

REINFORCING DEVELOPING COUNTRIES' ECONOMIES

More jobs, livelihoods and wellbeing

Economic growth is essential for creating jobs and improving wellbeing. Without a solid economic base, poverty and inequality cannot be eliminated. Finland helps developing countries to reinforce their economies and bolster private-sector activity to create jobs and opportunities for entrepreneurship.

Finnish development policy is guided by **human rights**, which means that these rights are systematically integrated as means and objectives in development cooperation.

The **World Bank** and other **International Financial Institutions** are important partners when supporting business environment reforms, the development of economic institutions and infrastructure, and access to finance. Finland gave funding to the United Nations Industrial Development Organization (**UNIDO**, EUR 4.2 million in 2014–2015) and will give the International Trade Centre (**ITC**, EUR 3.2 million in 2016–2017).

Finland's main partner in the support of the trading capacity of the Least Developed Countries is the Enhanced Inte-

grated Framework (**EIF**, pledged funding of EUR 10 million in 2016–2020).

When it comes to promoting Corporate Social Responsibility, the **UN Global Compact** is Finland's principal strategic partner.

Finland also supports partnerships and business opportunities of Finnish enterprises in developing countries.

The objective is to facilitate job creation and innovation, the transfer of knowledge and good business practices, as well as to increase trade. Instruments include **Finnfund**, **Finnpartnership**, **Business with Impact** (BEAM) and the **Public Sector Investment Facility** (PIF). The **Team Finland** network also helps in these efforts through other means than development cooperation.

From 2016 to 2019, Finland will contribute over EUR 500 million to mobilise **investments for sustainable development** in developing countries. This contribution will be in the form of capital investments and loans.

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Through its actions, Finland promotes:

- **Better access for everyone, especially women, young people and the poorest in society, to decent work, livelihoods and income.**
- **A more dynamic and diversified private sector and related economic activity in developing countries.**
- **International business rules that support the development and sustainability of enterprises and that help them meet the internationally agreed standards in developing countries.**
- **Innovations and new know-how, value chains and technologies that are used in ways for the benefit of sustainable development.**





Examples of Finland's actions:

The countries marked in **blue** are examples of Finland's bilateral partner countries. **Green** illustrates countries supported through other means.

Finland's two major projects in *Central Asia* concentrate on trade and employment. The **Aid for Trade** project supports trade-policy reforms, productivity of farmers and agribusiness enterprises, cross-border subregional trade and women's entrepreneurship in the *in Kyrgyzstan, Tajikistan and Uzbekistan*. Finland supports the United Nations Development Programme (UNDP) with a contribution of EUR 9 million in 2014–2018. The **Decent Work** project helps improve occupational safety and health, employment and social protection in *Kyrgyzstan and Tajikistan*. Finland's grant to the International Labour Organization (ILO) is EUR 4 million in 2014–2018 for the implementation of this project.

