



# AFRICA

## IN FINNISH DEVELOPMENT POLICY

Finland's development policy  
framework programme

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# Foreword

The emphasis of Finnish development policy and cooperation has traditionally been on Africa. The eradication of poverty and promotion of sustainable development in line with the UN Millennium Development Goals (MDGs) require the building of deep and broad-ranging partnerships and cooperation with Africa. A closer partnership will also strengthen Africa's equal participation in international interaction and global development. African countries are already playing their part in global solidarity, as most of the refugees in the continent find shelter in other countries in the area. The mobility of labour between African countries has created prosperity in both the country of origin and the recipient countries. Some African countries even participate in international development cooperation as donors.

The objective of Finland's development policy framework programme for Africa is to create a strategic framework for strengthening partnership between Finland and Africa through development policy measures. The Africa framework programme is based on the Government's Development Policy Programme and steers its practical implementation.

The departure point of the framework programme are the development opportunities and challenges facing African countries as well as Finland's possibilities to bring added value to national and international development efforts. The programme also sets out guidelines for Finland's

growing support for Africa's own development objectives and guides Finland's participation in dialogue taking place in international forums.

The framework programme supports Finland's aim to respond rapidly to the new challenges facing Africa from the changing global operating environment and, above all, the problems caused by the global economic and financial crisis, climate change and the food crisis. The framework programme adopts a holistic view of Africa, with coherence, complementarity and effectiveness acting as the main principles guiding its implementation.

*Minister Paavo Väyrynen  
visited Tanzania in 2007.  
Photo: Satu Santala.*



*Paavo Väyrynen  
Minister for Foreign Trade and Development*

# Introduction

**T**here is no one Africa. The 53 countries of Africa differ widely as regards their natural resources, demographics, politics, geography, ethnicity and culture. The development history of African countries is not uniform, nor are their current development challenges similar.

Most African countries have experienced significant economic and social development over the last decade. Despite the positive trend, various estimates state that of the developing continents, Africa is the one where achieving the MDGs is most difficult. According to a monitoring report published by the UN in 2008, no African countries are expected to achieve all MDGs by the deadline. The global economic and financial crisis is further complicating development efforts in Africa and even threatens to jeopardise the results already achieved.

Africa struggles with many development problems that are typical for the entire continent, such as poverty, the unequal distribution of income, weak administration, and the unsustainable exploitation of natural resources. Sub-Saharan Africa is particularly vulnerable to the effects of climate change. Agricultural productivity is low, and production is not adequate to meet the nutritional requirements of the growing population. The population's level of education and health are poor compared to the majority of Asian and Latin American countries. In several countries, democracy has progressed slowly, corruption is common and minorities are in a vulnerable position. Emergent economic development is undermined by poor infrastructure. Extensive areas suffer from armed conflicts and their

ramifications, such as uncontrolled migration and a high number of refugees. Issues concerning natural resources and their ownership are often among root causes of the conflicts. The overlapping operations and limited capacity of organisations and institutions supporting regional development and integration weaken the development of transnational cooperation.

The development policy framework programme for Africa divides African countries into six regional groups. The division reflects the groupings used in the implementation of Finnish development policy and development cooperation.

- **Northern Africa and the Mediterranean:** Egypt, Libya, Tunisia, Algeria, Morocco, Western Sahara region
- **Western Africa:** Mauritania, Mali, Niger, Nigeria, Benin, Togo, Ghana, Burkina Faso, Côte d'Ivoire, Liberia, Sierra Leone, Guinea, Guinea-Bissau, Senegal, Gambia, Cape Verde
- **Central Africa:** Chad, Central African Republic, Republic of the Congo, Gabon, Cameroon, Democratic Republic of the Congo, Angola, São Tomé and Príncipe, Equatorial Guinea
- **Eastern Africa:** Uganda, Kenya, Tanzania, Malawi, Madagascar, the Seychelles, Comoros, Mauritius, Burundi, Rwanda
- **The Horn of Africa:** Eritrea, Ethiopia, Somalia, Sudan, Djibouti
- **Southern Africa:** Namibia, South Africa, Botswana, Lesotho, Zimbabwe, Zambia, Swaziland, Mozambique.





# 1.

## Towards sustainable development in Africa; current opportunities and challenges

### 1.1 Economically sustainable development

Balanced **economic growth** that also benefits the poor and vulnerable population groups is the cornerstone for the widespread reduction of poverty in Africa. Over the last decade, many African countries have experienced significant economic growth. In 2007, the overall economic growth in Africa was nearly 6 per cent, according to estimates of the IMF. Africa's increasing participation in international trade, integration into the global economy and utilisation of new technology have added momentum to the growth. The increase in export revenues of countries exporting oil is a major factor in this growth, and has been underpinned by

the growing demand for other raw materials, mainly due to strong economic growth in China and in Asia in general. Macroeconomic reforms, including improvements in public administration, have contributed to the development. The positive trend has supported social improvements and reduction in poverty. The proportion of the population living in extreme poverty has decreased since the turn of the new millennium. In many African countries, an increasing number of children go to school, and child mortality has come down.

However, as a result of the global economic and financial crisis, the economic growth rate has rapidly deteriorated. Climate change poses a further threat to economic development. According to a new forecast by the IMF (April 2009), economic growth in

### Global economic recession felt in Africa

The African Development Bank estimates that the total value of exports from sub-Saharan Africa could drop by as much as 65 per cent in 2009. With the reduction in the world market price for minerals, the export income and investments in the mining sector are expected to decrease in the following African countries: the Democratic Republic of the Congo, Zambia, South Africa, the Central African Republic, Cameroon, Gabon, Senegal, Mauritania, Niger, and Guinea. The textile industry is in trouble in countries such as Madagascar and Lesotho, and income from tourism has dropped in Kenya, Egypt and the Seychelles, among others.

The economic crisis has had the most rapid effect on remittances sent by migrant workers. The annual flow of money sent by migrants to Africa is estimated to be more than USD 38 billion. The World Bank estimates that there will be a 5% to 9% reduction in the remittances sent by migrants, resulting in a reduction of up to USD 3.4 billion in Africa in

2009 alone. These figures are particularly dramatic in countries where remittances play a major economic role. In Africa, such countries include Lesotho, Sierra Leone, Cape Verde, Senegal, Togo, Guinea-Bissau, Uganda, Gambia, Nigeria, Kenya and Benin. In several countries, the value of remittances is many times higher than the development aid they receive. A reduction in remittances will have a direct impact on the well-being of households, because families often use the money for food, education and health care.

In addition, the economic crisis is also affecting foreign direct investments, and is also expected to result in less development financing. The amount of financing for development aid will decrease if its level is determined in relation to the GNI of the donor country, since GNI is expected to decrease in all industrial countries. Keeping aid volumes at the same level will require that the amount of aid in relation to GNI is increased.



Sub-Saharan Africa will fall to 1.7 per cent in 2009, which is below the minimum level required by the population growth and far from what is required to achieve the MDGs. The effects of the global economic recession are estimated to be more severe in Africa than in other developing continents.

Despite the positive trend of the last decade, Africa is still the poorest continent, with 40 per cent of the population living in extreme poverty. 12 per cent of the world's population live in Africa, but the continent only produces approximately one per cent of total world GDP.

**Agriculture** plays a crucial role in eradicating poverty in Africa. Agriculture employs 70 per cent of the available labour. It constitutes 35 per cent of

Africa's GDP and 40 per cent of exports. Approximately 80 per cent of African farmers work on small farms, many of them women. **Forests** are an essential source of rural income, and many forest products play an important role in local economies.

The sustainable and fair exploitation of forests also has global importance in reducing poverty, as forests and forest products play a role in the lives of 1.2 billion people, especially those in the poorest population groups. Forests are very important in the daily livelihood of African women and minorities. Forests and agriculture are also a major factor in the prevention of climate change, as they maintain the functioning of the ecosystem and biodiversity, and protect soil and river basins from erosion.

A **well-functioning private sector** is the engine of economic development in African countries, and a basic necessity for the sustainable reduction of poverty. The private sector is crucial for employment, especially considering the rapid population growth and need for new jobs. Developing the private sector is also essential for exploiting the development potential of agriculture. The low level of investments in agriculture and non-functioning markets, including deficient production and distribution chains, result in low agricultural productivity and a lack of food security. Economic and trade integration increases and balances the supply and demand of food, and as the market situation of producers improves, their revenues increase. African countries need regional and country-specific support to strengthen the capacity of the private sector, entrepreneurship and skills, good governance, infrastructure, and production capacities. The development and widespread application of information technology as well as the development of sustainable energy production are an essential part of the efforts to strengthen the operational preconditions of the economic infrastructure and the private sector.

**Improving the capacity to trade** of African countries is another basic prerequisite for the stable economic growth of the continent. From the perspective of trade, the operating environment is weaker in Africa than in other developing continents. There are no extensive open markets or free competition. However, Africa offers increasing opportunities as a trading partner. Many leading industrial countries and developing economies, such as the USA, Japan, China and India, have developed stronger trade and investment relations with African countries. The EU is the most important trading partner for African countries. The integration of Africa into the international economy and the exploitation of opportunities created by globalisation will, however, require a strong national commitment and coherent support measures from the international community. In addition to developing production capacity and infrastructure, support is needed in issues relating to the countries' own trade policies and foreign trade. Developing the capacity to trade is necessary so that the countries can benefit from existing contractual arrangements, gain access to export markets for their products, and expand their market areas.

## 1.2 Socially sustainable development

The Government's Development Policy Programme emphasises the stability of society and comprehensive security as the cornerstone for all development. Balanced development based on human rights, economic prosperity and the implementation of fundamental rights are not possible without socially sustainable development. This development can be strengthened through development policy and cooperation by supporting democratic governance, the development of the rule of law, the implementation of human rights, and by promoting gender equality and a strong civil society. Education and health are also among key elements of socially sustainable development.

**Multi-party democracy** and civilian administration have gained a stronger foothold in Africa in recent years. Civil society is playing a growing role as a promoter of social reforms. However, the challenges of establishing democracy are still great. Post-election violence, as witnessed, for example, in Kenya and Zimbabwe, is a major problem. Parliaments often have little power and democratic control is ineffective. During the previous year, several military coups have also taken place in Africa.

A continent-wide political commitment to promoting **human rights, the rule of law, democracy and the fight against corruption** is increasing with the development of the African Union (AU).

The African Charter on Peoples' and Human Rights entered into force in 1986, but the human rights monitoring and implementation system is still relatively weak in Africa. The willingness of African countries to develop good governance is highlighted by the public administration reforms and anti-corruption programmes carried out in many countries, as well as by the gradually expanding implementation of the African Peer Review Mechanism (APRM).

**Development and security** are closely connected. The number of armed conflicts in Africa has decreased in recent years, which has promoted economic growth, stability and social development in countries such as Mozambique, Rwanda and Uganda. However, the number of crises and conflicts is higher in Africa than on any other continent. At the same time, poverty, inequality and violations





*Men filling up at a Mobil petrol station in Senegal.  
Photo: Matti Remes.*

of human rights continue to lay the groundwork for new conflicts. Life expectancy is still very low in many African countries. 75% of all the world's HIV/AIDS infected people live in Africa. Of annual malaria victims, 90% die in Africa, most of them children. Competition for scarce natural resources and the impacts of climate change will increase the threat of conflicts. Many conflicts have gone on for years and are very complex, such as in Sudan, where three different wars have been ongoing during the 2000s.

