EVALUATION

Ministry for Foreign Affairs of Finland

JOINT EFFORTS FOR A GREEN FUTURE: EVALUATION ON FINLAND'S DEVELOPMENT COOPERATION IN ENVIRONMENT AND SUSTAINABLE USE OF NATURAL RESOURCES, AND PRIVATE SECTOR OPPORTUNITIES

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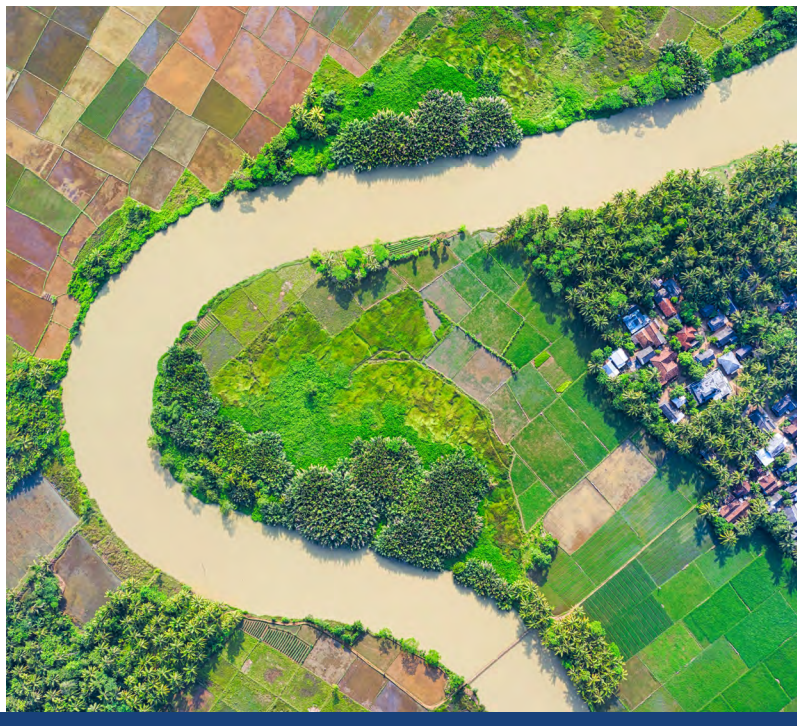

Evaluation of Finland's Development Policy and Co-operation

2026/1

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JOINT EFFORTS FOR A GREEN FUTURE: EVALUATION ON FINLAND'S DEVELOPMENT COOPERATION IN ENVIRONMENT AND SUSTAINABLE USE OF NATURAL RESOURCES, AND PRIVATE SECTOR OPPORTUNITIES

SYNTHESIS REPORT

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This report incorporates the use of Artificial Intelligence (AI) technologies to enhance and support the evaluation process. AI tools were employed to assist document review through the identification of relevant sources and to enable broader contextual research, including targeted searches. In addition, AI-based language tools were used to support proofreading and to improve clarity, coherence, and readability. The AI tools or techniques utilised in this report adhere to EVA-11's requirements, ensuring ethical and responsible use, transparency, validation of results, and compliance with relevant internal regulations. For details on the specific AI methodologies and tools used and details regarding the validation of AI-generated results, refer to Annex 2 of this report.'

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Acronyms and Abbreviations

AI	Artificial Intelligence
COVID-19	Coronavirus disease 2019
DG INTPA	European Commission's Directorate-General for International Partnerships
DKK	Danish krone
EEAS	European External Action Service
EFSD+	European Fund for Sustainable Development Plus
EIB	European Investment Bank
EQ	Evaluation Question
EU	European Union
EUDR	EU Regulation on Deforestation-free Products
EUR	Euro
EVA-11	Development Evaluation Unit (MFA)
FAO	Food and Agriculture Organization
FMI	Finnish Meteorological Institute
FORMIS	Development of Management Information System for the Forestry Sector Project
GTK	Geological Survey of Finland
GWh	Gigawatt-hour
ha	Hectare(s)
HIPCA	High Impact Partnership on Climate Action
ICT	Information and Communication Technology
IFC	International Finance Corporation
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
MFA	Ministry for Foreign Affairs of Finland
MW	Megawatt
NDICI	Neighbourhood, Development and International Cooperation Instrument – Global Europe
Norfund	Norwegian Investment Fund for Developing Countries
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PDR	People's Democratic Republic
PIF	Public Sector Investment Facility
SDG	Sustainable Development Goal
SEK	Swedish krona
Sida	Swedish International Development Cooperation Agency
SOFF	Systematic Observations Financing Facility
tCO2e	Tonnes of CO_2 equivalent
TED	Tenders Electronic Daily
UN	United Nations
UNCCD	UN Convention to Combat Desertification
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	United Nations Office for Project Services
USD	United States Dollar
WASH	Water, sanitation and hygiene
WMO	World Meteorological Organization

Summary

Introduction

This is a summary of the findings, conclusions, and recommendations for the synthesis evaluation on Finland's Development Cooperation in Environment and Sustainable Use of Natural Resources and Private Sector Opportunities. The evaluation seeks to assess the effectiveness and impact of translating into actions Finland's development policy area 'environment and natural resources' insofar as these actions are supported by the Ministry of Foreign Affairs (MFA).

The evaluation is a policy area synthesis of four sub-sector evaluations: (i) forests, ecosystems and biodiversity, (ii) disaster risk reduction and meteorology, (iii) clean energy, circular economy and critical minerals, and (iv) water as a natural resource. These four sub-sector evaluations were commissioned and carried out as integral components of the present evaluation, and their reports are published alongside this synthesis report. In addition to the findings and conclusions of the four sub-sector evaluations, the synthesis reports the results of evaluative yet forward-looking work conducted on private sector engagement at the level of the policy area.

Evaluation questions (EQ)

The synthesis evaluation takes a synthesis portfolio-wide learning and informing on results-approach and seeks to answer the following evaluation questions:

EQ1: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? (summative)

1.1 a) What have been the most notable results and impacts? b) What changed in the environment and/or natural resources through the Finnish engagement?

1.2 a) What can be learned from 'what has worked, for whom, in what contexts and why', in securing sustained results in the future and ensuring do no harm? b) Which sectors and instruments have shown to be effective?

1.3 How far has the support contributed to transformative, resilient and enduring improvements in governance frameworks, institutions and markets in the natural resource sector?

1.4 What has been Finland's added value/comparative advantage over other actors in the sub-sectors and overall?

EQ2: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? (format**ive)**

2.1 What appear as the most immediate opportunities, entry points and models for Finland in terms of partnering with Finnish and local companies and economic actors in a way that supports meeting Finland's development policy objectives? Discuss also from the point of view of Finland's private sector instruments, investments and loans, partnerships with and procurements by International Financial Institutions and UN agencies, other/new models or mechanisms?

2.2 What measures mobilise the Finnish companies the best to enter into this field and partnerships?

2.3 What can Finland learn from, apply and adapt from the engagement strategies and tactics that peer countries apply in successfully leveraging private funding and/or partnerships?

Summary findings on EQ1: Improvements in the state of the environment and sustainable use of natural resources contributed to by Finland's engagement

Finland's engagement across the environment and natural resources portfolio in 2010-2024 is linked to documented changes in environmental conditions, resource use practices, and the operationalisation of international environmental commitments. However, the strength, consistency and verifiability of these results vary across sub-sectors, instruments and contexts: some areas show clearer, quantified outcome gains, while others primarily strengthen systems and capabilities whose durability depends on follow-through and sustained resourcing.

Forests, ecosystems and biodiversity. Finland's engagement is associated with protection, restoration and more sustainable management of several million hectares of forest. Where community-based forest management arrangements were established and functioning, forest cover outcomes were stronger, including substantially lower deforestation in community-managed areas compared with surrounding areas. Biodiversity outcomes are described as more moderate overall, with bilateral forestry cooperation often prioritising forest cover and production objectives and showing inconsistent treatment of biodiversity objectives and related evidence. Biodiversity-related results are more evident through civil society and multilateral channels, which supported conservation, monitoring and biodiversity governance processes, while site-level biodiversity effects remain more unevenly demonstrated across cases.

Water as a natural resource. Finland's engagement is linked with expanded access to improved water and sanitation services, with documented scale and associated health and livelihood benefits in key country cases. Results were stronger where interventions were integrated in national and subnational systems and where governance and service delivery arrangements were reinforced through longer-term engagement. The Water as a natural resource-report also presents these improvements mainly through service and institutional performance, rather than through consistently verified longer-range ecological change. Risks and limitations relate to uneven sustainability and scaling, including where operational follow-through, financing continuity, or system-wide coordination were constrained.

Clean energy, circular economy, and critical minerals (Energy+). Finland-supported renewable energy investments generated substantial annual electricity output and are associated with significant emissions reductions and expanded energy access. Finland's engagement also contributed to reductions in plastic leakage into aquatic ecosystems, including through platforms and market-oriented approaches. The evidence presented emphasises investment and enabling mechanisms, with environmental co-benefits beyond emissions and pollution reduction – particularly biodiversity-related effects – treated mainly as indirect and not consistently substantiated. The Energy+ report also notes recurring bottlenecks in translating technical preparation and early-stage pipeline work into delivery at scale, especially where delivery arrangements, financing predictability, and readiness to implement were limited.

Disaster risk reduction and meteorology. Finland's engagement strengthened hydrometeorological and multi-hazard early warning capacities in a large number of countries through support to institutional systems, technical infrastructure, training and operational procedures. Improvements are described in terms of strengthened forecasting and monitoring functions and more systematic generation, dissemination and use of warning information, including routine adoption through standard operating procedures. The Disaster risk reduction and meteorology report frames resilience gains in this area primarily through improved preparedness and risk management capacity, rather than through directly measured reductions in ecosystem degradation. Sustainability and systemic reach are shown to depend on continued institutional coordination, interoperability and resources for maintenance and operations, with vulnerabilities where these conditions remain fragile.

Governance, knowledge systems and institutional practice across sub-sectors. Across sub-sectors, Finland's support is often linked to improved governance arrangements, information systems and operation procedures, particularly participatory planning, spatial decision-support and the collection and use of environmental and risk-related data. Where these tools and processes were adopted into routine institutional practice, they influenced how services were delivered and how environmental decisions were made. Evidence also points to variation in data quality, interoperability and long-term maintenance, with data gaps and resource constraints for upkeep limiting continued use in some cases.

International commitments across sub-sectors. Evidence links Finland's support to the implementation of international commitments mainly through multilateral organisations and global or regional platforms that help countries and institutions apply agreed frameworks. Contributions are described in terms of strengthened capacities for monitoring, reporting, coordination and early warning, and support to biodiversity-related governance and implementation processes. The evidence presented is primarily at an enabling and systems level, rather than demonstrating direct attribution to global outcomes.

Constraints and limiting factors across sub-sectors. There are recurring constraints that shaped the scale, durability and consistency of results. A common pattern is that pilots, studies and technical assistance projects did not always progress to wider implementation due to gaps in delivery arrangements, financing continuity and practical support that bridges preparation to implementation. Equity, participation and benefit-sharing were uneven where local incentives and power dynamics were not sufficiently addressed. Continuity risks are noted where institutional mandates shifted, coordination weakened, or resources for operations and maintenance were insufficient, alongside wider risks associated with reduced development resources for sustaining long-term engagement.

Summary findings on EQ2: Private Sector Engagement in the Area of Environment and Natural Resources

Finland enters the next phase of environment and natural resources cooperation with strong technical credibility but with scope to engage more consistently with Finnish and local companies. Evidence suggests that closer operational linkages with Finnish and local private sector actors over the next five years will depend on where Finland's technical strengths align with tendered and investment-backed demand, and on whether the support ecosystem can help firms move from opportunity identification to credible bids and delivery.

Across the portfolio, the private-sector opportunity space is described as most immediate where services and systems can be procured at scale through EU/IFI programmes and financing vehicles, including: (i) digital-environment interfaces (e.g., climate-data platforms, digitised water/energy services, early-warning communications), which are expanding particularly through EFSD+ and other Global Gateway digital Team Europe Initiatives; and where Finland's digital capabilities could connect environmental and connectivity agendas – while also risking missed entry points when coordination sits outside environment units. (ii) clean energy/grid resilience and responsible-minerals value chains, where large financiers often shape pipelines and procurement tends to favour engineering and construction capacity, creating participation constraints for smaller Finnish firms unless they have early intelligence, pre-positioning, pre-bid resources, consortia options, and partner-matching support.

At the same time, evidence points to a set of operational bottlenecks that condition whether these entry points translate into sustained engagement – especially for small and medium-sized enterprises. Survey and instrument evidence converge on firms valuing hands-on project-preparation support and partner identification more than generic market intelligence; and highlight barriers including long approval times, uncertain co-financing, and resource-intensive tendering, alongside limited internal appetite for developing markets. These constraints align with the evaluation's analysis that there is a preparation-to-bid gap between initial opportunity formation and bankable participation in larger pipelines.

Institutionally, evidence-based analysis characterises Team Finland as having improved visibility and coordination of services but also identifies remaining issues in how the sequence of Team Finland support for environment and natural resources opportunities is understood by companies – particularly at transition points from grant-funded pilots to commercial scale-up and the consistency of country prioritisation across MFA, Finnfund, Business Finland, Finnvera and embassies. In this framing, the practical question is less whether services exist, and more whether firms can navigate a predictable route from market exploration to delivery at scale (including in Global Gateway/IFI markets).

Finally, peer-country comparison suggests dedicated brokerage can be a differentiator: countries that invest in professionalised commercial-development brokers tend to offer firms curated early intelligence, facilitate consortium formation, interpret regulatory environments, connect firms with implementers, and help package blended finance – whereas Finnish embassies are often described as lacking dedicated human resources for sustained brokerage in priority markets (energy, water, circular economy, hydromet, forest governance). The evidence also notes concrete historical examples of where limited pre-positioning, follow-up, or transition support reduced firm participation, and links this to missed opportunities to convert Finnish strengths into participation.

The following presents the synthesis evaluation's 36 key findings, 10 conclusions and 12 recommendations.

Key Findings, Conclusions and Recommendations

Findings

F1. Finnish environment and natural resources portfolio contributed to measurable improvements in ecosystems and environmental quality, including expanded forest cover, improved water and sanitation outcomes, expansion of clean energy, reduced plastic pollution, and strengthened early-warnings systems, while biodiversity results were comparatively weaker and less consistently documented.

F1a. Finnish cooperation has contributed to the protection, restoration and sustainable management of several million forest hectares.

F1b. Bilateral forestry programmes largely prioritised forest cover and production objectives over biodiversity integration and monitoring, while civil society and multilateral channels delivered more tangible biodiversity gains and strengthened global biodiversity governance.

F1c. Finnish cooperation has enabled over 2.5 million people to gain access to improved water and sanitation, with additional health and livelihood benefits for 8.4 million people in Nepal and Ethiopia.

F1d. Finland's renewable energy projects generated over 9,600 GWh annually, cut 8-9 million tCO_2e, and expanded clean energy access in Africa to 5.7 million people. Finnish cooperation helped prevent nearly 630,000 tonnes of plastic from entering aquatic ecosystems.

F1e. Finland has strengthened the capacity of over 40 countries to develop multi-hazard weather, early warning and air quality monitoring systems that indirectly benefit over 500 million people to date, and which are projected to indirectly benefit over 700 million people by 2027.

F2. Finnish-supported participatory planning, spatially explicit tools and efforts to clarify stakeholder rights strengthened inclusive management of environment and natural resources by making resource-use and risk decisions more transparent, locally anchored and enforceable.

F3. Finnish-supported governance reforms and coordination mechanisms strengthened legitimacy and functioning of inclusive systems; where participation or benefit-sharing mechanisms were weak, grievances were more likely to surface.

F4. Through blended finance and catalytic support, Finland mobilised significant clean-energy and circular-economy investment and supported policy uptake that reduced emissions and pollution; biodiversity benefits were mainly indirect co-benefits and evidence rarely supported direct biodiversity outcomes.

F5. Improved hydrometeorological and early warning system services have induced more risk-informed policy dialogue, planning and decision-making to accelerate climate resilience and protection of environmental assets in the majority of Finland's partner countries.

F6. Finland's contribution to ecosystem resilience is most clearly evidenced through (i) verified improvements in ecosystem management that sustain regulating services and (ii) strengthened preparedness and early warning systems that reduce losses from climate- and weather-related hazards.

F7. Impact monitoring across Finland's environment and natural resources portfolio has not consistently been benchmarked or designed for independent verification, which has constrained learning about outcomes, unintended effects, and sustainability.

F8. Finland's strongest governance and service-delivery results in environment and natural resources occurred where reforms were embedded in partner institutions and proceduralised in routine administration, while fragmented follow-up and short cycles limited systemic reach.

F9. Inclusive, community-linked governance models strengthened legitimacy and local problem-solving, but weak enabling conditions often limited how far local gains translated into broader system change.

F10. Effectiveness and sustainability were higher where Finland's environment and natural resources engagement was well matched to the political-institutional context and could adapt to shifts in partner systems; sustainability risks materialised where counterpart institutions, mandates or coordinating structures weakened.

F11. Public-public cooperation was highly effective for capability formation, standard-setting and institutional legitimacy in environment and natural resources management, but translating these gains into durable, scalable services depends on early planning for operations, maintenance and financing – including fit-for-purpose procurement and (where relevant) complementary private sector roles.

F12. Integrated portfolios combining technical cooperation and institutional strengthening with financing windows (and/or multilateral platforms) more often progressed from pilots to system uptake than standalone projects.

F13. Follow-on financing, aftercare and implementation-ready preparation were frequent breaking points: where missing, standards, studies, pilots and other types of projects often did not translate into sustained services, scaling or systemic reform.

F14. The four sub-sectors all show credible effectiveness, but they are strong in different ways: evidence supports a differentiated picture based on (i) how measurable the outcomes are and (ii) how consistently results were connected to devliery arrangements that enable scale and durability.

F15. Challenge funds, small and medium-sized enterprise-oriented models, and non-governmental organisation-led delivery were among the most effective instruments for inclusion, energy access and empowerment – showing strong cost-effectiveness but relying on enabling conditions for durability.

F16. Finland's contribution to environmental governance was clearest where it helped institutionalise data standards, information systems and reporting routines; the evidence supports medium-range governance gains, while contribution to long-range climate/biodiversity impacts remains limited.

F17. Finland has made a positive contribution to support its partner countries with embedding procedures, capacities and legal frameworks that align with the current global governance architecture for all four domains of the environment and natural resources sector.

F18. Finland supported specific building blocks for more rules-based, transparent resource and environmental-service markets, but the evidence mainly demonstrates enabling functions and early signals rather than durable, market-wide "incentive shifts".

F19. Finland's added value draws on the scientific capacity, high standards and operational capabilities of its specialised technical institutions.

F20. Finland's long-term, trust-based partnerships – particularly in fragile and complex contexts – provided continuity where few donors sustained engagement.

F21. Finland's consistent application of a values-driven, rights-based and inclusive approach in cooperation on environment and natural resources has allowed benefits to reach a wider range of beneficiaries (including marginalised and vulnerable groups).

F22. Finland contributes globally recognised innovation – particularly in clean energy, circular economy, digital forest/water systems, and responsible mining – but conversion into scaled outcomes often depends on early pipeline positioning and predictable financing.

F23. Reduced official development assistance and human resources are eroding key attributes of Finland's added value, weakening impact, influence and credibility in bilateral and multilateral cooperation, and narrowing future commercial opportunities.

F24. Private sector engagement in Finnish environment and natural resources cooperation during 2010-2024 remained limited and uneven, as interventions were rarely designed, resourced or mandated to include commercial actors even where opportunities existed.

F25. Although Finland's policy now emphasises private sector engagement, shrinking bilateral programmes and reduced official development assistance have left MFA with limited capacity to shape enabling conditions and concrete pipelines in which companies can operate.

F26. Hydrometeorology, early-warning systems, and resilient water services are key immediate private sector entry points. Coupling global initiatives with Finnish remote sensing, data, and service capabilities can generate scalable demand if support to tendering and follow-up are in place.

F27. Forest information, traceability, and EU Regulation on Deforestation-free Products compliance services constitute growing opportunities for private sector engagement, e.g. in Tanzania, Vietnam, and Team Europe initiatives. Finnish companies have some competitive advantages but need consortia and policy alignment to succeed.

F28. Clean energy, grid resilience, and responsible-minerals value chains provide medium-term opportunities if Finland leverages EFSD+ guarantees, Finnpartnership and Finnvera instruments, and blended finance for risk-sharing and longer payback periods.

F29. Digital-environment and natural resources cross-over opportunities are emerging fastest within EFSD+ and other Global Gateway digital Team Europe Initiatives. Finland's digital competencies can link environmental and connectivity agendas.

F30. Small and medium-sized enterprises prioritise early-stage financing, risk-sharing, and local partnerships, as well as brokerage and blended packages to directly address top barriers.

F31. During the period evaluated (2010-2024) and still today, concessional credit and guarantee instruments are able to unlock major infrastructure and de-risk private sector participation but are too process-heavy and slow to attract the engagement of Finnish small and medium-sized enterprises.

F32. With existing instruments remaining slow and misaligned with relevant procurement cycles, Finnish companies' participation remains suboptimal as rapid support for assessing feasibility, consortium-building and pre-bid preparation is often unavailable.

F33. Finnish companies' capacity to access precise and timely information on potential opportunities remains uneven and enhanced support to companies to use existing platforms and dashboards on Global Gateway/International Financial Institution opportunities, as well as elevated embassy capacity to interpret and promote opportunities would reduce this information asymmetry.

F34. Denmark's challenge-fund model shows how structured non-governmental organisation-business consortia, competitive calls, and preparation-funding windows can generate investable green-transition partnerships. Finland can adapt this model and offer it through Finnpartnership.

F35. While Team Finland has greatly enhanced visibility and coordination of support services in Finland, the Team Finland-pathway can still be improved.

F36. Peer-country practice indicates professionalised brokerage increases firm participation in donor-funded markets; Finland's limited brokerage capacity constrains conversion of opportunities into actionable pipelines.

Conclusions and Recommendations

RECOMMENDATION 1. Prioritise a limited number of long-term environment and natural resources partnerships where Finland's system-building strengths align with partner-country demand and institutional capacity.	
Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.	Findings: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Conclusion 2. Finland achieved the most durable, system-level results when technical cooperation was paired with implementation and financing pathways; where aftercare and follow-on resourcing were weak, promising gains rarely sustained or scaled.	Findings: F8, F10, F12, F13, F14, F15, F22.
Conclusion 5. Finland's comparative advantage – technical credibility coupled with long-term partnership – amplifies influence, but past and current resource reductions jeopardise continuity, learning and delivery capacity that underpin results.	Findings: F7, F10, F13, F19, F20, F22, F23.

RECOMMENDATION 2. Make institutional embedding, continuity and implementation pathways explicit design criteria across all new environment and natural resources interventions.	
Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.	Findings: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
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Conclusion 5. Finland's comparative advantage – technical credibility coupled with long-term partnership – amplifies influence, but past and current resource reductions jeopardise continuity, learning and delivery capacity that underpin results.	Findings: F7, F10, F13, F19, F20, F22, F23.

RECOMMENDATION 3. Treat biodiversity as a distinct and intentional objective, not as an assumed co-benefit, when it is a stated priority.	
Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.	Findings: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Conclusion 4. Finland delivered substantial multi-sector outcomes, but biodiversity was the least consistently integrated, resourced and evidenced dimension across the portfolio.	Findings: F1, F1a, F1b, F4, F5, F6, F14, F16.
RECOMMENDATION 4. Embed rights-based approaches, benefit-sharing and grievance handling as operational design elements in environment and natural resources cooperation.	
Conclusion 3. Rights-based and inclusive approaches strengthened legitimacy and reach, but equity and benefit-sharing were not consistently evidenced, increasing risks to social acceptance and conflict sensitivity were weak.	Findings: F2, F3, F9, F21.
RECOMMENDATION 5. Use differentiated instrument choices deliberately, recognising the distinct strengths of public-public, civil society, and multilateral channels, as well as the benefits of public-private-community partnerships and whole-of-society approaches, where fit-for-the-purpose.	
Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.	Findings: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Conclusion 2. Finland achieved the most durable, system-level results when technical cooperation was paired with implementation and financing pathways; where aftercare and follow-on resourcing were weak, promising gains rarely sustained or scaled.	Findings: F8, F10, F12, F13, F14, F15, F22.
Conclusion 4. Finland delivered substantial multi-sector outcomes, but biodiversity was the least consistently integrated, resourced and evidenced dimension across the portfolio.	Findings: F1, F1a, F1b, F4, F5, F6, F14, F16.
Conclusion 6. Private sector engagement in environment and natural resources cooperation during 2010-2024 was not a consistent design objective; raising ambition now requires changing mandates, instruments and staffing, not adding expectations.	Findings: F24, F25, F31, F32.

RECOMMENDATION 6. Rebuild learning and credibility by strengthening monitoring that supports verification, adaptation and portfolio-level decision-making.	
Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.	Findings: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Conclusion 2. Finland achieved the most durable, system-level results when technical cooperation was paired with implementation and financing pathways; where aftercare and follow-on resourcing were weak, promising gains rarely sustained or scaled.	Findings: F8, F10, F12, F13, F14, F15, F22.

RECOMMENDATION 7. Make private sector engagement a conscious design choice in environment and natural resources programmes, based on feasibility and development additionality.	
Conclusion 6. Private sector engagement in environment and natural resources cooperation during 2010-2024 was not a consistent design objective; raising ambition now requires changing mandates, instruments and staffing, not adding expectations.	Findings: F24, F25, F31, F32.

RECOMMENDATION 8. Focus environment and natural resources private sector engagement on a small number of evidence-supported entry-point clusters.	
Conclusion 7. The most immediate entry points are procurement- and finance-driven service markets where Finland has proven technical credibility; success depends on early positioning and implementation support.	Findings: F18, F22, F26, F27, F33.

RECOMMENDATION 9. Address the 'missing middle' by adapting existing instruments to provide faster, lighter preparation and pre-bid support for environment and natural resources opportunities.	
Conclusion 8. The binding constraint is the 'missing middle': fast preparation support and brokerage capacity, especially for SMEs, remain insufficient relative to tender timelines.	Findings: F30, F31, F32, F33, F36.

RECOMMENDATION 10. Clarify and operationalise an 'environment and natural resources pathway' within Team Finland, without extending it beyond its sectoral mandate.	
Conclusion 10. A clearer, recognisable 'environment-and-natural-resources-to-market pathway' within Team Finland is needed to convert technical strengths into sustained participation in Global Gateway/IFI pipelines; peer practice indicates workable models.	Findings: F28, F29, F31, F32, F33, F34, F35, F36.

RECOMMENDATION 11. Strengthen targeted opportunity brokerage for environment and natural resources within existing embassy and agency resources.	
Conclusion 8. The binding constraint is the 'missing middle': fast preparation support and brokerage capacity, especially for SMEs, remain insufficient relative to tender timelines.	Findings: F30, F31, F32, F33, F36.
Conclusion 10. A clearer, recognisable 'environment-and-natural-resources-to-market pathway' within Team Finland is needed to convert technical strengths into sustained participation in Global Gateway/IFI pipelines; peer practice indicates workable models.	Findings: F28, F29, F31, F32, F33, F34, F35, F36.

RECOMMENDATION 12. Align expectations for private sector engagement with available policy, staffing and financial capacity.	
Conclusion 5. Finland's comparative advantage – technical credibility coupled with long-term partnership – amplifies influence, but past and current resource reductions jeopardise continuity, learning and delivery capacity that underpin results.	Findings: F7, F10, F13, F19, F20, F22, F23.
Conclusion 9. Finland's private sector engagement ambition is constrained by a policy-capacity mismatch: expectations rise while field presence and platforms needed to originate pipelines continue to contract.	Findings: F23, F25, F33, F36.

Yhteenveto

Johdanto

Tämä on yhteenveto evaluoinnin synteesiraportista, joka käsittelee Suomen kehitysyhteistyötä ympäristön ja luonnonvarojen kestävän käytön teemoihin sekä yksityisen sektorin yhteistyömahdollisuuksiin liittyen. Evaluoinnissa tarkastellaan Suomen kehityspolitiikan tuloksellisuutta ja vaikutuksia ympäristön ja luonnonvarojen aloilla.

Evaluointi kattaa neljä temaattista osa-arviointia: (i) metsät, ekosysteemit ja luonnon monimuotoisuus, (ii) katastrofiriskin vähentäminen ja meteorologia, (iii) puhdas energia, kiertotalous ja kriittiset mineraalit sekä (iv) vesi luonnonvarana. Nämä neljä osa-arviointia toteutettiin osana tätä evaluointia, ja niiden raportit julkaistaan tämän synteesiraportin yhteydessä. Neljän osa-arvioinnin tulosten ja johtopäätösten lisäksi synteesiraportti käsittelee yksityisen sektorin osallistumista ja tulevaisuuden mahdollisuuksia ympäristön ja luonnonvarojen kestävän käytön alalla.

Evaluointikysymykset

Evaluoinnilla pyritään tuottamaan tietoa ja oppeja ympäristöön ja luonnonvarojen kestävään käyttöön liittyvästä kehityspolitiikasta ja -yhteistyöstä sekä sen tuloksista. Synteesiraportti vastaa seuraaviin kysymyksiin:

1. Miten Suomen toiminta on parantanut ympäristön tilaa ja luonnonvarojen kestävää käyttöä sekä kansainvälisten sitoumusten täytäntöönpanoa? (summatiivinen)

    1.1 a) Mitkä ovat olleet merkittävimmät tulokset ja vaikutukset? b) Mitä muutoksia Suomen osallistuminen on aiheuttanut ympäristöön ja/tai luonnonvaroihin?

    1.2 a) Mitä voidaan oppia siitä, ”mikä on toiminut, kenelle, missä tilanteissa ja miksi”, jotta voidaan varmistaa kestävät tulokset tulevaisuudessa ja varmistaa, ettei kehitysyhteistyöllä ole haittavaikutuksia? b) Mitkä ympäristöön ja luonnonvarojen kestävään käyttöön liittyvät osa-alueet sekä rahoitus- ja yhteistyömuodot ovat osoittautuneet tuloksellisiksi?

    1.3 Missä määrin tuki on edistänyt luonnonvarasektorin hallintokehysten, instituutioiden ja markkinoiden muutosta, joustavuutta ja resilienssiä?

    1.4 Mikä on ollut Suomen lisäarvo ja suhteellinen etu muihin toimijoihin nähden niin ympäristöön ja luonnonvarojen kestävään käyttöön liittyvillä neljällä osa-alueella kuin kokonaisuudessaan?

2. Miten Suomi voi luoda ja toiminnallistaa tiiviimmät yhteydet suomalaisiin ja paikallisiin yrityksiin sekä yksityisen sektorin toimijoihin edistääkseen vihreää/puhdasta siirtymää sekä ympäristön ja luonnonvarojen kestävän käytön kehityspoliittisia tavoitteitaan seuraavien viiden vuoden aikana? (formatiivinen)

    2.1 Mitkä ovat Suomen kannalta välittömimmät mahdollisuudet, lähtökohdat ja mallit yhteistyöhön suomalaisten ja paikallisten yritysten sekä taloustoimijoiden kanssa niin, että se tukisi Suomen kehityspoliittisten tavoitteiden saavuttamista? Analyysin tulee käsitellä myös Suomen yksityisen sektorin yhteistyövälineiden, investointien ja lainojen, kansainvälisten rahoituslaitosten ja YK:n kanssa tehtävän yhteistyön ja niiden hankintojen sekä muiden/uusien mallien tai mekanismien näkökulmia.

    2.2 Mitkä toimenpiteet motivoivat suomalaisia yrityksiä parhaiten aloittamaan toiminnan tällä alalla ja solmimaan kumppanuuksia?

    2.3 Mitä Suomi voi oppia tai soveltaa vertaismaiden käyttämistä strategioista ja taktiikoista, joilla ne ovat onnistuneesti vivuttaneet yksityistä rahoitusta ja/tai kumppanuuksia?

Yhteenveto kysymys 1: Miten Suomen toimet ovat edistäneet ympäristön tilan kohentumista ja luonnonvarojen kestävää käyttöä

Suomen toiminta ympäristön ja luonnonvarojen aloilla vuosina 2010–2024 on todennettavasti yhdistettävissä muutoksiin ympäristöolosuhteissa, resurssien käyttötavoissa ja kansainvälisten ympäristösitoumusten toteuttamisessa. Näiden tulosten vahvuus, johdonmukaisuus ja todennettavuus vaihtelevat kuitenkin osa-alueiden, kehitysyhteistyön välineiden ja kontekstien välillä: joillakin osa-alueilla tulokset ovat selvempiä ja mitattavissa, kun taas toisilla osa-alueilla vahvistetaan pääasiassa järjestelmiä ja valmiuksia, joiden kestävyys riippuu jatkotoimista ja resurssien lisäämisestä.

Metsät, ekosysteemit ja luonnon monimuotoisuus. Suomen kehitysyhteistyö voidaan yhdistää metsän suojeluun, ennallistamiseen ja kestävämpään hoitoon useiden miljoonien hehtaarien alalla. Tapauksissa, joissa yhteisöpohjaiset metsänhoitosopimukset oli solmittu ja ne toimivat, metsänpeitteeseen liittyvät tulokset olivat parempia, mukaan lukien huomattavasti vähäisempi metsäkato yhteisön hallinnoimilla alueilla verrattuna ympäröiviin alueisiin. Luonnon monimuotoisuuteen liittyvät tulokset ovat yleisesti ottaen vaatimattomampia, sillä kahdenvälisessä metsätalouden yhteistyössä painotetaan usein metsäpeitettä ja tuotantotavoitteita, eikä luonnon monimuotoisuutta ja siihen liittyvää näyttöä kerätä johdonmukaisesti. Luonnon monimuotoisuuteen liittyvät tulokset ovat selvempiä kansalaisyhteiskunnan ja monenvälisten kanavien kautta tehtävässä yhteistyössä, joissa tuetaan suojelua, seurantaa ja biodiversiteetin hallintaprosesseja, kun taas näyttöä luonnon monimuotoisuuteen liittyvistä paikallistason vaikutuksista löytyi ylipäätään hajanaisemmin.

Vesi luonnonvarana. Suomen kehitysyhteistyö on yhdistettävissä parempien vesi- ja sanitaatiopalvelujen laajempaan saatavuuteen. Siihen liittyvät terveys- ja elinkeinohyödyt on dokumentoitu keskeisissä kumppanimaissa. Tulokset olivat vahvempia silloin, kun toimet integroitiin kansallisiin ja alueellisiin järjestelmiin ja kun hallintoa ja palvelujen tarjontaa juurrutettiin pitkäaikaisella sitoutumisella. ”Vesi luonnonvarana” -raportti tarkasteli näitä tuloksia pääasiassa palvelujen ja institutionaalisen suorituskyvyn kautta eikä johdonmukaisesti todennettujen, pitkän aikavälin ekologisten muutosten kautta. Riskit ja rajoitukset liittyvät tulosten kestävyyteen ja skaalaamiseen, erityisesti tapauksissa, joissa toimeenpanon johdonmukainen läpivienti, rahoituksen jatkuvuus tai järjestelmän laajuinen koordinointi olivat rajallisia.

Puhdas energia, kiertotalous ja kriittiset mineraalit. Suomen tukemat uusiutuvan energian investoinnit ovat tuottaneet huomattavan määrän sähköä vuosittain ja johtivat merkittäviin päästövähennyksiin ja energian saatavuuden parantumiseen kehittyvissä maissa. Suomen toiminta vaikutti myös siihen, että muovijätettä päätyy vähemmän vesiekosysteemeihin muun muassa markkinasuuntautuneiden lähestymistapojen avulla. Evaluoinnin näyttöaineistossa painottuvat investoinnit ja yhteistyötä mahdollistavat mekanismit, mutta näyttö muista ympäristöhyödyistä kuin päästöjen ja saastumisen vähentämisestä ei ole johdonmukaista ja laajempia vaikutuksia käsitellään lähinnä epäsuorasti – erityisesti biodiversiteettiin liittyen. ”Puhdas energia, kiertotalous ja kriittiset mineraalit” -raportissa todetaan myös toistuvia pullonkauloja siirryttäessä teknisestä valmistelusta ja varhaisvaiheen suunnittelutyöstä kohti laajamittaista toimeenpanoa, erityisesti silloin, kun toimeenpanon valmiudet ja järjestelyt sekä rahoituksen ennustettavuus olivat rajallisia.

Katastrofiriskin vähentäminen ja meteorologia. Suomen toiminta vahvisti hydrometeorologisia ja monialaisten uhkien ennakkovaroitusvalmiuksia useissa maissa tukemalla institutionaalisia järjestelmiä, teknistä infrastruktuuria, koulutusta ja operatiivisia käytäntöjä. Saavutukset koskevat ennuste- ja seurantatoimintojen vahvistamista sekä vaaratiedotteiden järjestelmällisempää tuottamista, levittämistä ja käyttöä, mukaan lukien rutiininomainen käyttöönotto vakiintuneiden toimintatapojen kautta. ”Katastrofiriskin vähentäminen ja meteorologia” -raportissa kuvataan tämän alan resilienssin kehittyminen ensisijaisesti parantuneen varautumisen ja riskienhallintakyvyn kautta – ei suoraan mitattuna ekosysteemien tilan kohenemisena. Tulosten kestävyys ja systeemitason muutokset riippuvat jatkuvasta institutionaalisesta koordinoinnista, yhteentoimivuudesta *(interoperability)* sekä ylläpitoon ja toimintaan tarvittavista resursseista. Haavoittuvuudet ilmenevät silloin, kun nämä ehdot eivät toteudu.

Hallinto, tietojärjestelmät ja institutionaaliset käytännöt eri osa-alueilla. Suomen tuki liittyy usein hallinnon järjestelyjen, tietojärjestelmien ja toimintatapojen parantamiseen, erityisesti osallistavaan suunnitteluun, alueellisen päätöksenteon tukemiseen sekä ympäristöön ja riskeihin liittyvien tietojen keräämiseen ja käyttöön. Kun ne saatettiin rutiinikäyttöön, ne vaikuttivat siihen, miten palveluja tarjottiin ja ympäristöön liittyviä päätöksiä tehtiin. Tietojen laadussa, yhteentoimivuudessa ja pitkäaikaisessa ylläpidossa havaittiin vaihtelevuutta, ja joissakin tapauksissa tietoaukot ja ylläpidon rajalliset resurssit heikensivät niiden käyttöä.

Kansainväliset sitoumukset. Suomi tukee kansainvälisten sitoumusten täytäntöönpanoa pääasiassa monenvälisten järjestöjen ja globaalien tai alueellisten foorumien kautta, jotka auttavat maita ja instituutioita soveltamaan yhteisiä viitekehyksiä. Tulokset esitetään kehittyneinä valmiuksina seurannassa, raportoinnissa, koordinoinnissa ja ennakkovaroituksessa sekä vahvistuneena tukena biodiversiteettiin liittyvälle hallinnolle ja toimeenpanolle. Esitetty näyttö liittyy pääasiassa tuloksia mahdollistaviin seikkoihin ja järjestelmätason kehitykseen sen sijaan, että se kykenisi osoittamaan suoraa vaikutusta globaaleihin tavoitteisiin.

Haasteet ja rajoittavat tekijät. Evaluoinnin tarkastelemilla osa-alueilla esiintyi toistuvia haasteita, jotka vaikuttivat tulosten laajuuteen, kestävyyteen ja johdonmukaisuuteen. Yleinen piirre oli, että pilottiprojektit ja ylipäätään yksittäiset projektit, tutkimukset ja teknisen avun hankkeet eivät aina edenneet laajempaan täytäntöönpanoon. Tämän aiheuttivat puutteet, joita ilmeni toteutuksen järjestelyissä ja rahoituksen jatkuvuudessa sekä valmistelun ja täytäntöönpanon yhdistävässä käytännön tuessa. Tasapuolisuus, osallistuminen ja hyötyjen jakautuminen jäivät epätasaisiksi siellä, missä paikallisia kannustin- ja valtamekanismeja ei huomioitu riittävästi. Riskejä toiminnan jatkuvuudelle havaittiin, kun institutionaaliset toimivaltuudet muuttuivat, koordinointi heikkeni tai toiminnan ja ylläpidon resurssit olivat riittämättömät. Lisäksi kehitysyhteistyöresurssien vähenemiseen liittyy riski, että pitkän aikavälin sitoutumista ei voida ylläpitää.

Yhteenveto kysymys 2: Yksityisen sektorin osallistuminen ympäristöön ja luonnonvarojen kestävään käyttöön liittyvään kehitysyhteistyöhön

Suomi jatkaa ympäristö- ja luonnonvarayhteistyötä vahvalla teknisellä osaamisella ja uskottavuudella, mutta suomalaisia ja paikallisia yrityksiä voisi lähestyä entistä johdonmukaisemmin. Evaluoinnin löydökset viittaavat siihen, että tiiviimmät operatiiviset yhteydet suomalaisiin ja paikallisiin yksityisen sektorin toimijoihin seuraavien viiden vuoden aikana riippuvat yhtäältä siitä, missä Suomen tekniset vahvuudet vastaavat tarjouskilpailuihin ja investointeihin pohjaavaa kysyntää, ja toisaalta siitä, voiko tukijärjestelmä auttaa yrityksiä siirtymään mahdollisuuksien tunnistamisesta uskottaviin tarjouksiin ja palvelujen tai tuotteiden toimituksiin.

Koko ympäristöön ja luonnonvarojen kestävään käyttöön liittyvässä yhteistyössä yksityisen sektorin mahdollisuudet ovat välittömimpiä silloin, kun palveluja ja järjestelmiä voidaan hankkia laajamittaisesti EU:n tai kansainvälisten rahoituslaitosten ohjelmien ja rahoitusvälineiden kautta. Nämä sisältävät digitaalisen ympäristön rajapinnat (esim. ilmastodatan alustat, sähköiset vesi- ja energiapalvelut, ennakkovaroitusviestintä), jotka ovat laajenemassa erityisesti EFSD+:n ja muiden Global Gatewayn digitaalisten Team Europe -aloitteiden myötä. Niissä Suomi voisi yhdistää ympäristö- ja verkkoyhteystavoitteensa *(connectivity)*, mutta mahdollisuuksia saattaa jäädä hyödyntämättä, jos koordinointi tapahtuu ympäristöasioista vastaavien yksiköiden ulkopuolella. Lisäksi pienten suomalaisten yritysten osallistumista rajoittaa puhtaan energian, sähköverkon kestävyys ja vastuullisten mineraalien arvoketjut, joissa suuret rahoittajat usein muovaavat tarpeenmäärittelyä ja hankinnat suosivat teknistä osaamista ja rakennuskapasiteettia. Parhaiten pystyivät osallistumaan ne, jotka ovat varhaisessa vaiheessa tietoisia mahdollisuuksista, valmiita laatimaan tarjouksen sekä muodostamaan konsortioita ja kumppanuuksia.

Toisaalta evaluointi tunnisti joukon operatiivisia pullonkauloja, jotka vaikuttavat siihen, missä määrin mahdollisuuksiin tartutaan ja missä määrin ne johtavat sitoutuneeseen toimintaan – erityisesti pienten ja keskisuurten yritysten osalta. Kyselyn ja muun näytön perusteella yritykset arvostavat käytännönläheistä tukea projektinvalmistelulle ja kumppanien löytämiselle enemmän kuin yleistä markkinatietoa. Esteiksi tunnistetaan pitkät kehitysrahoitushakujen hyväksymisajat, epävarmuus rahoituksen riittävästä ja saumattomasta jatkumisesta, työteliäät tarjouskilpailut sekä yritysten haluttomuus laajentaa kehittyville markkinoille. Tämä vahvistaa johtopäätöstä siitä, että alkuvaiheen valmistelun ja tuen tarjoamisen välillä on kuilu, joka rajoittaa toimijoiden osallistumista suurempiin hankkeisiin.

Team Finland on parantanut palvelujen näkyvyyttä ja koordinointia, mutta evaluointi tunnisti ongelmia siinä, miten yritykset ymmärtävät Team Finland -toimijoiden tarjoamien tukien ajoittumisen. Ongelmia on erityisesti siirryttäessä avustuksilla rahoitetuista pilottiprojekteista kaupalliseen skaalaamisvaiheeseen. Lisäksi haasteita on kohdemaiden priorisoinnin yhdenmukaisuudessa ulkoministeriön, Finnfundin, Business Finlandin, Finnveran ja suurlähetystöjen välillä. Kysymys ei niinkään ole siitä, onko palveluja olemassa, vaan pikemminkin siitä, kykenevätkö yritykset luovimaan markkinoiden kartoittamisesta skaalattuun tuotantoon (mukaan lukien Global Gateway ja kansainvälisten rahoituslaitosten markkinat) ennustettavaa reittiä pitkin.

Vertailu muihin profiililtaan Suomen kaltaisiin maihin viittaa siihen, että hyvin toimiva välitystoiminta *(brokerage)* voi olla erottava tekijä: maat, jotka investoivat ammattimaisiin kehitysrahoitteisten hankkeiden välittämispalveluihin, tarjoavat yrityksille yleensä kohdennettua ennakkotietoa esimerkiksi EU:n ja kansainvälisten rahoituslaitosten mahdollisuuksista, helpottavat konsortioiden muodostamista, tulkitsevat sääntely-ympäristöjä, yhdistävät yrityksiä toteuttajaosapuoliin ja auttavat yhdistelemään eri rahoitusmuotoja *(blended finance)*. Vastaavasti Suomen suurlähetystöiltä

katsotaan usein puuttuvan erityisosaajia (energia, vesi, kiertotalous, hydrometeorologia, metsähallinto) jatkuvan välitystoiminnan ylläpitämiseksi. Evaluoinnissa mainitaan myös konkreettisia esimerkkejä tapauksista, joissa puutteellinen ennakkovalmistelu, seuranta tai siirtymävaiheen tuki vähensivät yritysten osallistumista. Tämä johti menetettyihin mahdollisuuksiin muuntaa Suomen vahvuudet liiketoiminnaksi.

Alla taulukossa esitetään synteesiraportin 36 keskeistä löydöstä, 10 johtopäätöstä ja 12 suositusta.

Keskeiset löydökset, johtopäätökset ja suositukset

Löydökset

F1. Suomen ympäristö- ja luonnonvaraportfolion toimet ovat edistäneet mitattavia parannuksia ekosysteemeissä ja ympäristön laadussa, mukaan lukien metsäpeitteen laajentuminen, vesi- ja sanitaatiotulosten parantuminen, puhtaan energian käytön laajentuminen, muovijätteen määrän väheneminen ja ennakkovaroitusjärjestelmien vahvistuminen, kun taas luonnon monimuotoisuuden kohdalla tulokset olivat suhteessa heikompia ja vähemmän johdonmukaisesti dokumentoituja.

F1a. Suomen kehitysyhteistyö on edistänyt metsän suojelua, ennallistamista ja kestävää hoitoa useiden miljoonien hehtaarien alalla.

F1b. Kahdenvälisissä metsätalousohjelmissa painotettiin pääasiassa metsäpeitettä ja tuotantotavoitteita luonnon monimuotoisuuden sisällyttämisen ja sen seurannan sijaan, kun taas kansalaisyhteiskunta ja monenkeskinen yhteistyö tuottivat konkreettisempia luonnon monimuotoisuuden tuloksia ja vahvistivat globaalia biodiversiteetin hallintoa.

F1c. Suomen kehitysyhteistyön ansiosta yli 2,5 miljoonaa ihmistä on saanut paremmat vesihuoltopalvelut, ja lisäksi 8,4 miljoonaa ihmistä Nepalissa ja Etiopiassa on hyötynyt terveyden ja toimeentulon paranemisesta.

F1d. Suomen uusiutuvan energian hankkeet tuottivat yli 9 600 GWh vuodessa, vähensivät hiilidioksidipäästöjä 8–9 miljoonaa tonnia ja laajensivat puhtaan energian saatavuutta Afrikassa 5,7 miljoonalle ihmiselle. Suomen yhteistyö auttoi estämään lähes 630 000 tonnin muovijätteen pääsyn vesiekosysteemeihin.

F1e. Suomi on vahvistanut yli 40 maan valmiuksia kehittää monivaaraisten sääilmiöiden, ennakkovaroitus- ja ilmanlaadun seurantajärjestelmiä, joista on tähän mennessä hyötynyt välillisesti yli 500 miljoonaa ihmistä ja joiden ennustetaan hyödyttävän välillisesti yli 700 miljoonaa ihmistä vuoteen 2027 mennessä.

F2. Suomen tukema osallistava suunnittelu, paikkatietopohjaiset työkalut ja toimet, joilla edistetään sidosryhmien oikeuksia, ovat vahvistaneet ympäristön ja luonnonvarojen osallistavaa hallintaa tekemällä resurssien käytöstä, riskeistä ja tehtävistä päätöksistä entistä avoimempia, paikallisesti ankkuroituja ja toteutuskelpoisempia.

F3. Suomen tukemat hallintouudistukset ja koordinointimekanismit vahvistivat osallistavien järjestelmien legitiimiyttä ja toimivuutta; tyytymättömyyttä esiintyi, jos osallistamisen keinot ja hyötyjen jakautumisen mekanismit olivat heikkoja.

F4. Sekarahoituksella *(blended finance)* ja katalyyttisellä tuella Suomi sai liikkeelle merkittäviä investointeja puhtaaseen energiaan ja kiertotalouteen ja tuki politiikkaa, joka vähensi päästöjä ja saastumista. Saavutukset luonnon monimuotoisuudessa olivat pääasiassa välillisiä oheishyötyjä, ja näyttöä luonnon monimuotoisuuteen liittyvistä suorista tuloksista oli harvoin saatavilla.

F5. Kehitetyt hydrometeorologiset ja ennakkovaroitusjärjestelmäpalvelut ovat edistäneet riskitietoisempaa yhteiskunnallista vuoropuhelua, suunnittelua ja päätöksentekoa, mikä on nopeuttanut ilmastonmuutoksen resilienssin kehittymistä ja ympäristövarojen *(assets)* suojelua useissa Suomen kumppanimaissa.

F6. Suomen panos ekosysteemien resilienssiin näkyy selvimmin (i) parannuksina ekosysteemien hallinnossa ylläpitäen sääntelypalveluja, ja (ii) valmius- ja ennakkovaroitusjärjestelmissä vähentäen ilmasto- ja sääilmiöistä johtuvia vahinkoja.

F7. Suomen ympäristö- ja luonnonvarakehitysyhteistyön vaikutusten seurannassa ei ole otettu huomioon yhteismitallista ulkoista todentamismahdollisuutta, mikä on rajoittanut tiedon saamista tuloksellisuudesta, tahattomista vaikutuksista ja tulosten kestävyydestä.

F8. Suomen vahvimmat ympäristö- ja luonnonvaratulokset hallinnossa ja palvelutuotannossa saavutettiin silloin, kun uudistukset juurrutettiin kumppani-instituutioihin ja sisällytettiin rutiininomaiseen hallintoon, kun taas hajanainen jatkoseuranta ja lyhytkestoiset hankkeet rajoittivat vaikuttavuutta.

F9. Osallistavat, yhteisöön sidoksissa olevat hallintomallit vahvistivat legitimiteettiä ja paikallista ongelmanratkaisua, mutta heikot toimintaedellytykset rajoittivat usein sitä, missä määrin paikallistason saavutukset johtivat laajempiin järjestelmätason muutoksiin.

F10. Tuloksellisuus ja tulosten kestävyys olivat suurempia silloin, kun Suomen ympäristö- ja luonnonvarayhteistyö sopi hyvin poliittis-institutionaaliseen kontekstiin ja pystyi sopeutumaan kumppanien muutoksiin. Kestävyysriskit toteutuvat silloin, kun vastapuolen instituutiot, toimivaltuudet tai koordinointirakenteet heikkenevät.

F11. Julkisten sektorien välinen yhteistyö oli erittäin tuloksellista valmiuksien kehittämisessä, standardien asettamisessa ja institutionaalisen legitimiteetin vahvistamisessa ympäristö- ja luonnonvarojen hallinnossa, mutta näiden saavutusten muuntaminen kestäviksi, skaalautuviksi palveluiksi riippui toiminnan, ylläpidon ja rahoituksen varhaisesta suunnittelusta – mukaan lukien toimiva hankintatoimi ja yksityisen sektorin toimijoiden täydentävät roolit tarvittaessa.

F12. Aloitekokonaisuudet, jotka yhdistävät teknistä yhteistyötä ja institutionaalista vahvistamista rahoitusmahdollisuuksien (ja/tai monenvälisten toimijoiden) kanssa, etenivät useammin pilottivaiheesta järjestelmän käyttöönottoon kuin erilliset, yksittäiset hankkeet.

F13. Jatkorahoitus, jälkihoito ja käyttöönottovalmius olivat usein murtumispisteitä: jos niitä puuttui, standardit, kartoitukset, pilottihankkeet ja muut eivät useinkaan johtaneet kestävään palvelutarjontaan, sen skaalaamiseen tai systeemisiin uudistuksiin.

F14. Kaikki neljä arvioitua osa-aluetta ovat osoittaneet selkeää tuloksellisuutta, mutta niiden vahvuudet poikkeavat toisistaan, kun katsotaan (i) tulosten mitattavuutta ja (ii) kuinka johdonmukaisesti tulokset kytkeytyivät paikallisiin toimintamalleihin, jotka mahdollistavat skaalautuvuuden ja kestävyyden.

F15. Rahoitus kilpailullisen haasterahoituksen kautta *(challenge funds)*, pienille ja keskisuurille yrityksille suunnatut mallit sekä kansalaisjärjestöjen johtamat hankkeet ja ohjelmat olivat tehokkaimpia välineitä osallisuuden ja toimijuuden vahvistamisessa sekä energian saatavuuden parantamisessa. Ne osoittautuivat erittäin kustannustehokkaiksi, mutta niiden kestävyys riippui suotuisista paikallisista olosuhteista.

F16. Suomen panos ympäristöhallintoon oli selkein silloin, kun se auttoi institutionalisoimaan datastandardeja, tietojärjestelmiä ja raportointirutiineja. Keskipitkän aikavälin hallinnollisista saavutuksista on näyttöä, mutta pitkän aikavälin ilmasto- ja biodiversiteettivaikutuksista sitä on vain vähän.

F17. Suomi on tukenut kumppanimaitaan sellaisten menettelyjen, valmiuksien ja oikeudellisten puitteiden vakiinnuttamisessa, jotka ovat yhdenmukaisia nykyisen globaalin hallintorakenteen kanssa kaikilla neljällä ympäristö- ja luonnonvarasektorin osa-alueella.

F18. Suomi tuki aloitteita, joilla pyrittiin luomaan sääntöihin perustuvia, läpinäkyviä resurssi- ja ympäristöpalvelumarkkinoita, mutta toistaiseksi näyttö viittaa lähinnä mahdollistaviin toimintoihin ja varhaisiin signaaleihin pikemminkin kuin kestäviin, koko markkinaa koskeviin ”kannustinmuutoksiin”.

F19. Suomen lisäarvo perustuu sen erikoistuneiden teknisten instituutioiden tieteelliseen kapasiteettiin, korkeisiin standardeihin ja operatiivisiin valmiuksiin.

F20. Suomen pitkäaikaiset, luottamukseen perustuvat kumppanuudet – erityisesti epävakaissa ja monimutkaisissa toimintaympäristöissä – tarjosivat jatkuvuutta tilanteissa, joissa vain harvat avunantajat jatkoivat toimintaansa.

F21. Suomen johdonmukaisesti toteuttama arvopohjainen, oikeusperustainen ja inklusiivinen lähestymistapa ympäristö- ja luonnonvarayhteistyössä on mahdollistanut hyötyjen ulottamisen laajemmalle edunsaajajoukolle (mukaan lukien syrjäytyneet ja haavoittuvat ryhmät).

F22. Suomi tuottaa maailmanlaajuisesti tunnustettuja innovaatioita erityisesti puhtaan energian, kiertotalouden, digitaalisten metsä- ja vesijärjestelmien sekä vastuullisen kaivostoiminnan aloilla, mutta niiden skaalaaminen laajemmiksi tuloksiksi riippuu usein hankkeiden varhaisesta asemoinnista ja ennustettavasta rahoituksesta.

F23. Kehitysrahoituksen ja ulkoasiainhallinnon henkilöresurssien väheneminen heikentää Suomen kykyä tuottaa lisäarvoa, vähentää sen toiminnan vaikutusta, vaikutusvaltaa ja uskottavuutta kahdenvälisessä ja monenvälisessä yhteistyössä sekä kaventaa tulevia kaupallisia mahdollisuuksia.

F24. Yksityisen sektorin osallistuminen Suomen ympäristö- ja luonnonvarayhteistyöhön vuosina 2010–2024 oli vähäistä ja epätasaista, sillä toimia suunniteltiin, resursoitiin tai valtuutettiin harvoin ottamaan mukaan kaupallisia toimijoita, vaikka mahdollisuuksia olisi ollut.

F25. Vaikka Suomen kehityspolitiikassa painotetaan nyt yksityisen sektorin osallistumista, kahdenvälisten ohjelmien supistuminen ja kehitysrahoituksen väheneminen ovat heikentäneet ulkoministeriön mahdollisuuksia muovata olosuhteita suotuisammiksi yhteistyölle ja avata konkreettisia kanavia, joissa yritykset voivat toimia.

F26. Hydrometeorologia, ennakkovaroitusjärjestelmät ja kestävät vesipalvelut ovat keskeisiä ja välittömiä yksityisen sektorin mukaantulokohtia. Yhdistämällä globaaleja aloitteita Suomen kaukokartoitus-, data- ja palvelukapasiteettiin voidaan luoda skaalautuvaa kysyntää, jos tuki tarjouskilpailuille ja jälkiseurannalle on kunnossa.

F27. Metsätieto, jäljitettävyys ja EU:n metsäkatoasetuksen mukaisten tuotteiden sääntelyn palvelut tarjoavat kasvavia mahdollisuuksia yksityisen sektorin osallistumiselle esimerkiksi Tansaniassa, Vietnamissa ja Team Europe -aloitteissa. Suomalaisilla yrityksillä on joitakin kilpailuetuja, mutta menestyäkseen ne tarvitsevat konsortioita ja lähestymistapojen yhdenmukaistamista.

F28. Puhdas energia, sähköverkon kestävyys ja vastuullisten mineraalien arvoketjut tarjoavat keskipitkän aikavälin mahdollisuuksia, jos Suomi hyödyntää EFSD+-takuita, Finnpartnership- ja Finnvera-välineitä sekä sekarahoitusta riskien jakamiseksi ja investointien pidempien takaisinmaksuaikojen tueksi.

F29. Digitaalisen ympäristön ja luonnonvarojen väliset mahdollisuudet ovat kehittymässä nopeimmin EFSD+:n ja muiden Global Gateway- ja Team Europe -digitaalisten aloitteiden puitteissa. Suomi voi niissä yhdistää ympäristö- ja verkkoyhteystavoitteensa.

F30. Pienet ja keskisuuret yritykset asettavat etusijalle varhaisen vaiheen rahoituksen, riskien jakamisen ja paikalliset kumppanuudet sekä välityspalvelut ja yhdistelmäpaketit, joilla voidaan suoraan puuttua suurimpiin kaupan ja investointien esteisiin.

F31. Arviointijakson aikana (2010–2024) ja jatkossakin, edulliset luotto- ja takausinstrumentit voivat avata merkittäviä infrastruktuurihankkeita ja vähentää yksityisen sektorin osallistumisen riskejä, mutta ne ovat liian hitaita ja prosessipainotteisia houkuttelemaan suomalaisia pieniä ja keskisuuria yrityksiä mukaan.

F32. Nykyiset rahoitusvälineet ovat kohtalaisen hitaita eivätkä vastaa hankintasyklien vaatimuksia. Suomalaiset yritykset eivät osallistu kansainvälisiin hankkeisiin optimaalisesti, koska nopeaa tukea toteutettavuuden arviointiin, konsortioiden muodostamiseen ja tarjousten valmisteluun ei aina ole saatavilla.

