

Finland's Development Policy PROGRAMME

GOVERNMENT DECISION-IN-PRINCIPLE 16 FEBRUARY 2012





*A Rubik's Cube symbolising the diversity of development policy was given to Minister Heidi Hautala during the preparation of the Development Policy Programme by Kehys – The Finnish NGDO Platform to the EU.
Photo: Timo Ikonen*

Contents

1. Joint responsibility, joint interest	5
2. Finland's human rights-based approach to development	11
1. Democratic ownership and accountability	12
2. Effectiveness and impact	13
3. Openness	14
4. Policy coherence for development	15
5. Focus on the least developed countries	15
6. Modalities and channels of development policy and cooperation	16
7. Appropriations and resources	20
3. Cross-cutting objectives	23
1. Gender equality	24
2. Reduction of inequality	24
3. Climate sustainability	25
4. Priorities of development policy and development cooperation	27
1. A democratic and accountable society that promotes human rights	28
2. An inclusive green economy that promotes employment	32
3. Sustainable management of natural resources and environmental protection	36
4. Human development	40
5. Humanitarian assistance	43





1 Joint responsibility, joint interest

Development policy is a key element of Finland's foreign and security policy which aims at strengthening international stability, security, peace, justice and sustainable development, as well as promoting the rule of law, democracy and human rights. Finland is committed to the UN Millennium Declaration and Millennium Development Goals, which aim to eradicate extreme poverty. Furthermore, Finland promotes the strengthening of the position of the poor and the reduction of inequality, and strives for the reduction of poverty in absolute terms. Development policy and development cooperation contribute to these objectives in an interdependent and constantly changing world where a decent life is not self-evident for all. They also lay foundation for the Finnish people's own security and well-being, now and in the future.

In recent years, prosperity in the world as a whole has increased and the economic prospects of developing countries have improved and become more diversified. However, progress has been globally uneven and inequality both within and between countries has grown. On human development indicators, sub-Saharan Africa, in particular, lags behind the global development pace. The situation is most difficult in the least developed countries and in fragile states that suffer from conflicts and environmental degradation. Population growth, youth unemployment, global migration, urbanisation, food crisis, environmental degradation, increasing competition on natural resources and

< *Vegetables grown by local farmers are sold at a roadside market in Choma, Zambia.*
Photo: Juho Paavola

climate change bring additional challenges especially for developing countries.

Global governance, international power relations and development architecture are also changing. New actors in the global governance and development policy –such as the emerging economies– shape the development policy debate, priorities and working methods. New actors bring new resources to international development cooperation and expand dialogue beyond the traditional playing field. New actors approach development policy from a different angle, and in different ways and methods, such as South-South cooperation. They are not always committed to the previously agreed principles. This requires readiness for an open and equitable dialogue based on the needs of poorer partner countries and their people and the quest for joint commitments.

Development today relies increasingly on rapidly growing private investments –both on developing countries’ own investments and foreign investments– and migrants’ remittances to their countries of origin. The domestic resource base of developing countries has grown as well. Despite this, in the poorest developing countries official development assistance (ODA) remains crucial and can even have countercyclical effects. Development policy and development cooperation support developing countries’ own development efforts and the emergence of an enabling environment for responsible business. Furthermore, support is allocated to strengthen innovation and skills development as well as creation of decent work. Countries can move towards self-reliance and rise from poverty by taking advantage of international trade and economy and by making better use of their own resources. At the same time, it is important to curb the illicit capital flight from developing countries and to act for the closure of tax havens. This will support the poorest countries in getting their share of the increased prosperity of the world.

Finland’s human rights-based approach to development aims to ensure that even the poorest people know their rights and are able to act for them.

This programme renews Finland’s development policy and development cooperation to better correspond to the changing environment and future needs and to help countries to free themselves from aid dependency. At the same time, Finland will take an active role in the process of the revision of the Millennium Development Goals beyond 2015. Finland will support efforts to complement the UN’s Millennium Development Goals with new sustainable development goals. Finland’s aim is to better con-

solidate the three dimensions (the economic, social and environmental) of sustainable development, as well as to strengthen the global governance of sustainable development. In recent years, the limited capacity of the GDP per capita to reflect the development and well-being of societies has been widely recognised. Finland promotes the widespread adoption of new indicators, among others in the Rio+20 process.

Extreme poverty is the world's greatest single human rights issue. Finland pursues **human rights-based** approach to development. Its aim is that everyone, including the poorest people, know their rights and are able to act for them. It is equally important that the authorities know their human rights obligations and are capable of implementing them. Furthermore, this programme emphasises the principles of an inclusive green economy. Sustainable development requires that also Finnish people change their own consumption habits and production patterns.

The achievement of these objectives will require that other policy sectors in both donor and developing countries that have an impact on development also contribute towards poverty reduction. The programme therefore stresses coherence between the various policy sectors.

This programme consists of four sections. The first section describes the human rights based approach and the working methods of Finland's development policy and development cooperation. These include democratic ownership, accountability, openness, effectiveness, coherence and concentration. The modalities and resources for cooperation are also defined. The second section presents the cross-cutting objectives: promotion of gender equality and climate sustainability as well as reduction of inequality. The third section defines the four priority areas Finland emphasises in its development policy and development cooperation. These priorities are: a democratic and accountable society that promotes human rights; an inclusive green economy that promotes employment; sustainable management of natural resources and environmental protection; as well as human development. The final section addresses Finland's humanitarian assistance. Humanitarian assistance is financed from development cooperation appropriations, but it is based on humanitarian needs, and is impartial and independ-

An inclusive green economy that promotes employment strengthens human well-being and social equality, is based on sustainable use of natural resources and works within the limits of the carrying capacity of nature.

ent of other policies, including development policies, and political interests in conflict situations.

This programme emphasises the results and quality of development cooperation. Baseline assessments, clear target-setting as well as systematic monitoring and reporting on activities will be enhanced in line with research findings and the recommendations of evaluations. On the whole, the implementation of this programme and the effectiveness and results of development cooperation will be assessed in an annual report to the Parliament. Implementation and results are also monitored in the Development Policy Committee appointed by the Government as well as in the Development Policy Steering Group of the Ministry for Foreign Affairs under the direction of the Minister for International Development. Moreover, in accordance with the Government Programme a report on the effectiveness and coherence of development policy will be issued. Information about Finland's development policy will be made available so that people can learn about development cooperation and assess its results.

The policy guidelines provided by this programme will be implemented and put into practice together with the partner countries and organisations through the **development policy decision-making and planning mechanisms**. Furthermore, the programme contains specific **measures**, the most important of which are the following:

- ▶ inclusion of the human rights-based approach in all activities
- ▶ enhancement of aid effectiveness
- ▶ strengthening of development policy dialogue and its strategic orientation
- ▶ improving of policy coherence for development

- ▶ development of methods and reforming of tools to attain cross-cutting objectives
- ▶ result-oriented country programming for long-term partner countries
- ▶ strategic focusing of multilateral cooperation and increased funding
- ▶ increased funding through civil society organisations and improving effectiveness of their development cooperation activities
- ▶ reform of the procedure through which international civil society organisations can apply for development financing
- ▶ planning and implementation of new cooperation modalities with the private sector, including an increase in Finnfund's capital and the introduction of a special risk financing instrument
- ▶ revision of the principles for and approaches to promoting democracy and human rights in development cooperation
- ▶ revision of Finland's Aid for Trade Action Plan
- ▶ updating of the humanitarian assistance policy
- ▶ human resource development within the Ministry for Foreign Affairs in accordance with the objectives and new priorities
- ▶ development of the information management systems for development cooperation in order to enhance effectiveness, openness and predictability
- ▶ assessment of the special needs of fragile states





2 Finland's human rights-based approach to development

Coherence and perseverance, good ability to cooperate, and an approach based on partner countries' development objectives and needs are considered the strengths of Finland's development cooperation. The characteristic principle of the Finnish society to support those in the weakest position has also been well received in international development cooperation. Finland will build on these strengths also in the future.