**Migration and refugees** are major development issues in Africa and have become even more significant in recent years. It is estimated that climate change will accelerate migration.

Inter and intrastate migration in Africa and migration to industrial countries must be seen as both an opportunity and a challenge for the continent's development. Even today, approximately one-fourth of all refugees coming under the mandate of the UNHCR live in Africa, around 2.3 million people. About half of the world's internal refugees, approximately 12.7 million people, live in Africa. For example, at the end of 2008 a total of 300,000 refugees lived in Kenyan refugee camps. However, positive development can also be observed, as hundreds of thousands of refugees have been able to return to their homes. In 2002–2008, more than 400,000 Burundi refugees returned to their home country from Tanzania.



*In Northern Africa, Finland supports the Drylands Development Centre programme of the United Nations Development Programme, offering advice on the prevention of desertification. Photo: Matti Nummelin.*

### 1.3 Ecologically sustainable development

The sustainable use and exploitation of natural resources creates the basis for the eradication of poverty and for long-term development in Africa.

**Agricultural productivity** in Africa has not been able to respond to the growing demand resulting from the population growth. Agricultural production suffers from factors such as natural disasters, the overuse of pastures and the effects of climate change. Of global food aid, 60% is channelled to Africa. Of this aid, 70% is directed to the Horn of Africa. In some countries, food aid has almost become a permanent arrangement. According to the Food and Agriculture Organization of the United Nations (FAO), the percentage of undernourished people in 2008 was the highest in the following African countries: Eritrea (75%), Burundi (66%), Sierra Leone (51%), Liberia (50%) and Zimbabwe (47%). All these countries are considered to be fragile states. The causes of the poor food security vary between and within the countries.

The international food crisis, which peaked in 2007–2008, has had a severe impact on food importing countries and the poor, who spend most of their income on food. Although the global economic crisis stopped the rise in food prices in autumn 2008, the structural causes behind the rise still exist.

**Forest coverage** in Africa is approximately 650 million hectares, but forests are unevenly distributed within the continent. Central Africa has the highest coverage (approximately 37% of all African forests), while coverage in northern and western Africa is almost non-existent, mainly due to the dry climate. Only a small part of natural forests are managed in a sustainable way. Of all the African countries, only South Africa has internationally competitive forestry and a forest industry. Firewood is still the most important product derived from the forests in most African countries. Rapidly advancing deforestation is one of the biggest problems for African forests: between 1990 and 2000, up to 53 million hectares of forest were lost in Africa. This constitutes more than half (56%) of global deforestation, and the process has not stopped. The main



reasons for deforestation include land use pressures caused by population growth, logging (often illegal), recurrent forest fires, the gathering of firewood and production of charcoal. The factors underpinning this situation include poverty, weak governance and unclear land ownership and control.

**Land use and management** plays a central role in the economic and social development of Africa, as well as in the sustainable use of the continent's natural resources. Unclear land use procedures and inadequate land ownership legislation have resulted in the uneven distribution of ownership and uncertainty in the acquisition of land, which has increased the vulnerability of the poor. Unclear ownership rights have also led to the unsustainable use of natural resources, fewer investments, poor agricultural productivity and slow urban development. Unclear land ownership and adverse land use also have an indirect effect on food security, economic development and poverty in general.

Africa is rich in **ore and mineral resources**. On a global level, Africa is an important producer of gold, diamonds, uranium, manganese, chrome, nickel, bauxite and cobalt. However, African ore and mineral resources are still largely unexploited. According to some estimates, approximately 30 per cent of the world's mineral resources are in Africa. For example, 40 per cent of the world's gold deposits, 60 per cent of cobalt and 90 per cent of platinum group deposits are thought to be in Africa. Africa's share of global copper, lead and zinc production is around 7 per cent.

Nigeria is one of the world's leading oil producers. Sudan, Angola, Gabon, Algeria and Libya also possess considerable oil deposits. Major natural gas and coal producers include countries such as Nigeria and South Africa. Niger, South Africa and Namibia are also important uranium producing countries, whereas Ghana and Guinea are major producers of bauxite. Botswana, South Africa, the Republic of the Congo and Gabon have Africa's largest diamond deposits, and Zambia is particularly known for its copper production. Phosphate is produced in countries such as Morocco and Tunis. Africa's role as a producer of strategic minerals is important for global industrial production.

Africa has extensive and diverse renewable and non-renewable **energy resources**, but as yet they

have been exploited only to a limited extent. In addition, the distribution of energy resources is very uneven. The continent has no power distribution network covering the entire region, and only approximately 24% of the sub-Saharan population has electric power supply. In sub-Saharan Africa, the average use of modern forms of energy is the lowest in the world; up to 80–90% of energy is based on traditional biomass. The lack of access to energy hinders economic growth and development, particularly in the sub-Saharan region.

Africa is very vulnerable to the impacts of **climate change**, as agriculture is the predominant source of livelihood on the continent. The effects of climate change include a reduction in farmland, a rise in the price of food, and an increase in the frequency of natural disasters. The capacity of African countries to adapt to the impacts of climate change is weak: poverty, a strong dependency on natural resources and poor governance hinder adaptation. Africa's share of global carbon dioxide emissions is, however, marginal and estimated to be 3.6% of global emissions. The impact of climate change, such as a reduction in farmland caused by drought and a rise in sea levels, will increase the threat of conflicts. Factors relating to climate change, environmental degradation and the management of natural resources have a role in the conflicts Darfur, Liberia and Congo, for instance.

There is a close connection between **forests** and climate change: growing forests store carbon effectively and, conversely, deforestation materially increases the carbon dioxide concentration in the atmosphere. Forest management and use therefore play a major role in mitigating climate change and adapting to it. Emissions trading relating to the prevention of deforestation and forest degradation is likely to become a major issue as a result of the participation of African countries in international climate policy and the implementation of the future climate agreement. The link between **water** and climate change is complex. The impacts of climate change, such as droughts, floods, and extreme weather phenomena, will affect society's functions most of all through the changes taking place in the water cycle. Increasing competition for scarce water resources will further increase regional instability.

## 2.

# The development policy framework programme for Africa

### 2.1 Key elements of the framework programme

The eradication of poverty and promotion of sustainable development in line with the UN Millennium Development Goals (MDGs) are Finland's primary development policy objectives for Africa. In accordance with the Development Policy Programme, the framework programme for Africa focuses on climate and environmental issues as well as the prevention and management of crises and support for peace processes. The role of the private sector and trade as the engine of economic development is the focus of increasing emphasis. Finland stresses that improving the status of women and girls, promoting gender equality and equality between all members of society, and improving the rights of vulnerable and easily excluded groups in particular, such as children, the disabled, indigenous peoples and ethnic minorities, are central prerequisites for sustainable development in Africa. The fight against HIV/Aids, as both a health and a social problem, is a major development challenge in several African states. Finland promotes these objectives throughout all its development policies.

As a member state of the EU, Finland is committed to the 2005 decision of the European Council to achieve the minimum objective for development funding set for old member states of 0.51 per cent of GNI by 2010, and 0.7 per cent by 2015. The goal is to allocate at least 50 per cent of the increase in funding to Africa. In addition, Finland is committed to increasing the share of support received by the poorest countries to 0.15 per cent as the funding increases towards the 0.7 per cent objective. These commitments guide Finland's cooperation and efforts to shape the practical implementation of the EU's development policy and cooperation in Africa. Finland actively participates in decision-making and

cooperation relating to international development efforts targeted at Africa by organisations such as the UN, the World Bank, the African Development Bank, regional organisations of Africa, the Global Environment Facility (GEF), the OECD, and the EU. Finland emphasises the role of **the UN** as the most important creator of a normative framework for international development policy and as a significant country-level actor in Africa. **The World Bank and the African Development Bank**, which are the continent's most significant development financiers, are key partners in Finland's multilateral cooperation in Africa. The **EU** has a strong position as a partner for African countries, as the EU, including its member states, is the biggest donor of African development cooperation and the most important trading partner for African countries. The European Investment Bank (EIB) is another significant financier. Finland supports strengthening the role of EU development policy in Africa and bases its efforts toward this end on international principles and on the principles jointly agreed upon within the EU. Finland has also taken the initiative to strengthen the EU's Transatlantic Partnership for Sustainable Development. The purpose of the initiative is to engage in closer dialogue, coordination and cooperation between the EU and the USA at the level of development policy and practical development cooperation. The importance of the transatlantic partnership is particularly highlighted in Africa because regional integration and food security as well as climate change have been chosen as preliminary cooperation themes.

The **regional integration** of Africa is gaining momentum. The AU, which was established in 2002, is especially important for the development of closer cooperation between African countries, as all African states except Morocco are members of the AU. One of the central challenges of the organ-





*African peacekeepers in the Democratic Republic of the Congo.  
Photo: Martti Lintunen.*

isation is fostering the commitment of the African member states to the integration of the continent. Finland sees the regional integration of Africa as an important part of the continent's development efforts, and promotes the activities of regional and sub-regional organisations. Finland's priority is to promote the development of the African Union into a legitimate continent-wide actor and to strengthen its operational capacity. The Joint Africa-EU Strategy adopted in 2007 forms another framework for Finland's efforts to promote continent-wide and regional sustainable development in Africa.

In its development policy, Finland is committed to the promotion of **comprehensive security**. Armed crises and conflicts are considered to be the factors that are hindering the development of Africa most of all. However, security means more than just the absence of a military threat. Extensive poverty, human rights abuses, the weak rule of law and democracy, climate change and natural disasters, disputes over the exploitation of natural resources,

and uncontrolled migration due to various reasons weaken social stability and security. Finland's aim is to respond to these challenges through development policy measures. Finland emphasises that the achievement and consolidation of peace in Africa requires efforts by the entire international community, but the main responsibility falls on Africa itself.

## 2.2 The structure of the framework programme

The diversity of Africa creates a challenging point of departure for Finnish development policy and cooperation. According to the Development Policy Programme, Finnish development policy is implemented bilaterally, multilaterally, at the EU level, in cooperation with non-governmental organisations and the private sector, as well as through humanitarian aid. All these channels form a complementary system that is the cornerstone of the effectiveness of Finn-



*The Universal Corporation's pharmaceutical plant in Kenya.  
Photo: Matti Remes.*

ish development policy. Finland channels its development cooperation into fields in which the potential for creating Finnish added value and exploiting Finnish expertise and experience in supporting the development programmes of partner countries is strong. Cooperation is planned together with the partner countries and regional cooperation organisations so that it suits their development plans, with the emphasis on their ownership of the process.

