

# Evaluation

## Sustainability in Poverty Reduction: Synthesis



Evaluation report 2010:4

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# **Evaluation**

## **The Sustainability Dimension in Addressing Poverty Reduction: Synthesis of Evaluations**

**Evaluation report 2010:4**



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## The Sustainability Dimension in Addressing Poverty Reduction: Synthesis of Evaluations

Julian Caldecott  
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Svend Erik Sørensen  
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### Evaluation report 2010:4

MINISTRY FOR FOREIGN AFFAIRS OF FINLAND

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## PREFACE

This Synthesis of Evaluations brings together a total of 22 programmatic and thematic evaluation reports commissioned during 2008-2010 by the development evaluation office of the Ministry for Foreign Affairs of Finland. Additional data which constituted the information base for this synthesis was drawn from interviews and special globally selected informants.

The particular focus of this synthesis evaluation was on two aspects of special importance in the latest development policy of Finland, namely sustainability in its three dimensions, the ecological, economic and social sustainability as well as poverty reduction which is the overarching goal.

The evaluation used the OECD/DAC and the EU evaluation criteria, as well as criteria devised for the purpose of this evaluation. The evaluation study was done against a total of 14 assessment criteria. The results show both strong and weak points in the putting into practice of the Finnish development policy. It also offers recommendations and lessons learned, and assesses the specially distinctive Finnish way of doing development cooperation.

The evaluation was commissioned by the Ministry for Foreign Affairs from Gaia Consulting, with Dr. Jualan Caldecott as the team leader, and Mikko Halonen, Svend Erik Sørensen, Sukhjargalmaa Dugersuren, Paula Tommila and Alina Pathan as the team members.

Helsinki, 12 October 2010

Aira Päivöke  
Director  
Development Evaluation



## ACRONYMS

ad hoc	Formed, arranged or done for a particular purpose only
Activity	An action or set of actions taken in pursuit of an objective (in ODA terms, equivalent to an intervention or family of interventions)
AfDB	African Development Bank
AHA	Project management database system of MFA
AoF	Academy of Finland
ca	circa ('approximately')
CBO	Community-based organization
CCA	Climate change adaptation
CCT	Cross-cutting theme
CDF	Community Development Fund
CEF	Critical enabling factor
cf	confer ('compare')
CGIAR	Consultative Group on International Agricultural Research
CIFOR	Center for International Forestry Research
CSO	Civil-society organization (usually a CBO or NGO)
DAC	Development Assistance Committee (of OECD)
DANIDA	Danish International development agency
DEMO	Political Parties of Finland for Democracy
DFID	United Kingdom Department for International Development
DPKO	Department for Peacekeeping Operations of the United Nations
DRR	Disaster risk reduction
ECP	Environmental Cooperation for Peace-building
e.g.	exempli gratia ('for example')
EEP	The Energy and Environment Partnership
ENVSEC	Environmental and Security Initiative of the EU
ESD	Environmentally sustainable development
et seq.	et sequens ('and the following')
EU	European Union
FAO	Food and Agriculture Organisation
FAV	Finnish added value
FIDIDA	Finnish Disabled People's International Development Association
FPA	Finnish Partnership Agreement (with NGOs)
G8	Group of eight leading most developed countries
G77	Group of Developing Countries in the United Nations
GEF	Global Environment Facility
GHG	Greenhouse gas
GIS	Geographical Information System
GNI	Gross National Income
HIV/AIDS	Human immunodeficiency virus/Acquired immunodeficiency syndrome

HRBA	Human-rights based approach
i.a.	inter alia ('among other things')
i.e.	id est ('that is')
ICI	Institutional Cooperation Instrument
ICRAF	The World Agroforestry Centre
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFI	International Financing Institution
IFPRI	International Food Policy Institute
ILO	International Labour Organization
ILRI	International Livestock Institute
IPCC	Intergovernmental Panel on Climate Change
IUCN	International Union for the Conservation of Nature
KEPA	Kehitysysteistyön Palvelukeskus (the NGO Service Centre for Development Cooperation)
KIOS	Kansalaisjärjestöjen ihmisoikeussäätiö (the Finnish human-rights NGO Foundation)
LCF	Local Cooperation Fund
LDC	Least developed country
MA	The Millennium Ecosystem Assessment called for by the United Nations Secretary-General in 2000
M&E	Monitoring and evaluation
MDG	Millennium Development Goal
METLA	Metsäntutkimuslaitos (Finnish Forest Research Institute)
MFA	Ministry for Foreign Affairs of Finland
MTT	Maa- ja elintarviketalouden tutkimuskeskus (Agrifood Research Finland)
NATO	North Atlantic Treaty Organization
NGO	Non-governmental organisation (usually a charity)
NSS	North-South-South Higher Education Programme
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OMS	Overall mean score
OSCE	Organisation for Security and Cooperation in Europe
PAS	Finnish Partnership Agreement Scheme (pls see FPA also)
PBC	UN Peacebuilding Commission
PMU	Programme Management Unit
REC	Regional Environment Centre
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDD+	Reducing Emissions from Deforestation and Forest Degradation Partnership
RQ	Research question
RWSEP	Rural Water Supply, Sanitation and Environmental Programme (Ethiopia)
Sida	Swedish International Development Agency

SLA	Sustainable Livelihood Approach programme
SWAp	Sector-Wide Approach
SYKE	Suomen ympäristökeskus (Finnish Environment Institute)
THL	Terveyden ja hyvinvoinnin laitos (National Institute for Health and Welfare)
ToR	Terms of Reference
UK	United Kingdom
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNESCO	UN Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
Unicef	United Nations Children's Fund
US\$	Dollar. currency of the United States of America
USA	United States of America
UNRWA	United Nations Relief and Works Agency
WCED	World Commission on Environment and Development
WFP	World Food Programme
WHO	World Health Organization
WRI	World Resources Institute





# **Evaluointi Kestävyyssulottuvuudesta Köyhyyden Vähentämisessä: Synteesi Evaluoinneista**

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## **TIIVISTELMÄ**

Suomen kehityspolitiikassa painotetaan tasapainoista lähestymistapaa kehitysyhteistyöhön, jossa ekologiaa, yhteiskuntaa ja taloutta koskevat kolme ulottuvuutta ovat yhtä tärkeitä. Tämä työ selvittelee onko kyseisen politiikan toteuttaminen tuonut edistymistä kestävästä köyhyyden vähentämisestä tavoitteesta. Tämän synteesievaluoinnin tietopohja sisälsi: a) yhteenvedot 22 evaluointiraportista, joissa kuvataan Suomen viimeaikaisista kehitysyhteistyötä, b) pistemäärät, jotka kaikki 22 evaluoinnin kohdetta saivat 14 pisteystykriteerin perusteella, c) valikoitujen asiantuntijoiden puolistrukturoiduista haastatteluista tehdyt muistiinpanot ja d) eräille kansainvälisille tarkkailijoille annetun kyselylomakkeen vastaukset. Nämä tiedot yhdistettiin tukemaan analyysiä, joka koski Suomen kehitysavun vahvuuksia ja heikkouksia, sen kykyä valtavirtaistaa “läpileikkaavat teemat” ja “ekologisesti kestävä kehitys”, sen yleistä kestävyttä ja ominaispiirteitä. Korkeimmat pistemäärät antaneet kriteerit kaikkien evaluoinnin kohteiden osalta olivat tarkoituksenmukaisuus, johdonmukaisuus, kumppanien tyytyväisyys, yhteensopivuus ja suomalainen lisäarvo, joiden tulkittiin osoittavan vahvuutta suoritettaessa suhteellisen helppoja tai korkean prioriteetin tehtäviä. Alhaisimmat pistemäärät antaneet kriteerit olivat toistettavuus, täydentävyys, tehokkuus, asiainyhteys ja toimintojen suunnittelu, joiden tulkittiin osoittavan heikkoutta suoritettaessa suhteellisen vaativia tehtäviä. Keskinertaisia pistemääriä annettiin koordinoinnista, vaikutuksista, vaikuttavuudesta ja kestävydestä, joiden tulkittiin johtuvan suurelta osin heikosta toimintojen suunnittelusta. Tämän perusteella pääteltiin, että Suomen tukemat kehitystoiminnot täyttävät yleensä sekä Suomen että sen kumppanimaiden ensisijaiset tavoitteet. Ne vastaavat myös joihinkin mutta eivät kaikkiin maailmanlaajuisen kehitysgendan kysymyksiin; ne täyttävät yleensä yhteistyökumppaneiden tarpeet ja toiveet. Toisaalta, muutamaa poikkeusta lukuun ottamatta: sidosryhmät eivät kommunikoi riittävästi synergian aikaansaamiseksi, ympäristökysymyksiä ja läpileikkaavia teemoja valtavirtaistetaan vain vähäisessä määrin; toimintoja ei ole suunniteltu riittävän hyvin, jotta ne saisivat aikaan merkittäviä tuloksia tai vaikutuksia tai torjuakseen ulkoisia pai-

neita; ja kestävyys ja köyhyyden vähentäminen ovat kumpikin heikosti mitattavissa ja niitä mitataan harvoin. Työssä tultiin myös siihen johtopäätökseen, että jotkut sidosryhmät ovat toisia motivoituneempia suorittamaan hyvin vaikeita, toistuvia tai pitkän aikavälin tehtäviä, tai että niillä on todennäköisemmin olennaista paikallistuntemusta ja että näillä toimintamalleilla on tärkeitä vaikutuksia avun perille saamiseen ja kestävyteen. Sekä tutkitut evaluoinneissa, haastatteluissa että kyselylomakkeiden vastauksissa viitataan vakaviin uusiin haasteisiin, jotka liittyvät köyhyyden kestävään vähentämiseen. Tällaisia haasteita ovat muun muassa ilmastonmuutos, vedensaannin varmistaminen ja ruokaturva, yhteiskunnalliset ongelmat ja valtioiden epävakaa tilanne sekä ekosysteemin rappeutuminen ja biologisen monimuotoisuuden köyhtyminen. Raportti antaa suosituksia siitä, miten Suomen avustusohjelmaa voidaan vahvistaa edellä mainittujen havaintojen valossa.

*Avainsanat:* köyhyys, evaluointikriteerit, kestävyys, poikkileikkaavat teemat, nousevat haasteet

# Utvärdering av Hållbarhetsdimensionen inom Fattigdomsbekämpning: Syntes av Utvärderingar

*Julian Caldecott, Mikko Halonen, Svend Erik Sorensen, Sukhjargalmaa Dugersuren, Paula Tommila och Alina Pathan*

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## SAMMANDRAG

Finlands utvecklingspolitik kräver ett balanserat sätt att hantera utvecklingsarbeten där de tre dimensionerna, ekologi, samhälle och ekonomi, behandlas som lika viktiga. I den här rapporten granskas om och hur genomförandet av denna politik har inneburit verkliga framsteg mot målet att skapa en hållbar minskning av fattigdomen. Faktaunderlaget för denna utvärderingssyntes var: (a) granskningssammanfattningar för 22 utvärderingsrapporter som beskriver nyligen genomförda finska utvecklingsinsatser, (b) resultat för dessa 22 insatser enligt 14 bedömningskriterier, (c) anteckningar från semistrukturerade intervjuer med utvalda sakkunniga personer och (d) svar på frågeformulär som delats ut till ett antal internationella observatörer. Dessa data kombinerades för att ge stöd åt en analys av styrkor och svagheter inom finländskt biståndsarbete, dess tendens att likrikta ”övergripande frågor” och en ”miljömässigt hållbar utveckling”, dess hållbarhet i allmänhet och dess utmärkande drag. Kriterierna med högst poäng inom alla insatser var relevans, sammanhang, nöjda partners, kompatibilitet och Finsk mervärde och detta anses visa på en styrka att genomföra allt från relativt enkla till högprioriterade uppgifter. Kriterierna med lägst poäng var möjlighet att mångfaldiga, komplementaritet, effektivitet, förankring och insatsutformning och detta ansågs visa på en svaghet att genomföra relativt krävande uppgifter. Medelmätiga poäng gavs inom koordination, påverkan, ändamålsenlighet och hållbarhet och detta ansågs till stor del bero på en bristande utformning av insatserna. Slutsatsen var att verksamheter som stöddes av Finland oftast uppfyllde prioriteringar från både Finland och partnerländerna, levde upp till vissa men inte alla delar ur den globala utvecklingsagendan och oftast tillgodosåg behov och önskemål från samarbetspartners. Å andra sidan, och med vissa undantag: intressenterna kommunicerar inte tillräckligt bra för att skapa synergieffekter; miljöfrågor och övergripande frågor är endast svagt integrerade, verksamheten inte är tillräckligt väl utformad för att ge omfattande resultat eller effekter, för att lyckas motstå externa påtryckningar och hållbarhet och minskad fattigdom är otydligt mätbara och de mäts i liten omfattning. En annan slutsats

var att vissa intressenter är mer benägna än andra att vara motiverade att prestera bra på svåra, upprepande och långsiktiga insatser, och det är troligare att de besitter relevant lokalkännedom och att dessa mönster har viktiga konsekvenser för bistånd och hållbarhet. Granskningarna, intervjuerna och korrespondensen pekar samstämmigt mot nya utmaningar inom en hållbar fattigdomsbekämpning som klimatförändringar, säkerhet för vatten och mat, sociala problem och svaga statsmakter och sönderfallande ekosystem och en minskad biologisk mångfald. Det ges även rekommendationer om hur man kan stärka det finska biståndsprogrammet mot bakgrund av ovanstående slutsatser.

*Nyckelord:* fattigdom, utvärderingskriterier, hållbarhet, övergripande teman, nya utmaningar

# Evaluation of the Sustainability Dimension in Addressing Poverty Reduction: Synthesis of Evaluations

*Julian Caldecott, Mikko Halonen, Svend Erik Sorensen, Sukhjargalmaa Dugersuren, Paula Tommila and Alina Pathan*

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## ABSTRACT

Finnish development policy calls for a balanced approach to development cooperation, in which the three dimensions of ecology, society and economy are treated as equally important. This study assesses whether and how the implementation of this policy has enabled real progress towards its goal of sustainable poverty reduction. The evidence base for this synthesis evaluation comprised: (a) summarised reviews of 22 evaluation reports describing recent Finnish development actions; (b) scores for all 22 actions according to 14 assessment criteria; (c) notes from semi-structured interviews with selected knowledge holders; and (d) replies to a questionnaire given to a number of international observers. These data were combined to support analysis of the strengths and weaknesses of Finnish aid, its propensity to mainstream ‘cross-cutting issues’ and ‘environmentally sustainable development’, its sustainability in general, and its distinctiveness. The highest-scoring criteria across all activities were relevance, coherence, partner satisfaction, compatibility and Finnish added value, interpreted to indicate strength in performing relatively easy or high-priority tasks. The lowest-scoring criteria were replicability, complementarity, efficiency, connectedness and activity design, interpreted to indicate weakness in performing relatively demanding tasks. Mediocre scores were given to coordination, impact, effectiveness and sustainability, interpreted to be largely due to weak activity design. It was concluded that Finnish-supported activities typically meet the priorities both of Finland and of her partner countries, respond to some but not all elements of the global development agenda, and usually satisfy the needs and wishes of cooperating partners. On the other hand, and with some exceptions: stakeholders do not communicate enough to create synergy; environmental and cross-cutting issues are only weakly mainstreamed; activities are not well-enough designed to deliver many results or impacts, or to resist external pressures; and sustainability and poverty reduction are both indistinctly measurable and little measured. It was also concluded that some stakeholders are more likely than others to be motivated to perform well on difficult, repetitive or

long-term tasks, or are more likely to hold relevant local knowledge, and that these patterns have important implications for aid delivery and sustainability. The reviews, interviews and correspondence all point to serious emerging challenges to the sustainable reduction of poverty, including climate change, water and food security, social problems and state fragility, and ecosystem degradation and biodiversity loss. Recommendations are offered on how to strengthen the Finnish aid programme in light of the above findings.

*Key words:* poverty, evaluation criteria, sustainability, cross-cutting themes, emerging challenges

## YHTEENVETO

### Tavoitteet ja menetelmät

Kehityspoliittisen ohjelman 2007 mukaan Suomen kehitysyhteistyön perimmäinen poliittinen tavoite on saada aikaan ”vakaata, köyhyyttä vähentävää taloudellista kehitystä, joka on luonnontaloudellisesti kestävällä pohjalla” (s. 12). Tässä yhteenvetoarvioinnissa pyritään arvioimaan, onko nykyisen ja viimeaikaisen politiikan toteuttaminen mahdollistanut todellista edistymistä kohti tätä tavoitetta, ja miten se on tapahtunut. Työn tarkoituksena on tunnistaa erityisiä saavutuksia, hyödyntää saatuja kokemuksia, tunnistaa innovatiivisia ratkaisuja ongelmiin ja kuvailla tekijöitä, jotka helpottavat tai vaikeuttavat Suomen kehitysyhteistyötä. Tämän saavuttamiseksi on käytetty erilaisia tietolähteitä.. Tärkein tiedon lähde ovat 22 evaluointiraporttia, jotka Suomen ulkoasiainministeriö (UM) teetti vuosina 2008–2010 ja jotka hajautettu evaluointifunktio toteutti. Raporttien aiheet käsittelevät Suomen julkisesta kehitysavusta (ODA) rahoitettuja toimintoja (esimerkiksi erilaiset aktiviteetit ja hankkeet, joilla oli yhteinen aihe, toteutustapa tai sijainti). Evaluointiraportit käytiin läpi ja niistä tehtiin yhteenvedot. Raporttien sisältö pisteytettiin 14 evaluointikriteeriä vastaan. Näitä kriteereitä käytetään kehitysyhteistyön evaluoinnissa yleisesti, ja joissakin tapauksissa niitä mukautettiin hieman vastaamaan Suomen tilannetta. Lisätietoja kerättiin asiantuntijoilta puolistrukturoitujen haastattelujen ja kyselylomakkeiden avulla. Vastaukset kymmenen tehtävänkuvauksen yleiseen kysymykseen ja 21:een evaluointikysymykseen, joiksi ne puettiin, annetaan luvuissa 4–9 ja ne vedetään lisäksi yhteen liitteenä olevassa evaluaatiomatriisissa.

### Arviointien tulokset

Seuraavassa luetellaan arviointiperusteet kaikkien 22 toiminnon keskimääräisten pisteiden mukaisessa laskevassa järjestyksessä: 1) **tarkoituksenmukaisuus** (ongelmien ja tarpeiden suhteen), 2) **johdonmukaisuus** (Suomen oman politiikan kanssa), 3) **kumppanien tyytyväisyys**, 4) **yhteensopivuus** (linjaaminen kumppanihallituksen politiikan kanssa), 5) **suomalainen lisäarvo** (Suomen ainutlaatuinen panos), 6) **koordinointi** (yhdenmukaistaminen muiden toimijoiden kanssa), 7) **vaikutus** (laajemmat vaikutukset), 8) **tuloksellisuus** (saavutetut tulokset), 9) **kestävyys** (jatkuvat vaikutukset), 10) **toistettavuus** (myötävaikutus tulevien toimintojen kehittämiseen), 11) **täydentävyys**, (keskinäinen avunanto toimijoiden keskuudessa), 12) **tehokkuus** (moitteeton varainhoito ja rahalle saatava vastine) 13) **asiainyhteys** (kyky sietää ulkoisia tekijöitä) ja 14) **toimintojen suunnittelu** (kokonaislaatu). Ensimmäiset viisi perustetta kuvastavat toimintojen erityisiä vahvuuksia ja viimeiset viisi erityisiä heikkouksia. Muut perusteet viittaavat keskinkertaiseen suoritukseen.

### Korkeimmat pistemäärät antaneet perusteet

Tutkimuksessa tultiin siihen johtopäätökseen, että ensimmäiset viisi perustetta erottuvat muista, koska ne ovat merkinä vahvuudesta suoritettaessa suhteellisen helppoja tai ensisijaisia tehtäviä: **tarkoituksenmukaisuutta** voidaan arvioida kerran määrittelyvaiheen alussa, ja se soveltuu tekniseen ja vuoropuheluun perustuvaan dokumen-

tointiin. **Johdonmukaisuuden** ja **yhteensopivuuden** pitäisi saada hyvät pisteet, koska toiminnon suunnittelijan voisi olettaa kiinnittävän runsaasti huomiota avunantajan ja kumppanin ensisijaisiin tavoitteisiin. **Kumppanien tyytyväisyys** on voimakas palautemekanismi, johon virkamiehet todennäköisesti reagoivat, ja **suomalaisen lisäarvon** aikaansaamiseen pyrittiin aktiivisesti useimmissa tarkastelluista arvioinneista. Päättelimme siksi, että avustushenkilöstöllä on tapana kiinnittää erityistä huomiota selkeästi näkyviin ongelmiin ja tarpeisiin, jotka ovat Suomen politiikan mukaisia, tutkivat ja perustelevat Suomen erityisasemaa sekä varmistavat avun vastaanottajien myönteiset näkemykset.

### **Alhaisimmat pistemäärät antaneet perusteet**

Tutkimuksessa pääteltiin myös, että viimeiset viisi perustetta erottuvat muista, koska ne viittaavat heikkouksiin suoritettaessa kehitysyhteistyön haastavimpia tehtäviä: **toistettavuus** edellyttää kokemuksista oppimista, prosessien ja suhteiden ymmärtämistä sekä mahdollisuutta, että tulevia toimintoja voidaan laatia menneiden paremmiksi versioiksi. Nämä kaikki ovat haasteita parhaille tiedonhallintajärjestelmille. **Täydentävyys** edellyttää, että avunantajat ja kumppanit tekevät erittäin tiivistä yhteistyötä määrittellessään, laatiessaan ja hallinnoidessaan yhteisiä toimintojaan. **Tehokkuutta** on vaikea mitata tai saada aikaan missään monimutkaisessa hankkeessa, jolla on vain osittain laskettavissa olevia panoksia ja tuotoksia sekä aineettomia vaikutuksia viitekehukseen ja suoritukseen. **Asiainyhteys** osoittaa, miten joustava toiminto on sellaisten tapahtumien suhteen, joihin se voi vaikuttaa suoraan vain vähäisessä määrin. **Toimintojen suunnittelu** osoittaa, miten hyvin toiminto laadittiin suhteessa sen paikalliseen ja laajempaan viitekehukseen, se osoittaa uhat ja tarpeet, joita jo on tai on odotettavissa kyseisissä viitekehyksissä, sekä järjestelyt riskien pienentämiseksi tai niihin sopeutumiseksi, tapahtumien valvonnan ja niihin vastaaminen sekä toiminnon ohjaamisen tulosten ja vaikutusten aikaansaamiseksi kohtuullisen tehokkaasti. **Vaikutukselle, tuloksellisuudelle** ja **kestävyydelle** annettujen keskinkertaisten pisteiden katsotaan kuvastavan heikkoa **toimintojen suunnittelua**.

### **Toimintojen suunnittelu erityistapauksena**

**Toimintojen suunnittelun** saamalla alhaisimmalla pistemäärällä on merkitystä, koska siihen vaikuttaa esimerkiksi seuraavien keskeisten tekijöiden mukanaolo tai puuttuminen: selkeät tavoitteet ja valintaperusteet, selkeät suuntaviivat, asianmukaiset järjestelmät ja merkitykselliset, mitattavissa olevat ja mitatut indikaattorit hankkeiden tulosten valvontaan ja arviointiin köyhyyden vähentämisen kannalta, asianmukainen riskianalyysi ja riskinhallintajärjestelyt, asianmukaiset rahoitukselliset ja taloudelliset analyysit, realistiset odotukset ja oleelliset olettamukset, asiaankuuluvan lainsäädännön ja hallintomekanismien ymmärtäminen, reagoiminen keskeisten sidosryhmien eturistiriitoihin, pitkälle kehitetyt logframe-mallit, jotka käsittävät realistiset olettamukset ja riskianalyysin, jotka ovat hyödyllisiä ja joita käytetään tehokkaasti toimintojen hallinnassa, selkeät ja joustavat irtaantumisstrategiat, linjautuminen sidosryhmien odotusten mukaisesti ja odotusten hallinta, dokumentoitu esteitä koskeva analyysi ja keskustelu vaihtoehtoisista tavoista käsitellä ongelmia, osallistava lähestymistapa, johon keskeiset sidosryhmät otetaan aktiivisesti mukaan, sopiva tasapaino keskittyttäessä tekni-



siin panoksiin, toimintoihin ja saavutuksiin sekä vaikutuksia ja valmiuksien kehittämistä koskeva yhteistyö toteuttamisesta vastaavien kumppaneiden kanssa, asianmukaiset tiedonhallintaa koskevat järjestelyt kokemuksista oppimisen tueksi sekä havaintojen ja päätelmien jakamiseksi, toimintojen ja odotettujen tulosten väliset selkeät yhteydet, jotka perustuvat asianmukaiseen tietoon kaikista sosioekonomisista ja ekologisista järjestelmistä, joista ne riippuvat tai joihin ne todennäköisesti vaikuttavat, asianmukainen osallisuuden aste ja palkinto tuotteiden ja palvelujen paikallisille tarjoajille sekä tietojen ennakoiva käyttö sen varmistamiseksi, että toiminto kohdistuu köyhiin mahdollisimman hyvin. Asian ydin on, että mikään näistä piirteistä ei ole valinnainen, jos toiminnon on realistisesti, joustavasti ja tehokkaasti tarkoitus tuottaa hyödyllisiä tuloksia ja kestäviä vaikutuksia.

### **Haastateltujen ja vastaajien tunnistamat vahvuudet**

Tässä yhteydessä käytettiin kahta muuta ensisijaista tietolähdettä: valikoitujen asiantuntijoiden puolistrukturoiduista haastatteluista tehtyjä muistiinpanoja (jotka muodostivat ”haastattelutietokannan”) ja vastauksia kysymyslomakkeeseen, joka lähetettiin erälle kansainvälisille tarkkailijoille (”vastaustietokanta”). Johdonmukaisten mallien perusteella haastatellut havaitsivat seuraavat UM:n ja sen toimintojen vahvuudet: sen kokonaisvaltainen vastuu ulko-, kauppa- ja kehityspolitiikasta, mikä tarjoaa hyvät mahdollisuudet johdonmukaiseen vaikuttamiseen, sen harkittu tapa keskittää resurssit muutamaiin maihin ja aiheisiin, sen lisääntyvät sisäistä tiedonhallintaa ja koulutusta koskevat aloitteet, neuvonantajien ja konsulttien tehokas käyttö täytettäessä taitoja, tietoa ja henkilöresursseja koskevia aukkoja, menestystarinat, jotka liittyvät joustaviin, kumppanuuteen perustuviin lähestymistapoihin, kuten paikallisen yhteistyön määrärahan (PYM) käyttö, yhteistyö kansalaisjärjestöjen kanssa, toiminta yhteisöjen kanssa koulutuksen ja maanomistuksen yhteydessä sekä innovaatiot, kuten energia- ja ympäristökumppanuushankkeet. Vastaajat lisäsivät eräitä keskeisiä maineeseen liittyviä vahvuuksia, joita olivat muun muassa: korkealaatuinen suomalainen osaaminen metsätaloudessa ja muilla luonnonvarojen hallinnan alueilla, Suomen ihmisoikeuksiin kiinnittäminen runsas huomio, Suomen ympäristöpolitiikan ja kestävä kehityksen politiikan hyvin suunniteltu luonne sekä Suomen keskittynyt, pitkän aikavälin ja kumppanuuteen perustuva lähestymistapa kehitysyhteistyöhön.

### **Haastateltujen ja vastaajien tunnistamat heikkoudet**

Haastatellut tunnistivat myös eräitä heikkouksia: UM ei hyödynnä täysimääräisesti mahdollisuuksiaan edistää yhtenäisyyttä joko sisäisesti tai ulkoisesti EU:ssa ja YK:ssa, useat kokeelliset tai sirpaleiset aloitteet, joilla on taipumus hukata resurssinsa, organisatorinen joustamattomuus, hidaskas reagointi rakentavaan kritiikkiin ja uusiin ”megatrendeihin”, kuten ilmastonmuutokseen, indikaattoreiden ja välineiden puutteelliseen monimutkaisten tärkeiden tavoitteiden valtavirtaistamiseen ja pitkän aikavälin vaikutusten mittaamiseen sekä yleisemmin avustusohjelman suhteellisen vähäinen poliittinen tärkeys Suomessa. Vastaajat lisäsivät myös joitakin kielteisempiä Suomen avunantojärjestelmää koskevia havaintoja: se on tehoton oppimaan kokemuksista ja soveltamaan niitä, se käyttää jäykkiä ja rajoittavia avustusmuotoja, jotka eivät kannusta sidosryhmien panoksia ja innovaatioita, ja että se on jossain määrin vanhentunut, koska

se toteuttaa heikosti suunniteltuja, tuloksettomia ja tehottomia hankkeita. Nämä havainnot herättävät kysymyksiä UM:n johtajuudesta, esimerkiksi miten parhaiten käyttää diplomaattisia ja kauppaohjelmia avun ensisijaisten tavoitteiden edistämiseen, EU:hun ja YK:hon vaikuttamiseen, avustusohjelman keskittämiseen, UM:n ulkopuolisen osaamisen hyödyntämiseen, kehitystoimien suunnittelun kehittämiseen sekä julkisen kannatuksen ja halukkuuden lisäämiseen maksaa Suomen antamasta avusta.

### **Yleiskuva vahvuuksista ja heikkouksista**

Kaikki havainnot yhdistettiin tukemaan analyysiä, joka koski Suomen kehitysavun vahvuuksia ja heikkouksia, sekä sen taipumusta valtavirtaistaa läpileikkaavia teemoja ja ”ekologisesti kestävä kehitys”, sen yleistä kestävyyttä ja sen erottuvuutta suhteessa ”samanmielisten” avunantajien toimintaan. Yleisesti ottaen pääteltiin, että Suomen toiminnot täyttävät yleensä sekä Suomen että sen kumppanimaiden ensisijaiset tavoitteet, että ne vastaavat joihinkin mutta eivät kaikkiin maailmanlaajuisen kehitysohjelman osatekijöihin ja että ne yleensä täyttävät yhteistyökumppaneiden tarpeet ja toiveet. Osittain tämän tuloksena suomalaisia kunnioitetaan laajalti heidän osaamisensa, lähestymistapansa ja suhtautumisensa ansiosta. Toisaalta muutamaa poikkeusta lukuun ottamatta ja Suomen usein sinnikkäistä ponnisteluista huolimatta avunantajat ja muut sidosryhmät eivät kommunikoi riittävän hyvin keskenään saadakseen aikaan huomattavaa synergiaa. Ympäristökysymyksiä ja läpileikkaavia teemoja valtavirtaistetaan heikosti Suomen toimintojen yhteydessä, joten yleinen kestävyys on vaarassa. Lisäksi keskimääräisten pistemäärien perusteella ja epäilemättä useita poikkeuksia lukuun ottamatta tyypillinen suomalainen toiminto ei ole riittävän hyvin suunniteltu, jotta se kykenisi saamaan aikaan paljoakaan lyhyen aikavälin tuloksia tai pitkän aikavälin ja laajempia vaikutuksia tai mukautumaan mahdollisiin ulkoisiin paineisiin. Mikä pahinta, kaikkien toimintojen tärkein tavoite, köyhyyden vähentäminen, on epämääräinen, heikosti mitattavissa ja sitä mitataan vain vähän. Siksi usein oletetaan, että kyseinen tavoite saavutetaan, vaikka niin ei tapahtuisi, tai kun se tapahtuu muista syistä.

### **Ympäristökysymysten ja läpileikkaavien teemojan valtavirtaistaminen**

Sukupuolten välistä tasa-arvoa lukuun ottamatta ei ole mitään järjestelmällisiä tai pakollisia käytännön järjestelyjä, joiden mukaan ekologisesti kestävä kehitys ja läpileikkaavat teemat otettaisiin huomioon kaikessa Suomen kehitysaputoiminnassa sen kaikissa vaiheissa. Siksi ne otetaan huomioon vain hajanaisesti hankkeiden määrittelyn ja suunnittelun alkuvaiheissa. Ne ovat keskeiset vaiheet, joiden aikana toimintoihin voidaan vaikuttaa. Hajanaisuus johtuu siitä, että vankempien menettelyjen puuttuessa deski-virkamiehet ovat ratkaisevassa asemassa painopisteen säilyttämisessä. Heillä on kuitenkin erilaisia henkilökohtaisia intressejä ja osaamista ja he vuorottelevat usein eri tehtävissä. Ekologista kestävä kehitystä ja läpileikkaavia teemoja käsittelevät neuvonantajat voivat korjata tämän heikkouden vain, jos heidät otetaan mukaan toimintaan rutiininomaisesti, eikä heitä voida ottaa, tai muuten heillä on liian vähän aikaa ylläpitää vaikutustaan jatkuvasti. Tämän tuloksena ekologista kestävä kehitystä ja läpileikkaavia teemoja ei yleensä oteta huomioon hankeasiakirjoissa eikä niitä ilmaista selkeästi toteuttaville konsulteille annettavassa tehtäväkuvauksessa. Vaikutukset kentällä ovat

sen mukaisesti vähäisiä, vaikka niitä on vaikea havaita, koska vertailutietoja on vähän ja määrällinen valvonta on vaikeaa.

### **Suomalainen lisäarvo**

Käytetyt kolme tietokantaa yhdessä viittaavat siihen, että suomalaista lisäarvoa voidaan luonnehtia useilla eri tavoilla: **arvoina** (esim. ihmisoikeuksien, yhdenvertaisuuden ja demokratian sekä yhteiskunnan järjestyksen tasa-arvoisten muotojen tukeminen), **teknisenä osaamisena** (esim. vesialalla, kestävässä maankäytössä, ilmatieteessä, koulutuksessa, terveydenhoidossa, tietotekniikassa, hallintotavassa, tutkimuksessa ja uusiutuviissa energialähteissä), **tapoina olla vuorovaikutuksessa toisten kanssa** (esim. tarjoamalla sitomatonta perusrahoitusta, edistämällä kattavia neuvotteluja, vastavuoroista oppimista, kansalaisyhteiskunnan valmiuksien kehittämistä ja verkostoitumista sekä ylläpitämällä rakentavia suhteita paikallisiin kumppaneihin, avunantajien yhteisöön ja hallitukseen), **ensisijaisina tavoitteina** (esim. suhteessa ihmisoikeuksiin, sosiaaliseen ja sukupuolten tasa-arvoon, seksuaali- ja lisääntymisterveyteen ja tukeen haavoittuvassa asemassa oleville ryhmille) sekä **suoritusta koskevinä määritteinä** (esim. rehellisyys, hyvää tarkoittavuus, puolueettomuus, joustavuus, keskittyminen, vaikuttavuus ja tehokkuus). Joskus Suomi myös lisää arvoa menemällä paikkoihin tai tekemällä asioita, joita muut avunantajat eivät halua tai voi, tai hyödyntämällä uusia ja täydentäviä resursseja. Lopuksi on havaittavissa erikoislaatuista rohkeutta, jota UM osoittaa teettäessään ja julkaistessaan riippumattomia selontekoja toiminnoistaan, mistä sitä on kiitettävä.

### **Kestävyyttä edistävät tekijät**

Tämän synteeseivaluoinnin tietokannat korostavat johdonmukaisesti niitä avustustoiminnan piirteitä, jotka tukevat kestävien tulosten saavuttamista. Niitä ovat: paikallinen osallistuminen toimintojen alullepanoon, suunnitteluun, toimintaan ja omistajuuteen, maksujen kerääminen palvelun käyttäjiltä, lainsäädännöllinen muutos, jatkuva tuki valtion talousarvioista, valmiuksien kehittäminen, asiaankuuluva tekniikka, yhteistyö toimielinten välillä, naisten ja yhteisöjen vaikutusvallan lisääminen, toimenpiteiden painopisteen realistinen mittakaava sekä paikallisten yritysten ja yrityskumppanuuksien kannustaminen. Koska kestävyyttä itseään on vaikea määritellä ja mitata ja olennaiset tiedot ovat niukkoja, kestävyyttä edistävät tekijät ovat tärkeitä. Ne ovat järjestelyjä, joiden pitäisi yleensä suosia vaurauden luomista, oikeudenmukaisuutta, rauhanrakentamista sekä ihmisten ja ekosysteemien terveyden edistämistä. Niihin katsotaan sisältyvän: turvattu resurssien hallinta (jotta pitkän aikavälin investointi- ja hallinnointipäätöksiä voidaan soveltaa), paikallinen vastuussa oleva hallinto (jotta ne, joita päätökset koskevat, voivat säännellä päätöksentekijöitä), järjestelmät, joissa hyvin hallittujen ekosysteemien tarjoamien jatkojalostuspalvelujen saajat maksavat asianmukaisen hinnan vastuussa oleville, koulutus, joka edistää tietoisuutta ihmisten ja ekosysteemin terveyden kehittämisestä ja säilyttämisestä, sekä mekanismit kokemuksista oppimisen ja ratkaisujen jakamiseksi kansojen välillä.

