



Ministry for Foreign
Affairs of Finland

Results that Last, Pathways that Scale

Background and Rationale

The global environment is under increasing stress from climate change, biodiversity loss, and the overuse of natural resources. Scientific assessments show that multiple Earth system processes — including biodiversity, land systems, freshwater cycles, and climate stability — are already beyond safe operating limits for humanity, raising the urgency for collective action. Finland has long considered environmental sustainability a core pillar of its development policy. Finland has also aligned its policies with global frameworks such as the Paris Agreement, the Convention on Biological Diversity, the UN Convention to Combat Desertification, and the Sendai Framework for Disaster Risk Reduction.

In recent years, Finnish policy has increasingly emphasised the role of clean energy, responsible use of natural resources, and the importance of private-sector engagement in achieving sustainable development outcomes. The Government's 2024 Report on International Economic Relations and Development Cooperation reinforces this trajectory, linking development policy more closely with trade, responsible investment, and economic opportunities that contribute to green transitions in partner countries. Finland's strengths in forestry expertise, digital environmental solutions, hydrometeorology, circular economy innovation, and sustainable energy have positioned it as a credible contributor to global climate and environmental goals.

Against this backdrop, the Ministry for Foreign Affairs commissioned a comprehensive evaluation of Finland's development cooperation in environment and natural resources, including private-sector opportunities, covering the years 2010–2024. The evaluation sought to determine what has been achieved across four key sub-sectors — forests, ecosystems and biodiversity; water as a natural resource; clean energy, circular economy and critical minerals; and disaster risk reduction and

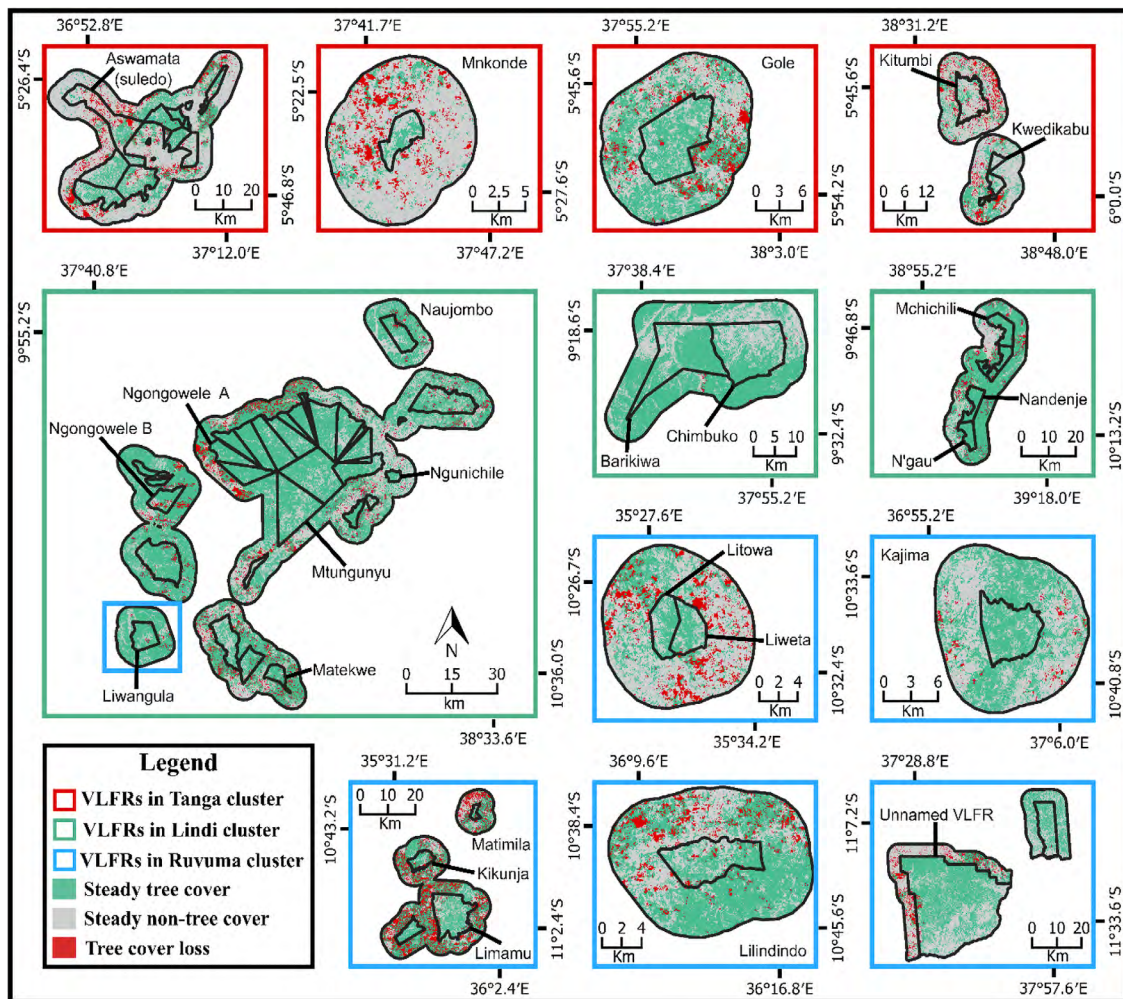
meteorology — which constitute Finland's key outcome areas. The evaluation also examined how Finland could strengthen collaboration with private sector actors to support green and clean transitions in the coming years.