The development policy framework programme for Africa examines cooperation between Finland and Africa at the continental, regional and country level. The continental and regional perspective are the focus of greater emphasis because many African development opportunities, as well as challenges, are trans-boundary, relating to the environment, the exploitation of natural resources, trade or, for example, conflicts and immigration. The cooperation with Finland's long-term partner countries is only dealt with in brief <sup>1</sup>.

<sup>1</sup> A comprehensive description of the cooperation with long-term partner countries is included in the country cooperation programmes, approved on the basis of negotiations with the partner countries.

In Africa, development policy is implemented through close interaction with the AU and other regional organisations and operators. Many African organisations, especially those promoting regional integration and trade, operate on a sub-regional scale. These organisations include SADC, SACU, ECOWAS, the EAC and COMESA, among others. Regional African organisations often overlap, operating in the same area or sector. For example, many SADC countries are also members of SACU, COMESA and the EAC. Only the AU and UNECA, which operates under the UN, represent the entire continent.

Finland operates on a continental level through the AU, especially with regard to issues relating to security and socially sustainable development. In other sectors, for example the support for NEPAD (New Partnership for African Development), initiatives are implemented through regional inter-governmental organisations, which the AU also considers as the primary actors for implementing its objectives. A third group of operators consists of regional and regionally operating non-governmental organisations. In some instances, partners include international organisations with whom cooperation



is appropriate, especially regarding some environmental and security issues. When selecting partners, Finland pays particular attention to their effectiveness, ownership and resources.

Finland participates in wide-ranging cooperation with African countries also in its role as an EU member state. The joint declaration on EU development policy adopted in 2005 entitled The European Consensus on Development, the Joint Africa-EU Strategy, and the Cotonou Agreement between the EU and the ACP countries, which falls under the authority of the European Commissioner for Development and Humanitarian Aid, form the framework for Finland's development policy cooperation in Africa.

### **2.3 Principles guiding the implementation of the framework programme: coherence, complementarity and effectiveness**

The framework programme for Africa is implemented in accordance with the principles guiding all Finnish development policy and cooperation: coherence, complementarity between different cooperation instruments and actors, as well as effectiveness in promoting sustainable development.

The need for comprehensive and coherent cooperation is emphasised by the differences between African countries, the continent's common development challenges, the growing interest in the development potential of Africa, and the expansion and fragmentation of the international field of operators. Finland is committed to promoting coherent development policy both at the national and international level within the UN, other international and regional cooperation organisations, and the EU. For Africa, the key priorities for promoting coherence include trade and development, rural areas and development, and the relationship between poverty and the environment.

In the implementation of the Africa framework programme, particular attention is paid to the complementary nature of Finland's bilateral and multilateral cooperation and the cooperation within the EU. Through the UN, World Bank, African Development Bank, the Global Environment Facility (GEF), African regional organisations and the EU,

Finland's support extends to African countries and regions where Finland has no bilateral operations. The framework programme for Africa establishes a structure that consists of a network of various cooperation parties and channels.

The effectiveness of development policy and cooperation are key issues for African countries as well as for the entire international community. Sustainable development and the attainment of the MDGs can only be achieved through increased funding and improving the effectiveness of the operations. In order to increase the effectiveness and impact of aid, Finland is committed to the implementation of the Paris Declaration on Aid Effectiveness and the Accra Action Plan. Finland's bilateral and regional development cooperation is based on the development plans of partner countries and regional cooperation organisations. Finland supports a more efficient division of labour between donors and aims, together with partner countries and other donors, to identify those areas in which Finland can bring added value to common development efforts on the basis of its development history and expertise. To improve effectiveness, cooperation will be focused on larger programmes.

Finland also emphasises the need for improving aid effectiveness in its cooperation with multilateral organisations and the EU. Finland believes it is important that the strategies, policies and programmes of these organisations are based on the development plans of partner countries and that they support jointly agreed policy objectives. Finland contributes to the activities of multilateral organisations and the EU by actively participating in the work of their organs, both within their headquarters and in the field.

Diplomatic missions play a key role in the implementation of development policy at the country level and in the work to ensure the practical realisation of the principles guiding the implementation. The diplomatic missions are responsible for dialogue on development policy at the country level and the coordination of development cooperation. They also monitor and report on the activities of various donors. The diplomatic missions also influence the decision-making of multilateral organisations and the EU through participating in the preparation of Finland's positions.

### 3.

## Implementation of the development policy framework programme for Africa

### 3.1 EU-Africa partnerships

#### 3.1.1 Joint Africa-EU Strategy

As a result of the Joint Africa-EU Strategy adopted by the EU-Africa Summit in Lisbon in 2007, EU-Africa relations have reached a new, more strategic level. The Joint Africa-EU Strategy sets out four priority areas: peace and security, good governance and human rights, trade and regional integration, and key development issues. The strategy's Action Plan for 2009–2010 is based on eight thematic partnerships. These are: 1) peace and security 2) democratic governance and human rights 3) trade, regional integration and infrastructure 4) the millennium development goals 5) energy 6) climate change 7) migration, mobility and employment, and 8) science, information society and space.

As an EU member state, Finland is committed to providing focused support for the implementation of the Joint Africa-EU Strategy. In order to operationalise the joint strategy, Finland will primarily participate in four partnerships: peace and security, democratic governance and human rights, climate change and science, information society and space.

#### 3.1.2 The Cotonou Agreement as a framework for EU cooperation in Africa

The EU-ACP Cotonou Partnership Agreement, signed between the EU and African, Caribbean and Pacific Group of States (ACP countries) in 2000, is a legally binding basis for cooperation between the EU and African countries. The objectives of the agreement are sustainable development in the ACP countries, their flexible and gradual integration into the world economy, and the reduction of poverty.

The implementation of the Cotonou Agreement is financed outside the EU budget through the European Development Fund (EDF).<sup>2</sup>

The Finnish view is that cooperation under the Cotonou Agreement in order to strengthen a comprehensive partnership between the EU and the ACP countries and to promote the sustainable development of the ACP countries, including the promotion of peace, security, stability and democracy, is very important. Finland participates in financing the EDF, and emphasises at the same time that it should be included in the budget of the EU.

Negotiations on Economic Partnership Agreements (EPA) between the EU and ACP regions are a core element in the implementation of the Cotonou Agreement. The intention is to conclude EPA agreements between the EU and seven ACP regions<sup>3</sup>. The aim of the agreements is to strengthen the economic growth and production capacities of the ACP countries, and to promote structural improvements by extending their markets as well as to improve investment opportunities and the operating environment of the private sector. The EPA agreements will strengthen regional integration and facilitate market access of ACP countries. Within the scope of these agreements, the EU is willing to show greater flexibility towards the ACP countries to support their adjustment.

The EPA negotiation capacity of ACP countries and implementation of the agreements is supported by Aid for Trade (AfT) measures financed from development cooperation funds. EPA/AfT plays a significant role in the programming of the tenth

<sup>2</sup> The tenth European Development Fund, established in December 2005, covers the years 2008–2013.

<sup>3</sup> The Caribbean region, the Pacific region, West Africa, Central Africa, Eastern and Southern Africa, East African Community and the SADC region.





Mobile phone shopping in Banjul, Gambia. Photo: Matti Remes.

EDE. ACP countries also receive bilateral support from member countries.

The EU budget includes a separate Development Cooperation Instrument (DCI)<sup>4</sup> for the comprehensive promotion of development cooperation in African countries. The thematic priorities of the DCI include the following: investing in people; the environment and sustainable management of natural resources including energy; food security; migration and asylum issues; and the role of non-state actors and local authorities in development. Within the scope of the DCI, African countries are supported in adjusting to the effects taking place in the sugar market resulting from the reforms to the sugar industry, and the diversification of industry in sugar-dependent areas is promoted. Finland covers a share of the funding of the DCI in accordance with the burden-sharing in the EU budget.

<sup>4</sup> The current financial framework of the EU, which also includes the DCI, covers the years 2007–2013.

### 3.1.3 Finland's EU partnerships in Africa

#### *Infrastructure partnership between Finland and Africa*

Finland supports the **EU-Africa Infrastructure Trust Fund** as a part of the implementation of the Joint Africa-EU Strategy.

Infrastructure is a key factor for sustainable economic development in Africa, and an increasing amount of funds is being directed towards infrastructure development. The separate EU-Africa Infrastructure Trust Fund, set up for the purposes of infrastructure partnership between the EU and Africa, is an example of the growing amount of support. Its purpose is to support investments in developing the African infrastructure by EU countries. The objects of financing are selected according to the investment plans and sectoral priorities of the African Union and NEPAD.

The infrastructure partnership includes the Investment Fund of EUR four billion and the Technical

Assistance Fund. The Technical Assistance Fund supports the preparation and implementation of projects to be financed from the investment fund. Finland allocates EUR 5 million to the Technical Assistance Fund. By participating proactively in the work of the Technical Assistance Fund of the EU-Africa infrastructure partnership, Finland can exert influence on the fund's policies and on the implementation of infrastructure partnership in sectors important to Finland, and is able to support Africa's regional integration.

### ***Finland's support to EU Economic Partnership Agreements (EPAs)***

Finland supports the conclusion of Economic Partnership Agreements between the EU and ACP countries and plans to allocate EPA support to the ACP countries by participating, for example, in the EPA support funds that are currently under preparation. Finland stresses regional integration as a central objective of the agreements and believes that geographically extensive and coherent coverage should be the aim in concluding the agreements.

Finland pays particular attention to the situation in Southern Africa in accordance with the Aid for Trade Action Plan of the Ministry for Foreign Affairs. Finland is currently planning infrastructure and private sector support projects in Eastern and Southern Africa, and these projects can be merged into the EPA process. EPA/AfT is emerging as a new cooperation opportunity in Western Africa as well, and an initiative for cooperation has been included in the regional plan for Western Africa. In order to improve aid effectiveness, Finland also emphasises regional ownership within the EPA/AfT cooperation, and the complementarity of the various operators and cooperation instruments.

Important programmes for cooperation between Finland and African countries implemented within the context of the EU also include the so-called Kimberley Process and the FLEGT Programme. Their primary objective is to promote the sustainable use of natural resources. The Kimberley Process aims to stem the illegal diamond trade. Similarly, the objective of the FLEGT programme is to prevent the illegal logging of forests. Both initiatives offer Finland an opportunity to participate in developing sectors that are of great importance in many African

countries in terms of economically, socially and ecologically sustainable development.

## **3.2 The African Union**

The African Union consist of 53 African states. The Union was founded in 2002 on the groundwork laid down by its predecessor, the Organisation of African Unity (OAU). Of the African countries, only Morocco remains outside the Union. The political role model for the AU is the European Union, and the decision-making structures of the AU are largely based on those of the EU.

The first strategy of the AU was in force from 2004 to 2007. The new strategy for 2009–2012 has already been adopted in the African Union Summit in 2009. The strategy is built on the following four pillars: 1) peace and security 2) integration, development and cooperation 3) shared values, and 4) institutional and capacity building. According to the draft strategy, the vision of the AU is a prosperous, peaceful and equal “United States of Africa”, steered and governed by Africans<sup>5</sup>. The strategy is a vital instrument that reflects the comprehensive agenda of the AU and also directs the operations of donors in an important way.

