

Seminar on Finnish Supported Environment and Forestry Projects in the West Balkans,

House of the Estates, Helsinki 2.11.2009

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**MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND**

The Finnish Development Policy Programme (2007) and Environment

- Ecologically sustainable development is one of the three interlinked pillars of Finnish development programme
 - Particular emphasis is placed on the importance of issues related to climate change and environment
- Poverty reduction is the most important goal of Finnish development policy
 - Environmental sustainability is crucial for poverty reduction and thus development along economic and social sustainability
- It is stated in the programme, that development policy should ensure that development in all countries is ecologically sustainable



The Finnish Development Policy Programme (2007) and Environment

- **Finland s development policy stresses the significance of climate change and environmental issues**
- Extensive economic growth is contributing to unsustainable use of natural resources as well as contributing to environmental degradation which contributes to conflicts and complicate their resolution
- Every country ultimately depends on the sustainable use of its own natural resources. The use of renewable resources must underpin the basis of all national economies
- **All action affecting development and the environment must follow the principles of sustainable development**



Development Policy Guidelines (2009)

- Development policy guidelines for **Environment** sector
- Development policy Guidelines for **Forest** sector
- International Strategy for **Water** Sector

- **Guidelines published in august 2009 after several years of preparation by a participative process with other government institutes, private sector and NGOs**



Development Guideline for Environment

- The guideline steers Finnish development cooperation operations and gives an overview on practical work to support sustainable development
- **There are two main policy themes in implementation:**
 - 1. Mainstreaming ecological sustainability** throughout Finland's development policy and its implementation
 - 2. Strengthening the resources of actors in the environmental sector**, especially in Finland's long term partner countries and regionally
- The guideline serves as an umbrella, including principles for implementation in major sectors: *climate change, energy, agriculture, forestry, water management and rural development*



Development Guideline for Environment

- The three pillars of sustainable development will be included in all development cooperation
- Finland strives towards new climate regime and its implementation by strengthening the capacity of developing countries in climate change issues
- Finland promotes the synergies of MEAs (esp. FCCC, CBD, CCD, chemicals) and supports capacity building in partner countries.
- Attention paid to Finnish value added
- Investments for sustainable production and technology will be increased
- Environmental issues include the role of women and vulnerable groups

