

DEVELOPMENT IMPACTS 2025

DEVELOPMENT IMPACT
REPORT OF BUSINESS
PARTNERSHIP
PROJECTS

DEVELOPING
BUSINESS
TOGETHER



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Foreword

Projects initiated in 2021 are due for reporting in 2025.

In 2021, the COVID-19 pandemic had an impact on both the number of applications and the progress of projects. Even though the operations were more modest and the paid grant, EUR 1.6 million, was the lowest in ten years, Finnish companies still managed to achieve significant development impacts.

Companies founded eight new businesses in the developing markets. Nearly all of them are still operating, and new projects are being established. This is at the core of development impacts: the end of a supported project is not the end of operations; instead, it is the beginning of long-term operations that strengthen the local economy, create sustainable jobs and provide an income. At the same time, Finnish companies gain a foothold in growing markets.

In total, the reporting companies invested EUR 3.3 million in the projects and employed 316 people locally. Of them, 131 were new jobs. Finnish companies had a total of 31 new opportunities in the developing markets. Even though not all projects achieved their original goals in four years, the results show that it is possible and profitable to access the markets.

In relation to the paid discretionary government transfer, significant development impacts were gained. During the programme and option period 2022–2027, Finnpartnership

has implemented Finland's political policies by emphasising projects in the poorest and fragile states in accordance with the previous government's African strategy. The share of projects targeting Africa was 62% at its highest, and the most popular target country was Kenya. Key industries were services and education.

At the moment, approximately half of the support is targeted at Ukraine, with the most important sectors being construction and ICT. The share of lower middle income countries and the poorest and fragile countries has remained high, and there is no visible move to easier, upper middle income markets such as South America.

Most companies thought Finnpartnership's support is necessary for the implementation of the project and were satisfied with the services they received.

Finnpartnership's task is to help Finnish companies create positive development paths in the world and create new, innovative business operations. When a company heads to a developing market with the support of our programme, it steps into growth that necessitates a new kind of competence and way of thinking. The use of the grant is based on clear objectives and reporting that is different from regular business reporting. It is not just a formality – it ensures that each project creates genuine value for both the local communities and the Finnish company.

We recommend reading the results for 2021 with care – happy reading!



Birgit Nevala, Finnpartnership Programme Director

Finnpartnership: business partnerships for a better world

The objective of the Finnpartnership business partnership programme is to increase commercial cooperation between Finland and the developing markets so that projects generate positive development impacts in the target countries. The programme's specific aim is to create sustainable and decent jobs.

Finnpartnership offers Finnish companies and organisations interested in the developing markets financial support, guidance and contacts to help them establish long-term business activities. The main services provided in the programme include Business Partnership Support, which is a financial grant for the initial stages of business operations, and the B2B Matchmaking service, which brings together operators from Finland and the developing markets. In addition, Finnpartnership offers training and guidance related to the development impacts and the

developing markets. All services provided by the programme are free of charge. The programme is demand-oriented and covers all the developing countries on the OECD Development Assistance Committee's list.

Finnpartnership is a programme established in 2006 and funded by the Finnish Ministry for Foreign Affairs. Its service package is produced by Finnish Fund for Industrial Cooperation Ltd. (FINNFUND). Finnpartnership works in close cooperation with the rest of the Team Finland network.



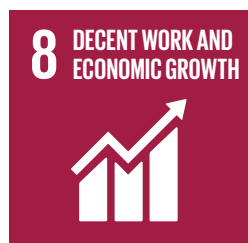
Examples of results and impacts

In total, 47 projects were subject to reporting.



Responsible collaboration

The projects established eight new business in target countries and concluded 23 contractual partnerships with partners in the target countries.



Responsible and equal jobs

Local employees were employed in 36% of the projects. In total, 316 people were employed, 131 of which are people employed directly in the company's operations. The projects created 131 new jobs. In addition, 65% of the employing projects paid a salary higher than the average salary in the target country, and 53% follow voluntary social responsibility standards. In addition, the projects comply with international labour law and terms of employment standards as well as local labour legislation.



