

ANNEX 2 SUMMARY TABLE OF TRENDS IN FINNISH DEVELOPMENT COOPERATION AND FORESTRY AGENDA

In the table, important milestones of Finnish Development Cooperation in general and Forestry Sector Cooperation specifically are presented.

		FINLAND	
Year/ Decade	General trends in Finnish Development Cooperation	Forestry Agenda	
<i>1980s</i>	Funds for Development Cooperation grow rapidly.	<p>Funds for forestry sector increased as well. Forestry cooperation evolved towards including concepts of rural development, poverty alleviation and environmental conservation.</p> <p>Training and education in Forestry sector were emphasized (Forestry Training Programmes) together with forest industry initiatives and forest research, especially in Sudan and Kenya. Support to Forest Sector Master Plan Processes and TFAPs.</p>	<p>Important 'Themes in the 90s'</p> <ul style="list-style-type: none"> – Forest conservation and reforestation – Strengthening of forest institutions – Forestry planning and forest industry development – Institutional and sectoral support
<i>1990s</i>	'Throughout the 90s, poverty reduction has maintained as the most important policy goal in Finnish Development Policy. Other important goals have been democracy and human right together with ensuring environmental sustainability.'		<p>According to an Evaluation of 2003 (LTS International Ltd. 2003):</p> <ul style="list-style-type: none"> – Field activities during the 1990s were environmentally neutral or locally positive. – Interventions in Africa and Asia, from gender perspective, had a mixed or partial impact.

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		<p>Towards the 21st Century</p> <ul style="list-style-type: none"> – Focus on Forest policy development. – The emphasis changed from Forestry Master Plans and Action plans to National Forest Programmes. – Investments in forest industry, research and education waned. – Biodiversity, climate change and bio-energy issues began to gain more attention in the agenda.
1991	<p>Greater ownership by partner countries, participation and bottom-up approaches emphasized.</p> <p>The economic recession caused major cuts in development cooperation and especially multilateral aid suffered.</p>	<p>Funds for forestry sector decreased but relatively its share of total Disbursement of bilateral cooperation increased from 5,4% in 1988 to 8,1% in 1995 (Shepherd <i>et al</i> 1999).</p> <p>–</p>
1992	<p>Followed by the UNCED meeting in Rio, environmental concerns gained high priority in Finnish development agenda.</p>	
1993	<p>After meeting the target of 0,7% in 1990, 1991 and 1992, reduction in development cooperation funds to 0,4% of GDP.</p> <p>Publication of Finland's Development Co-operation in the 1990s" (MFA 1993)</p> <ul style="list-style-type: none"> – Development Policy is based on OECD definitions – Goals of Finland: 1) Poverty reduction and promotion of economic development; 2) Environment, Population and Development; 3) Democracy and human rights 	<p>– Important sectors for Finland in development cooperation:</p> <ul style="list-style-type: none"> – agriculture and forestry, food aid, water supply and other areas basic to human development. – Action to develop countryside important in poverty reduction, especially support to small scale enterprises and farming and forestry that are economically and environmentally sustainable.

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	<ul style="list-style-type: none"> – Coherence of development policy with other policies – In bilateral cooperation, choice of regions and countries prior to choice of sectors 	<ul style="list-style-type: none"> – Stressed environmental factors in all development cooperation, especially farming and forestry (for example forestation projects) in rural areas, balance between growth, environment and income distribution. 	<p>Gender Guidelines for Forestry – Looking at Gender and Forestry.</p>
<i>1994</i>			
<i>1995</i>	EU membership	<p>Publication of the Decision-in-principle on Finland's Development Cooperation 1996 (MFA 1996)</p> <ul style="list-style-type: none"> – Target for development co-operation of increasing the budget to 0,4% of GDB. – Towards partnerships of mutual benefits. – Calling for flexibility to use various types of financial instruments. 	<p>Principles of sustainable development and forestry programmes.</p>
<i>1996</i>		<ul style="list-style-type: none"> – Principles to attain development cooperation goals: 1) Development cooperation is an element of foreign policy; 2) reduction of poverty; 3) Sustainable development; 4) human rights, equality, democracy and good government; 5) effectiveness and quality. – Emphasis on environmental considerations in all activities; encouragement of environmental programmes and environmental administration in developing countries. 	