## **Perustelut ja toimintatavat**

Synteesevaluoinnin tulokset tukevat päätelmää, jonka mukaan paikalliset ihmiset, hajautettujen Suomen suurlähetystöjen asiantuntijahenkilöstö ja Suomen kehitysavun kumppanit kansalaisjärjestöistä ovat todennäköisemmin muita motivoituneempia suoriutumaan hyvin vaikeista, toistuvista tai pitkän aikavälin tehtävistä. Heillä on myös todennäköisemmin olennaista paikallistuntemusta, jota he myös todennäköisemmin käyttävät. Tämä auttaa selittämään korkeiden ja alhaisten pistemäärien jakautumisen arviointiperusteiden välillä. Sillä on myös merkittäviä vaikutuksia avun toimittamiseen ja kestävytyteen. Siksi yhteenvetoarvioinnissa tarkasteltiin eri toimintatapoja, joita käytetään Suomen antaman avun yhteydessä. Niistä paljastui monenlaisia vahvuuksia ja heikkouksia eri tilanteissa, joten erilaisten toimintatapojen yleisestä hyödyllisyydestä voidaan tehdä vain vähän selkeitä johtopäätöksiä. Ne toimintatavat, joissa hyödynnetään asiantuntijahenkilöstön ja kansalaisjärjestöjen innostusta, liittyvät kuitenkin todennäköisimmin yksityiskohtaiseen paikallistuntemukseen, pitkän aikavälin sitoutumiseen paikallisten yhteisöjen kanssa sekä paikallisten valmiuksien ja kumppanuuksien vahvistamiseen. Nämä kaikki ovat kestävyyttä edistäviä tekijöitä. Ainoat kaksi toimintatapaa, jotka eivät saaneet tukea tietokannoista, olivat pehmeähtöinen luotto ja budjettituki. Ne saattavatkin vaatia lisätutkimuksia. On joka tapauksessa tärkeää säilyttää valmius toimittaa resursseja sinne, missä niitä eniten tarvitaan olosuhteissa, jotka saattavat muuttua reagoitaessa uusiin tarpeisiin (esim. ilmastonmuutokseen mukautuminen) ja uusiin poliittisiin järjestelyihin (esim. demokratisointi, hallinnon hajauttaminen). Suomen pitäisi siksi säilyttää useita vaihtoehtoja ensisijaisten tavoitteiden käsittelemiseen, kun niitä kehittyä uuden tietämyksen myötä ja käytäessä vuoropuhelua eri kumppanijärjestöjen kanssa. Hyväksyttäessä uusia ensisijaisia tavoitteita on tärkeää hylätä vanhentuneet, jotta Suomen avustustoimien sirpaloituminen ei pahenisi.

## **Merkkejä tilanteen parantumisesta**

Tarkastelluista 22 evaluointiraportista kahdeksan vakuutti siinä suhteessa, että niiden yhdestä tai useammasta arviointiperusteesta saamat pistemäärät paranisivat tarkastelun ajankohtana meneillään olleiden, toimintoihin tehtyjen muutosten tuloksena. Joissakin niistä näkyvät suositukset, jotka hyväksytään ja joita suunnitellaan tai joiden perusteella toimitaan. Jotkut taas kuvastavat UM:n ja suurlähetystön virkamiesten sekä kehitysyhteistyökumppaneiden yleistä prosessia, kokemuksista oppimista. Lisäksi huomautukset haastattelutietokannassa korostavat eräitä aloja, joilla toteutetaan toimia avun vaikuttavuuden lisäämiseksi. Näitä ovat muun muassa UM:n tieto- ja prosessihallinta, suurlähetystön ja UM:n teknisten resurssien vahvistaminen ottamalla lisää neuvonantajia ja käyttämällä konsultteja tehokkaammin, avunantajien koordinoinnin lisääminen hankkeen aikaisemmassa vaiheessa, uusien välineiden kehittäminen tutkijayhteisön ja yksityisen sektorin sidosryhmien mukaan ottamiseksi, uusien ystävyyskaupunkijärjestelyjen luominen kehitysmaiden kaupunkien kanssa, paikallisen omistajuuden ja vahvempien kumppanuuksien kehittäminen energia-alalla energia- ja ympäristökumppanuushankkeiden avulla sekä itsenäisen harkinnan lisääminen UM:ssä.

## Uudet haasteet

Evaluoinnissa tunnistettiin eräitä vakavia uusia haasteita köyhyyden kestäväälle vähentämiselle. Niihin on puututtava köyhyyden vähentämiseen tähtäävien investointien ohella pitkän aikavälin yhtenäisyyden turvaamiseksi. Tällaisia strategisia uhkia ovat muun muassa: **ilmastonmuutos**, jonka vaikutuksille ovat altteimpia ne, joilla on vähiten resursseja ja joustavuutta, eli köyhät ja syrjäytyneet henkilöt, **vedensaannin varmistaminen**, koska maailmassa on kymmeniätuhansia paikallisia vesikriisejä, jotka kaikki vaikuttavat eniten köyhiin ja jotka kaikki johtuvat ekosysteemille aiheutuneista vahingoista ja veden uudelleenohjaamisesta, liikakäytöstä ja saastumisesta, **elintarviketurvallisuus**, jota heikentävät epäoikeudenmukainen maan jakaminen ja kauppaehdot sekä hintojen vaihtelut, jotka johtuvat suurelta osin markkinoilla tapahtuvasta keinoteltusta, **yhteiskunnalliset ongelmat ja valtioiden epävakaa tilanne**, kun ryhmille ei tarjota taloudellisia tilaisuuksia ja niitä ajetaan tai kannustetaan etsimään helpotusta väkivallasta, ja **ekosysteemin rappeutuminen ja biologisen monimuotoisuuden köyhtyminen**, jotka heikentävät biologista tuottavuutta ja palveluja, joista kaikki ihmiset ovat riippuvaisia; köyhät kärsivät näistä ensimmäisinä.

## Uusiin haasteisiin reagoiminen

Ekologisen kestävä kehityksen ja läpileikkaavien asioidenheikko valtavirtaistaminen herättää kysymyksen, voidaanko uusiin haasteisiin paneutua täysimääräisesti käyttämällä nykyisiä tapoja ja välineitä. Se myös viittaa siihen, että saattaa olla tarvetta tarkastella uudelleen strategisia tavoitteita huomattaviin ympäristöä ja muita aloja koskeviin muutoksiin mukautumiseksi. Kun tämän selvittämiseksi tehdään tutkimuksia, ratkaisu olisi keskittyä toimiin, kuten yhteisöjen sietokyvyn vahvistamiseen kaikkia stressin muotoja vastaan. Siitä olisi etua huolimatta asiaan liittyvien stressitekijöiden perimmäisistä syistä. Tämä johtuu siitä, että maailmassa, jossa äärimmäisiä sääilmiöitä ja muita katastrofeja tapahtuu yhä useammin ja niiden sosioekonomiset vaikutukset lisääntyvät, on järkevää kiinnittää erityistä huomiota syrjäytyneisiin ja haavoittuvassa asemassa oleviin ryhmiin, jotka saattavat tarvita tukea kiireellisemmin ja joiden määrä saattaa olla suurempi kuin koskaan aikaisemmin. Siksi tämän synteiesivaluoinnin tärkein päätelmä on, että vaikka suomalaiset voivat olla tietyin edellytyksin ylpeitä avustushjelmastaan, se kaipaa vahvistusta useilla eri tavoilla. Suositukset sitä varten esitetään seuraavassa taulukossa.

## SAMMANFATTNING

### Mål och metoder

Enligt 2007 års utvecklingspolitiska program är det slutgiltiga målet för finländska utvecklingssamarbeten en ”stabil ekonomisk utveckling som minskar fattigdomen och som vilar på en naturekonomiskt bärkraftig grund” (sid. 12). Denna syftes av utvärderingar syftar till att bedöma om och hur genomförandet av nuvarande och aktuell politik har bidragit till framsteg mot detta mål. Syftet är att identifiera specifika resultat, dra lärdomar av erfarenheter, identifiera innovativa lösningar på problem och beskriva faktorer som främjar eller hindrar finländsk biståndsverksamhet. För att göra detta används fakta från flera olika områden. Den huvudsakliga källan är 22 utvärderingsrapporter om insatser finansierade av Finlands offentliga utvecklingssamarbete (inklusive grupper av insatser och projekt där tema, metod eller plats var gemensam) som beställdes av Utrikesministeriet i Finland mellan 2008–2010 och genomfördes av den decentraliserade utvärderingsfunktionen. Dessa granskades och sammanfattades och användes som grund för att poängsätta all verksamhet enligt 14 bedömningskriterier som ofta används inom utvecklingsområdet (i vissa fall delvis modifierade för att passa finska förhållanden). Ytterligare information samlades in från sakkunniga personer i semistrukturerade intervjuer och med hjälp av frågeformulär. Detaljerade svar för uppdelningen i de tio parapyfrågorna i uppdragsbeskrivningen och de 21 forskningsfrågorna finns i kapitlen 4–9 och de sammanfattas i den bifogade utvärderingsmatrisen.

### Resultat från granskningen av utvärderingarna

I fallande ordning, efter medelresultat för alla 22 aktiviteter, är kriterierna: (1) **relevans** (d.v.s. problem och behov), (2) **sammanhang** (d.v.s. med Finlands egen politik), (3) **nöjda partners**, (4) **kompatibilitet** (eller anpassning, d.v.s. med partnerregeringens egen politik), (5) **mervärde för Finland** (d.v.s. Finlands unika bidrag), (6) **samordning** (eller harmonisering, d.v.s. med andra aktörer), (7) **påverkan** (d.v.s. bredare genomslagskraft), (8) **ändamålsenlighet** (d.v.s. uppnådda resultat), (9) **hållbarhet** (d.v.s. fortsatta effekter), (10) **möjlighet att mångfaldiga** (d.v.s. bidra till att förbättra framtida aktiviteter), (11) **komplementaritet** (d.v.s. gemensamt bistånd från aktörerna), (12) **effektivitet** (d.v.s. bra genomförande och värde för pengar), (13) **förankring** (d.v.s. motståndskraft mot externa faktorer) och (14) **utformning av insats** (d.v.s. övergripande kvalitet). De fem främsta visar på styrkor inom verksamheten, de fem sista på svagheter och övriga visar på medelmåttiga genomföranden.

### Kriterierna med högst poäng

Ett tydligt tecken var att de fem kriterierna med högst poäng sticker ut genom att visa på styrkor att utföra relativt enkla eller högprioriterade uppgifter: **relevans** kan bedömas i början av identifieringssteget och är underkastad dokumentation som är baserad på teknik och dialog, **sammanhang** och **kompatibilitet** bör resultera i höga poäng eftersom de som formulerar aktiviteterna förväntas ägna stor uppmärksamhet åt givarens och partners prioriteringar, **nöjda partners** är en indikator för feedback som är

viktig för tjänstemännen och **mervärde för Finland** söktes aktivt i de flesta av de granskade utvärderingarna. Vi drar därför slutsatsen att biståndspersonalen tenderar att ägna särskild uppmärksamhet åt mycket synliga problem och behov, uppfyller finsk politik, undersöker och motiverar Finlands speciella roll och arbetar för en positiv inställning hos värdarna.

### **Kriterierna med lägst poäng**

Ett annat tydligt tecken var att de fem kriterier som hamnade sist sticker ut genom att indikera brister i att utföra de mest utmanande uppgifterna i utvecklingssamarbeten: **möjlighet att mångfaldiga** kräver att man lär sig av erfarenhet, förstår processer och relationer, ser möjligheter att framtida insatser kan skapas ur förbättrade versioner av tidigare insatser och detta är utmaningar för kunskapshanterade system, **komplementaritet** kräver att givare och partners samarbetar nära för att identifiera, formulera och hantera gemensamma insatser, **effektivitet** är svårt att mäta eller uppnå i verksamheter som endast delvis innehåller mätbara in- och utdata och samtidigt innehåller svärfångade faktorer som påverkar kontext och genomförande, **förankring** visar hur motståndskraftig en verksamhet är mot yttre händelser som den inte kan påverka och **utformning av insats** visar hur väl verksamheten formulerats i förhållande till lokala och bredare sammanhang, hot och behov som finns eller förväntas i det sammanhanget, och arrangemangen för att mildra eller anpassa sig till risker, övervaka och svara vid händelser och styra insatsen mot att leverera resultat och påverka på ett rimligt effektivt sätt. De medelmåttiga resultaten för **påverkan**, **ändamålsenlighet** och **hållbarhet** tros visa på en bristande **utformning av insatserna**.

### **Specialfallet utformning av insatser**

**Utformning av insatser** placerade sig sist och det är intressant eftersom den påverkas av tillgång eller frånvaro av nyckelfaktorer som: tydliga mål och urvalskriterier, tydliga riktlinjer, lämpliga system och meningsfulla, mätbara och bedömda indikatorer för att följa upp och utvärdera projektresultaten i fråga om minskad fattigdom, lämpliga riskanalyser och metoder för riskhantering, tillräckliga finansiella och ekonomiska analyser, realistiska förväntningar och relevanta antaganden, förståelse för relevant lagstiftning och administrativa mekanismer, lyhördhet för intressekonflikter mellan viktiga intressenter, välutvecklade ramverk som inkluderar realistiska antaganden och riskanalyser som är användbara och som används effektivt i förvaltningen av verksamheten, tydliga och flexibla strategier för att avsluta och lämna, anpassning till och hantering av intressenternas förväntningar, dokumenterade analyser av problem och diskussioner om alternativa sätt att hantera problem, inkluderande arbetsmetoder som aktivt involverar de viktigaste intressenterna, en lämplig balans mellan tekniska insatser, aktiviteter, resultat, påverkan och kapacitetsuppbyggande samarbeten med genomförandepartners, lämpliga kunskapshanteringsåtgärder för att dra nytta av lärdomar och sprida resultat och slutsatser, tydliga kopplingar mellan aktiviteter och förväntade resultat som grundas på tillräcklig information om alla socioekonomiska och ekologiska system som de är beroende av eller som sannolikt kommer att påverkas, tillräckligt utrymme för engagemang från och ersättning till lokala leverantörer av varor och tjänster och ett proaktivt utnyttjande av information för att säkerställa att

insatserna når ut till de fattiga i största möjliga omfattning. Poängen är att ingen av dessa egenskaper kan undantas om en insats är realistisk, flexibel och effektiv i frågan om att leverera användbara resultat och hållbara effekter.

### **Styrkor som identifierades av intervjuade och korrespondenter**

Två andra huvudsakliga informationskällor användes: anteckningar från semistrukturerade intervjuer med utvalda sakkunniga personer (intervjudatabasen), och svar på ett frågeformulär som skickades till ett antal internationella observatörer (korrespondentdatabasen). De intervjuade uppfattade genomgående följande som styrkor hos Utrikesministeriet och dess insatser: det integrerade ansvaret för utrikespolitik och politik inom handel och utveckling innebär stora möjligheter för en sammanhängande påverkan, den medvetna inriktningen på resurser inom ett fåtal länder och teman, de ökande initiativen för intern kunskapshandling och utbildning, den effektiva användningen av rådgivare och konsulter vid resursbrister inom färdigheter, kunskaper och personal, framgångshistorierna som baseras på flexibla, partnerbaserade metoder som LCF (Local Cooperation Funds), samarbeten med icke-statliga organisationer, arbeten med samhällen om utbildning och markinnehav och innovationer som EPP (Energy and Environment Partnership). Korrespondenterna ansåg även att Finland har väldigt gott anseende inom några områden: den höga kvaliteten på finskt skogsbruk och andra naturresursförvaltningsområden, det hängivna engagemanget för mänskliga rättigheter, den väl genomtänkta utformningen av Finlands politik för miljö och hållbar utveckling och Finlands fokuserade, långsiktiga och partnerskapsbaserade metoder för utvecklingssamarbeten.

### **Svagheter som identifierades av intervjuade och korrespondenter**

De intervjuade identifierade även ett antal brister: det faktum att Utrikesministeriet inte fullt ut utnyttjar sina möjligheter att främja sammanhållning internt, eller externt inom EU och FN, det stora antalet experimentella och fragmenterade initiativ som tenderar att splittra resurserna, bristen på flexibilitet i organisationen, långsamma reaktioner vid konstruktiv kritik eller vid nya globala trender, till exempel klimatförändringar, en brist på indikatorer och verktyg för att förena komplexa prioriteringar och mäta långsiktiga effekter och, i allmänhet, en relativt svag politisk prioritering av biståndsagendan i Finland. Korrespondenterna observerade även några negativa aspekter av det finska biståndssystemet: det klarar inte av att dra lärdomar och att använda dem, det använder stelbenta och begränsande biståndsmetoder som avskräcker insatser från intressenterna och nyskapande och det förefaller delvis föråldrat genom att genomföra dåligt utformade, bristfälliga och ineffektiva projekt. Dessa observationer väcker ett antal frågor rörande ledarskapet inom Utrikesministeriet, exempelvis hur de diplomatiska och handelspolitiska områdena bäst kan användas för att främja biståndsprioriteringar, påverka EU och FN, skapa fokus på biståndsprogrammet, ta tillvara möjliga kunskaper utanför Utrikesministeriet, förbättra utformningen av utvecklingsinsatser och skapa ett allmänt stöd och en vilja att vara med och betala för det finska biståndet.



## Översikt av styrkor och svagheter

Observationerna kombinerades för att ge stöd åt en analys av styrkor och svagheter inom finländskt biståndsarbete, dess tendens att likrikta ”övergripande frågor” (CCT – cross-cutting themes) och en ”miljömässigt hållbar utveckling” (ESD – environmentally sustainable development), dess hållbarhet i allmänhet och dess utmärkande drag i förhållande till likasinnade bidragsgivare. Slutsatsen var att verksamheter som stöddes av Finland oftast uppfyllde prioriteringarna från både Finland och partnerländerna, levde upp till vissa men inte alla delar ur den globala utvecklingsagendan och oftast tillgodosåg behov och önskemål från samarbetspartners. Som ett resultat av detta är finländare uppskattade för sina kunskaper, tillvägagångssätt och attityder. Å andra sidan, med några få undantag och ofta trots engagerade finska insatser, kommunicerar inte givare och andra intressenter tillräckligt bra med varandra för att uppnå synergieffekter i någon vidare omfattning. Miljöfrågor och övergripande frågor är dåligt integrerade i den finska verksamheten, vilket inverkar negativt på hållbarheten. Att döma av den genomsnittliga poängen, dock utan tvivel med många undantag, är de typiska finska insatserna inte tillräckligt bra utformade för att skapa kortsiktiga resultat eller långsiktiga och mer omfattande effekter, eller för att klara av anpassningar vid externa påtryckningar. Det största problemet är dock att insatsernas huvudmål, att minska fattigdomen, är väldigt vagt formulerat, svårt att mäta och mäts i mycket liten omfattning. Ofta antas målen vara uppfyllda även om de inte är det eller om de uppfyllts av andra anledningar.

## Integration av miljöfrågor och övergripande frågor

Det saknas ett systematiskt och obligatoriskt system, kön delvis undantaget, för att ESD- och CCT-frågor regelbundet ska integreras i alla steg i finska biståndsinsatser. Det innebär att de endast sporadiskt diskuteras i de tidiga stegen av projektidentifieringen och -utformningen och dessa steg är de viktigaste stegen för att påverka insatserna. Detta beror på, i brist på mer fasta procedurer, att tjänstemännen är avgörande för inriktningen men att de har olika personliga intressen och kunskapsområden och ofta förflyttas mellan olika ansvarsområden. Rådgivare inom ESD- och CCT-frågor kan endast korrigera detta där de ingår i arbetet, och det gör de inte alltid, och de har ofta inte möjlighet att regelbundet vara med och påverka. Ett resultat av detta är att ESD- och CCT-frågor ofta inte diskuteras i projektdokument eller förklaras tydligt i uppdragsbeskrivningar (ToR – Terms of Reference) för genomförandekonsulterna. Synbara påverkningar i de slutgiltiga leden är inte förvånande sällsynta och svåra att upptäcka eftersom grunddata är bristfälliga och svår att kvantitativt mäta.

## Finska mervärden

De tre databaserna innehåller information som, sammantagen, pekar på att finska mervärden kan karaktäriseras på flera olika sätt: som en uppsättning **värden** (t.ex. stöd för mänskliga rättigheter, jämlikhet och demokrati, och jämställda samhällsformer), som en uppsättning **tekniska kompetenser** (t.ex. inom vattensektorn, hållbar markanvändning, meteorologi, utbildning, hälsovård, IT, samhällsstyrning, forskning och förnybar energi), som olika sätt **att förhålla sig till andra** (t.ex. genom att erbjuda gemensam grundfinansiering, genom att främja inkluderande samråd, ömsesidigt

lärande, kapacitetsbyggande i civilsamhället och i nätverk och genom att upprätthålla konstruktiva relationer till lokala partners, givarsamfundet och regeringar), som en uppsättning **prioriteringar** (t.ex. gällande mänskliga rättigheter, social jämställdhet och jämställdhet mellan könen, sexuell och reproduktiv hälsa och stöd till utsatta grupper) och som en uppsättning **attribut** (t.ex. ärlighet, fredlighet, neutralitet, flexibilitet, fokus, ändamålsenlighet och effektivitet). Finland skapar även mervärden genom att agera på platser eller i insatser som andra givare inte vill eller kan göra, eller genom att utnyttja nya och utökade resurser. Slutligen ska Utrikesministeriet berömmas för sitt arbete med att tillsätta och publicera oberoende granskningar av sina insatser.

### **Hållbarhetsfaktorer**

Databaserna pekar genomgående på egenskaper i biståndsinsatserna som utgör grunden för hållbara resultat: lokal inblandning i start, planering, drift och ägande, kostnadstäckning från användarna, förändrad lagstiftning, fortlöpande stöd ur statsbudgeten, kapacitetsbyggande, lämplig teknik, institutionssamarbeten, ökad delaktighet för kvinnor och lokala samhällen, realistiska nivåer för insatsinriktning och incitament för lokala företag och samarbeten med företag. Eftersom hållbarhet i sig är svårt att definiera och mäta, och relevanta data är bristfälliga, är faktorerna som bidrar till hållbarhet viktiga. Dessa är verksamheter som oftast ska främja ett skapande av kapital, vara rättvisa, fredsskapande och verka för en förbättrad hälsa för människor och ekosystem. De inkluderar bland annat: säkra resurstillgångar (för att möjliggöra långsiktiga investeringar och beslut), lokalt ansvarskyldigt styre (så att de som påverkas av besluten har möjlighet att reglera vem som styr), system där tjänsteanvändarna längre ned i kedjan i välhanterade ekosystem betalar rimliga priser till de ansvariga, utbildning som bidrar till ett ökat medvetande om att förbättra och underhålla människors hälsa samt hälsan i ekosystem och mekanismer för ett utbyte av erfarenheter och lösningar.

### **Motivation och metoder**

Data stödjer slutsatsen att lokalbefolkningen, sakkunnig personal vid finska ambassader och partners inom icke-statliga organisationer för det finska biståndet är mer benägna än andra att vara motiverade att prestera bra vid svåra, upprepande eller långsiktiga insatser och att de troligare besitter och använder relevant lokalkännedom. Detta bidrar till att förklara fördelningen av höga och låga poäng bland bedömningskriterierna och det har viktiga konsekvenser för bistånd och hållbarhet. Således undersöktes i syntesen av utvärderingarna metoderna som används i Finlands bistånd. Dessa pekar på olika styrkor och svagheter under olika förhållanden vilket innebär att få tydliga slutsatser kan dras om en allmän användning av olika metoder. De metoder som fångar upp entusiasmen från sakkunnig personal och icke-statliga organisationer är dock mest troliga att förknippas med detaljerad lokalkännedom, långsiktiga engagemang med lokala samhällen och en förmåga att stärka lokala möjligheter och partnerskap, och dessa representerar sätt att bidra till en förbättrad hållbarhet. De enda två metoder som inte fick något stöd i databaserna var förmånliga kreditvillkor och metoder för budgetstöd, och dessa kan kräva ytterligare granskningar. Det kommer dock att vara viktigt att upprätthålla förmågan att leverera resurser där de behövs bäst un-

der olika omständigheter och vid förhållanden som kan förändras utifrån nya behov (t.ex. anpassningar till klimatförändringar) och nya politiska situationer (t.ex. demokratisering eller decentralisering). Finland bör därför behålla en bred tillgång på alternativ för olika prioriteringar utifrån hur de utvecklas i takt med ny kunskap och i dialoger med olika partnerregeringar. Det är dock viktigt att överge föråldrade prioriteringar när nya antas för att undvika en fortsatt fragmentering av de finska biståndsin-satserna.

### **Tecken på förbättringar**

I åtta av de 22 granskade utvärderingarna var det tydligt att poäng för ett eller flera av de olika bedömningskriterierna kunde förbättras till följd av aktiviteter som pågick vid granskningarna. Några av dessa visar på accepterade rekommendationer under pågående planering eller implementering, och andra speglar normala processer inom Utrikesministeriet och hos ambassadpersonal, och utvecklingspartners, där erfarenheter resulterat i förändrade insatser. Kommentarer i intervjudatabasen visar på ett antal områden där åtgärder vidtas för att förbättra biståndets ändamålsenlighet, inklusive information och processledning vid Utrikesministeriet, bättre tekniska resurser vid ambassader och Utrikesministeriet genom ytterligare rådgivare och en effektivare användning av konsulter, en bättre givarsamordning i tidiga skeden i projektcykeln, en utveckling av nya instrument för att engagera forskare och privata intressenter, nya partnersamverkansprojekt med städer i utvecklingsländer, ett förbättrat lokalt ägande och starkare partnerskap inom energisektorn med hjälp av EEP och en uppmuntran till ett friare tänkande inom Utrikesministeriet.

### **Nya utmaningar**

I utvärderingen identifierades ett antal allvarliga nya utmaningar inom arbetet med en hållbar minskning av fattigdomen och dessa måste åtgärdas parallellt med de fattigdomsreducerande investeringarna för att skydda det långsiktiga arbetet. Dessa strategiska hot är: **klimatförändringar**, de som i störst omfattning påverkas är de med minst resurser och som är mest utsatta: dvs. de fattiga och uteslutna, **vattensäkerhet**, runt om i världen finns tiotusentals lokala vattenkriser där de fattiga drabbas allra mest, de orsakas av skadade ekosystem och avledning, överanvändning och föroreningar i vattnet, **livsmedelsförsörjning**, utgår från en orättvis landfördelning och orättvisa handelsvillkor, och prisvariationer som till stor del beror på prisspekulationer, **sociala problem och svaga stater**, eftersom grupper utesluts från ekonomiska möjligheter och uppmannas eller drivs till att agera genom våld och **förstörda ekosystem och förluster av biologisk mångfald**, som utgör grunden för den biologiska produktivitet och de biologiska tjänster som vi alla är beroende av men där de fattiga är mest sårbara.

### **Reagera på nya utmaningar**

Den svaga integrationen av ESD- och CCT-frågor bidrar till ett ifrågasättande av om de nya utmaningarna fullt ut kan hanteras med nuvarande metoder, och pekar på att det kan finnas ett behov av att ompröva strategiska prioriteringar för att kunna agera utifrån stora miljömässiga förändringar och andra förändringar. I takt med att under-

sökningar genomförs för att klargöra detta, föreslås en inriktning på insatser som att exempelvis stärka samhällenas motståndskraft mot påfrestande händelser och som fortfarande har ett värde oavsett händelsernas ursprung. I en värld där extrema väderfenomen och andra katastrofer objektivt ökar i omfattning och innebär en större socioekonomisk påverkan är det är vettigt att ägna särskild uppmärksamhet åt de utslagna och utsatta som kan behöva akuta stödinsatser och i en större omfattning än någonsin tidigare. Den allra sista slutsatsen i den här undersökningen är att finländarna kan vara mycket stolta över sina biståndsprogram men att de behöver förstärkas på en rad sätt. I följande tabell visas en lista med rekommendationer för detta.

## SUMMARY

### Aims and methods

According to the 2007 Development Policy, the ultimate policy goal of Finnish development cooperation is “stable, poverty-reducing economic development on an ecologically sustainable basis” (p. 12). This synthesis evaluation aims to assess whether and how the implementation of current and recent policy has enabled real progress towards this goal. Its purpose is to identify specific achievements, draw lessons from experience, identify innovative solutions to problems, and describe factors that help or hinder Finnish development activities. To do this, a number of lines of evidence are employed. The main source of data is a set of 22 evaluation reports of Finnish ODA-funded activities (including families of actions and projects with a common theme, modality or location) that were commissioned by the Ministry for Foreign Affairs of Finland (MFA) in 2008–2010 and carried out by the decentralized evaluation function. These were reviewed and summarised, and used as a basis for scoring all the activities according to 14 assessment criteria that are in common use by development practitioners, in some cases slightly modified to meet Finnish circumstances. Additional information was gleaned from knowledge holders through semi-structured interviews and questionnaires. Detailed answers to ten ‘umbrella’ questions in the Terms of Reference, and to the 21 ‘research’ questions into which they were unpacked, are given in Chapters 4–9 and summarised in the annexed Evaluation Matrix.

### Findings from evaluation reviews

In descending order of their mean scores across all 22 activities, the criteria are: (1) **relevance** (i.e. to problems and needs); (2) **coherence** (i.e. with Finland’s own policies); (3) **partner satisfaction**; (4) **compatibility** (or alignment, i.e. with the policies of the partner government); (5) **Finnish added value** (i.e. Finland’s unique contribution); (6) **coordination** (or harmonisation, i.e. with other actors); (7) **impact** (i.e. wider effects); (8) **effectiveness** (i.e. results achieved); (9) **sustainability** (i.e. continuing effects); (10) **replicability** (i.e. contribution to improving future activities); (11) **complementarity** (i.e. mutual aid among actors); (12) **efficiency** (i.e. sound management and value for money); (13) **connectedness** (i.e. resilience to external factors); and (14) **activity design** (i.e. overall quality). The top five are taken to reflect particular strengths of the activities, the bottom five particular weaknesses, and the others indicate mediocre performance.

### The highest-scoring criteria

It was inferred that the top five criteria stand out because they indicate strength in performing relatively easy or high-priority tasks: **relevance** can be assessed once at the beginning of the identification stage and is amenable to technically-based and dialogue-based documentation; **coherence** and **compatibility** should score well since anyone formulating an activity would be expected to pay close attention to the donor’s and partner’s priorities; **partner satisfaction** is a strong feed-back mechanism to

which officials are likely to be sensitive; and **Finnish added value** was being actively sought in most of the evaluations reviewed. We therefore conclude that aid personnel tend to pay special attention to highly-visible problems and needs, complying with Finnish policies, exploring and justifying Finland's special role, and securing the good opinions of their hosts.

### **The lowest-scoring criteria**

It was also inferred that the bottom five criteria stand out because they indicate weaknesses in performing the most challenging tasks in development cooperation: **repliability** requires the learning of lessons, the understanding of processes and relationships, and the possibility that future activities can be modelled on improved versions of past ones, all of them challenges for the best knowledge management systems; **complementarity** requires donors and partners to collaborate very closely in identifying, formulating and managing their joint activities; **efficiency** is hard to measure or achieve in any complex enterprise that has only partly-quantifiable inputs and outputs, and intangible influences on context and performance; **connectedness** shows how resilient an activity is to events over which it has little direct control; and **activity design** shows how well the activity was formulated in relation to its local and broader context, the threats and needs operating or anticipated in those contexts, and the arrangements for mitigating or adapting to risks, monitoring and responding to events, and steering the activity towards the delivery of results and impacts in a reasonably efficient manner. The mediocre scores given to **impact**, **effectiveness** and **sustainability** are all believed to reflect weak **activity design**.

### **The special case of activity design**

The bottom-most score for **activity design** is significant, since it is influenced by the presence or absence of such key factors as: clear objectives and selection criteria; clear guidelines, adequate systems, and meaningful, measurable and measured indicators for monitoring and evaluating project achievements in terms of poverty reduction; adequate risk analysis and arrangements for risk management; adequate financial and economic analyses; realistic expectations and relevant assumptions; understanding of relevant legislation and administrative mechanisms; responsiveness to conflicts of interest among key stakeholders; well-developed log-frames that include realistic assumptions and risk analysis, and that are useful and used effectively in activity management; clear and flexible exit strategies; alignment to and management of stakeholder expectations; documented analysis of obstacles and discussion about alternative ways to deal with problems; a participatory approach that actively involves key stakeholders; an appropriate balance in focus between technical inputs, activities and achievements, and impacts and capacity-building collaboration with implementation partners; adequate arrangements for knowledge management to support the learning of lessons and dissemination of findings and conclusions; clear links between activities and intended results, based on adequate information on all the socioeconomic and ecological systems on which they depend or which are likely to be affected; adequate scope for involvement and reward of local suppliers of goods and services; and proactive use of information to ensure that the activity targets the poor as much as

possible. The point is that none of these features is optional if an activity is realistically, adaptively and efficiently to deliver useful results and sustainable impacts.

### **Strengths identified by interviewees and correspondents**

Two other primary sources of information used here were: notes from semi-structured interviews with selected knowledge holders (making up the 'interview database'); and replies to a questionnaire that was sent to a number of international observers (forming the 'correspondence database'). Based on consistent patterns, interviewees perceived the following strengths of the MFA and its activities: its integrated responsibility for foreign, trade and development policy, offering great scope for coherent influence; its deliberate focusing of resources on a few countries and themes; its increasing initiatives on internal knowledge management and training; its effective use of advisers and consultants to fill gaps in skills, knowledge and staff resources; and success stories that revolve around flexible, partnership-based approaches such as the use of Local Cooperation Funds (LCFs), collaboration with Non-governmental institutions (NGOs), work with communities on education and land tenure, and innovations such as the Energy and Environment Partnership EEP. The correspondents added a number of key reputational strengths, including: the high quality of Finnish work in forestry and other areas of natural resource management; its dedicated attention to human rights; the well-thought-out nature of Finland's environmental and sustainable-development policy; and Finland's focused, long-term, partnership-based approach to development cooperation.

### **Weaknesses identified by interviewees and correspondents**

The interviewees also identified a number of weaknesses: the fact that MFA does not fully exploit its opportunities to promote coherence either internally, or externally in the EU and UN; the large number of experimental or fragmented initiatives which tend to dissipate its resources; a lack of organisational flexibility; a slow response to constructive criticism and to emerging 'megatrends' like climate change; a lack of indicators and tools for mainstreaming complex priorities and measuring long-term impacts; and more generally, the relatively low political priority of the aid agenda in Finland. The correspondents also added some more negative observations on the Finnish aid system: that is ineffective in learning and applying lessons; that it uses rigid and restrictive aid modalities that discourage stakeholder input and innovation; and that it shows a degree of obsolescence in undertaking weakly-designed, inefficient and ineffective projects. These observations raise a number of questions for the MFA leadership, for example on how best to use the diplomatic and trade agendas to advance aid priorities, to influence the EU and UN, to focus the aid programme, to harness available skills from outside the MFA, to improve the design of development actions, and to build public support and willingness to pay for Finnish aid.

### **Overview of strengths and weaknesses**

All observations were combined to support analysis of the strengths and weaknesses of Finnish aid as well as its propensity to mainstream the 'cross-cutting issues' (CCTs) and 'environmentally sustainable development' (ESD), its sustainability in general,

and its distinctiveness relative to the work of 'like-minded' donors. In general terms, it was concluded that Finnish activities typically meet the priorities both of Finland and of her partner countries, respond to some but not all elements of the global development agenda, and usually satisfy the needs and wishes of cooperating partners. Partly as a result, Finns are widely respected for their skills, approach and attitudes. On the other hand, with some exceptions and despite often-strenuous Finnish efforts, donors and other stakeholders do not communicate well-enough with one another to achieve much synergy. Environmental and cross-cutting issues are weakly mainstreamed in Finnish activities, so overall sustainability is compromised. Moreover, to judge from the average scores and no doubt with many exceptions, the typical Finnish activity is not well-enough designed to be able to deliver much in the way of short-term results or longer-term and broader impacts, or to adapt to external pressures that may arise. Worst of all, the key aim of all these activities, poverty reduction, is vague, indistinctly measurable and little measured, so it is often assumed to be delivered even when it may not be, or when it occurs for other reasons.

### **Mainstreaming of environmental and cross-cutting issues**

With the partial exception of gender, there are no systematic or obligatory practical arrangements by which ESD and the CCTs are consistently embedded within all Finnish aid activities at all stages. Thus, they are only patchily considered at the early stages of project identification and design, which are the key stages at which to influence activities. This patchiness comes from the fact that, in the absence of more robust procedures, desk officers are crucial for maintaining focus, yet have varied personal interests and skills and are frequently rotated to different responsibilities. The ESD and CCT advisers can only correct this if they are routinely involved, and they may not be, or else they have too little time to maintain their influence continuously. As a result, ESD and the CCTs are often neither considered in project documents nor clearly expressed in the ToR (Terms of Reference) for implementing consultants. Impacts on the ground are accordingly rare, although they are hard to detect since baseline data are scarce and quantitative monitoring is difficult.

### **Finnish added value (FAV)**

The three databases contain information which, taken together, suggest that FAV can be characterised in several different ways: as a set of **values** (e.g. support for human rights, equality and democracy, and egalitarian forms of social organisation); as a set of **technical competencies** (e.g. in the water sector, sustainable land use, meteorology, education, health care, information technology, governance, research, and renewable energy); as a set of **ways of relating to others** (e.g. by offering untied core funding, by promoting inclusive consultations, mutual learning, civil society capacity building and networking, and by maintaining constructive relations with local partners, the donor community and governments); as a set of **priorities** (e.g. in relation to human rights, social and gender equality, sexual and reproductive health, and support for vulnerable groups); and as a set of **performance attributes** (e.g. honesty, inoffensiveness, neutrality, flexibility, focus, effectiveness and efficiency). Finland also sometimes adds value by going to places or doing things that other donors will not or cannot, or



in leveraging new and additional resources. Finally, there is the distinctive courage with which the MFA commissions and publishes independent reviews of its activities, for which it is to be commended.

### **Proxies of sustainability**

The databases consistently highlight features of aid activities that underpin the achievement of sustainable outcomes: local participation in initiation, planning, operation and ownership; cost recovery from service users; legislative change; ongoing support from government budgets; capacity building; appropriate technology; collaboration between institutions; empowerment of women and communities; realistic scale of intervention focus; and stimulation of local businesses and business partnerships. Since sustainability itself is hard to define and to measure, and relevant data are scarce, proxies of sustainability are important. These are arrangements that should usually favour wealth creation, equitability, peace-building and improving the health of people and ecosystems. These are believed to include: secure resource tenure (so that long-term investment and management decisions can be applied); locally-accountable governance (so that those affected by decisions can regulate decision makers); systems in which the beneficiaries of downstream services provided by well-managed ecosystems pay an adequate price to those responsible; education that promotes awareness of how to improve and maintain human and ecosystem health; and mechanisms for the sharing of lessons and solutions among peoples.

