural resources, peacebuilding and climate negotiations. National climate and gender equality plans have been prepared with funding provided by Finland. Finland has worked to ensure that the gender aspect is considered in a broad range of national and international desertification and biodiver-

sity agreements, as well as in environmental and climate agreements.

Finland's view is that women should also be included in all negotiations and decision-making on peace and security. The reason is simple: studies have shown that peace agreements are more sustainable if women have taken part in the peace processes. At international level, the work is steered by the United Nations Security Council Resolution 1325 on Women, Peace and Security. However, in practice women are still ignored on many occasions or they are not given any real say in decision-making or negotiations. Finland supports the participation of women in peace processes. Finland also supports the preparation of national action plans in such countries as Afghanistan, Nepal and Kosovo.

### Economic empowerment

In cooperation with the International Labour Organization (ILO), Finland has promoted gender equality in the labour market and decent jobs for women. Achievements in this field include gender equality training for social partners, analyses, and recommendations on the rights of women in the labour market. There is a great need for labour legislation enhancing gender equality and non-discrimination. For example, in Tunisia and Egypt, only one in four women participate in labour market even though young women account for a large proportion of university-educated people in these countries.





## The following was achieved with the support of UN Women during 2017

a total of **27** countries approved  
laws strengthening the rights of women and girls

in **31** countries, a total of **121 000** women  
and girls received assistance amid crises

nearly **7 000** women in leading  
positions, women candidates and female deci-  
sion-makers received training in **32** countries

a total of **59** safe houses and **67**  
multipurpose centres operated as part  
of humanitarian assistance

## Furthermore, between 2014 and 2017

in **58** countries,  
women's opportunities for political  
participation were enhanced

a total of **43** countries  
increased budget funding for  
promoting gender equality

in **57** countries,  
women were provided with employment and  
entrepreneurship services, as well as social protection

a total of **1.3** million  
men and boys made gender equality commitments  
through the HeForShe initiative

a total of **52** countries  
introduced tougher laws on violence  
against women and girls

more than **300** women leaving for  
peacekeeping operations received training

Finland granted UN Women a total of EUR 54 million in core funding between 2014 and 2017. During this period, the organisation received an average of 11 per cent of its funding from Finland, making Finland one of the top four core donors.



## EXAMPLE OF RESULTS

### Improvements made in the Nepalese legislation protecting women

For many years, Nepal has worked hard to become a stable democracy. However, the status of women in the country remains weak. Female human right defenders are in great danger, both on account of their gender and their work. Violence and even murders are commonplace.

The KIOS Foundation has granted funding to the WOREC organisation and the network of female human rights defenders that it has established. More than 7,000 people have been provided with information on women's rights. Media campaigns have also reached thousands of people. As a result of tireless campaigning by the network, an article on women's rights has now been incorporated into the Nepal's Constitution. As a result of the efforts by women defending human rights, the legislation on domestic violence and rape has also been enhanced.

Economic empowerment of women has been enhanced with a number of small-enterprise programmes. For example, Women's World Banking supports financial inclusion. At the moment, there are more than one billion women in the world with no bank account.

Ensuring that women have access to the labour market is a human right and a precondition for global economic growth. Participation alone will not lead to the dismantling of unequal labour market or social structures discriminating against women. The structures arise from entrenched gender roles and may, for example, place most unpaid care work and low-wage jobs on women's shoulders.

### Protection and rights for girls

With regard to violence experienced by women and girls, Finland is working to change both social structures and practices. For example, Finland is providing funding for UNFPA's country programme in Somalia within which practical assistance and services are provided for individuals who have experienced sexual and gender-based violence. In 2017, about 7,600 individuals who had experienced sexual violence benefited from these services, while about 6,000 people received psychosocial support.

It is estimated that as many as 200 million women and girls have undergone genital mutilation. More efforts are needed to transform social norms so that more men and boys support the ending of this tradition.

Several Finnish organisations (Save the Children Finland, Plan International Finland, International Solidarity Foundation, Felm and World Vision Finland) are working to end female genital mutilation. People who used to perform genital mutilation operations, influential local figures and decision-makers have also been mobilised as change agents. The International Solidarity Foundation, World Vision Finland and Plan International Finland have reached 85,000 individuals through

their local partner organisations. They delivered the message to 300,000 people in Ethiopia, Kenya and Somaliland between 2015 and 2017. Results have been achieved: in some of the areas where the organisations are operating, more than 90 per cent of girls have avoided genital mutilation. If the custom cannot be eliminated, it is estimated that at least another 15 million girls will have their genitals mutilated by the year 2030.

### Mainstreaming gender equality across all work

During this government term, strengthening the status and rights of women and girls has been made into a separate priority area in Finland's development policy for the first time. However, more work in this field is required.

The Development Policy Committee and a recent external evaluation have drawn attention to spending cuts and the limited human resources of the Ministry for Foreign Affairs in the work to improve the status and rights of women and girls.<sup>4</sup> Following the reduction in funding, the ministry has focused its resources on the work to promote women's and girls' sexual and reproductive health and rights.

The Development Policy Committee has called for a stronger approach to the mainstreaming of gender equality in all policy areas, to multiple and intersecting forms of discrimination, and to ensuring that gender equality should also play a visible role in private sector cooperation. The ministry is planning to update the guidelines on gender equality as a cross-cutting theme along with capacity building. The ministry is also preparing tools allowing gender equality analysis to be incorporated into the planning of all new funding decisions. According to the recent external evaluation, the ministry should also clarify its gender equality strategy and, in addition to gender equality analysis, it should also develop monitoring, evaluation and internal learning.



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Providing women with access to the labour market is a human right and makes economies stronger.

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**1.4 million**

women received access to banking and financial services with the support provided by Women's World Banking

**25 million**

child marriages have been prevented during the past decade (UNICEF's estimate)

## Finland has achieved success in strategic gender equality work

Finland is also promoting gender equality within international organisations. The World Bank has decided that its fund targeting the world's poorest countries (IDA18) will focus on gender equality also during the next funding period. This decision was the result of influencing work by Finland and a number of other actors. The fact that human rights, women and girls as well as the equal opportunities of the persons with disabilities are considered in the programmes run by the World Bank is also partially due to Finland's influencing work. Finland provides funding for the work of the World Bank's disability advisor and contributes to the fund that focuses on the consideration of human rights in all activities.

As a result of influencing work by Finland, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) has prepared an equality strategy to promote the rights of women and girls. Palestinian refugee women face considerable difficulties in such areas as finding work.

Finland has successfully worked to ensure that UN Women and UNICEF also give more consideration to highly vulnerable women and girls, and women and girls with disabilities. With Finnish funding, UNICEF prepared guidance to make sure that the needs of children with disabilities are considered in humanitarian crises.

From the start of 2017, Finland served as the head of the Network on Gender Equality of the OECD Development Assistance Committee. The network sets out the joint policies of all donors in the field of gender equality work. Finland was also represented in the World Bank Group's Advisory Council on Gender and Development between 2016 and 2018.

Given that Finland has significantly reduced its funding to many international organisations, its chances of getting representatives to their decision-making bodies have deteriorated in recent years. This makes it more difficult for Finland to enhance the status of women and girls in global scale.

# GLOBAL SUSTAINABLE ECONOMY 7

## Boosting development through sustainable business and innovations

Extreme poverty has declined. Especially in China and elsewhere in East and Southeast Asia, economic growth has been rapid and new **jobs** have led to substantial reductions in poverty. Nevertheless, there is still a huge – and growing – shortage of jobs in the world.

Globally, more than 190 million people are out of work. In addition, more than 730 million people live in poverty despite having a job. It is estimated that 50 million people enter the labour market every year. The trend has been particularly strong in Sub-Saharan Africa where an estimated 375 million young people will reach working age over the next 15 years.

International trade and the share of developing countries of the trade have grown substantially in the past ten years. Nevertheless, the least developed countries still account for less than one per cent of global exports. Trade and the ability to attract investments are tied to the strength and **diversity** of the private sector in developing countries, as well as the supply of skilled

### Finland promotes the opportunities of men and women in vulnerable positions

Finland promotes the opportunities of men and women in vulnerable situations for decent work, entrepreneurship and livelihood. Finland is helping small and medium-sized enterprises in developing countries to access business development services and is supporting the adoption of inclusive business practices that create job and livelihood opportunities.



# SITUATION AND JOBS

workforce. Most of the world's poor live in Sub-Saharan Africa and South Asia where the growth of the private sector is hampered by a wide range of structural problems.

The 2030 Agenda emphasises the **role and responsibility of the private sector** in the achievement of the Sustainable Development Goals. Companies play an important role as creators of new jobs and they are key to the development of innovative technologies and solutions. Companies with global value chains have great power as well as carry great responsibility for the impacts of their operations. The UN Guiding Principles on Business and Human Rights adopted in 2011 were a major step forward in the field of corporate social responsibility. Observance and implementation of them is continuously developed. So far, a total of 14 EU Member States (among them Finland) have drawn up national implementation plans for introducing the principles.

Rapid advances in **technology** have boosted productivity, created new business opportunities, made information more easily available and helped to extend services to remote regions. Nearly 70 per cent of people living in the poorest countries already have a mobile phone connection and in lower-middle income countries the figure is 94 per cent. More and more people also have access to the Internet. The proportion of Internet users in the poorest countries grew from one per cent to more than 15 per cent between 2006 and 2016. However, developing countries are still facing major challenges in the use and creation of new know-how, technologies and innovations.

## Finland is contributing to the development of a diverse and sustainable private sector

Finland supports developing countries in their work to strengthen their business environments and growth entrepreneurship based on climate sustainable technology. With Finnish support, developing countries are also expanding regional trade, which provides opportunities, particularly for small and medium-sized enterprises.

## Finland is supporting responsible business and trade

Finland is working to ensure that developing countries can operate in the international trade system and supports the promotion of human rights through trade agreements. Finland also supports the work to make the UN Guiding Principles on Business and Human Rights better known, the implementation of the principles and the assessment of their implementation.

## Finland is encouraging the use of new know-how, technology and innovations

Finland supports harnessing the new sustainable development supportive know-how, technologies and innovations arising from universities, research institutions and companies.



# Enterprises and jobs in the poorest countries

**T**he 2030 Agenda emphasises the role of the private sector in the achievement of the development goals. As a result, more and more development partners (including Finland) have introduced new support modalities and entered into closer cooperation with private sector actors. Finland has made substantial inputs into the expansion of the innovation capacity of the private sector in developing countries, use of Finnish expertise and solutions, and the support of climate sustainable business.

Between 2015 and 2017, Finland helped developing countries to diversify their private sectors. Using a variety of different cooperation modalities, Finland supported the development of conducive business environments and regional trade, with a focus on SMEs and female entrepreneurs. Enterprises operating in developing countries were supported in various ways: for example, their access to business support services, funding and innovation services was facilitated. Investments in such areas as the energy

sector also strengthened the economic foundations.

Investments by Finnish companies, as well as their expertise and innovation capacity were harnessed to achieving development goals. A total of 254 companies received support for enhancing business partnerships in developing countries or innovations through the Finnpartnership programme and the Business with Impact (BEAM) programme.

Most of the support was channelled to the poorest countries where the needs are the greatest. At the end of 2017, the two poorest country categories accounted for more than half (52%) of all Finnfund investments. The proportion of the least developed countries of all Finnpartnership support grew from 10 per cent in 2016 to 31 per cent in 2017. Moreover, as a result of influencing work by Finland and other actors, the World Bank is now encouraging the setting up of businesses, especially in the most fragile states and in other developing countries affected by conflicts.

Creation of higher-quality private sec-

tor jobs was supported in a broad range of different partnerships involving Finland. For Finland, it is particularly important that women are provided with job opportunities. About half of the supported jobs were for women.

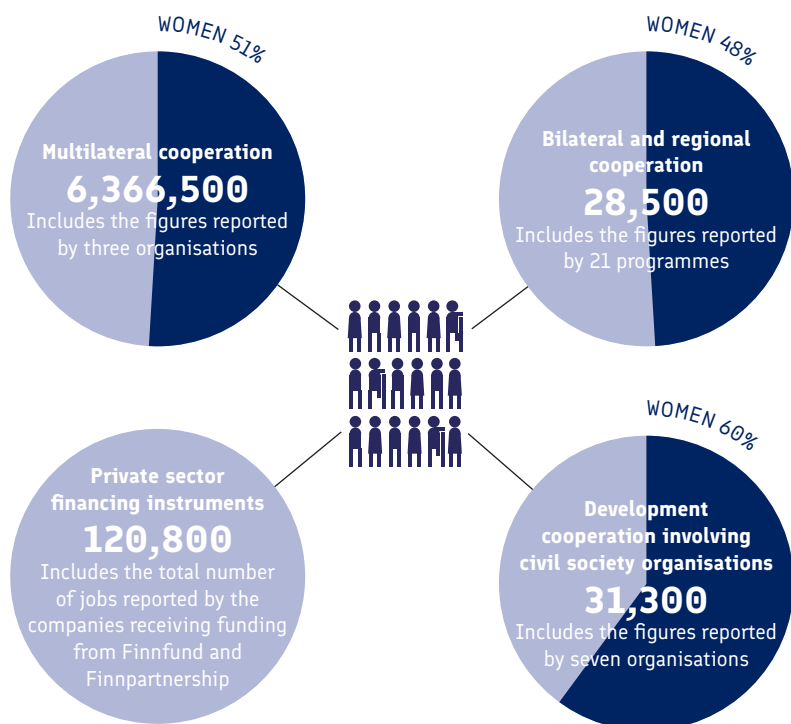
## **Support modalities and cooperation are continuously developed**

The Development Policy Committee and the OECD have recommended that Finland should clarify its strategic objectives for the development work and partnerships in the private sector. Finland should have clearer principles and assessment methods for steering the activities. The ministry has launched the work to implement the recommendations.

In the future, it is important to determine whether the existing funding modalities are adequate when new operating and business partnership modalities are tested and when Finland is prepared to bear the risks inherent in them. Synergies between different instruments, programmes and actors are continuously developed.



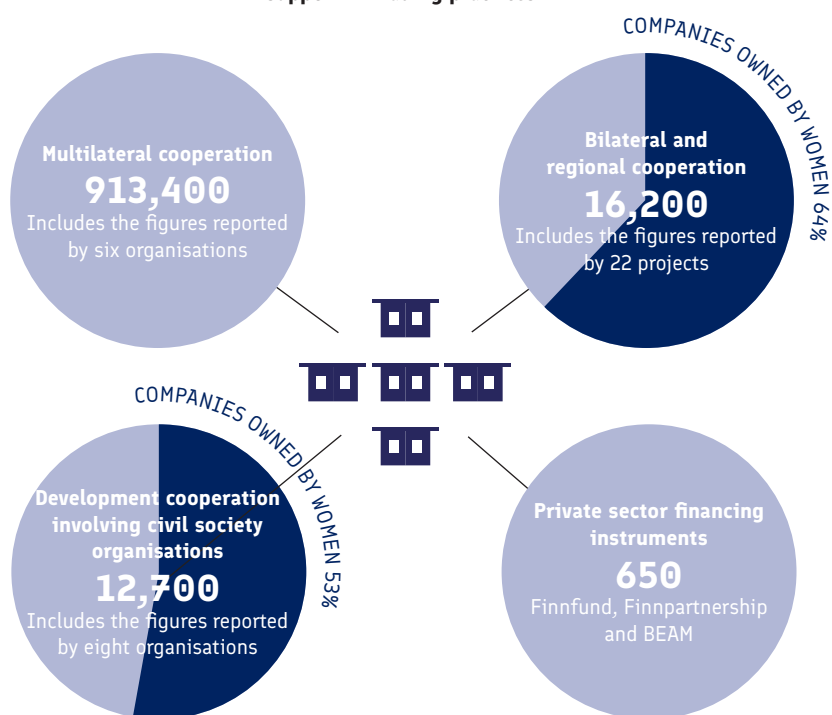
## JOBS WITH FINNISH SUPPORT<sup>5</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## BUSINESS WITH FINNISH SUPPORT<sup>6</sup>

Recipients of financial support, business support services, training and/or support in trading practices



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

Finance institutions supported by Finnfund have funded 482,600 SMEs and about 4.5 million micro-enterprises. More than 600,000 small entrepreneurs and SMEs have benefited from financing services through multilateral cooperation.

### EXAMPLE OF RESULTS

#### Better jobs

Decent work guarantees adequate income, is not life-threatening or harmful to health, respects the right to organise, is not discriminatory, and allows sufficient time for rest.

► Finland has supported coffee cooperatives in Peru through Fairtrade Finland by providing them with training. Pay and working conditions in the cooperatives improved and job satisfaction jumped from 10 to 60 percent.

► A UN programme in Zambia supported by Finland has provided local people with 4,300 decent jobs. Working conditions in 3,500 workplaces improved, legislative reforms were introduced and social security was enhanced.

► In Tunisia and Egypt, Finland and ILO have jointly supported women's access to the labour market. About 1,200 women in a vulnerable position have received vocational and entrepreneurship training. As a result, 60 per cent of them became self-employed or were employed in paid work.

► Each year, thousands of persons with disabilities get work and a source of livelihood with the support of the Abilis Foundation. Many of them become small entrepreneurs.

► Trade Union Solidarity Centre of Finland is promoting the rights of domestic servants. In Mozambique, domestic servants (>80 % of whom are women) became eligible for social security in 2016. As many as between 80,000 and 120,000 women received the right to sickness and maternity leave and pension.





# Economy and jobs: responsibility, trade and innovations

## EXAMPLE OF RESULTS

### Regional trade and jobs for Central Asia

Businesses and public officials in the Kyrgyz Republic, Tajikistan and Uzbekistan have been developing their foreign trade practices with Finnish assistance in a supported UNDP programme.

Between 2015 and 2017, nearly 7,000 entrepreneurs received support for trading practices or training enabling them to boost production and make value chains more efficient. Public officials were provided with training in foreign trade practices and in the lowering of trade barriers.

Uzbek and Kyrgyz companies were able to conclude large export contracts with European, Asian and Russian customers. The value of the contracts totalled about USD 400 million. There has been demand for clothing, nuts, milk products and dried fruit. The project has created nearly 800 new jobs.

A mobile application for monitoring market prices of agricultural products was developed in Tajikistan. It has more than 200,000 users.

### Responsible business operations

Business activities play a major role in developing countries and for this reason, measures have been taken to enhance international regulation on corporate responsibility for the implementation of human rights over the past two decades. Finland was one of the first countries to launch a National Action Plan to implement the UN Guiding Principles on Business and Human Rights. Based on this, the Ministry of Economic Affairs and Employment and the Ministry for Foreign Affairs have broadened their dialogue with stakeholders and published guidance documents.

Through Global Compact, the UN corporate social responsibility network supported by Finland, more than 9,000 companies have committed to observe the principles of corporate social responsibility. The International Service for Human Rights, which also receives funding from Finland, developed guidelines enhancing the protection of human rights defenders and established a forum bringing together human rights defenders and multinational companies.

### Ensuring that the poorest countries can benefit from trade

According to the 2030 Agenda, substantial increases in the developing countries' exports should be achieved and the share of the least developed countries of the world's exports should be doubled. Finland has played an important role in the international development cooperation initiative supporting trade.

The Trade Facilitation Agreement of the World Trade Organization (WTO) will simplify trading practices. Small and medium-sized enterprises in developing countries are the main beneficiaries of the scheme. Finland contributed to the agreement and the support that it has

given to its implementation in developing countries has produced the following results: A total of 37 developing countries have incorporated the development of trade into their development strategies; the national customs institutions in East and Southern Africa have been provided with training and expert assistance, and five border crossing points in East Africa have been refurbished. As a result of the work, the annual expenditure incurred by Ugandan exporters has decreased by one million US dollars, while in Tanzania, the processing times of certificates of origin have been cut from between three and four days to one hour.

### Innovations as an engine for sustainable development

The role of digital development and innovations has been highlighted in the global development cooperation debate in which Finland has played an active part. Supporting innovation capacity and the information society development in the partner countries is one of Finland's strengths.

One of the key innovation funding modalities is the BEAM programme run by the Ministry for Foreign Affairs and Business Finland. Solutions for digital services, health care, learning, construction, transport and renewable energy have been developed through this scheme. The projects are implemented by Finnish companies, civil society organisations, as well as research and education institutions.

Finland has successfully created digital and innovation activities in multilateral development cooperation. In the World Bank, Finland has been among the first countries to support such work. As a result of influencing work by Finland, UFPA and UNICEF are now also engaged in innovation activities. Since 2016, Finland has





### WITH THE HELP OF THE REGIONAL TRADE COOPERATION SCHEME (TRADEMARK EAST AFRICA),

**14 000** women traders received training

**5** border crossing points were refurbished

### WITH THE HELP OF THE ENHANCED INTEGRATED FRAMEWORK (EIF),

**37** countries incorporated the development of trade into their development strategies in the years 2016 and 2017

a total of **286** public officials and **25** representatives of the private sector received training in trade-related themes

a total of **66** producers/representatives of associations received information on participation in value chains in 2016.

Finland is providing a total of EUR 12 million for the EIF programme between 2014 and 2019. Finland's contribution accounts for about seven per cent of the total programme funding during its existence (2006–2022).

A total of 2,700 companies in **14** countries benefited from four bilateral and regional innovation programmes and funds that strengthened services supporting innovation activities, supported by Finland between 2015 and 2017.

provided financing for the innovation funds of both organisations. An important achievement in 2017 was the decision to establish the first UN Technology Innovation Lab (UNTIL) at Otaniemi, Espoo, Finland. The laboratory, which will be launched in autumn 2018, will harness Finnish expertise in education, health, circular economy, as well as peace and security to the needs of developing countries.

As part of their cooperation between

2013 and 2018, Finnish higher education institutions and their counterparts in developing countries developed teaching methods and study programmes for higher education institutions so that students can get better jobs and companies can get employees. Work has been carried out in such countries as Myanmar, Kyrgyz Republic, Nepal, Ethiopia, Tanzania, Uganda, Kenya, Namibia, and Vietnam, as well as in the Andean region.

EXAMPLE OF RESULTS

### New cooperation in Vietnam through innovation partnerships

Innovation policy and start-up environments in Vietnam have been developed within the framework of the innovation partnership programme (IPP2) between Finland and Vietnam. The operating practices created in IPP have been adopted by the Ministry of Science and Technology of Vietnam and two large cities have established an innovation centre with the programme support. More than 50 universities and education institutions in different parts of the country have launched innovation activities with the support granted from IPP. About 100 people in managerial positions in public administration and universities have received training in innovation management and funding.

The 18 companies supported by an accelerator programme for growth enterprises have created almost 700 new jobs. The companies have expanded their operations to the US, EU and Asian markets. IPP has also provided a basis for scientific, technology and innovation cooperation between Vietnam and Finland. It has also led to the launching of smart city cooperation between Finnish and Vietnamese cities and it has helped 18 Finnish SMEs to explore chances of a long-term presence in the Vietnamese market.

# GLOBAL S WELL-FUNCTION

## More opportunities for people to participate, but rights are not respected

Many indicators show that globally, democracy has advanced over the past four decades. Women participate in politics more than in the past. Over the past thirty years, the proportion of female parliamentarians has risen by more than ten percentage points. It now stands at almost 24 per cent.

Over the past decade, however, the positive trend has been reversed. International norms are being challenged and authoritarian practices have become more widespread. About 2.5 billion people are already affected by these developments. **Democracy** is being eroded in many countries, the freedom of human rights defenders are restricted and rule of law principles are disputed.

The number of conflicts decreased until the year 2010 but, since then, conflicts have become more widespread, more complex, and more persistent. In 2016, conflicts claimed twice as many civilian lives as in 2010. In conflict zones, governance is often weak or non-existent, the state of civil liberties and democracy is poor, and many people lack the means to earn a living and build themselves a future.

Over the past ten years, nearly all developing countries have introduced reforms in public financial administration.

In some countries, substantial progress has been made, while in others, reforms have become stalled. It is now understood that parliaments must be involved in the

### Finland bolsters the foundations of peace and democracy

Finland is working to strengthen the democratic character of political institutions, such as political parties and parliaments. Women still take part in politics less than men. For this reason, Finland promotes the participation of women and people in a vulnerable position in the development of societies and in conflict resolution.



# SITUATION IN BUILDING SOCIETY

development of financial administration. They play an important role in legislative reforms and the approval of budgets.

Developing countries want to become less dependent on assistance. Their aim is to cover their public expenditure by expanding their economies and by collecting enough **taxes**. Competent and democratically elected decision-makers are needed to organise taxation and allocate tax revenues. Clear and jointly agreed rules, which slow down capital flight, are also essential. Over the past 15 years, tax revenue in developing countries has increased by an average of 1.6 per cent each year. In least developed countries, tax revenues account for 15 per cent of gross domestic product. This is in the right direction, but still falls well below the OECD average (34 per cent).

A well-educated population is fundamental to well-functioning democracy and good governance. Today, already 91 per cent of the world's children start primary education. In 2004, one in four of all children in secondary school age did not go to school. By 2014, the figure had dropped to 16 per cent. The gap between girls and boys in access to school has almost disappeared. In fact, the problem is no longer so much access to school, as staying in school and the quality of the teaching. In many countries, **learning results** are weak, due in part to oversized classes and insufficient training of teachers.

From the perspective of democracy, it is positive that in many countries, people are now more actively engaged in public debate and political affairs. The number of civil society organisations has increased. At the same time, in an alarming trend, freedom of speech and other **civil liberties** are being restricted in many countries. According to CIVICUS, in 2017 civil liberties were restricted in more than 100 countries. That is, in more than half of the world's states. These restrictions substantially undermine the foundations of democracy.

## Finland supports efficient tax collection and transparent use of funds

Over the past few years, Finland has increased its efforts to improve the tax collection capacity of developing countries. In addition to developing tax collection, Finland emphasises the allocation and oversight of funds: is information on taxation freely available, and are enough funds spent on those public services that are most critical for reducing poverty.

## Finland focuses on improving the structures and quality of primary education

Finland channels most of its support towards primary education and enhancing the quality of education through the national education strategies of partner countries. In this way, Finland can influence areas important to the development of the educational sector as a whole, such as curricula, improvements in educational administration and education policies, in which consideration is given to minorities.

## Finland is promoting the freedom of speech and civic engagement

Finland is working to promote the freedom of speech and other civil liberties through international cooperation and in practical-level projects. Through diplomatic means, Finland promotes public access to information, transparency of decisions, accountability of decision-makers and the oversight of their activities. Through cooperation with civil society organisations, Finland is also supporting civil society actors in developing countries.



# Finland is a sought-after partner in the education sector

**F**inland has become a major development partner in the education sector in Mozambique, Ethiopia, Nepal, Palestinian territory, Afghanistan and Myanmar. Finland supports programmes aimed at reforming and developing the education sector in these countries.

The results are based on long-term cooperation with the countries' education authorities and other donors. In addition to providing financial support, Finland has worked to influence teaching structures and policies, as well as provided expert assistance to improve teaching quality and education systems. The programmes and projects have involved The Finnish National Agency for Education and many other Finnish education experts have been involved in this work.

Of the countries supported by Finland, in Mozambique, Ethiopia, Nepal, Myanmar, Palestine and Afghanistan, all countries supported by Finland, more than 90 per cent of all children start primary education. In these countries, only an aver-

age of 38 per cent of the age group start secondary school. This is a total of 3.2 million young people. In Finland's partner countries, girls now account for an average of 47 per cent of all young people starting secondary education, compared with 36 per cent 15 years ago.

In Nepal, Finland supports efforts to make schools more student-centred and to ensure that curricula include vocational skills. In this way, Finland has done its part to strengthened the capacity of local actors to implement the new national curriculum. Previously, Finland had supported Nepal in the preparation of a learning-assessment system, which now provides education authorities with information on learning results.

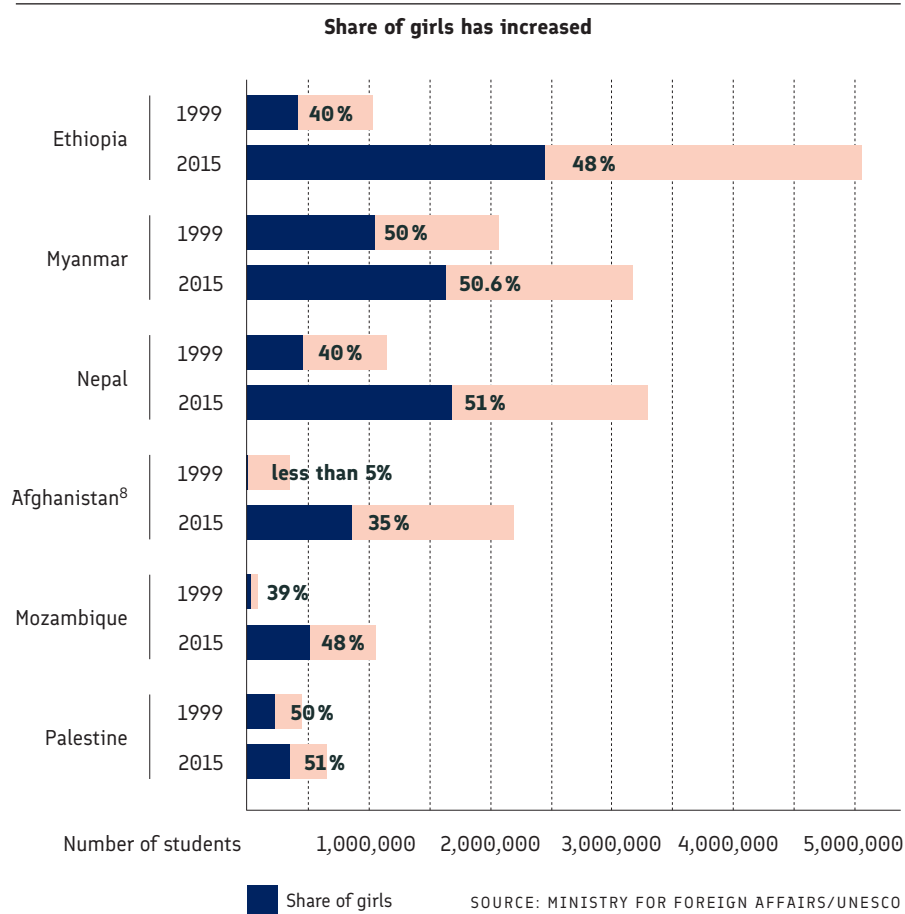
However, learning results in many developing countries are weak. Over the past few years, the discussion about the root causes and solutions to the learning crisis has intensified. A report published in August 2018<sup>7</sup> noted that Finland would have a great deal to give in the education sector and that Finland should strengthen

its international role in this area. Teacher training, employing more teachers to improve the teacher-student ratio, using better quality teaching material, and monitoring learning results are some of the measures to improve the quality of teaching and learning results.