Promoting gender equality

The projects employed 77 women directly. Of the projects, 51% created positive equality impacts in the target country. In addition, 45% of the projects promoted female employment and working conditions.



Education and increased competence

Local employees were trained in 49% of the projects. The projects trained a total of 1,725 people, 686 of whom were employed by the company, a partner or subcontractor, and 1,039 of whom were members of the local community trained in education projects.

Assessment and monitoring of development impacts

The Business Partnership Support is a discretionary government transfer granted to Finnish organisations. The aim is to initiate or develop long-term and financially profitable business operations in the developing markets and to make a positive development impact in the target countries.

The Business Partnership Support can be applied for by an organisation (company, association, educational institute) registered in Finland or with a Finnish ownership, whose projects are aimed at a developing country as categorised by the OECD's Development Assistance Committee. The support is intended for the research, training and piloting phases of a project as well as for developing existing business operations. The support can also be granted to projects implemented by educational institutes and non-governmental organisations that support companies' Business Partnership Support projects. The Business Partnership Support is granted by the Finnish Ministry for Foreign Affairs, to whom Finnpartnership produces technical statements regarding the applications.

The Business Partnership Support is part of the Finnish Government's official development aid, and operators receiving the grant are expected to generate development impacts. During the application phase, the applicant must assess

the project's development impact. As the support is generally applied for at a very initial stage in order to promote project ideas, the assessment of development impacts is usually only indicative. Often, the projects are implemented in a slightly different format or scale than originally planned. However, an assessment of development impacts gives an indication of the project's potential impacts.

Finnpartnership analyses the development impacts the applicant has assessed on the statements. In addition, project assessments pay attention to potential negative environmental and social impacts and risks. Finnfund's specialists are responsible for assessing the applications' environmental and social impacts. They categorise the projects on the basis of their expected environmental and social impacts and issue requirements and recommendations, where necessary.

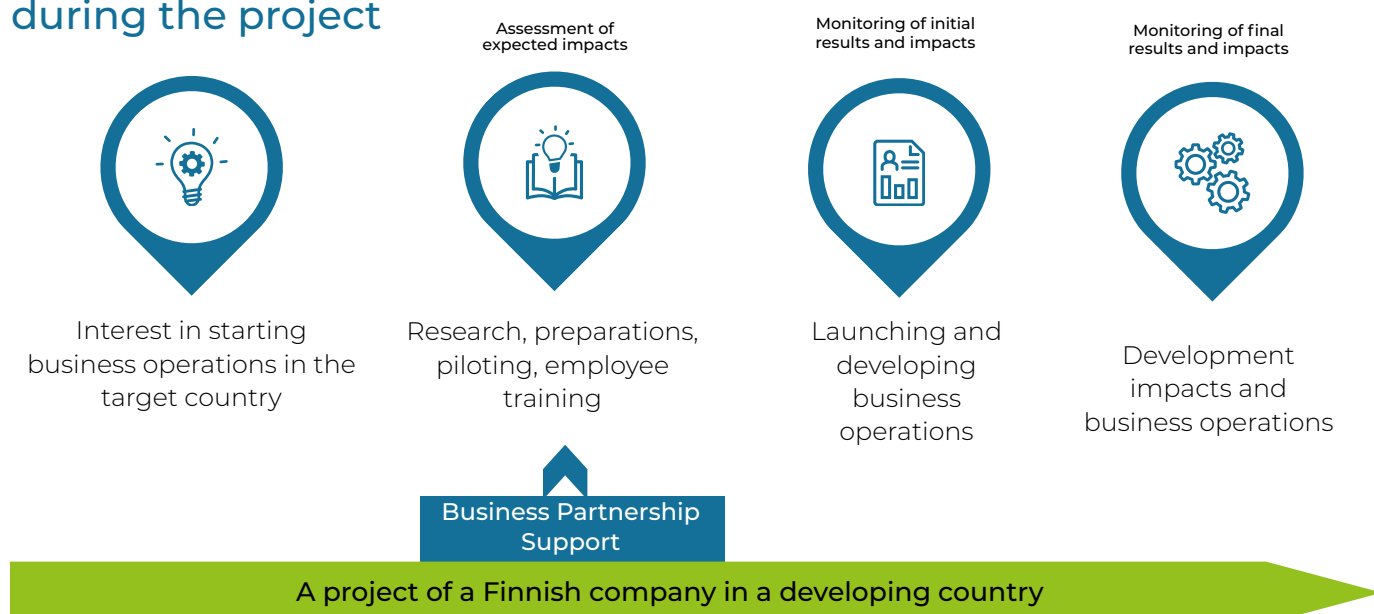
If the anticipated environmental and social impact risks are major, the responsibility of the project is supported by offering free consult guidance related to environmental, social and human rights impacts or to operating in fragile states and conflict zones. The project-specific consulting service provides companies with concrete tools for identifying and managing risks during the project's planning and implementation stage.