### **Motivations and modalities**

The data support the conclusion that local people, expert staff of decentralised Finnish embassies and the NGO partners of Finnish aid are more likely than others to be motivated to perform well on difficult, repetitive or long-term tasks, and are more likely to hold and to use relevant local knowledge. This helps to explain the distribution of high and low scores among the assessment criteria and has important implications for aid delivery and sustainability. Thus the synthesis evaluation examined the modalities that are used in Finnish aid. These reveal various strengths and weaknesses in different circumstances, so few clear conclusions on the universal utility of different modalities can be reached. Those modalities that harness the enthusiasm of expert staff and NGOs, however, are most likely to be associated with detailed local knowledge, long-term engagement with local communities, and the strengthening of local capacities and partnerships, all of them proxies of sustainability. The only two modalities that received no endorsement from the databases were the concessional credit and budget support modalities, and these may require further scrutiny. It will anyway be important to retain the capacity to deliver resources where they are most needed in circumstances that may change in response to new needs (e.g. for climate change adaptation) and new political arrangements (e.g. democratisation, decentralisation). Finland should thus retain a range of options for addressing priorities as they evolve with new knowledge and through dialogue with its various partner governments. It will be important to shed obsolete priorities when new ones are adopted, however, to avoid perpetuating the fragmentation of Finnish aid efforts.

### Signs of improvement

Eight of the 22 evaluations reviewed here made a convincing case that scores for one or more of the assessment criteria would improve as a result of changes to the activities that were underway at the time they were examined. Some of these reflect recommendations being accepted and planned for, or acted upon, and others the general process of MFA and embassy officials, and development partners, learning from experience. In addition, remarks in the interview database highlight a number of areas in which steps are being taken to improve aid effectiveness, including in information and process management at the MFA, in strengthening embassy and MFA technical resources through additional advisers and more effective use of consultants, in increasing donor coordination earlier in the project cycle, in developing new instruments to engage the research community and private sector stakeholders, in new twinning arrangements with developing country cities, in improving local ownership and stronger partnerships in the energy sector through the EEP, and in more independent thinking at MFA.

### Emerging challenges

The evaluation identified a number of serious emerging challenges to the sustainable reduction of poverty, which need to be addressed alongside poverty-reducing investments to safeguard their long-term integrity. These strategic threats comprise: **climate change**, to the effects of which the most vulnerable are those with fewest resources and least resilience: i.e. the poor and the excluded; **water security**, with tens of thousands of local water crises worldwide, all being worst for the poor and all caused by ecosystem damage and the diversion, over-use and pollution of water; **food security**, undermined by unjust land distribution and terms of trade, and price fluctuations driven largely by market speculations; **social problems and state fragility**, as groups are excluded from economic opportunities and driven or encouraged to seek relief through violence; and **ecosystem degradation and biodiversity loss**, which undermine the biological productivity and services on which all people depend, with the poor being most immediately vulnerable.

### Reacting to emerging challenges

The weak mainstreaming of ESD and the CCTs brings into question whether emerging challenges can be fully addressed using current ways and means, and suggests that there may be a need to re-examine strategic priorities so as to accommodate major environmental and other changes. As studies are done to clarify this, the suggestion would be to concentrate on actions, such as strengthening the resilience of communities to all forms of stress, which would still be of merit regardless of the ultimate origins of the stressors involved. This is because, in a world in which extreme weather events and other disasters are objectively increasing in frequency and socioeconomic impact, it makes sense to pay special attention to the excluded and the vulnerable who may need support more urgently, and in greater numbers, than ever previously. Thus the major conclusion of this study is that while Finns can be conditionally proud of their aid programme, it is in need of strengthening in a number of ways. Recommendations for doing so are contained in the following summative table.

Key findings	Conclusions	Recommendations
<b>I. Operational and managerial aspects</b>		
<p><b>Strengths.</b> The highest average scores among all evaluated 22 activities go to the criteria of <b>relevance, coherence, partner satisfaction, compatibility, and Finnish added value.</b></p>	<p>Finnish interventions typically meet the priorities both of Finland and of her partner countries, respond to some but not all elements of the global development agenda, and satisfy the needs and wishes of cooperating partners. Overall, the highest-scoring criteria relate to relatively easy or high-priority tasks.</p>	<p><b>Build upon existing strengths</b>, so that those individuals and institutional stakeholders with the greatest knowledge and motivation (e.g. specialised non-governmental organisations, advisers, embassy expert staff) take on more of the burden of the more difficult tasks.</p>
<p><b>Weaknesses.</b> The lowest average scores go to the criteria of <b>replicability, complementarity, efficiency, connectedness, and activity design.</b> Mediocre scores for <b>impact, effectiveness</b> and <b>sustainability</b> all reflect weak design, which relates to the analysis of context, problems, needs and risks, and the assembly of measures that can deliver useful results and sustainable impacts.</p>	<p>The lowest-scoring criteria relate to the most demanding tasks in aid delivery. The typical Finnish-supported activity is not well-enough designed to be able to deliver much in the way of short-term results or longer-term and broader impacts, or to adapt to external pressures that may arise.</p>	<p><b>Train officials in activity design</b>, which requires a diverse range of key issues to be considered in formulating logframes, M&amp;E systems, management strategies for knowledge, risk, conflict and stakeholder expectations and involvement. Training in the same skills is needed to support meaningful internal evaluations of activities.</p>

Key findings	Conclusions	Recommendations
<p><b>Signs of improvement.</b> Eight of 22 evaluations made a convincing case that scores for assessment criteria would improve as a result of changes to the activities that were underway at the time they were examined. Observers identified a number of areas in which steps are being taken to improve aid effectiveness.</p>	<p>Improvements are seen: in information and process management at the MFA; in strengthening technical resources; in coordination earlier in the project cycle; in engaging research and business communities; in city twinning arrangements; and in local ownership and partnerships in the energy sector.</p>	<p><b>Accelerate</b> the improvements that are already underway and build upon them through training, use of learning and referencing systems, and creative analysis of participant feedback. <b>Review</b> regularly the implementation of recommendations from evaluations and systematically <b>disseminate lessons learned and best practices.</b></p>
<p><b>II. Impact aspects</b></p>		
<p><b>Poverty reduction.</b> Despite the clear overall objective of all development aid interventions, relevant data on poverty reduction impacts remain scarce.</p>	<p>Poverty reduction is a key aim of all activities, yet is vague, indistinctly measurable and little measured, so is often assumed to be delivered even when it may not be, or when it occurs for other reasons.</p>	<p><b>Strengthen participatory poverty reduction analysis</b> and establish sufficient baseline data on root causes of poverty and suitable indicators to ensure that these are expressly endorsed as desirable features of intervention design and outcomes of implementation, and routinely assessed during appraisal and monitoring. <b>Identify indicators</b> that explicitly link with partner country priority MDGs and poverty reduction strategies.</p>

Key findings	Conclusions	Recommendations
<p><b>Sustainability.</b> The definition and measurement of sustainability are highly problematic, and hard and relevant data are very scarce. The interventions reviewed tended to receive only a mediocre score on sustainability, which was attributed mainly to weak design.</p>	<p>The evaluation identified proxies of sustainability, i.e. the association of certain features with expected sustainability, including local participation in initiation, planning, operation and ownership; cost recovery from service users; legislative change; ongoing support from government budgets; capacity building; appropriate technology; collaboration between institutions; empowerment of women and communities; realistic scale of intervention focus; and stimulation of local businesses and business partnerships.</p>	<p><b>Develop guidelines and procedures</b> to ensure that proxies of sustainability are expressly endorsed as desirable features of activity design and outcomes of implementation. <b>Ensure</b> that these proxies are routinely assessed during appraisal and monitoring. <b>Commission</b> studies to further clarify and develop options for measuring sustainability.</p>
<p><b>III. Cross-cutting themes and environmentally sustainable development</b></p>		
<p><b>Cross-cutting themes (CCTs).</b> Despite considerable policy attention and with the partial exception of gender, mainstreaming of the CCTs has generally been weak within Finnish development cooperation</p>	<p>Reasons for failure include a lack of obligatory arrangements to embed CCTs in activity design, a lack of tools and clear guidance, and sub-optimal use of in-house expertise. Mainstreaming requires a more solid understanding of, and better responsiveness to, partner country needs and knowledge in prioritising identified objectives and/or themes.</p>	<p><b>Rename CCTs as critical enabling factors (CEFs)</b>, and include them as themes of all partnerships with national governments. <b>Establish</b> a mandatory step early in activity design where CCTs must be considered, prioritised and appropriate measures specified. <b>Develop</b> digital help systems to support CCT mainstreaming by making it easier to access and share knowledge among officials and other development actors.</p>

Key findings	Conclusions	Recommendations
<p><b>Environmentally sustainable development (ESD).</b> Despite some progress induced by the higher priority given to environment in the 2007 Development Policy, mainstreaming of ESD and climate change issues remains weak.</p>	<p>Reasons for failure include a lack of obligatory arrangements to embed ESD in activity design, a lack of tools and clear guidance. Mainstreaming of climate change is a subject on which most developing countries are becoming increasingly vocal in their need for adaptation, for mitigation by industrial countries and for technical assistance and/or compensation if they are to be able to contribute to mitigation themselves.</p>	<p><b>Include</b> climate change mitigation and adaptation, proactive disaster risk reduction, water and food security, and biodiversity conservation and sustainable use as major themes of all partnerships with national governments. <b>Establish</b> a mandatory step early in activity design where ESD must be considered, prioritised and appropriate measures specified. <b>Develop</b> digital help systems to support environmental mainstreaming by making it easier to access and share knowledge among officials and other development actors.</p>

Key findings	Conclusions	Recommendations
<b>IV. Strategic aspects</b>		
<p><b>Partnerships.</b> Finland emphasises partnerships as a major theme in its aid activities. These take many forms, including contributions to international organisations, contracts to NGOs, framework agreements with governments and grants or commissions to research and educational institutions.</p>	<p>It is not evident that Finland has a clear strategy for building real partnerships that are based on a long-term, shared understanding of mutual interests and priorities, developed through dialogue and jointly-formulated strategic actions. NGOs in particular would benefit from more equal relationships, and research and educational institutions in developing countries would benefit from the transfer of useful skills and technologies.</p>	<p><b>Build genuine partnerships</b> with selected international organisations, NGOs, governments and research and educational institutions in Finland and developing countries, by first determining common strategic priorities, then agreeing an agenda for action, and then jointly identifying and funding activities that will make a real difference.</p>
<p><b>Awareness raising.</b> Improved awareness and understanding is a precondition for public support for aid appropriations and contributes to improved policy coherence between key policy sectors (including foreign policy, trade, security, agriculture, fisheries, migration, energy, environment etc.).</p>	<p>As Finland is committed to raising its ODA level, there is a need for MFA and its partners to actively communicate their achievements and forward-looking plans, thus providing justification and building commitment for Finland's aid programme.</p>	<p>Supported by a professional marketing strategy, <b>conduct awareness raising and tailored communication campaigns</b> to key stakeholders in Finland, including the public and private sectors, the research and education communities, and the general public. <b>Make</b> explicit use of awareness raising in promoting wider policy coherence in key sectors.</p>

Key findings	Conclusions	Recommendations
<p><b>Emerging challenges.</b> The evaluation concluded that emerging challenges to the sustainable reduction of poverty include climate change, water and food security, social problems and state fragility, and ecosystem degradation and biodiversity loss.</p>	<p>Strategic priorities may need to change to accommodate new needs (including changes in aid architecture), and strengthen policy coherence and coordination, while continuing to pay special attention to the excluded and the vulnerable who need support more urgently and in greater numbers than ever previously.</p>	<p><b>Review strategic priorities</b> for reducing poverty according to simple, clear criteria, i.e.: (a) the greatest benefit for the greatest number of the most vulnerable people; and (b) the suitability of a partnership-building approach for delivering these benefits. <b>Ensure</b> sufficient operational and strategic flexibility to continue preventing social harm wherever it occurs and from whatever cause.</p>
<p><b>Thought leadership.</b> Finland regularly submits its aid programme to independent evaluation, and Finland has a great opportunity to use its track-record of independent self-examination to offer thought leadership to the international community of interest in sustainable development.</p>	<p>Finland has discovered certain rules of aid effectiveness that other countries could usefully learn from. These include the principles that good outcomes come from local democratic accountability and NGO activism, arrangements that include fair payments for ecosystem services to those responsible for supplying them, that encourage the negotiation of resource user agreements within the bounds of secure community tenure, or that use information flow to improve the bargaining positions of farmers and that therefore lead to fairer terms of trade.</p>	<p><b>Develop</b> Finnish-branded help systems, guidelines, decision-making keys and other products that aid agency officials in all countries can use to make it easier to do their work more effectively, especially in complex areas of mainstreaming cross-cutting and environmental themes.</p>



Key findings	Conclusions	Recommendations
<p><b>Ideas into action.</b> The flow of ideas is critical to induce innovation, growth and change in the fields of enterprise, governance, social well-being and harm avoidance. The expression and impact of new ideas often occurs through innovative commercial activity, yet there are few signs of this being deliberately encouraged in the Finnish aid programme.</p>	<p>Government support, community activism and/or financial capital are needed to put ideas into effect. There is a need for better understanding of enabling environments for private investment and for managing public-private aid modalities, including seed capital to allow innovation and business development based on new ideas.</p>	<p>Partnerships and activities that tend to <b>promote the flow of ideas</b> should be encouraged, including knowledge-sharing meetings and exchange visits, institutional twinning, and research collaboration. Train officials to analyse and <b>catalyse private sector partnerships and pro-poor investment</b>. Identify ways to specifically finance innovation among the poor.</p>
<p><b>Ongoing strategic monitoring.</b> As Finland considers how to address major development challenges, it should give thought to the issue of how to ensure that the next generation of policy and practice not only target the problems that threaten the poor worldwide, but also how lessons are learned and improvements can continue to be made.</p>	<p>Feed-back systems are required between the beneficiaries of activities and the officials who design and implement them, and also between Finnish efforts and the broader global community of interest. Independent quality control arrangements would also be desirable.</p>	<p>Options for <b>independent quality control</b> include: retain an international network of expert observers; retain one or more international or Finnish NGOs to monitor and report; use the OECD/DAC Peer Review process more effectively; and/or monitor international information sources to confirm effective targeting of efforts. <b>Repeat synthesis evaluations</b> every 3–5 years.</p>

# I PURPOSE AND METHODS OF THE EVALUATION

## 1 INTRODUCTION

### 1.1 Evaluation Objectives

Poverty reduction has been an over-arching goal of Finnish development policy since 1993 and forms the major objective of current Finnish development policy (see Chapter 3). The current Development Policy (MFA 2007, p. 12) stresses that “favourable economic development is the best tool against poverty” and that “Eradicating poverty is possible only if progress made in developing countries is economically, socially and ecologically sustainable”. The *objective* of this synthesis evaluation is therefore to assess how the sustainable economic, ecological and social development approach has enabled progress towards the overall poverty reduction goal of Finnish development policy. Hence its *purpose* is to identify specific achievements of Finnish development cooperation from this point of view, to draw lessons from experience and identify innovative solutions to problems in planning and implementation, and to identify factors that help or hinder Finnish development activities. The Terms of Reference (ToR) are reproduced in Annex 1.

### 1.2 Evaluation Context

Progress is being made against poverty in many developing countries, including in Finland’s eight long-term partner countries of Ethiopia, Kenya, Mozambique, Nepal, Nicaragua, Tanzania, Vietnam and Zambia. Among these, only in Kenya does poverty seem to be on the increase, while in six others it has declined by 10 to 25 percent over the last 10–15 years, and Vietnam has achieved even more spectacular progress (MFA 2009d, p.76). At the same time, neither the costs nor the fragility of this progress should be forgotten, for the economic growth in which the poor are increasingly participating involves the transfer of much of the natural world’s productivity and capital to human use, and there are many signs that natural systems are under grave stress as a result. Since those same systems support the livelihoods of billions, growth on these terms may prove to be self-limiting. The significance of this for sustainable development is explained in Box 1.

**Box 1** Leadership position of the World Bank Group on ecosystems and development.

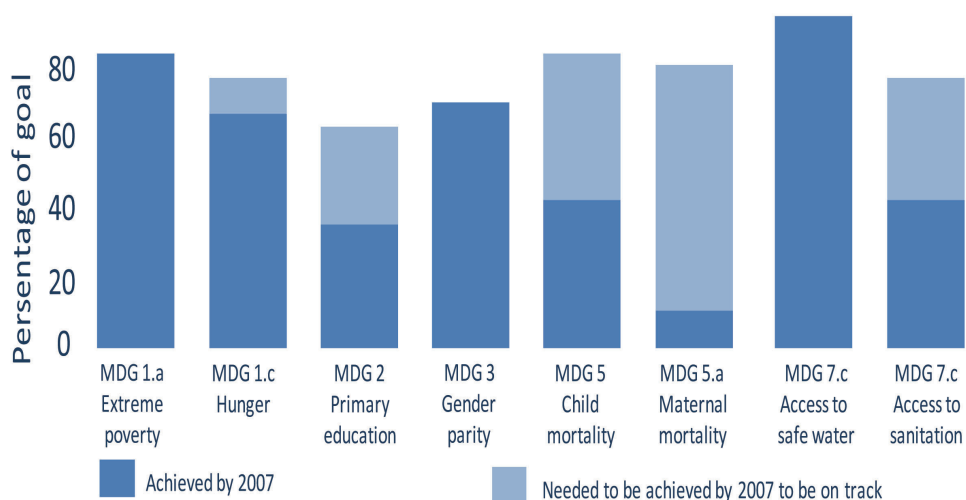
“2010 is the International Year of Biodiversity, a time for the nations of the world to take stock of how well we are taking care of the planet. Over the past 50 years, people have changed ecosystems more rapidly and extensively than at any comparable period in our history. These changes have contributed to many development gains, but with notable environmental costs: biodiversity loss, land degradation, and reduced access to adequate water and natural resources for many of the world’s poorest people ... The mission of the World Bank Group is to overcome poverty and support inclusive and sustainable development. The conservation and sustainable use of natural ecosystems and biodiversity are critical to fulfilling these objectives. Biodiversity is the foundation and mainstay of agriculture, forests, and fisheries, as well as soil conservation and water quality. Biological resources provide the raw materials for livelihoods, sustenance, medicines, trade, tourism, and industry. Genetic diversity provides the basis for new breeding programmes, improved crops, enhanced agricultural production, and food security. Forests, grasslands, freshwater, and marine and other natural ecosystems provide a range of services, often not recognized in national economic accounts, but nevertheless vital to human welfare: regulating water flows, flood control, pollination, decontamination, carbon sequestration, biodiversity conservation, and nutrient and hydrological cycling. Terrestrial and oceanic ecosystems play a significant role in the global carbon cycle. Protection and sound management of natural ecosystems maintain carbon sinks and provide natural solutions and services that enable societies to adapt to climate change”.

Source Zoellick 2010.

Although there is debate about the definition of poverty, driven partly by changing perceptions of what is truly important in life, and evolving techniques for measuring it, there is at least broad consensus that people must be understood to be poor who have especially low social status and income, few savings or other resources, limited access to basic services, and little security from famine, disease, exploitation, environmental calamity and war. Also widely accepted is that a key priority of development assistance, investment and cooperation must be to enhance their position according to these measures. Such is the over-arching goal of Finnish development policy, and the same principle is embedded in the internationally-agreed Millennium Development Goals (MDGs) by which progress in this area is to be measured up to 2015:

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a Global Partnership for Development.

As shown in Figure 1, progress has been good on some of the MDGs (e.g. on extreme hunger, gender parity and access to safe water), but less so on others (e.g. on maternal and child mortality, sanitation, and primary education). The MDGs give a context to this synthesis evaluation, but since they were formulated a decade ago an increasingly nuanced understanding has arisen of how they can be achieved sustainably. Thus development practitioners have experimented with and learned from efforts to facilitate the creation of wealth without harmful side-effects, and to ensure its equitable distribution among people. As a result, there is greater clarity on how sustainable poverty reduction depends on certain preconditions. It has long been understood that these include financial and economic resources and access to health and educational services, although the fact that these have not always been delivered effectively has inhibited achievement of the MDGs. They are now joined by other factors that can also interfere with progress and undermine the sustainability of achievements. These additional preconditions include the presence of viable ecosystems, the maintenance of biodiversity, and the equitable distribution of ecosystem-derived goods and services such as fresh water and environmental security. Awareness of the key role of ecosystem health is expressed by MFA (2009d), which states that “Ecologically sustainable development is the foundation of all development in the Development Policy Programme” (p. 12). It should also be noted, however, that all development cooperation is taking place in an increasingly complex and interconnected world, with changing population and poverty dynamics (ETTG 2010). This demands additional policy coherence and complementarity, as well as a better understanding of how development cooperation can be made more effective in ways that guide societies more broadly towards jointly-agreed goals.



**Figure 1** Indicators of international progress on the MDGs (redrawn from World Bank 2009).

## 1.3 Structure of the Report

The synthesis evaluation report is in four main parts:

- Part I: Purpose and methods of the evaluation (Chapters 1–2)
- Part II: Goals, modalities and stakeholders of Finnish aid (Chapters 3–5)
- Part III: Findings on the attributes of Finnish aid (Chapters 6–9)
- Part IV: Challenges, conclusions and recommendations (Chapters 10–12).

Following the introduction, Chapter 2 presents the evaluation approach and methods. Chapters 3–5 provide a concise description of the goals of Finnish development policy, and the key modalities and stakeholders involved, thereby setting the stage for the evaluation analysis. Findings on the attributes of Finnish aid activities are presented in the subsequent chapters, looking at the strengths and weaknesses of Finnish activities (Chapter 6), the mainstreaming of cross-cutting themes within them (Chapter 7), as well as their sustainability (Chapter 8) and distinctiveness (Chapter 9). Building on these findings, and taking note of emerging development issues (Chapter 10), the evaluators reach conclusions on opportunities for improving Finnish aid processes (Chapter 11). The report concludes with a set of recommendations designed to accelerate progress towards the overall poverty-reduction goal of Finnish development policy in a quickly-changing world (Chapter 12), after which a number of Annexes are also presented:

- Annex 1: Terms of Reference of the Synthesis
- Annex 2: People consulted (interviewees and correspondents) (on CD)
- Annex 3: Documents consulted (on CD)
- Annex 4: Spreadsheet of scores for all evaluations and criteria (on CD)
- Annex 5: Evaluation matrix with answers to the questions posed in the ToR (on CD)
- Annex 6: Reviews of all evaluations (on CD).

The 22 reviews in Annex 6 refer to the following publications:

- **Annex 6:1 (‘Partnership Agreement Scheme’)**: Virtanen P, Mikkola K & Siltanen M 2008 *Finnish Partnership Agreement Scheme*. Evaluation report 2008:1. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 95 p. ISBN 978-951-724-672-9.
- **Annex 6:2 (‘Local Cooperation Funds’)**: Poutiainen P, Mäkelä M, Thurland M & Virtanen P 2008 *Evaluation of Local Cooperation Funds, Role in Institution Building of Civil Society Organizations*. Evaluation report 2008:2. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 84 p. ISBN 978-951-724-700-9.
- **Annex 6:3 (‘Namibia’)**: Valjas A, White P, Thompson-Coon R & Gowaseb K 2008 *Evolving New Partnerships between Finland and Namibia*. Evaluation report 2008:3. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 67 p. ISBN 978-951-724-702-3.

- **Annex 6:4 ('FIDIDA')**: Hirstiö-Snellman P 2008 *FIDIDA: An Example of Outsourced Service 2004–2008*. Evaluation report 2008:4. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 39 p. ISBN 978-951-724-690-3.
- **Annex 6:5 ('NGO Foundations')**: Williams P J, Venäläinen R & Santisteban R 2008 *Finnish NGO Foundations*. Evaluation report 2008:5. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 118 p. ISBN 978-951-724-710-8.
- **Annex 6:6 ('Cross-cutting Themes')**: Kääriä T, Poutiainen P, Santisteban R & Pineda C, Chanda J, Munive A, Pehu-Voima S, Singh K & Vuorensola-Barnes S 2008 *The Cross-cutting Themes in the Finnish Development Cooperation*. Evaluation report 2008:6. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 93 p. ISBN 978-951-224-714-6.
- **Annex 6:7 ('Kosovo')**: Seppänen M & Karttunen A 2008 *Kosovo Country Programme*. Evaluation report 2008:7. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 70 p. ISBN 978-951-724-716-0.
- **Annex 6:8 ('Central Asia and South Caucasus')**: Starr S F, Cornell S & Oksajärvi Snyder M 2009 *Finland's Development Cooperation in Central Asia and South Caucasus*. Evaluation report 2009:1. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 65 p. ISBN 978-951-724-729-0.
- **Annex 6:9 ('Development Research')**: Helland J, Namaalwa Jjumba J & Tostensen A 2009 *Support to Development Research*. Evaluation report 2009:3. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 120 p. ISBN 978-951-724-756-6.
- **Annex 6:10 ('Western Kenya')**: Weir A, Notley M & Katui-Katua M 2009 *Finnish Aid to Western Kenya*. Evaluation report 2009:5. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 105 p. ISBN 978-951-724-786-3.
- **Annex 6:11 ('NSS Higher Education Network')**: Stenbäck T & Billany N 2009 *Evaluation of North-South-South Higher Education Institution Network Programme*. Evaluation report 2009:7. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 81 p. ISBN 978-951-724-791-7.
- **Annex 6:12 ('DEMO')**: Hällhag R & Sjöberg F M 2009 *Political Parties for Democracy (DEMO Finland) Development Programme*. Evaluation report 2009:6. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 76 p. ISBN 978-951-724-784-9.
- **Annex 6:13 ('Meta-Analysis')**: Williams P J & Seppänen M 2009 *Meta-Analysis of Development Evaluations in 2007 and 2008*. Evaluation report 2009: 9. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 85 p. ISBN 978-951-724-809-9.
- **Annex 6:14 ('HIV/AIDS')**: Tuominen M, Taylor M & Costa D 2009 *Meta-analysis of Development Cooperation on HIV/AIDS*. Evaluation report 2009:4. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 90 p. ISBN 978-951-724-770-2.

- **Annex 6:15 ('Disasters and Climate Change')**: Srinivasan G, Lehtonen T, Munive A & Subbiah A, Reis A, Kontro M & Niskanen L 2009 *Natural Disasters and Climate Change in Finnish Aid from the Perspective of Poverty Reduction*. Evaluation report 2009:8. Ministry for Foreign Affairs of Finland, Hakapaino Oy, Helsinki, 100 p. ISBN 978-951-724-807-5.
- **Annex 6:16 ('Agriculture')**: Ministry for Foreign Affairs of Finland 2010 *Evaluation of Agriculture in the Finnish Development Cooperation*. Draft evaluation report. Ministry for Foreign Affairs of Finland.
- **Annex 6:17 ('Water')**: Matz M, Blankwaardt B & Ibrahim-Huber S 2010 *Evaluation of Finnish Development Cooperation in the Water Sector*. Draft evaluation report 2010. Ministry for Foreign Affairs of Finland.
- **Annex 6:18 ('Egypt')**: Ecorys team 2010 *Transition towards a New Partnership with Egypt*. Draft evaluation report. Ministry for Foreign Affairs of Finland.
- **Annex 6:19 ('Ethiopia')**: EconPöyry team 2010 *Finland's Development Cooperation with Ethiopia 2000-2008*. Draft evaluation report. Ministry for Foreign Affairs of Finland.
- **Annex 6:20 ('Forestry and Biological Resources')**: LTS International Ltd team 2010 *Evaluation of Finnish Support to Forestry and Biological Resources*. Draft evaluation report. Ministry for Foreign Affairs of Finland.
- **Annex 6:21 ('Energy')**: Alhojarvi P, Durix L, Godbout M-K, Lafontaine A & Spearman M 2010 *Evaluation of Finnish Support to the Energy Sector*. Draft final report 14 Jul 2010. Ministry for Foreign Affairs of Finland.
- **Annex 6:22 ('Concessional credit')**: DFC S.A.U. team 2010 *Concessional Credit 2002-2009*. Pre-draft desk evaluation report 2010. Ministry for Foreign Affairs of Finland.

## 2 METHODS OF THE EVALUATION

### 2.1 Introduction

This chapter describes the information resources available to the synthesis team for use in addressing the Terms of Reference (ToR), and how the team extracted organised knowledge from them. The evaluation method is based upon: (1) the ToR of the assignment (Annex 1); (2) the methods proposed in Gaia's tender document; (3) comments made by the MFA on the draft Inception Report of 23 March 2010; and (4) the subsequent final and accepted outline of methods presented in the revised Inception Report of 27 April 2010. The evaluation "synthesizes together information derived from evaluations carried out in 2008 and 2009 and from those which will be completed during 2010... and from the [three] sub-evaluations under the current umbrella undertaking" (ToR, §2.2).

Supplemented by literature review (Annex 3), most data were obtained from a desk-based analysis of 19 evaluations commissioned by the MFA in 2008–2010, and of the three sub-evaluations undertaken in May–July 2010: on forestry and biological resources by LTS International Ltd (LTSI, of the UK); on energy by Le Groupe-Conseil baastel sprl (Baastel, of Belgium); and on concessional credit (by DFC S.A.U., of Spain). These 22 evaluation reports offer a broad and detailed picture of recent development cooperation activities, covering a great diversity of countries, regions, sectors, aid modalities, and project/programme durations (Annex 6). Additional data were obtained through semi-structured interviews with selected knowledge holders in Helsinki, and an informal network questionnaire administered to a number of international observers.

## **2.2 Evaluation Matrix**

The ToR included a set of ten umbrella questions devised by the MFA as a guideline for the evaluation team to use in commenting upon important evaluation-based development issues as they are understood by the MFA, as well as to ensure compatibility between the analyses used in the synthesis evaluation and the three concurrent sub-evaluations, all of which had similar guidelines. The synthesis team analysed the umbrella questions and unpacked them for clarity into an Evaluation Matrix identifying 21 ‘research questions’ (RQs). For each RQ, significant relationships were defined to Finnish and internationally-recognised evaluation criteria, allowing relevant indicators and means and sources of verification to be established for each RQ and used for the later analysis. The ten umbrella questions, the unpacked RQs, and the associated indicators and means and sources of verification are all presented in the Evaluation Matrix, in Annex 4. Based on the findings of the evaluation criteria assessment, every RQ in the matrix has been answered to the satisfaction of the team.

## **2.3 Evaluation Criteria**

Fourteen evaluation criteria were identified by the team, of which five were those defined by OECD (Organisation for Economic Co-operation and Development)/DAC (Development Assistance Committee) (relevance, efficiency, effectiveness, sustainability and impact) and required by the ToR to be addressed. Other key criteria were those that are considered all-important in the context of Finnish Development Policy, which responds to the demands of the Paris Declaration and the Accra Agenda for Action on aid effectiveness and therefore requires high standards of coordination, complementarity and compatibility. Yet others include those that are assumed to be of concern to Finnish tax payers, and whose representatives can be expected to take a strong interest in efficiency, coherence and Finnish added value. The team has added from its previous evaluation experience other criteria that reflect key issues for development programmes, namely connectedness, activity design, partner satisfaction and replicability. These 14 evaluation criteria are listed and defined in Table 1.



**Table 1** Definitions of the 14 evaluation criteria used in the synthesis evaluation.

<b>Criterion</b>	<b>Description</b>
<b>Relevance</b>	Relevance relates to problems and needs, and concerns whether the results, purpose and overall objectives of the activity are in line with the needs and aspirations of the beneficiaries, and with the policy environment of the activity.
<b>Efficiency</b>	Efficiency relates primarily to sound management and value for money.
<b>Effectiveness</b>	Effectiveness relates to the achievement of results that further progress towards achieving the activity's specific purpose.
<b>Impact</b>	Impact relates to wider effects, and therefore the extent to which durable changes in any aspect of the well-being of targeted beneficiaries or others have improved as a direct or indirect result of the activity.
<b>Sustainability</b>	Sustainability relates to the likely continuation of results and impacts achieved by the activity after it ends.
<b>Coordination</b>	Coordination (or harmonisation) describes the interaction with relevant groups and other donors in a partner country, ideally so that synergies occur and conflicts or overlaps do not.
<b>Complementarity</b>	Complementarity relates to how well concurrent activities support one another, and the specific skills and benefits that various partners in an activity or a region can bring to achieving desired outcomes.
<b>Compatibility</b>	Compatibility (or alignment) relates to how well the goals of Finland's development cooperation policy or partner country's development policy are taken into account in planning and implementing activities.
<b>Connectedness</b>	Connectedness relates to the linkages between systems that are being targeted by an activity and other systems that may affect outcomes (i.e. vulnerability or resilience to external factors).
<b>Coherence</b>	Coherence describes whether activities are in line with internal policies and strategies, and in harmony with those of other ministries involved in development cooperation.

Criterion	Description
<b>Finnish added value</b>	Finnish added value describes the contribution to an activity of knowledge, skills, approaches, priorities and processes that are specifically Finnish in nature.
<b>Partner satisfaction</b>	Partner satisfaction refers to the extent to which the activity's partners are satisfied with its results, equally applied whether those partners are global, regional, national, local or community-level institutions.
<b>Activity design</b>	Activity design relates to the analysis of context, problems, needs and risks, and the assembly of measures that can realistically, adaptively and efficiently drive the activity to deliver useful results and sustainable impacts (see Section 2.4).
<b>Replicability</b>	Replicability concerns the learning of lessons, the understanding of processes and relationships, and the possibility that future activities can be modelled on improved versions of past ones.

The team decided that in principle not all the criteria in Table 1 are equally significant, since some can be considered 'obligate' and some not. An obligate criterion is one which relates to something that *must* be well conceived and/or implemented if a sustainable impact on poverty reduction is to be achieved. They comprise:

- *relevance, effectiveness* and *impact* (since without them, actual problems and needs are unlikely to be addressed and nothing useful will then be achieved);
- *sustainability* (since without it, the activity may as well not have occurred);
- *connectedness* (since without it, gains may be jeopardised by other factors);
- *partner satisfaction* (since without it, the activity may leave no descendents and the partnership will eventually dissolve); and
- *activity design* (since a poor design with inadequate understanding of the activity's context is likely to affect everything else negatively).

Even though they indicate desirable attributes, the other criteria are inherently rather less critical. They comprise:

- *efficiency* (less critical because some money is always wasted and managers are always less than perfect);
- *coordination* (less critical because synergies are not always essential and conflicts or overlaps not always fatal);
- *complementarity* (less critical because useful work can still be done without it);

- *compatibility* and *coherence* (less critical because the most interesting projects are often slightly beyond current policy and may as such contribute to policy development); and
- *Finnish added value* (less critical because, although interesting, the parameters of ‘Finnishness’ will always be hard to define and seldom vital to an activity).

The fourteenth criterion, *replicability*, could not be unambiguously assigned to either group, since the desirability of replication will depend on the quality of the activity, even though it is always important to learn lessons that might be applicable elsewhere. In any case, although the distinction between obligate and other criteria is meaningful in general and theoretical terms, the team has treated all of them equally in the analysis. Yet, in the final assessment, the obligate criteria have been particularly emphasised when crafting recommendations for strengthening the policies and practices of Finnish development cooperation.

## 2.4 Activity Design Criterion

The activity design criterion is an important but complex and demanding obligate criterion, which acts as the lynch-pin of activity assessments. It is intended to capture information about how well the activity was formulated in relation to its local and broader context, the threats and needs operating or anticipated in those contexts, and the arrangements for mitigating or adapting to risks, monitoring and responding to events, and steering the activity towards the delivery of results and impacts in a reasonably efficient manner. The interested reader is referred to the narrative summaries for this criterion in Annex 6. In summary, however, the scoring of activity design is influenced by the presence or absence of a number of factors, including:

- clear objectives and selection criteria;
- clear guidelines, adequate systems, and meaningful, measurable and measured indicators for monitoring and evaluating project achievements in terms of poverty reduction;
- adequate risk analysis and arrangements for risk management;
- adequate financial and economic analyses;
- realistic expectations and relevant assumptions;
- understanding of relevant legislation and administrative mechanisms;
- responsiveness to conflicts of interest among key stakeholders;
- well-developed logframes that include realistic assumptions and risk analysis, and that are useful and used effectively in activity management;

- clear and flexible exit strategies;
- alignment to and management of stakeholder expectations;
- documented analysis of obstacles and discussion about alternative ways to deal with problems;
- a participatory approach that actively involves key stakeholders;
- an appropriate balance in focus between technical inputs, activities and achievements, and impacts and capacity-building collaboration with implementation partners;
- adequate arrangements for knowledge management to support the learning of lessons and dissemination of findings and conclusions;
- clear links between activities and intended results, based on adequate information on all the socioeconomic and ecological systems on which they depend or which are likely to be affected;
- adequate scope for involvement and reward of local suppliers of goods and services; and
- proactive use of information to ensure that the activity targets the poor as much as possible.

## 2.5 Evaluation Scoring System

Because the sustainability of the relationship between development cooperation and poverty reduction is a complex, diverse, weakly defined, yet dynamic and generally challenging issue, it has been essential to employ a rigorous process for managing data, information and knowledge. As reliable quantitative information is scarce, proxies and scores have been used where appropriate to quantify findings. An ordered structure was applied to the findings to inform, validate and support the narrative accounts that have answered the questions posed in the ToR. Thus the synthesis team examined every evaluation report, applying the 14 evaluation criteria defined in Table 1 to yield both a narrative summary and an assessment rating score for each criterion and each activity – a total of  $22 \times 14 = 308$  potential data points for presentation in a summary matrix (Annex 4).

The scoring system was based entirely on the findings for each activity as contained in the evaluation reports, supplemented by reasonable inferences that are explained in the narratives prepared by the synthesis team. An assessment scoring system was applied based on current EC monitoring practice (EuropeAid 2006), that allowed results to be found for each evaluation criterion. In this system, a score of ‘a’ means *very good* (i.e. no real need for improvement was detected); ‘b’ means *good* (i.e. a few points re-

quired improvement, but the activity was otherwise sound); ‘c’ means *some problems* (i.e. significant improvement should have been required); and ‘d’ means *serious deficiencies* (i.e. the action should have been rethought or should not have been supported).