F33. Suomalaisyritysten mahdollisuudet saada tarkkaa ja ajantasaista tietoa potentiaalisista, kansainvälisiin hankkeisiin liittyvistä mahdollisuuksista ovat edelleen epätasaiset. Tätä tiedon epäsymmetriaa vähentäisi tuen lisääminen yrityksille, jotta ne voivat hyödyntää olemassa olevia Global Gatewayn ja kansainvälisten rahoituslaitosten ylläpitämiä tietopankkeja, sekä suurlähetystöjen valmiuksien parantaminen, jotta ne voisivat tulkita ja mainostaa eri mahdollisuuksia.

F34. Tanskan challenge fund -rahastomalli osoittaa, kuinka rakenteelliset kansalaisjärjestöjen ja yritysten yhteenliittymät, kilpailutukset ja valmistelurahoitusmahdollisuudet voivat luoda investointikelpoisia vihreän siirtymän kumppanuuksia. Suomi voi mukauttaa tätä mallia ja tarjota sitä Finnpartnershipin kautta.

F35. Vaikka Team Finland on parantanut huomattavasti tukipalvelujen näkyvyyttä ja koordinointia Suomessa, sitä voidaan edelleen kehittää.

F36. Vertailumaiden käytännöt osoittavat, että ammattimainen välitystoiminta lisää yritysten osallistumista kehitys- ja sekarahoitusmarkkinoilla. Suomen rajallinen välityskapasiteetti rajoittaa mahdollisuuksien muuntamista toteuttamiskelpoisiksi hankkeiksi.

Johtopäätökset ja suositukset

SUOSITUS 1. Kun tukikohteita valitaan, etusijalle tulisi asettaa rajallinen määrä pitkäaikaisia ympäristö- ja luonnonvarakumppanuuksia, joissa Suomen järjestelmärakentamisen vahvuudet vastaavat kumppanimaiden tarpeita ja institutionaalisia valmiuksia.	
Johtopäätös 1. Suomen selkein panos ympäristö- ja luonnonvaratavoitteiden edistämiseen on päätöksenteko- ja toimeenpanovalmiuksien kehittäminen (data, menettelyt, instituutiot), mutta pitkän aikavälin ympäristövaikutuksien osalta näyttö on vaihtelevaa.	Löydökset: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Johtopäätös 2. Suomi saavutti kestävimmät, järjestelmätasolle ulottuvat tulokset, kun tekninen yhteistyö yhdistettiin toimeenpano- ja rahoituspolkuihin; kun jälkituki ja jatkoresurssit olivat heikot, lupaavilta näyttäneet tulokset harvoin säilyivät tai skaalautuivat.	Löydökset: F8, F10, F12, F13, F14, F15, F22.
Johtopäätös 5. Suomen suhteellinen etu – uskottava tekninen osaaminen yhdistettynä pitkäaikaiseen kumppanuuteen – vahvistaa sen vaikutusvaltaa, mutta niin aiemmat kuin nykyisetkin kehitysyhteistyön resurssivähennykset vaarantavat tuloksellisuuden perustan: jatkuvuuden, oppimisen ja toteutuskyvyn.	Löydökset: F7, F10, F13, F19, F20, F22, F23.

SUOSITUS 2. Institutionaalinen juurruttaminen, jatkuvuus ja täytäntöönpanopolut tulisi saattaa selkeiksi suunnittelukriteereiksi kaikissa uusissa ympäristö- ja luonnonvarahankkeissa.	
Johtopäätös 1. Suomen selkein panos ympäristö- ja luonnonvaratavoitteiden edistämiseen on päätöksenteko- ja toimeenpanovalmiuksien kehittäminen (data, menettelyt, instituutiot), mutta pitkän aikavälin ympäristövaikutuksien osalta näyttö on vaihtelevaa.	Löydökset: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Johtopäätös 2. Suomi saavutti kestävimmät, järjestelmätasolle ulottuvat tulokset, kun tekninen yhteistyö yhdistettiin toimeenpano- ja rahoituspolkuihin; kun jälkituki ja jatkoresurssit olivat heikot, lupaavilta näyttäneet tulokset harvoin säilyivät tai skaalautuivat.	Löydökset: F8, F10, F12, F13, F14, F15, F22.
Johtopäätös 5. Suomen suhteellinen etu – uskottava tekninen osaaminen yhdistettynä pitkäaikaiseen kumppanuuteen – vahvistaa vaikutusvaltaa, mutta aiemmat sekä nykyiset kehitysyhteistyön resurssien vähennykset vaarantavat tuloksellisuuden perustan: jatkuvuuden, oppimisen ja toteutuskyvyn.	Löydökset: F7, F10, F13, F19, F20, F22, F23.

SUOSITUS 3. Biodiversiteettiä tulisi käsitellä erillisenä ja tarkoituksellisena tavoitteena, ei oletettuna sivutuotteena, kun halutaan edistää luonnon monimuotoisuutta.	
Johtopäätös 1. Suomen selkein panos ympäristö- ja luonnonvaratavoitteiden edistämiseen on päätöksenteko- ja toimeenpanovalmiuksien kehittäminen (data, menettelyt, instituutiot), mutta pitkän aikavälin ympäristövaikutuksien osalta näyttö on vaihtelevaa.	Löydökset: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Johtopäätös 4. Suomi saavutti merkittäviä tuloksia monella sektorilla, mutta luonnon monimuotoisuus oli heikoimmin integroitu, resursoitu ja dokumentoitu ulottuvuus.	Löydökset: F1, F1a, F1b, F4, F5, F6, F14, F16.

SUOSITUS 4. Oikeusperustainen lähestymistapa, hyötyjen oikeudenmukainen jakaminen ja valitusten käsittely tulisi sisällyttää osaksi ympäristön ja luonnonvarojen yhteistyön toiminnallista suunnittelua.	
Johtopäätös 3. Oikeusperustaiset ja osallistavat lähestymistavat vahvistivat toiminnan legitimiteettiä ja kattavuutta, mutta tasa-arvoa ja hyötyjen tasapuolista jakamista ei pystytty johdonmukaisesti todentamaan, mikä lisää riskejä sosiaalisen hyväksynnän osalta sekä heikentää toiminnan konfliktisensitiivisyyttä.	Löydökset: F2, F3, F9, F21.

SUOSITUS 5. Kehitysrahoitus- ja kehitysyhteistyövälineitä tulisi käyttää valikoidummin ja harkitummin, huomioiden julkisen sektorin, kansalaisyhteiskunnan ja monenvälisten kanavien erityiset vahvuudet. Lisäksi tulisi huomioida julkisen sektorin, yksityissektorin sekä yhteisöjen välisten kumppanuuksien – ja koko yhteiskuntaa koskevien lähestymistapojen (whole of society) - hyödyntämisen edut, kun ne ovat tarkoituksenmukaisia.	
Johtopäätös 1. Suomen selkein panos ympäristö- ja luonnonvaratavoitteiden edistämiseen on päätöksenteko- ja toimeenpanovalmiuksien kehittäminen (data, menettelyt, instituutiot), mutta pitkän aikavälin ympäristövaikutuksien osalta näyttö on vaihtelevaa.	Löydökset: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Johtopäätös 2. Suomi saavutti kestävimmät, järjestelmätasolle ulottuvat tulokset, kun tekninen yhteistyö yhdistettiin toimeenpano- ja rahoituspolkuihin; kun jälkituki ja jatkoresurssit olivat heikot, lupaavilta näyttäneet tulokset harvoin säilyivät tai skaalautuivat.	Löydökset: F8, F10, F12, F13, F14, F15, F22.
Johtopäätös 4. Suomi saavutti merkittäviä tuloksia monella sektorilla, mutta luonnon monimuotoisuus oli heikoimmin integroitu, resursoitu ja dokumentoitu ulottuvuus.	Löydökset: F1, F1a, F1b, F4, F5, F6, F14, F16.
Johtopäätös 6. Yksityisen sektorin osallistuminen ympäristö- ja luonnonvarayhteistyöhön vuosina 2010–2024 ei ollut johdonmukainen hankesuunnittelun lähtökohta; kunnianhimon nostaminen tällä saralla edellyttää suunnitteluun, rahoitus- ja yhteistyövälineiden kehittämiseen ja henkilöstöön liittyvää panostusta, ei uusien odotusten lisäämistä.	Löydökset: F24, F25, F31, F32.

SUOSITUS 6. Muutoksia todentavaa, mukautuvaa hallintoa ja portfoliotason päätöksentekoa tukevaa seurantaa tulisi vahvistaa oppimiskyvyn ja uskottavuuden palauttamiseksi.	
Johtopäätös 1. Suomen selkein panos ympäristö- ja luonnonvaratavoitteiden edistämiseen on päätöksenteko- ja toimeenpanovalmiuksien kehittäminen (data, menettelyt, instituutiot), mutta pitkän aikavälin ympäristövaikutuksien osalta näyttö on vaihtelevaa.	Löydökset: F1, F1b, F7, F8, F11, F14, F16, F17, F18, F19.
Johtopäätös 2. Suomi saavutti kestävimmät, järjestelmätasolle ulottuvat tulokset, kun tekninen yhteistyö yhdistettiin toimeenpano- ja rahoituspolkuihin; kun jälkituki ja jatkoresurssit olivat heikot, lupaavilta näyttäneet tulokset harvoin säilyivät tai skaalautuivat.	Löydökset: F8, F10, F12, F13, F14, F15, F22.

SUOSITUS 7. Yksityisen sektorin osallistumisesta ympäristö- ja luonnonvarojen hankkeisiin tulisi tehdä tietoinen päätös ja ottaa osallistuminen huomioon hankkeiden suunnitelmissa silloin, kun se on toteutettavissa ja tuottaa lisäarvoa.	
Johtopäätös 6. Yksityisen sektorin osallistuminen ympäristö- ja luonnonvarayhteistyöhön vuosina 2010–2024 ei ollut johdonmukainen hankesuunnittelun lähtökohta; kunnianhimon nostaminen tällä saralla edellyttää suunnitteluun, rahoitus- ja yhteistyövälineiden kehittämiseen ja henkilöstöön liittyvää panostusta, ei uusien odotusten lisäämistä.	Löydökset: F24, F25, F31, F32.

SUOSITUS 8. Ympäristöön ja luonnonvaroihin liittyvässä yksityisen sektorin toiminnassa tulisi keskittyä muutamaan alaan ja sektoriin, jotka ovat osoittautuneet hyviksi yhteistyön aloituskohdiksi.	
Johtopäätös 7. Suorin keino päästä mukaan on hankinta- ja rahoitusvetoisten palvelumarkkinoiden kautta, koska niissä Suomella on todennetusti teknistä osaamista ja uskottavuutta; menestys edellyttää varhaista asemoitumista ja tukea toimeenpanolle.	Löydökset: F18, F22, F26, F27, F33.

SUOSITUS 9. Puuttuvan ”väliportaan” paikkaamiseksi olemassa olevia kehitysrahoitusvälineitä tulisi mukauttaa niin, että ympäristö- ja luonnonvarasektorilla voidaan tukea tarjousten valmistelua nykyistä nopeammin ja kevyemmin.	
Johtopäätös 8. ”Puuttuva väliporras” eli nopean valmistelutuen ja välityskapasiteetin puute, erityisesti pien- ja keskisuurille yrityksille, on suurin este yritysten osallistumiselle erityisesti tarjouskilpailujen kireiden aikataulujen vuoksi.	Löydökset: F30, F31, F32, F33, F36.

SUOSITUS 10. Team Finlandin sisällä tulisi määritellä ja ottaa käyttöön ”ympäristö- ja luonnonvarapolku”, joka keskittyy vain kyseisen osa-alueen hankkeisiin.	
Johtopäätös 10. Team Finland -aloitteessa tarvitaan selkeämpi ja tunnistettavissa oleva ”ympäristö- ja luonnonvarat markkinoille” -polku, jotta suomalaisyritysten tekniset vahvuudet johtaisivat pysyvään osallistumiseen EU Global Gatewayn ja kansainvälisten rahoituslaitosten hankkeissa. Vertaismaiden käytännöt osoittavat, että toimivia malleja on olemassa.	Löydökset: F28, F29, F31, F32, F33, F34, F35, F36.

SUOSITUS 11. Kohdennettua tiedonvälitystä ja välitystoimintaa ympäristö- ja luonnonvarojen alalla tulisi vahvistaa nykyisten Team Finland resurssien puitteissa.	
Johtopäätös 8. ”Puuttuva väliporras” eli nopean valmistelutuen ja välityskapasiteetin puute, erityisesti pien- ja keskisuurille yrityksille, on suurin este yritysten osallistumiselle erityisesti tarjouskilpailujen kireiden aikataulujen vuoksi.	Löydökset: F30, F31, F32, F33, F36.
Johtopäätös 10. Team Finland -aloitteessa tarvitaan selkeämpi ja tunnistettavissa oleva ”ympäristö- ja luonnonvarat markkinoille” -polku, jotta suomalaisyritysten tekniset vahvuudet johtaisivat pysyvään osallistumiseen EU Global Gatewayn ja kansainvälisten rahoituslaitosten hankkeissa. Vertaismaiden käytännöt osoittavat, että toimivia malleja on olemassa.	Löydökset: F28, F29, F31, F32, F33, F34, F35, F36.

SUOSITUS 12. Yksityisen sektorin mukaan tuloa koskevat odotukset tulisi sovittaa käytettävissä oleviin poliittisiin, henkilöstö- ja rahoitusresursseihin.	
Johtopäätös 5. Suomen suhteellinen etu – uskottava tekninen osaaminen yhdistettynä pitkäaikaiseen kumppanuuteen – vahvistaa vaikutusvaltaa, mutta aiemmat sekä nykyiset kehitysyhteistyön resurssien vähennykset vaarantavat tuloksellisuuden perustan: jatkuvuuden, oppimisen ja toteutuskyvyn.	Löydökset: F7, F10, F13, F19, F20, F22, F23.
Johtopäätös 9. Suomen yksityisen sektorin osallistumistavoitteita rajoittaa politiikan ja kapasiteetin välinen epäsuhta: odotukset kasvavat, mutta läsnäolo kehittyvissä maissa ja hankkeiden käynnistämiseen tarvittavat kumppanuusverkostot supistuvat edelleen.	Löydökset: F23, F25, F33, F36.

Sammanfattning

Inledning

Detta är en sammanfattning av resultat, slutsatser och rekommendationer från syntesutvärderingen av Finlands utvecklingssamarbete inom miljö och naturresursområdet, med särskilt fokus på möjligheter för ökad medverkan av den privata sektorn. Utvärderingen syftar till att bedöma måluppfyllelse och effekter inom Finlands utvecklingspolitiska område ”miljö och naturresurser”, för insatser som finansierats av utrikesministeriet.

Utvärderingen utgör en politikområdesinriktad syntes av fyra delutvärderingar: (i) skogar, ekosystem och biologisk mångfald, (ii) katastrofriskreducering och meteorologi, (iii) ren energi, cirkulär ekonomi och kritiska mineraler samt (iv) vatten som naturresurs. Delutvärderingarna beställdes och genomfördes som integrerade delar av utvärderingen. Rapporter från dessa utvärderingar publiceras i anslutning till syntesrapporten. Syntesrapporten redovisar, utöver resultaten och slutsatserna från delutvärderingarna, även resultat som belyser den privata sektorns deltagande inom politikområdet, ur ett utvärderande och framåtblickande perspektiv.

Utvärderingsfrågor (UF)

Syntesutvärderingen har ett portföljövergripande angreppssätt med fokus på resultat och lärande, och syftar till att besvara följande utvärderingsfrågor:

UF1: Hur har Finlands verksamhet inom de olika delsektorerna bidragit till positiva miljöförändringar och en mer hållbar användning av naturresurser samt till genomförandet av internationella åtaganden? (sammanfattande)

- 1.1 a) Vilka har varit de mest betydande resultaten och effekterna? b) Vilka förändringar på miljö- och/eller naturresursområdet har skett till följd av Finlands verksamhet?
- 1.2 a) Vilka lärdomar kan dras av vad som har fungerat, för vem, i vilka sammanhang och varför när det gäller att säkerställa varaktiga resultat och principen om att inte göra skada (do no harm)? b) Vilka sektorer och verktyg har visat sig vara effektiva?
- 1.3 I vilken utsträckning har stödet bidragit till omvandlande, motståndskraftiga och varaktiga förbättringar i förvaltningsramar, institutioner och marknader inom naturresurssektorn?
- 1.4 Vilket mervärde/komparativa fördelar har Finland haft i förhållande till andra aktörer, både inom delsektorerna och sammantaget?

UF2: Hur kan Finland etablera och fördjupa kopplingar till finländska och lokala företag samt andra privata aktörer inom utvecklingssamarbetet för att under de kommande fem åren främja den gröna omställningen och uppnå utvecklingspolitiska mål inom detta område? (formativ)

2.1 Vilka är de mest omedelbara möjligheterna, ingångarna och modellerna för partnerskap med finländska och lokala företag samt andra ekonomiska aktörer som stöder Finlands utvecklingspolitiska mål? Beakta även den finska privata sektorns verktyg, investeringar och lån samt samarbeten med internationella finansinstitut och FN-organ, inklusive upphandlingar, samt andra eller nya modeller och mekanismer.

2.2 Vilka åtgärder lockar finländska företag till engagemang och partnerskap inom detta område?

2.3 Vilka lärdomar kan Finland dra av de strategier och arbetssätt som jämförbara länder använder för att mobilisera privat finansiering och/eller partnerskap, och hur kan dessa tillämpas och anpassas?

Sammanfattande resultat av UF1: Finlands bidrag till förbättringar av miljön och hållbar användning av naturresurser

Finlands verksamhet inom miljö- och naturresursportföljen under perioden 2010–2024 har bidragit till dokumenterade förbättringar i miljön, naturresursanvändningen och genomförandet av internationella miljöåtaganden. Resultatens omfattning, konsekvenser och verifierbarhet varierar mellan delsektorer, åtgärder och sammanhang. Inom vissa områden kan tydliga och kvantifierbara resultat konstateras. Inom andra har Finland främst bidragit till att stärka system och kapacitet, vars långsiktiga hållbarhet förutsätter fortsatt uppföljning och ytterligare resurser.

Skogar, ekosystem och biologisk mångfald. Finlands verksamhet har bidragit till bevarande och återställande samt mer hållbar förvaltning av flera miljoner hektar skog. I områden där lokalt förankrade former för skogsförvaltning har införts och fungerat väl har resultaten varit tydligare, bland annat i form av avsevärt lägre avskogning i dessa områden. Resultaten för biologisk mångfald är sammantaget mindre tydliga. Det bilaterala skogssamarbetet har ofta prioriterat mål kopplade till skogstäckning och nyttjande, med mindre konsekvent tillämpning av mål för biologisk mångfald och begränsad evidens på detta område. Resultat relaterade till biologisk mångfald är tydligare inom civilsamhällesstödet och stödet genom multilaterala kanaler, som har bidragit bevarande, uppföljning och tydligare styrning. Däremot varierar beläggen för effekter på biologisk mångfald på lokal nivå mellan olika fall.

Vatten som naturresurs. Finlands verksamhet har bidragit till ökad tillgång till förbättrade vatten- och sanitetstjänster, med dokumenterade effekter på hälsa och försörjning i flera länder. Tydligare resultat har uppnåtts när insatserna varit integrerade i nationella och regionala system och när styrning och tjänsteleverans har utvecklats genom ett långsiktigt engagemang. Rapporten om vatten som naturresurs lyfter framför allt fram förbättringar i tjänster och institutionell kapacitet, medan långsiktiga ekologiska förändringar inte kan beläggas konsekvent. Risker och begränsningar rör främst bristande hållbarhet och svårigheter att skala upp insatser, särskilt vid otillräcklig uppföljning, brist på långsiktig finansiering och begränsad samordning på systemnivå.

Ren energi, cirkulär ekonomi och kritiska mineraler (Energy+). Finska investeringar i förnybar energi har genererat betydande årlig elproduktion och har bidragit till omfattande utsläppsminskningar samt ökad tillgång till energi. Finlands verksamhet har även bidragit till minskade plastutsläpp i

sötvatten och marina miljöer, bland annat genom plattformar och marknadsinriktade arbetssätt. Den redovisade evidensen betonar investeringar och möjliggörande mekanismer. Miljömässiga bieffekter utöver minskade utsläpp och föroreningar, särskilt effekter på biologisk mångfald, är i huvudsak indirekta och inte konsekvent belagda. I rapporten om Energy+ identifieras även återkommande hinder för att omsätta tekniska förberedelser och tidiga projektfaser till genomförande i större skala. Dessa hinder är särskilt tydliga i sammanhang med begränsade genomförandemekanismer och låg förutsägbarhet i finansieringen.

Katastrofriskreducering och meteorologi. Finlands verksamhet har bidragit till att stärka hydrometeorologiska funktioner och riskbaserad tidig varnings-kapacitet i ett stort antal länder, genom stöd till institutionella strukturer, teknisk infrastruktur, utbildning och arbetsrutiner. Förbättringarna tar sig uttryck i stärkt prognostisering och övervakningsfunktioner samt i en bättre systematik i hur varningsinformation tas fram, sprids och används, inklusive regelbunden tillämpning genom fastställda arbetsrutiner. I rapporten om katastrofriskreducering och meteorologi framgår att stärkt resiliens i första hand avser förbättrad beredskap och kapacitet för riskhantering, snarare än direkt mätbara minskningar av ekosystemdegradering. Hållbarhet och systemövergripande effekter förutsätter fortsatt institutionell samordning, interoperabilitet samt tillräckliga resurser för drift och underhåll. Där dessa förutsättningar är svaga kvarstår sårbarheter.

Styrning, kunskapssystem och institutionell praxis inom delsektorerna. Inom delsektorerna kan Finlands stöd ofta kopplas till förbättrade styrningsformer, informationssystem och arbetsrutiner, särskilt inom deltagarbaserad planering, geografiskt beslutsstöd samt insamling och användning av miljö- och riskrelaterade data. När dessa verktyg och processer har införlivats i ordinarie verksamhet har de påverkat hur tjänster utformats och levererats samt hur miljörelaterade beslut fattats. Evidensen visar även på variationer i datakvalitet, interoperabilitet och långsiktigt underhåll. I vissa fall har dataluckor och begränsade resurser för drift och underhåll försvårat fortsatt användning.

Internationella åtaganden inom delsektorerna. Evidensen visar att Finlands stöd främst kan kopplas till genomförandet av internationella åtaganden genom multilaterala organisationer samt globala och regionala plattformar som underlättar för länder och institutioner att tillämpa överenskomna ramverk. Stödet har bidragit till stärkt kapacitet för uppföljning, rapportering, samordning och tidig varning, samt styrnings- och genomförandeprocesser med koppling till biologisk mångfald. Evidensen avser i huvudsak möjliggörande insatser på systemnivå och visar i mindre utsträckning direkta bidrag till globala resultat.

Begränsningar och hämmande faktorer inom delsektorerna. Det finns återkommande begränsningar som har påverkat resultatens omfattning, varaktighet och konsekvens. Analysen visar att pilotinsatser, studier och tekniskt bistånd inte alltid har lett vidare till genomförande i större skala, som en följd av otillräckliga genomförandeformer, begränsad långsiktig finansiering och bristande praktiskt stöd. Bristande rättvisa, delaktighet och fördelning av nyttor har uppstått i sammanhang där lokala incitament och maktförhållanden inte har beaktats i tillräcklig grad. Risker för bristande kontinuitet har också identifierats när institutionella mandat har förändrats, samordningen har försvagats eller resurserna för drift och underhåll har varit otillräckliga. Därutöver finns bredare risker kopplade till begränsade möjligheter till långsiktigt engagemang till följd av minskade resurser.

Sammanfattande resultat för UF2: Den privata sektorns deltagande inom miljö- och naturresursområdet

Finland går in i nästa fas av samarbetet inom miljö och naturresurser med en stark teknisk kompetens, men med potential att engagera finländska och lokala företag mer konsekvent. Evidensen

visar att ett närmare samarbete med finländska och lokala privata aktörer under de kommande fem åren kommer att bero på hur väl Finlands tekniska kompetens sammanfaller med efterfrågan i upphandlingsprocesser och investeringsstödda projekt. Därtill är det avgörande om befintliga stödmekanismer kan hjälpa företag att ta affärsmöjligheter vidare till konkurrenskraftiga anbud och genomförande i större skala.

Inom portföljen är möjligheterna för privata aktörer som störst där tjänster och system kan upphandlas i större skala genom EU- och IFI-program och finansieringsinstrument. Detta gäller särskilt: (i) kopplingar mellan digitalisering och miljö (t.ex. klimatdataplattformar, digitaliserade vatten- och energitjänster samt kommunikation för tidig varning), som i ökande grad utvecklas inom ramen för EFSD+ och andra digitala Team Europe-initiativ under Global Gateway. Finlands digitala kompetens skapar möjligheter att koppla samman miljö- och konnektivitetsfrågor, men innebär också en risk för att möjligheter går förlorade när samordningen sker utanför ansvariga miljöfunktioner. (ii) ren energi, nätresiliens och värdekedjor för ansvarsfulla mineraler, där stora finansiärer ofta sätter ramarna för projektportföljerna och där upphandlingar tenderar att gynna aktörer med stark ingenjörs- och byggkapacitet. Detta skapar hinder för mindre finländska företags deltagande, om de inte har tidig tillgång till marknadsinformation, möjligheter till förhandspositionering, resurser inför anbudsskeden, tillgång till konsortielösningar samt stöd för att hitta samarbetspartners.

Samtidigt pekar evidensen på ett antal praktiska begränsningar som påverkar förmågan att skapa ett mer varaktigt engagemang – särskilt för små och medelstora företag. Enkäter och analyser av olika instrument visar samstämmigt att företagen värdesätter konkret stöd i projektförberedelser och partneridentifiering mer än generell marknadsinformation. De identifierar också hinder såsom långa godkännandeprocesser, osäker samfinansiering och resurskrävande anbudsförfaranden, jämte ett begränsat internt intresse för marknader i utveckling. Dessa begränsningar bekräftar utvärderingens analys av ett glapp mellan tidig identifiering av affärsmöjligheter och faktisk förmåga att lämna finansieringsbara anbud och delta i större projektportföljer.

På institutionsnivå visar analysen att Team Finland har blivit mer synligt och förbättrat samordningen av sina tjänster. Samtidigt är det fortfarande oklart för företagen hur stödet inom miljö- och naturresursområdet hänger ihop över tid. Detta gäller särskilt övergången från bidragsfinansierade pilotinsatser till kommersiell verksamhet i större skala. Det finns också oklarheter kring hur väl länderprioriteringarna är samordnade mellan utrikesministeriet, Finnfund, Business Finland, Finnvera och ambassaderna. Här är frågan inte främst om stödinsatser finns. Det avgörande är om företagen kan följa en tydlig och förutsägbar process från marknadsundersökningar till genomförande i större skala, även på Global Gateway- och IFI-marknader.

Jämförelser med andra länder visar att aktiv matchning kan vara avgörande. Länder som satsar på särskilda affärsutvecklare kan erbjuda företagen tidig och relevant marknadsinformation, stöd vid konsortiebildning, vägledning i regelverk, kontakter med genomförandeaktörer samt hjälp att strukturera finansieringslösningar. Samtidigt saknar ambassader ofta tillräckliga personalresurser för ett långsiktigt och systematiskt arbete med sådant stöd på prioriterade marknader, till exempel inom energi, vatten, cirkulär ekonomi, hydrometeorologi och skogsförvaltning. Erfarenheter visar också att bristande förberedelser, uppföljning och stöd mellan olika skeden har minskat företagens deltagande och lett till att finländska konkurrensfördelar inte har tagits till vara.

Följande tabell presenterar syntesutvärderingens 36 centrala resultat, 10 slutsatser och 12 rekommendationer.

Centrala resultat, slutsatser och rekommendationer

Resultat

R1. Finlands miljö- och naturresursportfölj har bidragit till mätbara förbättringar i ekosystem och miljötillstånd, bland annat ökad skogstäckning, förbättrade resultat inom vatten och sanitet, utbyggnad av ren energi, minskad plastförorening samt bättre system för tidig varning. Resultaten avseende biologisk mångfald har däremot varit mer begränsade och mindre konsekvent belagda.

R1a. Det finländska samarbetet har bidragit till bevarande, återställande och hållbar förvaltning av flera miljoner hektar skog.

R1b. De bilaterala skogsprogrammen har i stor utsträckning prioriterat mål kopplade till skogstäckning och produktion framför införlivande och uppföljning av biologisk mångfald. Insatser via civilsamhället och multilaterala kanaler har lett till mer påtagliga resultat för biologisk mångfald och stärkt den globala styrningen på området.

R1c. Det finländska samarbetet har bidragit till att över 2,5 miljoner människor fått tillgång till förbättrade vatten- och sanitetstjänster, med ytterligare positiva effekter för hälsa och försörjning för 8,4 miljoner människor i Nepal och Etiopien.

R1d. Finlands projekt inom förnybar energi har genererat över 9 600 GWh el per år, bidragit till minskade utsläpp om cirka 8–9 miljoner ton CO_2e och ökat tillgången till ren energi för omkring 5,7 miljoner människor i Afrika. Det finländska samarbetet har dessutom bidragit till att nästan 630 000 ton plast har förhindrats från att nå sötvatten- och marina miljöer.

R1e. Finland har stärkt kapaciteten i över 40 länder att utveckla flerhotssystem för väder, tidig varning och övervakning av luftkvalitet. Dessa system har hittills indirekt gynnat över 500 miljoner människor och bedöms kunna ge indirekta fördelar för över 700 miljoner människor fram till 2027.

R2. Finskt stöd till deltagarbaserad planering, geografiska verktyg och insatser för att förtydliga rättigheter och roller har bidragit till en mer inkluderande förvaltning av miljö och naturresurser genom att beslut om resursanvändning och riskhantering blivit mer transparenta, lokalt förankrade och genomförbara.

R3. Finlands stöd till reformer inom styrning och samordning har bidragit till ökad legitimitet och bättre fungerande inkluderande system, medan bristande deltagande eller otillräckliga mekanismer för fördelning av nyttor oftare har lett till missnöje.

R4. Genom blandfinansiering och katalytiskt stöd har Finland mobiliserat betydande investeringar inom ren energi och cirkulär ekonomi samt bidragit till policygenomslag som minskat utsläpp och föroreningar. Effekterna på biologisk mångfald har i huvudsak varit indirekta och sekundära.

R5. Förbättrade hydrometeorologiska tjänster och system för tidig varning har bidragit till en mer riskmedveten policydialog, planering och beslutsfattande, vilket har stärkt klimatanpassning och skyddet av miljötillgångar i merparten av Finlands samarbetsländer.

R6. Finlands bidrag till ekosystemens motståndskraft syns tydligast i (i) verifierade förbättringar i ekosystemförvaltningen som bidrar till att upprätthålla reglerande ekosystemtjänster samt (ii) stärkt beredskap och system för tidig varning som minskar förluster till följd av klimat- och väderrelaterade hot.

R7. Uppföljningen av effekter inom Finlands miljö- och naturresursportfölj har inte varit enhetligt utformad eller anpassad för oberoende verifiering, vilket har begränsat lärandet om resultat, oavsiktliga effekter och långsiktig hållbarhet.

R8. Finlands mest betydande resultat inom styrning och tjänsteleverans på miljö- och naturresursområdet har uppnåtts där reformer varit förankrade i partnerinstitutioner och införlivade i ordinarie administrativa rutiner. Bristande uppföljning och korta insatscykler har däremot begränsat genomslaget på systemnivå.

R9. Inkluderande och lokalt förankrade styrningsformer har stärkt legitimiteten och den lokala problemlösningsförmågan, men bristande förutsättningar har ofta begränsat i vilken utsträckning framsteg på lokal nivå har omsatts i bredare systemförändringar.

R10. Insatserna har uppvisat högre effektivitet och hållbarhet när Finlands verksamhet inom miljö- och naturresursområdet har beaktat den politiska och institutionella kontexten och kunnat anpassas till förändringar i partnersystemen. Hållbarhetsrisker har däremot uppstått där motpartsinstitutioner, mandat eller samordningsstrukturer har försvagats.

R11. Myndighetssamarbete har varit mycket effektivt för kapacitetsuppbyggnad, utveckling av standarder och institutionell legitimitet inom förvaltningen av miljö och naturresurser. Att omsätta sådana resultat i varaktiga tjänster med möjlighet till genomförande i större skala förutsätter dock tidig planering av drift, underhåll och finansiering, inklusive ändamålsenliga upphandlingsformer och, när det är befogat, en kompletterande roll för den privata sektorn.

R12. När tekniskt samarbete och institutionell kapacitetsstärkning har kombinerats med finansiering (och/eller multilaterala plattformar) har pilotinsatser i högre grad än fristående projekt oftare lett till systemförändringar.

R13. Brist på efterföljande finansiering, uppföljning och förberedelser för genomförande har ofta utgjort avgörande flaskhalsar, vilket har inneburit att standarder, studier och pilotinsatser inte lett till bestående tjänster, tillämpning i större skala eller systemreformer.

R14. Samtliga fyra delsektorer uppvisar goda resultat, men på olika sätt. Evidensen ger stöd för en differentierad bild baserad på (i) i vilken utsträckning resultaten är mätbara och (ii) hur konsekvent resultaten har varit kopplade till genomförandeformer som möjliggör tillämpning i större skala och varaktighet.

R15. Innovationsfonder, modeller inriktade på små och medelstora företag samt genomförande via civilsamhällesorganisationer har varit de mest effektiva verktygen för inkludering, tillgång till energi och egenmakt. Dessa verktyg har uppvisat hög kostnadseffektivitet, men varit beroende av gynnsamma förutsättningar för att resultaten ska bli varaktiga.

R16. Finlands bidrag till miljöstyrning har varit tydligast där stödet bidragit till att institutionalisera datastandarder, informationssystem och rapporteringsrutiner. Evidensen pekar på resultat på medellång sikt, men bidraget till långsiktiga klimat- och biodiversitetseffekter är begränsat.

R17. Finland har bidragit till att samarbetsländerna kunnat förankra rutiner, kapacitet och regelverk i linje med den nuvarande globala styrningsramverken inom samtliga fyra områden inom miljö- och naturresurssektorn.

R18. Finland har bidragit till utvecklingen av mer regelbaserade och transparenta marknader för naturresurser och miljötjänster. Evidensen påvisar dock främst på Finlands bidrag till att skapa möjligheter och tidiga tecken på förändring, snarare än varaktiga och marknadsövergripande förändringar i incitamentsstrukturer.

R19. Finlands mervärde bygger på den fackmässiga kompetensen, höga kvalitetsstandarder och genomförandekapaciteten hos landets specialiserade expertmyndigheter.

R20. Finlands långsiktiga och förtroendebaserade partnerskap har bidragit till kontinuitet, särskilt i sköra och komplexa sammanhang där få andra givare varit långvarigt engagerade.

R21. Ett konsekvent värde- och rättighetsbaserat samt inkluderande arbetssätt har gjort det möjligt för Finland att nå en bredare målgrupp (inklusive marginaliserade och utsatta grupper) inom miljö och naturresursområdet.

R22. Finland bidrar med internationellt erkänd innovationskompetens – särskilt inom ren energi, cirkulär ekonomi, digitala system för skog och vatten samt ansvarsfull gruvverksamhet – men resultat i större skala är ofta beroende av tidig medverkan i projekt och förutsägbar finansiering.

R23. Minskade anslag för offentligt utvecklingsbistånd och begränsade personalresurser riskerar att urholka viktiga komponenter av Finlands mervärde. Detta påverkar biståndets genomslag, inflytande och trovärdighet i bilaterala och multilaterala sammanhang, samt begränsar framtida kommersiella möjligheter.

R24. Den privata sektorns medverkan i Finlands samarbete inom miljö och naturresurser under perioden 2010–2024 har varit begränsat och ojämnt. Detta beror på att insatser sällan utformats, resurssatts eller haft tydliga mandat för att inkludera kommersiella aktörer, även när möjligheter funnits.

R25. Även om den privata sektorns roll numera betonas i politiken har minskade bilaterala program och biståndsmedel begränsat utrikesministeriets möjligheter att skapa förutsättningar och konkreta projekt där företag kan delta.

R26. Hydrometeorologi, tidiga varningssystem och robusta vattentjänster är viktiga ingångar för den privata sektorn. När globala initiativ kombineras med finländsk kompetens inom fjärranalys, data och tjänster kan detta skapa efterfrågan i större skala, om stöd för upphandling och uppföljning finns på plats.

R27. Skogsinformation, spårbarhet och tjänster för efterlevnad av EU:s förordning om avskogningsfria produkter erbjuder ökande möjligheter för privata sektorns medverkan, exempelvis i Tanzania, Vietnam och inom Team Europe-insatser. Finländska företag har konkurrensfördelar, men samarbete i konsortier och samordning med relevanta policy processer krävs för att nå framgång.

R28. Möjligheter på medellång sikt finns inom ren energi, nätresiliens och ansvarsfulla mineralvärdekedjor, om Finland använder EFSD+-garantier, Finnpartnerships och Finnveras instrument samt blandfinansiering för riskdelning och längre återbetalningstider.

R29. Möjligheter i skärningspunkten mellan digitalisering och miljö- och naturresursområdet växer snabbast inom EFSD+ och andra digitala Team Europe-initiativ. Här kan Finlands digitala kompetens förena miljö- och uppkopplingsfrågor.

R30. För små och medelstora företag är tidig finansiering, riskdelning och lokala partnerskap särskilt viktiga, samt stöd som underlättar matchning och kombinerad finansiering för att hantera de största hindren.

R31. Under den granskade perioden (2010–2024), och även i dag, har koncessionskrediter och garantiinstrument möjliggjort större infrastrukturinvesteringar och minskat riskerna för privat sektorns deltagande. Samtidigt har dessa instrument varit alltför processtunga och tidskrävande för att i tillräcklig utsträckning locka små och medelstora finländska företag.

R32. Då befintliga instrument fortsatt är tidskrävande och dåligt anpassade till upphandlingscykler förblir finländska företags deltagande begränsat. En viktig förklaring är att tillgången till snabbt och riktat stöd för genomförbarhetsbedömningar, konsortiebildning och anbudsförberedelser är begränsad.

R33. Tillgången till relevant och aktuell information om affärsmöjligheter varierar mellan finländska företag. Informationsklyftan kan minskas om ökat stöd ges för att använda befintliga plattformar och genom att höja kapaciteten vid ambassader för att identifiera och kommunicera möjligheter inom Global Gateway och internationella finansinstitut.

R34. Den danska innovationsfondsmodellen visar hur konsortier mellan civilsamhället och företag, konkurrensutsatta utlysningar, och tidigt stöd för projektutveckling kan leda till kapitalattraktiva partnerskap för den gröna omställningen. Modellen kan anpassas och tillämpas inom ramen för Finnpartnership.

R35. Även om Team Finland i hög grad har stärkt synligheten och samordningen av stödfunktioner i Finland finns det fortfarande utrymme att vidareutveckla Team Finland som inkörsport.

R36. Jämförelser med andra länder visar att specialiserad affärsförmedling kan öka företagens deltagande i givarfinansierade marknader; i Finlands fall hämmar begränsad kapacitet i detta avseende att möjligheter omsätts i konkreta projekt.

Slutsatser och rekommendationer

REKOMMENDATION 1. Fokusera på ett begränsat antal långsiktiga partnerskap där Finlands förmåga att utveckla hållbara system möter partnerländernas efterfrågan och institutionella kapacitet.	
Slutsats 1. Finlands främsta bidrag inom miljö- och naturresursområdet ligger i kapacitetsuppbyggnad för beslutsfattande och genomförande, särskilt genom utveckling av data, arbetsrutiner och institutioner. Slutsatser om långsiktiga miljöeffekter på portföljnivå bör dock dras med försiktighet, mot bakgrund av varierande och delvis begränsad evidens.	Resultat: R1, R1b, R7, R8, R11, R14, R16, R17, R18, R19.
Slutsats 2. De mest varaktiga resultaten på systemnivå har uppnåtts när tekniskt samarbete kombinerats med stöd till genomförande och finansiering, men på grund av bristande uppföljning och fortsatt finansiering har lovande resultat sällan kunnat upprätthållas eller få större genomslag.	Resultat: R8, R10, R12, R13, R14, R15, R22.
Slutsats 5. Finlands komparativa fördelar – fackmässig kompetens i kombination med långsiktiga partnerskap – förstärker landets påverkansmöjligheter. Samtidigt riskerar tidigare och pågående nedskärningar att undergräva den kontinuitet, det lärande och den genomförandekapacitet som resultaten vilar på.	Resultat: R7, R10, R13, R19, R20, R22, R23.

REKOMMENDATION 2. Säkerställ att institutionell förankring, kontinuitet och genomförandekanaler tydligt beaktas vid utformningen av alla nya insatser inom miljö och naturresurser.	
Slutsats 1. Finlands främsta bidrag inom miljö- och naturresursområdet ligger i kapacitetsuppbyggnad för beslutsfattande och genomförande, särskilt genom utveckling av data, arbetsrutiner och institutioner. Slutsatser om långsiktiga miljöeffekter på portföljnivå bör dock dras med försiktighet, mot bakgrund av varierande och delvis begränsad evidens.	Resultat: R1, R1b, R7, R8, R11, R14, R16, R17, R18, R19.
Slutsats 2. De mest varaktiga resultaten på systemnivå har uppnåtts när tekniskt samarbete kombinerats med stöd till genomförande och finansiering, men på grund av bristande uppföljning och fortsatt finansiering har lovande resultat sällan kunnat upprätthållas eller få större genomslag.	Resultat: R8, R10, R12, R13, R14, R15, R22.
Slutsats 5. Finlands komparativa fördelar – fackmässig kompetens i kombination med långsiktiga partnerskap – förstärker landets påverkansmöjligheter. Samtidigt riskerar tidigare och pågående nedskärningar att undergräva den kontinuitet, det lärande och den genomförandekapacitet som resultaten vilar på.	Resultat: R7, R10, R13, R19, R20, R22, R23.

REKOMMENDATION 3. Biologisk mångfald bör vara ett uttalat, avsiktligt mål, snarare är en förväntat bieffekt, när detta område uttryckligen prioriteras.	
Slutsats 1. Finlands främsta bidrag inom miljö- och naturresursområdet ligger i kapacitetsuppbyggnad för beslutsfattande och genomförande, särskilt genom utveckling av data, arbetsrutiner och institutioner. Slutsatser om långsiktiga miljöeffekter på portföljnivå bör dock dras med försiktighet, mot bakgrund av varierande och delvis begränsad evidens.	Resultat: R1, R1b, R7, R8, R11, R14, R16, R17, R18, R19.
Slutsats 4. Finland har bidragit till betydande resultat inom flera sektorer, men biologisk mångfald har i mindre grad än andra områden integrerats, resurssatts och påvisats på ett konsekvent sätt inom portföljen.	Resultat: R1, R1a, R1b, R4, R5, R6, R14, R16.

REKOMMENDATION 4. Integrera ett rättighetsbaserat arbetssätt samt mekanismer för fördelning av nyttor och klagomålshantering i utformningen av insatser på miljö och naturresursområdet.	
Slutsats 3. Rättighetsbaserade och inkluderande arbetssätt har stärkt legitimiteten och insatsernas räckvidd, men rättviseaspekten och fördelning av nyttor har inte konsekvent kunnat beläggas, vilket ökat riskerna för bristande social acceptans. Samtidigt har konfliktsensitiviteten varit låg.	Resultat: R2, R3, R9, R21.

REKOMMENDATION 5. Gör medvetna och differentierade val av instrument, som tar hänsyn till det särskilda mervärdet av myndighetssamarbete, civilsamhällesstöd och multilaterala kanaler, samt fördelarna med partnerskap mellan offentliga aktörer, näringsliv och lokalsamhällen och ett brett samhällsperspektiv, när de är ändamålsenliga.	
Slutsats 1. Finlands främsta bidrag inom miljö- och naturresursområdet ligger i kapacitetsuppbyggnad för beslutsfattande och genomförande, särskilt genom utveckling av data, arbetsrutiner och institutioner. Slutsatser om långsiktiga miljöeffekter på portföljnivå bör dock dras med försiktighet, mot bakgrund av varierande och delvis begränsad evidens.	Resultat: R1, R1b, R7, R8, R11, R14, R16, R17, R18, R19.
Slutsats 2. De mest varaktiga resultaten på systemnivå har uppnåtts när tekniskt samarbete kombinerats med stöd till genomförande och finansiering, men på grund av bristande uppföljning och fortsatt finansiering har lovande resultat sällan kunnat upprätthållas eller få större genomslag.	Resultat: R8, R10, R12, R13, R14, R15, R22.
Slutsats 4. Finland har bidragit till betydande resultat inom flera sektorer, men biologisk mångfald har i mindre grad än andra områden integrerats, resurssatts och påvisats på ett konsekvent sätt inom portföljen.	Resultat: R1, R1a, R1b, R4, R5, R6, R14, R16.
Slutsats 6. Att främja den privata sektorns medverka i samarbetet inom miljö och naturresurser under perioden 2010–2024 har inte varit ett genomgående mål vid utformningen av insatser. Om ambitionsnivån ska höjas krävs förändringar i mandat, instrument och bemanning, snarare än enbart skärpta krav.	Resultat: R24, R25, R31, R32.

REKOMMENDATION 6. Återuppbygg lärandet och trovärdigheten genom att stärka uppföljning och utvärdering som ligger till grund för oberoende granskning, anpassning och beslutsfattande på portföljnivå.	
Slutsats 1. Finlands främsta bidrag inom miljö- och naturresursområdet ligger i kapacitetsuppbyggnad för beslutsfattande och genomförande, särskilt genom utveckling av data, arbetsrutiner och institutioner. Slutsatser om långsiktiga miljöeffekter på portföljnivå bör dock dras med försiktighet, mot bakgrund av varierande och delvis begränsad evidens.	Resultat: R1, R1b, R7, R8, R11, R14, R16, R17, R18, R19.
Slutsats 2. De mest varaktiga resultaten på systemnivå har uppnåtts när tekniskt samarbete kombinerats med stöd till genomförande och finansiering, men på grund av bristande uppföljning och fortsatt finansiering har lovande resultat sällan kunnat upprätthållas eller få större genomslag.	Resultat: R8, R10, R12, R13, R14, R15, R22.
REKOMMENDATION 7. Gör den privata sektorns deltagande till ett medvetet val vid utformningen av program inom miljö- och naturresursområdet, grundat på genomförbarhet och utvecklingsmässigt mervärde.	
Slutsats 6. Att främja den privata sektorns medverka i samarbetet inom miljö och naturresurser under perioden 2010–2024 har inte varit ett genomgående mål vid utformningen av insatser. Om ambitionsnivån ska höjas krävs förändringar i mandat, instrument och bemanning, snarare än enbart skärpta krav.	Resultat: R24, R25, R31, R32.
REKOMMENDATION 8. Inrikta den privata sektorns deltagande inom miljö- och naturresursområdet på ett begränsat antal prioriterade områden som är väl belagda i evidensen.	
Slutsats 7. De tydligaste möjligheterna återfinns i upphandlings- och finansieringsdrivna tjänstemarknader där Finland har beprövad fackmässig kompetens. Detta förutsätter att man kommer in tidigt i processerna samt har tillgång till tillräckligt genomförandestöd.	Resultat: R18, R22, R26, R27, R33.
REKOMMENDATION 9. Täpp till glappet mellan tidig idé och genomförande genom att anpassa befintliga instrument för snabbare och mer flexibelt stöd samt stöd inför anbud inom miljö och naturresurser.	
Slutsats 8. Den största begränsningen är glappet mellan stöd och behov: snabbt förberedelsestöd och matchningskapacitet, särskilt för små och medelstora företag, motsvarar inte de tidsramar som gäller i upphandlingsprocesserna.	Resultat: R30, R31, R32, R33, R36.
REKOMMENDATION 10. Förtydliga och operationalisera en särskild process för miljö- och naturresursinsatser inom Team Finland, inom ramen för dess nuvarande mandat.	
Slutsats 10. En etablerad och tydlig process inom Team Finland som kopplar samman miljö, naturresurser och marknad behövs för att omsätta fackmässig kompetens i varaktigt deltagande i Global Gateway- och IFI-projekt. Erfarenheter från jämförbara länder visar att det finns fungerande modeller för detta.	Resultat: R28, R29, R31, R32, R33, R34, R35, R36.

REKOMMENDATION 11. Utveckla en mer fokuserad och aktiv matchningsfunktion för affärsmöjligheter inom miljö- och naturresursområdet, inom ramen för befintliga resurser på ambassader och myndigheter.	
Slutsats 8. Den största begränsningen är glappet mellan stöd och behov: snabbt förberedelsestöd och matchningskapacitet, särskilt för små och medelstora företag, motsvarar inte de tidsramar som gäller i upphandlingsprocesserna.	Resultat: R30, R31, R32, R33, R36.
Slutsats 10. En etablerad och tydlig process inom Team Finland som kopplar samman miljö, naturresurser och marknad behövs för att omsätta fackmässig kompetens i varaktigt deltagande i Global Gateway- och IFI-projekt. Erfarenheter från jämförbara länder visar att det finns fungerande modeller för detta.	Resultat: R28, R29, R31, R32, R33, R34, R35, R36.

REKOMMENDATION 12. Anpassa förväntningarna på den privata sektorns deltagande till befintlig policy, bemanning och finansiella resurser.	
Slutsats 5. Finlands komparativa fördelar – fackmässig kompetens i kombination med långsiktiga partnerskap – förstärker landets påverkansmöjligheter. Samtidigt riskerar tidigare och pågående nedskärningar att undergräva den kontinuitet, det lärande och den genomförandekapacitet som resultaten vilar på.	Resultat: R7, R10, R13, R19, R20, R22, R23.
Slutsats 9. Finlands ambitioner för den privata sektorns deltagande begränsas av en obalans mellan policy och faktisk kapacitet: förväntningarna ökar samtidigt som den fältnärvaro och de plattformar som krävs för att utveckla projektportföljer fortsätter att minska	Resultat: R23, R25, R33, R36.

1 Introduction

Overview

This is the synthesis report of an evaluation funded by the Ministry for Foreign Affairs of Finland (MFA) on Finland's Development Cooperation in Environment and Sustainable Use of Natural Resources and Private Sector Opportunities. The subject of this evaluation is the environment and natural resources part of the 'Climate and Sustainable Use of Natural Resources' policy priority area of the MFA. The evaluation is a policy area synthesis of four sub-sector evaluations: (i) forests, ecosystems and biodiversity, (ii) disaster risk reduction and meteorology, (iii) clean energy, circular economy and critical minerals, and (iv) water as a natural resource. These four sub-sector evaluations were commissioned and carried out as integral components of the present evaluation, and their reports are published alongside this synthesis report. In addition to the findings and conclusions of the four sub-sector evaluations, the synthesis reports the results of evaluative yet forward-looking work conducted on private sector engagement at the level of the environment and natural resources policy area.

Purpose of the evaluation

The purpose of this evaluation is to provide the MFA and its stakeholders with information on the achievements, merits and worth of implementation of this policy area. The evaluation is to provide evidence-based recommendations on future directions for increased effectiveness of Finland's engagement with this theme. This evaluation increases knowledge on the environment and natural resources-related Sustainable Development Goals (SDGs) as well as SDG 17 on partnerships.

The objectives of the evaluation are:

1. **To harvest and evaluate results (obtained and sustained), successes and challenges in achieving the objectives of the policy priority area and its sub-sectors (summative).**
2. **Present a synthesis of results and impacts, including early/emerging impacts (summative).**
3. **To identify and analyse opportunities, means and measures for engaging Finnish private sector actors into this work in the future (formative).**
4. **To provide realistic evidence-based policy and operational recommendations for the future, with due attention to the limitations in financial and human resources available (formative).** This also includes documenting practical lessons on, and any opportunities for, applying georeferencing and geospatial data for future monitoring and evaluation purposes to partly address reporting challenges.

The evaluation focuses mainly on the OECD Development Assistance Committee evaluation criteria of effectiveness and impact, with emphasis on results and signs of impact/impact.

The main users of the evaluation are different units and departments in the MFA managing development cooperation and investments. The secondary users include the Development Policy Committee as well as other government ministries and institutions. Similarly, different partners, actors and stakeholders are likely to find the results useful. The evaluation also aims at producing useful information for private sector actors who are considering engagement in this sector.

Scope of the evaluation

Since the subject of the evaluation is the environment and natural resources policy area[1], the evaluation's aim is to assess how effectively policies in this area are translated into actions supported by MFA to put them into effect. To maintain a manageable scope, it excludes the agriculture and food security outcome area of the overall policy priority area. It includes climate-related results, building *inter alia* on the findings of the 2023 Climate Finance Evaluation[2], but applies an integrated approach, aligned with the broader goal of ending poverty and advancing development on a liveable planet. With these guidelines in place, the evaluation provides sub-sector-specific results and impacts of Finland's contributions under the environment and natural resources policy area (see the four sub-sector reports). It assesses results and impacts of MFA-supported interventions from 2010 to 2023/2024 across the following four sub-sectors.

- **Forests, ecosystems and biodiversity**, informed by Outcome 1 in MFA's (2023) Climate and Natural Resources Theory of Change for Forests and Biodiversity: All people benefit increasingly from clean environment and healthy ecosystems, conservation, sustainable management and use of renewable natural resources, such as forests and water bodies (SDG 12.2, 15.1, 15.2, 15.3, 15.5, supports also SDG 6.5, 13.1, 13.3, 15.9), as adapted in the evaluation-specific Theory of Change for the sub-sector (see Mikkola et al., 2026).
- **Water as a natural resource**, informed by the water resources management aspects (i.e. management of catchments, surface waters, aquifers, climate, water availability and use and related issues, but excluding sanitation and hygiene) of Outcome 5 in the MFA (2023) Theory of Change for Water: All people have improved and equitable access to basic and sustainable drinking water, adequate sanitation services, and improved hygiene practices (SDG 6.1-6.2; supports also SDG 13.1 and 13.3), as adapted in the evaluation-specific Theory of Change for the sub-sector (see Caldecott et al., 2026).
- **Clean Energy, circular economy, and critical minerals (Energy+)**, informed by Outcome 2 in the MFA (2023) Theory of Change for Energy: All people have improved and equitable access to affordable and clean, sustainably produced renewable energy (SDG 7, supports also SDG 13.1 and 13.3), plus promoting the circular economy which

1 In referring to the evaluation at hand in this report, we refer to the full evaluation on 'Finland's Development Cooperation in Environment and Sustainable Use of Natural Resources and Private Sector Opportunities' which includes five reports: four of them presenting the results of the four sub-sector evaluations and this synthesis report.

2 Evaluation of Finland's International Climate Finance portfolio 2016-2022.

interlinks with all the SDGs, and critical minerals that relate most closely to renewable energy technologies and hence to SDG 7, as adapted in the evaluation-specific Theory of Change for the sub-sector (see Savage et al., 2026).

- **Disaster risk reduction and meteorology**, informed by Outcome 3 in the MFA (2023) Theory of Change for disaster risk reduction and meteorology: *The vulnerability of all people to extreme weather events and natural disasters has decreased and their resilience to them has increased (SDG 1.5, 11.5, 13.1, 13.2, 13.3)*, as adapted in the evaluation-specific Theory of Change for the sub-sector (see Olding et al., 2026).

Regarding cross-cutting objectives, those of human rights, gender equality, and non-discrimination are not specifically addressed in this evaluation because they were covered in the Climate Finance Evaluation.

The four sub-sector evaluations considered, where relevant, different national contexts: a traditional context, of a well-established partnership based on policy dialogue and bilaterally-agreed country programming; and a conflictual context, of potentially fast-changing events in a disturbed social environment, possibly involving military or political conflict or terrorism; and a transitional context, of a partnership that is changing from one based on development cooperation to one based on trade and commercial relations with the country concerned. The synthesis evaluation focuses on the overall results, while showcasing some specific examples, and considers the rather the global and Finland's policy context in its analysis.

The geographic scope extends beyond Finland's bilateral long-term partner countries to include countries represented through other cooperation instruments, such as civil society organisations or private sector instruments.

This evaluation does not assess the performance of individual projects, organisations, or partners. Instead, it analyses evidence from multiple locations, countries, and regions for sub-sector-specific insights; and provides a synthesis of findings at the policy priority level but it reports illustrative examples of specifically significant results at the country-, programme- and partner-levels.

The temporal scope covers the years 2010 to 2024, with 2015-22 providing the core evidence base, where interventions are mature enough to yield evidence on long-term impact, but not too old that data are patchy or unreliable. Interventions from 2010-14 provided insights into sustainability and impact but faced practical challenges like stakeholder availability and data gaps. These were assessed for the sub-sector evaluations primarily through existing reports and documentation. Interventions from 2023-24, though too recent for measurable outcomes, offered insights into relevance and policy alignment and were examined for their continuity with past efforts and their role in shaping the future of development cooperation and trade relations.

While Finland collaborates with various ministries and institutions on climate, environment, and biodiversity, this evaluation primarily focuses on work financed through MFA under development policy and cooperation. However, other relevant stakeholders were engaged as informants.

The evaluation covers the following cooperation instruments and channels:

- **Bilateral support** to Finland's partner countries (including regional cooperation).
- **Multilateral support**, including core funding and project-specific support (e.g. Green Climate Fund, Global Environment Facility, African Development Bank, Inter-American Development Bank) and multi-bi interventions.
- **Private Sector Instruments**, including loans, investments, and blended finance mechanisms (e.g. Developing Markets Platform (DevPlat), Public Sector Investment Facility (PIF), Finnfund, Finnpartnership).
- **Institutional Cooperation Instrument.**
- **Support to civil society organisations**, including programme-based and project-based support, as well as international non-governmental organisation support.
- **EU development cooperation**, including Global Gateway initiatives.

The evaluation first assesses summative findings across the sub-sectors and then transitions into formative analysis, identifying concrete policy recommendations and private sector engagement strategies.

The evaluation pays special attention to the assessment of prospective economic opportunities and private sector collaboration in the environment and natural resources sectors. The evaluation pinpoints concrete, context-specific entry points and feasible 'models' for such collaboration in the next five years and estimates the development effects and benefits to private sector actors of such engagement.

As stated in the recent Government Report on International Economic Relations and Development Cooperation (GoF, 2024), development policy is increasingly linked with Finland's international economic relations and Finland's development cooperation will focus increasingly on development funding that supports trade. Finland's objective is to increase private sector participation in both development cooperation and provision of funding and to strengthen the private and public funding of developing countries themselves.

The main focus of this evaluation is on development policy and cooperation. However, the evaluation analyses the link of the subject of its assessment with Finland's international economic relations and Finnish and local private sector actors. In doing so, the evaluation takes the term 'private sector' to refer to for-profit companies, business associations and corporate foundations, while it also considers other economic actors, academia and research organisations and the commercial use of Finnish environmental technology in general. All of these are strongly linked to Finnish added value, comparative advantage, and opportunities for private sector engagement.

In addition, **the evaluation contributes to efforts to strengthen the 'Finnish results narrative'**, addressing recommendations from previous evaluations to improve policy coherence, visibility, and strategic direction in Finland's development cooperation. Development and environmental achievements for which MFA support is wholly or partly responsible are documented, especially in relation to Finland's contributions to global commitments such as the SDGs and the United Nations Framework Convention on Climate Change (UNFCCC) Paris Agreement as well as other major agreements on environment and natural resources, with relevance to development policy and cooperation.

2 Approach, Methodology and Limitations

This Chapter and Annex 2 of this report present the approach, methodology and limitations of the synthesis-level, i.e. what and how was done to arrive at the findings, conclusion and recommendations reported in this report. The four sub-sector evaluation reports that form the key body of evidence for this synthesis evaluation present the approach, methodology and limitations pertaining to each of the sub-sector evaluations.

Approach

The synthesis takes a **synthesis portfolio-wide learning and informing on results-approach** with targeted primary data collection, structured around a synthesis-level Theory of Change for Finland's development cooperation in environment and natural resources. It sets out to answer the following Evaluation Questions (EQ):

EQ1: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? (summative)

1.1 a) What have been the most notable results and impacts? b) What changed in the environment and/or natural resources through the Finnish engagement?