In line with the UN Universal Declaration of Human Rights, Finland's **human rights-based development policy** emanates from the idea that all human beings are born free and equal in dignity and in rights. Value-based development policy promotes the core human rights principles such as universality, self-determination, non-discrimination and equality. All people have an equal right to influence and participate in the definition and implementation of development. The human rights-based approach to development includes civil and political rights and freedoms as well as economic, social and cultural rights. Finland emphasises the rights of women, children, ethnic, linguistic

< *ABILIS Foundation of Finland supports organisations of persons with disabilities in developing countries. Kenneth Habaalu of Zambia uses recycled cardboard to make assistive devices for children with cerebral palsy. Photo: Charlotta Boucht*

and religious minorities and indigenous peoples, the rights of persons with disability, people living with HIV and AIDS, and the rights of sexual and gender minorities. Finland is committed to fight against human trafficking and child labour.

The implementation of development cooperation is based on human rights, including the recommendations of the UN Human Rights Council and EU decisions. In situations where human rights and the human rights-based approach to cooperation are violated, Finland works bilaterally as well as multilaterally within the UN and the EU, exerting influence on the situation and seeking solutions together with other actors. If there are no preconditions for intergovernmental cooperation, support can be targeted to the strengthening of democratic forces and civil society. In conflicting situations, Finland defends the rights of the weakest.

Finland's development policy and development cooperation adhere to internationally agreed principles and best practices that help to improve **aid effectiveness**, increase the **coherence** of different policy sectors, promote the **openness and transparency** of development policy and cooperation and emphasise the **ownership and accountability of developing countries and their citizens on development and its objectives**. These principles steer the selection of partners and focusing on areas and objectives where Finland can best support its partners to achieve sustainable development results.

1. Democratic ownership and accountability

Finland's development cooperation is based on its partner countries' citizens and their democratically elected representatives having ownership of the development of their own societies. Citizens' participation and the strengthening of their opportunities to exert influence are preconditions for sustainable development. Finland's development cooperation is based on development needs defined by partner countries' citizens and on the countries' own development and poverty reduction plans, and is harmonised taking into account the operations of the rest of the donor community.

In bilateral cooperation, Finland works closely with its partner country governments, the public authorities, civil society, private sector actors, the media, various stakeholder groups, and with other donors. The implementation of cooperation and its results are monitored through jointly agreed practices, and they are advocated through political and technical dialogue. By default, local systems are used for aid delivery and funding thereby strengthening the partner country's ownership and its institutions and capacity.

Development cooperation partners and actors have mutual responsibility for development results. Partner governments are accountable above all to their own citizens for their actions; this requires adherence to the principles of rule of law, good governance and transparency. Finland will improve the predictability of its development cooperation funding so that its partner countries and other actors will be able to implement their development plans and commit their resources effectively.

2. Effectiveness and impact

Development means sustainable and positive change as well as increased opportunities in people's lives. It means improved literacy and health, education, employment and security among other things. Development means more and better possibilities for people to influence their own lives. In order to create conditions for development societies must operate in a responsible and just way. Furthermore, economic policies that are conducive to development are needed.

Finland pursues development policy and cooperation that yield sustainable results with a positive long-term impact on society. However, as development is generated by many other factors than development cooperation, it is difficult to distinguish the results of development cooperation and, above all, its long-term impact. Development funding can be used, for instance, to finance teacher training. Qualified teachers are an important but insufficient condition for achieving sustainable development results. A crucial factor for achieving development results is what and how children and young people learn at school and whether the youth find employment and can participate in the development of their societies after completing their education. This is affected for example, by the learning environment in schools, by the quality of teaching and the educational materials and technology, by children's and young people's opportunities to attend school, by teachers' wages and other benefits, as well as factors such as girls' right to vocational training.

As a member of the international donor community, and together with its partner countries, Finland is committed to improving the quality of development cooperation. The Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008) and the Busan Outcome Document (2011) contain the principles for international development policy and joint approaches to development cooperation. The principles emphasise partner country ownership, the alignment of aid with partner country priorities and systems, donor cooperation and harmonisation, development results, as well as the mutual accountability.

The results-based approach of the Finnish development cooperation will be strengthened. This means more strategic and results-oriented

planning and management, monitoring and evaluation of results, as well as learning from and communicating results. The division of labour between the donors and joint practices, such as EU joint programming, are encouraged. There will be regular dialogue on the results obtained as well as on the principles relevant to their attainment, such as human rights, democracy, good governance and equality. Delegation of development cooperation administration to Finnish embassies will be advanced. In order to strengthen monitoring and reporting of development results at all levels and to assess long term development impact, clear and measurable goals will be set for individual interventions and programmes as well as for development cooperation in general.

3. Openness

Effective and responsible development policy and development cooperation require openness from both donor countries and their partner countries. Donor countries aim to ensure that aid is transparent and predictable both to their own as well as to their partner countries' citizens. Governments of the partner countries are expected to openly report what has been achieved with public and other development cooperation funding and other financing for development and how citizens have benefitted from activities. Finland encourages its partner countries to publish their budgets and to make them transparent. Openness reduces the possibility of funds being misused and strengthens democratic and good governance. This increases trust both between governments and citizens as well as between donors, partner countries and other development actors.

Ministry for Foreign Affairs provides comprehensive information about the use of Finland's development cooperation funding and the results achieved. In its reporting, Finland adheres to the criteria and definitions of the OECD's Development Assistance Committee, which guarantees the comparability of data internationally. Development cooperation information systems will be made more user-friendly so that high quality and easily usable information is available both domestically and internationally. There are good examples, such as the World Bank's Open Aid Initiative and IATI (the International Aid Transparency Initiative) which improve the international comparability of data.

Openness and transparency are also central principles of multilateral cooperation and cooperation carried out with civil society organisations. The Ministry for Foreign Affairs of Finland will communicate the objectives and results of development policy and cooperation and advocate for global development issues. Good interaction between the authorities, civil society and private sector as well as open and regular dialogue on development policy and cooperation will be enhanced.

4. Policy coherence for development

Development policy and development cooperation are not sufficient for achieving development goals. Long-term work to strengthen the achievement of development goals should also be done in other policy sectors relevant for development, both in donor countries and in partner countries. Policy coherence is necessary within development policy, between different policies, and among donors. Private sector and civil society activities also play an important role.

Policy coherence enhances development results and makes the use of public funds more efficient. Finland is committed to policy coherence for development and promotes its implementation at the national level and in relation to its own partner countries and other donors. In order to enhance policy coherence for development, strategic management will be strengthened and cooperation between ministries enhanced. In accordance with the Government Programme, Finland promotes policy coherence actively in the EU. To this effect, the national EU coordination system will be utilised efficiently.

On policy coherence for development, Finland implements the recommendations of the OECD. OECD's tool for policy coherence will be piloted on the themes of food security and the right to food. Policy coherence on other themes, such as trade and development, tax and development, migration and development, and security and development, will be strengthened both nationally and internationally. The Government will submit a communication to the Parliament on aid effectiveness and policy coherence for development in the first half of 2014.

5. Focus on the least developed countries

Finland's resources are limited. In order to increase the effectiveness and impact of development cooperation, Finland concentrates its development cooperation in accordance with the policy guidelines and objectives of this programme.

