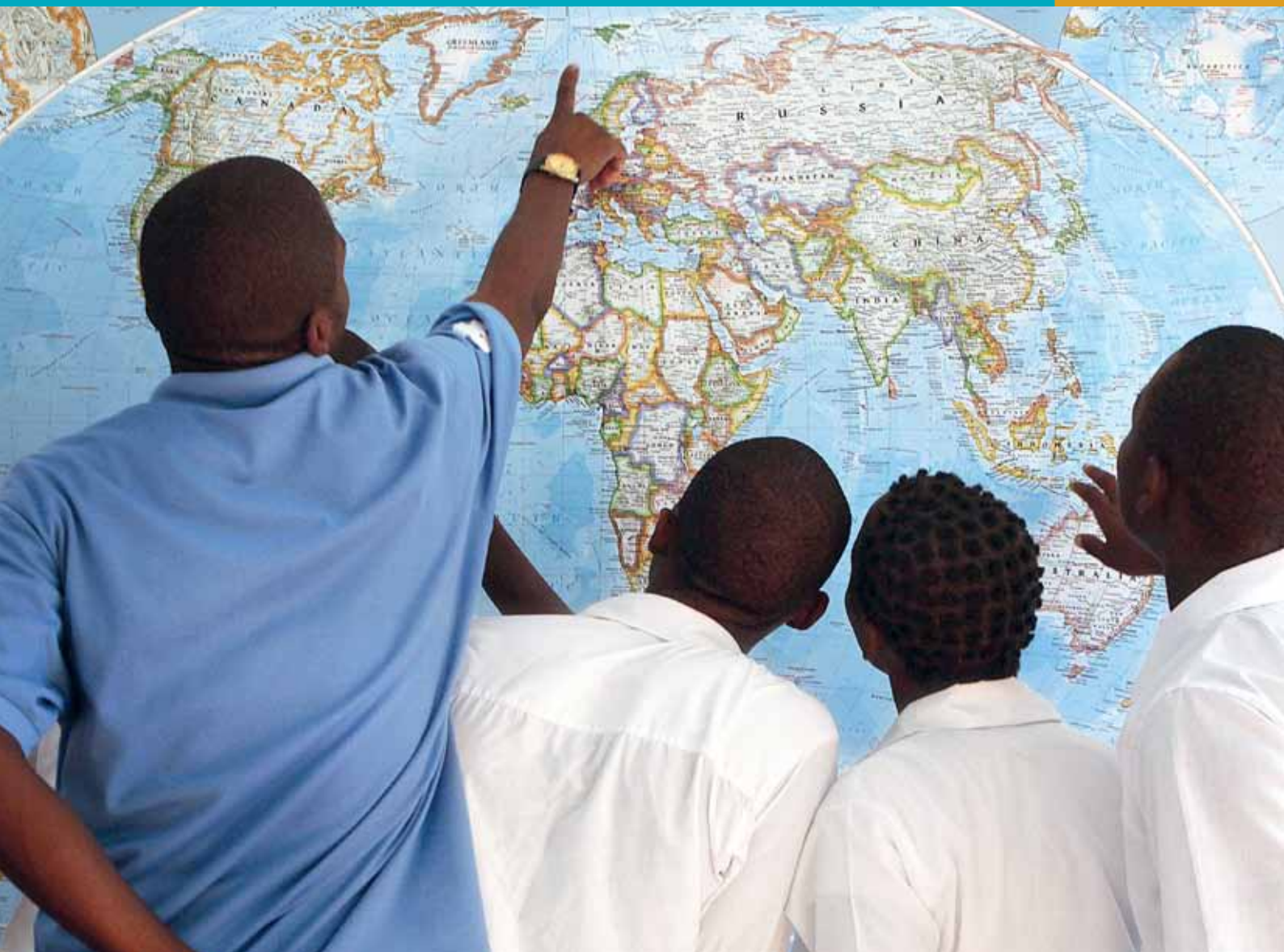


FINLAND'S DEVELOPMENT COOPERATION



2011

In the Year 2011

MANY OF FINLAND'S PARTNER COUNTRIES IN DEVELOPMENT MADE SIGNIFICANT IF UNEVEN PROGRESS TOWARD ACHIEVING THE UN'S MILLENNIUM DEVELOPMENT GOALS (MDGS). DEVELOPMENT WAS RAPID WHEN MEASURED IN TERMS OF ECONOMIC GROWTH. ACCORDING TO THE UN HUMAN DEVELOPMENT INDEX, TANZANIA IS PRESENTLY THE WORLD'S MOST RAPIDLY DEVELOPING STATE. ETHIOPIA, MOZAMBIQUE, AND ZAMBIA ARE ALSO AMONG THE WORLD'S MOST RAPIDLY DEVELOPING ECONOMIES FOR 2011.

The primary goal of Finland's development cooperation is the reduction of poverty, and Finland is committed to achieving the UN's Millennium Development Goals.

- Absolute Poverty is already less than half the level it was in 1990 (World Bank).
 - The Goal for water has already been reached or even exceeded before the deadline (UNICEF)
 - The good progress Nepal has made provides an example of how even a country recovering from conflict can achieve results through its own efforts combined with appropriate development cooperation.
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- Development cooperation has had a positive effect on economic development. For the reduction of poverty, it must be ensured that the benefits of economic growth are spread among the entire population of a country (UN University World Institute for Development Economics Research WIDER).
 - Finland is ranked above the international average in regard to the quality and effectiveness of her development aid.
 - Evaluations recommend more efficient monitoring of results and their reporting. At present, the results of development cooperation are monitored primarily at the project level.
