



Member update 2024

FINLAND

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PSD in Finland's development policy – *are we at crossroads?*

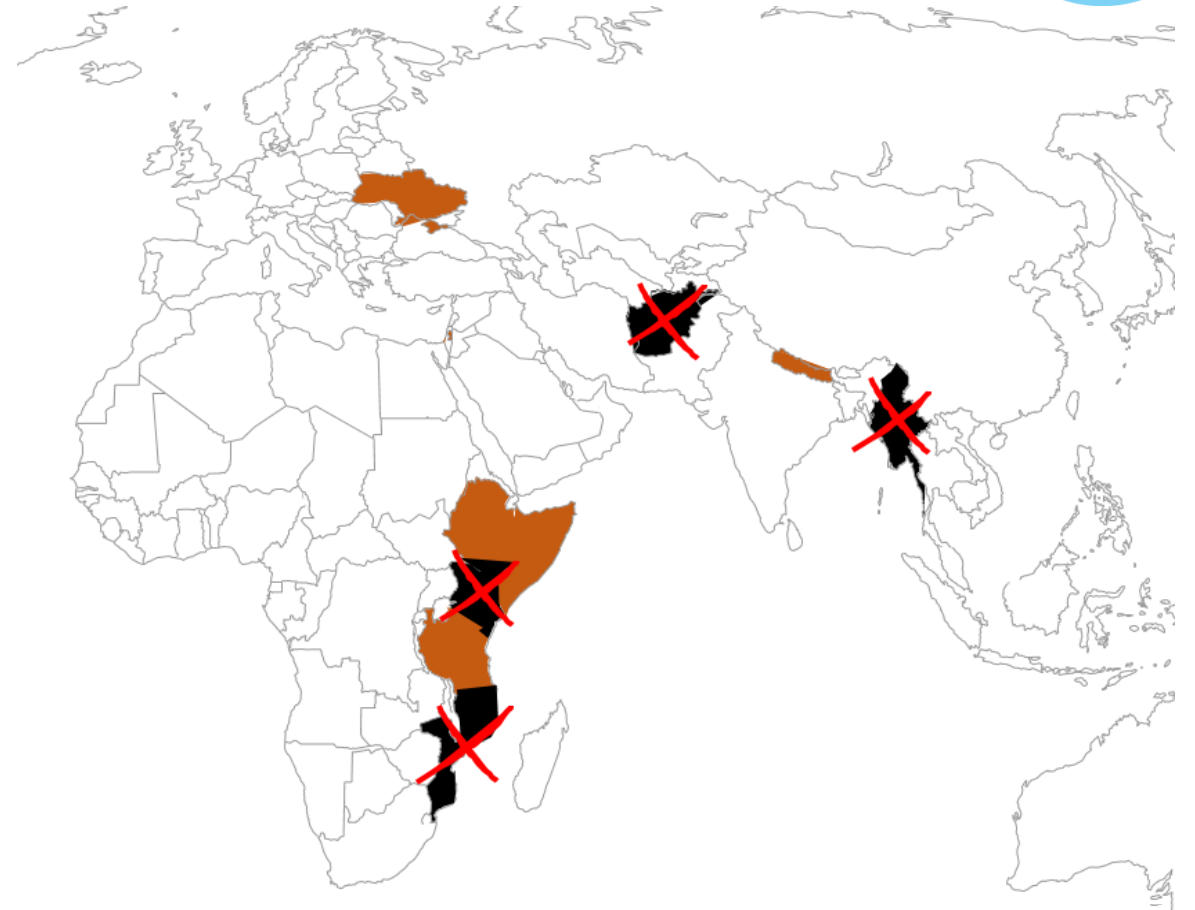


- No separate “Development Policy Program” since 2019
 - Embedded in the Government Program (the current Government term runs up to April 2027)
- Parliament approved the Report on Development Policy Extending Across Parliamentary Terms in 2021
 - But not relevant at the moment...
- Ukraine #1 recipient of Finnish aid
- PSD declining but cooperation with (Finnish) PS and leverage of other resources growing in importance, Minister is very interested
- Global Gateway

Funding



- ODA cuts up to 30 %
- Four country programs (4/10) ended
- Funding to PSD (e.g. BEE) more or less zero → evaluation (2020) paid attention to the declining level
- Funding to PSE (instruments, Finnish companies) has grown in the recent years and stable/declining during this government
- Some PSIs could be moved to Finnfund (new Finnfund Act)



From grants to investments and loans



- Shift from grant-based funding to investments and loans
 - In 2015, Government introduced **development policy investments and loans**
 - Funding level 60 million € per year (down from 130 million € per year)
 - The money should come back to Finland after 10–25 years
 - DFIs main beneficiaries



Results-based management



- RBM improved dramatically
- 1st comprehensive Results Report for Parliament in 2018
- 2nd comprehensive Results Report for Parliament in 2022
- All projects etc. encouraged to use at least some common aggregate indicators (e.g. jobs, enterprises)
- DCED has helped with methodological work



Human resources



- Human resources improved significantly
- All MFA funding to PS, instruments and development policy investments and loans in one unit:

Unit for Development Finance and Private Sector Cooperation

- However, fewer posts related to economic development in embassies



Kiitos!