

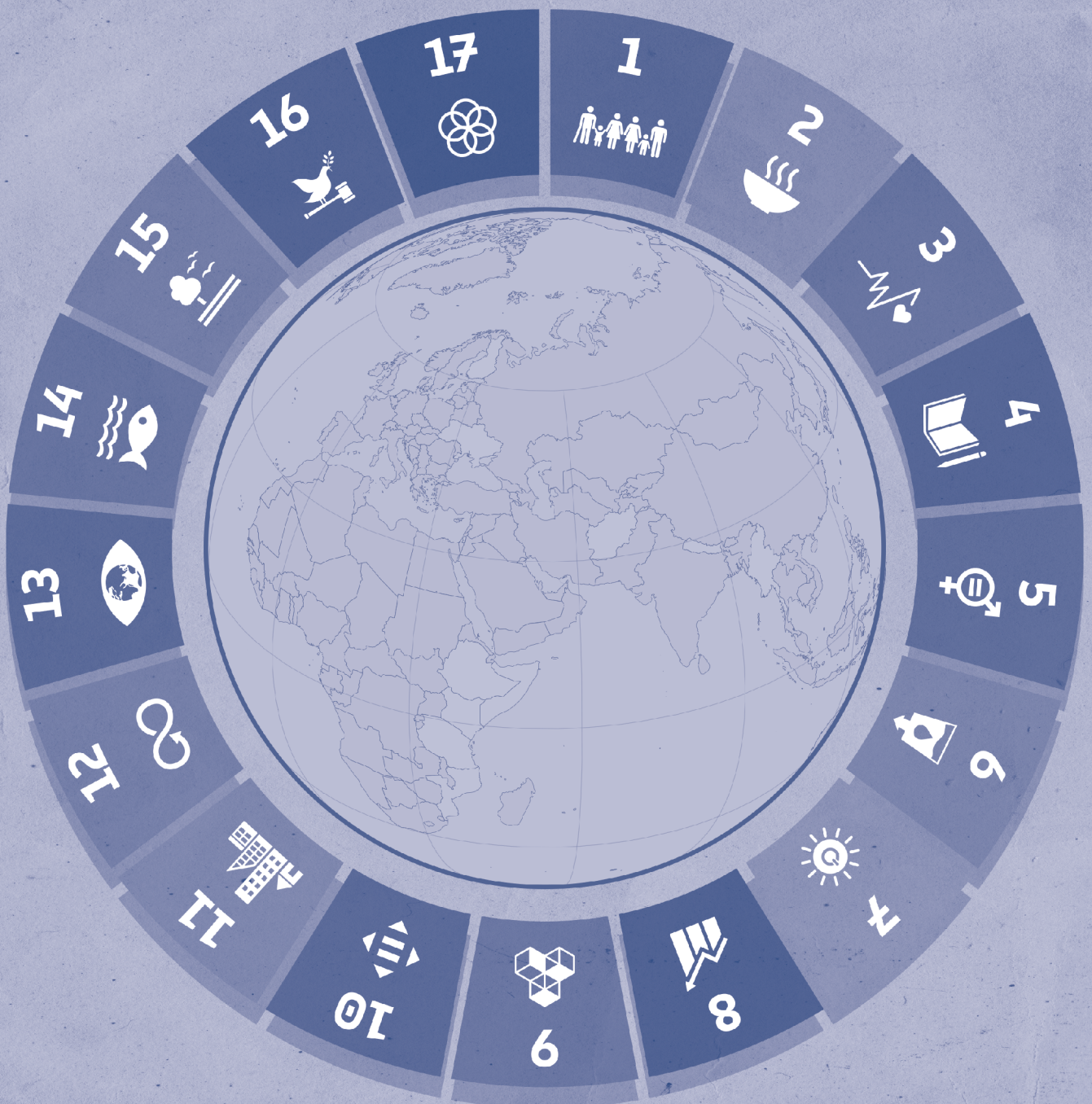
# EVALUATION

META-ANALYSIS OF COUNTRY PROGRAMMES 2021–2024



Ministry for Foreign  
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## Volume II – Country Reports



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2024: 2



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# META-ANALYSIS OF COUNTRY PROGRAMMES 2021–2024

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2024: 2

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# AFGHANISTAN COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021 CP for Afghanistan and the "Temporary Policy on Development Cooperation in Afghanistan". The Temporary Policy replaced the 2021 CP in December 2021 in response to the Taliban takeover in August of the same year.<sup>1</sup>

The report is compiled based on desk review, feedback from selected external stakeholders and a former country team member, and a self-assessment workshop held on 13-15 December 2023 in Helsinki with the current country team members. These included the MFA Programme Officer, the Head of Cooperation, and the Desk Officer for Afghanistan, as well as a Senior Adviser of the Department for the Americas and Asia. Finland's Ambassador to Afghanistan participated remotely in some workshop sessions. Six external stakeholders representing Finland's main development cooperation partners in the country and one former embassy staff member involved in the formulation of the 2021 CP were interviewed before the workshop.

The report is structured as follows. Section 2 introduces the CP and the Temporary Policy. Section 3 describes how the country context could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-add of the CP approach for Afghanistan, and Section 7 summarises conclusions drawn by the meta-analysis team.

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<sup>1</sup> The CP for Afghanistan – finalised 10 March 2021 – was originally intended for the period 2021-24 but was only applied in 2021 due to the Taliban takeover that took place in August 2021. Hence it is referred to as "CP 2021" in this report. The Temporary Policy was initially formulated for 2022 but continues to be applied.



## 2 The 2021 Afghanistan Country Programme and the subsequent Temporary Policy

This section introduces the 2021 CP and the Temporary Policy that replaced it. It explains their goals, how these were intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

The 2021 CP had two impact areas:

1. Enhanced sustainable development through improved access to basic services and strengthened institutions, and
2. Improved realisation of human rights, including the rights of women and girls.

With these impact areas, the 2021 CP continued to pursue similar goals as in the previous programming cycle. While no 2016-20 CP document exists, annual results reports featured three closely related impact areas: i) strengthened justice, security, good governance, and human rights, ii) improved basic public services, and iii) a diversified economic base.

The 2021 CP was placed within the broader 2021-24 Country Strategy (CS) for Afghanistan. This strategy described two strategic goals of Finland's foreign, security and development policy in the country:

1. Stable Afghanistan: security, stability and sustainable development are improved, and
2. Equal and just Afghanistan: human rights, in particular the status and the realization of the rights of women and girls are strengthened in all sectors of society.

The strategic goals of the 2021 CS and the impact areas of the 2021 CP are consistent with earlier goals of Finland's engagement in Afghanistan – as reflected in the 2013 partnership agreement between the Islamic Republic of Afghanistan and the Republic of Finland and subsequent reports to the Finnish Parliament.

Two days after the Taliban takeover on 15 August, 2021, the MFA announced the suspension of its bilateral development cooperation in Afghanistan.<sup>2</sup> All activities involving direct support to

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<sup>2</sup> MFA. (2021). Finland to suspend development cooperation in Afghanistan. Press release. Accessed in December 2023 at: [https://um.fi/press-releases/-/asset\\_publisher/ued5t2wDmr1C/content/suomi-keskeytaa-kehitysyhteistyonsa-afganistanissa](https://um.fi/press-releases/-/asset_publisher/ued5t2wDmr1C/content/suomi-keskeytaa-kehitysyhteistyonsa-afganistanissa).





the government were suspended and then reprogrammed and repurposed, while other activities continued. Post-takeover activities were guided by the 2022 “Temporary Policy on Finland’s Development Cooperation in Afghanistan”. That policy adapted the two earlier impact areas to the more immediate needs at hand:

1. Supporting the survival and basic needs of Afghan people, and
2. Defending and supporting human rights, in particular of women and girls.<sup>3</sup>

Under this policy, all traditional development cooperation with the de-facto authorities (DFA) remained suspended. This said, it is worth noting that most assistance in Afghanistan has been provided through multilateral organizations also prior to the takeover. Additional humanitarian aid was enabled through optional usage of development cooperation funds for humanitarian aid.

## 2.2 How the goals of the 2021 CP and the Temporary Policy were to be reached

The 2021 CP featured a well-developed results framework and detailed theories of change for each impact area. In brief, in terms of basic services, the first impact area aimed at improved community infrastructure, education, and reproductive services. It also aimed at strengthening a range of institutional capacities: government reforms, strengthened Community Development Committees (CDCs), reduced transnational drug crimes, and strengthened capacity of the Afghanistan Geological Survey.

The second impact area aimed at improved support and access to justice for persons in vulnerable positions through better informed and more capable individual and institutional actors, and improved protection from – and support related to – gender-based violence (GBV). The second impact area also aimed at enhanced status and participation of women in decision-making and in economic activities.

The subsequent Temporary Policy focused on addressing the growing humanitarian crisis through humanitarian nexus funding and by supporting basic needs with focused development cooperation interventions. In addition, the policy aimed at preserving – as much as possible – earlier progress made in terms of human rights, especially for women and girls. As part of the 2022 results report, the impact logic for these two results areas was described in more detail:

1. Survival and basic needs were to be supported through sustaining essential services and by supporting livelihoods and food security. Services were to be sustained through provision of health services for vulnerable communities and through ensuring that critical small-scale community infrastructure was in place. Livelihoods and food security were to be supported through facilitating access to decent employment, protecting and supporting agriculture-based livelihoods,<sup>4</sup> and through unconditional cash transfers.

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3 With focus on inclusion and the rights of women and girls.

4 Especially in terms of coping with climate shocks and natural disasters.



2. Human rights (with focus on inclusion and the rights of women and girls), were to be supported through better informing communities and citizens about human rights, peacebuilding, and the consequences of ill social practices. The rights and status of women and girls were to be protected in three ways: through continued access to services of GBV survivors and persons at risk, through coordination and policy advocacy to keep women's rights high on the international agenda, and through supporting women's survival and capacity to be involved in economic activities.

## 2.3 Contributing projects and programmes

Between 2016 and 2022, Finland financed projects under the CP with a total average annual expenditure of about EUR 19.0 million (Figure 1).<sup>5</sup> In the previous programming cycle (2017-20), that average was EUR 17.9 million. In the first two years (2021-22) of the current cycle, it was EUR 19.3 million, including an average of EUR 4.4 million per year of humanitarian nexus funding to World Food Program (WFP).

In 2021, Finland continued supporting projects already supported in 2020, the last year of the previous 2017-20 programming cycle. In impact area 1 (improved access to basic services and strengthened institutions) this included support to the Afghanistan Reconstruction Trust Fund (ARTF), MSI Reproductive Choices (formerly Marie Stopes International), UNICEF, the United Nations Office on Drugs and Crime (UNODC), and the Geological Survey of Finland (GTK) in an Institutional Cooperation Instrument (ICI) project. Impact area 2 on human rights supported UN Women, Inter-Mediate (IM), the Afghanistan Independent Human Rights Commission (AIHRC), and the 2020 Afghanistan Conference<sup>6</sup>.

After the Taliban takeover and under the new Temporary Policy, Finland consolidated its CP portfolio. In 2022, support to ARTF,<sup>7</sup> UNICEF, UNODC, and GTK ended. The adapted impact area 1 on survival and basic needs worked through the newly created United Nations Special Trust Fund for Afghanistan (STFA) and continued support to MSI. The adapted impact area 2 on human rights was supported through UN Women.

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5 This figure includes EUR 8.9 million humanitarian aid channelled through WFP in 2021-22.

6 Accessed in May 2024 at: <https://unama.unmissions.org/afghanistan-2020-conference-0>; [https://um.fi/utrikespolitik-och-sakerhet-spolitik/-/asset\\_publisher/mlqDMn4JvO3y/content/2020-afghanistan-conference-1/35732](https://um.fi/utrikespolitik-och-sakerhet-spolitik/-/asset_publisher/mlqDMn4JvO3y/content/2020-afghanistan-conference-1/35732).

7 With the agreement of contributing donors, ARTF was repurposed and then continued to disburse previously collected funds, including those of Finland.



**Figure 1 Actual disbursements for CP projects 2016-2022 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
World Bank (ARTF)	10.0	11.0	12.4	10.0	10.0	10.0		<b>63.4</b>
United Nations (STFA)							9.0	<b>9.0</b>
MSI (Reproductive Health)	0.8	1.0	1.1	1.4	1.5		2.6	<b>8.4</b>
UNICEF (WASH)	1.0	1.0	1.0	4.3	1.8	1.2		<b>10.3</b>
UNODC (Anti-Drug Cooperation)				2.0	1.5	2.0		<b>5.5</b>
GTK (IKI)	0.6	0.5	0.1	0.3	0.3	0.1		<b>2.0</b>
WFP (Humanitarian Assistance)						4.9	4.0	<b>8.9</b>
<b>UNWOMEN</b>								
Inter-Mediate (Political solution)				0.3		0.3	2.0	<b>6.0</b>
AIHRC	0.4		1.0	0.5	0.5	0.5		<b>2.9</b>
Afghanistan Conference					2.2	0.0		<b>2.2</b>
<b>UNDP (LOTFA)</b>								
UNDP (LOTFA)	4.5		0.4	1.0				<b>5.9</b>
UNDP (SALAM)	3.2		-	0.6				<b>3.8</b>
UNESCO (Literacy)	1.0	0.5	0.5					<b>2.0</b>
GIZ (Women's rights)	1.0							<b>1.0</b>
UNWOMEN (1325 National Action Plan)		0.2	0.2	0.2				<b>0.6</b>
UNAMA (Peace project)				0.1	0.1			<b>0.2</b>
<b>Total Annual Disbursements</b>	<b>22.5</b>	<b>14.2</b>	<b>16.7</b>	<b>20.7</b>	<b>19.8</b>	<b>21.0</b>	<b>17.6</b>	<b>132.7</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Afghanistan.

### 3.1 Past and current country context

Afghanistan remains one of the poorest and most vulnerable countries in the world (Table 1). In 2022 it was ranked the 3<sup>rd</sup> most fragile country globally, with highest levels of fragility across all dimensions: economic, environmental, human, political, security and societal fragility. It had the 11<sup>th</sup> lowest Human Development Index in 2022 among the 193 ranked countries. Afghanistan's population of 41 million grew 2.5% in 2022. Most Afghans are young, illiterate, and in acute need of assistance. In 2022, only 30% of Afghans used safely managed drinking water. The gross domestic product (GDP) per capita in 2021 was USD 356, the lowest worldwide and about 150 times smaller than in Finland. In 2020, the probability of a mother dying in childbirth in Afghanistan was 75 times higher than in Finland, and the latest data (from 2016) indicates that only one in four married women aged 15 to 49 (or their partners) used any contraceptive methods, compared to 100% in Finland.<sup>8</sup>

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8 Additional data was drawn from the following sources:

- UNDP. (2022). Human Development Index (HDI). Accessed in May 2024 at: <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>
- World Bank. (2022). Data: Population growth (annual %). Accessed in May 2024 at: [https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name\\_desc=false](https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name_desc=false)
- UN. (2022). UN-Water SDG 6 Data Portal. Accessed in May 2024 at: <https://www.sdg6data.org/en>
- World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May 2024 at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?view=chart>
- World Bank. (2020). Data: Maternal mortality ratio (modeled estimate, per 100,000 live births). Accessed in May 2024 at: <https://data.worldbank.org/indicator/SH.STA.MMRT>
- World Bank. (n.d.). Data: Contraceptive prevalence, any method (% of married women ages 15-49). Accessed in May 2024 at: <https://data.worldbank.org/indicator/SP.DYN.CONU.ZS>



**Table 1 Afghanistan benchmarks**

<b>POPULATION</b>	<b>41.1 MILLION (WORLD BANK, 2022)</b>
Youth of population	63.8% under 25 years (UNESCO, 2021)
Human Development Index	Ranked 180 of 191 total (UNDP, 2021)
Fragility	Worlds 3rd most fragile country (OECD, 2022)
Literacy rate	20% of women, 49 % men (UNESCO, 2021)
Infant mortality	4 of 10 children die before 1 year (UNICEF, 2018)
Maternal mortality	638 deaths per 100,000 births (INTERMOS, 2021)
Attendance rate, primary school	53% girls, 72% boys (most in urban areas) (UNESCO, 2021)
Agriculture	Income source for 61 % of population (IFAD, 2018)
People in need:	24.4 million (OCHA, 01.22)
People in Food Crisis/Emergency	19.56 million (OCHA, 05.22)
Refugees in Neighbouring Countries	2.3 million (UNHCR, 06.22)
Affected by climate threats	World's 6th most affected country (OCHA, 10.22)

*Source: Team Europe report "Afghanistan Country Assessment (ACA)", February 2023, including the sources for individual data points. Some data was updated.*

After the fall of the previous Taliban government in 2001 and an initial phase of development-related optimism in the early 2000s, development stalled, and the country began to decline. This happened despite massive international support which, for example, represented three quarters of Afghanistan's public expenditure in 2021. Finland's development cooperation and humanitarian aid alone added up to more than EUR 400 million in 2001-21.<sup>9</sup>

In recent years, population growth, the Covid-19 pandemic as well as the impacts of climate change and natural disasters (floods, draughts, earthquakes), together with a deteriorating political and security situation, caused further decline.

<sup>9</sup> Summaries and analyses of the country's past development can be found, for example, in Team Europe. (2023). The Afghanistan Country Assessment (ACA); EU. (2023). Action Document for Addressing basic needs and supporting livelihoods of the people of Afghanistan; Afghanistan Coordination Group. (2023). Framework for International Partner Support in Afghanistan 2023–2025; MFA Denmark. (2022). Transition Programme for Afghanistan 2022; MFA Finland. (2022). Finland as part of international community's crisis management and development cooperation in Afghanistan in 2002-2021. Report to the Parliament; FIIA. (2023). Finland in Afghanistan 2001-2021: From Stabilization to Advancing Foreign and Security Policy Relations. Report #72; World Bank Afghanistan Development Updates (several, 2022 and 2023); Ambassador's Strategic Plans 2022 and 2023, MFA Finland (2022, 2023); and the 2021 CP, the Temporary Policy, the 2021 and 2022 CP Results Reports, and the MFA's own analysis: MFA. (n.d.). Suomi osana kansainvälisen yhteisön kriisinhallinta- ja kehitysyhteistyötoimintaa Afganistanissa 2001–2021. Accessed in March 2024 at: <https://um.fi/documents/35732/0/UH+AF+selvitys+FINAL+221222.pdf/3e6065a1-b072-cc9e-e369-f32a1b889450?t=1671717356679>.



The Taliban takeover in August 2021 represented an ultimate watershed moment both for Afghanistan and the international community. For Afghans, conservative Pashtun traditions and a very strict interpretation of Sunni Islam by the new Kandahar-based leadership came into effect with – among other – devastating effects on human rights, especially affecting women and girls. According to one interviewed development partner, about 50 of the 88 edicts issued since the takeover directly targeted women and girls. Chief among these is the exclusion of girls and women from secondary and higher education, and the ban to employ Afghan women in national and international non-governmental organisations (excluding health and primary education) in the country. Together with strict application of Sharia law, this means that the overall human rights situation in the country has retrograded significantly. While much needed, development interventions – especially those targeting human rights – now face a significantly more difficult operating environment.

Internationally, the newly proclaimed Islamic Emirate of Afghanistan has remained unrecognised and isolated. Donor countries ended bilateral development cooperation involving direct relations with the Afghan (de facto) authorities. Multilateral assistance continued in support of the Afghan people, not the de-facto authorities (DFA). Finland suspended its bilateral development cooperation with Afghanistan on August 17, 2021. Since then, Finland's development cooperation and humanitarian assistance are provided exclusively through the UN and international NGOs. During the self-assessment workshop, several consequences of the country's international isolation were discussed.

- The refusal of the DFA to respect human rights has stalled progress towards a political solution.
- Related, there is a concern that the focus of international attention has shifted to other crises elsewhere in the world.
- At the same time, there is a growing realisation that some form of engagement with the DFA may be required to better support Afghan people and to influence the DFA, but also to manage the geopolitical, economic and migration-related risks associated with further decline, radicalisation and continued isolation of the country. EU's engagement is guided by five benchmarks agreed in EU Council conclusions in 2021 and reaffirmed in 2023.<sup>10</sup>
- The Taliban takeover also impacted donor dynamics in Afghanistan. Most influence is now wielded by countries still present in the country. The DFA prefers bilateral over multilateral relations with international partners.

Overall, these developments led to the dramatic situation in which Afghans are more in need than ever, all the while donors' presence in the country is close to zero, level of international funding has declined drastically, and development partner's operating space is limited.

One positive development is, nonetheless, an improved security situation. Armed conflict is over but there is concern over presence and operations of terrorist groups. A 2023 report by the Finnish Institute for International Affairs (FIIA) additionally noted less corruption and more successful tax collection. Transparency International's Corruption Perceptions Index indicated decreasing

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<sup>10</sup> EC. (2021). Council conclusions on Afghanistan. Accessed in March 2024 at: <https://data.consilium.europa.eu/doc/document/ST-11713-2021-REV-2/en/pdf>; and EC. (2023). Council conclusions on Afghanistan. Accessed in March 2024 at: <https://data.consilium.europa.eu/doc/document/ST-7264-2023-INIT/en/pdf>.



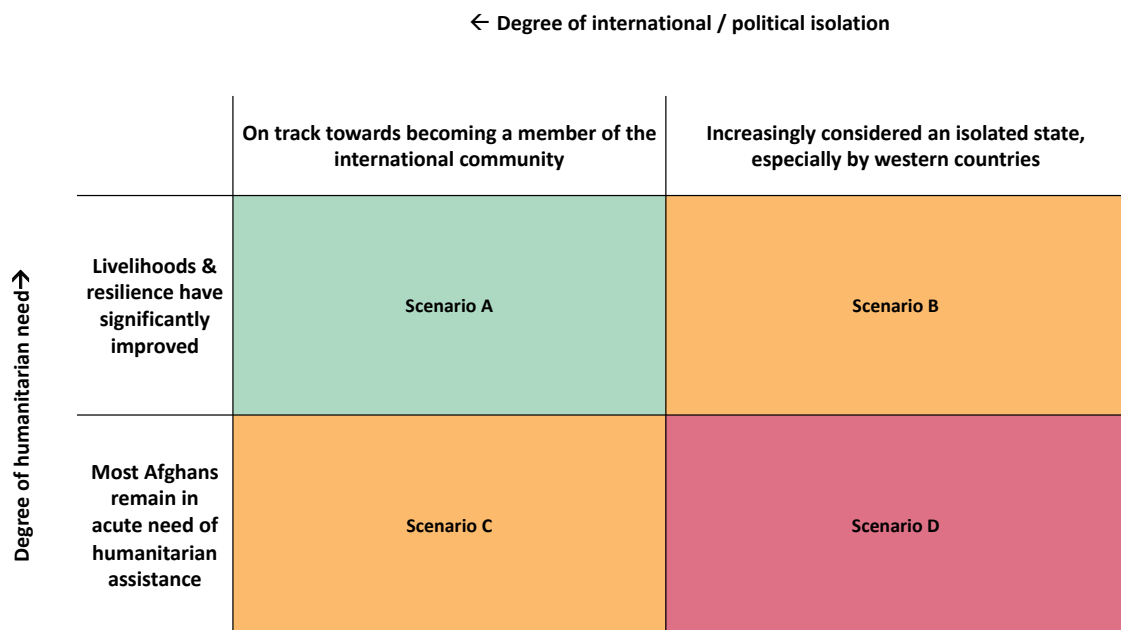
corruption from 2021 to 2022 but an increased from 2022 to 2023.<sup>11</sup> Workshop participants and interviewed external stakeholders described how the improved security situation had positively impacted the mobility of in-country personnel, allowing them to access previously inaccessible Taliban-controlled areas.

### 3.2 Future development scenarios

During the self-assessment workshop, four scenarios were developed to inform the planning of future development cooperation in the country. As shown in Figure 2, they were organised along the two axes of:

1. The degree of the country’s international and political isolation, and
2. The degree to which the Afghan population remains in need of humanitarian assistance.

**Figure 2 Future scenarios for Afghanistan**



Source: Afghanistan CP self-assessment workshop, December 2023.

An earlier scenario analysis conducted just after the Taliban takeover had considered different axes: i) the degree of political development towards more inclusive governance, and ii) the degree to which the DFA would be able to consolidate their power. During the self-assessment workshop, participants felt that the degree of international isolation was now more relevant, considering that efforts towards a political solution depend on the DFA’s adherence to international rule-based principles and standards but also on the pragmatism of the international community in engaging with them. Participants also felt that the second axes in the earlier exercise had lost some of its

<sup>11</sup> Transparency International. Corruption Perceptions Index. Accessed in March 2024 at: <https://www.transparency.org/en/cpi/2023/index/afg>.





relevance after the DFA seemed to have successfully consolidated their power and it was considered unlikely that this would change over the next couple of years. This was confirmed by interviewed stakeholders. Therefore, the degree of humanitarian need of the Afghan population was considered (even) more relevant as a scenario axes.

The present scenario axes are considered relevant because they allow for the consideration of additional “diagonal” scenarios (marked in yellow in Figure 2) that were considered of geopolitical importance. These were “continued isolation but some livelihood improvements” (Scenario B) and the complementary case, of “beginning international reintegration but continued humanitarian crisis” (Scenario C).

### **3.3 Austerity measures in Finland’s development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA’s bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term, including the Afghanistan CP. This means that there will not be a CP for Afghanistan in 2025-28 and that the budget for Finland’s remaining development cooperation activities in the country will be significantly lower.

In the current cycle (until year-end 2024), Finland will continue to support women and girls, the survival of people, and Afghan civil society through international organisations, continuing the Temporary Policy of not providing support through the Taliban administration.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Helsinki, and on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP (and Temporary Policy) management

During the self-assessment workshop, participants highlighted a well-functioning and experienced team as a key asset including actively involved leadership. This has allowed the team to work efficiently together and facilitated frank discussions and decision-making. Team members' previous experience of working in fragile contexts (in which more traditional approaches to development cooperation might not work) was highlighted as an advantage, as well as their shared understanding of the evolving situation in the country. Finland's long history with – and reputation in – the country was considered an opportunity.

Self-assessed weaknesses were the lack of an embassy in Kabul and of MFA staff in the country. Although a range of people are involved with development cooperation in Afghanistan, only three are fully dedicated to the country, resulting in limited actual human resource capacity which will be further affected by future staff changes.

The availability of data in fragile contexts is always a challenge. Limited timely, reliable and useful monitoring information on results was considered to challenge planning, managing, and reporting on the CP and the Temporary Policy. Reports by Finland's implementing partners provide a partial picture of level and quality of actual results on the ground. Field visits by MFA staff and personal interactions with partner agency staff are useful, but reporting on results remains limited by the situation in the country, and it is also impacted by the limited capacity for Results-Based Management of some partners.

The prominence of Afghanistan vis-à-vis other issues and crises on the international (and Finland's) agenda was considered both an opportunity and a risk for Finland's development cooperation in the country. High prominence, for example driven by concerns related to security, trade and immigration, could facilitate the development and implementation of international frameworks for Afghanistan, render available capacities and resources, and support pathways to a political solution. Fading international (and Finnish) interest, on the other hand, would hold the risk of dwindling support for Afghan people in need, in addition to potentially adverse geopolitical consequences.

The self-assessment workshop took place while new priorities and funding envelopes for Finland's development cooperation were being decided. This led to some uncertainty on how and what to plan for the country.



## 4.2 Assessment of current planning and reporting arrangements

It was generally considered useful to have programmatic policy document such as the CP, and the Temporary Policy. The intense work going into the development of the 2021 CP was considered overall useful – even in a fragile context. The development of theories of change for each impact area led to a deepened understanding of how results were to be achieved and forced the team to think through the programme logic in detail. Developing the initial risk matrix and MEL plan was also considered useful. For example, increased violence and insecurity and political instability had been highlighted as significant and likely risks before the takeover.

The 2021 CP and the Temporary Policy represented useful MFA-internal reference documents, for example when individual projects were being developed and decided. For the meta-analysis team, the CP document, the Temporary Policy, and the CP results reports represented key reference documents as well.

On a more detailed level, some of the prescribed CP planning and reporting formats were considered oversized and to offer too little flexibility for the rapidly changing context in the country. The results framework, for example, had to be revised entirely after the Taliban takeover. While this is possible under MFA policies (the administration usually allows such changes) it requires considerable staff time and capacity.

Both the frameworks for 2021 and 2022 focus on quantitative indicators. Some were usefully referenced in the results report, for example to illustrate the reach of projects in terms of beneficiaries and service delivery, but they also had some disadvantages and shortcomings. The following observations represent a shared view of the country and the meta-analysis team:

- Indicators are sourced from the respective partner project reports and can hence only be reported once the annual project reports are in, usually in the first half of the next year.
- The indicator-based reporting only provides a partial view of actual results on the ground because they are reach figures that do not say much about the quality and depth of results achieved. Moreover, the set of indicators does not cover important non-project results, for example related to coordination, policy dialogue and influencing of implementing partners. As an example, a (light) advocacy plan for STFA – the largest single recipient of Finland’s development cooperation for Afghanistan – exists but is not part of CP reporting. Yet, in interviews with external stakeholders, coordination, policy dialogue and influencing by Finland was considered one of the strong points of Finland’s development policy and cooperation for Afghanistan. Annual CP reports do refer to these functions in the narrative, but it is not a systematic or mandatory part of these reports.
- Most reported indicators track overall project results, irrespective of what Finland’s contributions relative to those of other donors are. While they provide a good illustration of the reach of these projects, they make it difficult to determine Finland’s contribution.
- Most importantly, in a context like Afghanistan, having a three-layer indicator framework (impact, outcome, output) is overambitious and is not always aligned with how progress is tracked by partner organizations.



Other tools such as the risk matrix or the monitoring, evaluation and learning (MEL) plan were updated when required for annual reporting but not much used otherwise by the team. In day-to-day management, the team rather focused on managing each project based on interactions with project partners and their reports.

On a more general note and considering the importance of Afghanistan not only for development cooperation but for Finland's foreign policy in general, the CP approach was considered too narrow. Possibilities were discussed for a broader and more holistic approach to planning and reporting on Finland's engagement in the country, for example at the level of a country strategy that also included linkages to Finland's trade, foreign and security policies.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail. Subsection 5.2.3 summarises what results can be expected for 2023, based on an estimate by the country team.<sup>12</sup> Contributions to Finland's cross-cutting objectives are highlighted in Section 5.3, and expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

Implementation of the 2021 CP was significantly impacted by the ongoing Covid-19 pandemic, the deteriorating security situation, and, most significantly, the Taliban takeover and developments since then. After the Taliban takeover, some projects funded by Finland came to an end and were not renewed and some were subsequently repurposed and redesigned. Interviewed development partners however described a rather difficult implementation environment in which donors – including Finland – had to find and target the remaining opportunities in an overall shrinking space for development cooperation.

Disbursements to most projects were nevertheless made as planned. For example, EUR 10 million were disbursed in the first quarter of 2021 to the ARTF (which was suspended after the Taliban takeover and subsequently repurposed). Funding to MSI was shifted into the next year as the new agreement took additional time to be finalised, and the GTK and IM projects required only some of their budget for that year. In 2021, overall, 92.4% of the EUR 22.7 million development cooperation budget for Afghanistan were disbursed. This included EUR 4.9 million of humanitarian aid disbursed year-end 2021 to WFP. In 2022, 99.7% of funds were disbursed as planned.

Interviewed stakeholders described Finland as an influential and helpful development partner. Finland was, for example, considered to have influenced other development partners towards establishing and supporting the STFA as a One-UN fund. Finland's advocacy and influence especially for women and girls in multilateral fora (e.g., in the Afghanistan Coordination Group), was also noted. Several interviewees highlighted the fact that Finland, unlike many other countries, had advocated for ensuring that aid to the country went beyond providing immediate humanitarian assistance, to ensure some degree of sustainability through basic needs support.

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<sup>12</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2022 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results report 2023 for Afghanistan.



## 5.2 Contributions to CP and Temporary Policy results

### 5.2.1 Reported results in 2021

In impact area 1 of the 2021 CP (sustainable development through improved access to basic services and strengthened institutions), reported results were satisfactory in terms of basic services. Communities could still be provided with small-scale infrastructure and reproductive services. Education-related outputs, however, suffered from the deteriorating situation.

Impact area 1 also covered strengthened institutions, which largely depended on the government counterpart, the Islamic Republic of Afghanistan (GoIRA). As the GoIRA ceased to exist mid-year, supported government reform processes ended. Results were, hence, overall unsatisfactory. Established Community Development Committees (CDCs) are reportedly still mostly in place, but their functionality varies and equal representation of women and men no longer applies. Some of the geological experts trained in the GTK project are likely to still work at their respective ministries.

Impact area 2 on human rights did not feature satisfactory results. Because of the DFA's restrictive policies on women and girls, the entire results area has taken a step backwards despite continued efforts by Finland's implementing partners.

Policy dialogue was focused on Finland's implementing partners. Interviewed stakeholders reported that Finland had been supportive and influential, both in terms of providing direction to implementing partners and in coordinating and advocating among donors, for example in early discussions about establishing the STFA towards a One-UN fund.

The meta-analysis team notes that the intended results of the 2021 CP became unrealistic or even impossible to achieve during and after the Taliban takeover because the assumed operating environment had changed so drastically that the assumed theory of change did not work anymore. For government-to-government bilateral aid, the Afghan government counterpart disappeared. Hence, it was useful that the 2021 CP was replaced by the Temporary Policy and a new results framework from 2022 onwards. Also, reported contributions to 2021 results that still measure progress towards the original 2021 CP goals should be interpreted with these changes in mind.

### 5.2.2 Reported results in 2022

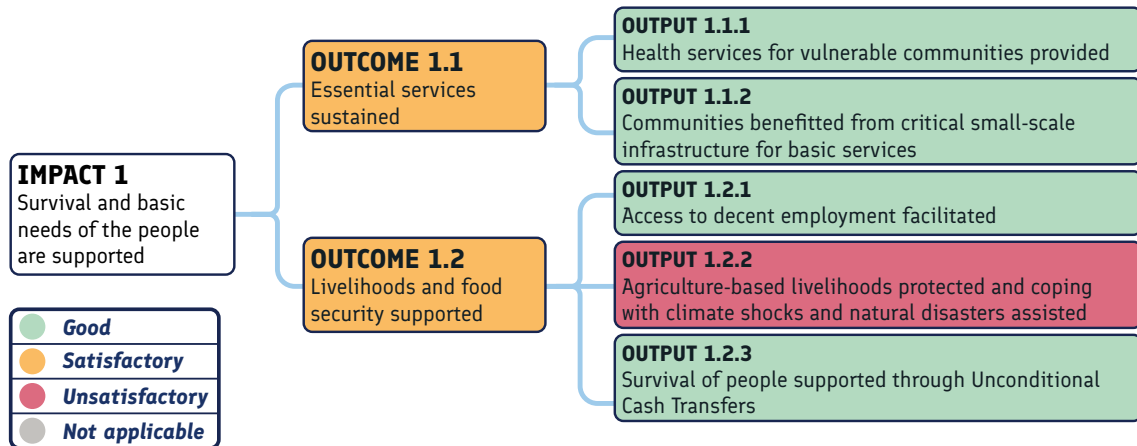
Reported results in 2022 were overall satisfactory. This was also because the objectives and interventions of the Temporary Policy for 2022 were better adapted and more realistic with respect to the changed operating environment after the Taliban takeover. Results on the outcome and output level (middle and right columns, respectively), as reported by the MFA's country team, are shown in Figure 3 and Figure 4 below.

The newly established STFA performed well in reaching or over-achieving most of its output-level targets in the first impact area in 2022 (contributing to the right-hand column in Figure 3). One output – related to agriculture-based livelihoods – was marked as unsatisfactory because of relatively smaller reach figures compared to other outputs in that year because most related activities



were still being planned in 2022.<sup>13</sup> MSI showed solid results in providing sexual and reproductive health services, contributing to the related output.<sup>14</sup> The survival of people was also supported by large-scale WFP humanitarian aid to which Finland contributed by re-allocated development cooperation funds.

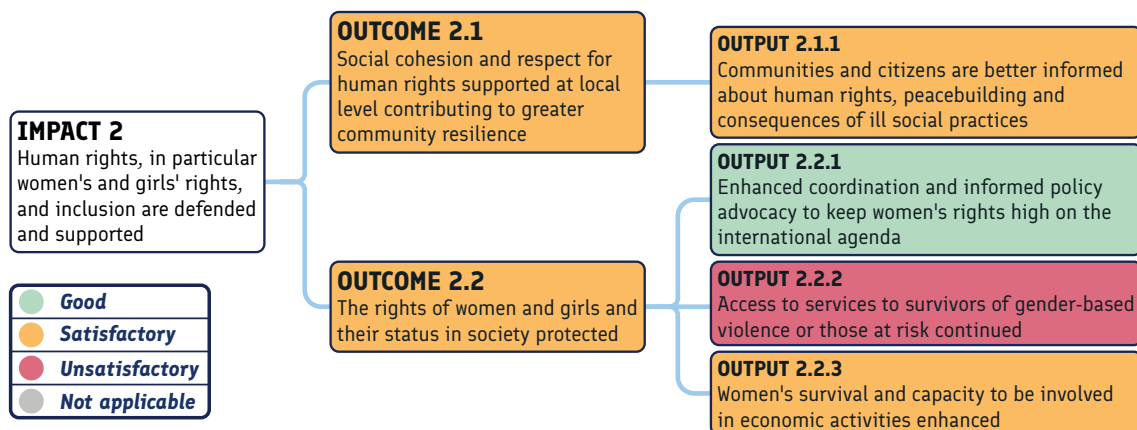
**Figure 3 Assessment of results 2022 in impact area 1 of the Temporary Policy**



Source: 2022 CP Results Report.

Progress towards impact area 2 outcomes (middle column in Figure 4) was marked overall satisfactory, although only moderate absolute results could be achieved because of restrictions put in place by the DFA (see also remarks in Section 5.2.3 on this subject). A strong point was Finland's contribution to keep women's rights high on the international agenda for Afghanistan – a view that was shared and highlighted by most of the non-MFA stakeholders interviewed by the meta-analysis team. GBV-related outputs were assessed unsatisfactory by the country team because of the restrictions in place. Through repurposed ARTF funds, UNICEF and WHO also sustained the provision of essential health services in the targeted areas.

**Figure 4 Assessment of 2022 results in impact area 2 of the Temporary Policy**



Source: 2022 CP Results Report.

13 In most of 2022, that STFA component was still being planned (but still reached most targets in respective STFA's results framework).  
 14 Health services were also supported through a project in the repurposed ARTF. While no additional Finnish funding was provided to ARTF in 2022, the fund continued disbursing previously collected funds.





### 5.2.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated because project reports from implementing partners had not come in yet (expected in spring/summer 2024). The estimations assume sufficient funding internationally and from Finland – or that expected results will be adjusted in line with potentially lower budgets. Results for 2024 were overall hard to predict and were only estimated in relation outcome 2.2 for which a contract (with UN Women) is already in place covering 2024.

Impact area 1 on survival and basic needs is expected to further improve and achieve overall good results.

- The need for sustaining essential services (outcome 1.1 in Figure 3) continues to be very high. Interventions benefit from the facts that health services have been exempted from the DFA's restriction on women's participation and that small-scale infrastructure interventions are concrete and enjoy community support.
- Outcome 1.2 on livelihoods and food security is also expected to improve from satisfactory to good results performance. Access to decent employment benefits from the fact that the DFA allow women participation in most private sector activities. Agriculture-based livelihood interventions under STFA are expected to deliver more results (after still having been in their planning phase in much of 2022). However, unconditional cash transfers could produce only satisfactory results in 2023 (after "good" in 2022) because of DFA restrictions on women's participation and increasing household needs.

The situation in impact area 2 on human rights, including women's rights, is complex. One reason is that absolute results in terms of actually upheld human rights for Afghans, especially for Afghan women, girls, and regarding inclusion, have evidently shrunk and retrograded despite all international efforts.<sup>15</sup> A principal contributing cause for this is DFA governance which includes severe restrictions for women's participation and girls' education. In contrast, relative results in terms of improvements (*vis-à-vis* an even worse counterfactual situation without international support) are likely to be positive. Hence, the assessment differs greatly depending on whether absolute or relative change is referred to.

- Related to this caveat, outcome 2.1 on increased community resilience through support for social cohesion and respect for human rights is expected to be unsatisfactory in 2023, even while the respective STFA component serving this outcome may well reach more people than planned again, as in 2022. Severe restrictions imposed by the DFA on women's participation in targeted activities (and also as staff of participating entities) however make it difficult to translate these activities into outcome-level results. It should also be noted that the STFA focuses on provision of essential services (basic water/sanitation infrastructure and health and education services) – both in financial terms and in the number of beneficiaries reached.
- Outcome 2.2 on the rights of women and girls and their status in society is also expected to be overall unsatisfactory in 2023 because of DFA restrictions that are believed to remain in place. Contributing outputs are believed to remain similar to

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<sup>15</sup> Another reason is related to the semantics of how impact and outcome targets are formulated. For example, "supporting" human rights, as described in the impact statement, does not necessarily equal any positive change.



2022 (lower branch in Figure 4), with good results in terms of keeping women rights on the international agenda (output 2.1), unsatisfactory results related to GBV (output 2.2), and satisfactory results for women in general economic activity (because of less restrictions in this area). Overall, the country team considers that development actors will continue to adjust their programs and lean to better utilise the remaining operating space, which could lead to overall satisfactory results for this outcome in 2024.

### 5.3 Contribution to Finland's cross-cutting objectives and other results

Human rights and especially the rights of women and girls are directly addressed by two of the three development cooperation interventions (UN Women and MSI) still active in the CP under the Temporary Policy. The third intervention, STFA, also has a component on human rights and gender equality.

In interviews with external stakeholders conducted by the meta-analysis team, the leading role of Finland as advocate and staunch supporter of the rights of women and girls was evident. The country team itself felt that continued advocacy and influencing was needed to further strengthen inclusion of a gender perspective and human rights into STFA's programming.

The second cross-cutting objective, non-discrimination, is addressed by all three interventions and reflects the increase of different forms of discrimination in the country. However, only one intervention (MSI) focuses especially also on persons with disabilities.

Climate resilience (Finland's third cross-cutting objective) is covered by one STFA output.<sup>16</sup> It does however not represent a principal focus of the fund's work.

Beyond these contributions, interviewed stakeholders also described further important influences, for example a possible "encouragement effect" Finland's joining of the STFA had had on other donors. Finland was also perceived as a strong supporter for converting the STFA into a "One UN" fund: "the One UN is in their DNA", one interviewed stakeholder summarised it. Finally, Finland's approach to attempt to help Afghans with a longer-term perspective was very much appreciated and considered integral to add an element of developmental sustainability to the much needed but more immediate humanitarian assistance.

Overall, interviewed stakeholders considered Finland to "punch above its weight" in terms of its significant influence on the donor and development partner communities, in relation to the amounts of funding it could allocate. This feedback is in line with the findings of an earlier evaluation of Finland's influence on its multilateral development cooperation partners.<sup>17</sup>

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16 "Communities have improved infrastructure, access to water and preparedness mechanisms to protect farm-based livelihoods and cope with climate and environment shocks and natural disasters". STFA. (2022). Annual Progress Report 2022. Accessed in March 2024 at: [https://mptf.undp.org/sites/default/files/documents/2023-05/consolidated\\_stfa\\_annual\\_report\\_2022\\_reduced.pdf](https://mptf.undp.org/sites/default/files/documents/2023-05/consolidated_stfa_annual_report_2022_reduced.pdf).

17 MFA. (2020). Finnish Development Policy Influencing Activities in Multilateral Organisations. Evaluation report.



## 5.4 Sustainability of results

Sustainability of results in fragile and highly politicised contexts is always a difficult question. One reason is the lack of data and uncertainty about future developments. Another reason is that the cost of non-action can be very high, contributing to increased instability and suffering, and therefore represents one of the reasons for international partners' continued engagement.

With these caveats in mind, the sustainability of past results achieved before the takeover is considered, overall, to be low given the significantly changed circumstances.

The 2023 report by the FIIA found that much of the significant investments to develop state structures, the armed forces, the police, the judicial system, and good governance could be considered lost after the coup. The report however hinted that investments in education and health care might be more sustainable in comparison, because the acquired individual-level skills and knowledge remained intact. As described previously, the Temporary Policy reflected changes towards provision of essential services which was considered more meaningful under the changed circumstances.

In a similar vein, workshop participants estimated that the sustainability of the results from earlier (pre-2020) CPs was likely low for higher-level results related to government structures and policies. There is, however, little reliable information and some uncertainty about this. Stakeholders however described that most of the 25 GBV centres set up before the takeover had by now disbanded.

For ongoing activities under the Temporary Policy, small-scale community infrastructure may remain in place and continue to function, leading to some sustainability in livelihood improvements. If sufficient budget remained available, basic needs could continue to be supported.

In impact area 2, whatever results had been achieved on the outcome-level in terms of protection of human rights, including the rights of women and girls, were considered sustainable for only a few years even in the most optimistic scenario, due to the overall difficult human rights situation, despite continued support.

For both impact areas, sustainability was considered to show some scenario-dependence and considered to be higher if first steps could be taken in the next years towards more international integration, for example along the lines suggested in the independent assessment of the Special Coordinator of the UN to Afghanistan of November 2023. Continued isolation would, in contrast, further lower sustainability.

Overall, the country team – and the meta-analysis team – considered strengthened capacities of people in terms of acquired knowledge and skills in both impact areas to probably have been the most sustainable results in Afghanistan, simply because they remain unaffected by the takeover. The degree to which these can be applied and translated into increased welfare depends on how context-dependent the required behaviour change is. Women can, for example, more likely apply previously acquired business skills at work than realise equal political and social participation in today's Afghanistan.



## 6 Added value of the 2021 Afghanistan CP and Temporary Policy

Clearly, the Afghanistan 2021 CP document, the Temporary Policy, and the Annual Reports represent useful reference and orientation documents. The country team found it useful that there was one single document explaining CP goals and plans for Afghanistan, and annual reports on their achievement.<sup>18</sup> This was considered to increase programmatic stability and consistency by clearly defining what is the focus of Finland's development assistance in Afghanistan (and what is not). It was thought to facilitate further aggregation of results reporting – and learning from results – within the MFA and to the Finnish Parliament. The CP document also helped new staff to come up to speed. The drafting processes of the 2021 CP and the Temporary Policy represented important moments for strategic considerations; those and the annual reports allowed for interactions with MFA management.

The meta-analysis team also found this set of documents useful for orientation and as a basis for the Afghanistan-related desk review. They provided a comprehensive overview which helped putting more detailed project-level information into context.

As noted earlier, the country team, however, noted that the 2021 CP and the Temporary Policy – by definition – only covered a part of Finland's activities in the country. Even though Finland's foreign and security policy, development cooperation and humanitarian aid been highly interlinked in Afghanistan – both before and after the Taliban takeover.

Within this set of activities covered by the CP, policy dialogue and influencing activities and results vis-à-vis the project implementing partners were mentioned but should likely be reported more systematically. The meta-analysis team agrees with this, noting that interviewed stakeholders had consistently described informal and formal interactions with Finnish representatives as highly influential with significant results, above and beyond the financial contributions. The country team mentioned that there had been earlier considerations of using and integrating influencing/advocacy plans for selected partners into the CP planning and reporting processes. This said, it was clear that sufficient staff resources would be required for any such reporting.

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<sup>18</sup> The Temporary Policy did not include the level of detail provided, for example, in the 2021 CP but the 2022 Results Report followed the CP format and included an updated results framework, a risk matrix, and a financial annex.



## 7 Conclusions

Going forward, the budget for Finland's development cooperation in Afghanistan will be significantly lower. In terms of modalities, development cooperation will be delivered through international organisations. The Country Programme as such no longer exists.

Within these provisions, the meta-analysis team finds that there are strong rationales for staying engaged in Afghanistan. Apart from responding to the urgent needs of the Afghan people, there are also human rights imperative, geostrategic, security, and immigration-related arguments. While the Taliban regime lacks legitimacy and recognition, it represents a political reality in Afghanistan. Development cooperation can contribute to Finland's presence and influence in Afghanistan, and in the region. Moreover, the local knowledge gained would also help to inform Finland's global influencing activities. Naturally, a minimum number of dedicated staff at headquarters in Helsinki and – if possible – in the country are required for planning, managing and reporting on projects but, as importantly, also for advocating Finnish perspectives and values vis-à-vis development partners and in international fora.

Interviewed stakeholders working in and with the country highlighted the need for continued international pressure on – and some form of engagement with – the DFA. They pointed to the high resilience of the Afghan people, and to the fact that organisations operating in the country were adapting and making best use of their remaining operating space.

Beyond 2024, it has already been decided that there will not be a formal CP for Afghanistan. The country team, however, suggests to still use a programmatic approach to planning and reporting on results. The respective formats could be less detailed, for example by retaining the theory-of-change-based narrative part of current CP documents and reports but with significantly less required detail for the results framework, the risk matrix, and the MEL plan.

The meta-analysis team agrees with this approach, noting that the current CP formats require sufficient staff resources and capacities to be operated as intended. With lower budgets expected after 2023, planning and reporting formats should be simplified.

The meta-analysis team also supports the idea to plan and report on influencing/advocacy activities and results more systematically, as these represent an important contribution to results in Afghanistan and provide important local information for Finland's global advocacy and influencing of its multilateral partners. This could be done as part of overall reporting or through stand-alone influencing plans and reports for the main multilateral partners. Any such reporting, however, can only be implemented if sufficient staff resources remain available.



# ETHIOPIA COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021-24 CP for Ethiopia. It is compiled based on desk review, feedback from selected external stakeholders, and a self-assessment workshop held on 5-7 February 2024 in Addis Ababa, with 13 MFA participants. These included the Ambassador, the Deputy Head of Mission, the incoming Head of Cooperation, and other embassy staff. From MFA headquarters in Helsinki, the Deputy Director General and a Senior Adviser of the Department for Africa and the Middle East, the Director of the Unit for the Horn of Africa and Eastern Africa, the Desk Officer, the Programme Officer, and the Team Leader in charge of Ethiopia also participated in person. Three Ethiopian ministry officials and one international education expert were interviewed before the workshop.

The report is structured as follows. Section 2 introduces the CP. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming for Ethiopia. Section 5 summarises past implementation and previously reported results for 2021 and 2022. It also provides a tentative outlook into expected results and their sustainability. Section 6 examines the value-add of the CP approach for Ethiopia. Section 7 summarises conclusions drawn by the meta-analysis team.



## 2 The 2021-24 Ethiopia Country Programme

This section introduces the 2021-24 CP. It explains its goals, how these were intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

The 2021-24 CP has three impact areas:

1. Sustainable economic growth and improved livelihoods for people in rural areas,
2. Improved health and wellbeing through more sustainable and climate resilient WASH,<sup>19</sup> and
3. More equitable, inclusive education of good quality.

These impact areas carry forward similar goals of the previous CP (2016-19),<sup>20</sup> which was extended to 2020 because of the Covid-19 pandemic. While the impact areas for that earlier period aimed for nation-wide developments to be achieved by 2025,<sup>21</sup> the current set of goals describes improvements over the status quo rather than absolute achievements. This recalibration of expectations is related to the changing context in the country (Section 3).

The 2021-24 CP is placed within the broader 2021-24 Country Strategy (CS) for Ethiopia. This strategy describes four strategic goals of Finland's foreign, security and development policy in the country:

1. A more diverse and profound mutually beneficial partnership between Finland and Ethiopia,
2. A continuing inclusive political and social transition of Ethiopia, with a positive impact on the region,
3. More inclusive, sustainable and environment-friendly private sector-led economic growth,
4. The institutional transformation in Ethiopia advances reforms and provision of services.

The previous "Country Strategy for Development Cooperation" highlighted similar strategic goals. It emphasised the importance of a stable Ethiopia for the entire Horn of Africa region, including

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19 Water, Sanitation and Hygiene (WASH).

20 The 2016-19 CP was integrated in the 2016-19 Country Strategy (CS) document. Its impact areas were:

1. By 2025 people in rural Ethiopia are empowered to enjoy sustainable growth and decent livelihoods.
2. By 2025 people are empowered in WASH practices, have access to clean water and enjoy improved health.
3. By 2025 equitable access to quality general education is assured for all children.

21 This reflected Ethiopia's overarching vision to become a lower middle-income country by 2025, as described in the Ethiopia Country Strategy 2016-2019.



the fact that the country hosted large numbers of African refugees and contributed troops to peace-keeping operations. A stable business environment and a growing economy were hoped to allow for growing trade and investments between Finland and Ethiopia.

## 2.2 How the goals of the 2021-24 CP were to be reached

The 2021-24 CP featured a well-developed results framework. For impact area 3 (education), a theory of change diagram that includes underlying assumptions was annexed to the CP document.

In brief, impact area 1 (sustainable economic growth and improved livelihoods for people in rural areas) relies on two outcomes. First, with focus on the Amhara region, rural livelihoods are improved by increasing crop productivity and production, and by developing agricultural value chains and supporting their actors. Second, land administration is strengthened by increasing land tenure security and strengthening land administration systems.

The second impact area (improved health and wellbeing through more sustainable and climate resilient WASH) builds on three outcomes related to access, quality, and behaviour change. By constructing and rehabilitating water schemes, and by improving their functionality and efficiency, coverage (access) and quality of safe water supply is improved. In parallel, the rehabilitation and construction of sanitation and hygiene facilities, and their improved functionality and efficiency, increase access to better quality sanitation services. Finally, behaviour change towards improved sanitation and hygiene practices is driven by capacity development.

Impact area 3 (more equitable, inclusive education of good quality) relies on strengthened institutional capacity in general education. This is achieved by strengthening capacity for pre-primary education, and by supporting schools and teachers. Impact area 3 also specifically targets girls, children with disabilities, and other children in vulnerable contexts. For these vulnerable groups, access to education is increased, and overall institutional capacity for inclusive education is strengthened.

An additional TVET<sup>22</sup> component was initially considered under impact area 3 but subsequently abandoned in anticipation of budget adjustments and to keep that impact area focused on basic education.<sup>23</sup>

## 2.3 Contributing projects and programmes

Between 2016 and 2022, Finland financed projects under the CP with a total average annual expenditure of about EUR 13.7 million (Figure 1).<sup>24</sup> In the previous programming cycle (2016-20),<sup>25</sup>

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22 Technical and Vocational Education and Training.

23 Management response to the 2022 Annual CP Report (May 2023).

24 This figure includes EUR 4.1 million humanitarian aid channelled through WFP in 2021.

25 The previous programme document covered 2016-19 but continued to guide the work in 2020.



that average was EUR 13.0 million. In the first two years (2021-22) of the current cycle, it increased to an average of EUR 15.3 million. This however included EUR 4.1 million humanitarian nexus funding to WFP. Without that funding, the average disbursement in 2021-22 was EUR 13.2 million.

In impact area 1, Finland continued to support two bilateral government-to-government projects: the bilateral Ethiopian-Finnish “Programme for Agro-Business Induced Growth in Amhara regional state” (AgroBIG)<sup>26</sup> and the “Responsible and Innovative Land Administration” (REILA) project. Both projects are currently in their second phase. Recently, the MFA has agreed to continue funding REILA into a third phase (2024-28). In contrast, no additional phase for AgroBIG is currently planned in view of the likely reduction of the overall CP budget and one embassy position after 2024.

Impact area 2 has two projects. COWASH – “Community-Led Accelerated WASH in Ethiopia” – is currently in its fourth phase (until September 2025). It is implemented under the umbrella of Ethiopia’s One WaSH National Programme (OWNP). CWA<sup>27</sup> is the other component under OWNP which is primarily financed by the World Bank and other Development Partners, to which Finland also provides support.

In impact area 3, Finland supports Ethiopia’s “General Education Quality Improvement Program for Equity” (GEQIP-E) in two ways: by providing funding to the World Bank-managed multi-donor trust fund, and by funding additional technical assistance for the Ministry of Education, to support and enhance the implementation of the project. Since 2021, Finland also supports the UNICEF-implemented multilateral Multi Year Resilience Programme (MYRP) of Ethiopia, which is part of the global “Education Cannot Wait” (ECW) fund for education in emergencies and protracted crises.

In late 2021, Finland provided EUR 4.1 million from the CP budget to the World Food Programme (WFP), for emergency food assistance.

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26 Including no-cost extensions, AgroBIG II will operate until year-end 2023.

27 Currently in its second phase, until January 2025.



**Figure 1 Actual disbursements for CP projects 2016-2022 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
AgroBIG	1.9	0.6	2.4	2.5	1.3	1.6	1.0	<b>11.3</b>
REILA	3.5	2.1	1.3	1.8	1.2	0.9	0.7	<b>11.4</b>
ICI (Luke)	0.2	0.1	0.1	-	-	-	-	<b>0.3</b>
ICI (GTK)	0.2	0.3	0.2	-	-	-	-	<b>0.7</b>
CoWASH	4.5	3.7	3.2	3.5	3.2	2.7	5.5	<b>26.3</b>
CWA	-	0.5	0.5	1.0	2.0	-	1.0	<b>5.0</b>
GEQIP	2.3	4.3	3.5	5.1	4.8	4.4	4.3	<b>28.8</b>
Special Needs Education Project	0.5	0.5	-	-	-	-	-	<b>1.0</b>
ECW	-	-	-	-	-	2.0	2.0	<b>4.0</b>
WFP	-	-	-	-	-	4.1	-	<b>4.1</b>
Election support	-	-	-	0.4	0.4	-	-	<b>0.8</b>
Planning	0.5	0.4	0.2	0.5	0.2	0.1	0.2	<b>2.0</b>
<b>Total Annual Disbursements</b>	<b>13.5</b>	<b>12.4</b>	<b>11.3</b>	<b>14.8</b>	<b>13.2</b>	<b>15.8</b>	<b>14.7</b>	<b>95.7</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Ethiopia.

### 3.1 Past and current country context<sup>28</sup>

Ethiopia is Africa's oldest independent country, the only one never colonised, and considered a symbol of African independence. It is regionally and internationally influential, a founding member of the United Nations, and the base of many international organisations, including the African Union.

Landlocked Ethiopia has Africa's second-highest population, an estimated 128 million in 2023, growing at 2.5% (in 2022). Ethiopians represent many different ethnicities and languages. About two thirds of Ethiopians are Christian, about one third Muslim, and less than 2% of other faiths. Ethiopia's gross domestic product (GDP) per capita was USD 925 in 2021, almost 60 times lower than in Finland. In 2022, Ethiopia had the 17<sup>th</sup> lowest human development index worldwide.<sup>29</sup>

After the fall of its monarchy in 1974, Ethiopia was ruled by a Marxist military junta – the “Derg” – until 1991. First multiparty elections in the newly established Federal Democratic Republic of Ethiopia were held in 1995, and the country was led by Meles Zenawi until his death in 2012, and then by Hailemariam Desalegn until his resignation in 2018. Abiy Ahmed became Ethiopia's next prime minister and holds office since then.

Finland established diplomatic relations with Ethiopia in 1959. Development cooperation between the two countries began in 1967 with focus on agriculture, forestry, education, democracy and human rights, and humanitarian assistance. Official Development Assistance (ODA) from Finland to Ethiopia has averaged about 21 million Euro per year between 2015-23 (Figure 2), making Ethiopia one of Finland's most important partner countries in financial terms.