Finland's ability to play a role in international cooperation forums in the education sector has weakened over the past few years. This is because Finland does not provide funding for increasingly important international education initiatives such as the Global Partnership for Education or the Education Cannot Wait fund, which supports education in humanitarian situations. If Finland does not provide funding, will not be invited to take part in international dialogues and policy advocacy in these processes will not be possible. Finland has also substantially cut its funding for UN organisations in the educational sector (UNESCO, UNICEF).



## MORE CHILDREN ATTENDING SECONDARY SCHOOL IN FINLAND'S PARTNER COUNTRIES<sup>9</sup>



Finland is carefully monitoring the proportion of girls of all children starting secondary school because this is a critical juncture on the educational path. There is substantial variation between countries, depending on the political situation. In Afghanistan, the proportion jumped from less than five per cent to 35 per cent in 16 years. In Ethiopia and Mozambique, the trend has been steady, and in both countries, there is now near-equality between genders at the start of secondary school.

About 5.3 million children attended primary education with EU support in 2016. Of these children, approximately half were girls. In countries receiving EU support, about 78 per cent of all children complete primary education, which is 13 per cent more than in 1999. The figure is lowest in Sub-Saharan Africa (an average of 68 per cent).

EXAMPLE OF RESULTS

### Progress achieved in ensuring inclusive education

Finland has contributed to progress in the field of inclusive education in Ethiopia. Ensuring that children with disabilities have the same right to education as other children has been one of the issues promoted by Finland. In Ethiopia, the inclusive education reform means changes in the curriculum of more than 30,000 schools.

The positive trend in Ethiopia is also based on the work of a broad range of different organisations (incl. Finnish actors). The Abilis Foundation has provided politicians with training on disability issues, and taught women with disabilities to read and how to become entrepreneurs. As a result of the teacher training provided by FELM, hundreds of classes for deaf children have been established in rural areas. Deaf-blind people have gained access to vocational training through the efforts of the Threshold Association.

There have also been positive developments elsewhere. In the projects run by Save the Children Finland, Plan International Finland and FCA, access of children in a vulnerable position to pre-primary or primary education has been supported in 18 countries. The vulnerable position may result from disabilities, ethnic background, armed conflicts and/or natural disasters.



# Well-functioning society: peace, democracy, taxation and civil society

## Peace and democracy

Finland's contribution to the building of well-functioning societies is based on a broad concept of democracy, which views the promotion of human rights, democracy, rule of law and good governance, as well as the eradication of corruption as equally important aspects in strengthening democracy.

Finland has become increasingly active in fragile states and in conflict and post-conflict regions. Finland has put particular emphasis on national reconciliation and on building foundations for peace by supporting dialogue between various parties and the drafting of national peace plans and constitutions.

Finland also promotes peace by supporting the Women, Peace and Security action plans. They have helped to make the theme visible in Kenya, Afghanistan, Nepal, Jordan, Iraq and Tunisia.

Ending impunity and protecting the rights of the victims of conflicts are high on Finland's agenda. Finland is one of the most important contributors to the Trust Fund for Victims of the International Criminal Court and it has channelled a large proportion of its funding to combating sexual and gender-based violence. In 2016, the work of the Trust Fund for Victims benefited more than 100,000 people directly and more than 350,000 people indirectly.

Finland also supports the Syrian war crimes accountability mechanism, which was established by the UN in 2016. The purpose of the mechanism is to collect

information and evidence for future criminal investigation and legal proceedings. Finland was one of the first and largest contributors to the mechanism, providing one million euros for its work.

Finland also supports the development of multiparty systems and the work of parliaments. For example, in Mozambique, Finland has supported the capacity of the country's parliament and provincial and municipal councils to supervise the use and management of natural resources, and to control the allocation of the revenue generated by them. In Tanzania, the country's parliament has approved a mining act that gives it a more powerful mandate to supervise mining agreements. The act was the result of advocacy work by Kepa, its local partner Tax Justice Coalition, and other actors.

Election monitoring, carried out to support the development of democracy and to strengthen citizens' trust in the election arrangements, is part of the system of representative democracy. Between 2015 and 2018, Finland sent a total of 216 election observers to election monitoring missions run by the EU and OSCE.

As Finland possesses substantial expertise in this field, it is enhancing its own capacity to strengthen the rule of law in developing countries. Finland has supported work to strengthen the rule of law and to expand legal services in Nepal, Myanmar, Kyrgyz Republic, Tajikistan, Afghanistan and North Africa. In Finland's view, it is important to safeguard access to legal services and to ensure that these

## Working for peace

Finland is involved in mediation in **24** countries affected by conflicts

Finland has supported **31** national peace processes

Finland has provided support for the resolution of **400** local conflicts

services are equally accessible to citizens living in remote areas.

## Well-functioning financial management and efficient taxation

Finland provides developing countries with extensive support in their work to strengthen public financial management. This work is carried out bilaterally and through development finance institutions. As a result of Finland's contribution, Somalia will start tendering out its public sector purchases. In Tanzania, major improvements have been achieved in revenue collection, budget implementation and budget monitoring. The audits performed by the national audit office of Afghanistan now cover all ministries. In Kenya, public administration has been successfully decentralised and in around one quarter of all districts, both female and male residents of villages are able to take part in the budget drafting process.

Developing countries are losing tax revenue as a result of tax avoidance, illicit



## EXAMPLE OF RESULTS

### Involving women in peace processes

Finland is training Syrian women to become peacebuilders and is supporting the civil society dialogue in Syria through Felm and UN Women. The women will have an opportunity to play a role in peace building in Syria, both domestically and internationally.

In South Sudan, participation of women and their capacity to take part in political and peace mediation work has been promoted with the support of the Crisis Management Initiative, a Finnish conflict-resolution organisation, and Finn Church Aid. As a result of the work, women parliamentarians have engaged in mediation in eight regions by bringing messages of local women actors and activists to decision-makers. For the first time in many years, Boma State was free of violent conflicts in 2017. This was the result of a peace agreement achieved through the efforts of religious and traditional mediators.

## Parliamentary democracy



Finland has supported the democratisation of parliaments, political parties and local decision-making bodies in **19** countries through bilateral cooperation and cooperation with civil society organisations<sup>10</sup>

**29** elections that have been found to be free and fair by independent EU observers



More than **68** million new voters in 37 countries registered with UNDP support

## Just administration



Legal aid and counselling were provided

more than **187 000** times in 25 countries through bilateral cooperation and cooperation with civil society organisations. Of these services, at least 80,000 were received by women.<sup>11</sup>



Public administration systems (such as procurement, tax administration and financial management) have been strengthened in **96** countries with World Bank support



Transparency and accountability of the public sector improved in **18** African countries with the support of the African Development Bank



it financial flows and capital flight. Collaborative measures have been initiated in the past few years to combat these phenomena. Responding to the absence of global research data, Finland has provided funding for research on illicit financial flows.

According to Global Financial Integrity, illicit financial flows from developing countries totalled as much as between USD 620 and 970 billion in 2014. Sub-Saharan Africa is most affected by this phenomenon. Working through the OECD and the African Tax Administration Forum (ATAF), Finland also supports the participation of representatives from developing countries in the decision-making regarding international tax regulations.

In developing countries, Finland funds the work of tax administration authorities in order to enhance their tax collection capacity. Finland's partner countries are now more self-sufficient and fund their own basic services. Tax revenue has increased; for example in Mozambique, it already accounts for 25 per cent of the country's gross national income. With Finland's support, parliamentarians have received training in responsible and efficient use of tax revenue, and journalists on monitoring the way in which the revenue is spent. The assumption is that the willingness to pay taxes will increase as citizens, companies and investors realise that the system is just and the tax revenue is also used to benefit everyone in a transparent manner.

The work is producing results: According to the Organisation for Economic Co-operation and Development, the money spent on, for example, the training of tax inspectors will pay itself back many times over.

### **Freedom of speech is fundamental to democracy**

Civil society organisations receiving Finnish funding have helped to strengthen freedom of speech and freedom of assembly and association in many countries. Civil society organisations supported by Finland have raised people's awareness about their rights, helped to introduce legislative changes and strengthened the capacity of local civil society to

## **Taxation is becoming more efficient**

**18 countries** have taken measures to make corporate taxation more efficient and to implement international tax regulations have been introduced in with the help of the Tax and Development programme of the OECD.

A total of **20 countries** have received technical support and more than 150 African tax officials have received training through the African Tax Administration Forum (ATAF).

**USD 330 million** worth of taxes have been collected in developing countries through the support provided under the Tax Inspectors Without Borders programme.

Finland provided the Tax Inspectors Without Borders with a total of EUR 800,000 between 2015 and 2017. This is about ten per cent of the funding received by the programme so far.

## **Supporting civil society**

A total of **2,370** civil society actors received Finnish support through a variety of different channels between 2015 and 2017<sup>12</sup>

**129,000** human rights defenders received training with EU support between 2014 and 2016

**960** journalists received training with the support of the Finnish Foundation for Media and Development (VIKES) between 2015 and 2017





promote the rights of its members. For example, during the current government term as a result of educational and advisory work by the Trade Union Solidarity Centre of Finland, 450,000 people are more aware of their labour rights, while a total of 11 class action suits aimed at ensuring the implementation of fundamental rights in partner countries have been filed with the support of the KIOS Foundation.

Finland has also supported international civil society organisations in their work to safeguard the rights of people in the most vulnerable positions. Support has been channelled to, for example, increasing the recognition of the rights of

persons with disabilities, promotion of the rights of sexual minorities and the promotion of more active participation of ethnic, religious and linguistic minorities.

For many years, Finland has supported the United Nations Educational, Scientific and Cultural Organization's (UNESCO)'s projects related to communications and freedom of speech. In 2017, Finland was elected to the UNESCO Executive Board for a four-year term. The issues important to Finland (education of women and girls, combating youth unemployment and exclusion, and freedom of speech and communication) have been incorporated into the organisation's four-year programme.

### EXAMPLE OF RESULTS

#### Myanmar School of Politics

In Myanmar, the first democratic elections for decades were held in 2015. In cooperation with the Dutch organisation NIMD, Demo Finland has organised courses in politics for regional politicians on a multiparty basis. The first one-month courses were held in 2014 and by spring 2018, a total of 200 politicians from 35 parties had completed the training. At least one third of all participants have been women. On the courses, the participants have practised working in a multiparty system for the first time. For example, 90 per cent of the participants on the latest course said that they would engage in closer cooperation with other political parties and civil society after the training.

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Through  
Finnish  
support,  
people have  
become  
more aware  
of their rights.

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### EXAMPLE OF RESULTS

#### Civil society initiative led to changes in corporate taxation laws in Vietnam

Vietnam has adopted a new corporate tax law under which multinational companies must submit country-specific reports to the Vietnamese tax authorities. The reform was advocated for by an extensive network of civil society organisations cooperating with the trade and industry chamber (representing companies) and the tax authorities.

The work was initiated with Finland's support by Oxfam, which considers the legislative reform as an important step in the right direction. The organisation continues its campaign to ensure that the reports are publicly available. This would allow civil society to supervise taxation. Oxfam plans to use the lessons learned from Vietnam in its other projects.

People are more willing to pay taxes if the tax system is fair and transparent. In Vietnam, as much as 40 per cent of all education and health care provided by the public sector has been funded with fees paid by ordinary citizens and not from tax revenue.

# GLOBAL SUSTAINABILITY NATURAL RESOURCES

## Finland supports climate change mitigation and adaptation

The aim of Finland is to ensure that developing countries are in a better position to promote the mitigation of climate change and the circular economy. At the same time, Finland is working to enhance countries' ability to prepare for and adapt to the impacts of climate change. With Finnish support, partner countries are strengthening their national planning processes so that better consideration can be given to climate change.

## Finland supports the sustainability of food value chains

Finland is working to improve the chances of smallholder farmers to produce food in a sustainable and climate-smart manner. Farmers need information, skills and production inputs and the right to use the land. The support given by Finland improves food quality and agricultural productivity. Farmers are encouraged to cooperate and assisted in their efforts to find markets and become part of value chains so that they can boost their income.

## Climate change affects the access to food, water and energy

**Climate change**, environmental degradation as a result of human action and loss of biodiversity are changing living conditions on Earth with unprecedented speed. People with the least skills, means and funding to control the change are also hardest hit by climate change and environmental problems.

The world's population now stands at 7.6 billion. It is estimated to reach 9.8 billion by the year 2050. Many regions are in the danger of running out of drinkable water and food production may not be able to meet the needs of the growing population.

Despite population growth and the depletion of natural resources, **food security** has improved over the past few decades. Between 2000 and 2016, the proportion of people suffering from inadequate nutrition decreased from almost 15 to 11 per cent. Nevertheless, about 815 million people still suffer from food shortage and another two billion people do not receive enough vitamins and minerals from their food. The impacts of climate change: rising temperatures, changes in precipitation and their timing, and temperature peaks, heavy rain and droughts seem to increase the risk of famine.

**Global water reserves** are abundant, but only three per cent of them are fresh water. About 87 per



# SITUATION RESOURCES

cent of all wetland and peatland are destroyed. Only 0.3 per cent of the world's water reserves are available to human consumption. At the same time, however, the water supply and the sanitation coverage has significantly increased: over the past three decades, a total of 2.6 billion people have got access to water supply. The number of people without toilets has halved. However, about 844 million people still have no access to basic-level water supply and 2.3 billion people lack basic-level toilets. The areas with the largest human populations are also the areas with the most severe water shortages. Climate change and deforestation have a substantial impact on the hydrological cycle and they increase floods and droughts.

Access to **electricity** has improved considerably since 2011. About 150 million people living outside the electricity network have benefited from decentralised renewable electricity generation, especially solar power. Nevertheless, one billion people still live without electricity. Open fire cooking exposes three billion people, mostly women and girls, to indoor pollution every day. Health hazards arising from smoke cause more deaths than malaria, AIDS and tuberculosis put together. Fossil fuels are a major source of climate change emissions. For this reason, renewable energy solutions and the phase out of subsidies for fossil fuels are important for the protection of the climate.

About 3.3 million hectares of **forest** disappear each year, which accelerates climate change and impacts the hydrological cycle. Furthermore, the biodiversity of forests decreases, especially if the forests planted to replace the cut trees only consist of a small number of species.

Climate change mitigation and adaptation actions were laid down in the Paris Agreement. The measures will only produce results if we transition to sustainable production and consumption patterns and safeguard biodiversity. Environmental and climate aspects, as well as the connections between food, water, energy and forests must be taken into account in all activities.

## Finland enables opportunities for water supply and sanitation

Finland is focusing on basic-level water supply, sanitation and hygiene behaviour in households, schools and health centres. Awareness and operational capabilities of individuals and communities are strengthened and services are improved. Finland participates in organisation of water supply and sanitation services in humanitarian crises and gives particular consideration to people in the most vulnerable position.

## Finland is focusing on affordable and renewable energy

With Finnish support, work is carried out to strengthen the capacity of individuals, communities, the authorities, and small and medium-sized enterprises to introduce clean and efficient basic energy solutions, especially in rural areas. Finland works to ensure that renewable energy solutions are particularly beneficial to women and girls.

## Finland is promoting the sustainable use of renewable natural resources

Forest inventories and information systems providing better information on resources are developed with Finnish assistance. This supports the implementation of climate and environmental agreements. Conservation areas have been established and measures strengthening the sustainable use of natural resources taken.

By advocating sustainable forestry, Finland strengthens the foundation of economies, reduces poverty and empowers stakeholders.



# Urgent need for climate finance

Under the global-level climate and environmental agreements, Finland is required to take national measures and support the measures taken in developing countries. Finland participates in climate change mitigation at all levels, from global negotiations down to local projects, and contributes to the work with Finnish know-how.

Industrial countries have set a goal to jointly mobilise USD 100 a year by 2020 from a wide variety of sources for climate action in developing countries. With the help of these finance commitments, developing countries, too, have become engaged in climate action.

Finland has been able to influence development finance institutions so that they are now channelling an increasing proportion of their funding to climate projects. Also the Finnish Finnfund assesses the climate impacts of its investments before making decisions on them. In 2017, Finland and the International Finance Corporation (IFC) established a joint climate fund in which Finland decided to invest a total of EUR 114 million. The fund made its first corporate investment in July 2018. The aim of the invest-

ment is to develop wind power and other renewable energy amounting to three gigawatts in nine African countries.

Finland provides funding for the Green Climate Fund (GCF) and the Global Environment Facility (GEF), which support the implementation of climate and environmental agreements. GEF has operated for many years and as a result of its work, the number of conservation areas has increased and smallholder farmers are now using land in a more sustainable manner. The funding has also helped to prepare biodiversity protection plans and to implement sustainable forestry projects.

The work of GCF is still in its initial stages and for this reason, no reports on its results can be presented yet. The projects approved by GEF and GCF are expected to reduce emissions by a total of 2.75 billion tonnes of carbon dioxide equivalent.<sup>13</sup> This can only be achieved with the combined support of all donors.<sup>14</sup>

The Green Climate Fund also provides funding for projects that help people to adapt to climate change. It is expected that as a result of the combined effects of these projects, the resilience of 217 million people will be increased.

Many of the projects supported by Finland generate both development and climate benefits. This applies especially to the natural resources sector, for example to renewable energy, integrated water resources management, climate-smart agriculture and forest projects. In country strategies, climate change is considered as a factor impacting the development in the partner country.

With Finnish support, developing countries are now better placed to implement national climate policies. The work has resulted in comprehensive climate plans for different areas, as well as emissions taxation and trading schemes. For example, Finland has been involved in the development of the world's largest emissions trading scheme in China and the introduction of carbon tax in South Africa. Finland is also advocating the elimination of environmentally harmful subsidies for fossil fuels.

Even though Finland has played a larger role in climate issues than its size would merit, the funding cuts introduced in recent years have weakened Finland's political credibility and its ability to influence.



## Harmful subsidies of fossil fuels should be eliminated

Finland is advocating the elimination of harmful subsidies for fossil fuels. Finland is a member of the international group Friends of the Fossil Fuel Subsidy Reform, which advocates the reform of the fossil fuel subsidy system and the elimination of inefficient and harmful subsidies.

However, Finland should be more coherent in its own policies as it supports the domestic use of fossil fuels with tax concessions and other subsidies. In 2018, fossil fuels were estimated to be one million euros in Finland.<sup>15</sup>

## Climate action is promoting gender equality

Through Finland's influencing work and funding



the gender equality aspect was incorporated into the 2015 Paris Agreement



The first gender action plan was adopted under the system of international climate agreements in 2017.



a total of 60 women delegates from 44 developing countries have taken part in climate negotiations.

ten training courses attended by nearly **400 delegates** have been arranged in connection with climate negotiations.

a total of **21 national** climate and gender equality plans for such countries as Jordan, Mozambique, Nepal and Peru have been elaborated.



measures are taken to ensure that climate policy and action also promote gender equality; at the same time, gender equality also makes climate action more effective.

EXAMPLE OF RESULTS

### Cooperation in the Andean region facilitated enhanced flood preparedness

In a hydro-meteorological project in the Andean region, experts of the Finnish Meteorological Institute and the Finnish Environment Institute supported countries in the region to develop their water, climate and weather services, as well as to prepare for climate risks. Bolivia, Ecuador, Columbia and Peru are extremely vulnerable to floods and drought caused by climate change.

A new tool for information exchange was created in the project. The project also led to the creation of the Andean observation database, which helps the countries in the region to make mutual use of the data that they have produced.

Finland's development cooperation in the field of meteorology is world class.

With Finnish support, meteorological institutes of many other developing countries have also developed information and early warning systems, as well as weather services. This has indirectly benefited as many as 280 million people.



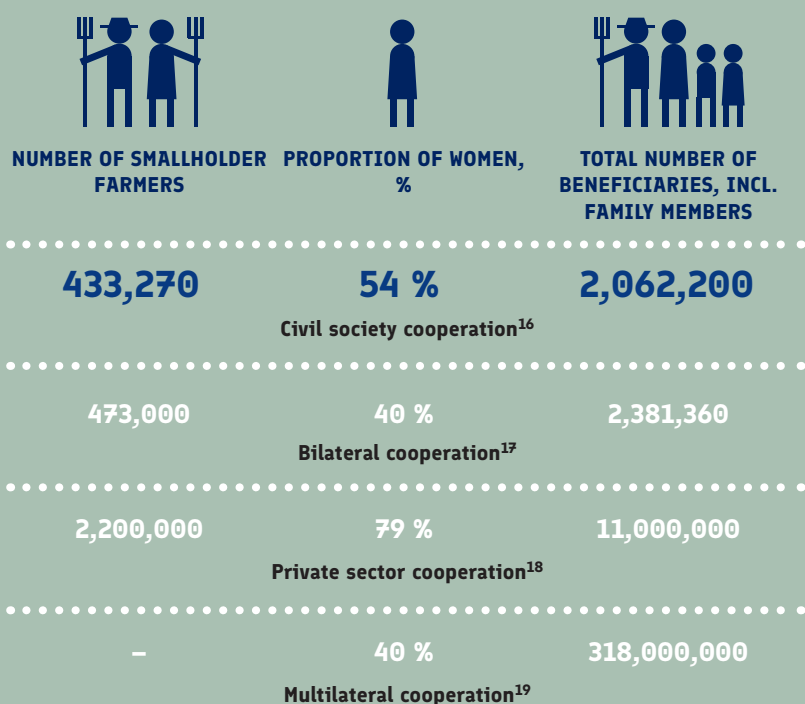
### EXAMPLE OF RESULTS

#### Better food security in Kenya

The food security of about 30,000 farmers and their families in western parts of Kenya improved between 2004 and 2016. Finland supported extensively the introduction of sustainable cultivars and cultivation methods, such as irrigation and liming, for better harvests. As a result, the income of smallholder farmers in rural areas increased by about 70 per cent.

Marketing became easier, as the quality and shelf-life of the products improved and village roads were repaired. Keeping of kitchen gardens and the rearing of pigs, goats and domestic chicken helped the families to improve their nutrition. Entrepreneurship training provided young people with more opportunities. The self-esteem of women was enhanced and they became more empowered in families and communities.

#### SMALLHOLDER FARMERS SUPPORTED BY FINLAND



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Better food security for millions

With bilateral projects and projects involving civil society organisations, Finland has provided support for about 900,000 food producers. As a result, more than four million people can trust to have food today and tomorrow. Finland has improved food security by influencing policies of international organisations and by providing funding for multilateral projects and private sector operations.

Finland has focused on sustainable and climate-smart agriculture in smallholder farms and development of value chains. Cooperation between food producers, distributors and retailers improves efficiency and generates additional income compared with the situation where each actor grows, collects, transports and sells their products alone.

In Ethiopia, the food value-chain programme supported by Finland helped nearly 100,000 smallholder farmers to

raise productivity, improve the quality of their products, find markets and increase their income. More jobs were created throughout the value chain. In Mozambique, food security and dietary diversity of about 15,000 farmer families improved. However, there was no rise in productivity as the work was hampered by floods, drought and political conflicts.

A large proportion of the smallholder farmers supported by Finland are women. This can be considered a significant success. Civil society organisations were particularly successful in the empowerment of women.

Enhancing food security requires a long-term effort because it is affected by natural conditions, administrative practices and politics. Achieving results in remote areas takes time as distances are long, and infrastructure and services are often poor.



## ACCESS TO WATER SUPPLY AND SANITATION

Number of people benefiting from the results



WATER SUPPLY



SANITATION



WATER SUPPLY AND  
SANITATION IN SCHOOLS

44,560

33,680

14,660

Civil society cooperation<sup>20</sup>

2,466,700

5,940,500

661,380

Bilateral cooperation<sup>21</sup>

187,935,600

109,587,200

15,401,400

Multilateral cooperation<sup>22</sup>

SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Clean water, latrines and health for millions

Finland is a major player in the water sector cooperation in its partner countries. Finland influences policies and implements development cooperation programmes in the water sector. Finland has focused on the provision of water supply and sanitation in rural areas in cooperation with local communities in Ethiopia, Kenya and Nepal.

In the construction of latrines, Finland encourages active participation of households and communities. Through water sector development cooperation, Finland also promotes long-term planning of water supply and equality of all people. At the same time, the commercial opportunities of the water sector are enhanced.

Finland has achieved excellent results in the water sector programmes. Under the cooperation programmes, nearly 2.5 million people were covered with water supply service between 2014 and 2017. As

a result of the support provided under the programmes, almost six million people gained access to sanitation. About 660,000 school children benefited from water, sanitation and hygiene at schools. Consideration must also be given to the operation and maintenance of water supply and sanitation structures in the future.

Finland supports the establishment of a global water management platform. This is important as the fresh water resources are diminishing. Finland promotes transboundary water conventions and their implementation. Joint administration of transboundary water resources reduces the risk of conflicts.

Practical work is continuing, especially in rural areas, but because of the cuts in budget allocations, fewer results in the water sector can be expected in the future.

EXAMPLE OF RESULTS

### Ownership of village communities ensures results in Ethiopia

In 2003, a new modality was adopted in the water management and sanitation programme jointly funded by Ethiopia and Finland. The funding was channelled via professional microfinance institutions directly to village communities instead of public administration. Professional microfinance institutions acted as brokers in the process.

When the responsibility for the construction of the water points was transferred to village communities, community ownership was strengthened, water points could be constructed as much as five times faster, and the quality and durability of the structures improved.

This modality has become more common over the years and it now covers nearly ten percent of all water management in Ethiopia. As a result of the reforms, annually 300,000-400,000 new beneficiaries in the rural areas of Ethiopia get access to clean water. The Ethiopian government now pays between 60 and 70 per cent of the total programme budget, which shows that it is strongly committed to the scheme.



## EXAMPLE OF RESULTS

### Efficiency brings savings

► In the past, the wastewater generated by starch production plants in Thailand was treated in lagoons. In addition to creating an odour effect, the practice also increases atmospheric methane emissions. Two biogas plants, one of which is the largest of its kind in Thailand, were built with Finnish support.

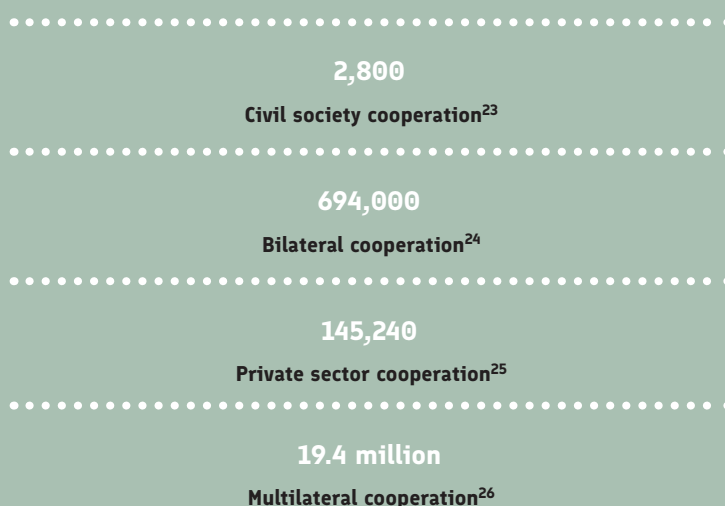
► A modern wood stove is a more efficient way of burning wood than open fire or a traditional stove. With Finnish support, a Kenyan stove manufacturer has increased its production and between 2015 and 2017, about 120,000 of new stove models were sold. As less firewood is needed, wood collecting takes less time.

► In Tanzania, Finland has supported a manufacturer of solar lanterns, providing employment for a large number of women. These products already have about 280,000 users. As using a solar lantern is cheaper than a traditional kerosene lamp, households are estimated to save EUR 23 million.<sup>27</sup>

## HOUSEHOLDS CONNECTED TO ELECTRICITY SUPPLY



### NUMBER OF HOUSEHOLDS



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Millions provided with access to electricity

Households all over the world need electricity for at least lighting. A power supply is also essential for the charging of mobile devices, and entrepreneurs also badly need electricity. Firewood or charcoal is often used for heating and cooking in developing countries. This causes smoke and fire hazards. Acquiring the fuel requires effort, takes time and generates costs.

Finland has provided funding for entrepreneurs and improved prerequisites for producing affordable electricity in developing countries. Many power utilities are financially too constrained to invest in efficiency improvements. Bilateral support for the modernisation of the power grid of Dar es Salaam in Tanzania reduced energy losses and the number of power disruptions.