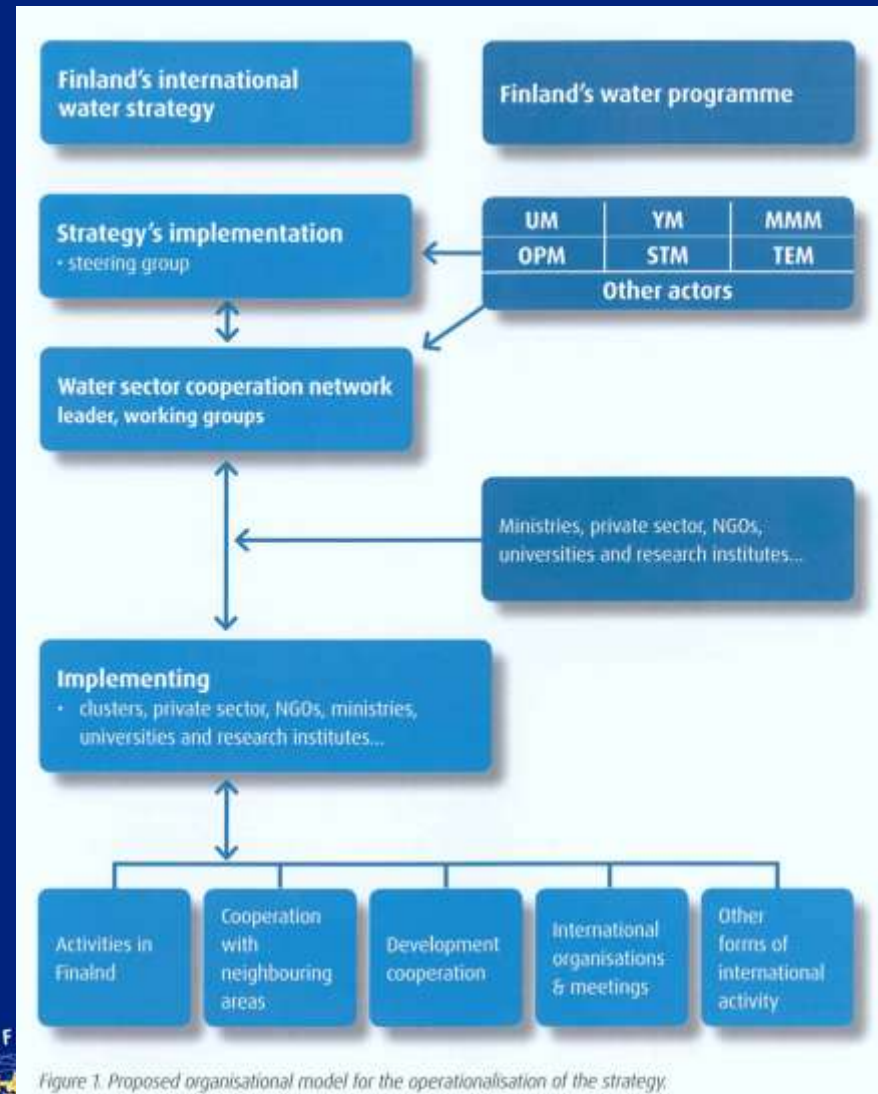


Finnish International Water Strategy

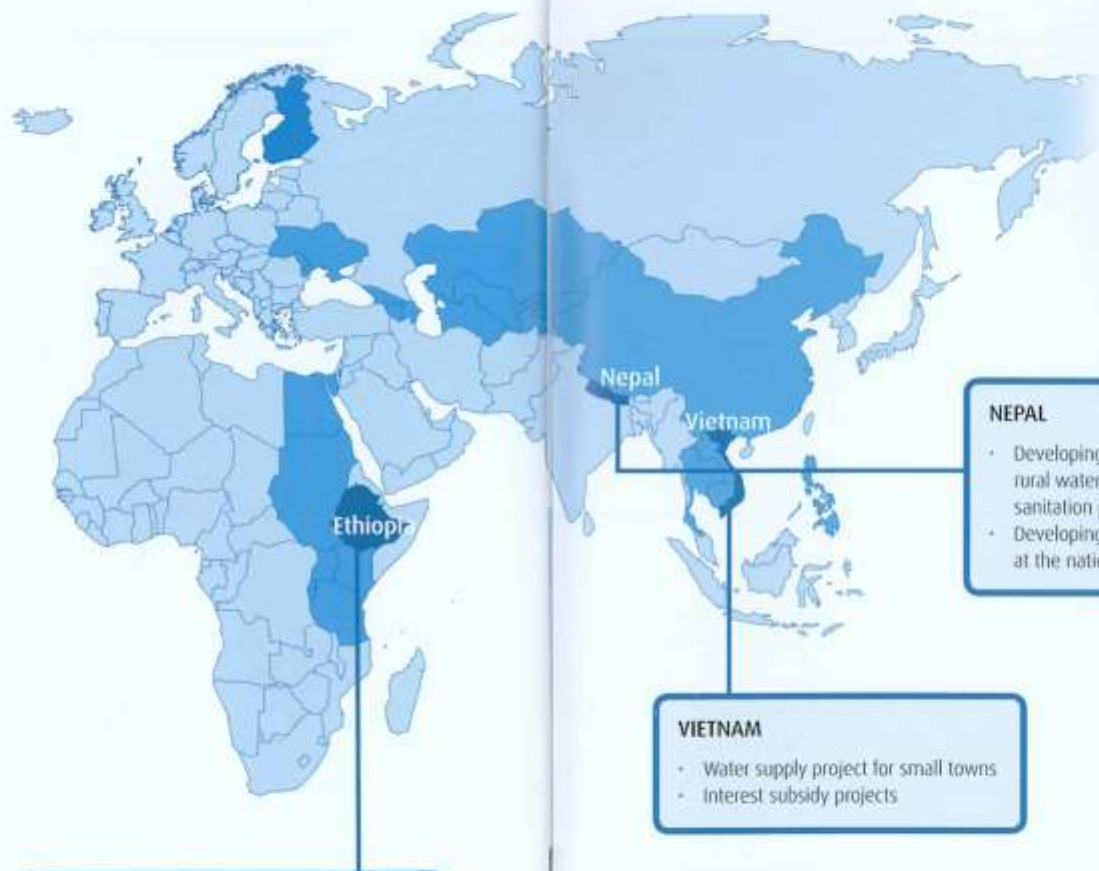
- Water has a critical, overarching role in reducing poverty and is linked with several other sectors in cross-cutting ways. Water plays a key role in development and security