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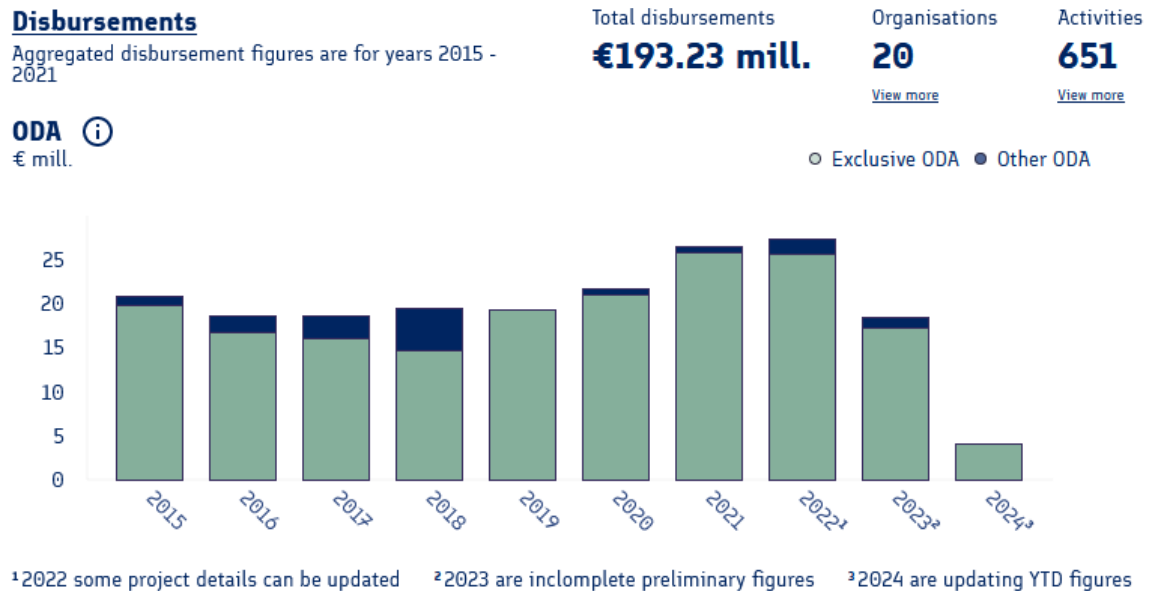
28 Information in this section is drawn from the self-assessment workshop, CP programme and project documents and reports, and several external sources: UNDP. (2022). Poverty, Human Development, and the Macro-Economy in Ethiopia, 2020-23; Education Cluster & UNICEF. (2023). Ethiopia Education Cluster Quarterly Newsletter July - September 2023. Accessible at: <https://reliefweb.int/report/ethiopia/ethiopia-education-cluster-quarterly-newsletter-july-september-2023>; and UNICEF & WASH Cluster. (2023). Ethiopia National Wash Cluster Briefing Package, June 2023. Accessible at: <https://reliefweb.int/report/ethiopia/ethiopia-national-wash-cluster-briefing-package-june-2023>, last visited in February 2024.

29 Additional data was drawn from the following sources:

- World Bank. (2022). Data: Population growth (annual %). Accessed in May 2024 at: [https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name\\_desc=false](https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name_desc=false)
- World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May 2024 at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?view=chart>
- UNDP. (2022). Human Development Index (HDI). Accessed in May 2024 at: <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>



**Figure 2 ODA disbursements from Finland to Ethiopia 2015-24 (million Euro, 2023 and 2024 figures are incomplete)**



Source: *Openaid.fi. Ethiopia. Accessed in February 2024 at: <https://openaid.fi/en/countries/ET>.*

Trade between Ethiopia and Finland has fluctuated without a clear trend with an average of EUR 5.5 million per year for imports from Ethiopia to Finland, and EUR 9.6 million worth of Finnish exports (Figure 3).

**Figure 3 Trade between Ethiopia and Finland in the last 20 years (million Euro, only January through November for 2023)**



Source: *ULJAS - Tavaroiden ulkomaankauppatilastot. Accessed in February 2024 at: <https://uljas.tulli.fi>.*



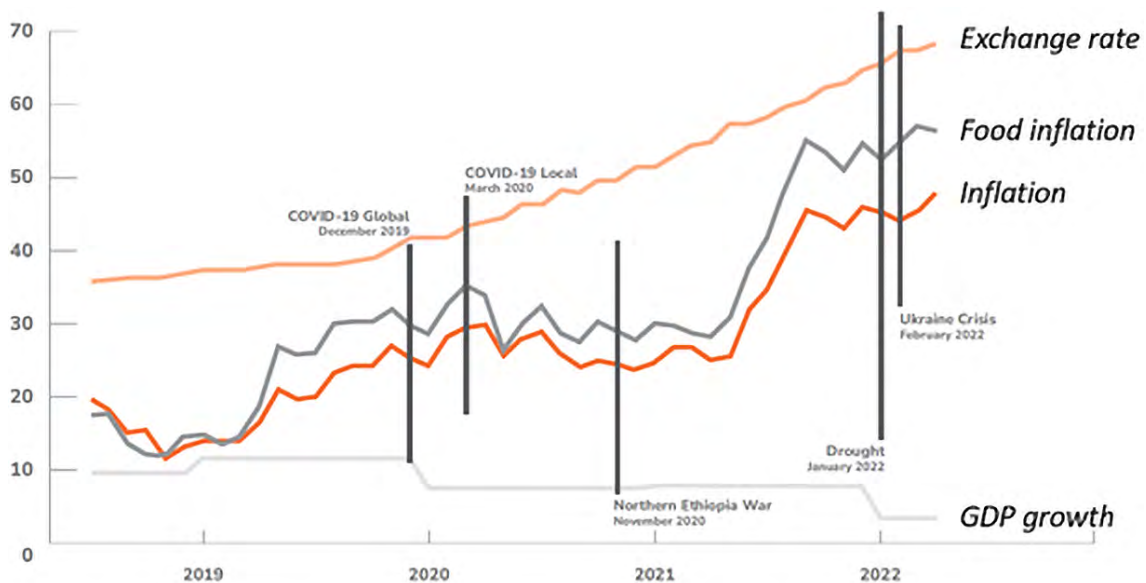


In recent history, Ethiopians have repeatedly experienced conflict and war, resulting in humanitarian crises.

After the Ethiopian-Somalian war that began in 1977, the Derg junta built up Ethiopia's military to become the second-largest army in all of sub-Saharan Africa in the late 1970s. Opposition groups were brutally suppressed, resulting in an estimated half million dead. The Eritrean-Ethiopian war (1998-2000) caused a significant humanitarian crisis, cost hundreds of thousand lives, and deeply impacted the economies of both countries. The recent Tigray war (2020-22) caused another acute humanitarian crisis, displaced millions of Ethiopians, and again severely affected Ethiopia's economy, the government's ability to provide basic services, and ultimately, Ethiopian livelihoods. While this report was written, conflicts continued in Amhara Oromia and sporadically in other regions.

Conflict-related crises, especially the 2020-22 war in northern Ethiopia, were exacerbated by additional shocks. Recently, these were the 2020-22 Covid-19 pandemic, global trade and food import disruptions caused by Russia's war of aggression against Ukraine, and the 2022 drought in southern Ethiopia (Figure 4). In response to the Tigray war, total international ODA to Ethiopia dropped significantly.

**Figure 4 Recent shocks and macroeconomic indicators**



Source: Adapted from UNDP. (2022). *Poverty, Human Development, and the Macro-Economy in Ethiopia, 2020-23*.

Specifically related to Finland's three impact areas of the country programme, rural livelihoods and agricultural production have been severely impacted by conflict and floods in some regions of the country. In the south, especially pastoral livelihoods have suffered from drought. Most recent estimates (June 2023) indicate that more than 20 million Ethiopians lack WASH services in terms of safe drinking water, access to basic latrines, and access to hygiene items and facilities. As of September 2023, almost 20 percent of the country's schools were reportedly damaged or destroyed. This, together with alternate use of schools for housing Internally Displaced Persons (IDPs), leaves more than 7.5 million children out of school, a number that varies according to sources but could also be higher.



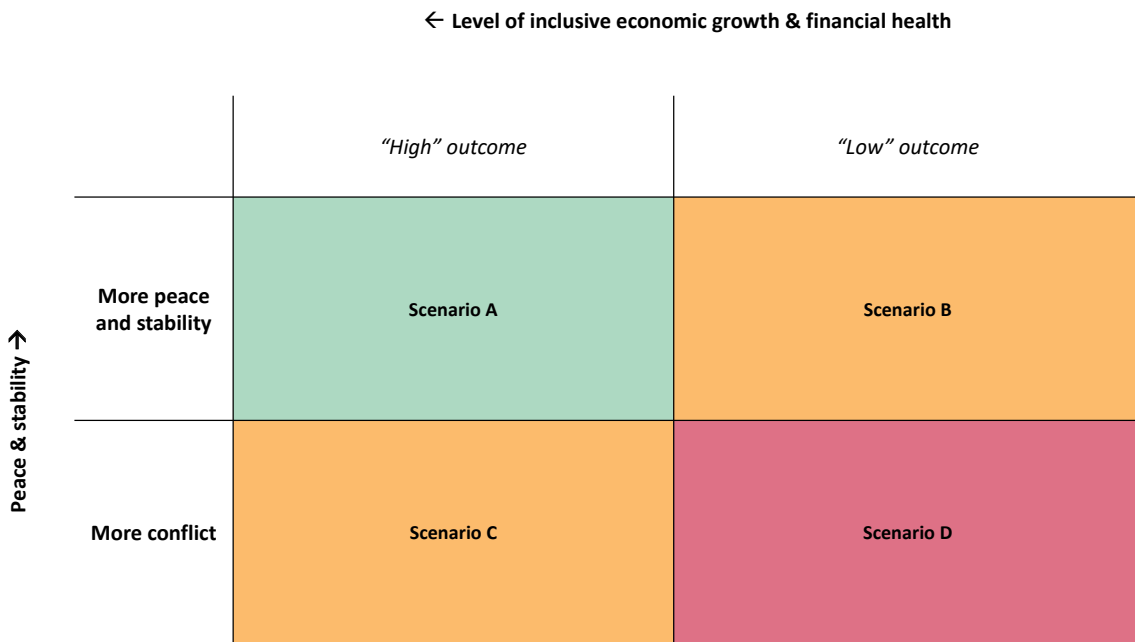
## 3.2 Future development scenarios

During the self-assessment workshop, ongoing developments and future trends in Ethiopia were discussed. These included Ethiopia’s continuing strong population growth, ongoing and possible future conflicts and peace efforts, the country’s political and economic development, the Great Ethiopian Renaissance Dam (GERD), and Ethiopia’s recent BRICS<sup>30</sup> membership. The group also reviewed earlier scenarios documented elsewhere.<sup>31</sup>

Based on this discussion, the group developed four scenarios with a time horizon of 2025-28 to facilitate future MFA-internal planning of the next CP 2025-28. As shown in Figure 5, the scenarios were organised along the two axes of:

1. The level of inclusive economic growth and financial health, and
2. The level of peace and stability.

**Figure 5 Future scenarios for Ethiopia**



Source: Ethiopia CP self-assessment workshop, Addis Ababa, February 2024.

These scenario axes were considered relevant because they allow for the consideration of additional “diagonal” scenarios (marked in yellow in Figure 5), in addition to Scenarios A and D that mirror overall positive or negative futures, respectively.

30 BRICS is an intergovernmental organization comprising the founding members (Brazil, Russia, India, China) and South Africa (joined 2010), hence the term “BRICS”. Egypt, Ethiopia, Iran and the United Arab Emirates joined on 1 January 2024.

31 Sentinel. (2018). Scenarios of agricultural development in Ethiopia. Workshop report; Sentinel. (2017). Social and Environmental Trade-Offs in African Agriculture; and Destiny Ethiopia. (2019). Four Scenarios of Possible Futures. Conference Report.



### **3.3 Austerity measures in Finland's development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term.

For Ethiopia, another CP for the 2025-28 cycle is planned. It will however have a smaller budget than the present programme.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Addis Ababa, and on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

During the self-assessment workshop, the workshop participants highlighted the country team's strong commitment and the good teamwork and information exchange, including between the embassy in Addis Ababa and Helsinki. They also felt that it possessed a high level of relevant knowledge and institutional memory. The meta-analysis team noted that the attending MFA leadership and senior adviser from Helsinki had previous country experience, and that local staff possessed decades-long thematic and institutional memory. Local staff provided relevant insights during the workshop and their importance for the embassy's work was repeatedly highlighted by other workshop participants. In its interviews with external stakeholders, the meta-analysis team heard positive feedback about the embassy staff's professionalism, expertise, and constructive participation. Interviewed stakeholders also considered technical assistance (TA) experts financed through the CP an asset in terms of their knowledge and long-term experience in the country.

Finland's long-term and constant involvement in selected sectors in Ethiopia was considered a strength and an opportunity. It had increased professional trust and relationships between Finland, the Ethiopian government and its institutions, and with other development partners. This bolstered Finland's influence and access to decision-makers. Over time, Finland has built a reputation as a steady, reliable, and knowledgeable development partner. Interviewed external stakeholders confirmed this and, for example, described how Finland's long-term engagement and experience in the education sector had significantly shaped the current USD 583 million 2018-2025 phase<sup>32</sup> of Ethiopia General Education Quality Improvement Program for Equity (GEQIP-E).

Going forward, the country team worried most about its human resources. The possibility of further reductions of staff in Helsinki and the embassy was considered a risk in terms of losing critical expertise and experience, and of insufficient capacity to implement the broad work agenda. Field visits were, for example, considered instrumental to obtain a full understanding of CP progress and results, but there was too little time for them.

Workshop participants remarked that the CP had been designed with more financial and human resources in mind than actually present, creating a mismatch between expectations and the capacity to deliver.

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<sup>32</sup> World Bank.(n.d.). Ethiopia General Education Quality Improvement Program for Equity. Accessed in February 2024 at: <https://projects.worldbank.org/en/projects-operations/project-detail/P163050>.



At the same time, the country team considered the recent changes in Finland's development policy and cooperation to also represent an opportunity for re-evaluating ongoing work and for strengthening linkages between the CP and other forms of Finnish engagement in the country. The country team also mentioned opportunities for further strengthening donor collaboration within and beyond the EU.

## 4.2 Assessment of current planning and reporting arrangements

As in other countries, workshop participants in Ethiopia generally considered it useful to have a multi-annual policy document such as the CP. It served as a reference for the country team and was considered especially useful for providing direction and stability to Finland's work in the country. Some workshop participants remembered times when Finland had financed more than 30 separate projects in Ethiopia. The CP was considered helpful for keeping a programmatic focus on selected higher-level development objectives. CP reports were considered necessary and useful. The annual management response process was considered important as it ensured MFA leadership involvement and ownership of the CP and provided helpful clarity, as for example in advising to not open a third, TVET-related outcome under impact area 3 on education, or to focus on REILA III instead of exploring other ways to support Rural Economic Development (RED). While there is anyhow frequent communication between the embassy and Helsinki, the management response process was considered to reserve useful extra time for in-depth consideration of CP issues once per year. For the meta-analysis team, the CP document and the CP results reports represented key reference documents.

This said, workshop participants considered that the formats of the CP document and CP reports were somewhat "oversized" in view of future budgets and staff capacity. Possible options for addressing this were to reconsider two currently mandatory annexes: the risk matrix and the monitoring, evaluation and learning (MEL) plan. Both were needed in principle, but not necessarily in their present form. For the risk matrix, participants pointed to the fact that there was now duplication with mandatory risks assessments at other levels that had been introduced and developed over the past couple of years. The process to discuss the risks was considered useful and necessary but most country team members go back to the matrix only once a year when result reports are being prepared. MEL was considered difficult to plan in advance for the entire period of four years, and the option of replacing it by already existing annual work plans was discussed.

Other annexes, i.e. the results framework, and the financial annex, were considered useful in their present form by the country team.

The meta-analysis team found the results framework overall well-structured and well-maintained, with meaningful (mostly quantitative) indicators. As most output and outcome-level indicators are sourced from partners, some changed and/or couldn't be reported. But overall, the chosen indicators are helpful concrete illustrations of progress at different levels. The meta-analysis team noted (and agrees with the country team) that the degree to which indicator targets were achieved informed results reporting but, importantly, did not determine it. This reflects the reality that not all results can be quantitatively measured, and that some degree of qualitative reporting and self-assessment of progress towards stated objectives is needed, in addition to quantitative monitoring.



Mostly the results framework and indicators are structured in a way that reflects different zones of influence: outputs are mostly in control of the projects, outcomes are what projects influence but depend on context factors beyond what the projects can control, and impacts reflect “zones of interest”, i.e. higher-level developments to which projects contribute but which depend on many other factors as well. The meta-analysis team finds this useful. What may be missing is the space for planning and reporting very immediate results that the embassy team itself (and not the projects) has control over. Such results are, for example the outputs and immediate outcomes of project steering and influencing activities, and of policy dialogue with the government and partners.

The meta-analysis team however observed that the CP results report for 2021 and 2022 at times struggled with how to report successful project implementation in the context of negative overall developments. As discussed in more detail in Section 5.2, results reporting is not entirely consistent to this regard.

Most reported indicators track overall project results. While they provide a good illustration of the reach and effects of these projects, they make it difficult to understand Finland’s contribution in the case of multilateral projects in which other donors and/or the Ethiopian government contribute most funds.

Going forward, the need for efficient integration of CP planning and reporting with the MFA’s IT systems was highlighted, especially as the present AHA-KYT system will soon be replaced.



# 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail in Subsection 5.2.1 (for more detail, the reader is referred to the MFA's Ethiopia results reports for the respective years). Subsection 5.2.2 summarises what results can be expected for 2023 and 2024, based on an estimate by the country team.<sup>33</sup> Section 5.3 highlights contributions to Finland's cross-cutting objectives. Expected sustainability of results is discussed in Section 5.4.

## 5.1 Implementation of planned activities

Implementation in 2021 was impacted by the Covid-19 pandemic and the war in northern Ethiopia. During the war, the planning of new projects was put on hold. Existing projects were adapted to better address evolving needs, and additional humanitarian assistance was provided.

Because of the difficult conditions on the ground, several projects incurred implementation delays and/or could not entirely implement as planned. Project and embassy staff could, for example, not travel as planned. Nevertheless, overall CP budget utilisation remained high at 91% in 2021 (including EUR 4.1 million humanitarian assistance contribution to the WFP), and 87% in 2022.

The fact that no disbursement was made to CWA in 2021 was planned in advance: the 2020 and 2021 budgets had been paid out together in 2020. The 60% budget utilisation for ECW in 2022 was due to additional funding agreed at the end of 2022 which was signed and paid out in early 2023.

As mentioned before, interviewed stakeholders described Finland as a steady long-term development cooperation partner. Embassy staff was described as professional, knowledgeable and with a supportive “non-imposing” approach. TA project staff was also considered to have a high level of expertise. Accessibility of both TA and embassy staff, and their sometimes long-time continuity, were considered unique features of Finnish support.

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<sup>33</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results reports for 2023 and 2024 for Ethiopia.



## 5.2 Contributions to CP results

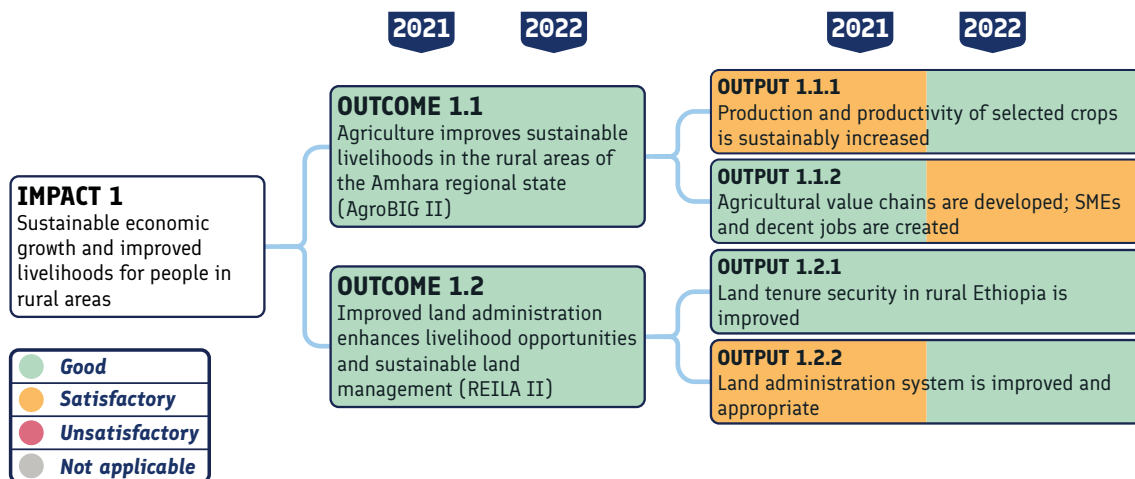
### 5.2.1 Reported results in 2021 and 2022

Already reported results in 2021 and 2022 are summarised by impact area in Figure 6, Figure 7 and Figure 8. In each figure, impacts are described, and outcomes (middle column) and outputs (right columns) are rated and color-coded as “good”, “satisfactory” or “unsatisfactory”. This reflects reported results in 2021 (left-hand side of each box) and in 2022 (right-hand side of each box).

In impact area 1 (sustainable economic growth and improved livelihoods for people in rural areas), reported results were satisfactory to good (Figure 6). AgroBIG – the project supporting agriculture-based rural livelihoods in the Lake Tana growth corridor in Amhara – had issues in 2021 related to conflict (and, hence, production and market access) but nevertheless reported positive development of targeted rural livelihoods in 2022 which was, among other, possible because of farmers could sell their products at higher prices during the food price inflation. While the project exceeded job-related targets in 2021, employment creation effects remained below expectations in 2022.

REILA was generally considered a very successful project by interviewed Ethiopian stakeholders and workshop participants. The national adoption and roll-out of the “National Rural Land Administration Information System” (NRLAIS) developed in the project was considered a particular success. Reported results were generally on target but somewhat delayed because of conflict- and pandemic-related access issues.

**Figure 6** Reported results for 2021 and 2022 in impact area 1



Source: 2021 and 2022 CP Results Reports.

Reporting on results in impact area 2 (improved health and wellbeing through more sustainable and climate resilient WASH) was mixed. The meta-analysis team found the narrative reporting in the 2021 and 2022 results reports more insightful than the reported traffic-lights shown in Figure 7, which did not always reflect overall trends in terms of results very well. For example, while implementation in both projects lagged significantly, outcome 2.1 and the related outputs were reported “green” in 2022. Much indicator data was lacking as in the case of outcome 2.2 (and the related outputs) or was only reported for some part of the target area.

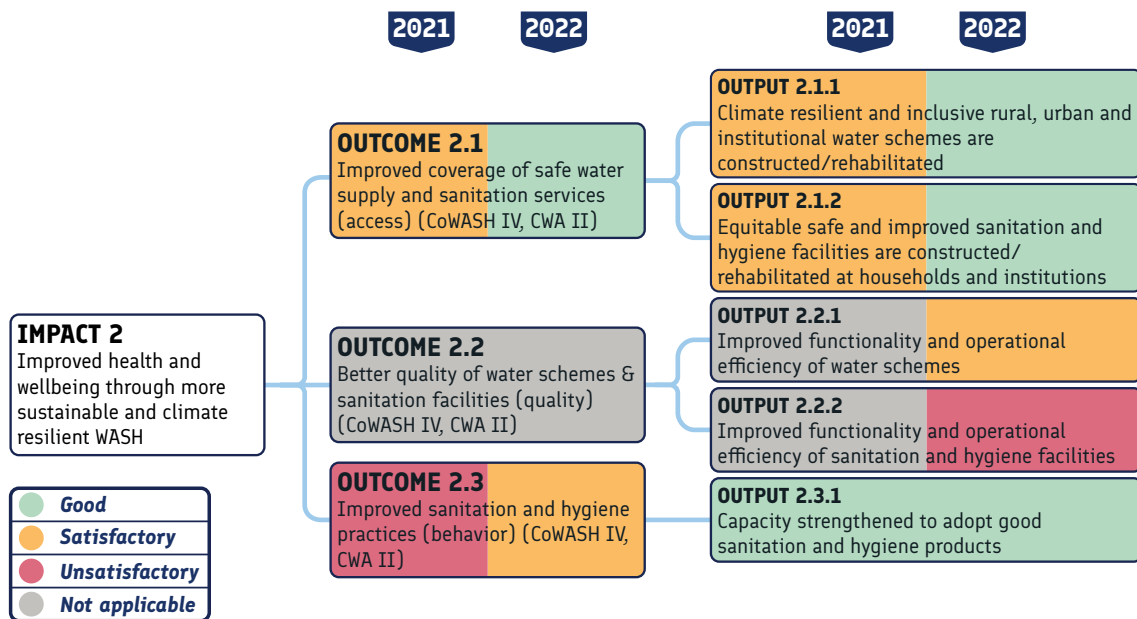




Both projects suffered from significant inflation and price increases for materials that hampered construction of water points and sanitation facilities. Conflict, lack of access and low institutional capacity (especially in CWA) delayed overall project implementation. Between the two projects, the community focused CoWASH project was reported to achieve its planned results overall better than the (larger and institutional) CWA project. CoWASH, however, was being spread thin with delivering its training packages in an increasingly large area covered by the project.

When reporting, it was visibly difficult in both reports to reconcile an unknown level of conflict-related destruction of WASH facilities with reporting of progress made in the two projects.

**Figure 7** Reported results for 2021 and 2022 in impact area 2



Source: 2021 and 2022 CP Results Reports.<sup>34</sup>

In impact area 3, project outputs were rated satisfactory to good regarding general education support, while outcome-level results became unsatisfactory in 2022. This reflects ongoing project implementation in a sector still suffering from severe effects of the Covid-19 pandemic, the war in the north, and severe drought in the south. Key outcome-level indicators such as teachers' qualification, the number of schools meeting inspection standards, and the outcomes of early grade reading assessment remained low. The World Bank rated the GEQIP-E project in 2022 in a similar fashion: "moderately satisfactory" in terms of implementation (despite repeated restructuring and delays), but "moderately unsatisfactory" in terms of progress towards the project's development objectives.

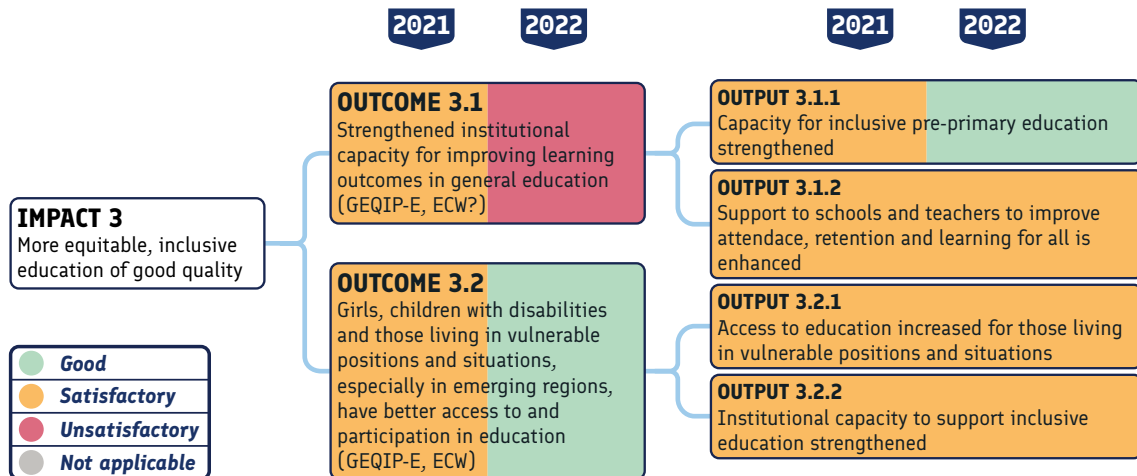
The country team also noted in the 2022 results report that good performance for some indicators should be interpreted with care, representing only one contributing factor among many. For example, "good" increases in pre-school attendance (Output 3.1.1 in Figure 8) happened in a context of low quality and low absolute attendance.

<sup>34</sup> Reported traffic-lights for outcome 2.2 and the related outputs for the year 2021 differed between the two reports. Figure 7 shows what was reported in the 2022 report, after consultation with the country team.



Results for inclusive education especially targeting girls, children with disabilities, and those living in vulnerable conditions moved from satisfactory in 2021 to good in 2022, with satisfactory outputs in both years. This was enabled by targeted support through ECW that integrated education in emergencies with child protection, and by technical assistance specifically on inclusive education to the Ministry of Education. While almost 200 Inclusive Education Resource Centres (IERCs) in the north were destroyed during conflicts, the remaining 609 operational centres benefitted 91 thousand children with disabilities in 2022.

**Figure 8** Reported results for 2021 and 2022 in impact area 3



Source: 2021 and 2022 CP Results Reports.

## 5.2.2 Expected results for 2023 and 2024

Results for 2023 could only be estimated because project reports from implementing partners and the government had not yet come in yet (reports for 2023 are expected in spring 2024). For 2024, the country team's estimates assume projects continue as currently planned and without significant changes in their operating environment.

In impact area 1 on sustainable economic growth and improved livelihoods for people in rural areas, AgroBIG is expected to deliver satisfactory results during its no-cost extension in 2023, focusing on closing activities. REILA is expected to continue its good results in 2023-24. REILA II will likely run until end of August 2024, and the MFA has recently granted REILA III EUR 9.5 million for 2024 - 2028.

In impact area 2, satisfactory to good results are expected 2023-24 for rehabilitated and newly constructed water supply schemes. Assuming no additional conflicts in 2024, the two contributing projects (CWA, CoWASH) are expected to progress as planned, despite existing challenges in terms of security, counterpart staff turnover, and price inflation. Satisfactory results are expected regarding sanitation and hygiene in terms of access, quality, and practices.

Impact area 3 on equitable, inclusive, and good quality education is expected to continue being impacted by the post-war situation in the north and continuing local conflicts in 2023-24 as well as the constrained sector budget. Finland's TA to GEQIP-E has ended (but new sectoral TA is under planning for late 2024 or early 2025). Interviewed stakeholders described that the World Bank had agreed in principle to finance some TA in 2023 for inclusive education from the GEQIP-E project,



however at a lower level. After the 2022 tranche, decisions on future Finnish support to the multi-donor trust fund is pending quality board approval. Both joint sector support through a GEQIP-E successor programme and ECW are expected to continue their contributions, but institutional education capacity in Ethiopia is nevertheless expected to remain unsatisfactory in 2023-24, reflecting a national education system in continued distress.

Within the overall difficult context, satisfactory to good results are expected in terms of access and participation in education of children with disabilities. Available data indicates a stable and/or slightly improving situation in targeted areas, and the inclusive education agenda seems to gain more overall traction.

### 5.3 Contribution to Finland's cross-cutting objectives and other results

During the workshop, the country team self-assessed the degree to which Finland's cross-cutting objectives had been addressed in the CP. Overall, a human-rights based approach was considered to have been applied. Beyond that, some human rights were also directly addressed by CP projects.

Non-discrimination – and especially the rights of children with disabilities – was one focus of the work in impact area 3 on education. This included technical assistance to the sector programme GEQIP-E, ECW's targeted support to inclusive education, and Finland's advocacy efforts with the government and with development partners. CoWASH (impact area 2) also has explicit objectives related to persons with disabilities.<sup>35</sup>

Gender equality was considered and promoted in all three impact areas. Gender-disaggregated results were reported when possible. CWA and CoWASH (impact area 2) have explicit gender-related objectives, for example through dedicated Menstrual Hygiene Management rooms in schools (allowing increased attendance of girls).<sup>36</sup>

Climate sustainability and low carbon development have been considered in impact areas 1 and 2 (with focus on adaptation to climate change) but has not been an overall focus of the CP. This said, land use policy work and project elements in impact areas 1 and 2 are expected to contribute to climate resilience. There has been no significant linkage to climate sustainability or low carbon development in impact area 3 on education.

### 5.4 Sustainability of results

The sustainability of results achieved to date naturally depends on developments in Ethiopia over the next couple of years.

35 See e.g. CoWASH IV. (2021). Gender Transformative and Disability Inclusive WASH Strategy in COWASH IV. Accessed in February 2024 at: <https://cowash.org/gender-transformative-and-disability-inclusive-wash-strategy-in-cowash-iv/>.

36 World Bank. (2024). Breaking Barriers: Empowering Girls with Clean Water and Sanitation Facilities in Ethiopia's Schools. Accessed in February 2024 at: <https://www.worldbank.org/en/news/feature/2024/01/19/breaking-barriers-empowering-girls-with-clean-water-and-sanitation-facilities-in-ethiopia-s-schools>.



As a general trend, sustainability is highest in a more peaceful Ethiopia with strong and inclusive economic growth. In such a positive scenario, workshop participants considered it likely that outcome-level results across all three impact areas would remain in place for several to many years. In contrast, sustainability would be negatively impacted by increased conflict and/or weak economic growth. As visible in the results reported in 2021 and 2022, the war in northern Ethiopia diminished results despite good project performance. Increased conflict – and a slow economy – would also limit Ethiopia’s financial contributions and capacity for maintaining and strengthening basic services in all three impact areas.

In impact area 1, strengthened individual capacities of farmers and along agricultural value chains were considered sustainable. Other project results related to farmer livelihoods and the financial and operational capacities of cooperatives and other value chain actors were considered less obvious. Without further Finnish support, achieved results would remain in place for the next couple of years only in a situation marked by less conflict and good market conditions. Increased conflict or a worsening economic operating environment would negatively impact sustainability. Workshop participants suggested that AgroBIG results should be discussed and rendered more visible.

In contrast, REILA was considered to have some “built-in” resilience against changing conditions, including conflict, because of the nature of the principal service it delivered: land administration information is backed up and continues to be available even if local access and storage is temporarily lost. As a consequence, land administration relies less critically on locally constructed infrastructure than other CP projects. With REILA, the main challenge to sustainability was considered financial sustainability for operating the IT system. For the next phase, according to interviewed stakeholders, ways to finance land administration information services by means of a fee model are therefore explored.

In impact area 2 (improved health and wellbeing through more sustainable and climate resilient WASH), achievements related to access were considered highly sustainable, provided conditions were favourable, or, at least, remained stable. Quality- and behaviour-related results were expected to remain in place for several years. However, increased conflict or slow economic development were expected to decrease sustainability. Between the two projects in this impact area, workshop participants considered CoWASH to possibly have higher resilience because it advocated comparatively simple approaches towards water supply and focused on community ownership. Both factors were considered to favour continued functionality of WASH infrastructure under adverse conditions, and its resilience vis-à-vis conflict-related damage.

In impact area 3 on more equitable, inclusive, and good quality education, sustainability was considered high under favourable future conditions, dropping to low in case of more conflict and less economic growth. Results related to inclusive education for children with disabilities were expected to be somewhat more resilient because of closer involvement (and more control) of the project and, institutionally, because of successful advocacy efforts with project partners and the government.



## 6 Added value of the 2021-24 Ethiopia CP

Workshop participants felt that past and present CPs had helped focusing Finland's development cooperation in Ethiopia over the past decades. This was considered important especially for a relatively small donor country such as Finland. It had helped accumulating expertise and experience, including experts in the embassy and projects, and had demonstrated results in the selected sector.

Moreover, the CP had also contributed to strengthening Finland's "social capital" in Ethiopia, i.e. the good reputation and influence Finland enjoys in the country today. This was considered important for development cooperation but also for Finland's foreign policies in general and, for example, a basis for more private sector cooperation and for managing migration between the two countries. Overall, workshop participants felt that Finland's country programming had contributed to establishing an important Finnish foothold in Ethiopia.

Workshop participants also mentioned that the CP had facilitated the mainstreaming of cross-cutting issues by elevating them to the programme level rather than only considering them within each project. This was, for example, reflected in Finland's policy dialogue with Ethiopian counterparts, and also mentioned by interviewed stakeholders.

Domestically, the results reporting for CPs was considered to strengthen accountability and transparency towards MFA leadership and to the Finnish public in general. The meta-analysis team notes that the MFA website summarise the CS, the CP, and the latest CP results reports in an accessible non-expert language. The CS and CP documents (but not the reports) are offered for download.<sup>37</sup>

The meta-analysis team also found this set of documents useful for orientation and as a basis for the Ethiopia-related desk review. They provided a comprehensive overview which helped putting more detailed project-level information into context.

Participants remarked that the CP did however not offer a comprehensive view of all of Finland's activities in the country. Some workshop participants remembered that this had been the initial ambition when CSs had first been introduced, but the meta-analysis team agrees that the MFA's organisational structure and budgeting processes do not facilitate such holistic planning and reporting. The embassy team also mentioned that the important African Union (AU) agenda and progress on implementing the MFA's Africa Strategy was not reflected in either CS or CP, likely because of its regional scope went beyond their national scope.

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<sup>37</sup> MFA. Finland's relations and development cooperation in Ethiopia. Accessed in February 2024 at: <https://um.fi/development-cooperation-ethiopia>.



## 7 Conclusions

After implementation of the present CP, Finland will continue with a programmatic approach in Ethiopia for 2025-28. The meta-analysis supports this decision, especially with view on Finland's long and consistent track record in the country. Finland's reputation and networks in Ethiopia are a valuable asset and a platform for foreign policy, trade, foreign direct investment, and migration management, beyond development policy and cooperation.

The overall CP budget envelope 2025-28 will, however, be smaller. The number of staff in the embassy and in Helsinki will be lower than at the time when the current CP was designed, and the tasks related to a recently cut embassy position need to be covered by the remaining staff. This requires streamlining of management of the project portfolio of the next CP. To this end, the meta-analysis team supports the more detailed project-level considerations made during the self-assessment workshop (Box 1).

Finland's past support to TA was highlighted as a positive feature by interviewed stakeholders and workshop participants, facilitating close working relationships and transfer of ideas. Considering that these represented a relatively minor share of Finland's support, renewing TA with a focused mandate, for example by placing experts for inclusive education into the Ministry of Education, could be considered.

In terms of planning, managing, and reporting the next CP in Ethiopia, the meta-analysis team finds that the overall CP approach remains appropriate. It has fostered results-oriented thinking and planning in the country team, provided development cooperation in Ethiopia with strategic direction and focus, and supported accountable reporting of results to MFA leadership and the wider public. While maintaining the overall theory of change-based structure of CP documents, reports, and the results framework, some requirements could be reviewed to reduce the overall reporting burden. For example, the risk analysis could focus on programme-level elements not covered elsewhere and be integrated into the main CP document and report, or become part of other reporting processes. The MEL annex could be abandoned. Instead, learning from evidence could be more systematically addressed in the next CP document and results reports.

While actual planning for the next CP is in the hands of the MFA, the meta-analysis team finds that structurally, the three distinct impact areas of the current CP remain relevant. While workshop participants discussed the option of including REILA into a generalised WASH impact area, this may reduce rather than help strategic clarity.

The underlying results framework should however be simplified. For example, the access-quality-behaviour structure of outcomes in impact area 2 – while intellectually satisfying – seems not very practical and the country team visibly struggled with translating reported CWA and CoWASH results into these outcome categories. A breakdown along projects (as in impact area 1) or along comparable project components (as in impact area 3) would simplify reporting.

Requirements for mandatory indicators for each output, outcome and impact could also be relaxed: if meaningful and accessible indicators are unavailable or impractical, the degree to which results



have been achieved could also be argued based on qualitative evidence, stakeholder feedback, and the country-team's own observations.

CP planning and reporting could become more explicit when it comes to policy dialogue and influencing vis-à-vis projects, the government, and other development partners, for example by integrating elements of influencing plans and reports into the CP document and reports. Assumed influences with the CP portfolio could also be made explicit, for example the assumption that CoWASH experience can inform the larger CWA.

#### **Box 1 More detailed project-level considerations**

Workshop participants perceived a strong rationale for continuing participation in the two government-led multi-donor sector projects, CWA and the successor programme for GE-QIP-E. Workshop participants and interviewed external stakeholders described how Finland had significantly shaped the approaches of these projects. Continuing to have a “seat at the table” in both projects would enable continued influence above and beyond Finland’s financial contribution. Both projects address sectors in urgent need of support. Support to ECW also appears relevant, as long as education-related needs in conflict-stricken areas remain urgent. Finland’s support to ECW began in response to the Covid-19 pandemic but has been vital for addressing urgent education needs caused by the war in northern Ethiopia. The meta-analysis team considers this a positive example of adaptive management.

Workshop participants considered CoWASH to have merit in itself but also as a way to pilot WASH approaches for broader rollout in the sector programme. Participants described how Ethiopian government officials had expressed their interest in continuing the bilateral programme, rather than consolidating Finnish WASH funding into CWA. This had been supported also by other donors. The meta-analysis team notes that community-based CoWASH approaches and results seem more conflict-resilient and may therefore offer advantages compared to larger investments into more complex WASH infrastructure, because they allow for simpler and community-owned maintenance and reconstruction.

In impact area 1, REILA was considered a very successful project, with good resilience against conflict. The meta-analysis team hence agrees with continued funding for REILA III, including finding ways to make the land administration system less dependent on donor and/or government resources. When discussing how to adapt the project portfolio to lower overall resources, one option was to focus on REILA III in impact area 1 and to not renew support to AgroBIG after the last phase. AgroBIG required frequent travel of embassy staff to the Amhara region which would have been difficult to maintain with less embassy staff in the future.

*Source: Self-assessment workshop and meta-analysis team.*



# KENYA COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the Kenya CP 2021-24. It is compiled on the basis of a document review, feedback from eight selected external stakeholders, and a self-assessment workshop held on 22-24 November 2023 with ten country team members in Nairobi Kenya.

The report is structured as follows. Section 2 introduces the CP, its goals, and contents. Section 3 describes the country context and briefly outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises the implementation and already reported results for 2021 and 2022. It also provides a tentative outlook into expected results in 2023-24 and their sustainability for the period after that. Section 6 examines the value-add of the CP approach for Kenya, and section 7 summarises conclusions drawn by the meta-analysis team.



## 2 The 2021-2024 Kenya Country Programme

This section introduces the 2021-24 CP. It explains the goals, how these are intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

The goal of the Kenya CP is to “enhance all women’s and girls’ rights and empower young people with skills and jobs.” The political economy analysis (PEA) conducted in 2018 by the Kenya country team concluded that the value added by the Finnish programme was Finland’s own success story focusing on Finland’s relative strengths, such as gender equality and the preconditions for sustainable economic growth.

Until 2020, the country programme for bilateral development cooperation was called country strategy (CS), whereas for the period 2021-2024 the country strategy is a broader strategy for Finland’s relations and collaboration with Kenya. The CS and the CP were drafted simultaneously in 2020. The CS of Finland in Kenya 2021-24 aims at equal partnership with Kenya, and it has four interlinked strategic goals:

1. To support Kenya’s stability and seek partnerships in peace and security,
2. To support the empowerment of women and youth,
3. To help unlock the potential for sustainable and inclusive economic growth in Kenya, and
4. To work with Kenya to tackle climate change.

The CP has two impact areas, responding directly to the CS goals 1, 2 and 3, while the climate change issue of the fourth goal is emphasised in youth employment project under the second impact area. Apart from some modification of the statements, the two areas are the same as in the previous 2016-20 country strategy, which also included an impact area on service devolution:

1. Impact area 1: Women participate meaningfully in decision-making and all women and girls to live free from violence, and
2. Impact area 2: Young women and men with improved technical and vocational skills gain decent employment.

Since the first CS in 2012, most documents reiterate that while Kenya is moving towards the category of lower middle-income countries (LMIC), and later to the middle-income (MIC) category, also Finnish programming must change. The long-term strategic and programmatic objective of Finnish development cooperation in Kenya has been to transform the programme from traditional development cooperation toward regular economic, political, and academic partnerships.



## 2.2 How the goals of the CP are reached

In impact area 1, the goal of women's meaningful participation in decision-making and the living of all women and girls free from violence is to be reached through two pathways. First, Finland will support duty-bearers to improve the making and implementation of gender inclusive policies both at national level and in a number of counties, specifically on gender-based violence (GBV), peace and security. Secondly, the support to rights-holders will be directed mainly through civil society partners, to hold the government accountable, to do outreach work and to contribute to behavioural change towards increasing women's leadership, and reducing GBV and harmful practices such as female genital mutilation (FGM).

In impact area 2, the theory of change suggests that equipping youth with improved technical and vocational skills and assisting them to gain decent employment can assist them to rise out of poverty and lead a dignified life. A stable income will allow them to plan their lives, raise a family and offer a better future for their children.

In both impact areas, Finland will engage actively in policy dialogue to ensure the relevance and effectiveness of the programmes.

## 2.3 Key contributing projects and programmes

The CP covers a high number of projects and differently from other countries, also the Fund for Local Cooperation (FLC) is used to support the CP goals (see Figure 1).

Under impact area 1, the UN Women programme works at national and county level under two result areas. Firstly, it supports normative work on development and implementation of selected key gender equality policies. Secondly, the programme aims to increase the number of women to a) gain leadership positions and become effective in decision making for gender equality, b) have access to Violence Against Women and Girls (VAWG) services including justice and number of stakeholders who engage in social norm and attitude changes towards VAWG, and c) participate in women, peace and security (WPS) processes in Kenya.

The bilateral GBV project is designed to assist and protect those who are most vulnerable to GBV by strengthening capacity and improving coordination among duty bearers (e.g. administration, police, health workers). It also aims at the engagement of vulnerable groups, supporting empowerment of women and youth, and mobilising and inspiring champions, especially men and boys for transformational change. The project works at national level and in the counties of Bungoma, Kilifi and Samburu. At national level, Finland provides technical assistance to the State Department for Gender and Affirmative Action (SDGA).

The Kenya Red Cross Society (KRCS) project engages community health volunteers and other key actors in the prevention of GBV through capacity development, awareness creation and sensitization at all levels, including male involvement in prevention of GBV. The project operates in same counties as the bilateral GBV project.



**Figure 1 Annual disbursements of CP projects in 2016-2022 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
Finnish support to UN Women in Kenya	1.0	1.0	1.0	1.0	1.3	1.3	1.2	<b>7.88</b>
UN Joint Programme on Deepening Devolution, 2019-2022			0	2.0	1.0	1.0	1.0	<b>5.00</b>
Water Sector Trust Fund, 2014-18(-21)	0.6	2.2	0.5	0.5	0.5	0.2	0	<b>4.63</b>
Strengthening Prevention and Response to gender-based violence (GBV) in Kenya, 2022-24				0.1		0.1	0.5	<b>0.62</b>
Kenya Red Cross Society programme on Prevention and Response to Gender-Based Violence, 2022-25							0.5	<b>0.50</b>
FLC - Rural Women Peace Link - Wezesha Amani Mashinani na Wamama (2020-22, 2023-24)					0.09	0	0.04	<b>0.13</b>
FLC - Collaborative Centre for Gender and Development / Localizing Kenya National Action Plan - 2020-22					0.06	0	0.06	<b>0.13</b>
<b>IMPACT AREA 2</b>								
FLC - Improving employability of TVET graduates, Help Self Help Centre (HSHC), (2020-21, 2022-24)					0.04	0.04	0	<b>0.08</b>
FLC - Sales training and apprenticeship for TVET graduates, Yusudi limited, 2020-21 (-22)					0.04	0.04		<b>0.08</b>
<b>OTHERS / OLDER</b>								
FLC- Transparency International - Empowering marginalized groups to participate in PFM & Decision making, Western Kenya					0.11		0.05	<b>0.15</b>
WFP COVID-10 response					1.0			<b>1.00</b>
Uraia - Support for the strengthening of Kenya's democracy, Phase II (2016-2019)		0.8	0.7		0.7			<b>2.20</b>
ICI - Improving the safety of the feed and milk production chain, Phase II	0.2	0.1	0	0.1				<b>0.34</b>
Programme for Agriculture and Livelihoods in Western Communities (PALWECO)	3.6	0.04	0.01					<b>3.62</b>
Miti Mingi Maisha Bora – Support to Forest Sector Reform in Kenya (MMMB)	1.0	0.04						<b>1.05</b>
Planning funds	0.1	0.2	0.3	0.4	0.03	0.072	0.16	<b>1.26</b>
FLC admin funds (2020-2022)					0.0	0.0	0.01	<b>0.01</b>
<b>Total Annual Disbursements</b>	<b>6.5</b>	<b>4.4</b>	<b>2.5</b>	<b>4.1</b>	<b>4.9</b>	<b>2.8</b>	<b>3.5</b>	<b>28.7</b>

Source: MFA 2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Reports; Country disbursement report (excluding FLC); FLC disbursement report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report.

Also the FLC projects by two Kenyan civil society organisations (CSOs), Rural Women Peace Link (RWPL) and Collaborative Centre for Gender and Development (CCGD), have engaged local administration and citizen groups operated at county level. Overall goal of the RWPL project was to support the integration of Kenya National Action Plan II for the Implementation of United Nations Security Council Resolution 1325 on Women, Peace and Security, and Related Resolutions (Kenya



National Action Plan - KNAP II/ UNSCR 1325) through enhanced collaboration and partnerships between service providers and the community structures in Bungoma, West Pokot, Nandi and Uasin Gishu Counties by 2022. Similarly, the CCGD project supported three counties (Mandera, Samburu and Baringo) to localise the KNAP II and prevent GBV.

Two projects from the discontinued impact area on devolution have continued to produce results under the current CP. The UN Joint Programme of Deepening Devolution ended in 2023, and the water, sanitation and hygiene (WASH) project Support to Equitable Access to Quality Water, Basic Sanitation and Enhanced Water Resources Management in Rural Kenya ended already in 2021.

Under impact area 2, Finland partnered in 2023 with Germany to implement the Youth Employment and Vocational Training project (2023-2026) which integrates Dual TVET<sup>38</sup> into the Kenyan regulatory framework and institutionalises it in close cooperation with the Kenyan schools and private companies. The Green finance for youth employment project (2023-2027), funded through International Fund for Agricultural Development (IFAD), was launched at the end of 2023, with the aim of providing green finance investment to eligible youth and youth-employing small and medium-sized enterprises (SMEs) together with technical assistance, leading to increased self-employment of rural youth and their employment by rural enterprises.

Two FLC projects under impact area 2 had the objective of improving the employability of TVET graduates. The Sales training and apprenticeship program undertaken by Yusudi Limited was implemented in 2020-22 to improve the employability of TVET graduates by increasing their work experience and job relevant skills. The Help Self Help Center (HSHC) project was carried out in Nyeri and Laikipia counties in 2020-22 in the rural context providing soft skills to TVET graduates.

The fifth FLC project implemented as part of the CP was “Equality at the grassroots level – Usawa Mashinani”, by Transparency International Kenya (TI Kenya) in 2020-22, with a scaling-up phase in 2023-2024. The project has been cross-cutting the impact areas, and the objective was to empower marginalised groups to effectively participate in public finance management and decision-making processes at the county level, targeting especially women, youths and people with disabilities (PWDs).

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38 Dual-TVET combines theoretical classroom instruction with practical workplace training.



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Kenya.

### 3.1 The situation in the country when the current CP was formulated

In the 2018 political economy analysis by the country team, Kenya was described as the stable economic hub of East Africa but with fragilities due to regional instability (South Sudan, Somalia, Great Lakes region), climate crisis related natural disasters (flooding, drought) and internal conflicts such as inter-communal and pastoral violence and political competition associated with elections, ethnicity, and devolution. The population was 51.9 million in 2020 and in 2024 already 55.1 million.<sup>39</sup>

In 2014, the World Bank ranked Kenya as a lower middle income country, aiming to become “a newly-industrializing, middle income country providing a high quality of life to all its citizens in a clean and secure environment” by 2030 (Kenya vision 2030, 2018). Kenya’s real gross domestic product (GDP) growth averaged over 5% for the previous decade but with enormous regional, gender-based and social class inequalities, huge poverty and high population growth. In 2021, the annual GDP per capita was USD 2,069.7 and it was the 58<sup>th</sup> lowest GDP of 256 countries.<sup>40</sup>

The service sector was among the fastest growing sectors in the economy and the private sector the main driver of growth in terms of economy and jobs. While the agricultural sector provided employment for 75% of the work force, the low productivity was shown by the sector producing only 24% of the annual GDP. Nevertheless, agriculture accounted for 65% of the export earnings with crops such as tea, horticultural products, and coffee. The prevalent gender inequality and the economic policy held back women’s economic empowerment i.e. concerning land ownership.

The 2010 Constitution proposed radical changes: devolution of government functions to the 47 newly constituted counties and the establishment of a 2/3 gender balance in democratically elected institutions. This meant that no one gender could hold more than 2/3 of seats in government offices and elected institutions such as county councils and the parliament. However, the lack of capacity to budget, plan and implement policies at the county and ward levels slowed down the devolution process. Corruption has for long been considered one of the key problems in Kenya. In 2023 the Corruption Perception Index of Kenya was 126 out of 177 countries.<sup>41</sup>

39 UNICEF. (n.d.). Country profiles: Kenya. Accessed in April 2024 at: <https://data.unicef.org/country/ken/>

40 World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May 2024 at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?end=2021&start=1960&view=chart>

41 Transparency International. (2023). Corruption Perceptions Index. Accessed in May 2024 at: <https://www.transparency.org/en/cpi/2023>



The medium-term strategy by President Kenyatta (Big Four Agenda) focused on the development of manufacturing sector, affordable housing, affordable healthcare, and food security. By June 2020, the total public and publicly guaranteed debt had increased to an equivalent of 65.6% of GDP.<sup>42</sup> External debt was skewed towards concessional terms although commercial loans in the portfolio including Eurobonds had impacted the cost and risk profile. Debt repayment took more and more resources, while the public sector wage-bill was growing.

The youth play an important role in Kenya's development as almost 45% of population are under 18 years of age. The completion rate of primary education was 81% for females and 74% for males in 2020<sup>43</sup> while the lower secondary completion rate was 81,5 % (2016).<sup>44</sup>

The role of official development assistance (ODA) had been declining for many years, averaging at 3% of GNP and 13% of Government expenditure in 2018. Coordination of development funding was weak or non-existing, and the capacity of the line ministries and even the National Treasury was considered insufficient. Poor EU coordination among the member states (MS) weakened joint influencing. UK and USAID were particularly strong donors, with important political influence. China was the second-largest donor to Kenya after the World Bank, with a focus on transport and power industries, while the Development Assistance Committee (DAC) donors tended to concentrate on social sectors, including health, and agriculture and food security.

## 3.2 Main changes in the country context since 2020

The main changes affecting the development cooperation in Kenya were discussed in the country team in the self-assessment workshop. Some of the most significant changes are described below.

Russia's war of aggression against Ukraine has affected Kenya at several levels. The reduced grain exports from Ukraine have limited the supply affecting the Horn of Africa, thereby increasing displacement of people within and to Kenya. Another consequence has been the rising of food prices and high level of inflation altering people's livelihoods.

The Covid-19 pandemic in 2020-2021 had significant influence in the country. In 2020, Covid-19 "destroyed the livelihoods of many Kenyans, pushing an estimated two million people into poverty",<sup>45</sup> affecting especially women, youth and refugees. Unemployment increased but at the same time, employment in agriculture increased by 7%. During the pandemic schools were closed in Kenya for many months interrupting the education for 17 million children, increasing education inequalities especially for girls and young people in rural areas. However, the pandemic also accelerated the digitalisation of education sector.

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42 The National Treasury and Planning. (2020). Public debt management report 2019/2020.

43 UNESCO. (n.d.). Primary completion rate in Kenya. Accessed in April 2024 at: [https://www.education-inequalities.org/indicators/comp\\_prim\\_v2/kenya#ageGroups=%5B%22comp\\_prim\\_v2%22%5D&years=%5B%222020%22%5D](https://www.education-inequalities.org/indicators/comp_prim_v2/kenya#ageGroups=%5B%22comp_prim_v2%22%5D&years=%5B%222020%22%5D)

44 World Bank. (n.d.). Data: Lower secondary completion rate, total (% of relevant age group). Accessed in May 2024 at: <https://data.worldbank.org/indicator/SE.SEC.CMPT.LO.ZS>

45 World Bank. (2020). Kenya Economic Update: COVID-19 Erodes Progress in Poverty Reduction in Kenya, Increases Number of Poor Citizens. Accessed in April 2024 at: <https://www.worldbank.org/en/country/kenya/publication/kenya-economic-update-covid-19-erodes-progress-in-poverty-reduction-in-kenya-increases-number-of-poor-citizens>; Finnpartnership. (2023). Kenya's outlook after the August 2022 general elections. Accessed in December 2023 at: <https://finnpartnership.fi/en/ajankohtaista/kenyas-outlook-after-the-august-2022-general-elections/>; MFA. (2021). Country programme for development cooperation Kenya 2021-24; Bertelsmann Stiftung. (2022). Country Report — Kenya. Accessed in April 2024 at: [https://bti-project.org/fileadmin/api/content/en/downloads/reports/country\\_report\\_2022\\_KEN.pdf](https://bti-project.org/fileadmin/api/content/en/downloads/reports/country_report_2022_KEN.pdf)





The transitional general election in August 2022 was relatively peaceful, helping to improve confidence in the economic recovery. The ethnic division was less prominent during the campaign and the public discussion focused more on issues such as the inequalities based on wealth. At the same time, the lack of interest in the elections and limited engagement in the political process by youth was an issue for the society.

Extreme climate events, such as floods and droughts, are projected to become more frequent and intense with climate change in Kenya. The country experienced the longest regional drought after 40 years in 2018-2023 due in part to the adverse effects of climate change. The drought affected key commodity exports and left more than four million people food insecure, underlining the need to increase resilience to climate change. It is also projected that temperatures in Kenya will rise by 1.7°C by the 2050s and by approximately 3.5°C by the end of the century.<sup>46</sup>

The macroeconomic situation of Kenya has considerably deteriorated, caused by the long drought, the Russia's war of aggression against Ukraine, poor governance and harmful economic policy focusing on public sector driven growth and causing a heavy debt ratio. Investment in Kenya has reduced, and exports have declined. Kenya's public debt increased by KSH (Kenyan Shilling) 1.93 trillion (USD 13.3 billion) to KSH 11.14 trillion (USD 76.6 billion) in 2023 from KSH 9.2 trillion (USD 63.2 billion) in 2022. Kenya is classified by the World Bank as having high risk of debt distress. The Government of Kenya (GOK) and development partners aim to avoid the default situation. The public debt against GDP ratio was 71.4% in 2022-2023.<sup>47</sup>

The bilateral European Union-Kenya Economic Partnership Agreement (EPA) was signed in December 2023. EU is Kenya's first export destination and second largest trading partner. Team Europe initiatives in Kenya focus on digitalisation and the Green Deal.

### 3.3 Future development scenarios

The participants of the self-assessment workshop discussed the future trends in Kenya and based on the discussion, future scenarios (Figure 2) were elaborated for the years 2025-2028. The scenarios were later used to assess the sustainability of CP results and to advise the future programming. The main axes along which the scenarios were developed, were assessed as

1. The macroeconomic performance, and
2. Inclusive/substantive democracy.

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46 World Bank. (2021). Climate Risk Country Profile: Kenya. Accessed in April 2024 at: [https://climateknowledgeportal.worldbank.org/sites/default/files/2021-05/15724-WB\\_Kenya%20Country%20Profile-WEB.pdf](https://climateknowledgeportal.worldbank.org/sites/default/files/2021-05/15724-WB_Kenya%20Country%20Profile-WEB.pdf)

47 World Bank. (2023). Kenya Economic Update. A balancing act: opportunities for making growth more inclusive during challenging times.



**Figure 2 Future scenarios in Kenya**

		← Macroeconomic performance	
		"High" outcome	"Low" outcome
Inclusive / substantial democracy ↑	"High" outcome	Scenario A	Scenario B
	"Low" outcome	Scenario C	Scenario D

Source: Kenya CP self-assessment workshop, November 2023.

The axis on macro-economic performance of Kenya was linked to issues such as the debt burden and budget support, policy reforms, domestic resource mobilisation, prevention of corruption, development of exports, and the inflation rate. The general development of the economy and the creation of jobs, especially for youth and women, were concerned as well as the likelihood of comprehensive social protection programmes, donor coordination to decrease fragmentation, and the transitioning of Kenya toward a MIC status.

The second axis on inclusive/substantial democracy focuses on the state of democracy and inclusivity of economic growth. The contextual factors determining the trajectory are related to the political situation, including the next general elections in 2027 and the role that the opposition would play in the Parliament. The state of the civil society, the progress of the devolution process, and social and economic inequalities influence the future position of Kenya on the trajectory.

The country team estimated that the most probable scenario would be situated in the area of the scenario B, which would mostly continue current government policies.

### 3.4 Austerity measures in Finnish development cooperation

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs, including the Kenya CP, will be ended in a controlled manner during the present government term.