### **3.2.1 Finland's AU partnerships**

In January 2009, Finland took the initiative to launch a sustainable development partnership with the AU (Finnish Partnership with Africa for Sustainable Development). The objective of the initiative is to promote closer dialogue and cooperation between Finland and the AU, based on economically, socially and ecologically sustainable development. On the basis of its own development history, Finland is able to bring added value to the AU's efforts to promote comprehensive and balanced development in Africa. Finland is in the process of setting up the **Dar-es-**

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<sup>5</sup> The vision of the AU: "An integrated, prosperous, equitable, well governed and peaceful United States of Africa, driven and effectively managed by its own citizens and representing a creative and dynamic force in the international arena". (Source: African Union Commission: Draft Strategic Plan 2009–2012)





*Processing cashew nuts is a major source of employment for women in Tanzania. Photo: Satu Santala.*

**Salaam Institute for Sustainable Development** in cooperation with Tanzania, and its aim will be to build the capacity of African countries. In addition to Eastern Africa, the operations of the institute will cover other African countries as well. The main objectives of the Institute include:

- Building the capacity of African states to achieve international development goals and objectives
- Building the capacity of African states to participate in international trade, environmental and climate negotiations.

Negotiations to establish the Institute and to launch the operations are currently underway between the representatives of Finland and Tanzania.

According to the preliminary plans, the other main elements of Partnership for Sustainable Development between Finland and the AU in the coming years will include the following themes: building the information technological capacity of the African Union Commission, strengthening the development of the information and knowledge society in AU member states, and supporting the peacebuilding efforts of the AU.

With respect to **ICT and information society cooperation**, the African Union Commission

has expressed an interest to exploit Finnish expertise, especially through new partnerships. The Joint Africa-EU Strategy acts as a central framework for the cooperation. Support for the information society agenda of the AU corresponds to the emphasis on economically sustainable development in Finnish development policy. Supporting the AU's regional knowledge society action plan and "lighthouse" projects of the joint science and technology action plan is justified because it strengthens the implementation of the Joint Africa-EU Strategy and forms part of Finland's contribution to the implementation of the strategy. Finland also has solid competence in the field of the proposed "lighthouse" projects.

As a part of the increased cooperation in the information society sector, Finland will contribute to the preparations of the AU summit to be held in January 2010. The main theme of the summit will be the role of information and communications technology in the development of Africa. In addition, Finland is planning to support the development of peer evaluations and capacity building of the ICT and knowledge society strategies of the ministries of AU member states. To support the **peacebuilding work of the AU**, Finland has granted EUR 2.9 million for a three-year cooperation programme that aims to develop the

AU's peace mediation capacity. Finland's partner in the implementation of the programme is the South African organisation ACCORD, which is supported by the Finnish Crisis Management Initiative.

### **3.3 UN Economic Commission for Africa (UNECA)**

Finland has supported the African information and communications technology sector since 2006 through the UN Economic Commission for Africa (UNECA). Finland's support has been targeted in particular at the preparation of national information society strategies, surveys on the information society capacity, deregulation, and innovation and research. The objective is to promote the development of an operating environment in which the benefits of information and communication technologies can be used for social development, for example by supporting the development of a fair African information society that also benefits poor population groups. Finland's support to UNECA for developing information society in Africa will total EUR 3.75 million in 2008–2010.

## **3.4 Cross-border regional cooperation**

### **3.4.1 Southern Africa**

With the exception of Zimbabwe, Southern Africa<sup>6</sup> has been a relatively peaceful and stable region in recent years, and its economy has been growing. Despite rich natural resources and strong economic growth in recent years, Southern Africa is still one of the world's poorest regions.

The most important regional cooperation organisation is SADC (Southern African Development Community). The largest economy in the area is the Republic of South Africa and its gross domestic product (GDP) is 75 per cent of the total GDP of all SADC countries. More than 80% of the trade in the area involves South Africa.

<sup>6</sup> In this context, Southern Africa refers to the region covered by the Southern African Development Community (SADC) or a more limited group of countries within the same region. The population of SADC countries is about 250 million.

Finland has worked with SADC by financing the ICT capacity of the SADC secretariat and, together with other Nordic Countries, the SADC plant gene bank in Lusaka. Finland has also supported a cooperation programme between municipalities of the North and the South, implemented by the Association of Finnish Local and Regional Authorities. In the future, closer cooperation will take place in the environmental sector. Finland also monitors and participates in dialogue between SADC and donors within the EU.

In Southern Africa, Finland supports cross-border cooperation under three themes. The themes are

- environmental sustainability,
- knowledge and information society development, and
- the promotion of trade and investments and regional integration.

With respect to environmental sustainability, the key initiatives include the meteorology cooperation between Southern African countries. A well-functioning system can help in planning for droughts, floods and storms. The forecasting of these is important in fields such as agriculture, water supply, energy production and aviation, that are susceptible to fluctuations in the weather.

The spearhead knowledge and information society initiative is cooperation in distance learning with SADC. It aims at supporting vocational training in SADC countries through the use of information and communications technology. At the same time, the capacity of distance learning centres is supported in order to implement the training programmes.

The promotion of trade and investment as well as regional integration is included in the objectives of all new cooperation initiatives. Under this theme, Finland supports the OECD project to develop the investment environment of the SADC EPA group of countries and to develop the capacity of companies in the African SME sector in cooperation with the IFC and AMSCO. Support for the North-South transportation corridor is also being planned. The Renewable Energy Partnership in Southern and Eastern Africa, which includes eight countries in the region, has been identified as a spearhead project. Energy partnership cooperation aims at supporting further improvements in the sustainable use of natural resources in Southern Africa, as well as at increasing energy production.



## Examples of cooperation promoting sustainable development in Southern Africa

### **Meteorology cooperation 2009–2012 (approx. EUR 6–8 million)**

The regional meteorology project promotes meteorological cooperation between the countries of Southern Africa. The aim of the cooperation is to produce reliable information and more accurate weather forecasts and to develop warning systems for extreme weather phenomena. The cooperation will consolidate the results of a bilateral project supporting the national meteorology institute of Mozambique.

The detailed objectives of the project will be specified during the preparation phase in cooperation with the partner countries. The preparatory work will be based on the report on the state and needs of meteorology in Southern Africa, conducted by the Finnish Meteorological Institute and the World Meteorological Organisation (WMO), as well as on the results of the final evaluation of the bilateral cooperation project between Finland and Mozambique.

### **Distance Learning with SADC Countries 2009–2011 (approx. EUR 3 million)**

The distance learning programme directed at SADC countries aims at supporting vocational training in the region through the use of information and communications technology. The programme will produce vocational training programmes and materials in cooperation with distance learning centres in Southern African countries. The capacity of the distance learning centres will also be supported in order to implement the training programmes. The cooperation will support the efforts to strengthen regional actors such as NEPAD and SADC.

The programme will be implemented in cooperation with the SADC secretariat, and the distance learning organisations of CDE and SADC member states. Negotiations on the implementation of the programme are underway with SADC.

### **Renewable Energy Partnership in Southern Africa 2009–2012 (approx. EUR 13 million)**

The objective of the regional energy partnership is to promote the sustainable use of renewable energy in Southern Africa by building the capacity and skills of private sector actors in issues relating to energy production. The partnership will provide Finnish actors in the energy sector an opportunity to develop cooperation with local partners. Finland's support will be targeted at projects such as viability studies, energy resource surveys as well as pilot and demonstration projects to develop feasible investments. Possible regional partners include the CEF and SADC.

### **Climate Change and Development 2008–2010 (approx. EUR 2 million)**

The objective of the cooperation initiative is to develop instruments in cooperation with the International Union for Conservation of Nature (IUCN) that would be suitable in Zambia, Mozambique and Tanzania for adapting to climate change and supporting decision-making. Work will be carried out in cooperation with the countries, local communities, private actors and NGOs to analyse how best to develop the policy measures and participative practices that will support adapting to climate change, particularly in regard to the sustainable use of forests and water resources. The intention is to integrate the measures into the development programmes of the countries, and especially poverty reduction strategies.

The three-year pilot project will produce information and experiences that can be adopted at the international level through more extensive applications. The pilot project is connected to negotiations on the implementation of the climate agreement after 2012. Developing countries will participate in the negotiations as active parties.



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### 3.4.2 Eastern Africa and the Horn of Africa

Despite strong economic growth in Eastern African<sup>7</sup> countries over recent years, about one half of the population in the region lives below the poverty line. A large part of the population lives off agriculture. Eastern African countries often suffer from natural disasters and social upheavals, and are thus frequently in need of humanitarian aid. The number of refugees in the area is high. In the long term, economic integration is expected to promote prosperity, stability and peace in the area.

The main intergovernmental cooperation organisation in the region is the East African Community (EAC) including Kenya, Uganda, Tanzania, Burundi and Rwanda. Tanzania is also a member of SADC,

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<sup>7</sup> The total area of East Africa is approximately 1.8 million square kilometres, and the total population is about 110 million.

and Kenya and Uganda are members of the Common Market for Eastern and Southern Africa (COMESA), which has from time to time hindered cooperation on integration. At the end of 2007, the EAC signed a temporary Economy Partnership Agreement with the EU. Another organisation operating in Eastern Africa is the Intergovernmental Authority on Development (IGAD), which supports regional security and economic growth. In addition, the World Agroforestry Centre and the International Livestock Research Institute, both organisations of the Consultative Group on International Agricultural Research (CGIAR), are located in Nairobi but operate throughout Africa. Cooperation with CGIAR institutes in Eastern and Western Africa is being prepared.

In the **Horn of Africa**, the problems affecting the entire continent, such as climate change, conflicts and famine, are accentuated. More than ten million inhabitants in the region are in constant need

## Examples of cooperation promoting sustainable development in Eastern Africa and the Horn of Africa

### **Lake Victoria Basin Commission Partnership Fund 2009–2012 (EUR 2 million)**

The Lake Victoria basin is an important development project in the EAC region, covering five Eastern Africa countries: Uganda, Tanzania, Kenya, Rwanda and Burundi. **The Lake Victoria Basin Commission Partnership Fund (LVBC)** coordinates the protection and development of the lake and the basin area, harmonises regulations, supports the preparation of development projects and programmes, and coordinates the implementation of the projects. Participation in the financing of the partnership fund that supports the operations of the LVBC provides Finland with opportunities to participate in improving and developing the environment of Lake Victoria and its basin. Membership in the partnership fund may also create opportunities for Finnish commercial activities in the region. The fund's current members include Sweden, Norway, France, the World Bank and the African Development Bank.

### **Eastern Nile Technical Office 2010–2012 (approx. EUR 5 million)**

Finland finances a regional investment programme in the Eastern Nile region, which comes under the Nile Basin Initiative (NBI). The objective of the investment programme is to promote the fair and sustainable use of the waters of the Nile and, in this way, to support the economic and social development of the countries in the region. The population in the Nile basin region, which covers nine Nile riparian states, totals approximately 300 million.