Development banks promote the transition to smart energy systems and renewable energy. Finnfund provides fund-

ing for several utility scale projects in the field of renewable energy production. Civil society organisations help people to use renewable energy sources available at local level.

The number of people without access to electricity is decreasing but advances in cooking solutions cannot keep pace with population growth. More should also be invested in long-term and comprehensive cooperation and the enhancement of energy-efficiency.

Energy and Environment Partnerships (EEP) support growth-stage companies by providing them with funding and advisory services. Finland has provided funding for 200 companies in Africa, South-east Asia and South America. As the focus is on growth-stage companies, a substantial increase in results is also expected after the support phase. The projects also encourage partnerships with Finnish companies.





## LAND AREA BROUGHT UNDER SUSTAINABLE USE



### LAND AREA BROUGHT UNDER SUSTAINABLE USE, HECTARES

650,700

Civil society cooperation<sup>28</sup>

1,779,800

Bilateral cooperation<sup>29</sup>

814,900

Private sector cooperation<sup>30</sup>

18,937,310

The European Union

SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Forests mapped for sustainable management

Finland plays an important role in forest-sector development cooperation. Finland has chaired the forest or natural resources groups of governments and development partners in many countries. Finland contributed to the steering of EU projects combating illegal logging and deforestation and promoting good forest management in 15 countries between 2015 and 2017. The agreement between the EU and Vietnam on the combating of illegal logging and timber trade and on good forest management, to be concluded in 2018, is one result of the Finnish effort.

A good example of the results of long-term forestry cooperation is the successful combating of illegal logging in Laos. Finland and the World Bank have jointly provided funding for a sustainable forestry programme as a result of which illegal logging and the timber exports connected with them declined by as much as 75 per

cent between 2016 and 2017. About half of this can be attributed to the programme. Success was possible because the project was supported by the Laotian political leadership, local personnel were committed to the project and up-to-date tools were available for the work.

In the past, Finland mainly carried out forest-sector cooperation with individual countries but in recent years, it has increased cooperation with organisations and at EU level. With financing provided by Finnfund, a total of 867,000 hectares of forest have been planted and 814,900 hectares of this area have already certified under international sustainable forestry certification schemes.

Achieving sustainable results in natural resources sectors requires long-term commitment of 10–20 years, close cooperation between these sectors and policy coherence.

### Software for processing forest data

EXAMPLE OF RESULTS

With Finnish funding, the UN Food and Agriculture Organization (FAO) has developed an information system for mapping forest resources and processing forest data. Using the free Open Foris software, countries can map their forest resources in a reliable manner. The software is already in use in more than 50 countries.

### Combating desertification with a business concept

EXAMPLE OF RESULTS

With a regional programme, land use and business models slowing down desertification have been created for North Africa and the Middle East. For example, the oases in the southern parts of Morocco were developed as ecotourism sites, a network of oases was set up, which now also helps other associations and cooperatives in the region.

Finland supported the programme between 2001 and 2016. During the final stage, Finland's contribution was three million euros. It helped the United Nations Development Programme (UNDP) and recipient countries to collect about EUR 15 million in additional funding from the Global Environment Facility, the Japanese government, the countries' own budgets and private donors.

# GLOBAL S HUMANITARIA

## Finland channels its assistance to those most in need

By providing humanitarian assistance, Finland saves lives, alleviates suffering, and upholds human dignity during and in the aftermath of emergencies caused by conflicts and natural disasters. Finland provides aid where it is needed the most. Finnish humanitarian assistance is based on humanitarian principles and reliable needs assessments.

## A record number of people in need of humanitarian assistance

In 2015–2017 the global **humanitarian needs** reached record levels. At the end of 2017, a total of 136 million people in 25 countries were in need of urgent humanitarian assistance. Almost 69 million people had been forced to leave their homes, more than 25 million were refugees, 40 million had been displaced within their own countries and some three million were asylum seekers.

Four out of five of **the people in need of assistance** lived in countries experiencing protracted conflicts. The need for humanitarian assistance was greatest in Syria and its neighbouring countries, in Yemen, South Sudan, Democratic Republic of the Congo, Somalia, Nigeria and Sudan. In Syria, more than 13 million people were in need of assistance and six million of them

## Finland provides food, health and structures

The humanitarian assistance financed by Finland is channelled to activities that are crucial to saving lives: emergency shelters, basic supplies, water and sanitation, as well as food assistance. It also supports activities alleviating suffering and protecting human dignity, such as nutrition, health, education, protection, psychosocial support, prevention of sexual violence and support to victims of sexual and gender-based violence. Finland also supports efficient coordination of the aid, logistics and data communications.



# SITUATION IN ASSISTANCE

were children. In conflict-ridden Yemen, 22 million people or 80 per cent of the population were in need of assistance.

Natural disasters also increased the needs. In 2015, the earthquake in Nepal and its aftershocks claimed almost 9,000 lives and affected the lives of millions of people in the country. The El Niño weather phenomenon caused droughts and floods, especially in the Horn of Africa and southern Africa. The return of the era of famines was feared. Access to food of more than 20 million people was disrupted and there was a substantial increase in the number of children suffering from acute malnutrition. Somalia, Ethiopia and Kenya required **humanitarian assistance** due to drought. In 2015 and 2016, humanitarian assistance was also **needed** in Malawi and Zimbabwe. In comparison with the past, it was positive to note that governments in countries like Somalia and Ethiopia were better equipped to respond to the needs. As a result, the famine was averted.

Violations of international humanitarian law and attacks and deliberate violence on civilians and **aid operations** hampered the distribution of humanitarian assistance in many countries. In 2017, there were 158 attacks against humanitarian aid operations in which 139 aid workers were killed. Volatile and unpredictable security situations significantly hindered the work.

## Finland provides assistance through variety of channels

The humanitarian assistance is channelled through UN organisations, the International Red Cross and Red Crescent Movement and the following six Finnish organisations: Finnish Red Cross, Finn Church Aid, Save the Children Finland, World Vision Finland, Fida International, and Plan International Finland.

## Finland supports flexible assistance without unnecessary costs

A large proportion of the Finnish assistance is flexible, granted as core funding or loosely earmarked regional or country level assistance. This policy is compliant with the principles adopted at the World Humanitarian Summit in 2016. Finland supports organisations in their efforts to move to assistance provided to the recipients in the form of cash or vouchers, instead of in-kind assistance.

This approach cuts logistics costs, helps the recovery of local economies and provides the recipients with more choices.

## Finland reacts quickly to emergency appeals

Finland acts in emergencies in a rapid and frontloaded manner: most of the funding is allocated at the start of the budget year on the basis of a UN consolidated appeal for humanitarian assistance. Funding decisions concerning sudden crises are made throughout the year, within 72 hours of receiving the appeal.



# Finland is a pioneer in promoting the rights of the persons with disabilities

**I**n its humanitarian assistance, Finland focuses on the people in the most vulnerable situations. Persons with disabilities are often in a particularly difficult situation: their risk of being killed in natural disasters and conflicts is about four times higher compared to those without disability. There are about one billion people in the world with mental or physical disability. In crisis situations, they are among the groups in the greatest need of assistance.

Until the recent years, humanitarian actors have paid insufficient attention to the needs of the persons with disabilities. Persons with disabilities have easily gone unnoticed and left without services. Also in refugee camps, they are often in a weaker position, partly because of the physical inaccessibility of basic services. Being dependent on the help of others exposes persons with disabilities to exploitation and violence. Women and girls in particular face discrimination on account of their disability and gender. For them, the risk of being discriminated

against and suffering from sexual and other forms of violence is many times higher compared with non-disabled women and girls.

In Finland's view, enhancing the inclusion of the persons with disabilities in humanitarian action is something that all organisations should consider in the planning, implementation and monitoring of their work. For this reason, Finland has consistently and systematically drawn attention to this issue in the governing bodies of humanitarian organisations and at international events. To strengthen the disability inclusion, Finland has highlighted the need for proper data collection, as well as putting in place operational guidelines and dedicated disability coordinators. Finland has also actively sought support for disability inclusion from the development ministers of the EU and other like-minded countries. Close cooperation with Australia is worth mentioning as is the role of Finnish and international disability organisations which have kept disability inclusion on

the humanitarian agenda on forums like the Global Action on Disability (GLAD).

In cooperation with other actors, Finland put the rights of the persons with disabilities on the agenda of the World Humanitarian Summit in 2016. The meeting adopted the Charter on Inclusion of Persons with Disabilities in Humanitarian Action, which has already been signed by more than 150 actors. In the declaration, the signatories pledge to take concrete measures to improve the status of the persons with disabilities in emergency situations. According to the UN Secretary-General, the declaration was one of the most important achievements of the summit.

The Inter-Agency Standing Committee (IASC), a coordination mechanism bringing together humanitarian organisations, is in the process of drawing up guidelines to ensure coherent and effective approach to inclusion of the persons with disabilities in humanitarian action. Finland is financing the work on the guidelines that will be published in 2018.

## Results of disability inclusion work by humanitarian organisations



In World Vision Finland projects, accessible and technically simple toilets have been built in refugee camps in Uganda, Kenya and Iraq. As a result of the work, more than 20,000 persons with disabilities living in refugee camps now have access to sanitation and are able to use barrier-free toilets and washing facilities, and can go to school.



Save the Children Finland projects in Baidoa, Somalia, have provided cash assistance to families in which either a guardian or a child has a disability. Additionally, families have been provided with individual guidance and psychosocial support. Since the criteria for selecting the recipients of cash assistance is set together with community committees, communities have been trained to understand the needs of adults and children with disabilities. Thus, through education there has been a wider impact on attitudes within the communities.



With Finnish support, aid workers have been trained to include persons with disabilities better in their operations. In its partner countries, World Vision Finland has also helped other organisations to understand the importance of disability inclusion.



Conflicts in South Sudan and the Democratic Republic of the Congo have forced more than one million people to flee to Uganda. Finn Church Aid has provided teachers in Uganda with further training on the needs of the persons with disabilities. In 2015–2017, FCA trained 460 special needs teachers for persons with disabilities. In 2015, it founded the first barrier-free school for persons with disabilities in Adjumani, Uganda.

In Jordan, Finn Church Aid has arranged training in disability issues in the Za'atari and Azraq refugee camps and in local communities. Schools and leisure facilities have been made accessible. The organisation has distributed assistive devices. In 2017, together with Handicap International, Finn Church Aid helped more than 180 persons with disabilities to get mobility aids and a total of 120 people prostheses.



Plan Finland has trained 29 volunteers and partner organisations' employees on how to use sports to improve the equal status of children with disabilities in the Azraq refugee camp in Jordan.

The Finnish Red Cross has seconded a Finnish disability coordinator for the International Committee of the Red Cross and the International Federation of the Red Cross in Geneva. The coordinator's task is to make the organisations' work more disability inclusive at the global level.



## Providing assistance for urgent needs

In cooperation with other donors, Finland played a role in stopping or reducing the levels of acute malnutrition and mortality in a number of emergencies. This was achieved through food assistance, support to emergency nutrition programmes for pregnant and lactating women and small children, and investments in water infrastructure and sanitation, as well as in health and hospital services crucial in conflicts and emergencies.

► A substantial proportion of the food assistance was channelled through the World Food Programme (WFP). In 2017, WFP improved the **food security of 91 million people in 83 countries**. In addition, cash and vouchers were also distributed.

► About 36 million people were provided with access to clean water, improved sanitation and better latrines as a result of the work by the International Committee of the Red Cross (ICRC), Finn Church Aid, Word Vision Finland, Plan International Finland, and Save the Children Finland.

► In the health sector, the focus was on the health and hospital services needed in armed conflicts and natural disasters. ICRC performed a total of 136,000 surgical operations during 2017. The Finnish Red Cross contributed to the work by sending 11 aid workers with health training, pharmaceuticals and medical supplies worth EUR 256,000 and a field communications unit to the Mosul operation of the ICRC. The Finnish Red Cross also acted as the personnel and logistics coordinator of the other participating Red Cross organisations and as the main partner of the ICRC.

## Protection for victims of emergencies

People who had been forced to leave their homes, and other groups in a vulnerable position, including persons with disabilities, received protection and their human rights were better ensured.

► Through the UN refugee organisation UNHCR, Finland and other donors supported more than **12 million refugees and nearly 36 million people displaced within their own countries**. In order to ensure the functioning of local markets, the assistance was partly in the form of cash: a total of USD 500

million was distributed to more than eight million people. The organisation helped about 500,000 refugees to return safely to their homes. In 2017, Finland was the 24th largest donor of UNHCR. Finland's contribution totalled EUR 20 million of which seven million was un-earmarked core funding.

► Finn Church Aid provided nearly 39,000 people with emergency shelters and accommodation.

► Victims of sexual and gender-based violence were provided with support and pre-emptive assistance

through UNFPA. For example, in Syria more than 10,000 people received such aid.

► Finland focused efforts also on child protection. Finn Church Aid provided 61,000 children with psychosocial support. Save the Children Finland channelled aid to nearly 18,000 children and families in Iraq and Somalia. Plan International Finland reached more than 5,000 children and parents with its child protection work.

## Support for coping with and recovery from the crises

Resilience of families and communities was improved and recovery supported. Various measures were taken to ensure that children received education and had access to school despite crises. Moreover, livelihood support in the form of agricultural tools, seeds and other assistance helped economies to recover by boosting food production and providing better opportunities

for earnings.

► Through the UN agency UNRWA, Finland helped more than **500,000 Palestinian refugee children** to receive education. Nearly 8,000 young people received vocational education and 39,000 other people were granted microloans.

► As a result of the work by Finn Church Aid, more than 55,000 children and young people received ed-

ucation. The organisation also built classrooms.

► Work of Plan International Finland enabled early childhood education for more than 3,500 children. Fida International channelled its support to the education of children in 11 schools and two children's activity centres in the Democratic Republic of the Congo.





## Finland and other actors helped more than 12 million refugees and nearly 36 million people displaced within their own countries.

### More than half of all Syrians have fled war

EXAMPLE OF RESULTS

The Syrian conflict, which is now in its eighth year, is the biggest humanitarian crisis of our time. Half of the Syrian population has fled the hostilities either with their own country or abroad. Over the past few years, Syria has been the largest recipient of Finland's humanitarian assistance.

In 2017, about 637,000 children received psychosocial support and more than one million children were able to go to school in Syria. UNICEF repaired a total of 105 schools with Finnish funding.

World Food Programme performed more than 300 high-altitude airdrops to besieged areas of Syria in 2016-2017. As a result, some 6,000 tonnes of food, hygienic and health supplies were made available to 93,000 people. The project is considered unique in the history of humanitarian assistance.

### Life goes on after earthquake

EXAMPLE OF RESULTS

In 2015, Nepal was struck by two powerful earthquakes. Nearly 9,000 people were killed, 600,000 homes were destroyed and 2.8 million people were left homeless.

Finn Church Aid launched immediately an aid operation with the support of the Ministry for Foreign Affairs. Distribution of food and other essential supplies reached almost 29,000 people. Over 10,000 people benefitted from the construction of shelters. Additionally, temporary sheet metal shelters helped 8,000 people.

The Finnish Red Cross sent more than 30 delegates to the areas hit by the earthquake to carry out assessment, logistics and communications tasks. The assistance also included an x-ray screening unit for a field hospital and aid supplies for medical purposes.

### Child protection work in Iraq and Somalia

EXAMPLE OF RESULTS

Social workers and voluntary child protection committees have been trained in Iraq and Somalia with the assistance provided by Save the Children Finland. As a result, nearly 7,000 girls and more than 5,000 boys have received help after suffering violence, being abandoned by their families or becoming separated from their parents.

Save the Children Finland has provided parents and guardians with parenthood training and arranged information campaigns for religious and traditional leaders, members of communities and the authorities. The preventive work has reached more than 3,500 women and 2,000 men. Better awareness among parents protects children against violence and speeds up access to assistance.



# Refugees gained world's attention

## EXAMPLE OF RESULTS

### Finland is participating in the reconstruction of Afghanistan

Citizen Charter is one of the programmes of the Afghanistan Reconstruction Trust Fund, which is administered by the World Bank. The project has been active since late 2016. One of its purposes is to ensure that basic services and work are available to people returning to Afghanistan. When job vacancies are filled special consideration is given to families in a particularly vulnerable situation.

The programme has already reached more than 2,400 communities. About 42,000 households of returning refugees have benefited from the programme. Finland's planned contribution in funding the Citizen Charter is approximately three per cent.

Refugees have become a central humanitarian and development issue in recent years. Solving the problem will require broad-based international cooperation and new operating modalities. According to the UN refugee organisation (UNHCR), more than 68.5 million people had been forced to leave their homes by the end of 2017 and more than 25.4 million of them were registered as refugees. Most of the world's refugees are children. At the moment, a large percentage of the world's refugees originate from Syria.

About 85 per cent of the refugees live in developing countries. The majority stays in their own countries. Before an individual leaves to become a refugee in another country, they have already relocated multiple times within their own country. Most of the refugees also stay in their own continents: Nine out of ten of all African refugees and eight out of ten of all Asian refugees do not leave their own continent.

Many of the countries receiving refugees are themselves poor or at most middle-income countries. Ethiopia, Kenya, Lebanon, Iran, Uganda and Sudan host large refugee populations. Turkey currently has the world's largest refugee population. The countries accepting refugees need support. In addition to humanitarian assistance, countries hosting refugees receive development cooperation funds to strengthen their public services, infra-

structure and labour markets.

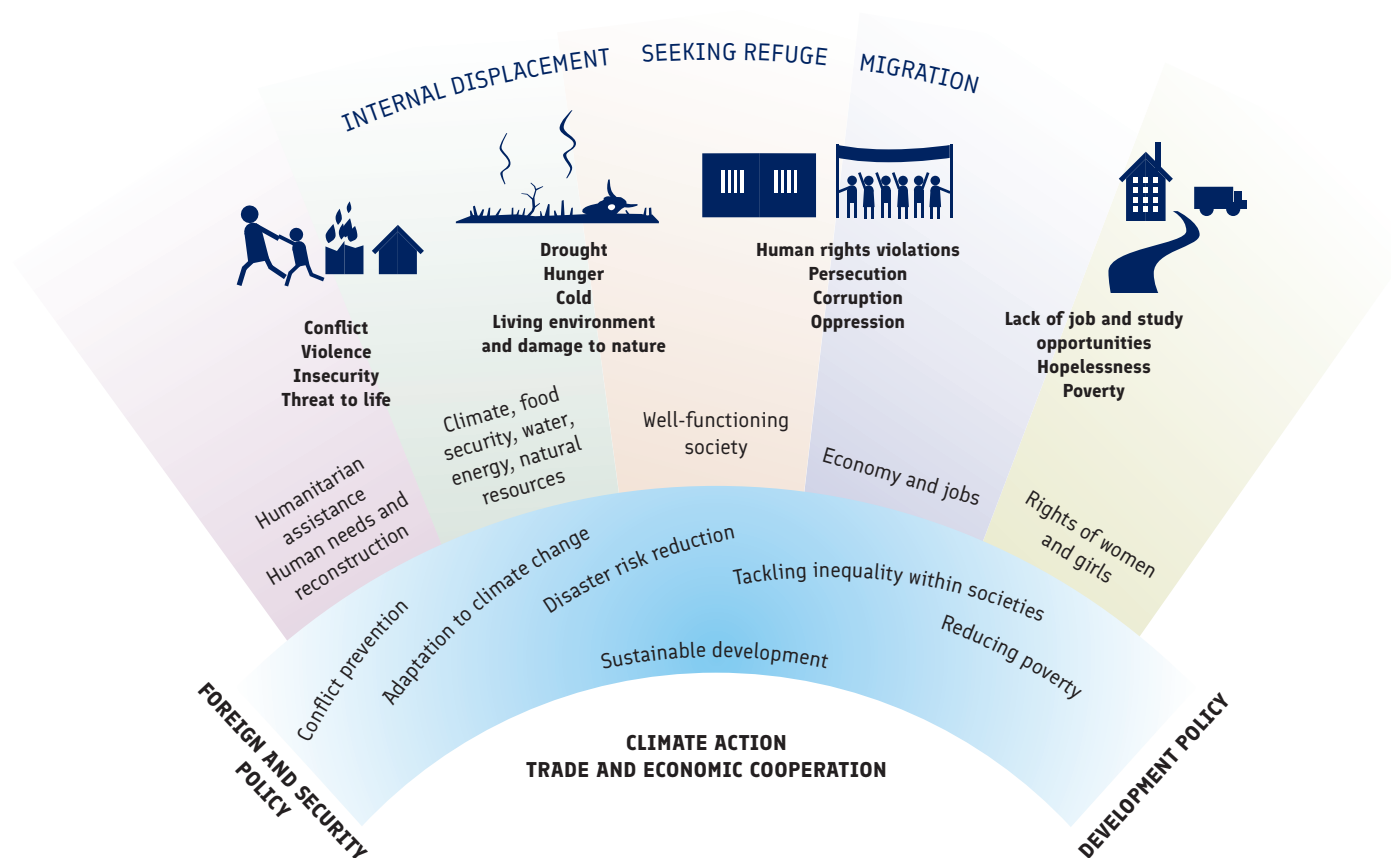
At international fora, Finland has advocated for stronger international cooperation in the refugee issues. In September 2016, the UN member states adopted a declaration<sup>31</sup> pledging to promote the rights of refugees, asylum seekers and migrants, enhance their protection, and provide them with more assistance. Finland pledged to increase assistance to countries affected by large-scale displacement of people.

All long-term development cooperation aimed at having sustainable societal impacts can also be seen as having an indirect impact on forced and voluntary migration. However, development cooperation and humanitarian assistance are only two instruments in a broader set of tools. Conflict prevention, crisis management, combating climate change, and economic and trade cooperation are all instruments that can be used to influence factors behind migration.

Especially since 2015, there has been a substantial increase in immigration to Europe. In 2016, about 363,000 people fled to the EU across the Mediterranean and about 5,000 of them disappeared or died. Migration issues have become a central part of the dialogue and cooperation between the EU, its partner countries and other international actors. Finland has also participated in the migration initiatives of the EU through the Emergency



## DEVELOPMENT POLICY HAS AN INDIRECT IMPACT ON MIGRATION



Trust Fund for Africa and the agreement with Turkey.

### The EU Emergency Trust Fund for Africa supported the return of migrants

The EU Emergency Trust Fund for Africa was established at the Valletta Summit on Migration in 2015. The fund aims to improve the management of migration flows and resilience. It also provides support for economic development and job creation.

In May 2018, the fund amounted to about EUR 3.4 billion. About 88 per cent of this comes from the EU budget and the European Development Fund, while the rest comes from EU Member States and other providers of funding. With a contribution of five million euros, Finland is a middle-sized donor. Contributions to the fund are considered as official development assistance.

During 2017, projects of the fund were

implemented in West Africa, the Sahel region, North Africa and in the Horn of Africa. They helped to enhance basic services, food security and education. With the support granted from the fund, about 13,000 people voluntarily returned to their homes from Libya and Niger. About 2,700 people were rescued from the desert. Migrants returning home have been supported by providing them with start-up capital so that they can set up businesses in their own countries. In East Africa, a total of 73,000 Somali refugees were able to return from Kenya to Somalia with the fund's support.

### The Turkey agreement supports over one million persons

In March 2016, the European Union and Turkey concluded an agreement and declaration on Turkey's role in the reception of and in the coordination in receiving refugees from Syria and elsewhere in the Middle East. The agreed financial support

totals three billion euros of which one billion comes from the EU budget and two billion from the budgets of the EU Member States. Finland's contribution is EUR 28 million between 2016 and 2019. The funding is considered as official development assistance.

The aim is to safeguard the basic needs of the people arriving in Turkey from Syria: food, healthcare, shelter and education. The funding has also made possible the launch of The Emergency Social Safety Net, the largest ever humanitarian project of the EU. Under the scheme, about 1.2 million Syrian refugees have received cash allowances for living expenses. Already about 600,000 children and young people from Syria have been able to start school in Turkey. The aim is to ensure that the aid recipients would not have to resort to emergency solutions, such as borrowing money, sending their children to work or selling essential possessions.



# 3

# IMPLEMENTATION

Bilateral and regional cooperation

Multilateral cooperation

CSOs receiving programme support

Finnfund and Finnpartnership

Values and principles

Risk management

External evaluations





# Finland reaches its objectives quite well

Finland is implementing its development policy through a range of different cooperation modalities. Progress and success of implementation are monitored through continuous information collection, statistics and analysis.

Implementation is steered and, if necessary, adjusted on the basis of the information.

## **Bilateral and regional cooperation**

Finland is cooperating bilaterally with developing countries based on 13 country strategies. Country strategies extending to 2019 have been drawn up for cooperation with Afghanistan, Ethiopia, Iraq/Syria, Kenya, Middle East and North Africa, Mozambique, Myanmar, Nepal, Palestinian territory, Somalia, Zambia, Tanzania and Vietnam. In 2017, country strategies accounted for 27 per cent of Finland's development cooperation.

The priorities for the cooperation, targets for different time periods, and the most important cooperation projects are set out in the country strategies. Progress is continuously monitored and the results are reported on an annual basis. The synthesis reports prepared on the basis of the annual country strategy reports provide an overview of the bilateral and regional development cooperation.

Between 2015 and 2017, most of the output targets of the country strategies were satisfactorily or well achieved. The situation concerning the outcome targets is similar even though the proportion of unsatisfactorily achieved targets was slightly higher (17%). A total of 46 per cent of all targets were well achieved and 35 per cent satisfactorily achieved. This is explained by the time span: outcome targets are only expected to be achieved towards the end of the programme period. For the first time in 2017, the achievement of all outcome targets was also monitored as a whole. In the future, progress in this field can also be followed.

Country strategies produce concrete results in all areas that Finland has set out as priorities for its bilateral cooperation. The educational sector is by far Finland's strongest area. Results achieved in food security, water supply, the energy sector, and the sustainable management

of natural resources are particularly beneficial to poor people living in rural areas. Success is based on a combination of competent personnel, adequate funding, long-term cooperation and reliable partners. Realistic plans and correctly selected modalities also contribute to the good results.

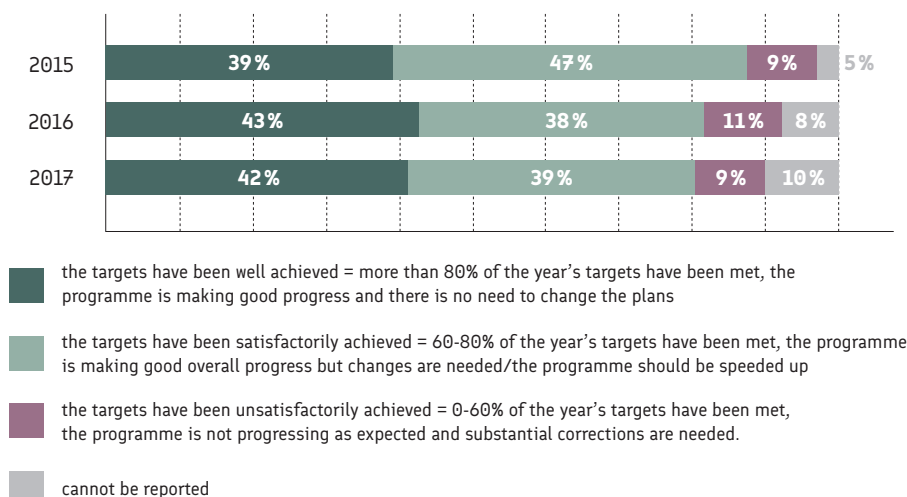
Even if the cooperation produced immediate results, the outcomes or impacts may not necessarily be achieved. This may be because the expected outcomes or impacts set for the programme are too ambitious. According to external evaluations, change is often the problem with Finnish plans. Societal impacts are the sum of many factors and most of them are beyond Finland's control. Desired changes can often only be achieved with enough time and favourable conditions.

In most of the partner countries, cooperation is affected by armed conflicts,



## MOST OF THE TARGETS SET FOR COUNTRY STRATEGIES ARE ACHIEVED

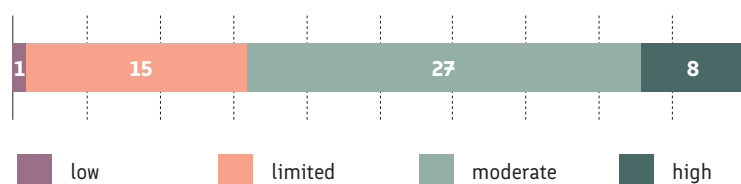
Meeting the output targets set for country strategies<sup>1</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## PROJECT QUALITY ASSESSMENT

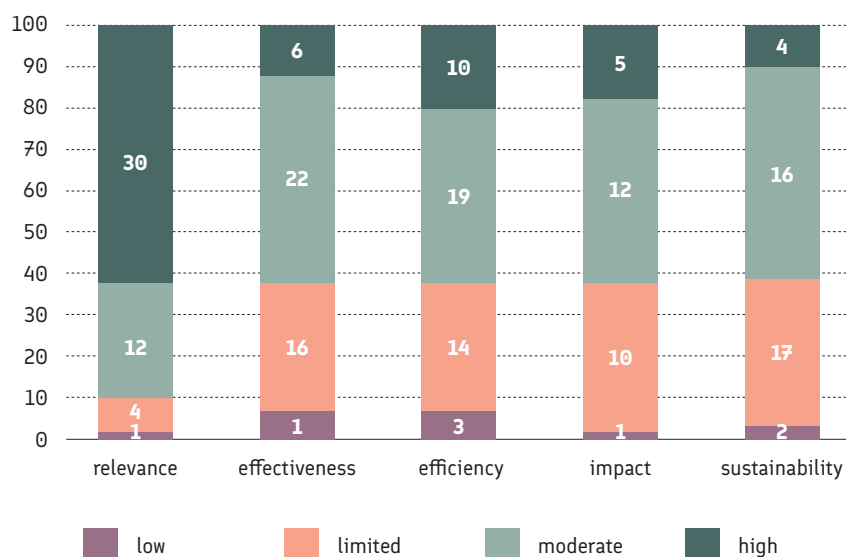
Quality of the 50 bilateral and multilateral projects evaluated between 2015 and 2017



SOURCE: MINISTRY FOR FOREIGN AFFAIRS/PARTICIP GMBH

## RELEVANCE WAS POSITIVELY NOTED

Examining the quality of the 50 projects evaluated between 2015 and 2017; per cent



SOURCE: MINISTRY FOR FOREIGN AFFAIRS/PARTICIP GMBH

other disputes and instability. The impacts of the conflicts vary, however. A conflict may prevent results from being achieved but sometimes the results can be achieved despite a conflict. Finland is developing its expertise in how to operate amid conflicts and in fragile environments.