1.2 a) What can be learned from 'what has worked, for whom, in what contexts and why', in securing sustained results in the future and ensuring do no harm? b) Which sectors and instruments have shown to be effective?

1.3 How far has the support contributed to transformative, resilient and enduring improvements in governance frameworks, institutions and markets in the natural resource sector?

1.4 What has been Finland's added value/comparative advantage over other actors in the sub-sectors and overall?

EQ2: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? (formative)

2.1 What appear as the most immediate opportunities, entry points and models for Finland in terms of partnering with Finnish and local companies and economic actors in a way that supports meeting Finland's development policy objectives? Discuss also from the point of view of Finland's private sector instruments, investments and loans, partnerships with and procurements by International Financial Institutions and UN agencies, other/new models or mechanisms?

2.2 What measures mobilise the Finnish companies the best to enter into this field and partnerships?

2.3 What can Finland learn from, apply and adapt from the engagement strategies and tactics that peer countries apply in successfully leveraging private funding and/or partnerships?

The primary analysis that this synthesis is based on was done in:

- The four completed sub-sector evaluations (forests, ecosystems and biodiversity; clean energy, circular economy, and critical minerals; water as a natural resource; disaster risk reduction and meteorology); and
- The formative cross-cutting analytical work on the portfolio (portfolio analysis) and private sector engagement, which includes:
- Intensive studies (Annexes 4-7): Focused analyses of Finnfund, Finnpartnership, Global Gateway and multilateral development bank blended finance – including internal strategies, project documents, monitoring and evaluation material and interviews with key informants.
- Like-minded peer reviews (Annexes 8-9): Documentation and interviews related to Danida Green Business Partnerships and to Global Gateway/Denmark and Sweden, the latter including comparison with Finland's approaches.
- Private sector survey (Annex 10): Survey responses from Finnish companies with current or potential engagement in environment and natural resources sectors in partner countries, including both users and non-users of existing Finnish instruments.

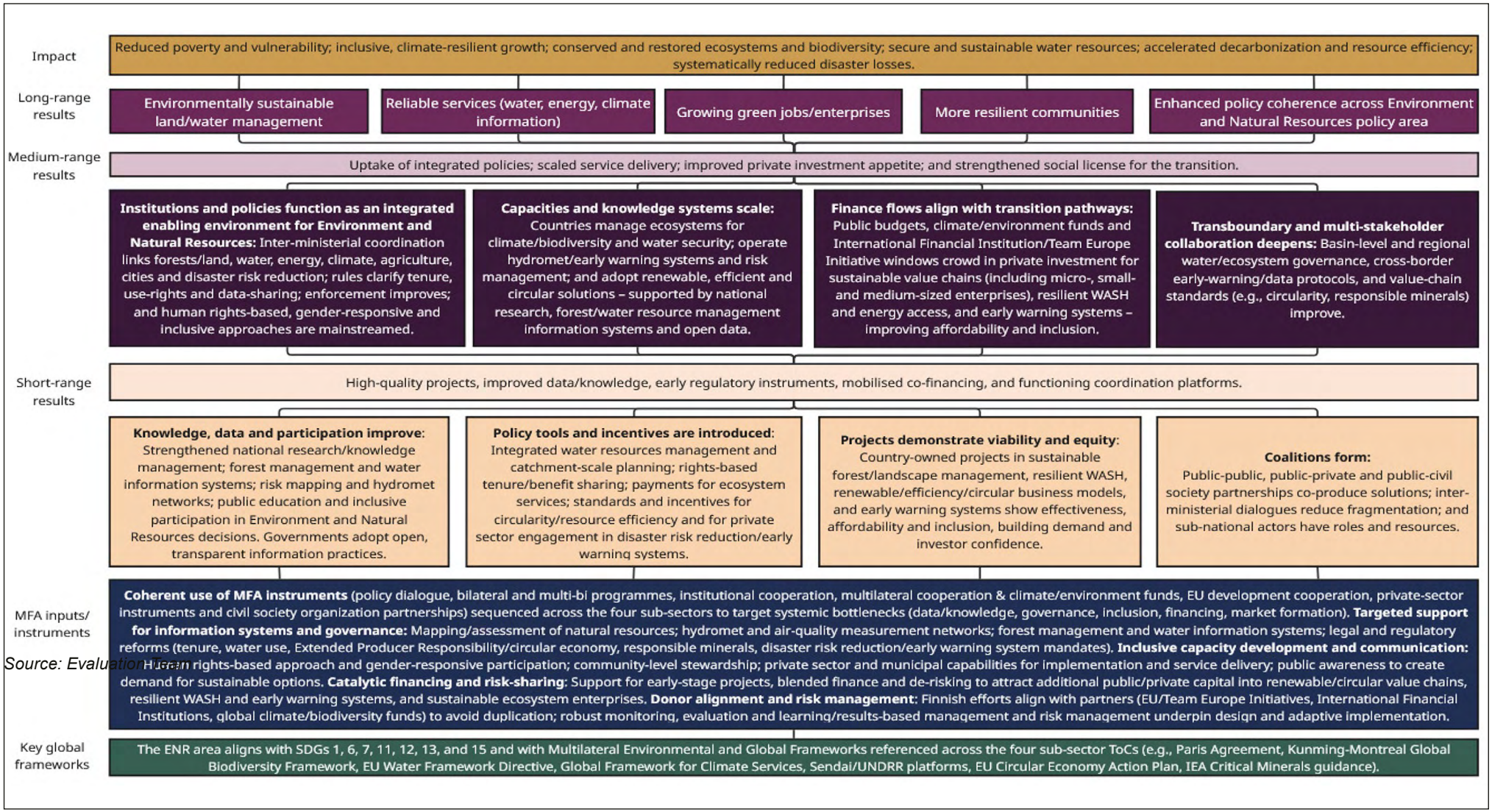
Building on the MFA's Climate and Natural Resources Theory Of Change and the reconstructed sub-sector level Theories of Change (see Mikkola et al., 2026; Caldecott et al., 2026; Savage et al., 2026; Olding et al., 2026), the Evaluation Team developed an explicit **synthesis-level Theory of Change** (see Figure 1) that:

- Maps the main causal pathways from Finnish policies and financial inputs, through channels and instruments, to outputs, outcomes and longer-term impacts;
- Identifies assumptions and contextual conditions that need to hold for change to occur (e.g. partner country policies, institutional capacity, market conditions, private sector incentives); and
- Highlights pathways that are particularly relevant to private sector engagement and different types of Finnish added value.

This synthesis-level Theory of Change is the central organising frame for the synthesis analysis. All major findings from the sub-sector evaluations, intensive studies, peer reviews and the survey are located on specific steps or links in the Theory of Change. EQ1 is answered in terms of the strength of evidence for change along these causal pathways and Finland's contribution to them, and EQ2 is answered in terms of which pathways appear most promising or underused for future engagement, especially with private sector actors.

The sub-sector work used mixed methods (structured document reviews, project results frameworks – i.e. 'proformas', interviews, and, in the case of forests, ecosystems and biodiversity, geospatial analysis). At synthesis level, these are treated as the 'first layer' of analysis. The synthesis adds a second layer by integrating them, together with targeted primary data, into Theory of Change-based, cross-cutting answers to EQ1 and EQ2 and into overall conclusions and recommendations.

Figure 1 Synthesis evaluation environment and natural resources Theory of Change



Source: Evaluation Team

A theory-based, macro-level evaluation

The methodology is described in detail in Annex 2. The synthesis evaluation follows the approach designed at the evaluation's inception and applied in the sub-sector evaluations. The evaluation approach is 'theory-based' and 'macro-level':

- Theory-based, because it is built upon a Theory of Change for the synthesis-level that indicates the logical connections between inputs and instruments, short-range, medium-range and long-range results, and impacts, and hence with an emphasis on the plausibility of assumptions and causal links between steps in the design logic; and
- Macro-level, because it is a synthesis of sub-sector evaluations which focused on development cooperation across multiple interventions, locations, during 15 years (2010-2024), and the theme private sector engagement which cuts across the policy area.

Limitations

The focus between the evaluation's summative objectives and EQs and its formative objectives and EQs is fundamentally different. The summative interest is on the results of the policy priority area and its sub-sectors, and the formative interest in opportunities, means and measures for engaging Finnish private sector actors into this work in the future. The subjects, approaches and methods of research between these two domains of past evidence and future prospects, on somewhat different topics, would normally differ significantly and merging of the two was indisputably challenging. To overcome the challenges, in addition to the future, the Evaluation Team considered private sector's participation in the sub-sectors and at the policy-level also in the past, because this helped to anchor the formative research into a baseline as well as better contextualise the question of how could the private sector be better engaged in the future precisely in the area of development policy and cooperation in the environment and natural resources policy area (see in particular Finding 24 and Finding 25).

The synthesis entails several limitations:

1. Dependence on existing evaluations and targeted primary data
    - The synthesis is constrained by the quality, depth and focus of the sub-sector evaluations and intensive studies. Their main source of evidence was the body of monitoring and evaluation reporting from the various interventions, instruments and modalities that they assessed. Where evidence is thin or uneven, synthesis judgements are necessarily tentative.
2. Limited scope and representativeness of primary data and results presented
    - The intensive studies, which form the main body of data gathered for this evaluation, focus on a significant but limited number of key instruments and initiatives; they are not fully representative of the entire portfolio. They contain more results from the bilateral than multilateral and other forms of collaboration and this has impacted the emphasis of the sub-sector evaluations and, hence, the synthesis.

- The company survey provides insights but is not statistically representative of all potential or actual private sector partners.

3. Heterogeneity across sub-sectors and instruments

    - Differences in sector characteristics, maturity of portfolios, data availability and evaluation history limit the comparability of some findings across sub-sectors and channels.

4. Attribution vs contribution

    - As per the points 1 and 2 in this account of the limitations, presenting results may be lightly biased in favour of the results of bilateral cooperation, over multilateral and other form of cooperation. While this has to do with the data (see points 1 and 2 above), it also proposes that results that can be in a stronger manner attributed to Finland's cooperation than those were Finland has been one among many contributors are present in the analysis and presented in the report more visibly than the others. Here, the Evaluation Team wishes to note, though, that no development result can ever be fully attributed to the efforts of any singular funding or implementing partner, irrelevant of the modality, but results and outcomes are rather always a sum of various different factors.

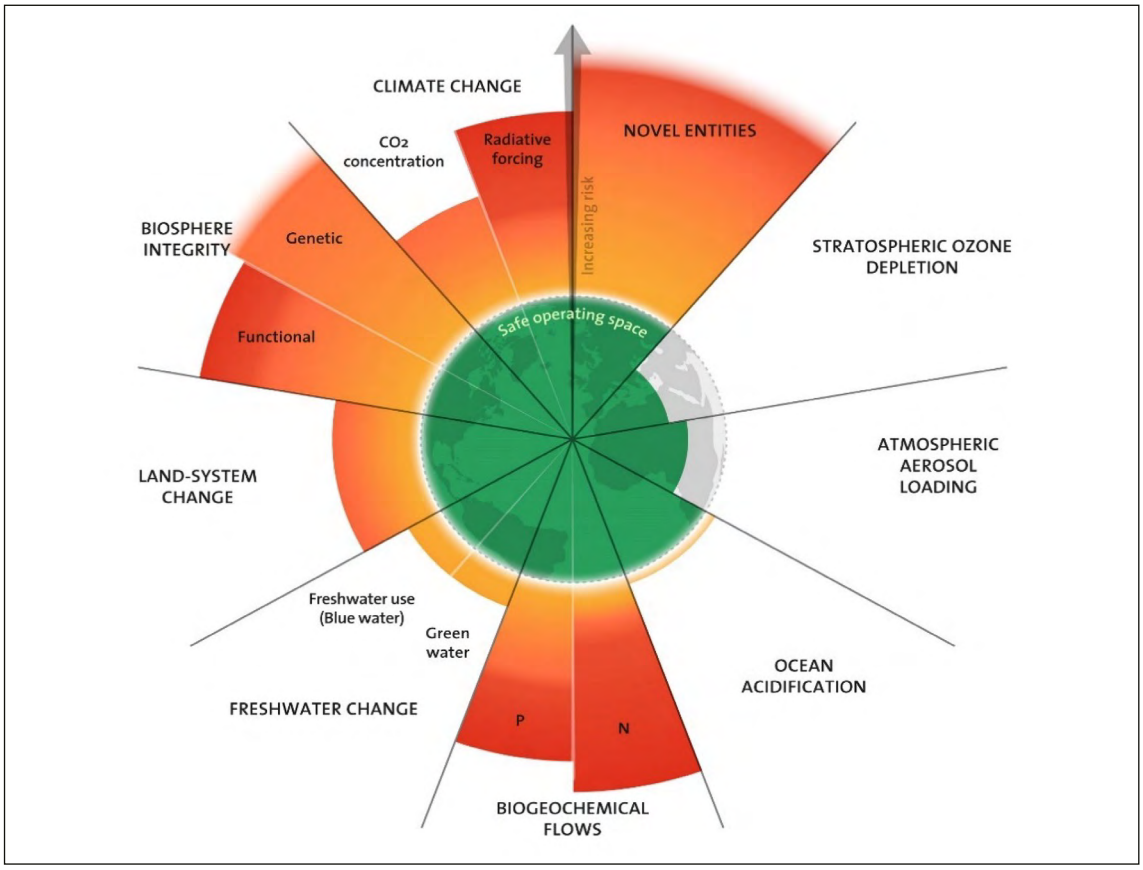
These limitations do not undermine the overall validity of the synthesis, but they do mean that its findings and recommendations should be interpreted as well-grounded, carefully qualified judgements at policy-priority level, rather than as exhaustive or fine-grained measurement of all results and impacts.

3 Context Analysis

3.1 Global environment and natural resources trends

The global environment and natural resources context is characterised by accelerating climate change, rapid biodiversity loss, land and forest degradation, and growing pressure on freshwater systems. Scientific assessments of planetary boundaries suggest that several Earth system processes are already operating outside a 'safe' range for humanity, increasing the risk of irreversible and abrupt environmental change (Richardson et al., 2023; Sakschewski and Caesar et al., 2025; Figure 2).

Figure 2 Earth system boundaries



License: CC BY-NC-ND 3.0. Credit: Azote for Stockholm Resilience Centre, based on analysis in Sakschewski and Caesar et al. 2025.

Seven of these Earth systems are currently outside what is estimated as the 'safe operating space for humankind', and four of them are especially relevant to this evaluation:

- Biodiversity – 'biosphere integrity' is defined in terms of the rate of loss of biodiversity (at genetic and species level), and the share of net primary production of the biosphere appropriated by people;
- Forests – 'land system change' is defined in terms of net losses among the tropical, temperate and boreal forest biomes;
- Water – 'freshwater change' is defined in terms of surface/ground water condition and the regulation of terrestrial ecosystems, climate, and biogeochemical processes; and
- Climate change – defined in terms of the concentration of greenhouse gases in the air, and their radiative forcing or global heating effects.

Recent global biodiversity monitoring underscores the speed and scale of nature loss. The Living Planet Report 2024 (WWF 2024) finds an average 73% decline in monitored vertebrate wildlife populations between 1970-2020, with freshwater populations declining by 85%, highlighting the acute vulnerability of rivers, lakes and wetlands. Habitat degradation and loss – strongly linked to current food systems – is consistently identified as a dominant driver across regions, alongside overexploitation and other pressures. Freshwater pressures are amplified by land-use change and infrastructure that reduce ecosystem buffering and disrupt hydrological functions, illustrated by evidence that wetland loss can magnify both drought impacts and flood risks. Forest-climate feedbacks further increase the risk of abrupt change: in the Amazon biome, 14% of the original forest area had been deforested by 2018, and continued deforestation and climate change could push the system toward an irreversible shift with major implications for regional rainfall patterns and global climate regulation. Finally, land degradation remains extensive – up to 40% of global land area is degraded, directly affecting nearly half of the world's population.

To get back to safety will need huge organisational effort and investment. Estimates of cost vary and evolve, but include a financing gap in the range of United States Dollar (USD) >200 billion annually just to meet the globally-agreed target to protect 30% of the planet for nature by 2030 under the Kunming-Montreal Global Biodiversity Framework, and very much more than that to reach other climate, biodiversity and land degradation targets (UNEP, 2023 & UNEP, 2025a). UNEP's restoration finance analysis (UNEP 2025b) finds traceable finance for restoration was ~USD 64 billion in 2022, with public finance still the dominant source and private finance comparatively modest. UNEP estimates that this amount would need to scale to USD 296 billion/year by 2030. A still larger financing gap applies to meeting the needs of developing countries in achieving all their Sustainable Development Goals (SDGs). This was estimated to be USD 3.9 trillion in 2020 (OECD, 2024a). These shortfalls in official development assistance (ODA) raise the need to be creative in drawing private enterprise and investment into effective solutions, and in maximising the cost-effectiveness of public investment in those areas where no private resources can feasibly be mobilised.

At the global level, a dense governance architecture now exists for climate, biodiversity and land, including the Paris Agreement under the UNFCCC, the Kunming-Montreal Global Biodiversity Framework under the Convention on Biological Diversity, the UN Convention to Combat Desertification and the Sendai Framework for Disaster Risk Reduction. The Global Biodiversity Framework commits countries to protect 30% of land, inland waters, coastal and marine areas by 2030 and to mobilise at least USD 200 billion per year in biodiversity finance, including scaled-up support for

developing countries (Target 19). However, global monitoring shows that only about 17% of SDG targets are currently on track, with over one-third stalled or regressing, underscoring a persistent implementation and financing gap despite the existence of these frameworks (UN, 2024a).

The United Nations (UN) Sustainable Development Goals Report 2024 highlights inadequate progress and alarming trends (UN, 2024a). As of 2022, half the world's population faced severe water scarcity for at least part of the year, with increasing water stress and insufficient transboundary cooperation. Climate change continues to exacerbate these issues. While renewable energy capacity is expanding at an unprecedented rate, access remains unequal with 2.1 billion people still relying on polluting fuels for cooking. Greenhouse gas emissions continue to rise, and the World Meteorological Organization (WMO) confirmed that 2024 was the hottest year on record, at 1.55°C above mean pre-industrial temperatures (UN, 2025). The frequency and intensity of climate-related disasters have increased fivefold over the past 50 years (UN, 2024a), and economic losses from weather-related disasters in 2024 amounted to almost USD 300 billion, far higher than the average for the last 30 years (Munich RE, 2025).

The Organisation for Economic Co-operation and Development (OECD) Development Cooperation Report 2024 highlights the need for context-specific green transitions, advocating for nature-based solutions such as afforestation, biochar applications, and sustainable grazing practices to enhance carbon sequestration and green job creation (OECD, 2024b). This underscores the importance of adapting policies and interventions to different socio-economic contexts to ensure effective implementation and long-term sustainability.

3.2 Finland's development policies, objectives and trends

Environment and natural resources has been a core pillar of Finland's development policy on a long-term basis. Since the 1990s, policy documents have framed development cooperation around three overarching purposes: reducing poverty, addressing global environmental threats, and promoting democracy and human rights, with environmental sustainability running through all subsequent policies (MFA, 1993, 1996, 1998, 2001, 2004, 2007; Karhu and Lanki, 2022). In this early period, private sector engagement was present but largely instrumental and export-oriented: Finnish companies acted mainly as contractors in state-to-state projects, and the creation of Finnfund in 1980 primarily supported Finnish-linked investments with some development rationale rather than a fully-fledged 'private sector-for-development' agenda (Finnfund eval, 2018).

From the 2000s onwards, Finland began to align more explicitly with the emerging global consensus that sustainable development requires both environmental stewardship and private investment, trade and domestic resource mobilisation. The 2012 Development Policy Programme positioned climate sustainability as a cross-cutting objective, while maintaining sustainable management of natural resources and environmental protection as a priority objective (MFA, 2012a). At the same time, it recognised that development 'relies increasingly on rapidly growing private investments' and mandated new cooperation modalities with the private sector, including risk-sharing instruments and stronger requirements for responsible business practices across trade, tax and climate policies (MFA, 2012a; Development Policy Programme 2012).

Following the 2015 Paris Agreement, Finnish policies have placed greater emphasis on climate change adaptation and mitigation, integrating both into development cooperation. The 2016 development policy set four priority areas, of which food security, water and energy access, and sustainable natural resource use explicitly anchored support to SDGs 13 and 15, while recognising climate change as a fundamental value guiding all activities (MFA, 2016). It also recognised Finland's strengths in clean technology and bioeconomy, as well as sustainable management of forests and other natural resources, excelling in well-functioning, environmentally-sustainable and climate-smart solutions in these areas. The 2016 policy also explicitly elevated Finnish companies as key partners in achieving these goals. It committed to using investment financing and private sector engagement instruments to improve business environments, expand access to finance and encourage commercially viable, development-enhancing solutions in areas where Finland has comparative advantages, such as cleantech and bioeconomy to facilitate circular economy (MFA, 2016).

MFA's Theories of Change (2020) and aggregate indicators (updated in 2023) further translated Finland's environment and natural resources ambitions into a joint results framework. They emphasise that all people should benefit from healthy ecosystems and sustainably managed forests and water bodies; have equitable access to affordable, clean renewable energy; enjoy improved possibilities to produce and access safe, nutritious food; and have access to basic and sustainable drinking water, sanitation and hygiene, with reduced vulnerability to extreme weather and natural disasters. They also recognise the interdependencies between food, water, forest, energy, climate, and biodiversity. (MFA, 2023).

Since 2024, Finland's development policy has been formally defined in the Government Report on International Economic Relations and Development Cooperation, which explicitly links development cooperation with trade and external economic relations (Government of Finland, 2024b)[3]. This report, together with the 2024 foreign and security policy report, underscores that development cooperation will 'increasingly' focus on aid-for-trade-type funding, supporting trade and private sector engagement as instruments for mutually beneficial commercial opportunities and for promoting economic independence in partner countries (Government of Finland, 2024a and -b). In environment and natural resources terms, the report highlights global transitions towards non-fossil, resource-efficient production models as creating 'significant opportunities for Finnish companies,' particularly in clean energy, environmental technology and bio- and circular economy solutions (Government of Finland, 2024b). Climate and biodiversity objectives are thus closely intertwined with economic and commercial aims: international climate targets create markets for environmental and climate technology and increase demand for Finnish products and solutions, while sustainable forest management, forest value chains and mineral resources are promoted as avenues for both climate action and inclusive growth (Government of Finland, 2024b). The report on foreign and security policy also makes a clear link between climate change, biodiversity, pollution and security – identifying climate change and environmental degradation as drivers of instability (Government of Finland, 2024a).

This strategic turn towards more central private sector engagement has been reinforced by a changing financial context. Major cuts to official development assistance (ODA) in Finland and other donor countries have heightened the urgency of mobilising private capital and using development finance more catalytically. While the trend in funding allocations has for a long time been to reduce bilateral cooperation and increase support through multilateral organizations, recent Finnish budget

3 This evaluation's summative assessment covered results and impacts of MFA-supported interventions from 2010 to 2023/2024, while the formative assessment, focusing on private sector engagement, provides insights applicable to the current and next Government term, hence also the Government policies from 2024 are relevant in this evaluation.

decisions have reduced allocations for country and regional cooperation, multilateral funding, humanitarian aid and loan-based development finance. (MFA, 2024a; MFA, 2024b)

Overall, the period from 2010 onwards is characterised by strong continuity in environment and natural resources-related objectives – long-term commitment to climate action, biodiversity, sustainable natural resource management and the food-water-energy-environment nexus – combined with a marked policy turn towards more strategic and systemic private sector engagement, especially from 2024 onwards. While environment and natural resources priorities have remained stable, the 'sole major' new policy development in this area has been the emphasis on a more central role for Finnish private sector engagement, particularly in sectors where Finland has strong comparative advantages such as forestry, water expertise, environmental technology and early warning systems (environment and natural resources in Finland's development policies, 2012-2024, MFA, 2021; Government of Finland, 2024a & b). In a context of shrinking ODA, Finland's development policy increasingly seeks to harness private investment, technology and trade as complementary drivers of climate-resilient, low-emission and environmentally sustainable development.

Finland adheres to several international environmental agreements, including the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, the Convention on Biological Diversity and its Kunming-Montreal Global Biodiversity Framework, the UN Convention to Combat Desertification, the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (1992), and the Sendai Framework for Disaster Risk Reduction. In line with these commitments, Finnish development policy focuses particularly on SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action), SDG 15 (Life on Land) and SDG 17 (Partnerships for the Goals). Through climate and environmental diplomacy, Finland seeks to promote a global transition to climate-resilient, low-carbon societies that also protect biodiversity, creating demand for climate and environmental technologies in developing countries and supporting broader foreign and security policy objectives.

Finland's multilateral engagement is closely linked to the EU's Global Gateway strategy, launched in 2021, which aims to promote economic and social development in partner countries by supporting smart, sustainable and secure solutions in the digital, energy and transport sectors, and by strengthening health, education and research systems. The Global Gateway is implemented through a Team Europe approach that brings together the EU, Member States and their financial and development institutions, and seeks to mobilise up to EUR 300 billion in investments by 2027, including from the private sector. It draws on the EU's multiannual financial framework instruments, including the Neighbourhood, Development and International Cooperation Instrument (NDICI)-Global Europe, the Instrument for Pre-Accession Assistance III, the Connecting Europe Facility, Interreg, InvestEU and Horizon Europe. Finland encourages Finnish companies to participate in Global Gateway joint projects, particularly in digitalisation, education, and climate and energy solutions, thereby linking its environmental and climate commitments with private sector engagement and innovative financing. (Global Gateway intensive study, Annex 6).

3.3 Finnish environment and natural resources portfolio

The total size of the environment and natural resources portfolio in the period 2015-2022 amounted to EUR 967.72 million (Table 1 and Figure 3)[4]. 43% of the environment and natural resources portfolio monetary value was allocated to interventions that do not clearly fall under any of the four sub-sectors but are distinctly related to environment and natural resources and/or climate change. These were categorised as 'General'. Many of these interventions contribute to addressing climate change through core funding to multilateral partners, facilities and funds (for example, contributions to the Green Climate Fund and the Global Environment Facility, which together account for more than 50% of the 'General' portfolio value). As the available data does not allow this portfolio to be further disaggregated by sub-sector, MFA has limited or no steering power over objectives, priorities and, ultimately, results; and the Evaluation of Finland's International Climate Finance portfolio 2016-2022 covered these allocations, this part of the portfolio was not analysed further in this evaluation.

When excluding 'General', Energy+ accounts for the largest share, representing nearly half of the total. The second-largest sub-sector is Forests, ecosystems and biodiversity, which is larger than the combined share of Water as a natural resource and Disaster risk reduction and meteorology. The category 'private sector' includes interventions such as investment funds or business partnerships that had the specific aim of advancing business within the realm of environment and natural resources and/or climate change.

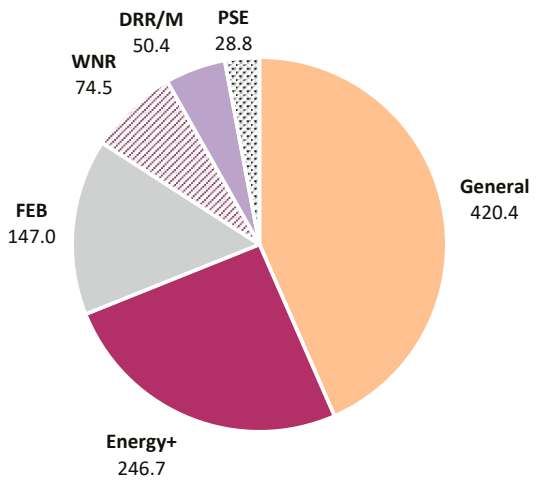
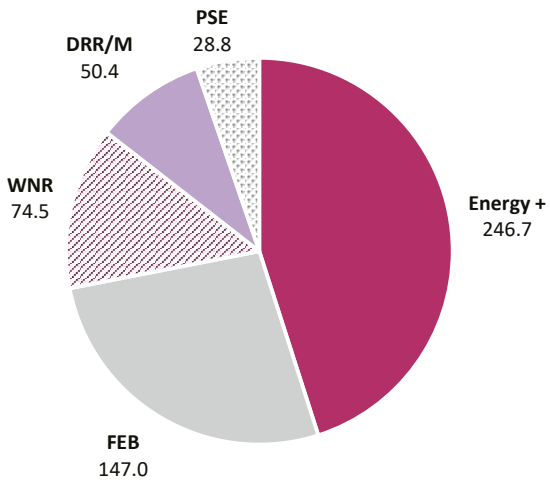
Table 1 Size of sub-sectors within the environment and natural resources portfolio (2015-2022)

SUB-SECTOR	NUMBER OF INTERVENTIONS	COMMITMENTS, MILLION EUR	PERCENTAGE OF THE TOTAL ENVIRONMENT AND NATURAL RESOURCES PORTFOLIO VALUE
General	19	420.93	43%
Energy+	129	246.65	25%
Forests, ecosystems and biodiversity	66	147.01	15%
Water as a natural resource	36	74.45	8%
Disaster risk reduction and meteorology	32	50.44	5%
Private Sector	5	28.78	3%
Total	**287**	**967.72**	100%

Source: MFA/Evaluation Team

4 Unless stated otherwise, all figures and tables are based on portfolio data provided by the MFA in December 2024, covering the period 2015–2022.

Figure 3 Portfolio per sub-sector (2015-2022)

Portfolio per sub-sector ('general' included) *– commitments in EUR million*	**Portfolio per sub-sector ('general' excluded)** *– commitments in EUR million*
	

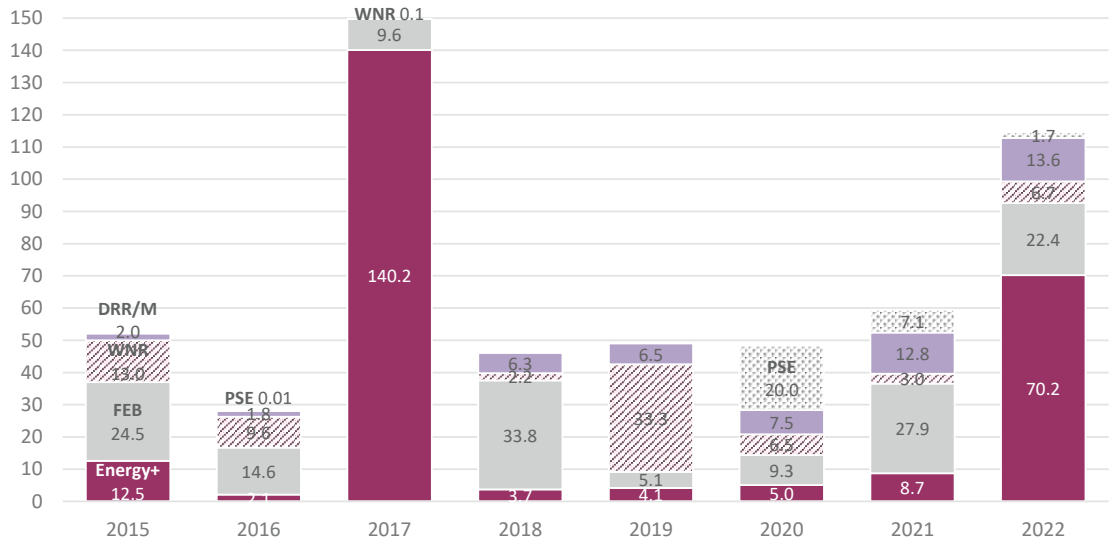
FEB = Forests, ecosystems and biodiversity; WNR = Water as a natural resource; Energy+ = Clean energy, circular economy, and critical minerals; DRR-M = Disaster risk reduction and meteorology; PSE = Private sector engagement

Source: MFA/Evaluation Team

For the subsequent portfolio analysis, the share of 'general' interventions was excluded and instead focused on interventions that are clearly categorised under the relevant sub-sector.

Figure 4 shows the commitments made to each sub-sector between 2015 and 2022. Commitments to Energy+ clearly spiked in 2017, driving the total ODA commitments significantly higher compared to the other years. Similar events can be observed in 2022, albeit at a lower scale.

Figure 4 Environment and natural resources portfolio per sub-sector (EUR million, 2015-2022)



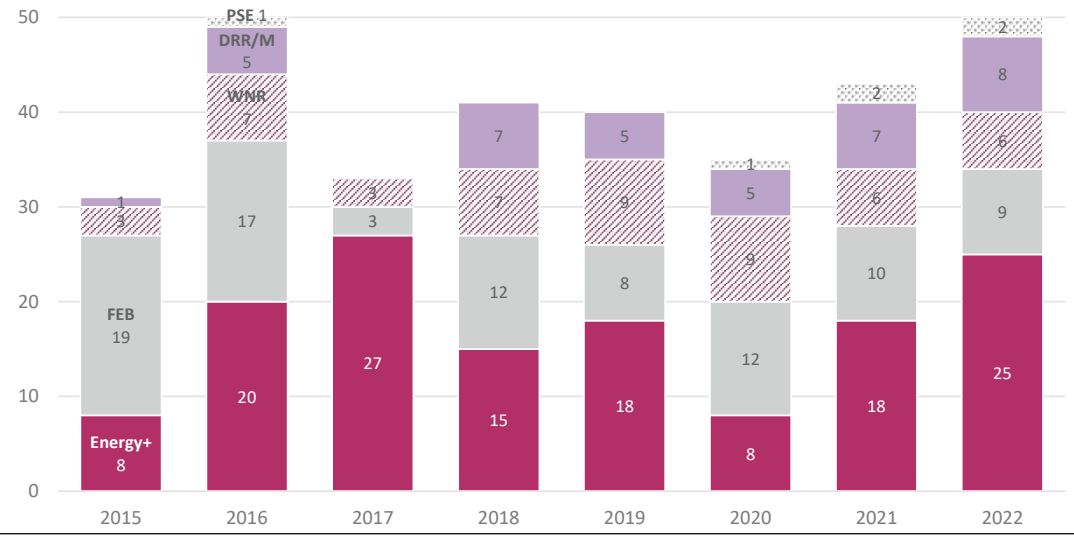
FEB = Forests, ecosystems and biodiversity; WNR = Water as a natural resource; Energy+ = Clean energy, circular economy, and critical minerals; DRR-M = Disaster risk reduction and meteorology; PSE = Private sector engagement

Source: MFA/Evaluation Team

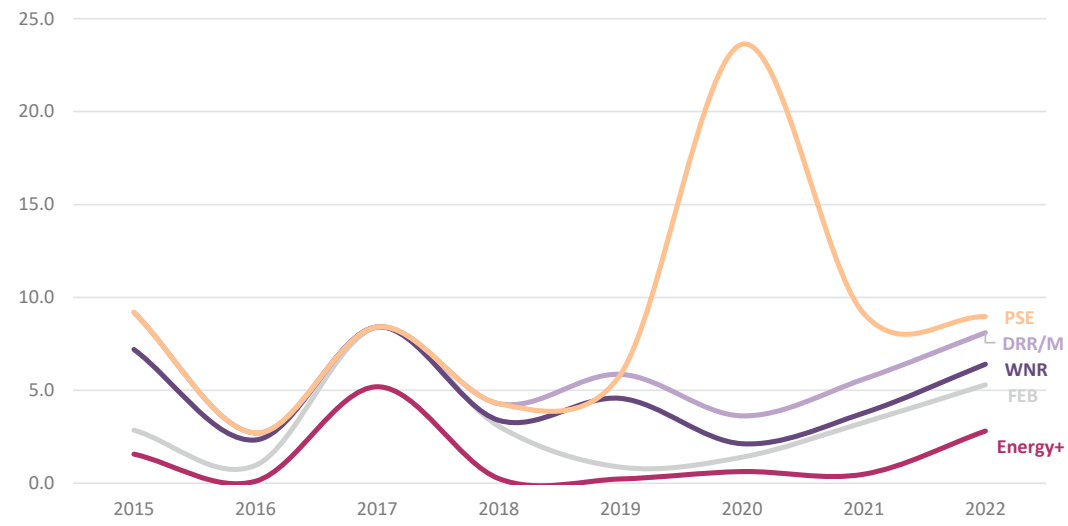
The following figure shows the evolution of the sub-sector portfolios over time. Across the examined period, the number of interventions remained relatively stable with drops in 2015 and 2017, and peaks in 2016 and 2022. Dedicated interventions in the domain of private sector engagement mainly appear in the last three years of the analysed period. The average volume of interventions varies significantly throughout the time period and between sub-sector portfolios.

Figure 5 Evolution of the sub-sector portfolios over time (2015-2022)

Number of interventions over time



Average volume of interventions over time – *commitments in EUR million*

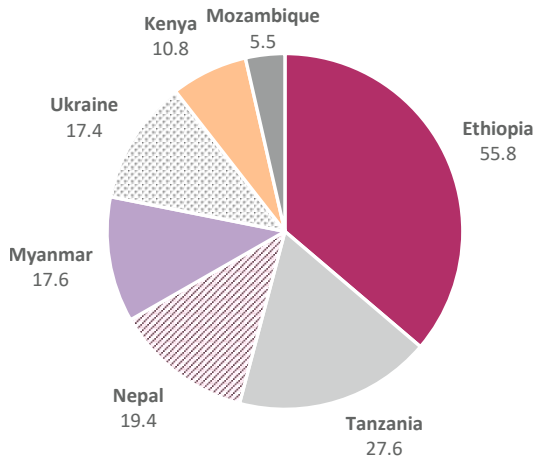
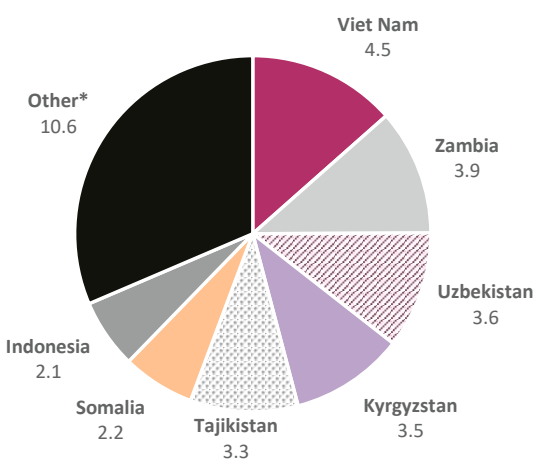


FEB = Forests, ecosystems and biodiversity; WNR = Water as a natural resource; Energy+ = Clean energy, circular economy, and critical minerals; DRR-M = Disaster risk reduction and meteorology; PSE = Private sector engagement

Source: MFA/Evaluation Team

When examining the geographical distribution of the portfolio, Ethiopia stands out as holding the largest share across different countries (not taking into account regional commitments dedicated to multiple countries). Tanzania holds the second-largest share, followed by Nepal, Myanmar, and Ukraine. Notably, the majority of the portfolio is allocated to African countries (Figure 6), however, the geographical focus is shifting to Ukraine.

Figure 6 Portfolio per country (commitments in EUR million, 2015-2022)

Countries benefitting from more than EUR 5 million – *commitments in EUR million*	**Countries benefitting from less than EUR 5 million – *commitments in EUR million***
	

* The category 'Other' includes a total of 37 countries with average specific commitments of ca. EUR 290,000.

Source: MFA/Evaluation Team

Table 2 highlights the sub-sectors within each country that have a portfolio exceeding EUR 5 million in commitments. In Ethiopia and Nepal, the majority of environment and natural resource initiatives are centred around water resources (water, sanitation and hygiene (WASH)), whereas in Tanzania, Myanmar, and Kenya, forestry takes precedence. In Ukraine, the energy sector stands out as the dominant focus.

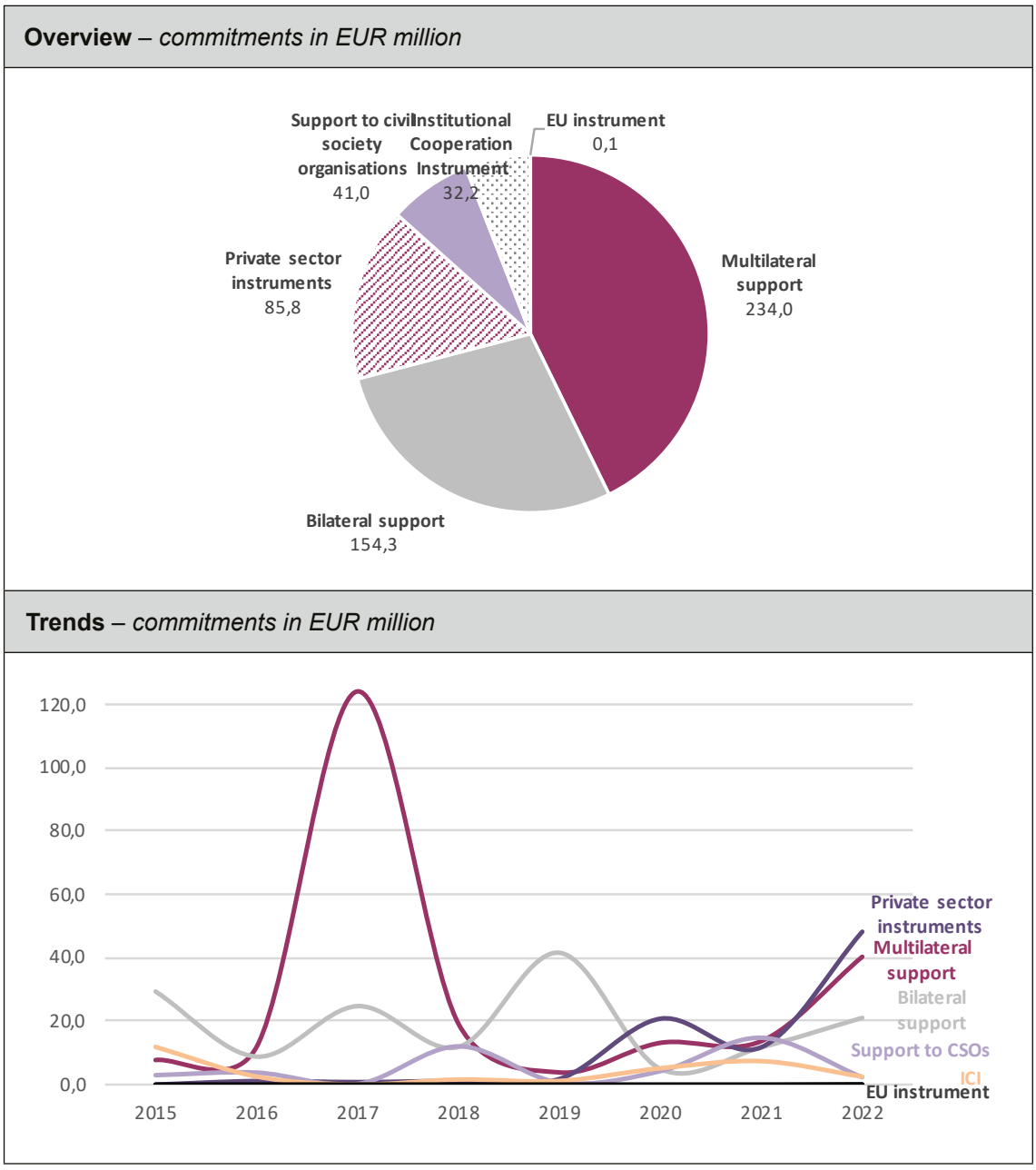
Table 2 Sub-sectors by largest countries in the portfolio (> EUR 5 million, 2015-2022)

COUNTRY	COMMITMENTS, EUR MILLION	PROPORTION/%
Ethiopia		
Water	48.17	86%
Disaster risk reduction and meteorology	7.39	13%
Other sectors (energy, private sector)	0.28	<1%
Tanzania		
Forestry	26.62	96%
Other sectors combined (energy, water, disaster risk reduction, private sector)	0.97	4%
Nepal		
Water	15.97	82%
Disaster risk reduction and meteorology	2.50	13%
Other sectors combined (forestry, energy)	0.98	5%
Myanmar		
Forestry	17.10	97%
Energy	0.48	3%
Ukraine		
Energy	10.94	63%
Disaster risk reduction and meteorology	6.40	37%
Forestry	0.11	1%
Kenya		
Forestry	9.78	91%
Other sectors combined (energy, water)	0.98	9%
Mozambique		
Disaster risk reduction and meteorology	4.80	87%
Other sectors combined (forestry, energy)	0.70	13%

Source: MFA/Evaluation Team

Multilateral instruments emerged as the most significant within the environment and natural resources portfolio, accounting for 43% of the total. Bilateral support represented the second-largest instrument, comprising 28% of the portfolio (Figure 7). Private sector instruments accounted for 16% of the environment and natural resources commitments. The trend data echoes the fact that the private sector instruments play an increasing part in the environment and natural resources portfolio.

Figure 7 Environment and natural resources portfolio per instrument (commitments, EUR million, 2015-2022)



Source: MFA/Evaluation Tea

4 Findings

4.1 Improvements in the state of the environment and sustainable use of natural resources contributed to by Finland's engagement

EQ1: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? (Summative.)

Finland's engagement **across the environment and natural resources portfolio** in 2010-2024 is linked to documented changes in environmental conditions, resource use practices, and the operationalisation of international environmental commitments. However, the strength, consistency and verifiability of these results vary across sub-sectors, instruments and contexts: some areas show clearer, quantified outcome gains, while others primarily strengthen systems and capabilities whose durability depends on follow-through and sustained resourcing.

Forests, ecosystems and biodiversity. Finland's engagement is associated with protection, restoration and more sustainable management of several million hectares of forest. Where community-based forest management arrangements were established and functioning, forest cover outcomes were stronger, including substantially lower deforestation in community-managed areas compared with surrounding areas. Biodiversity outcomes are described as more moderate overall, with bilateral forestry cooperation often prioritising forest cover and production objectives and showing inconsistent treatment of biodiversity objectives and related evidence. Biodiversity-related results are more evident through civil society and multilateral channels, which supported conservation, monitoring and biodiversity governance processes, while site-level biodiversity effects remain more unevenly demonstrated across cases.

Water as a natural resource. Finland's engagement is linked with expanded access to improved water and sanitation services, with documented scale and associated health and livelihood benefits in key country cases. Results were stronger where interventions were integrated in national and subnational systems and where governance and service delivery arrangements were reinforced through longer-term engagement. The Water as a natural resource-report also presents these improvements mainly through service and institutional performance, rather than through consistently verified longer-range ecological change. Risks and limitations relate to uneven sustainability and scaling, including where operational follow-through, financing continuity, or system-wide coordination were constrained.

Clean energy, circular economy, and critical minerals (Energy+). Finland-supported renewable energy investments generated substantial annual electricity output and are associated with significant emissions reductions and expanded energy access. Finland's engagement also contributed to reductions in plastic leakage into aquatic ecosystems, including through platforms and market-oriented approaches. The evidence presented emphasises investment and enabling mechanisms, with environmental co-benefits beyond emissions and pollution reduction – particularly biodiversity-related effects – treated mainly as indirect and not consistently substantiated. The Energy+ report also notes recurring bottlenecks in translating technical preparation and early-stage pipeline work into delivery at scale, especially where delivery arrangements, financing predictability, and readiness to implement were limited.

Disaster risk reduction and meteorology. Finland's engagement strengthened hydrometeorological and multi-hazard early warning capacities in a large number of countries through support to institutional systems, technical infrastructure, training and operational procedures. Improvements are described in terms of strengthened forecasting and monitoring functions and more systematic generation, dissemination and use of warning information, including routine adoption through standard operating procedures. The Disaster risk reduction and meteorology report frames resilience gains in this area primarily through improved preparedness and risk management capacity, rather than through directly measured reductions in ecosystem degradation. Sustainability and systemic reach are shown to depend on continued institutional coordination, interoperability and resources for maintenance and operations, with vulnerabilities where these conditions remain fragile.

Governance, knowledge systems and institutional practice across sub-sectors. Across sub-sectors, Finland's support is often linked to improved governance arrangements, information systems and operation procedures, particularly participatory planning, spatial decision-support and the collection and use of environmental and risk-related data. Where these tools and processes were adopted into routine institutional practice, they influenced how services were delivered and how environmental decisions were made. Evidence also points to variation in data quality, interoperability and long-term maintenance, with data gaps and resource constraints for upkeep limiting continued use in some cases.

International commitments across sub-sectors. Evidence links Finland's support to the implementation of international commitments mainly through multilateral organisations and global or regional platforms that help countries and institutions apply agreed frameworks. Contributions are described in terms of strengthened capacities for monitoring, reporting, coordination and early warning, and support to biodiversity-related governance and implementation processes. The evidence presented is primarily at an enabling and systems level, rather than demonstrating direct attribution to global outcomes.

Constraints and limiting factors across sub-sectors. There are recurring constraints that shaped the scale, durability and consistency of results. A common pattern is that pilots, studies and technical assistance projects did not always progress to wider implementation due to gaps in delivery arrangements, financing continuity and practical support that bridges preparation to implementation. Equity, participation and benefit-sharing were uneven where local incentives and power dynamics were not sufficiently addressed. Continuity risks are noted where institutional mandates shifted, coordination weakened, or resources for operations and maintenance were insufficient, alongside wider risks associated with reduced development resources for sustaining long-term engagement.

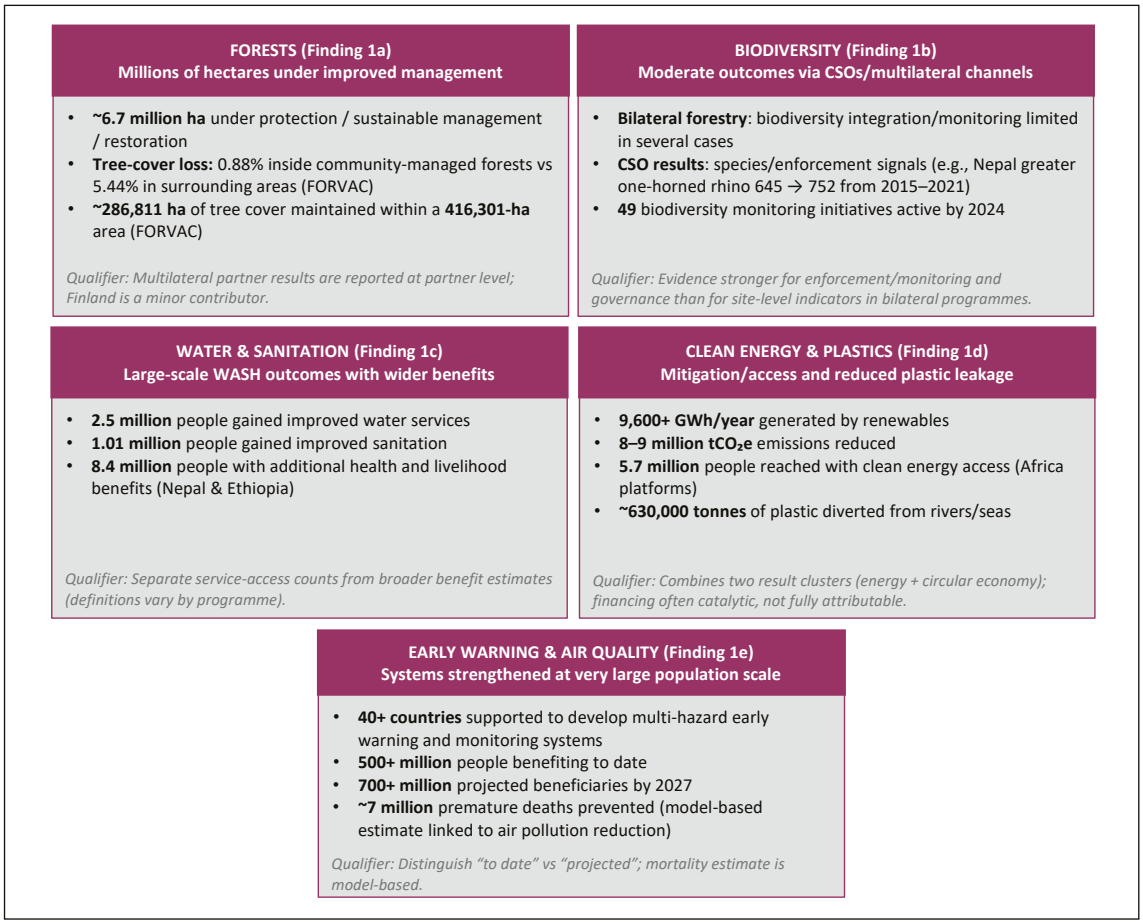
4.1.1 Results and impact of Finland's engagement in environment and natural resources

Finding 1. Finnish environment and natural resources portfolio contributed to measurable improvements in ecosystems and environmental quality, including expanded forest cover, improved water and sanitation outcomes, expansion of clean energy, reduced plastic pollution, and strengthened early-warnings systems, while biodiversity results were comparatively weaker and less consistently documented.

Finland's environment and natural resources portfolio generated large-scale, quantifiable environmental and social outcomes across all four domains evaluated. Significant achievements include increasing community-based management and sustainable use of forests (supported by the introduction of geospatial technologies), a significant rise in improved access to water resources, clean water and sanitation services, expansion of clean energy and waste management (especially plastic waste) and strengthened weather and early-warnings systems in support of global efforts to increase resilience to climate change. Least gains were made in biodiversity (see also Finding 7 on monitoring constraints).

Sub-findings 1a-1e focus on sub-sectoral key results with forest and biodiversity discussed in separate sub-findings. Figure 8 presents a summarised version:

Figure 8 Key results by subsector (Findings 1a-1e)



Source: Particip

Finding 1a. Finnish cooperation has contributed to the protection, restoration and sustainable management of several million forest hectares.

As presented in the sub-sector evaluation on **Forests, ecosystems and biodiversity**, Finland-supported bilateral and civil society interventions evidenced approximately 6.7 million hectares brought under protection, sustainable management or restoration (FORVAC, Tanzania, 2017-2024: 460,518 ha; DFONRMP/DFA, Zambia, 2015-2019: 32,707 ha; WWF, global, 2018-2024: 6.7 million ha; Siemenpuu, global, 2015-2025: 9,100 ha). Deforestation fell inside community-managed forests while comparable reference areas continued to lose tree cover, with tree-cover loss held to 0.88% inside Village Land Forest Reserves versus 5.44% in surrounding areas, maintaining about 286,811 hectares of tree cover within a 416,301-hectare area (see Figure 9; FORVAC, Tanzania, 2017-2024; see Finding 6 on resilience-relevant evidence from verified ecosystem management). In addition, Finland's contributions helped multilateral partners in achieving a portion – relative to its minor contribution – of their results: 238 million hectares terrestrial have been protected or restored (IUCN, global, 2021-2024: 11 million ha; GEF, global, 2018-2024: 227 million ha) and 1.5 billion hectares of marine area (GEF, global, 2018-2024).

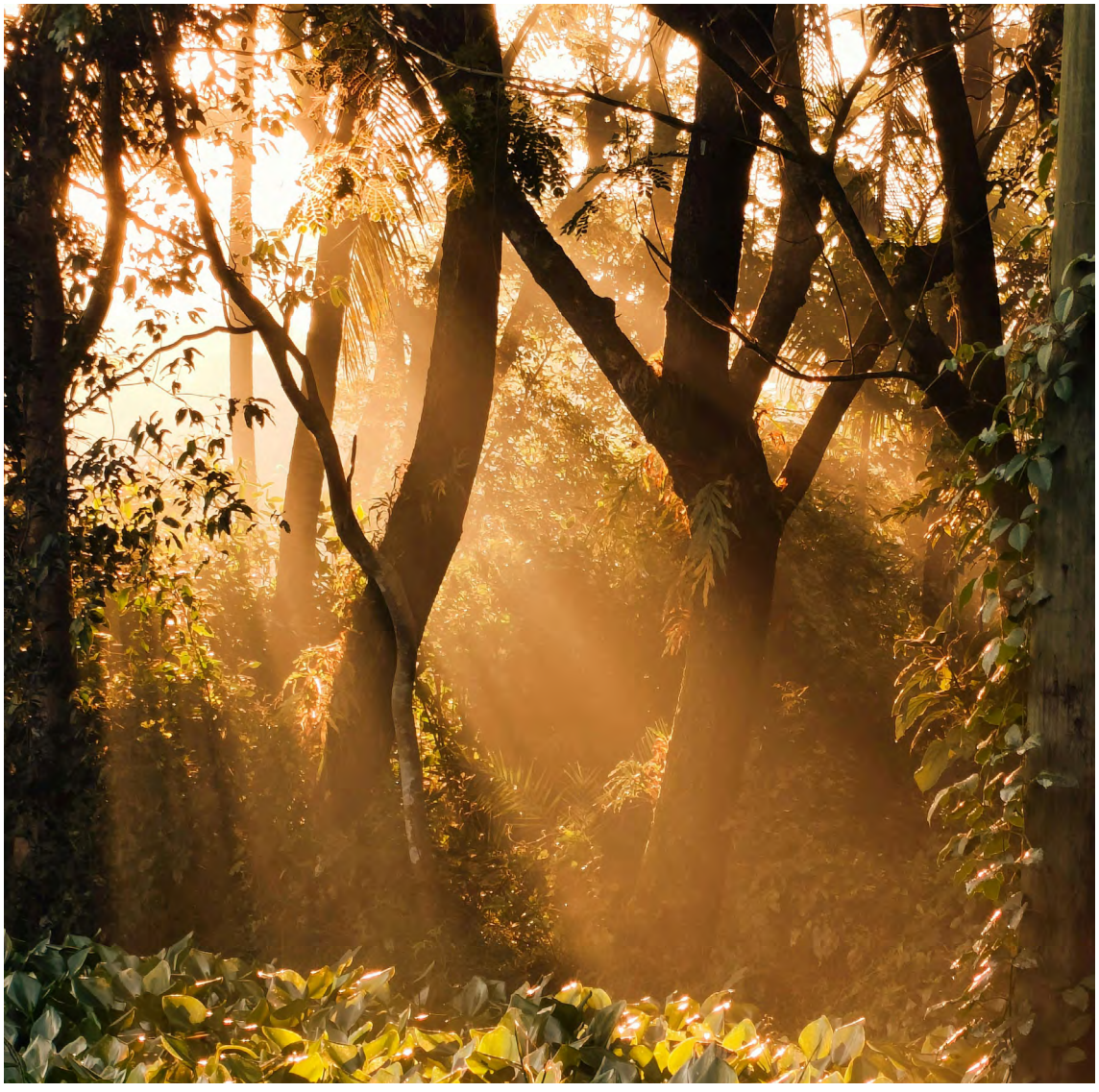
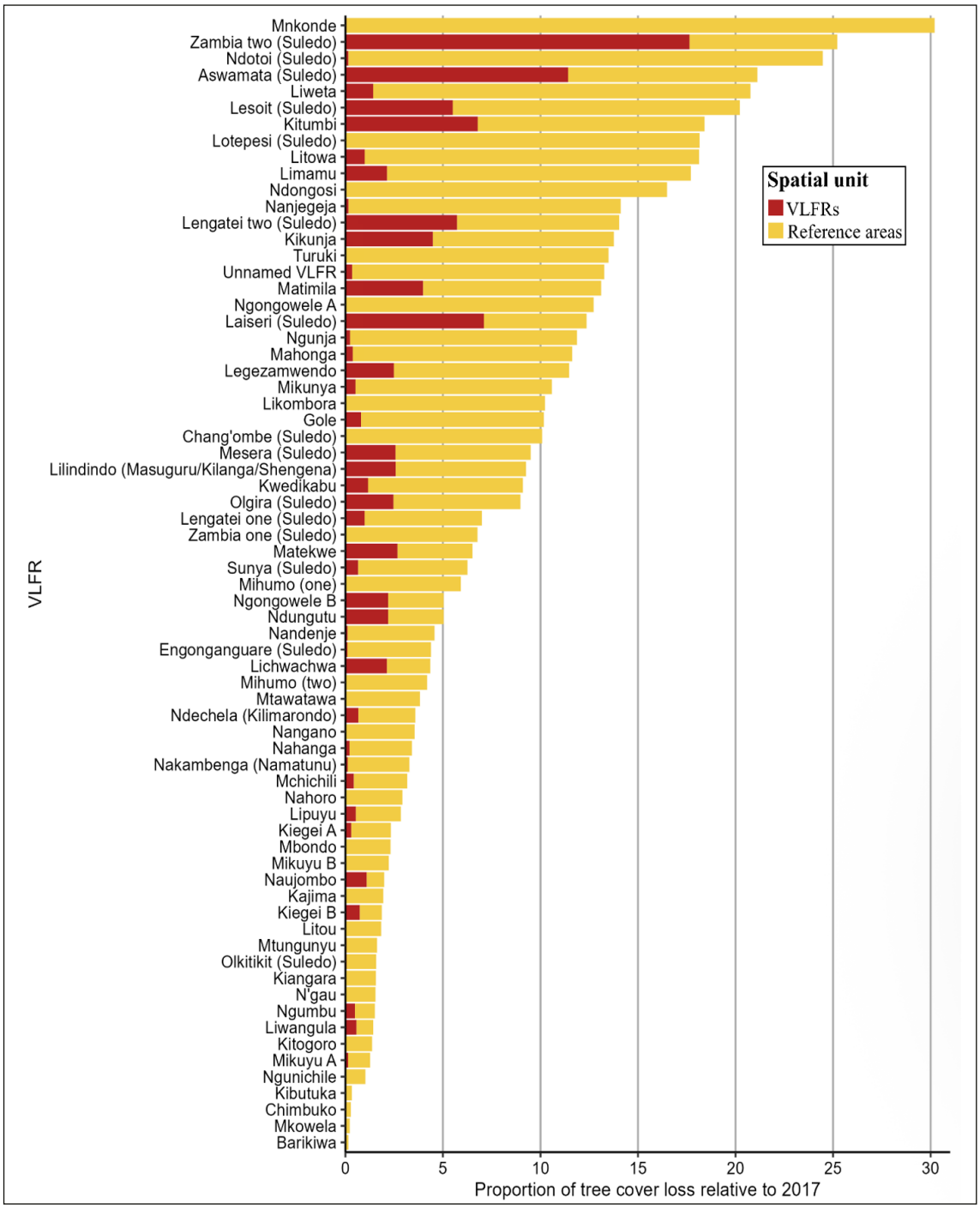


Figure 9 Percentage of tree cover loss in each village land forest reserve (VLFR) and its reference area relative to their area covered by trees in 2017



Source: Evaluation Team's geospatial analysis (see sub-sector evaluation on Forests, ecosystems and biodiversity for more details)

Finding 1b. Bilateral forestry programmes largely prioritised forest cover and production objectives over biodiversity integration and monitoring, while civil society and multilateral channels delivered more tangible biodiversity gains and strengthened global biodiversity governance.