Since this system creates seven possible scores, allowing for intermediates, they could be transformed for analytical purposes into numerical equivalents ( $d = 1$ ,  $c/d = 2$ ,  $c = 3$ ,  $b/c = 4$ ,  $b = 3$ ,  $a/b = 6$ ,  $a = 7$ ). This allowed mean scores to be calculated across all 14 criteria for each activity, and across all activities for each criterion. These data are used particularly in the discussion of strengths and weaknesses of Finnish aid (Chapter 5), as well as in the treatments of cross-cutting themes (Chapter 6) and sustainability (Chapter 7).

## 2.6 Assessment Consistency

Since the task of reviewing the 22 evaluation reports was divided among the four senior members of the synthesis team, clear guidelines were agreed in advance. The aim was to provide for maximum possible accuracy, objectivity and consistency. Examples include: that if something was spotted that may have been important but was missed or barely mentioned by the evaluators, it was noted as a potential justification for conclusions about the activity; that everything was to be defensible by using the evidence; that inferences from the evidence were to be marked as such; and that questions that arose which could not be answered from the evaluation report were to be noted for further enquiry, with priority being given to matters that had significant implications – for the evaluation, for lessons learned, and/or for policy.

In making judgements about the 14 criteria, it was essential that all team members had an equal understanding of the criteria and scoring system, while also being able to apply their particular areas of expertise to the most relevant subjects. A staged process was therefore adopted. The evaluations were first divided into groups with individual team members assigned to take lead responsibility for analysis of those that most closely matched their own knowledge. Each team member then prepared a pilot analysis of one activity, whilst the Team Leader did the same for that same activity; the results were then compared and divergences discussed and decisions made for strengthening consistency. The team then familiarised itself with all of the evaluations, and each team member provided a critical review of the assessments prepared by other team members. Finally, the Team Leader synthesised all the findings into a coherent matrix and the present report. Drafts of chapters and sections were peer-reviewed at all stages by the entire team. Furthermore, as the synthesis evaluation occurred in parallel with three sub-evaluations, measures for effective coordination and harmonisation were instituted during the whole process, including joint stakeholder interviews with the sub-evaluation teams, joint participation in meetings in Helsinki, and regular email correspondence within the synthesis team and with the sub-evaluation teams.

## 2.7 Evaluation Review Database

The review database is presented in Annex 6, where each of the 22 reviews is divided into three parts. Part 1 is an ‘overview of the activity based on the evaluation’, which summarises the nature of the theme, modality or programme that was evaluated, and the main findings, conclusions and recommendations of the evaluation. Part 1 also comments on the quality of language and analysis used in the evaluation itself, and on any methodological and contextual issues that are relevant to a proper understanding or appreciation of it. In some of the most recent cases (referenced as ‘2010:X’ in Section 1.3) it was necessary to use evaluations that had not yet been finalised for publication by the MFA, although assurances were received that no substantive changes to the content were anticipated.

Part 2 then presents a ‘narrative analysis by evaluation criterion, with assessment scores’, which presents the case for each score given to each of the 14 criteria. These are typically summaries of or quotations from key parts of the evaluation text that lead the reviewer towards a particular score for that criterion. The interested reader is referred to the narrative summaries for each criterion in Annex 6, where a sense can be obtained of the process by which scores were awarded. This process will become particularly clear when reading examples of narratives yielding high (‘a’ to ‘b’) and low (‘c’ to ‘d’) scores. The final scores for each criterion are given in the relevant cells of Part 2, each often being based on several individually-scored pieces of narrative, weighted according to the reviewer’s judgement (e.g. a low score for an insignificant fragment of a programme would have little influence on the final score if far more important parts of the same programme scored highly for that criterion). Part 2 also comprises a searchable database of material that was used to shed light on such matters as the mainstreaming of cross-cutting themes and environmentally sustainable development. Finally, Part 3 presents ‘current and anticipated future evaluation scores’ for each criterion. Such future scores were given if there was evidence that changes to the activity were likely to affect the assessment of any criterion. This was used to give a sense of dynamic change in the practices of Finnish aid.

## 2.8 Interview and Correspondence Databases

Additional information was gathered by questioning professional stakeholders, such as policy makers, desk officers, consultants, NGOs and officials of relevant public and private institutions. A total of 43 people were interviewed in meetings each lasting between 90 and 150 minutes. Questions were based on key issues related to the overall goal of reducing poverty, namely: policy development, quality and sustained impact of activities, contributions from cross-cutting themes to achieving the goal, emergent issues that may affect it, and priorities for improving cooperation activities in relation to it. Those who participated in these semi-structured interviews are termed ‘interviewees’ here.

In a separate process, individual experts were also invited to comment on key issues, namely: the reputation of Finnish aid delivery, the existence and nature of emergent issues, and the evolving priorities of development aid. A total of 18 people responded in person, although several had consulted widely within their organisations before doing so. They are termed ‘correspondents’ here, and were selected using the team’s knowledge of the individuals concerned, or sometimes the recommendations of the interviewees or correspondents themselves. They were chosen to represent a range of officials working at a senior level in (or recently retired from) development agencies, international financial institutions, NGOs and consulting firms, with an admixture of academics and independent consultants. A professional interest in environmental issues was evident, however, among many of those who actually responded, and this potential bias was taken into consideration in the analysis.

The interviewees and correspondents generously provided abundant reflections, observations and suggestions to enrich and in many cases verify findings obtained by other means. However, compliant with MFA policy, almost all direct quotations are excised from this report and the interested reader is referred to the databases themselves which will be maintained by Gaia Consulting Oy. Major patterns are summarised in the text, or mentioned where they shed light on conclusions reached from analysis of the evaluation reviews.

## II GOALS, MODALITIES AND STAKEHOLDERS OF FINNISH AID

### 3 GOALS

#### 3.1 The Over-arching Goal of Poverty Reduction

The United Nations General Assembly in its Resolution 2626 of 1970 committed developed countries to the target of contributing 0.7 percent of gross national income (GNI) as official development assistance (ODA) to the developing world. The Government of Finland endorsed this target at the time, but as a recent net recipient of financial aid was not in a position to do much about it. This changed during the 1970s and 1980s, and Finland issued its first comprehensive aid policy in 1993 under the title *Finland's Development Cooperation in the 1990s*. Thereafter the policy was periodically updated and revised, with milestones including:

- *Government Decision-in-Principle on Finland's Development Cooperation* (1996);
- *Government Decision-in-Principle on Finland's Policy on Relations with Developing Countries* (1998);
- *Operationalisation of Development Policy Objectives in Finland's International Development Cooperation* (the '2001 Development Policy');
- *Government Resolution on Development Policy* (the '2004 Development Policy'); and
- *Development Policy Programme 2007: Towards a Sustainable and Just World Community* (the '2007 Development Policy').

These policies have all stated Finland's commitments to poverty reduction, promotion of social equality, democracy and human rights in developing countries, as well as combating global environmental threats. In addition to these central policy documents, the Government has also issued from time to time more detailed policy and strategy documents, which address specific themes, sectors and cross-cutting issues. All of these, like the policies, are formulated with poverty reduction very much in mind.

#### 3.2 The Integral Goal of Sustainable Development

The World Commission on Environment and Development, known as the Brundtland Commission after its Norwegian Chair Dr Gro Harlem Brundtland, was convened by the United Nations (UN) in 1983 and published its report in 1987 (WCED 1987). It was created to address growing concern about the deteriorating human environment and its consequences for development. The term *sustainable development* was used by the Brundtland Commission to mean development that "meets the needs of



the present without compromising the ability of future generations to meet their own needs”. This definition “... cleverly captures two fundamental issues, the problem of the environmental degradation that so commonly accompanies economic growth, and yet the need for such growth to alleviate poverty” (IUCN 2006, p. 2). Following the 1992 United Nations Conference on Environment and Development, the idea of sustainable development has been integral to Finnish development policy. However, this concept has evolved over the years, reflecting an increasing understanding of limitations on the supply and exploitation of both renewable and non-renewable natural resources, the importance of ecosystem services and biodiversity for human societies, the multiple interconnections and feedback systems within and between man-made and natural systems, and changing perceptions of how to address sustainability challenges.

In 1999, for example, the MFA's *Guidelines for Programme Design, Monitoring and Evaluation* (MFA 1999) defined eight dimensions of sustainability for development activities, these being: (1) policy environment; (2) economic and financial feasibility; (3) institutional capacity; (4) socio-cultural aspects; (5) participation and ownership; (6) gender; (7) environment; and (8) appropriate technology. The 2004 Development Policy (MFA 2004) identified sustainable development as a key principle, and environment as a central cross-cutting theme. The 2007 Development Policy (MFA 2007) states that development policy is an integral part of Finnish foreign and security policy, and clearly builds on previous ones by emphasising sustainable development and poverty reduction as major goals. In particular, it notes that eradicating poverty is possible only if progress is made in developing countries that are economically, socially and ecologically sustainable, and compared with earlier policies it puts greater emphasis on ecological sustainability and climate change. Its implementation is supported *inter alia* by guidelines on the environment (MFA 2009a), the water sector (MFA 2009b) and the forest sector (MFA 2009c). A similar evolution can be seen with regards to the cross-cutting themes (CCTs), which have always been strongly present in Finland's development policy even though their identities and how they are to be interpreted have varied over time (Kääriä, Poutiainen, Santiseteban, Pineda, Chanda, Munive, Pehu-Voima, Sing & Vuorensola-Barnes 2008; Chapter 7).

### **3.3 Guiding Principles of Finnish Development Policy**

The 2007 Development Policy defines policy coherence, complementarity and effectiveness as the guiding principles of Finnish development cooperation. To strengthen policy coherence, it defines trade and development, rural development and the relationship between poverty and the environment as central policy focus areas. On effectiveness, the policy reiterates Finland's commitment to the Paris Declaration and the aim to improve the predictability and continuity of development funding. It also highlights the intention to intervene where Finnish added value can be provided, for example in the form of Finnish personnel or expertise.

Finland reduced the number of long-term partner countries from 11 to eight during the 2000s, the aim being to improve aid effectiveness and sustainability (OECD 2007). Both the 2004 and 2007 policies identified these as Ethiopia, Kenya, Mozambique, Nepal, Nicaragua, Tanzania, Vietnam and Zambia, but the later policy defines other priority areas and countries for assistance, and outlines the different funding modalities and instruments to be used in Finnish development cooperation (Chapter 4). The 2007 policy also responds to an EU External Relations Council decision in 2005 by re-committing Finland to raise its ODA appropriations to 0.7 percent of GNI by 2015 (which had previously only once been attained, in 1991).

## 4 AID MODALITIES

### 4.1 Overview

Finnish development cooperation uses various modalities for delivering “stable poverty-reducing economic development on an ecologically sustainable basis” (MFA 2007, p. 12). They include bilateral, multilateral, research, budget support, NGO, Local Cooperation Fund, concessional credit and other cooperation instruments. Each has its own distinctive arrangements and stakeholders, and they have been applied separately or together in various combinations in thematic/sectoral and country cooperation programmes. This chapter briefly describes the main features of these modalities and indicates their utility in different circumstances.

The various modalities have been applied in a context that has evolved with an overall shift in development cooperation from a conventional ‘development aid’ approach prior to the beginning of the millennium to a more ‘comprehensive’ approach initiated and strengthened during the last decade. This has meant an increasing emphasis on the principle that development support should be a “real partnership with the emphasis on developing countries’ ownership of their own development” (MFA 2007, p. 5), with a corresponding focus on strengthening partners’ own policy development capacities and administrative management systems.

Finland operates bilaterally, regionally and multilaterally, with NGOs and the EU, and supports joint programming within the EU and with the broader donor community (2007 Development Policy, p. 24). In line with the Paris Declaration and Accra Agenda, it aims to improve effectiveness by organising development cooperation into larger entities focusing on fewer, more carefully-selected countries, regions and themes. An OECD Development Assistance Committee report has commended Finland “for acting on the advice of the previous peer review and successfully reducing the number of long-term partner countries from 11 to 8 and also for adopting clear and appropriate transition strategies where necessary” (OECD 2007, p. 13).

## 4.2 Bilateral Cooperation

Finland's bilateral ODA more than tripled in nominal terms between 2002 and 2009, from US\$251 million to US\$786 million, and nearly doubled in real terms (i.e. in constant 2008 US\$) over that period, from US\$413 to US\$ 805 million (OECD 2010). In line with Target 8.b of MDG 8 ("Address the special needs of the least developed countries [LDCs]") and its associated indicator (increased share of ODA to LDCs), Finnish bilateral ODA to the LDCs increased from about a quarter to about a third of the total, partly at the expense of other low- and middle-income countries and countries in transition. Finland's eight long-term partner countries have benefited disproportionately, partly because four of them are LDCs (Ethiopia, Mozambique, Tanzania and Zambia), and partly as a result of the shedding of three former partners (Namibia, Egypt and Peru). Of the eight long-term partners, Tanzania and Mozambique received almost half of the total disbursement in 2008. A new disbursement line for countries and regions recovering from violent crises was introduced in 2008, covering Afghanistan, Bosnia-Herzegovina, Kosovo, Sudan and the Palestine Territories. More than a quarter of total ODA is typically reserved each year for other needs, including support to NGOs and for funding tools such as the Local Cooperation Fund, concessional credits, institutional cooperation and business partnership programmes.

Finland directs its grant-based programmatic funding primarily to the forestry, water, environment, energy, education and training, health and regional and rural development sectors. The funding approach applied in such programmes can take one or other of three forms: as Sector-Wide Approach programmes (SWAp), as general budget support, or as sector budget support. Budget support is adopted where possible and is in principle based on Finland's assessment of the recipient countries' public management systems and their ability to administer transparently. Another bilateral tool used by Finland is project cooperation, which according to the 2007 Development Policy is applied where recipient management systems are not conducive to programme-based cooperation. This modality is also used to underline important themes in programme-based cooperation, and it is particularly suited to the utilisation of Finnish expertise.

## 4.3 Specialised Bilateral Modalities

### Local Cooperation Fund (LCF)

The LCF is a localised funding mechanism that is often managed by Finnish embassies (Annex 6:2). It has operated as an independent aid instrument since 2000 as a result of the merger of three aid modalities (small grants, democracy funds and cultural funds) that had earlier been available for Embassies to use. In 2007, the total LCF budget was € 13.6 million, which represents five percent of the Finnish bilateral and regional development aid. The overall goal of the LCF is to strengthen local civil society organisations (CSOs) to enable them to continue their activities without contin-

ued external support. The LCF has been particularly useful for NGO-based activities themselves and as a complementary funding channel for related initiatives such as the Partnership Agreement Scheme and the NGO Foundations modality.

### **NGO Funding**

Non-governmental organisations have an important role in Finnish development cooperation and handled around 12 percent of total ODA in 2009. Their work complements other forms of development cooperation on a bilateral, multilateral and EU basis. The special value that NGOs can add is their direct contact with the grass-roots and their work in strengthen civil society in developing countries. More than half of all Finnish aid to NGOs is channelled through the Partnership Agreement Scheme (PAS; Annex 6:1). Other NGO arrangements include support to the three Finnish NGO Foundations (which disburse funds to CSOs in developing countries; Annex 6:5), a specialised arrangement with FIDIDA Finnish Disabled People's International Development Association (Annex 6:4), and LCF grants from Finnish embassies (Annex 6:2). The strategy used by Finland is to contract NGOs to deliver services, using the embassies and NGO organisations as intermediaries in the transactions, and in the expectation that capacity building will occur as a result of the NGOs being required to manage the contracts and implement contracted activities.

### **Development Research and the Institutional Cooperation Instrument (ICI)**

In 1998–2008, the MFA spent €56.8 million on development research, with €30 million being routed through the Academy of Finland (AoF, €24.2 million) or disbursed by direct commission (€5.8 million). The other €26.8 million was given as budget support to Consultative Group on International Agricultural Research (CGIAR) (€13.5 million), UN institutions (€3.5 million), the World Bank (€4.9 million) and other organisations (€4.9 million). In addition, the Institutional Cooperation Instrument ICI was initiated in 2008 on a pilot basis and aimed to strengthen cooperation and capacity building efforts between institutions in general, and between universities and research institutes in partner countries in particular.

### **Finnpartnership**

This modality funds business partnership programmes managed by Finnfund, which is a Finnish development finance company that provides long-term risk capital for profitable projects in developing countries and Russia. The Finnpartnership programme was created in 2006 to mobilise Finnish investments and manage the transfer of technology and expertise to developing countries (e.g. through joint ventures or business-oriented technological co-operation), as well as to enhance exports from developing countries to Finland and the EU. It provides grants for developing business partnerships, matchmaking services, and advisory services in business legislation, strategic planning and financing.

### **Concessional Credits**

According to the 2007 Development Policy, concessional credits are to be used primarily, and without distorting local markets, for environmental and infrastructure in-

vestments under national development programmes that support cooperative projects by companies in the partner countries. Established in 1986 and particularly applied in China and Vietnam in the 2000s, a concessional credit is a commercial export credit (a buyer's credit) for mainly Finnish made deliveries, which is supported by an interest subsidy and financed by a Finnish or European financial institution (Annex 6:22). The interest subsidy is paid out of Finland's development cooperation budget, so the recipient of the credit pays no interest. The scheme combines provision of export credits by commercial banks with interest subsidies from ODA.

### **Aid for Trade**

The Aid for Trade initiative was launched at the 6th Ministerial Conference of the World Trade Organisation in 2005, and aims to strengthen the production capacity of developing countries and their capacity to trade. It therefore supports trade policy development, facilitates trade, and strengthens the operating environment for entrepreneurship and business life, including the strengthening of economic infrastructure. In 2007, Finland contributed about US\$ 50 million through this modality, which was mainly disbursed to enhance construction and production capacity and economic infrastructure in developing countries, mostly in the agriculture, forestry and sustainable energy sectors. Finnish Aid for Trade pays particular attention to improving women's entrepreneurship, to the incubation of micro-, small- and medium-sized enterprises, and to training on entrepreneurship and rural businesses through Finnish NGOs.

## **4.4 Multilateral Modalities**

### **Contributions to international organisations**

Finland's multilateral ODA more than doubled in nominal terms between 2002 and 2009, from US\$211 million to US\$500 million, and increased significantly in real terms, from US\$347 to US\$513 million (OECD 2010). In 2009, Finland granted over 43 percent of its total multilateral ODA budget to the European Commission and European Development Fund, and nearly 30 percent to UN agencies such as Food and Agriculture Organisation (FAO), World Food Programme (WFP), United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA), United Nations Children's Fund (Unicef), Joint United Nations Programme on HIV/AIDS (UNAIDS) and United Nations Environment Programme (UNEP). Finland also contributes to international research institutions (such as institutions (such as Center for International Forestry Research CIFOR, The World Agroforestry Centre ICRAF and others within the CGIAR network), regional IFIs such as the African and Asian development banks and the Global Environment Facility.

### **Humanitarian Assistance**

Humanitarian aid is released in response to needs assessments by the United Nations and other organisations, of which the most important is the UN's flash appeal for emergency aid. Finland disbursed €73 million for humanitarian aid in 2009 (MFA

2010), or just over nine percent of the country's total bilateral ODA. This focused on crisis health care, food aid and other support to refugees, internally-displaced persons and victims of warfare, droughts, floods, earthquakes and other disasters. About half the money (€36.7 million) went to Africa, and most of the rest (€23.1 million) to core funding (i.e. for organisations, including the United Nations Refugee Agency (UNHCR), the United Nations Relief and Works Agency (UNRWA), Unicef, UNFPA, WFP, Red Cross/Crescent and Finnish NGOs) or sectoral funding (i.e. for multilateral baskets). The balance went to a range of beneficiaries in Latin America (Colombia, El Salvador), Asia (Afghanistan, Burma/Myanmar, Indonesia, North Korea, Pakistan and Sri Lanka), Europe (Georgia) and the Middle East (Palestine, Iraq, Lebanon, Syria and Yemen). Naturally the precise distribution of humanitarian assistance tracks the distribution and timing of major upsets in the human condition.

## 4.5 Evolving Aid Architecture

More than 90 000 aid projects were running worldwide in 2007, an average of around 600 in each developing country that was receiving aid, and 2 000 or more in some of them (Frot & Santiso 2010). This snapshot of activity conceals a dynamic shift over the last few years in project focus and budget allocation, from the economic and production to the social sectors. Recent years have also seen a rapid increase in aid partnerships, with new donors entering the scene both bilaterally and multilaterally. Meanwhile, several previous aid recipients (including Brazil, China, Russia, Saudi Arabia and Venezuela) have become major aid donors and investors in developing countries. In many respects the former axes and epithets of the development system, such as 'North-South', 'East-West', 'industrial-developing', 'G8', 'G77', and 'DAC/non-DAC', are being superseded by new networks. This has been accompanied by a multiplication of agencies that handle aid disbursements within both new and old donor countries, while NGOs of various kinds have also grown and proliferated and have brought in their own new aid modalities. The need has never been greater for donor coordination to avoid fragmentation of aid and secure its efficiency.

The arrival of new donors and innovative funding and partnership arrangements is welcome, since traditional ODA cannot deliver the MDGs alone, and extreme poverty would still only have been halved even if all countries attained all of them. However, the growth and diversification of the aid business pose many challenges, not least that 'transmission losses' caused by governance issues and unpredictable, fragmented and inefficient aid delivery are now estimated to be at least several billion US dollars annually (Killen & Rogerson 2010). Following the Paris Declaration of 2005 and the Accra Agenda of 2008, Finland is strongly committed to reduce fragmentation and increase coordination, although in the evaluations reviewed here Finnish activities achieved only a mediocre score on the coordination criterion (Chapter 6). This is consistent with a review of Finland's response to the Paris Declaration (Salmi & Mikkola 2007), which concluded that, although coherence and coordination had received much attention, there was still little understanding of the Declaration outside

MFA staff who worked directly on issues related to it, and that there was a lack of the MFA and inter-ministerial working groups, instructions, guidelines and training that are needed to ensure coherence on issues such as climate change, use of natural resources, and agriculture. The MFA has since taken further measures and actively shares information with other ministries, but the role of new actors in regional and national theatres accentuates the need for extra effort to ensure that policy and programming frameworks meet coordination and coherence needs. Some of these new actors have the potential to dwarf existing programmes. They include, for example, China's strategy of massive direct investment in Africa's natural resources and infrastructure (Brautigam 2010), Norway's offer of a billion US dollars to reward avoided deforestation in Indonesia (Lang 2010), and the actions of private companies seeking to profit from multi-billion dollar carbon-market investments across what remains of the forested world (Parker, Mitchell, Trivedi & Mardas 2009; CMIA 2010).

## 5 STAKEHOLDERS AND PARTNERSHIPS

### 5.1 Introduction

Recognising the added value to be obtained through close collaboration among stakeholders, successive development policies have all stressed the importance of partnerships in aid delivery. The instruments that structure and guide these partnerships are the country, regional and thematic programmes, and the various aid modalities all have guidelines that specify how partnerships should work. The MFA web-site gives access to 24 such documents, all developed with stakeholder input and in themselves offering evidence of the primacy of an inclusive and participatory approach to development cooperation. These arrangements are complemented by stakeholder cooperation mechanisms such as joint working groups (e.g. in agriculture and rural development between the MFA and the Ministry of Agriculture and Forestry of Finland, with participation by the Central Union of Agricultural Producers and Forest Owners and the University of Helsinki) and thematic development clusters that the MFA operates for various topics (e.g. for energy, environment and climate change, forestry, information society and water) (MFA 2008, p 9).

### 5.2 Finnish Stakeholders

Finnish stakeholder institutions include local authorities, ministries and other public bodies, institutions in the field of trade and economy, universities, institutions of higher education and research, political parties and private companies. Members of the Finnish Parliament are also seen as individual stakeholders. Creation and nurturing of the community of stakeholders has been in the care of the MFA, while the Government as a whole decides on the choice of target countries for long-term de-

velopment activities to be implemented by the sectoral ministries and other actors. Finland's embassies abroad hold in-depth knowledge and technical expertise on development issues, so are first-line focal points for aid delivery. Their collaboration with the MFA in overall planning and monitoring of development cooperation, including annual reporting to Parliament, is encouraged as a matter of policy to ensure relevance, coherence and effectiveness of Finnish aid. Since 1993 Finnish development policy has acknowledged that effective long-term international cooperation is impossible without broad public support. Hence the MFA seeks to provide public access to information on Finland's aid programme, and extends through its website a large volume of official documents for public scrutiny. It also works with sectoral agencies to promote awareness of global issues and the value of multiculturalism. Its position is that extensive interaction among interest groups and individuals is a key positive aspect of globalisation, and the development activities of Finnish NGOs signify a special contribution to strengthening the Finnish people's awareness of their global and social responsibilities.

## **5.3 Bilateral Partnerships**

### **Country Partnerships**

Finland delivers development assistance through several types of partnerships with recipient countries. The choice of partner country is based on the following criteria: (a) the country's need for assistance (e.g. its poverty level and the state of its environment); (b) support already received (e.g. action by other donors and the level of development funding, joint programming processes, the role of multilateral actors and the EU); (c) the country's political situation and ownership (e.g. the human rights situation, its own commitment to address development challenges, and the role of civil society); (d) the added value that can be offered to it by Finland, and its administrative capacity for cooperation; and (e) the status of Finland's own policy priorities in the country's development plans.

The choice of long-term partner countries is also influenced by Finnish and EU commitments to support LDCs and those in sub-Saharan Africa in particular. Thus the main focus of Finland's bilateral cooperation is on eight long-term partner countries (Ethiopia, Kenya, Mozambique, Nepal, Nicaragua Tanzania, Vietnam and Zambia). Cooperation with these countries is based on multi-annual cooperation plans, and at the beginning of each new programming period a comprehensive review of all its key partner countries is undertaken. This considers Finland's role and added value within the donor community in each country, as well as the country's need for continuing assistance. When it is decided to reduce intergovernmental cooperation, a transition strategy is drawn up jointly with the partner country and guided by EU best practices. Examples of this process being undertaken include Egypt (Annex 6:18) and Namibia (Annex 6:3).

Finnish policy is to promote peace and security as important dimensions of development and as a way to address challenges in fragile states and circumstances, where



state structures lack political will or capacity to deliver basic functions needed for poverty reduction and development, and to safeguard the security and human rights of their people. These criteria are met by Nepal, Kenya and Ethiopia among the long-term partners, but several more temporary partner countries do so as well, including Afghanistan, Bosnia and Herzegovina, Kosovo, Sudan and the Palestinian Territories. Here Finland concentrates on supporting crisis resolution and stabilising conditions through humanitarian and other types of assistance. There is also the category of ‘cooperation of limited duration’, which is used for countries which need special international support, for instance because of natural disasters or social upheaval.

### **NGO Cooperation**

Finnish NGOs undertake activities in all sectors of Finnish development cooperation, and are often highly effective. When giving grants to NGOs, the general approach of the Finnish Government is to respect their independence in choosing their methods, provided that there is no conflict with development policy. The three main mechanisms for NGO funding are: (a) the NGO Partnership Scheme, which currently has framework agreements with 10 large NGOs (Annex 6:1); (b) project-based funding for another 140 Finnish NGOs; and (c) funding provided to three NGO foundations, which make small-scale grants to support activities in developing countries (Annex 6:5). Other MFA support to CSOs in developing countries is provided through the LCF managed by Finnish Embassies (Annex 6:2). In addition, the MFA finances various international NGOs, an NGO Service Centre (KEPA), which provides services to an estimated 270 Finnish NGOs, and the Finnish non-governmental development organisation platform (KEHYS RY), which supports NGOs on EU development policy issues.

### **Partnerships with Research Institutions**

Development research focuses on the circumstances of developing countries and features of the international aid system, and/or can involve research cooperation with individuals and institutions in developing countries, as well as capacity building and investments in developing country or international research institutions (Annex 6:9). The main partners within Finland are the 119 research schools at 20 universities, plus research institutes that include those for food and agriculture (MTT), forestry (METLA), environment (SYKE) and health (THL). Multilateral partners in development research include the UN University and the UN Research Institute for Social Development, and within the sphere of the World Bank the Knowledge for Change Programme. Other prominent international partners are the CGIAR institutions (CIFOR, ICRAF, International Food Policy Institute IFPRI, and International Livestock Institute ILRI). Development research supported by the MFA in Finland is managed mainly by the Academy of Finland, while some is directly commissioned by the MFA. The Academy and MFA have intertwined Development Research Strategies that give primacy to the interests and independence of researchers, and neither the Academy-led nor the MFA-commissioned studies are strongly determined by specific MFA interests.

## 5.4 Multilateral Partnerships

### Regional Partnerships

Regional partnerships are usually founded on themes that are of specific importance to Finland, such as sustainable forestry and forest industry, the water sector, the environment and climate, the information society, consolidating trading capacity and promoting social stability, and crisis prevention and support for peace processes. When undertaken regionally, the legal and operational frameworks are provided by regional cooperation plans which are developed in close collaboration with regional organisations and multilateral institutions. Finland's main regional cooperation targets are the Mekong river region, Central America, the Andean Community, southern Africa, the Horn of Africa, the Western Balkans, the Southern Caucasus, and the Mediterranean area. Aid is also provided to African, Caribbean and Pacific states to support implementation of Economic Partnership Agreements. Strategies towards Eastern Europe, the South Caucasus and Central Asia will be implemented from 2010 under the Wider Europe Initiative, which will significantly increase the volume of Finland's aid to the region by 2013.

### Global and Financial Partnerships

Finland acknowledges the importance of multilateral actors in Finnish bilateral and regional cooperation where it is necessary to rely on multilateral actors' expertise and work input in long-term cooperation countries and especially in areas where Finland lacks its own foreign representation or resources. Otherwise, the main targets and channels of Finland's multilateral cooperation are the UN system (especially UNDP, Unicef, UNFPA and WFP, but also UNEP, FAO, World Health Organisation WHO, UNESCO and the International Labour Organization ILO) and the development banks (i.e. the World Bank Group, African Development Bank AfDB, Inter-American Development Bank IDB and International Fund for Agricultural Development IFAD). Finnish collaboration with these partners is based on joint programming and multi-year financing for thematic cooperation, as well as core funding. Thematic cooperation is guided by Finland's policy goal of supporting economically, socially and environmentally sustainable development and the perceived corresponding strengths of selected organisations. State fragility, peace-building and humanitarian assistance are areas of special cooperation between Finland and multilateral partners including the EU.

### III FINDINGS ON THE ATTRIBUTES OF FINNISH AID

## 6 STRENGTHS AND WEAKNESSES

### 6.1 Introduction

This chapter focuses on the evidence that Finnish aid has characteristic strong and weak points in its conceptualisation, design, administration, delivery and effects. The main analyses are based ultimately on the evaluation review database in Annex 6, the scores from which are summarised by criterion and activity in Annex 4. These are used to identify patterns: (a) *across* activities, using the ranks of mean scores for the 14 assessment criteria; and (b) *within* activities, using the internal distribution of high and low scores for the different criteria within activities, which are also ranked from best to worst according to their mean scores. The interview and correspondence databases are also used to enrich the discussion of findings. Findings are considered with reference to observational bias, and those patterns that are considered meaningful are interpreted in terms of the motivations of stakeholders relative to the complexity of tasks and the sustained diligence needed to achieve high scores consistently on particular indicators.

### 6.2 Patterns across Activities

As described in Chapter 2, the 22 activities reviewed in Annex 6 were scored ‘a’ to ‘d’ according to all 14 assessment criteria (where ‘a’ = very good and ‘d’ = seriously deficient). High scores (of a-b) were taken to indicate tasks well done or other signs of positive process or result, and low scores (of c-d) the opposite. The scores were transformed into seven numerical equivalents (d = 1, c/d = 2 ... a = 7), and mean scores were calculated across all 14 criteria for each activity, and across all activities for each criterion. The resulting spreadsheet is presented in Annex 4, representing the numerical distillate of over 80,000 words in Annex 6. It is accepted that there is a fair amount of ‘noise’ surrounding these statistics, but it is believed that they are well-founded and robust enough to be meaningful if interpreted with care.

If the activities are ranked by mean score for each criterion, the five highest ranks are taken by **relevance**, **coherence**, **partner satisfaction**, **compatibility** and **Finnish added value** (Table 2). These all achieve ‘good’ mean scores of 4.60–5.55, meaning that, taken overall, activities tended to be sound when examined with respect to the features represented by these five criteria. After a sharp step downwards in mean score (from 4.60 to 4.29), however, the four criteria of **coordination**, **impact**, **effectiveness** and **sustainability** cluster around the distinctly mediocre score of 4.00. The five lowest ranks are taken by **replicability**, **complementarity**, **efficiency**, **connect-**

**edness** and **activity design**, all scoring well below 4.00 on average, that is on the weaker side of ‘somewhat problematic’. In the case of **efficiency**, **connectedness** and **activity design**, the mean scores cluster close to ‘frankly problematic’. Thus, taken overall, improvements should have been required from the points of view represented in these last five criteria, and especially the last three.

**Table 2** Ranking of criteria by mean score across all activities for the 22 evaluations reviewed in Annex 6 (not all evaluations contained enough information to score every criterion).

Criterion (code)	Number of scores	Mean score	Rank by mean score
Relevance (REL)	22	5.55	1
Coherence (COH)	22	5.23	2
Partner satisfaction (SAT)	21	4.81	3
Compatibility (CTY)	21	4.67	4
Finnish added value (FAV)	20	4.60	5
Coordination (CDN)	21	4.29	6
Impact (IMP)	19	4.26	7
Effectiveness (EFT)	22	4.09	8
Sustainability (SUS)	19	3.95	9
Replicability (REP)	21	3.90	10
Complementarity (CMP)	20	3.75	11
Efficiency (ECY)	22	3.64	12
Connectedness (CON)	21	3.62	13
Activity design (DES)	22	3.27	14

### 6.3 Patterns within Activities

Analysis of overall mean score (OMS) for all criteria within the 22 activities caused four groups to emerge (Table 3):

- Group 1 comprises five activities with **relatively good** OMS above 5.00, these being NSS Higher Education (1), Ethiopia (2 equal), Kosovo (2 equal), Western Kenya (4), and Water (5);
- Group 2 comprises six activities with OMS above the median of 4.38 and are therefore **above-average** (with OMS ranging from 4.43 to 4.71), these being NGO Foundations (rank 6), Meta-analysis (7), Finnish Partnership Agreement

(FPA) Scheme (8), FIDIDA (9), Namibia (10 equal), and Local Cooperation Funds (10 equal);

- Group 3 comprises six activities with **below-average** OMS of between 3.93 and 4.33, these being HIV/AIDS (rank 12), Forestry and Biological Resources (13), Egypt (14), Central Asia/Southern Caucasus (15 equal), Development Research (15 equal), and Energy (17);
- Group 4 comprises six activities with **relatively poor** OMS of between 2.86 and 3.50, these being Agriculture (rank 18), DEMO Finland (19), Cross-Cutting Themes (20 equal), Disasters & Climate Change (20 equal), and Concessional Credit (22).

Rather than being an activity itself, the 2009 Meta-analysis in Group 2 is mainly of use in providing an independent assessment of the aid programme and reports on it in 2007–2008. It does not necessarily define the assessment criteria in the same way as this study; for example, its conclusions on relevance are largely stated in terms of compatibility with partner policies and coherence with donor policies, rather than with reference to problems objectively described. Leaving the Meta-analysis aside, therefore, the other ten good or above-average activities comprise four country programmes, one sector programme, three NGO programmes, the LCF modality and a university networking activity. The NGO, LCF and university activities are identified in Chapter 7 as relatively bright spots in the otherwise rather dismal scenery of CCT mainstreaming. All ten had at least six criteria that scored ‘good’ to ‘very good’, (Group 1 had 9–13 of them, Group 2 had 6–7). All those in Group 1 scored highly by the five criteria of **relevance, effectiveness, compatibility, coherence** and **partner satisfaction**. By only two criteria were all eleven of the good or above-average activities scored highly, these being **relevance** and **coherence**, but others scored well in most of them: **compatibility** (9), **Finnish added value** (8), **partner satisfaction** (8), **impact** (8) and **effectiveness** (7). Among the twelve poor or below-average activities, those in Group 4 achieved 0–3 high-scoring criteria but 7–11 low-scoring ones (and all included **complementarity**, and **activity design** in that category), while there was an even balance between high and low scores by criteria in Group 3.

At 22.5 percent of all scores, ‘b/c’ (or 4.00) was considerably more common than would have been expected if the scores had been distributed evenly among the seven options (i.e. 14.3 percent each). Lying between ‘good’ and ‘problematic’, ‘b/c’ is not a particularly encouraging assessment score, and its frequency implies rather lacklustre performance widely spread among the activities. In some cases it may reflect a reviewer having disaggregated a complex criterion into several dimensions which score differently, with ‘b/c’ being the compromise score. On the other hand, it may also reflect an unwillingness by reviewers to choose between a reassuring ‘b’ and a challenging ‘c’ for projects with which they had some sympathy. Thus there is a suspicion that the ‘b/c’ score might be a source of bias, so more attention is given here to contrasting the extreme scores of ‘good’ to ‘very good’ (i.e. ‘a’ to ‘b’, or around 6.00) with those of ‘problematic’ to ‘seriously deficient’ (i.e. ‘c’ to ‘d’, or around 2.00).