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<i>1997</i>	<p>Publication of the Finland's Policy on Relations with Developing Countries 1998 (MFA 1998).</p> <ul style="list-style-type: none"> – Development policy aims: 1) promotion of global security, 2) reduction of poverty, 3) promotion of human rights and democracy, 4) prevention of global environmental problems, 5) promotion of economic dialogue. – The development policy presents methods to optimize positive effects of globalization and to minimize unwanted consequences. – Sustainable use of environment as means to advance peace building and human security. – Climate change recognized as a global pressure threatening Europe. 	<p>New Forest Strategy paper "Building Forest Partnerships: approach for Finnish Forest Sector Development Co-operation", which emphasized</p> <ul style="list-style-type: none"> – NFPs as a planning and implementation framework. – Global and multilateral co-operation.
<i>1998</i>		<ul style="list-style-type: none"> – Environmental refugeeism recognized as a problem – key areas in environmental cooperation are the development of environmental management and mechanisms for tackling regional environmental issues. – Primary goal to promote peace, cooperation and welfare and to combat threats to these values. – Promotion of trade and economic interactions is crucial. – EU and Global influence, cultural understanding.
<i>1999</i>		

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	<p>Increased cooperation in global forums with international actors in development.</p> <p>Demand-driven approach is strengthening.</p> <ul style="list-style-type: none"> – Development towards thinking that the aid instrument as such is not important but cooperation must be planned in country context. 	<p>Demand for a clear Forest Strategy recognized after an Evaluation of the Finnish Forest Sector Cooperation of the 1990s came out in 2003.</p> <ul style="list-style-type: none"> – The process of preparing the strategy continued until it was published in 2009. – After evaluation forest cooperation was directed towards sectoral programmes fusing forestry into rural development. – However, it was recognized that project support is valuable in forestry sector as well. 	
<i>21st Century Overview</i>	<p>Links between bilateral and multilateral cooperation aspired.</p> <p>Environmental issues are emphasized.</p> <p>Development in involving NGOs more closely to the Ministry's work.</p>	<p>Support to National Forest Programmes.</p> <ul style="list-style-type: none"> – In Community forestry climate change issues have become more important (benefit and cost sharing issues). – There has been a shift from pilot community forestry projects to community forest projects with national cover and hundreds of villages involved. 	
<i>2001</i>	<p>Publication of the Operationalization of Development Policy Objectives in Finland's International Development Co-operation (MFA 2001).</p> <ul style="list-style-type: none"> – The role of development cooperation as part of foreign policy becomes more and more important and coherence between development cooperation, trade and foreign policy's objectives is crucial. 		

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<i>2002</i>	<ul style="list-style-type: none"> – Comprehensive policy. Finland seeks better coherence and complimentarity in multisectoral and EU cooperation. – Finland concentrates its bilateral aid in fewer partner countries and bigger country programmes + Finnish added value evaluated in program and project support. – Poll indicates that public support to development cooperation is increasing. 	<p>Publication of the Evaluation of Finnish Forest Sector Development Co-operation 2003 (LIS International Ltd. 2003).</p> <ul style="list-style-type: none"> – Lack of strongly coordinated forestry programmes and coherence between major programmes. – Lack of clear strategy for forest sector cooperation. – Lack of comprehensive analysis as part of project design. – Misleading understanding of project success based on financial disbursements. – Misunderstanding of Forestry as simply print environment. – Finland needs to concentrate its forestry development assistance.
<i>2003</i>		
<i>2004</i>	Millennium Development Goals create a framework for Finnish development cooperation.	In the operationalization of MDGs, Finland focuses for example in sustainable use of natural resources, support to developing countries in the implementation of international environmental treaties and processes.

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<i>2004</i>	<p>Publication of the Development Policy Program 2004 (MFA 2004a).</p> <ul style="list-style-type: none"> – Finland's starting point is to strengthen the capacity and effectiveness of the multilateral system. – Finland seeks opportunities for cooperation and harmonization with other donors and financing organizations. – Increase in programme cooperation: financing poverty reduction and sectoral programmes through budget support or funds together with other donors. – One of the principal goals of development policy is to combat international environmental threats through furthering the implementation of international environment treaties by supporting the developing countries in their implementation. – Increasing aid effectiveness by focusing on fewer countries and greater cooperation entities. – Strengthening of multilateral system. – Coherence and national commitment in all areas of policies: coherence of politics and policies, development policy is also security policy, women's rights, trade, environment, agriculture and forestry. – Finland's strengths and focal points of action: the Finnish added value. – Environmental issues as a crosscutting theme. 	<ul style="list-style-type: none"> – Rural development and increasing productivity of rural livelihoods emphasized (multidimensional role of agriculture in rural areas and in the society). – Promoting sustainable forest management, the possibilities of forest cooperation in achieving the development policy goals must be exploited more efficiently. – Continuing support to UNFF and the Collaborative Partnership on Forests. – Sustainable Forest Management as means of poverty reduction – National Forest Programmes should be viewed as part of poverty reduction strategies. – Forestry as a means of livelihood in rural areas and poverty reduction. – Sustainable Forest Management and the possibilities of forest management in reaching the development policy goals must be taken advantage of. – Finland supports national forestry programmes in developing countries through both bilateral and multilateral development cooperation. – Two separate bodies of the same type work together in coordinating the strategies of Finland's international forest policy: the in-house working group on international forestry policy of the Ministry for Foreign Affairs, and the forest policy advisory board of the Ministry of Agriculture and Forestry. <p>'The division of labour between these two bodies is not unambiguous and requires clarification.</p>	