 - The reduction of poverty and the promotion of sustainable development are complex challenges, and achieving these goals will take time.

In the Year 2011

- Finland donated more Official Development Aid, ODA, than ever before, over one billion Euros (1.013 billion)
- Finland's ODA was 190 euros for each Finn
- The share of ODA in GNP was 0.52%.

DEVELOPMENT COOPERATION DISBURSEMENTS 2008-2011: 12 LARGEST RECIPIENTS

2008	M€	2009	M€	2010	M€	2011	M€
Tanzania	24.67	Tanzania	31.58	Mozambique	31.53	Tanzania	32.52
Mozambique	23.15	Mozambique	26.59	Tanzania	29.97	Mozambique	22.46
Vietnam	15.58	Zambia	15.72	Vietnam	14.43	Nepal	14.05
Nicaragua	10.44	Vietnam	14.94	Ethiopia	14.33	Afghanistan	12.34
Zambia	9.84	Ethiopia	11.49	Zambia	14.18	Ethiopia	11.46
Afghanistan	9.43	Nepal	10.16	Nepal	11.57	Zambia	11.39
Nepal	8.62	Afghanistan	10.06	Afghanistan	11.10	Vietnam	11.33
Serbia and Montenegro	8.55	Nicaragua	8.91	Nicaragua	10.92	Nicaragua	10.08
South Africa	7.51	South Africa	7.93	Sudan	9.87	Palestinian Territories	9.74
Ethiopia	5.94	Palestinian Territories	6.86	Kenya	8.67	Kenya	8.59
Palestinian Territories	4.40	Kenya	5.79	Palestinian Territories	6.14	Laos	6.22
Kenya	3.77	Laos	4.32	Laos	4.35	Ukraine	4.14

Implementation of Development Cooperation

FIVE OF FINLAND'S LONGTERM DEVELOPMENT PARTNER COUNTRIES ARE IN SUB-SAHARAN AFRICA: ETHIOPIA, KENYA, MOSAMBIQUE, AND ZAMBIA. IN ADDITION, SUB-SAHARIAN AFRICA ENGAGES WITH FINLAND IN REGIONAL COOPERATION IN THE AREAS OF TRADE AND DEVELOPMENT, FOOD SAFETY, THE ENVIRONMENT, AND INFORMATION SOCIETY DEVELOPMENT.