In Kenya, bilateral development cooperation through the country programme will be phased out. Finland will continue to carry out development cooperation through non-governmental organizations, private sector instruments and institutional collaboration, and the focus will increasingly be shifted to economic-trade relations.<sup>48</sup>

48 MFA. (2024). Austerity measures in development cooperation are specified. Press release. Accessed in March 2024 at: <https://valtioneuvosto.fi/en/-/austerity-measures-in-development-cooperation-are-specified>.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Nairobi, as well as on the desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

The workshop participants recognised that the motivated, passionate, and professional staff with strong capacity and skills for development cooperation was the major strength of the CP management. This was confirmed by stakeholder interviews, all of which mentioned the high-quality embassy team as a valuable asset to Finland's development cooperation. It was emphasised by the country team that managing the programme must take place at the country level in the embassy. The institutional memory of the team is held by the Kenyan programme coordinator, who has worked as part of the embassy staff for almost 20 years, as well as the desk officer in Helsinki and the head of cooperation in Nairobi. By the time of the workshop all staff positions were filled.

The team found the country programme coherent and easy to communicate, with clear needs-based impact areas, yet enough variety in projects. They had been given sufficient time for planning of the new projects and the process and the final content of the CP were considered successful. Also monitoring of projects with well-developed results-based management (RBM) guidelines and good leadership feedback through management response to annual reports were considered as strengths of the CP management.

The low number of locally hired Kenyan staff was assessed as a weakness as it affected the team's deeper understanding and knowledge about the country and the context as well as networks and institutional memory. The information sharing between Nairobi and Helsinki has occasionally been insufficient due to long gaps between joint discussions. Some team members considered MFA decision-making processes slow.

The country programme only encompassed part of all Finnish development cooperation in Kenya and the staff in the embassy had limited knowledge of projects managed by other departments and units in the MFA. Meta-analysis team considers this an important issue: Kenya is a country with several Finnish-funded multilateral projects, as well as other development cooperation and research projects by Finnish CSOs, private sector and universities. There would be an opportunity for the embassy to have a role in creating connections and networking between the projects as well as to support the responsible units at MFA Helsinki with monitoring.

The methodologies (e.g. theory of change) and planning/reporting guidelines for a relatively small CP were considered as unnecessarily sophisticated by some members of the country team. The embassy staff indicated their interest to join in the results days organised for MFA staff in Helsinki, as they would have benefitted from discussions on e.g. results monitoring.



## 4.2 Assessment of current planning and reporting arrangements

The CP document was considered valuable both by the country team and by the interviewed stakeholders. It has allowed the country team to communicate Finland's development cooperation and its objectives to GOK and development partners. The planning processes of the CP and projects have been participatory, and the embassy team had consulted several of the stakeholders interviewed for the design of various projects.

For the country team, the designing of result frameworks and annual reporting have been heavy exercises for a relatively small and simply structured programme, compared to e.g. larger regional programmes, which do not have the same RBM requirements. The team has reviewed the risk management tables and monitoring, evaluation and learning (MEL) annually, but for the MEL, country team's own template has been used.

For annual planning purposes, the team has used a 12-month schedule to indicate the annual deadlines, including a biannual half-day session to plan activity-based work. Policy influencing and advocacy in national gender and TVET working groups are an important part of embassy team's work although there are no annual influencing plans. Finland's active role in development partner and other working groups was recognised by all interviewed stakeholders.

Follow-up with implementing partners has been organised through steering committee meetings, written reports and field trips to verify the information on indicators. The identification of indicators has not been easy although for some projects, such as the UN Women project, the indicators were easily drawn from the project document. The bilateral GBV project has had some problems with monitoring and evaluation, especially for finding relevant outcome indicators, and there is generally lack of reliable data on GBV both at national and at county levels as recognised also by the interviewed government and implementing stakeholders.

For reporting purposes, the country team found the use of traffic lights for effectiveness reporting useful but the chapter on effectiveness factors was considered as not guiding sufficiently the analysis and learning. Learning has happened more in direct contact with the projects and not through the analysis of results framework.

Both the embassy staff and the interviewed stakeholders confirmed that setting of indicators at outcome and impact level is the most challenging task in making the results framework relevant. The indicators have to show the implementation of outputs, the change for the outcome and the contribution of the CP at impact level. The meta-analysis team considers that although it has been easy to source outputs from different projects to output level, summarising their results toward a single outcome has been more complicated. Many of the outcome indicators are similar to output indicators, referring to numbers of legislation, participants, budgeting by the GOK etc. For the CP to have additional value, the outcomes should jointly contribute towards impact more than individual projects separately. The indicators of the impact area 1 achievement are quantitative showing less an impact and more the output of activities. In the GBV outcome area there are results that are being achieved i.e. on reducing the female genital mutilation, but to communicate about significant changes, also descriptive tools such as case studies would be useful.

For the effective use of results framework, also the results on cross-cutting objectives should be summarised at CP level. However, they should first be regularly monitored in projects and in the results framework.



The element of learning is informal in the results reports and usually it has taken place in unofficial networking between project personnel and embassy staff. There would be scope for formalising the learning aspect and sharing lessons between Finnish-funded development projects.

While there is an annual results report for the development cooperation CP, there is no reporting on the country strategy. The embassy has organised an online forum with more than 80 participants from Finnish non-governmental organisations (NGOs), companies, academia etc. showing the multitude of Finnish involvement in the country. The MFA funded organisations such as Finnfund and Finnpartnership have their own results frameworks but there is no synthesised results report for further analysis. Meta-analysis team supports the country team's idea to conduct a results harvesting for an overview of the "Finnish footprint" in Kenya.



## 5 Implementation, results and sustainability

### 5.1 Implementation of planned activities

The total budget plan for the CP in the period 2021-2024 is EUR 32 million, EUR 16 million for each impact area. The first disbursements to the impact area 2 were made only in the beginning of 2023 before the launching of the TVET project. The funds for the youth employment project were transferred to coming years. In 2021, total disbursements were EUR 2.8 million and in 2022 EUR 3.5 million, the disbursement rate being 71% and 75%, respectively.

There have not been any major changes to the CP, but the program has suffered from delays in planning and processing the planned interventions especially in impact area 2. The rate of disbursement has been much lower than expected, thereby influencing the achievement of the CP results.

Project design for the first impact area was rather advanced in 2021 when the CP started. However, only UN Women could initiate the activities immediately. The disbursement for the UN Women project has been almost 100% in 2021-2022 but the carry-overs in the project are high. The UN Women project has been granted a no-cost extension until mid-2024. FLC has been used to support the CP priorities through local CSOs. A further support to advance the KNAP II at local level was a call for proposals from Kenyan CSOs for two-year periods, first for 2021-2022 and then for 2023-2024.

The last phase of the UNDP-led Joint Devolution Programme (JDP) that contributed marginally to outcome 1.3 continued since January 2020. Other results from the devolution programme were omitted from the new results framework. The programme funding was EUR 1 million both in 2021 and 2022. Also, the Water Sector Trust Fund (WSTF) was still supported in 2021. This shows one of the CP and result framework problems, raised also by the external stakeholders: projects from the previous CP period sometimes continue through no-cost extension phases while the shifting priorities may complicate the accounting of their results.

According to the 2021 result report, the bilateral GBV project was delayed because of Covid-19 affecting the recruitment of the TA team and difficulties in the commitment of the GOK counterpart funding. Only 32.4% of Finnish funds for the project were disbursed in 2021 whereas in 2022 the disbursement rate was 78.2%. Also the selection of an NGO (KRCS) for GBV prevention and awareness raising was late and could be launched only in 2022.

The TVET project was launched after a long identification and design phase in the beginning of 2023. The youth employment project through IFAD was expected to take off in 2024. According to the 2021 results report the latest delays in programme identification and planning in the second impact area were due to a gap in human resources in the embassy.



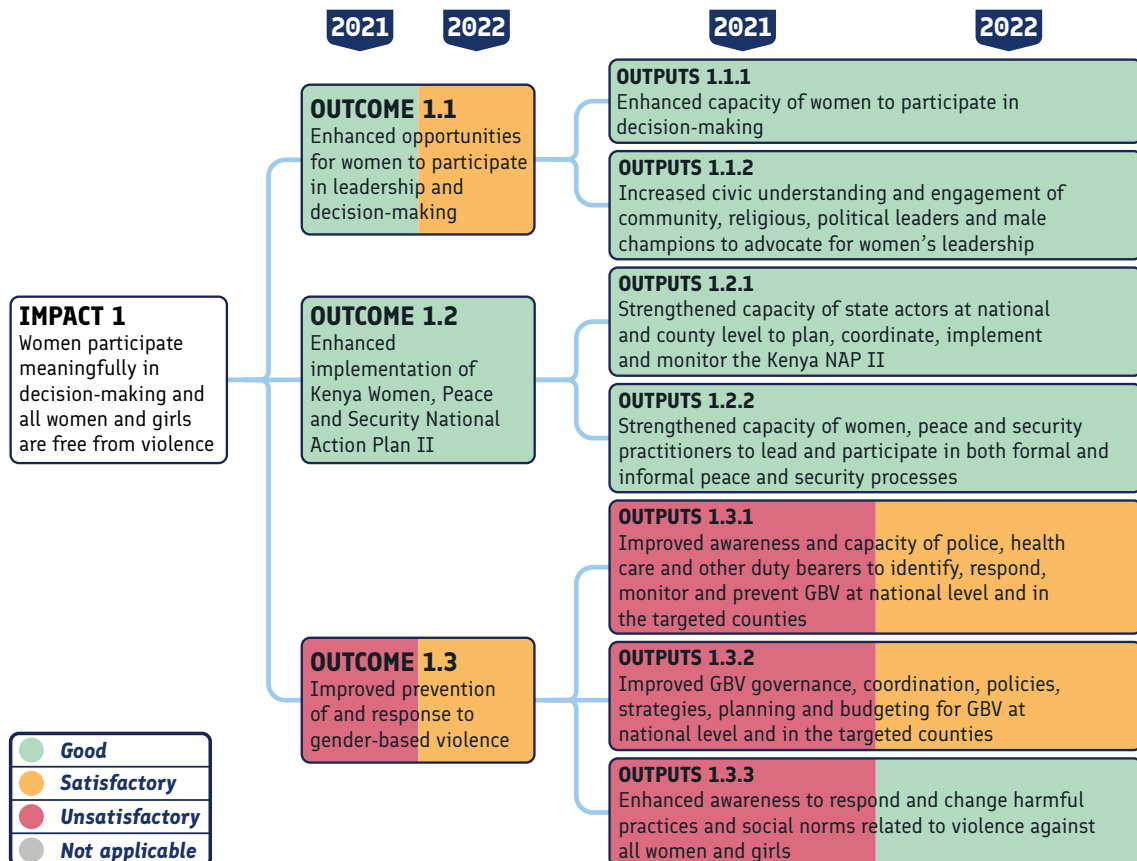
The country team has taken steps to increase the use of private sector instruments and the ICI as well as twinning arrangements to complement the bilateral programme. Twinning between Finnish education institutions (technical and vocational institutes, universities) has been developed under the TVET project. In addition to supporting the creation of new businesses, the youth employment project has planned to work closely with leading Kenyan agribusinesses and financial service providers. This will create opportunities for Finnish companies for partnerships and commercial co-operation in the Kenyan markets, particularly around green and circular economy.

## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021 and 2022

The reported impact area 1 results in 2021 and 2022 are summarised in Figure 3. In the figure, impacts are described and outcomes (middle column) and outputs (right columns) are rated and color-coded as “good”, “satisfactory” or “unsatisfactory”. Impact area 2 (young women and men with improved technical and vocational skills gain decent employment) did not yet produce results in 2021-2022 as the design and contracting phase of projects was still ongoing.

Figure 3 Reported results for 2021 and 2022 in impact area 1



Source: Results reports 2021 and 2022.





In impact area 1 (women participate meaningfully in decision-making and all women and girls are free from violence), the results report 2021 rated two of the three outcomes good while the third outcome on GBV was unsatisfactory due to delays in the launching of GBV projects. At impact level, two of the indicators are on GBV, monitoring the number of GBV cases and GBV prevalence in the counties. Female genital mutilation has been in steady decline in Kenya, prevalence declining from 21% in 2014 to 15% in 2022. According to reports and stakeholder interviews, the data for sexual violence cases is difficult to obtain and GBV prevalence is monitored through the Kenya Demographic and Health Survey (KDHS), the baseline data coming from the penultimate survey in 2014. The KDHS was conducted again after eight years in 2022. Long gaps between surveys show the difficulty of setting indicators at impact level and getting up-to-date and trustworthy data.

All three outcome areas (WPS, women's decision-making power and prevention of GBV) fit well with the GOK's Women's Manifesto, ensuring the ownership by the government. This was confirmed by the interviews with external stakeholders, and so was the high profile that Finland has in Kenya in advancing women's and girls' rights. Under outcome 1.1, UN Women achieved good output results in 2021 through women's training and mentoring for positions in the 2022 elections. Also, the legislative framework improved. The outcome was rated good in 2021 but in 2022 the marking descended to satisfactory. In 2022, the general elections saw an increase in the total number of women elected, but the failure to implement the Constitutional 2/3 gender principle still hindered women from reaching an appropriate level of representation. The general elections of August 2022 saw an increased number of elected female politicians in national and county assemblies as well as governors. However, at county level there was no progress in terms of elected women to the county assemblies.

The 2/3 gender rule is now part of the wider post-election, bipartisan talks. A multi-sectoral working group was established in 2023 to advance the 2/3 gender rule and Finland has been looking at the possibilities to support the group through the no-cost extension of the UN Women project. According to stakeholder interviews, the success of some of the female leaders can be directly tracked to Finnish funding. Two targeted legislative frameworks were finalised, submitted, and taken up by the National Assembly and the Independent Electoral and Boundaries Commission reinforcing the court ruling of 2/3 gender principle in 2022.

Outcome 1.2 on the implementation of KNAP II was rated good in 2021 and in 2022. The support to UN Women and the two FLC partners facilitated the development of localised versions of the WPS KNAP II in ten counties and increased the number of women in county peace committees. A total of 20 localised plans, 10 of which have been adopted, contributed to the inclusion of the WPS agenda in the budgeted five-year County Integrated Development Plans (CIDPs) in 2022. UN Women supported the national KNAP secretariate and the formation of the National Women's Peace Committee Network.

National and local ownership on WPS agenda has been strong and the progress in the outcome area 1.2 steady. The share of women in county peace committees has grown every year up to 33% in 2022, and so has the GOK financial commitment to the WSP agenda. The UN Joint Devolution programme also contributed to this outcome by supporting the inclusion of gender in Disaster Risk Reduction policies and frameworks in a few drought- and/or conflict-affected counties.

The third outcome area on gender-based violence was rated unsatisfactory in the 2021 annual report but satisfactory in 2022. In 2021 UN Women, the two FLC projects and JDP supported the outcome area while in 2022 the bilateral GBV project was launched. The achievement of targets

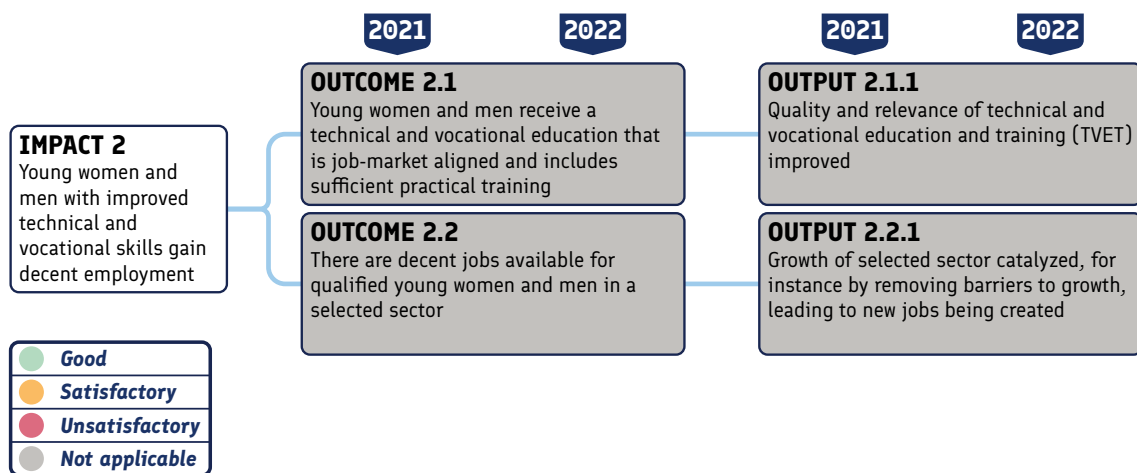




improved for many but not all outputs. The outcome area aimed at changes in the practices or attitudes of both duty-bearers and rights-holders.

According to the reports, results were not available under the second impact area in 2021-2022 (Figure 4). However, in 2021, the two FLC projects by Yusudi Limited and HSHC contributed to developing job-market aligned skills among young people in Nairobi, Nyeri and Laikipia counties and strengthened the young people's chances of finding employment and entrepreneurship opportunities. This resulted in 88 graduates securing work attachments (27 in the formal sector and 61 in the informal sector) and linking graduates to apprenticeship opportunities with 30 small and medium enterprises.

**Figure 4 Outcomes and outputs of impact area 2**



Source: Results reports 2021 and 2022.

## 5.2.2 Expected results for 2023 and beyond

The participants of the self-assessment workshop assessed the results for 2023 and 2024. The results are rough estimates as the reports from programme partners had not yet arrived at the time of conducting this meta-assessment. The disbursements from Finland have continued as foreseen, therefore the activities should have continued according to the plans.

Under impact area 1, outcome 1.1 was assessed satisfactory for 2023. The results relied on Finnish support to UN Women. In 2023 the multi-sectoral working group was debating how to support the 2/3 constitutional gender rule and there was still a post-election momentum on the agenda. The 2/3 gender rule is part of the wider bipartisan talks between members of the ruling party and the opposition coalition. In case the talks end, also the 2/3 gender rule discussion will end. This would be beyond the control of Finnish support. However, UN Women is consolidating their results in 2024 through a no-cost extension.

Under outcome 1.2 the country team considered that the indicators had limited ambition, therefore making the rating of results as good relatively easy. There has been good coordination around KNAPII by UN Women at national level and also decent support at local level in Country Action Plans, ensuring availability of budgets.



The third outcome was assessed only as satisfactory, especially because the counterpart funding for the bilateral GBV project was not forthcoming and the coordination between national and county level has been challenging. The achievement of results is, however, supported also through KRCS and some progress with duty-bearers, county level resource allocation and awareness raising is expected to take place. The assessment relies partly on the commitment and capacities of the new PS and the CTA of the bilateral project. However, the change pathway has not yet fully materialised.

Impact area 2 looked promising as under outcome 2.1 the TVET project had started well in 2023. The workshop participants assessed the results good for 2023-2024 as the project seemed to be on track concerning the targets and there was no contraindication to the successful implementation. In 2023-2024 the project was planned to expand the TVET courses to new institutions in Nairobi, Western Kenya and Mount Kenya region. There was evident political support for the model in the Ministry of Education but some concern on the implementation of the courses. The stakeholder interviews supported the assessment by the country team.

The country team rated the results under outcome 2.2 as good in 2024, after the signing of the youth employment project agreement. The team considered the commitment strong from all partners.

### **5.3 Contribution to Finland's cross-cutting objectives and other results**

During the workshop, the country team self-assessed the degree to which Finland's cross-cutting objectives had been addressed in the CP. The meta-analysis team confirmed that all the project documents of impact area 1 used the human-rights based approach, responding to the needs of duty-bearers and rights-holders while addressing the attitudes and behaviour changes.

Gender equality was targeted in all interventions under impact 1, aiming at enhancing girls' and women's rights. The impact indicators covered sex disaggregated data for reported GBV cases, but it has been challenging to receive even aggregated data. The bilateral GBV and KRCS projects have targeted also male champions, showing good progress in 2022. Under the output 'enhanced awareness to respond and change harmful practices and social norms related to violence against all women and girls', the bilateral GBV project had engaged 437 traditional leaders (270 males, 167 females) and KRCS 90 religious leaders as champions, all of them male.

Under impact area 2, the two project documents and result frameworks had strong integration of gender equality. Human rights principles of non-discrimination and inclusion were incorporated in the identification missions and project documents. The number of students with disability who have enrolled in and completed TVET programmes will be monitored and both projects under impact area 2 have been marked as human rights progressive. As a crosscutting project, Transparency International Kenya supported the establishment of laws, policies and mechanisms in four counties in Western Kenya. E.g. in 2022, the Disability Act in Kisumu and a Youth Training and Empowerment Bill in Siaya county were approved. Also Kakamega county approved the County Disability Bill enforcing the mainstreaming of the rights of persons with disabilities within the county integrated development plans.

To advance climate resilience and low emission development, impact area 2 projects have integrated climate concerns. The TVET project aimed to integrate environmental awareness and



standards in the curricula and practice of the TVET system, while the youth employment project will support investments that advance climate resilience and green transition. All investment will be screened using the taxonomy for green investments, to be developed during the first year of the project. However, the results related to climate change adaptation or low emission development will not be monitored in the CP results framework. Climate change was mentioned only once under impact area 1, as part of the WPS related work where UN Women and CSO partners advance women's inclusion in the disaster risk management committees.

The cross-cutting objective of protection of the environment with an emphasis on safeguarding biodiversity has not been mentioned in the CP, in the project documents or in annual reports.

Among the results outside the CP results framework, the UN JDP continued from the previous CS throughout 2021-2022, targeting an accountable devolved governance that ensures the realisation of rights. In 2022 post-elections period the programme facilitated induction of county governors, their deputies, and speakers of the county assemblies, "ensuring continuity in service delivery in a situation where 60% of the governors (and 87% of the members of county assemblies) were elected for the first time". In addition, the JDP contributed to enhanced gender equality through domestication of model county gender policy and gender-based budgeting, resulting in increased budgetary allocation to social sectors prioritising women and children to 48% in fiscal year 2022/23 from 45.6% in fiscal year 2021/22. Through the JDP support, 14 arid and semi-arid land counties developed 13 policies and JDP contributed to enhanced citizen participation in county budget processes.

The WSTF support finished in June 2021. Funding has contributed to the cross-cutting objective of climate resiliency. MFA has commissioned an impact evaluation of the WSTF support, and an external evaluation has been conducted in the JDP project.

## 5.4 Sustainability of results

The self-assessment workshop participants assessed the sustainability of the CP results by using the grading from low (results probably mostly gone after 2024) to medium (results likely available for a few years) and high (results likely available for many years), in relation to future scenarios. Meta-analysis team is of the opinion that under most outcomes sustainability has been well embedded in supporting normative changes at national legislation and strengthening of community, county and national systems for planning, implementation, and coordination.

For all outcome results, sustainability was regarded highest in scenarios where the macroeconomic performance is good, and the country enjoys inclusive and substantial democracy. When moving toward other scenarios, there is sensitivity especially on the outcome on GBV prevention that would be considered less important by national government. According to stakeholder interviews, there is strong ownership of the GBV agenda at county level and the approach of the bilateral GBV project is based on counselling training to build the capacity of duty-bearers. Nevertheless, obtaining national counterpart funding is challenging and if the economic situation worsens, there will be less resources for services to GBV survivors.

Also the sustainability of TVET outcome would be sensitive to macroeconomic performance. The relevance of the training would be higher, but private sector companies and investments would suffer, resulting in reduced number of companies hosting students. There would be poor prospects



for sustaining results related to women's decision-making and leadership if the inclusive development retracted, but the country team considered that support to the KNAP agenda would continue.

On average, the country team assessed the future sustainability of the CP 2021-2024 results to be good. Kenyan government strongly supports gender equality and vocational training, as well as youth employment. Workshop participants did not foresee drastic changes in the political and economic situation in Kenya in 2024-2028, although the deteriorating macroeconomic situation may change the government priorities.



## 6 Added value of the CP

The CP was considered to have added value both by the country team and the interviewed stakeholders. The workshop participants felt that using the CP approach has made it possible to align the programme completely with Finland's development policy, use aggregated indicators for showing results and build synergies between different instruments such as bilateral, multi-bi and CSO support under impact area 1. The projects mutually support each other producing complementary results in different areas of the same theme and geographical areas of the country.

CP has allowed the country team, other development partners and the GOK to have a comprehensive picture of Finland's bilateral support in Kenya and trust the predictability of the programme. The support has been strategic, and it ensures Finland's long-term and strong commitment to achieving objectives considered important by the MFA and GOK. Nevertheless, CP has not covered all Finland's development cooperation in the country, including the private sector, civil society, institutional and academic collaboration supported by Finnish ODA in Kenya. Neither has the CP covered the regional programmes such as the share of regional programmes benefitting Kenya, e.g. Trademark Africa which has been funded by Finland with EUR 10.5 million in 2021–2023.

Several stakeholders mentioned that a longer-term funding is more relevant than short-term engagement for achieving results. However, meta-analysis team doubted the efficiency of the funding for a three-year bilateral GBV project (2022-2024) when the planning process took several years.

The easy communication of the two important CP themes (girls and women's rights and youth employment) was considered valuable by the country team. While the country image of Finland is positive, the interviewed stakeholders advised more branding of Finland and its activities in Kenya. In particular, increasing the visibility by communicating the CP priorities and results to Kenyans was mentioned in interviews.

CP has provided the embassy team the opportunity to focus the time-consuming policy influencing in the two areas that are important for Finland in Kenya. Although small in size, the embassy team has taken an active role in policy influencing in gender and TVET sector working groups. This has provided Finland more leverage and influencing power than its small share of ODA in Kenya would justify.

Almost all the interviewed stakeholders advised Finland to be bolder and more active in communicating the CP contents and results.



## 7 Conclusions

The Kenya CP 2021-2024 has provided a solid framework for Finland's bilateral development cooperation in Kenya, focusing on two relevant impact areas of women's and girls' rights and decent employment for young people. The delays in the impact area 2 have slowed down the achievement of results but according to the country team and interviewed stakeholders, the ongoing interventions are based on thorough planning, likely to achieve the targeted results.

As per government decision, the current CP is the last one in Kenya. In future, development cooperation will be carried out through private sector, NGOs and other cooperation instruments, while the commercial-economic relations will form the basis for the relationship between the two countries. The two previous country strategies (2013-2015 and 2016-2020) planned to focus increasingly towards developing and supporting commercial relations between the two countries, but until now this has not taken place.

In the current CP, private sector support is included mostly in the youth employment project, whereby IFAD had also held discussions for future support with the Finnfund and FCA Investments, as well as other donors<sup>49</sup>. Most projects under the CP would have ended before the end of the current CP, apart from the two projects on TVET and youth employment (ending in 2026 and 2027, respectively), the KRCS project which ends in March 2026 and possible no-cost extension of the bilateral GBV. The Embassy will continue to fund projects through the FLC, but in the future these will support the objectives of the broader country strategy. The meta-analysis team encourages careful monitoring of the results to learn from the implementation and to direct the projects accordingly. Regular evaluations should also take place as part of normal project cycle management.

A comprehensive country strategy for 2025-2028 will be needed to include also the remaining bilateral development cooperation projects and their results framework that should be reported upon. The end of CP should not mean the end of RMB. Meta-analysis team supports the country team proposal of creating a trade and development plan for Kenya, which would include commercial relations, private sector instruments and result-based development cooperation. The strategic focus in the framework of trade and development could still be maintained as in the CS 2021-2024: partnerships in peace and security; women and youth; sustainable and inclusive economic growth in Kenya; and climate change.

Apart from the FLC, the future development cooperation instruments in Kenya will be steered mostly from the Department for Development Policy (KEO) in Helsinki. The role of the embassy will, however, be crucial in assessing the country context, providing information to KEO, monitoring the interventions taking place with Finnish funding, facilitating networking, and conducting policy advocacy and influencing work where needed. It is therefore important to maintain staff specialised in development cooperation, while the new strategy also requires changes in staff profiles toward expertise in trade and financial investments.

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49 MFA. (2023). Green finance for youth employment. Project design document.



As pointed out by the country team, to respond to new priorities, the support to gender equality and women's rights could increasingly move toward women's economic empowerment. Synergies could be found with TVET and youth employment projects as well as in private sector initiatives such as the digitalisation and women in tech. The meta-analysis team supports this idea but as emphasised in some stakeholder interviews, funding for women's economic empowerment should be ambitious and innovative to achieve transformative results. Finland should find a proper niche by exploring synergies and links in Team Europe and with Business Finland as well as ensuring Finnish technical assistance and strong Finnish presence in Nairobi. As continuation from the current CP, women's leadership and positive role models can be promoted also in labour market and in private sector.

Even in the future, there will be support to multilateral organizations, international NGOs and Finnish NGOs working in Kenya. In addition, the Institutional Cooperation Instrument, Higher Education Partnership Programme and private sector instruments can be used, as e.g. the TVET project offers opportunities to Finnish TVET- and university institutions. The country team's idea of conducting an occasional outcome harvesting of Finland's support in Kenya could be a way to evaluate the results.

The meta-analysis team finds it important that the embassy continues the proactive policy influencing and makes annual influencing plans to promote strong coordination with development partners and active dialogue with the national government. It would leverage the human resources of the embassy and the positive country image that Finland has in Kenya. Branding and increasing the visibility of Finland through active communication to selected Kenyan target groups should be part of all development cooperation and trade promotion. Finland's reputation in Kenya as a reliable and professional partner should not be lost but continue to be valued.



# MOZAMBIQUE COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

The report summarises the findings of the meta-analysis of the 2021-24 CP for Mozambique. The report is compiled based on desk review, feedback from eight selected external stakeholders and a self-assessment workshop held on 29-31 January in Maputo with 10 current country team (CT) members.

The report is structured as follows. Section 2 introduces the CP, its goals, and contents. Section 3 describes the country context and briefly outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises the implementation and already reported results for 2021 and 2022. It also provides a tentative outlook into expected results in 2023-24 and their sustainability for the period after that. Section 6 examines the value-add of the CP approach for Mozambique, and Section 7 summarises conclusions drawn by the meta-analysis team.



## 2 The 2021-24 Mozambique Country Programme

This section introduces the 2021-24 CP. It explains the goals, how these are intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

Mozambique and Finland have longstanding relations and the diplomatic relations were established in 1975. The cooperation between Finnish civil society actors and the Mozambican liberation movement, Frelimo, dates to the late 1960s. Bilateral development cooperation started in 1984, and since then Finland has assisted the country in many sectors, including education, infrastructure, forestry, agriculture, and health. In the programming period 2016-2019 the focus of development cooperation was on supporting education and good governance. The 2021-24 CP is placed within the broader context of 2021-24 Country Strategy (CS), which describes four strategic goals of Finland's foreign, security and development policy in the country:

1. Finland contributes to peace building and conflict prevention,
2. Finland invests in youth and gender equality,
3. Finland contributes to building stronger institutions to foster resilience and equity, and
4. Finland promotes economic partnerships.

Initially, the Mozambique CP 2021-2024 had two impact areas: i) key institutions enhance equity and resilience and ii) better learning outcomes for all boys and girls in primary and secondary education. The CP was designed to respond to the evolving context given the effects of the Covid-19 pandemic which were exacerbated by the re-emerging insurgency in Cabo Delgado. The contextual changes highlighted the issue of persistent and further growing poverty and inequalities in the northern part of the country as well as the need to support the realisation of rights of the poorest women, girls, and all children. This influenced the choice of new geographical focus on the northern Mozambique as well as the selection of new interventions in social protection and adolescent and youth sexual and reproductive health and rights (SRHR). The situation was also seen as an opportunity to accelerate results in education sector and increase synergies between the two impact areas. At the same time, a deeper analysis and lessons learned from the long-term collaboration on natural resources governance demonstrated that the CP's angle on accountability was not sufficient as it had focused mainly only on duty-bearers (members of parliament, politicians) while also the awareness and capacity of rights-holders needed to be strengthened to increase the demand for accountability.

As a result, the theory of change and results framework for the CP were reorganised in 2021, including the wording of impact, outcome, and output definitions as well as indicators. The main impact



areas have a new formulation: i) increased equity and resilience and ii) more efficient and inclusive education system provides all boys and girls better learning in primary and secondary education.

## 2.2 How the goals of the CP are to be reached

The CP document presents clear, well-developed theories of change (ToC) for both impact areas, linking them conceptionally to each other.

In impact area 1 there are three complementary pathways, under which different projects support the achievement of increased equity and resilience. The institution responsible for public finances (Ministry of Economy and Finance) is supported through training, coaching and research, which improve the capacity of the personnel to contribute to budget planning and allocation of financing to inclusive development. This is assumed to enable efficient and inclusive service delivery. At the same time, support is provided to increase the demand for accountability by strengthening the capacities of key actors in the national parliament, selected provincial assemblies, and civil society organisations or networks, including human rights actors or defenders. The third pathway focuses on developing and strengthening mechanisms to protect poor and vulnerable women, girls and youth who have been left behind or are affected by the conflict, crises, or climatic events in the northern regions, including Cabo Delgado. These mechanisms include social protection, such as child grants and education on SRHR, as well as support related to the youth, peace, and security agenda.

Similarly, the ToC of impact area 2 has three complementing pathways contributing to the impact of “more efficient and inclusive education system that provides all boys and girls better learning in primary and secondary education”. It is expected that when there is improved school availability and resilient infrastructure with WASH (water, sanitation and hygiene) facilities, when gender-based violence (GBV) at school is reduced and when students and teachers have more capacities on SRHR, more girls will be able to attend and complete their schooling. Also, a better gender balance among teachers contributes to the outcome. Continuous in-service training of teachers and principals will strengthen their capacity and result in better education of students, while the efficient and accountable management of schools will increase the provision of quality education services and the accountability of schools. Teacher graduates with improved skills and adequate and available teaching materials will contribute to teacher’s and principals’ performance and student learning. According to the ToC, public financial management, government’s possibilities of providing quality education for all, increased accountability, social protection for those in need, and SRHR are all interlinked matters, and therefore the different interventions under the CP enforce the impact of the programme.

## 2.3 Contributing projects and programmes

In the CP document, the planned budget frame for the Mozambique CP in 2021-24 was EUR 56 million, of which 39% for the impact area 1 and 61% for the impact area 2. In 2016-20 the planned budget frame was EUR 52 million and the disbursements totalled EUR 64.4 million. The modalities vary from sector support to multi-donor trust fund, multi-bi projects, bilateral support and support to Finnish, international and Mozambican non-governmental organisations (NGO),



research institutions and universities. Figure 1 shows the projects under the CP and their annual expenditures as well as the expenditures for older projects.

The number of projects contributing to impact area 1 has varied as four projects continued since the previous programme period, some of them ended and new ones started as the result of updated CP focus. Currently there are four projects under impact area 1. The project “Inclusive Growth in Mozambique (IGM) II” 2021-24 is the second phase of the research and capacity building project implemented by the MEF, the Eduardo Mondlane University, the United Nations University World Institute for Development Economics Research (UNU-WIDER) and the University of Copenhagen. The Mozambican NGO Institute of Economic and Social Studies (IESE) has been supported already since 2009 to inform the policy making by research, e.g. by analysing the conflict situation in Cabo Delgado. Since 2016, Demo Finland, the Institute for Multiparty Democracy (IMD) in Mozambique, and the Netherlands Institute of Multiparty Democracy (NIMD) have been implementing the project “Strengthening Democratic Institutions in the Governance of Natural Resources”. The second phase of the project began in 2020 and concluded at the end of 2023.

The “Public Revenue, Expenditure, and Fiscal Decentralization Enhancement and Reform” programme (PREFER) is a multi-donor trust fund (MDTF) implemented by the World Bank. The financing agreement for the PREFER was signed in 2020. Three new projects responding to the changed focus of the revised ToC under impact 1 started only in 2022-2023: UNICEF and ILO UN Joint Programme for Social Protection (UNJP) began slowly in 2022 and the UNFPA programme on SRHR was signed in 2023. The project Civic Engagement and Human Rights (CEHUR), implemented by a consortium of four Mozambican civil society organisations (CSOs) (Instituto para Democracia Multipartidária (IMD), Centro de Aprendizagem e Capacitação da Sociedade Civil (CESC), Fundação MASC and Centro De Desenvolvimento e Democracia (CDD) started in mid-2023.

Under impact area 2 there are two programmes: the education sector programme FASE, which enjoys long-term support from Finland since 2002, and World Bank’s (WB) COACH/Aprender+ project, which focuses on teacher training since 2019. FASE is considered the lifeline of the Ministry of Education and Human Development (MINEDH) as it covers most non-salaried expenses for the education sector. Finland is currently the second largest bilateral donor for FASE.

All funding agreements are ending in 2024 apart from CEHUR which will end by mid-2027.



**Figure 1 Annual disbursements of CP projects in 2016-22 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
Support to the Institute for Social and Economic Studies, IESE	0.5	0.5	0.5	0.6	0.6	0.6	0.6	<b>3.9</b>
DEMO - strengthening democratic institutions in the governance of natural resources					0.7	0.7	0.7	<b>2.1</b>
UNICEF Joint Programme for Social Protection (UNJP)						0.0	1.2	<b>1.2</b>
UNU-WIDER Inclusive Growth through Research in Mozambique (IGM II)						0.5	0.8	<b>1.3</b>
<b>IMPACT AREA 2</b>								
FASE education sector common fund					10.0	10.0	8.0	<b>28.0</b>
COACH (WB)					1.3	0.4	0.4	<b>2.2</b>
<b>OTHERS</b>								
Planning funds			0.02		0.04	0.01	0.1	<b>0.2</b>
Peace Basket Fund (UNOPS)						0.4	0.4	<b>0.8</b>
Covid-support to the peace fund					0.3			<b>0.3</b>
<b>OLDER PROJECTS</b>								
FASE Education sector sector common fund, IA2	9.0	9.0	8.0	9.0				<b>35.0</b>
Rural development project, IA3	0.5			0.3				<b>0.8</b>
Support to the national forestry programme, IA3	0.1							<b>0.1</b>
ADPP-support, IA 3	2.2	1.7	0.8					<b>4.7</b>
MPD-UEM Policy Research, IA 1	0.4	0.8		0.3	0.8			<b>2.3</b>
ICI - Forecas II (Luke)	0.0	0.5	0.1	0.1	0.1			<b>0.7</b>
Natural resources governance IA 1	0.1	0.6	0.5	0.3				<b>1.5</b>
PREFER PFM IA 1				0.0	1.0			<b>1.0</b>
Mozambique election support				0.8				<b>0.8</b>
UNDP reconstruction programme				2.0				<b>2.0</b>
Planning funds	0.2	0.2	0.2					<b>0.6</b>
<b>Total Annual Disbursements</b>	<b>13.1</b>	<b>13.2</b>	<b>10.1</b>	<b>13.4</b>	<b>14.8</b>	<b>12.6</b>	<b>12.2</b>	<b>89.2</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Mozambique.

### 3.1 Country context<sup>50</sup>

Mozambique is one of the ten poorest countries in the world with a population of almost 34 million inhabitants and an area over twice the size of Finland. Its history is characterised by the long colonisation by Portugal until 1975, which left the country with limited institutional structures and undeveloped infrastructure exacerbating the differences between southern and northern parts of the country. The country became part of the global cold war and regional power struggles of southern Africa with different external parties supporting the civil war (1976-92), followed by the establishment of a multiparty democratic system.

The main party, FRELIMO, has ruled the country since the independence in 1975. Violence during and post-elections has been common in the country. The second peace agreement between FRELIMO and the opposition party RENAMO was signed in 2019 after the violence that had started again in 2014 ended. Another violent insurgency started in 2017 in the northern province of Cabo Delgado, where international oil companies had invested in the production of offshore liquified natural gas (LNG). The insurgency resulted in a humanitarian crisis and surge in the number of internally displaced people.

The Human Development Index ranking of Mozambique was 185 of 191 countries in 2022. Children under the age of 18 accounted for 52% of Mozambique's population, or approximately 16.1 million people, with equal proportions of girls and boys. In 2022 the population growth was 2.7%. In 2023, adolescent birth rate per 1,000 girls aged 15-19 was 180, and in 2006-2022, 53% of children were married by age of 18. Less than half of the students complete primary education and in 2022 42.2% of the relevant age group completed lower secondary education.

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50 Information in this chapter is drawn from the self-assessment workshop, CP programme and project documents and reports, and several external sources: UNICEF. (2021). The Situation of children in Mozambique. Summary Report. Accessed in April 2024 at: <https://www.unicef.org/mozambique/media/4501/file/The%20Situation%20of%20Children%20in%20Mozambique%202021.pdf>; UNDP. (2023). 2023 Global Multidimensional Poverty Index (MPI): Unstacking global poverty: Data for high impact action. Accessed in April 2024 at: <https://hdr.undp.org/content/2023-global-multidimensional-poverty-index-mpi#/indicies/MPI>; UNFPA. (n.d.). World Population Dashboard Mozambique; World Bank. (n.d.). Country Profiles. Gender Data Portal; World Bank. (2022). Data: Population growth (annual %). Accessed in May 2024 at: [https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name\\_desc=false](https://data.worldbank.org/indicator/SP.POP.GROW?locations=KE-AF-ET-MZ-MM-NP-PS-SO-TZ-UA&name_desc=false); World Bank. (n.d.). Data: Lower secondary completion rate, total (% of relevant age group). Accessed in May 2024 at: <https://data.worldbank.org/indicator/SE.SEC.CMPT.LO.ZS>; Eckstein, D., Künzel, V. and Schäfer, L. (2021). Global Climate Risk Index 2021: Who suffers Most from Extreme Weather Events? Weather-related Loss Events in 2019 and 2000 to 2019. Germanwatch; Transparency International. (n.d.). Corruption Perceptions Index. Accessed in April 2024 at: <https://www.transparency.org/en/cpi/2023>; Centro de Integridade Pública (CIP), Moçambique, and Chr. Michelsen Institute. (2021). Costs and consequences of the hidden debt scandal of Mozambique; Al Jazeera. (2022). Mozambique court hands out verdicts in \$2bn corruption case. News article. PEA Mozambique; MFA. (n.d.). Mozambique Country Programme 2021-24; MFA. (2021). Mozambique Country Strategy, 2021-24.



Mozambique is rich in natural resources such as precious minerals, off- and on-shore gas reserves, timber, and fertile land. Its climate is favourable for agriculture. Prospects for increasing high revenue especially from LNG pose both an opportunity for economic growth and wellbeing but at the same time, a threat to the country's stability. Institutions are still not strong, corruption is rampant and elite capture is high, which has led to extremely high inequalities in Mozambique. Inequalities are elevated also between urban and rural areas as well as between the north and the south. This is exacerbated by the weak transport infrastructure and interconnections between different parts of the country. According to UNDP, in 2022 61.9% of population in Mozambique were in multidimensional poverty while those in severe multidimensional poverty were 43%. According to the 2021 Global Climate Risk Index, in 2019 Mozambique was the country most affected by climate change.

In 2022, GDP growth was 4.2% and the estimate for 2023 was 6%. Gross government debt is high (projected at 102.8% of GDP in 2023) and in the 2019 Doing Business ranking, Mozambique held the position 138 out of 190 countries. The Transparency International Corruption Perception index in 2022 was 145/180. Approximately 85% of the labour force is employed in the informal sector.

In 2013, bankers in Europe, businesspeople based in the Middle East, and senior politicians and public servants in Mozambique conspired to organise a USD 2 billion loan to Mozambique, which was never received by the state. This major corruption case revealed the weaknesses in national institutions. It devastated Mozambique's economy, pushed 1.9 million people into poverty, and will have lasting consequences for generations. The ultimate cost of this incidence to Mozambique is estimated to be more than USD 11 billion, or USD 400 per citizen in a country where the average annual income is USD 500. When the "hidden debt" finally surfaced in 2016, donors including the International Monetary Fund (IMF) cut off financial support, triggering a sovereign debt default and currency collapse. Donor nations and institutions including the EU froze the general budget support (GBS) funding.

Mozambique's dependence on aid is expected to diminish as the revenue from natural gas investments increases, but the economic and lending crisis created a considerable funding gap for the budget. Major development partners in the country include USAID, multilateral banks, and United Nations (UN) organisations and the European Union. China and the other BRICS countries (Brazil, Russia, India) have taken on an important role as lenders and infrastructure investors.

According to the statistics of Finnish customs, trade between Finland and Mozambique is rather small. In 2023 the value of Finland's exports to Mozambique (January-November) was EUR 1.874 million while the value of imports to Finland from Mozambique was EUR 3.342 million.

## 3.2 Main developments since the country programme started

In the self-assessment workshop, the participants concluded that the main developments that have affected the development cooperation since the beginning of the CP include the following:

- **Covid-19 pandemic** had severe impacts in Mozambique. These include the increase of poverty or increasing the severity of poverty, reduced learning opportunities, barriers to survival and good health and increased risks of violence, abuse, and exploitation of children in precarious situations. A simulation study by UNU-WIDER suggested that the





Mozambican economy lost a total of 3.6% growth in 2020 and that total employment was 1.9% down compared to a scenario without Covid-19.<sup>51</sup> The most heavily affected economic sectors were trade, accommodation and mining and the impacts were greater in urban areas and accordingly in the more urbanised southern region. After the suspension of the general budget support the overall coordination structure had become less efficient. Following the pandemic, additional donor coordination structures were created which made the coordination even more challenging than previously.

- **Natural calamities.** Mozambique is amongst the ten countries that are most vulnerable globally to the impacts of climate change and natural hazards.<sup>52</sup> Cyclones, flooding, and periodical droughts continue to hit Mozambique hard.<sup>53</sup> Donors have worked for many years with the government to improve the early warning systems but the public and private infrastructure in the country is not resilient to the phenomena such as cyclones and flooding. Constant reconstruction is needed and the needs for humanitarian assistance and investments in resilience and adaptation are massive.
- **Conflict in the northern Cabo Delgado** province has continued although contained by the Mozambican Armed Forces, supported by an EU military training mission, together with the Rwandan and Southern African Development Community (SADC) troops. The conflict has resulted in a massive allocation of development funds to the north to alleviate the humanitarian crisis and to improve the livelihoods of the terrorised population. The insurgency threatens the investments in natural gas deposit and the future revenue agenda of the country. It is the political priority of the government as expressed in the government's Cabo Delgado Province National Reconstruction Plan (PRCD) and the Northern Mozambique Resilience and Integrated Development Programme (PREDIN).<sup>54</sup> As a result of Mozambican CSOs drawing attention to the situation, private companies investing in the gas exploration (French TOTAL, Italian ENI) have considerably increased their funding for the corporate social responsibility.
- Some justice has taken place in the **hidden debt crisis**, although the court case is still on-going. In 2023, the judiciary process which started in 2015 reached a deal that absolved Mozambique of substantial debts owed to Credit Suisse. In 2022 WB resumed general budget support. Some trust in the government has returned, but the debt is vast while the country's economic growth is used to serving it.
- **Shrinking space of civil society and democracy.** While the government control over the civil society and media has increased, the CSOs are getting braver, more creative, and active, responding to the call of the younger generation who want a change in the country. At the same time, the support to the CSOs, that increased considerably after the hidden debt crisis, has suffered from limited donor coordination with an increased risk of corruption and overburdening of the sector.
- **Infringement in the municipality elections.** In the municipal elections in October 2023 FRELIMO was cleared as winning 64 of the 65 contests, but a consortium of independent election observers claimed that RENAMO won several municipalities,

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51 UNU-WIDER. (2021). The macroeconomic impact of COVID-19 in Mozambique. Working Paper. Accessed in April 2024 at: <https://www.wider.unu.edu/publication/macro-economic-impact-covid-19-mozambique>.

52 World Bank. (2023). Country climate and development report.

53 Eckstein, D., Künzel, V. and Schäfer, L. (2021). Global Climate Risk Index 2021: Who suffers Most from Extreme Weather Events? Weather-related Loss Events in 2019 and 2000 to 2019. Germanwatch.

54 UNDP. (n.d.). Stabilization Programme.



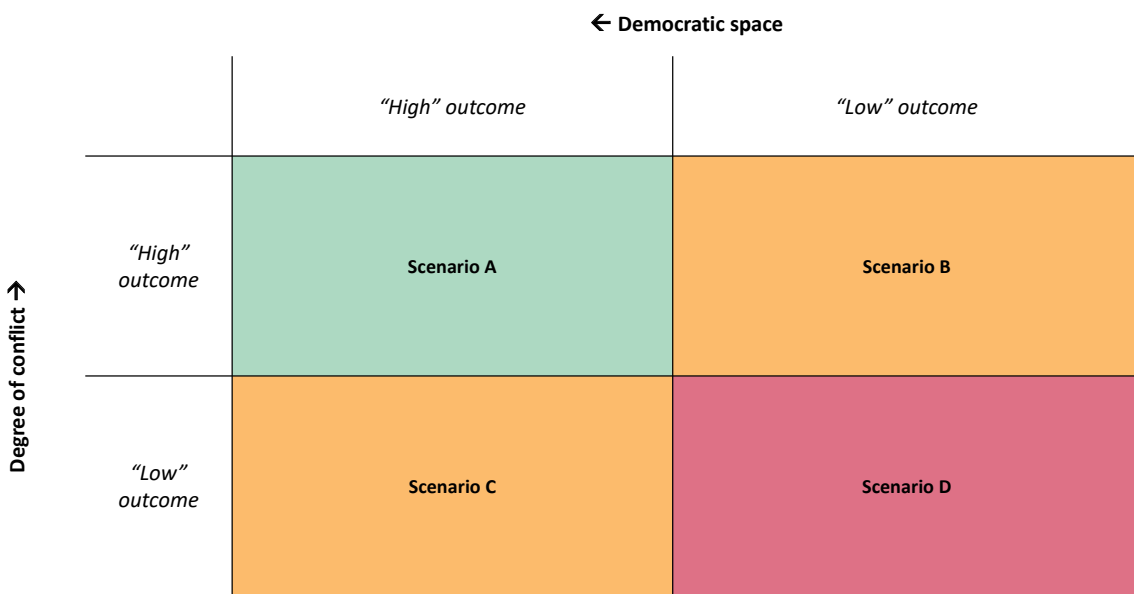
including Maputo. The opposition parties filed their complaints and although the provincial judiciary aligned with them, the Constitutional Council determined that FRELIMO won 56 municipalities, and the opposition only five. The elections were repeated in four localities.<sup>55</sup>

### 3.3 Future development scenarios

During the self-assessment workshop, four scenarios were developed for internal planning purposes with a time horizon of 2025-28 in mind. Figure 2 shows the organisation of the scenarios along the two axes of:

1. The degree of the democratic space in the country, and
2. The degree of conflict and its containment.

**Figure 2 Future scenarios for Mozambique**



Source: Mozambique CP self-assessment workshop, Maputo, February 2024.

The horizontal axis is based on the dimension of democratic space in Mozambique. The axis contains some of the most important issues that determine the future development of the country: the next presidential elections and the kind of future leadership; the acceptance of government among people; the space of opposition parties and civil society; the openness to dialogue and reforms together with the accountability; the fight against corruption; and the public finance management.

The degree of conflict forms the second axis. The conflict in the north may be contained or, in the worst case, it might spread to other areas of the country and even regionally outside Mozambique. The capacity of the government and the armed forces to deal with the socio-economic and military

<sup>55</sup> Africa Center for Strategic Studies. (2024). 2024 Elections, Mozambique.



situation as well as the collaboration and coordination with external players (development partners, neighbouring countries, private companies engaged in the natural resources sector) affect the future trajectory of the situation.

### **3.4 Austerity measures in Finnish development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs, including the Mozambique CP, will be ended in a controlled manner during the present government term.

This means that in Mozambique, Finland's bilateral development cooperation will terminate. Finnish support can continue through other channels such as multilateral and non-governmental organisations, and private sector instruments.



## 4 Adaptive management of the CP

This section summarises the strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis conducted by the country team during the self-assessment workshop in Maputo, as well as on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

In the self-assessment workshop, the country team was assessed as a competent and non-hierarchical group with strong expertise of CP sectors, both from within and outside the country. Most Finnish staff members have long history with Mozambique and other African countries, having worked previously e.g. with UN organisations and Finnish-funded interventions. Team members consider themselves committed and hardworking, with good networks and networking skills, able to prioritise the work. This was confirmed by the interviews of external stakeholders and the meta-analysis team who noted the considerable insight that the local and Finnish country team members have both on the country and subject matters. The capacity of the local staff working on education sector was recognised by external stakeholders as a very valuable asset and comparative advantage to the embassy. The large size of the portfolio compared to the size of team is considered a weakness, and this is also recognised by some stakeholders who mentioned that the size of the embassy team does not allow their participation in all important policy discussions.

The team and its functions are split between Helsinki and Maputo. Communication and information flows that are important for efficient CP implementation have occasionally suffered from this. Also, Covid-19 restrictions and prevention strategies did affect the way teams work at both ends. On one hand, on-line and distance work has enabled the continuation of planning and management processes and given important flexibility to staff, but on the other hand, this has affected the sense of unity of the team. The predominance of Finnish language in official guidelines and messaging, as well as the lack of fully translated contents in the institutional systems, like the development cooperation case management system AHA-KYT, limit the possibilities of the local staff to play key roles throughout the different management processes.

The MFA institutional processes related to development cooperation management are rather complex and lengthy due to e.g. quality assurance and legal requirements. The slow processes have also contributed to slowing down the CP results delivery. Recurrent changes of leadership in headquarters that have taken place during the CP implementation period are considered challenging as there is no standard MFA orientation regarding their level of engagement. The department level changes in the country team leaders' job descriptions have affected the overall staff time available for development cooperation related tasks.

The news about phasing-out of the bilateral development cooperation in Mozambique were made public two weeks before the self-assessment workshop in Maputo. The phasing out and focusing on other development cooperation instruments was considered both as an opportunity and a risk by the workshop participants. The meta-analysis team recognises that the embassy must



simultaneously close the current programme and identify new approaches and modalities while building new types of expertise and professional profiles for the staff. The country team feels that during the closing period well-planned communication of results is necessary to increase Finland's visibility in Mozambique and to maintain the positive attitudes. At the same time there are several risks related to the phasing-out such as the exit of the professional staff, familiar with the country, and the loss of social capital that Finland has built in almost five decades of development cooperation.

The stakeholder interviews confirmed that Finland has since long time taken an active role in policy influencing and sector working groups, especially in the education sector. In 2021, Finland continued as a co-chair and member of the leadership group of the education sector, taking the co-chair position in the teacher-training working group. As a chair, Finland led the high-level dialogue on addressing the challenges in institutional capacity, school construction, and provision of textbooks. Finland also contributed to keeping the teacher training as one of the priority reforms on government agenda. In stakeholder interviews it was mentioned that the embassy members represent "a form of demand, pressure and accountability" and "(they) contribute to ensuring that activities are carried out within the rules and deadlines, avoiding the risks of misapplication and/or non-use of funds for what they were designed for".

## 4.2 Assessment of current planning and reporting arrangements

The planning process of the original CP started in late 2019 and finished by the end of 2020 when the Covid-19 pandemic was restricting the participation of stakeholders and partners. The first CP version was updated by the country team in 2021 to adapt to the evolving country context. The whole approach with extensive planning and writing process which took several person-weeks was considered cumbersome, and the embassy staff would have preferred a much lighter exercise. The drafting of CP was conducted simultaneously with writing of the CS document. This provided an opportunity to look at the context in a broader way.

The CP document itself was considered useful by most country team members. It stated the aim of the development cooperation by Finland in Mozambique, guiding the MFA operations and providing a tool for results-based management. CP document is easily communicated to partners, and it provides the backbone to keep the programmatic focus on the impact areas. The country team members who found the document useful, have consulted and learned from the document, and used it for results reporting and for directing the development cooperation. The meta-analysis team found the document well-written and analytical, providing a concrete idea of the CP objectives and ways to achieve results. Similarly, the workshop participants regarded the annual reporting useful because of the analysis and writing process while the annual reports provided good country context and analysis to the work of the meta-analysis team.

While defining indicators for the education sector outcomes and impact was considered rather straightforward, the indicators showing change related to Finnish-funded governance programmes has not been as simple. The indicators for CP results framework have been sourced from the existing projects and programmes. Additionally, other type of indicators related to the country context have been used to aggregate results of different projects at impact and sometimes also at outcome level. In governance programming the nature of expected outcomes is often rather



abstract or difficult to measure and in socially-oriented programmes there are few possibilities to collect indicator data that would relate to behavioural change –type of results. The country team has used significant amounts of time to find a representative selection of indicators for the impact area 1 but there are still deficiencies and data gaps.

The meta-analysis team is of the opinion, that also in impact area 2, there is a disconnect between the output and outcome indicators and rating. For example, in 2022, two of the outputs under the outcome 2.1, were rated unsatisfactory, one as not relevant because the contributing programme had not yet started and one (school building) rated satisfactory according to the MFA guidelines on performance rating (see chapter 5.2.2.). Therefore, the satisfactory rating of the outcome is based on the assessment of outcome indicators and not on the assessment of outputs.

The use of case management system AHA-KYT for results reporting is criticised for its complicated nature and the missing links between reporting on the CP results and the project results information contained in AHA-KYT.

While the issue of management responses was not raised in the self-assessment workshop, the meta-analysis team considers their quality high and the level sufficiently detailed.

Reporting of country context, sector discussions, policy influencing, and donor coordination is limited in the results report due to the instructions and page limitations, although there is always a short mention of the active participation by the embassy staff.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into detail (for such, the reader is referred to the MFA's Mozambique results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023-24, based on an estimate by the country team.<sup>56</sup> Expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

At the launch of the CP implementation in 2021, the previous phases of almost all the projects were on-going. Disbursements were mostly as planned, apart from the WB MDTF (PREFER), where only EUR 1 million was disbursed in 2020 and consecutive disbursements rolled over repeatedly to following years. The late start of the UNJP project resulted in a disbursement of 44% of planned funds for 2022. The implementation of the COACH-programme (Aprender+) was delayed and therefore only half of the allocated funds were disbursed in 2021. In 2021 87% of planned funds (EUR 12.6 million) for the CP were disbursed while in 2022 the rate was 89% (EUR 12.2 million).

The implementation of programmes in the two impact areas has been monitored by the embassy through field visits, technical level, and steering committee meetings, as well as other sectorial leadership and working group meetings. Policy dialogue and participation in different sector working groups is considered an important factor by the embassy to advocate for the priority themes such as equity. Finland has also been seen as a great influencer on the internal coordination of the group of development partners. The embassy expertise, both local and Finnish, was considered of high quality by the stakeholders.

In the impact area 1, the WB project PREFER on public financial management had not started as foreseen because of changes in WB plans: PREFER was merged to a much larger programme GE-PRES (initials based on the Portuguese abbreviation for "Managing Public Resources for Service Delivery"), which resulted on only 3% of the funds used in 2019-22. According to the WB, many of the delays in designing the new programme were due to the unwillingness of the government to pursue the fiscal decentralisation agenda. The CP results framework has several outcome and output indicators related to the implementation of PREFER.

Other projects under the impact area 1 were mostly implemented as agreed without delays and the partners (CSOs and research organisations) were considered as professional and capable actors. As per the new focus of the CP, in 2021 an identification process was conducted to assess

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<sup>56</sup> It should be noted that this estimate was done in the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate thus does not replace the proper reporting in the forthcoming results report 2023 for Mozambique.



the feasibility of joining the efforts with other donors to strengthen social protection system and mechanisms. The agreement for funding the extension phase of UNJP was signed in 2022 and the project started toward the end of 2022. Government's demand to extend the support to Cabo Delgado area delayed the implementation, but the commitment of the government was also considered a strong factor for the future implementation.

To expand the scope of the support to accountability, as defined in the CP, in 2022 the MFA organised a call for proposals for civil society organisations that work in citizen participation, accountability and human rights. This was possible due to ending commitments of two civil society support programmes (IESE and the project on natural resources governance). A consortium of four Mozambican NGOs was selected and the CEHUR project started in 2023. The implementing partners found the approach by Finland unique, as unlike most donors, the embassy has been proactively creating a conducive environment for the implementation of the project.