Many of the country strategies have been substantially reduced after the cuts in development funding during the early part of the current government term. This has made the country strategies less flexible and achieving the targets has become more difficult. Personnel reductions in the Ministry for Foreign Affairs have negatively affected Finland's visibility and participation at country level, which weakens the effectiveness of the country strategies. In the future, the targets should be better adjusted to the human resources and funds available. Synergies between country strategies and the other development policy and development co-operation activities taking place in the same countries should be further enhanced.

### Individual programmes

The Ministry for Foreign Affairs regularly commissions meta-evaluations (assessments combining the evaluations of several different programmes). The meta-evaluation published in 2018 contains a methodological quality assessment and a summative content assessment of 50 different evaluation reports that had been conducted between September 2015 and August 2017. The reports covered both bilateral and multilateral projects.

According to the quality and content assessments, about 70 per cent of the evaluated projects were of at moderate quality.

According to the meta-evaluation, relevance of the projects is Finland's main strength: projects meet the development policy needs of Finland, its partners and the beneficiaries. This view is in line with previous assessments. According to the evaluations, sustainability of the results after the end of the cooperation is the key challenge in the projects funded by Finland. In the future, particular consideration should be given to this issue (which



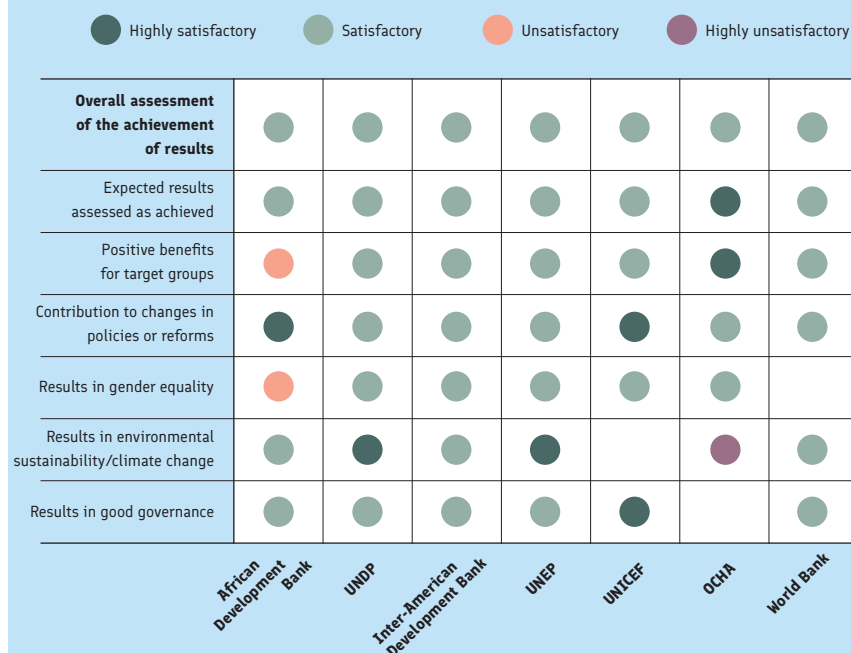
## EXAMPLE: ETHIOPIA

Achievement of the targets set for the Ethiopian country strategy prepared for the period 2016–2019 – situation in 2016 and 2017

EXPECTED IMPACT	OUTCOME	OUTPUT	SITUATION IN 2016	SITUATION IN 2017
<b>1. By 2025 people in rural Ethiopia are empowered to enjoy sustainable growth and decent livelihoods</b>	<ul style="list-style-type: none"> <li>► Agriculture provides a decent and sustainable livelihood to people in the rural Amhara regional state</li> <li>► People in rural Ethiopia have land tenure security and are empowered to participatory land use management in order to reduce land degradation</li> </ul>	Agricultural productivity in selected crops is increased and value chains are developed		
		Commercial orientation in the agricultural sector is strengthened;; SMEs and decent jobs are created and sustained		
		Equitable and transparent land administration is established in the regions of Amhara and Benishangul-Gumuz		
		Rural land administration and land use planning capacity is increased in the above regions		
<b>2. By 2025 people are empowered in water, sanitation and hygiene practices, have access to clean water and enjoy improved health</b>	<ul style="list-style-type: none"> <li>► People in rural Ethiopia have access to clean drinking water, sanitation and hygiene facilities in accordance with national standards and targets</li> <li>► Communities are empowered to manage their water, sanitation and hygiene facilities and related behaviour</li> </ul>	National targets for clean water coverage are achieved in the targeted areas by using community-led management		
		National yearly targets for community and institutional sanitation and hygiene coverage are achieved in the targeted areas		
		Water, sanitation and hygiene facilities are managed by communities in the districts concerned		
		Women's access to and control over water, sanitation and hygiene management and related entrepreneurship is increased in the districts concerned.		
<b>3. By 2025 equitable access to quality general education is assured for all children</b>	<ul style="list-style-type: none"> <li>► Quality of general education is improved</li> <li>► Access to and equity of general education is increased</li> </ul>	Teaching and learning conditions in general education are improved		
		Institutions at different levels of the education management are strengthened		
		Barriers to access and participation for girls and children with disabilities are reduced		
		The inclusive education support system is strengthened		



## INTERNATIONAL ASSESSMENT OF THE ABILITY OF FINLAND'S SEVEN MULTILATERAL PARTNERS TO ACHIEVE THEIR TARGETS



## The World Bank receives thanks for its oversight and accountability practices and criticism for its slowness

In 2015 and 2016 MOPAN produced an assessment of the effectiveness and efficiency of the World Bank.

### Strengths

- Unparalleled global reach and financial resources
- Strong country-level engagement
- Ability to anticipate and adjust to a changing global environment
- Robust oversight, accountability and due diligence structures

### Areas for improvement

- Further developing its strategic and operational approach so it is more effective in complex situations
- Improving knowledge management
- Further strengthening results and performance reporting
- Firming up the framework for working in partnerships
- Speed of implementation

SOURCE: MOPAN

other donors also have to grapple with) already in the planning stage.

### Multilateral cooperation

Success of the cooperation with multilateral actors is monitored on the basis of international assessments and Finland's own influencing plans. In 2017, multilateral cooperation accounted for 29 per cent of Finland's development cooperation.

The management and performance of multilateral actors and success of the work are regularly assessed by the Multilateral Organisation Performance Assessment Network (MOPAN). With the help of these assessments, providers of funding may steer multilateral actors, for instance in their governing bodies. The MOPAN network comprises 18 countries, which account for more than 95 per cent of all multilateral development cooperation funding. Finland is also a member of MOPAN. MOPAN covers the following performance areas in its assessments: strategic management, operational management, partnership management, performance management and results. These performance areas are evaluated on the basis of 12 key performance areas and more detailed micro-indicators. Reports assessing management and performance have been produced in two-year cycles and each of them have covered between 12 and 15 actors. Respecting the diversity of the organisations is taken into account in the assessment methodology and the tool is continuously developed.

The MOPAN network published assessments of 12 multilateral actors in spring 2017. Seven of the actors are among Finland's key multilateral partners (African Development Bank, Inter-American Development Bank, UNDP, UNEP, UNICEF, OCHA and the World Bank). The next 14 assessments, most of which are also important to Finland, will be published in spring 2019.

According to the 2017 assessments, key Finnish partners are achieving most of the set results objectives quite well. Some differences can be found when looking at the assessments in more detail: The African Development Bank and UNICEF are doing excellent work, with regard to their impact on developing countries' policies, legislation and operational



agility. In the consideration of environmental sustainability and climate change, UNEP and UNDP get excellent marks, whereas the African Development Bank is facing a number of challenges and OCHA major challenges.

### Influencing multilateral actors

Finland has prepared its own influencing targets and plans for the following 21 key multilateral partners: AfDB, AsDB, EIF, GCF, GEF, ICRC, IDB, IFAD, ISDR, World Bank Group, OCHA, OECD-DAC, UNDP, UNESCO, UNEP, UNFPA, UNHCR, UNICEF, UNRWA, UN Women and WFP. Progress towards achieving the targets is assessed each year.

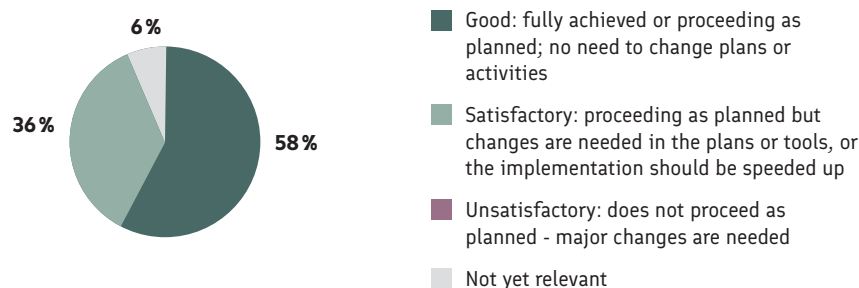
There are two types of influencing targets. On the one hand, they concern the thematic changes that Finland pursues in the work of the multilateral actors. On the other hand, the targets are based on how Finland expects the multilateral actors to improve their own effectiveness and efficiency. The plans also contain targets to promote recruitments and purchases from Finland.

The reports for the period 2015–2017 show that Finland has achieved many of the desired results through its influencing work. For example, in the promotion of gender equality, Finland has been able to influence the strategies of its multilateral partners. Improving the rights and status of women and girls with disabilities is now a more visible part of the strategic plan of UN Women. The Global Environment Facility (GEF) has also updated its gender equality guidelines. In the World Food Programme (WFP), the implementation of gender equality guidelines has prompted the agency to allocate more funds to gender equality work and made the theme a more visible part of its country-specific strategies.

At the same time, however, the promotion of cooperation between Finnish companies and multilateral actors has been challenging. Finland added this to its 2017 influencing plan for WFP but it became clear during the year that the organisation and Finnish companies have different priorities (WFP emphasised experimental cooperation instead of purchases).

## MULTILATERAL COOPERATION HAS DEVELOPED IN THE RIGHT DIRECTION

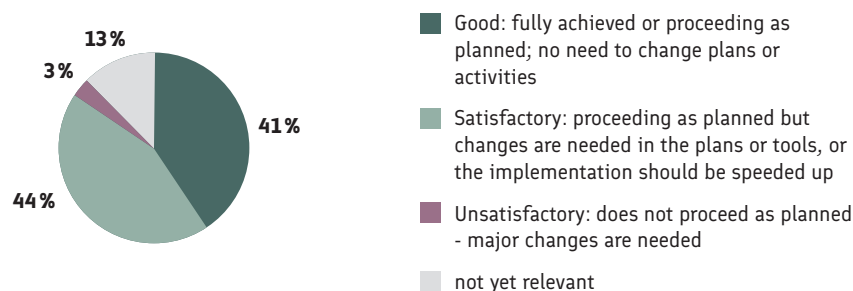
Situation of reaching the influencing targets set by Finland for multilateral cooperation<sup>2</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## EFFECTIVENESS OF MULTILATERAL ORGANISATIONS HAS IMPROVED

Achieving the effectiveness and efficiency targets advocated by Finland in multilateral cooperation<sup>2</sup>



SOURCE: MINISTRY FOR FOREIGN AFFAIRS

## Objectives of programme support to civil society organisations

- ▶ to strengthen the role of civil society and civil society actors as channels for free civic activities in developing countries
- ▶ to improve the capacity of local people and communities to influence and the ability of rights holders and duty bearers to operate
- ▶ to support the cooperation and interaction between different actors in the promotion of democracy and the rule of law
- ▶ to promote human rights and sustainable development
- ▶ to provide Finnish people with information on the results of development cooperation and topical development issues, as well as on the global interdependence between people.





Finland's influencing efforts have produced the best results when its messages were focused, objectives prioritised, activities consistent and profile clear. Finland can gain more influence if it assumes roles involving responsibility and actively seeks cooperation with parties with similar aims. Dialogue with parties holding different views also makes the work more effective. Behind the successes are annual discussions with the organisations, effective use of the network of diplomatic missions, high-level meetings and maintaining contacts with the administration of the multilateral actors between meetings. Unofficial meetings and establishing contacts with the heads and other top executives of the organisations have also played an important role.

As the influencing plans have been prepared for the whole government term, achievement or non-achievement of the objectives in 2017 cannot at this stage be considered a sign of success or failure.

Achieving improvements in the effectiveness and efficiency of multilateral actors is a long-term effort. In the future, Finland must ensure that the targets set and their timing are realistic. Effectiveness and efficiency of the organisations must be examined on a more uniform and systematic basis at all levels of the multilateral system.

Country-level cooperation is one area where improvements can be achieved. Finland can use the experience gained in country-level cooperation with multilateral actors when aiming to play a more influential role in influencing these organisations as a whole. This would require improved information systems and better coordination within the ministry. The matter was also highlighted in a recent external evaluation<sup>3</sup> in which it was noted that global-level influencing targets are not translated into country-level cooperation.

Even though Finland is able to influence the work of multilateral actors, many of the issues are beyond our control. For example, the rise in conservatism in many countries is hampering the efforts to promote sexual and reproductive health and rights. The fact that Finland has substantially reduced its funding to

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## CSOs reach people that are otherwise difficult to access.

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many organisations or stopped it altogether also limits our ability to influence developments. Influencing efforts are also hampered by personnel shortages, staff turnover and competing priorities.

### **Civil society organisations receiving programme support**

The Ministry for Foreign Affairs has a broad range of funding modalities to support civil society work. In 2017, support for civil society work accounted for 12 per cent of Finland's development cooperation funding.

Programme support covering a broad range of different projects is granted to 22 Finnish civil society organisations. Programme support is granted to Crisis Management Initiative, Fairtrade Finland, Felm, Fida International, Finn Church Aid, Finnish Red Cross, Finnish Refugee Council, Free Church Federation in Finland, International Solidarity Foundation, Operation Day's Work Finland, Plan International Finland, Demo Finland, Save the Children Finland, Trade Union Solidarity Centre of Finland, World Vision Finland, WWF Finland, and to the following special foundations: Abilis Foundation, Finnish NGO Foundation for Human Rights KIOS, and the Siemenpuu Foundation. Kehys and Kepa, which recently merged into FINGO, and Disability Partnership Finland also receive programme support.

In 2016 and 2017, the Ministry for Foreign Affairs commissioned a three-part evaluation of the development cooperation programmes of all civil society organisations receiving multiannual programme support.<sup>4</sup> The evaluation covered covered programmes as well as the performance monitoring and results based management systems of 22 organisations. For six organisations, the humanitarian assistance funded by Finland and its coordination with long-term development cooperation were also reviewed.

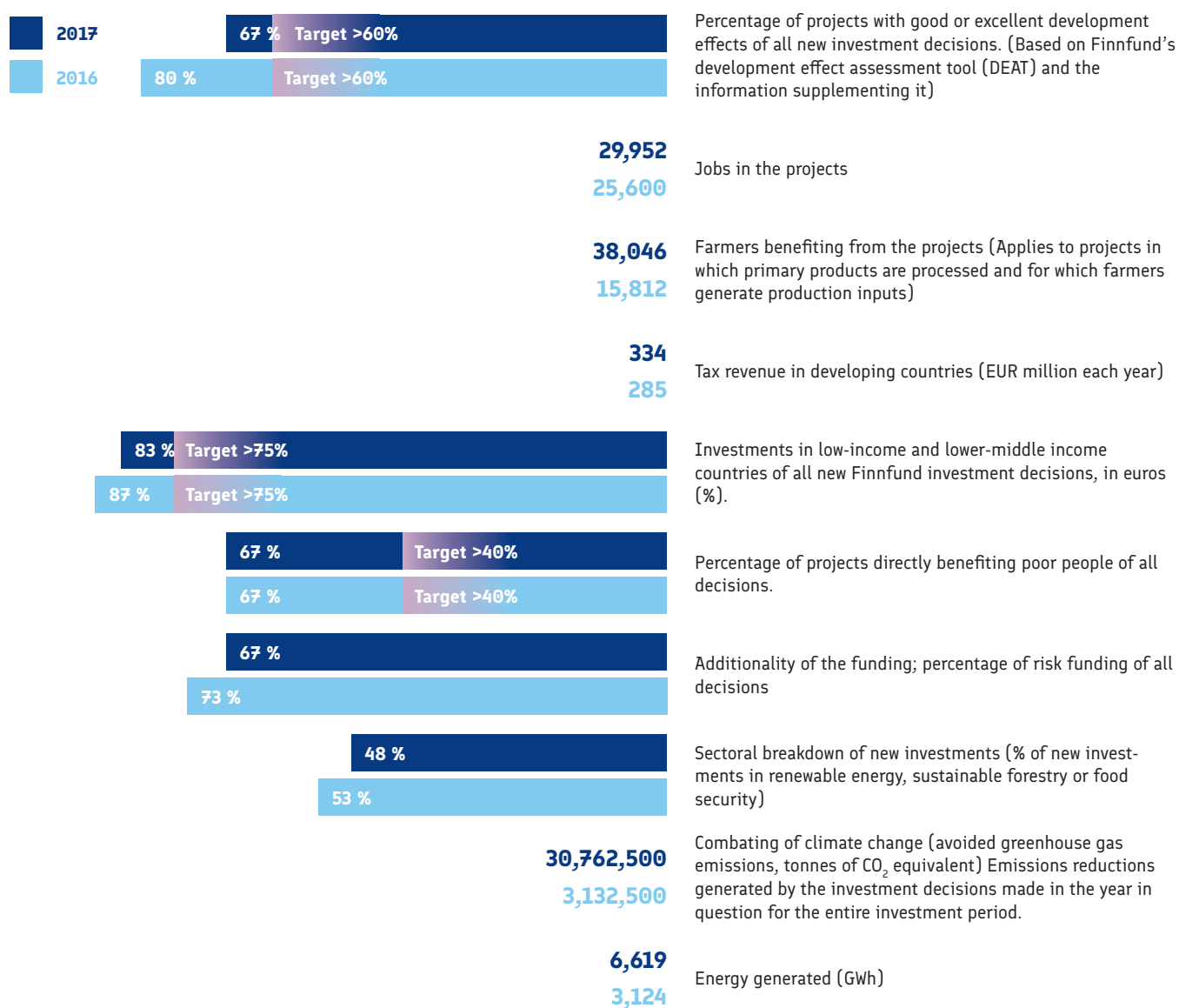
According to the evaluation results, the programmes run by civil society organisations generate outputs in an efficient manner, especially in the provision of services and the focus in them is on grassroots level. Civil society organisations often operate in fragile regions and in challenging environments. They reach target groups that would be difficult to access through other aid channels. Civil society organisations receiving programme support promote human rights in a broad range of themes and by different approaches. For example, the projects advocating the participation of women help to improve gender equality. In the future, better results should be achieved in the support for enhancing the capacity and effectiveness of the civil society in partner countries.

Strong ownership at local level is typical of the projects. The results are more sustainable when capacity has been enhanced as a collaborative effort and the partnership has been based on equality. Sustainability is often achieved when government-level actors are prepared to embrace and support the initiatives of civil society organisations. This is particularly the case when governmental and civil society actors interests are similar, for example in disability issues. In the future, the organisations should pay more and sufficiently early attention to planning how to exit the cooperation.

Civil society organisations have often intentionally selected to support vulnerable partners. The organisations want to work with for example emerging disability or environmental groups or fragile political movements that are unable to receive support from other sources. According to



## DEVELOPMENT RESULTS ACHIEVED BY THE DEVELOPMENT FINANCE COMPANY FINNFUND IN 2016 AND 2017



SOURCE: FINNFUND

the evaluations, achieving sustainable results is likely to be more difficult in these cases, even though there are strong grounds for the support.

Civil society organisations have also achieved the expected outcomes and impacts with their work. These include legislative improvements and a better dialogue between political actors at national level, higher income and employment levels, and improvements in the status of vulnerable beneficiaries.

Results-based management systems have been introduced in all organisations receiving programme support. Organisations

have targeted their work on a more strategic basis: they have built long-term partnerships in a smaller number of countries. At the same time, they have also strengthened coordination and introduced better tools for measuring results. They are facing the same challenge as the Finnish development cooperation in general: there is not enough systematic information on the outcomes and impacts of the cooperation.

### Private sector

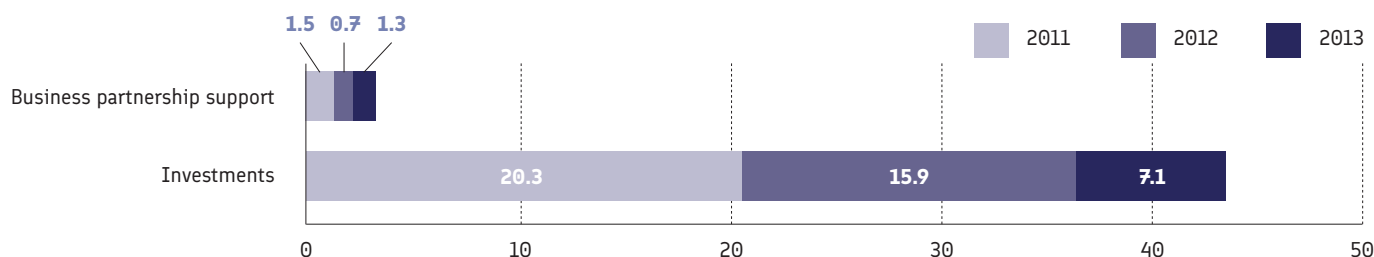
The Ministry for Foreign Affairs has a broad range of funding modalities to sup-

port companies' business initiatives in developing countries so that development goals can be advanced. The idea is to mobilise private funding and investments, and promote business in developing countries through catalytic use of official development assistance. The time span between the funding decision and the launch of the business activities is usually between two and five years. Proper results can only be expected when the activities have got into full swing.

The statutory objective of the development finance company Finnfund is to promote economic and social development in

## BUSINESS PARTNERSHIP SUPPORT GENERATES INVESTMENTS IN DEVELOPING COUNTRIES

Business partnership support granted by Finnpartnership and the investments resulting from it in the period 2011-2013, EUR million



SOURCE: FINNPARTNERSHIP

developing countries. The Ministry for foreign Affairs as the main shareholder is responsible for steering Finnfund. Since 2012, Finnfund has been instructed to channel at least 75 per cent of its investments to lower-middle income or poorer countries, and it has managed to meet this target.

Until 2015, Finnfund collected information on the number of jobs generated by its projects: in 2015, the figure was about 2,200 jobs. Finnfund also collected the details of the net tax revenue generated by the projects. In 2015, the total was about EUR 11.7 million. In 2016, the development indicators were revised and new indicators were introduced. Finnfund now uses ten indicators when reporting to the Ministry for Foreign Affairs on the development impacts of its work each year.

A typical feature of the projects financed by Finnfund is that other providers of funding are also involved. The project as a whole matters when the funding decision is made. Finnfund is able to bear a higher risk than other participants and this often enables other parties to contribute to the projects. For this reason, reported development impacts concern the overall effects of the investments and the breakdown between Finnfund and other providers of funding is not specified. In addition to financing, Finnfund also provides company partners with support in how social and environmental issues should be taken into account in developing countries.

Compared with other European development finance institutions, Finnfund has extensive special expertise in forestry and renewable energy. It invests more

in these sectors than other development finance institutions. Finnfund has also made an unusually large amount of investments in poor countries where the added value generated by development finance institutions is often higher.

In developing countries – in addition to the potential development impacts – risks are also higher, be it political, business or human rights risks. As part of the shifting of its focus to poorer countries, Finnfund has developed its administrative processes and employed additional staff to manage these risks. Strengthening of the balance sheet in recent years has made the company better placed to bear the additional costs arising from this. This reform will also be an essential part of the efforts to strengthen the development impacts of Finnfund's investments in the future.

Finnpartnership, which encourages business partnerships between Finnish companies and companies in developing countries, publishes an annual development impact report on its business partnership support projects concluded one or two years earlier. For example, the final development impact report on the projects granted funding in 2013 was published in 2017.<sup>5</sup> The total value of the investments is about seven million euros, which is almost six times more than the support granted. This can be considered a success.

Slightly over one third of all projects granted support in 2013 (20 projects, 36%) were deemed as successful in 2017. Six of the successful projects (30%) targeted upper-middle income countries and nine (45%) lower-middle income coun-

**Finnfund helps  
its partners to  
take into account  
social and  
environmental  
issues.**

tries, while five (25%) were carried out in the least developed countries.

The business partnership support projects also generate indirect development impacts. A total of 37 per cent of all projects granted support in 2013 advanced gender equality, 25 per cent generated infrastructure improvements, 58 per cent helped to train people in developing countries, and 35 per cent resulted in technology transfers to developing countries. Since July 2016, projects of civil society organisations supporting business partnership projects (such as those aimed at enhancing accountability in value chains) have been eligible for support. Cooperation with civil society organisations can often enhance the wider social impacts of the business activities.



# Incorporating Finland's values and principles into its development policy

The aim of Finland's development policy is based on safeguarding human rights. A number of Finland's objectives are to be promoted across all activities.

The human rights based approach and cross-cutting objectives have been in place for several government terms, with some changes. The aim is to consider human rights in all activities, both as an instrument and an objective. Gender equality, reduction of inequality and discrimination, as well as strengthening of climate sustainability are also to be promoted in all activities. These run parallel to the primary objectives.

Since 2015, the Ministry for Foreign Affairs has produced statistical information on how the human rights based approach and cross-cutting targets are reflected in the result objectives of new funding decisions. Analysing the connection between them and actual results is to be continued.

## Human rights based approach as the basis of the work

Between 2015 and 2017, Finland's development cooperation was implemented in accordance with the human rights based approach. About 93 per cent of all new funding decisions are based on this approach. The administrative, planning or evaluation costs or costs arising from purchases and other costs related to general improvements of methodologies and processes have not been specified in this way, as these items are only indirectly connected with human rights. Funding through the Local Cooperation Fund or through the Finnpartnership programme is also not included in these figures. The application of the human rights based approach and statistics in these areas are continuously developed.

In development cooperation, human rights can be considered and promoted in different ways and on different levels. Finland has set out three levels for its human rights based approach: human rights sensitive, human rights progressive and human rights transformative. The long-term objective, laid out in 2015, is that all cooperation supported by Finland should at least be human rights sensitive and should gradually become more human rights transformative.<sup>6</sup>

Achieving this objective requires active measures, such as training and additional guidelines. A total of 66 per cent of all new decisions made between 2015 and 2017 were at minimum level: the activities are guided by human rights principles and it is ensured that no negative human rights impacts are generated in the projects. One in five of all new projects actively promote the realisation of human rights. Only a small proportion (7%) of all development cooperation funding appropriated during the current government term have been allocated to activities that fundamentally tackle human rights challenges. Attention should be paid particularly to the differences between various cooperation modalities and partnerships. Applying the human rights based approach has posed challenges in recently introduced support schemes intended for the private sector.

The aim of Finland is not to support any cooperation in which the human rights situation is not assessed. Failing to do the assessment may, in the worst case, lead to a situation where the project has negative

implications on human rights. Making human rights analyses part of the planning in all areas remains a challenge. Potential human rights risks noted in analyses must be considered in the planning and implementation of the cooperation.

## Rights of persons with disabilities considered better than assumed, challenges in cross-cutting implementation

One to three per cent of all new funding decisions made between 2015 and 2017 were projects focusing on the rights and status of the persons with disabilities. Finland also has a large number of projects promoting the equal participation of the persons with disabilities and the safeguarding of their fundamental rights even if the projects did not contain any budget specifically allocated to this purpose. For example, for decades, the aim in the education sector programmes supported by Finland has been to ensure that children with disabilities have the same right to education as other children.

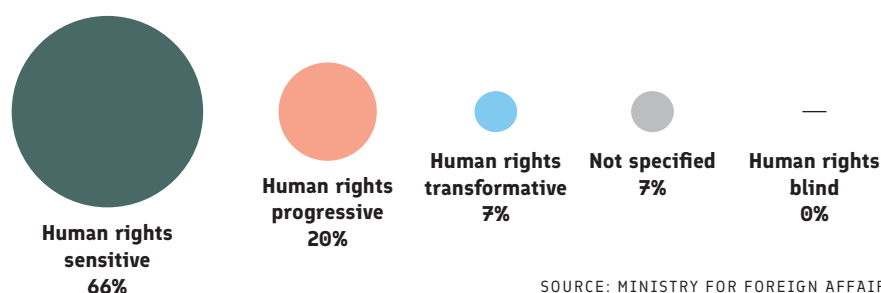
Moreover, not all impactfulness is a matter of financial contributions. To improve the status of the persons with disabilities in the long term is promoted via a range of policy influencing and dialogue work. For example, in Ethiopia, Finland has helped to ensure that funding earmarked for children with disabilities is included in a joint funding programme for the education sector. This work is not visible in budget statistics.