Increased economic uncertainty diminishes the flow of funds for development worldwide. Financing for development has also changed in character; flows of private funds exceeding ODA, such as domestic and foreign investments, countries' own tax revenues and migrants' remittances to their countries of origin, play an increasingly important role. However, in the poorest developing countries, external financing

for development and predictable ODA, still have great importance and even a countercyclical effect.

Developing countries have the primary responsibility for their own development. Finland supports countries that are committed to the achievement of development results, show a strong will to develop and can benefit from Finland's expertise and strengths. Partnerships are based on the need for support. In its partnerships Finland also pays attention to the willingness of the country to harness its own national resources to reduce poverty and inequality and to strengthen the position of the poor. Finland also emphasises the efforts and performance of the country's government to promote democracy, good governance, equality and human rights. Sustainable use of water and natural resources and the fair distribution of the income they generate are also emphasised.

Finland will focus its development cooperation on the least developed countries in Africa and Asia. Development cooperation will be concentrated on long-term partnerships in order to reduce the fragmentation of financial and human resources. Finland's long-term partner countries in the future are Ethiopia, Kenya, Mozambique, Nepal, Tanzania and Zambia as well as Vietnam, a lower middle-income country, with which Finland is gradually shifting to new cooperation modalities. In the future Nicaragua will be supported mainly through cooperation with civil society organisations. The specific needs of fragile states will be taken into account. Finland is committed to long-term cooperation with Afghanistan and carries out development cooperation with the Palestinian Territory and South Sudan.

The responsibility of emerging economies in reducing poverty and inequality within their own countries and in global development efforts is emphasised. Once ongoing operations are concluded, Finland will not launch especially bilateral development cooperation projects or programmes in countries designated as upper middle-income countries by the OECD's Development Assistance Committee. The intention is also to reduce in relative terms development cooperation in lower middle-income countries.

6. Modalities and channels of development policy and cooperation _____

Finland's development policy objectives are promoted both through development funding and by effective policy dialogue bilaterally, regionally, multilaterally as well as through civil society organisations and the EU. Various cooperation modalities complement each other and extend Finland's development cooperation nearly all over the world.

Cooperation modalities will be further developed specifically from the perspective of effectiveness and concentration. The size of programmes and projects will be increased and the number reduced in both bilateral and multilateral cooperation. The number of small and short-term bilateral activities will be reduced as ongoing projects, programmes and other cooperation modalities come to an end. More precise methods for reducing fragmentation will be developed. At the same time, Finland continues to take part in the international processes generating new and innovative cooperation practices and modalities.

In **bilateral cooperation**, country programming is strengthened in accordance with the results-based approach. Results-oriented country programmes are drawn up for cooperation with Finland's long-term partner countries. Country programmes will be based on partner countries own development plans and the priorities of this programme. The work will be based to a large extent on donors' joint analyses and arrangements, such as the EU country strategies, joint programming and division of labour. Partner countries' leadership in the coordination of cooperation is supported. Risks involved in cooperation will be assessed and risk management plans will be made, including the option if Finland would refrain from activities.

In accordance with EU recommendations, each country programme includes a maximum of three sectors, which are agreed in cooperation with the partner country and coordinated with the activities of other donor countries. Cooperation channels and modalities, including political and policy dialogue, are selected to support the attainment of the agreed objectives. The indicators defined in country programmes are used to monitor partner countries' progress and to assess the performance of Finland's activities. In monitoring results, partner countries' own monitoring mechanisms are used where possible. Finland participates actively in the development of these mechanisms. The introduction of additional parallel indicators to country mechanisms will be avoided. Civil society organisations are encouraged to complement Finland's activities in its partner countries, and to support the attainment of the objectives of country programmes.

Finland uses both general and sector budget support and other programme-based support to enhance the objectives of the country programme. An EU coordinated approach to budget support will be followed. Budget support will be based on a contract that is made between the partner country and donors and which emphasises good governance, human rights, reduction of inequality and democratic values. Budget support incentives, which include stronger, more open and transparent governance and strengthening of civil society are developed together with the international community.

At the regional level, Finland's approaches may differ in different geographical areas. Regional programmes must, however, have regional scope and objectives: scattered, country-specific projects are discour-

aged. Regional programmes differ from country-specific cooperation in that they aim to support regional integration and the resolution of cross-border problems. In the future, the focus of the Wider Europe Initiative will be confined on Central Asia.

In the **European Union**, Finland works in a strategic and active manner. Working through the EU allows Finland to have influence in areas which would otherwise be beyond the scope of its resources. Finland adheres to the development policy obligations of the Lisbon Treaty and implements the European Consensus on Development as well as other development policy agreements agreed in the EU. Finland supports strengthening of the EU's role in development policy and utilises the synergies arising in the EU. The EU plays an important role in development cooperation funding and policy dialogue for Finland and the intention is to make full use of its potential.

Finland will increase its focus on **multilateral organisations** and development financing institutions, and will work in these organisations in a more goal-oriented and strategic manner. Policy dialogue will be sharpened by advocating a limited number of priorities. A strategic analysis of Finland's multilateral cooperation will be made, and cooperation strengthened with the organisations and financing institutions that are the most effective and relevant in implementing Finland's development objectives. In the analysis, Finland will utilise assessments on the effectiveness of multilateral organisations conducted by other development partners. The achievement of both organisations' own goals and the goals of Finland's development policy will be monitored and an annual report will be compiled on the results. Multilateral actors are encouraged both to reduce the fragmentation of their own activities and to align their activities increasingly with the national objectives of partner countries.

The United Nations (UN) is the cornerstone of the multilateral system, and has an important role in advancing human rights and human security. In order to enhance the effectiveness of the UN, its values and working methods must be strengthened, its development sector reformed and its overall effectiveness enhanced. Finland will strive for the reinforcement of the UN's legitimacy and performance and to promote the implementation of the UN Delivering as One policy by supporting the UN and its agencies mainly through core funding. Besides the UN, the international development financing institutions are the most important multilateral channel for the implementation of Finland's development policy. International development financing institutions have a key role in combating the effects of the international economic crisis. At the country level they are major development financiers, to which Finland channels funds mainly as core funding. The use of funding is determined by financing institutions' mandates and by priorities agreed in replenishment negotiations.

Finland supports the enhancement of the operational effectiveness of the UN and other key multilateral actors - such as the World Bank,

regional development financing institutions and the World Trade Organization (WTO) - and the strengthening of their mutual cooperation. In the World Bank and the WTO, Finland consistently strives for improving the voice and representation of the poorest developing countries. Equal global governance, which is essential to countries' own development efforts, will be promoted through international cooperation.

Cooperation and dialogue with **the Nordic countries and other like-minded countries** is important. The Nordic countries are known as reliable and respected development actors whose relative weight is enhanced by their common value base and working methods they share.

Support for the development cooperation of Finnish **civil society organisations** and cooperation with them will be increased. At the same time, a greater effectiveness will be ensured. Civil society organisations are encouraged to promote effectiveness in accordance with the guidelines of the Istanbul Principles and the "International Framework for CSO Development Effectiveness". This programme's policy guidelines and priorities also steer the allocation of funds to civil society organisations. The Guidelines for Civil Society in Development Policy published in 2010 will remain valid. Civil society organisations are invited to engage in mutual cooperation as well as in partnerships with the private and public sectors. Civil society organisations active in Finland's long term partner countries are encouraged to support the objectives of Finland's country programmes. The expertise and connections of immigrant organisations will be utilised in development cooperation.