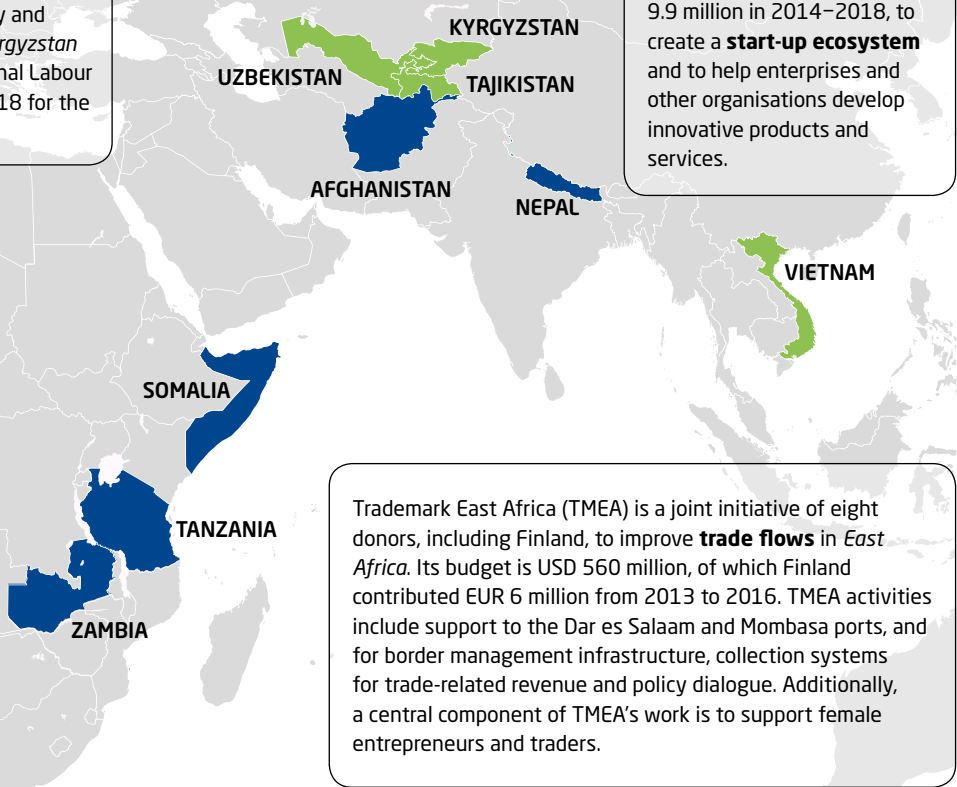
Afghanistan Reconstruction Trust Fund is Finland's primary channel of support for the recovery and reconstruction of *Afghanistan*. Finland has granted EUR 50 million to the Trust Fund for the period 2014–2018. The Fund has improved access to services, for example, education, health, energy, infrastructure, water and sanitation and has created **employment** for Afghan people.

UN Women implements a project in *Nepal* that helps improve the **entrepreneurship** of the poorest and most vulnerable **women** and develop their **skills**. Finland has allocated EUR 4 million in 2015–2017.

Finland supports *Vietnam*, with a contribution of EUR 9.9 million in 2014–2018, to create a **start-up ecosystem** and to help enterprises and other organisations develop innovative products and services.

The World Bank's Multi-Partner Fund supports peacebuilding and statebuilding in *Somalia* by strengthening governance and the management of **state revenues**, including taxation, as well as by reviving the country's **economy, infrastructure, electricity distribution and the private sector**. Finland's contribution amounts to EUR 4 million in 2016–2019.


Private Sector Development is one of Finland's development cooperation sectors in *Zambia*. Finland supports the UN joint programme that promotes **sustainable business among micro, small and medium-sized enterprises (MSMEs)** along the building construction value chain. This programme also supports these enterprises in extending basic social protection to workers. Finland has committed EUR 8.7 million to the programme for the period 2013–2018. The programme has created more than 2,600 green and decent jobs and improved the quality of 2,000 jobs in MSMEs in two years.



Trademark East Africa (TMEA) is a joint initiative of eight donors, including Finland, to improve **trade flows** in *East Africa*. Its budget is USD 560 million, of which Finland contributed EUR 6 million from 2013 to 2016. TMEA activities include support to the Dar es Salaam and Mombasa ports, and for border management infrastructure, collection systems for trade-related revenue and policy dialogue. Additionally, a central component of TMEA's work is to support female entrepreneurs and traders.

In *Tanzania*, Finland funds the development of the **innovation ecosystem** and supports **private sector innovation**. Finland has allocated EUR 8.95 million to the project for the period 2017–2021.

Finland also finances **regional innovation cooperation** in several *Southern African countries*. Finland has granted EUR 9.3 million for supporting private sector innovation and socially inclusive business development in 2017–2020.

 The Enhanced Integrated Framework is a global multi-donor programme which is aimed at supporting the Least Developed Countries be more active players in the **global trading system**. The programme delivers trade-related assistance, facilitates production of trade-related needs assessments and improves the countries' capacities to integrate trade into their national development strategies. Finland has pledged EUR 10 million in 2016–2020.



MINISTRY FOR FOREIGN AFFAIRS OF FINLAND