The evaluation aims to provide policymakers, practitioners, and development partners with evidence on the results of Finland's engagement and lessons from implementation, as well as identify opportunities for more strategic cooperation. The primary users are units and departments of the Ministry for Foreign Affairs, though the findings are relevant to other government agencies, civil society organisations, research institutions, private-sector actors, and international partners alike.

In this brief, the Development Evaluation Unit of the Ministry for Foreign Affairs highlights some of the findings and conclusions reached by the Evaluation Team.

With Finland's Support, 6.7 Million Hectares of Forest is Protected, Restored and Sustainably Managed

Finland has contributed to significant advances in forest protection, restoration, and sustainable management across multiple regions. Evidence indicates that Finland-supported bilateral and civil-society initiatives helped bring an estimated 6.7 million hectares under protection, sustainable management, or restoration. In Tanzania, community-managed forests showed deforestation rates of only 0.88% compared with 5.44% in surrounding areas, demonstrating the effectiveness of Finland's approach in supporting local governance and rights-based forest stewardship. Community forest reserves acted as strong barriers against deforestation, with up to 286,811 hectares of tree cover maintained in the assessed areas.



Tree cover dynamics 2017-2024 in the analysed village land forest reserves and their corresponding reference areas (5 km buffers).

Some Biodiversity Gains but Better Integration Needed

As a relatively recent cross-cutting objective, biodiversity outcomes are still maturing. Finland's most tangible outcomes so far were achieved through CSOs and multilateral partners which supported conservation, monitoring and biodiversity governance processes. An example is the improved enforcement and monitoring and a rise in Nepal's one-horned rhino population (645 to 752, 2015-2021). However, site-level biodiversity effects remain unevenly demonstrated across projects.

Biodiversity objectives were less consistently integrated into bilateral forestry initiatives. Bilateral forestry cooperation often prioritises forest cover and production objectives leaving biodiversity objectives and the related evidence with less attention.

Improved Water Services Enhance Wellbeing and Resilience for Communities

Finland's cooperation in water resources management and water, sanitation, and hygiene has generated large-scale benefits for partner communities. Finnish-supported programmes enabled 2.5 million people to gain improved water services and 1.01 million people to gain improved sanitation, contributing to better health outcomes, reduced disease risks, and strengthened community resilience. Beyond these direct improvements, an estimated 8.4 million people in Nepal and Ethiopia benefited indirectly through enhanced water governance, improved service continuity, and more reliable infrastructure.

Finland's strongest water and sanitation results were achieved when interventions were embedded within national programmes, such as Nepal's Management

Information System and Ethiopia's national programme. These long-term partnerships strengthened local ownership, institutional capacity, and accountability. Where long-term commitment and integration to governance systems were stronger, results were more prominent.

Clean Energy Investments Deliver Climate and Development Impact and Innovations

Finland's investments in renewable energy, circular economy solutions, and responsible use of critical minerals have delivered substantial climate gains and include globally recognized innovations. Renewable energy projects supported through Finnfund, blended-finance partnerships, and other instruments generate over 9,600 GWh of electricity annually, translating into 8–9 million tonnes of CO₂ equivalent emissions reductions each year. Clean-energy access expanded to 5.7 million people through supported initiatives, highlighting Finland's contribution to more equitable and sustainable energy systems. Nevertheless, scaling up clean-energy and circular-economy solutions depends on more predictable financing, stronger implementation pathways, and improved readiness to move from pilots to system-wide adoption.