The Business Partnership Support is paid retroactively in one or two instalments against costs created in the project. The recipient of the support must follow the project budget approved in connection with the discretionary government transfer decision, local legislation, international provisions and the terms and conditions of the Business Partnership Support. In connection with the request for payment, Finnpartnership assesses the progress of the project and whether the environmental and social requirements and recommendations laid down for the project have been followed, for example. The support can only be paid if the recipient has followed these criteria.

Due to the reporting nature of the projects, not all projects lead to a successful end result. At times, the assessments will lead to the conclusion that initiating business operations in the target country is not realistic. It might also happen

that the situation of the recipient of the support, a partner or the target country changes, and the project must be terminated. As the support is mainly aimed at the initial phases of the project, the development impacts are often created only after the support has already expired and the business operations and collaboration in the target country have properly started. Recipients of the support have a duty to respond to a follow-up survey sent two years after the support has expired. The survey reviews the impacts created by the projects in the target countries. On the basis of the responses, Finnpartnership compiles an annual development impact report of the project results. The development impact reporting is based on information reported by the recipients of the support and represent the recipients' subjective opinions of the project implementation and results. In unclear situations, we also contact the respondents. Not all information has been separately verified.

Assessment and monitoring of development impacts during the project



Projects reporting in 2025

This report looks at 47 projects that were granted Business Partnership Support in 2021.

In 2021, there were 79 Business Partnership Support applications processed, of which the Finnish Ministry for Foreign Affairs approved 70%. In total, EUR 3,007,643 of support was granted to 55 projects. During the two-year term, 47 recipients of financial grants applied for the payment of the support. These companies are now the subject of this reporting.

In total, EUR 1,567,485 was paid to projects subject to this report. Thus, the average amount of paid financial grants was EUR 33,351, to which the achieved development impacts must be set in proportion.

The development impact report presents and analyses results and impacts of these 47 projects. In the report, they are referred to as “2021 projects”.

Six of the projects that received support were continued projects. A continued project refers to a project that has already received Business Partnership Support to the same target country before 2021.

To avoid dual reporting, information about these continued projects only includes information that differs from responses these projects gave in earlier development impact reports. Many of the most significant and long-term results are created in continued projects, in which business operations have already started and stabilised.

In addition, two of the projects were support function projects, the purpose of which is to develop the local community. Support function projects are realised by non-governmental organisations and research and educational institutes directly connected to a Business Partnership Support project.

Key figures for projects 2021

47

Projects subject to reporting

1.6 million

Total support paid to projects

33,000

Average support paid

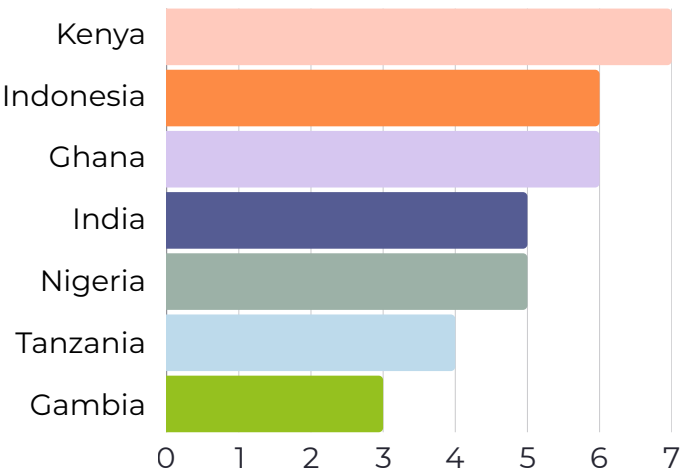
28

Target countries: 47% in Africa, 45% in Asia, 4% in South America and 4% in Europe