More than 70 per cent of all Finnish funding for persons with disabilities is



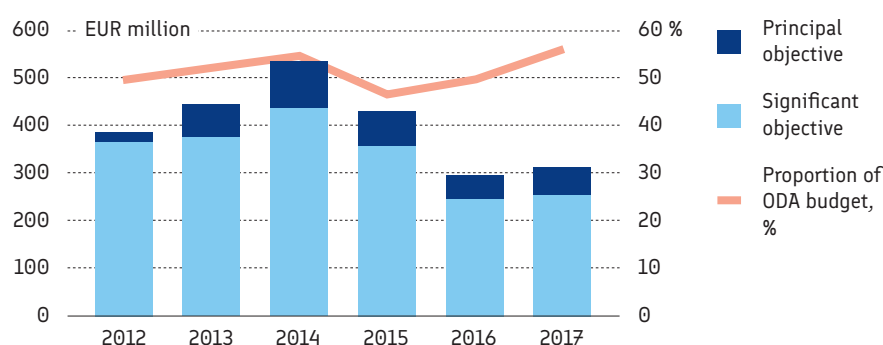
## FINLAND TAKES HUMAN RIGHTS INTO ACCOUNT

Definitions of human rights levels in funding decisions in the period 2015-2017<sup>7</sup>

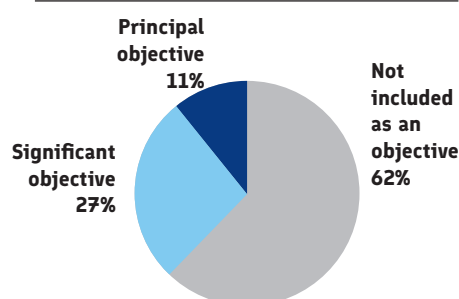


## GENDER EQUALITY: BECOMING MORE IMPORTANT EVEN THOUGH FUNDING HAS BEEN CUT

Payments to projects in which promoting gender equality is the principal objective or a significant objective and their proportion of the exclusive ODA budget item in the period 2012-2017<sup>8</sup>



## FUNDING DECISIONS PROMOTING CLIMATE CHANGE MITIGATION/ADAPTATION IN THE PERIOD 2015-2017<sup>9</sup>



channelled to their own organisations, such as the Abilis Foundation and the Disability Partnership Finland. Through these organisations, Finnish funding helps to reach people in the most vulner-

able position and grassroots organisations representing persons with disabilities, which would otherwise have little chance of getting external funding. For example, in 2015 about one third of all beneficiaries of the projects run by the Abilis Foundation were women and girls with disabilities, and in 2016 and 2017, their proportion had already reached 50 per cent. Between 2015 and 2017, the Disability Partnership Finland supported 21 organisations of persons with disabilities operating in developing countries.

In the future, particular consideration in the planning of new funding decisions and monitoring of results must be given to the fact that disabilities are a common ground for discrimination in all parts of the world. It is particularly important to consider multiple and intersecting forms of discrimination, which requires the systematic collection of results data disag-

gregated by age, gender and disability, and the gathering of statistical data.

### Incorporating gender equality into all work

Promoting gender equality was an objective in more than half of all funding decisions between 2015 and 2017. Cuts in development cooperation funding in 2015 led to substantial reductions in euro amounts but in percentage terms, the promotion of gender equality as a principal or significant objective become more common. In order to be able to monitor and assess this progress, target levels laid out in advance are needed.

In the countries for which Finland has prepared country strategies, promoting gender equality is an especially visible objective. In other cooperation modalities, the situation varies and statistical information is not available on all cooperation schemes. For example, there are no statistics on the impacts of humanitarian assistance on gender equality.

Finland should continue to develop methods ensuring that all activities carried out by Finland are also harnessed to promote gender equality as well as the rights of all women and girls. To support the work, we need systematic gender analyses and should compile more comprehensive and uniform statistics so that the results can be more easily monitored.

### Plenty of room for improvement in climate sustainability

In all its development policy, Finland's aim is to mitigate climate change and support adaptation and preparedness for the inevitable process. However, this does not yet take place. Climate change mitigation or adaptation has been the principal objective in 11 per cent and a significant objective in 27 per cent of all funding decisions made during the government term.

Cooperation with multilateral partners and financial investments include more often objectives with regard to climate change mitigation or adaptation.

Finland is in the process of updating guidelines, training and communications so that more consideration can be given to climate sustainability in all areas of Finland's development cooperation.



# Risk management is integral to development cooperation

Development cooperation involves risks.  
Anticipating and managing them is essential to  
the implementation of development cooperation.

Development cooperation helps to improve the living conditions in poor countries where administrative structures are often weak. This generates risks that may make results more difficult to achieve. Both the need for assistance and the risks are pronounced in fragile states and conflict zones, where an increasing proportion of Finland's development assistance and humanitarian aid has been channelled in recent years. However, in terms of humanitarian, political and economic considerations, doing nothing would be an even higher risk. The impacts of negative development are felt over wide areas and, indirectly, they also affect Finland.

One of the risks of development cooperation is that the expected results are not achieved. The risks may be connected with the operating environment and sudden changes in it. The results may be negatively affected by political instability and deteriorating security situation in partner countries as well as natural disasters. Examples of these include the conflict in the Middle East, drought in East Africa and the earthquake in Nepal. Changes in the global operating environ-

ment have also brought about new risks. These include the threats connected with data protection and information security, as well as strong fluctuations in international development funding.

Implementation of development programmes also involves risks. For example, shortcomings in programme planning, human expertise and systems may delay the results or make the results less impressive. Excessively ambitious targets, bureaucracy in the partner country or personnel turnover may affect the manner in which programme targets are met. Corruption and misuse of funds may also prevent results from being achieved.

## **Ministry for Foreign Affairs is developing its risk management**

The Ministry for Foreign Affairs has improved its internal audit and risk management procedures in recent years. They are now at a fairly good level. The estimate is based on the audits carried by the National Audit Office of Finland and the internal audit unit of the Ministry for Foreign Affairs, and international country reviews. For example, in its peer review carried out

in 2017, the OECD Working Group on Bribery in International Business Transactions concluded that the anti-bribery activities in Finland's development cooperation are broad-based and comprehensive. According to the peer review on Finland carried out by the OECD Development Assistance Committee in 2017, the areas where improvements are needed most are asset management, safety and security as well as political risks.

Risk management is continuously developed. The Ministry for Foreign Affairs will prepare a risk management policy, in which the ministry's procedures, roles and responsibilities will be defined more clearly. At the same time, it will also be ensured that the personnel have enough time and competence to identify and anticipate risks and mitigate their impacts. Uniform principles adopted by all central government actors guide the risk management, in which shared administrative services also play an important role. Closer cooperation between the authorities also produces benefits in risk management.





## Risks are taken into account in country strategies

Finland's work with bilateral cooperation in developing countries is guided by country strategies. Country-specific risk assessments are considered in programme planning and implementation of the strategies, and the situation with the risks are reported annually.

In the reports on 2017, weak administrative structures, corruption and security problems in the partner countries, as well as the threat of terrorism in some of them were highlighted as the most common risks arising from the operating environment. The threat of terrorism was seen critical in some countries. Weakening of the human rights situation was also seen as a risk. Cuts in Finland's development funding were deemed to negatively affect the impact of the Finnish work.

For example, the military operation launched in Northern Rakhine in August 2017 and the ensuing humanitarian crisis have forced Finland to adjust its cooperation with Myanmar. The situation has also had an impact on the relations between donors and the Myanmar Government. The UNFPA project supported by Finland was, however, able to continue in the Rakhine State with a low profile by relying on its grassroots partners and to help the women affected by the violence.

## New ways of safeguarding international organisations' activities

Incidents in which aid workers had misused their position in the aftermath of the earthquake in Haiti hit international headlines in autumn 2017. These cases of sexual harassment and exploitation prompted international civil society organisations and the UN to review their own practices. Finland took part in the process as one of the donors.

The United Nations has tightened its guidelines concerning the eradication of sexual harassment and exploitation. It has also introduced more effective measures to implement them and created new means to report the cases. Training on these matters is now obligatory for all employees.

Organisations engaged in humanitarian cooperation that are supported by Finland must have the partner status granted by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO). ECHO audits the organisations' financial reporting, accounting and audit practices and ensures that the organisations' internal control and their mechanisms for dealing with corruption and misuse are properly managed.

## Work in South Sudan was stopped by a conflict

A conflict or a war may even lead to total cancellation of plans. This is what happened in South Sudan where the Ministry for Foreign Affairs has provided funding for a water and sanitation programme in cooperation with the German KfW Development Bank since 2012. A total of EUR 18 million of Finland's contribution had already been transferred to the KfW Development Bank. Then the armed conflicts spread to the towns included in the programme and the work had to be stopped. The competitive tendering for new construction projects was about to start in 2016 when the project personnel had to be evacuated.

The region has remained unstable ever since. Even though the security situation has occasionally been better it has been impossible to start any of the construction contracts. EUR 11.2 million of the Finnish contribution has remained unused and the money will be returned to Finland.

## Suspected cases of misuse are investigated

A total of 63 cases involving suspected misuse of funds were reported to the ministry between 2015 and 2017. In cases involving a suspected offence, such as fraud or embezzlement, the investigation is carried out by the National Bureau of Investigation in cooperation with the investigation authorities of other countries. Recovery decisions concerning slightly more than one million euros were made in 2017. The decisions concern both misused and unused funds.

In 2018, the National Bureau of Investigation has been investigating a suspected case of online fraud involving a legal sector project jointly run by Finland and the United Nations Development Programme (UNDP) in the Kyrgyz Republic. The investigation concerns a payment of EUR 400,000 made by Finland to the programme in February 2018, a part of which has ended up on wrong accounts. It not a question of misuse of programme funds as the suspect is a professional cybercriminal unconnected with the programme. The investigation is still in progress but some of the funds have been returned to Finland.



# Development cooperation has become more efficient

According to the evaluation reports over the last five years, Finland's development cooperation is now more efficient than before. In the evaluations, Finland has received thanks for the work involving persons with disabilities and criticism for not giving enough consideration to climate sustainability in its development cooperation.

Implementation of Finland's development cooperation is regularly assessed by a large number of different parties. The Ministry for Foreign Affairs and partners commission external evaluations. The Government-appointed Development Policy Committee and the international peer review system prepare their own assessments. The audit function of the Ministry for Foreign Affairs and the National Audit Office of Finland review development cooperation activities on a regular basis.

The Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC) conducted a peer review of Finland's development cooperation in 2017. Finland received good marks in the review. It received special thanks for the quick and flexible funding of humanitarian assistance, and for exemplary work to improve the status of the persons with disabilities, both internationally and in partner countries. Finland also received positive feedback on the concentration of its development cooperation resources: the work is genuinely focused on Finland's partner countries and on its development policy priorities.

According to the review, the level of development funding and the 'silo mentality' (absence of joint operating structures) affecting a number of cooperation modalities, pose challenges. Finland was urged to prepare a long-term plan on how

to achieve the internationally agreed level of development funding (0.7 per cent of the gross national income). The review also urged Finland to prepare more comprehensive country strategies for its partner countries describing all aspects of cooperation with them. A more comprehensive plan would also be needed in multilateral cooperation, and in cooperation with and by companies and in joint projects involving businesses.

DAC encourages Finland to use results data more extensively for different purposes: for strategic planning, learning and communications. According to DAC, Finland should give more consideration to climate sustainability in all its development cooperation.

## Relevance was positively noted

The 2017 annual report for development evaluation compiled by the Ministry for Foreign Affairs brings together the comprehensive external evaluations commissioned by the ministry between 2015 and 2017. The conclusion is that Finland's development cooperation has been relevant and most of the planned output targets are achieved.

According to the evaluations, challenges remain in the verification of the results and impacts, as well as in inadequacies in the monitoring systems. This has made it more difficult to learn from the results and to have effective results-based man-

agement procedures. Weaknesses in planning and in the cooperation between modalities as well as inadequate personnel have made it more difficult to achieve sustainable results. It is recommended in the evaluations that more should be done to develop results-based management and learning from results.

According to the annual report on development evaluation, Finland's development cooperation is seen as flexible. The view is that the grassroots-level activities of civil society organisations complement the policy work of the ministry. According to the evaluations, the best results have been achieved in countries where development cooperation has long traditions and where Finland's diplomatic missions and organisations have been able to rely on adequate financial and human resources.

In many of the evaluations, it is recommended that Finland should have more cooperation with different financing and cooperation modalities. This would allow for mutual support and strengthening. Involvement of companies should be strengthened in countries for which traditional development cooperation is no longer the main source of financing.

According to the evaluations, the system for assessing development policy and development cooperation used by the Ministry for Foreign Affairs should be further developed. The Sustainable Develop-





ment Goals agreed in the United Nations and the 2030 Agenda require broader-based evaluations. The evaluation system derived from project assessments is no longer adequate as there is a need for extensive evaluations combining several policy sectors and making use of research.

### Better coherence is needed

The focus in the 2017 annual report of the Development Policy Committee was on how Finland has worked to strengthen the economies, private sectors and tax collection capacity of developing countries. According to the document, Finland should work more coherently to strengthen the economies and private sectors of all its partner countries through development cooperation, and development policy and business cooperation based on the 2030 Agenda.

The committee criticises the ministry for focusing too much on the role of Finnish companies. According to the committee, an external evaluation of the results and impacts of Finnfund's work should be commissioned.

The committee recommends that Finland should prepare an action plan and guidelines extending over more than one government term that would steer Finland's activities in support of developing countries' economies and business cooperation. According to the committee, the cooperation should aim for complementarity between the various actors, funding schemes and means of implementation on a long-term basis.

### More ambitious targets for the promotion of gender equality

In its 2018 report, the Development Policy Committee assesses how Finland has promoted the equality of women and girls in developing countries. The committee concludes that Finland should update its development cooperation and development policy so that it would better enhance gender equality and strengthen the status and rights of women and girls. The Development Policy Committee urged Finland to be more ambitious and also become the international model for gender equality issues in development policy.

According to the committee, the gender equality work carried out as part of Finland's development policy is well-focused both geographically and thematically. Finland must continue its policy influence in the EU and in other international fora, especially in issues concerning sexual and reproductive health and rights. The committee notes that while women and girls were made a priority area in Finland's development policy in 2016, the funding for the area has been reduced by about 40 per cent, a result of cuts in development cooperation appropriations.

In the view of the Development Policy Committee, Finland should commit itself to the EU Gender Action Plan. Under the plan, gender equality should be the principal or significant objective in 85 per

cent of all new programmes by the year 2020.

The Development Policy Committee concludes that gender equality is a precondition for sustainable development. Finland can best contribute to gender equality by having a more consistent development policy that does not change every government term.

The committee urges Finland to start the reforms this government term and include them in the development policy report of the next government term. The committee also urges the Government to present a plan and a timetable for raising Finland's official development assistance to 0.7 per cent of GNI and for allocating at least 0.2 per cent of its GNI to the least developed countries.

## Operating practices in development policy and development cooperation will be reformed

The Ministry for Foreign Affairs launched the work to update the operating practices of Finland's development policy and development cooperation in January 2017.

The project has three aims:

### 1 Management

Clarifying priorities and better use of monitoring and results data in thematic management.

### 2 Tools

Simplification of development cooperation channels, instruments and implementation processes.  
Improvements in electronic systems.

### 3 Human resources

Better allocation and focusing of human resources.  
Strengthening of development cooperation competence.

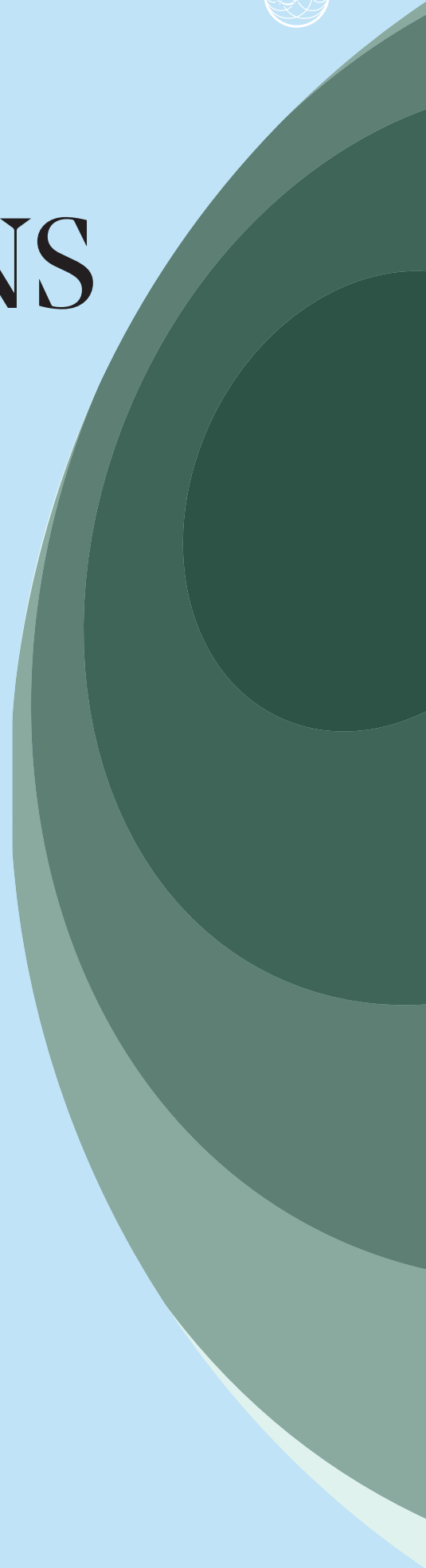
Reforming the development cooperation practices is an extensive exercise. Up to the publication of this report, theories of change to support thematic management (Appendix 4) have been adopted and measures to enhance strategic management have been taken.

Roles and responsibilities have been defined more clearly.

Decision-making has been tied more closely to available results information.



# 4 CONCLUSIONS







# Finland's development policy is responding to current challenges

Results of Finland's development cooperation rest on a long-term approach, responsiveness and commitment to values

**T**he first results report on Finland's development policy shows that Finland is achieving positive results that contribute to global stability and wellbeing. Finland has expertise, experience and resources. With its development policy and development cooperation, Finland has been able to promote international objectives that it considers important.

Cooperation with partners has produced concrete improvements in developing countries' quality of life, societies, economies and the state of the environment. Furthermore, the commitments achieved in international organisations and negotiations have helped to promote important development goals. Finland

has contributed to this process as an EU Member State and as a member of the international community.

Results have been achieved in all priority areas of Finland's development policy: promotion of the rights and status of women and girls, strengthening of developing countries' economies, creation of jobs and enhancing of well-being, development of well-functioning societies, ensuring food security, water supply, energy access and sustainable management of natural resources, as well as meeting of the challenges arising from climate change.

According to the evaluations conducted in recent years, Finland's development policy is relevant from the perspective of

developing countries, final beneficiaries, and the 2030 Agenda 2030 for Sustainable Development. Finland is achieving its objectives quite well. The reasons for successes and problems can be analysed more thoroughly than before and the information in this regard helps to make the work more effective and efficient. The results are based on strong partnerships, dialogue and learning. Cuts in resources have made it more difficult to achieve results.

Internationally, Finland is at the forefront of many development policy areas. In particular, Finland has made its mark in areas where it is promoting equality, inclusion and non-discrimination, as laid out in its own core values. Finland has



been successful in the efforts to enhance the status of women and girls and the quality of education and in ensuring inclusiveness of education. Taking into account the needs of persons with disabilities in disasters is another area where Finland has been impactful.

With its development policy, Finland has also promoted objectives that are opposed or disregarded by other actors. Civil society space, openness and transparency of societies, gender equality, sexual and reproductive health and rights, and sustainable peace are important development goals in their own right but also enablers for other objectives. There are situations where halting a negative trend can already be considered a successful result.

Development cooperation involves risks because work is often done in difficult environments. Risks are prepared for and solutions sought, knowing that the conditions may suddenly change. The work has also been developed on the basis of recommendations put forward by external evaluations. Results reporting has been reformed in recent years and information is now used more systematically in decision-making processes.

**The results already achieved are threatened by conflicts, climate change, inequality and the learning crisis**

The efforts by the international community to achieve the United Nations Millenni-

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## Internationally, Finland is at the forefront of many development policy areas.

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um Development Goals and today the 2030 Agenda for Sustainable Development Goals have produced substantial changes at global scale. Despite major challenges, the world is now in many respects a better place to live in than ever before. For the first time ever, eradicating extreme poverty is possible. Collective inability of the international community to respond to key challenges is, however,

threatening the achievement of these goals.

Too often, both the parties concerned and the international community have failed to find solutions to conflicts and the problems faced by fragile states. There are now more violent conflicts in the world than at any other time during the past 30 years. Conflicts have become more complex and persistent. More civilians are being killed in them than at any other point during the past few decades. The number of people that have been forced to leave their homes is higher than at any other time after the Second World War.

Finland, the EU and other actors must find better ways of preventing and solving conflicts and crises, building societies and enhancing people's capacity for resilience and disaster preparedness. New approaches are needed in order to achieve better results through cooperation across sectors and between different actors. Means of diplomacy, foreign and security policy, crisis management, peace mediation, humanitarian aid and development cooperation should more effectively work towards achieving joint objectives. Finland's ability and capacity to promote peace has been strengthened, and results have also been achieved. However, Finland has much more to give as an actor working to strengthen peace and thus, it should further improve its capabilities.

Climate change is threatening to undo many of development results that have

## Key observations

► Finland's development cooperation is achieving results that contribute towards meeting its foreign policy objectives and international commitments. By engaging in development cooperation, Finland can contribute to solving of the major problems facing humankind.

► The results are produced through a combination of funding and expertise. Cuts in official development assistance made in 2016 have reduced the amount of results achieved. Finland should focus on a limited number of themes and interventions.

► A long-term approach is essential as societal changes take time. At the same time, development cooperation must be able to renew itself because the operating environment constantly changes and new information becomes available.



already been achieved. It is already making life difficult especially for the poorest and those in most vulnerable situations. Adoption of the Paris Agreement does not yet guarantee that global warming can be mitigated to a sustainable level. The measures supporting climate change adaptation are not adequate either.

In this respect, too, Finland should, in addition to expecting other countries to introduce changes, also act more forcefully itself: more development financing should be channelled to climate measures and all partners should be required to contribute to climate change mitigation and adaptation. At the same time, Finland should also ensure that it is doing enough through its own climate and energy policy. The need for more effective climate measures and action is real and urgent.

Reducing inequality and strengthening the status of women will also be key challenges in the coming years from the perspective of sustainable development. Both issues have a direct impact on the achievement of the other development goals. Finland has pioneered and advocated for solutions in these areas and in fact, it could play a more visible role in the future. There is a need to address eradication of inequality and enhancement of the status of women systematically in all interventions. Finland could further raise its profile by consistently highlighting these themes in all its international development policy and foreign policy statements.

The global learning crisis is also a major challenge from the perspective of development results. In developing countries, too, nearly all children now go to school, which is a significant achievement. However, in many countries the learning results are poor. Finding a solution to this challenge also impacts the chances of achieving the other development goals. Finland can make a substantial contribution in solving the learning crisis. It should be ensured that the Finnish expertise and resources in the field of education can be used extensively towards this aim.

# Six conclusions

## 1

### **Finland should focus its resources towards the most important objectives**

Finland can achieve the best results when funding is combined with adequate human resources. In the coming years, Finland should prioritise its objectives and focus its resources. This helps to ensure that expertise, dialogue and influencing work can support the achievement of the results targets that Finland has set.

Finland's commitment to sustainable development should manifest itself in a steady growth in development funding. Finland needs a clear plan to raise the share of its development assistance to 0.7 per cent of the GNI and work towards multiplying private funding for climate and development measures.

## 2

### **Results require long-term commitment and responsiveness**

Achieving results through cooperation with development partners and partner countries requires a long-term approach. Over the next few years and the coming government terms, Finland should build on the current development objectives and avoid substantial revisions in the policy and priorities. However, the work must be continuously adjusted in response to changing circumstances and to findings based on results monitoring.

When feasible, programmes should be scaled-up where good results have been achieved. Development cooperation funding decisions should also in the future be based, not exclusively on results, but on careful consideration of multiple factors. Finland's support is often targeted towards solving difficult challenges in high-risk operating environments where providing support is justified even though there is uncertainty whether the objectives set will be achieved.

# 3

## **Adhering to values makes the policy more impactful**

Finland is a strong pioneer in promoting inclusive education, and sexual and reproductive health and rights. It also has a strong record on tackling multiple and intersectional discrimination. In the coming years, it would be important that Finland continues its work in these areas as a pioneer seeking strategic partnerships and approaches. Continued support in these areas is essential. In bilateral cooperation, Finland must act skilfully, respecting the ownership of the partner countries.

Finland should also ensure that increased attention is paid to human rights, persons with disabilities, climate sustainability and gender equality in the programmes that it funds. Supporting the least developed countries should be a key consideration.

# 4

## **Fragile states and countries affected by conflicts must be supported to get on their feet**

The risks of conflicts, natural disasters and climate change as well as the potential impact they have on results should be taken better into consideration in Finland's international cooperation. Like for many other countries, an increased share of Finland's development cooperation takes place in fragile states and situations where grant-based development cooperation is an important instrument. Many of these countries suffer from the combined impact of conflicts, prolonged poverty and climate change. They are also more poorly prepared for disasters than other states. Better approaches should be developed to support these countries in a comprehensive manner.

# 5

## **Reforms in development cooperation practices and development finance need to continue**

Achieving development results requires a broad range of different funding channels and policies. Finland should continue innovative development financing schemes (such as financial investments) that supplement grant-based financing and are expected to lead to multiply the amount of results.

Real change in the partner countries should remain as the objective of Finland's development cooperation, with sustained results even after Finland is no longer concretely engaged in the work. Substantial improvements have been achieved in this regard. At the same time, however, further effort should be made to develop the planning as well as the result and impact monitoring processes. Thematic leadership and results-based management, as well as ability to adapt to changing circumstances must be strengthened, while at the same time, clear objectives must be set for the influencing work.

# 6

## **A more comprehensive approach can lead to better development results**

Sustainable development goals are promoted through all of Finland's policies. Increased attention should be paid to development policy objectives in foreign and security policy, and in climate, energy and trade policies, and when updating corporate responsibility and international tax rules. The ability of development policy to achieve results and support changes in the long term should be seen in the context of achieving and monitoring sustainable development goals that are promoted by a wide range of also other policy sectors and actors.

Synergies between different modalities of development cooperation should be strengthened so that better results can be achieved in the future. More comprehensive reviews, more clearly set joint priorities, more uniform ways of setting and monitoring objectives and more uniform practices provide a basis for cooperation. It is important to further develop cooperation between the Finnish civil society, the private sector, as well as parties responsible for investments, research and innovation as well as with the government actors.





## References Introduction

- 1 The bars depict payments made during each calendar year. The payments are divided by government term, according to the government that made the last funding decision concerning the payment.
- 2 Finland uses the definition for development cooperation funding set out by the OECD Development Assistance Committee.
- 3 United Nations/Department of Economic and Social Affairs – Development Strategy and Policy Analysis Unit, Development Policy and Analysis Division (2017): Global context for achieving the 2030 Agenda for Sustainable Development International financial flows and external debt. Development Issues No. 10, March 2017.
- 4 Finland is committed to the decision concerning official development assistance funding by the European Council in 2005. Under the decision, old Member States should reach the minimum target of 0.51 per cent by the year 2010 and the target of 0.7 per cent by the year 2015. Finland is still committed to achieving the target set out by the UN under which official development assistance should amount to 0.7 per cent of GNI.
- 5 Government Report on the implementation of the 2030 Agenda for Sustainable Development, 2017
- 6 Exclusive ODA budget item: (24.30.66.). Other official development cooperation comprises the other budget items of the Ministry for Foreign Affairs (including operating expenditure and financial investments) and development cooperation payments made by other administrative branches. These include payments made by the Ministry of Finance to the EU budget and some of the expenditure arising from the reception of refugees paid from the budgets of the Ministry of the Interior and the Ministry of Economic Affairs and Employment.
- 7 Only the loans with interest rates below market rates can be considered as development cooperation. The capital received by Finnfund is only entered as Finnish development cooperation expenditure when Finnfund uses the assets to make development cooperation investments. The payments are allocated to individual sectors in accordance with the main project sector. For example, a financial investment in the IFC fund is allocated to more than one sector but in the statistics, the whole investment appears in the energy sector.
- 8 The figures only include a selection of sectors. Moreover, they do not include payments that are not allocated to individual sectors (such as administrative expenditure, humanitarian assistance and core funding of multilateral organisations).
- 9 The entries are made at the time of new funding decisions, on the basis of the objectives. The alternatives are main or secondary support for the objectives set out for each priority area. The decisions made between 1 June 2015 and 31 December 2017 are contained in the sample.
- 10 Ministry for Foreign Affairs of Finland/Indufor (2015): Finland's Development Policy Programmes from a Results-Based Management Point of View 2003-2013.