Since 2003, Finland has supported the Nile Basin Initiative and especially the Eastern Nile Technical Regional Office (ENTRO) with a total of EUR 3 million in 2003–2009. Finland also supports the basin projects of Ethiopia and Sudan, launched in 2008, and included in the first stage of the investment programme. On the basis of the experience and results of these projects, Finland also plans to support the projects in the second phase of the investment programme. Bilateral cooperation has also guaranteed Finland a more significant role in the dialogue between donors than the actual value in terms of the money spent. Among the donors to the Nile Basin Initiative, Finland has gained a reputation as a supporter of the Eastern Nile.



*A fishing port in St. Louis, Senegal. Photo: Matti Remes.*

of emergency relief due to the weather conditions, conflicts and the global increase in the price of food. At the same time, the countries of the Horn of Africa suffer from a massive refugee problem, mainly caused by the crises in Somalia and Darfur. The civil war in Somalia has had repercussions in other parts of the Horn of Africa, as Ethiopia and Eritrea have also participated in the violence. Nearly all the countries of the Horn of Africa have considerable problems in the areas of democracy and human rights.

In the Horn of Africa, Finland works in close cooperation with the AU, the UN and the regional IGAD organisation. Finland supports the African Union in its efforts to solve and prevent crises in the area. Finland also supports the Nile Basin Initiative. The objective of the initiative is to ensure the sustainable use of the water of the Nile and cooperation between the countries of the region in that aim in order to prevent conflicts arising over water.

### 3.4.3 Western and Central Africa

Western and Central Africa is an extensive region covering 25 countries, most of which are among the least developed countries. Reducing poverty in a sustainable way in countries with such varying conditions requires a comprehensive approach that focuses on the common economic, social and ecological development problems of the individual countries.

The economic development in Western and Central Africa is hindered by the low production capacity, poor infrastructure and the slow progress in regional integration. The promotion of trade requires considerable investments to strengthen the capacity to trade. The key challenges from the perspective of ecologically sustainable development include desertification, especially in the Sahel region. Similarly, the coastal areas of Western Africa suffer from repeated floods. These phenomena will become more intense



## Initiatives to promote sustainable development in Western and Central Africa

### Climate change mitigation and adaptation

According to preliminary plans, the cooperation programme supporting climate change mitigation and adaptation consists of the following elements:

#### The Great Green Wall of the Sahara and Sahel Initiative

The Great Green Wall of the Sahara and Sahel Initiative between the Community of Sahel-Saharan States (CEN-SAD) and the African Union aims at creating a continent-wide forested zone from Dakar to Djibouti, thus preventing desertification. The initiative is based on a multi-sector approach in the fight against poverty, desertification and climate change. The European Commission has financed a feasibility report on the project. The presentation of the report took place in Brussels in spring 2009, of which Finland also attended. The setting up of a dedicated fund for the initiative is currently being planned. Finnish added value in the project is linked to the solid expertise in the forest sector.

#### Forest-climate cooperation and the protection of ecosystems

The cooperation supports the programmes of the Consultative Group on International Agricultural Research (CGIAR) to improve the ability of small farmers to adapt to climate change and to strengthen their role in its mitigation, as well as to develop rural livelihoods and to protect ecosystems in cooperation with rural villages. Preparatory work on cooperation initiatives is underway with CGIAR's World Agroforestry Centre. Finland's strong expertise in the forest sector will bring Finnish added value to the programmes and enable cooperation with Finnish research institutes. On the basis of the preliminary plans, Finland's share of the financing from 2010 to 2013 could be EUR 5 to 10 million.

Finland has also been requested to support (EUR 2.2 million in 2010–2013) the Africa Programme of the regional Rights and Resources Initiative (RRI) on climate change mitigation. The RRI is a global coalition of 12 organisations to advance forest tenure as well as policy and market reforms in developing countries. The programme covers the following countries: Cameroon, Burkina Faso, Mali, Liberia, Ghana and the Democratic Republic of the Congo. The RRI cooperates with both the UN and the World Bank. Finland can bring added value to the cooperation in the form of forest sector expertise and knowledge relating to the relationship between forests and climate. A preliminary assessment of the potential for cooperation has already been performed.

A preliminary assessment of cooperation sectors has been launched in Liberia for the women and climate change theme, which was the dedicated theme for Finland in the international conference on female leadership held in Liberia in March 2009. Reforestation and female entrepreneurship have emerged as possible areas of cooperation.

### Support for improving water supply and sanitation in Africa, including Western Africa – Support for the African section of the World Bank's Water and Sanitation Program 2009–2011 (EUR 3.9 million)

The aim of the Water and Sanitation Program (WSP) of the World Bank is to extend water and sanitation services to the poor in a sustainable way. The programme is implemented in cooperation with the UNDP.

Finland's cooperation will be launched during 2009. Finland has planned to support the programme with EUR 3.9 million in 2009–2011, which will be allocated to the WSP's Africa programme and the 12 countries involved. Of these, Benin, Burkina Faso, the Democratic Republic of the Congo, Niger, and Senegal are located in Western and Central Africa. The WSP also provides targeted support to unstable countries and countries recovering from conflicts, such as Liberia and Sierra Leone. In addition to the support provided for the Africa programme, Finland provides expert support, making it possible to bring Finnish added value to the international dialogue within the sector.

### Improving food security 2010–2012 (EUR 5–10 million)

The programme, focusing on Western and Eastern Africa, will support agricultural research and education cooperation between CGIAR research institutes, local schools and research institutes, Agrifood Research Finland (MTT), and Finnish universities and polytechnics. The cooperation will aim at supporting regional agricultural know-how, forming the basis for improving food security and increasing yield levels. Special attention will be focused on research and education benefiting small farmers. The programme will complement Finland's support to CGIAR institutes. Finnish added value is related to expert cooperation and exchanges in research and education.

### Aid for Trade in West Africa; Support for the implementation of the West African EPA

ECOWAS is one of the regional negotiation groups of the Economic Partnership Agreements between the EU and ACP countries, covering 15 West African states. Trade between the EU and Western Africa mainly includes trade in industrial products and machines (80% of exports) and, with respect to Western Africa, the export of oil (mainly from Nigeria) and tropical fruit. Currently, Ghana and Côte d'Ivoire have signed the first stage of the EPA agreement which Côte d'Ivoire also signed at the end of 2008. A draft Economic Partnership Agreement covering the entire ECOWAS region has been prepared, and the aim is to finalise the agreement by October 2009.

Aid for Trade and EPA support are very important means of increasing the countries' capacity to capitalise on the opportunities created by trade liberalisation. ECOWAS is currently completing a proposal for the Commission on the key Aid for Trade measures. The proposal could provide Finland with opportunities to support EPA-Aid for Trade in cooperation with the Commission and EU member states operating in the region.





*Picking coffee in Zambia. Photo: Marja-Leena Kultanen.*

as a result of climate change. The use of natural resources is unsustainable and agricultural production is not adequate to ensure food security. Extensive areas of rain forests, which are of global importance, are located in Central Africa.

Social development in several countries of Western and Central Africa is very vulnerable. Several countries in the region are recovering from a conflict. Currently, the most serious armed conflict is in the Democratic Republic of the Congo. The regional impact of the conflict is jeopardising the stability of all of Central Africa. Several of the countries in the region have no democratic systems, and human rights abuses are common. Over recent years, Western African countries have become an increasingly important transit route to Europe for illegal drugs and human trafficking.

Virtually no bilateral development cooperation has been carried out by Finland in Western and Central Africa, which emphasises the significance of regional cooperation in the implementation of Finn-

ish development policy. The development cooperation in the region focuses on issues relating to conflict prevention, crisis management and peace-building, and has been undertaken in cooperation with regional organisations.

The Economic Community of West African States (ECOWAS) is the most important regional actor in Western Africa, and 15 countries in the region are members. In recent years, the development of ECOWAS has been positive, and the work between the member countries and donors has resulted in the formulation of common policies.

Finland has supported the ECOWAS small arms programme with a total of EUR 750,000 in 2006–2008. The objective of the programme is to increase the ability of ECOWAS countries to prevent the illegal spread of small arms at both the national and regional level by promoting the implementation of the ECOWAS Convention on Small Arms (e.g. export, import and manufacture), which was ratified by the countries in the region.





*End of the school day in Cairo. Photo: Marja-Leena Kultanen.*

Finland also supports the International Conference on the Great Lakes Region (ICGLR) that operates in the Great Lakes region and aims to strengthen the region's security, stability and development. In addition, the Mano River Union operates in the Western Africa region, although its importance for regional integration is relatively minor.

Finland has also participated in the effort to stabilise the Great Lakes region by supporting the Multi-Country Demobilization and Reintegration Program (MDRP), managed by the World Bank, to reintegrate former soldiers into society. Finland's total contribution to the implementation of the programme is EUR 3 million in 2007–2012.

In addition, Finland supports international non-governmental organisations (INGOs) working in Western and Central Africa in projects relating to crisis management, peacebuilding and conflict prevention. The organisations operate in the Western

and Central African countries of Liberia, Guinea-Bissau, Côte d'Ivoire, the Democratic Republic of the Congo, Guinea and Sierra Leone, among others. INGO projects support socially sustainable development in Africa by promoting independent communication of information and recommendations for action as well as by strengthening opportunities for civil society to more actively prevent conflicts. In 2009–2012, the organisations will be supported with a total of EUR 5 million.

Development cooperation funds reserved for regional cooperation have also been used for country-specific cooperation in countries such as Liberia, where regional cooperation funds have been used to support the organisation of the International Colloquium for Women's Empowerment and a transitional justice system. Part of the development cooperation funds intended for regional cooperation have been channelled through international non-governmental organisations.

### 3.4.4 Northern Africa and the Mediterranean

The challenges of socially sustainable development in the Northern Africa region<sup>8</sup> include the conflicts in the area and improving education, human rights and equality. The ongoing Western Sahara dispute and the Middle East conflict hamper regional integration and the development of the societies of the region. Reforms and good governance have not progressed as expected in all the countries of the region, even though there has been some positive developments. The challenges also include rapid population growth and youth unemployment. Poverty, particularly in rural areas, and the unequal distribution of wealth continue to be problems in many countries in the region, despite the economic growth of recent years. The countries of Northern Africa are also transit routes for illegal immigration to the EU.

Environment is one of the key factors for the development in the Middle East and North Africa. In dry areas, the poor management of scarce natural

resources, especially water resources, farmland and coastal areas, jeopardises economic development, the quality of life and social stability. The pollution of the Mediterranean and poor sanitation in several countries in the region also pose serious problems. In addition to population growth, rapid urbanisation and coastal tourism cause major environmental problems in coastal areas. The effects of desertification can be observed in 80 per cent of the dry areas of the region, and the problems are being accentuated by climate change.

Finland participates in both bilateral and multi-lateral, as well as EU operations in the region. Egypt was one of Finland's long-term partner countries in bilateral development cooperation up until 2004. In 2004–2007, a jointly agreed transition strategy was implemented with the objective of moving from bilateral, donated development aid towards a more diverse partnership. As of 2008, cooperation with Egypt has continued as part of regional cooperation and through an institutional development instrument, business partnership and interest subsidies.