Principles for cooperation with **international non-governmental organisations** will be clarified and transparency increased. A coordinated application procedure for financing will be created. Complementarity as the cooperation criteria will be emphasised. **Local Cooperation Funds** of Finnish Embassies are developed to correspond better with the priorities of this programme. In Finland's long-term partner countries, the Local Cooperation Funds will be directed to support the objectives of the country programmes. Development cooperation funding can also be allocated as **human rights and democracy support** for societies in transition.

The modalities for private sector cooperation will be developed to better reflect changes in the operating environment and to adhere to the policies of this programme. In recent years, the role of the private sector, both in developing countries and in developed countries, has increased in international cooperation. Finland strives to develop the private sector's operating environment and cooperation modalities in partner countries, especially in ways which complement other Finnish development cooperation, particularly in the poorest countries. The capital of the state-owned development finance company, Finnfund, will be in-

creased and a special risk financing instrument will be adopted. Cooperation modalities that promote development policy objectives and complement the other development policy modalities will be developed together with the private sector to replace concessional credits. Development policy dialogue with the private sector will be strengthened by establishing a joint discussion forum.

The Ministry for Foreign Affairs supports the **development communications and global education** carried out by Finnish civil society organisations. Civil society organisations advocate for global development in the Finnish society and raise the awareness on different ways and means to act and participate. The Ministry for Foreign Affairs cooperates with educational authorities to ensure that global development issues have a firm foothold in general education. Reform of the National Core Curricula for general education provides an opportunity to promote growth towards global responsibility among generations of school age. Moreover, in teachers' pre-service and in-service training, cooperation between the authorities offers possibilities for nationwide impact. The eighth Millennium Development Goal - to develop a global partnership for development - also encourages Finnish people to commit themselves to global responsibility and to participate in development policy.

Global responsibility is not built on knowledge alone but requires long-range efforts that focus on skills, values and attitudes. Global responsibility is a commitment to human rights and democratic decision-making and the desire to participate and to act on behalf of global development, for example as a consumer. As societies become culturally more diverse, it is increasingly important to understand cultural issues and to take them into consideration. Finland also promotes the freedom of speech, belief and religion in development policy. Finland's development cooperation is implemented in a spirit of reciprocity and mutual learning that benefits development both in the South and in the North.

7. Appropriations and resources _____

The Government aims to ensure a steady trend in appropriations that would enable Finland to reach the international commitment of 0.7 per cent of gross national income. In the EU, Finland is committed to achieving this target by 2015. Furthermore, Finland is obliged to support developing countries in reducing their emissions and adapting to climate change. Towards the end of the Government's term, revenue collected from emissions trading will be used for development cooperation and climate financing. In this context, the aim is to increase the

share of GNI used for development cooperation appropriations during this Government term. At the same time, the different dimensions of broad-based financing for development will be strengthened and the chances of expanding the funding base from innovative sources of development financing will be explored.

A sufficient number of skilled and competent personnel is a prerequisite for high-quality activities. Development policy dialogue and the management of development cooperation appropriations call for continuous human resource development as well as improved operational capacity at the Ministry for Foreign Affairs and in the Finnish Embassies. The starting point is that development policy and development cooperation are part of Finland's foreign policy. In order to ensure the quality of activities, the Government will direct some of the increase in development cooperation appropriations to strengthening of the development cooperation administration, taking into account the Effectiveness and Productivity Programme of the Finnish Government. Implementing the priorities of the Government Programme and this Development Policy Programme, achieving results and managing risks require that the development cooperation administration is strengthened.

The development cooperation administration within the Ministry for Foreign Affairs will be developed increasingly towards a learning organisation. Skills, expertise and capacity will be maintained and further strengthened. The rotation of the personnel in the Ministry for Foreign Affairs emphasises the importance of high-quality personnel training. Training and learning as well as development of activities are prioritised, if necessary by reorganising work. The personnel are encouraged to adopt a more discussion-oriented organisational culture and to engage in interaction and joint learning with other development policy actors of Finnish society and in international contexts. The expertise and capacity of other government institutions and stakeholders influencing Finland's development policy and implementing development cooperation will also be utilised and strengthened. Networking and institutional cooperation with expert practitioners is encouraged.

Information management systems will be developed and the Ministry's internal inspection and external evaluations will be utilised systematically so that best practices can be applied and replicated.





3 Cross-cutting objectives

Gender equality, reduction of inequality and climate sustainability are the cross-cutting objectives of Finland's development policy and development cooperation. These objectives will be promoted in all development policy and development cooperation through mainstreaming, targeted actions and policy dialogue as well as communication in bilateral, multilateral and EU cooperation. On the one hand these objectives are promoted globally; on the other hand, their integration in all of Finland's activities is assured. The integration of these cross-cutting objectives in all development cooperation activities is a binding obligation, deviation from which must always be specifically justified. Cross-cutting objectives will be promoted by means of training and guidance, by developing effective and practical tools for each cross-cutting objective, as well as by utilising Finland's previously acquired comprehensive expertise about cross-cutting objectives.

< Eneles and Marrison Gamela grow maize, cassava, sweet potato, peanuts and vegetables in Siansangwa village, Zambia. They have learned conservation farming through a Zambian Farmers' Union project supported by Finland.
Photo: Juho Paavola

1. Gender equality

Gender equality and the advancement of the status of women is a UN Millennium Development Goal and one of the main objectives of both the Beijing Declaration and Platform for Action as well as the Programme of Action of the Cairo International Conference on Population and Development. The realisation of equality between women and men, as well as girls and boys effectively promotes the attainment of the other development goals. Gender equality is a human rights issue, but by strengthening the status of women, economic development and well-being are promoted as well. Finland advances and supports the participation of women in decision-making and rejects any form of discrimination that gives rise to gender inequality (sexual and domestic violence, as well as unequal rights of ownership and inheritance). Partner countries are encouraged to compile gender-disaggregated data so that the prevailing unequal gender system can be made visible.

2. Reduction of inequality

Economic and social inequality and exclusion prevent development worldwide. Development cooperation supports social policies that increase equal opportunities for social, economic, and political participation as well as access to basic services and a social protection floor. Good nutrition, health, education, decent work and basic social protection as well as the realisation of the basic labour rights have a key role. Particular attention will be paid to the rights and equal participation opportunities of people who are vulnerable, socially excluded and discriminated against. Efforts will be made to narrow the gaps between the formal and informal economies and between skilled and unskilled labour.

3. Climate sustainability

The impacts of climate change are felt most severely particularly in the developing countries. Vulnerability may be reduced by integrating adaptation measures into development cooperation. Development activities that do not take climate change into account can reinforce its detrimental effects and increase the risks - or can go completely wasted. The impacts of development cooperation on climate must be assessed comprehensively *ex ante*, the aim being to combat climate change and its adverse effects on development. In its own development cooperation, Finland aims to achieve carbon neutrality as soon as possible. Finland promotes low carbon development and the capacity of its partner countries to adapt to climate change, and furthers integration of these goals into partner countries' own development planning. Particular attention will be paid to the roles of women, children and indigenous peoples in adapting to and in combating climate change.

The human and economic losses caused by natural disasters are a major obstacle to development. Finland supports long-term measures that reduce the vulnerability of people and communities to natural disasters. *Ex ante* prevention can reduce the extent of damage and can save lives. Strengthening the capacity of developing countries' own administrations to prepare for natural disasters and investing in the disaster risk reduction is a necessity. This requires substantial improvement of *ex ante* preparedness in Finland's development cooperation programmes and projects.

Finland will adopt a climate sustainability tool for assessing and preventing climate change and the risks posed by natural disasters caused by climate change.