Also under the impact area 1, an identification and extensive round of programme design was conducted in 2022 with UNFPA to implement an SRHR programme in Northern Mozambique. Due to MFA internal delays the financing agreement was signed only in late 2023. Both UNJP and UNFPA programmes have an agreement until the end of 2024 only, making it difficult to achieve the outcomes through this relatively short-term funding.

Under the impact area 2, the contextual factors continued to affect the implementation. The Covid-19 pandemic, the conflict in the north and environmental emergencies caused the closure of schools and the displacement of population in many geographical areas. Among other factors, these slowed down the implementation in 2021-22. An important part of CP implementation is the participation in the education sector policy dialogue. Finland has a strong reputation in the education sector, and according to the stakeholder interviews, during the CP cycle Finland has been active in policy dialogue influencing changes and strategic planning in the MINEDH as well as advocating for teacher training, bilingual education, primary education, and gender mainstreaming, including GBV, end of child marriages and gender-disaggregated data. The regular contribution from Finland to FASE has granted the access to the various education sector and FASE coordination groups, where Finland has often taken a leading role. During the 2021-2024 CP cycle Finland has co-chaired the FASE Working Group on Teacher Training.

## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021

In 2021 the impact area 1 (key institutions enhance equity and resilience) was still in its initial design. The impact area covered results from interventions on public financial management, research support to the MEF and demand for accountability created in the natural resources governance project. As described in Chapter 4.2, the assessment of results under the impact area 1 has suffered from finding the right level and type of indicators.

Outcome 1.1 on public finances and evidence-based policy design was assessed as unsatisfactory in 2021. The WB PREFER programme did not deliver its outputs such as the improved efficiency of the tax administration as it was being merged to a larger programme. The research and studies conducted by the IGM project to support the MEF were relevant and of high quality, but the





outcome was still considered unsatisfactory – as the actual targets were not reached due to Covid-19 restrictions. The second outcome (1.2) on strengthened key accountability institutions, based on the research work by IESE and the NGO consortium project working with the parliament, had good output achievements. Due to the missing link between the outputs and outcome statement and lack of updated data on the selected indicators, the outcome was assessed as “not available” in the annual results report: the country team recognised that in the current political setup, it was not possible for the parliament to hold the government accountable on decisions regarding natural resources. This was one of the factors triggering the revision of the ToC, shifting the focus of activities from the parliament and other duty-bearers more toward the citizens and local CSOs as rights holders.

The third outcome area on social protection did not produce any results in 2021 as the UNJP project was identified in 2021 and started effectively only late in 2022.

In impact area 2 (more efficient and inclusive education system provides all boys and girls better learning in primary and secondary education), the school closure and restrictions during the Covid-19 pandemic meant that the results could not be achieved. The first outcome area on girls’ retention and completion improved and was rated unsatisfactory: girls’ retention rate decreased from 2019 although later the upward trend picked up again. The targets of school completion were not met and there was no reliable data for the output on GBV.

The second outcome on teachers’ and principals’ performance was rated satisfactory. The outcome is based on the WB programme COACH, which developed and tested materials on tailored, practical and continuous in-service teacher education-coaching model. The output results were good, contributing to the outcome level to enhance student learning. Finland provided internal expertise from the MFA to review the COACH work plan, helping to speed up the start of the programme. The third outcome area on educational administration was rated satisfactory although it was difficult to get reliable data.

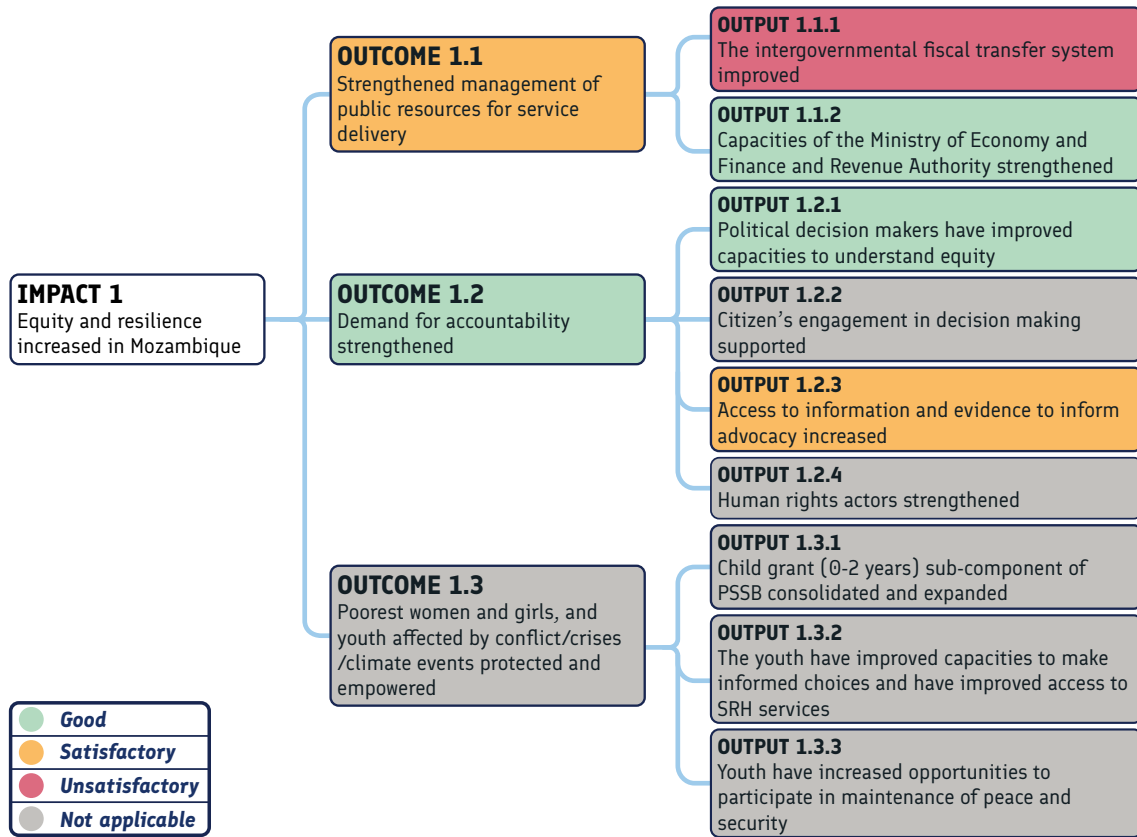
Finland continued active policy influence and dialogue throughout 2021, also leading the education sector Troika (three FASE members that coordinate the sector’s dialogue) until April 2021 and taking the co-chair position in the teacher training working group after that. The influencing role and high visibility were also confirmed by stakeholder interviews. This helped to keep the teacher training as one of the high priority reforms on the MINEDH political agenda.

## 5.2.2 Reported results in 2022

The 2022 results report was not completely comparable to the 2021 report as the revised CP implied changes in the formulation of impact, outcome and output statements. Consequently, many indicators changed as well. For this reason, only the 2022 colour coding of result achievement in outcome and output areas is shown in Figure 3 and Figure 4. According to the MFA guidelines the rating is good, when the achievement of targets is above 80%, satisfactory with a 60-80% achievement and unsatisfactory when the achievement of targets is below 60%. Impacts themselves were not coded in the results report. The light grey colour for some outputs under 1.2, 1.3 and 2.1 indicate that the contributing CEHUR and UNFPA programmes had not yet started.



**Figure 3** Reported results for 2022 in impact area 1



Source: 2022 CP Results Report.

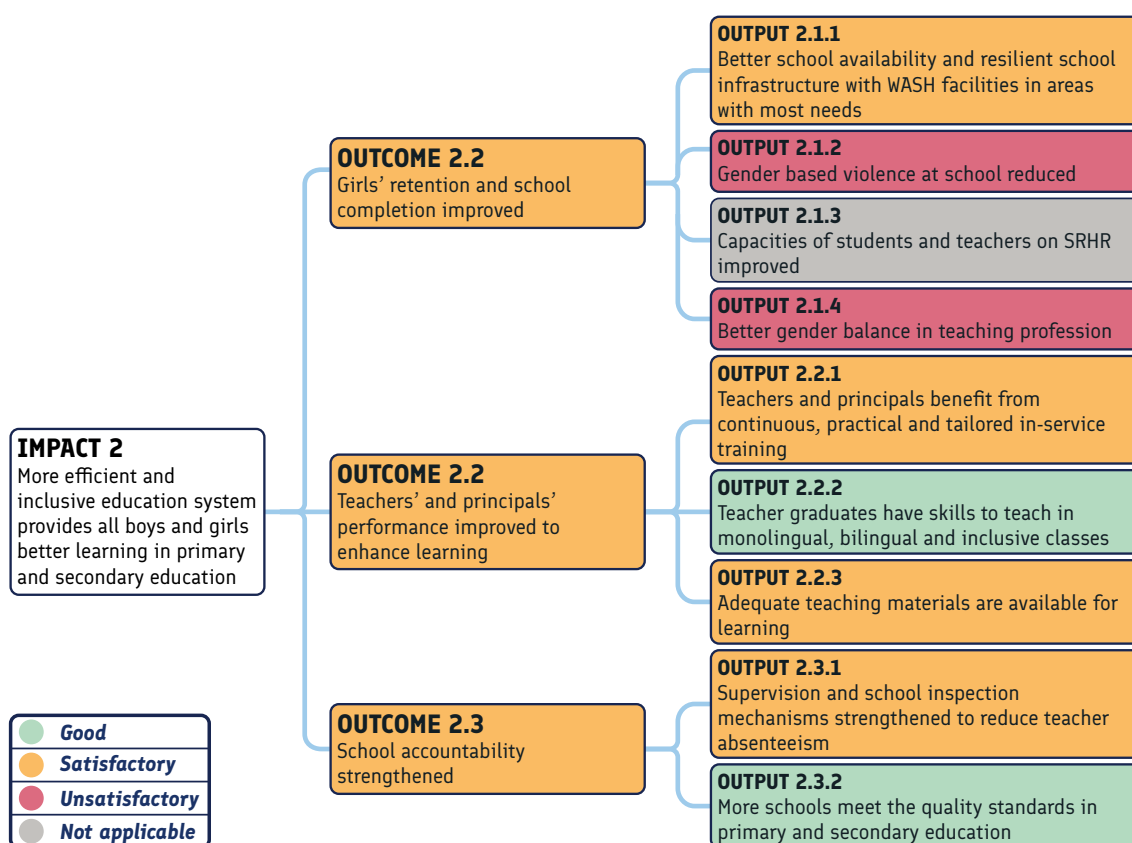
As a result of the CP revision the outcome 1.1 no longer focused on the strengthening of public finances but on the strengthened management of public resources for service delivery. Overall, the results for the outcome have been limited but the achievement of the outcome was assessed as satisfactory in 2022 as the selection of indicators was updated. The WB programme was still not fully effective. The research and training by the Inclusive Growth-programme was however assessed to strengthen the capacity of MEF staff to understand, produce and use poverty- and inclusivity-related analysis for the government 5-year plans, medium-term fiscal framework, annual budgets and to allocate the budget to provincial level. Stakeholder interviews confirmed the use of the analysis for directing budget allocations but pointed out that the provision of evidence to the politicians may not always result in the desired outcomes.

The demand for accountability outcome was marked good as the NGO programme on natural resource governance continued to work with the National Assembly, while the IESE presented relevant research papers. Working with the parliament provided the CSOs opportunities for advocacy and political dialogue and the project influenced guidelines and strategies of the parliament. However, it seems that the result framework and the reporting have not been able to capture the significant results that could show the changes due to the two projects. The consortium implementing the natural resources governance programme conducted an outcome harvesting (OH) process in late 2021 to assess the progress of the project but the OH results are not reported in the CP annual report. There were no results to report under the outcome 3 as the new programmes were not fully operational yet.



The results in the impact area 2 were considered overall satisfactory. The outcome 2.1 was rated satisfactory, although two of the outputs were clearly not achieved and 2.1.3 was derived from the still ineffective UNFPA project. However, the outcome indicator on girls' gross enrolment rate in the first cycle of secondary education showed an upward trend compared to the previous year. Under the output 2.1.2 a mechanism for the prevention, reporting and referral of GBV cases in schools was finalised but the availability of reliable GBV was a challenge. The share of recruited female teachers remained below the target (47%). On the positive side, the gross enrolment of girls for the first year of lower secondary education (outcome indicator) was 42.2%, up from 2021 (36.6%) and 2020 (37.8%) but still far from the targeted 68%. The national teacher policy was finally launched in 2022 and the contribution by Finland through the provision of technical expertise and continuous support from the embassy were considered important by the interviewed stakeholders. Regarding the outcome on school accountability, the data continued to be unreliable for some indicators and therefore, although there had been good progress, the outcome was marked as satisfactory.

**Figure 4** Reported results for 2022 in impact area 2



Source: Results report 2022.

Finland continued to co-chair the teacher training group and continued as out-going member of the FASE Troika. With others, Finland addressed the institutional capacity, school construction and textbooks related challenges and the quality of education. Finland's advocacy efforts in 2022 contributed for example to having the government agree to operationalise the FASE implementation support team in line in 2023 with the new FASE memorandum of understanding (MoU).



### 5.2.3 Expected results for 2023 and 2024

The assessment of the CP results in 2023 and in 2024 is an estimate as the 2023 reports from project partners were not received yet and the 2024 reports will be available only in 2025. The assessment was done by the country team members in the self-assessment workshop.

In the impact area 1 the performance under outcome 1.1 is expected to continue like in 2022 although it should also be decided whether the PREFER (GEPRES) results would still count as output indicators as the only Finnish disbursement took place in 2020. Hence the rating for outcome 1 would be satisfactory mostly because the IGM is likely to continue its good performance.

The outcome 2 on strengthening the demand for accountability was estimated to be good for 2023 although the indicators would continue to be challenging (See chapter 4.2). Looking at the overall situation in the country and relying on the activities reported by the new CSO consortium project in the first half of 2023, the country team members judged that there has been more demand for accountability at various fronts. The assumption was that for 2024 this demand would be further strengthened although it could be also suppressed, depending on the reactions by the Government of Mozambique (GoM).

The rating for the third outcome on poorest women and girls was difficult to estimate for 2023 as the report from the UNJP project is only due in April 2024 and the UNFPA programme agreement was signed only late in 2023. According to the country team assessment, the outcome and outputs would become satisfactory only in 2024. Based on the preliminary information the outputs related to child grant component were progressing well in 2023 in Nampula province (100%) while in Cabo Delgado the progress had been slower (56%) due to volatile context amidst of conflict.

In the impact area 2 the results were estimated to remain similar or improve for all outcomes and outputs, apart for one output: gender balance in teaching profession. Under the outcome 2.1 on improving girls' retention and school completion many developments had been slower than expected, due to multiple reasons such as the impact of Covid-19 pandemic, internal changes within FASE, capacity issues in public schools and the delay of the UNFPA programme. Regional disparities were expected to continue. Overall, progress in the outcome was estimated to continue as satisfactory in 2023-24. It was expected that school completion would gradually improve, and the UNFPA Programme would finally start in 2024, with positive progress in related indicators.

The results under the outcome 2 on teachers' and principals' performance are expected to improve, although it is difficult to estimate whether the rating would change from satisfactory to good in 2023-24. The COACH/Aprender + project would be expanded in 2024 based on the successful pilot phase that had produced best practices and lessons learnt. There is also a strong government agenda for increasing the number and quality of teachers although the government faces budgetary limitations. The improved performance is estimated to be supported also by the new teacher policy and the teacher pre-service training reform moving forward with the commitment from the government.

The third outcome under the impact area 2 showed good improvement based on the indicators but there are challenges in getting reliable data. However, the overall rating was expected to be good.



## 5.3 Contribution to Finland's cross-cutting objectives and other results

Human rights-based approach (HRBA) is strongly embedded in the CP, and it was further strengthened in the revised version of the CP. The meta-analysis team is of the opinion that HRBA has been observed in project planning, reporting, policy dialogue and advocacy with the development partners, government, and other implementing partners. Finland has had a very active role in promoting HRBA in FASE working groups, focusing on issues such as regional disparities, non-discrimination, and gender. This was evidenced by the stakeholder interviews and as a conclusion of the education sector evaluation,<sup>57</sup> which considered the Finnish contributions notable in addressing cross-cutting issues and HRBA concerns, mostly related to girls' retention in basic education.

Especially the importance of gender was recognised by the stakeholders as being a constant focus of Finland in sector working groups and policy dialogue. The inclusion of gender in the results framework was mostly presented as sex disaggregation of beneficiaries. It has been monitored through numbers of beneficiaries such as trainees, research paper authors and life skills mentees. The new programmes on social protection and SRHR have a strong focus on women's and girls' rights.

Non-discrimination has been reported to be included in education sector outcomes (especially 2.1 and 2.2) but because of limited availability of national level data, only the output 2.2.2 (teacher skills on inclusive classes) had an indicator with different type of disabilities in primary schools. The desk-based mini-case study for the evaluation of Finland's support in the education sector<sup>58</sup> noted that the COACH-programme had built in the principles of gender, non-discrimination and inclusive education and considered climate change aspects. Still, it had not fully met Finland's expectations regarding mainstreaming cross-cutting objectives. In the impact area 1, the meta-analysis team concurred with the country team who rated non-discrimination as poorly considered and therefore unsatisfactory.

The same applied to the climate sustainability and low carbon development, which were hardly addressed in the CP and its projects. Some climate change-related activities were mentioned in the IGM/DEMO project, in the UNFPA intervention and in the WASH aspects of the school construction supported through FASE.

## 5.4 Sustainability of results

In the self-assessment workshop, the country team members estimated the sustainability of CP results by ranking them from low (results mostly lost after 2024) to medium (results likely available for a few years) and high (results likely available for many years). The workshop participants considered the sustainability of results rather high, especially in the education sector which would most probably continue to enjoy considerable support from other development partners. The GoM has shown commitment to the education sector by building strong policies and strategies and

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57 MFA. (2023). Right to Education, Right to Learn – Finland's Development Cooperation in the Education Sector. Evaluation report.

58 Kuvaja, M. (2023). Thematic Case Study: Teacher Education in Mozambique. In Right to Education, Right to Learn – Finland's Development Cooperation in the Education Sector. MFA Finland.



by increasing the education sector budget. This was confirmed by stakeholder interviews, also highlighting the importance of shared high-quality expertise from Finland as well as the recent institutional support by two universities and FinCEED (the Finnish Centre of expertise in Education and Development). Sustainability would thus be supported also by Finnish-funded interventions external to the country programme.

Sustainability was estimated to be highly dependent on the different developmental scenarios that were analysed in the self-assessment workshop. The deterioration of the operating environment due to the spreading of the conflict and closing of the democratic space were assessed to negatively affect the sustainability of all CP results and only some results would remain.

In impact area 1, the country team assessed sustainability high or medium for most scenarios, but for the outcome 1.1 on strengthened management of public resources for service delivery, the sustainability was not estimated high in any scenario. The reasons for the assessments in the impact area were the following:

- As the results under the outcome on strengthened management of public resources for service delivery have been limited so far and some of the results have been achieved without the programme's support, the sustainability of the results would be medium. However, the stakeholder interviews highlighted that considerable capacity has been built by the Inclusive Growth project in the MEF to conduct poverty- and inclusivity-related quantitative evidence-based research. Norway and the Switzerland have shown interest to continue funding the project.
- On the demand for strengthened accountability, the main long-term implementing partner (IMD) was considered as a robust CSO, and it has become a trusted partner by different stakeholders. This was an unplanned result that the country team considered likely to remain.
- Social protection and empowerment of poorest people has achieved limited results so far as the projects have just started. Their sustainability depends on the continuing or increasing support by other donors and the continued commitment by the leadership in the Ministry of Gender, Child and Social Action of Mozambique (MGCAS).

In impact area 2, sustainability was considered high for all the outcomes only in the case of democratic development and a contained conflict, while it was considered low to all results in the case of spreading conflict and weakened democracy.

- It was estimated that the policies, strategies, commitment, and the increasing budget from the government, the future Global Partnership for Education (GPE) funding and the current donor funding and coordination in FASE would ensure keeping up the results on girls' education and teacher training. Escalation of conflict would increase girls' vulnerability, but more humanitarian funds and action would likely emerge. The evaluation on Finland's support to the education sector concluded that while the institutional sustainability of the MINEDH for providing basic education was strong, the financial sustainability was weak and the GoM and MINEDH would still remain dependent on international development partners.



- For chairing the Teacher training working group, there were other interested and willing donors. The Finnish-funded HEI-ICI (Higher Education Institutions Institutional Cooperation Instrument) project by the Jyväskylä University of Applied Sciences (Theory-Practice Balance in Teacher Education) outside the CP would also contribute to the sustainability.

Overall, the interviewed stakeholders, country team and the meta-analysis team agree that the sustainability of the CP activities relies mostly on the continued support from other development partners although the positive institutional reforms in the ministries (MEF, MINEDH) are the prerequisite for the sustainability of these results.





## 6 Added value of the CP

The self-assessment workshop participants concurred that the CP has ensured the continuity and focus of Finland's development cooperation in Mozambique. It provided the vision, Finland's development cooperation objectives in the country, and the strategy to implement the vision. The meta-analysis team finds the CP document and the underlying ToC solid and well justified, adapted to the country context and mostly based on the lessons learned from the previous programme and individual projects.

The revised ToC provides a good example of CP's added value. According to the embassy staff the continued process of designing and reformulating the CP and the results framework has deepened the analysis and managed to build synergies between the impact areas and related programmes by finding the common aspects in them. The synergies are evident on the inclusion of activities on education and SRHR (GBV and SRHR services in schools and communities) in different interventions of both impact areas. At the same time, the embassy has taken the issues of SRHR and GBV to the education working groups and to the MINEDH, as confirmed by the stakeholder interviews.

The CP has allowed for the embassy to actively interact with implementing partners and to ensure that the new programmes are aligned with Finland's objectives in Mozambique. The country team and the stakeholder interviews confirmed that the CP provided the framework that allowed for complementarity and coherence, also when starting new interventions such as the CSO project and the HEI-ICI project on teacher education by Jyväskylä University of Applied Sciences (JAMK).

The workshop participants stressed that the CP and its results framework ensure more attention to achieving results. This was also considered as a challenge in future when there will be more fragmented Finnish-funded interventions in the country. The targets and results of e.g. CSOs or multilateral projects funded by other MFA departments are not under a similar umbrella and are monitored by different MFA departments and/or units. Through the monitoring of the CP programmes the embassy staff ensures the ground truthing and real-world feedback to the MFA together with the analysis of the country situation.

The interviewed stakeholders and the country team noted that Finland has built up a considerable amount of social capital in Mozambique. This social capital has been further strengthened by the CP approach. In particular the comprehensive, long-term and substantial support to the education and natural resources governance sectors has ensured Finland's access to institutions (ministries, parliament, development partner groups) for political and policy influencing and even impacting decision-making. It was also mentioned in an interview that Finland has a high convening power when organizing events and meetings.





## 7 Conclusions

Finland's country programme has responded to Mozambique's key development challenges by supporting a wide range of programmes with diverse partners. The programmes on education, natural resources governance and public financial management represent a long continuum and strong partnerships, while some new alliances on social protection and SRHR have just been initiated. A wealth of lessons learned, networks and country know-how has been built. The embassy now has a two-fold task: to phase out the support to all the programmes of the current CP, and to plan how to further develop commercial-economic relations. The CP ends at the point when it was still taking a new direction under the new approach.

The phasing out period will last until late 2025 as most of the projects under CP will provide their final reports and accounts only mid-2025 for the final CP reporting. The meta-analysis team supports the country team's proposal to design and implement a plan of measures to ensure the sustainability of the results and to communicate the results achieved and lessons learned to a wider audience in Mozambique and in Finland. The lessons learned should include the experiences of policy dialogue and influencing to benefit Finland's remaining six CPs. Ensuring the sustainability includes sharing the results with other development partners interested in continuing the funding of UNFPA and UNICEF projects and later the CEHUR project. Otherwise, the meta-analysis team considers the two-year investment on UNFPA and UNICEF projects, coupled with the considerable efforts by the embassy in the design phases of the interventions, as a lost opportunity.

Another plan is needed to build a strategy for not losing the social capital that Finland has built in Mozambique over the years, to maintain the necessary networks and to build new contacts directed toward increasing trade relations. This should be part of a new country strategy and include an inventory of Finnish funding through different instruments and MFA departments in Mozambique.

During the self-assessment workshop, the participants discussed the opportunities for future engagement in Mozambique. When the focus shifts from development cooperation to commercial-economic relations, also the embassy staff profiles will change. However, the meta-analysis team is of the opinion that the embassy should maintain expertise on development issues to monitor the Finnish funding through other instruments and partners such as multilateral organisations, CSOs and private companies. The embassy should always be able to play the role of a hub, knowledgeable of Finnish interventions and sharing the information with the MFA capital. The information will also serve Finnish companies interested in entering the Mozambican markets.

All the programmes under the CP should be evaluated at the end and the results shared with stakeholders in Mozambique and in Finland. There is an opportunity of linking successful projects to the Finnish CSOs working in Southern Africa and developing new programmes built on the achieved results. The results of the natural resource governance and accountability projects should be analysed and the possibility of continuing the support through DEMO Finland or other NGOs assessed as part of the phasing-out plan.

Based on the sizeable funding and relatively good results in the education sector, the meta-analysis team stresses the importance of adding value to the investment already before the end of the CP. This can take many different forms, as suggested by the workshop participants:



- Twinning through ICI, HEP (Higher Education Partnership Programme) and EU arrangements. The University of Helsinki has already many projects with different partners in Mozambique.<sup>59</sup>
- Assistance through the Team Finland Knowledge programme by the Finnish National Agency for Education.<sup>60</sup>
- Provision of Finnish education sector expertise through FinCEED and EU Regional Teacher Facility (Global Gateway Forum). FinCEED has already funded, with good results, a six-month expert support in finalising the National Framework of Professional Standards and Qualifications of teachers in Mozambique in 2023.
- Connecting the Finnish Education and Science Counsellor of the Team Finland Knowledge Network, in Pretoria, South Africa, to the education sector networks and stakeholders in Mozambique. This would facilitate Finnish education sector collaboration as well as funding and market opportunities for Finnish education establishments.
- Leveraging Finland's funding to Global Partnership for Education in policy dialogue and planning of the future of the education sector in Mozambique.

The instruments may also include secondments in international organisations. However, it would be important for the embassy to have the capacity to meet regularly with the Finnish experts and facilitate information sharing between them, MFA and relevant stakeholders.

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59 Peltonen, M. (2023). Rule of law develops slowly but constantly in Mozambique. University of Helsinki.

60 TFK creates and strengthens cooperation between Finnish higher education institutions and the target regions and countries selected to the TFK network.



# MYANMAR COUNTRY REPORT

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# 1 Introduction

A meta-analysis of Finland's 10 Country Programmes (CPs) has been commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about this analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the “Temporary policy on development cooperation in Myanmar” which guided the work after the military takeover in February 2021, and the Short-Term CP, valid 2022-24.<sup>61</sup> The report is compiled on the basis of desk review, interviews with selected external stakeholders, and a self-assessment workshop held on 15-17 January 2024 in Bangkok with nine MFA participants. These included the Head of Mission, the Head of Cooperation and a Senior Adviser from the embassy in Yangon, the two Senior Advisers of the MFA's Department for the Americas and Asia, the Director, Team Leader and Desk Officer for Myanmar in the MFA's Unit for Southern Asia, and a Senior Evaluation Specialist from the MFA's Unit for Development Evaluation. Seven external stakeholders representing Finland's implementing partners in Myanmar were interviewed before the workshop.

The report is structured as follows. Section 2 introduces the Temporary Policy, and the Short-Term CP. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming in the case of Myanmar. Section 5 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-add of the CP approach for Myanmar. Section 7 draws overall conclusions. Annex A summarises reported results in the previous programme cycle 2016-20.

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61 A four-year CP 2021-24 was drafted but not approved or applied because of the coup.



## 2 The 2021 Temporary Policy and the Short-Term Country Programme 2022-24

This section introduces the Temporary Policy and the subsequent Short-Term CP that replaced it from 2022-24. It explains their goals, how these were intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

The previous CP provided support in three areas: peace and democracy, education, and sustainable forest management.<sup>62</sup> The first area included a component focused on the rights of women and girls. For the present programme cycle 2021-24, a new CP with similar impact areas was drafted in 2020 but the coup d'état on 1 February 2021 happened before it was approved and applied.

Instead, reacting to the coup, a Temporary Policy was drafted and approved by May 2021. The Temporary Policy redefined Finland's development policy goals in the country as follows:

1. Foundations for peaceful solutions and democratic space are sustained, and
2. Protection of gender equality and enabling conditions for a decent life in the emergency situation.

In line with the first goal, peace and democracy work was continued, however now with a focus on the grassroots level. This reflected Finland's policy of not supporting the military regime and the fact that there was no national peace process anymore. The second impact area covered three different topics: support to women and girls, education, and rural livelihoods.

For both goals, grassroots solutions were sought and any direct engagement with the military regime was avoided. For example, earlier support to the public education system and for the establishment of a National Forest Management Information System was halted. Within these areas, the Temporary Policy advocated and allowed for flexible adaptation to whatever assistance people required most. This flexibility included the option of using development cooperation funds for additional humanitarian assistance and of broadening support to include also actors working on Myanmar outside the country.

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62 The 2016-19 CP was part of the 2016-19 Country Strategy. It also guided development cooperation in Myanmar in 2020.



In 2022, the Temporary Policy was succeeded by the Short-Term CP for Myanmar. The Short-Term CP had two impact-level goals:

1. Return to inclusive peace process and path for federal democracy,
2. Children have safe, quality and continuous learning opportunities supporting them to develop their full potential.

Compared to the Temporary Policy, the second impact area was now exclusively focused on education. While the work on basic services for women and girls and on rural livelihoods continued, it was not included into the Short-Term CP.<sup>63</sup> This was done to reduce the number of sectors to better manage risks and to give the country team sufficient time for more demanding adaptive management of projects after the coup.

## 2.2 How these goals were to be reached

**2021 Temporary Policy.** Apart from providing strategic guidance, the 2021 Temporary Policy included a project-by-project linear schematic outlining funding, main activities, and intended result. It also provided an assessment of feasibility in terms of assumed risks to project implementation. The 2021 CP results report then added more detailed on how the two impact goals of the Temporary Policy were to be reached:

- Foundations for peaceful solutions and democratic space were to be sustained by maintaining negotiating capacity and continuing informal discussions among conflict stakeholders, de-escalation, and trust-building measures, and by supporting democratic stakeholders and civil society with capacity, tools and information.
- Under the second impact goal of the Temporary Policy, three issues were addressed. First, the professional development of teachers and support to learning resources and modalities was continued, contributing to learning opportunities for children. Second, women and girls were to be supported in the areas of Sexual and Reproductive Health and Rights (SRHR), Gender-Based Violence (GBV), and Mental Health & Psychosocial Support (MHPSS). This was done by facilitating access to services and by supporting relevant women organisations. Rural livelihoods – the third topic subsumed under this impact goal – was to be supported through strengthening the income-generating capacity of rural communities with the ultimate objective of displacing illicit (drug-related) value chains.

**2022-24 Short-Term CP.** The subsequent 2022-24 Short-Term CP adjusted and focused these approaches further.

- In impact area 1 (return to an inclusive peace process and a path for federal democracy), avenues for dialogue and peaceful solutions among conflict stakeholders were to be opened by increasing their capacity and willingness for non-violent solutions,

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<sup>63</sup> Projects implemented by UNFPA and UN Women were also considered as impact area 1 “inputs” in the 2022-24 Short-Term CP, but principal results were reported as “outside the CP theory of change” in the 2022 CP results report.



fostering participation of women and youth, and by supporting local, community-led peace initiatives. In parallel, overall democratic foundations and respect for human rights were to be strengthened by supporting democratic stakeholders and civil society with capacity, tools and information (as under the Temporary Policy), and by assisting civil society actors, including women's organisations, in the continuation of their work. Compared to the Temporary Policy, the participation of women and women's organisations was now more explicit in this impact area.

- In the second impact area (which now focused on exclusively on education) learning for the most disadvantaged children was to be supported by promoting the right to inclusive quality education and by supporting community-led education providers. In parallel, educators were to be trained and supported with inclusive and multi-lingual education materials and tools.

## 2.3 Contributing projects and programmes

Between 2016 and 2022, Finland financed CP-related projects with a total average annual expenditure of about EUR 10.3 million (Figure 1). In the previous programming cycle (2016-20), that average was EUR 10.2 million. In the first two years (2021-22) of the current cycle, the average was EUR 10.5 million. This however included an EUR 3.0 million disbursement to the UN Refugee Agency UNHCR in 2022, in support of humanitarian assistance in the protracted Rohingya crisis.





**Figure 1 Actual disbursements for CP projects 2016-2022 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
Myanmar census (UNFPA)	0.2							<b>0.2</b>
Development of democracy and rule of law in Myanmar (UNDP)	2.5	1.5						<b>4.0</b>
JPF (UNOPS)	1.5	1.5	1.5	1.5	1.8	1.8		<b>9.6</b>
FELM-EBO	1.1	1.3	1.3	1.2	1.4	1.4		<b>7.6</b>
UNFPA	1.7	1.0	1.0		2.0	1.0	1.0	<b>7.7</b>
CMI				0.5	0.6	0.7		<b>1.8</b>
IDEA				0.4	0.5		0.4	<b>1.2</b>
Gender Responsive Governance (UN Women)					1.6		1.4	<b>3.0</b>
<b>Subtotal</b>								
Early childhood education project in Myanmar	1.4							<b>1.4</b>
UNESCO (teacher support)	1.1		1.0	1.2	1.8	0.4	0.9	<b>6.3</b>
WB (education sector)		0.5	0.5	2.2	4.0			<b>7.1</b>
WB expert fund				0.9				<b>0.9</b>
Ethnic Education in Myanmar (MEC)						2.0	2.7	<b>4.7</b>
Quality Basic Education Pathways for Children (UNICEF)							3.0	<b>3.0</b>
<b>Subtotal</b>								
Alternative Development Programme (UNODC)	1.0	1.0	1.0	1.5	1.2	0.8	0.5	<b>7.0</b>
FAO forestry project		1.0			1.7			<b>2.7</b>
ICI (forestry)								<b>0.8</b>
<b>Subtotal</b>								
UNHCR (Rohingya refugee crisis)							3.0	<b>3.0</b>
ICI (geology)	0.1							<b>0.1</b>
Project preparation	0.028	0.015	0.001					<b>0.0</b>
Project preparation			0.020	0.035	0.012		0.004	<b>0.1</b>
<b>Total Annual Disbursements</b>	<b>10.6</b>	<b>8.0</b>	<b>6.4</b>	<b>9.7</b>	<b>16.6</b>	<b>8.0</b>	<b>12.9</b>	<b>72.2</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).

In 2021, under Temporary Policy, four projects supported by Finland contributed to impact area 1:

- The Joint Peace Fund (JPF), a joint initiative by international donors to support Myanmar on the path to sustainable peace, operationally managed by the United Nations Office for Project Services (UNOPS),
- “Strengthening Peace and Dialogue Processes in Myanmar”, implemented by the Euro-Burma Office (EBO) and the Finnish Evangelical Lutheran Mission (FELM),
- “Unlocking Peace Potential through the security sector in Myanmar”, implemented by the Ahtisaari Peace Foundation (CMI)<sup>64</sup>, and
- “MyConstitution”, implemented by the International Institute for Democracy and Electoral Assistance (International IDEA).

64 “Crisis Management Initiative” until renamed in 2021.



All four projects had to adapt to the new situation caused by the Covid-19 pandemic and the military takeover. While support was scheduled to end in 2021, all projects were granted no-cost extensions into 2022. Under the first impact area of the 2022-24 Short-Term CP, work with all project partners is expected to continue.

In 2021, the three topics in the second impact area (under the 2021 Temporary Policy) were to be supported as follows:

- Education:
  - “Ethnic Education in Myanmar”, implemented by the Myanmar Education Consortium (MEC),
  - “Quality Basic Education Pathways for Children (QBEP4Children) in Myanmar”, implemented by UNICEF (with start end of 2022) to respond to the education crisis, and
  - “Strengthening Pre-Service Teacher Education in Myanmar” (STEM), implemented by UNESCO.
- Women and girls:
  - “Gender Responsive Governance”, implemented by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), and
  - “Women and Girls First” (WGF) programme, implemented by the United Nations Population Fund (UNFPA).
- Rural livelihoods:
  - “Alternative Development Programme”, implemented by the United Nations Office on Drugs and Crime (UNODC).

In the subsequent 2022-24 Short-Term CP, impact area 2 was focused on education with the three education-related projects listed above. The UN Women and UNFPA projects continued until their current phases ended. These projects were also considered to contribute to certain outputs under impact area 1, as described later in this report (Figure 4 in Section 5.2.2). UNODC was granted a consolidation phase that is ongoing.

For all intended results, sector donor coordination and policy influencing activities were also considered important, together with the work of Finnish civil society organisations (CSOs) (financed outside of the CP).



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Myanmar.

### 3.1 Past and current country context<sup>65</sup>

After decades of military rule, a hopeful period began in 2011 under a transitional military government. In 2015, democratic elections were held with a landslide victory by the National League for Democracy (NLD). Economic reforms and the lifting of international sanctions enabled economic growth, averaging 6% per year 2011-19. This was coupled with significant reduction in poverty.

Reacting to these positive developments Finland started development cooperation with Myanmar in 2012 with a focus on supporting the peace process. In 2013, a diplomatic mission was opened in Yangon. Between 2015 and 2023, Finland has disbursed about Euro 115.1 million official development assistance (ODA) to Myanmar (Figure 2).

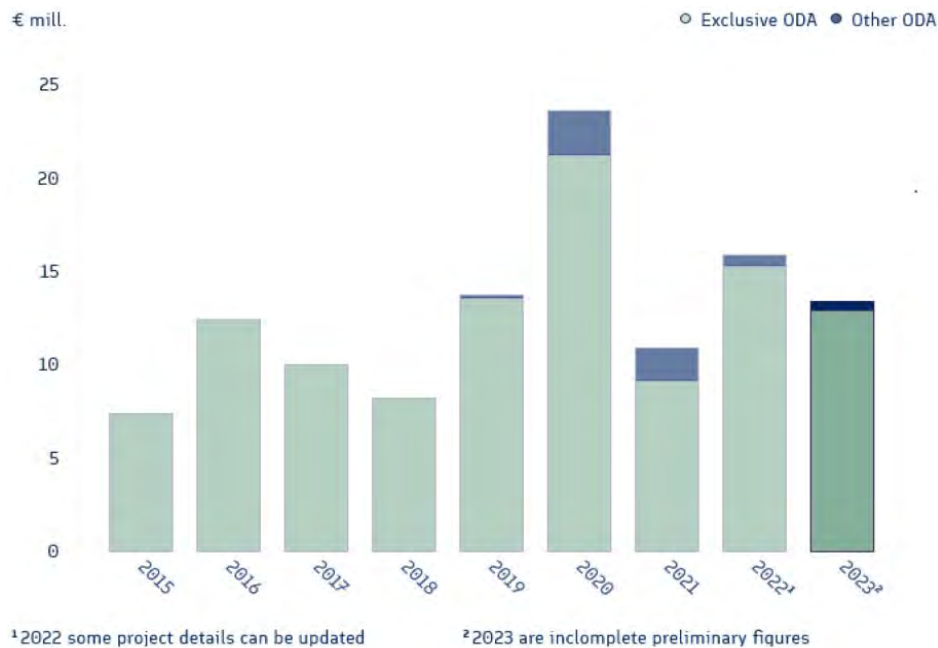
The period of political and economic optimism ended abruptly when the newly re-elected civilian government led by Aung San Suu Kyi was deposed by the Tatmadaw, Myanmar's military, on 1 February 2021. This ended the country's democratic transition and resulted in a sharp increase of conflict. As of October 2023, military forces opposing the Tatmadaw controlled an estimated 60% of Myanmar's territory, and about one third of its townships. When this report was written, the situation in the country remained very complex.

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65 This section draws among others on the following documents: MFA Myanmar Political Economy Analysis (2018); MFA Myanmar Country Strategy 2016-19, MFA Myanmar CP 2021-24, MFA CP annual results reports 2016-22, Evaluation of the Country Strategy Approach in Fragile Contexts, including the Myanmar case study, World Bank Myanmar overview (<https://www.worldbank.org/en/country/myanmar/overview>), The IRC and EU collaborate to address urgent needs in Myanmar (Press release: <https://www.rescue.org/eu/press-release/irc-and-eu-collaborate-address-urgent-needs-myanmar>), A generation of children are at risk of learning losses in Myanmar (<https://blogs.worldbank.org/eastasiapacific/generation-children-are-risk-learning-losses-myanmar>), Rohingya emergency (<https://www.unhcr.org/emergencies/rohingya-emergency>). All websites accessed in February 2024.



**Figure 2 Finnish ODA to Myanmar 2015-23**



Source: OpenAid. Myanmar. Accessed in June 2024 at [https://www.openaid.fi/en/viz/oda?recipient\\_country\\_code=MM&years=2015,2023](https://www.openaid.fi/en/viz/oda?recipient_country_code=MM&years=2015,2023)

Myanmar has also suffered from several other crises:

- In 2017, there was massive violence in Rakhine State leading to one of the largest waves of refugees fleeing their homes, including 750 thousand Rohingya fleeing to neighbouring Bangladesh. The “Rohingya crisis” has continued until today.
- In 2020-22, the country suffered from the Covid-19 pandemic, causing severe disruptions in education and public healthcare. In the two years between February 2020 and February 2022, public schools remained closed for 532 days and were opened in highly politicised context following the coup. School enrolment decreased dramatically and, in contrast to other countries in the region, didn’t recover after the pandemic.
- Myanmar is also highly vulnerable to climate change and natural disasters. In May 2023, category 5 cyclone Mocha killed hundreds of people and destroyed more than 180,000 houses and almost 1,400 schools.

The World Bank estimated that Myanmar’s economy has grown 30% less than it would have in the absence of the pandemic and the coup, and 13% lower than in 2019 in absolute terms. In addition, the war in Ukraine has contributed to rising food and energy prices globally.

Prolonged conflict, collapsing basic services, and the economic downturn have increased poverty. In May 2023, the World Bank estimated that 48% of farming households worried about not having enough food (this number was 26% a year before). The International Rescue Committee (IRC) estimated that in May 2023, nearly 40% of the population (54.2 million in 2022) lived in poverty, and more than 17.6 million people were in urgent need of humanitarian aid. The UN further estimates that 1.6 million people have been internally displaced, and that over 55,000 civilian buildings have



been destroyed since the military takeover. Because of the ongoing erosion of human capital, experts worry that Myanmar risks a “lost generation”.

During the workshop, the country team discussed recent developments in the country. The following development were considered particularly relevant when considering present and future development cooperation in Myanmar:

- **Reactions to the coup.** International sanctions and stricter engagement policies have led to reduced overall development cooperation in Myanmar. They have also complicated development cooperation by requiring delivery without involving state structures. In turn, the Tatmadaw’s response to these changes in approach now make it even more difficult to operate in the country.
- **Civil Disobedience Movement (CDM) & public basic services.** One consequence of Myanmar’s strong and prolonged CDM was an exodus of government employees from institutions, affecting the capacity of public institutions to continue service delivery. Many public schools now lack qualified teachers after a significant number of them moved to monastic or ethnic schools or changed careers.
- **Intensification of conflict.** Armed conflict in Myanmar has increased since the coup. Recent coordinated advances by several Ethnic Armed Organisations (EAOs) – such as the “Operation 1027” of late 2023, have increased military pressure on the Tatmadaw. With higher levels of conflict, acute humanitarian crises and needs for assistance are further increasing,
- **Regional governance.** Regions not under by the Tatmadaw are strengthening their own governance structures. The international community has an interest in supporting such structures as long as they are inclusive, democratic, and based on cooperation between ethnic groups. Ideally, they should represent steps towards a future federal democracy in Myanmar.

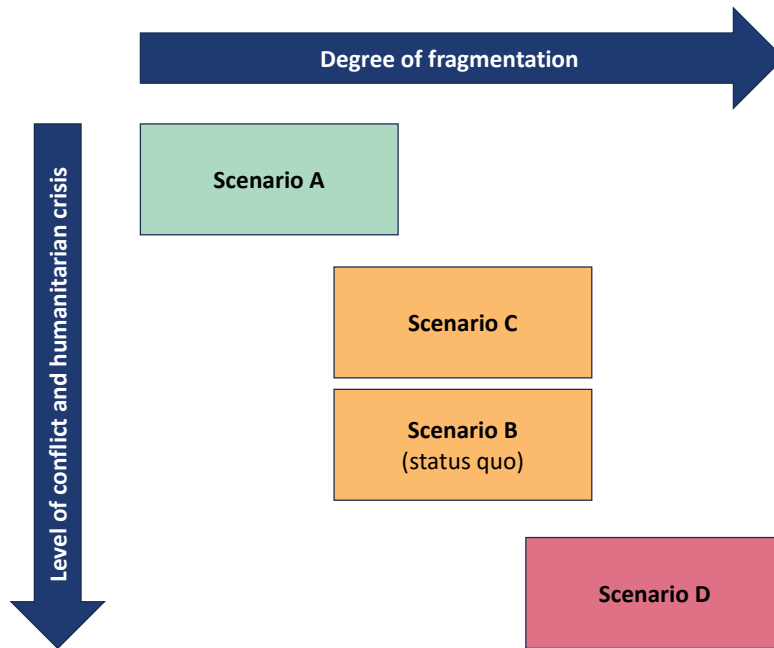
## 3.2 Future development scenarios

During the self-assessment workshop, four scenarios were developed for internal planning purposes. The time horizon was 2025-28. As shown in Figure 3, the two axes considered in the scenarios were:

1. The level of continued conflict and humanitarian crisis, and
2. The degree of fragmentation of the country in terms of governance and control.



Figure 3 Future scenarios for Myanmar



Source: Myanmar CP self-assessment workshop, January 2024.

Scenario B represented the current situation, protracted for the next few years. The present situation might also stabilise along conflict lines based on minimal agreements (Scenario C). A political solution (Scenario A) and further deterioration (Scenario D) were also discussed.

Previous scenario analyses conducted immediately after the coup (as part of the 2021 Temporary Policy) and in early 2022 (as part of the 2022-24 CP and an evaluation of Finland's peace projects in Myanmar) had considered similar scenarios.

### 3.3 Austerity measures in Finland's development cooperation

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs.<sup>66</sup>

Four CPs will be ended in a controlled manner during the present government term, including the Myanmar CP. This means that there will not be a CP for Myanmar in 2025-28 and that the budget for Finland's remaining development cooperation activities in the country will be significantly lower.

<sup>66</sup> MFA. (2024). Austerity measures in development cooperation are specified. Press release. Accessed in March 2024 at: <https://valtioneuvosto.fi/en/-/austerity-measures-in-development-cooperation-are-specified>.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and assesses current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Bangkok, and on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

Workshop participants felt that the country team – in charge of managing the CP – had several clear strengths:

- Competent, professional, and motivated staff,
- A strong and collaborative team entertaining open dialogue and showing mutual support, a shared understanding of the situation, common goals, and competent leadership,
- Strong institutional memory and relevant experience of Finland's past and present engagement in Myanmar, including experience from the field, and
- Experience of working in fragile contexts and comfort and skill with adaptive planning.

The country team felt that its capacity to perform was weakened by staff rotations and uncertainty about future positions and staff. Participants remarked that required institutional memory and know-how sometimes depended on particular individuals and would effectively be lost if these rotated to new positions or left the MFA. There was also a sense of a growing mismatch between responsibilities and staff capacity. Especially embassy staff felt increasingly stretched thin with managing CP projects in addition of their other tasks within and beyond development cooperation.

Participants worried about looming budget cuts and the overall future of Finland's development cooperation in Myanmar. At the time of the workshop, the phasing out of Finland's support to education had already been decided. A few days after the workshop, the future focus on peace-related work became official, together with the decision to not have another CP in Myanmar after 2024.<sup>67</sup>

Related to possible future development cooperation in Myanmar, the country team considered Finland's reputation and good working relationships among donors and project partners an asset. Finland's partners were considered to possess good access and working relations with stakeholders in the country. Participants felt that these should be put to use in Finland's future work in the country, including for projects financed by the MFA outside current CP budgets (e.g. by the MFA's

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67 MFA. (2024). Ulkomaankauppa- ja kehitysministeri Ville Tavion puhe hallituksen kehitysyhteistyösopeutuksia käsittelevässä tiedotustilaisuudessa. Accessed in February 2024 at: [https://um.fi/ajankohtaista/-/asset\\_publisher/gc654PySnjTX/content/ulkomaankauppa-ja-kehitysministeri-ville-tavion-puhe-hallituksen-kehitysyhteistyösopeutuksia-kasittelevassa-tiedotustilaisuudessa/35732](https://um.fi/ajankohtaista/-/asset_publisher/gc654PySnjTX/content/ulkomaankauppa-ja-kehitysministeri-ville-tavion-puhe-hallituksen-kehitysyhteistyösopeutuksia-kasittelevassa-tiedotustilaisuudessa/35732).



Centre for Peace Mediation, through direct support to Finnish CSOs, or via FinCEED), and by other donors with continuing strong involvement with the country.

Internationally, the country team felt that other worldwide crises (such as the war in Ukraine and the situation in Gaza) might deflect future international attention away from Myanmar. This was considered a risk for the people of Myanmar, but also for the engagement and funding of international community including Finland in Myanmar.

## 4.2 Assessment of current planning and reporting arrangements

Workshop participants considered the CP process to be useful because it ensured, once per year, a time for reflection and common understanding of overall results achieved, and of issues encountered. In this context, the management response was also found useful because it marked a moment and reserved time for interacting with senior MFA leadership. Mainly, the CP was considered a tool for accountable reporting and communication of the goals and results of Finland's development cooperation in Myanmar. Workshop participants felt that the CP provided focus and structure to reporting and ensured that involved staff shared a common understanding of activities and goals. Participants noted the importance of MFA leadership attention to CP plans and reports.

On the project level, oversight and steering of projects was mostly done based on frequent informal interactions with project partners, donor coordination and project steering committee meetings, field visits (if possible), and project plans and reports.

One particularity of Finland's work in Myanmar is the sensitivity of project-related interactions and information, especially for the peace and democracy-related projects in impact area 1. Adhering to commonly accepted results-based management principle of accountable public reporting of plans, activities and results would carry the risk of exposing participating stakeholders to the Tatmadaw regime. In this context, interviewed stakeholders and workshop participants described further growing polarization of the public discourse in Finland and other donor countries, making it difficult to keep even informal channels open to all stakeholders in Myanmar. These sensitivity-related risks are compounded by the fact that peace-related project results are usually not measurable by quantitative indicators.

As a consequence, much of the MFA's oversight and steering of CP project work is based on informal rather than formal interactions and exchange of information. In line with this, a 2022 assessment of Finnish peace projects in the country concluded that traditional results-based management of peace projects was difficult and anyhow not very meaningful. That evaluation recommended to use some degree of "trust-based" management, all the while not letting projects entirely "off the hook" in terms of oversight. The meta-analysis team acknowledges that striking the right balance between trusting partners and ensuring checks and balances is not easy. It was found that i) a plausible and up-to-date project impact logic adapted to the context, ii) reliance on project partners with a proven track record, and iii) close and open communication between directly involved MFA personnel and project staff are needed. These elements appear to be in place, including, for example, frequent information exchange with and between the projects.





When discussing the annexes to the CP document and reports, participants noted that the results framework was useful for providing overall structure but that it was difficult to operate it with limited staff resources. As mentioned earlier, using quantitative indicators for each outcome and output was considered a challenge especially for describing informal and qualitative “influencing type” results of impact area 1.

The financial annex was considered useful, and the underlying system (RATSU) was used to monitor project budget utilisation by project and for the entire CP.

Two other annexes, the monitoring, evaluation and learning (MEL) plan and the risk assessment matrix, were not considered to add much value in the current form. Country team members felt that in a fragile country such as Myanmar it was not so meaningful to plan MEL activities several years in advance, and that risks at the programme level had been mapped by scenario analyses and were managed directly in response to relevant developments. For each project, risks were also managed.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail (for such, the reader is referred to the MFA's Myanmar results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023-24, based on an estimate by the country team.<sup>68</sup> Expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

After the coup, activities involving direct government cooperation were ended. All ongoing projects had to first adapt to working under pandemic conditions from 2020 onwards, and then to the situation after the takeover in 2021. The Temporary Policy and the Short-Term CP reflected these new realities, and all projects were adapted – at times significantly – to remain relevant under challenging and evolving conditions.

Overall CP budget utilisation was at 70% in 2021, and 89% in 2022. Naturally, these figures do not show the full extent to which project implementation was changed and delayed, nor do they portray non-budget efforts such as influencing activities with implementing partners and peer donors. Some projects received funds but then operated on no-cost extensions, others chose different, lower-cost (online) approaches to work towards their objectives, for example when direct interactions in the field had become too difficult or unsafe. Workshop participants described how the country team interacted very closely with the projects, to review and accept necessary changes and to closely monitor progress in the turbulent post-coup operating environment.

In impact area 1, all four peace projects struggled with implementation during the pandemic, and with the necessary readjustments after the coup. This resulted in delays and all four were eventually granted no-cost extensions into 2022.

In impact area 2, the UNESCO teacher education project paused the education curriculum reform and shifted focus to online trainings, on making education resources available online, and to working with CSOs and community centres. MEC's ethnic education project had to adapt to school closures during the pandemic (albeit shorter than in Ministry of Education schools), for example by developing and distributing home-based learning materials. While Finland could disburse to MEC as planned, the project's multi-donor trust fund itself remained at 83% utilisation in 2022, which the country team considered satisfactory under the challenging conditions.

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<sup>68</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results reports 2023 and 2024 for Myanmar.



After the coup, UNFPA and UN Women ended all direct work with the government. UNFPA reprogrammed its efforts to working with CSOs and direct service delivery to people in need. UN Women concentrated on institutional and technical assistance to women organisations, and on support for women human right activists. The FAO forestry inventory & monitoring project was terminated in 2021. UNODC's Alternative Development Programme was also impacted by the pandemic and the coup but required somewhat less adaptation because it didn't rely on direct cooperation with state institutions as some other CP projects.

The CP also included flexibility to respond to the deteriorating humanitarian crisis in the country and EUR 3 million were channelled to UNHCR in 2022.

## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021

In 2021, projects were implemented under the Temporary Policy. All five outcomes under the two impact areas were assessed as satisfactory (slightly below target) but the degree to which the intended outputs were reached varied.

In impact area 1 (foundations for peaceful solutions and democratic space are sustained), outputs related to maintaining peace negotiating capacity, continuing unofficial discussions aimed at finding common ground, and working towards de-escalation of conflict and increased trust between conflict stakeholders were considered satisfactory, while support to democratic stakeholders and CSOs with relevant tools was considered good (fully on target).

Education-related outputs in impact area 2 (protection of gender equality and enabling conditions for a decent life in the emergency situation) were considered satisfactory in 2021. These entailed the continuation of the professional development of teachers, and support to learning resources and modalities. In the previous programme cycle 2016-20, education-related outcomes had usually been rated satisfactory to good but had deteriorated to unsatisfactory because of repeated school closures in 2020 and 2021 (related to the Covid-19 pandemic), as well as the CDM and the politization of education (see impact 3 in Annex A for 2016-20 results). The satisfactory rating for 2021 reflected the gradual reopening of schools but also a shift in programming towards community-based solutions (rather than focusing on government system strengthening).

Regarding support to women and girls in this impact area, output targets related access to reproductive health and GBV were fully reached, while the strengthening of women CSOs remained unsatisfactory.

Support to rural communities – the third topic under impact area 2 in the Temporary Policy – continued delivering good results, as it had from 2018 onwards (see outcome 1.2 in Annex A).

The meta-analysis team additionally notes that results reporting against the goals and targets of the 2021 Temporary Policy was more meaningful and insightful than any reporting against the originally drafted CP would have been, because of the fundamental changes in the country after the coup. The team finds that even if that draft CP had already been adopted before the coup, it would still have been more meaningful to replace it by a Temporary Policy during the year.



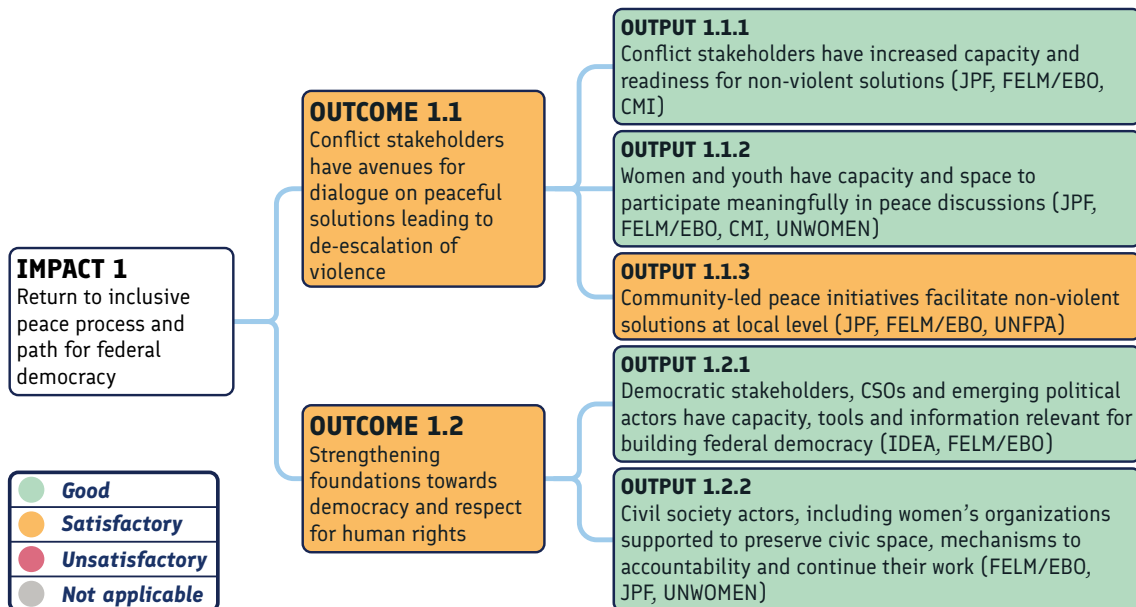
## 5.2.2 Reported results in 2022

Reported outcomes in 2022 were overall satisfactory, and output-level performance was satisfactory to good (Figure 4 and Figure 5, by impact area, respectively). This reflected projects that were implemented mostly according to plans, but within a difficult operating environment. Projects outputs could not always drive outcomes to the degree intended because of other factors beyond their control. Under the 2022-24 Short-Term CP, objectives and targets also had been further adapted to the changed operating environment after the coup.

Impact area 1 (return to an inclusive peace process and a path for federal democracy) reported output-level results to be generally on target. This was achieved despite increasing levels of violent conflict that further deepened mistrust between stakeholders. While progress was made in maintaining relationships with key stakeholders and supporting them, the ultimate goal of better dialogue, peaceful solutions, and putting Myanmar back on a democratic development track remained far from being achieved. The “satisfactory” rating of output 1.1.3 in Figure 4 is related to work through JPF which remained slightly below expectations. Workshop participants and interviewed stakeholders described how the fund had struggled until 2022 with repositioning and reorganising itself after the coup.

Given the sensitivity of many project activities, the 2022 results report also noted some results that were not described in more explicit terms. For example, EBO’s wide networks through the Liaison Offices across Myanmar and the trust it enjoyed with ethnic stakeholders were considered key success factors. This was also linked to the fact that most staff working at EBO was from Myanmar. Another example was that CMI had managed to maintain and further strengthen its relationships with key stakeholders in the country, as evidenced by increasing requests for support.

**Figure 4 Assessment of results 2022 in impact area 1 of the 2022-24 Short-Term CP**



Source: 2022 CP results report.