Tanzania

- is a stable democracy which has promoted the principle of a constitutional state governed by law, human rights, gender equality, and the development of administration
- Tanzania's municipalities are responsible for education and health care. Finland funds the municipalities' state administered system, as well as supporting the programme of reforms for local government.

The water supply and sanitation system model works in Ethiopia

Clean water is a requirement for health. A functioning water supply system also frees girls from hours of fetching water, hours they can now spend in school. Finland has a long successful record of development cooperation in the field of water and sanitation.

Finland's decades of development cooperation in water and sanitation began in rural Nepal and moved through Kenya into Ethiopia. Especially in Ethiopia, the community financing model developed by Finland has been a great success.

In this model, the responsibility for the water and sanitation system is distributed throughout the village community. Cost efficiency, rapidity, and sustainability are all better than in other donor programmes. Local participation and know-how has increased.

The construction and maintenance of wells has created a community of small entrepreneurs, whose activities are not restricted only to wells but also include other craftsmen's trades.

In Ethiopia

- Finland's water projects in the states of Amhara and Benishangul-Gumuz have constructed a total of c. 7 000 water supply points.
- Some 1.7 million people now have clean water.

In Tanzania

- it is now possible to reach the MDGs for education, gender equality, reduction in child mortality, HIV, and water and sanitation.
- Finland supports Tanzania's widespread economic growth, sustainable use of the country's natural resources, and attaining goals for good government and production of services, through i.a. budget support.



In Ethiopia the availability of clean water is of great importance, particularly in regard to how women and girls can use their time. Photo by: Milma Kettunen



Eusebio Jaime (front) and Jeremias Domingo Daniel study and live in the ADPP teacher college on the outskirts of Maputo. ADPP works to develop and improve teacher training, and has been a partner in cooperation with Finland since the end of the 1990s. Photo by: Liisa Takala

Mozambique goes to school

In the first decade of the 21st century, Mozambique has brought education within the reach of more and more families. In the southern part of the country, almost every school-aged child has already started school. The overall average for the whole country is slightly below 70%. There are no longer any great differences between boys and girls.

Expanding and improving the school system has been one of the most important objectives for Mozambique, for both the government and its foreign development cooperation partners. Mozambique receives from Finland both budget support and aid separately directed to the education sector.

Of equal importance to starting school is what is actually learned at school. In the comparison of education results for southern African countries, Mozambique has not done well in two areas: children who have finished primary school are still very weak in basic skills in reading and mathematics.

The reasons behind this are the large class sizes and the deficiencies in teacher education, problems which the country's Ministry of Education is working to correct. It also appears that most of the children in Mozambique start school in a foreign language. For the moment, there are insufficient resources for preschool or for beginning education in the language the child speaks at home, although there are pilot projects for both.

For Mozambique, a positive result is that almost three out of four children complete primary school. At the same time, this also means that the emphasis is beginning to shift toward both secondary school and occupational education.

In Mozambique

- the most important achievement has been political stability
- the education sector has had good results throughout the years 2003–2011. Primary education is more inclusive, and the number of girls starting school has increased. In addition, the primary school curriculum has been revised and new educational materials have been produced.



Eneles Gamela, a Zambian farmer, has improved her maize harvest thanks to the new agricultural extension training funded by Finland. Photo by: Juho Paavola

In Zambia, food for your table and for sale

Finland has supported agricultural and rural development in Luapula Province in Zambia for over 25 years.

- the entire agricultural production chain in Zambia has been developed from seeds and the availability of tools and fertilizer, up to and including fisheries
- the main emphasis is now on improving sales and marketing, the goal is to make it easier to get the bounties of the field and the waters to market

In Zambia

the effect of direct budget support was comprehensively reviewed in 2010-2011. Based on the results, budget support has been a very necessary form of aid in Zambia. Budget support forms a significant share of Finland's development cooperation in Zambia.