4 Priorities of development policy and development cooperation

The overarching goal of Finland's development policy is the eradication of extreme poverty and securing a life of human dignity for all people in accordance with the UN Millennium Development Goals. Furthermore, Finland promotes strengthening the position of the poor and the reduction of inequality. In addition to the eradication of poverty, development policy is a means for finding solutions to other global challenges such as unsustainable use of natural resources and climate change.

Finland's development policy and development cooperation are based on human rights. **The priority areas** are

- 1) a democratic and accountable society that promotes human rights,
- 2) an inclusive green economy that promotes employment,
- 3) sustainable management of natural resources and environmental protection, and
- 4) human development.

Three cross-cutting objectives define activities: **gender equality, reduction of inequality and climate sustainability**. Activities are focused on the basis of partner countries' needs, Finnish expertise and strengths as well as the global division of labour in the development community.

*< Human rights and good governance are priorities of Finland's development cooperation in Kenya.
Photo: Milma Kettunen*



*Women participated in many ways in the Arab Spring demonstrations held in Cairo in winter 2011.
Photo: Päivi Arvonen*

1. A democratic and accountable society that promotes human rights _____

Respect for human rights and their implementation are a prerequisite for achieving sustainable development. According to the human rights-based approach, development policy takes into account, in a cross-cutting manner, everyone's right to information on their basic and human rights. At the same time, the capacity of the partner countries' authorities responsible for monitoring and implementing human rights is supported.

Democratic public institutions form the basis for a well-functioning state. They ensure equality and equal treatment of all citizens and

lay the foundation for economic and social development as well as for an equitable social policy. Respect for and active promotion of human rights is the basis for democracy. In a state governed by the rule of law, people can participate in the planning of development and in decision making affecting their lives, the law is the same for everyone, and the rights of minorities are guaranteed. State governed by the rule of law is based on a respect and realisation of universal human rights.

Development policy and development cooperation support the basic pillars of democracy - an independent judiciary, freedom of expression, association and assembly, free and fair elections, a parliament and an accountable government, local government, political parties and freedom for civil society.

The events of the North African “Arab Spring” were unpredictable and proved that the international community had ignored the democratic deficit in those countries, emphasising the apparent stability. The Arab Spring underlines the prioritisation of democracy also in Finland’s development policy and cooperation. In the future, development cooperation funds can be used also for supporting human rights and democracy in societies in transition. Particular attention will be paid to preventing the exclusion of youth by promoting employment, education and their opportunities to participate in society.

Openness, right to information and access to decision-making are fundamental principles of the rule of law and good governance. The principles of good governance must be applied to all the mechanisms of decision-making in society, at workplaces and in the markets. Donors and their partner countries can promote these principles together. The people of both developing countries and donor countries must know where and how public funds are spent. Corruption and misuse of funds prevent the achievement of development and realisation of human rights. Development partners can support the anti-corruption activities, narrow down the space for corruption, as well as contribute to the distribution of open information by promoting democracy also through education, communication, and communications technology. Anti-corruption work must be carried out also in donor countries.

Civil society is an important actor and partner in the implementation of human rights-based development cooperation. Civil society demands accountability from the government, public authorities and enterprises and thus advances democratic change. Direct links between Finnish and international civil society organisations practicing development cooperation with civil society organisations in the partner countries strengthen democracy and development owned by the people.

Development and security are interlinked: there is no development without security and no security without development. Comprehensive security is generated by means of collaboration between development cooperation, humanitarian assistance, diplomacy, as well as by military and civilian crisis management. However, the independence and impartiality of humanitarian assistance is recognised. Development

cooperation can be increased in areas where peace mediation, peace-keeping and crisis management tasks are supported. Possibilities for flexible use of resources, for example through the establishment of a stabilisation mechanism, will be explored. The decision to support comprehensive crisis management efforts through development cooperation must be based on development policy objectives and comply with the OECD criteria set for official development assistance (ODA). Peace mediation activities often take place in developing countries or affect their population, in which case the funding of peace medication is mainly ODA-eligible.

There are nearly fifty states in the world that are classified as **fragile states**. More than 1.5 billion people live in countries that suffer from violent conflicts or constant political and criminal violence, which causes immense human suffering, distress and insecurity. At the same time, development is curtailed. Very often, criminal violence also erodes the base underpinning peace processes that have brought an end to political violence. Weak institutions suffering from a lack of legitimacy are unable to generate security, justice and economic development supporting employment. This can lead to crises also in countries that appear to be stable.

State-building requires long-term vision and commitment. A new approach to the development of fragile states was agreed at the Fourth High Level Forum on Aid Effectiveness held in Busan in 2011. According to the High Level Forum, international support should focus especially on security as well as the on confidence building between the state and civil society, which encompasses human rights, democratic governance and civil society. The state's ability to fulfil its basic functions is also a prerequisite for poverty reduction. The basic functions include security and justice as well as the ability to collect tax and customs revenues, which in turn can secure basic services and promote employment. Support for individuals and communities promote social stability, reconstruction and development in fragile states. Finland will explore the possibilities to emphasise further the specific needs of fragile states in its development policy and development cooperation.

In post-conflict situations, states need support in disarming the combatants, demobilisation, rehabilitation and re-integration. The security sector must be reformed. The special tasks also include preventing the spread of illegal small arms and light weapons as well as the unregulated arms trade. Finland does not allow the export of weapons to conflict areas. Human rights abuses related to conflicts, and in particular impunity associated with the most serious international crimes, such as genocide, crimes against humanity and war crimes, must be prevented.

Finland promotes human rights, democracy and an accountable society by

- ▶ supporting human rights defenders and other human rights actors, good governance and the rule of law
- ▶ strengthening openness, access to information and accountability in Finland, in its partner countries and worldwide
- ▶ building the capacity of democratic public institutions that serve citizens and produce security in partner countries
- ▶ carrying out anti-corruption work
- ▶ supporting the duty-bearing authorities in monitoring and implementation of their human rights obligations, paying particular attention to the realisation of the rights of the most vulnerable as well as the implications of poverty reduction to such groups
- ▶ supporting civil society and its operational freedom, interaction between civil society and the public authorities as well as their educational and cultural activities
- ▶ adopting a special form of support for strengthening democracy and its preconditions in countries undergoing transition
- ▶ participating in the international community's efforts to help fragile states towards peace and development and by supporting their state-building
- ▶ involving women in conflict prevention, peacekeeping and peace-building, in accordance with UN Resolution 1325
- ▶ supporting peace mediation, in accordance with the approach outlined in the Action Plan for Mediation and exploring the possibilities for flexible use of resources, for example through the establishment of a stabilisation mechanism
- ▶ participating in national and international projects to prevent the illegal spread of small arms and light weapons as well as the unregulated arms trade.



In Ethiopia, the home of coffee, 80 per cent of the crop is organic coffee grown by small farmers. Coffee farmers sell their harvest to pre-processing plants where the coffee beans are washed, the hulls are removed and the beans are then spread out to dry.

Photo: Petri Pellikka

2. An inclusive green economy that promotes employment

Prosperity and well-being are generated by people's knowledge and skills as well as by work. Economic growth has lifted countries from poverty, but at the same time many have been left disadvantaged. Natural resources have been consumed unsustainably. Therefore economic growth alone is not enough. Economic growth should generate equal human development within the bounds of nature's carrying capacity. Furthermore, it should create equal possibilities for all to participate in society and decent work.

Finland's development policy and development cooperation promote an inclusive green economy. In line with the definition by UNEP, green economy aims at strengthening human well-being and social equality, is based on sustainable use of natural resources and takes into account the carrying capacity of nature as well as secures the provision of ecosystem

services. The green economy is low-carbon, resource-efficient, socially inclusive and creates decent work and well-being for as many women and men as possible.