The EU's Mediterranean policy is based on the Barcelona Process, which was launched in 1995, and which was strengthened in 2008 by laying the

<sup>8</sup> Approximately 167 million people live in the Northern Africa region, about 20% of them are aged from 15 to 24 years old.

## Examples of the promotion of sustainable development in Northern Africa and the Mediterranean region

### **Finland's support for the implementation of the Basel Convention on Hazardous Wastes in Arab countries 2009–2011 (EUR 1.2 million)**

Finland supports increasing the capacity of the Arab countries' regional centre for the Basel Convention on Hazardous Wastes. The centre, which is located in Cairo, coordinates the implementation of the Convention. The project is implemented together with the Basel Convention secretariat, working under the UNEP. The aim of the cooperation is to strengthen public administration as well as the development and implementation of legislation in the partner countries, and to support the work of NGOs in this sector.

### **Support for the Implementation of the UN Desertification Convention 2009–2011 (EUR 2 million)**

Finland has supported the implementation of the UN Desertification Convention in Northern Africa and the Middle East since 2001. Support is channelled through the UNDP's Drylands Development Centre located in Beirut. The project aims to improve the living conditions of people living in dry areas and to reduce poverty through sustainable development. The means to achieve this objective include developing local management of natural resources and ensuring that the national action plans of the partner countries contain measures for developing dry areas. In addition, the programme aims to improve market access of products from dry regions and to increase the diversity of the regions' economies. The project has involved Finnish partners such as the University of Helsinki, Eräsetti Wild North company and ProAgria Kainuu organisation.





*The water programme in Amhara province, which is supported by Finland, has brought clean water to over a million Ethiopians. Photo: Rauli Virtanen.*

groundwork for the Mediterranean Union. Cooperation with southern partners is based on Euro-Mediterranean Association Agreements and the European Neighbourhood Policy (ENP). The implementation of the ENP is financed through the European Neighbourhood and Partnership Instrument (ENPI). The key objectives include improving the operating environment for trade, strengthening good governance and human rights, and preventing illegal immigration.

Finland's regional development cooperation in Northern Africa also extends to the Middle East region. Cooperation will mainly be continued in the environmental and human rights sectors. This requires a regional perspective, since solutions cannot be found without strengthening governance, legislation and the implementation of legislation in all countries in the region. Finland's contribution to regional development cooperation aims at developing waste management and sanitation in the region, preventing desertification and protecting the coastal waters of the Mediterranean. Reducing industrial air pollution has also been the objective of both bilateral and regional projects.

Projects implemented with Fund for Local Cooperation, bilateral projects in the Palestinian Territo-

ries (water, education, security and land management sectors) as well as the cooperation with Egypt implemented through the new instruments complement regional cooperation.

### 3.5 Bilateral cooperation

Approximately 50% of Finland's financing for bilateral cooperation is allocated to Africa. In the long-term partner countries in Africa (Ethiopia, Kenya, Mozambique, Zambia and Tanzania), Finland is committed to long-term cooperation, based on partner countries' own development plans, strong ownership and leadership. The activities of Finland and other donors form a complementary cooperation system.

#### 3.5.1 Long-term partner countries

Finland's long-term partner countries in the Southern and Eastern Africa are: **Mozambique, Zambia, Tanzania, Kenya and Ethiopia**. Cooperation negotiations are conducted with each country every 2 or 3 years. The programme prepared on the basis of the negotiations

usually covers 4 to 5 years and forms the basis of cooperation between Finland and the partner country. The current group of long-term partner countries is likely to remain the same in the coming years.

In long-term partner countries, a number of diverse cooperation channels are used, such as programme-based cooperation, other project cooperation, funds for local cooperation (Fund for Local Cooperation, FLC), institutional cooperation (Institutional Cooperation Instrument, ICI), and the business partnership instrument. The cooperation and dialogue between donors and partner countries emphasise sustainable development and especially the promotion of ecologically sustainable development.

The framework programme for Africa only includes a brief summary of the priorities of Finnish development cooperation in the main partner countries. Detailed descriptions of the practical cooperation with the main partner countries are included in the cooperation documentation prepared as a result of the cooperation negotiations held with each country. Preliminary plans on the appropriations for the main partner countries are included in Appendix 1.

### ■ *Mozambique*

Finland's support is directed at three main sectors: 1) education, 2) health and 3) agriculture. In addition, Finland grants general budget support for the implementation of Mozambique's poverty reduction programme. Support for the health sector will end after 2010.

In 2009, a new forest programme will be launched to support the development of sustainable forestry in Mozambique. A bilateral science, technology and innovation project is also being prepared. In addition, new initiatives will be made in the field of education, and planning has already begun for a follow-up project to the bilateral rural development project that will end in 2010.

Fund for Local Cooperation is used to support non-governmental organisations in Mozambique within specific priority areas (democracy and the rule of law, human rights and equality, the environment and climate change, and developing the private sector and business partnerships). Finland also uses Fund for Local Cooperation to promote scientific and

technological cooperation, such as the joint nutrition project of the Mozambique Food Security and Nutrition Association and the University of Helsinki.

### ■ *Zambia*

In accordance with the division of labour agreed by the Government and the donor community, Finland's development cooperation in Zambia is directed at the following three main sectors: 1) the environment and natural resources, 2) the development of the private sector, and 3) agriculture and rural development.

Good governance and the development of public administration are the cross-cutting themes in all these areas. Finland's programme as a whole supports Zambia's efforts to generate economic growth that also benefits the poor, and to achieve ecologically sustainable development. The instruments to be used include bilateral project aid, basket-financed project and programme aid, general budget support, institutional cooperation (ICI) and Fund for Local Cooperation.

Irrigation systems will be supported in cooperation with the AfDB to improve the agricultural productivity; the use of renewable energy resources will be increased through the energy and environment partnership programme, and other potential support for the energy sector will be considered. Institutional cooperation (ICI) is prepared between ministries of the environment, geological research institutes and possibly also forest administrations. The national system of trade and development aid will be strengthened through the AfT capacity development programme, and further strengthening is planned through the aid for the North-South Corridor initiative. Support for non-governmental organisations within the environmental sector is being planned through a special Trust Fund. In addition, the development of trade relations is actively being supported through the Finnpartnership – Finnish business partnership programme and the promotion of imports. Financing opportunities for Finnfund are also being promoted in Zambia.

### ■ *Tanzania*

Finland's bilateral support in Tanzania is targeted at the following three thematic cooperation sectors: 1)





*Maize, the main food for Zambians, growing tall in the fields of Cathreen Chabwe (on the left) in Luapula. Photo: Outi Einola-Head.*

forestry and the environment as well as agriculture and bioenergy, 2) regional and local development, and 3) general budget support. The aim of general budget support is to support the development of education and the health sector, in particular. The cross-cutting themes of the Development Policy Programme are considered in all cooperation. Cooperation with non-governmental organisations and Fund for Local Cooperation are also used to support the same themes.

New cooperation initiatives in line with the Development Policy Programme are supported in the information society and energy sectors. In addition, the Institute for Sustainable Development will be set up in Tanzania in 2009 and 2010 as a part of the new, closer cooperation between Finland and the AU.

## ■ Kenya

The priorities for Finland's bilateral development cooperation in Kenya are: 1) support for developing the justice system and good governance, 2) the forest sector, 3) rural development.

With respect to bilateral cooperation, programmes under preparation include a follow-up programme for forest sector support and a new rural development cooperation programme, including support for the local MDG programme currently underway in Kenya. The programmes are being prepared. Non-governmental organisations and Fund for Local Cooperation are used to direct particular support towards promoting democracy, human rights and good governance, as well as reducing



poverty. Institutional cooperation (ICI) is being launched in the agricultural and forest sectors.

### ■ *Ethiopia*

The bilateral development cooperation between Finland and Ethiopia focuses on the following two priority sectors: 1) the education sector and 2) the water sector. The Water Programme will be expanded from rural water supply and sanitation to also cover the sustainable development of water resources and natural resources, including the long-term development of land management. The sustainable use of natural resources will also strengthen the conditions for economic development as well as the ability of the population to adapt to the extreme weather conditions resulting from climate change.

### 3.5.2 Countries recovering from violent crises

In Africa, **Sudan** and **Somalia** in particular are recovering from violent crises. Finland uses development policy measures, among others, to support their development. Supporting countries recovering from violent crises requires a comprehensive approach whereby development cooperation, humanitarian aid and crisis management are coordinated to achieve the best possible overall effect. The actual means are determined by considering the special needs and conditions of the countries with the primary aim of supporting their peace processes. Seamless coordination and cooperation with other actors are a basic prerequisite for effective operations.

**In Sudan**, Finland aims at supporting the efforts of the international community in supporting the development of democracy in the country, and to launch a process of sustainable development. In addition to the reconstruction of South Sudan, the main objectives include preventing potential conflicts, peacebuilding and starting reconstruction in the Darfur region as soon as a lasting peace agreement has been achieved. The internal instability of Sudan has an impact on regional stability and security in the Horn of Africa as well as Eastern and Central Africa.

Since the end of inter-governmental cooperation (1991), The Viikki Tropical Resources Institute of the University of Helsinki has continued academic research cooperation with Sudan through funds from the Academy of Finland and the University of Helsinki, among others. Since 2008, cooperation with the South Sudan forest administration has also taken place within the Institutional Cooperation Instrument project financed by the Ministry for Foreign Affairs.

In recent years, Finland has mainly provided Sudan with humanitarian aid and channelled funds to the South Sudan reconstruction project through the Multi Donor Trust Fund (MDTF) of the World Bank. Finland also supports the Nile Basin Initiative in the Eastern Nile region in Sudan.

Finland is prepared to support the stabilisation and reconstruction of **Somalia** as a part of a UN led process. The humanitarian situation in the area is poor, and the need for aid will continue despite the possible improvements in the country's internal situation. The regional operating environment, including the role of Eritrea and Ethiopia, is vital in the search for a lasting solution to the situation in Somalia.

### 3.5.3 Other bilateral cooperation countries

#### ■ *Republic of South Africa*

Finland and South Africa have engaged in closer dialogue and cooperation over the last 15 years in regional issues concerning peace and security and the economy (SADC, AU, NEPAD) as well as in global issues (UN, WTO, etc.). In terms of trade and investment, South Africa has been and will continue to be Finland's most important African partner by far.

The extensive development cooperation launched in 1995 will continue until 2010, after which the focus will switch to the use of partnership instruments (Institutional Cooperation Instrument ICI, Finnpartnership FP, North-South-South NSS, etc.) and to regional and tripartite cooperation in the African continent. The framework to relations between Finland and South Africa consists of the EU-South Africa Strategic Partnership, the special position of Finland and the other Nordic countries in South



*A new shopping centre attracts customers in Lusaka, the capital of Zambia. Photo: Matti Nummelin.*

Africa as supporters of the African freedom and independence efforts, and the bilateral partnership strategy signed in early 2009. As a regional trade and knowledge centre, South Africa is also an important partner in the thematic cooperation in Southern Africa, currently being prepared by Finland.