Evidence from the sub-sector evaluation on **Forests, ecosystems and biodiversity** indicates that biodiversity was not systematically embedded in bilateral forestry programming. For example, the evaluation notes that in Tanzania, biodiversity integration and monitoring were limited in the forestry portfolio, and in Lao PDR intended protected-area management and integrated conservation-development objectives were not realised, leaving biodiversity considerations effectively neglected. The sub-sector report also notes that planned biodiversity-promoting actions in plantation-related programming were not implemented, reinforcing a gap between intent and evidenced biodiversity outcomes (see also Finding 4 on biodiversity benefits as indirect co-benefits and indicator gaps in **Energy+**).

By contrast, the sub-sector evaluation on **Forests, ecosystems and biodiversity** reports more concrete biodiversity-related results through Finnish-supported civil society organisations and multilateral partners. WWF Finland reports species and enforcement-related results (including recovery trends for elephants and rhinos in East Africa with declining poaching; increases in Nepal's greater one-horned rhino population from 645 in 2015 to 752 in 2021; repeated 365-day 'zero-poaching' periods; and maintenance of a stable orangutan population within programme landscapes), alongside strengthened evidence generation (49 biodiversity monitoring initiatives active by 2024). Multilateral partners supported with Finnish core contributions (including the International Union for Conservation of Nature, the Global Environment Facility and the United Nations Environment Programme Nature Fund) contributed primarily through normative/catalytic results – global public goods, platforms, capacity-building and implementation support for biodiversity frameworks – rather than project-attributable site-level biodiversity indicators.

Finding 1c. Finnish cooperation has enabled over 2.5 million people to gain access to improved water and sanitation, with additional health and livelihood benefits for 8.4 million people in Nepal and Ethiopia.

Evidenced in the sub-sector evaluation on **Water as a natural resource**, WASH interventions delivered substantial improvements in water quality, sanitation, and hygiene (see also Finding 8 on institutional embedding and routine adoption as drivers of durable service-delivery gains). In Nepal and Ethiopia, Finnish-funded programmes contributed to 2.5 million people gaining improved water services and 1.01 million gaining improved sanitation, with widespread Open Defecation Free outcomes and reduced waterborne disease risk. Beyond that, Finnish cooperation contributed to additional health and livelihood benefits for 8.4 million people in Nepal and Ethiopia.

Finding 1d. Finland's renewable energy projects generated over 9,600 GWh annually, cut 8-9 million tCO_2e, and expanded clean energy access in Africa to 5.7 million people. Finnish cooperation helped prevent nearly 630,000 tonnes of plastic from entering aquatic ecosystems.

As per the sub-sector evaluation on **Energy+**, Finnfund- and International Finance Corporation-backed renewable energy projects generated over 9,600 GWh annually, cut 8-9 million tCO_2e, and through the Energy and Environment Partnership Trust Fund, clean energy access was extended to 5.7 million people. In the circular economy, Cross-cutting water and circular economy sectors, Finnish catalytic financing enabled the diversion of nearly 630,000 tonnes of plastic waste

from rivers and seas through RiverRecycle and Circulate Capital. These efforts reduced pollution loads in tropical aquatic ecosystems while strengthening circular economy value chains – clear long-range Theory of Change contributions to environmental protection and reduced ecosystem stress.

Finding 1e. Finland has strengthened the capacity of over 40 countries to develop multi-hazard weather, early warning and air quality monitoring systems that indirectly benefit over 500 million people to date, and which are projected to indirectly benefit over 700 million people by 2027.

Finland, as evidenced in the sub-sector evaluation on **Disaster risk reduction and meteorology**, has mainly through FMI strengthened the capacity of over 40 countries to develop multi-hazard weather, early warning and air quality monitoring systems that indirectly benefit over 500 million people to date, and which are projected to indirectly benefit over 700 million people by 2027. Increased capacities to develop multi-hazard weather, early warning and air quality monitoring systems have done their part to contribute to the beneficiary countries' efforts to reduce air pollution. The air pollution reduction has prevented an estimated seven million premature deaths in the countries covered by FMI's projects. Increased awareness on disaster risk reduction has witnessed a marked shift from reactive to proactive action in advance of extreme weather and climatic events, or a prolonged decline in air quality due to human activity or natural events like volcano eruptions in line with the long-range results 2 (Social) and 3 (Cooperative) of the Theory of Change.

Finding 2. Finnish-supported participatory planning, spatially explicit tools and efforts to clarify stakeholder rights strengthened inclusive management of environment and natural resources by making resource-use and risk decisions more transparent, locally anchored and enforceable.

Across sub-sectors, Finland supported participatory and evidence-based planning that clarified 'what happens where' and strengthened the conditions for cooperative management. As presented in the sub-sector evaluation on **Forests, ecosystems and biodiversity**, this included village land-use planning and participatory forest management planning, supported by tenure-related clarity tools that helped local users and authorities define boundaries, rules and responsibilities. In **Water as a natural resource**, participatory spatial planning approaches (including Nepal's Local Adaptation to Climate Change-type planning and Zanzibar-type processes) strengthened whole-system governance by linking ecosystems, catchments and local livelihoods to agreed management measures. In **Energy+**, geological and geochemical mapping products and circular economy roadmaps strengthened the information base and planning frameworks guiding land-use and resource decisions. In **Disaster risk reduction and meteorology**, risk mapping and hazard information underpinned national and subnational disaster risk reduction strategies and the targeting of actions to priority risk areas. Together, these measures improved the transparency and predictability of decision-making, reduced ambiguity over resource-use priorities and responsibilities, and enabled more sustainable management outcomes (see also Finding 16 on institutionalised standards/data routines, and Finding 18 on enabling functions for more rules-based markets).

Finding 3. Finnish-supported governance reforms and coordination mechanisms strengthened legitimacy and functioning of inclusive systems; where participation or benefit-sharing mechanisms were weak, grievances were more likely to surface.

Finland's support strengthened cooperative management by improving the institutions, procedures and stakeholder engagement mechanisms through which shared rules are implemented. In

Forests, ecosystems and biodiversity, enabling legal and procedural frameworks, management guidelines and information systems supported more systematic community-government cooperation and compliance. In **water governance**, Finland strengthened basin-level and international cooperation through support to transboundary institutions and water governance processes, while long-term partnerships helped embed governance practices into national systems. In **Disaster risk reduction and meteorology**, Finland strengthened National Hydro-Meteorological Services and multi-hazard early warning systems, including standard operating procedures, institutional capacity and cross-border cooperation arrangements that enable timely early action. Across the portfolio, inclusion measures helped ensure that groups with lower social status and differentiated vulnerability could be heard and protected, improving legitimacy and effectiveness of management decisions. The evidence also shows the converse in at least one large infrastructure example: in Kenya's Lake Turkana Wind Power investment, while successful in its **clean energy** provision (see Finding 4), local concerns were raised about land use and exclusion from benefits – underscoring that fair participation and benefit-sharing are important conditions for maintaining legitimacy and reducing conflict risks. At the same time, the Finnfund intensive study (Annex 4) cites independent impact assessments of Lake Turkana Wind Power reporting substantial local employment and community investments and suggesting improvements in livelihoods and reduced inter-communal conflict, underscoring the potential for wider socio-economic co-benefits when local engagement is strong.

Finding 4. Through blended finance and catalytic support, Finland mobilised significant clean-energy and circular-economy investment and supported policy uptake that reduced emissions and pollution; biodiversity benefits were mainly indirect co-benefits and evidence rarely supported direct biodiversity outcomes.

Finland's private sector instruments and blended finance partnerships show clear evidence of mobilisation of co-finance and deployment of capital into clean energy and circular economy solutions, consistent with the Theory of Change pathway where catalytic inputs enable pilot projects and scale-up (short-range), followed by wider adoption and investment (medium-range). As summarised in Finding 1d, in **Energy+**, Finnfund-backed renewable energy companies generated 9,600 GWh annually, with a portfolio dominated by renewables (95%). The Finnfund intensive study (Annex 4) further notes that renewable energy and sustainable forestry together account for roughly half of Finnfund's active commitments, with annual environment and natural resources commitments reaching EUR 64.2 million in 2023 and typically leveraging extensive co-financing with other development finance institutions. Flagship investments such as Kenya's Lake Turkana Wind Power (310 MW) reportedly supply 14% of national electricity, reducing reliance on fossil generation. The International Finance Corporation-Finland Blended Finance for Climate Programme is reported to have supported 17 large-scale renewable projects, illustrating the 'new investments' effect as structured co-financing and private capital mobilisation rather than an indirect ripple effect. However, the blended finance portfolio intensive study (Annex 7) concludes that, while these vehicles are effective in delivering their core climate/development objectives, there is still limited evidence that Finland has been able to systematically translate its contributions into Finnish company participation or procurement-linked 'Finnish interest' in investee projects (see Finding 13 on implementation-ready preparation and aftercare as frequent breaking points).

Evidenced in the sub-sector evaluations on **Water as a natural resource** and **Energy+**, in the case of circular economy and pollution reduction, platforms and catalytic grants in which Finland contributed to, provide similarly concrete evidence of investment mobilisation and measurable environmental outcomes. The High Impact Partnership on Climate Action (HIPCA) is reported to have mobilised EUR 389 million through European Bank for Reconstruction and Development

co-financing and to have enabled reuse of over 75 million m³ of wastewater annually in North Africa. In plastics and waste-to-value solutions, Finland's support to Circulate Capital (USD 10 million) is reported to have unlocked USD 66 million from other investors; by 2024 the platform had channelled nearly USD 300 million into 21 companies, preventing approximately 622,000 tonnes of plastic waste from reaching rivers and seas during 2020-2024, with projected further prevention capacity in the early 2030s. In addition, Finnpartnership support to RiverRecycle is reported to have helped launch and scale operations (initially Indonesia and the Philippines, later expanding to India, Ghana, Bangladesh), with operations increasing twenty-fold (2020-2024) and the enterprise attracting additional financing to expand diversion capacity over the longer term. These results align with Theory of Change sequences in which innovative initially small-scale projects and demonstration models (short-range) enable institutional and market uptake (medium-range), contributing to long-range outcomes on reduced pollution and resource pressure.

Evidence of reforms is strongest where Finland-supported approaches were taken up in policy and system-level steering rather than inferred from environmental outcomes alone. The **Energy+** report notes, based on interview evidence, that Sitra's circular economy toolkit has been referenced in national circular economy roadmaps, embedding lifecycle thinking into public-sector steering mechanisms such as procurement systems, sectoral investment strategies and budgeting processes – a clearer instance of policy uptake than a general claim that improved services 'stimulated reforms.'

Biodiversity-related effects are best treated as indirect co-benefits (e.g., reduced pollution loads and reduced pressure on aquatic and terrestrial ecosystems through improved waste management and cleaner energy). However, the **Energy+** report is explicit that biodiversity and ecosystem results were poorly captured, and that biodiversity/ecological health was not systematically incorporated into project frameworks, including due to indicator gaps. Accordingly, while ecosystem co-benefits are plausible within the Theory of Change logic, the evidence base in the sub-sector reports does not support a strong causal claim that these interventions advanced biodiversity goals in a systematically measured way.

Finding 5. Improved hydrometeorological and early warning system services have induced more risk-informed policy dialogue, planning and decision-making to accelerate climate resilience and protection of environmental assets in the majority of Finland's partner countries.

Across more than 40 countries, Finnish support through FMI enabled National Hydro-Meteorological Services to adopt real-time weather and air-quality monitoring systems and establish Multi-Hazard Early Warning Systems. The adoption of SmartMet/SmartAlert software improved forecasting workflows, supporting earlier alerts, impact-based warnings and better-informed public decisions in line with the long-range results and impact in the Theory of Change.

Joint regional trainings strengthened transboundary hazard monitoring, with demonstrable improvements in glacier outburst and storm forecasting in Central Asia and East Africa. These upgrades supported regional WMO centres, enabling more accurate sub-regional climate hazard forecasting and paving the way for expanded numerical weather prediction capacity. Community-based early warning systems under civil society organisation programmes, such as those led by Finnish Red Cross, improved local preparedness, with over 313,000 people trained and over 112,700 benefitting from functioning community-based systems.

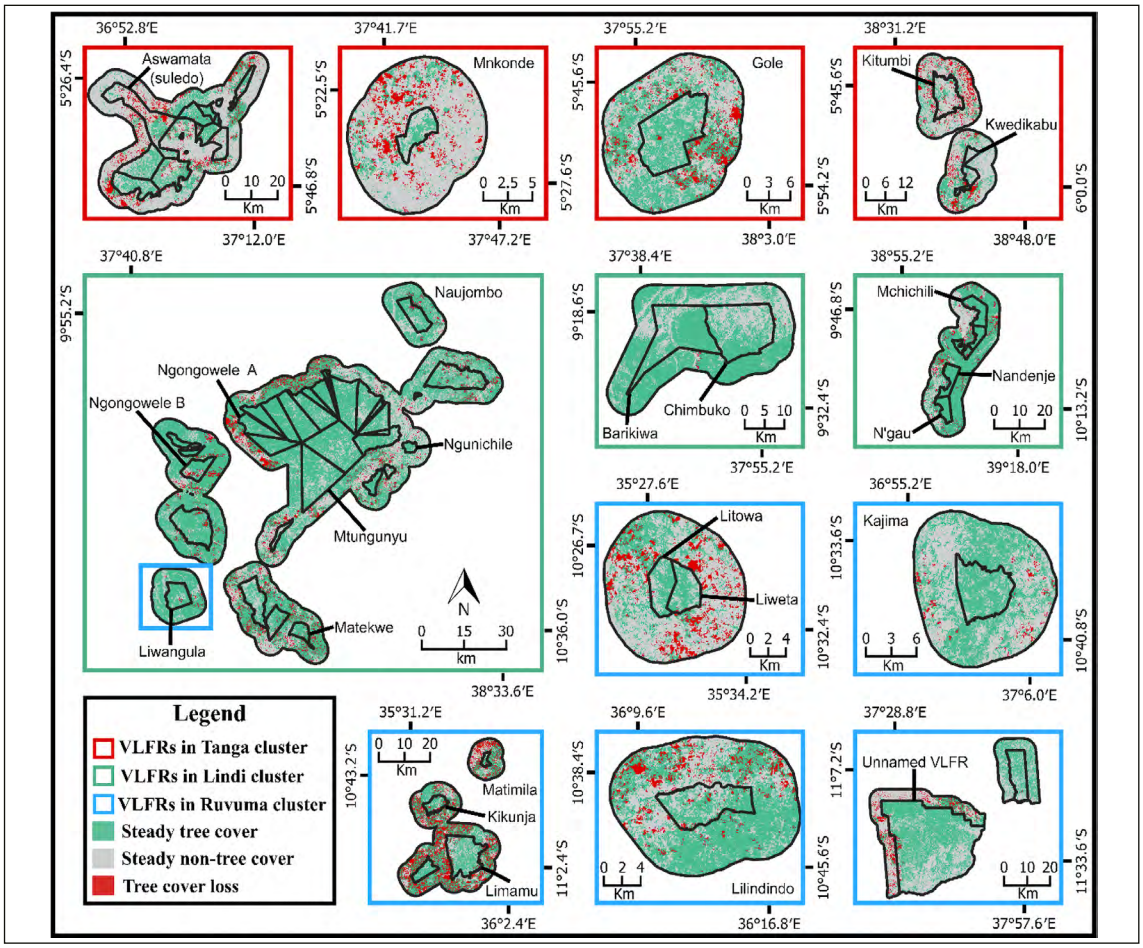
These results follow the Theory of Change sequence from strengthened knowledge systems (short-range results) to improved institutions and cross-border cooperation (medium-range), to

reduced loss of life (see also Finding 1e) and increased climate preparedness (long-range). They also contribute to international frameworks, especially the Sendai Framework's Targets A, E, F and G (see also Finding 11 on translating capability gains into durable services through O&M and financing models).

Finding 6. Finland's contribution to ecosystem resilience is most clearly evidenced through (i) verified improvements in ecosystem management that sustain regulating services and (ii) strengthened preparedness and early warning systems that reduce losses from climate- and weather-related hazards.

In **Forests, ecosystems and biodiversity**, resilience-relevant results are evidenced where interventions strengthened forest condition and governance at scale. In Tanzania, the evaluation reports 460,518 hectares under community forest management plans, including 52,609 hectares under strict protection, alongside lower deforestation trends in assessed village land forest reserves; these patterns are also supported through interviews and geospatial analysis (see Finding 1a for the quantified forest-cover/protection results that underpin this resilience claim). The results show that most reserves have served as effective barriers against deforestation (Figure 10), demonstrating strong sustainability of the results.

Figure 10 Tree cover dynamics 2017-2024 in the analysed village land forest reserves and their corresponding reference areas (5 km buffers)



Source: Evaluation Team's geospatial analysis (see sub-sector evaluation on Forests, ecosystems and biodiversity for more details)

These verified management and protection results are consistent with the Theory of Change logic that stronger ecosystem management contributes to resilience by maintaining ecological buffers (e.g., water regulation and erosion control). However, while the sub-sector theory of change frames these wider benefits as expected when cross-sector coordination and equitable benefit-sharing conditions hold, the evaluation evidence base is stronger on management/protection achievements than on measured downstream hydrological or landslide-risk impacts.

In water and pollution-related pathways, the **Water as a natural resource** report provides strong evidence of quantified reductions in pollution pressures (e.g., plastic leakage prevention through supported initiatives), which plausibly supports healthier aquatic ecosystems and resilience. The same report also explains – drawing on wider context – that waste plastic can aggravate flood risk by blocking drainage channels; however, flood-risk reduction is not presented as a directly measured outcome of the supported plastic recovery interventions in the evaluation evidence. In **Energy+**, evidence for resilience is mainly at the enabling level: policy and system uptake that can reduce long-term resource pressure and pollution (e.g., circular economy approaches referenced in national roadmaps and public-sector steering mechanisms). These are best treated as governance and uptake contributions consistent with the Theory of Change (short-range pilots and tools enabling medium-range uptake), rather than as verified ecosystem-resilience outcomes on their own.

In **Disaster risk reduction and meteorology**, resilience is evidenced primarily through strengthened institutional capacity and coverage of early warning and preparedness systems rather than ecosystem restoration. The report estimates over 500 million people have access to improved early warnings through Finland's support, and documents establishment and strengthening of multi-hazard early warning systems and use of FMI's SmartMet/SmartAlert solutions in at least 30 countries, supporting earlier action to protect lives and assets. At the same time, the report notes that stronger cross-sector integration (including systematic linkage to ecosystem-based risk reduction) has been less evident – so 'ecosystem resilience' effects in Disaster risk reduction and meteorology are more defensibly framed as reduced vulnerability through improved warnings and preparedness than as measured reductions in ecosystem degradation.

Finding 7. Impact monitoring across Finland's environment and natural resources portfolio has not consistently been benchmarked or designed for independent verification, which has constrained learning about outcomes, unintended effects, and sustainability.

Across the four sub-sectors, the evidence base for outcomes and impacts varies markedly because monitoring frameworks, indicators, and post-project tracking have been uneven. In the **Disaster risk reduction and meteorology** sub-sector, the report explicitly notes 'inconsistent monitoring frameworks and post-project tracking' as a key limitation, and links this to constraints on adaptiveness and systemic learning. In the **Energy+** sub-sector, the report similarly highlights that – while some programmes had clearer indicators – others lacked consistent monitoring frameworks or comparable outcome data; it also notes inconsistency in methodologies used for estimating emissions abatement, which reduces comparability and confidence in aggregate results. In contrast, the Finnfund intensive study (Annex 4) highlights that several major investments have been assessed through independent evaluations, providing relatively robust externally validated evidence on outcomes such as jobs, energy access and emissions reductions – illustrating the learning value of third-party impact assessments for large-scale investments.

In **Forests, ecosystems and biodiversity**, the evaluation's own geospatial work demonstrates most clearly what this means in practice: project spatial datasets required substantial cleaning

(e.g., overlapping polygons, missing or incorrect geometries, incomplete documentation), and even after this effort 'the official project coverage could not be fully validated,' reducing transparency, accountability and the scope for adaptive management and long-term monitoring (see Box 1). Together, these sub-sector findings indicate that, in many cases, the absence of consistent benchmarks and verification-ready monitoring approaches has weakened the ability to (i) credibly evidence portfolio-level outcomes, (ii) learn systematically about what works under different conditions, and (iii) manage for the long-range results envisaged in the Environment and Natural Resources theory of change.

Box 1 Geospatial analysis lessons for Environment and Natural Resources programming (from the Forests, ecosystems and biodiversity sub-sector)

The evaluation's forestry analyses show the value of remote sensing for independently examining landscape-level change over time and across dispersed sites. Using free satellite data (Sentinel-2) and cloud processing, the evaluation assessed forest-related change trajectories (e.g., establishing pre-project baseline years and comparing against later periods) and processed large image volumes (e.g., 7,508 Sentinel-2 scenes for the Tanzania plantation assessment).

At the same time, the evaluation found that the credibility and replicability of geospatial evidence depend fundamentally on the quality of project spatial datasets and documentation. Across the major forestry interventions assessed, spatial layers contained gaps and inconsistencies (including overlaps, missing or incorrect geometries, and incomplete metadata), requiring substantial correction before analysis could proceed; even then, official coverage could not be fully validated in all cases (see the Evaluation Team's geospatial analysis in the sub-sector evaluation on Forests, ecosystems and biodiversity for more details).

Practical implications drawn from these lessons: geospatial methods are a powerful complement to conventional reporting for long-term, spatially distributed outcomes, but they require (i) standardised geo-referencing and metadata practices, (ii) clear data stewardship and version control, and (iii) consistent spatial data collection protocols so that results can be verified and reused for monitoring and adaptive management over time.

4.1.2 Changes in the environment and natural resources through Finnish engagement

Finding 8. Finland's strongest governance and service-delivery results in environment and natural resources occurred where reforms were embedded in partner institutions and proceduralised in routine administration, while fragmented follow-up and short cycles limited systemic reach.

Across the portfolio, the sub-sector reports show that durable change depended less on one-off capacity inputs and more on whether partners adopted and maintained new systems and routines as 'business as usual.' In **Forests, ecosystems and biodiversity**, Vietnam's forest information system became a backbone for day-to-day administration (nationwide use across provinces and communes), but the report also notes continuity risks where maintenance and enabling policy conditions weakened (e.g., some open-data functions lapsed after the FORMIS phase). In **Water**

as a natural resource, the strongest WASH results are linked to institutional embedding and alignment with national reforms and co-financing (notably through Ethiopia's One WASH National Programme and Nepal's WASH Management Information System), while weaker enabling governance conditions and design weaknesses undermined sustainability in other cases.

In **Disaster risk reduction and meteorology**, the same 'institutionalisation' pattern appears through master-trainer approaches and the codification of standard operating procedures, including measures to secure post-project continuity (e.g., establishing cross-organisational SmartMet teams as part of exit strategies). In **Energy+**, embedding is evidenced where approaches became part of policy steering or sustained coalitions (e.g., circular economy roadmaps and coalition-building platforms), while fragmentation is illustrated by concrete aftercare and scaling gaps – such as the Vietnam concessional credit waste engagement where follow-on mechanisms were weak, and a documented 'missing middle' finance constraint (EUR 1-10 million) that prevented pilots from scaling and contributed to firm failures without follow-on capital (see also Finding 13 on follow-on financing/aftercare as breakpoints, and Finding 32 on pre-bid/preparation gaps in procurement cycles).

Finding 9. Inclusive, community-linked governance models strengthened legitimacy and local problem-solving, but weak enabling conditions often limited how far local gains translated into broader system change.

The sub-sector reports provide consistent evidence that community-linked delivery models improve relevance, ownership and reach – yet also show that inclusion gains did not automatically translate into equitable benefit-sharing or wider system-level outcomes. In **Forests, ecosystems and biodiversity**, the report describes community-based forest management as effective when implemented as a 'bundle' (clear rights, capable local institutions, cooperation with authorities and livelihood/value-chain incentives), but it also documents that results weakened when funding cycles ended prematurely and explicitly finds weak evidence of sustained equitable benefit-sharing as a medium-range result; it further notes cases where biodiversity integration was neglected or planned biodiversity actions were not implemented.

In **Water as a natural resource**, inclusion is evidenced through embedded gender equity, disability and social inclusion approaches and women's participation/leadership in local governance structures, but the report also notes that environmental sustainability and resilience measures were often insufficient at scale – highlighting limits to 'system translation' where enabling measures are weak. In **Disaster risk reduction and meteorology**, the Finnish Red Cross approach demonstrates disaggregated vulnerability analysis and community participation as critical for relevance and ownership, while also pointing to constraints from sector-based approaches and limited authority of national partners to drive inter-institutional coordination. **Energy+** similarly reports strong welfare and access gains under flexible challenge funds and NGO-led models but emphasises uneven empowerment effects and constraints from grant-dependence, weak procurement/market systems and fragmented pilots that limited scaling.

Finding 10. Effectiveness and sustainability were higher where Finland's environment and natural resources engagement was well matched to the political-institutional context and could adapt to shifts in partner systems; sustainability risks materialised where counterpart institutions, mandates or coordinating structures weakened.

Across the portfolio, the evidence supports a cautious 'pattern' claim: alignment with reform windows and counterpart capacity strengthened sustainability, while institutional disruption or weak

coordination curtailed longer-term follow-through. In **Forests, ecosystems and biodiversity**, the report links stronger durability to long-horizon engagement where counterparts maintained ownership and reform momentum but also documents concrete continuity risks – such as FORMIS facing obsolescence risks without renewed mandates/investment and BioCAN losing continuity after an institutional dissolution. In **Water as a natural resource**, the report notes that contextual factors (e.g., Nepal's federalisation and Ethiopia's national programme trajectory) shaped opportunities and that adaptive management mattered; it also documents uneven sustainability where enabling political/institutional conditions were absent.

In **Disaster risk reduction and meteorology**, adaptability is evidenced through FMI's 'continuous learning' across phases feeding into planning and design of subsequent phases, and through explicit attention to exit/continuity arrangements. In **Energy+**, the report is explicit that effectiveness weakened where context and instruments did not match reform timelines or operational realities – highlighting rigid instruments in fragile contexts (e.g., Ukraine), short cycles, and fragmented coordination as recurring constraints on sustainability and systemic reach.

4.1.3 Lessons learned from Finland's engagement on environment and natural resources

Finding 11. Public-public cooperation was highly effective for capability formation, standard-setting and institutional legitimacy in environment and natural resources management, but translating these gains into durable, scalable services depends on early planning for operations, maintenance and financing – including fit-for-purpose procurement and (where relevant) complementary private sector roles.

Across the sub-sectors, the evidence shows that public-public cooperation (including Institutional Cooperation Instrument-type modalities and technical partnerships) is well suited to developing the 'public good' foundations of environmental management: standards and procedures, data systems, professional capacity, and legitimacy of public institutions. In **Forests, ecosystems and biodiversity**, Finland's technical support strengthened national forest inventory and monitoring approaches and global/partner tools used for national reporting and policy credibility, illustrating the comparative strength of public-to-public capability building in establishing decision-grade baselines and standardised methods. In **Disaster risk reduction and meteorology**, the report similarly indicates strong gains in capability and procedures through public institutional partnerships and multilateral cooperation framed by global initiatives (e.g., Early Warnings for All and associated facilities), and through national agencies adopting standard operating procedures.

However, the same reports emphasise that capability gains do not automatically become durable services at scale when operational financing, maintenance, revenue models, or procurement arrangements are missing. In **Forests, ecosystems and biodiversity**, even widely-used information system achievements face continuity risks where maintenance budgets and institutional arrangements for upkeep and integration weaken over time. In **Disaster risk reduction and meteorology**, the report highlights that sustaining and expanding weather and climate services remains a major challenge, including limited mechanisms for operation, maintenance and self-financing despite strong ownership – indicating that early design needs to address how services will be funded and maintained beyond project support. In **Water as a natural resource**, the report similarly notes that procurement pathways and private sector engagement remain uneven (including limited traction through multilateral development bank procurement channels), while new concessional financing

frameworks (Public Sector Investment Facility agreements) are creating pipelines that will still require strong preparation and implementation models to turn accepted projects into functioning services.

Finding 12. Integrated portfolios combining technical cooperation and institutional strengthening with financing windows (and/or multilateral platforms) more often progressed from pilots to system uptake than standalone projects.

Across the reports, interventions achieved broader and more durable effects when they were not isolated projects but part of a 'package' linking: (i) standards/procedures and institutional capacity, and (ii) credible finance or scaled platforms that allow implementation. The Global Gateway peer review (Annex 9) also highlights a complementary 'package' logic at the level of private sector companies: Nordic consortia can combine strengths across monitoring/measurement, reporting and verification, process engineering and system integration (e.g., in water efficiency, deforestation-free supply chains, critical raw materials due diligence, and early warning systems), helping small and medium-sized enterprises compete for larger Team Europe procurement projects. In **Forests, ecosystems and biodiversity**, the report explicitly notes that targeted core financing through multilateral and civil society partners enabled results beyond what bilateral projects could achieve alone by leveraging larger systems and institutionalising programmes within credible global partners – i.e., shifting from project outputs to scaled routines and standards. In **Disaster risk reduction and meteorology**, the report describes how national hydromet services have used concessional credit schemes (through the Public Sector Investment Facility) to procure observation equipment and installation services (e.g., via Vaisala), and situates Finland's multilateral work within linked global initiatives and facilities supporting early warning systems – an example of how institutional support plus financing windows can enable modernisation at scale.

In **Energy+**, the report provides multiple 'portfolio-model' examples where structured entry points and risk-sharing instruments supported delivery and market participation: concessional credit tied firms into major reference projects (e.g., Binh Duong solid waste), the Finland-Ukraine Trust Fund ensured Finnish content across a large set of projects, challenge funds enabled piloting by small and medium-sized enterprises, and Finnfund's equity model enabled longer-term ventures – together illustrating why combined instruments outperform isolated grants in moving from innovation to implementation channels. In **Water as a natural resource**, the report similarly describes emerging pipelines enabled by Public Sector Investment Facility agreements (e.g., Vietnam and Nepal) and the longer-term dividends of technical partnerships that open doors to follow-on discussions with other development partners – while also noting that multilateral development bank procurement has so far yielded limited results, underscoring that 'portfolio logic' does not automatically translate into secured delivery without strong follow-through (see Finding 35 on pathway coherence and Finding 36 on brokerage capacity as constraints on converting opportunities into pipelines).

Finding 13. Follow-on financing, aftercare and implementation-ready preparation were frequent breaking points: where missing, standards, studies, pilots and other types of projects often did not translate into sustained services, scaling or systemic reform.

The reports repeatedly show that even strong technical outputs and policy models may stall if the next step – financed implementation and aftercare – is not secured. In **Energy+**, the evaluation notes that initiatives remained at feasibility or early-stage design and few progressed to implementation in cases where follow-on investment and post-project support were weak (e.g., the Energy Service Company Market Accelerator Fund), and it flags systemic constraints such as missing 'middle' finance and weak aftercare mechanisms that prevent pilots or reference projects from

becoming durable market footholds. Against this gap, the Finnpartnership intensive study (Annex 5) notes that the 2025 Innovation Funding window (75% support up to EUR 300,000) alongside Business Partnership Support with updated support rates (30/50/75/85%) provides a more explicit sequencing route from co-creation to scale-ready pilots, which could help strengthen the transition from early-stage outputs to implementable pipelines when linked to follow-on finance. In **Water as a natural resource**, the report similarly notes that engagement with multilateral development bank procurement processes has yielded limited results and that accepted pipelines (e.g., under Public Sector Investment Facility agreements) had not yet translated into implementation – illustrating the gap between opportunity formation and delivery at scale. In the Finland-IFC Blended Finance for Climate Programme, for example, cumulative disbursement remained relatively low (USD 25.2 million, 19% of programme funds) by the end of the investment period (December 2023), illustrating how long lead times and slow drawdown can further weaken the transition from approved pipelines to delivery (see blended finance portfolio intensive study, Annex 7).

In **Forests, ecosystems and biodiversity**, continuity risks around system upkeep and integration (including maintenance budget lags and reduced openness/interoperability) illustrate the same 'last mile' problem: without resourcing and arrangements for routine updating and maintenance, system-level benefits can narrow over time even when initial technical achievements are strong. In **Disaster risk reduction and meteorology**, sustainability constraints are also framed in operational terms: despite strong ownership, there is insufficient evidence that mechanisms and capacity are adequate to sustain and upscale results over time, including limited revenue-generation and financing arrangements for services and local structures – again pointing to the decisive role of preparation, financing and institutionalised aftercare in converting capability into durable services.

4.1.4 Effectiveness of environment and natural resources sub-sectors and instruments

Finding 14. The four sub-sectors all show credible effectiveness, but they are strong in different ways: evidence supports a differentiated picture based on (i) how measurable the outcomes are and (ii) how consistently results were connected to delivery arrangements that enable scale and durability.

Across the portfolio, **Forests, ecosystems and biodiversity** shows particularly strong evidence on forest cover/protection and sustainable management outcomes (millions of hectares under protection/sustainable management/restoration). Biodiversity, however, is the least consistently treated as an explicit objective and less consistently evidenced within **Forests, ecosystems and biodiversity** – especially in bilateral forestry – while civil society and multilateral channels show more tangible biodiversity gains. **Water as a natural resource** presents among the clearest and most directly welfare-relevant quantified results (over 2.5 million people gaining improved water and sanitation access, alongside wider health and livelihood benefits), reflecting stronger institutional integration within long-term partnerships. **Energy+** delivers readily quantified global-public-good outcomes (renewable generation and emissions reductions, and substantial pollution/plastics results), but the evidence also shows that moving from pilots to sustained implementation depends heavily on financing continuity and practical bridging support – so strong potential does not always translate into system-wide uptake. **Disaster risk reduction and meteorology** demonstrates strong capability and service-system gains (hydromet and early warning systems, procedures, and use in planning), yet – like other system-intensive engagements – durability and expansion hinge on early planning for operations and maintenance, sustainable financing models and links to routine service delivery arrangements.

Taken together, the evidence points to a nuanced pattern: **Water as a natural resource** and **Energy+** offer particularly quantifiable results; **Forests, ecosystems and biodiversity** is strongest on forest-cover outcomes but weaker on biodiversity evidence; and **Disaster risk reduction and meteorology** is highly effective in strengthening risk-information systems while being particularly sensitive to the cross-cutting durability constraint – namely whether technical support is paired with the operational, financing and institutional conditions needed for gains to persist and scale.

Finding 15. Challenge funds, small and medium-sized enterprise-oriented models, and non-governmental organisation-led delivery were among the most effective instruments for inclusion, energy access and empowerment – showing strong cost-effectiveness but relying on enabling conditions for durability.

Across sub-sectors, instruments that incentivised local innovation, small and medium-sized enterprise engagement, or community-led delivery consistently produced socially inclusive results. Finnpartnership's experience supports this: over 80% of its projects on environment and natural resources were implemented by Finnish SMEs, typically with EUR 50,000-200,000 commitments that can deliver cost-effective pilots but often require follow-on finance and stronger enabling conditions to translate into durable, scaled outcomes (see Finnpartnership intensive study, Annex 5). The Energy and Environment Partnership Trust Fund expanded clean-energy access and generated multiple co-benefits – reduced indoor air pollution, improved security, women's time savings. non-governmental organisation-led approaches achieved deep localisation and trust-building, reaching marginalised populations and supporting gender equality. Finnfund and blended-finance platforms enabled job creation, market development and cleaner production models. Limitations that persisted included that youth grants and fragmented non-governmental organisation pilots struggled to scale, and concessional finance remained slow and administratively heavy.

4.1.5 Finland's contribution to transformative changes in environment and natural resources

Finding 16. Finland's contribution to environmental governance was clearest where it helped institutionalise data standards, information systems and reporting routines; the evidence supports medium-range governance gains, while contribution to long-range climate/biodiversity impacts remains limited.

Across the portfolio, the sub-sector reports support a more modest but still important claim than in the original draft: Finland's contribution is most clearly evidenced at the level of short- to medium-range Theory of Change pathways – strengthening how partners generate, manage and apply information (standards, routines, platforms) for planning, monitoring, reporting and service delivery. Where these systems became embedded in administrative practice, they supported more consistent decision-making and compliance functions; where upkeep, mandates or financing weakened, system benefits became partial (for example through reduced functionality or limited follow-through). On this basis, the finding should avoid implying that data platforms in themselves delivered verified long-range results on climate resilience or biodiversity outcomes – because the evidence in the sub-sector reports does not systematically track those impact pathways to end results.

The **Forests, ecosystems and biodiversity** report links Finland's strongest governance contribution to institutionalised forest information and monitoring systems that partners used in routine

administration. In Vietnam, the forest information system (FORMIS) is described as shifting forest monitoring from paper processes to a nationwide digital system used across all 60 provinces, scaled to several thousand communes, with around 1,300 active government forestry users – but it also notes that some open-data functions lapsed after the FORMIS phase ended, illustrating how durability depends on mandates and upkeep rather than the system build alone. The report also describes Finland's contribution to international and national reporting routines via FAO-linked tools and standards (including Open Foris/FRA-related reporting support), but the evidence base is about strengthened reporting processes and tools – not verified long-range biodiversity outcomes attributable to these alone.

The **Water as a natural resource** report similarly points to institutional embedding of information and planning systems as a pathway to more durable results. It explicitly states that Finland's influence and sustainability were strongest where approaches were integrated into national systems – citing integration with Ethiopia's One WASH National Programme and Nepal's WASH Management Information System as mechanisms by which Finnish approaches became part of national routines rather than 'project-only' practice. In environmental governance, the report also describes Finland-supported participatory spatial planning and data infrastructure in Zanzibar (ZAN-SDI/BLUE-ZAN), reporting participatory planning over 342 km² (and, separately, large-scale digital land registration in Ethiopia via REILA/NRLAIS at 106,538 km²) – again supporting medium-range governance and tenure/allocative functions more than attributable long-range ecological outcomes.

The **Energy+** report provides its clearest governance evidence where Finland supported toolkits and convening models that were taken up in planning and steering systems. It reports that Sitra's circular economy roadmap toolkit was effective because it provided a replicable methodology that translated technical tools into national policy frameworks, and it attributes influence to convening platforms such as the World Circular Economy Forum, including reported coalition effects such as expansion of the African Circular Economy Alliance from 7 to 15 members and reported influence on the African Development Bank's 10-year strategy. At the same time, the report is explicit about limits: it notes attribution difficulties and uneven progress for pooled multilateral contributions (e.g., PAGE/ACEF/10YFP) and describes institutional fragmentation, short project cycles, and weak mechanisms for translating pilots into sustained pipelines as recurring constraints – so the evidence supports 'embedded governance gains in targeted instruments,' but not sweeping portfolio-level systemic transformation or long-range biodiversity impact claims.

In **Disaster risk reduction and meteorology**, the evidence on 'data-to-service' institutionalisation is particularly clear. The report links the adoption of the Finnish Meteorological Institute's SmartMet/SmartAlert to partners' ability to process weather and air quality data in real time and produce forecasting and warning services aligned with World Meteorological Organization standard operating procedures, and it connects this to the establishment and strengthening of early warning capacities at scale. –

Finding 17. Finland has made a positive contribution to support its partner countries with embedding procedures, capacities and legal frameworks that align with the current global governance architecture for all four domains of the environment and natural resources sector.

Across environment and natural resources, Finland's most durable governance effects are visible not only in individual projects but in how they operationalise and diffuse international norms linked to the SDGs and multilateral environmental agreements. In **forests and biodiversity**, long-term cooperation around FAO's Forest Resources Assessment, Open Foris and national

forest monitoring information system platforms (e.g. FORMIS in Vietnam, e-tracking in Tanzania) has strengthened countries' capacity to report against the Kunming-Montreal Global Biodiversity Framework and SDG 15 by institutionalising measurement, reporting and verification standards, digital traceability and transparent land-use information systems in national policy and regulatory practice. In energy and circular economy, Finland's blended-finance platforms with International Finance Corporation, European Bank for Reconstruction and Development and Asian Development Bank, and normative work with Sitra (circular economy toolkits, World Circular Economy Forum) have helped translate Paris Agreement and SDGs 7, 12 and 13 commitments into concrete investment criteria, lifecycle-based policy roadmaps and regional alliances (such as the African Circular Economy Alliance), shaping how public and private actors define 'climate-aligned' and 'circular' investment. In critical minerals, GTK's geoscience cooperation in Mozambique, Zambia, Afghanistan and Tanzania has supported the uptake of Extractive Industries Transparency Initiative related transparency and environmental safeguards, enabling governments to regulate exploration and manage pollution in line with emerging global norms on responsible mining.

Similarly, Finland's **Disaster risk reduction and meteorology** and **Water as a natural resource** portfolios have embedded Sendai Framework, Global Framework for Climate Services and EU Water Framework Directive principles into partner policies and institutional routines. Finnish support to multi-hazard early warning systems and hydromet modernisation has been framed explicitly around Sendai Targets (A, E, F, G), with national meteorological and disaster-management agencies adopting impact-based forecasting, standard operating procedures and regional data-sharing protocols as part of their core functions – contributions that directly support SDGs 11.5, 13.1 and 13.3. Finland has made substantial contributions to integrating disability-inclusive criteria in disaster risk reduction strategies and planning in UNDRR's (UN Office for Disaster Risk Reduction) work programme dedicated to achieving Targets A-G of the Sendai Framework by 2030. Likewise, Finland's cooperation has helped many partner countries adopt and apply hydro-meteorological services that comply with WMO standards, procedures and reporting requirements on weather forecasting and issuing of early warnings. In water resources and WASH, Finland's work on integrated water resource management planning, land cadastres and basin-level governance has aligned with EU and global water norms by strengthening rights-based allocation rules, stakeholder participation and environmental safeguards that are now embedded in sector policies and investment planning.

These contributions mirror the environment and natural resources synthesis Theory of Change pathway whereby targeted support to information systems and governance and inclusive capacity development (short-range results) lead to institutions using harmonised standards, data and rights-based approaches in decision-making and investment frameworks (medium-range result 1), and ultimately to effective implementation of international agreements and progress towards SDGs 1, 6, 7, 11, 12, 13 and 15 (long-range result 3). Finland's financial scale is modest, but its combination of technical credibility, multilateral influence and norm-setting via data architectures, measurement, reporting and verification systems and inclusive governance means that its projects often function as vehicles for international norms – helping partner countries and global programmes to *implement* rather than merely *ratify* their multilateral commitments while more needs to be done on cross-sector coordination to establish integrated environmental management.

Finding 18. Finland supported specific building blocks for more rules-based, transparent resource and environmental-service markets, but the evidence mainly demonstrates enabling functions and early signals rather than durable, market-wide 'incentive shifts'.

Across the portfolio, Finland's contributions most clearly strengthened market-governance functions of trade facilitation and related areas where they created repeatable routines for oversight and

compliance (for example, tracking, permitting, reporting, inspection procedures, and revenue collection) that can reduce information asymmetries and make enforcement more feasible. In the **Forests, ecosystems and biodiversity** sub-sector, this is evidenced most concretely in Tanzania, where the forest resources management information system (Mamamisitu) is described as enabling national rollout of timber consignment tracking and improved electronic revenue collection – a classic 'rules of the game' function that can improve transparency and oversight of timber flows and fees. The same report also frames rising demand for timber traceability tools (linked to Forest Law Enforcement, Governance and Trade licensing expectations) and forest compliance technologies, but does not evidence a portfolio-level, verified shift in incentives or outcomes beyond these specific administrative functions.

In **Energy+**, the evidence base supports describing Finland's contribution as improving investability and policy uptake rather than 'establishing market rules.' The **Energy+** report identifies toolkit and convening approaches as effective for embedding circular economy principles into national policy frameworks and coalitions – e.g., Sitra's circular economy roadmap toolkit and the World Circular Economy Forum's coalition influence. At the same time, the report is explicit about constraints that undermine durability and market deepening: a persistent 'missing middle' (EUR 1-10 million) limiting firm scale-up, weak aftercare for follow-on contracts after flagship deliveries, and broader institutional fragmentation that prevents early wins from translating into sustained market footholds. It also flags risks where projects can generate local grievances or lock-in dynamics (for example, Lake Turkana land-use and benefit concerns), underscoring that 'market development' effects are not uniformly positive or assured.

In **Water as a natural resource**, the report provides examples of market-facing platforms and enterprise scaling (for example, RiverRecycle and blended finance examples), and notes that Finland's networks and enabling arrangements are opening opportunities – but it does not evidence that Finland created market rules or compliance regimes at scale within partner-country water or waste sectors. Similarly, in **Disaster risk reduction and meteorology**, the report shows that Finland (notably via the Public Sector Investment Facility) has procured private-sector installation/operation/maintenance services for hydromet and monitoring networks (benefiting Vaisala in particular), and it discusses the broader importance of public-private engagement and demonstrating returns on resilience investments; however, the evidence points to selective procurement and pilots, not a broad, Finland-driven reshaping of market incentives across the sector.

4.1.6 Finland's added value/comparative advantage in the engagement on environment and natural resources

Finding 19. Finland's added value draws on the scientific capacity, high standards and operational capabilities of its specialised technical institutions.

Across all sub-sectors, partner governments and multilateral actors valued Finland's ability to provide high-quality information systems, methodological rigour and neutral technical advice. In **Forests, ecosystems and biodiversity**, Finnish expertise enabled durable national platforms such as FORMIS in Vietnam, the e-tracking system in Tanzania, and contributions to FAO's Open Foris, raising data credibility and improving compliance and monitoring functions.

In **Water as a natural resource**, Finland strengthened allocation protocols and integrated water planning perceived as fair and evidence-based. In **Energy+**, Finnish institutions introduced

advanced geoscientific methods, circularity metrics and responsible mining frameworks used by partner governments. In **Disaster risk reduction and meteorology**, FMI's support to impact-based forecasting, aviation meteorology and cross-border early warning systems was repeatedly cited as transformative, supported by open-source tools (SmartMet/SmartAlert) and extensive staff training.

These contributions directly reinforce environment and natural resources Theory of Change short-range results (improved knowledge/data and regulatory tools) and medium-range results (institutions using data for decisions). Few peers provide an equivalent combination of scientific depth, operational credibility and open-access tools.

Finding 20. Finland's long-term, trust-based partnerships – particularly in fragile and complex contexts – provided continuity where few donors sustained engagement.

Finland's role in water governance, forestry and meteorology is marked by sustained engagement in politically complex or fragile environments, often over decades. In **Water as a natural resource**, Finland's consistent presence in Nepal, Ethiopia, the Mekong basin and the Eastern Nile supported institutional reforms, federal governance transitions and strengthened transboundary cooperation. In **Forests, ecosystems and biodiversity**, Tanzania stakeholders described Finland as the 'go-to donor' for forestry, appreciating both continuity and strong gender/inclusion practices. In **Disaster risk reduction and meteorology**, long-term FMI cooperation – from Nepal and Ethiopia to Ukraine and Central Asia – enabled partner national meteorological and hydrological services to develop and maintain sophisticated services despite shocks and conflict contexts. This long-termism underpins environment and natural resources Theory of Change assumptions on political commitment, local ownership and institutional resilience.

Finding 21. Finland's consistent application of a values-driven, rights-based and inclusive approach in cooperation on environment and natural resources has allowed benefits to reach a wider range of beneficiaries (including marginalised and vulnerable groups).

Evidence across sub-sectors highlights Finland's commitment to human rights-based approach, gender equality, disability inclusion and community voice, which partners repeatedly identified as a distinctive Finnish contribution. Within Finnpartnership's portfolio, over 90% of projects made use of Finnpartnership's Environmental, social and governance/human rights-based approach consultations to manage risks and align projects with donor procurement expectations, showing weight and importance given to a values-driven and rights-based approach (see Finnpartnership intensive study, Annex 5). In **Water as a natural resource**, Finland championed the participation of groups with low social status – women, caste-affected communities, civil society, rural users – in WASH planning, spatial design and water governance, often shaping processes that would otherwise overlook marginalised groups. In **Energy+**, Finland linked technical innovation to youth and community empowerment (e.g. CEYEP in Lesotho, AfriCircular Innovators, urban waste-to-resource initiatives). In **Disaster risk reduction and meteorology**, Finland's combination of FMI's technical expertise and deep community networks of Finnish Red Cross/International Federation of Red Cross and Red Crescent Societies ensured that early-warning systems and disaster risk reduction approaches were accessible, trusted and people-centred from design to delivery.

This comparative advantage directly supports environment and natural resources Theory of Change assumptions on participation, equity and legitimacy, which underpin the sustainability of reforms and encourage institutional uptake of new practices.

Finding 22. Finland contributes globally recognised innovation – particularly in clean energy, circular economy, digital forest/water systems, and responsible mining – but conversion into scaled outcomes often depends on early pipeline positioning and predictable financing.

Finland's innovation ecosystem – Sitra's circular economy leadership, Technical Research Centre of Finland's renewable energy and industrial symbiosis pilots, GTK's geoscience capabilities, and Finnish remote-sensing/measurement, reporting and verification firms – positions Finland as a global thought and technology leader. Evidence shows first-of-a-kind models supported by Finland (for example hybrid mini-grids, industrial symbiosis, digital forest solutions, nature-data solutions) that later informed wider market uptake in partner countries.

However, several sub-sector evaluations and all private sector engagement evidence highlight a recurring bottleneck: high-quality pilots do not consistently progress to service contracts or scaled programmes. small and medium-sized enterprises reported that PIF processes were slow, and multilateral development bank or Global Gateway pipelines difficult to influence early. Sub-sector evidence mirrors this: technically robust Finnish pilots in energy, forestry or water often stalled where utilities lacked procurement budgets or where performance-based contracting was not developed.

Finding 23. Reduced official development assistance and human resources are eroding key attributes of Finland's added value, weakening impact, influence and credibility in bilateral and multilateral cooperation, and narrowing future commercial opportunities.

Evidence across the four sub-sector evaluations shows that Finland's most distinctive strengths – long-term engagement, technical excellence, trusted partnerships, rights-based and inclusive approaches, and a reputation for reliability – have consistently underpinned the delivery of results identified in this evaluation. These attributes are also central assumptions in the environment and natural resources synthesis-level Theory of Change, particularly those concerning predictable public finance, institutional continuity, capability formation, multi-stakeholder cooperation, and the alignment of finance flows with transition pathways. The substantial reduction of Finland's official development assistance, including its human resources, now threatens these enabling conditions, with systemic implications for effectiveness and sustainability.

First, sustained results in several sub-sectors have been shown to depend on multi-decade partnerships characterised by trust and institutional memory. In the **Water as a natural resource** sub-sector, the transformational improvements in Nepal's and Ethiopia's WASH governance systems emerged only after 15-20 years of continuous Finnish engagement embedded in national structures. The evaluation notes that these co-benefits – familiarity, mutual learning, and policy uptake – are at risk of being lost if bilateral engagement is reduced without viable mechanisms to sustain them.

Second, in **Disaster risk reduction and meteorology**, outcomes have relied on Finland's ability to remain a long-term technical partner to national hydromet agencies. Despite strong results in data systems and forecasting capacity, the report identifies that limited staffing, rotation, and administrative overload in the MFA – exacerbated by resource reductions – already constrained Finland's ability to maintain follow-up, ensure cross-sector integration, or support sustainability of early warning systems at national and sub-regional levels. These gaps undermine the Theory of Change expectation that capacities, knowledge systems and institutional routines scale over time.

Third, Finland's influence in **Energy+** depends on its catalytic role in blended finance and on coherent coordination across Finnish institutions. The **Energy+** report highlights that resource constraints and institutional fragmentation have already weakened Finland's ability to convert pilot innovations into broader value-chain development, to secure strategic positions in multilateral blended-finance platforms, and to anchor Finnish companies in growing climate and circular economy markets. Reduced resourcing thus jeopardises Finland's ability to meet the Theory of Change condition that public and concessional finance 'crowd in private investment' into sustainable and resilient value chains.

Fourth, across all sub-sectors, Finland's reputation in partner countries and in international fora rests on being a consistent and principled actor with high technical credibility. The evaluation documents that Finland's notable influence in multilateral frameworks – such as the UN Economic Commission for Europe Water Convention, Sendai Framework platforms, the Mekong River Commission, and UNCCD – derives not from financial scale but from continuity of engagement, technical authority and reliability. Diminished resources risk reducing Finland's ability to shape norms, participate in technical processes, or follow through on commitments, thereby weakening Finland's visibility and credibility in these arenas.

Finally, reduced engagement also carries tangible implications for Finnish commercial interests. The **Water as a natural resource** sub-sector evaluation shows that Finnish companies' expanding pipeline of viable opportunities (EUR 777 million identified in recent years) was underpinned by long-standing bilateral cooperation that built networks, trust, and visibility in target markets. **Energy+** and **Disaster risk reduction and meteorology** findings similarly confirm that concessional finance, institutional partnerships, and technical assistance are essential entry points for Finnish small and medium-sized enterprises. As these enablers diminish, Finnish firms risk losing market footholds to competitors from countries with more stable support architectures.

4.2 Private sector engagement in the area of environment and natural resources

EQ2: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? (Formative.)

Finland enters the next phase of environment and natural resources cooperation with strong technical credibility but with scope to engage more consistently with Finnish and local companies. Evidence suggests that closer operational linkages with Finnish and local private sector actors over the next five years will depend on where Finland's technical strengths align with tendered and investment-backed demand, and on whether the support ecosystem can help firms move from opportunity identification to credible bids and delivery.

Across the portfolio, the private-sector opportunity space is described as most immediate where services and systems can be procured at scale through EU/IFI programmes and financing vehicles, including: (i) digital-environment interfaces (e.g., climate-data platforms, digitised water/energy services, early-warning communications), which are expanding particularly through EFSD+ and other Global Gateway digital Team Europe Initiatives; and where Finland's digital capabilities could connect environmental and connectivity agendas – while also risking missed entry points when coordination sits outside environment units. (ii) clean energy/grid resilience and responsible-minerals value chains, where large financiers often shape pipelines and procurement tends to favour engineering and construction capacity, creating participation constraints for smaller Finnish firms unless they have early intelligence, pre-positioning, pre-bid resources, consortia options, and partner-matching support.

At the same time, evidence points to a set of operational bottlenecks that condition whether these entry points translate into sustained engagement – especially for small and medium-sized enterprises. Survey and instrument evidence converge on firms valuing hands-on project-preparation support and partner identification more than generic market intelligence; and highlight barriers including long approval times, uncertain co-financing, and resource-intensive tendering, alongside limited internal appetite for developing markets. These constraints align with the evaluation's analysis that there is a preparation-to-bid gap between initial opportunity formation and bankable participation in larger pipelines.

Institutionally, evidence-based analysis characterises Team Finland as having improved visibility and coordination of services but also identifies remaining issues in how the sequence of Team Finland support for environment and natural resources opportunities is understood by companies – particularly at transition points from grant-funded pilots to commercial scale-up and the consistency of country prioritisation across MFA, Finnfund, Business Finland, Finnvera and embassies. In this framing, the practical question is less whether services exist, and more whether firms can navigate a predictable route from market exploration to delivery at scale (including in Global Gateway/IFI markets).

Finally, peer-country comparison suggests dedicated brokerage can be a differentiator: countries that invest in professionalised commercial-development brokers tend to offer firms curated early intelligence, facilitate consortium formation, interpret regulatory environments,

connect firms with implementers, and help package blended finance – whereas Finnish embassies are often described as lacking dedicated human resources for sustained brokerage in priority markets (energy, water, circular economy, hydromet, forest governance). The evidence also notes concrete historical examples of where limited pre-positioning, follow-up, or transition support reduced firm participation, and links this to missed opportunities to convert Finnish strengths into participation.

4.2.1 Opportunities, entry points and models for private sector engagement

Finding 24. Private sector engagement in Finnish environment and natural resources cooperation during 2010-2024 remained limited and uneven, as interventions were rarely designed, resourced or mandated to include commercial actors even where opportunities existed.

Across all four environment and natural resources sub-sectors, the evidence shows that past Finnish development cooperation – while often generating robust results and impact as shown in discussing EQ1 – rarely integrated private sector engagement as a strategic or operational component. Interventions were not assessed for the need or feasibility of benefiting from private sector engagement. Private sector engagement was neither required nor systematically considered in the design logic, staffing, budgeting or implementation modalities of environment and natural resources interventions.

Sub-sector evaluations confirm that:

- Bilateral forestry, **Water as a natural resource, Disaster risk reduction and meteorology** and **Energy+** interventions were conceived as public-public or public-community partnerships, with little or no institutional expectation that commercial actors would be involved.
- No instruments, personnel, budgets or processes existed to help identify commercially viable niches inside interventions – such as forest monitoring information system maintenance, hydromet and operations and maintenance, spatial-planning analytics, water-service asset management or circular economy pilots.
- Standalone technical assistance or pilots did not transition into operational or service-based models because no private sector engagement pathways or early firm involvement mechanisms were embedded.
- Commercially viable opportunities in, for example, forest monitoring information system services, legality/traceability systems and geospatial operations were missed due to lack of mandate, instruments or planning.
- In **Disaster risk reduction and meteorology**, lack of follow-up to secure resourcing of service contracts or and operations and maintenance models left agencies with ‘orphaned assets,’ typical of interventions that did not envision private sector delivery roles.

As a result, private sector engagement remained sporadic, personality-driven and dependent on individual firms' initiative, rather than emerging as an integrated dimension of the environment and natural resources portfolio.

Finding 25. Although Finland's policy now emphasises private sector engagement, shrinking bilateral programmes and reduced official development assistance have left MFA with limited capacity to shape enabling conditions and concrete pipelines in which companies can operate.

Evidence from sub-sector evaluations points to a major contextual shift under the current government programme. Finland's policy discourse increasingly emphasises private sector involvement, Finnish firms' internationalisation, and expectations that ODA should generate both development impact and commercial opportunities.