Early-Warning Systems in over 40 Countries Strengthen Disaster Preparedness

Support to disaster risk reduction and meteorology has been one of Finland's most far-reaching contributions. Through the Finnish Meteorological Institute and multilateral partnerships, Finland strengthened hydrometeorological and multi-hazard early-warning capacities in more than 40 countries, indirectly benefiting over 500 million people. These improvements include enhanced forecasting systems, real-time weather and air-quality monitoring, the rollout of SmartMet and SmartAlert systems, and operationalisation of standard early-warning procedures. Stronger early-warning systems support risk-informed planning, help authorities protect lives and assets, and increase resilience to extreme weather. These systems were most effective when partners integrated new tools into institutional routines. However, maintaining advanced systems requires stable financing, skilled personnel, and strong coordination.

Finland's Global Influence Extends Through Multilateral Engagement

Finland's contributions to international environmental governance were most visible in its support for global reporting frameworks, data standards, and policy platforms. Through partnerships with multilateral organisations such as FAO, UNEP, and UNDRR, Finland helped advance global commitments under the Paris Agreement, biodiversity frameworks, and the Sendai Framework. Examples include Finland's role in developing digital forest-monitoring tools used for national reporting, supporting circular-economy coalitions, and strengthening multi-hazard early-warning systems in line with global targets. These systemic contributions enhance partner countries' ability to implement international environmental agreements.

Finland's Added Value – Governance Strengthening – Has Improved Environmental Management and Decision-Making

Across all subsectors, Finland's most consistent value-added contribution lies in strengthening environmental governance and information systems that few peers can match. Finland supported the establishment of forest-monitoring platforms, water-management databases, hazard-mapping systems, and circular-economy guides. These efforts improved transparency, data quality, and evidence-based decision-making. Examples include the nationwide forest information system in Vietnam, participatory land-use planning and rights clarification in Tanzania, and strengthened disaster-preparedness protocols in multiple regions. This governance support helped partner institutions embed new routines and standards, ultimately improving service delivery and environmental management. At the same time, long-term sustainability remained uncertain where financing, mandates, and maintenance arrangements shifted or weakened.

Inclusive Approaches Enhance Local Ownership

Finland's cooperation consistently emphasised rights-based and inclusive approaches; women, people in vulnerable situations, and local communities were meaningfully involved in decisions affecting natural resources,

environmental planning, and risk management. Inclusive governance strengthened local ownership, improved problem-solving, and increased the legitimacy of interventions. However, inclusive participation did not always translate into equitable benefit-sharing. In some cases, local grievances emerged where communities felt excluded from benefits related to land or resource use.

Resource Reductions Threaten Continuity and Future Impact

Finland's comparative advantage — combining technical expertise with long-term partnerships — is at risk due to reductions in official development assistance and staffing. Sustained results in water governance, forest systems, and early-warning services depend on long-term cooperation, local capacity-building, and continuity. Reduced resources limit Finland's ability to remain engaged in complex processes, jeopardising both development results and future opportunities for Finnish actors.

Private-Sector Engagement Exists but Barriers Persist and Ambition Exceeds Capacity

All subsectors demonstrated cases of private-sector engagement where implementing partners were actively working to identify and engage private sector companies. However, private-sector engagement has not kept pace with policy ambitions: companies, particularly small and medium-sized enterprises, faced obstacles such as slow administrative processes, limited early-stage financing, and lack of timely information about international procurement opportunities. These challenges together with the cuts to human and financial resources constrain Finland's ability to mobilise private investment and support green-transition markets in partner countries.

Measuring Change and Scaling Activities Remain Challenges

Despite notable achievements, many promising pilots struggled to transition into fully implemented or scaled programmes due to gaps in financing, operational planning, or institutional mandates. Monitoring systems and evidence across subsectors remained uneven, limiting the ability to verify outcomes or learn from long-term results.

Methodology

In addition to the four subsector evaluations and a synthesis, in-depth analyses of Finnfund, Finnpartnership, EU Global Gateway initiatives, and multilateral blended-finance mechanisms were included. Evidence collection combined structured document reviews, geospatial analysis, stakeholder interviews, comparative peer-country reviews, and a survey of Finnish companies. The evaluation used theories of change to link Finland's inputs and instruments to short-, medium-, and long-range results, enabling a consistent analytical framework across diverse interventions and contexts.

Acknowledged Limitations

- Variation in the quantity and quality of the source data across subsectors, countries and cooperation modalities.
- Limited scope and representativeness of primary data and results presented.
- Not all results are attributable to Finland's funding or activities only.
- Private-sector survey results were based on a limited sample.



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For the full evaluation report and other materials:

<https://um.fi/development-cooperation-evaluation-reports-comprehensive-evaluations>