In Kenya

- progress has been made in improving primary education
- progress has also been made in successfully decreasing the number of HIV infections



In Wittebome High School in Cape Town, students are using the mobile mathematics application, Momaths, developed in cooperation with Nokia, a Finnish company. Most of the students in the school have mobile phones. Photo by: Marja-Leena Kultanen.

Information Communications Technology (ICT) development in southern Africa

The development cooperation between South Africa and Finland emphasises developing an information society in which ICT is available to everyone equally. The ICT development project is a continuation of the partnership to develop the information society in southern Africa.

The SAFIPA ICT and Mobile Business Building Programme finances a total of 25 innovative projects, some of which deal with social innovations that also have an influence outside of South Africa's borders. Working among the poor in Cape Town, the RLabs

organisation developed a technological platform and an operations model that are in use in 12 countries on four continents – including Finland. The Momaths mobile phone application developed by Nokia is used by some 20 000 South African pupils in 150 schools to learn and practice mathematics. SAFIPA financed the start-up phase of this project. Nokia is negotiating the expansion of Momaths to include several other African countries.

Read more at: <http://global.finland.fi>, and at <http://www.safipa.com/>. See also <http://www.rlabs.org>

In Nepal almost every child attends school

In Nepal Finland is respected for the good results in education achieved there. These experiences in Finland are used to develop education in Nepal. The Ministry for Foreign Affairs of Nepal has worked in cooperation with the Finnish National Board of Education to develop education in Nepal. Many Finnish educational institutions have shown a growing interest in cooperation with Nepal.

Finland has supported primary education in Nepal since 1999, and is one of seven donors financing Nepal's 'school for all' programme. The new support programme emphasises equality in education and developing and improving the quality of education and learning, as well as the development of preparing students for occupational training. There is a crying need for occupational training schools in Nepal, where every year 300 000 youths enter the job market.

Following the long conflict, the 'peace dividend' provided by education is very important to the fragile country. Investments in education have had the following 'dividends':

- 82% of all 15-19 year olds can read
- 94.5% of each age-class starts school, girls as well as boys
- the differences in school attendance between urban and rural areas have decreased

Finland is supporting Nepal's public school system with c. three million euros annually between 2012-2014.

In Asia

FINLAND'S BILATERAL DEVELOPMENT COOPERATION PARTNERS ARE NEPAL AND VIETNAM. IN ADDITION FINLAND IS COOPERATING WITH AFGHANISTAN AS IT RECOVERS FROM VIOLENT CONFLICT. BILATERAL COOPERATION ALSO INCLUDES THE EXTENSIVE MEKONG REGION DEVELOPMENT PROGRAMME.

In Nepal

- the prediction is that Nepal will achieve almost all of the UN Millennium Development Goals by 2015
- following the long conflict and starting from a very low level, progress in many areas has been rapid
- the share of the population living below the poverty line in Nepal has dropped by more than 25%.

Pupils in Sanga School in Nepal.
Photo by: Narendra Shrestha





Researchers at the university's nanotechnology laboratory in Ho Chi Minh City investigate the effects of nanosilver treatments on preserving food.
Photo by: Marja-Leena Kultanen

Clean water and sanitation for millions

Twenty years of continuous cooperation in the field of water and sanitation has ensured that some 700 000 Nepalese people have clean drinking water, and millions have good sanitation systems. Finland has been supporting the Nepalese government's goals to ensure clean drinking water and sanitation for the entire population by 2017.

According to the most recent evaluation, the methods of operation learned in Finland's water and sanitation projects have had an effect on Nepalese government policy as well as the programmes of other donors.

Read more at: <http://formin.finland.fi/>
Hours spent carrying water now spent in school in Nepal

In search of innovation

Vietnam and Finland are searching for new directions in their development cooperation 'innovation' programme. The goal is to discover new ideas to bring to market and create new jobs, and in that way bring benefits to society.

