

FINLAND



0.44% GENUINE AID/GNI

0.47% TOTAL AID/GNI



“[Development policy] principles that are valid across parliamentary terms ensure that the direction taken in development policy remains clear – this offers us the best opportunities to make it work as effectively as possible.”

– Ville Skinnari, Minister for Development Cooperation and Foreign Trade

MAIN CHANGES IN 2020

Finland made history in 2019 when Sanna Marin was appointed Prime Minister, making her the world's youngest female state leader, and leader of the Finnish government coalition where all five parties are chaired by women. Advancing gender equality continued as the leading theme of Finnish development cooperation.

During its Presidency of the Council of the EU in the second half of 2019, Finland set out four priorities: common values and the rule of law as cornerstones of the EU, a competitive and socially inclusive EU, the EU as a global climate leader, and protecting the security of citizens comprehensively. In December, the council adopted conclusions on the implementation of the UN's 2030 Agenda.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In May 2021, the new Report on Development Cooperation was published. Finland's development cooperation policy did not undergo drastic changes, but the report strengthens the long-term approach and sets out the principles, values and goals of Finland's development cooperation. The report establishes the priorities for Finland's development cooperation, which are very close to the previous ones, with just minor changes: the rights of women and girls; good quality training and education; a sustainable economy and decent work; democratic societies and climate change; biodiversity and the sustainable use of natural resources.

Up until 2021, Finland's ODA increased year on year, in line with the government's ambition to reach the 0.7% GNI/ODA target by 2030. Unfortunately, in the spring of 2021 the government decided to cut Finland's development cooperation aid by €35 million, starting in 2023. ODA spending is now predicted to fall to 0.47% GNI in 2023 and to stay at that level in the following years. There is currently no roadmap for reversing this trend and achieving the 0.7% GNI/ODA target by 2030, even though

the target was once again reaffirmed in the new Report on Development Cooperation.

Finland aims to attain the target of 0.2% of GNI spent on ODA to LDCs as soon as possible.

CASE STUDY BOX:



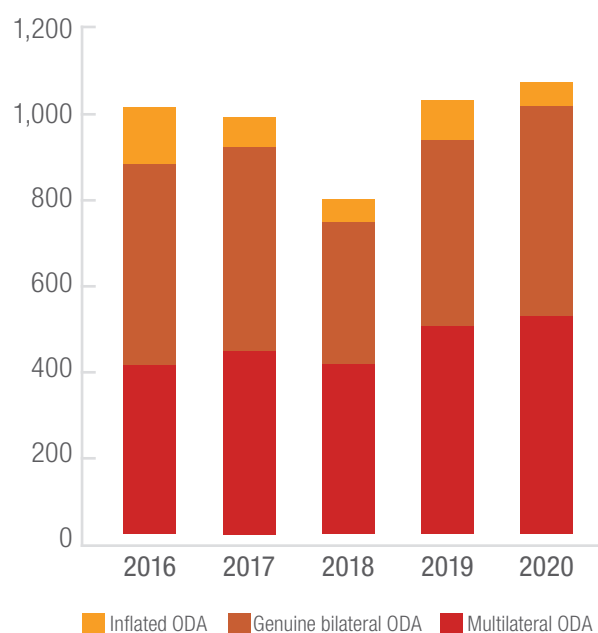
The new Report on Development Policy strengthens the long-term approach and coherence in Finnish development cooperation. The report was negotiated with a parliamentary monitoring group representing all parliamentary parties, even though the right-wing Finns Party walked away from discussions. Until now, every government has produced its own reports on development policy without reference to opposition parties. In future it is expected that cross-party consensus will be sought, to ensure greater continuity in development policy when administrations change.

RECOMMENDATIONS TO THE FINNISH GOVERNMENT

- Prepare a clear timeline with specific milestones for reaching the 0.7% ODA of GNI target by 2030.
- Channel a minimum of 15% of all ODA to civil society organizations, to strengthen democratic governance systems, protect the shrinking civic space and reach out to the most marginalised communities.
- Define specific climate funding criteria and qualitative/quantitative objectives, and channel income from the emissions trading scheme to development and climate financing.
- Continue increasing the transparency of private-sector ODA instruments, using clearly defined mechanisms for reporting aid efficiency, and qualitative indicators.

FINLAND – GENUINE AND INFLATED ODA

(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	298.95	0.13	29.55
2017	303.20	0.13	30.62
2018	246.66	0.11	30.64
2019	339.23	0.14	33.04

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	2.86	0.47	0.28
2017	1.03	0.19	0.10
2018	1.50	0.39	0.19
2019	2.12	0.39	0.21

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	609.93	588.65	21.28	3.49
2017	555.78	520.68	35.10	6.32
2018	404.47	361.24	43.23	10.69
2019	539.96	490.56	49.40	9.15

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	436.15	435.01	1.14	212.34	199.27	23.40	45.81	5.38
2017	438.31	435.69	2.63	175.59	228.24	31.86	52.39	7.31
2018	312.35	312.04	0.31	143.03	146.04	22.97	46.80	7.36
2019	408.94	408.72	0.22	213.99	171.07	23.67	41.85	5.79

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor-CSO-Earmarked	International-CSO-Earmarked	Recipient-CSO-Earmarked	Donor-CSO-Core	International-CSO-Core	Recipient-CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	497.81	83.31	9.17	2.48	10.79	6.00	0.00	18.33	11.05	2.75	1.66
2017	436.13	79.51	8.00	2.07	11.52	7.05	1.96	20.16	11.12	3.76	2.07
2018	290.21	72.49	5.79	1.69	8.09	8.26	2.73	25.45	12.31	4.90	2.37
2019	429.75	80.15	6.40	1.05	8.88	7.03	4.17	20.03	10.49	3.74	1.96