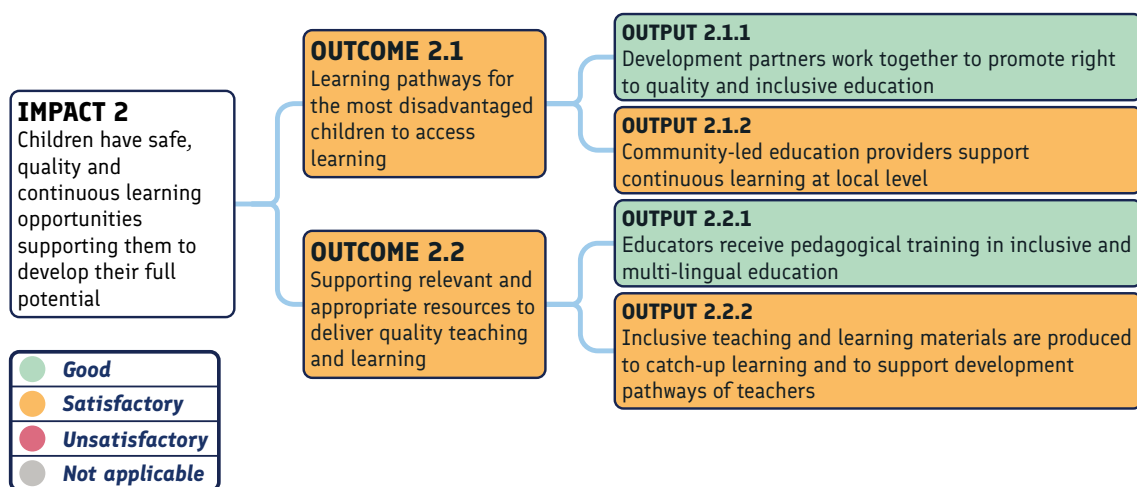
Under the 2022-24 Short-Term CP, impact area 2 now focused on education. Other topics (women and girls, rural livelihoods) that had previously been reported under this impact area as well were now reported outside of the CP's two impact areas. This said, the still ongoing UNFPA and UN Women projects were considered to also contribute to the first impact area (as indicated in boxes 1.1.2, 1.1.3, and 1.2.2 in Figure 4). A new project through UNICEF was started to contribute to the results of impact area 2 from 2023 onwards by providing inclusive and safe learning environment for children amid the crisis.

Coordination between development partners was considered to have progressed well (output 2.1.1 in Figure 5). A Joint Response Framework (JRF) was agreed among donors in Myanmar in early 2022, including Finnish participation and contributions by both UNESCO and MEC. At the community level (output 2.1.2), MEC reached almost 100,000 students with mother-tongue based multi-lingual education. The output was marked satisfactory because that number remained slightly below target.

With more than 12,000 educators reached, teacher training (output 2.2.1) exceeded targets in 2022. When following up with former MEC trainees, 60-70% reportedly showed demonstrable changes in their teaching after the training. While not mapped in the results framework, MEC could only implement 26 of 39 planned networking events between education partners, reflecting partners who rather focused on internal coordination amid the ongoing crises.

Both MEC and UNESCO produced teaching and learning materials. In 2022, 358 such materials were reported by MEC, and 6 (online courses) by UNESCO. These numbers remained somewhat below target – hence the related output 2.2.2 was rated satisfactory rather than good. Specifically for this output, the meta-analysis team notes that the number of “materials” alone is not very insightful as it can refer to anything from a minor tool or framework to a fully developed curriculum. In July 2022, UNESCO launched the Myanmar Teacher Platform<sup>69</sup> in Burmese and English, offering online and mobile access to learning materials and e-learning courses. MEC applied new and updated teaching and learning materials in its on-site trainings.

**Figure 5 Assessment of 2022 results in impact area 2 of the 2022-24 Short-Term CP**



Source: 2022 CP results report.

69 Myanmar Teacher Platform. Accessed in February 2024 at: <https://mmteacherplatform.net/en>.



### 5.2.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated because not all project reports from development partners had come in (most are expected in spring 2024). Results for 2024 were extrapolated based on ongoing project work, assuming similar conditions.

In impact area 1 on support towards peace and democracy, project outputs are expected to continue their 2022 performance. Performance on or above target is expected for the four project outputs related to capacity development of individuals and organisations. Output 1.1.3 on community-led peace initiatives is expected to continue satisfactorily. Both outcomes in this impact area are expected to remain satisfactory as well. However, if the situation in the country would evolve positively in 2024, for example towards Scenario A (Figure 3 in Section 3.2), projects in impact area 1 could further increase their contribution to outcomes.

In impact area 2 on education, there is an expectation of continued performance and some further improving results, especially in 2024. Collaboration between education development partners is expected to continue to be good and sector coordination in the JRF for the Education Sector had been reviewed positively in 2023, according to a workshop participant. The UNICEF project is expected to contribute strongly to results in this impact area in 2024, even some of its activities in conflict zones had remained on hold in 2023. This may increase results performance from satisfactory to good for community-led education support (output 2.1.2). As this is a new project for Finland, actual performance will be monitored closely.

Support to teacher training was expected to achieve satisfactory to good results across all outputs and outcomes, reflecting continued in-person trainings, more online trainings, and more focus on inclusive teaching materials and trainings. The meta-analysis team agrees with this assessment, as the projects by MEC and UNESCO continue to adapt to the situation after the coup, and the UNICEF project scales up delivery.

Going forward, it will however be important to carefully monitor not just the production of quality learning and teaching materials, but also their accessibility and actual use by teachers. This is especially important in the case of online resources in terms of i) their adaptation to targeted beneficiary groups, and ii) addressing the technological and language barriers for access and use these groups face.

Beyond 2024, there will not be a CP in Myanmar. While work in impact area 1 on peace and democracy will continue in some form, Finland will not continue its present support to education after all current agreements have come to an end by 2026.

## 5.3 Contribution to Finland's cross-cutting objectives and other results

Finland's human-rights based approach (HRBA) was applied throughout the CP. One outcome (outcome 1.2 in impact area 1) directly catered to human rights, and the HRBA was considered the basis for all peace-related work. In impact area 2 on education, the strongly participatory approach and localised implementation by MEC and UNICEF reflected the approach.

All projects were considered gender-sensitive and non-discriminatory. Reported figures were usually disaggregated by gender. Women (and youth) were specifically targeted in impact area 1



(output 1.1.2), in terms of strengthening their ability to participate in dialogue and peace processes. Teaching materials in impact area 2 were considered gender-progressive by workshop participants, and some trainings were directly on gender equality.

Inclusion of people with disabilities was most visible in impact area 2, with efforts to strengthen inclusion in ethnic minority areas. The work started by providing basic training on the topic to education programme staff. Going forward, disability disaggregated reporting is planned. Finland advocated the importance to recruit teachers and staff with personal experience of disability. In result, MEC recruited a person with a disability as an inclusive education coordinator and ethnic education providers started to recruit teachers with disabilities.

Climate sustainability – Finland’s third cross-cutting objective – was not in the focus on Finland’s work in the two impact areas covered by 2022-24 Short-Term CP. In education projects in impact area 2, teacher training was offered on the subject, and the UNODC project continued to address it.

While climate sustainability and low carbon development remain critical issues in Myanmar, workshop participants felt that there was not much room for more focus on this cross-cutting objective. Workshop participants felt that keeping the focus on urgent needs in terms of peace and education remained the right choice.

## 5.4 Sustainability of results

Sustainability of results achieved in both impact areas was considered to be high, i.e. the contributions of Finland’s work were expected to last for many years after the current cycle ends in 2024. Participants felt that only a further significant deterioration of the situation in the country would reduce sustainability. Such deterioration could for example mean that the military regime would increase control (even) more in Myanmar (Scenario C in Section 3), impeding teachers in non-government schools to do their work, or even more conflict and fragmentation (Scenario D), undermining even basic peace and democracy work.

The meta-analysis team agrees with this assessment. One reason for high sustainability is the increased focus on capacities of individuals and community-level systems and institutions in both impact areas. Successfully strengthened, these capacities are expected to remain in place even under difficult circumstances. A similar argument can be made for learning materials, which will remain available once generated and supplied.

Related, the meta-analysis team finds that most outcome and output statements in the first impact area of the 2022 Short-Term CP have been smartly reformulated so that they describe successful capacity strengthening rather than how these strengthen capacities, in turn, advance peace and democracy in Myanmar. While the ultimate purposes of Finland’s engagement towards peace and democracy should remain in sight, the meta-analysis team finds a more focused reporting of realistically achievable results adequate and useful in the current context.

Across both impact areas, workshop participants described that results and their sustainability couldn’t be considered from a “state perspective” in Myanmar, as there was no recognised government to work with and because state structures were failing. Instead, Finland’s work should focus on sustainability through “ownership by people”. In education, this means to not focus on supporting one central system, but rather the more resilient mix of monastic, church, and ethnic school systems at the community level.





## 6 Added value of the CP

Workshop participants felt that past and present CP had enabled a common understanding within the MFA of goals and achievements of Finland's development cooperation in Myanmar. As a results-based instrument and concept, its added value was that it allowed to show what results had been achieved at an aggregate level, rather than reporting on individual projects. The CP document was felt to provide structure for planning and reporting.

Once approved, the CP was understood to help keeping a focus on selected impact areas and avoid spreading work too thinly over too many different issues and themes. Having agreed on two impact areas had helped to fend off requests from within the MFA and from partners for engagement in other areas.

Participants also felt that the fact that CPs were approved by senior MFA management had helped protecting budgets and, to some extent, human resources. This was however not felt to be the case with the current budget cuts.

Participants also noted that the higher-level planning and reporting in the CP had made it easier to coordinate work with other donors. For example, it had helped in integrating Finland's goals and contributions in the Team Europe's Strategic Framework for Myanmar.

While most development cooperation funding was reflected in the 2022-24 Short-Term CP, the country team noted that other development cooperation activities (e.g. CSO and private sector instruments) were not systematically covered. This was thought to reflect the MFA's organisational structure, where CP projects and other activities were budgeted and managed by different MFA departments and units.

Participants noted that the (unapproved) pre-coup draft CP and CS for 2021-24 had remained separate documents. While the draft CP results areas had fitted well within the draft CS strategic goals, there had been no reporting planned for the draft CS and hence its value – and use – as a strategic guidance document remained limited. After the coup, the draft CS became irrelevant because of the dramatically different country context. In 2022, a short strategy paper was produced to update the earlier draft CS. Participants felt that the Short-Term CP would have benefitted from closer integration with that updated strategy.

Acknowledging that there would not be a Myanmar CP in the future, workshop participants hoped that some of the added value associated with CP planning and reporting would continue to be applied to Finland's future activities in the country.





## 7 Conclusions

In this section, the meta-analysis team draws overall conclusions from the meta-analysis of the Myanmar Temporary Policy and the 2022-24 Short-Term CP, as presented in the previous section of this report. These conclusions acknowledge the decisions that there will not be a subsequent CP in Myanmar for the next programming period, and that future (reduced) funding will focus exclusively on peace-related work. This implies that there will not be any dedicated funding for education projects after 2025.

With respect to future support to peace and democracy, the meta-analysis team considers it possible that the current military and political situation in Myanmar will continue for some time – possibly many years – without significant change for the better or worse. This is not a new insight but rather a nuanced realisation that a democratic transition in Myanmar may be more distant and harder to support than initially hoped for, immediately after the coup. These evolving expectations should be reflected in Finland's objectives for peace and democracy-related work after 2024. Capacity strengthening of relevant parties and the current strong focus on community-level peace work are promising, as they show resilience and sustainability even in the current difficult situation. At the same time, maintaining intact informal higher-level contacts to relevant parties continues to be important, so that Finland can play a constructive supporting role when there is a new window for systemic change.

The decision to exit from education support was taken quickly, as part of urgent austerity measures implemented by Finland's government. The meta-analysis team considers it useful to now carefully screen ongoing education projects for added value in terms of peace and democracy. Workshop participants for example mentioned MEC's grassroots-level access to relevant stakeholders. The remaining time in 2024 under the current CP could also be used to maximise sustainability and resilience of already achieved results. This could be done, for example, by ensuring that teaching and learning materials are accessible and being used by targeted educators.

The meta-analysis team agrees with a continued non-engagement policy towards the State Administration Council. The negative effects of this non-engagement policy on the people of Myanmar should however be minimised as much as possible. Regarding peace and democracy work, this means that some communication channels to the regime need to be maintained, both to facilitate potential future peace work but also to allow humanitarian assistance and development cooperation to continue. In the ongoing education projects, ways to contribute to better learning outcomes in Myanmar's public schools should be explored. These should avoid exposing teachers and students to risks and clearly avoid any direct support to the regime.

Going forward, it will be important to render account and institutionally conserve the experience and learnings from Finland's engagement in Myanmar. This means that the CP results reports for 2023 and 2024 should be prepared diligently. The meta-analysis team suggests compiling the final results reports in a summative manner, covering the entire period 2021-24, i.e. all work implemented under the 2021 Temporary Policy and the 2022-24 Short-Term CP. To do this, the MFA needs to ensure that key personnel involved in managing the CP and its projects remains available until the final report can be written in spring 2025.



# NEPAL COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021-2024 CP for Nepal.

The report is compiled on the basis of desk review, feedback from selected external stakeholders and a self-assessment workshop held on 12-14 February 2024 in Kathmandu with the current country team members.<sup>70</sup>

The report is structured as follows. Section 2 introduces the CP 2021-2024. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 6 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-add of the CP approach for Nepal and Section 7 summarises conclusions drawn by the meta-analysis team.

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<sup>70</sup> There were 8 external stakeholders interviewed, including project implementers and development partners, while the workshop consisted of MFA staff from the country team in Nepal and Helsinki, as well as MFA advisors and senior management.



## 2 The 2021-2024 Nepal Country Programme

This section introduces the 2021 CP and explains its goals, how these were intended to be reached and describes contributing projects and programmes.

### 2.1 Goals

The main goal of the CP 2021- 2024 is “to support Nepal’s equitable, economically viable and environmentally sustainable transition into a middle income country by 2030.”

To support this goal the CP has three impact areas:

1. Communities’ improved climate resilience and health through sustainable water supply, sanitation and hygiene and livelihood development,
2. An inclusive education system that provides students with the necessary skills contributing to Nepal’s economic and democratic development, and
3. Equality and prosperity of all women and girls including those with disability and those in vulnerable positions is enhanced.

These impact areas are similar to those of the 2017-2020 Country Strategy (CS) with a slight difference in emphasis, as climate resilience under impact area 1 and disability under impact area 3 were not explicitly mentioned in the CS goals.

The 2021 CP was placed within the broader 2021-24 CS for Nepal which has three strategic goals for Finland’s foreign, security and development policy:

1. To reduce inequalities by addressing the connections between gender, disability and discrimination and other forms of exclusion and marginalisation,
2. To support sustainable development and climate and disaster resilience in the areas of education, water, sanitation and hygiene (WASH), livelihood development and gender equality, and
3. To diversify and further enhance political and economic cooperation between Nepal and Finland to prepare for Nepal’s future transition to a middle-income country.

Finland has been working in Nepal for a long period, therefore the programme is relatively well-established and the overall goals have remained consistent over time.



## 2.2 How the goals of the 2021 CP were to be reached

The theories of change (ToC) developed as part of the CP 2021-2024 describe how the CP goals will be reached.

Impact area 1 (communities' improved climate resilience and health through sustainable water supply, sanitation and hygiene and livelihood development) is addressed through support at Federal, Provincial and Local (PLG) levels of government, as well as at community level, to increase the capacity to plan, coordinate and provide services for improving water supply, sanitation and hygiene WASH. At local level communities and individuals are assisted to adopt improved sanitation and hygiene behaviours through use of appropriate sanitation solutions, as well as by addressing harmful social norms. Climate resilient livelihoods, sustainable use of natural resources and diversified livelihoods are addressed by ensuring that smallholder farmers, cooperatives and businesses apply water smart, climate and disaster resilient technologies and methods.

Impact area 2 (improved quality of education and student learning outcomes) aims to bring about changes in the education system that positively affect learning outcomes and equity. It is focused on improvements in the quality of pedagogy, curriculum and learning materials and enhancing institutional capacity and effectiveness to support better learning outcomes and resilience. Increasing access and inclusiveness of the education system is undertaken by improving the capacity of the education sector to address equitable access and participation and ensure an inclusive learning environment.

Impact area 3 (equality and prosperity of all women and girls) aims to enhance women's political and economic participation and reduce violence against women and girls. This is undertaken through assisting women and girls to have the skills and ability to access higher-skilled positions and achieve income security and to participate in political and community-based decision-making. Eliminating all forms of violence and cultural discrimination is addressed through working to change social norms targeting women, girls and people with disabilities, including women impacted by trafficking, migration, conflict, violence and disaster.

## 2.3 Contributing projects and programmes

The total budget for the Nepal was 56 million euros for the 2021-2024 CP. By impact area this was allocated with 41% of the budget to WASH and climate change resilience, 50% of the budget to education under and 9% to gender and inclusion. This was supplemented by delegated funding from the EU of EUR 4.5 million in 2021 and EUR 0.7 million in 2022 for the Rural Village Water Resources Management Project, Phase III (RVWRMP III) project and in 2022 EUR 0.3 million for the Sustainable WASH for All (SUSWA) project. See Figure 1 for actual CP disbursements by year.



**Figure 1 Actual disbursements to CP projects 2016-2022 (MEUR)<sup>71</sup>**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
Rural Village Water Resources Management Project Phase II and III (RWMP II-III)	4.0	4.2	1.9	2.2	2.0	0.6	0.5	<b>15.5</b>
Rural Water Supply and Sanitation Project in Western Nepal Phase II (RWSSP-WN II)	3.2	2.8	1.9	1.1				<b>9.0</b>
UNICEF - Post-earthquake water and sanitation reconstruction	1.0	1.0						<b>2.0</b>
Sustainable WASH for All (SUSWA)						0.04	1.3	<b>1.3</b>
Green Resilient Agricultural Productive Ecosystems (GRAPE, 2021-2024)						1.4	1.5	<b>2.9</b>
UNICEF Country Programme Action Plan (2018-2022) WASH and Education (Impact area 1 and 2)				1.0	4.0	3.0		<b>8.0</b>
ICI - Meteorology sector cooperation (FNEP)	0.1		0.1	0.1	0.04	0.1	0.2	<b>0.6</b>
ICI - Towards Arsenic Safe Drinking Water in Nepal (2021-2023)					0.004	0.1	0.2	<b>0.3</b>
<b>IMPACT AREA 2</b>								
Nepal education sector programme	2.0							<b>2.0</b>
TA for TVET (Soft Skills) Development in School Sector Reform Plan in Nepal (Hifab)	0.1							<b>0.1</b>
Technical Assistance for Competence-Based Soft Skills Development in School Education in Nepal (TASS)	0.4	0.4	0.4	0.3				<b>1.3</b>
Education sector support (SSDP 2016-2021, SESP 2021-2030)		2.8	4.0	1.0	6.2	6.5	5.1	<b>25.5</b>
Finnish National Agency for Education - support to the education sector		0.05	0.0					<b>0.0</b>
Support to UNICEF's Education Program in the Nepal Country Program Action Plan (CPAP, 2023-2027)							1.2	<b>1.2</b>
<b>IMPACT AREA 3</b>								
UN Women - Women's Economic Empowerment project	1.5	1.5						<b>3.0</b>
UN Women - Leaving No-one Behind project			1.0	1.0	1.0	1.4		<b>4.4</b>
Support to UN Women Nepal - Strategic Note 2018-2022							1.5	<b>1.5</b>
<b>OTHER/OLDER</b>								
UNDP Rule of Law	2.0	1.0						<b>3.0</b>
Multilateral cooperation in the forestry sector, Phase I	3.7							<b>3.7</b>
ARE	0.4							<b>0.4</b>
Project planning	0.03	0.03	0.02	0.02	0.002	0.001	0.01	<b>0.1</b>
<b>Total Annual Disbursements</b>	<b>18.3</b>	<b>13.7</b>	<b>9.3</b>	<b>6.6</b>	<b>13.3</b>	<b>13.1</b>	<b>11.5</b>	<b>85.8</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).

<sup>71</sup> The figure includes interventions funded under the 2021-2024 Country Programme and 2016-2020 Country Strategy as reported in connection to the MFA's 2016-2022 results reports. It excludes FLC projects and country-specific appropriations from other budget lines.



Most of the programming for the 2021 CP was a continuation from the previous CS with some long-running programmes completing during this period. RVWRMP III was implemented from 2016 to 2022 and the Support to the School Sector Development Programme (SSDP) ran for the same period. The first period of unearmarked support to the UN Women Nepal Strategic Note began in 2018 and was completed in 2022 and the UNICEF Country Action Plan ran from 2018 to 2022.

This led to a number of new programmes beginning during the 2021 CP, with the SUSWA and the Green Resilient Agricultural Productive Ecosystems (GRAPE) beginning in 2021. New phases of support to the Education Sector Plan and UNICEF Education Programme in Nepal Country Action Programme (CPAP) and Support to UN Women Strategic Note 2023-2027 also began. The new GRAPE programme is funded by Germany, EU and Finland and implemented by GIZ.





## 3 Country context and future prospects

This section characterises the country context, recent developments and outlines future development scenarios for Nepal.

### 3.1 Past country context

At the beginning of the 2021 CP Nepal was in the process of implementing a new federal system of government, as well as recovering from a series of natural disasters and dealing with the financial fiscal and socio-economic impacts of the on-going Covid-19 pandemic.

After the adoption of a new federal constitution in 2015, progress had been made in establishing a federal system with provincial and local elections, the establishment of seven provinces and corresponding functions, while facilities and staff were being transferred from the federal government to the PLGs. Political economy tensions remained between the three new spheres of government as federal ministries had been slow to transfer discretion and control over local service delivery and a number of important details were left unresolved or ambiguous in the new constitution. There was also popular discontent owing to the government's handling of the Covid-19 pandemic and recent natural disasters, including the April 2015 earthquake and flooding and landslides in 2017.

With the responsibility for key public sector services being transferred to the local governments, donor attention was focused on strengthening this new system of government and enhancing service delivery. Particularly as Nepal was characterised by poor governance and weak fiscal discipline with a lack of transparency, accountability and participation. Nepal was ranked 117 out of 180 on Transparency International's corruption perception index in 2020.<sup>72</sup>

Nepal's economy had been growing with the country expected to achieve middle-income status by 2026. Economic growth was driven by substantial remittances from workers overseas, but by 2020 the Covid-19 pandemic was taking a heavy toll on the economy. Real gross domestic product (GDP) growth fell from 6.7% in the 2018/19 fiscal year to -2.1% in 2019/2020, mainly due to a decline in tourism, domestic activity and volatile levels of remittances.<sup>73</sup>

Progress was being achieved on poverty reduction with a fall in the multi-poverty index (MPI) from 30.1% in 2014 to 17.4% in 2019, a 42% reduction in just five years, although this was mainly

72 Transparency International. (n.d.). Corruption Perceptions Index. Accessed in March 2024 at: <https://www.transparency.org/en/cpi/2020/index/npl>.

73 IMF. (2022). Nepal: Request For An Arrangement Under The Extended Credit Facility. IMF Country Report No. 22/24.



remittance driven.<sup>74</sup> Inequality remained high as there were substantial income and wealth disparities, as only the top quintile of the population had seen its share of the national income increased.<sup>75</sup>

There was also inequitable access to political, economic and social opportunities with under-representation of ethnic groups and a lack of representation of women in political decision-making. Nepali women and girls suffered from gender-based discrimination and violence, while patriarchal norms were deeply rooted.

Rapid population growth and increasing population density in urban areas, migration and a high degree of environmental degradation meant that Nepal was extremely vulnerable to the effects of climate change and to natural disasters.

## 3.2 Current country context

The country context has not changed significantly during the CP implementation period. Nepal was still ranked as medium in the UNDP Human Development Index in 2022 and placed at 55 out of 179 countries in the Peace Fund Fragile States Index in 2022.<sup>76</sup> The federalisation process has been progressing and there were elections for the three tiers of government in 2022 which were largely peaceful and orderly. The successive changes in administration and parliamentary stagnation that followed, did however impact on Finland's programming as some of key legislation related to federalism has not been passed.

Economic growth rebounded after the Covid-19 pandemic with a recovery in economic activity, tourism and remittances, although the economy experienced another slowdown in 2023. The 2023 slowdown was mainly due to import restrictions imposed by India, which also impacted government revenues. Higher food prices due to the Russian invasion of Ukraine led to relatively high inflation. The government fiscal situation may impact donor programming as there is less government budget funds to co-fund donor programmes.<sup>77</sup>

The economy is expected to grow in 2024, but the jobs recovery has been slow, raising the risk of rising poverty and inequality in the medium term.<sup>78</sup> Nepal is still aiming at graduation from a least developed country (LDC) in 2026, which will have implications for Finnish and other donor support, as official development assistance (ODA) moves from grant towards loan funding and some bilateral donors may potentially phase out development cooperation.

Nepal remains one of the most vulnerable countries to climate change in the world, ranking 139th out of 182 countries in 2023 in terms of its exposure, sensitivity, and ability to adapt to the negative impact of climate change.<sup>79</sup> The key climate change hazards affecting Nepali livelihoods are river flooding, heat exposure, drought, and landslides. River floods and landslides were the most

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74 Government of Nepal. (2021). Nepal Multidimensional Poverty Index 2021. Report. Accessed in March 2024 at: <https://www.undp.org/nepal/publications/nepal-multidimensional-poverty-index-2021>.

75 Oxfam and Humanitarian Accountability Monitoring Initiative. (2019). Fighting Inequality in Nepal: The road to prosperity.

76 Fund for Peace. (2023). Fragile State Index. Accessed in May 2024 at: <https://fragilestatesindex.org/>. This index assesses the vulnerability and stability of countries on a scale 0 (Sustainable) to 120 (Alert) based on various social, economic, and political indicators. Nepal scored 80.2 in 2023.

77 World Bank. (2023). Nepal Economic Update.

78 World Bank. (2023). Nepal: Macro-poverty Update.

79 World Bank. (2023). Climate Risks, Exposure, Vulnerability and Resilience in Nepal.



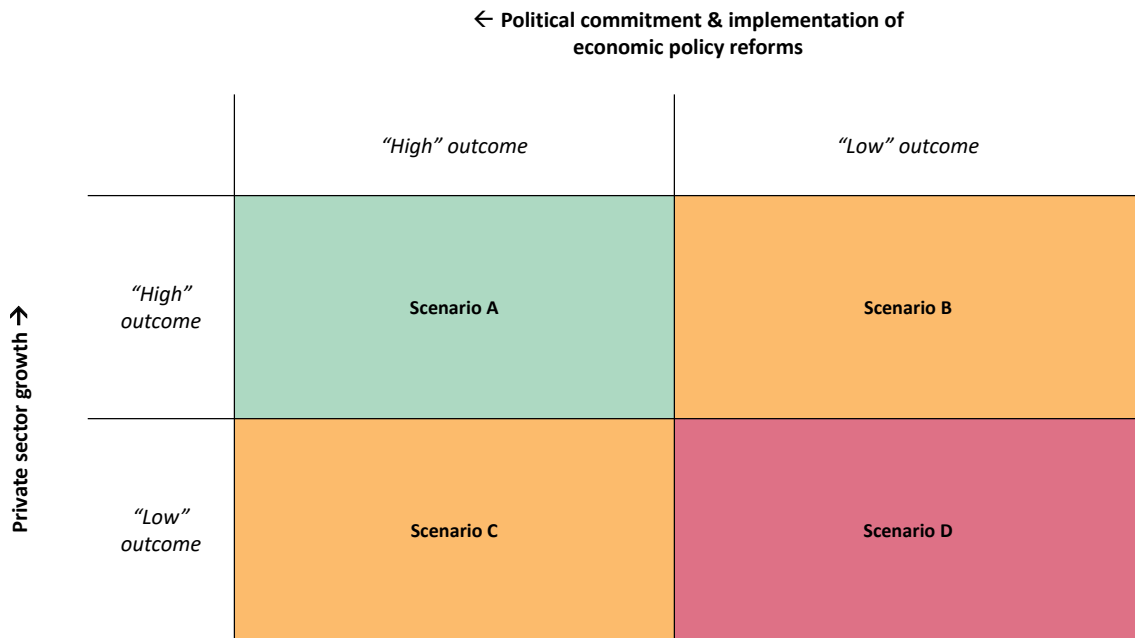
frequent hazards over the last 40 years, but the incidence of drought and heat exposure are expected to increase going forward.

### 3.3 Future development scenarios

During the self-assessment workshop, four scenarios were developed to support the planning of future development cooperation in the country for internal planning purposes with a time horizon of 2025-28. As shown in Figure 2, they were organised along the two axes of:

1. Political commitment and implementation of economic policy reforms, and
2. Private sector growth.

**Figure 2 Future scenarios for Nepal**



Source: Nepal CP self-assessment workshop, February 2024.

The horizontal axis is political commitment to and implementation of economic policy reforms, as government action on implementing reforms is seen as key to increasing economic growth, reducing poverty and inequality, as well as increasing social cohesion. The vertical axis is private sector growth as the basis for equitable economic growth and particularly employment opportunities to address, among other things, the high levels of emigration among youths. The best-case scenario (A) is where there is implementation of economic policy reforms and private sector growth resulting in high levels of socio-economic development. The worst is scenario (D) where neither private sector growth or commitment and implementation of economic policy reforms occurs.



### **3.4 Austerity measures in Finnish development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term.

For Nepal, another CP for the 2025-28 cycle is planned. It will however have a smaller budget than the present programme.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and provides an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Kathmandu and on a desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

Finland has a long history of working in Nepal with a continuity in sectoral focus that is highlighted as a major comparative strength by both the country team (CT) and by external stakeholders in interviews undertaken by the meta-analysis team. This has given Finland a distinct niche in Nepal and increased Finland's credibility and visibility, as they have a proven ability to produce results.

The workshop participants highlighted that dedicated staff with a good team spirit and deep expertise are another strength. The national staff within the Embassy have excellent knowledge and expertise, as well as a good institutional memory of Finland's work in Nepal. There is good cooperation with the team in Helsinki and support from advisors to provide guidance and management support.

Finland's use of bilateral programme modalities in priority areas of the Government of Nepal was seen by the CT and interviewees as another advantage, as well as coherent impact areas that are inter-linked. WASH is integrated into education sector programming and gender and inclusion are mainstreamed into all impact areas. The projects also work closely together across sectors for example UN Women and SUSWA are working closely to support local governments in Gender Responsive Budgeting. EU delegation of funding to Finland for SuSWA, the Local Adaptation to Climate Change (LACC), RVWRMP and the Technical Support Cooperation to the School Education Sector in Nepal (TECSES) was highlighted as acknowledging Finland's strengths. Finland's policy influencing and sharing of expertise in donor working groups was also highlighted by interviewees as adding value particularly in the areas of inclusion and gender.

Flexibility of Finland as a donor was another strength highlighted by both the CT and implementation partners. Through supporting sector plans or other donors' country strategies and not earmarking funding, it is possible to quickly repurpose funds to new priorities when the context changes. This was particularly important after the earthquake and during the Covid-19 pandemic, where funding could be repurposed in all three impact areas.

A weakness highlighted by the CT are MFA human resource policies, which result in a high level of staff turnover due to the rotation system and gaps in filling staff positions. This reduces team capacity to implement the programme and impacts institutional memory of the CP.<sup>80</sup> The CT also noted the comprehensive programme document that reflects the CP programming and other

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80 At the time of the workshop, there was one unfilled vacancy at the Embassy in Kathmandu and one in the Country Team in Helsinki.



Finnish funding instruments present in Nepal but managed by other departments in the MFA, such as private sector instruments and CSO support.

Threats were seen as the limited number of staff in the Nepal team in comparison to the large sectors they are managing the MFA will lose interest in traditional development cooperation after Nepal's LDC graduation. The expected graduation in 2026 may also impact on levels of ODA if other bilateral donors choose to no longer support Nepal, restricting Finland's choice of cooperation partners and adding pressure also for Finland to eventually withdraw bilateral grant support.

The high turnover of government of Nepal staff and focal persons is another constraint sometimes leading to a lack of continuity and delays in implementation. The recent fiscal difficulties that the government of Nepal has been experiencing is another threat as the government is likely to have less funding available in the future for co-financing projects, while MFA budget cuts may mean less funding for the CP. The political situation may also change after the next election cycle which could result in a change in government priorities, that impacts government commitment in Finland's areas of focus. Natural disasters continue to be an ongoing threat with climate change increasing the likelihood of more regular occurrences.

Opportunities arise from the continuity of Finland's long-term programming, the recent decision by the Government of Finland to continue the Nepal CP for the next programme cycle and Nepal's expected graduation from LDC. The graduation opens the possibility to use new forms of development cooperation instruments, particularly related to private sector development and to scale-up some programming based on lessons learned. Relative political stability particularly at local level and good practices established as a result of long-term cooperation also increases the possibility to implement Finnish programming at this level.

## 4.2 Assessment of current planning and reporting arrangements

The CT team highlighted that the CP document is a useful tool for annual reporting purposes, for narrowing down and focusing limited funding to areas where Finnish expertise can add value, for ensuring that new projects are aligned with CP objectives and for clarifying Finland's goals and objectives to partners. Some of the processes related to the CP were reported to be less useful as compilation of the annual report and monitoring the results framework is time-consuming, while the risk management and monitoring, evaluation and learning (MEL) plans at CP level were little used.

The annual report was seen as a good opportunity to report CP results and have discussions with senior management. The process itself is viewed as burdensome as the reports are lengthy and a significant amount of data needs to be collected and analysed from both the Government and a number of implementing partners. The "one size fits all" approach for all CPs was not seen as appropriate, with the suggestion from the CT that a lighter touch process with less focus on indicators and more emphasis on lessons learned and main achievements/challenges is a better fit for the Nepal programme. A conclusion that the meta-analysis team also agrees with.

The reports that are undertaken at the end of each programming cycle (every four years) require even more data to be collected from stakeholders, while the differences in Finnish and Nepali fiscal years adds complexity to reporting. Due to the MFA staff rotation system, the person drafting



the report is unlikely to have been part of the CT at the beginning of the CP, making it difficult to reflect over the whole CP period and highlight learning.

The annual report discussions with MFA management were seen as useful as this is one of the most important mechanisms to report on what is happening on the ground and discuss with senior management. The time for this is however limited, which can be frustrating for the CT as these are rare occasions to discuss issues raised in addition to the written comments. Preparations from the MFA senior management side were sometimes felt not to be as thorough as they could be to support in-depth discussions on the programme. However, annual reports are seen by the senior management team as quite technical as most do not have in-depth knowledge of the CP or the relevant indicators.

The results framework was seen by the CT team as overcomplicated with too many indicators. The framework was developed as part of the original process of developing ToCs, but in hindsight, the CT felt that they should have been more selective with the indicators chosen. Indicators are based on projects, not the CP, but projects are often not implemented for the duration of the CP. This leads to some indicators becoming redundant or new projects needing to be fitted into the existing results framework. It also makes the CT dependent on data from project reports for their annual reporting on the CP. This presents a challenge as the projects' reporting timelines differ from those of the MFA's.

The CP budget annex was regularly used to monitor project expenditure and reallocate funding at headquarters, but the individual project MEL plans and risk management frameworks were viewed as more important than programme level MEL plans or risk management frameworks. Similarly, it was considered important by the CT to develop project level ToC, but for the CP ToC less so, as it was based on existing projects as the majority of CP funding was already committed. This will also be the case for the next programme cycle.

The Country Strategy was viewed as less useful as the focus in Nepal is on the CP as the key document. The Ambassador's plan is seen as more high level, but political and written in Finnish, so it is not a plan that is developed on a team basis or indeed accessible to all the CT.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail (for such, the reader is referred to the MFA's Nepal's results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023, based on an estimate by the country team.<sup>81</sup> Expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

The implementation of the CP was severely impacted in 2021 by the Covid-19 pandemic and to some extent by political turbulence that slowed down the political and legislative processes. The pandemic impacted WASH implementation by limiting the project's ability to undertake work in the field, while there were Covid-related school closures which negatively affected education sector results.

There was a reallocation of funds for all the impact areas to address the Covid pandemic. Approximately 80,000 euros were reallocated to the UNICEF program for providing people with WASH services and hygiene supplies and 220,000 euros were repurposed for the UN Women Covid-response. In education, Finland provided additional support to develop and implement alternative learning activities and learning resources under the government's education emergency action plan. The pandemic also severely hampered the ability to monitor programmes and access data for assessing indicators, particularly at impact level.

There was better progress made in 2022, although the elections limited the implementation of some project activities under the impact area 1 and 3. The Education Act that was not passed by Parliament affected impact area 2, as this legislation clarifies roles and responsibilities for education services at the different levels of government. The completion of the RVWRMP III led to a gap in programming as the new SUSWA project was in its inception phase and took time to move to full implementation, and GRAPE also took longer than expected to set up.

The challenges described above led to not all CP activities being disbursed as planned in 2021 and 2022, with disbursement levels at 85% and 78% of the expected budget in 2021 and 2022 respectively. Also the nature of bilateral projects means that full disbursement is very difficult as these projects operate according to the Nepali fiscal year which is different from Finland's and disbursements are made against actual expenditures and not as advances as is the case when funding for multilateral organisations.

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<sup>81</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2022 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results report 2023 for Ukraine.





### 5.1.1 Reported results in 2021

Progress in impact area 1 was good despite the impacts of Covid-19 which led to activities and funds being reorientated to the Covid-19 response (see Figure 3). Through UNICEF support and RVWRMP III Finland supported the pandemic hand hygiene response and funds were made available for personal protective supplies and other hygiene equipment at municipal and community level. The RVWRMP III supported interventions in 2021 resulted in 166,749 people receiving improved access to drinking water supplies and livelihood development work focused on improving irrigation facilities, rural advisory services, home gardens and selected value chains.

Impact area 2 achieved a mix of good and satisfactory results, as school closures hampered progress and the Education Act was not passed into law (see Figure 4). There were satisfactory results achieved in improving the quality of education and student learning outcomes and good results achieved in the strengthening the access and inclusiveness of education. This is evidenced by the 2023 SSDP final evaluation that concluded that the implementation of the SSDP had succeeded in supporting education development and access to and quality of education in Nepal.<sup>82</sup>

There were mixed results in impact area 3 with good progress in the outcome related to economic and political empowerment of women and people in vulnerable positions and satisfactory progress in reducing violence and discrimination against women, girls and people in vulnerable situations. Advocacy as part of the UN Women support was reported to have resulted in an increased gender responsive budget allocation at national level, with progress made towards the adoption of gender responsive plans, policies and budgets at all levels of government. A reallocation of Finnish funds for the Covid-19 response supported the provision of information, cash and food support to communities in vulnerable situations, while there were positive developments in shifting attitudes towards menstruation taboos which was supported by the WASH project.

### 5.1.2 Reported results in 2022

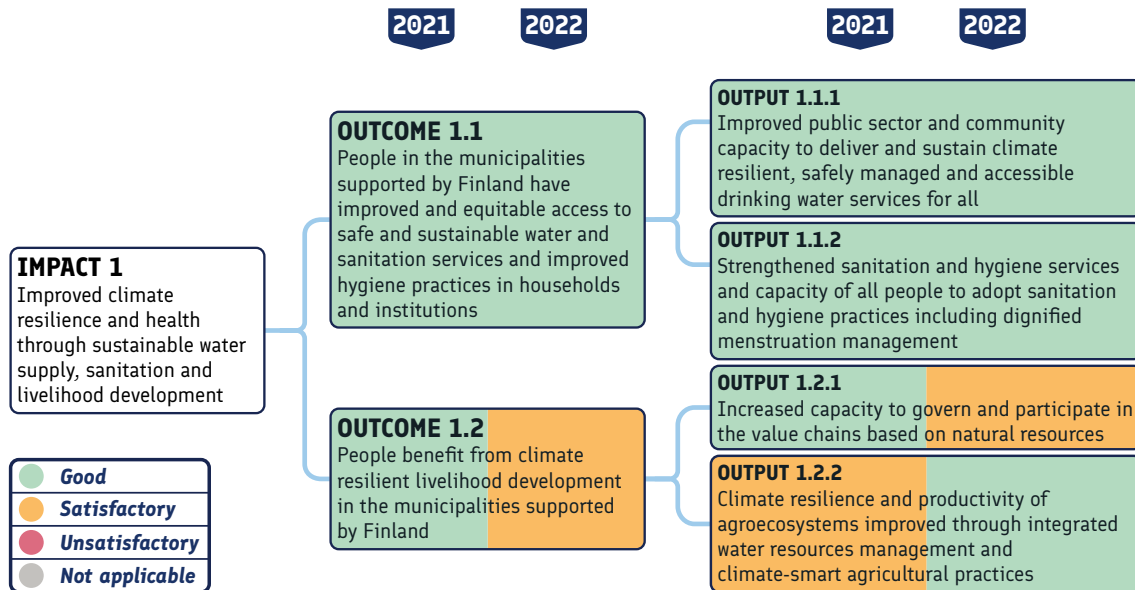
The latest annual reports are for 2022 and results in 2022 were overall a mix of good and satisfactory (see Figure 3 and Figure 4). Results on the outcome and output level (middle and right columns, respectively), as reported by the MFA's CT, are shown in Figure 3 and Figure 4 below.

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82 EU. (2023). TA-School Sector Development Plan SSDP 2016-2021, Nepal. Final Evaluation Report.



**Figure 3 Assessment of results for 2021 and 2022 in impact area 1**



Source: 2021 and 2022 CP Results Reports.

Progress in impact area 1 for 2022 was rated as good for outcome 1.1 and satisfactory for outcome 1.2. The most significant result for the first the outcome is that 147,113 people received improved access to drinking water supply through Finland's interventions in 2022, with targets overachieved. This is highlighted by the 2022 Final Evaluation of the RVWRMP III that noted that “the increased access to basic water is confirmed by the data and is readily confirmed by all stakeholders interviewed including, in particularly the beneficiaries.”<sup>83</sup>

In addition, 233 institutions (schools and health care facilities) improved their WASH facilities and 116 communities in 19 municipalities were declared as Water Safe Communities (WSC) in 2022 significantly exceeding UNICEF project targets.

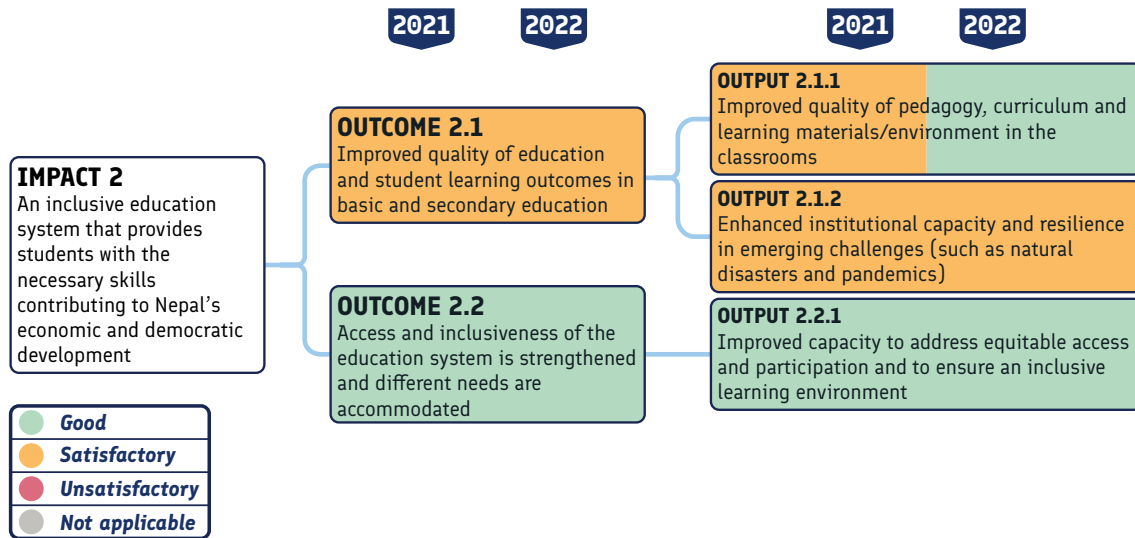
Progress in outcome 1.2 was impacted by the RVWRMP III ending in mid-2022 and GRAPE not yet moving to full implementation which led to limited results being achieved.<sup>84</sup> The project indicators for GRAPE differ to those used for the RVWRMP III which has caused challenges for the CT and has resulted in a lack of data for outcome reporting. Nonetheless, RVWRMP III supported 21,847 people in 2022 with its rural advisory services, trained 10,856 people on income generation and 18,267 people on irrigation facilities. GRAPE trained 3,297 farmers in the digital extension App (climate-smart agricultural practice), and 117 people were trained by GRAPE in climate-smart agricultural practices.

83 MFA. (2022). Ex-Post Evaluation of Rural Water Supply and Sanitation Project in Western Nepal (RWSSP-WN) 2008-2019; and Final Evaluation of Rural Village Water Resources Management Project (RVWRMP) 2006-2022. Final Report.

84 Green Resilient Agricultural Productive Ecosystems (GRAPE) is a multi-donor initiative that is jointly co-financed by the European Union (EU), Ministry for Foreign Affairs of Finland and German Federal Ministry for Economic Cooperation and Development (BMZ). The overall objective of GRAPE is to foster climate-resilient, green economic growth of Sudurpashchim and Karnali provinces.



**Figure 4 Assessment of results for 2021 and 2022 in impact area 2**



Source: 2021 and 2022 CP Results Reports.

Progress towards impact area 2 outcomes (middle column in Figure 4) was mixed. For outcome 2.1 (improved quality of education and learning outcomes) progress was rated as satisfactory as of the three outcome indicators, one was close to being achieved, one indicator was partially achieved, and one fully achieved. At national level, there was progress made in completion rates at the basic education level at 72.6%, although the target of 73% was only just missed, but the indicator related to learning achievement was only partially achieved. This was evidenced by the 2020 National Assessment of Students Achievement (NASA) in grade 8, that indicated that many students were below grade level particularly in mathematics, but these are pre-Covid scores and the latest NASA results are still pending. There was however good progress in the number of schools having full set of subject teachers and schools meeting the basic enabling conditions in both basic and secondary levels leading to the indicator related to this being achieved. The quality of education and student learning outcomes are a long-term national challenge. In the self-assessment workshop the CT noted that with the chosen indicators and targets, a “good” rating would require significant progress at a national level, beyond the control of the Finnish Country Programme.

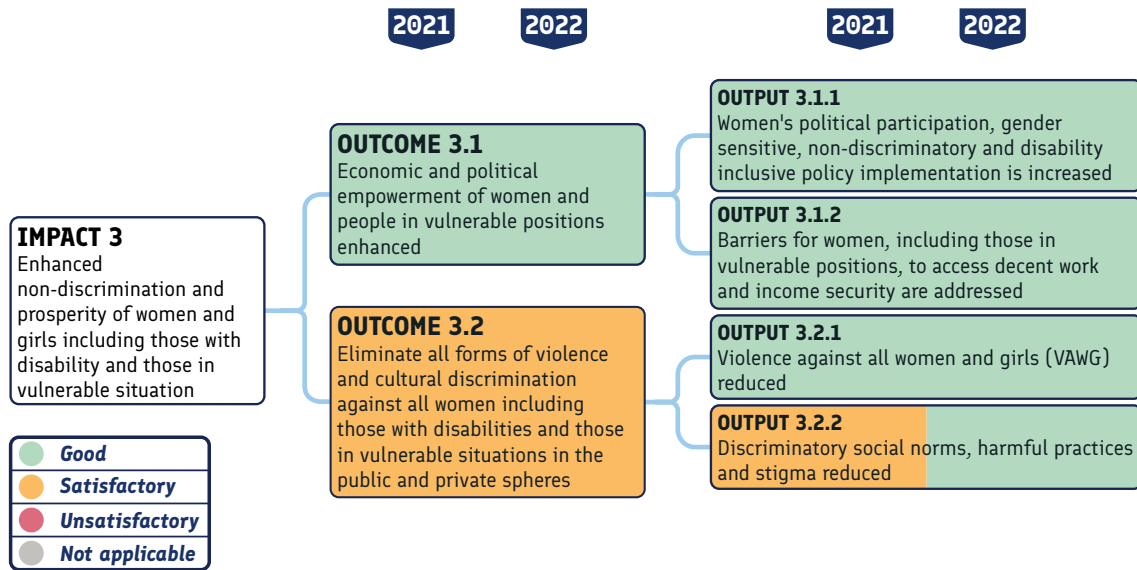
There was only satisfactory progress in enhancing institutional capacity and resilience (measured by output indicator 2.1.1) with 163 schools implementing the government-endorsed comprehensive school safety minimum package and approximately 878 schools developing disaster management plans in three provinces.

There was good progress towards the achievement of outcome 2.2 of the three outcome indicators, two indicators that related to the number of students receiving a mid-day meal and the percentage of out of school children in basic level education were fully achieved. There was an increase in the number of students receiving mid-day meals compared to 2021, mainly as schools were open and there was an expansion of the programme. The number of out of school children was reduced and continues to be on a downward trajectory. The other outcome indicator related to equity could not be used as it had not yet been adapted to the federalised context.

The output indicator (2.2.1) was achieved through supporting the development of guidelines, manuals, and tools for disability-inclusive early childhood education and development and UNICEF collaborated with 30 local governments to promote inclusive pedagogies in classrooms and training teachers in using mother tongue as a medium of instruction.



**Figure 5 Assessment of results for 2021 and 2022 in impact area 3**



Source: 2021 and 2022 CP Results Reports.

There was good progress in impact area 3 under outcome 3.1, the economic and political empowerment of women and people in vulnerable positions. Key results have been the adoption of a gender responsive budget into the framework of national budgeting systems and an increase in funding for the budget. Local governments have developed gender, equality and social inclusion (GESI) mainstreaming plans of action based on GESI audits that were previously undertaken. While UN Women support helped to strengthen the capacity of 1,771 women and excluded groups as candidates in preparation for the 2022 parliamentary election. Out of this group 65 woman (including representatives from minority groups) were elected.

Gender responsive budgeting assessments focusing on both macroeconomic as well as gender responsive policy instruments were commissioned by UN Women. The findings of the study were used to advocate for and assist 1,000 women from excluded groups (female headed households and home-based workers) to receive a comprehensive relief package and livelihood support in kind and cash. Other interventions have assisted women and excluded women's groups to access income generation opportunities through enrolling in vocational skill training as a part of entrepreneurship development and financial management support.

Under outcome 3.2 there was satisfactory progress overall, but good progress in the adoption of policies to address violence and discrimination against women, girls and vulnerable groups (output 3.3.1). The National Action Plan II on the UN Security Council Resolution 1325 and 1820 was endorsed which supports conflict survivors, while an act to amend the laws related to Sexual Violence was passed.<sup>85</sup> This represented significant progress towards aligning sexual violence laws with human rights standards. The Dalit Empowerment Act, 2078 was endorsed by Sudurpashchim Province and Karnali Province adopted a Gender Equality and Social Inclusion Policy, which aims to guide and institutionalise GESI.

<sup>85</sup> UN Security Council Resolutions 1325 and 1820 focused on women, peace and security and have sought to increase the visibility of gender in situations of armed conflict.



Addressing discriminatory social norms (output 3.3.2) achievements were an overall increase in the number of menstruating women using a toilet reaching 79% as a result of RVWRMP III interventions. Also, the formation of the Karnali Alliance for Dignified Menstruation Management which aims to track the actual status and progress of dignified menstruation management in Karnali province.

### 5.1.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated as the annual reporting is currently in the process of being undertaken. The performance of impact area 1, outcome 1.1 (improved and equitable access to safe and sustainable water and sanitation services and improved hygiene practices) and its related output indicators is expected to decline from 2022 and most likely not be rated as good in both 2023 and 2024. Mainly as the implementation of the SUSWA programme has been slower than expected and projects targets have been lowered.

Outcome 1.2 (people benefit from climate resilient livelihood development) will remain at satisfactory by the end of the CP, although the outputs are expected to achieve a rating of good. This is because in 2023 the reporting of this outcome will be based only on results from GRAPE, as the new Local Adaptation to Climate Change (LACC) project is still in preparation. The LACC may contribute to the results in 2024, but there is a possibility it will be delayed, limiting results achieved for this outcome.

Impact area 2 addressing education under outcome 2.1 (improved quality of education and learning outcomes) is expected to experience a slight deterioration in results in 2023 with both outcome and output indicators at a satisfactory level. This is due to the NASA 2023 results which are expected to indicate a learning loss due to the Covid-19 pandemic and the school closures that resulted. In 2024 it is expected that all indicators will be rated as good, although the 2023 NASA results on student learning may again impact predicted results.

For outcome 2.2 all indicators have already been achieved or exceeded so no changes are expected.

For impact area 3 (enhanced economic prosperity of women and girls and those in vulnerable positions), outcome 3.1 (the economic and political empowerment of women and people in vulnerable positions) is expected to remain as good with an improving trajectory by the end of the programme cycle. For outcome 3.2 (reducing violence and discrimination against women, girls and vulnerable groups) there is not expected to be any change in results in 2023, with the outcome level indicator only remaining at satisfactory. By 2024 it is anticipated that progress in all indicators will be good, although the CT team noted that on impact level the rating could still only be satisfactory as to achieve results in this impact area long-term social change is needed.

## 5.2 Contribution to Finland's cross-cutting objectives and other results

There has been a strong contribution of the Nepal CP to Finland's cross-cutting objectives through applying a Human Rights Based Approach (HRBA), gender equality and non-discrimination and climate-resilient development into programming, although there has been less focus on low-emission development.



Interventions under impact area 1 are focused on climate resilience and climate resilient livelihood development as well as social inclusion in WASH interventions. Impact area 2 has a strong focus on inclusive education, including girls, persons with disabilities, persons in vulnerable positions and ethnic minorities. Impact area 3 is entirely focused on addressing violence and discrimination against women and girls, including those with disabilities and vulnerable persons. Therefore, results from these impact areas as described above, can be seen as contributing to the achievement of Finland's cross-cutting objectives.

There has been a number of reviews and evaluations that confirm the CP's contribution to a HRBA, gender equality and non-discrimination. The 2023 MFA Evaluation of HRBA found that "in Nepal, multiple means are used to promote gender and human rights, including targeted interventions, mainstreaming and policy dialogue".<sup>86</sup> The 2022 evaluation of the RVWRMP also found the project integrated well the HRBA and gender equality and non-discrimination in project design and activities,<sup>87</sup> while the 2022 SSDP evaluation noted that the program as a whole had benefited disadvantaged children through improved equity and inclusion opportunities.<sup>88</sup>

The 2022 report on Finland's response to the Covid-19 pandemic found that in Nepal most projects reviewed were adjusted to the context of the pandemic in a way that aligned well with Finland's HRBA.<sup>89</sup> One example cited was re-targeting of the UN Women Nepal country strategy supported by Finland to respond to the pandemic needs in the areas of gender-based violence (GBV) which was worsened by the pandemic.

The HRBA evaluation did note that in Nepal the MFA should ensure and follow up that the HRBA is applied at all levels of CS implementation, that the objective of meaningful participation is realised and there are sufficient qualified staff available to apply this both in the Embassy and in the MFA. The RVWRMP evaluation also highlighted that climate change and disaster risk reduction-related activities became more prominent in the third phase of the project but were not adequate given the scale of increasing climate related risks. Although under GRAPE it was noted that some of the major interventions now include renewable energy and climate-resilient agricultural development and the new SUSWA programme has an ambitious disability inclusion strategy.

Finland was also recognised by interviewed stakeholders as a visible advocate for gender equality and inclusion e.g. in the International Development Partners' Group and its sub-groups. The effective incorporation of these objectives in funded projects, such as WASH, was also noted by stakeholders.

## 5.3 Sustainability of results

The CT judged that the sustainability of CP results for impact area 1 were likely to be high going forward, although medium or low if the future context in Nepal significantly deteriorated. The interventions are strongly aligned with the federal system, with systems established and embedded

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86 MFA. (2023). Evaluation of Human Rights-Based Approach (HRBA) in Finland's Development Policy And Cooperation: Final Report, Volume 1.

87 MFA. (2022). Ex-Post Evaluation of Rural Water Supply and Sanitation Project in Western Nepal (RWSSP-WN) 2008-2019 and Final Evaluation of Rural Village Water Resources Management Project (RVWRMP) 2006-2022. Final Report.

88 EU. (2023). TA-School Sector Development Plan SSDP 2016-2021, Nepal, Final Evaluation Report.

89 MFA. (2022). From Reactivity to Resilience. An Assessment of the Response to the Covid-19 Pandemic.



at local level and significant training undertaken. This is confirmed by the final evaluation report of RVWRMP which noted that there “is a solid foundation for sustainability” and notes that there is a strong sense of ownership among water and livelihood beneficiaries, while local level institutions are in place which enhances sustainability.<sup>90</sup> This means that results outlined in section 4 above, including access to safe drinking water, sanitation and hygiene are likely to be maintained, although the evaluation highlighted that half of RVWRMP interventions requested post-construction support, which may indicate less sustainability. Livelihood interventions to decrease poverty and enhance the nutritional status of participants were judged by the evaluation to be sustainable with beneficiaries recovering investments within a few years. It is too soon to judge the sustainability of results of SUSWA and GRAPE as they are not yet fully implementing and have not produced sufficient results to judge.

Support to the education sector under impact area 2 is rated as highly sustainable apart from in the worst-case scenario for Nepal where it falls to medium. Education systems and policies are established and there is government commitment to improving the education sector. Significant progress has been made in increasing access to education, which is likely to be sustained, although quality might decline if there is a reduced commitment to the sector from the government or donors. Declining government commitment to the education sector was, however, considered unlikely given the long-standing commitment to date. The 2023 SSDP Evaluation found good evidence of sustainability and highlights that policies, strategies, guidelines and practices developed as part of the SSDP are likely to be continued to be implemented at the different levels of the education system.<sup>91</sup>

The sustainability of results in impact area 3 is rated at high to medium. There has been good progress made on economic and political empowerment of women and people in vulnerable positions, through the adoption of a gender responsive budget into the framework of national budgeting systems and an increase in funding for this budget. There is good progress in the adoption of policies to address violence and discrimination against women, girls and vulnerable groups. However, although laws, policies and processes are now in place to enhance the economic prosperity of women and girls and those in vulnerable positions, further results are very dependent on government commitment going forward and the effective implementation of these laws and policies.

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90 MFA. (2022). Ex-Post Evaluation of Rural Water Supply and Sanitation Project in Western Nepal (RWSSP-WN) 2008-2019 and Final Evaluation of Rural Village Water Resources Management Project (RVWRMP) 2006-2022. Final Report.

91 EU. (2023). TA-School Sector Development Plan SSDP 2016-2021, Nepal, Final Evaluation Report.





## 6 Added value of the 2021-2024 Nepal CP

The CP was seen by the CT as an important document for providing guidance on Finland's priorities in Nepal and clarity on Finland's areas of interest. It is viewed as a useful tool for ensuring that programming remains coherent, as only interventions that fit within the framework can be implemented, making it easier to reject requests that are not aligned with the CP and avoiding spreading limited funds too thin.

The CP acts as a means of communicating the "what and why" of Finland's work in Nepal to external stakeholders. This was confirmed by interviews undertaken by the meta-analysis team as interviewees commented that the CT often refer to the CP when describing Finland's programme in Nepal and Finnish goals, priorities and interventions are well known by development partners, particularly by those involved in coordination at the national level. The CP has therefore given Finland a high level of visibility in Nepal.

Having a CP makes coordination easier within the country team, rather than working in silos and the allocation of resources is more straightforward, while it is useful for creating synergies between programme impact areas. This was highlighted in interviews, where external stakeholders noted the synergies within Finnish programming and that the CT had actively encouraged them to link with other areas of programming.

The CP has provided the framework for long-term engagement in Nepal using proven modalities that has created trust with stakeholders at different levels of government, beneficiaries, and development partners. An example of this highlighted by the CT is the EU choosing to delegate funding through Finland to the SUSWA and the upcoming Technical Support Cooperation to Education Sector in Nepal and the Local Adaptation to Climate Change programmes.