The programme supports 60 projects. These include everything from collecting wild herbs in the forest to development of nanotechnology. At the same time, the programme develops Vietnam's organisation of innovation, where the pieces have not yet come together. One clear shared goal is the promotion of cooperation between Finnish and Vietnamese entrepreneurs.

Vietnam

- has made good progress toward attaining the UN Millennium Development Goals
- has evenly prospered, and 28 million people have risen from poverty in the last 15 years
- has as a goal to be a modern, middle income society by the year 2020. The challenge is to create jobs for the youths coming into the job market.

EEP Energy and Environment Programme: Clean energy on three continents

The Finnish supported EEP Energy and Environment Programme, which began in 2002 in Central America, aims at preventing environmental change, promoting sustainable energy, and the use of clean technology.

Under the EEP, eight Central American countries have received support for over 200 projects, which have investigated the use of sun and wind energy, geothermal energy, small water power plants, and bioenergy.

The successful model developed in the EEP has been expanded for use in the Mekong region and Indonesia, southern and eastern Africa, and the Andes countries. The financial base of the EEP has also been expanded with other donors coming on board.



In the remote village of Los Bejucos in Nicaragua, 60 families have gotten electricity from the water power plant built with the help of EEP. Photo by: Outi Einola-Head

Finland's most important partners:

- United Nations Development Programme UNDP, UN Population Fund UNFPA, Children's Fund UNICEF, UN Women, World Health Organisation WHO, UN AIDS Programme UNAIDS, UN Food and Agriculture Organisation FAO, Environment Programme UNEP
- Of the UN organisations, the most support comes from UNFPA, which promotes sexual and reproductive health and matters related to legal rights, all of which Finland emphasises in development cooperation.
- Finland's partners among the development organisations are the World Bank Group (WBG), and the regional development banks for Africa (AfDB), Asia (AsDB), and Latin America (IDB), as well as the International Fund for Agricultural Development (IFAD) and the Nordic Development Fund (NDF).

MULTILATERAL AID DISBURSEMENTS IN MILLIONS OF EUROS 2008– 2011

Multilateral Actor	2008	2009	2010	2011
EU	146.5	154.9	151.0	155.1
UN Organisations	78.3	94.6	98.2	107.1
World Bank	29.6	48.9	60.6	63.8
Regional Development Financial Institutions	32.4	34.7	26.6	30.6
GEF (Global Environment Fund)	7.5	7.8	15.0	15.0
NDF (Nordic Development Fund)	18.3	6.5	1.9	6.1
Others	4.7	12.1	12.0	21.5
Total	317.3	359.4	365.4	399.2

Multilateral Development Cooperation

Multilateral Development Cooperation

Asian Development Fund (AsDF) results (2004 -2010)

As part of the Asian Development Bank (AsDB), the Asian Development Fund has:

- Improved the possibilities of over 21 million children and youths to attend school by constructing and renovating 135 000 classrooms, as well as funding the training of 667 000 teachers.
- Repaired and reconditioned 44 000 kilometres of road, which has brought services and new economic opportunities to over 200 million people
- Provided clean drinking water to over 2 million households by building or repairing 18 000 kilometres of water supply pipe networks.
- Connected over 1.6 million households to electricity by constructing and repairing 34 000 kilometres of electrical transfer and distribution networks.

The World Bank's development fund for the poorest, International Development Association IDA, has committed to funding the following up to 2015:

- recruiting and training one million teachers
- providing prenatal services to 800 000 expectant mothers
- providing clean drinking water to 36 million people

