



Member update 2022

FINLAND

Mika Vehnämäki

Senior Adviser for Development Policy (PSD)

Department for Development Policy

Ministry for Foreign Affairs of Finland

Mika.vehnamaki@formin.fi

PSD in Finland's development policy



- Government's "Development Policy Program" is embedded in the Government Program (Government term runs up to April 2023)
- Parliament has approved the Report on Development Policy Extending Across Parliamentary Terms
- PSD, cooperation with PS, leverage of other resources important, Minister is very interested

Funding



- Funding to PSD (e.g. BEE) fairly small → evaluation paid attention to it
- Funding to PSE (instruments, Finnish companies) growing moderately
- BIG THING: shift from grant-based funding to investments and loans
 - In 2015, Government introduced **development policy investments and loans**
 - Funding level 130 million € per year (= 10–15 % of ODA)
 - The money should come back to Finland after 10–25 years
 - DFIs main beneficiaries
- Interesting initiative: OP–Finnfund Global Impact Fund (a hybrid fund of DFI and commercial bank to invest in frontier markets)

Results-based management



- RBM improved dramatically
- 1st comprehensive Results Report for Parliament in 2018
- 2nd Report under preparation for end 2022
- All projects etc. encouraged to use 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!