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<i>2005</i>	<p>Publication of the Finland's Rural Development Strategy for International Development (MFA 2004b).</p> <ul style="list-style-type: none"> – Rural livelihood strategies are based on a sustainable use of natural resources. – Upgrading the degree of processing of products and diversification of productive and income-generating activities. – Strengthen food production and livelihood strategies. Finland as a chair in ECOSOC 2004. – Helsinki process on making globalization more equal. 	<ul style="list-style-type: none"> – The potential poverty-alleviating properties of livelihoods related to forests must be exploited to the full. – Intensification of rural productive and income-generating activities, especially agriculture, can also help lessen pressures to exploit forests and areas that are of significance to the protection of nature. – In FAO, Finland supports especially programmes that promote sustainable agriculture and forestry, including programmes that support the biological diversity of agriculture.
<i>2006</i>		
<i>2007</i>	<p>Publication of the Development Policy Programme 2007 (MFA 2007).</p> <ul style="list-style-type: none"> – The eradication of poverty is only possible through ecologically, economically and socially sustainable development. – Emphasis on ecologically sustainable development, “every country ultimately depends on the sustainable use of its natural resources”. – Stresses the consideration of climate change and environmental issues in order to achieve the MDGs. – Ownership of developing countries is emphasized. – Supports strengthening the global role of the EU and underlines the importance of development issues and the coherence and effectiveness of EU action. 	<ul style="list-style-type: none"> – Sustainable use of forests is a means to reduce poverty and it contributes to the implementation of many UN treaties. – Forests' role in combating climate change is recognized. – Agroforestry supported as a means of poverty reduction and biodiversity conservation. – Recognized that sustainable forestry is dependent on social sustainability, organized land ownership and functioning legislation.

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	<ul style="list-style-type: none"> – Thematic cooperation with development financing institutions highlights issues relating to the environment, natural resources and the climate. – In project cooperation, Finnish know-how and expertise are utilized when appropriate. 	Foundation of the Advisory Board for International Forest Policy under the Ministry of Agriculture and Forestry.	
<i>2008</i>			
<i>2009</i>		<p>Publication of the Development Policy Guidelines for Forest Sector (MFA 2009b).</p> <ul style="list-style-type: none"> – Four Global Objectives on Forests as a starting point for Finnish Forest sector cooperation. – Was designed simultaneously with new, nascent forestry projects (coherence between policy and projects). – Recognizes that multiple instruments are needed in forestry cooperation. What is important is the demand-driven approach and context analysis. – Seeks to create link between bilateral and multilateral cooperation and strengthen the importance of forest sector in combating climate change and adapting to it (REDD). – Code of Conduct to guide the cooperation work. – Sees forests as an important part of the rural economy; rural livelihoods and livelihood strategies are more than agriculture. – Attention paid to the implementation of international forest related policy processes at the country level. In this work, regional thematic cooperation will play a significant role. 	

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	<p>Publication of Finnish Development Policy Guidelines for Environment (MFA 2009a).</p> <ul style="list-style-type: none"> – The basic principle is that an environmental perspective must be mainstreamed in all of Finland's development cooperation and work within international development forums. – Aid is allocated to developing countries so they can participate in implementing international environmental agreements that guide the countries' national action plans. 	<ul style="list-style-type: none"> – Supports UNFF, CPF, EU FLEGT Action Plan and aims to strengthen the synergy of the RIO environmental conventions with regard to forests. – Thematic cooperation focuses on sectors of specific importance to Finland, especially on the promotion of sustainable development, including projects and programmes in the sustainable forestry and forest industry fields. – Aims to exploit Finnish added value in forest sector cooperation, for example in the fields of sustainable forestry and forest industry. – Support to developing countries and strengthening of their role in climate change issues, incl. forest and agricultural sectors through, for example, increasing the use of renewable energy sources and by promoting carbon sequestration in forests and soil. – Cooperation in the energy and forest sectors is carried out not only with least developed countries but also in regions where greenhouse gas emissions and deforestation are increasing most rapidly. – Developing countries are supported, for example, in evaluating forest cover, the carbon stored in forests and emissions of greenhouse gasses. – Finnish added value will be exploited in technology transfer relating to climate change mitigation and adaptation, through, for example, forestry sector.

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		<ul style="list-style-type: none"> – Bioenergy projects could be linked to the promotion of sustainable forestry through the use of wood from thinning and logging residues. – Sustainable energy production, forestry and the use and protection of water resources are a fundamental element of rural development. 	
<i>Future</i>	<p>Budget support will not be increased.</p> <p>Sectoral, programme and project support will continue.</p> <p>Area programmes will continue and increase in number.</p>	<p>The role of NGOs, ICI-institutions and bilateral programmes is important in technical assistance</p> <p>Central themes in Finnish forestry sector will be support to and development of national policies of partner countries, governance and forest law enforcement, land tenure issues and rights of the forest-dependent communities.</p>	