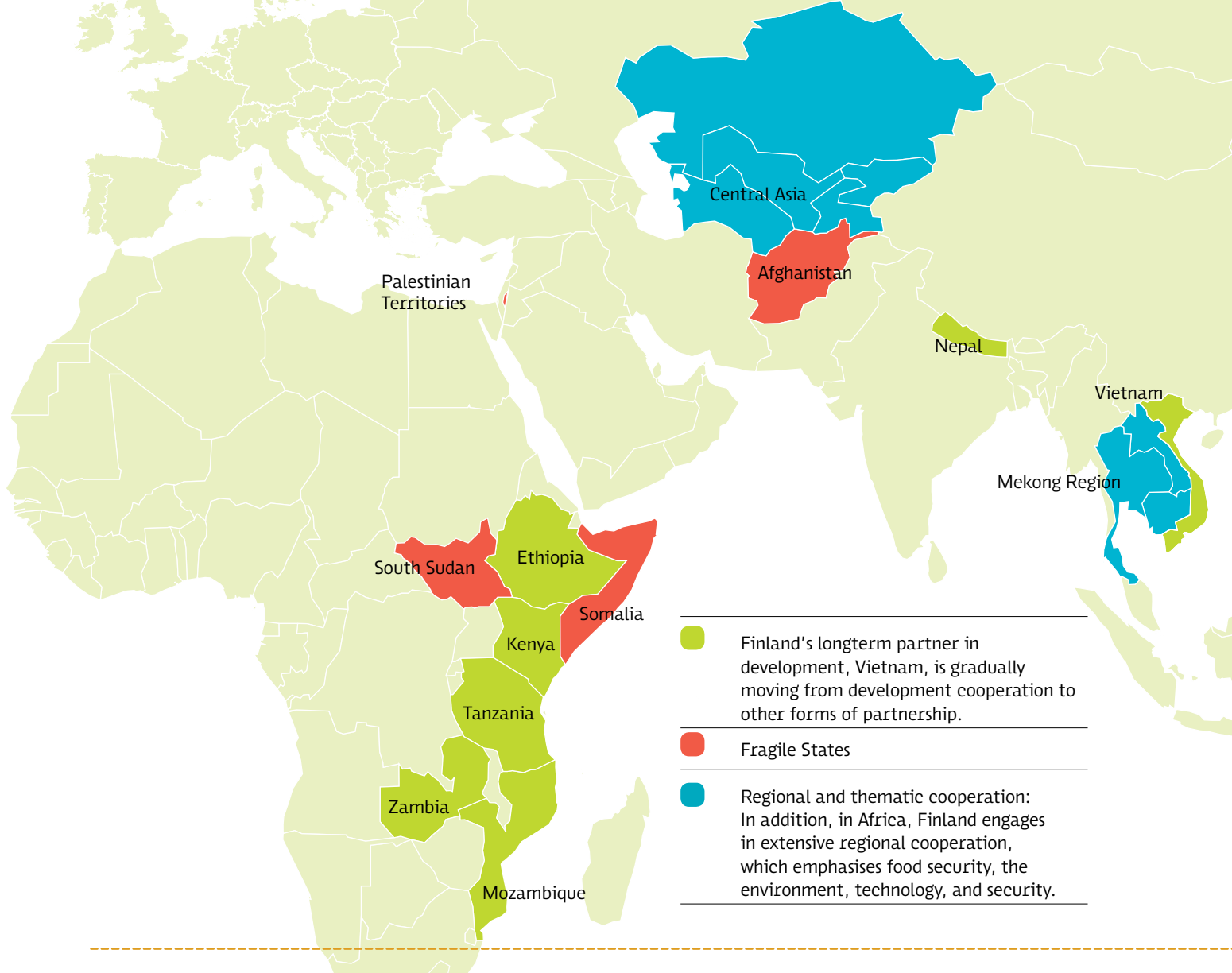


Central America and the Andes Region

The map shows the geographical focus of the development cooperation, highlighting Central America and the Andes region in blue against a light green background of the rest of the Americas.

EU Development Cooperation

- The EU is the world's largest single source of funding for development, and the largest trading partner with developing countries. The EU and its Member States together provide some 60% of the world's development aid.
- The EU is present in all the developing countries and is a strong actor in international development policy.
- Approximately one-fifth of Finland's development cooperation funds are channelled through the EU. In 2011, this sum was 155.1 million euros.