**Table 3** Ranking of activities by mean score across all criteria for the 22 evaluations reviewed in Annex 6.

Activities	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Coordination	Complementarity	Compatibility	Connectness	Coherence	Finsh Value Added	Partner Satisfaction	Intervention Design	Replicability	Mean Score Overall	Rank by Mean Score
NSS Higher Ed (Annex 6:11)	●	●	●	●	▲			●	●	●	●	●	●	▲	5,42	1
Ethiopia (Annex 6:19)	●	●	●	●	●	●	●	●		●	●	●	●	●	5,29	2
Kosovo (Annex 6:7)	●	●	●	●	●		●	●	▲	●	●	●	●	●	5,29	2
W Kenya (Annex 6:10)	●	●	●		●	●	●	●	●	●		●	▲	●	5,14	4
Water (Annex 6:17)	●	●	●			●	●	●	▲	●		●	●	▲	5,08	5
NGO Foundas (Annex 6:5)	●	●	●	●		▲	●	●		●	●				4,71	6
Meta-analysis (Annex 6:13)	●	▲		●	●			●		●	●		●		4,69	7
FPA Scheme (Annex 6:1)	●		●	▲	●		●	●		●			▲		4,57	8
FIDIDA (Annex 6:4)	●	▲		●		●		▲	▲	●	●	●	▲	●	4,50	9
Local Coopn Funds (Annex 6:2)	●		●	●	▲	▲	▲	●	▲	●	●	●			4,43	10
Namibia (Annex 6:3)	●	▲		●			●	●	▲	●	●		▲		4,43	10
HIV/AIDS (Annex 6:14)	●						▲	▲	▲	●			●		4,33	12
Forestry (Annex 6:20)	●	●	▲			●	●		▲	●	▲	●	▲	▲	4,31	13
Egypt (Annex 6:18)	●					●	▲	▲	▲	●	▲	▲	▲		4,15	14
Asia/Caucasus (Annex 6:8)	●	▲				▲	▲	▲	▲		●	●		●	4,00	15
Devt Research (Annex 6:9)	▲	▲	▲	●	●	●	▲	▲	●	▲	●		▲	●	4,00	15
Energy (Annex 6:21)	●	▲		▲		●	▲	●	▲	●	▲	▲	▲	●	3,93	17
Agriculture (Annex 6:16)	●	▲			▲	▲	▲	▲	▲	●	▲	●	▲	▲	3,50	18
DEMO Finland (Annex 6:12)		▲	▲	▲	▲		▲	▲	▲	●	●	●	▲	▲	3,43	19
Cross-Cutting Themes (Annex 6:6)	●	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲		▲	▲	3,00	20
Disasters & Climate Change (Annex 6:15)			▲	▲	▲	▲	▲	▲	▲	▲	▲		▲	▲	3,00	20
Concessional credit (Annex 6:22)		▲	▲	▲	▲	▲	▲	▲	●	▲	▲	▲	▲	▲	2,86	22

● = a score from 'good' (b) to 'very good' (a)    ▲ = a score from 'problematic' (c) to 'seriously deficient' (d)

Source: Annexes 4 & 6.

## 6.4 Patterns Identified by Interviewees and Correspondents

### The interview database

Key points made by the interviewees were divided into those which can be construed as positive or negative, and which may be expected to shed light on ‘strengths’ and ‘weaknesses’ respectively. On this basis, the perceived strengths of the MFA and its activities include:

- its integrated responsibility for foreign, trade and development policy, offering great scope for coherent influence;
- its deliberate focusing of resources on a few countries and themes;
- its increasing initiatives on internal knowledge management and training;
- its effective use of advisers and consultants to fill gaps in skills, knowledge and staff resources; and
- success stories that revolve around flexible, partnership-based approaches such as the use of LCFs, collaboration with NGOs, work with communities on education and land tenure, and innovations such as the EEP.

The interviewees however noted that these strengths are partly off-set by a number of issues:

- by the fact that MFA does not fully exploit its opportunities to promote coherence either internally, or externally in the EU and UN;
- by the large number of experimental or fragmented initiatives which tend to dissipate its resources;
- by a lack of organisational flexibility;
- by a slow response to constructive criticism and to emerging megatrends like climate change;
- by a lack of indicators and tools for mainstreaming complex priorities and measuring long-term impacts; and more generally,
- by the relatively low political priority of the aid agenda in Finland.

### The correspondence database

The correspondents identified a number of characteristic qualities of Finnish aid (see Chapter 9), alongside several key reputational strengths. The latter include:

- the high quality of work in forestry and other areas of natural resource management;
- dedicated attention to human rights;
- the well-thought-out nature of environmental and sustainable-development policy; and
- a focused, long-term, partnership-based approach to development cooperation.

On the other hand, the correspondents also characterised Finnish aid in more negative terms:

- as ineffective in learning and applying lessons;
- as using rigid and restrictive aid modalities that discourage stakeholder input and innovation; and
- as showing obsolescence in undertaking weakly-designed, inefficient and ineffective projects.

## 6.5 Patterns Among Aid Modalities

The modalities used in Finnish development cooperation reveal various strengths and weaknesses in different circumstances (Table 4). Similarly diverse results are found in the review, interview and correspondence databases. As a result, few clear conclusions on the universal utility of different modalities can be reached. The only two that received no endorsement from the review database were the concessional credit and budget support modalities, which may therefore require further scrutiny in order to maximise effectiveness of aid investment in future. It will anyway be important to retain the capacity to deliver resources where they are most needed in circumstances that may change. Many developing countries, for example, are now requesting project-based support with which to explore climate change mitigation (e.g. through REDD pilots) and adaptation. Moreover, as countries decentralise and democratise, new needs and opportunities arise to work with local governments and NGOs. Indonesia is a case where both these points apply, as a country where in recent years democracy has been restored, local governments greatly empowered, NGOs liberated, and climate change mitigation and adaptation adopted as national (and in places local) priorities. Finland should thus retain a range of options for addressing priorities as they evolve with new knowledge and through dialogue with its various partner governments. A similar conclusion was reached by observers of the Irish aid programme, who noted “the need to continuously explore innovative aid modalities that would most appropriately meet the needs of the individual country and contribute to its policy development” (Irish Aid 2008, pp. v, ix).

**Table 4** A sample of strengths and weaknesses among aid modalities, drawn from the 22 evaluations reviewed in Annex 6.

Modality	Observed strengths	Observed weaknesses
Budget support		<p><b>Annex 6:6:</b> Low impact on mainstreaming cross-cutting themes.</p> <p><b>Annex 6:7:</b> Too unfocused to target special and inclusive education and other narrow specialised fields.</p>



Modality	Observed strengths	Observed weaknesses
Sector-wide support	<p><b>Annex 6:6:</b> High impact on mainstreaming cross-cutting themes; field impacts imply good sustainability.</p> <p><b>Annex 6:16:</b> Relatively cheap to manage (especially if using basket funding) although slow in implementation.</p>	<p><b>Annex 6:11:</b> Might sacrifice the opportunity to build sustainable outcomes relative to those offered by portfolios of diverse, small-scale, project-based and pilot activities.</p>
Bilateral projects	<p><b>Annex 6:15:</b> Efficient in building capacity at public and private institutions.</p> <p><b>Annex 6:8:</b> Tend to be effective in meeting local needs and are locally popular.</p> <p><b>Annex 6:17:</b> Water and sanitation projects are highly effective among directly-targeted populations.</p>	<p><b>Annex 6:15:</b> Being strongly localised, projects are often unable to mobilise other agencies or line ministries at a higher level.</p> <p><b>Annex 6:17:</b> Project-tailored solutions may be too context-specific to be replicable using the partner's own systems.</p> <p><b>Annex 6:16:</b> Efficiency is undermined by stringent administrative and financial procedures, centralisation of decision-making, low levels of ownership, excessive use of international technical assistance, and parallel structures such as project management units which have inflated management costs and also undermine sustainability.</p>
Local Cooperation Fund	<p><b>Annex 6:2:</b> Effective in addressing the cross-cutting issues of human rights, democracy and good governance.</p> <p><b>Annex 6:2:</b> A particularly useful and flexible mechanism in transitional countries (e.g. Egypt, Namibia), filling gaps in available aid modalities, and allowing participation by diverse stakeholders including the private sector.</p>	<p><b>Annex 6:2:</b> Ineffective in strengthening civil society, due to unclear objectives and goals as a capacity-building instrument, and weak country strategies.</p>

Modality	Observed strengths	Observed weaknesses
Non-governmental organisations	<b>Annex 6:5, 6:19:</b> NGOs add value through their local contacts and by strengthening civil society. The Finnish NGO Foundations have impacts on disability, human rights and environmental issues.	<b>Annex 6:1, 6:5:</b> Impacts on NGO capacity are often limited because the emphasis is on service delivery rather than partnership building. Impacts achieved by NGOs tend to be variable and highly localised.
Development research	<b>Annex 6:9:</b> Broadly relevant and makes some contribution to international partnership and capacity building.	<b>Annex 6:9:</b> Research cooperation with developing countries would be expected to generate most sustainable impacts but little progress has been made on this despite longstanding policy commitments.
Concessional credits		<b>Annex 6:22:</b> Weak applicability to poverty reduction.
Multilateral funding	<b>Annex 6:19:</b> Can be uniquely valuable in certain contexts (e.g. untied core funding for WFP in Ethiopia fills gaps and amplifies humanitarian impacts). <b>Annex 6:8:</b> Place lower demands on MFA staff and the MFA's limited presence in regions such as the Caucasus.	<b>Annex 6:16:</b> Relatively low efficiency and low Finnish visibility. <b>Annex 6:8:</b> Many multilateral projects seem to have difficulty making concrete progress towards meeting deeper social or economic objectives.

Source: Annex 6.

## 6.6 Discussion and Conclusions

Finland's ancient poem cycle, the *Kalevala*, observes that "The slaves do not work the bellows well, nor do the hired men pump them well" (poem 37, in Lönnrot & Magoun 1963, p. 257). Although the context here is specific, as Ilmarinen tries to create a golden statue to replace his dead wife, the implication is more general: that motivation is all-important, especially in undertaking tasks that have to be repeated over an extended period as results are gradually achieved. Such tasks are common in many areas of development cooperation, and they are unlikely to be performed well by 'slaves' and 'hired men'. Rather they will be most effectively undertaken by those with

an interest in seeing them done well. By this logic, signs of strength in Finnish development cooperation should be seen where officials are most strongly incentivised, or in one-off tasks that are easily done by skilled specialists, or where they are the responsibility of people who care about the results. Conversely, poor performance might be expected where the motivation to overcome challenges is least. This expectation is validated by the findings presented here, both for strengths and for weaknesses.

Five criteria stood out as those for which Finnish activities consistently received high scores, these being: **relevance**, **coherence**, **partner satisfaction**, **compatibility** and **Finnish added value**. These five were also all among the top-scoring criteria across all ten of the highest-scoring activities. With the above remarks on motivation in mind, there are good reasons why these five criteria should stand out as indicators of tasks well done:

- **Relevance** concerns whether the activity is in line with the importance of the problem to be addressed and the needs and aspirations of the supposed beneficiaries, which can be assessed once at the beginning of the identification stage and is amenable to technically-based and dialogue-based documentation.
- **Partner satisfaction** refers to the extent to which the cooperating partners are satisfied with the result of the activity, a strong feed-back mechanism to which officials are likely to be sensitive, and which should be correlated with relevance if partners' needs and opinions have been taken into account.
- **Coherence** and **compatibility** describe how well the policies of Finland and the partner country are reflected in the activity, and should score well since anyone formulating an activity would be expected to pay close attention to the donor's priorities, while dialogue with the partner country should focus attention on their priorities as well.
- **Finnish added value** is of special interest in an introspective exercise such as an evaluation (see Chapter 8 on Distinctiveness), and was being actively sought in most of the evaluations reviewed which may therefore have been biased in its favour.

Thus the evidence from the analysis of mean criterion scores leads to the conclusion that particular strengths of Finnish development cooperation include that aid personnel tend to pay special attention to highly-visible problems and needs, complying with Finnish policies, exploring and justifying Finland's special role, and securing the good opinions of their hosts. These seem natural enough priorities for aid officials, given the incentives that apply to them in their routine work, although it should be recognised as an overall tendency and not applicable to individual officials or to all aspects of every project. It is also consistent with the findings in Chapter 7, which concluded that to mainstream the CCTs requires continuous effort and attention above and beyond the call of routine duty. These tend to be delivered consistently only by individ-

ual officials at embassies and desks who have a special, personal interest, or else by the more mission-driven members of the development cooperation community, meaning the NGOs and university networks. Thus the modalities that empower these particular stakeholders tend to perform best on CCT mainstreaming, as they do on other complex, repetitive and long-term tasks.

Meanwhile, five criteria stood out as those for which Finnish activities consistently received low scores, these being **replicability**, **complementarity**, **efficiency**, **connectedness** and **activity design**. These are also the five commonest low-scoring criteria among the 11 activities ranked lowest by overall mean score. But there are again good reasons to expect this, since they relate to what are perhaps the most challenging issues in development cooperation:

- **Replicability** concerns the learning of lessons, the understanding of processes and relationships, and the possibility that future activities can be modelled on improved versions of past ones, all of them challenges for the best knowledge management systems (which donor agencies typically are not, and MFA certainly is not).
- **Complementarity** relates to how well concurrent activities support one another, and the specific skills and benefits that various partners in an activity or a region can bring to achieving desired outcomes. To deliberately achieve a high score for complementarity requires donors and governments to collaborate routinely and very closely with one another in identifying and formulating activities, and then in planning and managing their priorities and activities in an intimate and mutually-responsive way. This is a complex challenge that is accentuated further by the entry of new donors and new networks in development cooperation (see Section 4.5).
- **Efficiency** is hard to measure in any complex enterprise that has only partly-quantifiable inputs and outputs, as well as intangible (e.g. political, ideological, cultural) influences on context and performance, while there are also expectations of low efficiency in public-sector actions in developing countries that may amount to an evaluation bias (akin to that proposed above for Finnish added value).
- **Connectedness** relates to how resilient or immune an activity is to events or processes over which it has little direct control, and in a complex and inter-connected world it is hard to achieve a high score even if all major threats are identified in advance and mitigated through careful risk analysis (which itself constitutes an important design attribute).
- **Activity design** reflects the analysis of problems, needs and risks, and the assembly of measures that can realistically lead to high scores on other key criteria. Weakness in design is therefore related to mediocre scores on **impact** (rank 7), **effectiveness** (8) and **sustainability** (9), as well as to the low score on **connectedness** (13).

Thus it can be seen that when aid activities are examined with a sufficient number of different, clearly-defined perspectives, their strands unravel to reveal that some are strong while others are weak and easily broken. The whole cloth may look as impressive as a Marimekko fabric, but it conceals flaws that are rooted in the motivations and skills possessed by the people and institutions that make and maintain it. Understanding this, it may be possible to adjust a number of factors to strengthen the processes of Finnish aid, and thereby the integrity and utility of its outcomes. Most importantly, existing strengths can be built upon, so that those with the greatest knowledge and motivation take on more of the burden of the more difficult tasks or spread their insights on how to do them more effectively. Meanwhile, existing weaknesses can also be corrected, especially through training and the development of knowledge tools that make it easier for uninteresting or difficult tasks to be completed routinely and effectively in all circumstances.

It should also be noted, however, that more strategic issues exist which may require responses at a different level. Thus, there appears to be an unease in the minds of a number of interviewees and correspondents that Finland is delivering an aid programme that is somehow stuck in the past, with ‘coherence thinking’, ‘NGO-government dialogue’, ‘poverty analysis’ and the ‘methods of development cooperation’ all described (by different interviewees) as being virtually unchanged for 40 years or more, or even regressing. This is a worrying sign, even allowing for the outspokenness of anonymous interviewees and the fact that modern ways are not always better than old-fashioned ones. It also begs the question that if Finland’s efforts are truly out of date, whether this is particular to Finland or if the whole international aid community has equally been left behind by events. Certainly there are well-informed commentators who argue that the malaise is both universal and fundamental. One, for example, has even described the choice of aid as a solution to African poverty as “the worst decision of modern developmental politics” (Moyo 2009, p. xix). On this basis the whole underpinnings of everyone’s aid strategy may be due for a re-think.

Such matters are beyond the scope of the present work, but meanwhile it is possible to summarise the findings above as suggesting that Finnish development cooperation activities typically meet the priorities both of Finland and of her partner countries, respond to some but not all elements of the global development agenda, and usually satisfy the needs and wishes of cooperating partners. Partly as a result, Finns are widely respected for their skills, approach and attitudes. On the other hand, with some exceptions, donors and other stakeholders do not communicate enough with one another, so there is limited synergy amongst them. Environmental and cross-cutting issues are weakly mainstreamed in Finnish activities, if at all, so sustainability is compromised. Moreover, the typical Finnish activity is not well-enough designed to be able to deliver much in the way of short-term results or longer-term and broader impacts, or to shrug off external pressures that may arise. Worst of all, the key aim of all these activities, poverty reduction, is vague, indistinctly measurable and little measured, so is often assumed to be delivered even when it may not be, or when it occurs for other reasons.

In a diverse aid portfolio, however, there are bound to be exceptions and there are many cases where more positive outcomes are achieved. These are strongly associated with efforts that encourage sustainability to flourish and that are based on detailed local knowledge, including long-term engagement with local communities to create local ownership, the strengthening of local capacities and the involvement and authority of women, the increasing of local cash incomes, and the continuing cultivation of local partnerships. The modalities that are most likely to work in these ways are those that revolve around the decentralised Finnish embassies and the non-governmental partners of Finnish development cooperation.

## 7 CROSS-CUTTING THEMES

### 7.1 Cross-cutting Themes in Policy

This chapter considers how the cross-cutting themes (CCTs) of Finnish development policy are addressed in Finnish development cooperation, and whether this adds value to the sustainability of intended outcomes. Since environment was considered a CCT when most of the evaluated projects were designed, and is still an over-arching priority, there is a strong link to environmentally sustainable development (ESD). This overlap is captured in Question 7 of the ToR (Annex 1), which asks whether considering the CCTs and promoting ESD contribute to the sustainability of development outcomes and poverty reduction.

The CCTs are embedded within international (UN, OECD/DAC, EU) development policies, including the MDGs and Paris Declaration. For example, the *European Consensus on Development* (EU 2005), states that “In all activities, the Community will apply a strengthened approach to mainstreaming the following cross-cutting issues: the promotion of human rights, gender equality, democracy, good governance, children’s rights and indigenous peoples, conflict prevention, environmental sustainability and combating HIV/AIDS” (paragraph 101). These cross-cutting issues are at once objectives in themselves and vital factors in strengthening the impact and sustainability of cooperation.

Similar priorities have been present in Finnish policy since 1993, starting with equality, democracy, environment and human rights. Added in 1996 were participation of women in social and economic activity, and the status of disabled people in developing countries. The Finnish development policy of 1998 noted that issues related to the environment, human rights, population, poverty, equality and food security are all interdependent factors that affect development. In 2004, a policy commitment was made to a human-rights based approach to development (HRBA), and introduced CCTs by name as priorities in the implementation of policy. This was reinforced in the 2007 policy, which identifies the following CCTs as to be “supported throughout

all Finnish development policy: Promotion of the rights and the status of women and girls, and promotion of gender and social equality; Promotion of the rights of groups that are easily excluded, particularly children, people with disabilities, indigenous people and ethnic minorities, and the promotion of equal opportunities for participation; Combating HIV/AIDS as a health problem and a social problem” (MFA 2007, p. 16).

Current policy thus highlights gender equality, excluded people and marginalised peoples, and HIV/AIDS, but all previous CCTs (including HBRA) remain important in many development projects. In practice, therefore, the CCTs include good governance, democratic accountability, rule of law, human rights, gender equality, HIV/AIDS, and the functioning of political parties and parliaments, with ESD as a parallel objective. This is quite a list, and every part of it can be unfolded into a mass of detail, including definitions, practices, indicators and lessons learned, moreover with the understanding that relative priorities evolve over time.

## **7.2 Cross-cutting Themes in Practice**

### **The importance of mainstreaming**

It is clear from policy documents, evaluation reviews and stakeholder interviews that the CCTs are widely accepted as important both in themselves (i.e. as principles), and as goals or pre-conditions for achieving sustainable development. It is therefore implicitly assumed that societies in which all the CCTs and ESD flourish, and which are therefore democratic, peaceful, just and possess healthy environments, will automatically be wealthy and sustainable. This might indeed be the case, although human social systems are so complex and history so turbulent that clear evidence is hard to find. In any case, however, it is also widely understood that the principles must be applied in practice if they are to make a difference to development outcomes, so the central issue in any discussion of CCTs is that of mainstreaming. This is defined as the process by which a policy priority is actively considered in all operations, in such a way that people can adjust their plans to advance the policy or avoid conflict with it. Only through effective mainstreaming can policies on CCTs or ESD (or anything else) be expressed in the activities that define a development cooperation programme. In reviewing the evaluations and interviewing stakeholders, therefore, the synthesis evaluation team was on the look out for signs that CCT policies were being effectively mainstreamed.

### **The 2008 cross-cutting themes evaluation**

A starting point was the 2008 CCT evaluation, which considered the mainstreaming of human rights, women’s rights and gender equality, democracy, good governance and rule of law. Its overall conclusion was that CCTs are well established at a policy level but there is little mainstreaming at the programme level. The evaluators detected flickers of effective mainstreaming in some of the national programmes that they examined (in Nepal, Nicaragua and Zambia), but they were considered accidental, tentative and not systematically supported or learned from. The evidence contained in

the report suggested that, although relevance was high (because of the importance of CCTs in principle, and the strength of policy commitment to them), the key indicators of efficiency, effectiveness, impact and sustainability were all given low or very low scores.

Performance was not much better for any other indicator, although compatibility and partner satisfaction were the least bad (scoring b/c), suggesting that the CCTs were at least sometimes considered and some partner countries were not averse to having them promoted. The evaluators attributed this rather dismal performance to: (a) a lack of qualified staff, appropriate guidelines, training and effective knowledge management at the MFA; (b) limited specific inclusion of CCTs within the responsibilities and practices of actors; (c) weak accountability and support for mainstreaming CCTs and reporting on them; and (d) project-development ToRs that often ignore cross-cutting issues or that include them only as apparent 'add-ons'.

Having concluded that, for these reasons, there is little evidence for the impact of Finland's policies, strategies or operations regarding the CCTs on the ground, the evaluators did identify cases which show that if and when cross-cutting themes are mainstreamed at the programme level in the field, they have yielded results (for example in Nepal) which influenced the way that programmes are run. They also found that different aid modalities seem to have different levels of practical impact as far as the CCTs are concerned, with direct budget support having least (probably because it is so indirect and opportunities for diplomatic influence on expenditure so limited), and sector-wide programmes having most (probably because here the opportunity arises to address issues more holistically).

Finally, they acknowledged some areas where judgements could not be made. Thus they noted that Finland has helped to ensure that CCTs are well embedded in the policies of the EU and the UN development agencies, but that the impact of those agencies in the field is unknown. They also reported that Finland has consistently taken CCTs in policy dialogue with its long-term partner countries, but that it is not known whether this dialogue has had any effect on the policies or practices of those partner countries. In view of these uncertainties, and to up-date and further explore the record, an examination was done of the evaluation reviews and the interview database.

### **The review and interview databases**

Findings in Annex 6 that are relevant to CCT mainstreaming are abstracted in Table 5. Combining these observations with comments in the interview database, it seems that there are no systematic or obligatory practical arrangements by which the CCTs are embedded within Finnish activities. Thus, the CCTs are only patchily considered at the early stages of project identification and design, which are the key stages at which to influence activities. This patchiness comes from the fact that, in the absence of more robust procedures, desk officers are crucial for maintaining focus, yet have varied personal interests and skills and are frequently rotated to different responsibilities. The CCT advisers can only correct this if they are routinely involved, and they



may not be, or else they have too little time to maintain their influence continuously. As a result, the CCTs are often neither considered in project documents nor clearly expressed in the ToR for implementing consultants. Impacts on the ground are accordingly rare, although they are hard to detect since baseline data are scarce and quantitative monitoring is difficult. In any case, it is considered unrealistic to load too many CCTs onto every activity, but then the issue becomes one of prioritisation and the choice of CCTs is widely seen as ad hoc and political. For example, some question why HIV/AIDS was chosen as a CCT, when ‘deprivation-associated disease’ might have been a more inclusive concern.

Progress is nevertheless being made, especially on gender. There are new gender guidelines for the concessional credit unit, a ‘gender ambassador’ to promote mainstreaming, gender training is available, and ToRs are increasingly taking gender explicitly into account. Meanwhile, the CCTs are partly covered by the new project management database system (AHA), and the quality assurance group is paying increased attention to CCTs. Remaining needs include changes to project management system, guidelines that are put into action, institution-wide gender action plans for the EU, OECD and UN, and consulting firms that can reliably deliver relevant expertise (e.g. on ‘gender and forestry’). The CCTs are required in tenders and project planning documents, but tend to get lost in the activities themselves. This challenge is similar for all development cooperation actors, including MFA and the NGOs. There is also evidence that other donors, such as the Netherlands, have the same problem as Finland, in that integrating CCTs depends on the interest and expertise of desk officers. Guidelines for mainstreaming have less influence than individuals in powerful positions at increasingly-decentralised embassies. As the CCTs have partly been absorbed into the MDGs, Dutch development policy now has other priorities, on fragile states, conflict, human rights, and fast-tracking countries to reach the MDGs. The key is to understand the partner country in each case, and intervene accordingly to meet its priority needs, which may or may not include any or all the CCTs. Policy coherence is also critical, and the Netherlands has a policy coherence unit which prepares Dutch positions on international and EU commitments.

**Table 5** Findings on mainstreaming the cross-cutting themes from the evaluation reviews in Annex 6 (quotations in italics are words used by the original evaluators in the published evaluation; other words are abstracted or paraphrased from the synthesis evaluation reviews).

**Annex 6:2:** Focusing on human rights, good governance, disabled and gender equality, LCF activities explicitly target women, children, disabled or other vulnerable groups, typically in poor communities. Their results include empowering beneficiaries to claim their rights, raising awareness, monitoring human rights violations, facilitating access by communities to resources (e.g. decentralized government funds) and providing access to justice for the underprivileged. The approach has been effective in achieving its immediate objectives but less so in strengthening civil society, and in mainstreaming the CCTs.

**Annex 6:3:** There was no visible impact early in the programme on the CCTs of human rights, democracy and good governance, but this was expected to change with continued Finnish support.

**Annex 6:6:** Unclear organisational responsibilities and operational practices are reflected in a lack of impact at the implementation level. However, there are cases which show that if and when cross-cutting themes are mainstreamed at the programme level in the field they have yielded results (for example in Nepal) which influence the way programmes are run. Moreover, the result have influenced the way how CCTs have been taken into account in various ways by stakeholders and beneficiaries. Sometimes the Finnish approach has been more widely adopted as the partner country's approach which indicates a higher level of impact. *“In Nicaragua the rural development programme is based on the Sustainable Livelihood Approach (SLA) ... Although the cross-cutting themes are not prominent in the programme document it is evident that they feature well in practice since the approach functionally incorporates some of the cross-cutting themes into its work ... a visit by the MFA gender adviser led to gender training for embassy and programme staff, which would ‘have been a good basis for preparation of a gender programme in an exemplary way, although the programme never materialised’.* In Zambia, *“environment, gender and HIV/AIDS of the cross-cutting issues are specifically mentioned in the project document [which however] addresses cross-cutting themes as a separate issue in accordance with [MFA guidelines]. Objectives and strategies, component considerations and the organization for addressing cross-cutting issues are well defined. In addition, the policy framework for cross-cutting issues is presented separately which provides a wider context for addressing them. However, none of the cross-cutting issues have been subsequently operationalised and translated into activities in the logical framework, [nor] included in the project documents. One of the obvious reasons is that cross-cutting themes have been treated in the project document as separate issues”.* *“In the case of Zambia there is evidence that good governance issues including democracy (electoral frauds), rule of law and anti-corruption, were used as criteria for putting the development assistance on hold in 2001”.*

**Annex 6:7:** The Finnish core programme targeted low-status groups such as people with disabilities, children with special needs, and nurses at the lowest rank of the healthcare hierarchy, but was blind to gender issues.

**Annex 6:8:** Although the evaluation claims that Finland's development cooperation adheres to the CCTs, there is little specific evidence of this and reference to HIV/AIDS is lacking despite its importance in the region.

**Annex 6:9:** Studies led by the Academy of Finland overlap to an extent with some key subject areas of development policy (e.g. forestry), but their locations do not correspond with the distribution of Finland's bilateral development relations, they contribute little to research cooperation with developing countries, and they barely feature CCTs.

**Annex 6:11:** “Mainstreaming of CCTs is weak, although all are addressed by the NSS networks. Rights of the disabled are dealt with by two African networks. Gender equality is fairly well in place. Promotion of democracy is a strong element in two African journalism networks. Work on HIV/AIDS in Africa is described as beneficial to Finnish exchange students.

**Annex 6:12:** *“The objectives and activities of DEMO are well aligned with Finnish development cooperation policies, especially in focusing and making operational cross-cutting priorities like democracy, human rights, gender and to some extent the situation for vulnerable and underrepresented groups”.*

**Annex 6:14:** Finland’s 2007 health sector policy prioritises HIV/AIDS as one of its six mutually-reinforcing components, but lacks a conscious effort to build synergies between sexual and reproductive health (which receive 50% of the sector funds) and HIV/AIDS. Thematic and sectoral priorities of the current Aid for Trade strategy (2008–11) do not include HIV/AIDS, even though the pandemic is a threat in all of its stated priority areas. HIV/AIDS is not on the check-list that NGOs have to complete when applying for MFA funding. Furthermore, MFA lacks an accountability mechanism for cross-cutting issues. While there is one Technical Adviser who counsels on HIV/AIDS related programming, nobody has formal responsibility for HIV/AIDS mainstreaming. The situation is worse at country level; for example in high-prevalence Mozambique, HIV/AIDS is not a priority for Local Cooperation Funds and in 2008 only one of the 10 LCF projects funded addressed HIV/AIDS.

**Annex 6:16:** Cross cutting issues are rarely mainstreamed or even included in activities undertaken by the Finns. Even HIV/AIDS, which has serious impact on agricultural development in the six partner countries, has been seriously addressed in only a small number of cases (e.g. in Mozambique). Equally for gender, environment, human rights and governance, few and scattered efforts with no real results are described across the sector, and no mainstreaming has gained momentum on any of these cross cutting issues.

**Annex 6:17:** A weakness in the mainstreaming of CCTs may erode relevance, effectiveness and sustainability, while impact opportunities are being missed because there is little scope for local staff and partners to be trained in how to detect and mainstream the CCTs. As a result, staff may be unaware of their importance, or be unable to address them in project activities, or may see them as merely an added burden. The extent to which the cross-cutting issues are truly mainstreamed throughout all water programmes remains questionable.

**Annex 6:19:** The CCTs have been well integrated in activities in the water and civil society sectors, and likewise in smaller educational programmes. Humanitarian assistance activities also address the CCTs, due to the policies of the implementing agencies. It has proved hard to obtain adequate input from CCT advisers based in Helsinki. Linking relief and development also implies that development efforts (e.g. in the water sector) should have the aim of reducing vulnerabilities – a cross-cutting concern not always assured of attention.

**Annex 6:20:** The CCTs are noted as aspirations in all basic documents but there is little baseline information and they are seen as additional and supplementary and so are not effectively mainstreamed. It is hard to demonstrate a link between activities and impacts on livelihoods and sustainable forest management because of a lack of indicators, weak M&E systems, missing baselines, and, in the case of the CCTs, the fact that they are “*often superficially addressed as ‘intentions’ with insufficient analysis provided on activities to be undertaken, budgetary allocations and what intended changes are expected to be achieved by the activity*”.

**Annex 6:21:** “*In the energy sector, new project design documentation (post-2007) does generally address each of the three cross-cutting issues (gender, marginalized groups and HIV/AIDS) either directly or indirectly. The most comprehensively addressed aspect appears to be gender ... It seems that the Finnish portfolio is beginning to outline the basic probable links between gender and energy, [but] has not yet reached a stage of specifying indicators, types of financial mechanisms or a strategy to address the issue of marginalized groups across the energy sector portfolio ... The issue of HIV/AIDS elicits even less attention than the issue of marginalized populations in the Finnish portfolio of energy sector*”. Meanwhile, at least at the policy level, energy sector activities took note of the CCTs in line with development policy documents, but their mainstreaming in implementation remained (and remains) a challenge.

**Annex 6:22:** Particularly in the health sector, the cross-cutting themes (i.e. gender, HIV/AIDS, vulnerable/marginalised groups) have not been appropriately addressed even where they may have been considered.

Source: Annex 6.

### 7.3 Discussion and Conclusions

The adoption of some of the CCTs has affected the targeting of Finnish aid. For example, the priority given to people with disabilities gave rise to a major theme of the Kosovo country programme (which is certainly replicable to other former conflict zones with many damaged people), and to effective actions financed by small-scale grants from the LCF as well as NGO-managed activities through the NGO Foundations, Finnish Partnership Agreement Scheme (PAS) and FIDIDA, as well as some university networks under the NSS Higher Education modality. The same could be said of the LCF, NGO and university initiatives on gender, adding DEMO Finland which also brings in democracy and the rule of law. These latter modalities seem to lend themselves to specific actions of a mission-driven nature, motivated by the commitment of individuals (e.g. at the embassies and universities) and the priorities of NGOs. Otherwise, in the absence of significant government-to-government programmes targeting any of the CCTs (or ESD), and limited core funding for only a few international organisations that specialise in them (e.g. Unicef and UNAIDS), the Finnish engagement with them is much more indirect and unfocused, and some would say problematic.

Here the record is clear. Whether discussed or seriously attempted or not, mainstreaming of the CCTs has been ineffective in the forestry, agriculture, water and (with the emerging exception perhaps of the EEP) the energy sectors. Likewise in the modalities other than those mentioned above, and also in the country programmes, except for occasional flickers mentioned in the 2008 Cross-cutting themes evaluation (Annex 6:6, Table 5). This conclusion is amplified by the DAC Peer Review of Finnish aid, which observes that although “Internal policy papers on gender (2003), environment (2007), disability (2003), HIV/AIDS (2004), information, communication and technology (2005) have been produced to help mainstream cross-cutting concerns into project and programme interventions”, and that “Finland also gives support to NGOs to directly address these issues”, it concludes that “the extent to which these cross-cutting issues are truly mainstreamed remains questionable” (OECD 2007, p. 23).

The same study (p. 38) also notes that “Like other donors, Finland encounters difficulties in mainstreaming environment into development co-operation”, and our own conclusions are that ESD is even less overtly considered in the aid programme than the CCTs. We therefore conclude that, in the near-absence of mainstreaming of either, the answer to the two parts of Question 7 of the ToR (“*What has been the role of considering the cross-cutting issues of Finnish development policy in terms of contributing to the sustainability of development results and poverty reduction; has there been any particular value-added in the promotion of environmentally sustainable development?*”) must be “very little” and “no” respectively. Since any such question in an evaluation like this can be assumed to continue with the clause “and if not, why not?”, we should explore the reasons for it.

Again the record is unambiguous. With the important exceptions mentioned above (and a few others), mainstreaming fails because the officials responsible are stressed and short of time, there is no time to read things carefully, the CCTs are not understood and there are no tools that would help people to learn about them, nor knowledge about when and where to ask for advice (Table 6). There is, moreover, no accountable institutional anchorage for ensuring, and no systematic and obligatory practical arrangements for assuring, that the CCTs are embedded within Finnish activities, especially at the earliest stages of identification and design when they could make a strategic difference to the unfolding project, or at inception when their absence might be noticed or corrected. As a result, by the implementation stage they will have already been forgotten, and no baseline will have been established or measurements taken that could remind anyone of their existence or show that any progress has been made. In the absence of automatic procedures to ensure compliance, or comprehensive training and easy-to-use tools like guidelines and help systems, the influence of the CCTs on government aid activities (as opposed to NGO ones) can only be expressed through the personal interest and enthusiasm of the individual desk officer, embassy official or adviser. This is occasionally enough, of course, but as a system-wide response to a system-wide set of responsibilities, it is clearly inadequate.

## 8 SUSTAINABILITY

### 8.1 Sustainability in Theory

Sustainability is a subtle and important concept. The word has a Latin origin (*sustinere*, from *sub-* meaning ‘from below’ plus *tenere* meaning ‘hold’; OED 2006), implying a sense of something that is held up securely by an underlying structure. This agrees well with the feeling that sustainability is more likely to be found in ‘bottom-up’ than in ‘top-down’ arrangements of all kinds, and particularly in social ones where it becomes directly relevant to development cooperation. As an assessment criterion, however, sustainability relates to the likely continuation of results or impacts induced by an activity, after it is brought to an operational or budgetary end. In the context of this study, the results or impacts of interest are beneficial changes that are likely to continue having an impact on reducing poverty. These might include signs of enhanced *institutional sustainability*, such as changes to policies, laws and regulations, the introduction of new ideas, systems and working practices, organisational restructuring and the establishment of new forums, or the strengthening of human capacities and the creation of new permanent staff positions with secure budgets. Signs of enhanced *financial sustainability*, meanwhile, might include changes to fiscal arrangements and budget allocations, improved market structures and conditions, or the creation of thriving businesses with local participation in benefits. And signs of *environmental sustainability*, might include changes to trends in environmental deterioration and ecosystem restoration, the introduction of incentives and resource management systems that reward sustainable use of ecosystems, or the establishment of new practices, groups and activities that contribute to environmental protection.

Ultimately, an activity that has no sustainability at all is of no value. Even those that are intended only to save life and relieve suffering in a temporary crisis must be judged on the long-term impacts they have, in terms of the productive or enjoyable person-years created that would otherwise have been lost to death, disablement or trauma. Similarly, activities that are intended to be temporary, for example that focus on restoring normality after conflict, are judged by the signs of that normality returning – in terms of institutions, communities and productive assets returning to health – even if they cannot be ‘built back better’ than they were before the calamity occurred. And sustainability remains a pervasive goal too in all other activities where some hope or expectation of a beneficial effect is entertained. Thus sustainability is among the most important indicators of value being achieved in development cooperation, and is reflected in the close attention paid to sustainability in the ToR and findings of the evaluations reviewed in this study (Annex 6), and in the comments made by interviewees and correspondents.