Implementation

- Ministries / Finnish Water Forum
- Interaction with National Water Policy
- Cooperation with international partner
- Strategy supports water security as a cross-cutting issue in different forms of international cooperation



Partner countries in development cooperation in the water sector



- Main partner countries in development cooperation in the water sector
- Other partner countries in development cooperation in the water sector

Regional cooperation: Eastern Europe, Central Asia and the Caucasus

- Developing regional cooperation in the water sector
- The Rivers Commission between Kazakhstan and Kyrgyzstan
- Regional dam safety cooperation in Central Asia
- Environmental cooperation on the Dniester river basin in Moldova and Ukraine

The Palestinian Territories

- Project on the fair and sustainable use of water

Regional cooperation: Africa

- Support to the Eastern Nile Technical Regional Office, ENTRO
- Lake Victoria Basin Commission Partnership Fund
- Support for attaining the MDGs on water and sanitation

ETHIOPIA

- Projects on rural water supply, sanitation, the environment and hygiene
- Developing the sector programme for the water sector and increasing resources
- Integrated Watershed Management Programme

Nepal

Vietnam

NEPAL

- Developing the sustainable use of rural water resources, water and sanitation projects
- Developing water sector resources at the national level

VIETNAM

- Water supply project for small towns
- Interest subsidy projects

Regional cooperation: Mekong River Basin

- Support to the Mekong River Commission (MRC)
- Mekong Environmental Programme
- Support for dialogue on water in the Mekong region (IUCN)
- Tonle Sap poverty reduction project

Strategic Environmental Assessment (SEA)

- **SEA refers to a range of approaches that aim to:**
”integrate environmental considerations into policies plans and programmes and evaluate the inter linkages with economic and social considerations”
- SEA aims to fully integrate environmental, social and economic factors into a holistic sustainability assessment
- SEA can be applied through three main paths:
 - Strategic planning processes led by developing country
 - Development agencies own processes
 - Other related circumstances, like major private sector led projects
- Strategic Environmental Assessment provides practical and direct means of progressing environmental sustainability



Strategic Environmental Assessment (SEA)

- SEA is an adapting process focused on strengthening institutions and governance; it adds value to existing country systems by assessing and building capacity
- The effectiveness of SEA can be evaluated through achieved development outcomes that have ensured the maintenance of environmental sustainability
- SEA responds to the Paris declaration of aid harmonization by developing an common approach for strategic environmental assessment at sector and national level
- SEA has repeatedly faced two major challenges
 1. Lack of awareness of the value and importance of SEA
 2. Lack of knowledge on how to implement SEA



Finnish Development Cooperation and Environment in the West Balkans

- Environment is one of the four main themes of Finnish regional cooperation in the West Balkans
- Environment is a suitable field for regional cooperation, as the countries in the region are superficially small and share the same environmental issues.
 - Co-operation helps to build trust between actors in the region
- Environment is a cross-cutting theme in Finnish development cooperation; it is included in *all* development projects from the local to national and regional scales



Finnish Development Cooperation and Environment in the West Balkans

- Finland works mainly regionally through international organisations and non-governmental organisations.
- Land-specific co-operation is also possible, through ICI and local co-operation fund
- Co-operation takes place in conservation, environmental education and forestry education, supported projects include:
 - ECNC: Local scale sustainable development supporting Biodiversity and ecosystem services
 - Nature IUCN: Cross border rural community conservation at Dinaric-Arc region
 - EFI: Co-operation to strengthen forestry education in the universities of the region
 - REC: environmental education programme in primary schools, aiming to integrate sustainable development as an integral part of education.