The CP frames and guides country programming and was felt to be sufficiently flexible to respond to changes in circumstances which is important given Nepal's susceptibility to natural disasters and the recent Covid-19 pandemic. The CP is a good framework for reporting results and one of the few opportunities for the CT to reflect as a group on progress and lessons learned and discuss with other parts of the MFA. Without the CP there would be less accountability and transparency in programming.

However, as highlighted in section 4.2 above, although the results frameworks and annual reporting are seen as useful mechanisms, the CP process itself is seen as very heavy, including the amount of data needed for the annual reporting, the complicated results frameworks and the length of the reports required. These are also perceived as MFA senior management as too technical and hard to navigate. As the majority of the monitoring takes place at project level it was felt by the CT that the CP itself could be lighter, particularly as the CP now has more limited funds and human resources for the next programming cycle.





## 7 Conclusions

In this section, the meta-analysis team draws overall conclusions from the meta-analysis of the Nepal 2021-24 CP, as presented in the previous section of this report.

The CP in Nepal is a successful example of Finnish development cooperation that has not only produced consistent results but has also promoted Finland's 'brand' through long-term engagement which has increased Finland's visibility, while show-casing Finnish expertise and added value. Due to this, the MFA decision to continue with the CP is seen by the meta-analysis team as very positive.

Going forward there will need to be increased levels of flexibility within the next programme cycle as Nepal's graduation from LDC status and the next elections in Nepal represent both opportunities and threats that the CP will need to respond to. Particularly the possibility to create synergies with Finnish private sector modalities and potential changes in political commitment depending on election outcomes. As Finland aims to gradually diversify cooperation between Nepal and Finland and explore new cooperation models and partnerships, ensuring that the CT capacities match this ambition will be important.

It is noted that staff resources are limited and with forthcoming budget reductions and the fact that commitments have already been made for most of the new programme cycle, there is unlikely to be much space to commit to additional interventions. This implies a need to ensure that any new commitments fit within Finland's areas of existing expertise and sector programming.

The CP is clearly highly valued as a tool by the CT but some of the related processes are seen as not helpful as they add to already over-burdened staff workloads. The meta-analysis team agrees that there is value in developing a lighter-touch process for annual reporting, with more emphasis on lessons learned and main achievements/challenges and less emphasis on reporting against indicators or developing tools such as MEL plans, which the team do not find useful. Results framework that are more fit for purpose, with fewer indicators and flexibility to change when programming changes will also be useful.



# PALESTINE COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021-24 CP for Palestine. The report is compiled on the basis of a desk review, feedback from selected external stakeholders and a self-assessment workshop held on 23-25 January 2024 in Helsinki.<sup>92</sup>

The report is structured as follows. Section 2 introduces the CP. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-add of the CP approach for Palestine, and Section 7 summarises conclusions drawn by the meta-analysis team.

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<sup>92</sup> There were five external stakeholders interviewed, including project implementers, development partners and government officials and the workshop consisted of MFA staff from the country team in Palestine and Helsinki, as well as MFA advisors and senior management.



## 2 The 2021-24 Palestine Country Programme

This section introduces the 2021-2024 CP for Palestine. It explains the goals, how these were intended to be reached, and describes contributing projects and programmes.

The context for the current cycle (until year-end 2024), changed dramatically after the Hamas attacks on Israel on 7 October 2023 and the subsequent war in the Gaza strip. Finland's programming was subject to an internal review which concluded that no Finnish funding was being misdirected to terrorist organisations. This allowed Finland to continue to support education, inclusive state building and resilience until the end of the programming cycle.

After the meta-analysis workshop Finland's support to the UN refugee agency for Palestinians (UNRWA) was temporarily suspended on 27 January 2024 following allegations that some of its staff were involved in the Hamas attacks. Funding was reinstated at the end of March 2024 after UNRWA provided assurances that misconduct will be dealt with enhanced effectiveness, with 10% of the EUR 5 million provided by Finland now to be used for risk management.<sup>93</sup> Although UNRWA is not technically part of the CP its work contributes significantly to the achievement of CP objectives.

### 2.1 Goals

The 2021 CP has three impact areas:

1. Children's right to quality inclusive education safeguarded,
2. Inclusive state-building and a strong Palestinian civil society fostered, and
3. Resilience of Palestinian communities in vulnerable circumstances strengthened.

Impact areas 1 and 3 represent a continuation of programming under the first Country Strategy (CS) 2016-2020 that focused on education and resilience. The inclusion of new impact area 2 expanded the programme to cover inclusive state-building and a strong civil society through strengthening public institutions and their accountability as duty bearers and by fostering an enabling environment for civil society and citizen participation.

The 2021 CP was placed within the broader 2021-2024 CS for Palestine and aimed to link Finland's political, development and humanitarian objectives, strengthening the synergy between all actors in Palestine. The CS describes four strategic goals of Finland's foreign and development policy in the country:

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93 UM. (2024). Finland continues funding UNRWA— funds directed to prevention of misconduct. Press release. Accessed in April 2024 at: [https://um.fi/current-affairs/-/asset\\_publisher/gc654PySnjTX/content/suomi-jatkaa-unrwan-tukemista-varoja-ohjataan-vaarinkaytosten-ehkaisemiseen](https://um.fi/current-affairs/-/asset_publisher/gc654PySnjTX/content/suomi-jatkaa-unrwan-tukemista-varoja-ohjataan-vaarinkaytosten-ehkaisemiseen).



1. To contribute to the state-building based on the two-state solution,
2. To defend the respect for international law and human rights,
3. To support Palestinians in building a stronger society, and
4. To support and protect Palestinians in the most vulnerable situations.

The strategic goals of the 2021 CS and the impact areas of the 2021 CP are consistent with the wider Finnish goal of contributing to a peaceful, negotiated two-state solution to the Israeli-Palestinian conflict by supporting Palestinian state-building.

## 2.2 How the goals of the 2021-2024 CP are to be reached

The 2021 CP features a results framework and theories of change graphics for each impact area that describe how the CP goals will be achieved.

The first impact area contributes to safeguarding Palestinian children's right to quality inclusive education, through focusing on equitable access to education at all levels and improving teaching and learning pedagogy. To achieve this, the CP supports education sector wide development and reforms in line with the education sector strategic plan and in partnership with the Ministry of Education and Higher Education (MoEHE) and other development partners.

Inclusive state building and sustaining a strong Palestinian civil society under impact area 2 is aimed at strengthening the functioning and accountability of institutions and the enabling environment for civil society. This is undertaken through sustaining the functioning of Palestinian institutions, namely hospitals, in East Jerusalem, fostering political and social participation and strengthening the accountability of duty bearers to citizens.

Impact area 3 is intended to meet the humanitarian needs and protect the rights of Palestinians in the most vulnerable circumstances and improve livelihoods, self-reliance and living conditions to foster more long-term socio-economic resilience. This is undertaken by sustaining basic services to Palestine refugees and providing protection against fundamental human rights violations and improving resilient and sustainable livelihoods in East Jerusalem, investments in employment and youth empowerment in Area C, Gaza and East Jerusalem.

## 2.3 Contributing projects and programmes

The total budget is EUR 28 million for the 2021-2024 CP, which represents an increase from the 2016-2020 CS. By impact area, 50% of the budget was allocated to impact area 1 for safeguarding children's right to quality inclusive education, 33% to impact area 2 for fostering inclusive state-building and a strong Palestinian civil society and 17% for impact area 3 for strengthening the resilience of Palestinian communities in vulnerable circumstances.



**Figure 1 CP projects actual disbursements 2016-2022 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1 - EDUCATION</b>								
Education sector support, Phase V and VI	3.0	3.0	3.0	3.0	3.0	3.0	3.0	<b>21.0</b>
UNICEF Non violence in school and child protection / BRAVE	1.0			0.6		0.5	0.5	<b>2.6</b>
<b>IMPACT AREA 2 - STATE BUILDING</b>								
EU Pegase-mechanism	1.0		1.6	0.9	3.0	2.0	1.7	<b>10.2</b>
ICHR						0.3	0.3	<b>0.6</b>
<b>IMPACT AREA 3 - RESILIENCE</b>								
UNDP - Tarabot						1.0		<b>1.0</b>
West Bank Protection Consortium (WBPC)				0.4	0.2	0.2	0.5	<b>1.3</b>
<b>OTHERS</b>								
Gaza / Emergency fund					1.0			<b>1.0</b>
UNDP - CRDP			0.4					<b>0.4</b>
IBRD - Land Administration Project II	0.2	0.0						<b>0.2</b>
Palestinian Peace Coalition – Geneva Initiative	0.2							<b>0.2</b>
PID MDTF	2.3							<b>2.3</b>
Planning funds	0.05	0.1	0.0	0.0	0.003	0.01	0.05	<b>0.3</b>
<b>Total Annual Disbursements</b>	<b>7.7</b>	<b>3.1</b>	<b>5.1</b>	<b>4.9</b>	<b>7.2</b>	<b>7.0</b>	<b>6.0</b>	<b>41.0</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).

Under impact area 1 Finland continued to support projects from the previous 2016-2020 programming cycle (see Figure 1). This included the education Joint Financing Arrangement (JFA) Education Sector Support phases V and VI and BRAVE (Building Resilience and Addressing Violence from Early Years through Adolescence) managed by UNICEF. This has been complemented by core support to UNRWA, which provides education to Palestine refugees and a variety of other FLC and civil society organisation (CSO) projects that are not included within the CP.

Impact area 2 was a new impact area that included previous funding to PEGASE (Palestino - Européen de Gestion et d'Aide Socio-Economique) through which Finland is supporting the provision of public services, namely East Jerusalem hospitals. Support to the Palestinian Independent Commission for Human Rights (ICHR) was a new project and complemented through support outside of the CP to CSOs through funds for local cooperation (FLC), with a particular focus on empowering youth and women and promoting their participation in political and social life in line with the Women, Peace and Security Agenda. This was the Taawon Conflict Resolution Project: Activating and scaling up the women mediators model in Palestine, Phase II. Also, by the Crisis Management Initiative (CMI) partnership with the Masarat organization to advance national reconciliation and secondment of technical experts to the EUPOL COPPS civilian crisis.

Under impact area 3, the West Bank Protection Consortium (WBPC) was funded in the previous programme cycle and the transformative resilience program in Area C, East Jerusalem and Gaza (Tarabot) managed by UNDP, which was in continuation of the Community Resilience and Development Program (CRDP) previously supported by Finland. Outside of the CP this area is supported via UNRWA and complemented by projects of the Finnish YMCA and FCA Finn Church Aid.



Levels of disbursement have been high at 100% in 2021 and 2022, which was similar for the previous programming cycle and has not fallen below 98% in either programme cycle. This is primarily due to the joint funding mechanisms used by the programme, such as the education Joint Funding Agreement (JFA) and the EU PEGASE.





## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Palestine.

### 3.1 Past and current country context

The context for Finnish programming in Palestine has been framed by the military occupation of Palestine by Israel since 1967 and at the beginning of the current programming cycle, diminishing prospects for a resolution of the conflict and a two-state solution, the overarching goal of Finland's support. Changes in the political context, limited possibilities for economic growth and social development due to Israeli control, the Covid-19 pandemic and the deteriorating fiscal situation of the Palestinian Authority (PA) limited possibilities for supporting reform and achievement of results.

The backdrop to the development of the current programming cycle was increasing tensions due to the 2018 US recognition of Jerusalem as the capital of Israel and the subsequent withdrawal of funding from UNRWA by the Trump administration and more generally increasing uncertainty about future donor funding. The lack of Palestinian Parliamentary and Presidential elections since 2006 and the physical and political split between Gaza and the West Bank exacerbated internal divisions, reducing the legitimacy of the Palestinian Authority. The expansion of Israeli settlements contributed to the further loss of Palestinian land. Due to this, donors were more focused on managing the conflict rather than resolution.<sup>94</sup>

A severe fiscal crisis was being experienced by the PA due to the Covid-19 pandemic, an economic slowdown and a political standoff in 2020 with the Government of Israel that disrupted clearance revenues, a key revenue source for the PA.<sup>95</sup> Annual GDP growth had averaged 1.3% from 2017 to 2019<sup>96</sup> and fell to 1.3% in 2020, leaving the PA with a severe fiscal deficit leading to increasing arrears and partial payment of salaries for government employees.<sup>97</sup> Prospects for economic growth were limited due to Israeli control of the economy and exploitation of economic resources, resulting in a reversal in economic development, exacerbated by the reluctance of the PA to undertake economic reform.

Socio-economic deprivation was high with increasing rates of unemployment and poverty and significant socio-economic differences between the West Bank and Gaza due to the ongoing Israeli blockade of Gaza since 2007. The poverty rate was 21% in 2016/17, an increase of 2% since 2011 (USD 5.5 2011 purchasing power parity a day<sup>98</sup>), while 2.2 million Palestinians in Palestine

94 DT Global. (2022). Biennial evaluation of 2018-2019 PEGASE Direct Financial Support ("PEGASE DFS") to the Palestinian Authority. Final Report – March 2022.

95 World Bank. (2020). Economic Developments in the Palestinian Territories.

96 World Bank. (2021). Palestinian Territories: Macroeconomic Poverty Outlook.

97 World Bank. (2022). Economic Monitoring Report to the Ad-Hoc Liaison Committee.

98 World Bank. (2021). Palestinian Territories: Macroeconomic Poverty Outlook.



needed humanitarian assistance in 2020.<sup>99</sup> Despite this, Palestine ranked 111 out of 193 countries in the UNDP Human Development Index in 2022 which placed them in the high category and was categorised by the World Bank as a middle income country with GDP per capita at USD 3,678.6 in 2021.<sup>100</sup>

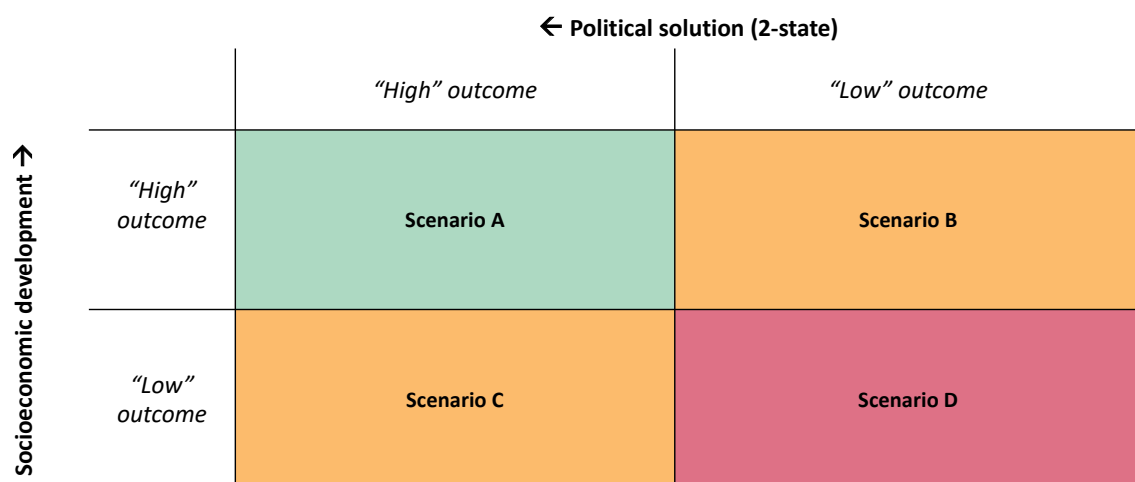
During the current programming cycle these trends of heightened political uncertainty, volatility and severe economic and social stress have continued. Prior to the current conflict in Gaza, the Palestinian economy was already slowing after a post-Covid rebound, and Gaza was experiencing a severe contraction due to Israeli restrictions. Legislative elections were postponed again in 2021, while another outbreak of violence between the Israeli Government and Hamas occurred for 11 days in May 2021. Donor funding continued to decline steeply from around 16% of GDP in 2009 to less than 2% in 2022,<sup>101</sup> while politics in Europe made cooperation between EU countries more difficult. The current escalation of the conflict in Gaza has increased humanitarian needs, leaving the entire population of 2.2 million people in crisis with vital infrastructure destroyed and many people dead or injured. This has impacted Finland’s programming and will have long term lasting welfare and economic impacts on the population of Gaza and the West Bank.

### 3.2 Future development scenarios

During the self-assessment workshop, four scenarios were developed to support the planning of future development cooperation in the country with a time horizon of 2025-28 in mind. As shown in Figure 2, they were organised along the two axes of:

1. Progress towards a political solution, and
2. Progress in socio-economic reforms and policies.

**Figure 2 Future scenarios for Palestine**



Source: Palestine CP self-assessment workshop, January 2024.

99 UNICEF. (2021). State of Palestine Humanitarian Situation Report End of Year 2020.

100 UNDP. (2022). Human Development Index. Accessed in May 2024 at: <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI> and World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?view=chart>

101 World Bank. (2023). Racing Against Time – World Bank Economic Monitoring Report to the Ad Hoc Liaison Committee.



The horizontal axis reflects that the context going forward is highly uncertain and dependent on whether the current conflict leads to a pathway to peace or to a prolonged military occupation or further conflict. The vertical axis is the degree of socio-economic development that materialises, as a result of economic and fiscal reforms and the extent to which socio-economic outcomes improve with the benefits equally shared. The best possible outcome is scenario A where there is peace process and/a roadmap for a political solution which provides space for socio-economic development. The worst-case scenario D is where a lack of a political solution leads to a lack of socio-economic development possibilities.

### **3.3 Austerity measures in Finnish development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term. The programme in Palestine for 2025-28 is planned to operate with significantly reduced budgets.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Helsinki and on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

The workshop participants highlighted the Palestine team's experience, knowledge and commitment as a key strength. The long-term involvement of the two Palestinian team members and the Helsinki-based team who are new but have worked on Palestine in the past has been important given the team has been working in crisis mode since October 2023.

The CP was viewed by the workshop participants as well designed and strategic, remaining relevant and achieving good results despite the challenging and volatile context. A major strength has been the ability to adapt programming and repurpose funds when the operating environment changes. Education funds have been shifted to support the Ministry of Education's Emergency Response Plan during the Covid-19 pandemic and for reconstruction of school facilities in Gaza after the 2021 conflict. This was made possible by the flexible funding modalities that support sector and project plans, allowing a reallocation of funds if circumstances change. This flexibility was highlighted in interviews undertaken by the meta-analysis team as a key strength from the perspective of recipients of CP support.

Joint working with other like-minded donors through a consortium approach was another strength noted by interviewees. This allows Finland to influence and use what is a small amount of funding to achieve greater results by pooling with other donors and bringing Finnish expertise to joint donor programming.

A perceived weakness in CP management has been the lack of public financial management (PFM) expertise internally within the team and the MFA. The use of joint funding mechanisms for public financing requires additional PFM capacity and the team has hired this support externally. The separation of the humanitarian, development and political spheres in the MFA is another weakness, as the triple nexus approach is important in the Palestine programme and worked well. Programming in all three areas is complementary and important for CP results.

The consequences and the uncertainty caused by the war in Gaza is perceived by the CP team as the main threat going forward. Data to monitor programme results is unlikely to be available, making it difficult to assess if newer interventions have been successful. Access to some areas where the programme works is now limited, and the civilian and humanitarian impact is severe. A prolonged war will likely jeopardise CP results, and if the political landscape remains unclear, future programming will be challenging. Another threat is planned changes in the budget for the next Palestine programming cycle.



There are opportunities as Finland has good relations with partners that can be built on, in areas such as education their expertise is appreciated and there are opportunities to coordinate further to strengthen programming with like-minded donors in areas such as gender. There are also opportunities to enhance coordination between the CP team and the Tel Aviv Embassy.

## 4.2 Assessment of current planning and reporting arrangements

The CP document has been useful for ensuring a strategic and coherent programme that encapsulates Finland's approach in Palestine. The country team also considered the document helpful for communicating the objectives of Finnish development cooperation in Palestine to stakeholders and in donor coordination. Processes related to CP development and monitoring were, however, seen by the CP team as less appropriate for a fragile environment such as Palestine where the context can change rapidly, a view that the meta-analysis team agrees with. This is due to the inflexibility of standardised CP arrangements, the heavy burden on limited staff resources and the lack of fit for a triple nexus approach. Specific areas of concern are:

- Projects under the CP require a review that involves a review by a number of MFA advisors and management. Comments received are not always helpful as reviewers have mainly a development perspective, not the triple nexus understanding that underpins the programme. Despite this, comments need to be taken into consideration in CP formulation.
- Annual reports are valuable for accountability and learning but over-elaborate in comparison to the limited size of the Palestine programme. They are lengthy and time consuming to prepare, while multiple IT systems that staff use for planning and reporting do not work.
- CP monitoring is seen as important, but the high-level results framework reflects unrealistic theories of change, as expected impacts and outcomes are unrealistic and unlikely to be achieved given the level of CP inputs. The overall Finnish contribution is in practice very limited for these outcomes.
- The indicators themselves are complicated and do not always reflect results achieved on the ground as they are extracted from project reporting. Particularly policy dialogue or influencing and coordination activities are not currently captured in the selected indicators or narrative reporting. The need to disaggregate data is difficult as the information is often unavailable and reporting on cross-cutting indicators is not always appropriate even though both are an MFA requirement.

The use of both quantitative and qualitative indicators is seen as more relevant for measuring CP progress. Particularly in the current context as data for many quantitative indicators is unavailable. This was highlighted in both the 2021 and 22 annual results reports, as well as the need to adapt the CP theory of change and the results framework. This was agreed in the management response but did not occur in practice due to team time constraints.



Despite the challenges related to the indicators, the annual reports are seen as useful for self-assessment and reflection. The process provides an opportunity to discuss the programme both within the country team and with management, as part of the management response mechanism.

The country risk management templates and monitoring and learning plans are seen as useful tools, although it was acknowledged that the risk management tool could be used more often and regularly for joint team risk analysis and learning.

In Palestine, the Country Strategy is a “forgotten document” and not referred to by the CP team, while interviewees saw it as too high level to be meaningful. The Ambassador’s Strategic Plan and the Ambassador’s annual discussions were seen as more useful as it is short and written on an annual basis, although the CP team is often not part of the discussions on these plans, which take place during the Ambassadors’ meetings. Also, the plan is written in Finnish and not made public so is not accessible to the whole team or externally.

A more general comment on the overall monitoring and evaluation of MFA support is that the Palestine CP is regularly included in wider reviews and evaluations which puts an additional burden on staff resources given the limited number of MFA CPs. In 2023 the team were included in two evaluations managed by EVA-11, while there were two inspections of the programme in 2022 and an additional review in 2023 to ensure that no development cooperation funds were being misdirected to terrorist organisations and assess the efficiency of risk management mechanisms in the CP.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail (for such, the reader is referred to the MFA's Palestine results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023, based on an estimate by the country team.<sup>102</sup> Expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

Implementation of the CP has been disrupted by the unpredictable operating environment and the need to adapt to these changes. In 2021 the CP was significantly impacted by the ongoing Covid-19 pandemic and the Gaza war in May 2021. There were adaptations within education programming due to the Covid-19 response and the Emergency Response Plan of MoEHE after the escalation of hostilities in Gaza in May 2021. This led to a reallocation of Finland's and other partners funding to improved distance learning, remedial education and reconstruction or rehabilitation of Gaza schools.

Additional challenges occurred in education from teachers strikes due to the non-payment of salaries, while the social sectors were impacted by a lack of government funding due to the PA fiscal crisis. Despite this, the CT managed to implement activities and all disbursements were conducted as planned in both 2021 and 2022 with a disbursement rate of 100%. The disbursement rate was also 100% in 2023.

The meta-analysis team observes that the overall context makes achievement and sustainability of results very challenging. While results have been achieved, achieving sustainable results would need improvement in the overall political context. The volatile context means that there is little control by Finland over results and Israeli occupation and control, combined with conflict and violence and the lack of a political solution hinders the achievement of results and sustainability. The functioning of the PA and slow progress in implementing critical reforms in public financial management, civil service, social protection, health and education are challenges, which the programme is trying to address. Also, the PA has limited access to area C, East Jerusalem and Gaza, limiting national ownership of interventions and sporadic outbreaks of violence reinforce the need for flexibility in programming.

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<sup>102</sup> It should be noted that this estimate was done in a few hours during the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results report 2023 for Palestine.



## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021

In impact area 1 (children's right to quality inclusive education safeguarded), the reporting of results continued to be impacted by the Covid-19 pandemic which disrupted data collection and the assessment of progress and results relating to education quality and results (see Figure 3). There was good progress reported in equitable access to education and satisfactory progress in improving teaching and learning pedagogy and environments. There were delays in the implementation of the UNICEF BRAVE (Building Resilience and Addressing Violence from Early years through Adolescence) project against school-related violence that started in 2021. Adaptation of the programme was needed due to the Covid-19 response and the emergency response in Gaza following escalation of hostilities in May 2022.

In impact area 2 (inclusive state-building and to strengthening the Palestinian civil society) outcomes were unsatisfactory (see Figure 4). The lack of funding for Palestinian institutions in East Jerusalem supported by Finland severely impacted services and Finland's support was critical, but insufficient to achieve results. The ICHR project contributed towards the accountability of the PA to its citizens, but this intervention and an FLC project, which also contributed towards outcomes, were new, limiting progress achieved.

Satisfactory progress was achieved in impact area 3 (resilience of Palestinian communities in vulnerable circumstances strengthened). Finland contributed to the resilience of Palestinians living in vulnerable areas (Area C, Gaza, East Jerusalem) through both humanitarian means (UNRWA, OCHA OPT Humanitarian Fund) and through development cooperation (WBPC, UNDP Tarabot) that reflected the CP's triple nexus approach.

Finland's policy dialogue in both 2021 and 2022 was focused both bilaterally and multi-laterally and was highlighted by interviewees as being influential. Finland was appreciated for the expertise that it brings particularly in education. The modes of funding used by Finland were also noted as being appropriate for allowing flexibility and adaptation to changing needs as circumstances change.

### 5.2.2 Reported results in 2022

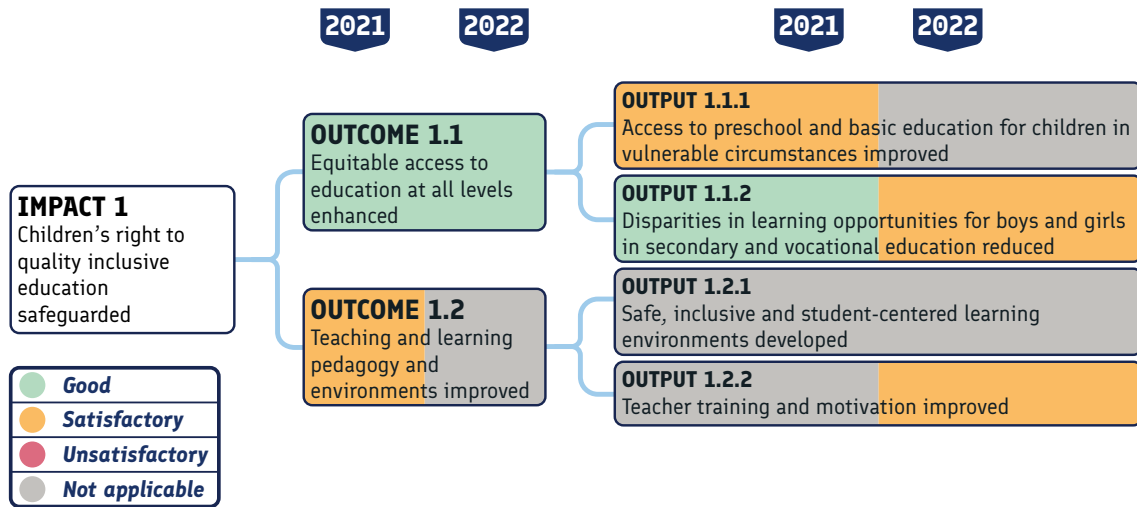
Results improved in 2022, particularly for impact areas 2 and 3, despite the challenging environment. Results on the outcome and output level (middle and right columns, respectively), as reported by the MFA's country team, are shown in Figure 3 and Figure 4 below.

Good progress was made in impact area 1 with progress in educational access, although overall achievements was affected by Covid-19 learning losses and the ongoing teachers strikes that impacted quality and inclusive education. The strikes also limited the CP team's ability to collect data making the analysis of long-term trends difficult, impacting the assessment of achievements in the second outcome area although Finland continued to support and make progress in teacher training (see Figure 3).





**Figure 3 Assessment of results for 2021 and 2022 in impact area 1**

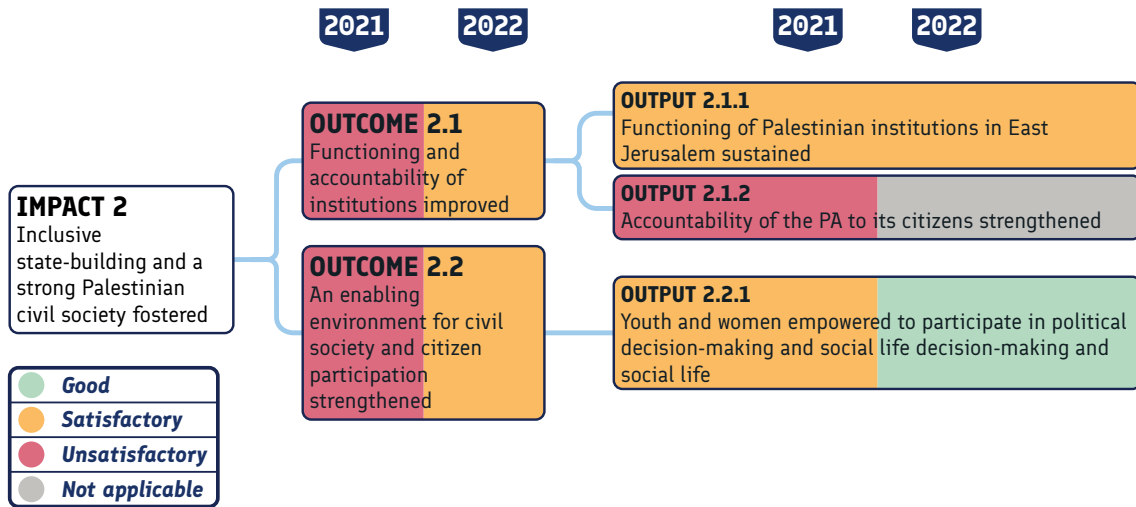


Source: 2021 and 2022 CP Results Reports.

Progress towards impact area 2 was satisfactory, although there were similar challenges experienced to outcome 1, due to insufficient funding from the PA to East Jerusalem hospitals and delays were experienced in EU payments, but a level of services was sustained (see Figure 4). The contribution to accountability of the PA to its citizens was not able to be measured, due to a lack of data and evidence. The ICHR contributed positively to the enabling environment for civil society through improving civic participation in social and political life, which protects and preserves civil and political rights, as well as economic, social and cultural rights, especially for women and youth. Finland supported both duty bearers (the PA and the de facto authorities in Gaza) and rights holders in integrating human rights into domestic legislation and policies and in promoting human rights culture in Palestine and monitoring human rights violations by all duty bearers in a balanced approach. The team CP noted that although the 2.2.1 output level indicator registered positive developments, these were not though representative of broader strengthening of the environment for civil society and citizen participation.



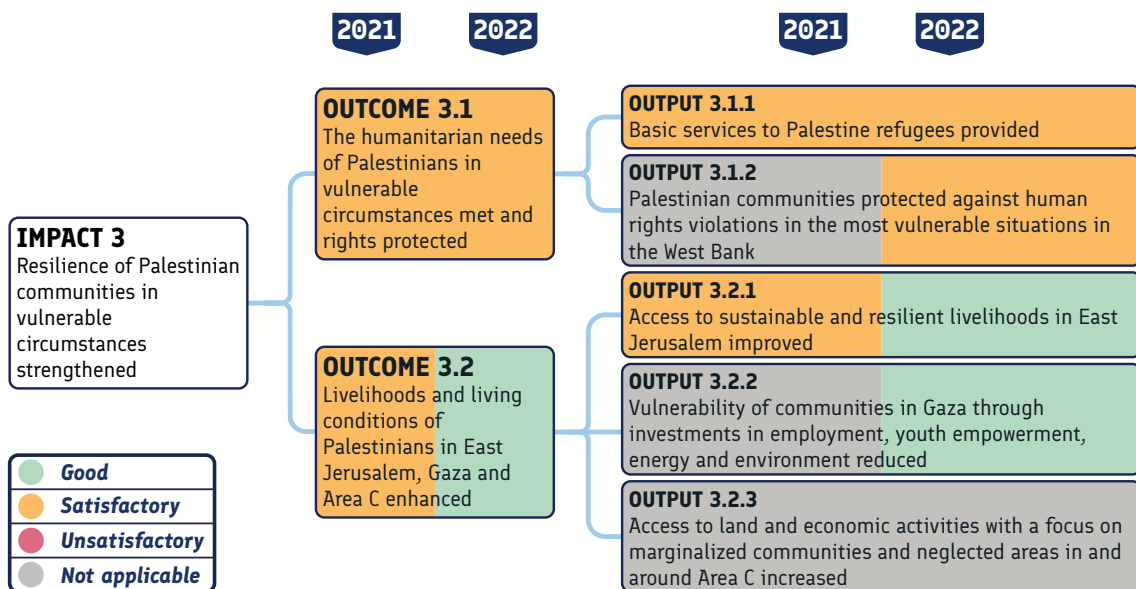
**Figure 4 Assessment of 2021 and 2022 results in impact area 2**



Source: 2021 and 2022 CP Results Reports.

There was a mix of satisfactory and good progress under impact area 3 aimed at strengthened resilience of vulnerable communities in the West Bank and Gaza (Figure 5). Tarabot begun its implementation phase and the WBPC provided support for protection measures and legal aid and provision of basic and social infrastructure. This was complemented by UNRWA support for basic services and protection, including education leading to satisfactory progress in outcome 3.1. There was good progress in outcome 3.2 through Tarabot working to improve living conditions for Palestinians in Area C and Jerusalem and implementing small-scale livelihood investments with partners in Gaza.

**Figure 5 Assessment of 2021 and 2022 results in impact area 3**



Source: 2021 and 2022 CP Results Reports.



### 5.2.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated as the annual reporting had not yet been undertaken by the country team at the time of writing this report but will have been significantly affected by the war and destruction in Gaza which followed the Hamas attack on Israel on 7th October 2023. Any predictions are uncertain. Data is unlikely to be available to assess progress and key trends for many indicators. This uncertainty has been exacerbated by the January 2024 temporary suspension of UNRWA funding that complements and contributes to programme results in education and resilience, although as of March 2024 this funding was reinstated. This occurred after the meta-analysis workshop, but the meta-analysis team view is that this would have had a significant impact on 2024 results if the suspension had continued. The war in Gaza is another major factor and the extent to which the conflict is prolonged, as well as the outcome that relates to the scenarios outlined in section 3.2.

For impact area 1 on education, it is not possible to estimate results due to unavailable data, apart from output 1.1.1 on access to preschool and basic education for children in vulnerable circumstances. This output is expected to be satisfactory as pre-schools are still functioning as they are mainly private, and the relevant data will be available, but on the other hand it is likely to be impacted by the negative economic situation, movement restrictions and the war. School strikes continued in 2023 and since the war in Gaza, children in Gaza have had no access to education and schools in the West Bank have been subject to Israeli incursions. For 2024 the situation is not possible to predict, although education systems are in place if the situation is resolved, but currently schooling is mainly online which restricts access.

Progress in 2023 for impact area 2 related to inclusive state building is likely to remain at satisfactory, with similar results to 2022. Result for outcome 2.1 (functioning and accountability of institutions improved) are constrained by the lack of PA funding available for Jerusalem hospitals and increasingly difficulties for Palestinians to access services. Outcome 2.2 (an enabling environment for civil society) is also likely to remain satisfactory going forward as further progress is constrained by the current context. It is notable that without the war in the Gaza strip the results would be likely to have been good as it would have been possible to have achieved more progress. For 2024 it is difficult to predict given the uncertain context, but there is very likely that the results achieved to date cannot be maintained. The CP team noted that the indicators for outcome 2.1 are no longer relevant to the current context.

For impact area 3 the results for 2023 are estimated to be satisfactory for humanitarian needs met under outcome 3.1 (the humanitarian needs of Palestinians in vulnerable circumstances met and protected) although probably with a downward trajectory. For outcome 3.2 (livelihoods and living conditions of Palestinians in East Jerusalem, Gaza and Area C enhanced) results are likely to be good if the assessment is assumed up until 7 October 2023 as a lot has been achieved. Since then, some interventions in Gaza have been destroyed which will impact negatively on the outcome rating.

In 2024, the situation is likely to deteriorate due to the suspension of UNRWA funding, which will impact outcome 3.1 and be unsatisfactory or unmeasurable under outcome 3.2, as this will be dependent on the ability of Tarabot and the WBPC to operate in Gaza and Area C. The country team also highlighted that some of the small-scale livelihood investments made in Gaza by the Tarabot project that had been successfully achieved have since been destroyed during the war and that it is not possible to assess results and benefits from livelihoods and resilience in Gaza.



## 5.3 Contribution to Finland's cross-cutting objectives and other results

Human rights, gender equality and non-discrimination, including disability inclusion are key focuses of the CP. The CP's overall aim is to enhance the realisation of human rights of the Palestinian people, with a specific focus on Area C, East Jerusalem and Gaza where the people are in especially vulnerable situation.

The recent 2023 Human Rights-Based Approach (HRBA) evaluation highlights that in the Palestine CP, the human rights perspective is systematically included in the analysis of all impact areas.<sup>103</sup> Reporting on human rights and cross-cutting issues is noted as leaning towards gender equality and disability inclusion issues and the focus of HRBA-related reporting on processes rather than outcomes.

The work of the WBPC is highlighted by the evaluation as a good illustration of how HRBA efforts may be very effective in providing protection and reducing the negative impact of human right abuses facing the Palestinian community facing evictions.

Other ways that the CP is contributing to cross-cutting objectives is through a triple nexus approach, where humanitarian interventions (UNRWA) and development cooperation aim to increase resilience of people in vulnerable situations (WBPC and Tarabot). Also, through supporting institutions responsible for essential public services through PEGASE, human rights through support to the ICHR, and civic participation in social and political life. Special focus is on empowering youth and women and promoting their participation in political and social life in line with Women, Peace and Security (WPS) agenda.

The CP has enhanced women's and girls' rights by both specific measures and through gender mainstreaming. Education support incorporates and mainstreams gender equality, although in Palestine the gender gap is in favour of girls, so the focus is on improving boys' educational attainment and children with disabilities. In interviews with external stakeholders conducted by the meta-analysis team, the influential role of Finland was noted in gender and inclusion through policy dialogue, particularly in the education sector when Finland has been the lead donor in education and the JFP focal point.

Climate resilience is addressed as part of resilience programming, although other aspects of climate resilience such as low-emission development and biodiversity have not received much attention.

## 5.4 Sustainability of results

The CP makes clear that that "sustainable development results for the Palestinians can only be achieved when the political drivers of fragility and de-development are properly addressed". Sustainability of results after the current CP is therefore scenario-dependent and is expected by the CP team to range anywhere from high in scenario A (the most optimistic scenario) to low in

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103 MFA. (2023). Evaluation of Human Rights-Based Approach (HRBA) in Finland's Development Policy and Cooperation. Final Report. Volume 1.



scenario D (the most pessimistic scenario) and will be broadly the same for all 3 impact areas. This makes a judgement on sustainability difficult given the volatility of the current context where the outcome is unknown.

An important factor for sustainability in impact area 1 is that maintaining education reforms and results is dependent on donor funding. JFA and other jointly funded or pooled fund programs seem to continue in the future. Finland, together with other European partners, has focused on developing systems, policies and processes, therefore there will likely be some broader element of sustainability, as systems will still be in place regardless of the sustainability of current results.

Another factor that affects particularly impact areas 1 and 3 is the extent to which the demolition of educational facilities continues in East Jerusalem and Gaza and outputs from the resilience interventions also in Area C by the Israeli authorities. Already some interventions under the Tarabot and WBPC programme have been destroyed. For impact area 2 it is unclear what the space will be for civil society and citizen participation going forward, while support for East Jerusalem hospitals is again dependent on additional funding as Finnish resources are insufficient on their own.

Sustainability also depends on the extent to which the next programming cycle focuses on achieving further progress and results or on maintaining services and sustaining existing results – a decision that will be made depending on which scenario looks more likely.

This assessment was undertaken before the suspension of UNRWA funding which the meta-analysis team judges will have an impact on sustainability of results in education and resilience, as even though Finland's support has now resumed, half of UNRWA's funders have not yet lifted their suspensions, leaving the organisation with a significant funding deficit.



## 6 Added value of the 2021 Palestine CP

The CP is considered by the CP team to be a useful document that defines Finland's objectives and priorities in Palestine and helps to communicate this with stakeholders and increase Finland's visibility. A single document that outlines Finland's programme acts as a guiding document for staff and can be useful for maintaining focus and ensuring that additional projects or activities unrelated to the CP are not added during the programme cycle. It is also useful for new staff to give them a snapshot of the programme and to summarise Finland's priorities for an external audience. What was seen to be less useful was including lists of projects as these quickly become outdated.

Having a CP is perceived as essential in fragile states as it validated political decisions to support Palestine and acted as an "anchor" for the team and for making programming decisions.

The annual reports aid learning and documenting of results and synthesising this information on an annual basis. This is considered a good tool for team discussion and reflection and for validating results. Even though the reports are seen as over-long, too work intensive, with "the process taking over" there is still value in having results reporting and a results framework, as it is a valuable opportunity for the team and management to reflect and discuss the programme (see section 4.2 above).

The meta-analysis team found that the country programme and the annual reports together provide a useful overview of the objectives of Finnish development cooperation in Palestine as well as progress towards expected results. This was confirmed to a limited extent by stakeholders interviewed who found that the CP was useful for communicating Finland's priorities and objectives but were ultimately more interested in the specific programmes than in the programme overall.



## 7 Conclusions

The meta-analysis team supports the conclusion of the CP team that there is a need for flexibility in the next programme cycle. This includes the need for short-term funding decisions to meet the immediate needs. Given the extremely uncertain context, it is not possible, in all cases, to make project funding commitments for a 4-year period. Particularly as there will be limited information on CP results or success of some of the newer interventions to guide programming decisions.

This still means that a country programme should be developed due to the benefits that a CP brings, but flexibility is needed within this to be able to reprogramme and to adjust accordingly. The programme will likely include the same impact areas, but the priorities within those focus areas may need to change depending on the outcome of the war in Gaza. The meta-analysis team agrees that a simpler, more realistic results framework will be needed, that can accurately reflect results on the ground and be less dependent on a rigid assessment of quantitative project indicators.

There is also a need to decide the focus and level of ambition of the CP support, as highlighted by the CP team. Focus could be on reform and progressing results or on maintaining the results already achieved to ensure there is no backsliding. Again, this will ideally depend on the scenario Palestine finds itself in, but it could be that decisions need to be made before the outcome and future implications of the war in Gaza are known. Likely it will imply more focus on the triple nexus programming given the extensive humanitarian needs which will need to be accommodated in the processes for designing the CP and Quality Assurance Board approval.

Similarly, as highlighted by the country team, political and policy dialogue is likely to be important. This will require a decision on whether to push in areas where Finland can influence (politically as well as in development cooperation) or to focus on provision of services, which is where the focus mainly has been to date. Reporting of influencing should also be included within reporting formats. The meta-analysis team agrees with this approach, noting that the current CP formats require a high level of staff resources. Therefore, planning and reporting formats should be simplified to match programme resourcing. More generally the ambition of the programme needs to fit with the resources available as needs are increasing exponentially at the same time as programme resources are being reduced.



# SOMALIA COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021 CP for Somalia. The report is compiled on the basis of desk review, feedback from selected external stakeholders and a self-assessment workshop held on 20-22 November 2023 in Nairobi, Kenya.<sup>104</sup>

The report is structured as follows. Section 2 introduces the CP. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-added of the CP approach for Somalia and Section 7 summarises conclusions drawn by the meta-analysis team.

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<sup>104</sup> There were 5 external stakeholders interviewed, including project implementers and a government official. The workshop participants consisted of MFA staff from the country team in the embassy in Nairobi and Helsinki, as well as MFA advisors and senior management.



## 2 The 2021 Somalia Country Programme

This section introduces the 2021-2024 CP. It explains the goals, how these were intended to be reached and describes contributing projects and programmes.

### 2.1 Goals

The main goal of the Somalia CP 2021- 2024 is: “To support Somalia’s efforts in inclusive development, peacebuilding and statebuilding and to deepen [Finland’s] partnership with Somalia.”

The 2021 CP has two impact areas:

1. Improved confidence in the state and increased social cohesion for a renewed social contract, and
2. Enhanced sexual and reproductive health and rights of women and girls.

This continues the focus of the Somalia 2017-2020 Country Strategy (CS), as impact areas are similar although slightly reworked. The main impact area was previously “women’s and girl’s rights are increasingly realised” and “strengthening of core state functions so that the state can perform its role in fulfilling its human rights commitments” was the second impact area.

The 2021 CP was placed within the broader 2021-24 CS for Somalia. This strategy describes four strategic goals of Finland’s foreign, security and development policy in the country:

1. Relations between Finland and Somalia become more diverse and comprehensive, including trade relations,
2. Finland actively contributes to peace and statebuilding in Somalia,
3. Finland advances inclusive and gender sensitive development in social sectors, and
4. Finland supports the strengthening of gender equality and the realisation of women’s and girls’ rights.

### 2.2 How the goals of the 2021 CP were to be reached

The theories of change (ToC) for each impact area are clearly described in the CP document and annexes.

The CP aims to support statebuilding and service delivery to increase the legitimacy of the Federal Government of Somalia (FGS) and the Federal Member States (FMS). The assumption is that by



supporting social development, peace and reconciliation and the advancement of political reforms, the Somalia state will be strengthened, resulting in peace and prosperity. The weak capacity of the state to provide basic services weakens and delegitimises the state, while social development and improved gender equality are needed to achieve economic development and political stability.

The CP addresses these aims through interventions to improve the operationalisation of the humanitarian-development-peace nexus. Under impact area 1, peace and reconciliation and statebuilding initiatives are focused on developing a functioning government and contributing to peace. Strengthening service delivery through enhancing governance in health and education aims to strengthen service delivery and increase the legitimacy of the state from the perspective of Somali citizens.

Impact area 2 focuses on enhancing the rights of women and the status and participation of women in decision-making and economic activities. This is undertaken through increasing access to sexual and reproductive health and rights (SRHR) services and improved support and access to justice for persons in vulnerable positions. Also, by supporting individual and institutional actors to be better informed and to improve protection from and support related to gender-based violence (GBV).

## 2.3 Contributing projects and programmes

The total budget was originally EUR 54.6 million for the 2021-2024 CP with funds allocated equally between impact area 1 and 2. This represented an increase in budget for the Somalia programme compared to previous years, although budget cuts have reduced the available funding for the final year of CP implementation.

The CP 2021 was a mix of projects that continued from the previous CP, with some new interventions (see Figure 1). Under the previous CS the World Bank (WB) Multi-Partner Fund (MPF) for Somalia, was supported, with Finland funding the Recurrent Cost and Reform Financing (RCRF) component. The RCRF pays the salaries of teachers and female health workers and although Finland's funding was unearmarked, Finland closely followed health and education projects.



**Figure 1 Actual disbursements for CP projects 2016-2022 (MEUR)<sup>105</sup>**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
WB Multi-Partner Fund (MPF) for Somalia (Recurrent Cost and Reform Financing- RCRF)			1.0	2.0	2.5	3.1	1.5	<b>10.1</b>
FCA: MIDEEYE Support of the National Reconciliation and Local Governance in Somalia						1.1	0.7	<b>1.8</b>
Support to education sector under UNICEF						1.0	2.7	<b>3.7</b>
<b>IMPACT AREA 2</b>								
IOM: MIDA FINNSOM IV-V Somaliland		1.3	1.0	1.0	1.3		1.0	<b>5.6</b>
IOM: MIDA FINNSOM II-III South Central Somalia		1.2	1.0	1.0	2.4	2.0	0.7	<b>8.3</b>
UNFPA: Somalia Wellbeing of Women and Girls		2.0	2.0	3.0	5.0	5.0	6.5	<b>23.5</b>
<b>OTHERS /OLDER</b>								
UNOPS: Construction of Headquarters for the Immigration & Naturalisation Directorate			0.0	0.4				<b>0.4</b>
IOM: Enhancing the Institutional Capacity of the Immigration and Naturalization Directorate of Somalia				0.0	0.5	0.5		<b>1.0</b>
UNFPA: COVID-19					1.0			<b>1.0</b>
UNHCR: humanitarian assistance					2.6			<b>2.6</b>
Planning funds		0.1	0.1	0.1	0.1	0.03	0.1	<b>0.5</b>
<b>Total Annual Disbursements</b>		<b>4.6</b>	<b>5.1</b>	<b>7.5</b>	<b>15.3</b>	<b>12.8</b>	<b>13.1</b>	<b>58.4</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).

Other ongoing projects from the previous CS were the International Organisation for Migration (IOM) MIDA FINNSOM II-V Skills and Knowledge Transfer Programme and the UNFPA country programme. The MIDA FINNSOM programmes aimed to strengthen the capacities of public sector institutions and improve health and education outcomes. The UNFPA country programme focuses on the improvement of health, well-being and rights of women, adolescents and youth and the most vulnerable populations.

A new project was MIDEEYE (Support for National Reconciliation and Local Governance in Somalia) implemented by Finn Church Aid (FCA) in partnership with Network for Religious and Traditional Peacemakers. The project focused on promoting national reconciliation and the establishment of inclusive local governance through district council formation. Another new project was support to the education component of the UNICEF country programme in Somalia that strengthens the capacity of the FGS and FMS Ministries of Education and aims to increase educational access and quality.

<sup>105</sup> The figure includes interventions funded under the 2021-2024 CP and 2016-2020 CS as reported in connection to the MFA's 2016-2022 results reports. It excludes Funds for Local Cooperation (FLC) projects and country-specific appropriations from other budget lines.



## 3 Country context and future prospects

This section characterises the country context, recent developments and outlines future development scenarios for Somalia.

### 3.1 Past country context<sup>106</sup>

At the beginning of the CP period Somalia was still in transition from the civil war period of state collapse to the building of the foundations of a post-conflict society. The building blocks of a stable state had been agreed through the new Deal Compact in 2013, which had led to an agreement on a new governmental institutional framework and the establishment of the FGS and FMS.

Despite this, the situation in the country remained fragile due to clan tensions and the ongoing conflict with Al Shabab. Somalia, due to its location and coastline was of geopolitical importance for international and regional powers, with conflicts acting as a proxy for regional rivalries. Progress in state-building was slow as tensions between the FGS and FMS led to a lack of cooperation between the different levels of government. This was exacerbated by weakness in the constitutional and legislative framework and a lack of clarity on roles and relationships between the FGS and the FMS.

As a result, Somalia's economy was among the bottom five in the world based on gross domestic product (GDP) per capita in 2021, with GDP per capita at USD 576.5 in current USD, with the economy dependent on international money transfers, particularly from remittances. Poverty was high and human development indicators were low with high levels of discrimination and violence against women and girls. Somalia ranked the lowest on the UNDP Human Development Index in 2022 ranking 193 out of 193 countries, with a poverty headcount ratio for those living below the national poverty line at 54.4% of the population. Public education and health systems were underfinanced and understaffed, with dependence on donors to support public sector salaries and service delivery. The major obstacles to service delivery were from limited progress in central level reforms and weak government capacity to deliver.

There were high levels of aid dependency with overseas aid at 43% of GDP in 2020, with traditional donors such as the WB, United Kingdom, EU, Sweden, and Germany the top donors of development assistance. These donors were increasingly trying to move from stabilisation and humanitarian relief to longer term development, resilience, and support for the political transition.

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<sup>106</sup> Section 3.1 and 3.2 draws on the MFA Country Programme for Development Cooperation: Somalia 2021-2024; Ministry of Planning. (2021). Aid Flows in Somalia 2021. Accessed in March 2024 at: <https://drive.google.com/file/d/174yIBlc7MDjkY39diGI-pjHFD-VehUraY/view>; European Commission. (2023). European Union Cooperation with Somalia (2014-2021), Vol 2; World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May 2024 at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?view=chart>; and UNDP. (2022). Human Development Index. Accessed in May 2024 at: <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI> and World Bank. (n.d.). Data: Poverty headcount ratio at \$2.15 a day (2017 PPP) (% of population). Accessed at: <https://data.worldbank.org/indicator/SI.POV.DDAY?view=chart>



There was a strong presence from donors from the Gulf countries and Türkiye who increased their presence between 2009 and 2018 and pursued differing military, commercial and political objectives to the Western donors.

There was also a high level of vulnerability to climate change, with periodic shocks from drought or flooding creating a cycle of humanitarian crises, which were exacerbated by the conflict. Only 40% of Somali children were in school, 5.2 million people were estimated to need humanitarian assistance in 2020 and around 2 million people were classed as internally displaced people in 2019.

## 3.2 The current context

The context in Somalia has remained very similar to the beginning of the CP period, with Somalia ranked in 2023 as the most fragile state out of 173 countries the Fund for Peace fragile state index.<sup>107</sup> The security situation is still complex and unpredictable and the political situation volatile. Relations between the FMS and FGS broke down in 2021 since no elections were called. This resulted in a deterioration in relations with the donor community that impacted on development partner programming.

Elections were held in 2022 that led to a peaceful transition of power, with a new government leading to hopes of improved prospects of better engagement with the international community and more political stability. However, FGS and FMS tensions are still unresolved, with little progress made on the constitutional settlement by the National Constitutional Council (NCC). There is an ongoing political crisis in Somaliland and an armed conflict, while Al-Shabab continues to operate inside Somalia and regionally, despite the new president's offensive against the group.

The legitimacy of the FGS is questioned and exacerbated by weak public service delivery due to the FGS's challenges to collect domestic revenues and budget distributions skewed towards public and security sector salaries. Also, corruption as Somalia ranks high on the Transparency International Corruption Index at 11<sup>th</sup> out of 173 countries in 2023.<sup>108</sup> Both Somalia's healthcare and education systems are depleted due to this lack of resourcing and the Covid-19 pandemic, the severe humanitarian situation and weak security situation. Somalia remains very dependent on financing from both traditional and non-traditional development partners.

A positive development was reaching the Heavily Indebted Poor Countries (HIPC) completion point at the end of 2023 after implementing various measures to ensure macroeconomic and fiscal stability and improving governance and debt management. This has resulted in Somalia receiving debt relief and access to new lending by the international community, potentially increasing fiscal resources.

There is still high vulnerability to climate change that has exacerbated the humanitarian crisis. The war in Ukraine has increased food prices and impacted on economic growth as Somalia has a high dependency on imported food. Drought has been ongoing since 2021 and the El Niño effect

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107 Fund for Peace. (2023). Fragile State Index. Accessed in May 2024 at: <https://fragilestatesindex.org/>

108 Transparency International. (2023). Corruption Perceptions Index. Accessed in May 2024 at: <https://www.transparency.org/en/cpi/2023>



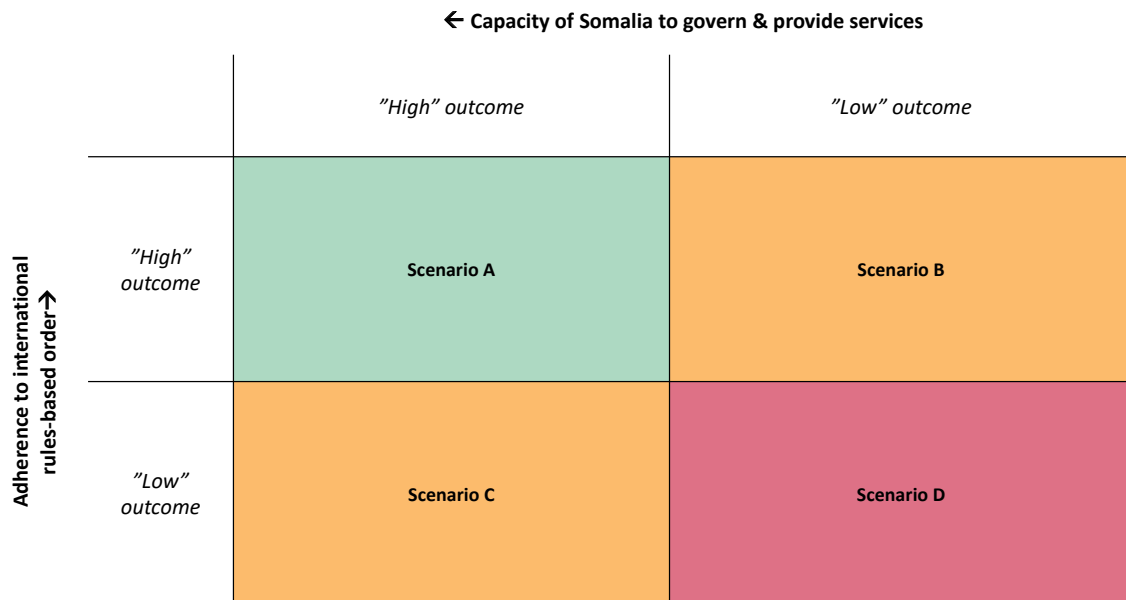
in 2023 led to heavy rains and flooding. Currently more than half of the population need humanitarian assistance and there are high levels of internally displaced people.

### 3.3 Future development scenarios

During the self-assessment workshop, four scenarios were developed to support the planning of future development cooperation in the country with a time horizon of 2025-28 in mind. As shown in Figure 2, they were organised along the two axes of:

1. Capacity of Somalia to govern and provide services, and
2. Adherence to international rules-based order.

**Figure 2 Future scenarios for Somalia**



Source: Somalia CP self-assessment workshop, November 2023.

The horizontal axis is the capacity of Somalia to govern and provide services, which ranges from high to low and the vertical axis is the degree of adherence to an international rules-based order. Scenario A represents the best-case scenario with good governance and high levels of service delivery, as well the establishment of an international rules-based order. This scenario would give Finland considerable scope to move towards a different type of programming focused on supporting economic development. Scenario D is the most challenging case-scenario which would make bilateral programming very difficult, whereas the B and C scenarios offer different possibilities for nexus programming.





### **3.4 Austerity measures in Finnish development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term.

For Somalia, another CP for the 2025-28 cycle is planned. It will however have a smaller budget than the present programme.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Nairobi and on desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

A key strength highlighted by workshop participants is that the country team (CT) are a good team who work well together, with high levels of expertise and that they have been able to manage the CP well despite the significant challenges faced. This was confirmed by external stakeholders who were interviewed by the meta-analysis team, who saw Finland as a pragmatic and collaborative partner, with strong expertise in health and gender and a focus on programming that supports sustainability.

The partners, modalities and flexible funding mechanisms used by the CP are considered another strength by the meta-analysis team. A key feature of Finnish support has been funding through multi-bi modalities (WB MPF) and through UN organisations (UNICEF, IOM and UNFPA). This acknowledges the challenges of working on the ground in Somalia with the FCA as a non-governmental organisation (NGO) the only exception as a non-multilateral partner. The choice of partners also reflects an ability to work across the development and humanitarian spheres. Also, through supporting multilateral organisations and sector plans or country strategies and not earmarking funding, it is possible to quickly repurpose funds to new priorities when the context changes. This is particularly important in a fragile context and when the Covid-19 pandemic impacted.

A challenge highlighted by the workshop participants is that in a fragile context such as Somalia a degree of adaptability is needed which has not always been easy to navigate. There are difficulties in planning realistically over the medium-term, as the situation can change rapidly and there is significant uncertainty in terms of the future trajectory of the country and the ability to work in different sectors or regions. Flexible possibilities to use a nexus approach in transforming development funds into humanitarian interventions have however been used by the CT whenever possible.

Results frameworks are seen by the workshop participants as important for monitoring but lacking sufficient flexibility for a fragile context. Impact and outcome indicators are high level and in practice not always achievable, as they are out of the control of the CP. This makes monitoring of results difficult, while some results that are achieved are not reflected in the results framework indicators, as indicators are linked to specific projects.