However, this rising expectation coincides with a reduction in the very types of ODA instruments that contribute to creating conditions and ecosystems in which firms can participate or indeed helping to build specific business cases:

- **Forests, ecosystems and biodiversity** shows a portfolio-wide shift away from bilateral programmes toward multilateral and civil society organisation channels, reducing Finland's ability to help to shape markets or regulatory reforms.
- **Water as a natural resource** highlights diminishing bilateral WASH and governance programmes, leaving fewer long-term platforms for anchoring private sector engagement or improving enabling environments.
- **Disaster risk reduction and meteorology** and **Energy+** note reduced MFA staffing, country presence and technical resources, limiting early-stage support, pipeline development and opportunity brokerage.
- Market-enabling reforms – tenure, governance, legality – are harder to influence without bilateral presence, yet remain prerequisites for viable private sector engagement.

Finland now expects greater private sector engagement results from a cooperation architecture with fewer structural conditions – long-term partnerships, technical cooperation, policy dialogue and market development – that enable private sector engagement to succeed.

Finding 26. Hydrometeorology, early-warning systems, and resilient water services are key immediate private sector entry points. Coupling global initiatives with Finnish remote sensing, data, and service capabilities can generate scalable demand if support to tendering and follow-up are in place.

Subsequent findings in this chapter elaborate yet more areas with opportunities for Finnish private sector, but hydrometeorology, early-warning systems, and resilient water services are grouped here as a set of the most immediate private sector engagement entry points. Availing of these opportunities is subject to rigorous feasibility studies on needs and markets though, because they offer opportunities best if some of the global initiatives discussed in this evaluation's body of evidence are made use of as the platform. These opportunities for Finnish firms align strongly with the short- to medium-range results of knowledge systems, data access, and service delivery that enhance resilience apparent the Theory of Change for the environment and natural resources priority area (Olding et al., 2026; Caldecott et al., 2026; Global Gateway intensive study, Annex 6).

In **Disaster risk reduction and meteorology**, the Systematic Observations Financing Facility (SOFF) supports Least Developed Countries and Small Island Developing States globally to meet WMO Global Basic Observing Network (GBON) requirements. SOFF focuses on the foundational layer of the system—basic observations and international data sharing—and operates through a defined three-phase model (Readiness, Investment and Compliance), including results-based support for long-term operation and maintenance. This directly corresponds to the Disaster risk reduction and meteorology findings that Finland's strongest contributions lie in observation systems, data platforms and forecasting capacity, while long-term sustainability depends on institutionalised O&M arrangements. Finland's role is therefore best framed as aligned technical support within the SOFF model: the Finnish Meteorological Institute (FMI) can contribute as a peer adviser to national hydromet agencies, while Finnish firms may participate competitively in SOFF-financed procurements under SOFF rules (Olding et al., 2026; SOFF, 2023).

CREWS and World Bank / GFDRR hydromet programmes operate further along the results chain, supporting early warning services, end-to-end service delivery, and broader hydrometeorological modernisation. These mechanisms address the Disaster risk reduction and meteorology finding that data and forecasting capacity alone are insufficient unless they are translated into usable services, linked to disaster management systems, and embedded across sectors. They also respond to the evaluation's emphasis on cross-sector integration and service uptake as determinants of impact (World Bank Group, n.d.).

In **Water as a natural resource**, water-utility modernisation and digital metering (non-revenue water, leakage analytics) funded by the European Investment Bank (EIB) and KfW[5] are natural entry points for Finnish firms offering smart-water and data services (Caldecott et al., 2026; see also the blended finance portfolio intensive study, Annex 7). These water pipelines are often packaged as Team Europe investments combining EIB Global loans with EU investment grants and technical assistance, which creates multiple procurement lots (works, equipment, digital systems, and advisory) but requires early positioning before tender windows open (see Global Gateway intensive study, Annex 6). Noting a **Water as a natural resource / Energy+ / Forests, ecosystems and biodiversity** cross-link: Many hydromet/water projects include energy-efficiency and nature-based solutions components, opening space for Finnish cross-sectoral offerings – e.g. integrating solar power for remote sensors or wetlands restoration for flood control.

Becoming a part of/offering through global initiatives entails support to tendering and if successful, after the investment, likely also support to running operations and maintenance. International procurement windows are short and typically accessed by incumbent global suppliers. Finnish small and medium-sized enterprises lack early intelligence and pre-positioning in tenders; and the Theory of Change assumptions on predictable finance and joint innovation require brokerage and pre-bid financing. Top two key challenges for doing business in developing markets identified by the respondents to this evaluation's private sector survey included (i) Accessing financing for the project, and (ii) Project preparation is time consuming; indicating the demand for support to access international projects (private sector survey, Annex 10).

5 KfW IPEX-Bank is Germany's export bank which offers international project financing and export finance.

Finding 27. Forest information, traceability, and EU Regulation on Deforestation-free Products compliance services constitute growing opportunities for private sector engagement, e.g. in Tanzania, Vietnam, and Team Europe initiatives.[6] Finnish companies have some competitive advantages but need consortia and policy alignment to succeed.

Demand for digital forest monitoring and legality systems is rising fast due to EU Deforestation Regulation (EUDR) and national measurement, reporting and verification frameworks. Finnish companies – Arbonaut, Trestima, Indufor, and Origin by Ocean among them – offer credible technologies and advisory services, but few have the capital or local presence to anchor end-to-end compliance systems. Team Europe forest partnerships and deforestation-free commodity programmes (for example, Côte d'Ivoire's cocoa-related forest restoration and traceability support) are already generating finance and tenders in precisely these areas, creating a concrete entry point for Finnish remote sensing, forest-information and compliance-service providers that engage early with EU Delegations and implementers (see Global Gateway intensive study, Annex 6). These opportunities correspond to environment and natural resources Theory of Change medium-range results (governance instruments, data-enabled enforcement) and long-range assumptions about market incentives and transparency, yet the assumption that 'market incentives will reward compliance' holds mainly where buyer pressure (e.g. EU importers) exists. (Mikkola et al., 2026; Finnpartnership intensive study, Annex 5).

In Forests, ecosystems and biodiversity, Arbonaut's and Trestima's remote-sensing pilots in Tanzania and Vietnam underpin demand for national forest inventory updates and legality verification. To transition from donor pilots to national service contracts, projects need policy alignment (to EUDR, Forest Law Enforcement, Governance and Trade (FLEGT), carbon markets) and blended-finance packaging (where Finnfund/EFSD+ could come in) to offset adoption risks. As a **Forests, ecosystems and biodiversity / Water as a natural resource** linkage, forest monitoring information system datasets can support nature-based solutions and catchment-restoration interventions, including access to related financing, thereby integrating forest and water objectives – another cross-sector opportunity (Caldecott et al., 2026; Mikkola et al., 2026).

Efforts by MFA and Finland's embassies to support partner countries interest to comply with EUDR and other requirements demanding for forest-information and traceability may provide incentive in terms of generating and targeting partner countries demand for private sector solutions in operationalizing the compliance. Finnish companies that would have services to offer in forest-information, traceability, and EUDR-compliance are typically small and medium-sized enterprises and not in a position to offer full solutions on their own but rather need consortia and local partners. Forest-information, traceability, and EUDR-compliance services projects also often have high entry barriers in terms of demanding regulatory design and long sales cycles requiring long-term investment capital, and this constrains small and medium-sized enterprises as they may not have the human and financial resources to tackle these barriers.

6 One such is the Amazon Basin Team Europe Initiative and Amazonia+ Programme, where Team Europe members include Sweden. The initiative's focus is on preventing deforestation, carbon sinks, monitoring, and value-chain/regulatory work (private sector like-minded peer study: Global Gateway/Denmark and Sweden and Comparison with Finland, Annex 9).

Finding 28. Clean energy, grid resilience, and responsible-minerals value chains provide medium-term opportunities if Finland leverages EFSD+ guarantees,[7] Finnpartnership and Finnvera instruments, and blended finance for risk-sharing and longer payback periods.

Energy and critical-minerals markets intersect with the environment and natural resources Theory of Change's circular economy and sustainable-finance pathways. Finnish firms have niche offers in grid-protection, storage, and responsible-mining traceability (Savage et al., 2026; Finnfund intensive study, Annex 4). An example of an offering that could be developed is Finnish small and medium-sized enterprises piloting grid-protection and storage technologies. In our example, this could involve companies such as Ensto, VEO and The Switch, and they could integrate under EFSD+ windows with initial Finnpartnership and Finnvera co-financing, targeting eventually Finnfund or other development finance investors. Such offer to develop could support decarbonisation and grid-stability goals, which are highly relevant to many developing countries (Savage et al., 2026). Another example, linked to **Forests, ecosystems and biodiversity**, with high potential is responsible-minerals traceability (especially for cobalt, lithium, and nickel) which echoes the forest monitoring information system logic (discussed in Finding 27) and supports data transparency, environment, social and governance standards, and traceable value chains. Finland's positive reputation in geology and sustainability can enhance credibility (Finnfund intensive study, Annex 4).

Clean energy, grid resilience, and responsible-minerals value chains company and project pipeline selection is often dominated by the larger financiers (such as EIB, Asian Development Bank and AfDB). Procurement is in many cases favouring engineering and construction capacities rather than service-based partnerships and this limits Finnish participation. Smaller companies require support (early intelligence, pre-positioning in tenders, pre-bid financing, consortia building, matches with partners) so as to not risk exclusion.

Finding 29. Digital-environment and natural resources cross-over opportunities are emerging fastest within EFSD+ and other Global Gateway digital Team Europe Initiatives. Finland's digital competencies can link environmental and connectivity agendas.

Digital-environment and natural resources cross-over opportunities, such as climate data platforms, water- and energy-service digitisation,[8] early-warning system communications) are a growing trend within EFSD+ (European Fund for Sustainable Development Plus) and other Global Gateway digital Team Europe Initiatives. In the environment and natural resources-digital interface – for example, data centres powered by renewable energy or remote diagnostics – represents a market cutting across the environment and natural resources sub-sectors. This aligns with the Theory of Change assumptions that innovations diffused through cross-sector networks amplify environmental impact (Savage et al., 2026; Olding et al., 2026).

In **Disaster risk reduction and meteorology**, SmartMet and SmartAlert architectures are inherently digital-public goods. Integrating them with telecom-based warning dissemination or cloud analytics could be financed under Global Connected's digital and resilience pillars (Global Gateway intensive study, Annex 6). In **Water as a natural resource**, smart-metering and water-quality 'internet of things' systems are already supported under EIB digital infrastructure programmes, and Finnish data-service firms could supply analytics layers (Caldecott et al., 2026).

7 The European Fund for Sustainable Development Plus (EFSD+).

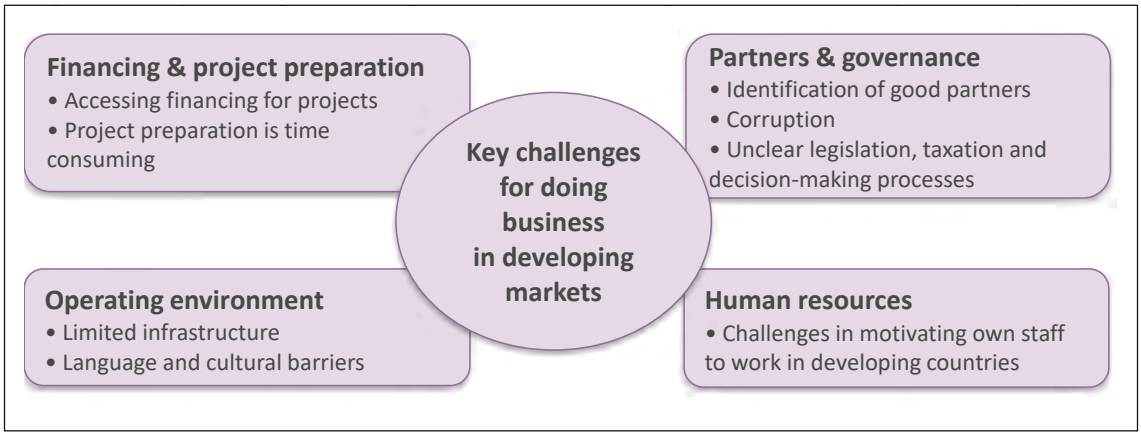
8 Digitisation = converting non-digital, analogue material to a digital format. For example, keeping digital records of production line batches rather than paper-based records or to digitise business processes.

Limitations specific to these cross-over opportunities include that digital Team Europe Initiatives are coordinated by European Commission's Directorate-General for International Partnerships (DG INTPA) connectivity teams, not environment units, so Finnish environment and natural resources actors may miss entry points. The Theory of Change assumption on coherence between policy domains (environment-digital-finance) is not yet realised.

Finding 30. Small and medium-sized enterprises prioritise early-stage financing, risk-sharing, and local partnerships, as well as brokerage and blended packages to directly address top barriers.

Findings from the private sector survey (Annex 10) and Finnpartnership data converge: Finnish small and medium-sized enterprises value hands-on support for project preparation and partner identification over generic market intelligence. Top constraints include long approval times, uncertain co-financing, and challenging and resource consuming tender processes, and limited interest among staff towards developing markets. These directly affect the Theory of Change assumption on predictable finance and joint innovation incentives.

Figure 11 Key challenges for doing business in developing markets identified by the survey respondents



Source: Private sector survey, Annex 10

Without institutionalised preparatory financing and enhanced pipeline-project information dissemination (of EU Global Gateway/International Financial Institution opportunities), in spite all opportunities, small and medium-sized enterprise engagement remains sporadic and personality-driven, constraining movement toward sustained environment and natural resources private sector engagement ecosystems. Past examples include that in **Disaster risk reduction and meteorology**, early scoping grants (Vietnam) helped small and medium-sized enterprises secure subsequent contracts; and in **Energy+**, absence of preparatory support led to bid withdrawals (Olding et al., 2026; Savage et al., 2026).

4.2.2 Private sector engagement measures that mobilise companies most effectively

Finding 31. During the period evaluated (2010-2024) and still today, concessional credit and guarantee instruments are able to unlock major infrastructure and de-risk private sector participation but are too process-heavy and slow to attract the engagement of Finnish small and medium-sized enterprises.

Evidence confirms both the strategic relevance and operational constraints of concessional finance. In **Disaster risk reduction and meteorology**, concessional finance enabled modern radar/upper-air networks to be established in countries like Vietnam, but long processing cycles precluded all but one large Finnish company to participate. This aligns with the private sector survey (Annex 10[9]), in which respondents repeatedly highlighted lengthy decision cycles in Finnish instruments – particularly the Public Sector Investment Facility – and called for significantly faster processing. In **Energy+**, concessional financing improved affordability of grid-protection technologies; where preparatory support was fast, small and medium-sized enterprises could participate. In **Water as a natural resource**, concessionality supported metering adoption, but procurement focusing on equipment-only lots limited opportunities for Finnish service-oriented small and medium-sized enterprises. In **Forests, ecosystems and biodiversity**, small preparatory grants – largely absent – would have enabled early private sector participation in forest monitoring information system sustainability and operations and maintenance contracting. Survey respondents rated Finnvera's services very highly for usability, but noted that guarantees tend to be most useful for large, multi-million-euro projects and less so for smaller opportunities typical of many SMEs. Concessional finance is critical for systems transformation, but without faster, lighter preparatory windows, small and medium-sized enterprise participation remains limited.

Finding 32. With existing instruments remaining slow and misaligned with relevant procurement cycles, Finnish companies' participation remains suboptimal as rapid support for assessing feasibility, consortium-building and pre-bid preparation is often unavailable.

Evidence from the private sector survey and interviews confirms that Finnish small and medium-sized enterprises' main barrier to entering Global Gateway, International Financial Institution and multilateral procurement pipelines is the inability to cover early preparatory costs – travel, technical scoping, partner due diligence, and bid documentation – within the narrow time windows of tenders. Survey respondents (see private sector survey, Annex 10) also pointed to practical improvements that would enable rapid pre-positioning, including decisions within around two months, partial upfront disbursements, simpler reporting, and broader eligibility of early-stage costs (e.g., staff time, partner search, travel, and market engagement). While existing tools offer support in these steps (Finnpartnership, concessional credit under Public Sector Investment Facility), under the current system they have relatively long decision cycles and administrative requirements that are not optimally suited to rapid pre-positioning. In addition, complicated procurement processes hinder small and medium-sized enterprises' interest to bid for development financed procurement opportunities.

9 While based on a small number of survey responses, these patterns are consistent with other evidence gathered across sub-sectors.

Comparable examples in **Disaster risk reduction and meteorology** and **Energy+** show that where early-stage scoping support was available, small and medium-sized enterprises successfully secured sub-contracts, whereas in its absence companies withdrew from opportunities due to unaffordable upfront exposure. A fast-turnaround mechanism would reinforce environment and natural resources Theory of Change assumptions on predictable finance and joint innovation incentives, enabling small and medium-sized enterprises to form credible consortia, engage early with implementing agencies, and mature concepts before tenders open.

Finding 33. Finnish companies' capacity to access precise and timely information on potential opportunities remains uneven and enhanced support to companies to use existing platforms and dashboards on Global Gateway/International Financial Institution opportunities, as well as elevated embassy capacity to interpret and promote opportunities would reduce this information asymmetry.

Across sub-sector studies, small and medium-sized enterprises consistently described reliance on ad-hoc networks rather than systematic intelligence on International Financial Institution, Team Europe Initiative or UN procurement cycles. For Global Gateway, there is no single public registry of contracts by contractor nationality, and programme branding often precedes the publication of downstream procurement awards, which makes systematic tender tracking from pipeline announcements to award notices essential (see Global Gateway intensive study, Annex 6). Reflecting this transparency gap, the Global Gateway peer review (Annex 9) identified few publicly verifiable Finnish company awards in environment and natural resources Global Gateway-tagged projects as of September 2025, underscoring the value of linking early intelligence support to structured follow-through on procurement outcomes. This prevents early engagement with project preparation units and limits Finland's ability to influence the design of Terms of Reference – particularly for forest-information systems, circular economy investments, water-utility digitalisation, hydromet upgrades and responsible-minerals traceability. Missed opportunities documented in **Forests, ecosystems and biodiversity** (late awareness of Amazonia+ forest-monitoring tenders), **Water as a natural resource** (digital metering under EIB/KfW not reaching Finnish companies), and **Disaster risk reduction and meteorology** (hydromet procurement windows accessed mainly by incumbent global suppliers) sub-sectors illustrate the structural impact of this information gap.

The MFA already provides free access to Development Aid platform for all small and medium-sized enterprises. However, small and medium-sized enterprises' capacities to use it could be strengthened, and this work could be led by Finnpartnership. This is consistent with the survey, where respondents identified Team Finland networks and in-country contacts among the main benefits of Finnish development cooperation for accessing opportunities in developing markets. Where necessary, Finnpartnership could also support the use of additional dashboards, such as those informing on opportunities from TED,[10] EIB, KfW, UNOPS and Global Gateway pillar. This would operationalise environment and natural resources Theory of Change short-range results on knowledge, data and participation. Yet using dashboards alone is insufficient; embassies and Team Finland actors require capacity to collect early intelligence on upcoming interventions with significant procurement opportunities for Finnish companies, communicate these opportunities and facilitate match-making.

10 Tenders Electronic Daily (TED) is the official online portal for EU public procurement notices, published as the electronic supplement to the Official Journal of the European Union.

4.2.3 Engagement strategies and tactics of peer countries in leveraging private funding/partnerships

Finding 34. Denmark's challenge-fund model shows how structured non-governmental organisation-business consortia, competitive calls, and preparation-funding windows can generate investable green-transition partnerships. Finland can adapt this model and offer it through Finnpartnership.

The Danida Green Business Partnerships programme presents a mature example of how a donor can intentionally pair business incentives with non-governmental organisation capabilities to produce commercially viable, inclusive green-transition solutions. The programme uses a staged process (concept notes, shortlisting and interviews, then full proposals), which helps to screen ideas early and concentrate preparation effort on the most viable partnerships (see Annex 8). Its relevance for Finland stems from a clear gap: Finnish non-governmental organisations and companies lack an instrument or service that enables them to efficiently and effectively jointly innovate, design and implement environment and natural resources-relevant projects beyond early partnership development (Finnpartnership). The Danida Green Business Partnerships model shows several transferable lessons.

1. **Structured consortia with defined roles reduce transaction costs and align incentives.** Danida Green Business Partnerships requires each consortium to include at least one commercial and one non-commercial partner, with clearly defined development and commercial contributions, and with the non-commercial partner serving as administrative lead. Only non-commercial partners can act as the administrative lead (with multilateral organisations, public institutions and universities ineligible), which reduces administrative burden for companies and clarifies accountability for reporting and compliance (see Annex 8). This avoids the structural asymmetry Finland experiences when companies must carry administrative burdens or when non-governmental organisations lack a mechanism to anchor commercially oriented development projects.
2. **Competitive, demand-driven challenge calls produce higher-quality proposals and market-pull.** Annual, thematically prioritised calls – e.g. focusing on climate adaptation in 2025 – allow Denmark to steer private innovation toward policy priorities while preserving competition for the best ideas. This ensures alignment with country priorities and leverages embassy networks without embedding political selection into individual projects. The 17-criteria assessment framework (nine essential, eight additional) provides transparent selection logic absent in Finland's current private sector engagement offer.
3. **Preparation-funding windows de-risk early stages and accelerate pipeline development.** Danida Green Business Partnerships offers funding for project preparation (up to 75% of costs up to DKK 500,000) after concept-note approval, allowing firms and non-governmental organisations to jointly mature ideas before full proposal submission. This directly addresses Finland's systemic barrier of no institutionalised pre-bid or pre-proposal financing; a finding echoed across Finnish small and medium-sized enterprise survey data. Finland could adopt a light, rapid preparation-funding mechanism attached to Finnpartnership.
4. **Grant sizes and co-financing rules create meaningful incentives for businesses to enter green-transition markets.** Full projects provide DKK 4-15 million with up to 75% cost coverage, while requiring at least 25% co-financing from commercial partners. This ensures business skin-in-the-game while keeping risk manageable for market-entry contexts. Such medium-sized grants – larger than Finnpartnership but smaller than PIF – could fill Finland's

‘missing middle’ between feasibility support and investment finance. Full partnerships typically run for 3-5 years, and in some rounds the programme has also funded ‘maturation’ projects to develop promising concepts into implementable partnerships before scaling to full grants (see Annex 8).

5. **External secretariat + embassy alignment keeps processes professionalised and globally visible.** Danida Green Business Partnerships uses an external secretariat to run calls and ensure quality, while embassies contribute country intelligence and prioritisation. This hybrid model contrasts with Finland’s fragmented and institution-specific private sector engagement processes. A similar model could enhance Finland’s visibility under Global Gateway and strengthen pipelines emerging from embassies.

Finding 35. While Team Finland has greatly enhanced visibility and coordination of support services in Finland, the Team Finland-pathway can still be improved.

In this evaluation’s Global Gateway peer review (Annex 9), a light comparison of the available Finnish, Swedish and Danish support for their respective companies in accessing Global Gateway projects was conducted. The support was compared across three key parameters: development finance institution financial strength, export credit agency/export finance, and ODA/trade and investment promotion organisations on-ramp[11] focus.

Based on the comparison, Denmark offers the deepest concessional ODA + development finance institution + export credit agency blend with visible Global Gateway-branded pathways. Finland fares very well and provides a high risk-sharing capacity thanks to a clearly scoped EFSD+ line (Global Connected, up to EUR 100 million) aligned with Finland’s digital focus, and a strong small and medium sized enterprise pathway into EU procurement and Global Gateway, anchored in Finnpartnership and Team Finland. Sweden pairs substantial export-finance capacity with a Team Sweden Global Gateway interface and Sida’s private-sector framework to ensure development additionality.

Denmark (Danida Sustainable Infrastructure Finance-Investment Fund for Developing Countries-Export and Investment Fund of Denmark) offers well integrated and sequenced support models that guide companies from market exploration to commercial investment. This type of ecosystem reduces transaction costs, provides predictable escalation routes, and enables companies to operate at scale in Global Gateway and International Financial Institution markets. Evidence from the sub-sector reports shows that Finland, in the past, lacked an equivalent pathway, and instruments and services still sit across MFA, Finnfund, Business Finland, Finnvera and embassies with limitations in the consistency of country prioritisation, and unclear transition points from grant-funded pilots to commercial scale-up.

Without a recognisable Finnish ‘environment and natural resources pathway,’ small and medium-sized enterprises cannot leverage the Theory of Change medium-range results on increased private investment appetite, nor can Finland systematically translate its technical strengths (hydromet, geospatial forestry, smart water, responsible mining, circular solutions) into competitive access to large public procurement markets. A structured pathway would also support Theory of Change assumptions on coherent use of instruments and catalysed private capital.

11 Companies access Global Gateway via national development finance institutions, export credit agencies, ODA instruments and trade and investment promotion organisations, coordinated as Team Europe contact points. In this evaluation, development finance institutions, export credit agencies, ODA instruments and trade and investment promotion organisations’ are called ‘on-ramps’ when referring to their role to facilitate their respective country companies’ access to the Global Gateway projects.

Finding 36. Peer-country practice indicates professionalised brokerage increases firm participation in donor-funded markets; Finland's limited brokerage capacity constrains conversion of opportunities into actionable pipelines.

Countries such as Denmark, Sweden, Germany and the Netherlands invest heavily in commercial-development brokers who: (i) provide companies with curated early intelligence on pipelines and upcoming tenders; (ii) facilitate pre-bid consortium formation; (iii) interpret local regulatory environments; (iv) connect firms with implementing agencies; and (v) work with development finance institutions to package blended-finance solutions. In contrast, Finnish embassies often lack the dedicated human resources to undertake sustained brokerage in energy, water, circular economy, hydromet or forest-governance markets. The blended finance portfolio intensive study (Annex 7) notes that promoting Finnish participation through MDB-managed funds requires substantial and sustained effort because procurements cannot be earmarked for Finnish actors and because investee and pipeline information is often constrained by strict confidentiality and information-protection procedures. To strengthen brokerage and accountability, the Global Gateway intensive study (Annex 6) proposes maintaining a 'living' pipeline database that tracks Team Europe Initiative/Global Gateway announcements, links them to EIB/IFI procurement portals, and cross-matches awarded contractors against Finnish company identifiers to verify participation as awards become public.

The sub-sector reports provide examples from the past: missed pre-positioning in forest-information tenders (**Forests, ecosystems and biodiversity**), limited small and medium-sized enterprise engagement in digital water projects (**Water as a natural resource**), insufficient follow-up after initial scoping missions in hydromet (**Disaster risk reduction and meteorology**), and the absence of mechanisms to support small and medium-sized enterprise transition from pilot funding to bankable proposals (**Energy+**). These gaps undermine the environment and natural resources Theory of Change assumption that 'coalitions form' and 'finance flows align with transition pathways,' resulting in under-utilisation of Finnish technical advantages. In the future, strengthened brokerage – potentially regionally pooled – would directly address the 'missing middle' between opportunity identification and market entry. The Global Gateway peer review (Annex 9) suggests Denmark's stronger company footprint is supported by a more visibly sequenced 'whole-of-toolbox' model – concessional ODA lending plus development finance institution investment plus export credit – packaged into clear Global Gateway-branded pathways that reduce transaction costs for firms.

5 Conclusions

5.1 Conclusions for MFA's environment and natural resources policy and portfolio

Conclusion 1. Finland's clearest environment and natural resources contribution is capability formation for decisions and delivery (data, procedures, institutions), but portfolio-level claims on long-range environmental impacts should remain cautious given uneven evidence.

Across sub-sectors, the most consistent value-added is Finland's support to the 'public good' foundations of environment and natural resources action: information systems, standards, routines, institutional capacity and governance procedures that make planning and service delivery more evidence-based and predictable. This is strongly evidenced in **Forests, ecosystems and biodiversity** (forest information/monitoring systems and traceability functions), **Disaster risk reduction and meteorology** (hydromet systems and standard operating procedures), and **Water as a natural resource** (institutionalised WASH governance and information systems), and is also visible in **Energy+** where toolkits and platforms shaped policy steering.

At the same time, the synthesis evidence supports being **careful** in attributing or implying 'transformative' long-range outcomes from these systems alone – especially for **biodiversity** and other ecological end-results – because monitoring and verification are inconsistent and impacts are not systematically tracked from systems to ecosystem outcomes.

Supporting findings: 7, 8, 11, 14, 16, 17, 19 (and outcome-level: 1, 1b).

Conclusion 2. Finland achieved the most durable, system-level results when technical cooperation was paired with implementation and financing pathways; where aftercare and follow-on resourcing were weak, promising gains rarely sustained or scaled.

Across environment and natural resources, the 'make it stick' factor is not the quality of inputs, but whether implementation and continuity mechanisms exist: operations and maintenance, recurrent financing, procurement pathways, and institutional mandates that keep systems functioning and scaling. The evidence shows stronger systemic reach when engagement linked **capacity enhancement and follow-up financing** and became routine ('business as usual') – and weaker outcomes where projects remained isolated, aftercare was thin, or financing did not materialise. This applies differently by sub-sector: most visible in **Water as a natural resource** (system embedding and co-financing), **Disaster risk reduction and meteorology** (exit strategies, master-trainer approaches, institutional routines), and **Energy+** (where 'missing middle' finance and weak aftercare constrained scaling from preparation to delivery).

This conclusion does **not** imply 'single instruments are always weak'; rather, **fit and linkage** to the next step (financing, procurement, continuity) is what differentiates durable system uptake from stranded pilots.

Supporting findings: 8, 10, 12, 13, 14, 15, 22.

Conclusion 3. Rights-based and inclusive approaches strengthened legitimacy and reach, but equity and benefit-sharing were not consistently evidenced, increasing risks to social acceptance and conflict sensitivity were weak.

Finland's environment and natural resources portfolio shows that inclusion and community-linked governance improves relevance, trust and problem-solving capacity – clearly demonstrated in **Water as a natural resource** and **Disaster risk reduction and meteorology** people-centred approaches and in **Forests, ecosystems and biodiversity** community-based management 'bundles' of clear rights-based approaches, capable local institutions, cooperation with authorities and livelihood/value-chain incentives. However, evidence also shows that inclusion does not automatically translate into **equitable benefit-sharing**, and where participation/benefits were contested (e.g., in a major investment case), grievances emerged – indicating that legitimacy is an operational condition for sustainability, not a 'nice-to-have.'

Going forward, environment and natural resources programming needs to treat benefit-sharing, grievance handling, and political economy constraints as **core design and monitoring elements**, not assumed by-products of participation.

Supporting findings: 2, 3, 9, 21 (and risk illustration within 3).

Conclusion 4. Finland delivered substantial multi-sector outcomes, but biodiversity was the least consistently integrated, resourced and evidenced dimension across the portfolio.

Outcome evidence is strongest for **forests** (forest cover/protection via community management), **WASH** service gains, renewable energy generation/emissions reductions, plastic leakage reduction, and early warning coverage. Across these, biodiversity outcomes are described as moderate and – critically – often under-integrated in bilateral forestry and not systematically captured in **Energy+/Disaster risk reduction and meteorology** pathways beyond plausible co-benefits.

This creates a practical policy implication: if biodiversity is a priority objective, it cannot rely on indirect co-benefits; it needs clearer integration in intervention logic, indicators, and verification approaches (including where appropriate through civil society/multilateral channels that have demonstrated more tangible biodiversity-related results).

Supporting findings: 1, 1a, 1b, 4, 5, 6, 14, 16.

Conclusion 5. Finland's comparative advantage – technical credibility coupled with long-term partnership – amplifies influence, but past and current resource reductions jeopardise continuity, learning and delivery capacity that underpin results.

The evidence consistently attributes Finland's added value to specialised technical institutions and long-term trust-based cooperation, particularly valuable in fragile/complex contexts and in multilateral/standard-setting arenas. However, the findings also show that reduced development resources and staffing are already eroding continuity, follow-through, and the ability to sustain

bilateral engagement and policy dialogue – weakening both development effectiveness and future opportunity creation (including commercial pathways).

This is a strategic tension for environment and natural resources policy: expectations for impact and leverage remain high, but the enabling architecture (presence, continuity, capacity to accompany implementation) is shrinking.

Supporting findings: 7, 19, 20, 22, 23 (with mechanism links to: 10, 13).

5.2 Conclusions for Private Sector Engagement in MFA's environment and natural resources policy and portfolio

Conclusion 6. Private sector engagement in environment and natural resources cooperation during 2010-2024 was not a consistent design objective; raising ambition now requires changing mandates, instruments and staffing, not adding expectations.

The evidence is clear that private sector engagement was not systematically mandated, planned, budgeted or staffed across environment and natural resources interventions, even where opportunities plausibly existed (these were identified particularly in operations and maintenance, analytics, asset management, and traceability services). As a result, private sector engagement occurred sporadically and person-dependently rather than as a portfolio feature.

Therefore, moving to 'much closer linkages' in the next phase is less about persuading firms in the abstract, and more about **changing programme architecture**: early feasibility of private roles, procurement/contracting models, risk allocation, and aftercare arrangements that make private participation realistic and development-additional.

Supporting findings: 24, 25, 31, 32.

Conclusion 7. The most immediate entry points are procurement- and finance-driven service markets where Finland has proven technical credibility; success depends on early positioning and implementation support.

The findings identify near-term opportunity clusters where demand is shaped by major initiatives and financiers and can be procured at scale: **hydromet/early warning and observation modernisation, water utility modernisation/digital metering and leakage analytics, and forest information/traceability and compliance-related services**. These are attractive because they match Finnish technical strengths, but they are also competitive and time-bound – requiring early intelligence, consortium formation, and capacity to move from opportunity identification to bids and delivery (including operations and maintenance).

This conclusion is sector-specific: it does not claim that 'private sector roles are realistic everywhere,' but that these clusters are the most evidence-supported starting points.

Supporting findings: 18, 22, 26, 27, 33.

Conclusion 8. The binding constraint is the 'missing middle': fast preparation support and brokerage capacity, especially for SMEs, remain insufficient relative to tender timelines.

Across survey/interview evidence, SMEs prioritise hands-on preparation support and partner identification; major barriers include time-consuming preparation, tendering costs, long approval times, and uncertain co-financing. Existing instruments can unlock large deals but are often too slow/process-heavy for SMEs and misaligned with procurement windows.

Operationally, this points to a capability gap more than a 'market gap': without rapid preparatory support and structured brokerage, Finnish participation will remain below potential even in sectors where demand exists.

Supporting findings: 30, 31, 32, 33, 36.

Conclusion 9. Finland's private sector engagement ambition is constrained by a policy-capacity mismatch: expectations rise while field presence and platforms needed to originate pipelines continue to contract.

The evidence flags a widening gap: policy now emphasises private sector engagement and Finnish commercial benefits, but the reduction of bilateral programmes, staffing and long-term platforms limits MFA's ability to help to shape enabling conditions (rules, institutions, demand articulation) and to support firms through the full pipeline from scoping to delivery.

This matters because many 'bankable' environment and natural resources opportunities require prior groundwork – trust, local partnerships, regulatory alignment, and continuous follow-up – especially in fragile contexts. Without that groundwork, private sector engagement goals risk becoming aspirational rather than operational.

Supporting findings: 25, 33, 36 (with broader enabling-risk linkage: 23).

Conclusion 10. A clearer, recognisable 'environment-and-natural-resources-to-market pathway' within Team Finland is needed to convert technical strengths into sustained participation in Global Gateway/IFI pipelines; peer practice indicates workable models.

The findings do not suggest Finland lacks instruments entirely; rather, companies experience unclear transition points from grants/pilots to scaled opportunities, uneven access to timely information, and limited brokerage. Peer-country practice highlights that professionalised brokerage and structured challenge-fund style mechanisms can materially improve participation and pipeline quality.

The practical implication for environment and natural resources is to **sequence and package** the existing offer into a more navigable pathway (from market intelligence to preparation finance, consortium formation and bidding, and eventually to support in delivery/aftercare), and to adapt proven models (e.g., structured NGO-business consortia with preparation windows) to Finland's context.

Supporting findings: 28, 29, 31, 32, 33, 34, 35, 36.

6 Recommendations

6.1 Recommendations for MFA's Environment and Natural Resources Policy and Portfolio

Recommendation 1. Prioritise a limited number of long-term environment and natural resources partnerships where Finland's system-building strengths align with partner-country demand and institutional capacity.

Finland should concentrate its bilateral and institutional cooperation on a **select set of partner countries and regions** where there is clear and demonstrated demand from partner governments for strengthening environmental governance, service delivery systems and data-based decision-making, and where Finland's technical institutions have already shown comparative advantage and credibility.

In practical terms, this means:

- Continuing using country programming to **explicitly assess demand, counterpart capacity, and prospects for institutional embedding** before initiating or extending engagement.
- **Building on existing and lapsed long-term engagements** of in particular bilateral and regional cooperation, Institutional Cooperation Instrument (ICI), and support to civil society organisations by the means of using those instruments and partnerships that in the current context of limited resources are most feasible. These instruments likely include Private Sector Instruments, support to civil society organisations, ICI and EU development cooperation, perhaps also multilateral support, and the partnerships likely involve public-private-community partnerships, embedded into a whole-of-society approach.
- Refraining from making 'new openings' that would be **short-term or stand-alone technical projects** that cannot plausibly be embedded in partner systems or linked to financing and implementation pathways.
- Being explicit about **whose demand matters**: prioritising demand articulated through partner-country strategies, sector reforms, and budgeted programmes, rather than ad hoc project-level interest.

This recommendation implies **selective concentration** to protect the effectiveness of reduced resources.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for

Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, Finland's Embassies, civil society organisations.

Contributing conclusions: 1, 2, 5.

Recommendation 2. Make institutional embedding, continuity and implementation pathways explicit design criteria across all new environment and natural resources interventions.

MFA should require that new environment and natural resources interventions demonstrate, at design stage:

- How supported systems, services or governance reforms will be **adopted into routine administrative practice**.
- How **operations, maintenance and recurrent costs** are expected to be covered beyond the project period.
- What the **next-step pathway** is (public financing, concessional credit, multilateral platform, national budget integration, or regulated service provision).

This can be operationalised through existing project preparation and appraisal processes, without new instruments, by strengthening guidance and review questions.

The intent is to reduce the recurrent pattern of technically strong outputs that stall due to missing aftercare, financing or mandates.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, Finland's Embassies and applicable to all partners funded by the MFA.

Contributing conclusions: 1, 2, 5.

Recommendation 3. Treat biodiversity as a distinct and intentional objective, not as an assumed co-benefit, when it is a stated priority.

Where biodiversity protection or restoration is an explicit objective, MFA should ensure that:

- Biodiversity considerations are **clearly integrated into intervention logic**, rather than treated as indirect spill-overs from forests, energy, water or pollution reduction.
- Indicators, monitoring approaches and verification methods are **appropriate to biodiversity outcomes**, including where this is best delivered through civil society organisations or multilateral channels rather than bilateral technical cooperation.
- Expectations for biodiversity impact are **realistic and evidence-based**, aligned with available instruments and monitoring capacity.

This does not imply that biodiversity must be integrated everywhere, but that **claims and designs must match intent and evidence**.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management.

Contributing conclusions: 1, 4.

Recommendation 4. Embed rights-based approaches, benefit-sharing and grievance handling as operational design elements in environment and natural resources cooperation.

Building on Finland's strengths in inclusion and rights-based approaches, MFA should:

- Require that interventions involving communities, land, natural resources or infrastructure explicitly address **benefit-sharing arrangements, grievance mechanisms and political-economy risks**, proportionate to context.
- Avoid assuming that participation alone ensures equity or legitimacy; instead, **monitor distributional effects and social acceptance** where risks are material.
- Apply this selectively, recognising that not all interventions require the same level of community or private sector engagement.

This recommendation aims to reduce sustainability and conflict risks while keeping expectations feasible.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 3.

Recommendation 5. Use differentiated instrument choices deliberately, recognising the distinct strengths of public-public, civil society, and multilateral channels, as well as the benefits of public-private-community partnerships and whole-of-society approaches, where fit-for-the-purpose.

The evaluation shows that Finland's environment and natural resources results were strongest where the **choice of instrument matched the type of change sought**, rather than where a single delivery model was expected to serve multiple purposes. Going forward, MFA should apply a more explicit **fit-for-purpose logic** in selecting instruments and channels, recognising that different modalities contribute to different stages of system change, scale-up and sustainability, and that not all interventions require private sector or whole-of-society engagement.

In practice, this means:

- **Use public-public cooperation** primarily to build the foundations of environmental governance and service delivery, including standards, data and information systems, regulatory procedures, professional capacity and institutional legitimacy, particularly where environmental management functions are public goods.

- **Use civil society and multilateral channels** where objectives centre on biodiversity conservation, inclusion and rights-based approaches, global public goods, norm-setting or support to international environmental commitments, and where these actors have demonstrated comparative advantage in delivery, monitoring and legitimacy.
- **Use financing instruments and blended platforms** when the objective is implementation at scale – including infrastructure, service delivery or market uptake – and when credible pathways exist for procurement, operations, maintenance and recurrent financing beyond the initial investment.
- **Use private sector instruments** when there is a realistic and evidence-based opportunity for commercially delivered services or investments (for example in clean energy, circular economy, hydrometeorology, water services, forest information or traceability), and when interventions are designed with adequate preparation, risk-sharing and follow-through to avoid stalling between early studies and delivery.
- **Use public-private-community partnerships** where sustainable results depend on combining public authority and oversight, private delivery or service capacity, and community participation, legitimacy and local problem-solving – particularly in natural resource governance and service contexts where benefit-sharing, compliance and social acceptance are material to long-term effectiveness.
- **Use whole-of-society approaches selectively**, where cross-sector coordination is a condition for success (for example linking data-to-decision systems, early warning services or land-use planning with sector users and response institutions), while avoiding imposing complex multi-stakeholder models in contexts where narrower institutional embedding is sufficient.

This differentiated approach supports more realistic expectations of what each instrument can deliver, reduces fragmentation, and helps ensure that scarce resources are deployed where they add the most value.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 1, 2, 4, 6.

Recommendation 6. Rebuild learning and credibility by strengthening monitoring that supports verification, adaptation and portfolio-level decision-making.

Within realistic resource limits, MFA should:

- Prioritise **verification-ready monitoring approaches** (including geospatial methods where appropriate) for interventions with spatially distributed or long-term outcomes.
- Focus monitoring investments on **learning and decision-use,** not only reporting, including understanding what does not scale or sustain.
- Use portfolio-level synthesis periodically to inform strategic choices about continuation, adaptation or exit.

The objective is disciplined learning, not expanding reporting burdens.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 1, 2.

6.2 Recommendations for Private Sector Engagement in Environment and Natural Resources

Recommendation 7. Make private sector engagement a conscious design choice in environment and natural resources programmes, based on feasibility and development additionality.

MFA should require that new environment and natural resources interventions explicitly consider:

- Whether private sector roles are **feasible, appropriate and development-additional** in that context and sub-sector.
- What type of roles are realistic (for example, operations and maintenance, analytics, service provision, traceability, asset management), rather than generic expectations of 'business involvement'.

Where private sector engagement is not feasible or relevant, this should be stated explicitly, avoiding unrealistic expectations.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 6.

Recommendation 8. Focus environment and natural resources private sector engagement on a small number of evidence-supported entry-point clusters.

Based on the findings, MFA should prioritise private sector engagement efforts in:

- Hydrometeorology, early warning and climate-related services.
- Resilient and digitally enabled water services.
- Forest information, traceability and deforestation-free compliance-related services.

These areas combine clear demand, public procurement pathways and Finnish technical strengths. Other areas should be treated as exploratory rather than priority.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 7.

Recommendation 9. Address the 'missing middle' by adapting existing instruments to provide faster, lighter preparation and pre-bid support for environment and natural resources opportunities.

Rather than creating new facilities, MFA should:

- Retarget a modest share of existing grant instruments, especially Finnpartnership, to support **rapid feasibility, consortium-building and pre-bid preparation** for environment and natural resources-related opportunities.
- Ensure decision timelines and administrative requirements are aligned with **international procurement cycles**, particularly for small and medium-sized enterprises.

This responds directly to the most consistently identified barrier in the evidence.

This recommendation is directed at: led by MFA, Department for Development Policy; with participation of MFA Department for Africa, the Middle East and Latin America and Department for Asia and Oceania, Unit for Eastern Europe, MFA leadership and senior management, and applicable to all partners funded by the MFA.

Contributing conclusions: 8.

Recommendation 10. Clarify and operationalise an 'environment and natural resources pathway' within Team Finland, without extending it beyond its sectoral mandate.

MFA leadership should clarify, for environment and natural resources specifically:

- How existing instruments and actors (ministries, embassies, Finnfund, Finnpartnership and other Team Finland actors) connect **from opportunity identification to preparation, bidding, financing and delivery**.
- Who is responsible for coordination at key transition points, without creating new structures.

This recommendation is sector-specific and does not prescribe changes for other sectors such as agriculture or information and communications technology.

This recommendation is directed at: led by MFA, Department for Development Policy; MFA leadership and senior management, and applicable to all Team Finland partners.

Contributing conclusions: 10.

Recommendation 11. Strengthen targeted opportunity brokerage for environment and natural resources within existing embassy and agency resources.

Within current staffing constraints, MFA should:

- Designate **environment and natural resources focal responsibilities** in selected priority embassies and within Finnpartnership.
- Focus brokerage on **early intelligence, partner matching and interpretation of procurement opportunities**, rather than generic promotion.
- Pool or regionalise this function where national capacity is insufficient.

This should be selective and focused on priority thematic tracks.

This recommendation is directed at: led by MFA, Department for Development Policy; MFA leadership and senior management, and applicable to all Team Finland partners.

Contributing conclusions: 8, 10.

Recommendation 12. Align expectations for private sector engagement with available policy, staffing and financial capacity.

Finally, MFA should ensure that ambitions for private sector engagement in environment and natural resources are **commensurate with the scale of bilateral presence, technical engagement and follow-through capacity**.

Where resources are reduced, expectations should be adjusted accordingly, or specific capacities protected, to avoid aspirational strategies that cannot be operationalised.

This recommendation is directed at: led by MFA, Department for Development Policy; MFA leadership and senior management, and applicable to all Team Finland partners.

Contributing conclusions: 5, 9.

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The Evaluation Team

Sari Laaksonen (Team Leader for synthesis, and lead for private sector engagement) is a private sector engagement, trade-investment-development-nexus, international politics, development finance and evaluation specialist with over 25 years' experience in these domains. She has contributed to most major MFA evaluations in private sector engagement and related topics in recent years, including as team leader of the Evaluation of Economic Development, Job Creation and Livelihoods and senior evaluator on the Review of Digital and Development. Sari has worked in-country for the UN, from the headquarters' positions of UN-agencies and the WTO (EIF Executive Secretariat), at the MFA Finland, as a start-up entrepreneur and as an International Consultant, typically serving as a Team Leader.

Dr Julian Caldecott (Team Leader for sub-sector evaluations, and lead for water as a natural resource sub-sector evaluation) has over 40 years of global development cooperation experience, focused on cost-effective nature-based and community-based solutions to biodiversity loss, ecosystem degradation and climate change, and on evaluating the design, effectiveness, impact, sustainability and transformative capacity of bilateral and multilateral interventions for equity and environmental sustainability. In leading roles he applies robust and innovative methods across a range of strategies, programmes, partnerships and institutional processes to deliver timely and useful findings, plans and recommendations. In the course of evaluating well over EUR 10 billion in aid investment since 2010, he has led major studies for clients that include the aid agencies of Denmark, Finland, Norway, and Switzerland. He has also published books on biodiversity conservation, water and aquatic ecosystems, governance and sustainability, as well as Aid Performance and Climate Change (Routledge, 2017) and Surviving Climate Chaos by Strengthening Communities and Ecosystems (Cambridge 2021). His interests now focus on the challenges of responding effectively to approaching Earth system tipping points, and of restoring 'peace with nature' (which the UN Secretary-General describes as 'the defining task of the 21st century').

Warren Olding (Lead for disaster risk reduction and meteorology sub-sector evaluation) has over 30 years of work experience in development cooperation, specialising in environment and natural resources. From 1998 to date, he has taken up senior and leadership roles in various complex, thematic, strategic and project/programme evaluations covering areas related to sustainable development, natural resources management, disaster risk management, climate change adaptation and the restoration and/or conservation of ecosystems, habitats and their biodiversity. By profession he is an environmental planner with a Master of Arts in Environmental Planning in 1990 at the University of Nottingham, and later been a Member of the Royal Town Planning Institute since 2003.

Kristiina Mikkola (Lead for forests, ecosystems and biodiversity sub-sector evaluation) is a specialist in managing and evaluating development cooperation interventions with over 30 years of experience in working with governments, international and civil society organisations. She has wide-ranging consulting experience covering programme design and appraisal, and project monitoring and evaluations. She has conducted a number of evaluations covering natural resources and different funding modalities. She has long-term country experience from Asia and short-term experience from numerous countries in Asia, Africa and Eastern Europe. Ms Mikkola holds an MSc in Agriculture and Forestry from the University of Helsinki and an MSc in Environmental Management from the University of London.

Matthew Savage (Lead for clean energy, circular economy and critical minerals sub-sector evaluation) is a senior international development economist with nearly 30 years' experience designing, reviewing, and evaluating major global climate finance and energy transition programmes. As Director of Oxford Consulting Partners, he has led or contributed to flagship evaluations including the Second and Third Performance Reviews of the Green Climate Fund, the global Impact Evaluation of the Climate Investment Funds (and separate evaluations of CTF and SREP), the World Bank's Energy Sector Management Assistance Program programme, and multi-year evaluations of United Kingdom's International Climate Finance. He has overseen major reviews for bilateral donors, multilateral development banks, and philanthropies. His work is grounded in field experience across more than 40 countries across Asia, Africa, the Middle East, and the Caribbean, assessing system-wide impacts, institutional reforms, and large-scale investment outcomes. Matthew is also a published author of influential climate finance studies, contributing to OECD green finance reports, UN Development Programme State of Energy publications, the Transformational Change Learning Partnership frameworks, and multiple United Kingdom government evidence papers. He has previously held senior roles with the United Kingdom Government (leading COP26 energy transition initiatives) and with the International Finance Corporation, where he led sustainability work in Europe and Central Asia. He holds higher degrees from the University of Oxford and the Netherlands Business School.

Paula Tommila (Senior Expert; private sector engagement and energy) specialises in development financing and the interconnections of private sector development and development cooperation. Paula has more than 15 years of experience in development, business and sustainability consulting in sustainable energy and natural resources sectors across the world. She has particular interest in the development impact potential of private sector investments. Paula is an experienced evaluator with a track record of tens of evaluations of development cooperation interventions, business plans and private sector development programmes.

Anu Nieminen (Emerging Evaluator) is an evaluation practitioner with an extensive experience in project management and evaluations within the realm of international development cooperation. She holds a Master's degree in Development Management and has worked on strategic and project level evaluations with organisations such as the EU, non-governmental organisations like the Foundation for Environmental Education, and government agencies including the Ministry for Foreign Affairs of Finland. Anu is skilled in evaluation methodologies, including theory of change and participatory approaches, as well as qualitative and quantitative data analysis and research methods. She has contributed to evaluations in various sectors such as environment, domestic resource mobilisation, education, and gender. Anu collaborates effectively with stakeholders and partners to deliver high-quality evaluations under tight deadlines, using evaluation as a tool for learning, improvement, and accountability in development programs.

Dr Richard Lemoine-Rodríguez (Geospatial and Natural Language Processing Expert) is a researcher who integrates methods and concepts from urban ecology, geoinformatics, and digital humanities to advance evidence-based understanding of social and environmental change. His work spans land cover/land use change detection (including urbanisation and deforestation), accuracy assessment of land cover maps, analysis of urban heat islands, biodiversity, green infrastructure, urban inequality, and sustainability. He also investigates the social perception of urban spaces and urban discourses through information extraction and classification of text data from sources such as social media, surveys, and news outlets, and evaluates scientific insights from research papers and impacts documented in project reports using natural language processing techniques. Richard has collaborated for more than a decade with academic institutions, government agencies, and private sector organisations on projects across Argentina, Chile, China, Colombia, Finland, Germany, Haiti, India, Malawi, Mexico, Spain, and the United States, as well as in multiple global geospatial assessments of urbanisation and its impacts.

Annex 1: Terms of Reference

Joint Efforts for a Green Future: Evaluation on Finland's Development Cooperation in Environment and Sustainable Use of Natural Resources and Private Sector Opportunities

| ENVIRONMENT | SUSTAINABLE USE OF NATURAL RESOURCES | FORESTS AND BIODIVERSITY | WATER | ENERGY | METEOROLOGY AND DISASTER RISK REDUCTION |

Terms of Reference

1. Background and Rationale

Sustainable management and use of natural resources - with focus on agriculture, forests, water and biodiversity - have played an important role in the Finnish development cooperation for decades. Since the 2012 United Nation's Conference on Sustainable Development the Finnish support related to natural resources have been anchored in the Sustainable Development Goals (SDG), especially SDG 6 on Clean Water and Sanitation, SDG 7 on Affordable and Clean Energy, SDG 13 on Climate Action, and SDG 15 on Life on Land (covering forests and biodiversity).

Since the 2015 Paris Agreement, support for climate change mitigation and adaptation to promote low-emission and climate-resilient development has emerged as a key priority in Finland's development policy and cooperation. Finnish support and related environmental and climate diplomacy are closely linked to international conventions/multilateral environmental agreements (MEA) to which Finland is a party to including the Paris Climate Agreement; the UN Framework Convention on Climate Change; Convention on Biological Diversity (CBD); the United Nations Convention to Combat Desertification (UNCCD); UNECE Convention Protection and Use of Transboundary Watercourses and International Lakes (1992); and the Sendai Framework for Disaster Risk Reduction.

The topic of green sustainable development continues to be timely from an international perspective. The most recent Sustainable Development Goals Report (UN 2024) identifies inadequate progress and some alarming trends considering the SDGs related to natural resources (https://unstats.un.org/sdgs/report/2024/).

- SDG 6: In 2022, roughly half the world's population experienced severe water scarcity for at least part of the year; water stress is increasing; there are still major challenges

in transboundary water cooperation, there's a shortage of flood alarm systems, etc. Climate change is worsening many of these issues.

- SDG 7: Global capacity to generate electricity from renewable energy has begun expanding at an unprecedented rate, but mainly in the developed countries. At the same time, still around 2.1 billion people rely on polluting fuels and technologies, such as wood, charcoal, dung and crop waste, as their primary energy source for cooking.
- SDG 13: Climate warming continues; 2023 was the warmest year yet. Highest-ever greenhouse gas emissions in 2022 reveal a global failure to meet climate goals. the number and intensity of extreme weather events have increased. Recorded disasters increased fivefold over the past 50 years, driven partly by human-induced climate change.
- SDG 15: Global deforestation and forest degradation continue, with unstainable land used practices mainly in the developing countries driving the negative trends. Agricultural expansion drives almost 90 per cent of global deforestation. Global biodiversity faces ongoing threats, evidenced by a 12 per cent deterioration in the Red List Index between 1993 and 2024. Negative biodiversity trends are partly linked to climate change.

The 2024 OECD Development Cooperation report "Tackling Poverty and Inequalities through the Green Transition" states that green transitions include the comprehensive and systemic shift towards environmentally sustainable and climate-safe practices across various sectors. The pace, content and priorities of green transitions are context-specific, with the need for nuanced and tailored approaches that depend on pre-existing country characteristics, resources and opportunities. At the same time, policies relating to biodiversity loss, environmental degradation and the collapse of ecosystem services are increasingly relevant. Nature-based solutions such as tree planting, applying biochar from crop residue and improving grazing practices can help create green jobs, increase access to carbon finance and reduce CO2 emissions. (OECD 2024, p. 264.)

The policy objectives and the relative importance (in terms of resource allocation) of various natural resource (sub-)sectors have changed over the years guided by the various government development programs. Policy objectives have included creating equal opportunities for sustainable and climate-friendly food production and access to safe and nutritious food; ensuring equitable access to safe and affordable drinking water and to adequate sanitation and hygiene; reducing the vulnerability of people and communities to extreme weather events and natural disasters and increase their resilience; promoting equitable access to affordable, reliable and sustainably produced renewable energy; and fostering the sustainable management, use and protection of renewable natural resources and ecosystems. These support the UN Sustainable Development Goals, and the goals of the Paris Agreement.

In 2021 the Finnish government adopted[12] the Report on Development Policy Across Parliamentary Terms which promotes long-term and coherent approach to development cooperation based on shared values and Finnish comparative advantages. Long-term support for climate change mitigation and adaptation, and climate resiliency; sustainable management, use and protection of renewable natural resources and ecosystems, including forests and water resources, and

12 Parliament approved the report in the spring of 2022. The practical implementation period of the report at the Ministry for Foreign Affairs was limited, lasting less than a year in 2022-23.

the halting of desertification and soil degradation; promotion of sustainable renewable energy; improving food security and more efficient and sustainable agriculture in developing countries and improving access to and sustainable use of safe and affordable drinking water are identified as key areas for cooperation. The report also pays attention to the interdependencies of food, water, forest and energy, climate and biodiversity aspects. Finland's measures towards the achievement of the water-related targets of the 2030 Agenda are guided by the interministerial Finnish Water Way – International Water Strategy of Finland.

Finland set out to aspire towards climate smart foreign policy, the aim has been to consider climate change at all levels of foreign policy and to promote a global transition towards low emission and climate resilient societies. (MFA website[13].) Finland has supported a multi-sectoral approach, which improves the outcomes of development projects. Use of financial instruments and partnerships must be consistent and complementary. Coherence and coordination between development policy and other policies, such as trade policy, have been a key requirement for sustainable results. (MFA website[14].) In the recent years, the promotion of the role of the Finnish private sector has visibly gained more attention as demonstrated by the current government policies.

The 2024 Government's Report on International Economic Relations and Development Cooperation identifies policy objectives related to the support for climate action in developing countries. Disaster risk reduction, weather observation and early warning systems, as well as forestry and sustainable forest management are areas of Finnish expertise. Environmental and climate technology are potential market opportunities for Finnish companies. The policy measures include:

- Promoting the export of climate and environmental technology and circular economy solutions produced by Finnish companies to developing countries by utilising a range of development cooperation instruments.
- Creating demand for Finnish climate and environmental technology in developing countries as part of the implementation of international climate and environmental agreements. Participating in international climate and environmental funding in accordance with international obligations.
- Promoting the transparency and accountability of the extractive and energy sectors and the opportunities of developing countries to take part in the clean transition.
- Continuing support for promoting Finland's extensive water expertise in developing countries, drawing on close cooperation with companies, researchers and other administrative branches.
- Bringing Finnish forest expertise together, supporting the access of Finnish actors to international funding and promoting the placement of Finnish experts in international organisations. (Government of Finland, 2024.)

The policy objectives translate into question such as how to better promote the export of climate and environmental technologies and circular economy solutions by Finnish companies by using development cooperation instruments. How to create demand for Finnish climate and environmental technologies in developing countries as part of implementing the obligations of environmental

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and climate treaties? How can Finland promote the transparency and sustainability of extractive instustries, particularly mining, and of the energy sector and developing countries' endeavors towards clean transition? Can the reform of the Business Finland activities bring along any new opportunities, and are their operating models suited for collaboration in the least developed countries? Can the emphasis on EU cooperation and Global Gateway yield opportuinties for the future, for instance due to the pilar assessment of Finfund? What types of cooperation models, consortia or multi-actor partnerships can yield sustainable cooperation instead of artificial set ups "kept alive" for a short period.

At the same time, many EU Regulations have been instituted or are being prepared that influence the private sector, such as the Deforestation Regulation and Corporate Sustainability Due Diligence Directive that might offer opportunities for joint efforts between development actors and the private sector ones.

To date, there is no comprehensive, consistent evidence on the extent and role of Finnish enterprises engaged in climate- and natural resources related development cooperation. There has been no synthesis of lessons learned and identification of good models for future application despite the apparent potential for making use of Finnish innovations and expertise and comparative advantages. Several evaluations have identified challenges in engaging the Finnish private sector despite the apparent opportunities. Many of the related development cooperation instruments and modalities are demand-based, which produces an additional challenge. Further, how to reconcile the possibly differing expectations by the public and philanthropic actors as well as private investors?