## References Results

- 1 ECOSOC (2018): Progress towards the Sustainable Development Goals, Report of the Secretary-General (E/2018/64).
- 2 Promoting Health and Well-being Amongst Migrants Transiting Through Morocco, Egypt, Libya, Tunisia and Yemen (International Organization of Migration); Integrated RH/MCH program for Afghanistan – Phase VI (Marie Stopes International Afghanistan); Joint Health and Nutrition Programme (JHNP), Somalia; UNFPA Somalia Country Programme and Country Strategy Report (UM/ASA), Myanmar (2017).
- 3 Ministry for Foreign Affairs of Finland / Pariticip GmbH and Indufor Oy (2018): Evaluation – Evaluation on Improvement of Women's and Girls' Rights in Finland's Development Policy and Cooperation.
- 4 Development Policy Committee (2018): Finland's Development Policy in 2018: From myth to grounded paradigm –Finland as a defender of equality for women and girls in developing countries.  
Ministry for Foreign Affairs of Finland / Pariticip GmbH and Indufor Oy (2018): Evaluation – Evaluation on Improvement of Women's and Girls' Rights in Finland's Development Policy and Cooperation.
- 5 JOBS: Multilateral cooperation: Inter-American Development Bank (IDB), African Development Bank (AfDB) and the United Nations Development Programme (UNDP). AfDB and UNDP produce reports on the percentage of women.

Bilateral and regional cooperation: UN Joint Programme on Enhancing Competitiveness and Sustainable Business among MSMEs in Building Construction Industry, Main Phase, Zambia (2015-2017); Farmers' Clubs for Wealth Creation among Smallholder Farmers in Mozambique, Mozambique (2016); Programme for Agro-Business Induced Growth in The Amhara National Regional State (Agro-BIG), Ethiopia (2014-2017); European Bank for Reconstruction and Development (EBRD)/Southern & Eastern Mediterranean (SEMED) Fund; UN Women, UN Women's 'Eid-bi-Eid' to Promote Women's Economic Empowerment in Za'atari and Azraq Camps and Surroundings, Jordan (2015-2017); International Labour Organization (ILO), The Way Forward after the Revolution: Decent Work for Women in Egypt and Tunisia, Egypt and Tunisia (2012-2018); Syria Recovery Trust Fund (SRTF); United Nations Development Programme (UNDP), Building Resilience in Response to the Syrian Crisis, Syria, Lebanon, Jordan, Iraq, Turkey and Egypt (2016-2017); United Nations Development Programme (UNDP), Aid for Trade and Sustainable Development, Kosovo (2015-2016); United Nations Development Programme (UNDP), Diaspora Engagement in Economic Development (DEED), Kosovo (2012-2016); United Nations Development Programme (UNDP), Active Labour Markets Programme 2 (ALMP 2), Kosovo (2014-2016); United Nations Development Programme, UNDP Regional Project: Aid for Trade in Central Asia (Phase III), Kyrgyz Republic, Tajikistan and Uzbekistan (2015-2017); UN Joint Programme on Domestic Violence in Kosovo; Rural Village Water Resources Management Project in Nepal (RVWRMP), Nepal (2010-2016); World Bank, Infodev Multi-Donor Trust Fund 2015-2017; Vietnam-Finland Innovation Partnership Programme II (IPP 2), Vietnam (2015-2017); Multi-Stakeholder Forestry Programme (MSFP) (Nepal); UN Women, Strengthening Implementation of the Women, Peace and Security Agenda in Nepal (SIWSPAN), Nepal (2013-2016); Trademark East Africa; Energy and Environment Partnership in Southern and East Africa (EEP-S&EA), Botswana, Burundi, South Africa, Kenya, Lesotho, Mozambique, Namibia, Rwanda, Zambia, Seychelles, Swaziland, Tanzania and Uganda (2013-2017), and Energy and Environment Partnership (EEP) with the Andean countries (2015-2016). A total of 12 of the 21 programmes had submitted reports on the percentage of women.

Moreover, support for more than 300,000 annual jobs has been provided in the project financed by the Afghanistan Reconstruction Trust Fund as part of the implementation of community projects. A total of 1.2 per cent of the financing for the fund has come from Finland.

Civil society cooperation: Abilis Foundation, Fairtrade Finland, Finn Church Aid, Free Church Federation in Finland, International Solidarity Foundation, Plan International Finland, and Trade Union Solidarity Centre of Finland. Four of the organisations had submitted reports on the percentage of women.





Private sector financing instruments: Finnfund and Finnpartnership.

Includes the total number of jobs reported by the companies financed by Finnfund and Finnpartnership (including existing jobs). For Finnfund, the figures comprise the companies in its portfolio between 2015 and 2017, as well as the number jobs of the companies contained in the portfolio of the investment funds financed by it. For Finnpartnership, the figures refer to the jobs in projects that it supported between 2011 and 2013.

- 6 COMPANIES: Multilateral cooperation: Asian Development Bank (AsDB), International Trade Centre (ITC), Environmental Investment Fund (EIF programme), UNICEF Innovation Fund; UNIDO; Business Call to Action, and United Nations Global Compact. Support is directed to micro-enterprises and small and medium-sized enterprises. Four organisations report on this.

The following three organisations also submitted reports on more than 600,000 companies that have gained access to financing services and are not included in the total: EU, Inter-American Development Bank (IDB) and African Development Bank (AfDB).

Bilateral and regional cooperation: UN Joint Programme on Enhancing Competitiveness and Sustainable Business among MSMEs in Building Construction Industry, Main Phase, Zambia (2015-2017); Programme for Agro-Business Induced Growth in The Amhara National Regional State (Agro-BIG), Ethiopia (2014-2017); Information Society and ICT Sect. Development Project (TANZICT)/Support to Tanzanian Innovation System (TANZIS), Tanzania (2015-2016); European Bank for Reconstruction and Development (EBRD)/Southern & Eastern Mediterranean (SEMED) Fund; International Labour Organization (ILO), The Way Forward after the Revolution: Decent Work for Women in Egypt and Tunisia, Egypt and Tunisia (2012-2018); Middle East and North Africa Multi Donor Trust Fund of the World Bank (MENA MDTF); Southern Africa Innovation Support Programme (SAIS I), Namibia, Botswana, Mozambique and Zambia (2011-2015); Infodev Multi-donor Trust Fund; Vietnam-Finland Innovation Partnership Programme II (IPP 2) (2015-2017); Capacity Building for Development of Cold Water Fish Farming in Vietnam, Vietnam (2014-2016); Multi-Stakeholder Forestry Programme (MSFP), Nepal; UN Women, Strengthening Implementation of the Women, Peace and Security Agenda in Nepal (SI-WSPAN), Nepal (2013-2016); Rural Village Water Resources Management Project in Nepal (RVRMP), Nepal (2010-2016); United Nations Development Programme (UNDP), Aid for Trade and Sustainable Development, Kosovo (2015-2016); United Nations Development Programme (UNDP), Diaspora Engagement in Economic Development (DEED), Kosovo (2012-2016); United Nations Development Programme (UNDP), Active Labour Markets Programme 2 (ALMP 2), Kosovo (2014-2016); United Nations Development Programme, UNDP Regional Project: Aid for Trade in Central Asia (Phase III), Kyrgyz Republic, Tajikistan and Uzbekistan (2015-2017); Slush Global Impact Accelerator (2015-2017); Trademark East Africa; Energy and Environment Partnership in Southern and East Africa (EEP-SGEA), Botswana, Burundi, South Africa, Kenya, Lesotho, Mozambique, Namibia, Rwanda, Zambia, Seychelles, Swaziland, Tanzania and Uganda (2013-2017), and Energy and Environment Partnership (EEP) with the Andean countries, Andean region (2015-2016). The share of micro-enterprises, and small and medium-sized enterprises is on average 99 per cent. A total of 18 programmes have reported on this. Nine programmes out of 22 have reported the share of women.

Civil society cooperation: Fairtrade Finland, Felm, Fida International, Finn Church Aid, International Solidarity Foundation, Plan International Finland, World Vision Finland, and WWF Finland. Three of the organisations had submitted reports on the percentage of women. All support goes to micro-enterprises and SMEs.

Private sector financing instruments: Finnpartnership, Finnfund and BEAM.

The total includes the number of companies in the Finnfund portfolio and in the portfolio of the investment funds financed by Finnfund between 2015 and 2017, companies that received funding from Finnpartnership between 2015 and 2017, companies that received funding from BEAM between 2015 and 2016 and companies that were granted funding in 2017 (even if they would have not drawn up the funding yet). SMEs received 75% of the support on average (all instru-

ments report the share of SMEs). Other actors, such as civil society organisations and education institutions, are also eligible for support from Finnpartnership.

- 7 Ministry for Foreign Affairs of Finland/Niras Finland (2018): Stepping Up Finland's Global Role in Education.
- 8 According to UNESCO, girls accounted for zero per cent of all children attending secondary school in 1999. During Taliban's rule, girls were not allowed to go to school even though some girls received education in unofficial education centres.
- 9 The figures are from UNESCO's Global Education Monitoring Reports (see the list of sources). The Ministry for Foreign Affairs has produced a bar chart on the basis of the figures provided by UNESCO.
- 10 Country strategy report (UM/ASA), Myanmar (2015-2017); country strategy report (UM/ALI), Mozambique (2015-2017); country strategy report (UM/ALI), Kenya (2015-2017); country strategy report (UM/ALI), Tanzania (2015-2017); World Bank, Parliamentary Strengthening Program, Kenya, Morocco, Mozambique, Myanmar, Tanzania and Zambia (2015-2017); Siemenpuu Foundation, Demo Finland and Kalevi Sorsa Foundation.
- 11 Country strategy report (UM/ASA), Myanmar (2017); country strategy report (UM/ASA), Afghanistan (2017); country strategy report (UM/ASA), Nepal (2017); Strengthening rule of law and human rights to empower people in Tajikistan, Tajikistan (2014-2017); WAI II: Women's Access to Justice in the MENA Region - Phase II, Jordan, Lebanon, Egypt, Yemen (2014-2016); Widening Access to Justice for Legal Empowerment in the Kyrgyz Republic, Kyrgyz Republic (2014-2017); KIOS Foundation and Siemenpuu Foundation.
- 12 Abilis Foundation, Crisis Management Initiative, Demo Finland, Fida International, Free Church Federation in Finland, Kapa, KIOS Foundation, Save the Children Finland, Plan International Finland, Fairtrade Finland, Trade Union Solidarity Centre of Finland, Siemenpuu Foundation, International Solidarity Foundation, Felm, Finnish Refugee Council, Finnish Red Cross, ODW Finland, World Vision Finland, WWF Finland, and Disability Partnership Finland.
- 13 For the Green Climate Fund, the expected emissions reductions concern the emissions reductions expected to be generated by the 76 projects approved after 2015 and for the Global Environment Facility, the emissions reductions expected to be generated by the 603 project concepts approved for the 2014-2018 funding period. For more details of the calculation of the expected emissions reductions, click the following links: [https://www.greenclimate.fund/documents/20182/226888/GCF\\_B.13\\_26\\_-\\_Further\\_development\\_of\\_some\\_indicators\\_in\\_the\\_performance\\_measurement\\_frameworks.pdf/0ad22e10-703d-49ae-baad-eb87669d0223](https://www.greenclimate.fund/documents/20182/226888/GCF_B.13_26_-_Further_development_of_some_indicators_in_the_performance_measurement_frameworks.pdf/0ad22e10-703d-49ae-baad-eb87669d0223) and <https://www.thegef.org/documents/gef-climate-change-mitigation-tracking-tool>
- 14 The results expected to be generated by the 76 projects approved by the Green Climate Fund after 2015.
- 15 Interpretation of the Department for Development Policy of the fossil energy tax benefits contained in the state budget proposal.

According to the estimates produced by the IMF in 2015 (How Large are Global Energy Subsidies?), Finnish fossil energy subsidies amount to USD 1.4 billion (comprising the external costs arising from environmental impacts).

- 16 Felm, International Solidarity Foundation, Finn Church Aid, World Vision Finland, Food and Forest Development Finland, Fida International, WWF Finland, Agricord, Siemenpuu Foundation and UFF.
- 17 Programme for Agriculture and Livelihoods in Western Communities (PALWECO), Kenya (2010-2017); Programme for Agro Business Induced Growth in the Amhara National Regional State, Ethiopia, (Agro-BIG) (2013-2018); Responsible and Innovative Land Administration Project (Reila), Ethiopia (2011-2018); Farmers' Clubs for Wealth Creation Among Smallholder Farmers in Mozambique Project, Mozambique (2014-2018); Support to Rural Development in Zambézia Province in Mozambique (Prodeza), Mozambique (2010-2015); Lind and Mtwara Agribusiness Support (LIMAS), Tanzania (2010-2016); Program for Luapula Agriculture and Rural Development (PLARD), Zambia (2011-2015); The Social Cash Transfer (SCT), Zambia (2016-2018); Rural Village Water Resources Management Project in the Far-West Region of Nepal (2016-2018); Towards Sustainable Aquaculture and Fisheries Development in the Kyrgyz Republic, Kyrgyz Republic (2014-2018); Improving Food Security in East and West Africa (FoodAfrica),



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- East and West Africa (2012-2018); Climate Change Impacts of Ecosystem Services and Food Security in Eastern Africa Project /Adaptation for Food Security and Ecosystem Resilience in Africa (Chiesa/ Aferia), East Africa, (2011-2018); The Biocarbon and Rural Development (Biodev), West Africa, 2012-2016; The Mitigation of Climate Change in Agriculture (MICCA), Global (2009-2016); Improving the safety in the feed-dairy chain, Kenya (2011-2016); Assessment of Soil Amendment Rock Resources and Balanced Application of Fertilizer and Soil Conditioners, Ethiopia (2014-2018) and Strengthen Ethiopian Dairy Development, Ethiopia (2011-2017).
- 18 Finnfund (2017).
  - 19 The International Fund for Agricultural Development (IFAD), European Commission, World Bank (WB); African Development Bank (AfDB) and Syria Recovery Trust Fund (SRTF).
  - 20 UNICEF Finland, WWF Finland, Waterfinns ry, Global Dry Toilet Association of Finland, and World Vision Finland.
  - 21 Community led Accelerated WASH in Ethiopia (COWASH), Ethiopia (2015-2016); country strategy report (UM/ALI), Ethiopia (2017); Support to Equitable Access to Quality Water, Basic Sanitation and Enhanced Water Resources Management for the Underserved Communities in Rural Kenya (WSTF II), Kenya (2015-2016); country strategy report (UM/ALI), Kenya (2017); country strategy report (UM/ALI), Palestine (2017); country strategy report (UM/ALI), Syria (2017); Rural Village Water Resources Management Project Phase III (RVWRMP III), Nepal (2015-2016); Rural Water Supply and Sanitation Project in Western Nepal Phase II (RWSSP-WN II), Nepal (2015-2016); UNICEF Nepal ONE WASH Programme (UNICEF ONE WASH), Nepal (2015-2016); UNICEF Nepal WASH Earthquake Recovery and Reconstruction Programme (UNICEF EQ WASH), Nepal (2015-2016); country strategy report (UM/ASA), Nepal (2017); Water and Sanitation Project for Small Towns in Vietnam (WSPST III), Vietnam (2015-2016); Concessional Credit Projects Bac Kan, Vietnam (2015-2016); Finland's Water Management Programme in the Kyrgyz Republic and Tajikistan as part of Wider European Initiative (FinWaterWEI), Kyrgyz Republic and Tajikistan (2015-2016) and UNICEF Afghanistan WASH in Schools Programme (UNICEF WiS) (2015-2016).
  - 22 UNICEF, UNICEF WASH, the World Bank Group (WBG), Asian Development Bank (AsDB), African Development Bank (AfDB) and Water Supply and Sanitation Collaborative Council (WSSCC).
  - 23 Felm, World Vision Finland and WWF Finland.
  - 24 Energy & Environment Partnership (South & Eastern Africa), South and Eastern Africa (2014-2017); Energy & Environment Partnership (Mekong), Mekong region (2018); Energy & Environment Partnership (Andies), Andean region (2013-2016); Improving Electric Power Supply reliability in Dar es Salaam, Tanzania (2011-2016); Rural Village Water Resources Management Project Phase III (RVWRMP III), Nepal (2015-2016) and Smallholder Farmers' Clubs for in Mozambique, ADPP, Mozambique (2017).
  - 25 Rural Electrification Project/ ABB, Honduras (2016) and Finnfund (2017).
  - 26 The World Bank Group (WBG) and Asian Development Bank (AsDB)
  - 27 Thai Biogas Energy Company (Rayong), RE Power Group (Khorat), Burn Manufacturing (Ruiru/Thika) and d.Light. As the solar-powered lighting fixtures do not meet household requirements, only 20 per cent of the 280,000 products sold by d.Light are considered in the results data.
  - 28 WWF Finland and Siemenpuu Foundation.
  - 29 Miti Mingi Maisha Bora (MMMB), Kenya (2015-2016); Scaling Up Participatory Sustainable Forest Management Project (SUFORD-SU), Laos (2015-2017); country strategy report (UM/ALI), Tanzania (2015-2017); Lindi and Mtwara Agribusiness Support Project (LIMAS), Tanzania (2015-2016); country strategy report (UM/ALI), Zambia (2017); Support to Implementation of Forest Policy and Strategy in Kosovo, Kosovo, 2015-2016; Rural Village Water Resources Management Project Phase III (RVWRMP III), Nepal (2015-2017) and country strategy report (UM/ASA), Myanmar (2017).
  - 30 Finnfund (2017).
  - 31 United Nations General Assembly (2016): New York Declaration for Refugees and Migrants.
- 1 In 2015, Finland had country strategies for the following countries: Afghanistan, Myanmar, Nepal, Vietnam, Kenya, Ethiopia, Mozambique, Zambia and Tanzania; in 2016, the partner countries were Ethiopia, Mozambique, Zambia, Tanzania, Palestine, Kenya, Afghanistan, Myanmar, Nepal and Vietnam; and in 2017, Ethiopia, Kenya, MENA (Middle East and North Africa), Mozambique, Palestine, Somalia, Syria/Iraq, Tanzania, Zambia, Afghanistan, Myanmar, Nepal and Vietnam. The reporting for 2015 concerned the targets set for the country strategies of the previous government term, which had been set differently than in the current strategies.
  - 2 The multilateral partners included are as follows: African Development Bank (AfDP), Asian Development Bank (AsDB), Enhanced Integrated Framework (EIF), Green Climate Fund (GCF), Global Environment Facility (GEF), International Committee of the Red Cross (ICRC), Inter-American Development Bank (IDB) and the investment company IIC, International Fund for Agricultural Development (IFAD), United Nations International Strategy for Disaster Reduction (ISDR), United Nations Office for the Coordination of Humanitarian Affairs (OCHA), Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD-DAC), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), the UN Refugee Agency (UNHCR), United Nations Children's Fund (UNICEF), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), the World Bank Group, and the World Food Programme.
  - 3 Ministry for Foreign Affairs of Finland/Mokoro Ltd (2016): Evaluation – Evaluation of Finland's Development Cooperation Country Strategies and Country Strategy Modality.
  - 4 Ministry for Foreign Affairs of Finland/Niras Finland (2016): Evaluation – Programme-based Support through Finnish Civil Society Organizations I.  
Ministry for Foreign Affairs of Finland/FCG (2017): Evaluation - Programme-based Support through Finnish Civil Society Organizations II.  
Ministry for Foreign Affairs of Finland/FCG (2017): Evaluation - Programme-based Support through Finnish Civil Society Organizations III.
  - 5 Corporate responsibility report presented by Finnfund to its shareholders' meeting in the spring 2018. Information concerning jobs, farmers, tax income and energy are reported in the years 2016 and 2017, the results concern the previous years.
  - 6 Finnpartnership (2017): Kehitysvaikutuksia 2017 (Development impacts 2017) – the last monitoring report for business partnership applications for 2013.
  - 7 Ministry for Foreign Affairs of Finland (2015): Human Rights Based Approach in Finland's Development Cooperation. Guidance Note, 2015.
  - 8 The entries are made at the time of the funding decision on the basis of the programme/project objectives using the following scale: human rights blind, human rights sensitive (in the chart: tackling human rights challenges), human rights progressive (in the chart: promoting human rights) and human rights transformative (in the chart: considering human rights), or not specified. The 'not specified' category in funding decisions and payments does not include the local cooperation instrument. The funding allocated to the instrument has declined from slightly more than ten million euros to about five million euros in 2017.
  - 9 The entries are made at the time of the new funding decisions on the basis of the programme/project objectives. The sample contains the funding decisions which have the promotion of gender equality as the principal or significant objective. The funding decisions and payments do not include the local cooperation instrument.
  - 10 The entries are made on the basis of target-setting in connection with new funding decisions. The alternatives are primary or significant objective. The sample includes funding decisions, that have either climate change mitigation or climate change adaptation as the primary or significant objective.

# Appendices





## Appendix 1: Abbreviations used in the report

<b>AfDB</b> African Development Bank	<b>Kehys</b> The Finnish NGDO Platform to the EU
<b>AsDB</b> Asian Development Bank	<b>Kepa</b> The umbrella organisation for Finnish development NGOs
<b>ATAF</b> African Tax Administration Forum	<b>KIOS Foundation</b> Human rights foundation of Finnish civil society organisations
<b>BEAM</b> Business with Impact (a joint programme of Tekes and the Ministry for Foreign Affairs to promote Finnish innovations and business activities in developing countries)	<b>KPT</b> Development Policy Committee
<b>CIVICUS</b> World Alliance for Citizen Participation	<b>MFA</b> Ministry for Foreign Affairs
<b>CMi</b> Crisis Management Initiative	<b>MOPAN</b> Multilateral Organisation Performance Assessment Network
<b>DEAT</b> Development Effect Assessment Tool	<b>OCHA</b> United Nations Office for the Coordination of Humanitarian Affairs
<b>DAC</b> Development Assistance Committee	<b>ODA</b> Official Development Assistance
<b>Demo Finland</b> Political Parties of Finland for Democracy	<b>OECD</b> Organisation for Economic Co-operation and Development
<b>ECHO</b> European Civil Protection and Humanitarian Aid Operations	<b>SASK</b> Trade Union Solidarity Centre of Finland
<b>EEP</b> Energy Environment Partnership	<b>SDG</b> Sustainable Development Goal
<b>EIF</b> Enhanced Integrated Framework	<b>SPR</b> Finnish Red Cross
<b>OSCE</b> Organization for Security and Co-operation in Europe	<b>UM</b> Ministry for Foreign Affairs of Finland
<b>EU</b> European Union	<b>UN Women</b> United Nations Entity for Gender Equality and the Empowerment of Women
<b>FAO</b> Food and Agriculture Organization of the United Nations	<b>UNDP</b> United Nations Development Programme
<b>FDI</b> Foreign Direct Investment	<b>UNEP</b> United Nations Environment Programme
<b>Fida</b> Missionary and development cooperation organisation of the Finnish Pentecostal Church	<b>UNESCO</b> United Nations Educational, Scientific and Cultural Organization
<b>FINGO</b> Finnish Development NGOs	<b>UNFPA</b> United Nations Population Fund
<b>GEF</b> Global Environment Facility	<b>UNHCR</b> United Nations High Commissioner for Refugees
<b>GCF</b> Green Climate Fund	<b>UNICEF</b> United Nations Children's Fund
<b>GNI</b> Gross National Income	<b>UNRWA</b> United Nations Relief and Works Agency for Palestine Refugees in the Near East
<b>IASC</b> Inter-Agency Standing Committee	<b>UNTIL</b> United Nations Technology Innovation Laboratory
<b>ICRC</b> International Committee of the Red Cross	<b>VIKES</b> Finnish Foundation for Media and Development
<b>IDA</b> International Development Association	<b>WFP</b> World Food Programme
<b>IDB</b> Inter-American Development Bank	<b>WHO</b> World Health Organization
<b>IOM</b> International Organization for Migration	<b>WOREC</b> Women's Rehabilitation Center Nepal
<b>IFAD</b> International Fund for Agricultural Development	<b>WWF</b> World Wildlife Fund
<b>IFC</b> International Finance Corporation	<b>UN</b> United Nations
<b>ILO</b> International Labour Organization	
<b>IPP</b> Innovation Partnership Programme	
<b>ISDR</b> United Nations International Strategy for Disaster Reduction	



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## Appendix 3: Sustainable Development Goals

<b>1 NO POVERTY</b> 	<b>2 ZERO HUNGER</b> 	<b>3 GOOD HEALTH AND WELL-BEING</b> 	<b>4 QUALITY EDUCATION</b> 	<b>5 GENDER EQUALITY</b> 	<b>6 CLEAN WATER AND SANITATION</b> 
<b>SUSTAINABLE DEVELOPMENT AND WELL-BEING FOR 2030 – FOR EVERYONE ALL OVER THE WORLD</b>			<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>8 DECENT WORK AND ECONOMIC GROWTH</b> 	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> 
			<b>10 REDUCED INEQUALITIES</b> 	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 	<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b> 



**THE GLOBAL GOALS**  
For Sustainable Development

**DID YOU KNOW?**

*Finland has contributed to the achievement of the Millennium Development Goals. In Ethiopia, for instance, which is one of Finland's long-term partner countries, Finnish aid has provided three million people access to clean water.*

**Sustainable Development Goals and the 2030 Agenda direct the promotion of sustainable development in all parts of the world until 2030. Also in Finland.**

The aim of the Sustainable Development Goals of the UN Member States and the 2030 Agenda is to eradicate extreme poverty and ensure sustainable development in all dimensions: economy, the environment and well-being.

They are based on eight Millennium Development Goals that were to be achieved by 2015 and the Rio agenda, which dealt with environmental and development issues. They proved that results can be achieved through a joint commitment: Extreme poverty was halved ahead of schedule and more than two billion people have gained access to clean drinking water. In addition, nine out of ten children in the world enroll in primary school. However, development has been unequal.

The new goals and agenda make up an even broader and more ambitious whole. The focus in the Millennium Development Goals was on developing countries, while the Sustainable Development Goals and Agenda also place responsibilities on industrial countries like Finland.

The motto is: leave no one behind.

**PRACTICAL IMPLEMENTATION MATTERS**

The key question with the goals is how solutions promoting sustainable development are applied in practice and how progress is measured. The 2030 Agenda contains 17 goals and 169 targets. There are more than 200 common indicators. Another key question is the financing of sustainable solutions.

Basically, the whole society including individual citizens, companies, municipalities, the Government and other actors, can take action to promote and finance sustainable development.

Official development aid still plays an important role especially in supporting the least developed countries, and even they receive funding from different sources. It is important to increase the countries' own resources.

An important milestone was the Addis Ababa Action Agenda agreed in July 2015.

**SUSTAINABLE DEVELOPMENT?**

Sustainable development is about social change that secures opportunities for a good life for the existing and future generations so that natural resources, for instance, are not consumed more than the earth is capable of producing.

The environment, man and economy are taken into consideration equally in decision-making and actions.

**THREE DIMENSIONS:**

- 1) ECOLOGICAL SUSTAINABILITY
- 2) ECONOMIC SUSTAINABILITY
- 3) SOCIAL SUSTAINABILITY

**13 CLIMATE ACTION**

**14 LIFE BELOW WATER**

**15 LIFE ON LAND**

**16 PEACE AND JUSTICE**

**17 PARTNERSHIPS FOR THE GOALS**

### HOW CAN YOU PROMOTE SUSTAINABLE DEVELOPMENT?



Ministry for Foreign  
Affairs of Finland





## 17 SUSTAINABLE DEVELOPMENT GOALS AND EXAMPLES OF 169 TARGETS

### 1. END POVERTY IN ALL ITS FORMS EVERYWHERE

- Eradicate extreme poverty (for people living on less than \$1.25 a day) and reduce at least by half the proportion of people living in poverty according to national definitions.
- Ensure that all people have access to social security and insurance cover and equal rights to economic resources, basic services and natural resources, for example.

### 2. END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE

- End hunger and malnutrition and ensure access by all people to safe, nutritious and sufficient food.
- Double the agricultural productivity and incomes of small-scale food producers, for instance, and strengthen capacity for adaptation to climate change.

### 3. ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

- Reduce the global maternal mortality ratio to less than 70 per 100,000 live births. End preventable deaths of newborns and children under 5 years of age.
- End the epidemics of AIDS, tuberculosis and malaria, for example. Prevent substance abuse. Halve the number of global deaths and injuries from road traffic accidents by 2020.
- Support research and development and ensure that all people have access to affordable essential medicines.

### 4. ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

- Ensure that all girls and boys complete free, equitable and quality primary and secondary education.
- Ensure equal access for all girls and boys to quality pre-primary education and for all to affordable and quality vocational and tertiary education.

### 5. ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

- Eliminate all forms of discrimination, violence and harmful practices against all women and girls everywhere, such as child marriage and female genital mutilation. Promote sexual and reproductive health.
- Ensure and give women equal rights to economic resources, ownership, financial services, inheritance and natural resources.

### 6. ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

- Achieve universal and equitable access to clean drinking water and adequate sanitation and hygiene for all.
- Improve water quality, increase water-use efficiency and protect water-related ecosystems.

### 7. ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

- Ensure universal access to affordable, reliable and modern energy services, increase the share of renewable energy and improve energy efficiency.
- Facilitate access to clean energy research and technology and their availability and improve the energy infrastructure.

### 8. PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- Sustain per capita economic growth and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries. Improve the sustainable use of natural resources.
- Achieve full and productive employment and decent work for all. By 2020, substantially reduce the proportion of youth not in employment, education or training.
- Eradicate forced labour, end modern slavery and child labour.

### 9. BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

- Develop quality, reliable and sustainable infrastructure.
- Raise industry's share of employment and gross domestic product

and double its share in least developed countries.

- Increase the efficient use of resources and promote the use of clean technologies and processes.
- Increase scientific research and encourage innovations.