The political will and policy performance of a government is of essential importance in creating and strengthening environment that is conducive to investment, entrepreneurship and responsible corporate activity. In its partner countries, Finland supports good governance that also promotes economic activity, equal distribution of economic benefits as well as the building of social capital. A well-functioning legislation and tax system, anti-corruption rules as well as countering the informal economy pave way for environment conducive to business. At the same time, they increase the predictability and confidence required by enterprises and investments as well as give incentives for creating decent jobs. Decent work complies with the minimum standards for working life as defined by the International Labour Organization and provides wages or earnings adequate for living.

A large proportion of the poor people living in developing countries are self-employed in the informal sector. A significant number of these small entrepreneurs are women. In most cases, their plight is rather a question of daily survival than engaging in actual entrepreneurial activities that have potential for growth and creation of prosperity and well-being. Their possibilities to engage in entrepreneurial activities and to employ themselves are increased by supporting the building of a minimum level of social protection floor. In this way, the position of self-employed micro-entrepreneurs can be improved and brought into the formal economy. Mobilisation of small and medium-sized enterprises into organisations of mutual support and building the capacity of the local business promotion bodies enable creation of local formal jobs that reduce poverty.

Developing countries and their exports are often dependent upon a narrow range of primary commodities. The poorest countries in particular are not able to produce competitive products for international markets, nor are their economies able to attract sufficient domestic or foreign investments. Domestic, regional and international trade is an opportunity for developing countries to break free from extreme poverty. Poorer countries should be able to integrate themselves into international trade in a balanced way and to benefit from the opportunities of trade. Trade policy must take into account the special position of the poorest developing countries as regards to market access. Policy should also be flexible in implementing regulations and in giving expert support in the negotiation and application of trade agreements.

Aid for Trade (AfT) promotes healthy entrepreneurship and the creation of decent jobs, strengthens the productive capacity, investments and the economic infrastructure in developing countries as well as supports developing countries in implementing trade agreements. It improves pre-conditions for entrepreneurship in developing countries as well as promotes women's and young people's full participation in productive activities. The enabling environment for private sector and business must be supported also in fragile states. The Finnish enterprises' opportunities to

participate in poverty reduction, resolution of international development problems and development of the green economy will be utilised by promoting a wide range partnerships among public and private sectors and civil society.

Economic growth that reduces inequality and economic policy that pursues justice create equal opportunities for all to participate in society, for employment and for social protection. Development cooperation must help developing countries in improving their tax systems and public services. Global action is also needed to prevent tax evasion and curb the illicit capital flight. In order to close tax havens, the exchange of tax information between states must be improved, international standards pertaining to the maintenance of accounting records must be developed, the reporting obligations of enterprises must be more stringent and the exchange of information between jurisdictions must be increased. The stability, transparency and accountability of global financial markets must be increased, for example by adopting international financial transaction taxes. The funds accumulated in this way can be directed to development and climate change financing.

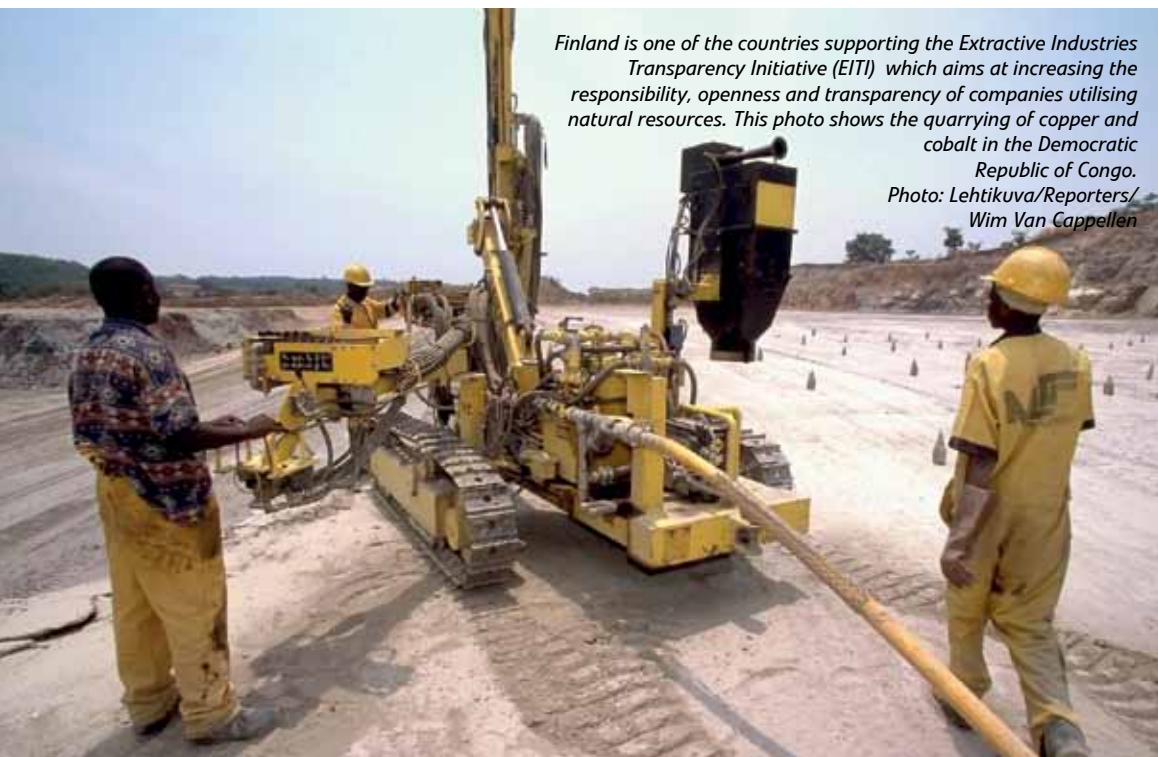
Over-indebtedness hinders economic growth and development in many poor countries. In order for countries to keep debt at a sustainable level, developing countries must be supported in expanding their export base and their own income sources. In the future, more attention must be paid on how to improve the capacity of developing countries to manage their public debt. It must be ensured that the over-indebtedness of developing countries is not increased in blending loans and grant-based aid.

Enterprises are also responsible to society for the economic, social and environmental impacts of their operations with respect to the entire supply chain. Corporate social responsibility is increasingly part of enterprises' core business, not least because business involves new risks. Responsibility is manifested as values that direct operations, as measures implemented and as openness with regard to these. The fair trade system is one way to guarantee producers a fair compensation for their work. In addition to voluntary corporate social responsibility, the international standards and guidelines should be strengthened. Finland promotes corporate social responsibility jointly with enterprises and will seek to bring about concrete procedures that benefit the most progressive actors. Finland supports, among others, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises as well as the UN Guiding Principles on Business and Human Rights.

Information and knowledge society, innovations and sustainable technology are the foundation of development. The evolving expertise of developing countries and the development of the information society are the cornerstones both for decreasing aid dependency and for aid effectiveness. Finland emphasises openness of information as well as education and training at all levels. Furthermore, high-quality research and sustainable technologies are advanced as means for promoting equality, democracy and access to public services, broad-based growth as well as small entrepreneurship.