A centralised evaluation on climate finance was completed in 2023. The evaluation produced a wealth of information on Finland's climate portfolio and funding dynamics as well as broad analysis on various evaluation criteria such as relevance, coherence, effectiveness, signs of impact and sustainability. Further, the evaluation assessed the integration of cross-cutting objectives of human rights-based approach and; and gender equality and non-discrimination into climate work as well as an analysis of private sector and Finnish interests and actors.

According to the evaluation, Finland has managed to develop a reputation and strategic positioning in several thematic areas such as early warning services, meteorological services, disaster risk reduction DRR implementation channels (leveraging Finnish CSO and institutional cooperation, Finnfund and DPIs for private sector engagement), influencing and governance approaches (e.g. pro-active shareholder/funder engagement) as well as building a strong position in the intersect between climate finance and other cross-cutting development objectives such as gender and human rights. The recommendations included, among others, further analysis on areas of expertise (e.g. forestry, circular economy), and on private sector engagement. The climate finance evaluation also noted several limitations, including challenges in aggregate and sub-sector results analysis. The team noted limited documentation and intervention-level engagement as well as due to a fragmented portfolio and inconsistent results-reporting.

As the broad portfolio level analysis of the climate finance evaluation has just recently been completed, this evaluation will build on the results of this earlier evaluation, diving deeper into sub-sector–specific results, and analysing concrete results of selected sub-sectors in more detail. This evaluation pays special attention to the use Finnish added value/comparative advantages and opportunities for private sector engagement in the promotion of sustainable, and more resource efficient, climate-smart management and use of natural resources in developing countries. Lastly,

this evaluation responds, on its part, to the recommendations of the some earlier evaluations – including the climate finance evaluation - to strengthen the "Finnish results narrative".

Until now, there has been no comprehensive, integrated evaluation of the Finnish support to sustainable natural resource management. There is an abundance of related project and programme evaluations (listed in Annex 3) but there are no recent natural-resources linked thematic or programme evaluations in addition to the 2023 climate evaluation and the 2021 evaluation on water diplomacy. In 2010, there were three major thematic evaluations dealing with Finnish development cooperation concerning forestry and biological resources, water sector, and agriculture.

The topics covered by this evaluation are likely to remain relevant for a longer period of time. In addition to taking stock of achievements and lessons learned, there is a need for information that aids Finland in enhancing the effectiveness of its efforts and identifying practical ways to implement the government objectives, including opportunities for Finnish private sector actors in green/clean transition in the future.

Preparing for this assignment, the development evaluation unit conducted a series of consultations of selected internal and external stakeholders, including key personnel in the Ministry at different levels, CSO representatives and sector experts. The provided feedback and the earlier described policy developments, international trends and issues related to natural resources and performance regarding the related SDGs, and the fact that there is a shortage of fresh, relevant thematic evaluations and evaluations looking at the relevant sub-sectors in more detail and in an integrated manner, provide the main rationale and guidance for this evaluation. It is against this background that the evaluation is commissioned.

2. Description of the Evaluand

The 2022 Theories of Change (ToC) and aggregate indicators for Finland's development policy, and more specifically for the climate and natural resources priority area (Annex 1) provide a good description of what will be evaluated despite the fact that this type of planning system and initial ToC for priority areas were introduced only in 2020. The impact statement "Climate resilience and low greenhouse gas emissions development are promoted by sustainable use of natural resources is linked to five result areas: Forests and biodiversity, Energy, Meteorology and disaster risk reduction, Food and nutrition security, and Water. Outcomes and contributions to most relevant SDGs, and key outputs as well as key objectives for policy influencing are identified for each sector. Food security, clean water, renewable energy solutions and sustainable forest management complement each other in achieving sustainable development. (MFA website[15]). Meeting the objectives of this priority area is to help to boost Finland's climate efforts and management of natural resources while also improving the status and rights of women and girls, economically sustainable development, democracy and good governance.

Finland's objectives in the development policy priority area on climate and sustainable use of natural resources have included:

- **Create equal opportunities for sustainable and climate-friendly food production and access to safe and nutritious food.** Finland aims to secure land tenure

15 19.09.2024

rights of smallholders and local communities, and supports smallholders' and SMEs' employment opportunities and participation in value chains. Finland increases women's access to agricultural education, inputs and information, and makes farmers and the authorities better equipped to improve food quality and safety.

- **Ensure equitable access to safe and affordable drinking water and to adequate sanitation and hygiene.** Finland works towards improving the health and status of all people, especially women and children, by providing access to safe drinking water and better sanitation and hygiene in homes, schools and health centres. By improving access to water, better sanitation and hygiene, Finland contributes to the prevention of pandemics and preparedness for humanitarian crises.
- **Reduce the vulnerability of people and communities to extreme weather events and natural disasters and increase their resilience.** Finland supports its partner countries in improving their weather and climate services and early warning systems. Partner countries prepare national and local disaster risk reduction plans.
- **Promote equitable access to affordable, reliable and sustainably produced renewable energy.** Finland works with the public and private sectors to help them create energy solutions that will benefit everyone, including women and the poorest households. Support is offered especially to early-stage companies to help them create and develop energy services and products that utilise renewable energy sources and that are intended for companies and communities off the main grid. With Finland's support, households, communities and authorities can improve their capability to adopt resource-efficient, circular economy -based energy solutions.
- **Foster the sustainable management, use and protection of renewable natural resources and ecosystems, such as forests and water systems.** Finland advocates participatory land tenure and sustainable land use plans because they can be used to protect biodiversity, reduce greenhouse gas emissions, mitigate climate change and enhance climate adaptation. Finland supports the participation of smallholders and SMEs in value chains and facilitates their market access. Finland offers more opportunities for the citizens of developing countries to access better information about agricultural and forest resources.

Finland supports a range of UN Sustainable Development Goals through its work in this policy priority area. Finland's foreign missions play a key role, communicating effective climate solutions and promoting Finnish expertise in the climate field. Circular economy, the battery industry and the meteorology sector are some of the fields in which the climate solutions produced by Finnish companies and other players have a global demand. (MFA website[16]; MFA website,[17])

Meeting the objectives of this priority area will not only help to boost our climate efforts and management of natural resources, but also to improve the status and rights of women and girls, economically sustainable development, democracy and good governance. Food security, clean water, renewable energy solutions and sustainable forest management complement each other in achieving sustainable development. (MFA website[18].) The 2022 results report identified results on

16 25.7.2024

17 05.04.2024

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emission reductions, food security, clean energy solutions, water and sanitation, and in sustainable forest management (MFA 2022).

Finland also employs cross-cutting objectives on climate resilience, low emission development, and protection of the environment with an emphasis on safeguarding biodiversity in all of its interventions[19]. Through this, Finland seeks to address the other two dimensions of the triple planetary crisis, namely biodiversity loss and pollution. This includes preventing environmental degradation and enhancing the conservation and sustainable use of biodiversity and ecosystems. The minimum standard for the cross-cutting objectives is "do no harm". (MFA 2023[20].) This also means, for example, that climate- or environment-related interventions should not cause negative effects on biodiversity.

The geographical focus of this work and also sector focus have evolved over time. In the 2000s, climate and natural resources development cooperation took place almost equally in Latin America, Asia and Africa but in the last 10 years the focus has shifted gradually on Africa. Earlier forestry was a key sector MFA's development cooperation in general, not only compared to other natural resources. At the time of this evaluation, one bilateral forestrty project starts in 2025 as a continuation from previous projects.

According to the OECD development cooperation profiles in 2021-22, Finland committed 29.7% of its total bilateral allocable aid (USD 211.6 million) in support of the environment and the Rio Conventions (the DAC average was 35.1%), up from 25.3% in 2019-20. Unpacking the environmental data further (https://www.oecd-ilibrary.org/sites):

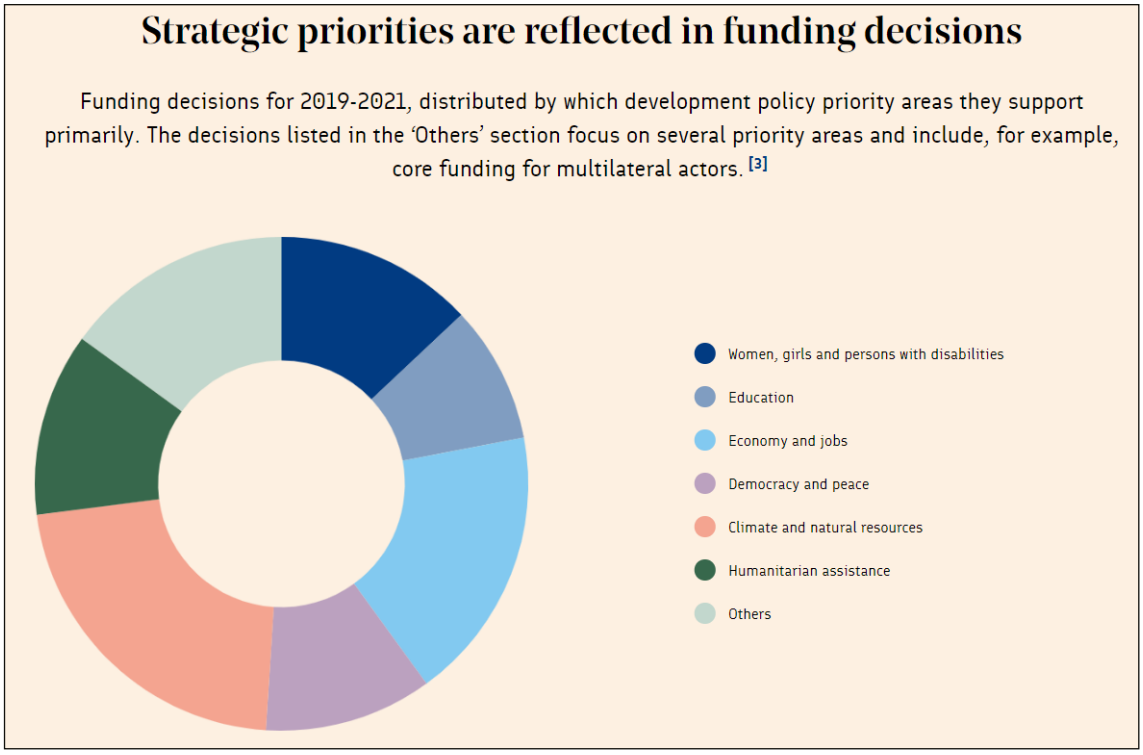
- Five per cent of screened bilateral allocable aid focused on environmental issues as a principal objective, compared with the DAC average of 11%.
- Twenty-seven per cent of total bilateral allocable aid (USD 189 million) focused on climate change overall, up from 24.5% in 2019-20 (the DAC average was 30.5%). Finland had a greater focus on adaptation (22.7%) than on mitigation (20.4%) in 2021-22.
- Five per cent of screened bilateral allocable aid (USD 33 million) focused on biodiversity overall, up from 1.8% in 2019-20 (the DAC average was 7.2%).

A 2017 peer review by the OECD highlighted that in 2015, 17 percent of Finland's development funding was allocated to the environmental sector, compared to the OECD average of 27 percent (KPT 2019).

In summary, between 2019-2021, a large share of funding decisions have entailed interventions that have climate and natural resources as their primary policy priority area.

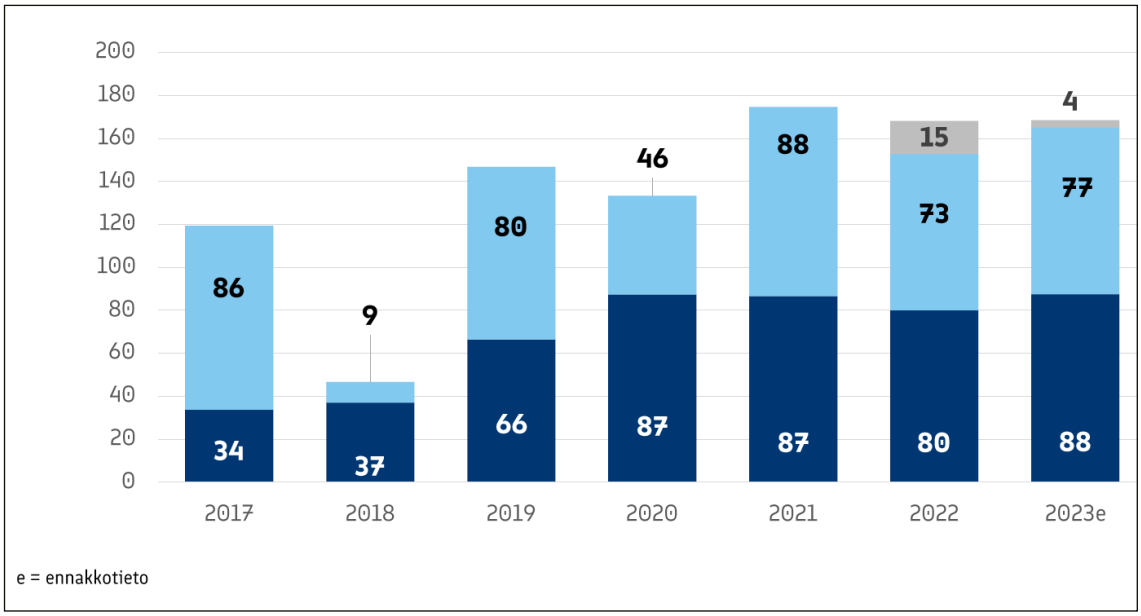
19 Climate resilience and low emission development were introduced as cross-cutting objectives in April 2020. Protection of the environment with an emphasis on safeguarding biodiversity was introduced as a cross-cutting objective in May 2023.

20 30.08.2024



Source: MFA (2022) Development Policy Results Report

When climate financing between 2017-2023 is examined, loans and investments (light blue and grey) have constituted an important share.



Source: Selko-päivät 2024

According to the 2023 climate finance evaluation, the energy sector received the largest allocations 2016-2021 when OECD DAC purpose codes are analysed.

	CLIMATE FINANCE/EUR	PROPORTION/%
Energy	170.2	26.6%
Multisector or sector not specified	130.6	20.4%
Environmental policy and administrative management	111.1	17.4%
Financial intermediaries (formal, informal, semi-informal)	88.5	13.8%
Forestry	51.0	8.0%
Agriculture, livestock, fisheries, food security	41.6	6.5%
DRR and Meteorological services	14.Mar	2.2%
Water and water basins	13.Jan	2.0%
Industrial policy and administrative management	9.Sep	1.5%
Research	6.Aug	1.1%
Rural development	2.Aug	0.4%

Source: MFA (2023).

Disbursements to biodiversity (in million euros) since 2010 have shown a downward trend until 2021, and was just over 5 million euros in 2021. The majority of Finland's biodiversity funding is channelled through multilateral funds and organizations (GEF, UNEP, IUCN) as well as non-governmental organisations (e.g. WWF, Siemenpuusäätiö) as non-earmarked general grants. In bilateral cooperation, the share allocated to biodiversity has been limited in recent years. (MFA, Results days 2023; KPT 2021; WWF 2022).

The Theory of Change (2023) for this policy priority area entitled "Climate and natural resources" with an impact statement of "Climate resilience and low greenhouse gas emissions development are promoted by sustainable use of natural resources" contains five outcome areas and a set of aggregate indicators (see Annex 1).

Many departments and units in the Ministry are responsible for or deal with the topics relavant to this evaluation. Some of them include: Under the Department for Development Policy, KEO-60 is the unit responsible for climate and environmental diplomacy, KEO-50 deals with development finance and private sector cooperation and KEO-30 manages support to Finnish and international NGOs. The regional departments are responsible for the bilateral interventions within their regions. Under the Department of International Trade, KPO-50 addresses trade promotion matters, and KPO-30 advances technology and sustainability. KPO-30, POL-40, KEO-50 all work together on the issues of extractive industries and energy for clean transition. EU's Global Gateway and Team Europe issues are handled by KPO-50 and KEO-10.

More information about the organisation: https://um.fi/contact-information

3 Purpose and objectives

The purpose of this evaluation is to provide the Ministry for Foreign Affairs and its stakeholders with information on the achievements, merits and worth of implementation of this policy priority area. The evaluation is to provide evidence-based recommendations on future directions for increased effectiveness for Finland to consider when it engages with this theme with a longer-term time perspective as well as as well as inform MFA stakeholders about the achievements. This evaluation increases knowledge on the environment and natural resources-related SDGs as well as SDG 17 on partnerships.

The objectives are:

1. **To harvest and evaluate results (obtained and sustained), successes and challenges in achieving the objectives of the policy priority area and its sub-sectors (summative).**
2. **Present a synthesis of results and impacts, including early/emerging impacts (summative)**
3. **To identify and analyse opportunities, means and measures for engaging Finnish private sector actors into this work in the future (formative).**
4. **To provide realistic evidence-based policy and operational recommendations for the future, with due attention to the limitations in financial and human resources available (formative).** This also includes documenting practical lessons on, and any opportunities for, applying geo-referencing and geospatial data for future monitoring and evaluation purposes to partly address reporting challenges.

The evaluation focusses mainly on the OECD DAC evaluation criteria of **effectiveness and impact**, with emphasis on results and signs of impact (of on-going /recently initiated interventions) / impact (of long-term or completed interventions).

The main users of the evaluation are different units and departments in the MFA managing development cooperation and investments. The secondary users include the Development Policy Committee (DPC) as well as other government ministries and institutions. Similarly, different partners, actors and stakeholders are likely to find the results useful. The evaluation also aims at producing useful information for private sector actors who are considering engagement in this sector.

4. Scope

The scope of this evaluation has been informed by the discussion in section 1 on the background, context and rationale, including the climate finance evaluation. When it comes to climate, the evaluation is not to duplicate but build on the findings of the previous climate finance evaluation to integrate and directly use, further categorise and classify as well as deepen the analysis on the results, particularly on the sub-sectors and themes such as forestry, water and food security. This evaluation naturally focuses on respective sub-sectors with teir own objectives, outcomes and out-puts which go beyond climate. Further, this evaluation places less emphasis on the broad portfolio analysis (compared to the climate finance evaluation) and more on assessment of the **results by sub-sector**, which due to interconnectedness may include also climate-related results. In addition, this evaluation broadens the selection of **cooperation instruments** with the EU/Global Gateway.

While the climate finance evaluation focussed on portfolio selection by the Rio marker for climate finance, this evaluation will use the climate and natural resources overall **policy priority area and its selected sub-sectors/topics** as the starting point. The sub-sectors covered are forest and biodiversity, water, (renewable) energy, disaster risk reduction and meteorology. The outcome area relating to agriculture and food security will be left out of this evaluation. Water-sub-sector in this evaluation mainly focuses on water as a natural resource and water management; sanitation dimension is largely left out of the scope. However, the choices may not always be clear-cut, and the some of the sources on sanitation may nevertheless include relevant information.

The evaluation is also to pay special attention to the assessment of **prospective economic opportunities** and private sector collaboration in the natural resource sub-sectors. The evaluation is to pinpoint **concrete, context-specific entry points and feasible "models"** for such collaboration in the next five years and estimate the development effects and benefits to private sector actors of such engagement.

It should be acknowledged that development policy and cooperation are part of broader foreign and security policy. As stated in the recent Government Report on International Economic Relations and Development Cooperation (GoF 2024), development policy is also **increasingly linked with Finland's international economic relations** as Finland's development cooperation will focus increasingly on development funding that supports trade. Finland's objective is to increase private sector participation in both development cooperation and funding and to strengthen the private and public funding of developing countries. The **main focus of this evaluation is on development policy and cooperation**. However, the evaluation will significantly entail analyses that link the evaluand with **Finland's international economic relations and Finnish and local private sector actors**.

Overall, this evaluation is not to separate between interventions and activities funded through climate financing from other types of development cooperation. Rather, **an integrated approach** is applied, in line with the idea of ending poverty and advancing development on a liveable planet. Similarly, the sub-sectors will inevitably link with climate action but the focus of analysis will be more on the sub-sector themes themselves.

This evaluation will **not address Finland's the cross-cutting objectives of human rights and gender equality and non-discrimination** as they were addressed to some extent in the climate finance evaluation. The evaluation should however pay attention to selection of informants and representation of different stances for a nuanced analysis. Similarly, the cross cutting objective of climate resilience, low emission development and biodiversity are not addressed in this evaluation from the perspective of mainstreaming, as the sampling will be limited to the portfolio with targeted action on this policy priority area. However, **the implementation of do no harm –principle** in relation to the **climate resilience, low emission development and biodiversity** cross-cutting objective should be analysed for the portfolio on targeted action (EQ1.1).

On the **level of analysis**, the evaluation is not focussing on evaluating the performance of individual projects, organisations or partners. The team will analyse evidence from different locations, countries, and/or regions for sub-sector specific analyses, followed by a synthesis of the policy priority area.

In addition to **development contexts that remain relevant also in the future**[21], this evaluation also takes into account (past and present) **transition contexts**, not least due to the objective of analysing future opportunities for Finland's international economic relations leveraged by its development cooperation. The sampling is therefore expected to go beyond the bilateral long-term partner countries of Finland, to also include countries represented solely by other cooperation instruments such as CSOs or private sector instruments. For instance, Nepal, a current long-term development cooperation country will transition by 2027.

Although international work to advance climate, environment and biodiversity agendas are part of many actors in Finland, including other ministries, this evaluation focusses on the work **financed through the Ministry for Foreign Affairs**, particularly under development policy and cooperation. Such actors may however constitute important stakeholders and informants in some cases.

With the known limitations and shortcomings in documentation and reporting, this evaluation is to use additional **complementary methods** such as geospatial analysis and use of other existing data and resources (see Methodology). This also includes documenting practical lessons on, and any opportunities for, applying geo-referencing and geospatial data use for future monitoring and evaluation purposes to partly address reporting challenges.

A small-scale review of Finland's support to digitalisation is being commissioned parallel to this evaluation. This evaluation is to find synergies with, and use the results of, the review on relevant parts.

The temporal scope of this evaluation broadly covers the years **2010> - 2023/4**, but is treated flexibly and **tailored to each sub-sector evaluation**. The findings from previous evaluations starting from 2010 should be used for a comprehensive document analysis. Similarly, relevant open source statistics, time series or other data should be used covering the longest period possible. The MFA management information system covers information from 2015 onwards but contains limitations. The temporal scope for the more in-depth analyses will be informed by current portfolios and ensure a meaningful linkage between the summative and formative dimensions of the evaluation, in order to maximise relevance to future work and recommendations. The evaluation team should also take into account the possibility of outdated or otherwise invalid information that may be found in the documents from the starting end of the temporal scope, and be able to critically review their relevance.

The cooperation instruments/modalities foreseen part of this evaluation:

- **Bilateral support** to Finland's partner countries (including also regional cooperation),
- **Multilateral support** (core funding and specific support to e.g. GCF, Global Environment Facility (GEF), AfDB, IADB, as well as multi-bi projects)
- **Private sector instruments (PSI), including loans and investments** and channels (e.g. Developing Markets Platform (DevPlat) and Public Sector Investment Facility (PIF) and other instruments (e.g. Finnfund, Finnpartnership),
- **Institutional Cooperation Instrument** (ICI).

21 In-depth analysis will not be conducted of contexts that have not linkage with the present portfolio or the formative, futures dimention. E.g. interventions in the Latin America are not likely part of the scope.

- **Support to civil society organisations** (CSOs), including CSO support (programme and project-based instruments) and International Non-Governmental Organisation (INGO) support,
- **EU development cooperation (incl. decentralised) and Global Gateway**[22]

This evaluation will not address policy influencing activities as a distinct cooperation modality, but issues relating to it may arise as part of the overall evidence base.

Other relevant cooperation avenues and partners, such as **Team Finland** or **Business Finland**, may be included if deemed relevant under a sub-sector evaluation. As Finland's engagement with Global Gateway is still relatively recent, evidence of results may still be limited. However, this evaluation will look into the Global Gateway opportunities for future engagement by Finnish private sector actors.

The extent to which the different cooperation instruments and channels are covered relatively speaking in the various sub-sector evaluations may vary according to the portfolio. Similarly, the exact temporal scope across 2010-2023/4 may **somewhat vary for each sub-sector**, depending on the selection of a suitable and adequate sample. EVA-11 approves the temporal scopes for the sub-sectors during the inception phase.

5. Evaluation Questions

This evaluation consists of **four stand-alone component (sub-sector) evaluations** and **an overall synthesis**. The five component evaluations are informed by the five outcome areas in the Ministry's Theory of Change (ToC)[23] and the current government report.

Component 1: Forests, ecosystems and biodiversity
Informed by Outcome 1: All people benefit increasingly from clean environment and healthy ecosystems, conservation, sustainable management and use of renewable natural resources, such as forests and water bodies (SDG 12.2, 15.1. 15.2, 15.3, 15.5, supports also SDG 6.5, 13.1, 13.3,15.9)

Component 2: Water as a natural resource
Informed by Outcome 5: All people have improved and equitable access to basic and sustainable drinking water, adequate sanitation services, and improved hygiene practices (SDG 6.1-.6.2; supports also SDG 13.1 and 13.3)

Component 3: Clean and sustainably produced energy, circular economy and critical minerals
Informed by Outcome 2: All people have improved and equitable access to affordable and clean, sustainably produced renewable energy (SDG 7, supports also SDG 13.1 and 13.3).

22 https://international-partnerships.ec.europa.eu/policies/global-gateway/global-gateway-overview_en

23 See Annex 1

Component 4: Meteorology and disaster risk reduction
Informed by Outcome 3: The vulnerability of all people to extreme weather events and natural disasters has decreased and their resilience to them has increased (SDG 1.5, 11.5, 13.1., 13.2., 13.3.)

The components are not case studies but component specific **stand-alone evaluations**. The component evaluations are to pay specific attention to **contextualised and nuanced findings** of their respective outcome area, with robust analysis and triangulation. As clarified earlier, the water sub-sector in in this evaluation mainly refers to water as a natural resource. The evaluation questions are:

Sub-sector level

EQ1: What results, including any realised or emerging impact, has Finland generated in this sub-sector during the period under evaluation? (summative)

1.1 What have been the most notable results and impacts? What relative change(s) resulted in the sub-sector through Finnish support during the period? Were there any unexpected and/or negative effects to the environment (do no harm)?

1.2 Who benefited, in what contexts, how and why (facilitating factors)?

1.3 What approaches have been particularly effective?

1.4 What has been Finland's (context-specific) added value/comparative advantage in generating the results?

EQ2: What concrete and context-specific opportunities, entry points and models are there for Finland for partnering with Finnish and local companies and economic actors within the sub-sector topic(s) in the next five years? (formative)

2.1 What type of markets, level of competition and local demand exists there for Finnish private sector funding, investments and/or solutions (products, services) in the sub-sector topic(s) in the locations assessed?

2.2 What are the foreseen gains to the Finnish companies in the short and long term?[24] What are foreseen benefits/results from such partnerships from the point of view of advancing of Finland's development policy objectives?

2.3 What kind of concrete models/partnerships (e.g. clusters/consortia/coalitions/multi-actor partnerships) and instruments show best promise and viability, including possible funding sources for sustainable private sector business models, for accelerating private sector engagement for Finnish private sector actors?

2.4 What measures result in successful engagement by Finnish companies, including small and middle sized, in joint projects/consortia/coalitions/multi-actor partnerships?

24 E.g. Country knowledge? Technical assistance? Access to new/growing markets? Trade? Attractive risk-adjusted returns? Growth and scale-up? Leveraging funding? Seed funding? Impact managment framework gains? Social and/or environmental returns? Risk management? Other?

Synthesis level

EQ3: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? (summative)

3.1 What have been the most notable results and impacts? What changed in the environment and/or natural resources through the Finnish engagement?

3.2 What can be learned from "what has worked, for whom, in what contexts and why", in securing sustained results in the future and ensuring do no harm? Which sectors and instruments have shown to be effective?

3.3 How far has the support contributed to transformative, resilient and enduring improvements in governance frameworks, institutions and markets in the natural resource sector?

3.4 What has been Finland's added value/comparative advantage over other actors in the sub-sectors and overall?

EQ4: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? (formative)

4.1 What appear as the most immediate opportunities, entry points and models for Finland in terms of partnering with Finnish and local companies and economic actors in a way that supports meeting Finland's development policy objectives? Discuss also from the point of view of Finland's PSIs, investments and loans, partnerships with and procurements by IFIs and UN agencies, other/new models or mechanisms?

4.2 What measures mobilise the Finnish companies the best to enter into this field and partnerships?

4.3 What can Finland learn from, apply and adapt from the engagement strategies and tactics that peer countries apply in successfully leveraging private funding and/or partnerships?

6. Methodology

The methodology is expected to use mixed-methods, including both quantitative and qualitative data. There is special emphasis for the summative evaluation questions to **use secondary data**. The evaluation is expected to effectively use the wealth of existing documentary evidence such as previous evaluations and reports. Geospatial methods and analyses[25] are a central part of the component evaluations, and should go beyond mere context description. Use of data science

25 See Annex 2 for examples.

techniques may be employed for further analysing geo/visual/imagery data where needed. For the formative evaluation questions, relevant futures methods may be employed if relevant.[26]

The foreseen methods for data collection and analysis include:

- Document analysis
- Relevant (open source) geospatial data, as one source of evidence for measuring change, effectiveness and impact (e.g. time series, geospatial correlation, semantic segmentation, geodata integration etc.) to the extent possible
- Analysis of MFA's administrative data (financial, indicators)
- Available statistics information (incl. OECD DAC, MFA OpenAid, other) and the use of statistics methods, grids, data integration, indices etc.
- Key informant interviews, including private sector informants (remote/onsite)
- Observation, on-the-ground or other verification/groundtruthing methods of selected elements (complementary)

Each of the **component evaluations will define and tailor** the selection of methods and data sources best suited to their thematic content. However, they are expected to largely follow the above general approach and ensure inherently robust designs and pay particular attention to triangulation and local context-specific analysis *within each component evaluation*. In other words, full comparability across the sub-sectors will **not** be forged due to various sector-specific and evidence-related limitations.

In this evaluation, the Ministry's ToC, its outputs and indicators are **understood flexibly** as sub-elements of the outcomes, indicating interest and activity areas but should not be treated rigidly or taken as exhaustive. This is understandable also because this framework has not existed throughout the entire evaluation period. Furthermore, interventions may not include explicit linkages to outputs in the MFA administrative systems, and indicator data is limited. They will be used **to broadly inform the possible thematic content and sample selection** of the component evaluations.

There are **considerable limitations** to the existing MFA and partner intervention data, including documentation, indicator data and geo-referencing. The evaluation team should be prepared to manually reconstruct geo-referencing data and/or augment existing data. Similarly, the team may need to identify and use relevant geospatial proxies using existing public data sources.

Due to the need of providing more **in-depth and nuanced sub-sector-specific analyses to capture what has worked and what could work in the future**, purposive sampling will likely be applied, with an aim of **a limited number of well selected and informative deep-dives**. As capturing all results may not be feasible, nor is it the objective, outcome harvesting and/or most significant change may provide part of the solution. Although much of the data and information stems from the intervention level, the main level of analysis is the component level, which consists of stand-alone interventions and other activities largely separate from each other. Due to these

26 However, it should be noted that the aim is to analyse concrete entry-points and coalitions for partnering with the private sector based on the expertise of the evaluation team.

facts, it may also **not be useful to forge an overarching or even a sub-sector specific ToC** in this evaluation. However, the tenderers are welcome to propose otherwise, with justifications provided.

The synthesis report is to pull together the different findings and their analytic and contextual features, discuss the components and their interlinkages (where possible) and provide overall answers at a meta-level. Similarly, the synthesis report is to consolidate the sub-sector-specific entry points and concrete opportunities for engagement with the Finnish private sector.

The synthesis report will also include an in-depth peer review of one or two selected peer countries as an annex, with main findings discussed in the body text and contrasted against the other findings of this evaluation. The objective of the peer review is to identify prerequisites and successful engagement strategies and tactics used by such county/counties. The service providers are expected to describe their proposed approach and methods as well as their limitations in their proposals.

Use of Artificial Intelligence (AI) in EVA-11 assignments

In general, EVA-11 considers the use of new technologies such as AI a positive thing, when they serve a meaningful purpose in the assignment. However, AI technologies cannot be used in the FACE contract unless a prior written approval is obtained from EVA-11 for each assignment. The service provider and consultant(s) are obligated to disclose the detailed utilization of AI tools and techniques in the evaluation or assignment. The draft inception report or equivalent must carefully describe the purpose and ways of the proposed AI use, assess their risks and 'do no harm', and provide risk mitigation measures. If the proposed use of AI in evaluation is accepted, the service provider and consultant(s) must be transparent and declare the use of AI tools and techniques in all tasks, specifying the purpose and nature of AI usage. MFA information and data security regulations must be adhered to at all times.

The service provider and consultant(s) commit to upholding accuracy in the application of AI tools and techniques during implementation. They will provide a detailed description of the methodology and process employed for the analyses, to safeguard transparency and explainability. The service provider and consultant commits to diligently checking and verifying the accuracy of all AI-generated or AI-powered analyses and results and assumes full responsibility for its reliability and validity. The service provider and consultant(s) are obliged to rectify any biases, errors, or shortcomings in the AI analyses promptly.

The service provider and consultant(s) are obligated to use AI responsibly and uphold ethical principles in their use of AI[27]. The service provider and consultant(s) commit to employing AI tools in a way that adheres to principles of non-discrimination, fairness, transparency, explainability and accountability. The consultant will adopt an approach that aligns with the principle of 'leaving no one behind', ensuring that AI tool usage avoids exclusion or disadvantage to any group.

27 See, e.g.: https://vm.fi/en/ethical-guidelines-for-ai-in-public-administration; and https://digital-strategy.ec.europa.eu/en/library/ethics-guidelines-trustworthy-ai; and https://kehittajille.suomi.fi/guides/responsible-ai/introduction-to-data-ethics/pay-attention-to-laws-and-recommendations

7. Evaluation Process, Timeline and Deliverables

The assignment is estimated to run between October 2024-October/November 2025. The process largely follows the general evaluation process description for EVA-11.

Deliverables

1) Inception report

A comprehensive document/materials analysis containing

- *Context analysis* (key concepts, policy context, organisational context)
- *Portfolio analysis* by evaluation component (sub-sectors), including identification of successful interventions where Finnish companies have been involved (funding, investments, technology etc.) (to also inform sampling)
- *Development results* from earlier evaluations, reviews and other reports/existing sources[28] by evaluation component (to inform sampling, and to be further used in the evaluation report)
  - On results and impact per component
  - On lessons on (Finnish) private sector engagement in development activities (incl. based on past cooperation and knowledge, what factors have driven the Finnish private sector interest in getting engaged and what the successes and challenges have been)

Evaluation plan, including detailed methodology for each component evaluation, the peer review, and the synthesis; evaluation matrix, proposed sampling (selection of instruments and modalities, partner organisations, interventions, geographical locations), plan for field visits and other data collection activities, workplan and division of labour, communications plan.

2) Component evaluation reports (draft and final)

The estimated length of the component evaluation reports are around 40-45 pages each, excluding annexes.

The content of the component evaluations are to include:

- Summary of the component evaluation in English, with brief description of methods, sources and analytical process applied and limitations, and a box of key results achieved with SDG tags. (2 pages)
- Introduction (1 page)

28 See Annex 3

- Context: (around 4-5 pages)
  - Overview of Finland's objectives, interventions and activities in the sub-sector(s)
  - Overview of the relevant operational context of the interventions/activities; global, regional and country, including national and other international actors
- Findings (around 25-30 pages)
  - Overall answers, contextualised findings and their evidence on evaluation questions related to EQ1 (~60%)
  - Overall answers, contextualised findings and their evidence on evaluation questions related to EQ2 (~40%)
- Conclusions and input to the recommendations in the synthesis report (2-3 pages)
- Annexes (Sample, Lists of documents analysed, lists of positions/organisations interviewed, detailed methodology and analytical process steps, geospatial data used, detailed results of data analysis, photographs from site visits, other data and/or visualisations...tbc)

The content will be further specified during the inception phase. Each of the component evaluations are to serve as stand-alone evaluation reports of publishable quality.

3) Synthesis report (draft and final)

This report provides an overall analysis and synthesis of the component evaluations. It will provide overall answers to the evaluations questions for the whole policy priority area. The nature of the synthesis report is not to repeat the findings from the various component evaluations but to employ an analytic approach that adds to the other outputs and also analyses the interlinkages across the outcome areas (where possible). It applies a holistic understanding of Finland's policy objectives and context in providing an overall analysis and realistic recommendations. The estimated length of the synthesis evaluation report is around 35-40 pages, excluding annexes.

The synthesis report presenting the overall analysis of the policy priority area will include:

List of tables and abbreviations

Summary in English (incl. FCR table)

Summary in Finnish (incl. FCR table)

Summary in Swedish (incl. FCR table)

- Introduction (1-2 pages)
- Context: (also utilising analyses in the inception report) (around 5 pages)
  - Overview of Finland's broader policy environment and objectives (development policy, trade policy, foreign and security policy, human rights policy)
  - Overview of Finland's objectives, interventions and activities in policy priority area

  - Overview of the relevant operational context of the interventions/activities; global, regional and country

- Methodology (2-3 pages)
  - Briefly presenting the approach, methods, sources of evidence, process of analysis, quality assurance and limitations.
- Findings (around 35-40 pages)
  - Overall answers and overall findings on evaluation questions related to EQ3 (~50%)
  - Overall answer and overall findings evaluation questions related to EQ4 (~50%)
- Conclusions (2-3 pages)
- Recommendations with options for courses of action to consider (3-4 pages)
- Annexes (Detailed methodology for the evaluation, including component evaluations and how the synthesis was done; additional and complementary materials used for the synthesis report; Table of portfolio, with interventions and activities by outcome area. Table of sampled interventions by component evaluation, tbc).

The content will be further specified during the inception phase. The synthesis report is to serve as a stand-alone report of publishable quality. The synthesis report is to pay special attention to simple, non-technical language and translating the significance of the technical (component) findings into clear everyday language.

The final report(s) will include the following disclaimer when relevant:

“This report incorporates the use of Artificial Intelligence (AI) technologies to enhance and support [mention for which purpose the AI tool was used]. The AI tools or techniques utilised in this report adhere to EVA-11’s requirements, ensuring ethical and responsible use, transparency, validation of results, and compliance with relevant internal regulations. For details on the specific AI methodologies and tools used and details regarding the validation of AI-generated results, refer to section/annex [add reference] of this report.”

4) Communications outputs and products

- Good quality digital photographs of site visits with captions
- A draft communications 4-pager presenting key results messages of the evaluation in the usual EVA-11 format and style, not duplicating the summaries.
- 5 short informative communications messages from the evaluation in plain language and in bullet form.
- 1-pager on Finland’s perceived comparative advantage(s) and short term opportunities for Finnish companies, written for each component evaluation.
- 2-pager on the overall benefits to Finnish private sector from engaging in this sector and selected success cases that exemplify them.

The estimated relative weights foreseen in terms of workload and budget are ~70% component evaluations; ~30% synthesis report and communication products.

8. Expertise Required from the Evaluation Team

In addition to meeting the minimum requirements and quality standard levels of FACE for the different roles, successful completion of this assignment requires:

- Experience in designing and implementing robust mixed-methods evaluations in the field of development policy and cooperation
- Strong sectoral subject matter expertise in all of the (sub-)sectors and themes of this evaluation applied in the context of development policy cooperation
- Experience in quantitative methods and statistics, including data science techniques
- Expertise and experience in using geospatial data and analysis for evaluation
- Expertise in the private sector engagement with development initiatives
- Expertise in business intelligence and market analysis
- Knowledge of the Finnish private sector “offer”(firms, actors) and understanding of their business culture
- Knowledge of the Finnish development policy context and development cooperation
- Capabilities in the Finnish language
- Strong time management skills, availability and commitment, and flexibility.

Team leader candidates should have proven expertise in both evaluation and the subject matter (environment and natural resources) in addition to the general requirements stipulated in the FACE framework arrangement.

9. Management of the Evaluation

The evaluation is commissioned by the EVA-11. The Evaluation Manager of EVA-11 will be responsible for the overall management of the process. The Evaluation Manager will work closely with other units/departments of the MFA and other stakeholders in Finland and abroad.

This evaluation is managed through the Framework Agreement for Centralised Evaluations (FACE), and it will be conducted by an independent evaluation team.

There will be one Management Team responsible for the overall coordination of the evaluation. This consists of the EVA-11 Evaluation Manager, the Team Leader, and a representative of the service provider (tbc).

A reference group for the evaluation will be established and chaired by the Evaluation Manager. The reference group is constituted to facilitate the participation of relevant stakeholders in the design and scoping of the evaluation, informing others about the progress of the evaluation, raising

awareness of the different information needs, quality assurance throughout the process, and using and disseminating the evaluation results. The mandate of the reference group is to provide quality assurance, advisory support, and inputs to the evaluation, e.g., through participating in the planning of the evaluation and commenting on deliverables of the Consultant. The reference group is critical in guaranteeing transparency, accountability, and credibility, as well as the use of the evaluation and validating the results.

The Team Leader will manage the evaluation team. This requires careful planning to ensure that a common, consistent approach is used to achieve comparability of the data gathered and the approach used in the analysis. The Team Leader will develop a set of clear protocols for the team to use and will convene regular online team meetings to discuss the approach. Particular attention should be paid to strong inter-team coordination and information sharing within the team during the process.

The evaluation team is responsible for identifying relevant stakeholders to be interviewed or surveyed and organising the interviews/surveys. The MFA and embassies will not organize these or meetings on behalf of the evaluation team, but will assist in identifying people and organizations to be included in the evaluation.

Management of the evaluation entails risk management. The most pertinent risks are identified at the time of proposal submission and proactively discussed, monitored and managed during the evaluation process by all parties. The service providers will identify key risks and their mitigation in their proposals.

10. Mandate

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organizations. However, it is not authorised to make any commitments on behalf of the Government of Finland or the Ministry. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

All intellectual property rights to the result of the Service referred to in the Contract will be the exclusive property of the Ministry, including the right to make modifications and hand over material to a third party. The Ministry may publish the result under Creative Commons license to promote openness and public use of evaluation results.

11. Authorisation

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Annex 2: Approach and Methodology

Overall approach and Theory of Change

The synthesis takes a **synthesis portfolio-wide learning and informing on results-approach** with targeted primary data collection, structured around a synthesis-level Theory of Change for Finland's development cooperation in environment and natural resources policy area. Its design concept is that of a 'theory-based' and 'macro-level' evaluation. Being **theory-based**, it is built upon a Theory of Change embracing the logical connections between inputs and instruments, short-range, medium-range and long-range results, and impacts, and hence emphasising the plausibility of assumptions and causal links between steps in the design logic. Being **macro-level,** it is a synthesis of sub-sector evaluations which focused on development cooperation across multiple interventions, locations, and the 15 years between 2010 and 2024, and the theme private sector engagement which cuts across the policy area.

This approach requires the use of macro-level definitions of OECD/Development Assistance Committee performance criteria such as effectiveness, impact and sustainability, rather than the intervention-level definitions that are applied to individual projects. It also requires a Theory of Change that robustly reflects current realities of large-scale context, that embodies logic supported by evidence, and that covers all the main pathways of cause and effect by which results can be obtained in the sub-sector. The existing sub-sectoral Theory of Change (MFA, 2023) was therefore reviewed during the inception phase (Nov 2024 to Mar 2025) and updated sub-sector theories of change prepared. Interventions funded wholly or partly by MFA were then assessed against the short-, medium- and long-range results in the Theory of Change. These results were defined respectively as (i) the initial or 'first generation' results, (ii) the later or 'second generation' results, and (iii) the strategic consequences leading to impact. Eventually, a synthesis-level Theory of Change was developed, building on the existing environment and natural resources Theory of Change (MFA, 2023) and the updated sub-sector theories of change. The synthesis-level Theory of Change is in the Chapter 2 (Figure 1), and assumptions linked to it are presented in Table 3. The use of the synthesis-level Theory of Change is discussed in this Annex of approach and methodology, in the sections following the Table 3.

The Evaluation Team adopted the EQs outlined in Chapter 2, and the synthesis-part of the evaluation matrix developed at the inception phase (Annex 3). As a part of the development of the matrix, the Evaluation Team divided each EQ into more manageable sub-EQs and listed the types of evidence required to answer each, the methods used to collect relevant evidence, and the main data sources to be consulted. The matrix thus served as a central tool to guide both data collection and analytical consistency across the evaluation. The following methodology was applied to support the triangulation of findings in Chapter 4 of this report and to support development of the conclusions in Chapter 5.

Table 3 Synthesis-level Theory of Change assumptions

ASSUMPTIONS
Political commitment, policy coherence and governance • Sustained political commitment in partner countries to environment and natural resources-relevant policies, strategies and budgets across national, subnational and local levels. • Inter-sectoral coordination (land/forests-water-energy-climate-disaster risk reduction) with clear mandates, data-sharing protocols, and protected civic space for participation. • Systematic integration of a human rights-based approach and gender equality and social inclusion in decisions and benefit-sharing (including tenure and use-rights).
Geopolitical and multilateral continuity • Continued credibility and implementation of the SDGs and major agreements (Paris Agreement, biodiversity, water, disaster risk reduction). • No new barriers to cooperation, data exchange or green trade arising from shifts in trade or data regimes.
Finance and fiscal space • Predictable public finance and adequate fiscal space to operate and maintain information systems, early warning systems and services, and to scale proven pilots. • Private capital is catalysed – especially in nascent markets – through targeted de-risking and blended finance for renewables, circular economy, resilient water and ecosystem management, and early warning systems.
Technology and market dynamics • Ongoing cost declines and diffusion of clean energy, circular solutions, monitoring and early warning systems. • Local ecosystems of suppliers and skills emerge; responsible business practices are adopted (including in critical-minerals value chains). • Technology and market learning curves expand access for poor and vulnerable groups so clean/resilient options outcompete carbon- and nature-negative business-as-usual.
Transboundary cooperation • International and regional institutions can negotiate, implement and enforce fair, inclusive agreements on shared waters, ecosystems, data and early warnings.
Participation and equity • Communities – including women, youth and marginalised groups – are recognised as knowledge holders and actors; interventions strengthen their voice, access and benefits.
Learning, adaptation and donor coordination • Monitoring, evaluation and learning/results-based management systems generate evidence for policy and programme updates. • Finland and partners iterate and scale what works, retire what does not, and coordinate with other donors to avoid duplication and leverage scale.

Methodology

The synthesis employs a structured qualitative synthesis anchored in the synthesis-level Theory of Change, supported by quantitative portfolio descriptors and targeted primary data (intensive studies, peer reviews and a private sector survey).

The main methodological components are:

1. Development of the synthesis-level Theory of Change (see Figure 1)
    - Using the Terms of Reference, Inception Report, sub-sector Theories of Change and an initial review of portfolio and instrument documentation, the team constructed a single overarching Theory of Change for the environment and natural resources priority area.
    - This Theory of Change identifies key pathways of change, such as:
    - policy dialogue and multilateral influence;
    - capacity and institution-building;
    - information and knowledge systems;
    - community-based and rights-based approaches;
    - market creation and private sector engagement.
    - Assumptions and contextual factors are made explicit (e.g. stability of partner policies, functioning markets, domestic political support), providing a basis for interpreting where and why pathways appear to work or stall (see the Theory of Change assumptions in Table 3).
2. Synthesis framework and matrix
    - The synthesis uses the evaluation matrix developed at inception, which was refined for synthesis purposes. The matrix links the synthesis-level EQ1[29] and EQ2[30] to the synthesis-level Theory of Change, judgement criteria, and the main evidence sources (sub-sector evaluations, intensive studies, peer reviews and the private sector survey).
    - This framework was operationalised into a synthesis matrix, which serves as the main tool for extracting, organising and comparing evidence (see Annex 3).
3. Extraction and coding of sub-sector evaluation content (first round)
    - From each sub-sector report, in first round of synthesis analysis, the team extracted:
    - numbered findings, conclusions and potential areas for action;
    - performance judgements (e.g. ‘strong/moderate/weak’ evidence or ratings);
    - statements on Finland’s contribution and added value;

29 In the evaluation matrix developed at inception, the current synthesis-level EQ1 was referred to as the EQ3 because that matrix included both the two EQs assessed at the sub-sector evaluation level, as well as the two synthesis EQs.

30 In the evaluation matrix developed at inception, the current synthesis-level EQ2 was referred to as the EQ4.

- descriptions of mechanisms and contextual factors.
- Each extracted item was coded into the synthesis matrix by:
- evaluation question, Development Assistance Committee criterion and sub-sector; and
- the specific element or link in the synthesis-level Theory of Change to which it relates.

4. Integration of targeted primary data
    - Intensive private sector engagement studies (Finnfund, Finnpartnership, Global Gateway, multilateral development bank blended finance) were used to deepen understanding of particular channels and instruments and how they operate along the Theory of Change pathways.
    - Like-minded peer reviews (Danida Green Business Partnerships; Global Gateway/ Denmark and Sweden) provided comparative insight into alternative designs and approaches along similar pathways.
    - A private sector survey supplied additional primary evidence on how Finnish companies perceive incentives, barriers and the usefulness of Finnish instruments, again located on relevant parts of the Theory of Change.
    - Findings from these components were coded into the same matrix and linked to the synthesis-level Theory of Change.
5. Cross-case and cross-theme comparative contribution analysis
    - Using the populated matrix, the team identified patterns along and across the Theory of Change pathways: where evidence suggests strong or weak performance, where assumptions hold or break, and how this varies across sub-sectors, instruments and contexts.
    - Quantitative descriptors from portfolio data and sub-sector ratings were used descriptively to characterise these patterns (e.g. ‘pathways related to information systems show consistently stronger evidence than those related to market development’).
6. Deriving answers to EQ1 and EQ2
    - Synthesis-level findings were formulated pathway by pathway along the Theory of Change and then organised into explicit answers to EQ1 and EQ2 sub-questions and eventually main questions.
    - In triangulating at the level of findings, some omissions of sub-sector level key evidenced results were identified and some emerging synthesis findings were assessed not optimally robust or well-rounded, and hence, the team decided to undertake a second round of extraction and coding of sub-sector evaluation content. On the second round, the team focused on such evidence that was not necessarily spelled out in the numbered finding statement but discussed in connection with it and that supported more evaluation questions than the one it was directly linked to.
    - Here, the team re-coded the sub-sector level findings evidence into the synthesis matrix so that the same evidence made typically more than one (some of it several) re-appearances in the synthesis evaluation matrix as the evidence was coded into each synthesis sub-EQ it supported.

- At the end of this re-iteration, synthesis-level findings were re-formulated pathway by pathway along the Theory of Change and then organised into new set of explicit answers to EQ1 and EQ2 sub-questions and eventually main questions.

7. Conclusions and recommendations
    - Conclusions and recommendations in Chapters 5 and 6 are directly linked back to the synthesis-level Theory of Change, indicating which pathways should be strengthened, redesigned or deemphasised in future Finnish engagement.

Data sources

At synthesis level, the main sources of evidence are:

1. Sub-sector evaluation reports
    - The four sub-sector reports and their annexes, treated as primary evaluation outputs.
    - Only in selected cases were underlying project-level documents revisited (for example, where sub-sector findings diverged or where an intervention was particularly influential at portfolio level).
2. Intensive studies (Annexes 4-7)
    - Focused analyses of Finnfund, Finnpartnership, Global Gateway and multilateral development bank blended finance – including internal strategies, project documents, monitoring and evaluation material and interviews with key informants.
3. Like-minded peer reviews (Annexes 8-9)
    - Documentation and interviews related to Danida Green Business Partnerships and to Global Gateway/Denmark and Sweden, the latter including comparison with Finland's approaches.
4. Private sector survey (Annex 10)
    - Survey responses from Finnish companies with current or potential engagement in environment and natural resources sectors in partner countries, including both users and non-users of existing Finnish instruments.
5. Portfolio and administrative data
    - MFA portfolio data for the environment and natural resources priority area, used to describe the evolution and composition of the Finnish portfolio and to contextualise findings.
6. Design and oversight documents
    - Terms of Reference, inception report, and feedback from EVA-11 and the Reference Group, mainly used to frame the scope of the synthesis and to test the clarity and balance of emerging messages.

7. Additional stakeholder consultations
    - Semi-structured interviews at the synthesis level were added with selected private sector organisations while other private sector organisations were interviewed already during the sub-sector focused phase of the evaluation.
    - A full list in Annex 11 illustrates the breadth of informants across MFA, implementing partners, private sector and peers.

Data analysis

The synthesis followed a stepwise and iterative process:

1. Clarification of scope and criteria
    - Agreement on how the synthesis would sit in relation to the sub-sector evaluations; no re-evaluation of individual projects.
    - Clarification within the team of the criteria for judging evidence strength and for weighting inputs (range and type of sources cited in the sub-sector report; clarity and logic of the causal reasoning; and transparency about limitations).
2. Population of the synthesis matrix with
    - key findings and judgements from the sub-sector reports;
    - results and insights from intensive studies, peer reviews and the private sector survey;
    - relevant portfolio descriptors.
3. Thematic clustering and pattern identification
    - Entries in the matrix were grouped into thematic clusters aligned with the flow of the sub-EQ's and the report structure.
    - Within each cluster, the team identified recurring patterns, differences and noteworthy examples.
4. Analysis, drafting and internal validation
    - Cross-case and cross-theme comparative contribution analysis was applied to the synthesis data.
    - Draft synthesis findings, answers to EQ1and EQ2, and tentative conclusions were prepared.
    - These drafts were assessed in the team to ensure that the synthesis accurately reflected the evidence and did not over-generalise.
    - This assessment of the draft, a triangulation for consistency and completeness of the findings, resulted into the conduct of the second round of data extraction, coding and analysis.

- The emerging findings, conclusions and recommendations were presented to the Reference Group and other key stakeholders in a workshop in Helsinki, on 27th November 2025, and their feedback recorded.

5. Refinement in light of feedback
    - Feedback from EVA-11, the Reference Group and external stakeholders, and internal team discussions were used to refine the wording and sharpen the policy relevance of conclusions and recommendations.

Quality assurance

Quality assurance at synthesis level focused on consistency, transparency and appropriate weighting of diverse evidence:

Standardised tools and protocols

- Use of a shared synthesis framework, matrix and coding protocol to minimise selective use of evidence and ensure comparability across sub-sectors and primary-data components.

Team-based calibration and peer review

- Regular calibration discussions among the team to agree on coding, interpretation, and the relative weight of evidence from different sources.
- Internal peer review of draft synthesis sections, with sub-sector and cross-cutting leads checking that their work was accurately represented and providing feedback then incorporated by the team lead.

Particip

- Particip reviewed and proofread all deliverables submitted by the Evaluation Team. Where needed, targeted comments were provided to strengthen the logic of analysis, clarify findings, improve coherence across sub-sector evaluations, and enhance the overall readability and structure of the documents. All deliverables were revised by the authors on the basis of this feedback prior to formal submission to the MFA. The Consultant oversees the impeccable quality of the texts in the deliverables and, if necessary, related proofreading.

Oversight by EVA-11 and Reference Group

- EVA-11 and the Reference Group reviewed key deliverables (inception, draft synthesis) with particular attention to methodological soundness, balance and utility for policy and operational decision-making.
- EVA-11 recruited recruit a recognised expert as a Critical Friend (external peer reviewer) for the whole process.

Ethical standards

- All primary data collection for intensive studies, peer reviews and the private sector survey followed standard ethical principles, including informed consent, confidentiality and secure data handling.

Use of artificial intelligence

AI (ChatGPT-5) has been used in this report as a search tool to identify relevant material for wider contextual research, and for language support, including proof-reading and enhancing the clarity, coherence, and readability of the text. All sources and outputs generated through AI have been fully reviewed, verified, and adapted by the authors, ensuring that the final content reflects accurate analysis, aligns with the evaluation findings, and maintains the authors' own judgment and conclusions.

Additionally, MFA's recently launched AI tool 'OpenEval' was used to complement the document review carried out for the context section.

Limitations

The focus between the evaluation's summative objectives and EQs and its formative objectives and EQs is fundamentally different. The summative interest is on the results of the policy priority area and its sub-sectors, and the formative interest in opportunities, means and measures for engaging Finnish private sector actors into this work in the future. The subjects, approaches and methods of research between these two domains of past evidence and future prospects, on somewhat different topics, would normally differ significantly and merging of the two was indisputably challenging. To overcome the challenges, in addition to the future, the Evaluation Team considered private sector's participation in the sub-sectors and at the policy-level also in the past, because this helped to anchor the formative research into a baseline as well as better contextualise the question how could the private sector be better engaged in the future precisely in the area of development policy and cooperation in the environment and natural resources policy area.

The synthesis entails several limitations:

Dependence on existing evaluations and targeted primary data

- The synthesis is constrained by the quality, depth and focus of the sub-sector evaluations and intensive studies. Their main source of evidence was the body of monitoring and evaluation reporting from the various interventions, instruments and modalities that they assessed. Where evidence is thin or uneven, synthesis judgements are necessarily tentative.

Limited scope and representativeness of primary data and results presented

- The intensive studies, which form the main body of data gathered for this evaluation, focus on a significant but limited number of key instruments and initiatives; they are not fully representative of the entire portfolio. They contain more results from the bilateral

than multilateral and other forms of collaboration and this has impacted the emphasis of the sub-sector evaluations and, hence, the synthesis.

- The company survey provides valuable insights but is not statistically representative of all potential or actual private sector partners.

Heterogeneity across sub-sectors and instruments

- Differences in sector characteristics, maturity of portfolios, data availability and evaluation history limit the comparability of some findings across sub-sectors and channels.

Attribution vs contribution

- As per the points 1 and 2 in this account of the limitations, presenting results may be lightly biased in favour of the results of bilateral cooperation, over multilateral and other form of cooperation. While this has to do with the data (see points 1 and 2 above), it also proposes that results that can be in a stronger manner attributed to Finland's cooperation than those were Finland has been one among many contributors are present in the analysis and presented in the report more visibly than the others. Here, the Evaluation Team wishes to note, though, that no development result can ever be fully attributed to the efforts of any singular funding or implementing partner, irrelevant of the modality, but results and outcomes are rather always a sum of various different factors.

These limitations do not undermine the overall validity of the synthesis, but they do mean that its findings and recommendations should be interpreted as well-grounded, carefully qualified judgements at policy-priority level, rather than as exhaustive or fine-grained measurement of all results and impacts.