- The development cooperation of Civil Society Organisations (CSOs) was supported for a total of 92.4 million euros in 2011. This sum accounts for about 12% of all disbursements for development cooperation.
- Support is provided to nearly 300 of these organisations' development projects in 90 countries, also in countries where Finland has no diplomatic representation.
- The greater majority of the organisations' projects develop education, health care, good government, and civil society.
- The largest share of aid goes to Africa and Asia. The largest single recipient countries are Ethiopia, Tanzania, Kenya, Somalia, India, and Nepal.
- Partner organisations are experienced Finnish CSOs and NGOs, which receive over half the development cooperation support provided to organisations.
- Partner organisations are Fida International ry, Free Church Aid (Frikyrkligsamverkan), Finn Church Aid (Kirkon Ulkomaanapu), Save the Children Finland (Pelastakaa lapset ry), Plan Finland (Plan Suomi Säätiö), the Finnish Red Cross, The International Solidarity Foundation (Solidaarisuus), The Trade Union Solidarity Centre, The Finnish Evangelical Lutheran Mission, World Vision Finland, and FIDIDA ry Finnish Disabled People's International Development Association.

- In addition, support for activities was granted to KEPA, the umbrella organisation for Finnish CSOs who work with development cooperation; and to the work of c. 100 Finnish organisations with projects to provide information on and training for development work.

Development Cooperation of Civil Society Organisations (CSOs)

Regional Development in India Supported by Finnish CSOs

World Vision Finland's regional development programme in India's Ambegaon has had a positive effect on achieving the UN's Millennium Development Goals.

- Poverty has been reduced and the average monthly incomes of households has clearly increased.
- The fields provide food for the family throughout the year and harvests are large enough to also provide crops for sale.
- All school-age children attend school.
- Women are active in their own aid groups.

Humanitarian Aid

Humanitarian Aid

- In 2011 Finland provided more humanitarian aid than ever before, for a total of 91 million euros.
- The most humanitarian aid was directed to Africa, over 51 million euros. Over 21 million euros was given to help relieve the humanitarian catastrophe caused by the drought in the Horn of Africa.

Aid channels:

- UN Refugee Agency - UNHCR, World Food Programme - WFP, United Nations Children's Fund - UNICEF, United Nations Relief and Works Agency for Palestine Refugees in the Near East - UNRWA, Food and Agriculture Organisation of the United Nations - FAO, World Health Organisation - WHO, and the Central Emergency Response Fund of the UN - CERF
- International Committee of the Red Cross - ICRC, Finnish Red Cross - FRC, and the International Federation of Red Cross and Red Crescent Societies - IFRC
- Finnish humanitarian aid organisations: Finnish Red Cross, Finn Church Aid, and FIDA International

The Kakuma Refugee Camp in northwestern Kenya is full of refugees from South Sudan. The Camp Clinic is always crowded with Sudanese women and their children waiting for the health care staff.
Photo by: Laura Meriläinen



Finland's Development Policy Programme 2012, new emphasis

The new Finnish Development Policy Programme revises Finland's development policy and development cooperation so that it will better correspond to the changing environment and future needs.

Focus of the Finnish development cooperation is on the least developed countries.

Finland's aim is to better consolidate the three dimensions of sustainable development (the economic, social and environmental dimension), as well as to strengthen global governance of sustainable development.

Finnish development policy is based on human rights-based approach to development.

Democratic ownership, accountability, openness and transparency as well as effectiveness and coherence are guiding principles of our development policy and cooperation. Development results and quality of cooperation are emphasized.

Cross-cutting objectives are: promotion of gender equality, climate sustainability, and reduction of inequality.

The priorities Finland emphasises in its development policy and development cooperation are:

- a democratic and responsible society,
- an inclusive green economy that promotes employment,
- sustainable management of natural resources and environment protection, as well as human development.

For more information on development cooperation and developing countries, see: formin.finland.fi

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