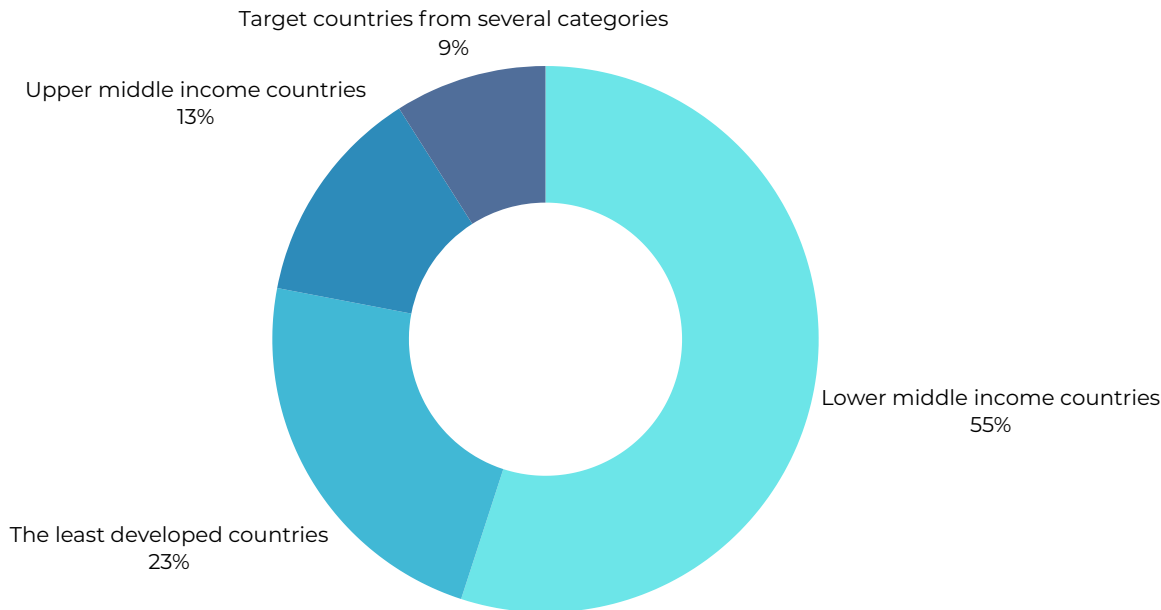
13

industries

Most common target countries

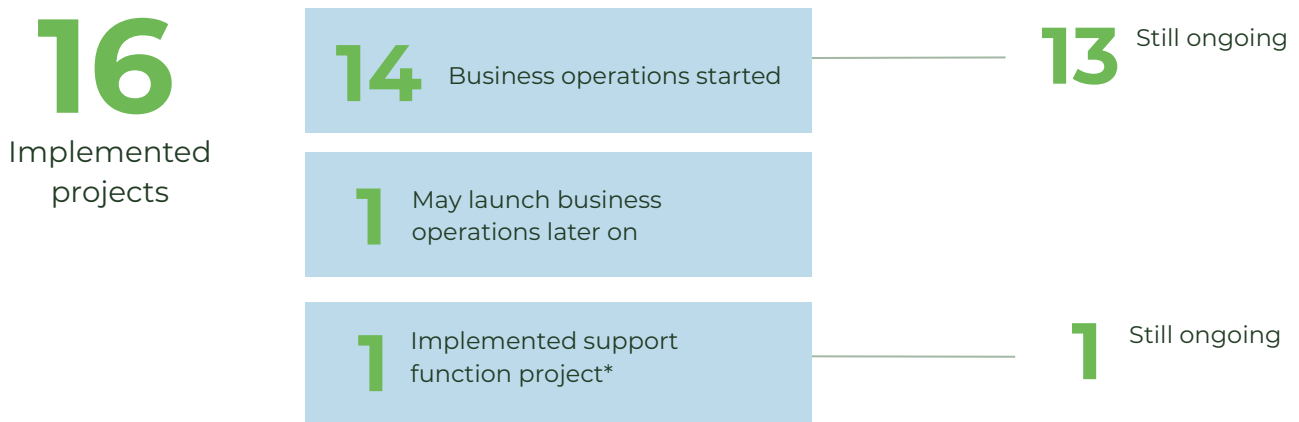


Target countries' development stage



Project status at time of reporting (summer 2025)