## 8.2 Sustainability in Practice

Chapter 6 concluded that Finnish activities tend to achieve only a mediocre score on the criterion of sustainability, which was attributed mainly to the weak design of activities. It was hypothesized that more sustainable outcomes, where they could be identified, would involve cases where efforts are based on detailed local knowledge, including long-term engagement with local communities to create local ownership, the strengthening of local capacities and the involvement and authority of women, the increasing of local cash incomes, and the continuing cultivation of local partnerships. To explore this further, the evaluation, interview and correspondence databases were examined in more detail. For the evaluations, while it is true that no activity scored ‘a’ or ‘a/b’ for sustainability, several did score ‘b’ (i.e. *good*), and there were fragments and sub-themes that stood out which on their own would have scored more highly. These are illustrated by remarks from the evaluation reviews in Annex 6 (Table 6).

**Table 6** Findings on facilitators of sustainability from the evaluation reviews in Annex 6 (quotations in italics are words used by the original evaluators in the published evaluation; other words are abstracted or paraphrased from the synthesis evaluation reviews).

**Annex 6:1:** Efforts are already in progress among most Partnership Organisations to focus on fewer countries to enhance effectiveness and sustainability of the projects.

**Annex 6:2:** The case studies provide a few examples of sustainable results rooted, importantly, in ownership of income-generating activities (e.g. tree nurseries, farmer field schools and disabled equipment manufacture in Kenya, children’s reading rooms in Nicaragua). Most LCF partner organizations have close working relations with central and local authorities as well as professional organizations of parastatal and other status, which is also an important sustainability factor.

**Annex 6:3:** A locally-initiated evaluation of 14 local organisations with three-year projects was carried out in 2007–2008, resulting in improved management and institutional development towards increased sustainability.

**Annex 6:5:** There are examples of institutional sustainability, where changes have been introduced in government policies and regulations.

**Annex 6:7:** All the core programme projects have some degree of sustainability, as the projects aimed at institution building (nurse training, special education, human rights) and have supported the creation and strengthening of national governmental and university structures. In the human rights education and special education projects, an important basis for sustainability is the anchoring in the university, and the cooperation with Finnish institutions of higher education and research institutes. Special education is included as an ongoing priority area in the government budget.

**Annex 6:10:** In the health sector, efforts on capacity development have enhanced learned skills among women, artisans, facility managers and health care staff, while ... rural health facilities are now effectively managed by government. Also, some of the trained facility management committees operate more effectively than those not trained, and may prove better able to manage funds channelled to them under the new Health Sector Service Fund. In the livestock sector, commercial small-holder milk production has continued, trained staff continue their careers in the ministries, new techniques continue to be applied among women's groups and adopted by other organisation, trained private service providers continue their careers in relevant organisations, and women have been empowered through improved livestock management. New techniques (including zero-grazing) reduced natural resources degradation. In the water sector ... some of those trained are involved in current water sector reforms.

**Annex 6:13:** Cases assessed with high levels of sustainability included those showing strong local ownership, political support, government commitment, participation and empowerment, capacity development, a supportive policy framework and a likelihood of continued financing. Other positive factors included 'moral consensus' for change, appropriate technology, and deliberate planning for sustainability.

**Annex 6:15:** Good examples are rural development programmes and water supply and sanitation programmes which have included participatory tools, programme planning and implementation.

**Annex 6:16:** Scores are satisfactory for environmental sustainability in almost all country partners, indicated by the local institutionalisation of a National Resources Management approach.

**Annex 6:17:** Users of old systems installed with Finnish support in Nepal and Ethiopia are still enthusiastically managing them. A high degree of user participation within the planning and implementation process is presumably responsible. The systems put in place for contributing to costs are an important factor. Users still collect and manage funds to operate and maintain their systems, and in some cases have managed to obtain help from government institutions to fix problems that have arisen. Good sustainability was also seen in the Hai Phong water supply scheme, which is operating today on a full cost recovery basis, with little need for further foreign investment. Also in Vietnam, Finnish support to the development of national decrees Nos. 117 and 88 on water supply and sanitation respectively can be classed as important contributions to institutional sustainability.

**Annex 6:18:** The strength of the sustainability of the phasing-out is based on the involvement of the Egyptian partners in the design, resulting in a "*natural phase out*".



**Annex 6:19:** *“The emphasis of Rural Water Supply, Sanitation and Environmental Programme on decentralization to the lowest appropriate level, community empowerment, public-private sector linkage and the use of the Community Development Fund as a community-based implementation modality all contributed to sustainability”*. At the community level, financial and economic sustainability of the water points is rather good in terms of routine operation and maintenance. Communities are able to sustain the water points, which have very high functionality rates. The technology applied in RWSEP was small-scale, simple and had only marginal environmental impacts. High demand for water points outside the RWSEP areas, available funding and good functionality all indicate that water is a key community priority and that CDF is an acceptable way to finance activities, strengthening as it does the role of communities in owning water points and ensuring the participation of women.

**Annex 6:20:** Prospects for attaining the institutional capacity to deliver sustainable forest management are good in Vietnam, the Western Balkans and Central America.

**Annex 6:21:** Project design documentation does generally address each of the three dimensions of sustainability, either directly or indirectly, in the Finnish portfolio of energy activities. The most comprehensively addressed aspect to sustainability, in project documentation and in implementation, appears to be the environmental dimension. *“From a social perspective, Finland’s activities have increasingly focused on ensuring that participatory approaches are applied to energy development activities and related decision-making. This move from only occasional interactions in 2000, to prevalent workshops and focus groups by the end of the decade and improved involvement of stakeholders, including end-user beneficiaries, has reinforced partner country ownership of the projects or programs”*.

Source: Annex 6.

Table 6 draws attention to the association of certain arrangements with the expectation of sustainability. From this sample, these arrangements include: (1) local participation in initiation, planning, operation and ownership; (2) cost recovery from service users; (3) legislative change; (4) ongoing support from government budgets; (5) capacity building; (6) appropriate technology; (7) collaboration between institutions; (8) empowerment of women and communities; (9) realistic scale of activity focus; and (10) stimulation of local businesses and business partnerships. These conclusions also find support in the interview and correspondence databases, with observers emphasising that local ownership built through participation and supported by partner governments as the key to sustainability. Others noted the importance of evaluations conducted both immediately and then again up to five years after the activities have been completed, but there was also concern that progress can be very slow, that sustainability is poorly defined and weakly measurable, and that aid dependency is an increasing threat as industrial countries approach their 0.7 percent GNI commitments (see Chapter 8). Meanwhile, obstacles to sustainability other than time available and aid dependency are also identified in the databases. These are illustrated by remarks from the evaluation reviews in Annex 6 (Table 7).

**Table 7** Findings on obstacles to sustainability from the evaluation reviews in Annex 6 (quotations in italics are words used by the original evaluators in the published evaluation; other words are abstracted or paraphrased from the synthesis evaluation reviews).

<p><b>Annex 6:5:</b> There are negative observations on other aspects of sustainability, and a conclusion is that running costs, maintenance and sustainability issues need to be carefully assessed in project design. The evaluators voice concern with regard to financial viability of project outputs (e.g. a magazine on disability issues in Indonesia is not being able to sustain itself) and inputs as well (e.g. small rural NGOs are likely to run high costs in order to operate computers in the absence of stable sources of electricity). Ownership of project objectives and outcomes is another dimension of sustainability that is raised as a concern in the report. Examples are given where beneficiaries are identified only after the funding has been secured (because short grant durations do not allow for thorough project design or planning), or where commitment of the partner organization to the grant-supported activity is hard to discern. The report notes that more explicit capacity-building efforts and organizational development of Southern partners and grant recipients is needed to ensure the sustainability of their activities and diversification of financial support.</p>
<p><b>Annex 6:6:</b> Weaknesses in the clarity of responsibilities, accountability and practical implementation of CCT mainstreaming indicate that there is much room for improvement before Finland could be satisfied with sustainability.</p>
<p><b>Annex 6:8:</b> Even though the development community, including that of Finland, asserts emphatically that the best tool for social and economic development is the productive (i.e. private) sector, MFA projects in this region have only minimally addressed this sector.</p>
<p><b>Annex 6:9:</b> Unfortunately the one modality that would be expected to generate most sustainability from the point of view of Finland's development aims, namely research cooperation with developing countries, remains an area where little progress has been made, despite the fact that it has long been promoted in policy documents.</p>
<p><b>Annex 6:12:</b> A general weakness is that external facilitation and micromanagement undermines ownership, and new modalities, more time and exit strategies are all needed.</p>
<p><b>Annex 6:13:</b> The reports also identified many obstacles to sustainability, including inadequate leadership and support from government, staff with limited capacity, or overloaded with work, or facing bureaucratic challenges, while political issues (changes, conflicts, rivalries, ethnic divisions and patronage) were cited in Kenya, Bolivia and Palestine.</p>

**Annex 6:14:** In the absence of any hard data from any of the 25 programmes analysed on results, effects and impacts of strategies and projects, one could infer from the lack of national capacity and inadequate donor coordination that sustainability is highly problematic.

**Annex 6:16:** Limited project sustainability is often related to lack of attention to institutional strengthening, this also being the case for Finnish support to the agricultural sector in general. Finnish-supported activities promote a very conventional approach to agriculture, based on high external inputs of energy, water and agrochemicals. As such, sustainable use of natural resources is being only partly addressed.

**Annex 6:19:** Critical remarks on humanitarian assistance generally refer to longer-term sustainability issues, such as insufficient attention being paid to capacity building, weak linkage between relief distribution and income generation, and the continued need for rehabilitation.

**Annex 6:20:** Although prospects for attaining the institutional capacity to deliver sustainable forest management are good elsewhere, *“the situation in Africa remains of concern since partner institutions are challenged by numerous factors, including limited numbers of staff, high turnover rates given low salaries and the attraction of more remunerative employment outside of civil service – either in-country or beyond, and lack of budget allocations that cover more than recurrent costs”*.

**Annex 6:21:** Economic, financial and institutional sustainability (e.g. the market transformation process objectives related to EEP or economic viability of small-scale RE projects, ownership and maintenance capacity, etc.) are less successfully addressed in the energy portfolio. The evaluation highlights challenges linked to: (i) Project ownership by local beneficiaries, including some exposure to risk and consequences of project failure to ensure effective involvement, (ii) Project suitability and particularly technology appropriateness (in terms of complexity, cost and skills required for maintenance and in terms of future affordability by stakeholders), and (iii) Project capacity, many remained plagued by limited and ad-hoc training components, lack of strategic approach and prioritization for human capacity development and the removal of barriers to the energy market in the countries, lack of institutional strengthening, and insufficient adequate follow-up.

**Annex 6:22:** There is often some element of government participation in projects, but this does not mean that governments will provide resources to ensure their sustainability. Concessional credit projects do not generally engage local communities in design or implementation to any significant degree, which is likely to undermine their sustainability. The quality of sustainability analysis in project-related documents is generally poor, compared to similar projects of a comparable donor.

Source: Annex 6.

Table 7 and observations in the interview and correspondence databases also draw attention to common weaknesses and obstacles to achieving sustainability. In this sample they include cases in the areas of leadership, bureaucracy, capacity building, politics, financial viability, commitment, ownership, activity design, private sector engagement, donor coordination, research cooperation, external interference, exit strategies and follow-up, unclear responsibilities and accountability, and the use of inappropriate technology and other inputs. Most of these can be viewed simply as the opposites of the indicators of sustainability that the evaluators identified, and which are reported as such in the reviews, interviews and correspondence.

### 8.3 Discussion and Conclusions

It should be recalled that these findings emerge against a background of considerable uncertainty over measuring sustainability, as MFA evaluations typically lack solid data and offer little evidence for making strong statements about the sustainability of impacts. This applies particularly to desk studies of the written record, although interesting anecdotal evidence can be gathered during field work. This lack of solid data and appropriate M&E systems for measuring progress on sustainability and impact have also been identified as key deficiencies in activity designs in most of the evaluations under review. This brings to light two of the three ways in which conclusions about sustainability might in principle be reached: hard data collected over an extended period (which is generally unavailable), and anecdotes collected from knowledge holders (which can provide useful hints but cannot stand alone). There is a third way, however, which is actually closer to the empirical process of scientific enquiry. This is to look omnivorously for information that tests hypotheses based on a sound theory of what might create sustainability.

This is the approach used here, which posits that local stakeholders have more relevant information and more motivation than outsiders to do good work in their own interests, that women tend to be more level-headed than men in making decisions about money and long-term environmental trends, and that private businesses are more effective than the state in generating profit for their shareholders, but that a supportive policy, legal and institutional environment is also necessary (and an unsupportive one can destroy sustainability). Thus we would expect sustainable outcomes to be associated with most of the 10 conclusions linked to Table 7, and therefore accept them as indicating a degree (but because of their scarcity, only a fairly small degree) of sustainability in Finnish aid activities. On the same grounds, we also accept their opposites as indicators of obstacles to sustainability. It would of course also be helpful to have hard, long-term data (and many more anecdotes) to confirm these conclusions, which are based on a somewhat circular line of reasoning, but in the meantime there is enough to go on to justify a tightening of aid operations to favour certain kinds of action in the interests of sustainability.

## 9 DISTINCTIVE FEATURES

### 9.1 Introduction

As an assessment criterion, ‘added value’ focuses on what an activity has brought to the sum total of other activities in a given context (e.g. country, sector, theme, modality), particularly with reference to other projects and other donors, and how they all work together. The EU adapts this idea in its own evaluation guidelines (EuropeAid 2006), which ask for the extent to which the (European) Community’s own activity adds value to what would have resulted from EU Member States’ activities if the EU had not been involved. It gives as an example the question “To what extent has the sharing of roles between the EC and Member States contributed to optimise the impact of the support?” The equivalent in terms of *Finnish* added value might be to ask for the extent to which Finland’s own activity adds value to what would have resulted from other actors’ activities if Finland had not been involved (and as an example, how the sharing of roles among them contributed to overall impact). These are subjects that the synthesis evaluation treats specifically under the criteria of complementarity and coordination.

The criterion of ‘Finnish added value’ (FAV) used here has a rather different emphasis – that of ‘Finnishness’. This assumes, reasonably enough from the points of view of cultural anthropology and linguistics, that a people such as the Finns are in some sense different from all other peoples (as are all other peoples themselves). The fact that special attention is given to FAV in the ToR of this study and of the evaluations reviewed here, simply indicates that Finns, like other peoples, are naturally interested both in what makes them who they are, and what makes them special. An understanding of distinctiveness can help identify consistent aptitudes and biases, which might be exploited or corrected in the interests of increasing aid effectiveness. These concerns are evident in the findings of the evaluations reviewed in this study, in the comments made by interviewees, and in the observations of correspondents.

### 9.2 Distinctive Reputation

The evidence from the evaluation, interview and correspondence databases is that Finnish and other observers are content to characterise Finnish added value in several ways.

- *As a set of values more often expressed by Finns than by others*, for example support for human rights, equality and democracy, volunteerism in nutrition, hygiene, health and disabled people’s programmes, and egalitarian forms of social organisation.
- *As a set of technical competencies in which Finnish people and institutions stand out*, for example in the water sector (catchment management, water storage and treat-

ment, hydraulic modelling), sustainable land use (forestry – including community-based forestry and GIS [Geographical Information System]/mapping – and agriculture), meteorology (forecasting and early warning systems), education (teacher training, and basic, inclusive, special needs, bilingual and tertiary level teaching), health care, information technology, governance (harmonising regulations, joint facilities, harm reduction), research (including development research focused on forestry, health, environment, governance and human rights), and renewable energy.

- *As a distinctive way of doing business and relating to others*, for example by offering untied aid and core funding, by promoting inclusive consultation and planning, through exchange visits to and from Finland and other forms of mutual learning, by employing aid modalities that are essentially supportive of civil society, by building capacity and networks, by maintaining constructive relations with local partners, by conscientiously recruiting local staff, by acting as a moderator between the donor community and governments, and by emphasising harmonisation and coordination among donors.
- *As a set of priorities that consistently guide Finnish concerns*, for example in relation to human rights, social and gender equality, sexual and reproductive health, support for vulnerable groups such as persons with disabilities, children with special needs, low-ranking nurses and indigenous peoples, empowering civil society, and issues of water and rural life (such as land administration and small enterprise development to benefit the poor).
- *As a set of personal and group performance attributes*, for example honesty, inoffensiveness, neutrality, good listening skills, transparency, flexibility, advocacy, expertise, focus, good organisation, effectiveness and efficiency.

This clustering of observations from the databases is hardly exclusive, particularly in distinguishing values, competencies and priorities which are clearly connected. Moreover, not all are entirely consistent with evidence from actual expenditures and activities. For example, where are the programmes that specifically benefit indigenous peoples by protecting their land rights and preserving their traditional knowledge? But enough of them are consistent enough to suggest that these characterisations are generally valid. Taken together, they indicate where Finland ‘lives’ among development cooperation actors. There is also evidence that Finland adds value in the sense of going where other donors do not, or in leveraging new resources (Table 8, Box 2).

**Table 8** Observations on distinctiveness from the evaluation reviews in Annex 6 (quotations in italics are words used by the original evaluators in the published evaluation; other words are abstracted or paraphrased from the synthesis evaluation reviews).

<p><b>Annex 6:5:</b> The grants have been able to reach some smaller local organizations in remote rural areas, that are less likely to gain other forms of support.</p>
<p><b>Annex 6:8:</b> Finnish added value is manifest in Finland’s ability to leverage additional financial support from development partners in health and gender projects (e.g. World Bank, WHO, Sida and UNDP).</p>
<p><b>Annex 6:11:</b> There have been clear development opportunities that would not have arisen without the NSS Programme. The NSS Programme is the only one among their donor-funded programmes that supports this type of mobility.</p>
<p><b>Annex 6:12:</b> In Tanzania, DEMO chose Kyela district, a place where almost no other development actors had attended to gender issues. In Nepal, DEMO had <i>“strong added value at a time when no other foreign partners would or could engage directly with political student and youth organisations across the political scale. A Finnish activity was accepted as neutral and inoffensive enough”</i> to allow this.</p>

Source: Annex 6.

**Box 2** Finnish support to UNEP as an example of aid in a specific multilateral context.

“UNEP would like to highlight the strategic role that Finland has played an essential role since 1999 in supporting the development of new capacity and expertise to assess and address the environmental causes and consequences of conflicts and disasters as part of UN crisis prevention, early recovery and reconstruction efforts. ... This has been a uniquely Finnish effort reflecting 10 years of sustained and focused financial and political support. Specifically, within UNEP this support has translated into a number of important outcomes that Finland can take credit for.

“First, Disasters and Conflicts is one of the six priority areas of the organization over the period 2010–2013. Second, with Finnish support and other co-financing, two major programmes have been established within UNEP to address the environmental dimensions of conflicts. The Environmental Cooperation for Peacebuilding (ECP) Programme provides environmental expertise to the UN Peacebuilding Commission (PBC) and the Department of Peacekeeping Operations (DPKO) on how natural resources contribute to conflict as well as how they can support peacebuilding and transboundary cooperation.

“At a regional level in the European Union’s Eastern neighbourhood, the South Caucasus and Central Asia, the Environment and Security Initiative (ENVSEC) Initiative, a partnership of six international organizations (UNEP, UNDP, UNECE, OSCE [Organisation for Security and Co-operation in Europe], REC and NATO as an associated partner), also aims at identifying and addressing potential sources of transboundary conflict from environmental causes. The support given by Finland to ENVSEC under the programmes Transforming Risk into Cooperation in South Eastern Europe [€2.5 million] and the Wider

Europe Initiative [€2.6 million] is a good example of the comprehensive approach of Finland's development cooperation which strives to reduce poverty in an integrated way. "In terms of impact, the Aarhus centers (Public Environmental Information Centres) set up thanks to Finnish aid under ENVSEC, are an efficient participatory and bottom up mechanism to ensure public participation in decisions on activities with a possible significant environmental impact.

"Finally, Finnish support has also been directly provided to key post-conflict reconstruction programmes such as the assessment and clean-up of environmental hotspots in Serbia as well as the capacity and institution building programme for Afghanistan. In both cases, an initial investment by Finland provided an important catalyst resulting in significant co-financing by other partners.

"Throughout this process, the three strongest features of Finnish support have been: 1) sustained financing over a long period (e.g. 10 years); 2) focused and strategic financing; 3) flexible financing which enables UNEP to respond to needs at the field level. In addition, ...Finland is seen as supporting cutting edge interventions as well as key gaps areas that other larger donors are unable or unwilling to address and is known for not promoting its national interests under ODA. Features of Finnish support which could be improved are: 1) stronger policy advocacy with other member states in terms of positioning environment and security issues in the wider UN agenda; 2) more systematic application of programme evaluations and integration of lessons learned within Finnish policy and funding decisions; 3) more visible branding not only to disseminate information on Finnish Aid's role but also increase general coordination with other donors, which is essential to avoid duplication of efforts by other agencies, enable replications in other countries/regions, and facilitate scaling up of best practices; 4) increased programmatic rather than project based approach in order to reach higher visibility of efforts and accountability of actions in line with the priorities set by the Government of Finland."

Achim Steiner, UN Under-Secretary General and UNEP Executive Director

Source: Correspondence database.

### 9.3 Profiles of some 'Like-minded' Donors

#### Denmark

Denmark's development policy was adopted by Parliament in June 2010 and is an integral part of the country's foreign policy (MFA Denmark 2010). Like its previous policies, it claims to be rooted in universal human rights and respect for fundamental freedoms, as they are set out in the UN Charter and the Universal Declaration of Human Rights. On page 4 it observes that "Fighting poverty is about giving each individual the opportunity and the ability to influence their own situation in life, politically, economically and socially". Its five priority areas are: (a) growth and employment, (b) freedom, democracy and human rights, (c) gender equality, (d) stability and fragility, and (e) environment and climate. It responds to the need to step up efforts to reach the MDGs, to proactively address emergent challenges (similar to those noted in Chapter 9), and strongly emphasises the importance of partnerships in the fight against poverty. It reiterates a primary focus on Africa and on improved policy coherence, and calls for stronger engagement in fewer countries, and a stronger role for the



EU in development cooperation. It asserts the aim of making the best use of Danish competencies to produce results that are well documented and communicated.

### **Sweden**

With the overriding goal of combating poverty and promoting equitable and sustainable development, Sweden's development policy (MFA Sweden 2003; 2008) is built around the perspectives of poverty reduction and respect for human rights. It makes a commitment to effective, high-quality development cooperation, emphasizes coherence across all policy areas, and embraces a global approach. In addition, Sweden has established a special reform policy for Eastern and Central Europe. The current government has reiterated a focus on Africa and identified three thematic priorities for development co-operation: (a) democracy and human rights; (b) environment and climate change; and (c) gender equality and the role of women in development. The recent and on-going reform processes (including reducing the number of partner countries, streamlining thematic policies and guidelines, strengthening evaluation processes) aim, among other things, to improve the efficiency and focus of Swedish aid, and the quality of knowledge and communication about its poverty reduction impacts (Sida 2010).

### **Norway**

The Government's 2009 white paper on development policy (MFA Norway 2009) outlines Norwegian development policy objectives in a rapidly changing world, where climate change and conflicts are making the fight against poverty harder. It reaffirms a commitment to the MDGs, to a rights-based development policy and to a UN-led world order and identifies climate change, violent conflict and lack of capital to be the most important challenges in the fight against poverty. Norway is committed to continue its efforts in key areas where it feels it can provide added value, such as sustainable development, peacebuilding, human rights and humanitarian assistance, oil and clean energy, women and gender equality, good governance and the fight against corruption. The policy raises three elements as crucial for development – a functioning state, an active civil society, and a viable private sector – and highlights a set of approaches and policy measures that should provide a coherent and effective framework for Norwegian development cooperation. These include encouraging partnerships with the private sector with a view to increasing investment in poor countries; working to promote an international system outside the traditional framework for ODA to fund global public goods; cooperating more closely with immigrant communities in Norway on remittance transfers to developing countries; and concentrating assistance in areas where Norway has special expertise that is in demand. These include peace-building, managing revenues from natural resources and promoting women's empowerment, as well as an overall aim to shift the focus of development assistance increasingly towards countries emerging from violent conflict and countries facing particular problems due to climate change. Through its climate and forest initiative, Norway has taken a leading role internationally in climate change mitigation and protecting tropical forests, which can be seen as part of Norwegian overall efforts to secure global public goods (Norad 2010).

### **The Netherlands**

Dutch development policy gives priority to: (a) economic growth and equity; (b) security and development; (c) equal rights and opportunities for women and girls; and (d) climate, sustainability and energy (MFA Netherlands 2007). This policy is driven by the concern that the international community is lagging behind in several areas of the MDGs and 'Project 2015' directs Dutch priorities to the regions that are lagging furthest behind globally in achieving the MDGs. The policy stresses policy coherence, noting that the MDGs are a concern not only for development cooperation but for everyone, i.e. for all ministers, the private sector and society as a whole. Within this strategy, Dutch partner countries have been grouped into three categories, one of which specifically focuses on speeding up achievement of the MDGs. Other policy documents stress the need to intensify the fight against corruption, to open up the aid industry through greater complementarity between existing players, and to improve the effectiveness of aid. There is active reporting and communication of development challenges and results achieved (e.g. MFA Netherlands 2009).

### **The United Kingdom**

The International Development Act 2002 stipulates poverty reduction, in particular through achievement by 2015 of the MDGs, as the overriding goal of development assistance (UK 2002). Two government White Papers (in 2006 and 2009) built upon this policy framework and adopted a comprehensive approach which goes beyond the aid agenda to address new global challenges. The 2009 White Paper defines four key priorities for UK aid: (a) achieving sustainable growth in the poorest countries; (b) combating climate change; (c) supporting conflict prevention and fragile states; and (d) reinforcing the international aid system's efficiency and effectiveness. The UK is particularly concerned with humanitarian assistance and reform of the international aid system, and expresses a strong commitment to policy coherence, to ensure that all of its domestic and international policies support, or at least do not undermine, partner countries' development aspirations. The 2009 White Paper provides for coherence around three key priorities: poverty reduction and economic growth (including trade), climate change, and conflict. The International Development (Reporting and Transparency) Act 2006 obliges DFID UK Department for International Development to report annually on the impacts of UK policies on development, an OECD DAC Peer Review suggests that there is room for improvement in the measures, monitoring and reporting (to parliament and the public) on the poverty reduction impact of Britain's domestic and foreign policies (OECD 2010).

### **The European Union**

The EU acts both as grouping of Member States and as a unified body (ETT 2010). In practice this means that the EU acts as one entity on some issues (e.g. trade), but works in parallel with the Member States on others (e.g. ODA). The *European Consensus on Development* (EU 2005) officially defines common objectives and principles that are shared by all Member States, emphasises poverty reduction as the central goal, and expresses a commitment to aid effectiveness and policy coherence. It identifies a number of priority areas, including water and energy, food security, conflict preven-

tion and fragile states, rural development and regional integration, with cross-cutting themes including promotion of democracy, gender and environmental sustainability. The European Commission disburses some € 10 billion a year in ODA, making it a large aid donor in its own right, and the EU as a whole provides about 60% of all global development aid. While the achievements of the European development system are often considered mixed (ETTIG 2010), there is a certain momentum for change in the context of the ratification of the Lisbon Treaty (which highlights the importance of sustainable development and poverty reduction in the EU's external relations), with a stronger parliament and the creation the European External Action Service as well as the current MDG review in 2010 and the EU budget review (Gavas, Maxwell & Johnson 2010). This process might offer the opportunity for greater coherence and synergy among the Commission and the Member States across the areas of trade, foreign policy, security policy and development policy.

## 9.4 Discussion and Conclusions

Industrialised countries, including Finland, have repeatedly agreed in international forums to commit to a target of 0.7% of their gross national income (GNI) to be given as official development assistance (ODA) to poorer countries. These forums included the UN General Assembly (Resolution 2626, 1970), the International Conference on Financing for Development (Monterrey, Mexico, 2002) the World Summit on Sustainable Development (Johannesburg, South Africa, 2002), and the EU External Relations Council (Brussels, Belgium, 2005). In 2009, however, Finland actually gave about US\$ 1.3 billion or 0.54 percent of GNI, against a 2002–2008 range of between 0.35 and 0.46 percent (OECD 2010). This ranked Finland 7th equal according to percent GNI among 29 countries that the OECD recorded as giving aid in 2009. In absolute terms, however, the amount of money involved is relatively small, with Finland ranking 18th of 19 countries that gave more than US\$ 1.0 billion. The 0.7 percent target is expected to be met by 2015, by Finland as for the richer EU Member States that all agreed to do so at the 2005 EU meeting. One correspondent made the observation that reaching this target would both signal government commitment to development policy and increase Finland's influence on the policy agenda in international forums. Even so, the total amount of funding would still make Finland a relatively small donor, and unless this changes it is improving how the funds are spent that will make most difference to Finland's aid effectiveness in future.

In this area, identified patterns of distinctiveness provide hints on the strengths of Finnish aid that have the potential, if continued and amplified, to be very useful. If Finns have particular ways of doing business that are effective in building long-term partnerships and delivering results that are appreciated by partners (and ideally that yield objective evidence of success), then it makes sense to continue with and improve on them. If Finns have areas of competence in which they can easily mobilise world-class expertise and appropriate technologies, then it would be wise to carry on doing so, and improve them, rather than trying to develop others. For example, ac-

knowledgeable high quality in development research could be better targeted on policy-relevant issues, excellence in the education sector could be better harnessed to poverty reduction, and skills in forest and water management could be diversified and adapted to new needs in a world affected by the loss of forest biodiversity and climate change. And if Finns have values and priorities that make them feel comfortable and motivated in their work, then effectiveness requires that they be cultivated and explained to partners. Moreover, consistency should be sought: for example, if Finland is almost-uniquely willing to give untied core funding to intergovernmental or international organisations that do good work in priority subjects, then why should it use NGOs so often merely as contractors, rather than invest in them as organisations in a similar way?

But where do the motivations come from that have resulted in the distinctive strengths of Finnish aid? The review of the DEMO Finland evaluation (2009:6) captures one view, by observing that: “Few other societies have seen such rapid economic and social transformation, reconstruction of society after war and violent conflict, a high degree of social cohesion within a welfare state that retains its productivity, and mature political culture with strong women’s political participation and an unforgiving attitude to corruption”. This may also suggest the origins of the concept of the ‘like-minded donor’, so frequently mentioned in the evaluation database, as referring to countries that, perhaps because of a comparable history, have developed similar values and adopted similar priorities to those of the Finns. These are usually listed as including Denmark, Sweden and Norway (all Scandinavian, and the three most generous of the large donors by percent of GNI), the UK, Netherlands and Ireland (all northern European and with a recent history of warfare and/or occupation, and/or socioeconomic transformation), and Canada (whose national values are often consciously oriented to northern European political and social traditions).

There is no evidence that the Finnish public are either more or less supportive of, or knowledgeable about, foreign aid than other European peoples, and the MFA apparently finds it hard to interest the public in the realities and the modalities of aid (OECD 2007). This would presumably require a major awareness-raising programme to correct – a desirable aim if public and political support is needed for continued growth in the aid budget. For as one interviewee observed, “In the end we also have to explain to our tax payers how the money has been spent, what have been the results”. A final area in which Finnish development cooperation is more distinctive, however, is that, for all its good reputation in certain respects among particular knowledge holders, it is not very visible to the international public or among the broader sustainable development community of interest. This is slightly off-set by the fearlessness with which Finland commissions independent evaluations of its development cooperation activities, including this one, and publishes the results in the English language (with Finnish and Swedish abstracts and summaries). But still, Finnish initiatives are unobtrusive compared with those of the EC, for example, which insists on visibility as an issue to be examined in evaluations of the actions that it funds, and expects a visibility budget line to be included and effectively spent in those actions.

Unobtrusiveness can be an advantage in some circumstances, such as in politically-tense Nepal, where Finland's inoffensive and neutral reputation allowed it to engage with opposed stakeholders in the conflict (Table 8). Here, "Nepalese organisations are more institutionalised and there is much less scope for individual acting than in Tanzania. The political culture is hierarchical and even militaristic. To bind leaders into civil politics is thus crucial. *In this respect DEMO's programme becomes one of the least costly peacekeeping efforts one can imagine*" (Annex 6:12). But the same review also noted that "There are merits in making Finland's development experience more widely known and understood". And as one correspondent observed, "there is a manifest lack of discussion or knowledge of Finnish Aid. A pity, because there should be people in the field saying 'Ah Finland – their programmes are finely targeted and high quality'. DANIDA achieves this – why?" One answer is surely that Denmark gives more than twice each year what Finland does (US\$ 2.8 billion in 2009, or 0.88 percent of Danish GNI), and has been active and prominent in development cooperation since the early 1960s (Bartsch 1971) while Finland remained a net recipient of financial aid until 1968 (Siitonen 1996). Another reason, however, may well lie in more effective marketing.

## IV CHALLENGES, CONCLUSIONS AND RECOMMENDATIONS

### 10 EMERGING CHALLENGES

#### 10.1 Introduction

The weaker stakeholders in any economy risk being excluded from the benefits of growth, and this applies in particular to the poor and politically marginal who often include the jobless and landless, rural communities, indigenous peoples, women and children (e.g. Chambers 1983; Oxfam 2007). As the 2007 Development Policy observes, however, exclusion and vulnerability have multiple origins and solutions must be sought through the holistic treatment of social, economic and environmental factors. As it states on page 12, “The three dimensions of sustainability are inextricably linked. We must achieve stable poverty-reducing economic development on an ecologically sustainable basis”. This is considerably easier said than done. The last four chapters have reviewed Finland’s efforts to achieve it, and the results have been rather mixed. Perhaps a clue as to why is contained in the next two sentences: “For this to be possible, social conditions must be stable. This means having peace and security, well functioning democratic governance, respect for human rights, inclusive social and cultural development, and action to fight corruption”. The problem is that social conditions are very far from being stable in a developing, globalising world.

Moreover, environmental conditions are also inconstant, and environmental change is now accepted as a major challenge to which the development process must adapt. This acceptance arose through a steady increase in the knowledge organised by scientific and international actors and processes, including the Millennium Ecosystem Assessment (e.g. MA 2005), the Intergovernmental Panel on Climate Change (e.g. IPCC 2007), the UN environment and development programmes (e.g. UNEP 2007; UNDP 2007), the World Resources Institute (e.g. WRI 2005; 2008) and various NGOs (Collen, McRae, Kothari, Mellor, Daniel, Greenwood, Amin, Holbrook & Baillie 2008). International conferences on environment and development periodically offer their own perspectives, from Stockholm (1972), Rio (1992), and Johannesburg (2002), to a ‘Rio+20’ conference in 2012 now mandated by UN General Assembly Resolution A/RES/64/236. These, plus the data collected by the secretariats of various multilateral environmental agreements, have developed an awareness of such phenomena as ozone depletion, biodiversity loss and mass extinction, ecosystem and land degradation, drought and desertification, crises of water supply and sanitation, pollution of the land, sea and air by a wide range of persistent and destructive toxins, and climate change (UNEP 2007). All have proven to be large-scale, long-term, pervasive, resistant to piecemeal, easy or cheap solutions, and in many cases mutually interactive and reinforcing.

## 10.2 Awareness of the Challenges

Against this background, the evaluations reviewed in Annex 6 were inspected as a way to assess awareness of the vulnerability of Finnish activities to external factors (Table 9). The observations were noted under the criteria of connectedness (7 cases), and coordination, Finnish added value, relevance and sustainability (1–2 cases each). They mostly refer to climate change, but water, land degradation, deforestation, governance, commodity price fluctuations, border issues, out-migration of labour, energy, narcotics, organized crime, biodiversity loss and religious extremism are all mentioned at least once.

**Table 9** Observations on emerging challenges from the evaluation reviews in Annex 6 (quotations in italics are words used by the original evaluators in the published evaluation; other words are abstracted or paraphrased from the synthesis evaluation reviews).

**Annex 6:3:** Namibia is facing numerous environmental concerns, including water scarcity and pollution, land degradation and deforestation, loss of biodiversity and risks of natural disaster. The climate change situation is likely to further deteriorate, particularly related to water scarcity and land degradation (increased erosion from over grazing or intense occasional rains), affecting health and food production.

**Annex 6:6:** *“There is a sentiment among many of those interviewed that although the present development policy document builds on previous policies and recognizes the cross-cutting issues there is a danger that in practice most of the efforts will be directed at the renewed emphasis on sustainable development, the environment and climate change. Thus the issues of human rights, gender equality, and democracy and good governance may not have a sufficiently strong emphasis from the point of view of sustainability of other development efforts”.*

**Annex 6:8:** Apart from the many country-specific developmental factors that are beyond Finland’s single-handed control, the primacy of national sovereignty and state-building in post-colonial situations over integrative issues may affect the effectiveness of Finland’s seemingly justified involvement in region-wide projects on collapsing water supply, border issues, out-migration of labour, gas/water/hydro-electric energy nexus, narcotics and organized crime, and religious extremism.

**Annex 6:15:** Due to factors such as increased poverty, climate variability and change, disasters are becoming more common and push poverty and environmental degradation further down to complete a vicious cycle. Recognition of these linkages is a key factor in making a sustained impact through aid activities, particularly in the context of climate change scenarios of enhanced incidence of adverse weather events. To ensure effective disaster risk reduction (DRR) requires coordination between climate information producers and the actual users, between technology aspects (often climate information production is technology intensive) and the social and ecological understanding required to actually make use of the

information. Opportunities to link DRR and climate change adaptation are often lost due to insufficient institutional coordination on all levels, including international agencies.

**Annex 6:16:** It is obvious that the international agricultural commodity markets and price fluctuations can and will have an impact on poverty reduction and livelihoods of poor people. Prior to the financial crises in 2008 prices on food (and oil) had risen so dramatically that years of progress made in reducing poverty were erased within months. In addition, due to climate change decreasing yields are a likely scenario in the future, and will require a need to climate proof farming systems of the poor by introducing new farm technologies, special crop varieties and through diversification to mitigate the effects of climate change.