The lack of staff and ongoing budget cuts are both weaknesses and threats to the CP. Reduced levels of staffing have put a significant burden on those that remain, as the number of personnel has fallen but there has not been an equivalent reduction in programming.



The CT currently has three members of staff less than previously, as the Head of Cooperation (HoC) left the CT in March 2023, with no new HoC recruited as the education advisor moved into this position. The local coordinator position is currently vacant (as of November 2023) and will be replaced, but in the meantime, this leaves the CT short staffed. The CT that remains are mainly on fixed term contracts with a lack of job security, which also threatens institutional knowledge if staff leave, or contracts are not renewed.

## 4.2 Assessment of current planning and reporting arrangements

The CP was seen as a good mechanism for providing clarity on Finland's priorities for the 4-year period and a good framework for the CT's work in Somalia. It is approved by the Minister and aligned with both Somalia's and Finland's priorities and provides a good process for bottom-up planning and to assess progress towards results. As well as providing accountability, the CP is useful for the CT as it allows them to reject interventions that do not fit within their priority areas, keeping the scope of the CP manageable.

The process of developing the CP was seen as valuable although time-consuming, with the political economy analysis that underpins the CP arduous, as well as the significant time needed to develop a ToC and results framework. This puts pressure on staff resources, as does the annual reporting which is seen as challenging. The traffic light system used for scoring is good for illustrating results, but it is difficult to make decisions on the percentage achievement for each indicator and therefore the overall score. As the underlying context in Somalia is fragile, more explanation is needed to explain why activities have or have not been progressed and the challenges faced, which makes keeping to the required length difficult.

The CT requested to change and simplify indicators in the results framework and add a separate impact area for education, in both the 2021 and 2022 annual reports. The latter was agreed to by Senior Management in the 2021 management response, but it was suggested in the 2022 response to wait until the outcome of potential forthcoming budget cuts. The results framework indicators have not yet been changed and it is now planned to do so in the next annual reporting phase when there is more clarity on the programme going forward.



## 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail (for such, the reader is referred to the MFA's Somalia results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023, based on an estimate by the country team.<sup>109</sup> Expected sustainability of results is discussed in Section 5.4.

### 5.1 Implementation of planned activities

Programme implementation has been impacted by the Covid-19 pandemic, the 2021 political crisis and political turmoil before and after the presidential elections in 2022, as well as changes in the government post elections. This particularly affected impact area 1, as many of the planned activities in state building were delayed, while some support was successfully redirected to facilitate political reconciliation in support of the elections. Interventions related to education and health in both governance and capacity building were impacted to some extent by the political crisis, but also by the Covid-19 pandemic and the worsening humanitarian situation that affected results.

There were challenges experienced with implementation of the MIDEYE project in both 2021 and 2022 that were due to the difficult political situation, issues with project management and a change in context from which the project was designed for. Finland's support on its own was then insufficient to achieve planned results.

CP budget cuts led to a planned local development programme not being implemented and the WB MPF funding was stopped in 2023. In 2022 a new phase III of IOM's MIDA FINNSOM Education and Health project in Southern and Central Somalia was begun.

The CP activities were mainly disbursed as planned in 2021 and 2022. Disbursement levels were high for the CP at 92% and 98% in 2021 and 2022 respectively. The first year of the CP implementation was slower than in 2022 due to the political situation and new programming under impact area 1 on peace and reconciliation which took time to get off the ground. This meant that only 37% of expected funding was disbursed to the FCA in 2021 with the rest carried over to 2022 and 2021 and funding was reallocated. In contrast, programming under impact area 2 was through UN agencies with a continuation from previous CP programming so was disbursed as planned.

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<sup>109</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results report 2023 for Somalia.



## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021

There has consistently been more progress in the impact and outcome areas focused on the social sectors and women and girls, than statebuilding in both 2021 and 2022 (see Figure 3 and Figure 4).

In 2021 for impact area 1, outcome 1.1 (increased capacity to implement an inclusive national reconciliation process in the FGS and FMS) and outcome 1.2 (strengthened and more inclusive local administration in selected FMS) both were rated as unsatisfactory. Outcome 1.3 (strengthened governance for service delivery in the health and education sectors) was in contrast rated as good, with work under this outcome particularly helping to mitigate the impact of Covid-19.

Some of the output indicators under outcomes 1.1 did progress satisfactorily (output 1.1.1 increased inclusivity and shared national ownership of the national reconciliation process, and output 1.1.3 local level reconciliation advanced in selected regions), but overall challenges were experienced due to the political situation and challenges with the design and implementation of the MIDEEYE project. There was also progress made under one of the output indicators for outcome 1.2 related to effective and inclusive district councils established in selected locations progressed satisfactorily (output 1.2.1).

Impact area 2 outcomes were rated as good for outcome 2.1 (women and girls have increased access to inclusive SRHR services) and outcome 2.2 (the right of women and girls to access inclusive violence prevention and protection services is improved), and satisfactory for outcome 2.3 (increased commitment to end harmful practices that normalise GBV, female genital mutilation (FGM) and hinder access to family planning). Part of the reason for the success in these outcomes has been working through international organisations such as UNFPA, UNICEF and IOM who have the experience and capacity to implement in fragile environments. It is notable that for impact area 2, three out of four impact area indicators have been achieved related to maternal mortality rate, GBV and FGM prevalence, with the final indicator on the gender equality index marked as not applicable.

### 5.2.2 Reported results in 2022

Reported results in 2022 were almost the same as in 2021, with similar progress at outcome level for both impact area 1 and 2 (see Figure 3 and Figure 4). Results on the outcome and output level (middle and right columns, respectively), as reported by the MFA's country team, are shown in Figure 3 and Figure 4 below.

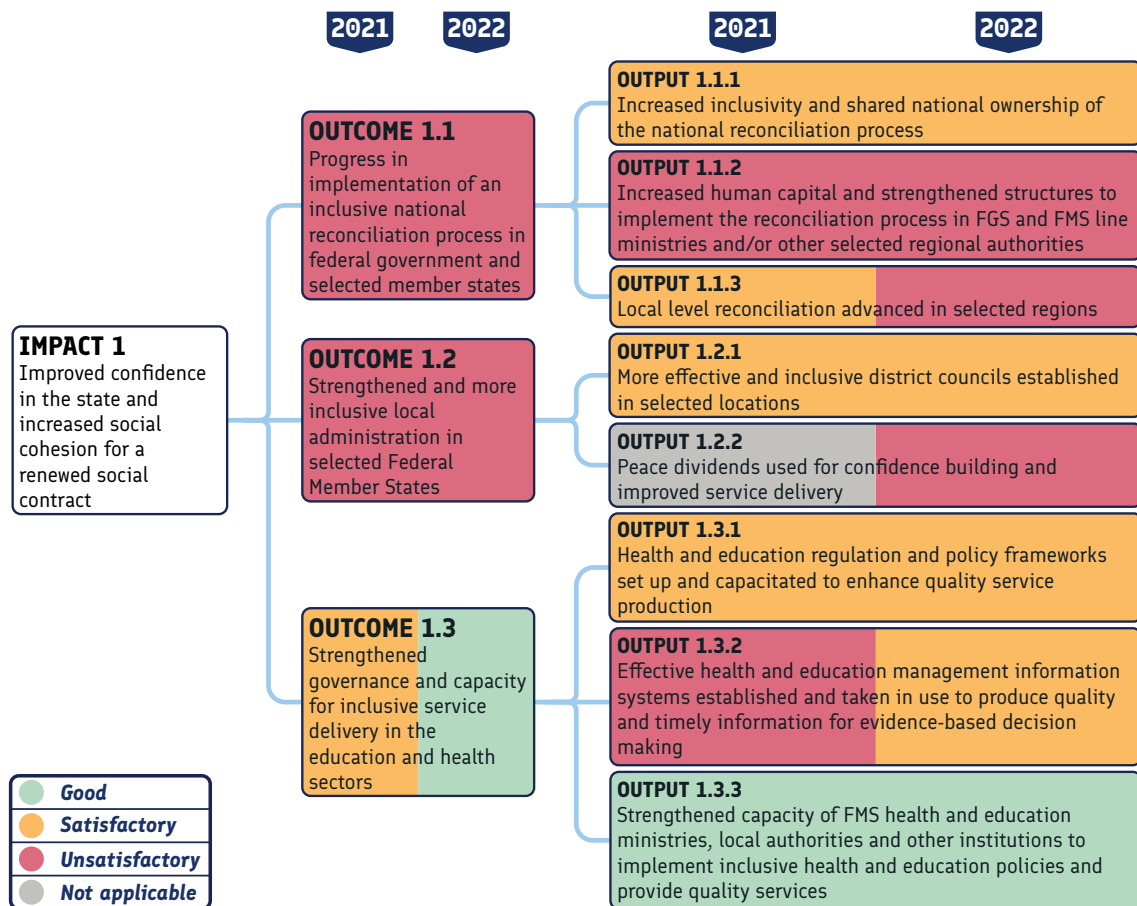
Under impact area 1, results related to state building under outcomes 1.1 and 1.2 continued to be unsatisfactory, although output 1.1.1 (increasing inclusivity and shared national ownership of the national reconciliation process) and output 1.2.1 (more effective and inclusive district councils) were rated as satisfactory (see Figure 3). These results are the same as 2021 with the only difference being that output 1.1.3 (local level reconciliation advanced in selected regions) changed from satisfactory to unsatisfactory and output 1.2.2 (peace dividends used for confidence building and improved service delivery) rather than not being rated, was judged to have made unsatisfactory progress. The reasons for this were the security situation which hampered delivery, post-election Somali government rotation of staff and issues with project implementation.



Outcome 1.3 progressed from satisfactory in 2021 to good in 2022, with output 1.3.1 (health and education regulation and policy frameworks established) falling from good to satisfactory in 2022, output 1.3.2 (effective health information management systems established) remaining at satisfactory and output 1.3.3 (strengthened capacity of FMS health and education ministries) continuing to make good progress.

This support resulted in five-year federal and state-level education sector strategic plans being prepared and government capacity being built in sector planning and management, while memorandums of understandings on standardised curriculums and examinations were signed and relevant coordination bodies created. Teacher pre-service and in-service development programmes were also supported and the number of qualified teachers increased. In the health sector 50 health care workers were trained by UNFPA in the South Central part of the country to report on the Maternal and Perinatal Death Surveillance (MPDSR) and UNFPA piloted the revised MPDSR tools in 6 hospitals in the capital city.

**Figure 3 Assessment of results for 2021 and 2022 in impact area 1**



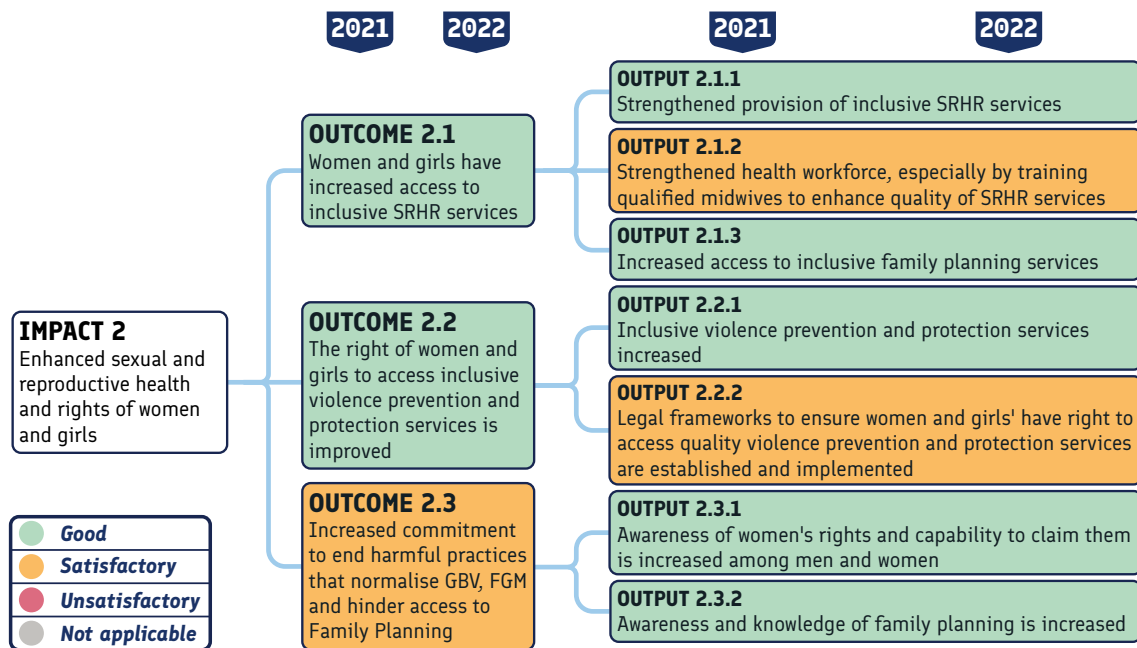
Source: 2021 and 2022 CP Results Reports.

In impact area 2, both outcome 2.1 (women and girls' access to SRHR services) and outcome 2.2 (rights of women and girls to access inclusive violence and protection services improved) continued to make good progress (see Figure 4). Outcome 2.3 (increased commitment to end harmful practices that normalise GBV, FGM and hinder access to family planning) also made satisfactory progress. The ratings for indicators show that the level of progress was the same as in 2021.



Under outcome 2.1 progress was made in strengthening the nationwide provision of inclusive sexual and reproductive health services. A total of 587,319 beneficiaries were reached with integrated SRHR services in 2022 and 320 new midwives graduated from the 14 UNFPA-supported schools across Somalia. Under outcome 2.2, 2,078 women and girls received prevention or protection services and care related to FGM and 22,216 women and girls received the essential services package for GBV survivors. The percentage of health facilities providing essential health services for survivors of sexual violence increased in 2022 to 35.3% compared to 10% in 2020. In outcome 2.3 over 2 million people benefitted from GBV information and services, capacity enhancement, community sensitisation, and FGM care and prevention services.

**Figure 4 Assessment of 2021 and 2022 results in impact area 2**



Source: 2021 and 2022 CP Results Reports.

### 5.2.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated because the annual assessment has not been undertaken.

The MIDEYE project was designed to be the main contributor to indicators under outcome 1.1. and 1.2, but political turmoil before and after the presidential elections in 2022 slowed the projects' progress, while the management of the project in the Somali context has proved to be challenging. As a result, outcome 1 has not been achieved and further progress is not expected by the end of 2024.

The outputs under outcome 1.1 have achieved satisfactory progress, with output 1.1.1 (increasing inclusivity and shared national ownership of the national reconciliation process) expecting to show a more positive trajectory by the end of the CP. Similarly output 1.1.2 (increased human capacity and strengthened structures to implement the peace process in line ministries) and 1.1.3 (local level reconciliation advanced in selected regions) are expected to end with satisfactory progress achieved in 2024.





Progress in outcome 1.2 (strengthened and more inclusive local administration in selected FMS) was challenging in 2021 and 2022 with progress rated as unsatisfactory. Steps to strengthen local administration in selected FMS took place and there was some traction, but the volatile security situation slowed down implementation, so outcome progress is likely to remain unsatisfactory by the end of 2024. In terms of outputs, output 1.2.1 (more effective and inclusive district councils established in selected locations) is expected to have made satisfactory progress with the successful formation of another district council in 2023. Output 1.2.2 (peace dividends used for confidence building and improved service delivery) is expected to remain unsatisfactory by the end of the CP.

More progress has been made in outcome 1.3 (strengthened governance for service delivery in the health and education sectors) and it is expected that the outcome will be rated as good by the end of 2024. Output 1.3.1 and 1.3.2 are related to the WB MPF which will not be funded in 2023, so the output will no longer be assessed. The UNICEF programme also contributes to these indicators to some extent, but there is no specific indicator for this project included in the results framework. It is expected that output 1.3.3 (strengthened capacity of FMS health and education ministries) which is implemented by the IOM FINNSOM III project will remain as good by the end of the CP.

Good progress in outcome 2.1 (women and girls' access to SRHR services) and 2.2 (rights of women and girls to access inclusive violence and protection services improved) is expected to be maintained to the end of the programme cycle, despite the difficult humanitarian situation due to drought and conflict. Output 2.1.1. (strengthened provision of SHRH services) and 2.1.3 (increased access to inclusive family planning services) have also both been consistently rated as making good progress and are expected to continue to do so until the end of the CP. Output 2.1.2 (strengthened health workforce) was satisfactory for the first two years but is expected to pick up pace and be rated as good by the CP end.

Output 2.2.1 (inclusive violence and protection services increased) has made good progress and is expected to continue as good to the end of the CP. Output 2.2.2 (legal frameworks to ensure women and girls' have the right to access quality violence prevention services) has only made satisfactory progress to date. The Sexual Offences Bill and FGM bill have been submitted to parliament, but progress towards adoption has been slow and it is expected that this output will be rated as satisfactory or unsatisfactory by the end of the CP.

There has been satisfactory progress under outcome 2.3 (increased commitment to end harmful practices that normalise GBV, FGM and hinder access to family planning) and there is reported to be evidence of increased commitment to end harmful practices that normalise GBV and FGM, so progress might improve to a good rating by the end of 2024. There has also been good progress achieved under outputs 2.3.1 (awareness of women's rights and the ability to claim them) and 2.3.2 (awareness and knowledge of family planning increased) which are expected to continue to make good progress until the end of the programme.

### **5.3 Contribution to Finland's cross-cutting objectives and other results**

There has been a strong focus on gender equity and the rights of women and girls under impact area 2 through the UNFPA health programmes and the UNICEF education programme under outcome 1.1.3. Therefore, the good results achieved under these focal areas can be said to have





contributed to Finland's cross-cutting objectives. It is also planned that the FCA will increase their focus on gender under impact area 1.

There has been less focus on non-discrimination, although UNICEF is now reported to be increasing its focus on inclusive education, particularly access of children with disabilities. During the development of the MIDA FINNSOM III project document, the country team participated actively in strengthening disability-inclusion and the strengthening of female participation in the project document, which should strengthen future results in this area.

Climate sustainability and low carbon development is not included in the current CP, but it is recognised in terms of its significance in Somalia's development and there has been some mainstreaming into programming and projects, as UNICEF has for example included climate change education in schools in its programming.

The 2023 MFA HRBA evaluation found that a human rights-based perspective is reflected in the Somalia CP regarding expected results on women's and girls' rights, especially in relation to SRHR and participation in decision-making. The evaluation concludes that "all except one of the projects in the country portfolio are assessed to be progressive, and reporting notes that there are also transformative achievements when root causes are addressed".<sup>110</sup>

The evaluation highlights that using multilateral organisations that are experienced in HRBA is effective and comments that "surprisingly strong interventions have been developed to respond to rights to SRHR and other health services in Somalia, despite the governance weaknesses and uncertain ownership." UNFPA work has led to SRHR services being increasingly accessible to both women and young people due to empowerment processes and dialogue with national and local health authorities and other duty-bearers. These rights-holders are treated with more respect by midwives and other health staff due to capacity training and a new rights-based curriculum for midwives. However, the CT noted that civic space is also getting smaller which may constrain the extent to which a HRBA approach can be applied in the future.

Other results from the CP that are not reflected as part of the results framework are as follows:

- The RCRF III contributed to Covid-19 response and recovery through scaled-up fiscal support to FMS's through fiscal transfers for education and health service delivery, scale-up of the Female Health Worker Program and retraining for the Covid-19 response.<sup>111</sup>
- The MIDEYE project in 2021 was able to successfully reallocate financing to support two local level political reconciliation processes related to the national elections and to support the government in carrying out inclusive dialogues leading to a ceasefire agreement in Hirshabelle state.
- In interviews undertaken by the meta-analysis team it was described how the FINNSOM II programme helped the Covid-19 response in Somaliland and Puntland. Medical staff from the project were part of task teams for Covid-19 prevention and response in Somaliland and in Puntland a FINNSOM doctor coordinated the states Covid-19 response.

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110 MFA. (2023). Evaluation of Human Rights-Based Approach (HRBA) in Finland's Development Policy and Cooperation. Volume 1 – Main report.

111 World Bank. (2022). The Multi-Partner Fund: Progress Report January-June 2022.



Policy dialogue is also a key part of the CP to influence the implementation of reforms, through dialogue with key government and implementing partners. Finland actively participated in several key coordination groups such as the Nordic + group, the Education Donor Group and Health Donor Coordination Group, where Finland was a co-chair until staff resources were reduced, as well as in groups related to women's rights and other sectors.

## 5.4 Sustainability of results

The sustainability of results is likely to be scenario-based as only in the most optimistic scenario is there likely to be high or medium levels of sustainability. If the status quo remains – and this is probably the most likely medium-term scenario going forward – there is likely to be a medium level of sustainability under impact area 2 (enhanced sexual and reproductive rights of women and girls) and outcome 1.3 (strengthened governance for service delivery in the health and education sectors).

This reflects the fact that results have been good in these outcomes to date, while little has been achieved under impact area 1. In outcome 1.1 (increased capacity to implement an inclusive national reconciliation process in the FGS and FMS) and 1.2 (strengthened and more inclusive local administration in selected FMS) there have not been significant results achieved to date and those that have been achieved are not likely to be sustainable.

If the context deteriorates in Somalia, it is likely that very few if any results are sustainable.



## 6 Added value of the 2021-25 Somalia CP

One of the main advantages of the CP is that it provides a focus for programming in Somalia and is a coherent vision of Finland's goals and objectives and mechanisms to achieve them. This gives a framework for the CT who know the goals they are working towards, while there is certainty as the CP has been approved by the Minister and is based on Finnish government priorities. Prior to the advent of CS and CP's, it was common for additional projects or programmes to be added on an ad hoc basis, which did not necessarily fit with MFA priorities. Currently, applications for NGO funding are also evaluated against priorities of the CP.

The CP is a good way of "branding" as it outlines succinctly Finnish priorities in Somalia which are easily presented and understandable to other development partners and Somali stakeholders and gives one coherent and credible message. The CP also provides a good entry point or platform for dialogue with government partners. As Finland is providing substantive financial support and Somalia is only one of 10 countries that Finland is focused on through a country programme, this is perceived as important by Somali counterparts and gives Finland a higher profile in-country. This helps with dialogue for both development cooperation and political dialogue.

Having a CT based in the Embassy of Finland in Nairobi, results in a deeper knowledge of the Somali context, synergies between the political and development cooperation and more frequent contact with implementing partners and Somali counterparts. The depth of knowledge acquired by the Somalia CP team is unlikely to occur if there were individual projects managed by different units in Helsinki. It would also hinder a wider overview of Finnish programming in Somalia, as for example the Somalia CT has contact with and visits Finnish NGO projects and other projects, even if they are not part of the CP.

The CP can also facilitate broader relationships that can be built on. An example of this is business opportunities under development cooperation that can benefit Finnish companies e.g. a Finnish company was able to collaborate with the MIDA FINNSOM IV project in Somaliland during the previous CP on digital systems.

Another strength of the CP is that it provides a framework for monitoring and assessing results of the Somalia programme as a whole and is a mechanism for accountability. Without a CP projects and programmes would be assessed individually, but the overall impact of programming would not be visible or the synergies between programming. It is notable that in Somalia projects contribute to several outcomes and outputs which would not be captured if project outputs and outcomes were assessed individually. On the other hand, the CP process at present is very time intensive as noted in section 4.2.

The CP is also a good mechanism for accountability, as it is stated in the CP what Finland will do in Somalia for 4 years, with the annual reporting and results frameworks providing a framework for assessing whether commitments were followed through and whether results were achieved. This means that responsibilities are clear. Without this, there would be no means to easily keep



track and assess what Finland is implementing in Somalia and key results. Particularly as the CPs also include achievement of cross-cutting issues and some reporting on activities outside the CP.

As noted in section 4.2 the CP planning, implementation and monitoring process are very time-consuming, while results frameworks lack flexibility. It is also notable that when the current procedures for planning and reporting were developed there were more staff resources within the Somalia CT and now these have been reduced and the process is more burdensome.



## 7 Conclusions

Working in Somalia is challenging as there is a high degree of fragility and uncertainty which has made programming and the achievement of results difficult. The CT have made significant efforts in difficult circumstances, which is important given that Finnish development cooperation is closely linked with Finnish political objectives. Primarily to ensure stability in the Horn of Africa and Finnish government priorities, particularly related to migration and to respond to Somalia's needs and priorities.

This implies a need to think holistically about the Somalia programme to incorporate Finnish interests in the country and the region and to ensure flexibility in programming. A high degree of adaptability is needed due to the fragile context and uncertainty surrounding the future trajectory of Somalia that will have corresponding implications for the type of programming needed. This provides the opportunity to adapt and scale up or down activities or move to different modalities or regional programming if the scenario changes.

Some of these risks are considerable and will potentially have a significant impact on programming. This includes a deterioration in the security situation in a very volatile and complex political situation, especially since the African Union Transition Mission in Somalia is scheduled to leave at the end of 2024. Climate change will also exacerbate the ongoing humanitarian crisis through continued drought and flooding and increasing insecurity and migration.

The CP brings clear advantages from greater coherence and synergies between development cooperation programming and the political dimension. As well as the facilitation of engagement with the Somalia authorities and implementing partners. The next programme cycle also presents an opportunity to build on the good results achieved in impact area 2 and outcome 1.3 to ensure sustainability and focus on what is working. It is unlikely that state building and peace-building initiatives will be successful unless the context improves which at present appears to be unlikely.

Work on strengthening service delivery through enhancing governance in health and education under outcome 1.3 and enhancing the rights of women and the status and participation of women in decision-making and economic activities in impact area 2 would need to be supported by mainstreaming cross-cutting objectives particularly related to climate change and humanitarian and military cooperation that is outside of the CP. Additionally, there is an opportunity to link more with the Somali diaspora building on successful collaboration such as in the FINNSOM III project.

Finally, the size of a future Somalia programming should be commensurate with the budget allocation and the staff resources available. Partners should be chosen that have the capacity and experience to work within fragile contexts to ensure that expected results are achieved. Attention should be paid to developing CP planning and management processes that are adaptable and appropriate for fragile contexts, while sufficient staff time should be available to adapt programming when needed, including results frameworks to ensure CP accountability.



# TANZANIA COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021-24 CP for Tanzania. The report is compiled on the basis of a desk review, feedback from 11 selected external stakeholders and a self-assessment workshop held on 22-24 January 2024 in Dar es Salaam with 10 current country team members.

The report is structured as follows. Section 2 introduces the CP, its goals, and contents. Section 3 describes the country context and briefly outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises the implementation and already reported results for 2021 and 2022. It also provides a tentative outlook into expected results in 2023-24 and their sustainability for the period after that. Section 6 examines the value-add of the CP approach for Tanzania, and Section 7 summarises conclusions drawn by the meta-analysis team.





## 2 The 2021-24 Tanzania Country Programme

This section introduces the 2021-24 CP. It explains the goals, how these are intended to be reached, and describes contributing projects and programmes.

### 2.1 Goals

The original Tanzania Country Programme 2021-2024 was mostly built on previous cooperation, and it had two impact areas: i) inclusive development through active citizenship and ii) improved forest-based livelihoods and climate resilience. The previous CP 2016-20 had two impact areas, namely “improved performance of the public sector” and “increased employment and livelihoods” but the support for accountability and citizen participation in society was expanded in the new CP because of the country context during the previous Tanzanian government.

In 2021, there were significant political changes in Tanzania after the new regime came to power, and the goal of the impact area 1 was reformulated as “sustainable development through rights, equality, inclusion and taxation capacity”. The new CP continued mostly with the same partners and interventions, but the change of context allowed shifting funding from human rights and accountability civil society organisations (CSOs) to support through the UN Population Fund (UNFPA) for the sexual and reproductive health and rights (SRHR) of women and girls, including persons with disabilities (PWD). Furthermore, focus was increasingly turned towards the capacity building of duty-bearers. The good governance support was considered sufficiently covered by other donors.

In addition to the SRHR and inclusion of PWD, impact area 1 covers diverse themes from people’s participation in society, women’s leadership and cooperation on tax administration to the support to the Uongozi leadership institute. In impact area 2, the three bilateral forestry projects focus on sustainable forest and land management, income generation, livelihoods improvement, support to an outgrower scheme and climate resilience in local communities. A new institutional cooperation initiative (ICI) supports the establishment of environmental and climate data collection and capacity building in climate resilience.

The CP is aligned with the country strategy (CS) 2021-24, which confirms Finland’s interest to diversify future relations by strengthening political relations, trade, investments, inter-institutional relations, and academic partnerships alongside the development cooperation activities. At the same time, Finland will operate in Tanzania as part of the EU, the Nordics, and other like-minded countries. The strategy 2021-24 has three goals:

1. Finland promotes democracy, human rights, and gender equality,
2. Finland advances stability and sustainable development by contributing to poverty alleviation, promotion of livelihoods and climate resilience, and
3. Finland aims to strengthen inclusive and sustainable growth and employment creation by engaging in trade promotion and supporting the business environment.



## 2.2 How the goals of the CP are reached

The revised CP has a clearly visualised theory of change (ToC). Impact area 1 aims at sustainable development through rights, equality, inclusion, and taxation capacity of the Tanzanian state by targeting the challenges in women's leadership, gender equality and inclusion, changing of deeply rooted norms and traditions as well as the lack of political will to transform societal norms and eradicate harmful practices such as gender-based violence (GBV) and female genital mutilation (FGM). The change is expected through improvements in legislative environment, capacity and knowledge building, as well as raising awareness of duty-bearers and right-holders.

Similarly, the modernisation of tax administration to build a fair and efficient tax system, leading to increased tax compliance, more tax revenue and a better business environment will be achieved by increasing the capacity of the Tanzania Revenue Authority (TRA) staff, introducing institutional reforms, and establishing better customer service. The skills of Tanzanian leadership both in public and private sectors will be enhanced by training and coaching so that the competent leaders will promote the use of increased tax revenues to support achievement of the sustainable development goals (SDGs).

The second impact area on improved forest-based livelihoods and climate resilience aims at the improvement of ecosystem services from forests and village lands, increased rural jobs and income from the forest sector. At the same time, the emphasis is on the strengthened capacity of government, citizens, and businesses to adapt to climate change. This will be reached through management planning for sustainable land and forest use and increased value addition from forest products by including more people (also in vulnerable situations) that benefit from the forestry value chains. The capacity of government, citizens, and businesses to adapt to climate change is built by increasing and improving data and knowledge on changes in weather and biophysical environment and improving entrepreneurship skills, including among women and youth.

## 2.3 Contributing projects and programmes

The total planned budget for the country programme 2021-24 was approximately EUR 56 million. The projects and programmes contributing to the CP in 2016-22 are presented in the Figure 1 with their corresponding disbursement by year. The table also includes the Covid-19 pandemic response funding through UNICEF and UNFPA in 2020-21, and planning funds. Funds which had not been absorbed in the country program interventions were re-directed to the response projects and they do not form an integral part of the country program.

The average annual disbursement from 2016-22 was EUR 11.4 million while the average for 2021-22 was EUR 13.2 million. The programmes and their goals are well aligned with both Tanzanian and Finnish government policies, representing a mix of modalities, including multi-bi, bilateral, ICI, CSO funding and support through UN Women and UNFPA. Under impact area 1, the UN Women project is a continuation of the Wanawake Wanaweza project, which was funded jointly by the Government of Tanzania (GoT), Sweden, Finland, Switzerland and USA. It focuses on enhancing women's leadership and women's economic rights at national and local levels. The UNFPA project supports the implementation of the Tanzanian National Plan of Action to End Violence against Women and Children and strengthening of service delivery to women and girls who have experienced sexual and gender-based violence. Two taxation programmes, namely the Tax Modernization Programme (TMP) and the ICI-programme between the TRA and the Finnish Tax



Administration (VERO) focus on improving the capacity of the TRA to collect revenues and offer services to taxpayers. TMP was a basket fund by Finland, EU, Norway, and Denmark. The Uongozi Institute (UI) for leadership training was established by the governments of Finland and Tanzania in 2011 with gradually decreasing Finnish funding. Finland has provided technical assistance through the ICI and UI projects.

Under impact area 2, the forestry projects Forestry and Value Chains Development (FORVAC) and Participatory Plantation Forestry Programme (PFP2) are implemented through contracts with consulting agencies. They are both long-term interventions, developing sustainable timber production and land-use in local communities, together with timber processing and other forestry value chains. The Tree Outgrowers' Support Programme (TOSP) facilitated high quality tree growing through two of the biggest forestry companies in Tanzania and the Tanzania Tree Growers Associations Union (TTGAU).

There is considerable collaboration with national government agencies and support to local service providers, CSOs and public sector in all programmes. On some occasions, there are links between programmes such as UN Women and UI working jointly for women's leadership training.

In 2023, a new project under impact area 2 started: an ICI-project Increasing Climate Resilience of Zanzibar with Integrated Marine Management and Sustainable Blue Economy (BLUE-ZAN), scheduled to be implemented in 2023-27. In 2024, a bilateral basket fund to support the Ministry of Finance and TRA in tax modernization (TAXTAN) is planned to be launched. The bilateral project Forestry, Land Use and Value Chains Development in Tanzania, FORLAND, is expected to start in 2024, after FORVAC and PFP2 have been finalised.



**Figure 1 Annual disbursements of CP projects in 2016-22 (MEUR)**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
Women's political participation (UN Women)		0.9	0.7	0.9	1.1	0.3		<b>3.9</b>
Support to the Uongozi institute (Uongozi II)	3.5	0.5	0.1	0.03				<b>4.2</b>
Support to the Uongozi institute, including thematic support for empowering women, 2022-26 (Uongozi III)		2.2	2.8	2.1	1.5	1.0	0.2	<b>9.8</b>
TRA Tax Modernisation Programme (TMP) 2018-22		0.0	0.0	0.0	1.1		0.8	<b>1.8</b>
TRA Tax Administration Twinning (Vero)			0.1	0.4	0.2	0.01	0.2	<b>0.9</b>
Accountability (Twaweza)			0.3	0.6		0.6	0.4	<b>1.9</b>
Elections and human rights (LHRC)				0.6	0.0	0.6	0.4	<b>1.5</b>
UNFPA programme for protecting the rights and choices of women and girls of all abilities 2021-25						0.3	1.9	<b>2.1</b>
UN Women - Promoting women's leadership at local levels 2022-26							2.0	<b>2.0</b>
<b>IMPACT AREA 2</b>								
Private Forestry Programme, PFP (phase 1) 2013-2018	4.0	5.5	4.5	0.6				<b>14.6</b>
Forestry and Value chains programme, FORVAC, 2018-22 (extension 2022-24)			0.4	2.5	2.3	3.6	2.7	<b>11.5</b>
Participatory Plantation Forestry Programme, PFP (phase 2), 2019-23				0.2	1.8	2.8	3.3	<b>8.1</b>
Tree Outgrowers Support Programme 2020-22				0.4	0.3	0.3	0.3	<b>1.3</b>
Evaluation of Tanzania forestry programmes						0.2	0.2	<b>0.4</b>
<b>OTHERS / OLDER</b>								
UNICEF COVID-19					1.0	3.5		<b>4.5</b>
UNFPA COVID-19					0.9			<b>0.9</b>
Dar es Salaam electricity grid improvements	3.2	0.1	0.003					<b>3.3</b>
Public Finance Management Reform Programme (PFMRP)	1.2	1.2						<b>2.4</b>
ICI - LUKE INFORES - Implementation of Forest Data in Tanzania	0.3	0.1	0.1	0.05	0.1			<b>0.7</b>
ICI - GTK - Geological Survey of Finland	0.4	0.08						<b>0.5</b>
ICI - SYKE - Land administration Zanzibar	0.3	0.1	0.2	0.2				<b>0.7</b>
Planning funds	0.3	0.3	0.4	0.3	0.1	0.06	0.5	<b>2.0</b>
Older interventions carrying over from previous programming periods	1.80	0.04						<b>1.8</b>
<b>Total Annual Disbursements</b>	<b>15.0</b>	<b>11.0</b>	<b>9.6</b>	<b>8.9</b>	<b>10.3</b>	<b>13.2</b>	<b>12.8</b>	<b>80.8</b>

Source: MFA (2022 and 2021 Results Reports on Country Programme - Annex IV: Financial Report; 2016-2020 Results Report on Country Strategy for Development Cooperation - Annex III: Financial Report).



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Tanzania.

### 3.1 Country context when the current CP was formulated<sup>112</sup>

Tanzania has been a major partner in Finnish development cooperation since the 1960s. The country's constitution states that Tanzania is a democratic, secular, socialist society. In practice, the country has been led politically and economically by a single party (Chama Cha Mapinduzi, CCM) since it became independent in 1961.

During the time of CP formulation Tanzania was presided by the government of John Pombe Magufuli (2015-21). The constitution secures extensive presidential powers, and these were fully utilised by president Magufuli. Under his command, the other branches of the Government (parliament, judiciary, administration) lost some of their previous independence. CCM used severe means to weaken the opposition, which was divided, and struggling financially. Tanzania's General Elections of October 2020 were described as not free, not fair and fraudulent.

Tanzania gained the status of a lower middle-income country (LMIC) in 2020 regardless of high rates of poverty and population growth. The per capita GDP was USD 1,146 in 2021 and it was the 28<sup>th</sup> lowest GDP of 256 countries. The population in 2022 was 65,5 million people and growing at a rate of 3%. According to the Tanzania Mainland Poverty Assessment (World Bank, 2019), "using the international extreme poverty rate of 2011 Purchasing Power Parity (% of population) USD 1.9 per day, poverty in Tanzania has remained stagnant at 49% between 2011-12 and 2019 and 28.6 million people were considered poor along this line". Poverty has not reduced as much as the population has grown, resulting in an increase of the absolute number of poor people.

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112 The data for this chapter is drawn from different sources: Freedom House (n.d.). Freedom in the world 2021: Tanzania. Accessed in March 2024 at: <https://freedomhouse.org/country/tanzania/freedom-world/2021>; World Bank. (n.d.). Population, total – Tanzania. Accessed in March 2024 at: <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=TZ>; World Bank. (2022). Tanzania Country Program Evaluation; World Bank. (2021). Tanzania Economic Update, Raising the Bar, Achieving Tanzania's Development Vision; World Bank. (2021). Data: GDP per capita (current US\$). Accessed in May 2024 at: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?view=chart>; World Bank. (2019). TANZANIA Mainland Poverty Assessment; Debuyscher, J. and Schotte, J. (2022). Despite the Covid-19 pandemic and external shocks, Tanzania enjoys strong economic growth and relatively low inflation. Country news. Credendo; MFA Finland. (2021). Country strategy Tanzania 2021-24; World Bank. (n.d.). GDP per capita growth. Accessed in March 2024 at: [https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?name\\_desc=false](https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?name_desc=false); <https://rsf.org/en/index?year=2020>; Kelly, L. (2019). Legislation on non-governmental organisations (NGOs) in Tanzania, Kenya, Uganda, Ethiopia, Rwanda and England and Wales. University of Manchester. Accessed in March 2024 at: [https://assets.publishing.service.gov.uk/media/5d9b558ded915d354c1af0ff/656\\_NGO\\_Legislation\\_East\\_Africa.pdf](https://assets.publishing.service.gov.uk/media/5d9b558ded915d354c1af0ff/656_NGO_Legislation_East_Africa.pdf); Transparency International. (n.d.). Corruption Perceptions Index. Accessed in March 2024 at: <https://www.transparency.org/en/cpi/2020>.



Since 2010, Tanzania made progress in health (for example, increased immunisation rates, higher life expectancy at birth, and reduction the infant mortality rate) and education (for example, increased enrolment rates in primary and secondary education). However, the Human Capital Index score is still slightly below that of the average for Sub-Saharan Africa and well below the average of 50 percent in LMICs. Although access to education has improved, outcomes have remained unchanged, especially with respect to lower-secondary completion rates, which are extremely low. In 2020, the average Tanzanian was 17.5 years old, and 44% of the population was under the age of 15. Each year nearly 1.3 million youths enter the labour force.

The gross domestic product (GDP) growth was high until 2019 (5.8%) but slowed down in 2020 (2%) and in 2021 (4%) mostly due to the Covid-19 pandemic. The growth was, however, still much higher than on average in Sub-Saharan Africa. Tanzania was one of the few countries where the pandemic was not officially recognised, and the vaccination programme was initially declined by the government. As the aim of the Tanzania Development Vision 2025 was to transform Tanzania into a semi-industrialised LMIC, largely independent of foreign aid, the government invested in large-scale public infrastructure projects and there was a strong emphasis on self-sufficiency, lending from internal markets and domestic resource mobilisation. The high prices of Tanzania's main exports (gold, copper, dried legumes, rice) and low oil import bills worked in Tanzania's favour, but the population growth constrained access to public services and jobs, and the sustainable use of land and natural resources. There is a high dependence on agriculture, livestock, fisheries, wildlife, and forestry which combined constitute 65% of the GDP, 60% of the total export earnings and over 80% of the population's employment.

Gender inequality is deeply rooted in the country and its local traditions. Tanzania's Global Gender Gap Index score has remained stable at 0.71 in 2021, placing it at 82 out of 156 countries, which means that females in the country were 29% less likely to have the same opportunities as males (World Economic Forum 2021). Fertility rates are high while teenage pregnancies and child marriages combined to limited access to SRHR services have contributed to persistently high maternal mortality rates (World Bank, 2021).

The private sector development is constrained by access to electricity and finance as well as administrative red tape. The geographical location of Tanzania with several landlocked neighbours is an advantage for Tanzanian ports. There is huge economic potential from vast natural resources such as liquified natural gas, minerals, arable land, and forests.

Tanzania's world press freedom rating among 180 countries dropped 53 positions from 2016 (71/180) to 2020 (124/180). During the Magufuli government, the civil society was appreciated for service delivery, but its other roles were challenged by anti-CSO legislation, which restricted non-governmental organisations' (NGOs) operations and introduced new requirements for public reporting and financial auditing even by grassroots organizations. There were serious concerns regarding government's overall accountability and transparency. However, in Transparency International's Corruption Perception Index Tanzania ranked 94<sup>th</sup> of 179 countries, improving from 2016 position (116/176). The fight against corruption was one of the Magufuli government's flagships.

As a stable and peaceful country, Tanzania had for long time benefitted from strong international support. In 2020 the donor share of the budget had dropped to around 8-10% from 40% of ten years earlier, because of GDP growth and the declining official development assistance (ODA). For many years the dialogue between government and development partners suffered from the political situation and the lack of opportunities to address so-called "sensitive" issues such as human rights and state of democracy. The biggest ODA contributors are the United States, multilateral



development banks (including the World Bank and the African Development Bank), the EU and the United Kingdom. Most assistance is provided to the social sectors (health, education).

China has considerable investment in Tanzania while also Türkiye and Arab countries have strengthened their economic ties with Tanzania. Other BRICS countries are interested and/or involved in large infrastructure projects. EU has provided key support for development in Tanzania, with a total amount of EUR 556 million during the period 2014-2020.

## 3.2 Main changes in the country context since 2020

The assessment of the main changes in the country context affecting the development cooperation is based on the self-assessment workshop, the interviews of external stakeholders and the desk review by the meta-analysis team.

The country context in Tanzania changed drastically when the president Samia Suluhu Hassan came into power after president Magufuli's death in 2021. From an authoritarian regime with little contact between development partners and the government, initial denial of Covid-19 and very limited space for any civil society activities, Tanzania has improved its state of democracy ranking and was defined by Economist Intelligence Unit in 2023 as a hybrid regime<sup>113</sup>. The GDP growth was high until 2019 (5.8%) but slowed down in 2020 (2%) and in 2021 (4%) mostly due to the Covid-19 pandemic.

The new president has initiated reform processes, opened again to the Western countries<sup>114</sup> and resumed the dialogue with the development partners and foreign investors. She has also approached the opposition, the civil society and let go of many of the media restrictions. Gender equality is high on the president's agenda. Women have been appointed to high public sector positions and it is again possible to discuss the human rights and SRHR. The new political environment was described as a return to the previous era under the Kikwete government, with the recognition that the conservative group in the main party could step in power again. Some development partners, such as Denmark, reacted extremely fast to the new context, by cutting their support to human rights issues and focusing on trade and business.

The development of offshore liquified natural gas production was revitalised and there were prospects for starting the extraction by 2030. Negotiations between the government and private developers picked up immediately following the change in the administration. However, there were some new challenges causing delays in the negotiations in 2024 and at the moment of writing there are many uncertainties concerning the development of liquified natural gas. If well-developed and managed, the liquified natural gas project has the potential to have significant macroeconomic impacts.<sup>115</sup> The management of gas revenues will be of crucial importance to the country.

The dialogue between the government and development partners has picked up only recently after years of frozen and almost non-existing relationship. As Tanzania is no longer aid dependent, there is an opportunity and a need for a new dialogue, on a more equal basis.

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113 EIU. (2023). Democracy Index 2023. Age of conflict.

114 Collins, T. (2022). 'Back online': Tanzania's president rights predecessor's wrongs. Al Jazeera.

115 IMF. (2023). Country Report. No. 13/154.





The Team Europe initiative has started since the beginning of the country programme. It focuses on two themes: Blue Economy and Job Creation; and Green and Smart Cities SASA, bringing together the EU, Belgium, Finland, France, the Netherlands, Sweden, and the European Investment Bank.

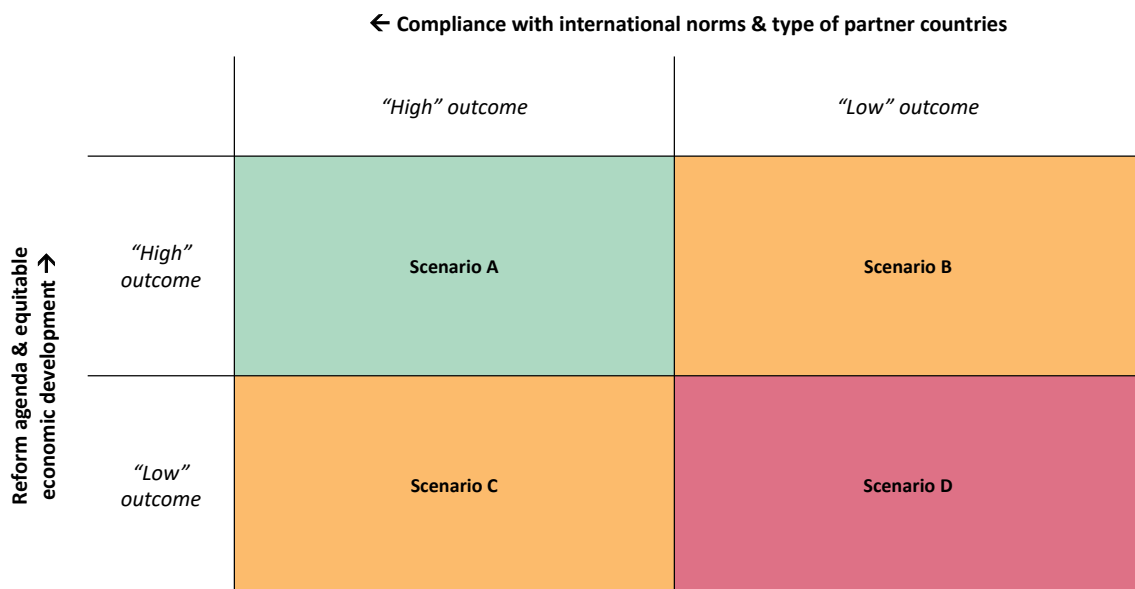
The balancing of Tanzania in the “new world order” has continued during the last years. The new investors (Qatar, the Emirates, India) are prominent in different sectors and Tanzania has moved closer to BRICS countries. The collaboration with e.g. India has focused largely on security issues, including maritime security, as Tanzania is seen as a stabilising country in the region. Russia’s war of aggression against Ukraine and the consequent inflation due to rising food prices has not affected Tanzania as much as some neighbouring countries. Tanzania seems to choose staying out of the new world order and positions itself as a non-aligned country, keeping doors open to all directions.

### 3.3 Future development scenarios

During the self-assessment workshop, four scenarios were developed with a time horizon of 2025-28 (the next programming cycle) in mind. As shown in Figure 2, they were organised along the two axes of:

1. Compliance with international norms and types of partnerships, and
2. Reform agenda and equitable development.

**Figure 2 Future scenarios for Tanzania**



Source: Tanzania CP self-assessment workshop, Dar es Salaam, February 2024.

Axis 1 trajectory is based on the compliance with international norms and countries that the GoT prefers to have partnerships with. Countries other than Western nations have gained more popularity as partners and their access to the government and natural resources has increased during the last years. The axis trajectory is also related to the adherence to the rule-based world order and values such as the respect of human rights.





The second axis on reform agenda and equitable economic development focuses on the state of democracy and inclusivity of economic growth. The current government has taken steps towards multiparty democracy, but there are also other, more conservative and authoritarian tendencies in the country. Economic growth has not been inclusive as shown by the high rates of poverty and massive investment in infrastructure instead of social sectors since 2016. The axis is also sensitive to corruption, which may be sliding back, depending on the government commitment to reforms.

### **3.4 Austerity measures in Finnish development cooperation**

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term.

For Tanzania, another CP for the 2025-28 cycle is planned. It will however have a smaller budget than the present programme.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Dar es Salaam, as well as on the desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

In the self-assessment workshop, the participants raised the well-established, highly motivated, and collegial team as the main strength of the CP management. They emphasized the importance of a professional and knowledgeable team, competent on the CP themes (gender equality, forestry) and programme management. The good coordination between Helsinki and the embassy was stressed, with involved MFA leadership and regional advisors when necessary.

External stakeholder interviews confirmed that staff working in the Finnish embassy has engaged with project partners even more than other development partners, especially in the planning and inception phases of projects. Occasionally, WhatsApp groups have been created between implementing partners and the embassy to find quick solutions to eventual problems. The country team judges the choice of implementing partners as good: they are considered reliable and well-established in their subject matters. Depending on the future elections, it will be important to ensure continued government buy-in and engagement in all programmes and the willingness to advance the agreed objectives.

Finland's reputation in Tanzania was considered as extremely good by the interviewed stakeholders. Finland has a high profile in promoting gender equality, good governance, and human rights. The embassy staff is considered active and knowledgeable although many recognise the number of staff to be limited.

Some of the self-assessed weaknesses include the fact that various routine and time-consuming day-to-day activities take time away from addressing deeper issues and influencing policy with partners. The team is small compared to the size of the portfolio and the number of themes to be covered. In particular, the impact area 1 includes many diverse issues ranging from gender legislation to GBV, taxation and leadership training, and covering it in-depth is difficult.

The CP does not include all Finnish activities in Tanzania and according to a preliminary list, there are 73 other Finnish interventions in the country, including many NGO and academic collaboration projects. The country team does not have sufficient knowledge and resources to actively engage into bringing all different partners together and building linkages between them. Staff rotations and the related discontinuity of institutional memory is considered a weakness by the country team and by several interviewed stakeholders. There are time gaps between the position holders and the handing over of knowledge and work practices may suffer from it.



The limited links between the current programme and Finnish private sector are considered a consequence of not having a dedicated person for developing the linkages and focusing on trade and business. Finnfund has invested in the three largest forestry companies in Tanzania and two of them received funding from the Tree Outgrowers' Support Programme in 2021-22 to increase the planting and management of high-quality timber tree seedlings. In addition, the companies are important stakeholders and have contributed to the development of the PFP since its initial stages. For the engagement of Finnish private sector in Tanzania, it would be necessary to have more knowledge of companies and connections with Finnish businesses.

The results reports show that the policy dialogue in the project steering committees is considered an important avenue for discussing with the GoT. Finland is active in the development partner group (DPG) on gender and according to the interviewed stakeholders, it is one of the most vocal partners concerning gender issues and practically the only one that has any dialogue on forestry with the government. Finland's role in raising the rights of PWDs is recognised by many. The limiting factor is the time that the embassy team can dedicate to the policy dialogue and advocacy. The results reports do not systematically report the content and outcomes of policy dialogue. The workshop participants discussed the plan to develop regular communication and policy advocacy plans as well as corresponding reporting.

## 4.2 Assessment of current planning and reporting arrangements

The CP planning process and the actual CP document were considered useful by the country team. Also, the MFA evaluations benefit from having a document that gives an overall idea of what and how Finland intends to achieve with development cooperation in Tanzania, instead of having fragmented project documents and reports only. However, the country team is of the opinion that it would be useful to have also a simplified one-pager for external stakeholders and MFA leadership to provide summarised information.

The CP document has four annexes: a risk management plan, a plan for monitoring, evaluation, and learning (MEL) and tentative financing plan, and a large results-based framework with indicators. The three first annexes were updated when the annual report was written but beyond that, they have not been actively used.

Workshop participants considered the annual reporting exercise useful, and the results framework useful to present evidence on the achievements. The reporting exercise has allowed the team to look at the whole programme, discuss about strengths and weaknesses of projects and partners, and to go deeper in issues, react to them and consequently continue the work with possible changes. The result reports contained analysis of factors behind the effectiveness, the partners' capacity and weaknesses but the desk review showed that there is little evidence of proposing actions to improve the effectiveness. Otherwise, the meta-analysis team has found the results reports of good quality and providing some details on the results.

When the country context in Tanzania changed in 2021, the country team quickly modified the ToC and results framework to correspond to the new situation. The meta-analysis team is of the opinion, that the changes were justified and mostly improved the framework. However, impact area 1 would benefit from further streamlining and reducing the number of interventions. In addition, in



the impact area 2, there is a disconnect between some of the outcome indicators and the related outcome statements. The indicators for outcome 2.3 on climate change adaptation could include relevant indicators from forestry project result frameworks, such as the reduction of wildfires or number of fire management bodies but they have not been used. On the other hand, the indicators that have been selected, such as the use of social funds in villages or the increase in entrepreneurship skills are not necessarily connected to climate change adaptation.

The feedback on the practice of management response was positive, as it extends the CP's management responsibilities beyond the country team and to the MFA leadership and provides an opportunity for dialogue with the MFA leadership. However, it is considered a heavy workload, especially for the MFA advisors. The number of advisors at the Department for Africa and the Middle East was reduced from three to two in 2023.

The forestry programmes had an external review and evaluation service which would provide annual external assessment of the country context, stakeholder views and the progress of the programmes. This was considered useful by the country team and the stakeholders, but it has also been a costly exercise which will not continue.

The country team raised on many occasions the lack of more comprehensive planning and reporting at the level of the CS. One possible approach would be for the CP to contain a summary of the CS to discuss strategic partnerships and annex the list of partners and interventions. Currently there is no reporting on the CS implementation, but some participants thought it would be important to take a periodical glance of all Finnish engagement in Tanzania, as part of the CP report, to share the information and opportunities.



## 5 Implementation, results and sustainability

### 5.1 Implementation of planned activities

In 2021, many projects were still in their initial stages and the year involved a lot of planning for the new initiatives. The UNFPA programme could only start effectively in 2022 while the UN Women programme received the first disbursements at the end of 2021. Significant support to two national CSOs under the old outcome 1 had to be diverted to activities that were not previously planned as the CSO's operating environment in Tanzania was difficult. The planned support to a national CSO for election observation could not be implemented as the Magufuli government prohibited the CSO-led elections observation process. The funding was switched to other activities by the same CSO.

The new government of Samia Suluhu Hassan prioritised many of the themes under impact area 1. This facilitated the cooperation with national and local authorities. Women's rights, their role in leadership and the ideas of tax modernisation received increased political backup from the government and public administration although the changes in attitudes and behaviour have been slow. In 2022, there were important changes in the legislation as the Law of Marriage Act and the National Plan of Action on Violence Against Women and Children were advanced. Albeit the government pushes for more domestic revenue collection, the achievement of goals was hampered mainly by the economic slowdown due to Covid-19 pandemic and the impacts of Russia's war of aggression against Ukraine. The implementation of forestry programmes under impact area 2 was slightly slowed down although most activities continued as foreseen.

Regardless of the changes in the project composition and Covid-19, the disbursement rates for 2021 (94%) and 2022 (94%) were good. The budget was EUR 14 million for the year 2021 and EUR 14.2 million in 2022. The total payments for the projects under the impact area 1 were EUR 6.3 million in 2021, including a EUR 3.5 million Covid-19 support through UNICEF, and EUR 6.8 million in 2022. In 2021 there were absorption problems of the large CSOs and TRA, while the design, contracting and launch of the UN Women and UNFPA projects was delayed. Under impact area 2, the total payments were EUR 6.9 million in 2021 and EUR 6.5 million in 2022. Revisions on the budget had to be made especially as one of the partnerships in the TOSP was discontinued.

### 5.2 Contributions to CP results

#### 5.2.1 Reported results in 2021

In 2021, the results were still reported against the original ToC with the impact area 1 statement "inclusive development through active citizenship" including four different outcomes. Outcome 1.1 on the protection of civic space was marked unsatisfactory as the funded CSOs could not operate



in the repressive context. Likewise, the outcome “increased access to services for people affected by sexual and gender-based violence” could not be achieved because of slow contracting process for the UNFPA project. Modest progress was achieved under the outcome “increased opportunities for women to participate in leadership” which was rated as satisfactory. Some legislative frameworks were updated, and parliamentary bodies adopted 15 initiatives to advance women’s leadership while UN Women and UI trained emerging Tanzanian leaders, half of them women.

The results of the tax administration outcome were rated as good, especially because of the ICI project with VERO. Although the TRA had absorption problems in terms of TMP funding, its performance improved concerning the share of value-added tax refunds made within 30 days, the number of registered taxpayers and the amount of collected taxes. UI continued leadership training successfully, e.g. by training newly nominated (largely female) Regional Commissioners and Regional Administrative Secretaries in Mainland Tanzania, having increasingly self-funded students and attracting funds from other donors. UI also built a successful cooperation with the Aalto University (Aalto EE).

Impact area 2 had positive results under the impact statement “improved forest-based livelihoods and climate resilience” as both the outcomes “improved quality of ecosystem services from forests and village lands” and “increased rural jobs and income from forest sector” were assessed as satisfactory. The third outcome on adaptive capacities of citizens to address climate change was unsatisfactory. The new intervention had not yet started, and the existing ones were slow to develop value chains.

Both UNFPA and UNICEF were granted funds to implement activities related to Covid-19 pandemic response. UNFPA intervention continued sexual and reproductive health services in the context of the Covid-19 response while the funding through UNICEF contributed to awareness raising and to provide for a vaccination program for the population.

The results report does not elaborate the role of the embassy in policy dialogue but rather indicates how the funded actors and projects participate in policy discussions, such as the PFP2 project which organised a regional forestry investment forum. According to the embassy staff, the dialogue between the GoT and development partners has not been active for many years but there are now signs of a more engaged relationship from all parties. However, the interviewed donors and partners praised the active role of Finland in development partner groups.

## 5.2.2 Reported results in 2022

The impact area 1 and the underlying ToC were reorganised after the changed country context in 2021. The impact statement “inclusive development through active citizenship” became “sustainable development through rights, equality, inclusion and taxation capacity” (Figure 3) while the outcome 1 on civic rights was removed and the three other outcomes were reorganised under two. The new focus is on women’s and PWD’s rights as well as support to tax administration and public administration. The results reports do not include a rating of the impact areas, but in both impact areas positive trends were observed, e.g. contributions towards improved lives of girls and women of all abilities and increased contribution of private forest sector in the Tanzanian economy.

Figure 3 and Figure 4 show the colour coding of the outcome and output areas. According to the MFA guidelines the rating is good, when the achievement of targets is above 80%, satisfactory with a 60-80% achievement and unsatisfactory when the achievement of targets is below 60%.