### ■ **Namibia**

The cooperation between Finland and Namibia is currently going through a process of change. The years 2004–2007 marked a transitional period, and the objective is to promote trade and economic relations between the countries. During the transition, the efficient use of new instruments (Institutional Cooperation Instrument, Finnpartnership – Finnish business partnership programme, concessional credits, etc.) has been improved, while the donated support for the current year is EUR 5 million. Currently, cooperation focuses on reducing poverty, enhancing balanced development, and promot-

ing trade relationships in sectors such as mining and energy. In addition, Finland supports the development of democracy and human rights. Fund for Local Cooperation is used in several sectors.

Namibia also participates in several regional projects relating to the information and knowledge society, Aid for Trade, natural resources, and sustainable development.

## **3.6 Multilateral cooperation**

Multilateral cooperation plays a major role in Finnish development policy and cooperation. In 2008, approximately 40% of Finland's public development aid was channelled through multilateral organisations and the EU. A considerable part of these funds are allocated to Africa. In the cooperation with multilateral actors and the EU, Finland emphasises the need for coordination between the various actors and coherence at the country level in order to achieve the development goals of the Millennium Declaration. To improve the effective-

ness of development cooperation, Finland promotes the internal reforms of multilateral organisations, such as the One UN Initiative, and monitors their practical implementation. Finland engages in cooperation with multilateral organisations at the country level, and by participating in the work of executive boards exerts an influence over their policies and strategies on Africa. In its cooperation with the UN, Finland aims at targeting its financing towards joint country programmes of various UN actors.

**Cooperation with the UN** is a central channel for multilateral cooperation in Africa and for implementing Finnish development policy. Most of the Finnish financing channelled through the UN is targeted at Africa, where the global economic recession has further diminished the chances of achieving the MDGs. The most important partners in Africa include the UNDP, UNEP, UNICEF, UNFPA and WHO. In addition to these, Finland is providing increasing support to develop food security and the rural economy through the FAO, IFAD and WFP.

Through the UNDP, Finland supports the capacity of African countries in the areas of democracy, good governance and the public economy, and thus promoting their social development. Finland could make greater use of and provide more support for the Bureau for Crisis Prevention and Recovery (BCPR) of the UNDP. Environmental and climate issues are becoming the top priority of the UNDP's operations, and Finland supports the UNDP's efforts in this sector in cooperation with the United Nations Environment Programme (UNEP). The cooperation between the UNDP and UNEP in climate and environmental issues must also be enhanced in Africa.

Finland supports the competence and ability of African countries to take responsibility for international environmental obligations by supporting, for example, the participation of the countries in the UN's environmental negotiations. In international climate negotiations, Finland's objectives include the promotion of gender equality by including the female perspective in the new international climate agreement, and by supporting the participation of women in the negotiation process.

So far, African countries are clearly under-represented in the Clean Development Mechanism (CDM) market, and they have voiced strong demands that the uneven geographical distribu-

tion of the projects be remedied. Within the Nairobi Framework Initiative, Finland has supported the strengthening of the CDM capacity in Africa with the aim of promoting access by Sub-Saharan Africa to the CDM market. Within the bilateral emissions trading programme, Finland is preparing its first Africa project for South Africa.

The UNEP is a key actor in the promotion of the MDGs and especially the implementation of environmentally sustainable development in Africa. Finland is a major supporter of the UNEP's post-conflict efforts. In recent years, the post conflict sector has become one of the six pillars of the UNEP. Finland believes it is important that the UNEP's post conflict work is strengthened and maintained as one of its strategic priorities in the future. Finland and the UNEP have a joint environmental diplomacy project that aims at using the environment as a peacebuilding tool in countries such as Sudan, Sierra Leone, Liberia, Angola, Côte d'Ivoire, and the Democratic Republic of the Congo. Finland has given EUR 2 million in financing to the project in 2008–2009.

As an organisation focusing on the status and protection of children, UNICEF plays a major role in Africa considering the continent's challenges in achieving the MDGs on child and maternal mortality, primary education, the prevention of HIV/Aids, and equality. Finland has supported UNICEF through general contributions to the overall operations of the organisation. The priorities of the UNFPA operations – population growth and development, reproductive health and gender equality – are also very important from the perspective of sustainable development of Africa. The work of the UNFPA focuses on the poorest developing countries, offering an important channel for Finland to provide particular support for the least developed African countries. The UNFPA also provides humanitarian aid, largely targeted at Africa. The WHO is a significant actor in Africa, and an important partner for the objectives of Finnish development policy. UNICEF and UNFPA cooperate with the WHO in issues relating to children's health, chronic illnesses and epidemics.

HIV/Aids is one of the major obstacles to development in several African countries. The main channel for Finland's work against HIV/Aids is UNAIDS. In the work by UNAIDS, Finland stresses the develop-





*Ebony is made into clarinets at the Mingoyo sawmill in Tanzania.  
Photo: Satu Santala.*

ment of health care systems, especially basic health care; sexual and reproductive health issues; the connection between HIV/Aids and social development, human rights and gender equality; health education for the young; and preventive measures. The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFTAM) is another important channel for Finnish health sector cooperation.

In accordance with the Finnish Development Policy Programme, the WFP is one of the main recipients of Finnish financing for UN development cooperation. The WFP's main activities in emergencies and long-term development programmes are directly related to the UN MDG to halve the number of people living in extreme poverty and hunger by 2015. Considering that more than half of global food aid is channelled to Africa, the WFP role is primarily that of Finland's primary humanitarian aid partner.

The objective of the FAO, as well as the UN International Fund for Agricultural Development (IFAD), is to improve food security. The main focus of their

operations is on the rural poor and the most vulnerable population groups. Another objective of their activities is to improve the rural economy as well as the living conditions and environment of the poor. Finland also supports IFAD through a bilateral partnership programme.

The main focus area of the partnership programme is Africa, which receives a minimum share of 50% of the available funds.

Of the **international financing institutions**, the World Bank Group and the African Development Bank Group are the most important Finnish cooperation partners in Africa. Finland's support for the operations of the World Bank Group and the African Development Bank Group consists of both general financing as well as financing channelled to bilateral partnership programmes.

Most of Finland's financing for the **World Bank Group** is channelled through the IDA, which is the most important institution granting soft loans to the poorest developing countries in Africa. Its primary

objective is reducing global poverty by supporting and promoting sustainable economic and social development in developing countries. At least half of the IDA's financing is allocated to sub-Saharan Africa. The operations are planned separately on the basis of national priorities, taking into account the special needs and challenges of each country. In fragile countries and countries recovering from crises, which meet the criteria for IDA financing, the operations aim at creating opportunities for sustainable development and at securing lasting peace. In cooperation relating to climate change, the IDA focuses on operations that support climate change adaptation. With respect to climate change mitigation, the IDA's priorities include the availability of clean energy and developing land use and the sustainable use of forests.

Due to the World Bank Group's focus on Africa, a major part of the financing channelled through the bilateral partnership programme of Finland and the World Bank Group is also targeted at Africa. The partnership programme's priority areas include the promotion of environmentally and socially sustainable development, private sector capacity building, trade and development issues, support for the energy, forest and information society sectors, and strengthening the role of parliaments, good governance and human rights. Finland supports the efforts to achieve more effective use of natural resources through the multilateral EITI (Extractive Industries Transparency Initiative) fund managed by the World Bank. The aim of EITI is to foster the commitment of governments of developing countries and international companies to disclose the financing channelled to oil, gas and mining operations, and thus preventing corruption and reducing conflicts and the poverty resulting from them. In addition to the partnership programmes mentioned above, financing is channelled through several thematic and regional funds.

The **African Development Bank Group** allocates financing solely to Africa. The central objective of the African Development Bank Group is to reduce poverty by promoting sustainable economic and social development, taking into consideration the cross-cutting themes. The African Development Fund, which grants concessional financing and acts as a channel for most of Finland's support, focuses on supporting the least developed, poorest African countries. In its cooperation, Finland places

emphasis on a country-specific approach, the coordination of national priorities and the development objectives of the bank group, the promotion of sustainable economic and productive growth combined with a just distribution of income, and good governance and the fight against corruption.

The priorities of the bilateral partnership programme between Finland and the African Bank Group include the environment, climate change adaptation and mitigating the impacts of climate change, as well as support for science and technology relating to renewable and clean energy and forest management.

In addition to the World Bank Group and African Development Bank Group, Finland supports the operations of the **International Monetary Fund** (IMF) to build the capacity of African countries in issues relating to macroeconomic policies and the management of public finances. Through IMF support, three regional technical assistance centres (AFRITAC) operate in Africa. East AFRITAC (Tanzania) covers seven Eastern African countries, West AFRITAC (Mali) serves ten Western African countries, and Central AFRITAC (Gabon) operates in seven countries of the CEMAC group as well as Burundi and the Democratic Republic of the Congo.

The development financing institution **NORSAD**, founded by the Nordic Countries and 11 SADC countries, also functions as a channel for Finland's support for the private sector, especially in the countries of Southern and Eastern Africa. NORSAD's objective is to build the capacity of small and medium-sized companies by granting financing for the national development banks and commercial banks in the region, as well as by granting indirect support to companies in the SME sector. As of 2009, the **Nordic Development Fund** (NDF) will start granting financing to the poorest developing countries, with the focus being on adapting to the impact of climate change. A significant part of the NDF financing will be targeted at Africa. As a financier, the NDF cooperates mainly with the World Bank and the African Development Fund.

Participation in the efforts to find a solution to the **debt problems** of developing countries is a central part of Finland's cooperation with international and regional development financing institutions. Finland believes that debt relief is necessary when supporting

the developing countries' efforts to reduce poverty. Developing countries can channel the funds released through debt relief into production and social investments as well as capacity building, in accordance with their national poverty reduction plans.

Finland has used development cooperation funds to finance the HIPC (Heavily Indebted Poor Countries Initiative) and MDRI (Multilateral Debt Relief Initiative) debt relief programmes since their launch. A major share of Finnish financing is targeted at Africa, since most of the countries within these programmes are in Africa.

In addition to multilateral debt relief financing, Finland writes off bilateral development loans on a case-by-case basis in accordance with the stabilisation decisions of the Paris Club.

### **3.7 Humanitarian aid**

Half of the global humanitarian aid, an annual sum of over five billion dollar, is allocated to Africa. The four largest countries for the UN Consolidated Appeals Process (CAP) are located in Africa: Sudan, Somalia, the Democratic Republic of the Congo, and Zimbabwe. Africa's share of Finland's humanitarian aid is 75% of country-specific aid and 52% of the total aid.

The most acute need for aid in Africa is mainly the result of long-standing armed conflicts, the post-civil war situations and the general absence of the rule of law in fragile states. The number of internal refugees within the countries now totals more than 10 million. In conflict areas, aid delivery is the biggest problem, as the governments in power usually try to hinder the work of aid organisations. Finland's aid is generally channelled through the UN, with organisations responsible for the various humanitarian aid sectors in charge of the operations. Aid is also channelled through Finnish non-governmental organisations as well as the Red Cross and the Red Crescent Movement.