Annex 3: Synthesis Evaluation Matrix

EVALUATION QUESTIONS (EQS)	JUDGEMENT CRITERIA	EVIDENCE NEEDED	METHODS	DATA SOURCES
SYNTHESIS LEVEL				
EQ1: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? *(Summative.)*				
EQ1.1a What have been the most notable results and impacts?	Extent to which expected short-range results of Finnish support were achieved. Extent to which expected mid-range results of Finnish support have materialised.	Strong performance against Theory of Change result areas from aggregated data and patterns recognised across sub-sectors. Synergy between linked or related projects that enhances performance against Theory of Change result areas from aggregated data and patterns recognised across sub-sectors.	Extraction and coding of findings, conclusions and recommendations from the four sub-sector evaluation reports Review evidence within intensive private sector engagement studies. Like-minded peer reviews, and e-Survey Meta-evaluative assessment of robustness Integration of targeted primary data Linking evidence to the environment and natural resources Theory of Change Cross-case and cross-theme comparative contribution analysis	Sub-sector evaluation reports Intensive studies Portfolio and administrative data
EQ1.1b What changed in the environment and/or natural resources through the Finnish engagement?	Extent of significant aggregated changes in the rate, magnitude and/or direction of travel in relation to expected long-range results. There are plausible contribution stories linking these aggregated changes to the results and effects of Finnish support.	Significant change in the rate, magnitude and/or direction of travel in relation to Theory of Change result areas from aggregated data and patterns recognised across sub-sectors.		Sub-sector evaluation reports Intensive studies Intensive studies

EVALUATION QUESTIONS (EQS)	JUDGEMENT CRITERIA	EVIDENCE NEEDED	METHODS	DATA SOURCES
SYNTHESIS LEVEL				
EQ1: How has Finland's engagement in the various sub-sectors improved the state of the environment and sustainable use of natural resources and implemented international commitments? *(Summative.)*				
EQ1.2a What can be learned from 'what has worked, for whom, in what contexts and why', in securing sustained results in the future and ensuring do no harm?	Clear lessons from the distribution of sustainable (co-)benefits and (co-) costs by context and contribution story.	Sources, distributions and nature of benefits and facilitating factors including Finnish support to indicate rate, magnitude and/or direction of travel in relation to Theory of Change result areas across sub-sectors. Causal factors (externalities, market failures, perverse incentives, corruptive effects, pollution, etc.) across sub-sectors.	Extraction and coding of findings, conclusions and recommendations from the four sub-sector evaluation reports Review evidence within intensive private sector engagement studies. Like-minded peer reviews, and e-Survey Meta-evaluative assessment of robustness Integration of targeted primary data Linking evidence to the environment and natural resources Theory of Change Cross-case and cross-theme comparative contribution analysis	Sub-sector evaluation reports Intensive studies Like-minded peer reviews Private sector survey
EQ1.2b Which sectors and instruments have shown to be effective?	Clear lessons from aggregated performance by sub-sector and instrument.	Correlations between instruments used and rapid progress against Theory of Change result areas across sub-sectors.		Sub-sector evaluation reports Intensive studies Like-minded peer reviews Private sector survey
EQ1.3 How far has the support contributed to transformative, resilient and enduring improvements in governance frameworks, institutions and markets in the natural resource sector?	Extent of significant aggregated changes in governance, institutions and market systems. There are plausible contribution stories linking these aggregated changes to the results and effects of Finnish support.	Significant changes in defined attributes of governance, institutions and market systems that are relevant to Theory of Change result areas across sub-sectors.		Sub-sector evaluation reports Intensive studies Portfolio and administrative data
EQ1.4 What has been Finland's added value/comparative advantage over other actors in the sub-sectors and overall?	Extent and nature of Finland's (perceived) added value and/or comparative advantage at sector-wide level, as compared to: (a) support provided by multilateral organisations; and (b) by other bilateral donors. Contributing factors to Finland's (perceived) added value in particular contexts and sector-wide.	Correlations between Finnish added value/comparative advantage and progress against Theory of Change result areas across sub-sectors and partnerships.		Sub-sector evaluation reports Intensive studies Portfolio and administrative data Like-minded peer reviews Private sector survey

EVALUATION QUESTIONS (EQS)	JUDGEMENT CRITERIA	EVIDENCE NEEDED	METHODS	DATA SOURCES
SYNTHESIS LEVEL				
EQ2: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? *(Formative.)*				
EQ2.1 What appear as the most immediate opportunities, entry points and models for Finland in terms of partnering with Finnish and local companies and economic actors in a way that supports meeting Finland's development policy objectives?	Extent and nature of outstanding opportunities, entry points and models for PSE partnerships that are likely to promote Theory of Change result areas.	Specific opportunities, entry points and models for PSE associated with contributions to Theory of Change result areas. Association of past investments through Finland's PSIs, partnerships with IFIs and UN agencies, or other/ new models or mechanisms, with contributions to Theory of Change result areas.	Review evidence within sub-sector reports, intensive private sector engagement studies. Like-minded peer reviews, and e-Survey on: major trends in 2026-30 with a focus on immediate opportunities; and Finland's PSI investments, partnerships with IFIs and UN agencies, and other/new models or mechanisms for PSE.	Sub-sector evaluation reports Intensive studies Like-minded peer reviews Private sector survey Additional stakeholder consultations with private sector representatives
EQ2.2 What measures mobilise the Finnish companies the best to enter into this field and partnerships?	Clear advantages of certain measures from a comparison of alternatives.	Cases, scenarios and informed opinion on quality and utility of available Finnish PSE models, partnerships and instruments, in terms of: benefits to private actors; positive development and/or environment outcomes; potential for leverage, scalability and replicability; and ways to mobilise Finnish companies into the sustainable development partnership Excellence in Finnish business communication on overlapping interests (i.e. gains for the company and gains for sustainable development).	Review evidence within sub-sector reports, intensive private sector engagement studies. Like-minded peer reviews, and e-Survey on: private sector perceptions of the quality and utility of the public sector offer to Finland's private sector; trends, instruments and best practices; and excellence in Finnish business communication.	Sub-sector evaluation reports Intensive studies Like-minded peer reviews Private sector survey Additional stakeholder consultations with private sector representatives

EVALUATION QUESTIONS (EQS)	JUDGEMENT CRITERIA	EVIDENCE NEEDED	METHODS	DATA SOURCES
SYNTHESIS LEVEL				
EQ2: How can Finland build and operationalise much closer linkages with the Finnish and local companies and private sector actors in its development cooperation for advancing green/clean transition and development policy objectives in this sector in the next five years? *(Formative.)*				
EQ2.3 What can Finland learn from, apply and adapt from the engagement strategies and tactics that peer countries apply in successfully leveraging private funding and/or partnerships?	Clear lessons for Finland from comparisons of practices and achievements by LMPCs in promoting PSE and leveraging private finance for sustainable development.	Differential effectiveness of LMPC and Finnish 'public sector offers' to the private sector, on differences and potential lessons learned. Excellence in LMPC business communication around overlapping interests (i.e. gains for the company and gains for sustainable development). Gains by companies that are associated with the best practices of LMPCs, where this is likely to offer useful lessons. Best practices from LMPC experience that could be used to mobilise Finnish companies into the sustainable development partnership.	Review evidence within sub-sector reports, intensive private sector engagement studies. Like-minded peer reviews, and e-Survey on: sub-sectoral cases where direct comparison between Finnish and LMPC approaches is possible; differential effectiveness of LMPC and Finnish public sector offers; gains by companies associated with the best practices of LMPCs and their various development partners; gains for the development policy objectives of LMPCs; best practices for business support measures among LMPCs; and excellence in LMPC business communication.	Sub-sector evaluation reports Intensive studies Like-minded peer reviews Private sector survey Additional stakeholder consultations with private sector representatives

Notes. ENR = environment and natural resources; GESI = gender equity and social inclusion; IFI = international financial institution; LMPC = like-minded peer country; MFA = Ministry for Foreign Affairs of Finland; ODA = official development assistance; PRF = evaluation proforma; PSE = private sector engagement; PSI = private sector instrument.

Annex 4: Intensive Study: Finnfund

Summary

This analysis of Finnfund's investments in the environment and natural resources sector is based on a portfolio data, impact assessments, interviews, and secondary sources. Finnfund's environment and natural resource management investments, concentrated in renewable energy and forestry, form a central pillar of its development impact, particularly in climate mitigation, resilience, and inclusive growth. Between 2015 and 2023, Finnfund has steadily expanded its portfolio in these areas, mobilising additional development finance and delivering measurable results in terms of employment, energy access, avoided greenhouse gas emissions, community development, and sustainable forest management. Finnfund's final reports and impact assessments of its investments in Kenya, Cape Verde, Honduras, and East Africa's forestry sector demonstrate both achievements and challenges. This analysis highlights lessons learned, opportunities for Finnish added value, and action points for enhancing the role of Finnfund in advancing Finland's development policy objectives through environment and natural resource management investments.

Overview of Finnfund

Finnfund, officially the Finnish Fund for Industrial Cooperation Ltd, is Finland's development finance institution. It was established in 1980 and is majority-owned by the Government of Finland. The ownership structure includes the State of Finland, represented by MFA, the state-owned development financier Finnvera, and a small shareholding by private financial institutions. Finnfund is governed as a limited liability company, with strategic steering provided by the MFA through an annual state ownership guidance memorandum – known in Finnish as the 'omistajaohjausmuistio.' This study sets out expectations for Finnfund's alignment with Finland's development policy priorities, particularly poverty reduction, sustainable development, and climate action.

Finnfund is financed through a combination of state capital injections, retained earnings from its investments, and borrowing on international financial markets. This hybrid funding model allows it to operate on commercial principles while pursuing strong development additionality. Finnfund reinvests profits into new projects, thereby expanding its capacity over time. Its instruments include equity investments, long-term loans, mezzanine financing, and commitments through private equity funds. The choice of instrument depends on the project's needs, its risk profile, and the strategic objectives pursued. The institution's operations are closely linked to Finland's development cooperation. Finnfund is expected to contribute to Finland's climate finance commitments, the SDGs, and the objectives set in Finland's development policy documents (usually aligned to the government programme). It focuses on sectors with high relevance to both development and climate goals: renewable energy, forestry, sustainable agriculture, and digital solutions.

Overview of Finnfund's investments in environment and natural resource management

Finnfund's environment and natural resource management investments concentrate on two main pillars: renewable energy and sustainable forestry. These sectors account for roughly half of Finnfund's active commitments, underlining their centrality to the institution's mandate. Energy investments focus on expanding access to affordable, reliable, and clean energy in developing countries. Projects such as large-scale wind and hydropower plants contribute significantly to national grids, reduce dependence on fossil fuels, and lower greenhouse gas emissions. Forestry investments, by contrast, are long-term endeavours that contribute to carbon sequestration, biodiversity conservation, sustainable timber supply, and rural livelihoods. Together, energy and forestry form a strategic combination of climate mitigation and sustainable natural resource management.

The emphasis on these sectors is closely aligned with Finland's international commitments under the Paris Agreement and the SDGs. By prioritising environment and natural resource management, Finnfund demonstrates how private capital can be mobilised for public goods such as clean energy and sustainable land use. The environment and natural resource management portfolio also reflects Finland's comparative advantage: forestry expertise and renewable energy technology. Moreover, investments in these sectors often offer visible, measurable impacts – both in economic terms and in terms of environmental sustainability.

Portfolio Analysis

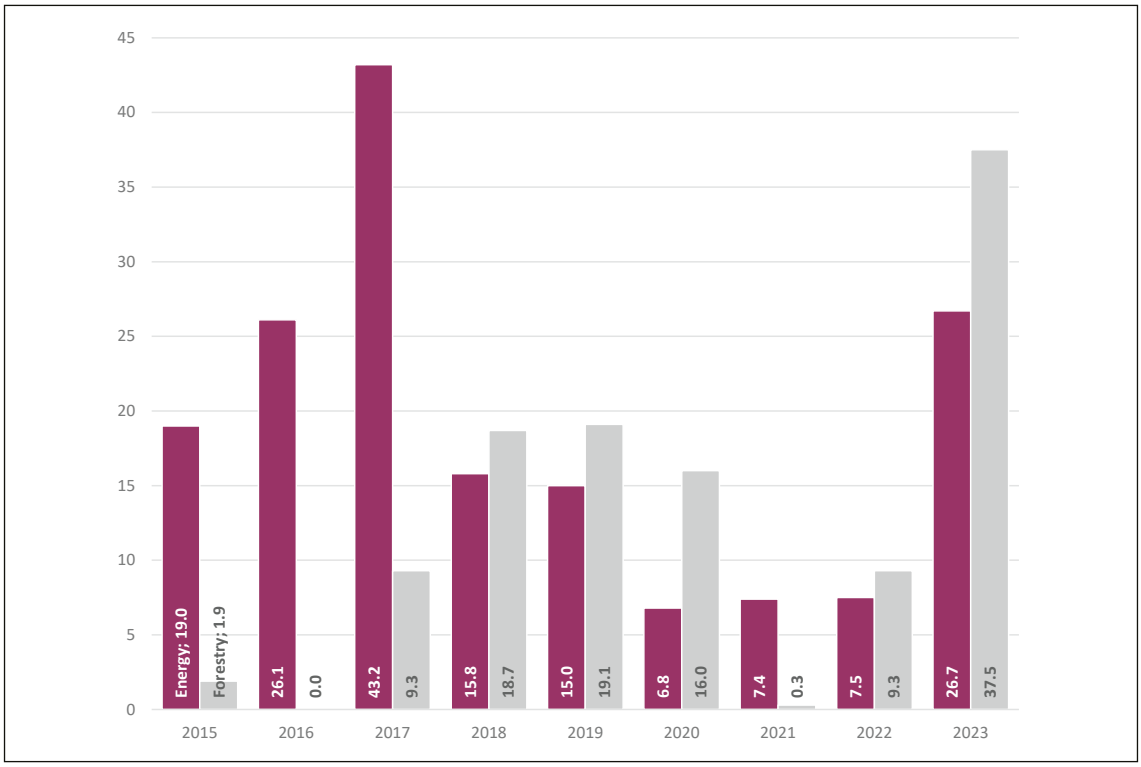
Between 2015 and 2023, Finnfund's commitments to environment and natural resource management have grown significantly, as evidenced by Table 4/Figure 12 and Table 5. Annual commitments in energy peaked in 2017, while forestry financing has shown steady growth particularly since 2018. The combined commitments in 2023 reached over EUR 64 million, representing the highest annual level in the observed period. Energy investments tend to be larger individual projects, such as utility-scale wind or hydropower, whereas forestry investments are often spread across plantation development, sustainable forest industries, and landscape restoration initiatives.

Table 4 Finnfund financing commitments in environment and natural resource management by sub-sector, 2015-2023

YEAR	SECTOR		TOTAL
	ENERGY (EUR, MILLION)	FORESTRY (EUR, MILLION)	(EUR, MILLION)
2015	19	1.9	20.8
2016	26.1	-	26.1
2017	43.2	9.3	52.6
2018	15.8	18.7	34.5
2019	15	19.1	34.1
2020	6.8	16	22.8
2021	7.4	0.3	7.7
2022	7.5	9.3	16.8
2023	26.7	37.5	64.2
Total	**167.5**	**112.3**	**279.7**

Source: Evaluation Team/Finnfund

Figure 12 Finnfund financing commitments in environment and natural resource management by sub-sector, 2015-2023



Source: Evaluation Team/Finnfund

Table 5 Number of Finnfund investment decisions by environment and natural resource management sub-sector, 2015-2023

YEAR	SECTOR		TOTAL
	ENERGY	FORESTRY	
2015	2	2	4
2016	5	1	6
2017	6	1	7
2018	2	2	4
2019	1	2	3
2020	2	3	5
2021	1	1	2
2022	1	2	3
2023	3	1	4
Total	**23**	**15**	**38**

Source: Evaluation Team/Finnfund

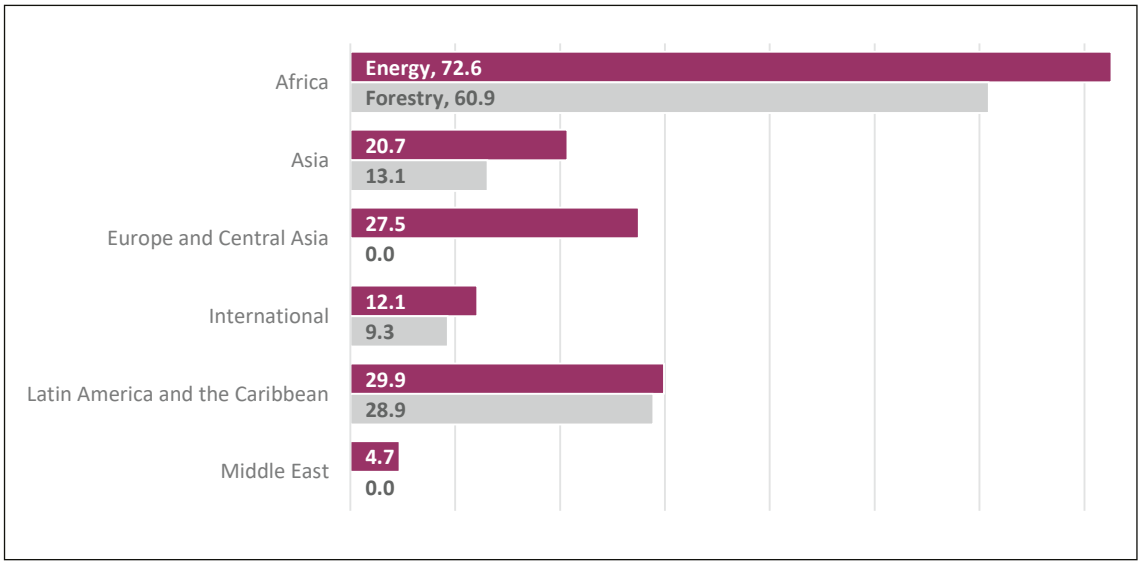
As illustrated in Table 6/Figure 13 and Table 7, geographically, Finnfund's environment and natural resource management portfolio is concentrated in Sub-Saharan Africa, reflecting Finland's long-term development policy focus. East Africa in particular features prominently, with major investments in Kenya (Lake Turkana Wind Power), Uganda and Tanzania (forestry), as well as Rwanda. Outside Africa, Finnfund has financed hydropower in Central America and forestry projects in Latin America. The portfolio is characterised by extensive co-financing with other development finance institutions, including Norfund, Danish Investment Fund for Developing Countries, the International Finance Corporation, and Proparco, which allows for risk-sharing and mobilising larger financing packages. This underlines Finnfund's catalytic role in leveraging additional finance for environment and natural resource management in high-risk markets.

Table 6 Finnfund financing commitments in environment and natural resource management by region, 2015-2023

REGION	SECTOR		TOTAL (EUR, MILLION)
	ENERGY (EUR, MILLION)	FORESTRY (EUR, MILLION)	
Africa	72.6	60.9	133.6
Asia	20.7	13.1	33.7
Europe and Central Asia	27.5	-	27.5
International	12.1	9.3	21.4
Latin America and the Caribbean	29.9	28.9	58.8
Middle East	4.7	-	4.7
Total	**167.5**	**112.3**	**279.7**

Source: Evaluation Team/Finnfund

Figure 13 Finnfund financing commitments in environment and natural resource management by region, 2015-2023



Source: Evaluation Team/Finnfund

Table 7 Number of Finnfund investment decisions in environment and natural resource management by region, 2015-2023

REGION	SECTOR		TOTAL
	ENERGY	FORESTRY	
Africa	8	7	15
Asia	7	3	10
Europe and Central Asia	3	-	3
International	2	1	3
Latin America and the Caribbean	2	4	6
Middle East	1	-	1
Total	**23**	**15**	**38**

Source: Evaluation Team/Finnfund

Development and environmental results of investments in the environment and natural resources sector

The development and environmental results of Finnfund's environment and natural resource management portfolio are both substantial and diverse. In aggregate terms, Finnfund's renewable energy projects have contributed to hundreds of MW of new clean power capacity, avoided millions of tonnes of CO_2 emissions over their lifetimes, and created thousands of direct and indirect jobs. Forestry projects contribute to long-term carbon sinks, generate rural employment, and supply sustainable raw materials to industries, while also facing complex challenges related to land use, tenure, and community relations. Finnfund's impact assessments conducted by independent evaluators provide strong evidence of both economic and social benefits, alongside environmental outcomes.

The Lake Turkana Wind Power project in Kenya is the largest private investment in the country's history and the single largest wind farm in Africa, with a capacity of 310 MW. Beyond energy production, the Lake Turkana Wind Power project has delivered substantial socio-economic benefits. During construction it employed 2,500 people, with three-quarters from the local county. Currently it employs over 300 staff, 93% of whom are from Marsabit County. The project's corporate social responsibility arm, the Winds of Change Foundation, has invested more than EUR 2.5 million in community projects in health, education, and water infrastructure. Finnfund's independent impact analyses show marked improvements in household incomes, food security, and access to social services among employees and communities. Notably, the Lake Turkana Wind Power project has also been evidenced to have contributed to peacebuilding by reducing inter-communal conflict through employment and infrastructure improvements.

Cabeolica in Cape Verde represents another key energy investment. With four wind farms across different islands, it added 25.5 MW of renewable capacity, reducing reliance on imported fossil fuels. The project displaced 12% of the country's imported fuel needs in 2016, saving EUR 10.6 million and cutting 59,000 tonnes of CO_2 – equivalent to 12% of Cape Verde's emissions that year. Beyond environmental benefits, Cabeolica contributed to halving power outages on the islands it serves, boosting firm productivity by 0.2% of gross-domestic product (GDP) and supporting nearly 400 jobs. It also spurred technical skills transfer to the local workforce, demonstrating the multi-dimensional impacts of renewable energy investment.

In Honduras, Finnfund has supported small and medium-sized hydropower plants that provide clean electricity to rural areas. These projects have strengthened local energy security, expanded rural electrification, and reduced dependence on imported fossil fuels. They have created jobs in construction and operation, while also facing challenges in community engagement and environmental management. Despite these challenges, the projects illustrate how decentralised renewable energy can serve as an engine of inclusive rural development. Forestry investments offer complex but potentially transformative impacts. In East Africa and Latin America, Finnfund has backed sustainable plantation forestry and wood processing industries. These projects sequester large amounts of carbon, supply certified sustainable timber to global markets, and create thousands of jobs in rural areas. They also contribute to landscape restoration and biodiversity, while they require careful attention to land rights, local community benefits, and ecological balance.

Finnish added value

Finnfund's investments extend Finnish added value in a few different ways. First, they leverage Finland's long-standing expertise in forestry and renewable energy. Finnish technology providers, consultants, and engineering firms can participate in Finnfund-backed projects, directly exporting know-how. Second, Finnfund collaborates closely with Nordic peers such as the Danish Investment Fund for Developing Countries and Norfund, strengthening the visibility of the Nordic development finance model. Third, Finnfund represents an important policy instrument for Finland: by financing environment and natural resource management projects, it demonstrates the credibility of Finland's commitments to climate action and sustainable development. The MFA's ownership guidance ensures that Finnfund's portfolio remains aligned with Finnish priorities, while also maintaining commercial viability.

Lessons learned

Lessons emerging from Finnfund's environment and natural resource management investments are: First, renewable energy projects generate high-impact results but require long-term commitment, as seen in the decade-long development of the Lake Turkana Wind Power project. Community engagement is essential; without strong corporate social responsibility and dialogue mechanisms, projects risk losing their social acceptability. Second, forestry investments demonstrate the need for patience capital: benefits are long-term, but risks in land tenure and community relations are immediate. Third, collaboration with other development finance institutions is a strength, allowing Finnfund to leverage scale and share risk, but it requires harmonisation of standards and objectives. Finally, ensuring gender equity and inclusive participation remains a challenge across any environment and natural resource management projects and requires dedicated efforts.

Opportunities for Finnish companies in environment and natural resource management

Looking ahead, Finnfund's environment and natural resource management portfolio provides a platform for Finnish companies to engage in growing green markets. Opportunities exist in renewable energy technology provision – such as wind and solar solutions – and in digital innovations for grid management and energy efficiency. Forestry offers opportunities in sustainable value chains, from harvesting technologies to certification and digital monitoring systems. Water-related solutions, linked to hydropower and landscape management, are also promising areas. Moreover, Finnish companies can offer expertise in environmental, social and governance monitoring, impact measurement, and sustainable finance. By linking Finnish private sector strengths with Finnfund's pipeline, both development and commercial objectives can be advanced.

Other observations

Finnfund mainstreams environmental, social and governance as well as impact frameworks in its operations, aligning with the SDGs and the Paris Agreement. Gender equality and human rights-based approaches are receiving greater emphasis, though implementation challenges remain. The COVID-19 pandemic highlighted the resilience of renewable energy investments compared to more vulnerable sectors. Going forward, the global expansion of climate finance is likely to increase expectations for Finnfund to channel ODA-eligible resources into high-impact environment and natural resource management projects. This underscores the need for robust monitoring, evaluation, and learning systems to capture and communicate impacts.

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Annex 5: Intensive Study: Finnpartnership

Summary

Finnpartnership's Business Partnership Support is a long-running MFA instrument that de-risks early-stage market entry and partnership building in ODA-eligible countries through partial grants to Finnish operators. Finnpartnership's environment and natural resource management projects have been implemented predominantly by Finnish private companies, with commitments typically concentrated in feasibility, piloting and capability development phases. Finnpartnership's environment and natural resource management interventions align with Finland's development policy priorities on climate, environment and sustainable private sector development, and apply human rights-based approach/environmental, social and governance safeguards supported by Finnpartnership's advisory services. Evidence points to tangible development/environment results (e.g. clean energy access, improved hydromet/disaster risk reduction capacities, sustainable forestry value chains, and water access/efficiency improvements), albeit from an immediate or direct results point of view, the results are limited in scale because of the usual early-stage risks (commercial viability, partner readiness, red-tape, and continuity beyond pilots). Looking ahead, clear opportunity spaces include: climate adaptation services (hydromet modernisation and early warning systems), distributed renewables and storage, nature data/forest measurement, reporting and verification and fibre-based value chains, circular water solutions, and digital twin/AI for infrastructure resilience – paired with Finnpartnership's updated support percentages (30/50/75/85%) and the new innovation funding window (75%, up to EUR 300,000 de minimis) that can accelerate co-creation with local partners.

Overview of Finnpartnership and its Business Partnership Support

Finnpartnership promotes sustainable, commercially viable business between Finland and developing markets with explicit development outcomes in target countries. The programme's core services are:

1. **Business Partnership Support** – a discretionary grant from the MFA (applications year-round) for early-stage activities such as feasibility studies, piloting, partner development and training; typical support EUR 15,000 – EUR 400,000+ (programme materials now cite EUR 15,000 minimum after the support rate; support rates 30/50/75/85% based on target country and firm size).
2. **Advisory and due diligence services,** including free consultations on environmental, social and human rights impacts, to strengthen environmental, social and governance/ human rights-based approach integration and risk management.

Finnpartnership is financed by the MFA and managed by Finnfund. Recent communications highlight robust demand (e.g. 142 Business Partnership Support applications in 2024 per the annual report; programme posts noted record Business Partnership Support grant volume).

In 2025, Finnpartnership introduced **Innovation Funding** (continuing Business Finland's Developing Markets Platform support): 75% support for all company sizes, up to EUR 300,000 (de minimis), aimed at co-creating sustainable innovations with local partners – a powerful addition for environment and natural resource management pilots that need technical iteration and partner capacity building.

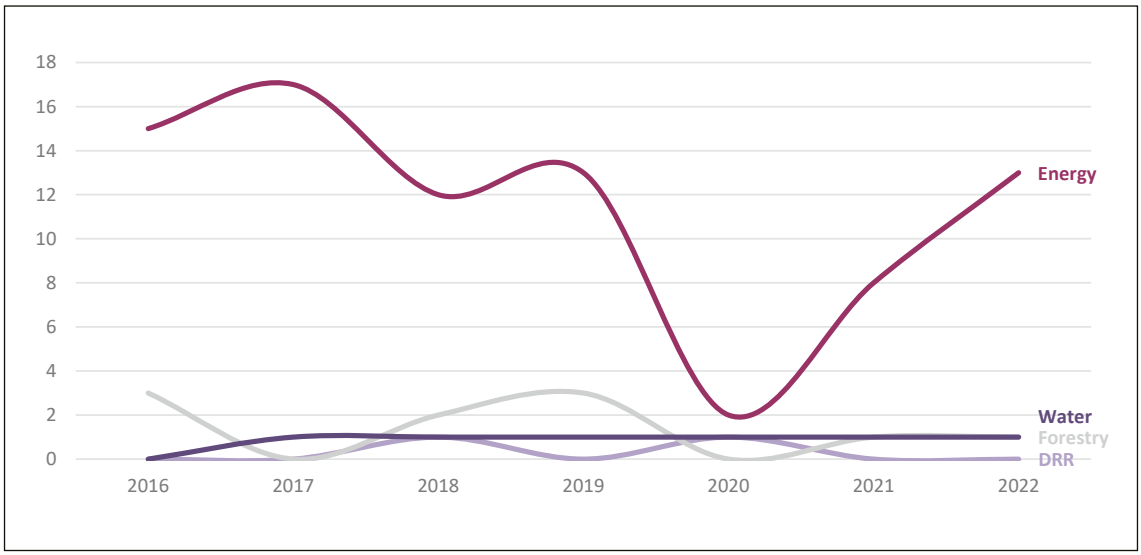
Scale and type of interventions with Business Partnership Support by sub-sector

Between 2016 and 2022, the environment and natural resource management-related projects funded under Business Partnership Support amounted to a small but important share of the overall portfolio. Energy sector cases dominated, with solar, marine, and efficiency solutions forming the largest sub-groups. Forestry and natural resource management projects appeared steadily, often linked to Finnish forestry expertise. Water-related cases were fewer but consistent, including clean water technologies and water resource management. Disaster risk reduction remained marginal, with only isolated projects.

Key trends

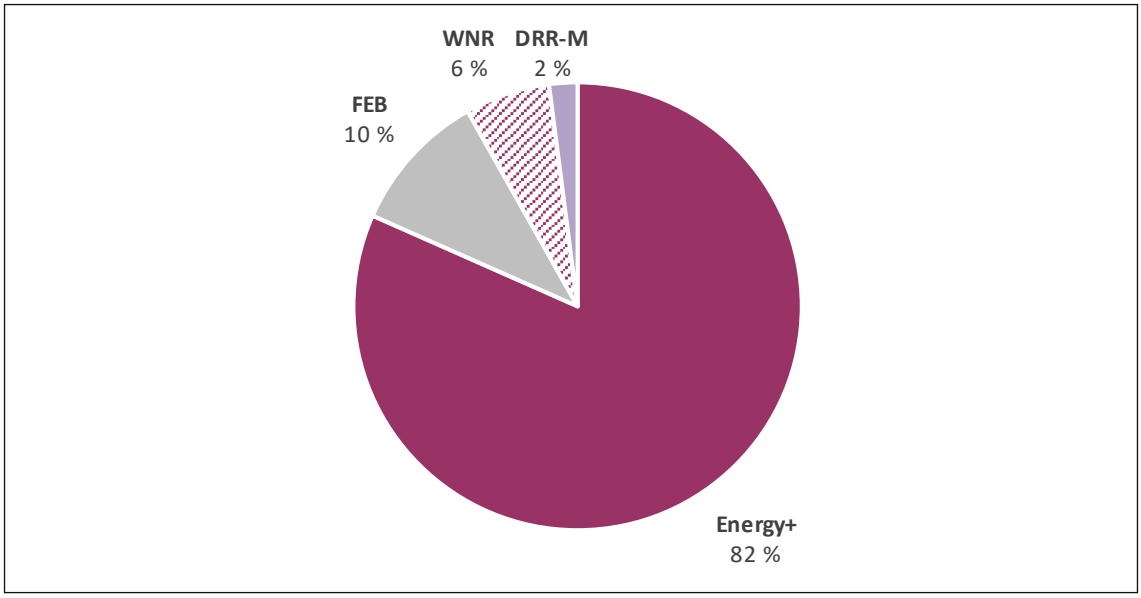
The analysis of annual cases shows that energy has been the most consistent and largest sub-sector, with peaks in 2016, 2017, and 2022. Forestry contributed modestly each year, while water remained present at a low but steady level. Disaster risk reduction featured only in 2018 and 2020. The overall annual number of environment and natural resource management projects varied from 4 (2020) to 18 (2016-2017), reflecting fluctuating demand and, thus, funding. Figure 14 shows annual Business Partnership Support cases by environment and natural resource management sub-sector in 2016-2022 and Figure 15 their distribution.

Figure 14 Annual Business Partnership Support cases by environment and natural resource management sub-sector (2016-2022)



Source: Evaluation Team/Finnpartnership

Figure 15 Distribution of environment and natural resource management cases by sub-sector (2016-2022)



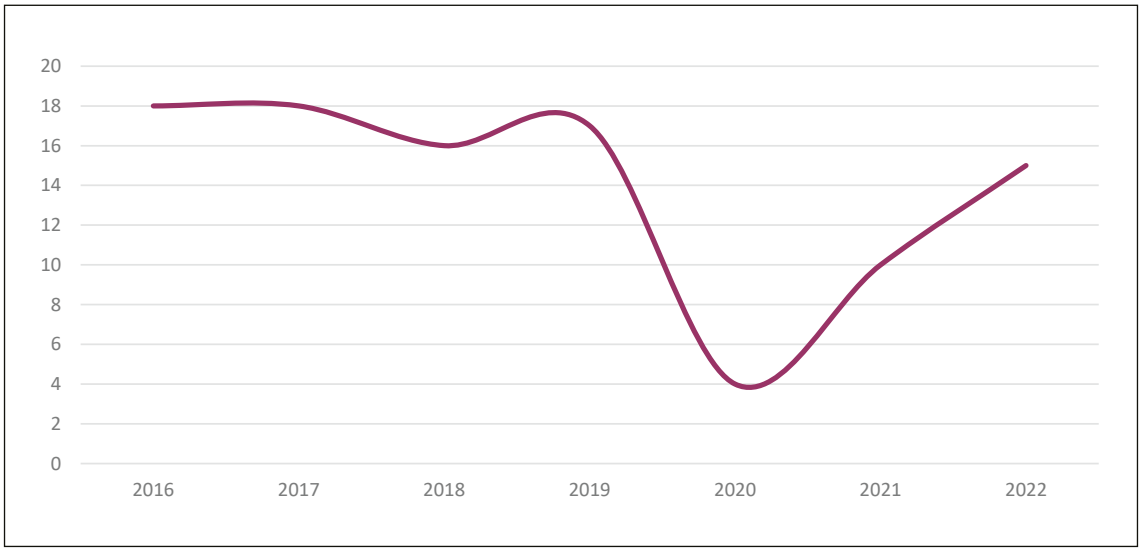
Source: Evaluation Team/Finnpartnership

Portfolio profiling

The portfolio analysis reveals the following key trends:

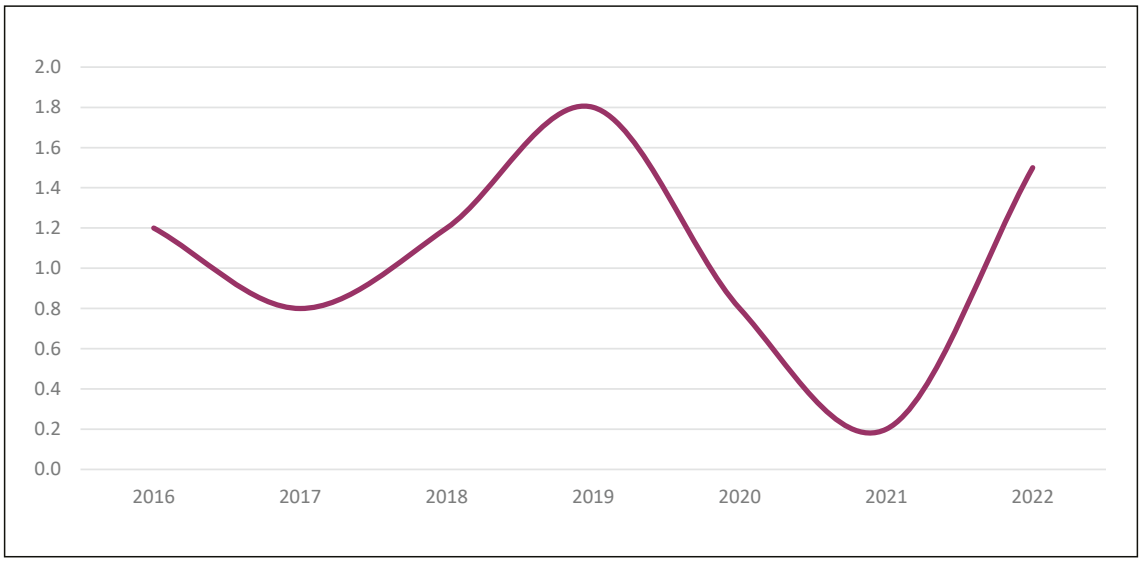
- Number of environment and natural resource management projects per year ranged between 4 and 18 (see Figure 16), with funding volumes fluctuating accordingly (see Figure 17).
- Energy generation and supply was the dominant sector both in project numbers (see Table 8) and funding (see Table 9).
- Delivery channels were mainly Finnish private sector companies, complemented by non-governmental organisations and other actors (see Figure 18).
- Most projects targeted Asia and Africa (see Table 10), with top recipient countries including Indonesia, Kenya and Somalia.

Figure 16 Number of environment and natural resource management projects per year, 2016-2022



Source: Evaluation Team/Finnpartnership

Figure 17 Environment and natural resource management funding per year (EUR, million), 2016-2022



Source: Evaluation Team/Finnpartnership

Table 8 Annual Business Partnership Support projects per environment and natural resource management sub-sector 2016-2022

YEAR	SECTOR				TOTAL # OF PROJECTS
	DISASTER RISK REDUCTION	ENERGY	FORESTRY	WATER	
2016		15	3		18
2017		17		1	18
2018	1	12	2	1	16
2019		13	3	1	17
2020	1	2		1	4
2021		8	1	1	10
2022		13	1	1	15
Total # of projects	**2**	**80**	**10**	**6**	**98**

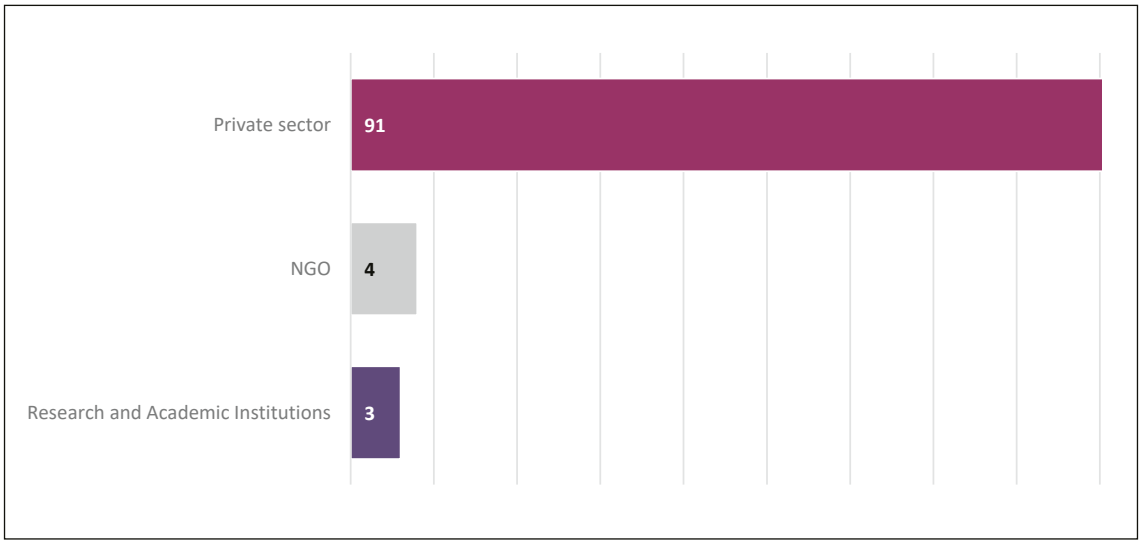
Source: Evaluation Team/Finnpartnership

Table 9 Annual Business Partnership Support commitments per environment and natural resource management sub-sector in EUR, 2016-2022

YEAR	DISASTER RISK REDUCTION (EUR)	ENERGY (EUR)	FORESTRY (EUR)	WATER (EUR)	TOTAL (EUR)
2016		876 000	248 000		1 123 000
2017		769 000		25 000	794 000
2018	99 000	913 000	189 000	42 000	1 243 000
2019		1 580 000	144 000	49 000	1 773 000
2020	294 000	171 000		335 000	800 000
2021		107 000	61 000	33 000	201 000
2022		1 051 000	80 000	397 000	1 528 000
Total in EUR	**393 000**	**5 467 000**	**721 000**	**882 000**	**7 463 000**

Source: Evaluation Team/Finnpartnership

Figure 18 Projects by delivery channel



Source: Evaluation Team/Finnpartnership

Table 10 Business Partnership Support commitments per region and environment and natural resource management sub-sector in EUR, 2016-2022

REGION	DISASTER RISK REDUCTION (EUR)	ENERGY (EUR)	FORESTRY (EUR)	WATER (EUR)	TOTAL (EUR)
Africa		2 315 000	511 000	100 000	2 926 000
Asia	393 000	2 695 000	182 000	782 000	4 052 000
Latin America		286 000	28 000		314 000
Middle East		170 000			170 000
Total in EUR	**393 000**	**5 467 000**	**721 000**	**882 000**	**7 463 000**

Source: Evaluation Team/Finnpartnership

Development/environment achievements of the Business Partnership Support interventions

While Finnpartnership does not report results per sector, the following example cases have been identified showcasing environment and natural resource management results per sub-sector:

Forestry

- Arbonaut: Turning forestry into sustainable business all around the world (2018). Finnish remote-sensing/ICT firm Arbonaut showcases sustainable forest protection and timberland management solutions; strengthening its Africa expertise opened multiple new country opportunities. Clear environment and natural resource management link via sustainable forestry management and conservation tech.

Water as a natural resource

- Turning river plastic waste into sustainable business through recycling (2025). RiverRecycle's model traps and processes floating plastic in rivers (e.g. Manila), reducing marine leakage while creating a viable local business around collection and recycling. Direct water-resource protection and pollution reduction impact; supported by Finnpartnership.

Energy

- Solar power provides affordable electricity and opportunities for sustainable growth in Somaliland (2022). SolarLandAfrica used Finnpartnership support to build a small solar network serving the village of Lafa-Ruug and a mall in Hargeisa, lowering electricity

costs for households and enterprises. Strong clean-energy access and green-growth relevance.

- Finnish company exports solar energy know-how to Egypt (2017). GreenEnergy Finland delivered solar photovoltaic solutions and monitoring/management systems, improving energy efficiency and renewable uptake for commercial/industrial clients.
- Solar energy for African entrepreneurs (2018). Solar Fire Concentration piloted solar thermal/solar solutions suited to small entrepreneurs, accelerated by Business Partnership Support. Clean-energy access for micro, small and medium-sized enterprises with inclusive growth potential.

Disaster risk reduction

- A niche for drone measurements found in the African market (Zambia, 2024). Dronnair/Zanifi expanded drone services and training; a key step was training disaster management authorities in drone-based image modelling. Direct disaster risk reduction capacity-building via geospatial assessment for hazards/response.

Lessons learned

Based on the portfolio analysis, document review and interviews, the following lessons learned were identified:

- **Early-stage de-risking is catalytic, but continuity is critical**. Portfolio data shows that between 2016-2022, environment and natural resource management projects averaged only 12-18 cases annually, with some years (2020, 2021) dropping to as low as 4-10. This volatility underscores that while Business Partnership Support successfully initiates feasibility and piloting, follow-on capital and institutional uptake are essential for sustained results.
- **Partner fit and co-creation capacity determines pace**. Portfolio data received from Finnpartnership indicates that over 80% of environment and natural resource management projects were implemented by Finnish small and medium-sized enterprises, often in partnership with local utilities, ministries, or non-governmental organisations. Strong local absorptive capacity is critical in sectors like disaster risk reduction and water, where data governance and operations and maintenance matter as much as technology.
- **Safeguards and human rights-based approach add value early**. Environmental, social and governance/human rights-based approach advisory was systematically available to all projects, and over 90% of the portfolio used Finnpartnership's environmental, social and governance/human rights-based approach consultations. This improves acceptance, reduces later compliance risks, and aligns with donor procurement requirements.
- **Small and medium-sized enterprises bandwidth limitations**. Median Business Partnership Support environment and natural resource management commitments clustered between EUR 50,000-200,000. Finnish small and medium-sized enterprises often

lack the working capital to sustain multi-year engagement, particularly in higher-risk least developed country markets. This constrains continuity beyond pilot phases.

Opportunities identified for Finnish companies in environment and natural resource management (linked to Business Partnership Support)

Generated using AI and based on the typical micro, small and medium-sized enterprise-profile of a company making use of Business Partnership Support, the following opportunities were identified for Finnish companies in environment and natural resource management:

- **Climate adaptation and resilience services**. End-to-end hydromet modernisation, impact-based forecasting, and multi-hazard early warning systems (hardware, software and capacity development).
- **Distributed renewables and storage**. Rooftop/mini-grid photovoltaic, hybrid systems, and energy management for public services and agri-processing – well-suited to Business Partnership Support and innovation funding sequencing.
- **Nature data, measurement, reporting and verification, and traceability**. Forest inventories, satellite/LiDAR-based measurement, reporting and verification, biodiversity/climate project data rooms, and supply-chain traceability for deforestation-free trade.
- **Water resilience and circularity**. Non-revenue water reduction, smart metering, wastewater reuse, and nature-based solutions for floods – integrated with urban resilience planning.
- **Digital twins and AI for infrastructure resilience**. Predictive maintenance and hazard simulation for energy/water/transport assets.
- **Co-creation via the new Innovation Funding** (75%, up to EUR 300,000). Use it to prototype with local partners, then move to Business Partnership Support for scale-ready pilots and market entry.

Potential action points

Potential action points for the MFA and Finnpartnership to consider include:

- **Adopt a two-window sequencing for environment and natural resource management pilots**. Use innovation funding (75% support, up to EUR 300,000) for co-creation and technical iteration, followed by Business Partnership Support for piloting and partner capability development.
- **Strengthen scale-up pathways**. Link Business Partnership Support projects (notably in energy, which accounted for >65% of environment and natural resource management cases) with Finnfund, multilateral development banks, and climate funds for scale financing. The overview of portfolio funding by sector indicates that energy projects absorbed the majority of commitments, yet few progressed beyond pilots.

- **Institutionalise environmental, social and governance/human rights-based approach and data governance early**. With >90% of cases already using Finnpartnership's advisory, this should become mandatory for all environment and natural resource management pilots, ensuring open standards and custodianship in hydromet/forestry/water.
- **Build local operations and maintenance ecosystems**. In developing markets, stronger provisions for local training-of-trainers and service ecosystems are needed to ensure sustainability.
- **Targeted support for small and medium-sized enterprises**. Since Finnish small and medium-sized enterprises constitute the vast majority of implementers, dedicated coaching and consortium facilitation are recommended. Donor procurement readiness and local integration can mitigate the risks of pilot-only outcomes.

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Annex 6: Intensive Study: Global Gateway

Summary

Global Gateway is the EU's flagship external investment strategy (launched in 2021) to mobilise up to EUR 300 billion by 2027 for sustainable, high-quality connectivity and human development across the digital, energy and transport sectors, and to strengthen health, education and research systems worldwide. It is implemented through a 'Team Europe' approach that brings together the European Commission, the European External Action Service (EEAS), EU Member States and their development finance institutions, the European Investment Bank (EIB Global), and private capital under the EU's blended-finance umbrella, the European Fund for Sustainable Development Plus (EFSD+).

Global Gateway aligns tightly with EU Green Deal diplomacy, biodiversity and circular-economy agendas, and the Critical Raw Materials Act, making it directly relevant for forest governance, watershed resilience, clean-energy systems, responsible mining, and risk-informed development. In environment and natural resource management-relevant pipelines, Team Europe Initiatives and EIB Global operations are already financing forest landscape restoration (e.g. Côte d'Ivoire), water and sanitation infrastructure (e.g. São Tomé), energy transition and green hydrogen (e.g. Chile), and regional climate/disaster risk reduction programmes (e.g. Central Asia Team Europe Initiative). Private sector engagement is primarily channelled through EFSD+ guarantees, EIB Global lending, technical assistance, EU procurement, and new risk-sharing platforms (e.g. EU-International Finance Corporation guarantees). From the point of view of Finnish companies, Finnfund and Finnpartnership are positioned as on-ramps which can facilitate Finnish company access to Global Gateway projects. Publicly verifiable cases of direct Finnish company contracts explicitly branded under Global Gateway are still limited in official sources; however, multiple opportunities exist in mining and water, water, sanitation and hygiene, clean power, grids, and nature-based solutions where Finnish firms may have comparative strengths.

Introduction

This paper aims to shed light on: (i) what Global Gateway is; (ii) why and how it is relevant to four sub-sectors within the environment and natural resource management domains (forests, ecosystems and biodiversity; water as a natural resource; clean energy, circular economy and critical minerals; and disaster risk reduction and meteorology); and (iii) how Global Gateway engages the private sector in these areas, outlining pathways and currently verifiable Finnish-linked participation identified through AI-based research, while focusing on future opportunities arising from Global Gateway priorities and pipeline, the Finnish private sector's offer, and, where feasible, linkages to Finland's development cooperation programming. The paper then analyses implications and opportunities for Finnish companies and identifies key risks involved, shares a conclusion and

potential action points, including a proposed method to track additional Finnish company involvement as the Global Gateway projects evolve.

A key limitation is that, at the time of writing, explicit public records linking specific Finnish, Danish, and Swedish companies to implemented, Global Gateway-branded environment and natural resource management contracts are scarce. This is typical in the early to mid-stages of blended programmes, when project branding appears before downstream procurement awards are disclosed. The proposed method (outlined at the end of Part 1) may help identify and verify additional Finnish participation as tenders are awarded.

Global Gateway

Definition and objectives

Global Gateway is the EU's strategy to catalyse sustainable, trusted connections and investments globally, leveraging EU standards on transparency, environmental and social safeguards, and fiscally responsible debt. It aims to narrow the global investment gap by mobilising public and private finance toward green, digital, inclusive and resilient infrastructure and services. The headline target is to mobilise up to EUR 300 billion by end-2027, with roughly one-third facilitated by EIB Global.

Governance and delivery systems

- **Policy leadership:** European Commission (notably DG INTPA), High Representative/EEAS.
- **Delivery via Team Europe:** EU institutions, Member States and their development finance institutions and export credit agencies, EIB Global and implementing partners (UN agencies, international financial institutions) and private sector.
- **Financial instruments:** NDICI-Global Europe budget (grants, technical assistance), EFSD+ (guarantees and blending), EIB Global sovereign and non-sovereign lending, and crowding-in of private capital through risk-sharing.
- **Flagship modalities:** Team Europe Initiatives (multi-actor investment packages), regional investment agendas (e.g. Africa, Indo-Pacific), and thematic platforms (digital, energy, transport, health, education, research, climate and biodiversity).

Priority geographies and themes

- **Geographies:** Africa (major early focus), Neighbourhood and Enlargement, Latin America and the Caribbean, Asia/Pacific (incl. Indo-Pacific), Central Asia.
- **Themes relevant to environment and natural resource management:** forest partnerships; water security and water, sanitation and hygiene; clean energy and grids; critical raw materials partnerships; circular economy and nature-based solutions; meteorology/hydromet modernisation; climate adaptation and disaster risk reduction.

Relevance to environment and natural resources management

Forests, ecosystems and biodiversity

Why relevant: Global Gateway advances forest governance, biodiversity conservation and nature-positive value chains through landscape restoration, sustainable forest management, and deforestation-free commodity partnerships. It underpins EU Biodiversity Strategy 2030 commitments and international agreements(e.g. UNFCCC, Convention on Biological Diversity, UN Forest Instrument).

How it operates:

- **Forest Partnerships and Team Europe Initiatives** delivering jurisdictional approaches, protected-area systems, agroforestry, and community-based forest economy transitions.
- **Deforestation-free supply-chain support** (e.g. cocoa, coffee) through technical assistance, traceability systems, smallholder support, and blended finance for sustainable processing.
- **Nature-based solutions** mainstreamed in pipelines (mangroves, watershed restoration, urban greening) with EIB Global finance and EU grants/guarantees.

Illustrative Global Gateway-aligned example: *Côte d'Ivoire – forest preservation and reforestation*: Team Europe (EIB Global and EU) financing supporting the national strategy to halt deforestation, restore forests and scale agroforestry; part of Global Gateway delivery.

Potential opportunities for Finnish companies: remote sensing and forest information systems; sustainable pulp/paper and biomaterials innovation; verification/traceability tech; nature-based solutions design and measurement, reporting and verification; circular wood value chains, i.e. in many such areas that link to Finland's recent past and current forests, ecosystems and biodiversity programming and were also identified as opportunities in this evaluation's market analysis of digital forest resource data and data management in Tanzania.

Water as a natural resource

Why relevant: Global Gateway notes that water security is fundamental to climate resilience, food systems and human development. Global Gateway uses blended finance to scale water, sanitation and hygiene infrastructure, climate-resilient water supply and integrated water resources management at river-basin and utility levels, often with utility reform and performance-based approaches.

How it operates:

- **Investment packages** combining EIB loans with EU investment grants and technical assistance for design, safeguards, and utility strengthening.

- **Regional/Team Europe Initiative vehicles** (e.g. Central Asia water-energy-climate Team Europe Initiative) that crowd in international financial institutions and private actors.
- **Climate-resilient design standards** and digitalisation (smart metering, non-revenue water reduction, asset management).

Illustrative example: *São Tomé – urban water network upgrade:* Team Europe (EIB Global loan and EU investment grant and advisory technical assistance) to rehabilitate and expand potable-water systems; framed under Global Gateway.

Potential opportunities for Finnish companies: utility digitalisation and leak detection; water treatment and circular wastewater reuse; mining water stewardship; hydromet monitoring linking to disaster risk reduction.

Clean energy, circular economy and critical minerals

Why relevant: Global Gateway is a key external-investment arm for the EU's climate/energy diplomacy and circular economy objectives, supporting renewable generation, grids/interconnectors, energy-efficiency, storage, and responsible supply of critical raw materials aligned with the EU Critical Raw Materials Act.

How it operates:

- **Energy Team Europe Initiatives** and regional investment agendas (e.g. renewable hydrogen value chains, green grids, regional power markets).
- **Critical Raw Material partnerships** and responsible-mining value-chain programmes with environmental, social and governance standards, local value-addition, water/energy efficiency, and community benefits.
- **Circular economy platforms** to unlock secondary raw materials, eco-design, industrial symbiosis and waste-to-resource markets.

Illustrative examples: *Chile – Green Hydrogen Team Europe Initiative*: supporting decarbonisation and business opportunities across renewable hydrogen value chains; positioned within Global Gateway investment agenda. *Namibia – Critical Raw Material and green value chains*: EU-Namibia strategic partnership and Team Europe Initiative window on responsible sourcing and investment across mining-water-environment interfaces.

Potential opportunities for Finnish companies: mine water treatment; sustainable mineral processing; battery/electric vehicle supply chain equipment; grid integration (flexibility, system services); waste valorisation; industrial digital twins for circularity; sustainability data stack/environmental, social and governance traceability.

Disaster risk reduction and meteorology

Why relevant: Climate volatility is increasing frequency/severity of hydromet hazards and Global Gateway supports hydromet modernisation and risk-informed infrastructure and complements EU

and partner-country disaster risk reduction agendas (Sendai Framework), often via regional Team Europe Initiatives and partnerships with WMO/international financial institutions.

How it operates:

- **Regional disaster risk reduction programmes** (e.g. EU-South Asia disaster risk management; Central Asia water-energy-climate Team Europe Initiative) including early warning systems, data sharing, and emergency coordination.
- **Hydromet data and services** investments (observation networks, modelling, service delivery) coupled with capacity building and open-data policies.
- **Resilient infrastructure standards** (nature-based buffers, flood risk zoning, resilient water, sanitation and hygiene/power).

Potential opportunities for Finnish companies: observation and sensing technologies; weather and flood forecasting; decision-support platforms; resilient design and insurance analytics; nature-based solutions engineering.

Private sector engagement and Finnish company participation

Global Gateway and private sector engagement

- **EFSD+ guarantees and blending:** risk-sharing for banks/development finance institutions, including and notably as its pioneer Finnfund, that on-lend to private/public-private partnership projects in energy, water, industry, and nature capital; paired with grants and technical assistance.
- **EIB:** direct lending to utilities and companies; intermediated lending via local banks; equity/quasi-equity via fund vehicles; policy dialogue to remove investment barriers.
- **Procurement and public-private partnerships:** EU-funded grants/technical assistance and international financial institution co-financing generate engineering, works, and service tenders – entry points for EU firms.
- **Dedicated platforms:** EU-International Finance Corporation risk-sharing guarantees to catalyse private investment in target geographies/sectors; Team Europe investment agendas; business-opportunity portals.
- **Standards as market access:** EU environmental and social standards, deforestation-free and due-diligence rules create demand for compliance solutions (traceability, measurement, reporting and verification, environmental, social and governance data), favouring providers with strong sustainability credentials.

Finnish-linked engagements under Global Gateway (public-source based)

Limitation to note: The EU does not maintain a single, public 'contracts-by-contractor-nationality' registry for Global Gateway. Many Global Gateway operations are financed through blended structures where contractors appear later via international financial institution or government procurement. Accordingly, the list below focuses on **publicly verifiable** Finnish-linked engagements (institutions, platforms, or opportunities) in environment and natural resource management-relevant Global Gateway windows, as of 7 September 2025. Additional Finnish company contracts exist with high likelihood but are not yet publicly visible in the researched EU/international financial institution portals.

1. **Finnfund – Global Connected (digital infrastructure and platforms)**
   Relevance: Part of the EFSD+ architecture particularly in Sub-Saharan Africa; Finnfund is recognised among Team Europe partners. While primarily digital, it provides a conduit for environmental, social and governance-compliant infrastructure investing and can intersect with clean energy for connectivity and climate services.
   Potential Finnish spillovers: Co-investment and supply opportunities for Finnish tech/energy/water firms in African/developing markets.
2. **Finnpartnership – Global Gateway service** ('deal-flow enablement')
   Relevance: Finnpartnership provides advisory and co-financing to help Finnish companies enter EU-funded Global Gateway pipelines (including mining/water in Namibia; logistics in Malaysia; education/green skills, etc.).
   Status: Becoming a permanent Finnpartnership service line in 2025 after exceeding targets.
   Implication: A structured on-ramp for Finnish small and medium-sized enterprises/mid-caps to bid into Global Gateway procurements.
3. **Potential Team Europe – environment and natural resource management investment packages with open contractor slots**

   Examples:

   - *Côte d'Ivoire forest landscape restoration/deforestation-free cocoa:* EIB Global and EU financing envelope with ensuing tenders for restoration services, traceability, agroforestry inputs, monitoring and evaluation – areas where Finnish firms (forest ICT, remote sensing, nursery tech, measurement, reporting and verification) could be competitive.
   - *São Tomé potable-water networks*: civil works, supply of pipes, meters, supervisory control and data acquisition, non-revenue water reduction – industries/sectors with active Finnish exporters.
   - *Chile renewable hydrogen Team Europe Initiative*: engineering, electrolyser balance-of-plant, grid integration, storage, measurement/verification; opportunities for Finnish clean-tech and system-integration companies.
   - *Namibia critical raw materials and green value chains*: responsible mining services/equipment, mine-water treatment, environmental monitoring and traceability – core capabilities of several Finnish mining-technology firms.

Implications and opportunities for Finnish companies

Finnish companies should:

- **Position early in Team Europe Initiatives:** Engage EU Delegations/EIB pre-feasibility to shape Terms of References around strengths (forest information systems, mine-water, water, sanitation and hygiene digital, grid flexibility, nature-based solutions measurement, reporting and verification).
- **Bundle environment and natural resource management and digital:** Many Global Gateway pipelines reward data-rich solutions (traceability, leak detection, forecasting). Pair core environment and natural resource management tech with platforms, analytics and service contracts.
- **Use EFSD+ windows:** Work with Finnfund/EIB intermediated lines and EU-International Finance Corporation guarantees to de-risk public-private partnerships and private off-take.
- **Partner locally:** Team Europe Initiatives emphasise local benefits; joint ventures with national firms and utilities strengthen bids and delivery.
- **Compliance advantage:** Lean into EU's high standards; deforestation-free; human rights due diligence). Offer turnkey compliance/monitoring – an area where Finnish firms can differentiate.

Conclusion

Global Gateway is now a central channel for EU external investment that directly intersects with environment and natural resource management priorities. While public evidence of named Finnish company awards under Global Gateway in these domains remains limited, the enabling architecture – EFSD+, EIB, Team Europe Initiatives, and Finnish on-ramps (Finnfund, Finnpartnership) – positions Finnish firms to participate at scale in forests/nature-based solutions, water, sanitation and hygiene, clean energy/grids, circular economy, and responsible critical raw materials, as well as hydromet/disaster risk reduction systems.

For the companies, proactive positioning, compliance leadership, and local partnering are the keys to converting opportunities into awarded contracts. For the MFA, there is a role to play in keeping track of Finnish company projects, supporting proactive positioning and local partnering.