On average, the projects succeeded well. Operations are still ongoing in 87% of projects that established business operations. However, challenges created by the COVID-19 pandemic are reflected in the number of interrupted and postponed projects.



*Support function projects do not aim at launching business operations as they focus on developing existing business operations.

9 Incomplete projects

9 May launch business operations later on

10 Postponed projects

4 May launch business operations in the future

6 Did not launch business operations

12 Terminated projects


1 After the research phase terminated support function project

1 Launched business operations (not operating anymore)

4 Did not launch business operations

2 May launch business operations later on

4 Did not launch business operations, company went bankrupt



Key indicators for successful projects are established business operations and the continuity of the established business operations. Launching business operations is often a prerequisite for the creation of development impacts, while the continuity of business operations is a prerequisite for the permanence of the impacts. For 2021 projects, 19% are still incomplete, but all respondents have said that business operations might be launched in the target country in the future.

Project status key:

- Project implemented: project has led to the desired outcome, e.g., a company was established or business operations initiated.
 - Project incomplete: project has not yet led to the desired outcome, but it is furthered actively.
 - Project postponed: project has been terminated for now, but it might continue in the future.
 - Project terminated: project has been terminated and will not continue.
- Please note that in the follow-up survey, the project status is a separate indicator from the status of business operations, which is why business operations may have been created in another form even if the project was terminated.

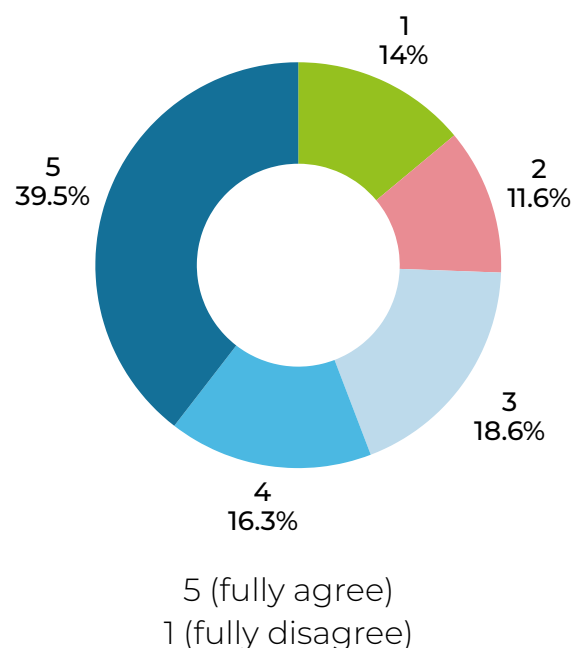
COVID-19 had a clear impact on project results

Projects 2021 were partly implemented during a time when the COVID-19 pandemic was closing operations and restricting movement around the world. Of the respondents, 56% said that the pandemic impacted their project significantly or quite significantly, which is noticeably less than the projects in 2020 (92%). Of the respondents, 26% said that the pandemic impacted their project somewhat or not at all. More than half of the cancelled, postponed or terminated projects reported that the pandemic had impacted the project significantly. The pandemic can also be seen in the fact that 21% of the projects were postponed until a later date. Of these, 40% say that business operations may be launched in the target country later. Results show that the pandemic's impact on projects has clearly declined and the situation is becoming more normal.

In addition to the pandemic, several projects were impacted by a lack of continued funding, the general economic situation, the political situation in the target country, problems with a local partner and travel restrictions, among other things. Russia's invasion of Ukraine is also evident in the responses.