In the Horn of Africa, Central Africa and Western Africa malnutrition and poor food security are common. The need for food aid has been increasing due to population growth and impending droughts resulting from climate change. In 2008, 52 million Africans received food aid from the WFP. Long-term development cooperation must be the primary means of responding to chronic food insecurity.

Agricultural production and agricultural development programmes should receive particular attention in situations involving continuing humanitarian aid and development programmes.

### **3.8 Cooperation with non-governmental organisations (NGOs)**

The various actors in Finnish civil society complement Finland's public development cooperation both globally and in Africa. The added value of work by NGOs is particularly highlighted through the work carried out at the grassroots level in developing countries. The development cooperation channelled to Africa through NGOs equates to approximately one quarter of Finland's bilateral country- and region-specific cooperation in Africa, and approximately 10% of Finland's total public development cooperation. About half of all NGO projects and almost a corresponding share of the discretionary government transfers granted to them (44%) are targeted at Africa. In all, NGOs support operations in over 30 African countries.

Finland's long-term African partner countries are the focus of emphasis in development cooperation of NGOs, as about one third of the projects are targeted at long-term partner countries. Tanzania, Ethiopia and Kenya, in particular, stand out in terms of Finnish cooperation. In addition, special foundations supported by Finland operate in several African countries.

The cooperation supported by NGOs complements the production of basic public services by the public sector in developing countries, particularly in education, health care and social services. Strengthening civil society, rural development and the fight against HIV/Aids also respond to the challenges of equal and socially sustainable development. NGO projects play an especially important role in improving the status of the disabled in Africa.

Civil society plays an important part in promoting development policy in Finland. Various civil society actors are effective at reaching different demographic groups in Finnish society and thus increasing the public's awareness of global development issues. NGOs can also have an impact on people's values and choices, including consumer behaviour, which has ramifications on development policy over the long term.



## 4. Methods for implementing the framework programme for Africa

**T**he implementation of Finland's development policy framework programme for Africa makes use of all available development cooperation instruments. The most important instruments in bilateral cooperation are: project cooperation, programme cooperation, funds for local cooperation (FLC), institutional cooperation (ICI) and, especially for the private sector and Aid for Trade, Finnfund, Finnpartnership – Finnish business partnership programme and interest subsidies. Wide range of methods can also be used for multilateral cooperation, particularly in the implementation of bilateral partnership programmes between Finland and multilateral organisations.

The decision on which cooperation instrument will be used is made on a case-by-case basis taking into consideration the objectives of the cooperation initiatives, the operational methods of the partner, and the operating environment in the partner country, etc., with the objective to ensure effective operations.

The implementation of Finland's development policy framework programme for Africa is based on the use of all available development cooperation instruments.



*Tinned food for sale in Addis Ababa, the capital of Ethiopia. Photo: Milma Kettunen.*

## 5.

# Monitoring the implementation of the framework programme for Africa

**F**inland's development policy framework programme for Africa will be implemented and monitored as a part of the Government's Development Policy Programme, in cooperation with the various departments of the Ministry for Foreign Affairs, the diplomatic missions, public administration and civil society. The multilateral organisations acting as partners, the EU and African regional organisations will play a central part in the implementation and monitoring of the framework programme.

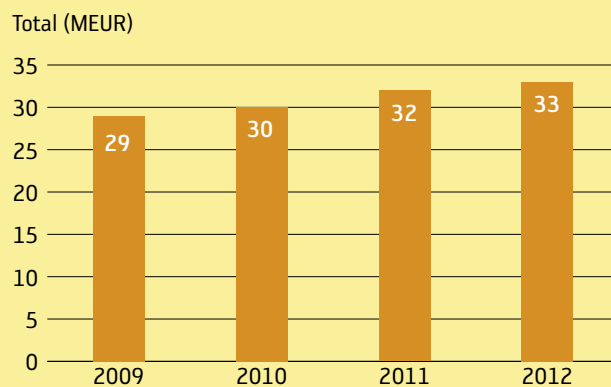
No separate mechanisms will be created for monitoring the implementation of the framework programme. Instead, monitoring will be carried out using the regular planning, monitoring and evaluation systems of state administration and the Ministry for Foreign Affairs. The most important of these are: operating and financial plans, annual plans, the performance agreements of the diplomatic missions, annual reporting to Parliament, and separate evalu-

ations. In the monitoring and evaluation of cooperation, the materials produced by multilateral actors, regional cooperation organisations and independent evaluation surveys are also used. Constant monitoring of the operations ensures that the set objectives and principles are realised.

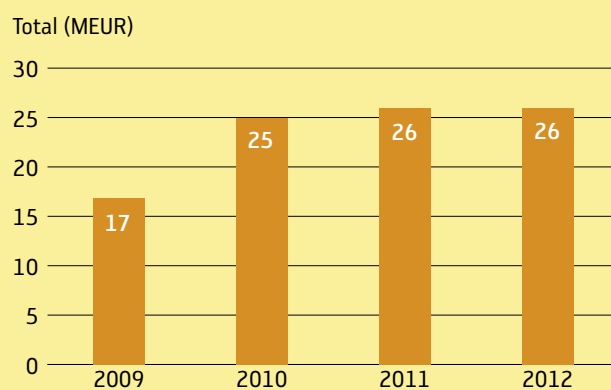
Parliament plays a central role in the monitoring and evaluation of Finnish development policy and cooperation, including the framework programme for Africa. The Ministry for Foreign Affairs reports to Parliament every year on the implementation, results and development challenges of Finnish development policy and cooperation. The Development Policy Committee appointed by the Government also actively participates in the dialogue on Finnish development policy and cooperation, and monitors their implementation. The Committee evaluates the quality and effectiveness of Finnish development cooperation and provides an annual statement on the state of Finnish development policy.

## Appendix 1. Preliminary payment plans for 2009–2012; Long-term partner countries<sup>1</sup>

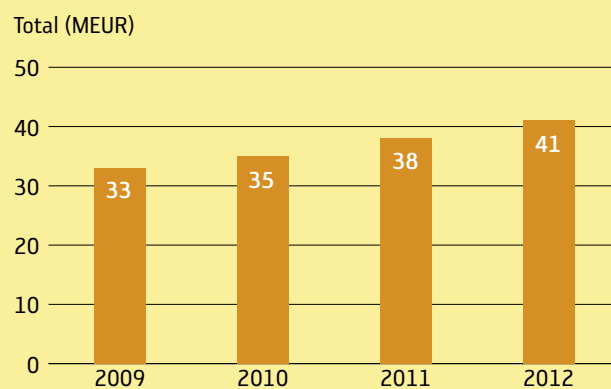
### Mozambique



### Zambia



### Tanzania

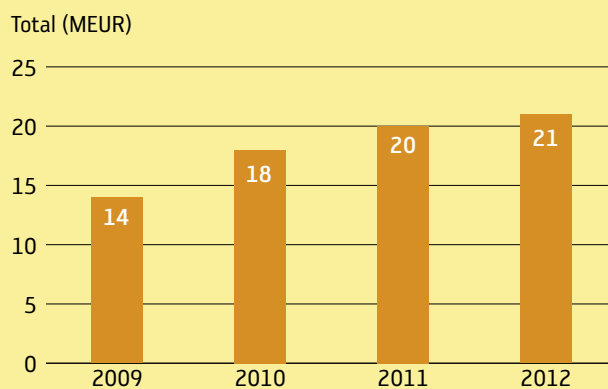




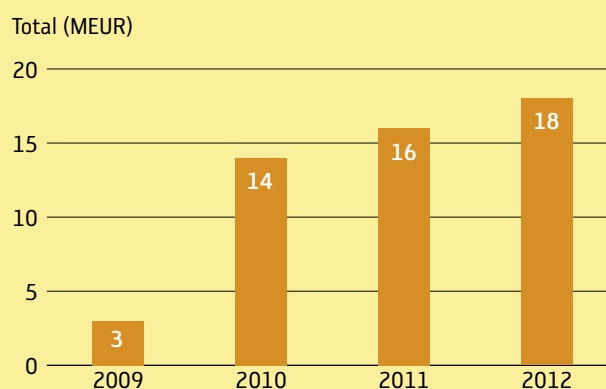


## Appendix 1. Preliminary payment plans for 2009–2012; Long-term partner countries<sup>1</sup>

### Ethiopia



### Kenya



Due to the situation in Kenya, the total appropriation available per year is considerably higher than the estimate of the level of Finnish financing based on the planned cooperation programme.

<sup>1</sup> Payment plans are indicative only and may change with the implementation of the cooperation.

## Appendix 2. Abbreviations

<b>AFT</b>	Aid for Trade
<b>APRM</b>	African Peer Review Mechanism
<b>AU</b>	Afrikan unioni
<b>AWF</b>	African Water Facility
<b>CDM</b>	Clean Development Mechanism
<b>CGIAR</b>	Consultative Group on International Agricultural Research
<b>COMESA</b>	Common Market for Eastern and Southern Africa
<b>DSBA</b>	Development Bank of Southern Africa
<b>DCI</b>	Development Cooperation Instrument
<b>EAC</b>	East African Community
<b>ECOWAS</b>	Economic Community Of West African States
<b>ENP</b>	European Neighbourhood Policy
<b>ENTRO</b>	Eastern Nile Technical Regional Office
<b>EPA</b>	Economic Partnership Agreements
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>FLEGT</b>	Forest Law Enforcement, Governance and Trade
<b>GEF</b>	Global Environment Facility
<b>HIPC</b>	Heavily Indebted Poor Countries Initiative
<b>ICGLR</b>	International Conference on the Great Lakes Region
<b>ICRAF</b>	World Agroforestry Centre
<b>ICT</b>	Information and Communication Technology
<b>IDA</b>	International Development Association
<b>IFAD</b>	International Fund for Agricultural Development

<b>IFC</b>	International Finance Corporation
<b>IGAD</b>	Intergovernmental Authority on Development
<b>ILRI</b>	International Livestock Research Institute
<b>IUCN</b>	International Union for Conservation of Nature
<b>LVBC</b>	Lake Victoria Basin Commission
<b>MDRI</b>	Multilateral Debt Relief Initiative
<b>NBI</b>	Nile Basin Initiative
<b>NDF</b>	Nordic Development Fund
<b>NEPAD</b>	New Partnership for African Development
<b>PRESA</b>	Pro-poor Rewards for Environmental Services in Africa
<b>PYM</b>	Paikallisen Yhteistyön Määräraha
<b>RRI</b>	Rights and Resources Initiative
<b>SACU</b>	Southern African Customs Union
<b>SADC</b>	Southern African Development Community
<b>UNAIDS</b>	Joint UN Programme on HIV/AIDS
<b>UNDP</b>	United Nations Development Programme
<b>UNECA</b>	United Nations Economic Commission for Africa
<b>UNEP</b>	United Nations Environment Programme
<b>UNFPA</b>	UN Population Fund
<b>UNHCR</b>	UN High Commissioner for Refugees
<b>UNICEF</b>	UN Children's Fund
<b>WFP</b>	World Food Programme
<b>WHO</b>	World Health Organisation
<b>WSP</b>	Water and Sanitation Programme







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