### 10. REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

- Progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average, irrespective of age. Promote the social, economic and political inclusion of all, irrespective of age.
- Improve the regulation and monitoring of global financial markets and institutions. Encourage official development assistance and financial flows to developing countries.

### 11. MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

- Ensure access for all to adequate, safe and affordable housing, basic services and a sustainable transport system.
- Protect and safeguard the world's cultural and natural heritage. Reduce the adverse environmental impact of cities.

### 12. ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

- Make sustainable, efficient use of natural resources. Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains.
- By 2020, achieve the environmentally sound management of chemicals and all wastes and significantly reduce their release to air, water and soil

### 13. TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- Strengthen adaptive capacity to climate change in all countries. Integrate climate change measures into national policies, strategies and planning and raise awareness of climate change.
- Mobilise \$100 billion annually by 2020 for mitigating climate change in the developing countries.

### 14. CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES FOR SUSTAINABLE DEVELOPMENT

- Reduce marine pollution, sustainably protect and manage marine and coastal ecosystems.
- End overfishing and conserve at least 10 per cent of coastal and marine areas by 2020

### 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

- By 2020, ensure the conservation and restoration of terrestrial ecosystems, such as mountains and freshwater areas, and promote the sustainable use of them and forests. Combat desertification.
- Halt the loss of biodiversity and protect and prevent the extinction of threatened species. End poaching of protected species of flora and fauna.

### 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

- Significantly reduce all forms of violence everywhere. Promote the rule of law at the national and international levels and ensure equal access to justice for all.
- Significantly reduce illicit financial and arms flows, corruption and bribery.
- Provide legal identity for all, including birth registration.

### 17. STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALISE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

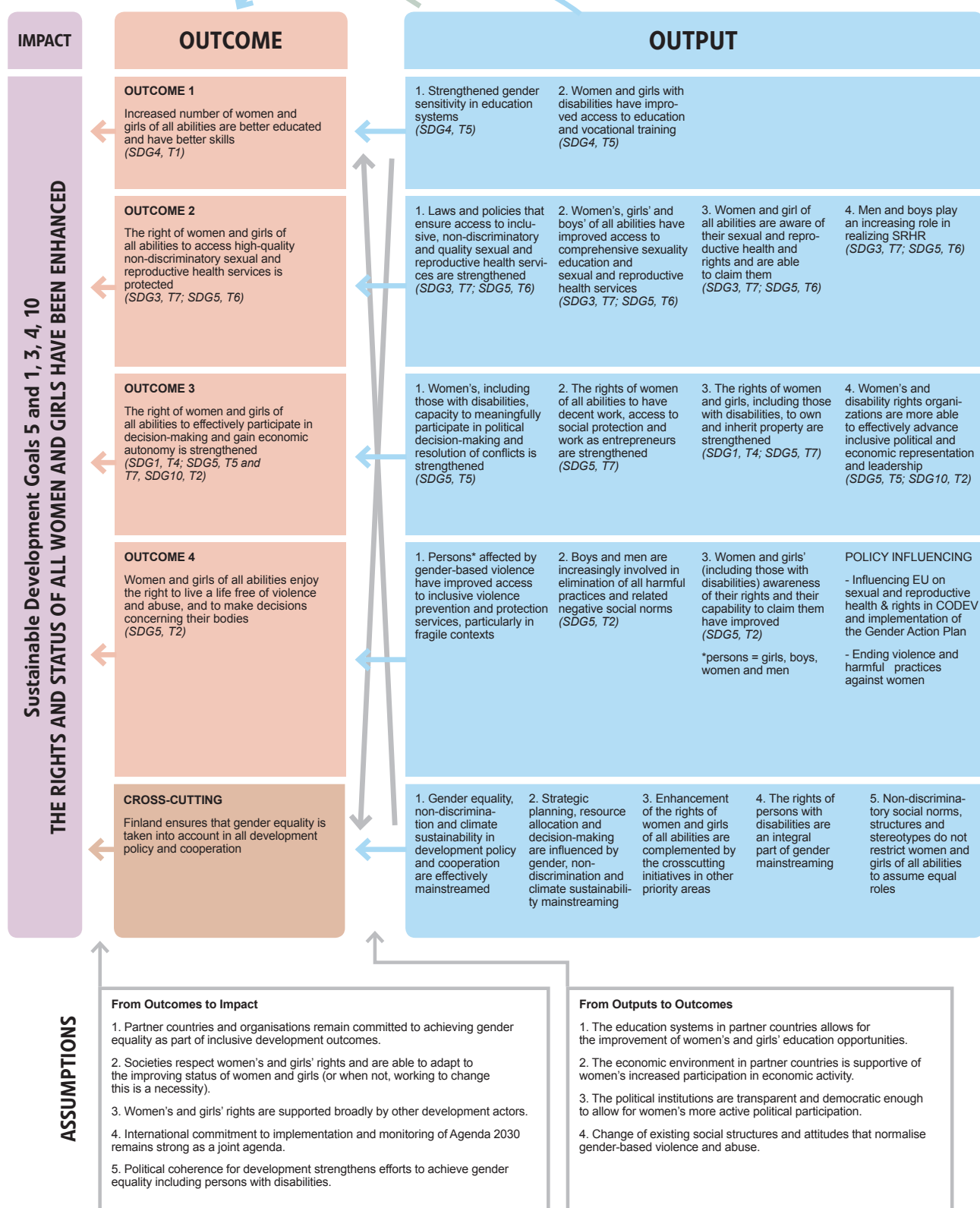
- Improve the domestic capacity of developing countries for tax and other revenue collection. Assist developing countries in attaining long-term debt financing and debt relief.
- Significantly increase the exports of developing countries, with a view to doubling the least developed countries' share of global exports by 2020.
- Developed countries must implement fully their official development assistance commitments, including the commitment to achieve the target of 0.7 per cent of GNI to developing countries and 0.15 to 0.20 per cent of GNI to least developed countries.





## Appendix 4: Theories of change of development policy priority areas

### Theory of Change - Priority Area 1: Women and Girls



**POLICY INFLUENCING**

- Core financing UN Women, UNFPA, Unicef and influencing implementation of QCPR and strategic plans with focus on prioritized objectives
- Influencing and coordinating positions with like-minded and expert groups (UN, EU, WB, OECD DAC, Nordic)
- Influences WB to effectively implement Gender Strategy
- Influencing gender responsiveness and inclusivity of operative work through seconded gender experts, UNV, JPO and Finnish recruitments

**MEANS, ACTIVITIES, PARTNERSHIPS**  
(work-in-progress)

- Provide technical and political support (bilateral and multi-bi) to advance gender responsiveness and inclusive education in Mozambique, Ethiopia, Nepal, Palestine, Myanmar, Afghanistan and multi-bi financing on vocational skills training in Nepal and Jordan

- Support and cooperate with CSOs on inclusive education and vocational training with a focus on Ethiopia
- Engage in political dialogue in partner countries and multilaterally (UNICEF, UNFPA, UNESCO and development banks)

- Engage in political dialogue at the UN, in the EU and in partner countries
- Provide technical, financial and political support (multi-bi and INGOs) in partner countries in fragile contexts (Somalia, Afghanistan, Myanmar, MENA)
- Fund and influence UNFPA, the EU, UNAIDS

- Support and cooperate with CSOs in country level advocacy and service provision where public services are not adequate

- Provide technical, financial and political support (multi-bi) in Kenya, Tanzania, Nepal and MENA in participation in decision making and Jordan, Egypt, Tunisia and Nepal in women's economic empowerment

- Fund and influence UN Women, the EU, the World Bank, OECD DAC, AfDB
- Support and cooperate with CSOs in partner countries at all levels, particularly in local political decision making in Zambia) and economic empowerment of persons with disabilities and women
- Engage in political dialogue in partner countries

- Engage in political dialogue at the UN, in the EU and in partner countries
- Funds and influences UN Women, UNFPA, the EU, Unicef, the World Bank
- Provide technical, financial and political support (multi-bi, INGOs and bilateral) to sexual and reproductive health and rights and gender based violence in Kenya, Afghanistan, Myanmar and Somalia and globally
- Support and cooperate with CSOs to tackle harmful practices, negative social norms, violence against women, including women with disabilities

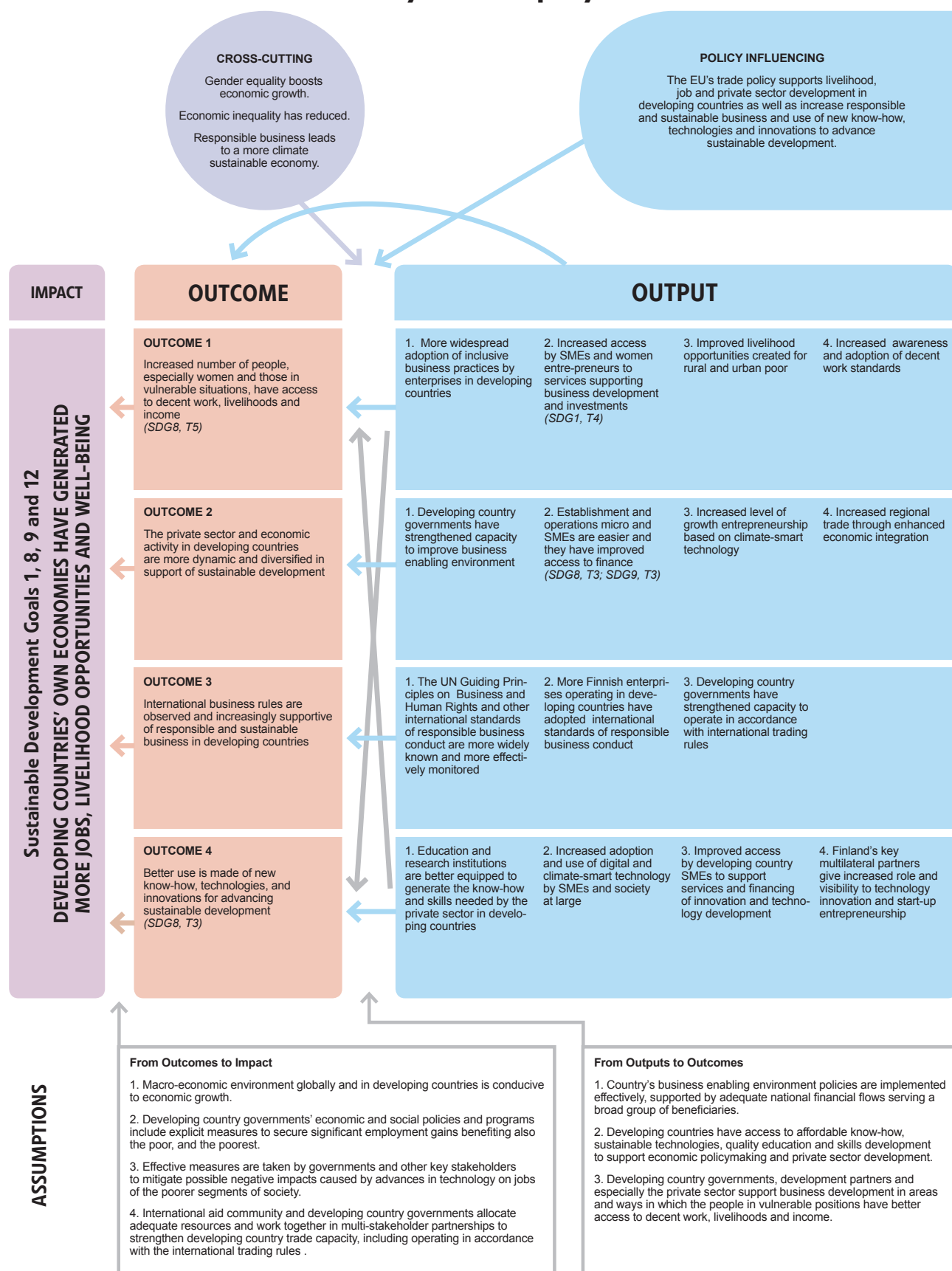
- Regular training, guidelines and advisory services on crosscutting objectives to ensure adequate institutional capacity
- Monitoring and accountability systems for crosscutting objectives at different levels
- Providing technical advice to other priority areas on crosscutting objectives

**From Inputs and Means to Outputs**

1. Gender and non-discrimination analysis is part of all programme design, implementation and review.
2. Finland has long-term commitment to promote and invest in gender equality, including persons with disabilities, and has sufficient financial and human resources to achieve the intended results.
3. Finland's partners in SRHR are able to mobilize new funding. Other development partners take an active role in finding innovative ways to secure sufficient funding.
4. Finland has measurable and clearly defined advocacy objectives with adequate resources to influence policies.
5. "Leave no one behind" principle guides Finland's commitment to reduction of poverty and inequality as the overall focus of development policy.



## Theory of Change - Priority Area 2: Economy and Employment



**MEANS, ACTIVITIES, PARTNERSHIPS**

Influencing the European Commission trade policy and positions in international fora to include Finland's development policy perspectives

**MEANS, ACTIVITIES, PARTNERSHIPS**  
(work-in-progress)

- Improving the business enabling environment and access to services supported by bilateral and regional cooperation in Zambia, Tanzania, and Southern & East Africa
- Enterprises in developing countries supported through Finnfund, Finnpartnership, BEAM and IFC Blended Climate Facility
- Women's entrepreneurship supported through bilateral, multilateral and multi-bi cooperation in Zambia, Kenya, MENA Region, Nepal, and Central Asia
- Livelihood opportunities and economic empowerment improved through CSO-led projects

- Governments' capacity to improve the business enabling environment strengthened primarily through bilateral and regional cooperation in Zambia and East Africa
- Business enabling environment in forestry sector strengthened through bilateral cooperation in Tanzania and Kenya
- Finnfund investments in financial institutions servicing developing country growth enterprises
- Climate sustainable investment supported through IFC, Finnfund, and PIF
- Influencing Finland's key investment partners (IFC, GEF, AsDB, IDB) to direct more financing to climate-sustainable business
- New entrepreneurial activity created by bilateral and regional co-operation in Zambia, Tanzania, Vietnam, Southern & East Africa and Mekong Region as well as in partnership with CSOs

- Improved monitoring of national action plans on business and human rights, through OHCHR and other actors
- Responsible business practices are promoted among Finnish companies and companies financed by MFA's private sector instruments are required to follow responsible business practices
- Multilateral cooperation with UNCTAD, ITC, WTO, UNIDO, EIF and ACWL to strengthen trade capacity of developing countries
- Capacity of national customs in Southern & East Africa developed by WCO

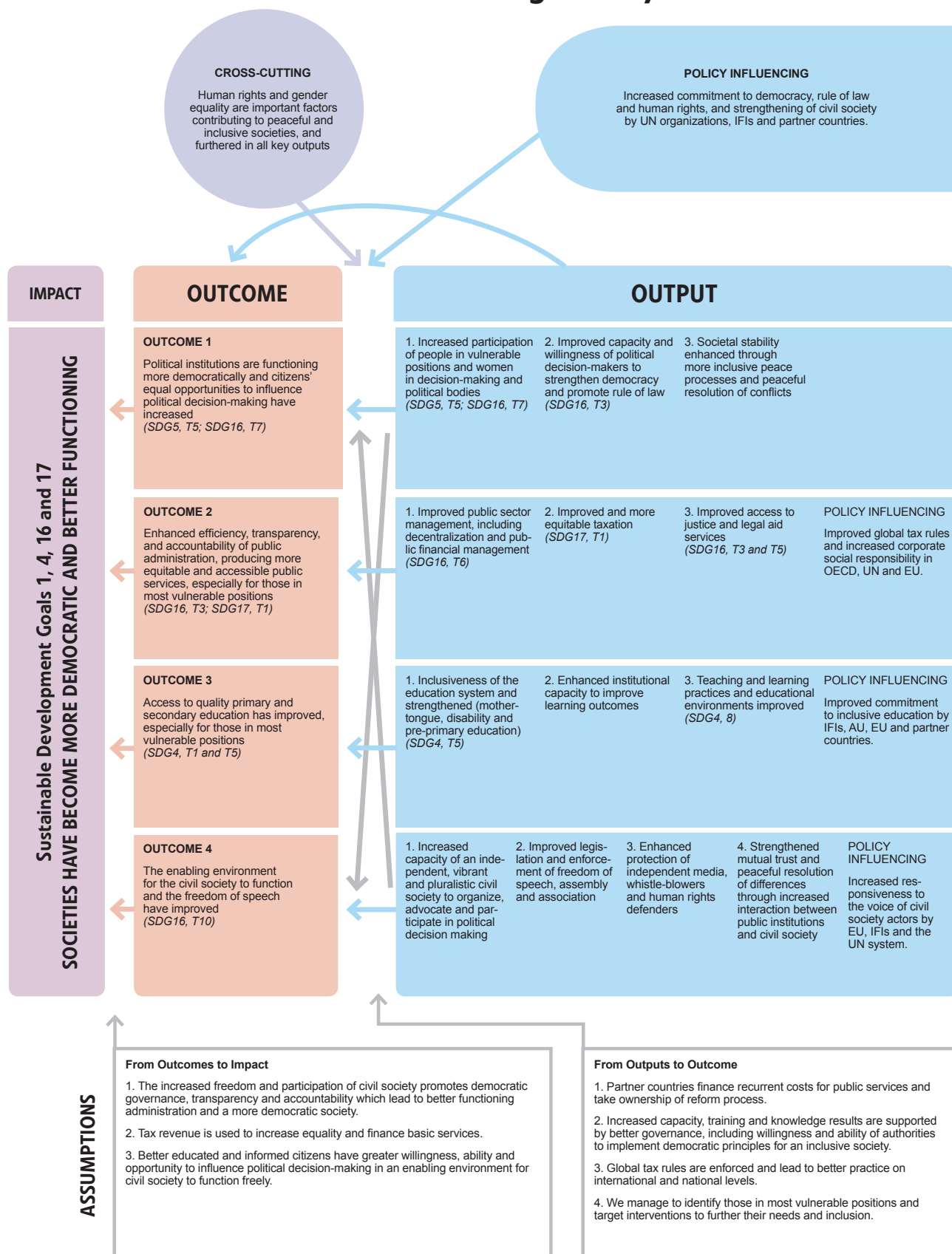
- HEI capacity, university-industry cooperation and new knowledge supported by HEI-ICI, BEAM and development research
- Adoption of digital technologies in companies and society assisted by bilateral and regional projects in Ethiopia and Central Asia, and through WB and UNICEF
- Private sector technology development and innovation supported by bilateral projects
- Development and piloting of new innovations and technologies by Finnish companies in developing countries supported by BEAM and Finnpartnership
- Support to the UN Innovation and Technology Lab Finland to find innovative solutions to meet the SDGs in the area of Education, Health, Circular Economy and Peace & Security
- Advancing investments in innovation and adoption and use of digital technologies by developing countries in UN and WB

**From Inputs and Means to Outputs**

1. MFA and its partners collaborate with the private sector and leverage investments and know-how from technologically and socially progressive companies.
2. MFA has sufficient human resources to plan and implement development policy and for coherent policy influencing, particularly in trade policy.
3. MFA and its partners continue to invest in private sector development and actively engage the private sector in other relevant development policy priority areas.
4. Finland and its partners are able to identify the population groups in the most vulnerable situations and target its instruments, partnerships and strategies to support them in most appropriate manner. MFA requires Human Rights based approach and cross-cutting objectives' effective integration in all interventions.



## Theory of Change - Priority Area 3: Well-functioning Society



**MEANS, ACTIVITIES, PARTNERSHIPS**

- Engage in and influence through political dialogue in partner countries, IFIs, UN system, EU, AU, OECD, Community of Democracies.
- Support to CSOs' advocacy work
- Influence in sector and other working groups and country level as part of country strategy implementation

**MEANS, ACTIVITIES, PARTNERSHIPS**  
(work-in-progress)

- Engage in political dialogue in Myanmar and Mozambique
- Provide technical, financial and political support (bilateral and multi-bi) in partner countries
- Fund and influence UNDP and UN Women
- Support and cooperate with CSOs
- Influence in sector and other working groups and country level as part of country strategy implementation
- Partnerships with INGOs (IMD)

- Engage in political dialogue in Tanzania, Kenya, Nepal and Mozambique
- Provide technical, financial and political support (bilateral and multi-bi) in partner countries
- Fund and influence UNDP, International Financial Institutions and the OECD
- Support and cooperate with CSOs
- Influence in sector and other working groups and country level as part of country strategy implementation
- Partnerships with INGOs (GFI, TI...)

- Engage in political dialogue in Mozambique, Ethiopia, Nepal, Palestine, Afghanistan and Myanmar
- Provide technical, financial and political support (bilateral and multi-bi) in partner countries
- Fund and influence UNESCO, UNICEF and WB
- Support and cooperate with CSOs
- Influence in sector and other working groups at country level as part of country strategy implementation

- Engage in political dialogue in all partner countries
- Influence in sector and other working groups and country level as part of country strategy implementation
- Active participation in EU country roadmaps for engagement with civil society
- Fund and influence UNESCO
- Support and cooperate with CSOs
- Partnerships with INGOs (TI, Commission of Jurists...)

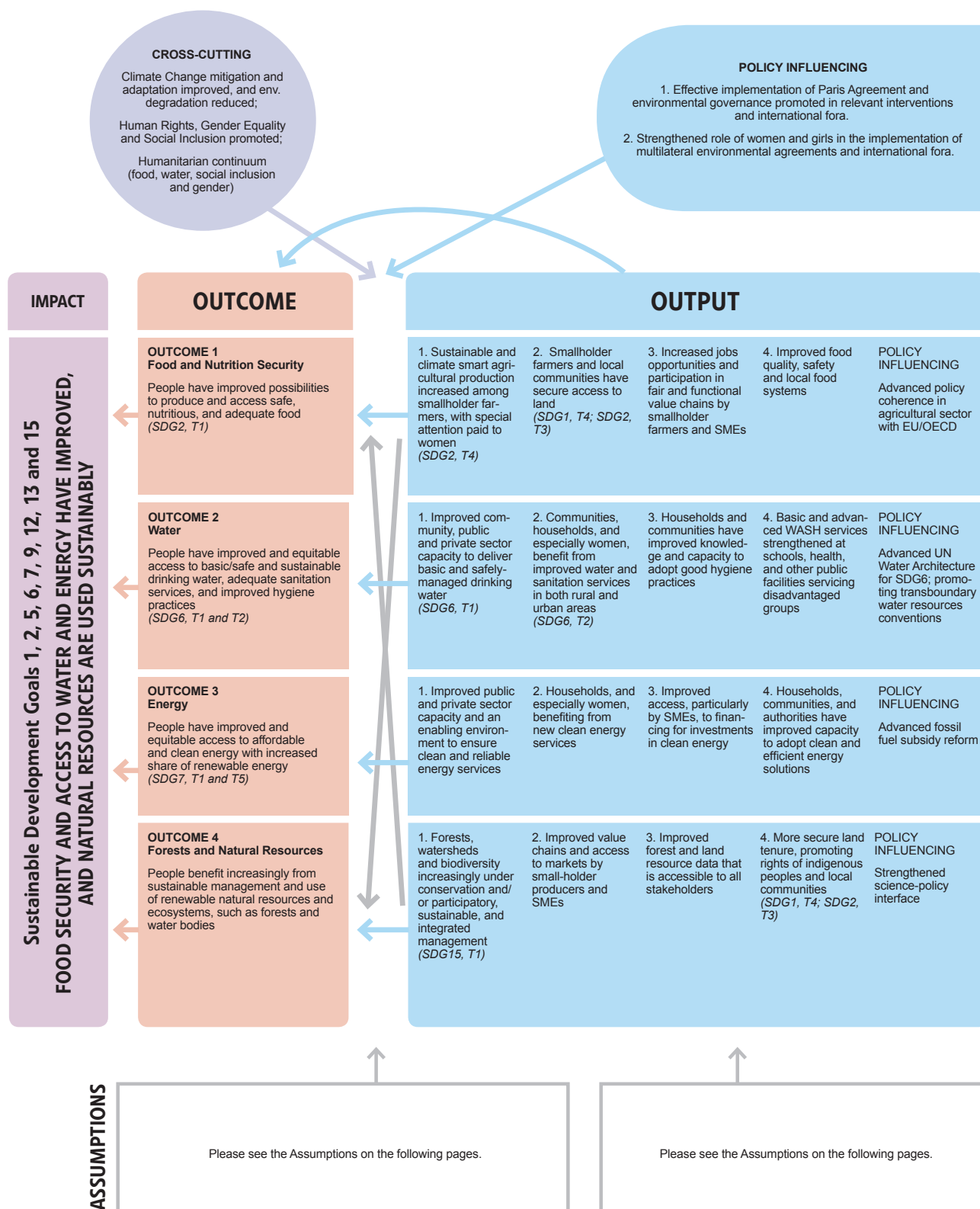
**From Inputs and Means to Outputs**

1. Finland's policy influencing strategies at country level and for multilateral organisations are coherent with the intended objectives in this impact area supported by adequate staff and financial resources.
2. Civil society organisations supported by Finland strengthen civil society and contribute to an enabling environment.
3. Finnish ministries, agencies, universities, research institutions and CSOs work have well-functioning networks, complement each others' work and work coherently.
4. Finland's financing for developing countries and relevant multilateral organizations is sufficient to meet desired outputs.
5. Good Finnish expertise is available for use in development cooperation.





## Theory of Change - Development Policy Priority Area 4: Natural Resources





**MEANS, ACTIVITIES, PARTNERSHIPS**

- Influencing on Finnish national and EU positions regarding negotiations on multilateral environmental agreements and in international fora
- Priority influencing and strategic funding of international organisations, conventions and other partners (IFAD, FAO, WFP, GCF, GEF, IDB, UNEP, UNCCD, CBD, UN FF and IUCN)

**MEANS, ACTIVITIES, PARTNERSHIPS**  
(work-in-progress)

- Bilateral programs and multilateral cooperation with IFAD, FAO, EU and WB
- Finnish CSOs' support to community-based integrated programs (food security, water, energy)
- Research programs supported through regional cooperation, HEI-ICI, and Finnish Academy
- Private sector and PPPs, with focus on smallholder farmers and SMEs, supported through bilateral programs and BEAM, Finnfund and Finnpartnership

- Main supported bilateral rural WASH programs in Nepal, Ethiopia and Kenya, with focus on Sector Wide Approach
- Transitioning from bilateral to commercially funded cooperation in Vietnam.
- In Palestine, Nepal, and Afghanistan Finland co-finances water through WB and UNICEF
- MFA leveraged EU financing for water programme in Nepal

- Clean energy projects supported primarily using concessional and blended financing for public and private sector
- Early stage financing to clean energy entrepreneurs in Southern and Eastern Africa and South-East Asia
- Building the capacity of Ukrainian authorities to create an enabling policy framework for renewable energy and energy efficiency
- Adoption of clean energy technology advanced through promoting private sector financing and other operations

- Bilateral/multi-bi/INGO and institutional cooperation to support sustainable forest management in Myanmar
- Bilateral and CSO cooperation to support integrated rural water and environmental resources management e.g. in Nepal and securing land tenure in Ethiopia
- Support to transitioning towards private forestry primarily through bilateral cooperation, with focus on Kenya and Tanzania
- Regional cooperation to support Transboundary Water Resources Management in Central Asia

Please see the Assumptions on the following pages.



# Assumptions

## FOOD AND NUTRITION SECURITY

### From Outcomes to Impact

1. There are increasing international and national financial flows and investments to end hunger and enhance food and nutrition security consistent with SDGs and Agenda 2030, including multi-stakeholder partnerships at various levels, and active engagement of responsible private sector investment, civil society, and local people.
2. National agriculture, nutrition and economic policies are supportive of sustainable agriculture/rural development and national budget provides adequate investments, e.g. in rural infrastructure and extension services.
3. Distortive global and regional trading policies are reduced and ultimately eliminated, benefiting agricultural production in developing countries.

### From Outputs to Outcomes

1. Synergy strengthened between the different Finnish-funded programs using various aid instruments, and with the partner programs, including integration of practical gender, youth, HRBA and social inclusion elements into interventions.
2. Country strategy planning and project cycle management recognise the strong links between food security, water, energy and climate, as well as humanitarian cooperation to avoid a "silo" approach; e.g. sustainable supply of food crops will depend on sound water resource management.

### From Inputs and Means to Outputs

1. Efficient use of Finnish funding available to support food and nutrition security through different modalities (bilateral/multi-research/CSOs).
2. Finnish private sector instruments are available for agriculture and rural sectors' innovations and initiatives.
3. Complementary and coherent land tenure and social protection policies and investments exist within the MFA aid portfolio and policy influencing work.
4. Country strategy planning and project cycle management recognise the strong links between food security, water, energy, natural resources and climate, as well as humanitarian cooperation and themes (jobs, gender, migration and conflict) to create comprehensive approach to food and nutrition security.

## WATER

### From Outcomes to Impact

1. National budget allocations for WASH increase in partner countries.
2. Humanitarian crises caused by natural disaster and human turmoil do not overwhelm human and financial capacity in partner countries, and continuum is addressed as a crossing-cutting theme to improve disaster risk reduction and preparedness.
3. Water as a Natural Resource is addressed at least at the level guaranteeing sustainability of drinking water as well as in reference to Sub-Goal 4.4 also at Water Bodies.
4. Improved inter-sectoral policies across water-related sectors (water, education, health) to facilitate reaching the results.