Potential action points

The MFA and Finland's embassies can:

- Systematically track Finnish company projects. For this paper, a method was developed using AI-based research to map the current status of Finnish company projects in environment and natural resource management. The steps the Evaluation Team used in this method were as follows:

- Track Global Gateway/Team Europe Initiative announcements (DG INTPA, EEAS, EIB Global press) for environment and natural resource management windows; extract project names, borrower/implementer, financing plan.
- Track international financial institution procurement portals for listed operations (EIB Global, EU Delegations, national project implementation units) and capture contractor awards.
- Cross-match awardees with Finnish business ID and parent-group nationality (including subsidiaries/consortia).
  - In addition, the following steps can be added:
- Leverage Finnpartnership pipeline postings and MFA, Finnish embassies and Business Finland outreach; request matchmaking lists where permissible.
- Maintain a living database (fields: project, country, Team Europe Initiative/Global Gateway link, sector, contracting entity, award status, Finnish involvement, short description, value, timeline). A starter table template is provided in Annex A of this intensive study report.
- Ensure that they implement in full and without a delay the Team Finland Strategy 2025-2027 for their respective parts and extend their goodwill and support to other Team Finland partners in its implementation. All activities of the Strategy, also those in the context of which Global Gateway is not mentioned, support Finnish companies' access to Global Gateway projects.
- The Team Finland Strategy 2025-2027 recognises Global Gateway as a key EU initiative that aligns with Finland's internationalisation goals. Team Finland organisations are encouraged to actively participate in and leverage Global Gateway opportunities to promote Finnish expertise and business interests abroad.
- The Strategy guides to strengthen joint EU funding advisory services as well as funding advisory services for emerging markets, such as Global Gateway financing, and raise awareness of the instruments and actively promote their use in collaboration with stakeholders. It talks to promoting the participation of Finnish companies in Global Gateway projects by actively informing them about the opportunities offered by Global Gateway and by influencing EU programming in line with Finland's interests, especially in the digital sector. A summary of the Team Finland Strategy 2025-2027, from September 2025, with its key action points by Team Finland organisations is in Annex B of this intensive study report.

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Annex A: Tracking table for Finnish company Global Gateway-projects (example structure only)

PROJECT	COUNTRY	SECTOR (ENVIRONMENT AND NATURAL RESOURCE MANAGEMENT)	GLOBAL GATEWAY/ TEAM EUROPE INITIATIVE LINK	FUNDER(S)	IMPLEMENTER/ PROJECT IMPLEMENTATION UNIT	PROCUREMENT STATUS	FINNISH COMPANY INVOLVED	ROLE	NOTES
Forest landscape restoration	Côte d'Ivoire	Forests/nature-based solutions	Team Europe (Global Gateway)	EIB Global + EU	Ministry of Forests	Early works			Traceability and measurement, reporting and verification likely
Urban water, sanitation and hygiene upgrade	São Tomé	Water/water, sanitation and hygiene	Global Gateway Investment	EIB Global + EU	National water utility	Bidding			supervisory control and data acquisition/ meters opportunities
Renewably hydrogen value chain	Chile	Energy/ hydrogen	Global Gateway Investment Agenda	EU + Team Europe Initiative partners	Energy Ministry	Early pipeline			Grid integration and storage
Critical Raw Material value chain	Namibia	Mining/water	Team Europe Initiative	EU + partners	Mining ministry/ project implementation units	technical assistance and investment			Mine-water and environmental, social and governance traceability

Annex B: Summary of the Team Finland Strategy 2025-2027 with its key action points by Team Finland organisations

Purpose

The strategy aims to accelerate Finnish companies' exports and international growth, which are vital for Finland's economic development and wellbeing.

Core objectives

- Provide seamless, customer-oriented services for internationalisation – from advice to financing.
- Strengthen Finland's appeal for talent, tourism, investment, and capital.
- Focus especially on supporting small and medium-sized enterprises to grow into mid-sized international companies.

Strategic goals

By the end of 2027:

- Team Finland clients should achieve export growth 10 percentage points higher than the national average.
- Services must be impactful, timely, and tailored to business needs.

Strategic focus areas

1. **Target Countries**: Prioritised markets include Sweden, Germany, United States, Japan, India, and others.
2. **Key Sectors:**
    - Defence and security
    - Renewable energy and low-carbon tech
    - Health and wellbeing
    - Bioeconomy and food
    - ICT and critical technologies
    - Maritime and logistics
    - Education and creative industries

3. **Cross-Cutting Themes:**

- Supporting companies in global value chains
- Promoting service exports
- Enhancing Nordic cooperation

Collaboration and efficiency

- Strengthen cooperation between domestic and international networks.
- Improve Critical Raw Material systems and customer service pathways.
- Develop joint service offerings across public and private actors.

Data-driven leadership

- Use data to guide decisions and improve communication both domestically and abroad.

Key activities by Team Finland organisations

This section summarises the roles and activities of the main organisations involved in the Team Finland network, as outlined in Chapter 4 of the Team Finland Strategy 2025-2027. The focus is on improving effectiveness through collaboration and clearer division of responsibilities.

Ministry for Foreign Affairs

- Leads coordination of Team Finland's international network.
- Strengthens economic diplomacy and supports Finnish companies abroad.
- Develops country-specific strategies aligned with foreign policy goals.

Ministry of Economic Affairs and Employment

- Oversees domestic coordination and strategic development of Team Finland.
- Aligns services with national economic priorities.
- Supports development of joint service models and digital platforms.

Business Finland

- Provides funding, internationalisation services, and innovation support.
- Leads market intelligence and customer segmentation.
- Coordinates export promotion campaigns and thematic programs.

Finnvera

- Offers financing solutions for international growth, especially for small and medium-sized enterprises.
- Enhances cooperation with Business Finland to streamline customer journeys.
- Develops digital tools for faster service delivery.

Regional ELY Centres

- Act as local entry points for internationalisation services.
- Guide companies toward suitable Team Finland services.
- Strengthen regional cooperation and feedback loops to national strategy.

Chambers of Commerce and Industry Associations

- Provide grassroots-level support and advocacy for businesses.
- Participate in joint events and export promotion activities.
- Help identify sector-specific needs and opportunities.

Embassies and consulates

- Serve as frontline actors in economic diplomacy.
- Offer local market insights and facilitate business contacts.
- Support Finnish companies in navigating foreign regulatory environments.

Cross-organisational initiatives

- **Joint Critical Raw Material System:** A shared customer relationship management system improves service continuity.
- **Unified Service Pathways:** Organisations align their services to create smoother customer journeys.
- **Impact Monitoring:** Shared metrics and feedback systems evaluate effectiveness and guide improvements.

Annex 7: Intensive Study: Multilateral Development Banks Blended Finance Portfolio

Summary

Multilateral development banks invest in private sector projects that have potential to generate positive development and/or climate impacts. This intensive study focuses on the blended finance funds managed by the International Finance Corporation, Inter-American Development Bank and European Bank for Reconstruction and Development, and on Finlan's financing of these. While the funds have been successful with their main objectives to generate positive impacts through investments, there is limited evidence of success in integrating Finnish interest to the investments made through the funds.

Introduction

This paper sets out: (i) what are the three multilateral development banks' blended finance funds Finland has invested in; (ii) why and how they are relevant to this evaluation on the environment and natural resources and its sub-sectors: (a) forests, ecosystems and biodiversity; (b) water as a natural resource; (c) clean energy, circular economy, and critical minerals; and (d) disaster risk reduction and meteorology; and (iii) how the multilateral development banks' blended finance funds engage private sector in these areas. The paper then analyses implications and opportunities for Finnish companies, shares a conclusion and potential action points, including a proposed method to track additional Finnish company involvement as the multilateral development banks' blended finance portfolio evolves.

Finnish funded multilateral development banks' blended finance portfolio

Finland has invested in three blended finance funds of multilateral development banks that are relevant to the environment and natural resources policy area: the International Finance Corporation Finland Blended Finance for Climate Program (Finland- International Finance Corporation Business FinlandCP), the Finland-Inter-American Development Bank Invest Blended Finance Climate Fund, and the European Bank for Reconstruction and Development High Impact Partnership on Climate Action (HIPCA).

All three are trust funds intended to co-finance investments by multilateral development banks. While each fund has its own specific objectives, overall they aim to support private sector investments that deliver a range of impacts, including emission reductions, job creation and contributions to greener infrastructure, particularly in the energy sector. Each fund is also expected to be able to invest in interventions that have a Finnish interest linked to them.

The International Finance Corporation Blended Finance for Climate Program (Business FinlandCP)

The International Finance Corporation Business FinlandCP, established in 2017, is a partnership between the Government of Finland and the International Finance Corporation to catalyse innovative investments and unlock private financing into climate-smart projects in developing countries. The Program provides concessional financing for private sector led projects across the globe, with a focus on low-income countries.

Governance and financing

The investment component of the Business FinlandCP includes a contribution from the Government of Finland of EUR 114 million, structured as concessional co-investments alongside the International Finance Corporation's own commercial funds in climate-finance projects. The investment period of the project was six years (October 2017-December 2023), and the duration of the fund is 26 years in total.

The financing instruments utilised cover equity, senior debt, mezzanine debt, and guarantees.

The fund has a project development component to support early-stage development of high-potential projects that in turn could potentially be supported by the main Business FinlandCP. These early-stage project development activities can include, e.g. market mapping; pre-feasibility and feasibility studies; identifying and developing new financial mechanisms or structures; piloting new technologies; and project demonstration activities, etc.

Priority sectors and portfolio

The priority sectors of the fund include renewable energy, energy efficiency in buildings, agriculture, forestry and land-use, water, wastewater, and sanitation, meteorology, food security, and sustainable forestry.

As of December 31, 2023, the Program's portfolio was closed with 17 projects and USD 132 million in blended finance support in Africa and Asia. Energy projects covered more than two thirds of the portfolio (39% of commitments made in solar power, 18% in hydro power and 11% in waste to energy), while the remaining 32% was committed to climate finance projects, which are mainly funds investing in climate projects, such as renewable energy and circular economy. Cumulative disbursement to projects since inception of the Program amounted to USD 25.2 million (19% of the Program funds) by December 31, 2023.

Impacts targeted or created

At the closing of the investment period of the Finland-International Finance Corporation Business FinlandCB in 2023, the expected climate impact of the fund was 8.9 million tCO2e emission reductions and 9.6 GWh of clean energy delivered per year.

European Bank for Reconstruction and Development High Impact Partnership on Climate Action (European Bank for Reconstruction and Development-HIPCA).

HIPCA is the European Bank for Reconstruction and Development's multi-donor partnership dedicated to tackling climate change and environmental degradation. It was launched in November 2021 at COP26.

HIPCA is designed to advance the fight against climate change and environmental degradation by pursuing three primary objectives:

- Supporting investments and policy solutions that reduce or prevent greenhouse gas emissions and protect the environment.
- Enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change.
- Create and reinforce enabling environments that unlock the private sector to act as an agent for climate and environmental action.

HIPCA brings together the full palette of the European Bank for Reconstruction and Development's policies and instruments to strategically address policy and funding gaps. The European Bank for Reconstruction and Development develops the pipeline of interventions and brings in the HIPCA when the situation warrants it to improve impact though the use of the primarily grants funds. Donors are asked to accept – on a no-objection basis – funding for each intervention to which funds from their contribution is used.

Governance and financing

As of 2022, the 10 donors provided close to EUR 200 million in primarily grants to HIPCA, the biggest contributions coming from Canada (EUR 190 million), Taiwan (EUR 49.7 million) and Finland. Finland's share is EUR 41.7 million, of which EUR 39.7 million has been invested and EUR 2 million assigned as grant for technical assistance.

Most of the funding for HIPCA comes in the form of grants, and approximately 25% of HIPCA funds are grants for technical assistance activities related to framework conditions for market development. Finland in its appropriation note stressed that the Finnish investment is targeted towards investments in interventions and made a link to the possible participation of Finnish companies.

Allocations from the HIPCA are small – typically EUR 2 million per intervention. All investment interventions go through the European Bank for Reconstruction and Development's Board due

to the substantial input from the Bank's own account into each intervention. The policy is that the Bank should finance from its own account at least 50% of the total intervention costs.

Priority sectors and portfolio

The thematic areas covered by the programme include energy systems, sustainable food systems, cities and environmental infrastructure, natural capital, sustainable connectivity, industrial decarbonisation, green financial systems, and green buildings.

HIPCA gives opportunity for different donor preferences with regards to geographical focus. In 2023, HIPCA projects spun across 15 countries and 2 regions. Egypt (18%), Uzbekistan (18%) and Kazakhstan (17%) attracted the largest volume of HIPCA support. In the beginning, Finnish contributions focused on Morocco, Tunisia, Lebanon, Egypt and Jordan, and later the agreement was opened to all developing countries with a soft preference to make investments in Central Asia and Ukraine.

In 2023, HIPCA donors approved 23 new projects. The number of total active projects in the portfolio grew to 47 projects, equalling to EUR 147 million in approved funding. By that time, a total of EUR 389 million worth of funds had been contributed to the programme.

Out of the total commitments, approximately 67% of the funds were for investment products (loans), whilst the remaining 33% were likely to be committed as grants towards technical assistance activities.

Impacts targeted or created

European Bank for Reconstruction and Development HIPCA (High Impact Partnership on Climate Action) has a target emissions reduction of 857.169 tCO2 p.a. once interventions are fully implemented (total for the multi-donor fund, no separate data for targeted impacts of Finnish investments available).

Inter-American Development Bank Invest Blended Finance Climate Fund

In 2023, Finland made a EUR 50 million investment in a bilateral blended finance climate fund established together with the Inter-American Development Bank's private sector arm Inter-American Development Bank Invest. The objective of the fund is to support green transition and improve resilience and climate change adaptation capacity in Latin America and the Caribbean region, while catalysing greater private investments. The fund provides concessional funding alongside the Inter-American Development Bank Invest's own commercial capital (rate is 1 to 4), and other investors in climate interventions. The intention is to fund higher risk interventions with innovative financing structures and catalyse additional private capital for climate investments. The fund will finance approximately 5-8 interventions, with a maximum funding size set for USD 10 million for each intervention. Like in the other funds, there is an expectation that the fund could also invest in interventions that have Finnish interest linked to them. Therefore, the fund has been advertised

for Finnish companies and Business Finland has searched from Latin America and the Caribbean area potentially suitable Finnish private sector interventions.

Governance and financing

The concessional financing provided through the fund may include debt instruments, mezzanine funding, guarantees and risk mitigation instruments, and/or equity investments, among other financial instruments offered by the Inter-American Development Bank Invest.

The expected duration of the Fund is 25 years. The first 5 years are investment period, during which resources of the Fund will be allocated. The reimbursement period will start after 5 years. Reimbursements will be made after exiting each investment.

Priority sectors and portfolio

The fund has a special focus on mobilising private sector investment in cleaner technologies, and a transversal focus on gender equality and inclusion in accessing the opportunities that the green economy offers.

In 2023, total disbursement amounted to USD 3 million. By May 2025, five projects had been committed to.

Impacts targeted or created

Finland-Inter-American Development Bank Invest Blended Finance Climate Fund has a target of reduction or avoidance of 5 million tCO2e to be achieved over the life of the Fund.

Relevance to environment and natural resource management

The funds have mandates to invest in renewable energy, energy efficiency and cleaner energy technologies. Most of the investments made so far have been in the renewable energy sector (e.g. solar, hydro and waste-to-energy).

General achievements from Finnish contributions

Finland had a significant role in developing the blended finance system in the International Finance Corporation, being the first European country to establish a blended finance facility with it. Earlier, mainly Canada had been active in the sector.

The investments made through the funds have enabled private companies to invest in and enlarge their operations in the fields of clean energy generation and other sectors relevant to the Finnish development policy.

All the investments have been made in private companies. The investments have also generated business opportunities for other companies providing technology and services to the investees.

Private sector engagement and Finnish company participation

How multilateral development banks' blended finance funds engage the private sector

All the investments have been made in private companies. The investments have also generated business opportunities for other companies providing technology and services to the investees.

Finnish-linked engagements under multilateral development banks' blended finance funds

The Finland-International Finance Corporation Business FinlandCB had some projects from Finnish companies in their pipeline, but the investment projects didn't materialise for different reasons. There's no information that the other funds would have had Finnish origin projects in their pipelines so far.

The efforts to encourage Finnish companies to offer their services to multilateral development banks and the Finnish funded funds have been recognised by different stakeholders but so far there's no evidence of procurements made from Finnish companies by the fund investees. However, several Finnish companies have been providing their services to other multilateral development bank funded projects in Latin America, Asia and Africa.

Some big Finnish corporations, such as Wartsila and Nokia are known to promote their services to multilateral development banks, but there's no information if they have been active under these three funds.

Implications and opportunities for Finnish companies

Lessons learned from Finnish private sector engagement achievements and failures

A key lesson learned is that fund investments cannot simultaneously maximise both development impact and trade promotion objectives. If development impacts are prioritised, for example by focusing on lower-income countries, there are few, if any, potential Finnish companies interested in developing investment projects or even in providing services to such projects. There is a need to manage the trade-off between multilateral policy objectives and Finland's national interests. A clearer articulation of Finland's objectives and expected contributions to multilateral development bank funds is required.

Another lesson is that promoting Finnish content in projects financed through multilateral development bank funds requires careful planning and substantial resources. When the first contract with the International Finance Corporation was concluded, there was insufficient guidance on how to structure it in a way that would facilitate the participation of Finnish companies in procurement processes. For regulatory reasons, neither the funds nor the procurements can be earmarked for Finnish actors, but the current aim is to introduce an investment preference for projects that include Finnish content.

Most Finnish companies are reluctant to invest in lower-income countries. Therefore, a new rule allowing investments in upper-middle-income countries when there is Finnish content in the project has been applied to the most recently established funds. Stakeholders hope that this will increase the level of Finnish content in projects financed by Finnish-funded facilities.

While lessons have been learned, the results are yet to fully materialise. Traditionally, Finland has not excelled in lobbying for its companies in international arenas, but this challenge has been recognised and new methods are under development. Embassies and other actors have sought to learn from other countries (e.g. Japan, Korea and the Netherlands) how to promote national interests within funds managed by multilateral development banks, while efforts are under way to strengthen connections between Finnish representatives on multilateral development banks' boards of directors and the Finnish private sector.

At present, the MFA and embassies still find it difficult to engage with multilateral development banks on their investment plans and the needs of their investees. It is considered challenging to determine at which stage Finnish technologies and know-how should be introduced, as the banks have strict information protection procedures and are reluctant to disclose details of their clients' activities. The lack of direct, including informal, communication channels makes information gathering difficult.

The collaboration between the MFA and Business Finland has faced some challenges but is showing signs of gradual improvement. The MFA has recruited additional staff with strong backgrounds in private sector collaboration and trade promotion; consequently, the capacity to build connections between multilateral development banks and the Finnish private sector can be expected to improve.

The MFA and Business Finland undertake a range of measures to encourage Finnish companies to prepare for and bid on opportunities as they arise. Under the Inter-American Development Bank

Invest Blended Finance Climate Fund, one investee has demonstrated strong interest in Finnish expertise and technology related to biocarbon. The methods used to generate this interest could potentially be applied in future projects as well.

Opportunities identified for Finnish private sector engagement in the future

There are numerous opportunities for Finnish private sector engagement through two main channels. Firstly, when the Finnish-funded multilateral development bank funds build their portfolios, the MFA can introduce investment opportunities originating from Finnish companies. Even after the investment periods are closed and all funds committed, smaller investment opportunities may arise through small and medium-sized enterprise funds that have received investments. While the MFA may not have substantial decision-making power in relation to these investments, it can raise awareness among the Finnish private sector if promising funds are identified in collaboration with Business Finland. Secondly, most multilateral development bank fund investees operate in the energy or other infrastructure sectors and require a wide range of technologies and services to implement their projects. The procurements for these inputs must follow the procurement guidelines of the relevant multilateral development bank, but they may nonetheless offer significant opportunities for Finnish companies. If potential opportunities are identified sufficiently early, it may be possible for Finnish companies to present their offerings to investees prior to the launch of procurement processes, in which case procurement specifications could still be amended, if considered appropriate by the investee.

Overall, a more strategic approach to linking fund investments with Finnish service providers could be adopted. Once good practices for creating connections between fund investees and Finnish companies have been identified, multilateral development bank fund pipelines and portfolios should be systematically screened to identify potential opportunities. In addition, approaches to reaching and incentivising relevant Finnish companies to offer their services to multilateral development bank investees could be further developed. One tool already in use is the provision of information on how Finnish companies can encourage their clients to seek investments from blended finance funds.

Conclusion

Multilateral development banks' blended finance funds are an effective way to support private investments in developing countries. The connections of the funds to Finnish private sector are still limited, but opportunities lie especially in encouraging Finnish companies to participate in project procurements of the investee companies.

Potential action points

Further emphasis should be placed on identifying different formal and informal ways to promote Finnish content to the investees of multilateral development banks. The number of Finnish companies potentially interested in offering their services is relatively small, which suggests that opportunities can be promoted even to individual companies without placing excessive weight on

the need to provide fully equal services to all Finnish firms. It would likely be more beneficial for the Finnish private sector to generate a limited number of strong examples of successful trade promotion through multilateral development bank funds than to provide lower-intensity support to a larger group of only moderately interested companies and, as a result, have fewer concrete success stories to share.

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Annex A: Comparison of key characteristics of the three multilateral development bank funds

NAME OF FUND	OBJECTIVE	SIZE OF FUND	CONTRIBUTIONS FROM FINLAND	INSTRUMENTS	DEVELOPMENT IMPACTS	PRIORITY SECTORS	STATUS
International Finance Corporation Finland Blended Finance For Climate Program (Finland- International Finance Corporation Business Finland CP)	To catalyse innovative investments and unlock private financing into climate-smart projects in developing countries.	USD 132 million EUR 114 million	EUR 114 million + EUR 1.5 million to support pre-feasibility studies	Equity, senior debt, mezzanine debt, and guarantees	At the closing of the investment period in 2023, the expected climate impact of the fund was 8.9 million tCO2e emission reductions and 9.6 GWh of clean energy delivered per year.	Renewable energy; energy efficiency in buildings; agriculture, forestry and land-use; water, wastewater, and sanitation; meteorology; food security; sustainable forestry.	Portfolio closed in December 2023 with 16 projects and USD132 million in blended finance support.
Inter-American Development Bank Invest Blended Finance Climate Fund	To support green transition and improve resilience and climate change adaptation capacity in Latin America and the Caribbean region, while catalysing greater private investments.	EUR 50 million (2023)	EUR 50 million (2023)	Debt instruments, mezzanine funding, guarantees and risk mitigation instruments, and/or equity investments, among other financial instruments offered by Inter-American Development Bank Invest.	The fund targets the following results: 5 Mt CO2e reduced or avoided climate emissions Climate change adaptation supported in 20% of the projects invested in. Positive impacts on gender, equity and participation in at least 30% of the projects invested in. Leverage ratio 1:4 – on dollar invested is expected to bring an additional 4 dollars from other investors (public or private)	Cleaner technologies, and a transversal focus on gender equality and inclusion in accessing the opportunities that the green economy offers.	In 2023, three projects were approved with the Fund's resources bringing the Fund's legally committed resources to USD 8,125 million in that year. A new USD 5 million transaction was approved in May 2024.

NAME OF FUND	OBJECTIVE	SIZE OF FUND	CONTRIBUTIONS FROM FINLAND	INSTRUMENTS	DEVELOPMENT IMPACTS	PRIORITY SECTORS	STATUS
European Bank for Reconstruction and Development High Impact Partnership on Climate Action (HIPCA)	To take forward with impact the fight against climate change and environmental degradation by serving the primary objectives of: i. Supporting investments and policy solutions that reduce or prevent greenhouse gas emissions and protect the environment. ii. Enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change. iii. Create and reinforce enabling environments that unlock the private sector to act as an agent for climate and environmental action.	EUR 389 million (2023). Financed by 10 donors, the biggest contributions coming from Canada (EUR 190 million), Taiwan (EUR 49.7 million) and Finland (EUR 41.7 million)	EUR 41.7 million	Investment products (loans), grants towards technical assistance activities.	In 2023, the expected annual GHG reductions were 9,284,045 CO2e t. For wastewater, 75,871,072 m3/yr were expected to be treated, reduced or avoided. A total of 59 gender and inclusive measures were expected to be adopted by the programme clients.	Energy systems, sustainable food systems, cities and environmental infrastructure, natural capital, sustainable connectivity, industrial decarbonisation, green financial systems, and green buildings	47 projects, equalling to EUR 147 million in approved funding (2023)

Annex 8: Danida Green Business Partnerships

Summary

Danida Green Business Partnerships is a Danish-funded challenge fund designed to promote a market-driven green transition and inclusive economic growth in developing countries. It provides an example of a private sector instrument that has contributed to positive environmental impacts by combining the expertise of private companies and non-governmental organisations.

Introduction

Danida Green Business Partnerships is a Danish-funded challenge fund designed to promote a market-driven green transition and inclusive economic growth in developing countries. The programme brings commercial and non-commercial actors together in partnerships to promote sustainable climate and economic development through projects that pursue both commercial and development objectives. By engaging private sector finance and competencies, in combination with the local development knowledge and administrative expertise of non-commercial partners, the programme aims to contribute to the SDGs, in particular climate change mitigation and adaptation, environmental protection, biodiversity and inclusive growth. While most of the funding in each project is earmarked for non-governmental organisations, private sector partners can also access financial support to cover the costs of their development efforts.

Target sectors and outcomes

Green transition is the overall programme theme. The expected outcomes and related indicators focus on reduced vulnerability to climate change and reduced pressure on natural resources and the environment, as well as on inclusive private sector growth and improved livelihoods.

In some target countries, Danish embassies have had the opportunity to prioritise thematic areas and sectors, and in some rounds the scope has been narrowed down for all countries. In 2025, the application round focused on projects addressing climate adaptation and resilience.

Partnerships supported

Danida Green Business Partnerships is open for project applications from consortia that combine a sound business case with a positive impact on climate adaptation and economic growth. The

business idea must address a local development challenge and should ideally complement Danish strategic priorities in the target country. Each partnership consortium should include at least one international commercial partner and one non-commercial partner. At least one of the partners should have a local presence in the country of implementation. A consortium can include several commercial and non-commercial partners; however, all partners should have clear roles and responsibilities.

Only non-commercial partners can act as administrative partners in the projects. The administrative partners receive the grant funding on behalf of the partnership and are responsible for regular results reporting and monitoring. Multilateral organisations, public institutions and universities are not eligible as administrative partners. There are no requirements for Danish or European partners to be involved in the projects.

Eligible countries

Originally, the Danida Green Business Partnerships focused on 31 eligible low-income, lower-middle-income and upper-middle-income countries. However, in some application rounds, the selection of eligible countries has been narrowed down.

Assessment criteria

Proposed projects are assessed against 17 criteria, focusing on four critical areas: (i) the business idea, (ii) the development impact, (iii) implementation and feasibility, and (iv) coherence and synergies. Of these criteria, nine are considered essential, primary criteria, while eight are additional, non-critical criteria. All partners in a Danida Green Business Partnerships consortium must be committed to responsible business conduct.

Application process

The first selection of projects is based on concept notes. Shortlisted applicants are then invited to interviews, on the basis of which preliminary approvals are provided. Approved projects are invited to prepare a full project document. Applicants may apply for funding to cover up to 75% of their project preparation costs in the period after approval of the concept note, up to DKK 500,000 for full projects.

Other remarks

According to the Danida Green Business Partnerships programme document, the longer-term objective is enhanced global green transition and private-led inclusive economic growth through innovative partnerships. The programme has been designed as a challenge fund to ensure a demand-driven approach and encourage competition for the best market-based solutions presented by partnership applicants. The fund is administered by an external secretariat, responsible for

organising annual calls for applications and undertaking activities to spur interest in Denmark and in partner countries, in close coordination with Danish embassies and other relevant stakeholders.

The full partnership project grant ranges from DKK 4-15 million. The grant can cover up to 75% of the partnership budget. The remaining 25% should be funded by the commercial partner(s), in cash or in kind. Project duration can be 3-5 years. In some years, in addition to full projects, grants have been provided to maturation projects that develop a project idea into an implementable project.

The Danida Green Business Partnerships was launched in 2022 and has annual application rounds. It was preceded by Danida Market Development Partnerships, which operated from 2016 to 2021.

The Danida Green Business Partnerships complements other Danish bilateral and multilateral engagements through close collaboration with Danish embassies, trade councils and strategic sector cooperation programmes.

Conclusions

The Danida Green Business Partnerships provides an example of a financing instrument that enables non-governmental organisations and private companies to collaborate for development impacts and inclusive green growth. Finnish non-governmental organisations and private companies have lacked instruments that would allow them to collaborate in project implementation. At the moment, only Finnpartnership allows both private companies and non-governmental organisations to collaborate on a joint project, but Finnpartnership funding focuses on business partnership development and does not allow piloting of new business ideas.

While the Danida Green Business Partnerships model may not be perfect, it could serve as a useful benchmark if new instruments to engage the private sector and non-governmental organisations in Finnish development cooperation were to be planned.

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Annex 9: Global Gateway: Denmark-Sweden-Finland

Summary

This like-minded peer country review compares the national resources and tactics that help companies in Finland, Denmark and Sweden access EU Global Gateway opportunities, and the Global Gateway environment and natural resource management project participation and prospects for Finnish, Swedish and Danish companies. All three countries use similar building blocks, development finance institutions, export credit agencies, ODA/development programmes and trade-promotion agencies, but resource depth and tactics differ. Denmark offers the deepest concessional ODA + development finance institution + export credit agency blend with visible Global Gateway-branded pathways. Finland provides a high risk-sharing capacity thanks to a clearly scoped EFSD+ line (Finnfund's Global Connected, up to EUR 100 million) aligned with Finland's digital focus, and a strong small and medium sized enterprise pathway into EU procurement and Global Gateway, anchored by Finnpartnership and Team Finland. Sweden pairs substantial export-finance capacity with a Team Sweden Global Gateway interface and Sida's private-sector framework to ensure development additionality.

On current and pipeline Global Gateway environment and natural resource management projects with information available publicly, Denmark shows the clearest private sector footprint (see below for Danske Bank, and Danida Sustainable Infrastructure Finance role). Sweden's presence is policy/development finance institution/Team Europe Initiative-level, with opportunities existing to convert into company awards but not yet named on Global Gateway pages.

Introduction

This like-minded peer country review builds on the intensive study on Global Gateway conducted as part of this evaluation (see Annex 6). In this review, two like-minded peer countries were considered: Denmark and Sweden. These two Nordic countries were selected to spark ideas for any joint offers by Finnish, Swedish and Danish companies. While developing multi-country company joint offers can be challenging, likelihood for such between Nordic neighbours is higher than the likelihood between companies from countries that share less in common in terms of business environment and culture.

This paper focuses on the four sub-sectors of this evaluation: (a) forests, ecosystems and biodiversity; (b) water as a natural resource; (c) clean energy, circular economy, and critical minerals; and (d) disaster risk reduction and meteorology, and sets out to understand what are the relevant Finnish, Danish and Swedish on-ramps for companies to access Global Gateway projects and

how do these on-ramps compare.[31] The Evaluation Team conducted and AI-research on the participation of the Finnish, Danish and Swedish private sector companies that already take part in the Global Gateway initiatives and looked into future opportunities for the companies of these three countries. Eventually, the levels of participation by the Finnish, Swedish and Danish companies were compared, and areas of common interest and complementarity for Finnish, Swedish and Danish companies with a view of any joint offers were analysed.

Facilitation of Nordic companies' participation in Global Gateway projects

Finland

Key on-ramps and resources

- Finnfund (development finance institution): ~EUR 935 million assets; EUR 226 million new investment decisions in 2024; clear Global Gateway positioning; EFSD+[32] implementing partner via Global Connected (EU guarantee capacity up to EUR 100 million) targeting digital connectivity; multiple transactions already using EFSD+ risk cover.
- Finnvera (export credit agency): ~EUR 21.1 billion exposure (31 Dec 2024); ~EUR 2.9 billion new export guarantees in 2024; engages with EU facilities relevant to Global Gateway.
- Finnpartnership (ODA/trade promotion organisation function): Global Gateway service made permanent in 2025; Business Partnership Support grants (typically up to ~EUR 100,000); curated Global Gateway project listings.
- Business Finland (trade promotion organisation): Developing markets platform (revised 2025) highlights EU Global Gateway opportunities and connects firms to pipelines and partners via UN/international financial institution guidance and access to the DevelopmentAid portal. Business Finland funds core research and development/co-innovation, while the complementary top-up for innovations in developing market work is provided by Finnpartnership.

Policies/strategies/tactics to facilitate access

- Team Finland pathway to EU procurement and Global Gateway investment opportunities (hands-on coaching plus small grants).
- Policy focus on digitalisation, education, and climate/energy to steer firms toward Global Gateway relevant pipelines.

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31 Companies access Global Gateway via national development finance institutions, export credit agencies, ODA instruments and trade and investment promotion organisations, coordinated as Team Europe contact points. In this paper, development finance institutions, export credit agencies, ODA instruments and trade and investment promotion organisations/trade promotion organisations are called 'on-ramps' in their mission to facilitate their respective country companies' access to the Global Gateway projects.

32 EFSD+ is a Global Gateway guarantee instrument under NDICI–Global Europe that provides EU risk cover to crowd in private capital.

Denmark

Key on-ramps and resources

- Investment Fund for Developing Countries (Denmark's development finance institution): ~DKK 15.5 billion assets under management (2023) targeting ~DKK 35 billion by 2030; SDG Investment Fund II targeting ~EUR 670 million with EFSD+ guarantee; first close ~DKK 2.7 billion (Nov 2024).
- Danida Sustainable Infrastructure Finance (concessional ODA loans): ~DKK 400 million per year; additional multi-year reform envelope; dedicated Project Development Facility.
- Export and Investment Fund of Denmark (combined National Promotional Bank and export credit agency; export credit agency/promotional bank): robust export credit and guarantees; pilots aligned with EU initiatives (e.g. European Commission's Ukraine Export Credit Guarantee Facility).

Policies/strategies/tactics to facilitate access

- Strategic Sector Cooperation: government-to-government technical partnerships that seed demand and de-risk, explicitly linked to Global Gateway.
- 'Whole-of-toolbox' blending: Danida Sustainable Infrastructure Finance concessionality + Investment Fund for Developing Countries equity/debt + Export and Investment Fund export support, showcased in Global Gateway flagship cases (e.g. Assela Wind, Ethiopia).

Sweden

Key on-ramps and resources

- Swedfund (Sweden's Development Finance Institution): contracted portfolio ~SEK 13 billion (2024); collaborates in Team Europe/Global Gateway operations.
- Sweden's export credit agency (export credit agency): record ~SEK 103.6 billion guarantees in 2024; strong risk appetite signalling for green/infra.
- Swedish Export Credit Corporation (Export Credit Corp): significant lending capacity backing exporters.
- Business Sweden (trade promotion organisation): Global Gateway and trade-and-development offering connects firms to Global Gateway; Team Sweden outreach.

Policies/strategies/tactics to facilitate access

- Sida private-sector engagement principles (catalytic, additional, non-distorting) guide Global Gateway participation under Development Assistance Committee norms.
- Team Sweden raises Global Gateway awareness (events, briefs) and mobilises firms; Sweden's export credit agency/Swedish Export Credit Corporation provide large-scale finance options.

Side-by-side comparison and conclusion

Below, Finnish, Swedish and Danish support for their respective companies in accessing Global Gateway projects is compared across three key indicators: development finance institution financial strength, export credit agency/export finance, and ODA/trade and investment promotion organisations on-ramp focus.

Table 11 Comparison of Finnish, Swedish and Danish support for companies

INDICATOR	FINLAND	DENMARK	SWEDEN
Development finance institution financial strength	Finnfund ~EUR 935 million assets; EFSD+ Africa Connected EUR 100 million guarantee window for digital – active deal flow.	Investment Fund for Developing Countries ~DKK 15.5 billion assets under management → ~DKK 35 billion target by 2030; SDG Fund II ~EUR 670 million	Swedfund ~SEK 13 billion contracted portfolio
Export credit agency/ export finance	Finnvera ~EUR 21.1 billion exposure; active in EU facilities	Export and Investment Fund strong capacity; complements Investment Fund for Developing Countries/ Danida Sustainable Infrastructure Finance	Exportkreditnämnden ~SEK 103.6 billion guarantees
ODA/trade and investment promotion organisations on-ramp focus	Finnpartnership Global Gateway service Team Finland partners	Danida Sustainable Infrastructure Finance concessional loans; Strategic Sector Cooperation government-to-government partnerships	Sida catalytic principles; Business Sweden Global Gateway/Trade and Development

Based on the comparison, Denmark offers the deepest concessional ODA + development finance institution + export credit agency blend with visible Global Gateway-branded pathways. Finland provides a high risk-sharing capacity thanks to a clearly scoped EFSD+ line (Global Connected, up to EUR 100 million) aligned with Finland's digital focus, and a strong small and medium sized enterprise pathway into EU procurement and Global Gateway, anchored by Finnpartnership and Team Finland. Sweden pairs substantial export-finance capacity with a Team Sweden Global Gateway interface and Sida's private-sector framework to ensure development additionality.

Nordic companies already visible in Global Gateway in environment and natural resource management projects

Limitation to note: The EU does not maintain a single, public 'contracts-by-contractor-nationality' registry for Global Gateway and any EU/EEAS pages seldom list contractors. Still, one clean energy case explicitly names a Danish private actor. Many Global Gateway operations are financed through blended structures where contractors appear later via international financial institution or government procurement. In the AI-research for this review, Global Gateway/Team Europe Initiative announcements in DG INTPA, EEAS and EIB Global press sites and international financial institutions' procurement portals for listed operations were tracked. Yet, as of 7 Sept 2025, no explicitly named Finnish or Swedish private company on an environment and natural resource management-tagged Global Gateway project was found.

COUNTRY	COMPANY → PROJECT	ENVIRONMENT AND NATURAL RESOURCE MANAGEMENT AREA	ROLE	EU/EEAS SOURCE
Denmark	Danske Bank → Assela Wind Farm, Ethiopia	Clean energy	Commercial lender alongside a Danida/ Danida Sustainable Infrastructure Finance grant; Siemens Gamesa as engineering, procurement and construction	International Partnerships

Finland, Sweden and Denmark in Global Gateway environment and natural resource management pipelines

The Evaluation Team AI-researched sources that included EU/EEAS/INTPA Global Gateway pages, European Investment Bank's project sheets, KfW/Germany Trade and Invest eProcurement, TED, UNOPS/UN Development Programme, and Finnish, Swedish and Danish environment and natural resource management firms' press rooms, but did not find Finland appearing in the case of Global Gateway projects focusing on environment and natural resources. In addition to the above mentioned Assela Wind Farm Project, Denmark was identified in one Global Gateway project in the environment and natural resources context, and Sweden in another one:

- **Water as a natural resource:** Egypt NWFE (nexus of water, food and energy) – Global Gateway flagship: Denmark is listed among Team Europe members; water loss reduction, desalination, and waste-to-energy adjacent components expected.
- **Forests, ecosystems and biodiversity:** Amazon Basin Team Europe Initiative/Amazonia+ (Latin America and the Caribbean): Team Europe members include Sweden; focus on preventing deforestation, carbon sinks, monitoring, and value-chain/regulatory work.

Current Project and Pipeline Comparison Concluded

In current and pipeline Global Gateway projects focusing on environment and natural resource management where information was publicly available, Denmark shows the clearest private sector footprint. Sweden's presence is policy/development finance institution/Team Europe Initiative-level, with opportunities existing to convert into company awards but not yet named on Global Gateway pages, while Sweden is, however, an active Team Europe member in forest/climate Global Gateway initiatives. As for Finland, no contractor/lender were discovered by the research in Global Gateway projects in the field of environment and natural resources, while in other focus areas, some Finnish companies were named, and while the enabling factors in the Finnish ecosystem are conducive.

Potential Action Points: concrete areas of complementarity for Finland-Sweden-Denmark consortia

This like-minded peer country review identifies potential action points in the form of concrete areas of complementarity for Finland-Sweden-Denmark consortia in Global Gateway environment and natural resource management projects. Here, AI was requested to identify Global Gateway projects and project areas where Finland-Sweden-Denmark consortia could be feasible, based on the comparative advantages and complementarities of relevant industrial sectors in these three countries. Concrete areas of complementarity for Finland-Sweden-Denmark consortia in Global Gateway projects in environment and natural resources are:

- **Deforestation-free supply chains (Amazonia, Ecuador, Global Team Europe Initiative):**
  Sweden: forest monitoring, reporting and verification and land-use modelling (Swedish Meteorological and Hydrological Institute/Swedish consultancies); Denmark: nature-positive water/process engineering; Finland: earth-observation, compliance tech.
- **Urban water and natural resource management (Papua New Guinea, Egypt nexus of water, food and energy):**
  Denmark: pumps/valves, utility efficiency (natural resource management); Sweden: utility planning, leakage analytics, asset management; Finland: metering/SCADA (Supervisory Control and Data Acquisition) and climate resilience tools.
- **Hydro/wind and grids (Ethiopia; Central Asia water-energy-climate):**
  Denmark: wind original equipment manufacturer supply chain, grid integration; Sweden: hydro rehab and mining electrification; Finland: smart grid protection and hydromet instrumentation.
- **Critical raw materials 'responsible mining' services (Rwanda/Democratic Republic of Congo/Zambia/Bolivia):**
  Combine Swedish underground equipment and automation, Danish process and tailings engineering, Finnish traceability/environment, social and governance instrumentation to meet Global Gateway's due-diligence and local-value mandates.
- Early Warning and disaster risk reduction (Africa Space early warning, Climate Services and Applications (EU-ACP ClimSA climate services programme)):
  Sweden (Swedish Meteorological and Hydrological Institute) and Denmark (Danish Meteorological Institute/consultancies) with Finland (sensors/observations) to deliver Earth observation-backed impact-based forecasting, multi-hazard early warning, and hydrologic services for Global Gateway programmes.

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Global ‘award’ sources to track Finnish/Swedish/Danish wins that map back to Global Gateway:

- European Investment Bank project and procurement portals (outside-EU works): notices/ awards tied to many Global Gateway-aligned operations. eib.org
- KfW/German FC procurement and Germany Trade and Invest tender feed (many Global Gateway Team Europe co-financings flow here): regs + live notices. kfw-entwicklungs-bank.dekfw.degtai.de
- UNOPS and UN Development Programme procurement/awards (often implement EU/ Global Gateway technical components, esp. water/disaster risk reduction): supplier hub + awards boards. UNOPScontent.unops.orgprocurement-notices.undp.org
- EU’s own ‘Business Opportunities’ guidance for Global Gateway (points to TED and Member State portals
- EU list of national contact points (Development Finance Institutions/export credit agencies/trade promotion organisations) to open doors for partnering/co-finance structuring (see §1).

Annex 10: Private Sector Online Survey Results

As part of the private sector engagement analysis in the evaluation, an electronic survey was conducted to collect views and experiences from Finnish companies active in the natural resources and environment sector. The survey focused on Finnish companies' previous experiences and current interests in developing markets. A section of the survey addressed companies' experiences with Finnish development cooperation-related private sector instruments, including Business Finland Developing Countries Platform grants, the Energy and Environment Partnership Africa, Finnpartnership Business Partnership grants, Finnpartnership Matchmaking services, Finnvera export guarantees, and the Public Sector Investment Facility (PIF).

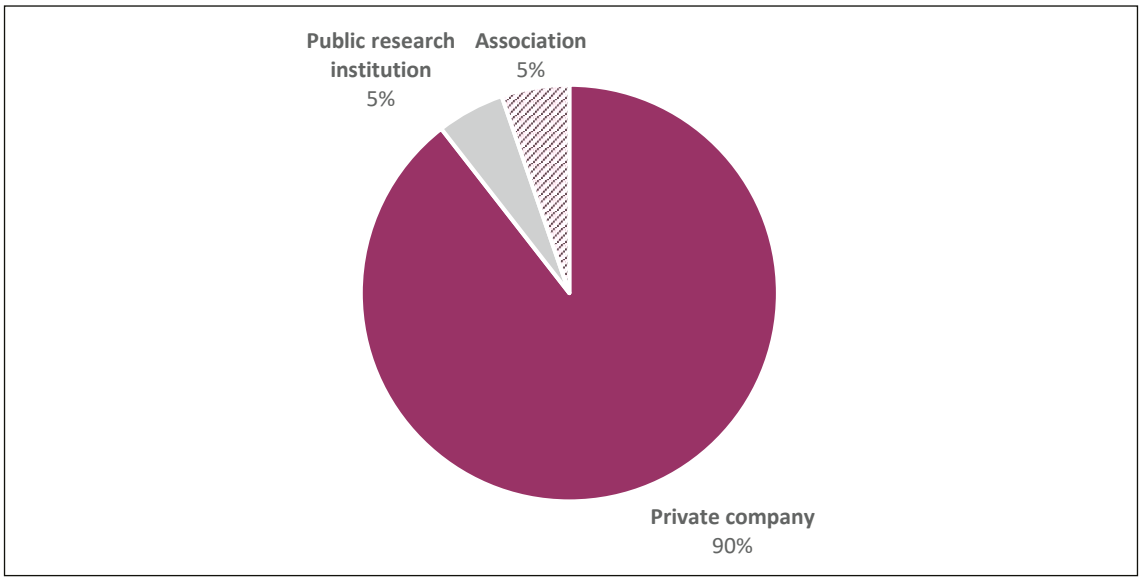
The survey was sent to Finnpartnership grantees that had implemented Finnpartnership-funded projects in the field of environment and natural resources (including energy), as well as to participants in Team Finland trade delegations. In addition, the MFA's Ukraine team shared the survey with companies that had expressed interest in the Finland-Ukraine Investment Facility, and the Finnish Water Forum distributed the survey invitation to its members. All recipients of the survey invitation were also encouraged to forward it to other companies that they considered potentially interested in responding.

The first survey invitation wave was launched on 21 May 2025, followed by two additional waves. In total, the invitation was sent to 212 recipients.

Respondent profiles

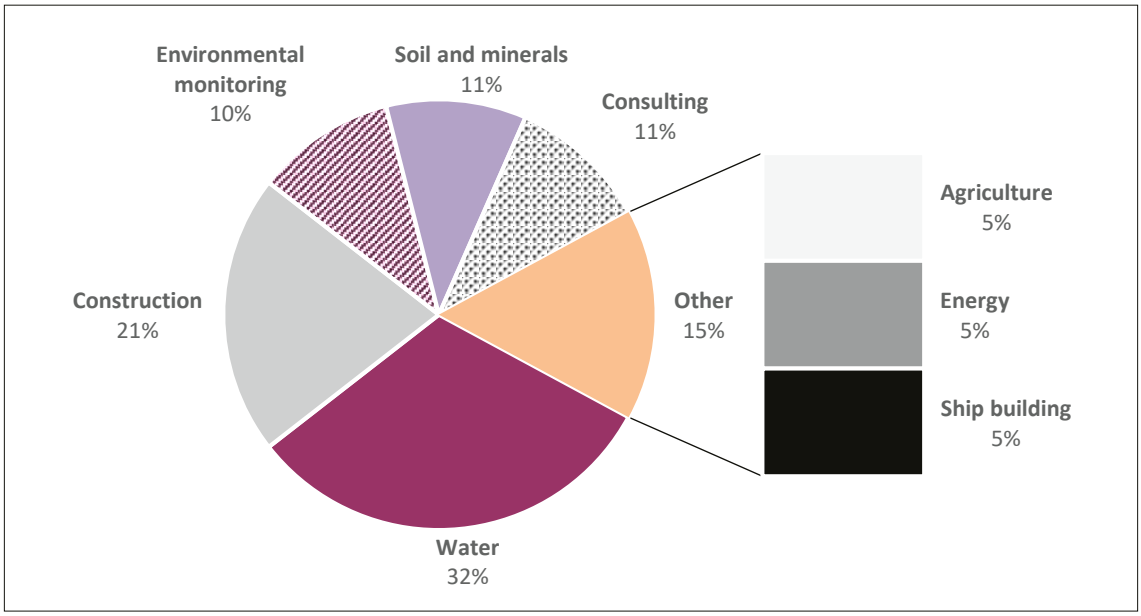
By 21 July 2025, the survey had received 19 responses. Most of the respondents were private companies, but there was also one association and one public research institution among them (Figure 19). Nearly third of the respondents (32%/6 organisations) were active in water sector, four of them in construction, two in soil and minerals, two in environmental monitoring, and the rest in other sectors (Figure 20).

Figure 19 Organisation types of the survey respondents



Source: Evaluation Team

Figure 20 Sectors represented by the survey respondents



Source: Evaluation Team

Experience and interest in developing markets

A total of 16 respondents had previous experience from doing business in developing markets. Five respondents had experience from more than 10 developing countries, three respondents from 5-10 countries, five respondents from 2-4 countries, and three respondents from one developing country.

A total of 13 respondents reported that they had **specific interest** in some developing markets, while six respondents reported having no interest in specific developing markets. Countries of interest were specified by nine respondents, Vietnam being the most interesting country with five respondents mentioning it separately. Four respondents mentioned continents (Africa by all four, as well as Asia and Latin America by one respondent each) or all developing countries as the markets of their specific interest.

The **key reasons for the interest in specific markets** were growing or high demand for the services offered by the respondents. Individual respondents referred also to existing references and experience, creating value for developing markets and existing Finnish connections as key reasons for their interest towards a specific market.

All respondents had identified **significant market potential** in developing markets. Most respondents consider that there is significant competition in their markets of interest. Seven respondents noted that competition is limited for their products/services.

Competitive advantage and local partners

The respondents considered the following aspects as their competitive advantage in the markets of interest:

- Ability to amend and scale the product for required circumstance
- Ability to organise funding for clients
- Existing references, experience and/or reputation
- Presence in the market
- Quality products
- Unique concept/technology

Nearly all (17/19) of the respondents noted that they had important local partners in developing countries. The local partners mentioned included the following partner types:

- Consultants
- Distributors
- Local governments
- Non-governmental organisations
- Research institutions
- Sales agents and resellers
- Technology providers
- Licenced manufacturers

Experience with Finnish private sector financing instruments

A total of 11 respondents had experience with Finnish private sector financing instruments and three respondents reported having no previous experience with the instruments. Finnvera guarantees and other Finnvera services were the most popular instruments with 8 respondents having experience with them. The second most popular instrument was Finnpartnership Business support with 6 respondents reporting experience with it, followed by Public Sector Investment Facility with 5 respondents reporting experience with it. No respondents reported experience with Business Finland Developing Countries Platform financing, Energy and Environment Africa or other Finnish private sector financing instruments (Table 12).

Table 12 Respondents' experience and rating of private sector financing instruments

	NUMBER OF RESPONDENTS WITH EXPERIENCE	AVERAGE RATING FOR THE INSTRUMENT (SCALE 1-5)
Finnvera	9	4.8
Finnpartnership Business Partnership	10	4.4
Business Finland DevPlat	2	4
Public Sector Investment Facility	6	4
Energy and Environment Partnership Africa	0	

Source: Evaluation Team

Finnvera received the best rating for its usability with an average rating of 487 on scale from 1 to 5 where 5 was the best possible rating. Finnpartnership Business Partnership received a rating of 4.4, Public Sector Investment Facility and DevPlat both received an average rating of 4(Table 12).

Suggestions for improvement of private sector financing instruments

Suggestions for improvement for **Finnpartnership Business Partnership** financing included faster application processing and funding decisions, and it was hoped that the process shouldn't take more than two months, as customers don't wait for several months for work to start. Other suggestions covered paying 30-50% of the support upfront, simplifying the reporting process, including side costs of salaries to be accepted as project costs, as well as including other costs such as seminars, opening a local office, and marketing activities in acceptable project costs.

For **Finnpartnership Matchmaking services**, respondents considered the potential partner companies identified through the service to be only looking for sales channels in Finland, and no partners for doing business in developing markets.

Most respondents with experience in **Public Sector Investment Facility** brought up the slow and lengthy process of project development as a key area for improvement for the instrument. In addition, a higher grant share for companies to make the project plans was proposed, and the MFA

was suggested to agree on tax issues with the target country in country agreements. PIF projects were also hoped to cover the whole project costs, including equipment and civil costs.

Finnvera instruments did not receive significant recommendations but it was noted that the application process could be faster, and that they are not very useful for small-scale projects, but mainly for large scale projects with budgets in millions of euros.

Key challenges in developing markets

Key challenges for doing business in developing markets identified by the respondents included the following:

- Accessing financing for the projects.
- Project preparation is time consuming
- Identification of good partners
- Corruption
- Language and cultural barriers
- Unclear legislation, taxation and decision-making processes
- Limited infrastructure
- Challenges in motivating own staff to work in developing countries

Environmental and development impacts of businesses

All respondents considered that their business had potential to improve the state of the environment or sustainable use of natural resources in the target markets. All respondents also think their business can contribute to achieving development impacts e.g. in the fields of sustainable use of water resources, clean water and sanitation, industry, innovation and infrastructure, responsible consumption and production, improvements in human rights and human health, renewable energy, efficient food production, and pollution reduction. From the Sustainable Development Goal (SDG) perspective, the respondents mentions impacts that would contribute to the following SDGs:

- SDG 1 – No Poverty
- SDG 2 – Zero Hunger (3 respondents)
- SDG 3 – Good Health and Wellbeing (2 respondents)
- SDG 6 – Clean Water and Sanitation (3 respondents)
- SDG 7 – Affordable and Clean Energy
- SDG 8 – Decent work and Economic Growth (2 respondents)
- SDG 9 – Industry, Innovation and Infrastructure
- SDG 11 – Sustainable Cities and Communities
- SDG 12 – Responsible Consumption and Production
- SDG 13 – Climate Action
- SDG 14 – Life Below Water
- SDG 15 – Life on Land (2 respondents)
- SDG 16 – Peace, Justice and Strong Institutions

In addition, two respondents mentioned they targeted all SDGs.

Collaboration between Finnish development cooperation and private sector

The main benefits of Finnish development cooperation to the respondents were considered to be Team Finland networks and contacts in target countries, as well as private sector financing instruments.

Out of the respondents, 12 thought that their business benefits from Finnish development cooperation in developing markets and six respondents thought that there are no direct benefits.

Nearly all respondents (89%/17 respondents) were willing to see Finnish development cooperation strengthen collaboration with private sector. Suggestions for Finnish development cooperation to strengthen collaboration with the private sector included the following:

- Making use of Finnish companies' solutions in development cooperation.
- Grant financing should be suitable also for smaller companies.
- More cooperation and information about the possibilities.
- Create consortiums and enhance smaller companies' opportunities to collaborate with bigger companies in new international markets.
- Scaling Finnish bilateral projects and programmes with carbon funding instead of closing them at the end of the project period.
- Finnish Water Forum approach to other sectors.
- Seed funding to help access larger funding opportunities.

Other comments on private sector financing instruments included the following:

- Accessing project funding is too complicated.
- Finnish embassies and Finnpartnership offices have been very supportive.
- PIF like funding but smaller in size and easier in reporting would be welcome.
- Suggest moving forward from development cooperation, especially if it is policy driven, towards economic cooperation. The main focus should be on generating businesses locally, from these also Finnish companies will profit in the short, mid- and long term.
- We are masters of not turning anything into business opportunities.

Annex 11: List of Stakeholders Consulted

ORGANISATION/UNIT	NUMBER OF INFORMANTS
Africa Circular	1
African Development Bank – Africa Circular Economy Facility	2
Centre for Resource-Efficient and Cleaner Production, Ukraine	1
Chortkiv Municipality, Ukraine	1
Coca-Cola Foundation	1
Cowater International Finland Ltd	2
Deltares, Groundwater and Water Security Department (Netherlands)	1
EastCham Finland	2
European Bank for Reconstruction and Development	1
Ecoaction Ukraine	1
Energy and Environment Partnership Trust Fund (EEP Africa)	1
Embassy of Finland, Dar es Salaam (Tanzania)	2
Embassy of Finland, Hanoi (Vietnam)	2
Embassy of Finland, Kathmandu (Nepal)	2
Embassy of Finland, South Africa	1
Embassy of Finland, Washington D.C.	1
FAO, Global Forest Resource Assessment	1
Finnfund	2
Finnish consulting firms	1
Finnish Environment Institute (Syke)	4
Finnish Meteorological Institute (FMI)	1
Finnish Red Cross/International Aid Department	1

ORGANISATION/UNIT	NUMBER OF INFORMANTS
Finnish Water Forum	4
Finnpartnership	2
Food and Forest Development Finland	1
FORVAC technical assistance team	2
Geological Survey of Finland (GTK)	1
Impact Hub/AfriCircular Innovators Programme	1
Independent/Former Finpro	1
Independent experts	2
Indufor Ltd	1
International Finance Corporation	1
International Finance Corporation, Blended Finance Department	1
International Union for Conservation of Nature (IUCN)	2
IUCN, Economy and Finance Team	1
IUCN, Institutional Performance Management and Evaluation Unit	1
IUCN, Strategic Partnerships Unit	1
International Water Management Institute	1
MFA – Centre for Peace Mediation	1
MFA – Department for Africa, the Middle East and Latin America/Unit for Eastern and Southern Africa	1
MFA – Department for Asia and Oceania	1
MFA – Department for Development Policy/Project Management Unit	2
MFA – Department for Development Policy/Unit for Civil Society	1
MFA – Department for Development Policy/Unit for Climate and Environmental Diplomacy	4
MFA – Department for Development Policy/Unit for Development Finance and Private Sector Cooperation	3
MFA – Department for International Trade	2
MFA – Euro-Atlantic Department/Unit for Eastern Europe	2
Ministry of Agriculture and Forestry, Natural Resources Department	1

ORGANISATION/UNIT	NUMBER OF INFORMANTS
Ministry of the Environment	2
Natural Resources Institute Finland (Luke)	1
NEFCO (Ukraine)	1
Nordic Climate Facility	1
Nordic Development Fund	1
Siemenpuu Foundation	1
Sitra	1
State Agency for Energy Efficiency (SAEE) Ukraine	1
Sustainable WASH for All (SUSWA) project, Nepal	3
UNDRR/Bangkok	1
UNDRR/Headquarters	8
UNDRR/Nairobi	1
UNEP, Ecosystems Division	1
UNEP, Resource Mobilisation	1
United Nations Economic Commission for Europe (UNECE), Environment Division	1
WaterFinns	2
World Wide Fund for Nature (WWF) Finland	2

ORGANISATION/UNIT	NUMBER OF INFORMANTS
Private sector companies	
Dronet Technologies (Tanzania)	1
Elinkeinoelämän keskusliitto	3
Green Field Company (Vietnam)	1
Green Resources Limited (Tanzania)	1
Kilombero Valley Teak Company (Tanzania)	1
New Forest Company (Tanzania)	1
Techno Environment Co Ltd (Tanzania)	1
RiverRecycle Oy	1
Circulate Capital	4
IC-Consulenten LLC	1
INTEGRITES CO Ukraine	1
Suomen yrittäjät	1
Vaisala	2
Wärtsilä	1
Finnish companies (e-survey)	19

ORGANISATION/UNIT	NUMBER OF INFORMANTS
In-country consultations, Tanzania	
Embassy of Finland, Dar es Salaam	1
FAO Tanzania	1
Forest and Beekeeping Division (FBD) of the Ministry of Natural Resources and Tourism	1
FORLAND	1
Ministry of Industry and Trade and Investment	1
Mpingo conservation Development Initiatives (MCDI)	1
National Carbon Monitoring Centre	1
President's Office Regional Administration and Local Government (PO RALG), Economic and Productive Sector	1
Sokoine University of Agriculture, Department of Ecosystems and Conservation	1
Tanzania Forest Service (TFS)	1
Tanzania Forestry Research Institute (TAFORI)	2
Vice President's Office – Division of Environment	1
WWF Tanzania	1

ORGANISATION/UNIT	NUMBER OF INFORMANTS
In-country consultations, Vietnam	
FORMIS technical assistance team	2
ActionAid Vietnam	2
Department of Forestry and Forest Protection	1
Department of Forestry and Forest Protection, Division of Communications and Database	1
Department of Forestry and Forest Protection, Division of Forest Use and Trade of Forest Products	1
Department of Forestry and Forest Protection, Division of Science, Technology and International Cooperation	1
Embassy of Finland, Hanoi	2
Forest Inventory and Planning Institute	1
Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA)	2
Ministry of Agriculture and Rural Development (MARD)	1
United Nations Development Programme (UNDP)	1

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