Finland advances an inclusive green economy that promotes employment by

- ▶ supporting an enabling environment for business that creates responsible entrepreneurial activity and decent jobs
- ▶ strengthening its partner countries' tax systems as well as public financial management and its transparency
- ▶ supporting the Aid for Trade initiative and revising Finland's Aid for Trade Action Plan
- ▶ building the capacity and prospects of developing countries to benefit from trade as well as to participate in regional and multilateral trade negotiations
- ▶ giving support to the creation of inclusive business
- ▶ supporting regional economic integration
- ▶ acting for the reduction of illicit capital flight and the closure of tax havens
- ▶ participating in international debt relief initiatives and committing to their financing and development
- ▶ advancing the corporate social responsibility and international standards and guidelines
- ▶ creating public-private partnerships (PPP) for investments that promote development
- ▶ supporting the development of higher education, science, technology and innovation systems as well as the information and knowledge society
- ▶ utilising the new information technology
- ▶ taking advantage of the growing importance of Finnish environmental business for local employment in developing countries
- ▶ seeking to increase broad-based financing for development and diverse partnerships
- ▶ promoting the rules of working life based on social dialogue and collective bargaining as well as occupational safety
- ▶ supporting workers' right of association and the realisation of the basic rights at work
- ▶ promoting the adoption of alternative indicators of well-being



Finland is one of the countries supporting the Extractive Industries Transparency Initiative (EITI) which aims at increasing the responsibility, openness and transparency of companies utilising natural resources. This photo shows the quarrying of copper and cobalt in the Democratic Republic of Congo.

*Photo: Lehtikuva/Reporters/
Wim Van Cappellen*

3. Sustainable management of natural resources and environmental protection

A majority of the world's poorest people live in countries with abundant natural resources. Developing countries can promote their own development and well-being by means of a green economy and sustainable use of natural resources. Through development policy and cooperation Finland can support protection of environment and biodiversity as well as promote sustainable use of natural resources. In so doing, the basic preconditions for life are preserved for future generations. Impoverishment of nature has serious economic and social consequences, and the overthrowing of nature's balance is a threat also to human well-being.

The utilisation of natural resources involves serious risks, poor practices and corruption. Sustainable, resource-efficient and democratic management of natural resources in developing countries ensures that the revenues collected from natural resources benefit the country of origin and are dispersed throughout the population. Development cooperation

partners can support this. The importance of accountability, openness and transparency of the enterprises operating in the natural resource sector cannot be stressed enough. They are promoted, for instance, by the EU Forest Law Enforcement, Governance and Trade Programme (FLEGT), which aims at preventing the illegal felling of timber and the Extractive Industries Transparency Initiative (EITI), both of which Finland supports.

Sustainable management of natural resources is closely linked to meeting of the current and future energy needs. Access to energy can be increased sustainably, particularly by promoting the energy efficiency and the widespread, sustainable use of renewable energy sources. By promoting good governance in the energy sector, development partners help developing countries to mobilise private-sector investments, to create green jobs as well as to develop clean-tech expertise. Finland, in its own development cooperation, strives to carbon neutrality and supports the low-carbon development of developing countries. In energy investments and other infrastructure projects as well as in strategies and programmes, the social impacts for instance on the rights and livelihoods of affected communities, need to be assessed carefully in addition to environmental impacts. Negative impacts must be minimised in both planning and implementation, and assessments must be truly participatory. Finland does not use its development cooperation funds to finance nuclear and coal power or large dams and advocates this position as far as possible in international organisations.

Population growth, urbanisation and climate change will increase competition for natural resources and land. At the same time they limit the viability of many communities threatening their livelihood. At their worst, environmental degradation, land ownership and disputes over the use of natural resources cause violent conflicts. Correspondingly, transparent and fair management of natural resources increases social stability and plays an important role in conflict prevention and resolution. Shared natural resources and joint agreements as well as institutions related to their use can build confidence between countries and communities. Sustainable and low-carbon urban development that takes into account surrounding rural areas supports the sustainable use of natural resources.

Indigenous peoples as well as people of different minorities are often among the groups subjected to the worst discrimination. This is evident when measured for example by the attainment of UN Millennium Development Goals that has been clearly weaker than when compared to average population. On the other hand, because of their living conditions and status, the indigenous people and different minorities have experience and knowledge of adapting to changes in nature and living conditions that can be useful for development of the society as a whole. Communities' own coping mechanisms and their capacity to participate in decision-making about the use of natural resources will be strengthened.

Sustainable urban development is increasingly important because as much as half of the world's population already live in cities. Rate of urbanisation will be highest in developing countries, where the population is ex-

pected to grow by about two billion during the next three decades. In particular, the urbanisation of developing countries will have a significant impact on global energy efficiency. To bring about energy-efficient cities, support must be given to denser urban structure with fewer emissions.

Achievement of global food security is among the greatest challenges facing international development. The right to healthy and safe food belongs to the right to life with dignity. More than two out of three people living in extreme poverty inhabit rural areas. Agriculture is the main livelihood for most of the rural population. Promotion of global food security requires a wide range of cooperation between different actors as well as policy coherence in many policy areas. The achievement of food security requires coherence between development, agriculture, fisheries, trade, energy, health, environmental and natural resource policies. In addition to well-being, food security promotes social stability and security. Increasing overall agricultural productivity in ecologically and socially sustainable manner throughout the food value chain and improving productivity of agricultural land promote economic growth also in other sectors of society.

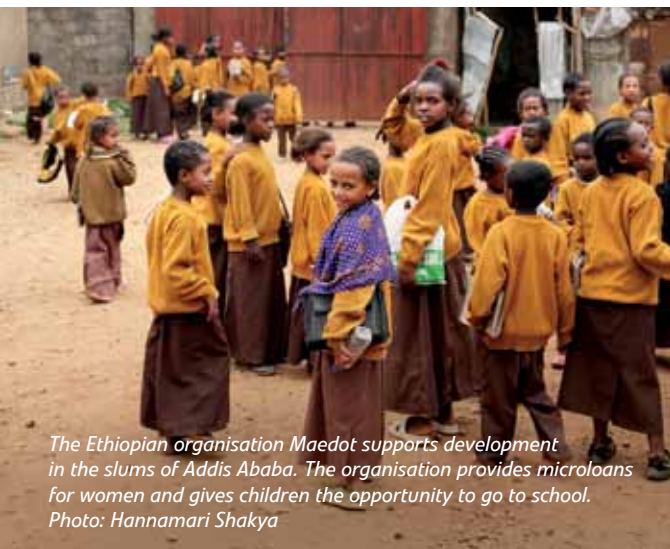
The principles of a human rights-based approach, policy coherence, openness and good governance must guide also the use of water resources and forests. Water and forests have widespread links with development, poverty reduction and security. Health, well-being and therefore development cannot be achieved without the right to safe and clean drinking water and sanitation. Balanced and integrated management of water resources is a prerequisite for ensuring the various needs for the use and protection of waters as well as human well-being. In addition, the equitable management of water resources prevents conflicts both between and within countries. The role of forests as a source of food security and livelihood as well as carbon sinks to combat climate change is indisputable. Forests sustain biodiversity and the productivity of land, counter desertification as well strengthening the viability of arid areas and food security of the people dependent on those areas. Community forestry is an important way to achieve sustainability, a more equitable distribution of benefits and better livelihoods. The global REDD+ programme provides a means for creating economic incentives to prevent deforestation and forest degradation.

Climate change already constrains the viability of many communities and threatens livelihoods. As the competition for natural resources accelerates with population increase, the needs of local communities and the principles of sustainable development and a green economy must remain as points of departure for the use of natural resources. The implementation of the Rio Conventions - on Biodiversity, Climate Change and Desertification - has clear development impacts and inter-linkages that must be utilised. These include, among others, the impacts of climate change on biodiversity and the application of an ecosystem-based approach to the adaptation to climate change. Climate change is causing increasing land degradation, desertification and changes in the water cycle, which cause environmental degradation particularly in arid areas.