### From Outputs to Outcomes

1. Enabling environment strengthened to guarantee sustainability of initiatives, including attention paid to strong post-construction packages; focus on implementation activities only underpins both short and long-term sustainability.
2. Policy coherence in place at country level: in Sub-Goal 4.2 (i) Water Supply, Sanitation and Hygiene (WASH) education, health and water sector are fully involved; and in Sub-Goal 4.4 (ii) Integrated Water Resources Management (IWRM) agriculture, forestry, energy and water sectors are fully involved.
3. Strong HRBA and social inclusion elements programmed into interventions, allowing approach towards WASH for All, including those most marginalised.

### From Inputs and Means to Outputs

1. Resource allocation between MFA departments and units are coordinated allowing for a balanced approach towards planned results, as opposed to mono-programming (only sanitation or only water, only rural WASH or only urban etc.).
2. Diversification of use of Development Policy instruments is assumed (see above assumption 2), including instruments such as research, multi-bi, and multilateral cooperation, with special focus on multilateral influencing for strengthened water governance (incl. transboundary water) through water architecture initiative and for full implementation of SDG 6.
3. Regional and international elements are strengthened in MFA global water program portfolio.



## ENERGY

### From Outcomes to Impact

1. Clean energy solutions are widely acknowledged and accepted as a viable alternative to fossil-based solutions in developing countries supported by relevant legislation and regulation and removal of distortive subsidies favouring fossil fuels.
2. Cost reductions in renewable energy technology improve competitiveness against fossil-based and centralised solutions.
3. Urgency to act on climate change is translated into conducive policies at country level.

### From Outputs to Outcomes

1. National policies enable entrepreneurship on distributed renewable energy.
2. Fossil fuel subsidies do not undermine economical sustainability of Finnish supported interventions.
3. Effective donor coordination, and coherent and complementary use of Finnish aid instruments, create synergies and avoid overlap.

### From Inputs and Means to Outputs

1. The Finnish funding level for energy is maintained in the future, while paying more attention to the role of private sector and developing new portfolio to replace concessionary credit projects.
2. The MFA and joint ministry aid instruments are used in a more balanced manner, meaning also replacing over time the forthcoming reduction in concessionary credit energy projects and energy is integrated into MFA country strategies, where relevant.
3. Finnish private sector instruments succeed in mobilising competent private sector actors with access to technically robust and cost-efficient, affordable and hence more inclusive renewable energy technology, addressing also urban energy solutions.
4. MFA programs are perceived as efficient and relevant, and manage to leverage additional resources also outside the ministry.

## FORESTS AND NATURAL RESOURCES

### From Outcomes to Impact

1. There is improved common understanding, supported by scientific evidence and internationally agreed policy frameworks such as the 2030 Agenda and Paris agreement, among governments, private sector and civil society, that neither reduction of poverty and inequalities nor sustainable social or economic development can be achieved without sustainable environmental development, equitable natural resource governance and addressing climate change.

### From Outputs to Outcomes

1. Government policies recognise the importance of rights-based approach, especially regarding land tenure, and gender equality and private sector in efficient and sustainable forest and other natural resources management and promote multi-stakeholder partnerships.
2. Governments and public-sector organisations adopt a more open and transparent approach to sharing information generated and maintained through systems established through Finnish support.
3. Government policies recognise that there is a connection between the lack of efficient and sustainable management and use of forests and other natural resources with conflicts and migration.

### From Inputs and Means to Outputs

1. Balanced and adequate allocation of financial resources to address objectives related to biodiversity and water resources, natural resource and environmental governance, forestry, recognising interlinkages with conflicts and migration caused by climate change and environmental degradation.
2. Finnish aid mechanisms and instruments are used in a complementary and coherent manner recognising the inter-sectoral linkages between forestry, climate, energy, water and biodiversity conservation.
3. Finnish ministries responsible for climate, environment, and forestry recognise the importance of addressing developing country needs consistent with Finland's Development Policy and the principle of enhancing policy coherence.
4. Means and activities are gender-responsive and consider the need to enhance mobilisation of resources from all sources, multi-stakeholder partnerships and an inclusive participatory approach to empower especially the vulnerable such as persons with disabilities and indigenous peoples.



## Appendix 5: Methodology

### a. Statistical concepts

#### **Funding decision**

A funding decision is a written commitment on future use of funds. The public funds appropriated for the purpose serve as a guarantee that the decision can be implemented. The results report contains all funding decisions made between 1 June 2015 and 31 December 2017 on the exclusive ODA budget item (24.30.66) and the development cooperation financial investment item (24.30.89). Cancelled funding has been deducted from the total sum (= the funding appropriated for a project but not used has been deducted from the total).

#### **Payments**

Use of funds (payments) means the expenditure arising from development cooperation. The payments comprise the exclusive ODA budget item, development cooperation financial investment item, and other items of different administrative branches from which development cooperation payments have been made. For a number of payments, only a specific percentage is considered as development cooperation (such as the payments to the European Union, and the reception of refugees and asylum seekers). The reporting rules have been jointly prepared with the member states of the OECD Development Assistance Committee so that the comparability and credibility of the figures can be ensured.

The figures for the payments made in 2017 are not final. There may be slight adjustments to the figures during the final months of 2018.

#### **Bilateral payments**

For statistical purposes, all payments are bilateral payments, except for the core funding granted to intergovernmental organisations (UN organisations, EU institutions, World Bank Group and regional finance institutions).

#### **Sectors**

The OECD Development Assistance Committee has laid out sectors, which describe the distribution of payments for different purposes. Only the main sector is considered in each activity receiving funding even though in a number of cases, the activities may also cover more than one sector.

## b. Aggregate indicators for priority areas

### PRIORITY AREA 1: RIGHTS AND STATUS OF WOMEN AND GIRLS HAVE STRENGTHENED

#### Indicator 1:

**Number of girls starting secondary school/their percentage of all pupils starting secondary school**

#### Justification:

The indicator gives the number of girls attending secondary school. Indirectly, it also describes the quality of primary education and how well-placed girls are to attend education, both socially and economically. Even though schools in most countries have the same number of girls and boys in the lower grades, fewer girls move to secondary level. Secondary school plays an important role as it prepares young people for vocational and higher education. The results achieved can best be seen in secondary-level starts and for this reason it has been selected as the indicator.

#### Methodology/technical observations:

The indicator is monitored in all educational sector programmes supported by Finland. The information is collected from the lower secondary level (grade 7, 8 or 9, depending on the country). Number of girls starting secondary school and their percentage of all pupils on the first grade of secondary school in each country are used as the indicator. The data is collected for each grade so that the figures for each country are comparable. The year 1999 is used as the baseline year. Only the countries where Finland is a partner in jointly funded educational sector development programmes are considered. In this report, the results for this indicator have been combined with the priority area 3 indicator 'Number of secondary-school students and percentage of girls of the total in 1999 and 2015'.

#### Disaggregation:

No disaggregation.

#### Sources of results data (development cooperation channels and instruments):

Information for the indicator can be obtained from country strategies and the annual statistics compiled by the ministries of education of Ethiopia, Mozambique, Myanmar, Nepal, Palestine and Afghanistan (the bilateral partner countries included in this report).

#### Indicator 2:

**Number of women and girls using sexual and reproductive health services**

#### Justification:

The indicator tells how women and girls can improve their own and their families' lives by having access to high-quality services (for example, by deciding on the number of their children and the timing of the births, as well as by ensuring that their health will improve). When they are able to do this, they have better chances to do paid work, engage in civic and leisure activities and take part in decision-making.

#### Methodology/technical observations:

The indicator covers the number of women and girls that have received sexual and reproductive health and rights services (including birth control services, sexual health services, maternity health services, sexual counselling, sexual education and safe abortion). 'Counselling' means coun-

selling given at individual, family and group level, as well as online counselling, in which an interactive counselling situation arises and the client may ask questions about their own situation. Provision of information without such interaction is not considered.

The numbers of people using different services are added up. For itemised data, only the total numbers are added up (for example, xx births of which x were caesarean sections; only the total number of births is given). The data is based on the project-specific figures obtained from annual reports or half-yearly progress reports (not on national statistics).

#### Disaggregation:

The data can be itemised on the basis of the services provided, age groups of service users, or gender of educated individuals.

#### Sources of results data (development cooperation channels and instruments):

No itemisation.

### PRIORITY AREA 2: DEVELOPING COUNTRIES' OWN ECONOMIES HAVE GENERATED JOBS, LIVELIHOOD OPPORTUNITIES AND WELLBEING

#### Indicator 1: Number of supported private-sector jobs

#### Justification:

The indicator gives a good description of the results at output/outcome level (supported jobs - output; new jobs - outcome). It is closely linked with several SDGs; it can be measured and aggregated; results data from more than one project can be obtained; results data for the indicator can also be aggregated from the results achieved by multilateral organisations; according to DCED, the indicator also describes the impacts of better business operating environments.

#### Methodology/technical observations:

The following job totals are included: 1) the number of new jobs created in the private sector, value chains and companies as a result of the project; and 2) the number of jobs in the private-sector or value-chain actors and companies targeted in the project that would have been lost without the assistance. Full-time, part-time, seasonal and unofficial sector jobs are all included in the total number of jobs. In addition to direct jobs, indirect jobs are also included (indirect jobs are created in the subcontractor or customer company as a result of the project even if the subcontractor or the customer did not receive any assistance). Part-time, seasonal and unofficial-sector jobs are converted into full-time jobs as follows: for example, a period of employment lasting three months corresponds to 0.25 jobs. If no detailed information on the part-time, seasonal or unofficial nature of the job is available, DCED advises to use the following rule of thumb: two part-time jobs correspond to one full-time job.

#### Disaggregation:

- percentage of new jobs of the total
- direct/indirect
- men/women

#### Sources of results data (development cooperation channels and instruments):

Bilateral cooperation projects, regional and multi-bi projects, private sector instruments, and specific thematic programmes and funds of multilateral organisations.



## Indicator 2: Number of supported companies

### Justification:

The indicator describes results achieved in the development of the business operating environment at output/outcome level (supported enterprises - output; new enterprises - outcome); it can be measured and aggregated; results data from more than one project can be obtained; according to DCED, the indicator also describes the effects of better business operating environments.

### Methodology/technical observations:

The following figures are included: 1) number of new enterprises established as a result of the project; and 2) number of enterprises and other 'business units' targeted in the project that could continue their operations with the assistance or that could expand their operations with the assistance. Cooperatives and business units established in the unofficial economy are also considered as 'enterprises'. If individual farmers supported in agriculture or the unofficial economy are entrepreneurs, they can be considered as 'enterprises' in this context. However, an entrepreneur should not be entered both as an 'enterprise' and a 'job'.

### Disaggregation:

- percentage of new enterprises of the total
- owned by men/women
- micro-enterprises, SMEs/large enterprises (in accordance with national definitions)

### Sources of results data (development cooperation channels and instruments):

Bilateral cooperation projects, regional and multi-bi projects, private sector instruments, and specific thematic programmes and funds of multilateral organisations.

## PRIORITY AREA 3: SOCIETIES HAVE BECOME MORE DEMOCRATIC AND BETTER-FUNCTIONING

### Indicator 1:

The number of countries in which Finland has supported the democratisation of parliaments, political parties or local-level political decision-making bodies.

### Justification:

The indicator describes the scope of the assistance provided by Finland. Democracy work is highly contextual and it is not reasonable to make the results commensurate. The input indicator is supported with case-based reporting on the results achieved with the support.

### Methodology/technical observations:

The total comprises the countries where Finland has enhanced the openness, accountability and inclusiveness of national, regional/local-level political (representative legislative and/or political decision-making) bodies and their capacity to perform their tasks.

### Disaggregation:

In accordance with the country, institution (national/regional/local-level parliament, political party).

### Sources of results data (development cooperation channels and instruments):

Multi-bi projects, thematic programmes and funds of multilateral organisations, and projects involving civil society organisations.

### Indicator 2:

#### The number of people receiving legal aid and counselling

### Justification:

The indicator describes the functioning of the justice system and the level of legal protection provided to people. Legal aid and counselling are concrete services offered to individuals and two components in the rule of law projects supported by Finland. Legal aid is particularly important as a tool enhancing the protection of poor people and people in a vulnerable

position. It also reduces inequality and strengthens the accountability of the justice system and legal actors.

### Methodology/technical observations:

People that have been able to access legal services as a result of the projects supported by Finland are covered by the indicator. In the projects supported by Finland, legal services usually include 1) individual legal counselling provided free of charge, or legal aid, or 2) group counselling intended for specific groups or communities. If both services are offered in the same project, the beneficiaries reached through individual legal aid/counselling services and beneficiaries reached through group counselling are added up for the project. For example, all project beneficiaries are treated as a single group if a distinction is made between the number of people using the services of legal aid offices and the number of people attending project-related public events where community members can discuss their legal problems with lawyers or obtain information on seeking benefits or other legal matters. The criteria of the legal services and the beneficiaries are set out in the project documents and the services offered are defined in accordance with the context and the legal system in question. Legal aid and legal counselling may be provided by the authorities, civil society organisations or, in some cases, by parties outside the legal system. Legal counselling only includes the services in which the beneficiaries have been provided with an opportunity for interaction concerning their own legal problems.

### Disaggregation:

At least on the basis of gender and, if possible, also on the basis of age and disability.

### Sources of results data (development cooperation channels and instruments):

Rule of law projects funded by Finland. Most of the projects are multi-bi projects, INGO projects and LCF projects. Some of the projects are jointly funded. Provision of legal aid and counselling is one of the objectives laid out for the projects and the emphasis given to them varies.

### Indicator 3:

#### Number of secondary-school students and percentage of girls of the total in 1999 and 2015

### Justification:

The indicator has substantial multiplicative effects and for this reason, it can be used to describe a broad range of different societal trends. Moving to secondary school is also an indirect indicator of the performance of the primary education. In the next few years, the number and proportion of young people completing secondary school will not be at the same level as the growth in the number of students starting secondary education because the number of dropouts has remained high.

### Methodology/technical observations:

The information collected in the educational sector programmes supported by Finland covers the lower secondary level. In order to get a more comprehensive picture of the change trends, it was decided to use the data produced by UNESCO Institute for Statistics, which gives the total number of students in 1999 and 2015. Changes in the percentage of girls in these years was incorporated into the table (cf. PP1, indicator 1). The countries in which Finland is a partner in jointly funded educational sector development programmes are considered.

### Disaggregation:

By gender.

### Sources of results data (development cooperation channels and instruments):

The figures are from UNESCO's Global Education Monitoring reports for 2015 and 2017.

**Indicator 4:**

**Number of civil society actors supported in the reporting period (between 2015 and 2017).**

**Justification:**

Not given.

**Methodology/technical observations:**

1. The following definition for civil society actor set out in the guidelines for civil society in development policy is used in this report: Civil society actor refers to non-profit associations, communities, networks and social movements, established on the basis of a common theme, goal or ideology, but it also includes non-commercial media, foundations and research institutions.

2. Support means financial and/or in-kind assistance directly provided to the actors and it must be long-term aid/cooperation structured as a process (such as long-term training, mentoring or other engagement in programme activities).

**Disaggregation:**

No disaggregation.

**Sources of results data (development cooperation channels and instruments):**

The number of civil society actors receiving support must be based on verifiable data (such as annual reports).

**PRIORITY AREA 4: FOOD SECURITY AND ACCESS TO WATER AND ENERGY HAVE IMPROVED, AND NATURAL RESOURCES ARE USED SUSTAINABLY**

**Indicator 1:**

**Number of smallholder farmers and food producers that have been reached through measures enhancing food security and productivity.**

**Justification:**

The indicator gives the number of the direct beneficiaries (smallholder farmers) reached in the projects. Donors have found this indicator to be a useful performance-monitoring tool.

**Methodology/technical observations:**

The data is given as the number of farmers and producers directly reached in projects and programmes promoting food security and rural development. Farmers engaged in agriculture, animal husbandry and fishing whose output has improved both quantitatively and/or qualitatively as a result of the projects and programmes are considered as direct beneficiaries. The assumption is that through the measures enhancing food security and productivity, the food security of the family members of the farmers and producers reached in the programmes and projects is also improving. The total number of people benefiting from the programmes can be calculated by multiplying the number of farmers/producers by the average family size in the country/region in question. This information is also given in the results report.

There may be slight overlaps in the number of farmers/producers as the same individuals may benefit from more than one measure. For this reason, the details of each project are corrected on the basis of the overlap assessments supplied by the projects (estimated overlap rate).

**Disaggregation:**

Gender of supported farmers and producers (women/men).

**Sources of results data (development cooperation channels and instruments):**

Bilateral and multi-bi projects promoting food security and rural development.

**Indicator 2:**

**Number of people directly benefiting from improved water services (basic and safe level).**

**Number of people directly benefiting from improved sanitation (basic and safe level).**

**Number of people benefiting from improved institutional (basic and advance level) water services and sanitation; needs of children, different genders and persons with disabilities must be taken into account in the services.**

**Justification:**

The indicators describe the results achieved in water services, sanitation and institutional infrastructure separately and measure the concrete results of the initiatives.

This information is reasonably well supplied by the water services, sanitation and hygiene (WASH) programmes funded by Finland and the indicators are in line with global SDG monitoring (Joint Monitoring Programme WHO/UNICEF).

Some of the national standards differ from global monitoring standards and in such cases, the results can be included but the differences between the standards must be clearly shown.

**Methodology/technical observations:****Water services:**

Basic level = household water is supplied from improved water services infrastructure, round trip to collect water takes no more than 30 minutes (including queuing).

Safe level = household water is supplied from improved water services infrastructure where the household has its own water supply point, which is not contaminated by faecal matter or chemicals.

**Sanitation:**

Basic level = people use improved toilet facilities that are not shared with other households.

Safe level = people use improved toilet facilities that are not shared with other households and where the faeces is safely disposed of on site or taken away and treated elsewhere.

**Institutional WASH (schools and health clinics):**

Basic level = (i) schools have access to household water supplied from improved water services infrastructure. (ii) schools have improved gender-separated toilet facilities, and (iii) hand-washing facilities with water and soap.

Advanced level = defined at national level.

The following **minimum criteria** must be met when gender-separated facilities and facilities for children and persons with disabilities are built:

- water supply system
- inexpensive water purification mechanism at the water supply point
- separate toilets for girls and boys; at least one toilet for every 50 children
- hand-washing facilities with water and soap
- barrier-free access to the toilets (ramp)
- handrail inside the toilets
- waste incineration point
- separate waste incineration point for ethical, health-care and/or harmful waste at the health clinic

The following **criteria are set out as objectives** when gender-separated facilities and facilities for children and persons with disabilities are built:

- supervised hand washing every day
- supervised cleaning of toilets every day
- the catchment area where the school is located should be open defecation free
- water services, sanitation and hygiene should be considered in the school development plans
- the catchment area where the school is located should be risk mapped

If the number of beneficiaries is not directly available, the number of facilities is calculated and an estimate of the number of beneficiaries for





each facility is given.

**Disaggregation:**

- rural/urban population
- institutional WASH broken down to schools, health clinics and other

**Sources of results data (development cooperation channels and instruments):**

The information for the indicator is based on figures supplied by bilateral projects and entered into country strategy reports. From the country strategy reports the information, which is checked by regional departments, is transferred to the results report of the Ministry for Foreign Affairs each year. The results achieved with other development policy instruments are directly taken from the official reports covering the initiatives.

**Indicator 3:**

**Number of households connected to climate sustainable energy services**

**Justification:**

The indicator describes the concrete results achieved in the development of energy solutions. The results can be defined as climate sustainable because the measures make energy solutions more efficient and/or help to replace fossil energy with renewable energy.

A similar indicator is used by most development cooperation organisations and banks. The energy-sector development programme EEP also provides reports on these developments.

**Methodology/technical observations:**

The indicator covers households in which energy services have been improved. The figure comprises households benefiting from decentralised renewable energy (such as solar energy or property-specific bioenergy solutions), new electricity connections, properties connected to improved electricity distribution, and households provided with improved stoves. Improved stoves are included because they are substantially more energy-efficient than traditional stoves and their atmospheric emissions are also lower. If a household is supplied with electricity and is provided with an environmentally friendly stove, the number of beneficiaries is calculated only once.

**Disaggregation:**

- rural/urban areas
- percentage of households using an energy solution based on renewable energy

**Sources of results data (development cooperation channels and instruments):**

The figures for rural areas are collected from EEP project reports. The details of the Dar es Salaam power grid project are included in urban area figures. Boosting of the use of more advanced stoves is also included in a number of rural development programmes. These households/individuals are also added to the results data. Details of any energy-sector interest-subsidy projects are also added to the results and the results data contained in private-sector PIF project reports are also included in the indicator.

**Indicator 4:**

**Size of areas put under sustainable use of natural resources and/or protection**

**Justification:**

The indicator gives a concrete description of the results of sustainable forestry and land use and the conservation of natural resources. It is used by many development cooperation organisations and development banks.

**Methodology/technical observations:**

The indicator comprises the areas that have been put under protection and for which environmentally sustainable management systems have been created. Thus, the indicator covers the areas put under sustainable forestry and/or other types of improved land use, as well as areas where water resources management has been improved. New conservation areas and

conservation areas that are used more extensively are also included.

**Disaggregation:**

No disaggregation.

**Sources of results data (development cooperation channels and instruments):**

The information for the indicator is collected from bilateral, regional and multi-bi projects, projects involving civil society organisations and EU development cooperation.

## c. Guidelines for determining development policy priority areas, human rights based approach and beneficiaries

### PRIORITY AREA I: RIGHTS AND STATUS OF WOMEN AND GIRLS HAVE STRENGTHENED

A project/programme is targeting priority area I when its targets (outcome level) include any of the following:

- **Autonomy and self-determination** of women and girls have been enhanced through awareness raising and increasing opportunities for women to demand equal treatment and to make decisions on their own lives. Men and boys are more actively involved in gender equality work.
- Political participation and decision-making opportunities of women and girls have improved and/or increased.
- Involvement of women and girls in economic activities and in the decision-making on livelihood, natural resources and the economy has improved.
- **Sexual and reproductive health services** for women and girls have improved and women and girls are able to decide on their own health and bodies.
- Women's and girls' access to **basic, secondary, vocational and higher education**, as well as the quality and gender sensitivity of these sectors have improved through special measures.
- Combating **violence, exploitation and human trafficking** targeting women and girls, and the support services in these areas have been improved and/or expanded.
- **The capacity of women's organisations and other gender equality actors** to promote the rights of women and girls, as well as gender equality has strengthened.
- Participation of women and girls in **international and national advocacy forums has increased**.
- The rights of women and girls in conflicts are better enforced and protected and their participation in conflict resolution and peacebuilding in accordance with **Resolution 1325** has been ensured.

### PRIORITY AREA II: DEVELOPING COUNTRIES' OWN ECONOMIES HAVE GENERATED JOBS, LIVELIHOOD OPPORTUNITIES AND WELLBEING

A project/programme is targeting priority area II when its targets (outcome level) include any of the following:

- **Sustainable economic development**, more productive, broader-based or resource-efficient economic activities, growing trade or other international economic cooperation or investments.
- More opportunities for decent **jobs or livelihood**.
- Better **business operating environment**, stronger **economic institutions, responsible business operations**, livelihood development (including agriculture and forestry) or value chain development.
- **Stronger business support services** (such as financing, infrastructure, transport, warehousing, IT or employment services, or social security services for the labour market).
- **Research, technology or innovations**, or leveraging them to enhance wellbeing, or **better supply of skilled workforce**.
- Participation of developing countries in trade negotiations.
- **More business partnerships** or growing **awareness of economic development** or opportunities for economic cooperation between actors or between Finland and developing countries.

### PRIORITY AREA III: SOCIETIES HAVE BECOME MORE DEMOCRATIC AND BETTER-FUNCTIONING

A project/programme is targeting priority area III when its targets (outcome level) include any of the following:

- A **stronger basis for peaceful societies** through support for peace-building, conflict prevention or national dialogue.
- **Stronger democracy, accountability and societal interaction** by strengthening the accountability of political institutions, and providing civil society with more participatory opportunities or media with better opportunities to operate.
- **Stronger rule of law** by enhancing the operational capability and independence of the justice system and supervisory institutions, by improving the accessibility of legal services or by improving the preparation and enforcement of human rights legislation.
- **Enhanced capacity of the public administration to ensure better services that are accessible to all** through supporting reform policies, planning and budgeting and by promoting accountability.
- **Improved quality and accessibility** of education through supporting educational sector development programmes and projects.
- **Stronger national funding base** by supporting efficient and just taxation and ensuring that tax revenue is used to fund public services, by strengthening public financial administration, by preventing corruption and by combating illicit financial flows.

### PRIORITY AREA IV: FOOD SECURITY AND ACCESS TO WATER AND ENERGY HAVE IMPROVED, AND NATURAL RESOURCES ARE USED SUSTAINABLY

A project/programme is targeting priority area IV when its targets (outcome level) include any of the following:

- Enhanced **food security** and/or higher productivity in agriculture and the fishing sector.
- High-quality **water management services** in rural and/or urban areas.
- **Sanitation and/or wastewater treatment** that is safe in terms of health and the environment.
- High-quality **energy generation** and distribution services.
- Sustainable use of **forest resources**, including the combating of deforestation, and illegal loggings and timber trade (FLEGT).
- Sustainable use and planning of **natural resources** (soil, land ecosystems and water resources) and/or conservation of natural resources.
- **Climate change mitigation** and/or adaptation, including REDD+, climate smart agriculture and renewable energy.
- **Improved governance**, with regard to the management and ownership of natural resources and/or the development of agriculture, water/sanitation and energy sectors.



### ENSURING HUMAN RIGHTS BASED APPROACH

In this section, the targeted level of human rights based approach in a project/programme is assessed. The levels are based on the Human Rights Based Approach in Finland's Development Cooperation, Guidance Note, issued by the Ministry for Foreign Affairs in 2015.

#### Human rights blind – the development intervention is ignorant of human rights

The intervention is ignorant of human rights: the human rights situation in the operating environment and the risk of negative human rights impacts arising from the intervention have not been assessed.

#### Human rights sensitive – in the development intervention, human rights are considered as part of its processes

Human rights principles guide the planning, implementation, monitoring and evaluation of the intervention. An assessment of the human rights situation has been made and its purpose is to ensure that the intervention does not directly or indirectly lead to violations of human rights and that it does not contribute to discriminatory structures, norms or practices. Promoting human rights is not the explicit goal of the intervention. The intervention may have goals that are connected with the enhancement of the capacity of human rights holders or duty bearers. The instruments used in the intervention may include influencing work.

#### Human rights progressive – the development intervention has the promoting of human rights as one of its result objectives

The processes applied in the intervention are built on human rights principles and at outcome and impact level, the aim is to promote specific human rights and to ensure that they are respected and protected. The activities carried out as part of the intervention and the results that it is expected to achieve have been planned with the needs and capacity deficits of the duty bearers and rights holders in mind and particular consideration is given to vulnerable groups. Disaggregated data is systematically used and analysed in the planning of the intervention and in the monitoring of its results. However, the intervention is not intended to comprehensively tackle the legislation, norms, customs and practices behind the human rights challenges. The intervention may have objectives that are connected with capacity enhancement or influencing work.

#### Human rights transformative – the development intervention seeks to promote human rights and address the root causes of human rights challenges as part of its result objectives

At outcome and impact levels, the intervention simultaneously seeks to achieve societal changes that promote human rights and eliminate discriminatory laws and norms, as well as to change practices and customs that prevent full implementation of human rights. In its processes and target-setting, the intervention is guided by human rights. The intervention also contains active influencing work and activities that seek to strengthen the rights holders' and duty bearers' own capacity to promote human rights. Accountability is a key consideration in the planning process, and the obligations of the duty bearers and the rights of the rights holders are clearly set out in the intervention. The intervention is accompanied by an active and strategic political dialogue on relevant human rights challenges.

#### Not specified

'Not specified' can be set as the human rights based approach level when the operating environment for the intervention cannot be specified and the human rights situation cannot therefore be analysed. The intervention may also have only indirect effects on human rights and as a result, specifying the level is not possible or reasonable. Such interventions include technical training courses, funding for forums and meetings, and departmental planning budgets.

### PEOPLE IN VULNERABLE POSITION AS PROJECT/PROGRAMME BENEFICIARIES

This section identifies the projects /programmes that specifically address the needs/rights of individuals who are in a vulnerable situation or position. In this section, it is also examined whether the rights and/or participatory opportunities of the persons with disabilities have been identified, promoted, implemented or considered in the project/programme.

#### Instructions for projects/programmes that have persons with disabilities as beneficiaries:

**Project/programme focusing on persons with disabilities:** The main objective of the project/programme is to enhance the rights and status of the persons with disabilities, and/or the persons with disabilities are the main beneficiaries of the project. Of the intervention budget, 100 per cent is spent on achieving these objectives. The focus in the intervention may be on legislation, capacity building, access to basic services, ensuring better participatory opportunities, employment, livelihood, infrastructure, changing of attitudes, or collection of information.

**Separate disability component:** Promoting the rights and status of the persons with disabilities is not the main objective of the project/programme. However, the intervention has a separate component focusing on the promoting of the rights or participatory opportunities of the persons with disabilities in the sector coming under the main project objective. The component has its own budget.

#### Participation and accessibility issues are considered in the project/programme:

The project/programme does not have separate disability-related objectives and it may not necessarily have a separate budget for them. However, the intervention includes activities that provide persons with disabilities with better participatory opportunities and allow them to benefit from the intervention. This can be achieved by involving the persons with disabilities in the planning, implementation and monitoring of the intervention. The intervention may also promote the participation of the persons with disabilities by for example removing or minimising obstacles to participation or by disseminating information in an obstacle-free manner.

#### Proportion of disability-related funding

The estimated proportion of disability-related funding is given as percentage of the total project/programme budget.