**Annex 6:17:** Climate change adaptation (CCA) is the main connectedness issue but has scarcely found its way into water sector project planning and implementation. It is prominent in Finnish concerns overall, but quite new to the development agenda. Political will exists, but current activities in this field in water projects cannot yield the necessary impact, not least because despite its urgency and high priority at the policy level mainstreaming of CCA in all operations of the MFA has not been achieved. There is a reference to specific expertise that Finland might deploy to help partner countries implement their national climate change adaptation programmes. “[Finland] can play a scientific role in the set-up of early warning systems and hydrologic modelling for different climatic scenarios”.

**Annex 6:19:** “Long-term impacts of climate change are definitely the most serious risks for long-term sustainability. Already now, deepening of the groundwater level has been reported at several older water points”.

**Annex 6:20:** Although Finland itself has excellent relevant capacity and expertise in correcting needs for accurate and up-to-date information, the remaining and prevailing weaknesses will inhibit the exploitation of REDD and REDD+ funding opportunities, especially as capacity to undertake credible MRV (monitoring, reporting, verification) is so limited, particularly in Africa. The key message is that Finland can help build capacity to deliver credible MRV so that REDD+ money can flow, which would then be available to refinance the forest sector and, if adequate local participation is ensured through reformed forest governance, then sustainable poverty reduction should result.

**Annex 6:21:** The project-level focus, project diversity and overall budget appropriations have shifted over the study period to reflect an increased commitment to poverty reduction and climate change mitigation. This “enabled an improved inclusion of these topics in the project design of the most recent programs, as well as a better focus of budgetary appropriation with an increased likelihood of ultimately witnessing quantifiable impacts on sustainable energy and poverty reduction”.

Source: Annex 6.



Further evidence is found in the interview and correspondence databases. Interviewees were asked to respond to the question “*What are ‘big, new emergent’ issues for Finnish development cooperation, and how will they affect achieving the MDGs and other aid objectives in the future?*” As the focus was forward-looking many important but well-established concerns were not included in the answers, which instead focused on the following challenges: climate change, biodiversity loss, fragile states, under-employed youth, food security, water security, population growth, long-distance movement of displaced people, the eclipsing of public aid flows by private investment, the dominance of the USA and China, exhaustion of natural resources, fiscal deficits, unregulated markets, extremism and public security, urbanisation, ecosystem degradation, and unsustainable consumption and production. Correspondents were asked to comment on the foregoing list, to add issues if appropriate, and to pass on any opinions regarding the best ways (approaches, priorities, strategies and tactics) for the international community to cooperate in addressing them. The correspondence database is rich in fundamental and often spirited criticisms of the current development paradigm as unsustainable for various reasons and in various ways, and in ‘blue-sky’ ideas for changing it. It also added a number of items to the list of emerging challenges, including soil degradation (depletion, erosion, salinisation, water logging and desertification), the accumulation of toxic wastes, government corruption and illegitimacy, globalisation, and unfair terms of trade.

### **10.3 Key Strategic Risks**

#### **Overview**

The issues that stand out as emergent issues in all the databases are climate change, water and food security, as well as various social problems (including extremism and public security) and environmental ones (such as ecosystem degradation), some of which are linked to climate, water and food as causes or consequences, or both. Ecosystem degradation undermines biological productivity and threatens water and biodiversity which are inherent to all ecosystems, so biodiversity loss and water security cannot be separated from the broader risk analysis. All these problems have multiple origins and can often build up slowly over many years before manifesting themselves in ways that can seriously degrade lives and livelihoods. Deep understanding of their root causes coupled with sensitive and continuous monitoring and a long-term perspective are all needed if problems are to be avoided. In the following paragraphs we sketch out the main features of these key strategic risks, and the strategies that can be used to reduce them.

#### **Climate Change**

Driven by the accumulation of greenhouse gases (GHGs) such as carbon dioxide and methane in the atmosphere, climate change has the potential to cause severe adverse impacts on rainfall patterns, agricultural potential, water resources, and terrestrial, wetland, aquatic and coastal ecosystems, including all those used by people for subsistence, recreation and physical security against desertification, land-slides, floods

and storms, besides increasing the range of disease vectors and the intensity of sea-borne storms, and rendering coastal areas vulnerable to inundation by the sea (IPCC 2007; UNEP 2007; UNDP 2007). Recent events are consistent with the early stages of climate change, and it has become clear that in a changing world the most vulnerable are those with fewest resources and least resilience: i.e. the poor and the excluded (e.g. DFID, FMECD, MFA Netherlands, OECD, DG Development, Asian Development Bank, AfDB, WB, UNEP & UNDP 2003; Action Aid 2007). Potential solutions include mitigating climate change by reducing GHG emissions from land use (including avoided deforestation) and the burning of fossil fuels (including renewable energy, energy efficiency and arrangements to encourage these – IEA 2010). The sources of GHGs are so integral to human economic activity, however, that progress on mitigation has been extremely slow and some global warming is now inevitable. The existence of feedback loops and tipping points makes the whole process dangerously unpredictable, but adaptation is certainly now a strategic imperative, and efforts to adapt will affect all sectors from now on.

### **Water Security**

The regular supply of fresh, clean, affordable water is fast becoming problematic in much of the world. Its supply depends on the condition of ecosystems, and on the decisions of societies that are often distorted by the demands of the powerful. Collectively, we use about three trillion tonnes of fresh water each year. Irrigation takes 70 percent of it, but industry's needs are growing towards 25 percent, leaving little for domestic use in the cities where half the world's population now live (UNDP 2006). If water is diverted to irrigation and industry, or withheld for hydroelectricity, or polluted, then the price of clean, fresh water will go up and the poor will suffer (McDonald & Jehl 2003). Hence millions have lost water security over the last decades, and worldwide there are tens of thousands of local water crises, all caused by ecosystem damage and the diversion, over-use and pollution of water (Caldecott 2008). Potential solutions lie in arranging for water users to pay a realistic price to those who manage source ecosystems and treatment and delivery systems. Greater knowledge of water resources and the main water-bearing ecosystems, and better long-term strategic planning for how to use them, plus increased efficiency of water use, are all needed too.

### **Food Security**

There are at least three critical dimensions here. One is the sustainability of food production, which depends on the manipulation or exploitation of ecosystems and their edible products with due regard for their physical and biological structure, and the flow of water and nutrients within and through them. Another is the distribution of ownership rights to productive land and the produce from it. And yet another relates to the prices paid for produce, the share captured by the producer and the price of chemical and energy inputs, all of which are subject to distortions that often involve global markets, speculative investments and government subsidies that may be beyond the capacity of farmers to influence. Potential solutions lie in environmental education, community empowerment, governance and land reforms, fairer trading and

marketing arrangements, reducing need for inputs (including through organic farming), and finding ways to discourage speculation and remove harmful subsidies (including, in some circumstances, aid itself).

### **Social Problems and State Fragility**

Harmful consequences for the poor were highlighted in the paragraphs on climate change, food security and water security. These are often aggravated or even determined by the weak accountability and acquisitiveness of elite groups. Other issues raised by stakeholders include under-employment as a result of exclusion from economic opportunities, especially of young men who may then be exploited by those with an interest in violent social change, resulting in extremism, terrorism and fragile or failed state outcomes. Potential solutions lie in broadening participation in diversified and growing economic activity, for example through governance reform and by encouraging private-sector development and entrepreneurship through instruments (like Aid for Trade) that promote sustainable business, industry and commerce and job creation. Other solutions include the political settlement of underlying injustices, replacing extreme views with more moderate and better-informed ideas through education, and encouraging participation in more benign forms of social and environmental activism through democratic participation and NGO movements.

### **Ecosystem Degradation and Biodiversity Loss**

Ecosystems degrade and lose biodiversity when they are excessively or carelessly harvested, when polluted beyond their capacity to process wastes, when damaged enough to deteriorate further under normal conditions, or when physical conditions are changed too far from their natural state. When the ecosystems concerned are farmlands, water catchments or others that support people directly, the human consequences can be immediate and devastating. Ecosystem degradation is usually due to one or a combination of the following (Caldecott 1996; Caldecott & Miles 2005; TEEB 2008; 2010): a lack of knowledge of how to use the ecosystem sustainably; a lack of accountability between those doing the managing and those affected by the management; a lack of mechanisms for beneficiaries to pay managers for ecosystem services; a lack of rules on how to use the resource that are agreed among all the users of it (described as “mutual coercion, mutually agreed upon” by Hardin 1993); or a desperate necessity in which short-term use is rationally decided upon as a survival tactic. It follows that solutions lie in environmental education, governance reform, closure of ‘open commons’ through community empowerment and tenure enforcement, and temporary assistance to head off irreversible impacts.

### **Setting priorities in response to established and emerging risks**

The strategic risks identified above endanger gains that may result from investments targetting more immediate improvements in the human condition. Thus they should be addressed alongside these other investments to safeguard their integrity, much as an insurance policy might be viewed as a tool for risk mitigation in other contexts. There are choices to be made, however, among all investment options, even if they are guided by a single over-arching priority such as poverty reduction. Many consid-

erations are important when making such choices, and one way to integrate a number of them in a particular case is through economic cost-benefit analysis. This can be a potent tool when applied to a utilitarian priority-setting criterion, such as how to direct the greatest benefit to the greatest number of the most vulnerable people. Such analyses are most useful, however, when all major factors are realistically considered and equally quantified, an appropriate time horizon is used, and the future values of long-term benefits are considered. They should also be seen as part of a set of transparent decision-making processes, building on the needs and values of the beneficiaries, within and between generations. This highlights the importance of understanding all the drivers and preconditions of sustainable development, accounting for the interconnections between key challenges, and having access to a variety of tools to help make the right decisions on priorities for achieving sustainable poverty reduction.

## 10.4 Discussion and Conclusions

It is clear that all the challenges to development identified by stakeholders can or already do contribute to creating or aggravating poverty, or disabling efforts that seek to reduce or alleviate it. It is also clear that no one donor, or even any combination of donors, can realistically and directly address all of the currently emerging issues. There are however abundant opportunities at the margin to improve matters, to fend off the worst impacts until solutions arise, to target the tractable parts of seemingly intractable problems, until one by one they are all solved, to identify win-win investment opportunities, and to put funding into answering questions, managing knowledge, building resilience and encouraging those who are dedicated enough to try out new ideas. Moreover it is feasible for a single actor to amplify its influence greatly, by helping to strengthen others that are under-performing due to a need for core funding or diplomatic support. Finally, it is possible to achieve far greater effects by working with others to forge a united front of diplomatic, technical, policy or financial activity, and thereby do more together than the sum of all that they could do if acting alone.

It is also clear from the databases that Finnish development cooperation is already working in the right direction in several areas. The Energy and Environment Partnership (EEP) appears to be in the process of proving itself as an effective way to promote renewable energy development, thus addressing climate change mitigation while also improving livelihoods and reducing energy poverty. Finland is already giving far more than usual attention to donor coordination, which is the lifeblood of effective disaster risk reduction. It has proved that participatory management of water points and collective cost recovery from users can improve water supplies sustainably, at least at a technical and financial level. It has consistently favoured the weak, poor and landless who are most at risk from environmental change, and it has invested in building the capacity of NGOs and CBOs (Community based organisations) that protect their interests, as well as in core funding for institutions that do research and fund programmes that are designed to benefit them. In these existing measures, the outlines of

a programme to target the key development issues of this century can start to be made out.

But this analysis has shown that Finland could be doing far better in many ways, partly by increasing investment in some areas at the expense of others, partly by adding to its existing skills (e.g. biodiversity to forestry, forestry to water), partly by new kinds of investment (e.g. in biodiversity, in replicable innovations, and in new technologies for materials recycling, renewable energy and energy efficiency), and partly by understanding why certain arrangements work and some do not, and then investing exclusively in the former. Thus there are all sorts of reasons to expect good outcomes from increased democratic accountability and NGO activism at the local level, arrangements that include fair payments for ecosystem services to those responsible for managing ecosystems, or that encourage the negotiation of resource user agreements within the bounds of secure community tenure, or that use information flow to improve the bargaining positions of farmers and that therefore lead to fairer terms of trade. Some interesting perspectives on this can be found in the correspondence database:

- *on the need for bravery* – “Who came up with micro-credit schemes, originally for women in Bangladesh? Answer: an individual who was not put off by the complete lack of any method of forcing these women to pay back their loans. Risk avoidance would have killed it stone dead as being unproven and unrealistic as a technical aid project. Of course, now it is a world model”;
- *on the need for thoughtful dialogue* – “There is definitely scope for Finland to raise its profile in new emerging issues and to ‘modernise’ its thinking as a donor. This could include, amongst others, producing more ‘think pieces’ on emerging issues, holding workshops to brainstorm ways forward and bring in international expertise”;
- *but also on the need for steadiness* – “Solutions are not found in the bold brush strokes that are currently favoured by Western agencies, but by slow and meticulous work on the ground, with the communities concerned, and applying solutions adapted to their particular circumstances;
- *and the need for caution* – “one major problem is that our paradigm produces organisations, politicians and individuals who achieve both fame and financial reward from pointing out the problems – there is little incentive for solutions. The ‘problems’ are presented as huge and overwhelming: great conference material, [but] the solutions are generally incremental and small scale – they are not noticed. So better to develop feedback from reality: better analysis of problems to generate fine-grained solutions”.

A final point is that the formal instruments of development cooperation can contribute only so much to resolving the emerging challenges discussed in this chapter. They can be sharpened and improved, and the apparent competition between pro-environment and anti-poverty efforts that concerns some interviewees and correspondents

can be resolved. The gravity of sustainability challenges described above, however, will force us to look more broadly at the coherence of Finland's policies and actions towards reducing and preventing poverty – beyond sectors and beyond short-term interests. Here the MFA is uniquely placed as the entity responsible for policy on foreign relations, trade and development, giving it the opportunity to ensure coherence and effectiveness, and offering scope for Finnish leadership in promoting the enabling conditions for sustainable development as well as the reform of international environmental governance. These are large targets, but ones that can be hit very effectively by a small actor with a big agenda.

## 11 LESSONS LEARNED AND CONCLUSIONS

### 11.1 Overview of Findings and Lessons Learned

#### Overall Strengths in Aid Delivery

Detailed examination of 22 activities according to the 14 criteria used here revealed that the strongest scores are on average attained by the criteria of relevance, coherence, partner satisfaction, compatibility and Finnish added value. It was concluded that there are good reasons each should stand out as indicators of tasks well done: (a) for relevance, that it can be assessed once at the beginning of the identification stage and is amenable to technically-based and dialogue-based documentation; (b) for partner satisfaction, that it represents a strong feed-back mechanism to which officials are likely to be sensitive; (c) for coherence and compatibility, that anyone formulating an activity would be expected to pay close attention to the donor's own priorities as well as those of the partner country; and (d) for Finnish added value, that it was actively sought in most of the evaluations reviewed, so its high rank may have been affected by attention bias.

These data are interpreted to mean that Finnish activities typically meet the priorities both of Finland and of her partner countries, respond to some but not all elements of the global development agenda, and satisfy the needs and wishes of cooperating partners. Partly as a result, Finns are widely respected for their skills, approach and attitudes, and are often individually described as 'very effective'. Moreover, there are many cases where positive outcomes are achieved. These are strongly associated with efforts that encourage sustainability to flourish and that are based on detailed local knowledge, including long-term engagement with local communities to create local ownership, the strengthening of local capacities and the involvement and authority of women, the increasing of local cash incomes, and the continuing cultivation of local partnerships. The modalities that are most likely to work in these ways are those that revolve around the decentralised Finnish embassies and the NGO partners of Finnish development cooperation.

### **Overall Weaknesses in Aid Delivery**

The weakest scores among activities are on average given to replicability, complementarity, efficiency, connectedness and activity design. These findings were attributed to the following reasons: (a) for replicability, that it requires excellent arrangements for managing knowledge so that lessons can be learned and applied elsewhere; (b) for complementarity, that it requires donors and governments to collaborate very closely in identifying, formulating and managing activities (c) for efficiency, that it is hard to measure in any complex enterprise with poorly-quantifiable inputs and outputs and intangible influences on context and performance; (d) for connectedness, that it requires pre-planned resilience to events or processes in a complex and inter-connected world; and (e) for activity design, that it requires accurate analysis of problems and needs (and therefore input from local knowledge holders), and the assembly of measures that can realistically lead to high scores on other key criteria. These five criteria relate to what are probably the most demanding tasks in aid delivery. Weakness in design is probably related to prevailing mediocre scores on impact, effectiveness and sustainability, as well as to low scores on connectedness.

Taken overall, donors and other stakeholders do not communicate enough with one another, and the typical Finnish activity is not well-enough designed to be able to deliver much in the way of short-term results or longer-term and broader impacts, or to shrug off external pressures that may arise. Worse, the key aim of all these activities, poverty reduction, is vague, indistinctly measurable and little measured, so is often assumed to be delivered even when it may not be, or when it occurs for other reasons. Finally, there is an unease in the minds of a number of interviewees and correspondents that Finland is delivering an obsolescent aid programme that is weak in terms of ‘coherence thinking’, ‘NGO-government dialogue’, ‘poverty analysis’ and the ‘methods of development cooperation’.

### **Signs of Improvement in Aid Delivery**

Eight of the 22 evaluations reviewed in Annex 6 made a convincing case that scores for one or more of the assessment criteria would improve as a result of changes to the activities that were underway at the time they were examined. These anticipated improvements, generally of up to around one grade among the 1–7 possible scores, were recorded in the following evaluation reviews: Local Cooperation Funds (Annex 6:2), NGO Foundations (Annex 6:5), Central Asia and South Caucasus (Annex 6:8), Natural Disasters and Climate Change (Annex 6:15), Water Sector (Annex 6:17), Ethiopia (Annex 6:19), Forestry and Biological Resources (Annex 6:20) and Energy Sector (Annex 6:21). Some of these reflect recommendations being accepted and planned for, or acted upon, and others the general process of MFA and embassy officials, and development partners, learning from experience.

In addition, remarks in the interview database highlight a number of areas in which steps are being taken to improve aid effectiveness, including in information and process management at the MFA, in strengthening embassy and MFA technical resources through additional advisers and more effective use of consultants, in increasing donor

coordination earlier in the project cycle, in developing new instruments to engage the research community and private sector stakeholders, in new twinning arrangements with developing country cities, in improving local ownership and stronger partnerships in the energy sector through the EEP, and in more independent thinking at MFA.

### **Cross-cutting Themes and Environmentally Sustainable Development**

Despite considerable policy attention and with the partial exception of gender, mainstreaming of the CCTs has generally been weak within Finnish development cooperation. With regards to mainstreaming environment and climate change, despite some progress induced by the higher priority given to environment in the 2007 Development Policy, many of the challenges previously noted in an earlier evaluation (Kääriä, Piispa & Mikkola 2006) seem to remain. Since without mainstreaming little influence on programmes and projects can be exerted, the action of considering the CCTs and ESD has contributed little either to the sustainability of development results and poverty reduction, or to the promotion of environmentally sustainable development.

Several reasons for this failure are noted, including a lack of obligatory and concrete arrangements to embed these priorities in activity design, a lack of tools and clear guidance with strong policy backing, and sub-optimal use of valuable in-house expertise (e.g. some advisers seem to be over-stretched while others are not fully employed). A more generic issue noted in the interview database is that something like CCT mainstreaming that is the responsibility of everyone, tends not to be acted on by anyone in particular. Thus, as observed in Chapter 6, in the absence of automatic procedures to ensure compliance, or comprehensive training and easy-to-use tools like guidelines and help systems, the influence of the CCTs on government aid activities (as opposed to NGO ones) can only be expressed through the personal interest and enthusiasm of the individual desk officer, embassy official or adviser.

The relevance of NGOs here is that as mission-driven entities they are more likely to pay attention to CCTs and ESD where these are in line with their missions. It should be noted, however, that the evaluation also identified cases of good mainstreaming of CCTs and/or ESD, for example in the water, health and education sector activities. However, these successes still seem to be based more on the commitment and expertise of certain individuals than they are the product of a systematic, institutionalised mainstreaming process. In conclusion, therefore, mainstreaming (be it of CCTs, ESD or climate change) requires a more solid understanding of, and better responsiveness to, partner country needs and knowledge in prioritising identified objectives and/or themes. This would apply particularly to climate change, on which subject most developing countries are becoming increasingly vocal in their need for adaptation, for mitigation by industrial countries and for technical assistance and/or compensation if they are to be able to contribute to mitigation themselves.



### **Sustainability of Poverty Reduction Impacts**

The activities reviewed tended to receive only a mediocre score on sustainability, which was attributed mainly to weak design. Interviewees, however, drew attention to the repeated association of certain arrangements with the expectation of sustainability: local participation in initiation, planning, operation and ownership; cost recovery from service users; legislative change; ongoing support from government budgets; capacity building; appropriate technology; collaboration between institutions; empowerment of women and communities; realistic scale of activity focus; and stimulation of local businesses and business partnerships. Thus they expect sustainable outcomes to be associated with these attributes, which to the extent present are taken to indicate a degree (but because of their scarcity, only a fairly small degree) of impact sustainability. But interviewees also drew attention to common weaknesses and obstacles to sustainability, mainly in the areas of leadership, bureaucracy, capacity building, politics, financial viability, commitment, ownership, private sector engagement, donor coordination, research cooperation, external interference, exit strategies and follow-up, unclear responsibilities and accountability, and the use of inappropriate technology and other inputs. Most of these are simply the opposites of the indicators of sustainability, and observers expect them to be associated with unsustainable outcomes.

It was, however, widely noted that the definition and measurement of sustainability is highly problematic, and that hard and relevant data are very scarce. Nevertheless, if it is accepted that beneficial outcomes are those which feature wealth creation, equitability, peace-building and improving the health of people and ecosystems, then arrangements that strongly promote them are believed to include secure resource tenure (so that long-term investment and management decisions can be applied), locally-accountable governance (so that those affected by decisions can regulate decision makers), systems in which the beneficiaries of downstream services provided by well-managed ecosystems pay an adequate price to those responsible, education that promotes awareness of how to maintain human and ecosystem health, and mechanisms for the sharing of lessons and solutions among peoples. These beliefs might be mistaken, but it is hard to imagine an orderly world in which they do not hold good, on average, for most of the time. If this is accepted, then a proxy for the issue of sustainability of anti-poverty impacts is how well Finnish activities encourage these arrangements to flourish. The answer appears overall to be favourable, but with room for improvement and the major caveat that rapid environmental and social change may yet undermine the progress that has been achieved.

### **Overall Distinctiveness, or Finnish Added Value (FAV)**

Observers characterise FAV in several different ways: (a) as a set of values (e.g. support for human rights, equality and democracy, volunteerism, and egalitarian forms of social organisation); (b) as a set of technical competencies (e.g. in the water sector, sustainable land use, meteorology, education, health care, information technology, governance, research, and renewable energy); (c) as a set of ways of relating to others (e.g. by offering untied core funding, by promoting inclusive consultations, mutual learning, civil society capacity building and networking, and by maintaining construc-

tive relations with local partners the donor community and governments); (d) as a set of priorities (e.g. in relation to human rights, social and gender equality, sexual and reproductive health, and support for vulnerable groups); and (e) as a set of performance attributes (e.g. honesty, inoffensiveness, neutrality, flexibility, focus, effectiveness and efficiency). Finland sometimes also adds value by going to places or doing things that other donors will not or cannot, or in leveraging new and additional resources. Finally, there is the distinctive courage with which the MFA commissions and publishes independent reviews of its activities, for which it is to be commended.

### **Emerging Challenges**

The desk-study review, interview and correspondence databases all point to a number of serious challenges to the sustainable reduction of poverty. They identify the following as key strategic threats:

- climate change, to the effects of which the most vulnerable are those with fewest resources and least resilience: i.e. the poor and the excluded;
- water security, with tens of thousands of local water crises worldwide, all being worst for the poor and all caused by ecosystem damage and the diversion, over-use and pollution of water;
- food security, undermined by unjust land distribution and terms of trade, and price fluctuations driven largely by market speculations;
- social problems and state fragility, as groups are excluded from economic opportunities and driven or encouraged to seek relief through violence; and
- ecosystem degradation and biodiversity loss, which undermine the biological productivity and services on which all people depend, with the poor being most immediately vulnerable.

These challenges are encountered in an increasingly interconnected world, which is also vulnerable to a variety of sudden-onset issues including those rooted in trade, finance, warfare, terrorism and pandemic disease. Understanding these threats and how development aid can contribute to reducing vulnerability is a further priority. In addition, the rapid growth in population within countries where environmental and social challenges are worsening was noted by several observers as a major, but ‘almost forgotten’ threat. Population is a complex subject, however, and observers were variously concerned that environmental deterioration would undermine the economic progress needed to reduce both poverty and fertility, or that rising living standards among more people would undermine the sustainability of the biosphere itself, or both.

### **Conclusions on Findings and Lessons Learned**

The Finnish aid programme is diverse, with numerous modalities that in principle offer officials and other stakeholders a range of options for tailoring different combinations of activity with different combinations of need and opportunity. The programme is also diverse in its choice of targets, themes, sectors and locations. This di-

versity is both a strength and a weakness: a strength because the world is complex and adaptive flexibility and experimentation are therefore essential; but a weakness because it can fragment attention and resources into packets that are each too weak to meaningfully address all of Finland's development priorities. An impression is that as new priorities have been identified they have been *added* to the cooperation mix, rather than always *substituted* for previous priorities (the CCTs being a good example). The result is a programme that led at least one interviewee to comment that “We are doing almost everything [yet] it's better to do nothing than to do things badly”.

Even in the current situation, though, we have detected a number of strengths in the delivery of this programme, as well as some weaknesses that offer opportunities for further improvements. We say ‘further’ here because there are signs that the effectiveness of aid delivery is already improving, and that changes are underway that will accelerate this by correcting some of the weaknesses that were identified by retrospective studies. Meanwhile, however, the ‘outside’ world – meaning the world beyond Finland's orderly and peaceful prosperity, but within which Finland nevertheless exists – is changing rapidly and bringing new challenges. Some of the signs of improvements in aid delivery that have been noted are responses to major emergent challenges, and are building enhanced preparedness for achieving poverty reduction objectives in a changing world. It will be important to continue building on existing strengths and correcting existing weaknesses, but now may also be an appropriate time to consider adjusting the strategic priorities of the aid programme as a whole, so that it more completely targets those factors that pose the gravest risks to sustainable development.

## **11.2 Building on Strengths and Correcting Weaknesses**

Finnish aid uses various modalities, each of which represents a different tool or strategy for delivering results. They have their own distinctive arrangements and may be applied separately, but they are also often deployed together in thematic/sectoral and country cooperation programmes, which may feature bilateral, multilateral, research, budget support, NGO, LCF, concessional credit and other modalities. Underpinning these various strategies lie different mechanisms, actors and relationships, involving a web of institutions (embassies, charities, universities, government and intergovernmental agencies, etc.) with the MFA as the ‘conductor of the orchestra’ at its heart. We would advocate that the strengths of Finnish aid be deliberately built upon to improve the application of old skills and well-rooted motivations to new challenges. This would help correct the issues identified in Chapters 6–8, while preparing Finland to help respond to those described in Chapter 10. The following paragraphs highlight where strengths exist that can be built upon, and weaknesses occur that can be corrected or avoided.

### **Support to International Organisations**

The UN is funded partly by mandatory, General Assembly-assessed contributions to its core costs and established organisations, based roughly on Gross National Income GNI, and partly by voluntary contributions to its specialised agencies and programmes. Finland, with an economy less than a sixtieth the size of the United States', makes mandatory contributions proportionate to the USA's 22 percent of the UN core budget, and therefore has a small role from this point of view. However, Finland does make significant voluntary contributions to UN agencies – nearly US\$ 150 million in 2009 (OECD 2010). An example of how some of this money is used was given in Box 2, in the case of supporting UNEP's role in disaster response and crisis management. It should be noted that it is not possible for reasons of legal immunity to bind UN agencies to contracts, so memoranda of understanding may be used to establish the purposes for which aid is given. In the absence of enforceability, however, and with weak formal accountability, the boundary between earmarked funding and untied core funding is necessarily vague.

Finland is well appreciated for such contributions, though, and exerts a kind of soft power within those UN agencies that it supports in this way. To varying degrees, and with a varying (but usually small) extent of Finnish participation in decision-making structures, Finland also contributes to other UN agencies (e.g. FAO, WFP), international research institutions (such as CIFOR, ICRAF and others within the CGIAR network), regional IFIs such as the African Development Bank, the Global Environment Facility, and (up to 2008) at least one MEA secretariat (that of the Montreal Protocol on ozone-depleting substances). The chief attraction of this funding approach is that managerial responsibilities are outsourced, the chief drawback is that control over spending decisions is lost, and the chief risk is that the money may be squandered (although the reputational risk to Finland is limited precisely because of its low visibility in these arrangements).

The point here is not how well money given to international organisations is spent for specific purposes, but whether Finland has a strategy for building partnerships through such donations. If so, the logic of such a strategy would run as follows: first, the donor should decide what it is trying to achieve and identify strategic partners based on overlapping objectives; second, it should offer each partner untied core funding at a level that will significantly relieve it of fund-raising needs over an extended period; third, in the context of that relationship, the partners should work out what they both agree is worth doing; and fourth, the donor should offer additional project financing for undertaking those tasks. It is this sense of deliberate, meaningful partnership building that is currently missing from Finland's engagement with international organisations.

### **Support to Non-governmental Organisations**

Very similar observations can be made on Finland's relations with NGOs. There is clear policy support for the idea that NGOs represent an important and effective vehicle for development cooperation, and much evidence that NGOs on the ground in

developing countries can deliver good services to local people. The strategy used by Finland is therefore to contract NGOs to deliver those services, using the embassies and NGO Foundations as intermediaries in the transactions, and in the expectation that capacity building will occur as a result of the NGOs being required to manage the contracts and implement contracted activities. But here the emphasis is on service delivery rather than partnership building, so impacts on NGO capacity are necessarily limited. Moreover, civil society movements may be compromised by a system in which NGOs compete for grants, and NGOs themselves may become donor driven and their capacities stretched and priorities distorted as they strive to bid for each (and in many cases every) grant that becomes available. Here again, it may be far more productive in the longer term to invest in partnerships based on clearly-articulated and shared objectives, extended and reliable core funding (plus training as needed), agreed action priorities, and additional project funding for those. In this case, the embassies and NGO Foundations would become partners in long-term relationships *with* NGOs, rather than administrators of small grants *to* NGOs.

### **Support to Partner Governments**

One challenge in many countries is that sectoral interests may unduly influence the partner government's position – in which case Finland may in practice be negotiating with a ministry of mining, forestry or fisheries, rather than with a government as a whole. For example, should a new theme emerge that is of great interest to donors, such as biodiversity in the 1990s and climate change in the 2000s, different government ministries or territorial units may, under conditions of weak leadership, become rivals for access to the newly-available funds. Donors may then be co-opted into or influenced by internal power struggles. This risk can be mitigated to some extent by donors adopting a 'whole government' approach in its discussions with the partner government. Another point to consider is that countries have external as well as internal relationships, so a problem addressed within one partner country may have its origins beyond its borders. These observations highlight a strategic dilemma: that recipient countries have asserted their claim to decide what donors should fund; yet they have numerous internal pressures of an institutional, economic, cultural and (sub-national) regional nature that can confuse and distort the dialogue with donors; and they also have deep, diverse and influential connections across their borders which may subvert activities that only occur within those borders. In developing partnerships with individual countries, therefore, we return to the validity of the partnership building approach outlined for international organisations and NGOs: Finland must *first* determine its priorities, *then* identify partners with a common interest in them, *then* agree to share an agenda for action in the context of a reliable relationship with the whole government, and *then* jointly identify and fund activities that will make a difference and be prepared to work across such borders as may be needed. Naturally, it will help in this if regional rather than only nationally-allocated funds are available to do this.

### **Support to Research Communities**

It is clear that Finland possesses an outstanding tertiary education and research establishment. Efforts to harness it to development cooperation have so far been limited, however, to the indirect funding of ‘development research’, the nature of which is unilaterally defined by the academics involved, the direct commissioning of studies that are not obliged to produce outputs that are relevant to development policy, and exchange visits between students and lecturers at Finnish and developing country universities. As observed in the review of Development Research activities (Annex 6:9), “no one disputes that a flourishing research community is a vital national resource, and development research an important international one. But there are urgent matters of public interest (among them biodiversity loss, climate change, water crisis, ecological collapse, and their remedies) that demand a more purposeful and goal-oriented engagement with the research community, preferably in ways that deliver useful skills and technologies to the developing countries which need them most”. This challenge the Finnish system of development research currently is ill-equipped to meet, and we do feel that discussions on research priorities between the MFA and the Academy of Finland should urgently move beyond their current focus on academic freedom versus the government’s need for answers, based on the principle that society has the right to expect social utility from publicly funded research institutions.

### **Thought Leadership**

One strength that Finland appears to possess is the bravery to submit its aid programme to independent evaluation. An implication is that the MFA is also willing to face, learn from and adapt in response to the findings of these evaluations, despite a natural reluctance to embrace change in uncertain times. For social and environmental times are indeed changing, quickly, and Finland has a great opportunity to use its track-record of independent self-examination to offer thought leadership to the international community of interest in sustainable development. The case can be made, for example, that Finland has found in itself certain aptitudes and capacities, such as particular ways of doing business that are effective in building long-term partnerships and delivering results that are appreciated by partners, areas of competence in which they can easily mobilise world-class expertise and appropriate technologies, and values and priorities that make them feel comfortable, motivated and effective in their work. Other countries could do likewise, perhaps finding the same attributes (in which case they could learn from Finland to use them better), or perhaps others (in which case they can develop them consciously).

Also that Finland has discovered certain universal rules of aid effectiveness that other countries could usefully learn from. These include the principles that good outcomes come from increased democratic accountability and NGO activism at the local level, arrangements that include fair payments for ecosystem services to those responsible for managing ecosystems, or that encourage the negotiation of resource user agreements within the bounds of secure community tenure, or that use information flow to improve the bargaining positions of farmers and that therefore lead to fairer terms of trade. All of these principles could be translated, alongside a rich mass of case

study and exemplary material, into the Finnish-branded help systems, guidelines, decision-making keys and other products that aid agency officials can use to make it easier to do their work more effectively, especially in areas such as the mainstreaming of CCTs and ESD where weakness currently prevails in Finland and elsewhere. To dominate in thought leadership Finland does not have to argue that its aid activities are perfect, only that it has learned from them better than everyone else.

### 11.3 Possible New Priorities

As noted, Finland already possesses a diverse aid portfolio, and whatever it does it will presumably continue to be engaged with the sustainable development process and its stakeholders and institutions in many ways. It would be unwise and unnecessary to shed everything and start again with new priorities, since much of what the MFA already supports is pre-adapted to respond to emerging needs. In particular, several of the processes it uses are exactly the right ones to make sustainable progress in new areas. Thus, the emphasis on harnessing the energies and building the capacities of local NGOs and CBOs is sound, yet could be made more effective if it was designed to build partnerships rather than just implement contracts, and more relevant if those partnerships were oriented to emerging challenges. The same could be said of Finnish collaborations with international organisations and national governments. Hence, we suggest that Finland selects its strategic priorities for reducing and preventing poverty according to simple, clear criteria, i.e.: (a) the greatest benefit for the greatest number of the most vulnerable people; and (b) the suitability of a partnership-building approach for delivering these benefits.

Both criteria lead to a number of questions, those under (a) being mainly technical and those under (b) mainly organisational. To identify the most vulnerable groups requires much to be known about populations and their economic, social, cultural and ecological circumstances. Only knowledge will allow informed judgements to be made about the relative merits of strengthening different communities against different kinds of risk (whether fast-acting storms and epidemics, slower-acting droughts and desertification, or longer-term issues like landlessness or malnutrition). Much of this information already exists, however, in national ministries, NGOs and international organisations, and in Finnish embassies around the world. Where it does not, it needs to be obtained through commissioned research.

In any case, it should be correlated with the options available for strengthening communities' responses to emerging challenges and threats. Some of these options are covered by the universal need for deeper understanding of local conditions and better planning for local development and resilience building among local people. Others are of a more specific nature since places differ in the threats they pose and the opportunities they offer. Considering the first criterion, therefore, would yield a sense of the number of person-years of productive (or healthy, or happy) life that may be at risk in each location, country, biome or the world as a whole, and a menu of options

for gaining them back relative to doing nothing. These include, for example, developing sustained patterns of production and consumption, improving social service delivery and adopting appropriate technologies, avoiding deforestation to mitigate climate change, payment for ecosystem services to increase water security, and the closure of 'open access' property regimes to reduce ecosystem degradation. In every case, however, these generic solutions need to be adapted to local circumstances by local stakeholders.

The second criterion follows on directly from the need for strengthened local adaptive capacity, with improved livelihoods forming a major pathway to reduce vulnerability. For if it is accepted that stakeholder knowledge is vital and stakeholder participation in design and implementation the best way to incorporate it, then effective partnerships are the basic currency of aid effectiveness. But calling a relationship a 'partnership' does not make it real, and real partnerships cannot be created instantly and should not be attempted randomly. Instead the point of the criterion is to establish whether a partnership-building approach is a feasible way to deliver the specific benefits sought. This is not necessarily so, especially in the case of grants to support innovative pilot actions, research activities, the auditing or evaluation of actions, or the delivery of specialised technical assistance, all of which may be necessary additional needs for an aid programme whatever its priorities. But if so, then suitable partners will need to be identified based on shared priorities.

For example, if a strategic priority is climate change adaptation then there are potential partners among international organisations which have relevant mandates and skills (e.g. ICRAF or UNDP), governments with relevant ministries and/or policies (e.g. those of Bangladesh, Indonesia or Vietnam), international NGOs with relevant global or national programmes (e.g. Action Aid or Oxfam), and research institutions or NGOs active at a national or local level that focus on field trials of new cropping systems, or farming calendars, or drought-proofing agriculture, or building resilience to disasters. In each case, the chosen priority leads to partner identification and the possibility of negotiating a strategic partnership and an ongoing relationship that can be built into a long-term process of change that irreversibly improves outcomes.