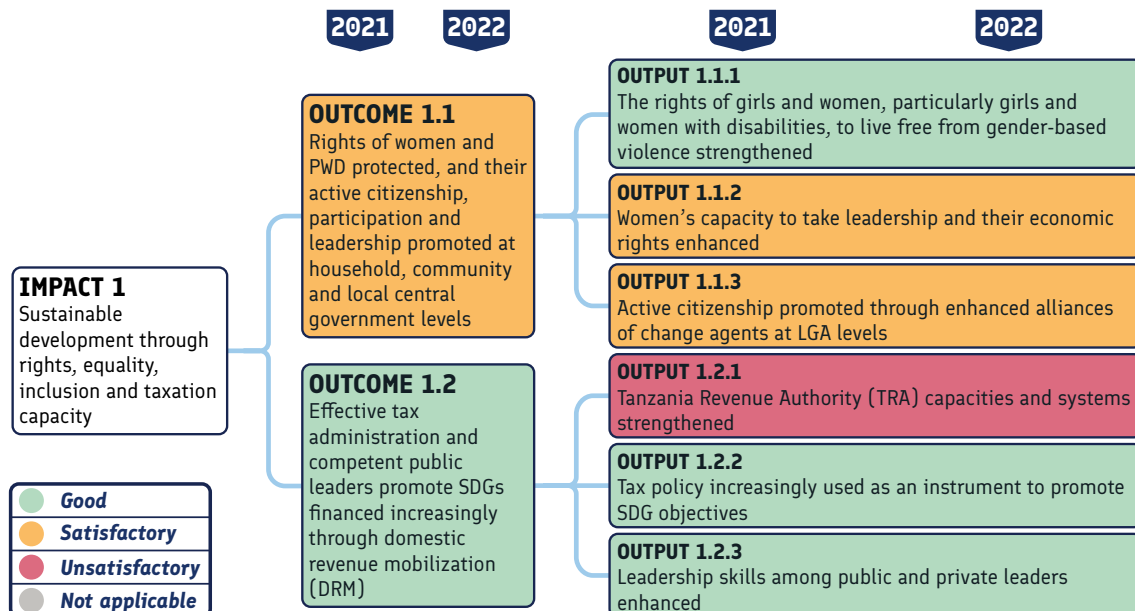


The results had overall improved in 2022, an indication of a more favourable country context and supported by data on more appropriate indicators. However, some baselines from the UNFPA and UN Women were still missing, and the assessment was based more on the good level of implementation than actual results. In impact area 1, the outcome 1.1 now covered the rights of women and PWD, active citizenship, participation and leadership at household, community, and local central government levels.

These areas were addressed through the recently launched UN Women and UNFPA projects with satisfactory and good output results and an overall satisfactory rating at outcome level. The implementation of activities had become easier as the government ownership increased under the new regime. Both projects supported the GoT in the process of amending the Law of the Marriage Act to raise the legal age of marriage to 18 years for both boys and girls, while an increased number of women (from 660 to 1278) parliament/local council aspirants and candidates reported an increased capacity in leadership.

Outcome 1.2 on effective tax administration and competent public leaders was rated good. The institutional collaboration between TRA and VERO produced valuable results and the UI continued building its institutional capacity. The number of registered taxpayers increased, and so did the domestic resource mobilisation as shown by the higher tax revenue collection against targets. The UI budgets funded from sources other than MFA of Finland (83% of the financing for overall budget against the target of 82%) increased. An outcome evaluation of UI<sup>116</sup> confirmed that the trainings had contributed to changes in leadership qualities and practises. While the TMP project to strengthen the TRA capacities and systems contributed significantly to the operational improvements and the broadening of the taxpayer base, the institutional sustainability and the organisational and the staff capacity targets were not met.

**Figure 3** Reported results for 2022 in impact area 1



Source: Results reports 2021-22.

116 Venäläinen. (2022). Evaluation of Uongozi Institute training outcomes.

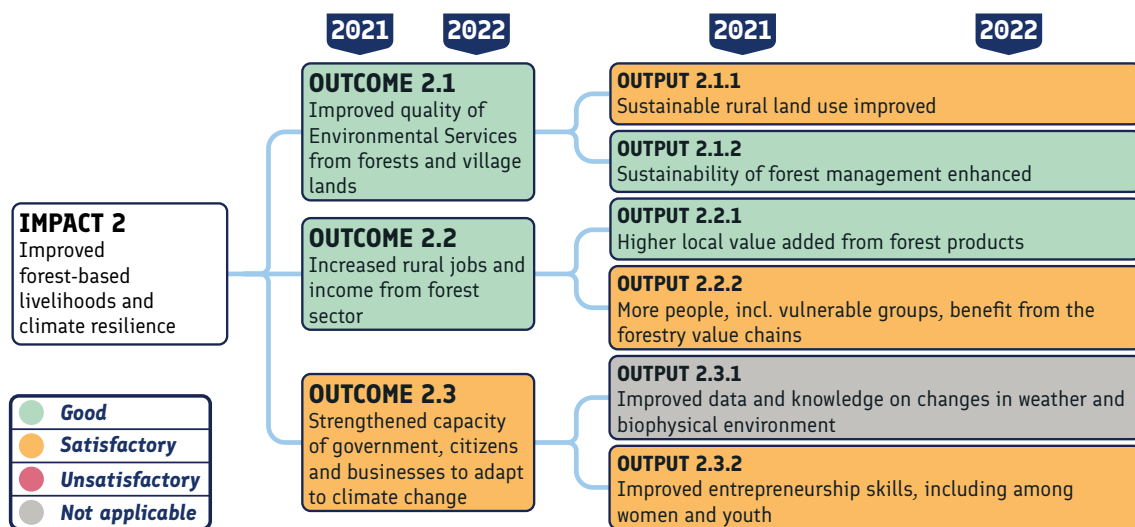




Under impact area 2, two outcomes were marked good while the third outcome on climate change adaptation was marked as satisfactory. The areas of plantations and conservation increased and generally the quantitative indicators showed good progress in terms of hectares, numbers of people participating, increased income and increased rural jobs.

The results for output 2.3.1 are derived from the project that started only in 2023, therefore the rating is not available. For the second output, the logic from outputs to the outcome is not obvious (see chapter 4.2).

**Figure 4** Reported results for 2022 in impact area 2



Source: Results reports 2021-22.

### 5.2.3 Expected results for 2023 and beyond

The assessment of the results for 2023 and 2024 are rough estimates as the reports from programme partners had not yet arrived at the time of the self-assessment workshops. However, the disbursements from Finland have continued as foreseen, and according to the monitoring by the embassy, it is assumed that the activities have continued according to the plan.

Outcome 1.1 is expected to show good results both in 2023 and 2024 as the UN Women and UNFPA programmes are on track and mostly operate as planned. However, the work on changing norms and perceptions is slow and some key processes such as the Law of Marriage Act are stagnating and not progressing in legislative instances. Concerning women's leadership support, some activities will only start later, therefore the results may only be satisfactory in 2023 but should progress to good in 2024.

In 2023, there has not been any other support to domestic resource mobilisation except through the VERO-TRA programme, which is likely to continue providing good results. A new programme, Tax Sector Budget Support to Tanzania (TAXTAN) should be launched in 2024 but due to the implementation gap, no results will be available in 2023. As there are further delays with the project, there will not be any results in 2024.

Also, the outcome-level results under the impact area 2 are estimated to be good in 2023-24. The two forestry programmes have been extended in 2024 and will likely continue to produce good





results, except for the sustainable rural land use, where the assessment based on numbers of land use plans and land certificates is estimated as satisfactory instead of good. It is also believed that the project providing weather-related data and knowledge will start running effectively in 2024, and that it will be achieving the targets.

### **5.3 Contribution to Finland's cross-cutting objectives and other results**

According to the discussions in the self-assessment workshop, the approach of the country team is to look at the country programme as a whole when mainstreaming the cross-cutting objectives. It was agreed that prioritisation of crosscutting objectives in every project is not the most effective way to achieve them. All programmes are based on human-rights based approach. In impact area 1, gender equality is the main priority, and it is crosscutting in the projects of impact area 2. The project documents mostly cover the analysis of human rights issues in Tanzania and in the related sector and this is also discussed in project reports. The beneficiary indicators in the results framework mostly disaggregate data according to gender, and for the UNFPA project also by disability. In impact area 2 the term “vulnerable” is used. The numbers of vulnerable communities, vulnerable households and vulnerable groups are monitored but the definition is not clear.

Climate sustainability and low carbon development is hardly discussed in the impact area 1 documents and reports, apart from a mention of engagement of women in climate resilient agriculture in the discussion facilitated by the UN Women project. In impact area 2 on “improved forest-based livelihoods and climate resilience” one of the three outcomes focuses on strengthening the capacity of government, citizens, and businesses to adapt to climate change. The recently launched ICI-project supports the availability of improved data and knowledge on changes in weather and biophysical environment. The forestry projects FORVAC and PFP II strongly support climate sustainability and low carbon development although the results framework in 2021-22 did not yet contain indicators to monitor these objectives.

### **5.4 Sustainability of results**

Overall, the country team considers the sustainability of the results medium or high, indicating that the results will likely be available for a few or many years to come. In impact area 1, the results achieved regarding the rights of women and PWD are estimated to remain especially if the current trend towards strengthened democracy and higher economic growth continues together with institutional reforms. In the opposite case, coupled with decreased investment in social sectors, the protection of women's and PWD rights would be at risk.

The same would apply to the effectiveness of tax administration and the leadership's commitment to finance SDGs, which were estimated to continue for many years. However, the increase of taxation would also depend on the objectives of the future leaders and the measures that they would take to collect taxes. Currently the Finnish funding supports the TRA in change management and rebranding to build trust with taxpayers, considered to contribute towards better sustainability.



In impact area 2, the country team assessed the sustainability of results to continue for several or a few years, apart from a situation where the continuous extension of Chinese-owned veneer factories in the Southern Highlands would risk the sustainability of income and jobs in forest sector. Similarly, increasing land grabbing for large-scale carbon credit projects could jeopardise the jobs and income by rural households. The sustainability of the outcome on strengthened capacity to adapt to climate change is considered at risk if the government reform agenda would fail and if the government aligned more with partners less interested in climate change adaptation.

The interviewed stakeholders doubted the sustainability of some of the forestry programme results. Finland's contribution to advancing community-based commercial forestry is seen as a game changer and having a lasting impact for the local communities. The main issue is how to ensure the political support from decision-makers and build the political support and ownership by the government and society at large. Although the policies are favourable to the development of community-led forestry and private sector development, the government has not taken the expected lead and the Tanzania Forest Service has not been sufficiently engaged. This is an important strategic issue considering the long-term and substantial investment by Finland. Moreover, some stakeholders emphasised the need to pay more attention to the processing and marketing side in the value chain in forestry. This would improve sustainability as the pulling factor of the markets would encourage the producers to grow better quality timber and the processors to add more value in the final products.

Many of the interviewed stakeholders suggested that Finland should be bolder to communicate the good results achieved through the interventions, and that making them more visible to the Tanzanian decision-makers, development partners and other stakeholders, and thereby improve the sustainability of the results.

According to the stakeholder interviews, there are also other donors interested in funding some Finnish-supported interventions, thereby increasing the continuity, scaling up and sustainability. In addition, the country team considers that the efforts to engage more private sector companies in forestry development should be strengthened to improve the sustainability.



## 6 Added value of the CP

Overall, both the participants of the self-assessment workshop and the meta-analysis team consider that the CP modality adds value to the Finnish development cooperation in Tanzania. The first country strategy in 2013 was rather a collection of separate projects on various, separate issues. Instead of having a fragmented cooperation programme with individual projects, the CP has been able to promote strategic thinking and clear objectives that Finland wants to achieve in Tanzania, as stated also by the interviewed stakeholders.

With the CP and the underlying strategy, it is possible to protect the integrity of programme and partner selection instead of introducing new projects and sectors without proper analysis.

The programme is considered to focus on sectors where Finland has the comparative advantage, concentrating on a few issues only. It is worth noting, that while the government programme<sup>117</sup> states that “the Government will promote sustainable forestry and afforestation projects utilising Finnish expertise as well as other projects that improve local living conditions and increase the global carbon sink”, the two forestry programmes in Tanzania are the only remaining bilateral forestry programmes under Finland’s development cooperation. Forestry sector support has a long history in Tanzania, while also the tax modernisation, women’s rights and the UI enjoy a long-term support from Finland. This is appreciated by the interviewed stakeholders, who recognise a value in the predictability and continuity of Finland’s support.

The results framework of the CP identifies the results that can be communicated to decision-makers, to the GoT and also to the Finnish taxpayers. The CP ensures that there are sufficient tools to counter the corruption and risks.

A disadvantage of the CP is the excessive pressure on the embassy and local partners from being a country case study of numerous MFA development cooperation evaluations commissioned by EVA-11. Also, the Tanzania CP is often used as a case study in other reviews such as the OECD peer review in 2024.

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117 A strong and committed Finland. Programme of Prime Minister Petteri Orpo's Government 20 June 2023.



## 7 Conclusions

Through the CP, Finland has ensured consistency and long-term engagement in portfolios such as women's participation, development of Tanzanian public sector leadership, domestic resource mobilisation as well as local ownership, participation, and economic benefits from sustainable forestry.

Drastic changes are not expected in Tanzania before the end of the next CP period in 2028 although much depends on political stability and leadership in Tanzania. Support to the current government and president seems strong, which builds momentum to advance the goals of Finland's country strategy and programme. There are now more opportunities to work on gender equality and family planning and to advance private sector development both in forestry programmes and through trade links to Finland.

The meta-analysis team agrees with the country team in concluding that the country programme should mostly continue as previously, but that there should be more emphasis on the priorities in line with Finland's new government programme, including strengthening the connections between trade and development. The integrity of the programme could be strengthened by further reducing the number of interventions under the impact area 1, promoting links between the programmes and partners and crossing indicators between impact areas. For example, the forestry programmes have worked for years to promote women in the leadership of natural resource committees and tree growers' associations. This could be recognised in the results framework. At the same time, it would be important to build more robust content to increase climate change resilience in the planned programmes, as well as a result framework that would sufficiently capture the results related to building climate resilience.

In terms of management, the meta-analysis team agrees with the country team in keeping the results framework, while the use of risk matrix annex could be improved by operating it as a regular monitoring tool at programme level. The MEL annex could become optional with an open format. The process could altogether be lighter, while showing the results through the framework should remain an important feature. The meta-analysis team strongly supports the suggestion by workshop participants that the whole country team should participate in preparing the next CS and CP to combine the lessons learned and the extensive expertise.

The interviewed stakeholders emphasise that Finnish development cooperation has produced significant results and positive outcomes. The country team should analyse how to use the results to gain more visibility, scale them up and think strategically how to increase the sustainability of results achieved. The meta-analysis team is of the opinion that there is also a need to assess the constraints that have hindered the advancement of Finnish trade interests in Tanzania and the introduction of Finnish companies and partnerships. The positive example of development cooperation specialists in the embassy indicates that the embassy would benefit from having specialists in trade relations to strengthen the communication between Business Finland, Team Finland, and the embassy.

The embassy is already working on a communication and advocacy plan, the results of which should also be reported systematically in the annual results report, as these represent an important



contribution to results in Tanzania. The advocacy must be strategic, focusing on high levels of the government and ministries, implemented by the sector specialists together with the ambassador.

The meta-analysis team emphasises the importance of coordination, collaboration, and joint funding with other development partners to scale up the good results and to compensate for possible reduced Finnish development funding in the future.



# UKRAINE COUNTRY REPORT

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# 1 Introduction

This country report is part of a meta-analysis of Finland's 10 Country Programmes (CPs) commissioned by the Development Evaluation Unit (EVA-11) of the Ministry for Foreign Affairs (MFA) of Finland. For further information about the meta-analysis and its findings across the 10 CPs, the reader is referred to the meta-analysis synthesis report.

This country report summarises the findings of the meta-analysis of the 2021-24 CP for Ukraine. The report is compiled on the basis of desk review, feedback from selected external stakeholders and a self-assessment workshop held on 19-21 February 2024 in Helsinki.<sup>118</sup>

The report is structured as follows. Section 2 introduces the CP. Section 3 describes the country context and outlines scenarios for how the country could develop in the near future. Section 4 reviews strengths and weaknesses of current practices of the MFA's country programming. Section 5 summarises past implementation and already reported results for 2021 and 2022 and provides a tentative outlook into expected results and their sustainability after that. Section 6 examines the value-added of the CP approach for Ukraine, and Section 7 summarises conclusions drawn by the meta-analysis team.

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<sup>118</sup> There were 4 external stakeholders interviewed, including project implementers and a government official and the workshop consisted of MFA staff from the country team, as well as MFA advisors and senior management.





## 2 The 2021-24 Ukraine Country Programme

This section introduces the 2021-24 CP. It explains the goals, how these were intended to be reached and describes contributing projects and programmes.

The context for the current cycle (until year-end 2024), changed dramatically after start of Russia's war of aggression against Ukraine on 24 February 2022. Despite this, Finland continued to support education, rule of law, energy and climate resilience until the end of the cycle, with the addition of a number of new interventions to reflect Ukraine's changed circumstances.

### 2.1 Goals

The CP has two impact areas:

1. Successful reforms in the quality of education and the rule of law, and
2. Improved energy security and climate resilience of Ukraine

These impact areas represent a continuation of programming under the first Country Strategy (2018-2022), with the original three impact areas of education, rule of law and energy combined into two impact areas for the current CP.

The CP was placed within the broader 2021–2024 Country Strategy (CS) for Ukraine and aimed to link Finland's political, development and humanitarian objectives. The CS describes four strategic goals of Finland's foreign and development policy in the country:

1. Restore and preserve the territorial integrity and sovereignty of Ukraine and thus, guarantee the respect for international law,
2. Support the efforts to end the conflict in eastern Ukraine,
3. Strengthen bilateral relations and widen the scope of cooperation,
4. Enhance the resilience of the society and improve the living conditions of the people, and
5. Strengthen the EU–Ukraine relations.

The CP 2021-2024 contributes specifically to goal 4 on enhancing the resiliency of society in Ukraine and improving the living conditions of the people.



## 2.2 How the goals of the 2021 CP are to be reached

The theories of change for each impact area are clearly described in the CP document and annexes.

The first impact area focuses on reforms in education and the rule of law, with education seen as a key tool to eradicate social inequalities and enhance opportunities. The CP addresses this through updating and development of the pedagogical skills of teachers, the development of up-to-date curricula, high-quality teaching and learning materials and the introduction of digital tools to facilitate teaching and learning. Support to reforms for the rule of law is aimed at strengthening good governance and the independence of the judiciary and bringing Ukraine's legislation, institutions, and legal practices in line with international and European standards. Finland is supporting this through strengthening the accountability of institutions, empowering women and enhancing respect for human rights, through support to the Council of Europe (CoE) Action Plan for Ukraine 2018–2022 and the European Union Advisory Mission (EUAM).

The second impact area contributes to improved energy security and climate resilience in Ukraine. Heavy industry and other infrastructure are mainly from the Soviet era and energy-intensive, while climate change will potentially impact food security and economic growth. The CP focuses on this through supporting the shift to modern energy efficiency and renewable energy technologies and solutions linked to the European Green Deal. This is undertaken by strengthening the capacity of public and private actors to design and implement energy efficiency and renewable energy investments and strengthening weather and disaster risk reduction services.

## 2.3 Contributing projects and programmes

The total planned CP budget was EUR 29 million for the 2021-2024 CP. The budget was allocated with 52% to impact area 1 (education and rule of law) and 48% of the budget to impact area 2 (energy security and climate resilience). Since February 2022 and Russia's war of aggression against Ukraine, the CP budget has increased substantially. The original budget for development cooperation in 2022 was EUR 7 million, but in practice this has increased. For 2023 and 2024, the annual budget allocation for development cooperation in Ukraine is expected to be around EUR 38 million. This is illustrated in Figure 1 which shows that actual disbursements increased from EUR 5.2 million in 2021 to EUR 25.8 million in 2022, due to additional CP interventions. Most of the additional funding in 2022 (15 million euros) was disbursed to the World Bank's Public Expenditures for Administrative Capacity Endurance (PEACE) trust fund.



**Figure 1 Actual disbursements to CP projects 2016-2022 (MEUR)<sup>119</sup>**

PROJECT	2016	2017	2018	2019	2020	2021	2022	
<b>IMPACT AREA 1</b>								
Ukrainian school reform "Learning together" project		0.0	0.05	1.9	0.7	0.8	1.2	<b>4.7</b>
UKR vocational training (EU4Skills multi-donor action)				0.0	0.5	1.5	1.0	<b>3.0</b>
Council of Europe Action Plan for Ukraine 2018–2022				0.5		0.5	2.5	<b>3.5</b>
<b>IMPACT AREA 2</b>								
World Bank, Ukraine District heating sector	0.14							<b>0.1</b>
NEFCO Finland-Ukraine Trust Fund (FUTF)		0.0	0.8	0.5		1.4	0.7	<b>3.4</b>
E5P						1.0	1.3	<b>2.3</b>
ICI to the Finnish Meteorological Institute							0.1	<b>0.1</b>
<b>OTHERS</b>								
Support to Ukraine - Identification		0.08	0.02					<b>0.1</b>
Partnership Fund for a Resilient Ukraine (PFRU)							2.3	<b>2.3</b>
Ukraine, temporary housing							1.7	<b>1.7</b>
Nefco Green Recovery Programme for Ukraine								<b>0.0</b>
World Bank - PEACE trust fund							15.0	<b>15.0</b>
<b>Total Annual Disbursements</b>	<b>0.1</b>	<b>0.08</b>	<b>0.9</b>	<b>2.9</b>	<b>1.2</b>	<b>5.2</b>	<b>25.8</b>	<b>36.2</b>

Source: MFA (data extracted from the MFA's financial reporting system - Ratsu).

Programming for the 2021-24 CP is a mix of existing projects and newer activities focused on emergency needs and support for basic public services. Education and rule of law interventions under impact area 1 continued from the previous CS (Learning Together Project, EU4Skills and CoE Action Plan 2018-2022, later extended to 2026). Under impact area 2 the NEFCO Finland-Ukraine Trust Fund (FUTF) continued, while support to the European Bank for Reconstruction and Development's (EBRD) Eastern Europe Energy, Efficiency and Environment (E5P) and the Institutional Cooperation Instrument (ICI) from the Finnish Meteorological Institute was new. The Partnership Fund for a Resilient Ukraine (PFRU) was a new project and although planned prior to Russia's war of aggression against Ukraine, was then reorientated, while the PEACE Trust Fund, NEFCO's Green Recovery Programme for Ukraine and Ukraine temporary housing were funded in response to the changed context in 2022.

<sup>119</sup> The figure includes interventions funded under the 2021-2024 Country Programme and 2018-2022 Country Strategy. It excludes FLC projects and country-specific appropriations from other budget lines, such as humanitarian aid, which amounted to 1,1 MEUR in 2021 and 26,5 MEUR in 2022.



## 3 Country context and future prospects

This section characterises the country context, recent developments, and outlines future development scenarios for Ukraine.

### 3.1 Past country context

The period prior to 2021 was marked by increasing tensions in Ukraine due to the illegal annexation of Crimea by Russia in 2014, armed conflict in Eastern Ukraine supported by Russia and internal divisions. This was exacerbated by the Covid-19 pandemic that was having a negative impact on economy and socio-economic indicators. The government was pursuing a policy of alignment with the European Union (EU) and United States (US) in political, security and economic spheres and had an ambitious reform agenda with the goal of EU accession. An Association Agreement had been signed with the EU in 2014 and in 2016 the provisions of the Ukraine–EU Association Agreement and the Deep and Comprehensive Free Trade Area agreement were applied.

Ukraine was a lower middle-income country, but one of lowest ranked in Europe with a per capital income of USD 3,540 in 2020.<sup>120</sup> Despite having substantial reserves of minerals, ores, good agricultural conditions and a well-educated workforce, the country was struggling to adapt its economy to free market conditions and to convert its industrial base to support economic growth. This was reflected in gross domestic product (GDP) growth that had been moderate at around 2-3% since 2016, while the economy contracted by -3.8% in 2020 due to the Covid-19 pandemic. Economic growth was hampered by weak governance, demographic pressures and low investment and the slow adoption of market reforms.<sup>121</sup> There were also significant environmental challenges from air pollution, water quality and water supply shortages, solid waste management, land degradation and biodiversity loss.

The poverty rate was reasonably low and had declined from 6.3% in 2015 to 3.4% in 2018 and marginally increased in 2020 (at an international poverty rate of USD 5.50 a day), but there were high levels of inequality with the Gini index at 25.6% in 2020.<sup>122</sup> There was discrimination against vulnerable groups (women, ethnic minorities and the disabled), while women faced multiple forms of discrimination. There was extreme vulnerability of people living in conflict areas and internally displaced persons (IDPs) who also experienced higher rates of poverty.

Governance indicators did not compare well with neighbouring or comparator countries. In 2020 Transparency International's Corruption Index ranked Ukraine in 117th out of 180 countries. World Bank governance indicators showed that Ukraine ranked in the 24th percentile of countries which

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120 World Bank. (2023). The World Bank Group in Ukraine 2012–20. Country Program Evaluation.

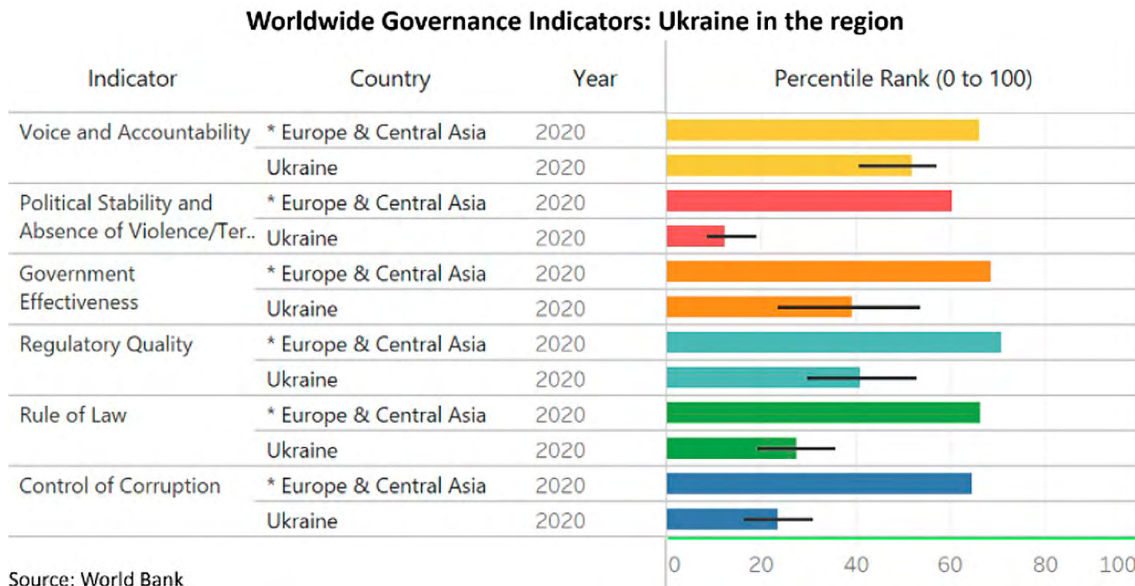
121 Ibid

122 World Bank. (2021). Europe and Central Asia: Macro Poverty Outlook.



represented a two-percentage-point decrease compared to 2019.<sup>123</sup> For Voice and Accountability, Ukraine ranked in the 52nd percentile, which reflected a five-percentage-point decrease compared to 2019.<sup>124</sup> Notably Ukraine's figures had fallen significantly behind those of EU Member States (see Figure 2).<sup>125</sup>

**Figure 2 Governance Indicators for Ukraine**



Source: UN Ukraine. (2022). *Ukraine Common Country Analysis (data used by the UN originally from World Bank, Worldwide Governance Indicators, 2022)*.

## 3.2 Current country context

The context in Ukraine changed dramatically after Russia's war of aggression against Ukraine began in February 2022. Prior to this, Ukraine was on the margins of the focus of the international community, but suddenly became the centre given the importance to the West of Ukraine winning the war for geopolitical and global food security reasons. This has led to a substantial increase in aid flows to Ukraine for humanitarian aid, military and development cooperation, including the presence of many donors who have not previously worked in the country.

There have been severe setbacks in the country's development due to the destruction of infrastructure and productive assets as well as environmental damage. The estimated GDP for 2023 is 74% of 2021 GDP in real terms. Direct damage in Ukraine is estimated to have reached almost USD 152 billion, with housing, transport, commerce and industry, energy, and agriculture the most affected sectors and 10% of the housing stock has been damaged or destroyed.<sup>126</sup> Ukrainian Government and donor efforts have focused on reconstruction, supporting basic services and

123 This means that Ukraine was performing better than 24% of countries.

124 This means that Ukraine was performing better than 52% of countries.

125 PMCG. (2021). *Ukraine in International Rankings. Economic Outlook and Indicators*. Accessed in March 2024 at: [https://pmcresearch.org/publications\\_file/cb0261c191953adb1.pdf](https://pmcresearch.org/publications_file/cb0261c191953adb1.pdf).

126 World Bank Ukraine. (2024). *Third Rapid Damage and Needs Assessment (RDNA3) February 2022 –December 2023*.



humanitarian support, but current needs are substantial given the scope of the damage extends beyond these areas and will continue to increase as the conflict continues

The war has led to not only the destruction of infrastructure and productive assets, but also civilian casualties, increased poverty levels of internally displaced people and outward migration of the population especially women and children. An estimated 5.9 million people have been recorded as refugees across Europe, 3.7 million people were reported as IDPs, while poverty and food insecurity have increased.<sup>127</sup> The impacts of war are uneven both geographically and socially with the greatest effects on women, persons with disabilities, children and youth, IDPs and the elderly, particularly those in areas most impacted by the conflict.

The Government of Ukraine has been operating reasonably effectively and has strong ownership of external assistance and has continued with their reform programme. Externally, EU candidacy is now taken more seriously, as in the past most EU countries supported Ukraine's aspiration to EU membership, but now there is strong support for EU candidacy with Ukraine granted candidate status in June 2022.

Additional environmental issues have emerged as the extensive presence of land mines need to be addressed, as well as environmental damage from chemical releases and pollution from damaged industrial and energy facilities and damage to arable and natural land and the pollution of water resources and destruction of water infrastructure. Also, there are increased environmental risks from the militarisation of nuclear sites as well as increased greenhouse gas emissions and increased vulnerability to the effects of climate change.<sup>128</sup> The ending of the war will also bring more challenges related to reconstruction, the integration of returnees, IDPs and the armed forces, as well as addressing the psychological impacts of the conflict. The World Bank currently estimates that the total cost of reconstruction and recovery in Ukraine is likely to be USD 486 billion over the next decade.<sup>129</sup>

### 3.3 Future development scenarios

During the self-assessment workshop, four scenarios were developed to support the planning of future development cooperation in the country with a time horizon of 2025-28 in mind. As shown in Figure 3, they were organised along the two axes of:

1. Outcome of the war, and
2. The degree to which economic recovery occurs.

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127 *ibid*

128 Conflict and Environment Observatory and Zoi Environment Network. (2024). Assessing Environmental Damage in Ukraine. Accessed in April 2024 at: <https://reliefweb.int/report/ukraine/assessing-environmental-damage-ukraine-february-2024>.

129 *Ibid*



Figure 3 Future scenarios for Ukraine

		← Outcome of the war	
		"High" outcome	"Low" outcome
Economic recovery →	"High" outcome	Scenario A	Scenario B
	"Low" outcome	Scenario C	Scenario D

Source: Ukraine CP self-assessment workshop, February 2024.

The first axis reflects that the context going forward is highly uncertain and is dependent on whether the current conflict leads to peace by Ukraine winning the war or to a prolonged military occupation or a forced peace. The second axis is the degree of economic recovery which occurs that is dependent on the extent to which Ukraine can implement economic reforms and achieve economic growth. The best possible outcome is scenario A where there is peace and a pathway towards EU membership and high levels of economic development that increase incomes and reduce poverty.

### 3.4 Austerity measures in Finnish development cooperation

In February 2024, the Minister of Foreign Trade and Development announced significant reductions of the MFA's bilateral development cooperation budget. Except for Ukraine, these austerity measures will affect all CPs. Four CPs will be ended in a controlled manner during the present government term.

For Ukraine, another CP is planned. Ukraine will also experience an increased budget going forward in 2024-2028.



## 4 Adaptive management of the CP

This section summarises strengths and weaknesses of CP management and provides an assessment of current planning and reporting arrangements. It is based on a SWOT analysis and further discussions conducted during the self-assessment workshop in Helsinki and on a desk-review and synthesis by the meta-analysis team.

### 4.1 Strengths and weaknesses of CP management

A key strength that was highlighted by the workshop participants is that the country team (CT) is a strong team with dedicated staff and good expertise. The team currently includes staff with previous experience of working on CPs in other partner countries, which was lacking at the beginning of the CP period. The CT is fortunate to have a relatively large budget, while the MFA unlike some other Nordic countries has development cooperation, political and trade teams working within the same departments. This makes cooperation between the development and political teams easier which is extremely important in the case of Ukraine.

Interviews undertaken by the meta-analysis team with external stakeholders confirmed that key Finnish strengths in Ukraine were the technical expertise of the CT, particularly in education. The flexibility of project interventions that have adapted well to the changed environment and Finland's willingness to listen and learn and tailor interventions to the local context rather than following their own blueprints.

A major weakness for the CT is that although the budget has increased this has not been matched by significant increases in human resources. This places a major burden on the CT given the increased focus on Ukraine in Finland and the number of activities that need to be implemented and monitored. This is an issue as although the CT have maintained their presence in Kyiv through a staff rotation system, it is not possible to monitor all of Finland's interventions due to the security situation and limited staff in-country. Meetings with other donor counterparts are also difficult as it can be challenging to synchronise meeting face to face when everyone has different rotation schedules.

A key threat is Ukraine's ability to absorb external resources that have increased rapidly and limited government capacity, which constrains the government's ability to consult with donors and coordinate external funding. An effective donor coordination mechanism is lacking, as the coordination between the GoU and donors exists but is currently not functioning well. It was introduced before the war, but changes proposed by the donor community to make the mechanism more effective have not been agreed to by the GoU. Another threat is the trajectory of the war that could change for the worse or the security situation may deteriorate. This could limit the Finnish presence in Kyiv and make project implementation difficult. Corruption remains a challenge in Ukraine and possible evidence of corruption involving external resources may have an impact on political support and external funding. The rapidly increasing funding paired with relatively limited human resources at the MFA to monitor implementation was highlighted as a risk that will require mitigation measures e.g. in the choice of funding mechanisms.





There are clear opportunities from high levels of public and political support for Ukraine in Finland and the development of Finland's Reconstruction Plan for Ukraine. Part one of the plan which has already been published, focuses on the role of the Finnish private sector in reconstruction and part two which is currently being drafted, the role of development cooperation. The latter will guide programming in the next programme cycle and provides the possibility to define Finland's new goals and areas of interventions, as the CP goals and priorities require updating and will be a good means to communicate Finland's objectives to external stakeholders. The plan also provides an opportunity for closer cooperation and coordination between the political and development cooperation work, while the high level of funding gives the opportunity to have the flexibility to use new tools and mechanisms to support Ukraine. This includes the involvement of wider Finnish society and the Ukrainian diaspora, civil society organisations (CSOs) and the private sector, while EU candidacy and possible NATO membership offers the 'Vision of a better Ukraine' with new partnerships such as the Team Europe Initiative.

## 4.2 Assessment of current planning and reporting arrangements

The CP document and process was reported by the CT to have not been the best possible fit for the Ukraine CP due to the rapidly changing implementation environment and needs. Although it was acknowledged that the CP is useful for communicating Finland's goals and priorities to external stakeholders and new staff and has helped in deciding where to allocate increased budgetary resources. The constraints set by the CP in terms of sector focus have been useful in narrowing the scope for new programming, so it has not become too broad and has remained within the CT's areas of expertise. The annual reporting process is also seen as useful as it allows time for the team to reflect, discuss and interact with senior management.

The limitations of the CP have been that it has not been sufficiently flexible to adapt to the changed context, there have been insufficient staff resources, while at the beginning of the CP there was limited resources in development cooperation in the unit. In 2021, there was a very small CT with limited expertise in results-based management or experience of how to develop a CP due to the small scale of development cooperation activities, the CP exercise was new to the unit as well as changes in unit's personnel. It was seen mainly as a bureaucratic exercise with little value to the CT. There was little time for team reflection or consultations as the CP was developed in a limited timeframe. This meant that in practice the old CS interventions were fitted into the new CP.

The CP document became less relevant after the start of Russia's war of aggression against Ukraine and the focus of support expanded beyond existing impact areas, while new activities responding to the immediate needs resulting from the war were funded. The World Bank PEACE trust fund that supports the core functions of the Ukrainian civil service and government administration including education sector was a new initiative for Finland's support while the existing PFRU was reorientated. Neither of these interventions fit neatly into the two existing impact areas and are not reported on in the CP results framework.

A request was made by the CT in both the 2021 and 2022 Annual Reports to discuss whether to revise the CP or replace it with a Temporary Cooperation Policy. In the 2021 management response, senior management indicated that they felt that the CP focus areas were still relevant and with limited staff resources the priority should be put on concrete work to ensure ongoing and additional



cooperation rather than revising or preparing a new plan. In 2022 the management response noted that there would be a new Finnish government and a new government plan for Ukraine, therefore waiting for this would be a better solution. The CT themselves also acknowledged that there were insufficient staff resources to rework the CP in a meaningful way at this stage.

The results framework for the Ukraine CP has always differed from the other CPs, as it was agreed by senior management that only outcomes would be reported on and not outputs as per the MFA guidelines for the CPs. This was due to the limited resources within the CT to undertake this, although output indicators were added to the results framework in 2022. Monitoring of results has in practice proven to be a challenge, as data has been largely unavailable due to Covid-19 and the war, while some projects that results framework indicators were linked to have been completed. The results framework was developed by linking each outcome area indicator to a specific project while newer project results are not reflected in the results framework. This makes annual reporting challenging as the template used requires reporting by results framework indicators making it difficult to reflect other results.

The risk management framework and monitoring, evaluation and learning (MEL) plans are not monitored regularly by the CT, but updated annually, as both risk and MEL are discussed at project level and incorporated into project design, as well as monitored at project level. Having a mechanism to monitoring risk at programme level was however seen as important by the CT.



# 5 Implementation, results and sustainability

This chapter briefly summarises implementation (Section 5.1) and contribution of the CP to intended results (Section 5.2). Already reported results for 2021 and 2022 are discussed in aggregate and without going into great detail (for such, the reader is referred to the MFA's Ukraine's results reports for the respective years). Subsection 5.2.3 summarises what results can be expected for 2023, based on an estimate by the country team.<sup>130</sup> Expected sustainability of results is discussed in Section 5.4.

## 5.1 Implementation of planned activities

Implementation of the CP was severely disrupted by the Covid-19 pandemic in 2021, and later, Russia's war of aggression against Ukraine in 2022. Programming was adapted and resources reallocated to meet changing needs during the Covid-19 pandemic and to support emergency needs and basic services, in response to the war. Accessing data for monitoring was a challenge in both years as data for monitoring indicators was often unavailable.

In 2021 in impact area 1 (education and rule of law), the Covid-19 pandemic and personnel changes and capacity constraints in the Ministry of Education and Science of Ukraine (MoES) slowed down project implementation. In 2022, projects were adapted and resources re-allocated due to the war, and new initiatives began. In the EU4Skills project, EUR 1.3 million of a budget of EUR 27 million was repurposed to respond to immediate needs caused by the war to purchase equipment, to address shortages of electricity, to help with internet provision and the printing of school textbooks.

In impact area 2 (energy security and climate resilience), progress with NEFCO in 2021 was impacted by Covid-19, with NEFCO receiving a year's no-cost extension as a result. In 2022, there were delays and cancellations of projects and issues with the implementation of NEFCO projects making expected disbursements not feasible. As a result, EUR 2.1 million originally budgeted for NEFCO was reallocated to the EBRD's E5P fund and additional EUR 5 million allocated to NEFCO's New Green Recovery Programme for Ukraine (NGPRU).

Additional interventions funded were EUR 21 million for the World Bank's PEACE trust fund which helped the Government of Ukraine to maintain its core functions, including education. The PFRU which was originally designed to support strengthening the resilience of Ukraine (government, society, economy), with an initial focus on eastern and southern Ukraine shifted focus to support emergency needs of government, civil society and communities and strengthen resilience.

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<sup>130</sup> It should be noted that this estimate was done in a few hours during and after the workshop and without available project reports for 2023 (which are due in spring of 2024). The estimate does thus not replace the proper reporting in the forthcoming results report 2023 for Ukraine.



The CP disbursement rate was 55% and 67% in 2021 and 2022, respectively. In impact area 1 education disbursement was at 81% and 75% in 2021 and 2022, respectively, mainly as a disbursement of EUR 0.5 million to the Council of Europe was transferred to 2022 for financial management reasons. In impact area 2, the disbursement rate was at 33% in 2021 with disbursements of EUR 1.4 million compared to a budgeted EUR 4.2, while disbursements fell to 24% in 2022. In addition to the challenges in specific projects outlined above, the low disbursement levels in 2022 also relate to the fact that part of the new funding allocated to Ukraine in 2022 was intentionally saved and carried over to 2023.

## 5.2 Contributions to CP results

### 5.2.1 Reported results in 2021

In impact area 1, the results for education were mixed with the first outcome 1.1 related to improved teaching practices and education environments rated as satisfactory, while outcome 1.2 on enhancing the relevance and attractiveness of vocational and educational training (VET) was rated as good (see Figure 4). For outcome 1.1 there was a lack of data as national tests were cancelled due to the Covid-19 pandemic, but Finland's bilateral project "Learning Together" achieved results through gaining approval of principals' professional standards, activities related to curriculum development, pedagogical training and learning material development. For outcome 1.2 there was no data available for the indicator on "share of VET students enrolled in comparison to all secondary students", but there were improvements in the indicators related to the "number of VET institutions in dual education and number of students in them" and the "number of participating enterprises". These results were delivered by the EU4Skills programme.

Outcome 1.3 on rule of law was reported to have achieved good results although there was a lack of numeric data for three of the four indicators. The rating was based on achievements such as eight draft laws, laws or other norms introduced in 2021 in line with the European Human Rights standard, national minorities having more opportunities to influence policies related to their rights at national, and local level, and the protection of the rights of IDPs improved. Finnish support through the CoE contributed to this through interventions designed to counter ill-treatment, discrimination, and violence against women. There was a 57% increase in ill-treatment cases investigated compared with 2020 and a 21% increase in related cases being lodged with courts in 2021 compared with 2020. Also, 400 judges, prosecutors, lawyers and law enforcement officials improved their knowledge and skills on different aspects of the application of criminal justice legislation in Ukraine, in line with European Convention on Human Rights standards.

In impact area 2, outcome 2.1 on the wider uptake of energy efficiency and renewable energy technologies was rated as satisfactory (see Figure 5). The indicator target of two public and private institutions reached through measures to increase their capacity to promote energy efficiency and/or renewable energy was achieved. In practice, five projects were completed during 2021 by EBRD/NEFCO. The indicator related to the value of energy efficiency and renewable energy investments catalysed through the trust fund was not achieved as it remained at zero in 2021. Progress was also made in the indicator related to the number of reports on relevant meetings, joint statements, and policy guidelines developed.

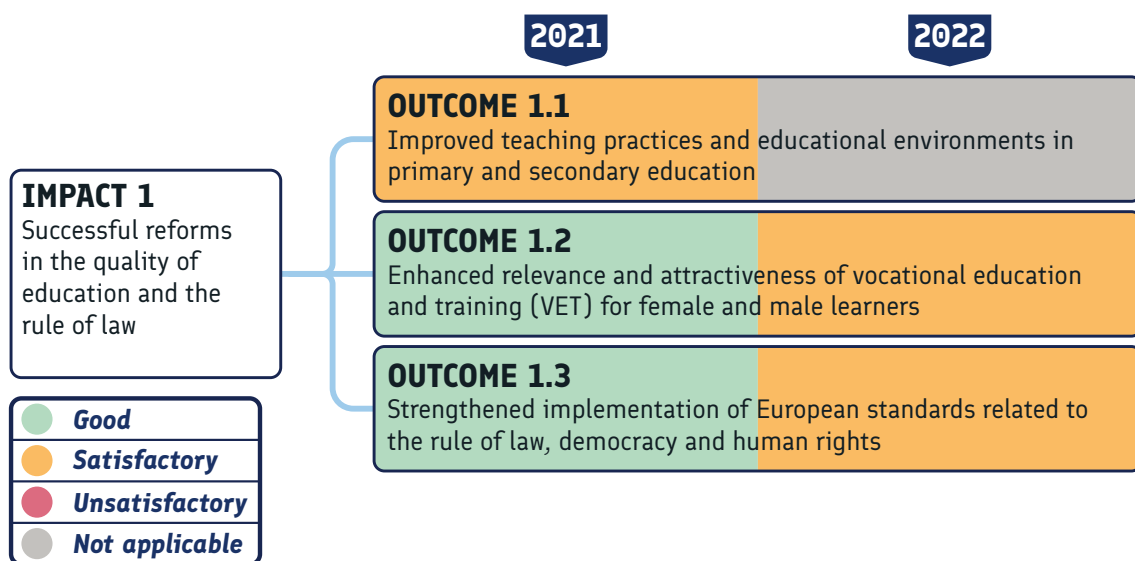


There was no data available to score achievements for outcome 2.2 on improved meteorology and disaster risk services as it was too early to report on the institutional cooperation between the Finnish Meteorological Institute and the Ukrainian Hydrometeorological Centre. This was only under preparation in 2021, with implementation scheduled to start at the beginning of 2022.

## 5.2.2 Reported results in 2022

The latest annual reports are for 2022 and in 2022, results deteriorated in impact area 1 due to the war but improved in impact area 2 (see Figure 4 and Figure 5). Results on the impact and outcome level as reported by the MFA's country team, are shown in Figure 4 and Figure 5 below.

Figure 4 Assessment of results for 2021-2022 in impact area 1



Source: 2021-22 CP Results Reports.

Progress towards impact area 1 was hampered by the war with outcome 1.1 related to improved teaching practices and educational environments unable to be rated for a second year due to unavailability of data. Results were taken instead from Finland's 'Learning Together Project'. Although some activities were postponed due to the war, others related to curriculum development, pedagogical training and learning material development mostly exceeded their annual targets,

For outcome 1.2 on VET, the EU4Skills project was adjusted to strengthen resilience of the VET sector in response to the war at the request of the MoES. This was done by switching to online courses, providing shelters for IDPs in VET facilities and focusing on the skills for future needs such as construction. Progress was rated as satisfactory even though indicators related to the number of students enrolled in VET schools was not reached, the number of VET institutions in dual education decreased, while the number of participating enterprises in VET was the same as in 2022. The annual results report highlights that these figures may not be entirely accurate, but given the situation, increasing students in VET was no longer a national priority.

Funds repurposed under the EU4Skills project were used to purchase equipment to address shortages of electricity, water, internet provision as well as printing textbooks for schools and to

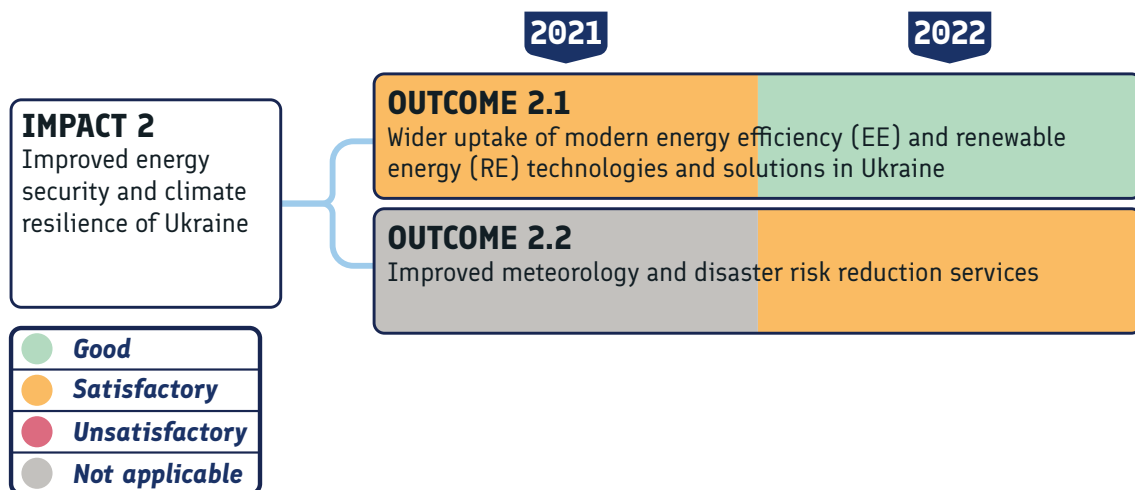


provide IDPs with shelters, and necessary non-food items and offer psychosocial support. These achievements were not however reflected in the CP results framework.

Under outcome 1.3 on rule of law, there were satisfactory results, although limited numerical data was available to report against the indicators. The CoE Action Plan 2018-2022 was repurposed to focus on strengthening the protection of rights of vulnerable groups and the war-affected population, including IDPs and to enhance the Ukrainian social protection system and institutions related to the rule of law. The latter focused on ensuring the capacity of institutions to continue to function to ensure accountability for any alleged war crimes and human rights violations.

Good progress was reported to have been achieved by the CoE in enhancing and implementing existing legislation and ensuring legislative frameworks are aligned with European standards and strengthening the justice system. Other results were a new law on national minorities, including Roma and the ratification of the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence.

**Figure 5 Assessment of results in 2021 and 2022 for impact area 2**



Source: 2021-22 CP Results Reports.

In impact area 2, results improved in 2022 with outcome 2.1 on uptake of modern energy efficiency and renewable energy technologies rated as good. The indicator related to the number of public and private institutions reached through measures aimed to increase their capacity to promote energy efficiency and/or renewable energy in Ukraine was achieved. There was progress measured by the indicator related to the number of reports on relevant meetings, joint statements, policy guidelines. Even though the war led to five NEFCO projects being cancelled or terminated, eight projects were able to be completed, although the indicator related to clean energy policy ratification proved difficult to achieve.

Performance under outcome 2.2 was satisfactory as the institutional cooperation between the Finnish Meteorological Institute and the Ukrainian Hydrometeorological Centre was rolled out in 2022 and targets were achieved for the outcome indicator related to the number of national meteorological and hydrological or other relevant authorities reached by capacity building measures for improved weather and climate services and/or early warning systems. However, similar to 2021, the indicator for the number of people benefiting from improved weather and climate services and/or early warning systems could not be reported on, as activities were paused for three months due to the war.



### 5.2.3 Expected results for 2023 and beyond

Results for 2023 could only be estimated as the annual report had not yet been prepared at the time of this analysis, while results for 2024 at the end of the programme cycle rely on the CT's judgement.

For impact area 1, results related to education (outcome 1.1 and 1.2) are expected to improve from satisfactory to good in 2023, while in rule of law (outcome 1.3) they are expected to remain satisfactory. This is due to project-specific adaptations that were made in 2022 that included new objectives which are better tailored to the context and are likely to be achievable.

It will not be possible to assess the education indicators in 2024 as the projects which the indicators relate to in the results framework will have been completed by 2023 and new education interventions will not fit with these indicators. Rule of law interventions are expected to achieve good results as the main intervention is the CoE Action Plan for Ukraine 2023-2026.

In impact area 2 it is expected that in 2023 under outcome 2.1, wider uptake of modern energy efficiency and renewable energy technologies, results will be satisfactory rather than good as in 2022. This is due to delays in the implementation of the Green Recovery Fund, but results are expected to be good again by 2024. The focus of the interventions related to this outcome area have not changed significantly since the start of the war, but rather have switched from rehabilitating Soviet era infrastructure to rebuilding war damaged infrastructure.

For outcome area 2.2 results are expected to be good in both 2023 and 2024 as the ICI cooperation between the Finnish Metrological Institute and the Ukrainian Hydrometeorological Centre is producing positive results and the radiation and nuclear safety project is expected to do so in 2024.

## 5.3 Contribution to Finland's cross-cutting objectives and other results.

The Ukraine CP contributes to Finland's cross-cutting objectives (CCOs) through CCOs being included as either the main project objective or mainstreamed within the project. Under impact area 1, all education and rule of law projects have included gender and non-discrimination analysis and there are specific activities and indicators that focus on gender, disability and ethnic minorities. In education, gender equality is not the main challenge, but is more important for VET, while disability and ethnic minorities are also taken into consideration in both sectors. It is difficult to know the precise impact and results of these initiatives and their corresponding contribution to Finland's CCOs due to the lack of data availability for the relevant indicators in both 2021 and 2022.

For the rule of law there is evidence of a contribution from the Ukraine CP through support to the CoE Action Plans 2018-2022 and 2023-2026 cooperation with the EU. The CoE Action Plan is designed to be human rights transformative and promoting gender equality is a priority. As outlined in section 5.2.2 above, there have been results achieved through the CP in strengthening the legal framework related to human rights, gender, disability and ethnic minorities.

The focus of impact area 2 is solely on climate change and the results reported from this area have been a mix of good and satisfactory at outcome level, therefore this area is clearly contributing to Finland's CCO on climate-resilient and low-emission development. Gender equality is also





being addressed through women benefiting from capacity building activities and training on energy efficiency and renewable energy technology, while Finland's efforts under this impact area have focused on school and kindergarten buildings. Human rights are also linked with the energy sector as threats to energy security endanger the ability of decent living conditions in Ukraine, which are being mitigated by project support aiming to increase the share of renewables and improve energy efficiency.

Other results are from Finland's role in donor coordination and in projects which are not reflected in the results framework. Finland has coordinated the education sector in Ukraine through co-chairing of the sector working group and coordinating the Global Partnership for Education in Ukraine. The PFRU has had a recent annual review by the British Foreign Commonwealth and Development Office which found that PFRU is making good progress towards its stated direct benefits. Two components of its four components were rated as green (on track to meet or exceed its targets), one component was rated as amber (on track but with minor concerns), with the final component unscored due to its early stage of implementation.<sup>131</sup> The World Bank PEACE project, which helps the Government of Ukraine pay salaries and meet pension and social security obligations, has to date supported 10 million pensioners, 500,000 education employees, 145,000 government employees, 56,000 first responders and more than 3 million recipients of social assistance and IDPs.<sup>132</sup>

## 5.4 Sustainability of results

The sustainability of CP results is judged to be relatively high, although dependent to a certain degree on the outcome of the war and the specific scenario that emerges.

In education under impact area 1, efforts have been on reforming and strengthening the education system, through system strengthening and capacity building, which is likely to be sustainable regardless of the overall environment. It is notable that many teachers who are currently living abroad are still teaching remotely, therefore the assumption is that if the teachers are able they are likely to continue teaching and support the sustainability of the education system. Whether the next Government of Ukraine remains committed to education sector reforms is another factor that will have an impact on future sustainability of project achievements and also the quality of education.

Results achieved by rule of law interventions should be sustainable as the goals that these activities are based on, such as closer links with Europe and EU membership, are supported by the government and the general population of Ukraine. Even if this changes, the capacity that has been developed will remain in place, which increases the chances of sustainability in the medium-term.

In impact area 2 sustainability is likely to be high and fall to medium if the situation significantly deteriorates. Activities related to the uptake of modern energy efficiency and renewable energy technologies do, however, have a risk, as there is not yet sufficient understanding of these technologies among end-users or the availability of necessary skills for maintenance, while some infrastructure may be destroyed. For improved meteorology and disaster risk reduction services, the largest risks relate to human capital, as skilled personnel may leave in the case of a prolonged war or a deteriorating economic situation even if the physical investments remain.

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<sup>131</sup> FCDO. (2023). Partnership Fund for a Resilient Ukraine Annual Review.

<sup>132</sup> World Bank. (2024). World Bank's PEACE Project Supports Key Government Programs in Ukraine. Accessed in March 2024 at: [https://www.worldbank.org/en/news/feature/2023/07/10/the-world-banks-peace-project-supports-the-government-key-programs-in-ukraine?cid=eca\\_fb\\_ukraine\\_uk\\_ext](https://www.worldbank.org/en/news/feature/2023/07/10/the-world-banks-peace-project-supports-the-government-key-programs-in-ukraine?cid=eca_fb_ukraine_uk_ext).





## 6 Added value of the 2021 Ukraine CP

The added value of the CP has been limited in the case of Ukraine. The CP has been useful for indicating and communicating to external stakeholders the key priorities and goals of Finland's work, for directing increased funding to the selected focus areas, and for providing a clear division of labour internally within the team, but the CP has not served the CT well as a guiding document.

Russia's war of aggression against Ukraine changed the context dramatically in Ukraine, with CP interventions adapting, funding reallocated and new interventions funded, but the CP was not sufficiently flexible to reflect these changes. Annual discussions with senior management were useful, as well as the process of team reflection when drafting the annual reports, but the report templates and results framework were no longer relevant for the new context.

The next programme cycle will be based on the Government of Finland's Ukraine Reconstruction Plan.<sup>133</sup> Part One on private sector support for Ukraine has already been published and Part Two is currently being drafted. The latter involves the preparation of a long-term plan, including a review of the use of development cooperation appropriations and be the basis for programming going forward. It will not be limited to funding managed by the Regional Department, but also include other development cooperation instruments, such as funding to CSOs and Private Sector Instruments.

The specific details of the Part Two of the Reconstruction Plan have not yet been drafted, but the CT suggested the following aspects will be important to consider:

- Continuing the three areas of focus (education, rule of law and climate resilience) for consistency. Good results have been achieved in these areas and although funding is being increased, there is little capacity to expand or add focus areas.
- Interventions chosen should be based on Ukraine's own strategies and plan with careful prioritisation as needs will be extensive.
- Nexus programming will be important to include the triple nexus of humanitarian aid, development cooperation and peacebuilding.
- There is a need for sufficient flexibility to adapt programming and combine short-term needs with long-term reforms.
- Risk management will be important and should be additional to MFA's standard tool and focus on monitoring risk at the level of the Reconstruction Plan.
- Policy influencing objectives are important, but they have been missing from the current CP. Objectives could be set in the Reconstruction Plan and apply to all MFA Departments working on policy influencing relating to Ukraine and captured within reporting.

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133 MFA. (2023). Reconstruction of Ukraine: Finland's National Plan, Part One.



- The opportunity to discuss the Ukraine programme at departmental level with senior management and to receive a formal response to the annual reports was beneficial and should be continued in some format, although these interactions should be made more meaningful.
- Results-based management is important, and attention should be given to what the most effective mechanisms could be for monitoring and reporting. If objectives in Ukraine will be broad, this could include, for example, more than development cooperation.
- Communication of results to the public is important. Currently, the public summary is only the first page of the annual report, which is based on indicators. A more user-friendly format is needed, given the current attention on Ukraine in Finland.



## 7 Conclusions

In this section, the meta-analysis team draws overall conclusions from the meta-analysis of the Ukraine 2021-24 CP, as presented in the previous sections of this report.

The situation in Ukraine has been very challenging for the CT who have made significant efforts to adjust programming and have continued to achieve results, despite the dramatically changed context that was unanticipated at the beginning of the programme cycle. The current uncertainty regarding the duration and outcome of the war suggests that there will be a need for significant flexibility in the next programme cycle.

The meta-analysis team agrees with the conclusions of the CT on the next programme cycle outlined in section 6 above. There will be a need for increased programme flexibility, which implies the ability to make short-term funding decisions, as well as undertake medium-term planning to respond to changes in context. A triple nexus approach combining development cooperation, peace building and humanitarian interventions will also be important. The meta-analysis team also agrees with maintaining the three focus areas, given they are achieving results and fit with CT expertise, although priorities within these areas may change.

Using the overarching framework of the Ukraine Reconstruction Plan is a good approach, particularly as the CP has not been a sufficiently flexible tool to accommodate the major changes experienced by Ukraine. This can also provide the opportunity for greater synergies with other funding modalities such as private sector instruments. Even so, it will be important that there are robust monitoring and results reporting frameworks in place that are able to reflect results over the whole of the programme cycle, and that use more adaptive approaches for monitoring, evaluation and learning.

More generally, the ambition of the programme will need to match the human resources available, as despite the increasing programme budget and the fact that Ukraine's needs will be extensive, CT staff resources are likely to remain limited.

# VOLUME II – COUNTRY REPORTS



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