Development Policy Guidelines for Forest Sector



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Purpose of development cooperation in forest sector

to enhance sustainable forestry and
forest management - and through that -
equitable economic growth, reduction of poverty
and risk of environmental threats.

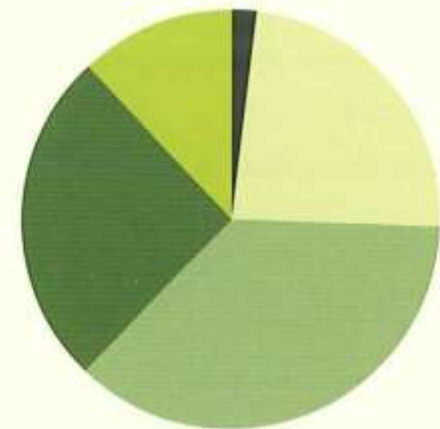


Development Policy and Cooperation on the Forest Sector

Sustainable forest management demands a broad understanding of the social, economic, environmental and cultural importance of forests and of the roles played by the state, communities and the private sector.

- *Support for national forest programmes*
- *Strengthening the importance of the forest sector in combating climate change and adapting to it*
- *Integrate forest sector development into rural development, national land allocation processes and agriculture policy*
- *Support to global forest processes*
- *Action Plan 2008-2012 and the Code of Conduct*

Action plan 2008-2012 (160-180 million €)



Multilateral	24%
Africa	37%
Asia	26%
Latin America	12%
West Balkans	2%



1. Support national forest programs

- Strategies formulated nationally in the partner country
- Participatory planning and preparation to enhance the involvement of stakeholders, including private sector and communities, fair sharing of forest-based benefits
- The role of good governance emphasised in implementing forest programs and strategies



2. The role of forests in mitigating and adapting to the impacts of climate change

- reducing, reversing forest loss affects climate change
- linking forest sector to national energy strategies (biofuels) and programmes to adapt to climate change (tree planting programs, reducing deforestation/forest degradation, combating forest fires)
- forest, other natural resource inventories will gain importance due to climate change



3. The role of forests in rural development, land use and agriculture policies

- unfair, unsecure land ownership/tenure and access rights lead to uncontrollable land use change
- forest sector support linked to sustainable rural development, land use and livelihood policies
- the production chain in focus: forestry is an economic activity, whose profitability depends on natural conditions processing and marketing of the products



4. Support to global forest policy processes

- implementation of UN Forum of Forests global objectives: financial support to UNFF,
- support to and participation in UN Environmental Conventions (Climate Change, Biodiversity, Combating Desertification)
- reduction of illegal logging and timber trade: support to EU FLEGT (forest law enforcement, governance and trade),



5. Strategic partnerships

- partnerships with research and funding agencies ,
- to improve change of information, knowledge between donors; forest research and; management organisations
- Finnish teaching, research and expert organisations, NGOs and private sector
- International actors, strategic partners: (FAO, World Bank, CIFOR, IUFRO, GEF, ICRAF, CATIE, ITTO...)