Our chief conclusion is that Finnish development cooperation should build on the strength of its existing orientation to partnerships by systematising its partnership-building process, using diverse and rational tools to develop a more holistic set of priorities, and consciously extending a welcome to a broader range of potential partners selected according to those priorities, with which field activities would then be planned and implemented. These partners could be international organisations, national governments, or NGOs, but the process of partnership building would be very similar in each case. In addition, however, there are some aptitudes and values that Finns possess which it would make sense to consider as resources for the development of an effective programme. For example, skills and interests in the water, forestry, health, education, governance, energy and IT sectors are all highly portable into new priorities, and managing knowledge so as to reinforce the thought leadership role that Finland seems naturally equipped to occupy.



But there are also some areas where essential knowledge is completely missing and where the skills of the Finnish research community might be directed. Examples are abundant among the technical issues surrounding choices to be made of where and how to invest so as to off-set the gravest threats to human well-being. The biggest example among many is that of whether or not a whole-programme focus on something fundamental, such as climate change mitigation, water security or international terms of trade, might actually deliver the greatest benefit for the greatest number of the most vulnerable people, compared with a more diverse portfolio. And finally, there will always be a need – quite possibly an increasing one – for various forms of humanitarian assistance (including emergency aid, disaster mitigation, conflict resolution and peace-building), which must remain an essential priority for humane societies, including that of Finland. To be sustainable, all of the above will need to be transparently explained to the Finnish people as the ultimate paymasters of national development cooperation efforts.

## 12 RECOMMENDATIONS

Reducing ignorance and disease, preventing social and environmental harm and national self-harm, promoting investment and infrastructure, etc., all ultimately create net wealth and therefore opportunities for long-term trade which further increases wealth and human well-being. Whether and how Finland actually delivers these beneficial changes in as smooth a way as possible is the focal subject of this evaluation. To address it we have reviewed 22 major evaluations of recent Finnish aid activities, and interviewed and corresponded with scores of knowledge holders. The major conclusion is that while Finns can be conditionally proud of their aid programme, especially its humanitarian assistance dimension, it is in need of modernisation and refocusing in a number of other ways.

### **Operational and managerial improvements**

The fact that critical criterion of **activity design** was on average the lowest-scoring of the 14 criteria among the evaluations reviewed in this study is an important indicator that new skills and capacities are required by Finnish aid officials. To achieve higher scores, however, will require inclusive access to guidelines and knowledge systems as well as specific training on a diverse range of key issues to be considered in formulating logframes, M&E systems, management strategies for knowledge, risk, conflict and stakeholder expectations and involvement, etc. The full list of signs of strength and weakness in activity design is given in Section 2.4. Training in the same skills is needed to support meaningful internal evaluations of activities. Meanwhile, other improvements are required in the areas of mainstreaming the CCTs and environmentally sustainable development, which demand their inclusion as themes within Finnish partnerships, development of a mandatory step early in activity design where they must be considered and appropriate measures specified, and the use of knowledge systems to make it easier to access and share information on these matters among of-

ficials and other development actors. There are also operational weaknesses in need of correction in the areas of defining and measuring sustainability and poverty reduction. A number of proxies have been identified for sustainability, and poverty indicators exist or can be developed, and these should be expressly endorsed and routinely assessed during appraisal and monitoring.

### **Ideas into Action**

The flow of ideas is critical to induce innovation, growth and change in the fields of enterprise, governance, social well-being and harm avoidance. This recognition should place the operational emphasis firmly on the management of knowledge, education at all levels, exchange visits, institutional twinning, research collaboration and the development of long-term, mutually-enriching partnerships of all kinds. The flow of ideas must be accompanied by the means to put them into effect, in the form of government support, organised community activism and/or the flow of financial capital. Non-governmental groups can specialise effectively in delivering the former and many are natural allies of Finnish aid. Financial capital, meanwhile, is the province of development banks (for indirect investments through governments, justified partly on economic grounds) and private or state-owned firms (for direct investments justified by financial returns to shareholders), but this leaves a major need for seed capital to allow innovation and business development based on new ideas. Private venture capital can partly fill this, but usually on rapacious terms and with little availability to the poor, so we perceive the need for a public-interest, publicly-funded financier specifically of innovation among the poor which can act alongside the measures specified to promote the flow of ideas. In order to do this, the MFA needs to deepen its understanding of the enabling environments for pro-poor private investments and public-private partnerships.

### **Environmental Change**

The interests of the Finnish people, and all other peoples, are under serious threat, particularly from climate change. This recognition should place the operational emphasis firmly on reducing GHG emissions by encouraging and enabling the reform of all systems that generate them, including industrial processes, transport, energy production and the use of forests, soils, wetlands, grasslands, farms, plantations and other ecosystems so as to reduce those emissions radically and urgently. The same conclusion can be reached with respect to such matters as non-GHG pollution, biodiversity loss, the collapse of fisheries, social threats linked to radicalisation, violence and state fragility, and mass migration whether driven by war or environmental deterioration. Collective action, in Finland as well as internationally, is appropriate, but often while we know in general terms what to do and why to do it, there are massive gaps in our knowledge of how to make effective reforms in particular circumstances, and a huge need for experimentation, and the learning and applying of lessons. Moreover, even if we know exactly what needs to be done, there are short-falls in the resources needed for implementation and replication. Here even a relatively small donor such as Finland could make a spectacular difference through strategic investment based on clear analysis of its own interests and those of its partners.

### **Thematic Priorities**

Finland should review its strategic priorities for reducing and preventing poverty according to simple, clear criteria, i.e.: (a) the greatest benefit for the greatest number of the most vulnerable people; and (b) the suitability of a partnership-building approach for delivering these benefits. All existing themes and partnerships that do not fare well according to these criteria should be significantly re-thought and/or phased out. This review should be informed by an understanding of global emerging issues as identified in this study, if necessary supported by commissioned research to confirm and quantify more precisely the scale of threat that each poses to the interests of the international poor, and how best Finnish investments can mitigate them or help the poor adapt to their most significant impacts.

### **Cross-cutting Themes**

We recommend that the review of strategic priorities also consider redefining the CCTs as *critical enabling factors*. This would bring the concept in line with development policy, which makes it clear that “stable poverty-reducing economic development on an ecologically sustainable basis” *demands* “having peace and security, well functioning democratic governance, respect for human rights, inclusive social and cultural development, and action to fight corruption” (MFA 2007, p. 12). These priorities might be re-stated as the need for democratically accountable and appropriately decentralised governance, the rule of law, peace-building, and protection of human rights among all people and future generations, and should be retained and further developed as a major theme of all partnerships with national governments.

### **Building Partnerships**

It is considered that what makes a partnership real and effective has not yet been articulated clearly or applied consistently in Finnish development cooperation. A general process of review and consolidation is recommended, leading to guidelines for a process of partnership building that are equally applicable to those with international organisations, regional entities, individual governments, research and educational institutions and NGOs. This process should be based upon four distinct steps: (a) Finland should identify strategic partners based on overlapping objectives among shared thematic priorities; (b) Finland should offer each partner untied core funding at a level that will significantly relieve it of fund-raising needs over an extended period; (c) in the context of that relationship, the partners should work out what they both agree is worth doing in operational terms; and (d) Finland should offer additional project financing for undertaking those tasks. Partnerships of this sort should become the main way in which Finnish aid does business.

### **Funding Innovation**

There are many small groups and individuals around the world, in developed and developing countries (or working in both), that are exploring, inventing, testing or applying solutions to aspects of the major development challenges that confront humanity. These amount to a seed bed of bright ideas, and the Finnish habit of ensuring that at least some funds are available through the NGO Foundations and LCF to en-

courage them is applauded. As a supplement to the main partnership-based strategy, we recommend that the concept be retained and developed into an innovation grant fund that disburses core help to group initiatives or fellowships to people selected through the recommendation of advisers (for example based on the knowledge resources of international NGO networks). An innovation investment fund should also be considered to act as financier specifically of innovation among the poor.

### **Developing Help Systems**

This refers to all kinds of learning and referencing systems that include useful knowledge organised in the form of browse paths and decision-support menus and keys, with pop-up definitions of key terms and supported by a searchable database of key words, concepts, case studies, regulations and procedures. One or more help systems should be prepared to assist in the mainstreaming of critical enabling factors (i.e. ‘cross-cutting themes’) and environmentally sustainable development (i.e. harm prevention and benefit capture from climate change mitigation and adaptation, water and food security, environmental education, community empowerment and fate control, biodiversity conservation, and humanitarian assistance). All of these areas currently suffer from high transaction costs due to unshared vocabulary and knowledge among development actors, a lack of familiarity with concepts, options, procedures and best practices, and the difficulty that time spent finding this information competes with other demands placed on overstretched personnel. Digital help systems offer a way to relieve these constraints.

### **Building Awareness and Thought Leadership**

We recommend a more deliberate policy of promoting the visibility and public understanding of what in particular Finland, and the Finns, can bring to the global development process. One option would be to commission accessible works in various media and ensure their distribution to and through all partners, including especially the Finnish media (to help secure public support for the aid process) and EU partner agencies (to help influence the cooperative agenda and advance the aims of Finnish thought leadership).

### **Ongoing Strategic Monitoring**

As Finland considers how to address major development challenges, it should give thought to the issue of how to ensure that the next generation of policy and practice not only target the problems that threaten the poor worldwide, but also how lessons are learned and improvements can continue to be made. This requires feed-back systems between the targeted beneficiaries of activities and the officials who design and implement them, and also between Finnish efforts and the broader global community of interest. The first can be addressed by broadening the ToR of activity design teams and of routine evaluations and monitoring activities so that they pay special attention to indicators and proxies of sustainability. The second might be addressed in several ways. Options for feedback and independent quality control include: retaining an international network of expert observers; retaining one or more international or Finnish NGOs to monitor and report back; using the OECD/DAC Peer Review process

more effectively; and/or monitoring international information sources (such as those listed in Section 10.1) to confirm effective targeting of efforts. It is also recommended to repeat a synthesis evaluation every 3–5 years.

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## THE GAIA TEAM

**Julian Caldecott (Team leader).** An ecologist, writer and environmental consultant, he has led major evaluations of the Chimalapas Campesino Ecological Reserve Project in México (DFID 1998), the Iwokrama International Centre for Rainforest Conservation and Development in Guyana (DFID 2001), the ASEAN Regional Centre for Biodiversity Conservation (EC 2002), the Illegal Logging Response Centre in Indonesia (EC 2006), the Coastal Habitats and Resources Management Project in Thailand (EC 2007), the ASEAN Centre for Biodiversity (EC 2008), and the EU-China Biodiversity Programme (EC 2009). He has led strategic programme reviews and project identification missions covering Nigeria (EC 1991), Asia (EC 2006), Bangladesh (EC 2008), and Indonesia (EC 2009), as well as thematic studies on environmental management and disaster risk (UNEP 2006), environmental policies and laws (UNEP 2007) and multilateral environmental agreements (UNEP 2008). He has also written numerous reports, technical publications and books, the latter including *Hunting and Wildlife Management in Sarawak* (IUCN, 1988), *Designing Conservation Projects* (Cambridge University Press, 1996, 2009), *Decentralisation and Biodiversity Conservation* (World Bank, 1996), the *World Atlas of Great Apes and their Conservation* (California University Press, 2005), and *Water: the Causes, Costs and Future of a Global Crisis* (Virgin Books, 2008, later republished in Finnish, Spanish and Arabic editions). Samples, covers, reviews and a full CV and bibliography are available at <http://www.juliancaldecott.com>.

**Svend Erik Sørensen (Team member)** has more than 20 years' professional experience in project design, implementation and evaluation from more than 40 countries in Asia, Africa, Eastern Europe and the Middle East, covering all main Finnish development cooperation partner countries. His main experience covers good governance, democratic developments, civil society and social and post-conflict development as well as poverty reduction, livelihood support, natural and water resources management, the environmental, health and education sectors, and disaster management. He has experience in all phases of the project cycle, is a skilled team-leader and project manager, process consultant and strategic adviser, and has worked for all major international donor agencies. In his work he assesses organisational culture, undertakes performance assessments of public, private and third sector organisations, guides and monitors them in applying strategic and 'learning organisation' principles, management, logframe, monitoring, evaluation and assessment techniques. He is versed in training management, training curricula and materials development and has facilitated numerous workshops, incl. NLP/coaching, communication and train-the-trainer.

**Sukhjargalmaa Dugersuren (Team member)** has during her extensive career acquired solid competency in policy analysis, legal drafting and formulation and management of programmes/projects in the areas of poverty reduction and governance with focus on the substantive areas of human rights, gender equality, anti-corruption,

electoral systems and civil society, and on rights-based approaches in policy implementation. She was trained and directly responsible for leading the process of UNDP's country-level transition (Mongolia and Cambodia) to a new Results-Based Management policy in programming and providing training on all phases of project cycle and especially M&E under this methodology. A decade of her work with a multilateral donor agency has placed her in the centre of government and donor discourse on the results and sustainability of ODA (Official development Assistance) programmes. Dugersuren Sukhjargalmaa also has a direct familiarity with programme sustainability requirements of the Finnish Government which in 1999–2000 provided funding to the UNDP Mongolia project on microfinance that she personally managed while working as Poverty Reduction Team Leader and Assistant Resident Representative of UNDP Mongolia.

**Mikko Halonen (Team member)** has concentrated in his professional career on environmental economics, sustainable development, climate change and international development cooperation. In his work he has assessed and developed different policy measures, including economic instruments, regulation and informative & educational measures in order to change unsustainable patterns of productions and consumption in different countries. During the past 10 years his main areas of work have included extensive work within the UN organizations in post-conflict regions as well as climate change related work. He has been on several occasions working with UNEP conducting environmental assessments and elaborating comprehensive environmental development agendas for post-conflict countries and countries in transition. Mikko Halonen has been actively engaged in climate research programmes and development of approaches for integrating climate change considerations into policy making. He has introduced climate mainstreaming tools for assessing climate risks and for “climate proofing” development cooperation.

**Paula Tommila (Junior Team member)** is a geographer with experience in management of development cooperation projects in Europe and developing countries. She is also familiar with project monitoring and quality assurance, which she has conducted both in Finland and Vietnam. She has also participated in development of project management and marketing systems. In the substantial side she is specialized in renewable energy and biofuels. In her studies, she paid attention to the relationships and conflicts between environment and people from the perspective of land use and geography. She also has strong experience in training and teaching.

**Alina Pathan (Junior Team member)** has broad knowledge on environmental and climate issues as well as development cooperation issues. Alina Pathan has management and evaluation expertise from various private, public and NGO projects relating to environmental and climate policy. Previously she has worked as an environmental planner as well as a researcher for two research organisations in India, where she has researched climate risks and climate and water policy.

## ANNEX 1 TERMS OF REFERENCE

Ministry for Foreign Affairs of Finland  
Office of the Under-Secretary of State  
Development Evaluation / EVA-11

ANNEX B

### Evaluation of the Sustainability Dimension in addressing Poverty Reduction (89886201)

#### 1. Finnish Development Policy

Poverty reduction was an overarching goal of the Finnish development cooperation strategy already in 1993. In the subsequent policy documents of 1996, 1998, 2001, and 2004 the emphasis on poverty reduction has also been strong. In line with the Millennium Development Goals, poverty reduction is the major objective of the current development Policy of Finland, approved by the government in 2007. It states that “eradicating poverty is possible only if progress in developing countries is economically, socially, and ecologically sustainable”. Moreover, the policy points out that development is economically and socially sustainable only, if it supports poor people and depressed areas. To achieve stable poverty -reducing economic development, measures have to be built on an economically sustainable basis. The Finnish development policy emphasizes the importance of seeking development opportunities from a comprehensive perspective. The three dimensions of sustainability, spelled out in the 2007 Development Policy of Finland, are strongly interlinked and constitute pre-conditions for effective poverty reduction. Yet, the enabling circumstances for the three sustainability dimensions to flourish and develop include essentially also democracy and rule of law, respect of human rights, and active civil society.

The global factors, in particular, the climate change and its potential consequences have been considered in the Development Policy of 2007, which puts an emphasis on the significance of climate change, environment, crises prevention, and support to peace-building processes.

Loss of biodiversity and overall environmental damage are important dimensions of the policy. Finland has a strong history in the forestry sector development cooperation. Consequently, and interlinked with biological resources, forestry sector plays an important role in the Finnish development cooperation also today. Forestry is partly linked to the energy sector, in particular to the alternative energy development, which is a novel area in the Finnish development policy of 2007. Energy and climate change are naturally also interlinked.

In food security, maintenance of the fertility of soil, and sustainable use of lands and biological resources, agriculture is in key position. Thus, in the agricultural development, sustainable and ecological development methodologies must be employed.

Similarly, fresh-water resources need to be carefully managed. It is known that appropriate management of water resources helps protecting environment and may even avert conflicts between riparian countries. Moreover, adequate access to clean water can help eliminate consequences of poverty and promote health and economic development.

The development policy of 2007 promotes strongly the concept of trade and private sector development as key drivers of economic development and poverty reduction. Free access to information and promotion of information society are seen as other key factors by enabling freedom of expression and helping democracy, and building of knowledge society.

## **2. The evaluation**

### **2.1. Objectives and Purpose**

The objective of this evaluation is acquisition of an expert assessment on how the sustainable economic, ecological and social development approach, has enabled progress towards the overall poverty reduction goal of the Finnish development policy.

The purpose of the evaluation is to identify concrete results and achievements in the Finnish development cooperation, with particular reference to the sustainable development approach. The purpose is also to draw lessons from past experience, learn of novel ways of implementation, thinking or planning, and to identify immediate factors which hamper or enhance the achievement of the set objectives of development interventions.

The users of the results of the final synthesis evaluation, which draws together the evaluations of 2008, 2009, and 2010, as well as the sub-evaluations carried out within this umbrella evaluation, are decision-makers and planners of development cooperation. The individual sub-evaluations contributing to the synthesis may be used in a similar manner.

### **2.2. Scope**

This evaluation is an umbrella-type of evaluation, which in the end synthesizes together information derived from evaluations carried out in 2008, 2009, and from those which will be completed during 2010 (Appendix 1 to the ToR), and from the two sub-evaluations under the current umbrella undertaking.

The final product of the current umbrella evaluation will be the Synthesis Evaluation report of all the components listed above. The meta-analysis type of synthesis is believed to bring about better understanding of how the sustainable development approach and its three dimensions, has been able to influence the achievement of the poverty reduction goal central to the development policy of Finland and globally.

The new sub-evaluations, which will be carried out within the framework of the current evaluation are the following:

- ❖ Finnish support to energy sector;
- ❖ Finnish support to forestry and biological resources.

*Note: The following text deals with the Desk Phase of the evaluation, and the optional Field Phase of the Evaluation. The text pertinent to the Field Phase is given here for the bidders to be aware of the option and what is expected of it.*

*However, the continuing of the evaluation from Desk Phase to the Field Phase is not automatic, but is based on a separate decision by EVA-11 and invitation addressed to the respective consultants at the juncture of available respective draft desk study reports. The field phase pertains only to the new sub-evaluations on energy sector and forestry sector, not to the synthesis evaluation.*

*Should it be decided that no field phase in any individual sub-evaluation be organized, these terms of reference become void with respect to reference to the field phase evaluation.*

### **Stepwise approach**

The sub-evaluations will be performed in two phases:

1. The Desk Study phase, which includes to a limited extent also study of other likeminded countries' evaluations on the respective topics.
2. Field Study Phase, which is optional and which will be decided upon by EVA-11 after the results of the desk study are available and the draft report is of satisfactory quality.

The Synthesis evaluation is run in parallel with the two theme-based sub-evaluations. The Synthesis brings together all the major information derived from the existing evaluations of 2008–2010, and from those to be completed before August–September 2009, and from those sub-evaluations performed in this evaluation. Moreover, it includes an overview of the current global development agenda. The synthesis will also make reference to other like-minded countries' development policies and focal areas of development cooperation, as well as other features relevant to the major questions of this evaluation.

Each of sub-evaluations and the synthesis evaluation will include an inception period, during which the evaluation team(s) shall prepare the methodology for the document study, the detailed evaluation questions, based on the overall evaluation questions in section 2.5., and the evaluation matrix which combines the evaluation criteria, evaluation questions, judgment criteria, indicators and the sources of verification.

The desk study phase utilizes, to a reasonable extent, interviews and questionnaires to complement the information available in the documents. The evaluators will make contact and interview the key personnel in the Ministry and in the home offices of those consultants relevant to the implementation of the Finnish interventions in the topical areas of this evaluation.



In the desk study reports, the evaluators will give their informed opinion and argumentation on the necessity or not to extend the individual sub-evaluations to a field phase. Their judgment will be reflected against a working hypothesis for the field evaluation.

The inception phase of the field trip shall be prepared at the point of time of an acceptable draft final desk study report becoming available, provided that EVA-11 sees it feasible to proceed to the field phase.

During the inception phase of the field phase, the detailed evaluation questions shall be specified, the methodology defined and the evaluation matrix prepared taking into account the information collected during the desk phase.

The field visit shall be organized in parallel between the two sub-evaluations, so as to harmonize the missions to partner countries in accordance with the requirements of the Paris Declaration. Thus the meetings with higher government offices can be organized together, not separately. The theme-based meetings of the teams will be organized then in accordance with the needs of each team.

The inception phase of the synthesis study starts parallel to the desk studies of the sub-evaluations. After the inception phase, the implementation of the synthesis study is likely to continue during the potential field phases of the sub-evaluations, amalgamating the material contained by the draft desk reports to the analysis of the existing written material.

At the point of time when the draft desk study reports are ready, there will be a workshop organized, and the feedback utilized to improve the final reports and identify possible gaps in their information. The final desk study reports are likely to be produced in tandem with the field reports. The feasibility of merging the draft final desk study reports with the field reports will also be considered at the appropriate time to avoid too many reports and to economize the working time. After the potential field trips a back-to-Finland briefing session will be organized with EVA-11.

### **The width and dept of the evaluation**

The onus of the evaluation will be on the sustainability concept, with its three dimensions, and how it has been able to promote the achievement of the poverty reduction goal. Thus, the evaluation will look at, how the development policies have been operationalized, and what have been the modalities and factors which have brought about most effective results.

For the sub-evaluations to be comparable with the already performed ones, a time span from the year 2000 to-date will be examined.

Of particular interest and focus in the current evaluation are changes and transformations which have taken place in the planning, management, and achievement of re-

sults and impacts of development interventions with the introduction of the concepts of sustainable economic, environmental, and socio-economic development. It is important to identify any novel approaches, themes or ways of thinking or performance, and judge, whether these novel ways have been more effective in bringing about sustainable impacts/effects and results to the cooperating partners in terms of poverty alleviation.

### **Major sources of information**

For the Synthesis, the major sources are the already finalized, those to be finalized during 2010, and the sub-evaluations to be carried out with this Terms of Reference.

For the sub-evaluations, the material shall include the project cycle documentation, plans, mid-term reviews, and evaluations. At times, it might be necessary also to look at the decision-making and administration in the project cycle and the respective material.

Should the optional field studies materialize, then usual methodology (interviews, questionnaires, stakeholder group analyses etc.) will constitute additional information sources.

The 2008, 2009 and 2010 -completed evaluations (Appendix 1 to this ToR) can be accessed at: <http://formin.finland.fi> or hard copies can be obtained from EVA-11@formin.fi, with the exception of the Concessional Credits evaluation that is run parallel to this umbrella evaluation, but as an independent Endeavour. It will be completed no later than August-September 2009.

For comparison, during the desk study phase of the sub-evaluations and the synthesis, it is necessary to study evaluation literature of likeminded countries. This will be helpful in view of the optional field phase materializing in order for the evaluators to be better positioned to look at the coordination, complementarity, and cooperation dimensions in the field. Such evaluation literature can easily be located from the OECD/DAC open web-site, called DEREc (can be accessed via Google search machine or via the web-site of OECD: <http://www.OECD.org>).

In the synthesis evaluation the global aid architecture and trends must be discussed. At the outset of the work, the evaluation team shall be provided with the bulk of the evaluation material collected in advance by EVA-11, as hard copy documents, lists of available documents, and documents saved to a memory stick. This arrangement will be put in place due to the limited time available to this evaluation. It is essential that the entire evaluation, including the finalization of the synthesis evaluation be completed in no later than early October 2010.

The evaluation team(s) should, in addition to the above, use their own judgment and knowledge base to harness any source of information which they deem useful to the achievement of the objectives and purpose of this evaluation. Modern ways of com-

munication should be used, ecological and ethical principles followed, and unnecessary copying and printing avoided.

## **2.3. Evaluation Process**

### **2.3.1. Invitation to tender, eligibility, and choice of scope of tenders**

The stepwise approach to the current evaluation was briefly touched upon in section 2.2.

#### **Publication of invitation to tender and information sharing session**

After the publication of the invitation to tender, there will be about three weeks for interested parties to inform EVA-11 of their interest in this evaluation. Those who have expressed interest will be invited to an information sharing meeting with EVA-11, around mid-January 2010, to exchange questions and to seek clarifications on the evaluation task. The participation to this session may also be organized via a video-link, if EVA-11 is informed well in advance of such requirement.

In addition to participating in the information sharing session, there will be a period of time for written questions and answers, which is indicated in the invitation to tender.

#### **Eligible parties**

This evaluation is open to consultancy companies, research institutions, and other public and private institutions, which have significant and relevant evaluation and research experience in the topical areas of this evaluation and development issues in general. Offers from individual consultants or researchers cannot be accepted.

The synthesis evaluation may best be suited to a research institution with experience of meta-evaluation and with deep and wide understanding of development paradigm and issues. Yet, this suggestion is not exclusive, and the synthesis is open to any competent party eligible to tender.

#### **Whole evaluation or sub-components?**

Any eligible party may offer to perform the entire evaluation, including the two sub-evaluations on specific themes and the synthesis, or only one or two of the three components. The combination is to the interested party to decide.

The bidders should take into account that the evaluation of the tenders will be by component, meaning that each of the two themes and the synthesis will be assessed separately.

## 2.4. Timetable

The evaluation is anticipated to start no later than end of February 2010 – first days of March 2010. The final results of the evaluation, meaning the completion of the final synthesis evaluation, must be available before early October 2010. The draft final synthesis report must be ready mid-September 2010 for comments. A final evaluation seminar to present the results of the synthesis will be organized either at the point of time when the draft final report is ready, or soon after the completion of the entire evaluation. Presentation of the results of the sub-evaluations may also be considered. The desk study phase will be done during March-April and be completed by the first week of May 2010.

The field phase of the evaluations will take place during the months of May-June 2009. A separate detailed time table will be compiled for both of the sub-evaluations. The draft reports of the field phase of the sub-evaluations must be ready before the end of June 2009. The Final reports of the sub-evaluations, combining the information of the desk report and the field report, must be ready no later than the third week of July 2010 so that the results can be utilized in the overall synthesis study.

The experts performing the synthesis evaluation and the sub-evaluations must be actively communicating between themselves to keep each other informed on their status of work. Joint meetings will be organized. Internal workshops will be organized, if deemed necessary (for an outline of the process pls. see Appendix 2 to the ToR).

## 2.5. Evaluation Questions

The evaluation will utilize the five OECD/DAC development evaluation criteria, relevance, efficiency, effectiveness, sustainability, and impact, as well as the additional criteria of coherence and consistency, complementarity, and coordination, compatibility, and the Finnish value-added, as appropriate.

The major applied principle in the relative weight of any of the criteria will be their presumed significance in the relationship between poverty reduction and economic, environmental and social sustainability of development cooperation interventions. The relative weight will be justified in the inception reports.

Due consideration must be given to the different tiers of development, the global policy goals (including, MDGs, the Paris Declaration and the Accra Platform) and specific concerns (including Climate Change and Adaptation and related Disaster Risk Reduction), development policies at donor and at partner country levels, including cross-cutting themes, as well as to the implementation of policies through practical development cooperation interventions. Best practices should be pointed out, if identified.

The following major umbrella evaluation questions have been prepared to ensure comparability between the different sub-evaluations and the analysis in the synthesis evaluation. The questions below are presented in no order of preference:

1. Did the respective budgetary appropriations, overall policy measures, sector policies and their implementation plans adequately reflect the development commitments of the partner countries, and those of Finland, as well as the global development agenda in general, and in particular, the major goal of poverty reduction?
2. Are the interventions responding to the priorities and strategic objectives of the cooperating party, are they additional or complementary to those done by others, or are they completely detached and stand-alone – in other words, what is the particular Finnish value-added in terms of quality or quantity or presence or absence of benefits, and in terms of sustainability of the benefits and in terms of filling a gap in the development Endeavour of the partner country?
3. How have the three dimensions of sustainability been addressed in the intervention documents, and were the aid modalities and instruments conducive to optimal materialization of the objectives of the aid intervention?
4. What are the major discernible changes (positive or negative, intended or unintended, direct or indirect) and are these changes likely to be sustainable, and to what extent these sustainable changes may be attributed to the Finnish aid interventions, or to interventions in which Finnish aid have been a significant contributing factor?
5. Have the financial and human resources, as well as the modalities of management and administration of aid been enabling or hindering the achievement of the set objectives in the form of outputs, outcomes, results, or effects?
6. What are the discernible factors, such as exit strategies, local budgetary appropriations, capacity development of local counterpart organizations or personnel, which can be considered necessary for the sustainability of results and continuance of benefits after the closure of a development intervention?
7. What has been the role of considering the cross-cutting issues of Finnish development policy in terms of contributing to the sustainability of development results and poverty reduction; has there been any particular value-added in the promotion of environmentally sustainable development?
8. Are there any concrete identifiable examples of interventions, which may be classified to be environmentally, economically and socially sustainable, which have lead to poverty reduction or alleviation of consequences of poverty?
9. Have interventions which support economic development or private sector, been able to contribute towards sustainable economic results, let alone, raising people from poverty?

10. How is the society touched upon by the development interventions taken into account in the strategic and project/programme plans, and what have been the major modalities for the society to influence and affect the development interventions and the decision-making on them?

In the evaluation matrix to be prepared during the inception phases of the desk and the field evaluations, each of the 10 evaluation questions will be assessed and the appropriate evaluation criteria be assigned to each of the questions.

## 2.6. Check-points and Key Deliverables

### Check-points

EVA-11 will organize a number of horizontal coordination meetings with and between the evaluation team(s).

***Kick-off meeting:*** At the onset of the evaluation, estimated as soon as the tender evaluation process has been finalized and decision reached, a kick-off meeting will be organized.

***Discussion on inception reports of the desk phase:*** Will be organized about three weeks from the kick-off meeting.

***Desk study workshop:*** Towards the end of the desk study phase, at the emergence of the draft final desk phase results and reports.

***Results of the desk study and recommendations for the field phase:*** Meeting between EVA-11 and the evaluation team(s) on the basis of the draft final desk reports.

***Decisions:*** On the basis of the draft final desk study report and results, EVA-11 will decide on the launching of the field evaluations. The decision is made no later than early May 2009 or immediately after the results of the draft desk study results are available.

***Kick-off meeting on field evaluation phase:*** Organized immediately after decision by EVA-11 is made on the field phase.

***Inception meeting of the field evaluation phase:*** two weeks after the kick-off meeting.

### Key Deliverables

EVA-11 will approve the different reports prior to proceeding with the next steps of the work.

#### ***Desk evaluation phase:***

The Sub-evaluations:

- ❖ Desk evaluation phase inception report in the electronic format. It will specify the working methods on data and information collection, and have a time

schedule and work plan of the desk evaluation phase. It will describe briefly the evaluation subject and context, and validate the evaluation questions against the evaluation criteria in the format of an evaluation matrix, which will include also a limited but appropriate number of judgment criteria and the related qualitative and quantitative indicators.

- ❖ Desk evaluation phase power point supported oral report at the workshop when the desk evaluation results are emerging.
- ❖ Desk evaluation phase draft final report in the electronic format.

This report will contain the information gathered and analyzed. It will also identify the complementary information and data which is needed for the analysis, and for which field evaluation phase if proposed. The draft desk evaluation report will identify the major issues to be examined in the field evaluation phase, if deemed necessary. Annexed to the draft desk evaluation report will appear lists of documents studied. The report will describe under separate section the methodologies used in the study. The Evaluation Guidelines of the Ministry: Between Past and Future (2007) should be consulted in the preparation of the reports.

The results of the draft final desk study reports of the two sub-evaluations will be merged together with the field phase draft reports, if any field trip is organized. Otherwise, or for some other, yet unidentified reason, the final desk study reports should be prepared.

The Synthesis evaluation (desk study only):

- ❖ The Synthesis evaluation will be worked as a desk study only. It will also produce an inception report in parallel with the sub-evaluations.
- ❖ The status and results of the Synthesis evaluation will be reviewed at the major check-point meetings and workshops to check that the work is progressing according to the time schedule and for any major unresolved issues.

For all the three evaluation components (two sub-evaluations and the synthesis) to be comparable, it is necessary that the framework of the 10 major evaluation questions, spelled out in section 2.5 above, will be used. The desk evaluation reports of the sub-evaluations contain already the tentative responses to these questions. The working hypothesis of the field evaluation phase of the sub-evaluations will be defined on the basis of the desk evaluation results. The draft desk report of the sub-evaluations will thus already suggest basic methodologies on the testing of the working hypothesis during the field phase, if field work is proposed.

**Provided that EVA-11 has decided to proceed to the field evaluation phase, the following reports will be prepared.**

### ***Field evaluation phase:***

- ❖ Inception report of the field evaluation, with much of the same specifications as above in the desk evaluation inception report, including the evaluation matrix. Also the countries / regions to be visited will be identified, as well as the time table and overall work plan, including the distribution of tasks between the members of the team(s).

*It should be noted that the field visits will be harmonized between the team(s), so that visits to individual countries will be done in parallel. Embassies will be consulted if field visits will be organized.*

### **2.7. Required expertise**

The evaluation team(s) has/have proven sound knowledge of and experience in global development problematics, development policy analysis, and in practice of development cooperation in the field. Moreover, the team(s) has/have proven experienced in development evaluations and its methodologies. Working experience and evaluation experience in one or more of the major partner countries of Finland (Ethiopia, Kenya, Mozambique, Nepal, Nicaragua, Tanzania, Vietnam, Zambia) is a particular asset.

The overall evaluation contains roughly the following areas of development:

- ❖ global development agenda, development policy analysis, economics and financing, sectoral policies, aid instruments and development cooperation modalities, governance issues, capacity building, institution building, and statistics;
- ❖ poverty reduction, civil society, democracy, and other cross-cutting themes, food security, biological resources, in particular forests, environment in general, energy, and concessional credits.

The entire evaluation team should cover all these areas in a complementary way. In case of separate sub-component/synthesis evaluations, the competencies respective to the particular evaluation, must be specified and justified within the proposed teams.

A special requirement for the synthesis evaluation is that the proposed team members have earlier experience in meta-analyzing wide heterogenic material. Ability to tease out the essence and conclude the results in a compact and clear manner is a must. The final synthesis report must be easy to read even to non-specialists in development.

Oral and written fluency in English is required. In the proposed team(s) at least one senior member (in each) must be a resident in Finland and have oral and written fluency in the Finnish language.

The evaluation core teams are required to have both male and female members, and preferably also member(s) from the partner countries.



## Size of the evaluation team(s)

For the evaluation to be manageable, the size of the team must be kept to a reasonable size. Should the offer concern the entire task, the synthesis evaluation and the two sub-evaluations, the core team is suggested to be no more than four persons. Local assistants or consultants may also be included as well as some junior expert(s).

## 2.8. Budget

The overall budget for the Desk Phase of the evaluation is 320.000 euro, which is suggested to be divided between the various sub-component evaluations as follows, with an estimate for the field phase for the sub-evaluations in the parentheses:

- ❖ The synthesis evaluation (total) 160.000 euro; a desk study only
- ❖ Energy sector sub-evaluation 80.000 euro (100.000 euro)
- ❖ Forestry and biological resources sub-evaluation 80.000 euro (100.000 euro)

The provisional field phase is estimated to be no more than 200.000 euro, 100.000 euro for each of the two sub-evaluations. The use of this budget is subject to decision by EVA-11 after the review of the draft desk study reports.

## 2.9. Working Modality

The evaluation team(s) is/are responsible for organizing their work programmes and schedules of interviews. In the beginning of each phase of the evaluation EVA-11 will issue an official internal document informing all concerned in the Ministry, embassies, and the relevant stakeholders, of the starting up of the evaluation and on the names of the evaluators. For the optional field evaluation phase, EVA-11 will facilitate the contacts with the embassies and with the relevant local authorities by issuing introductory letters or draft letters to be finalized by the embassies.

The bulk of documentary has been collected in advance by EVA-11 on memory sticks or as hard copies, yet additional documentary material is needed. The contacts with the document service of the Ministry will be done through EVA-11, which requires the requests to be submitted to EVA-11 well in advance, and specified what documents are needed. The documentary service of the Ministry, will advice on the date and time, when the evaluator(s) may visit the archives. Ad hoc sudden requests are not acceptable. The documentation available through the open-to-all internet must be searched by the evaluators themselves.

The evaluation team(s) shall provide EVA-11 with lists of proposed interviewees before contacting them. EVA-11 will provide the necessary phone numbers and contact coordinates to the evaluators. EVA-11 is not, however, responsible to organize or coordinate meeting schedules of the evaluators.

## **2.11. Authorization**

The evaluation team(s) are entitled to contact and discuss with persons or institutions pertinent to the evaluation(s). They are, however, not allowed to make any commitments on behalf of the Ministry.

Helsinki, 18.12.2009

Aira Päivöke  
Director

Appendices 1 and 2

SPECIAL EDITION 2008:1 (FI)	FAO: Haasteena uudistuminen. Lyhennelmä ISBN: 978-951-724-655-2 (painettu), ISBN: 978-951-724-659-0 (pdf), ISSN: 1235-7618
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