Finland promotes sustainable management of natural resources and environmental protection by

- ▶ supporting access to sustainable renewable energy as well as promoting energy and overall resource efficiency, and research on the aforementioned
- ▶ developing good environmental legislation and governance
- ▶ emphasising the position and specific needs of developing countries and in particular the position of women in negotiations on environmental and climate agreements and when implementing the decisions
- ▶ committing to climate funding by using public, private and innovative sources of financing
- ▶ assisting developing countries to adapt to climate change
- ▶ supporting the conservation of biological diversity locally, nationally and globally as well as ensuring the rights of local communities
- ▶ supporting food security through policy coherence both nationally and globally
- ▶ reinforcing indigenous peoples' right to use natural resources
- ▶ acting for the settlement of land ownership and securing the land rights of the poorest, including women's equal right to own and use land
- ▶ promoting sustainable management and use of natural resources, such as forests
- ▶ strengthening the rights-based approach for water supply, sanitation and hygiene in both its partner countries and globally
- ▶ promoting the equitable and sustainable management of water resources, including transboundary waters
- ▶ utilising the know-how and research in universities, polytechnics, government research institutes, enterprises and practitioners in development cooperation

4. Human development



The Ethiopian organisation Maedot supports development in the slums of Addis Ababa. The organisation provides microloans for women and gives children the opportunity to go to school. Photo: Hannamari Shakya

Development policy that promotes knowledge and skills, health and well-being strengthens human development and ensures equality. Education, good health and safe working conditions increase people's possibilities to know their rights and manage their own lives, to gain employment as well as to improve their well-being and livelihoods. Education, gender equality and economic productivity are strongly interlinked. Promoting the position of vulnerable and marginalised groups in particular reduces inequalities and creates the preconditions for sustainable development.

The world is populated by a generation larger than ever before. Most of the world's population are children

and young people living outside the traditional industrialised countries, while the population in industrialised countries is ageing. In order for future generations to be able to have a good life, the future prospects of the young generation in particular must be safeguarded. Population growth, development and security are linked to migration. Pressure to emigrate can be reduced by means of promoting and defending decent living conditions locally.

Literacy as well as other basic knowledge and skills provide the keys for everyone's participation and decision-making in society. Equal and high-quality basic, vocational and higher education ensures that people have relevant knowledge and skills in the different areas of society. Quality education for all promotes employment of young people and adults as well as high-quality research, innovation and skills combined with entrepreneurship leading to inclusive economic development.

In many developing countries, almost all boys and girls already start primary school, but many of them, especially girls, drop out of school. Furthermore, children with disabilities or special needs as well as children of ethnic and linguistic minorities and those living in conflict zones still often remain without an adequate education. In partnership with civil society organisations, Finland has created exemplary practices for the social inclusion of persons with disabilities and will continue to support special needs education.

There is room for improvement in the quality of education in developing countries, at all levels of education. The number of learners who complete primary education has increased tremendously in many coun-

tries, but access to high quality secondary education is available for only a small proportion of those seeking entry. Developing countries need support for the development of their education systems to provide education for the growing number of young people. In addition, raising the quality of technical education and vocational training as well as higher education and research is an important development target that can be supported by networking with Finnish know-how. When planning education, it is important to ensure that it produces skilled labour for the markets or creates the preconditions for independent entrepreneurship.

The Millennium Development Goal of reducing maternal mortality is the slowest to progress. Promotion of women and girls health therefore requires special attention. Multi-sectoral cooperation is needed to reduce gendered violence and harmful attitudes, customs and practices. Maternal and child health care as well as HIV and AIDS services must be integrated into primary health care. Health services should be equally accessible to all, including the poorest and easily marginalised groups. Also, community-based preventive health work and people's possibilities to influence their health and well-being must be encouraged. Furthermore, developing countries need support in their struggle against the double burden of disease; in addition to communicable diseases, people and health systems in developing countries are burdened by non-communicable diseases caused by lifestyle changes.

Finland promotes human development by

- ▶ supporting the attainment of global education and health goals in cooperation with other like-minded countries at various fora
- ▶ advancing the rights of children and young people, particularly the girls, to education from early childhood development all the way up to higher education
- ▶ promoting employment especially of young people
- ▶ building the capacity of educational institutions
- ▶ promoting children's right to childhood and education, in particular by combating the worst forms of child labour and child labour that prevents education
- ▶ encouraging the inclusion of health and well-being into all decision-making (Health in All Policies)
- ▶ supporting strengthening of health systems
- ▶ supporting sexual and reproductive health and rights, including maternal health care
- ▶ addressing HIV and AIDS as a health and social problem by focusing on prevention and treatment





5 Humanitarian assistance

Every year, hundreds of millions of people suffer from the consequences of natural disasters, wars and armed conflicts. The objective of humanitarian assistance is to save lives, relieve human suffering and maintain human dignity in times of crisis. Finland emphasises the rights and needs of vulnerable groups and especially women and girls. Finland promotes the protection of civilians by supporting the ratification and implementation of international conventions on the status of refugees and internally displaced persons.

Finnish humanitarian assistance is based on international humanitarian law, international human rights agreements and international refugee law, as well as humanitarian principles emphasising humanity, neutrality, impartiality and independence. In accordance with the principles of Good Humanitarian Donorship, Finland provides aid based on need alone, not from political, military or economic points of departure. Independence and impartiality are fundamental prerequisites for the delivery of aid and aid workers' safety.

Finland stresses the UN's central role in providing leadership and coordination with the aim of ensuring an effective and efficient international humanitarian system. Finland promotes this by supporting the UN reform of humanitarian assistance. Finland emphasises a clear division of labour between civilian and military actors and complies with the guidelines of the UN Office for the Coordination of Humanitarian Affairs (UNOCHA) for the use of military and civilian defence assets as support for humanitarian assistance.

Finland strengthens the linking of relief to rehabilitation and development (LRRD)-approach, which means flexible and mutually supportive alignment of prevention, humanitarian assistance, peace-building,

< In the Horn of Africa, drought affected the lives of millions of people in 2011. The photo depicts Somali refugees in the Dollo Ado refugee camp in Ethiopia. Photo: UN Photo/Eskinder Debebe

and reconstruction and development cooperation. The LRRD-approach in Finland's development cooperation is implemented largely by multilateral cooperation and through civil society organisations. Through these Finland supports countries recovering from major natural disasters and violent conflicts. Finland promotes the implementation of the LRRD also by influencing the policy of multilateral organizations and developing flexible response mechanisms

To ensure the effectiveness of its humanitarian assistance, Finland allocates humanitarian funding to UN agencies, the Red Cross and Red Crescent movement, and to those Finnish civil society organisations that have been granted partnership status by the Directorate-General for Humanitarian Aid and Civil Protection (ECHO) of the European Commission. Funding must be flexible, timely and based on reliable needs assessments. Humanitarian assistance is financed from ODA-funds, thus Finland's humanitarian assistance focuses on the poorest countries. Finland also supports humanitarian de-mining operations through UN agencies and international and national civil society organisations.

Finland strengthens the international humanitarian architecture through proactive work in the governing bodies of the humanitarian agencies and in the EU. Finland promotes the principles of good humanitarian donorship and harmonisation of donor practices. Finland's activities will be strengthened by updating its humanitarian assistance policy and by developing of funding guidelines.

Notes

FRONT COVER: Young women reading the daily newspaper in Nepal. Adult literacy is one of the priorities of the education reform supported by Finland. Photo: Narendra Shrestha

LAYOUT: Innocorp Oy

PRINTED BY: Erweko Oy, 2012



UNIT FOR DEVELOPMENT COMMUNICATIONS
P.O. Box 456, 00023 Government, Finland
formin.finland.fi/
global.finland.fi
keoinfo@formin.fi



**MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND**