Regions and themes in forest cooperation

Inter-institutional development cooperation
Mozambique, Tanzania, Kenya, Nepal, Vietnam, Sudan, Ethiopia, Central- and South-America

Regional – Central America
The Mesoamerican Agroenvironmental Programme (MAP/CATE) Policies for agroforestry and silvopastoral systems; smallholder timber production and forest plantation; integrated forest landscape management; Regional FLEG and REDD support is under planning

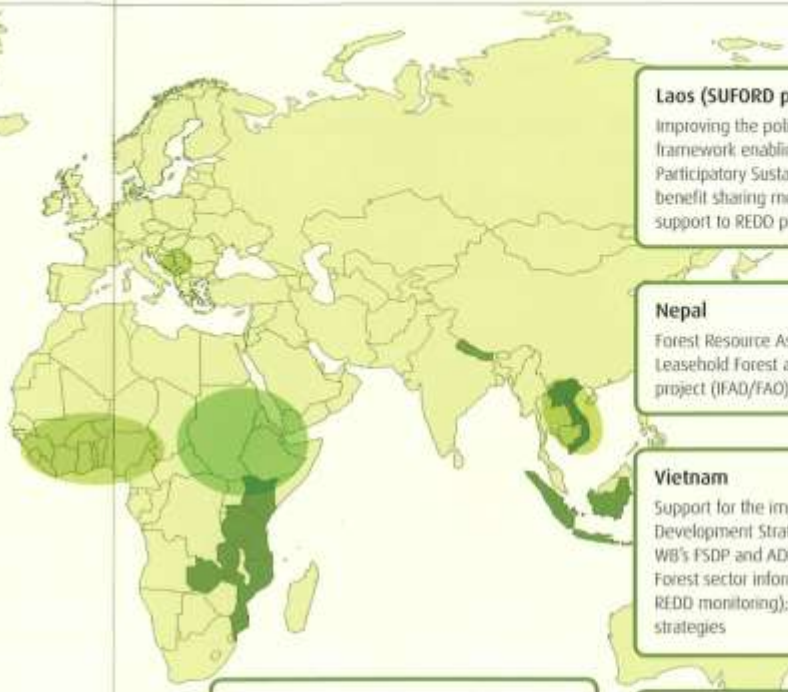
Andean regional cooperation
(Planning on-going)
Implementing new incentives for Sustainable Forest Management and forest conservation: PES, REDD, CDM. Support will cover Columbia, Ecuador, Peru and Bolivia.

Regional – West Balkans
Forest Policy, Economics Education and Research (FOPER/EFI)

Regional Africa
IUCN/ Climate change and development – Recognising the role of forest and water in climate change adaptation (Mozambique, Tanzania and Zambia)
Regional planning is on-going, with possible themes: CC/PES/SFM; cross-boundary forest fires (link to REDD); East African FLEG(I) support; user rights and tenure in West Africa

Zambia
joint forest management/community-based management; support to sector reform processes (Zambia Forest Commission); bioenergy and charcoal production, PPP; Forest resource assessments (FAO cooperation, REDD monitoring)

Mozambique
Support to the National Forest Programme in Mozambique: policy and regulatory work; FLEG; research and training; support to community-based businesses



Laos (SUFORD project)
Improving the policy, legal and incentive framework enabling the expansion of Participatory Sustainable Forest Management; benefit sharing mechanisms and participation; support to REDD piloting

Nepal
Forest Resource Assessment; support to Leasehold Forest and Livestock Development project (IFAD/FAO)

Vietnam
Support for the implementation of Forest Development Strategy (key projects are WB's PSDP and ADB's FLITCH); support to Forest sector information system (including REDD monitoring); national REDD and FLEG strategies

Kenya
Support to policy implementation and the Kenya Forest Service institutional change processes; management of gazetted forest reserves; farm and community forestry in dry areas; bioenergy production

Indonesia
(Planning on-going)
Key themes are peatland-specific management and monitoring issues (REDD), support for forest restoration and reforestation.

Tanzania
National forest and ecosystem assessment (FAO cooperation, REDD monitoring); participatory forest management; support to policy and regulatory work; research and education; public-private partnerships activities (PPP)

Mekong regional
(Planning on-going)
Key themes are FLEG and REDD activities (potential partners RECOFTC, WB, EFI)

Bilateral development cooperation in the forest sector. The key projects and programmes underway in bilateral cooperation are described on the map.



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