Finnpartnership aims to support companies during the project by offering, for example, an initial meeting, a contact map of the target country's most important public and private sector operators as well as guidance on drafting a request for payment or retargeting the support granted for the project. Despite the support processes for the projects, it is natural that some projects do not make it past the research phase. The support may still be paid if the project has been furthered as agreed. Knowing that a project idea is not worth advancing may help the recipient of the support focus on other markets.

The COVID-19 pandemic impacted the implementation of our project

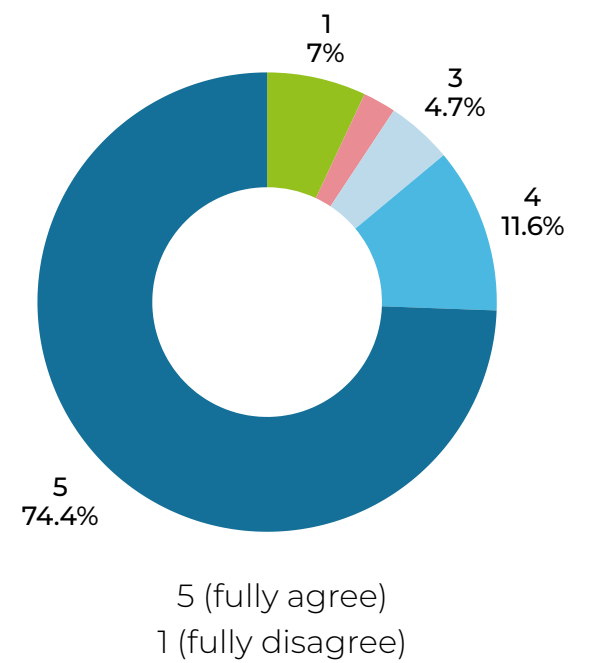


Support for risk-taking

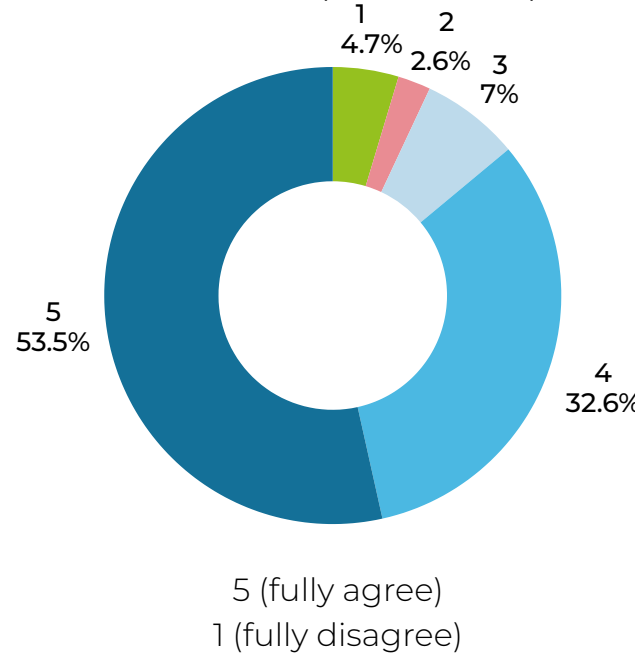
For many organisations, Finnpartnership’s services are crucial to project implementation as the programme shares the risks of starting business operations in a developing market. Of the respondents, 86% assessed that the grant was necessary or nearly necessary for the implementation of the project (weighted average 4.4), and many respondents think that it would not have been possible to implement the project without support from Finnpartnership. The support made it possible to research the target country’s market, test the business model and launch business operations.

The respondents also considered that the other programme services, in particular, guidance, target country knowledge and contact network, were useful.

Business Partnership Support was necessary to our project



We are satisfied with the support and help we received from Finnpartnership



Long-term project goals in target countries

Project establishment goals (2021)

32

Establishment of a subsidiary or joint venture

4

Signing a subcontracting agreement

13

Signing a franchising or licensing agreement

6

Signing an import agreement

6

Other long-term partnership

2

Support activity project

Project establishment results (2025)

8

Established subsidiaries or joint ventures

5

Signed subcontracting agreements

4

Signed franchising or licensing agreements

2

Signed import agreements

12

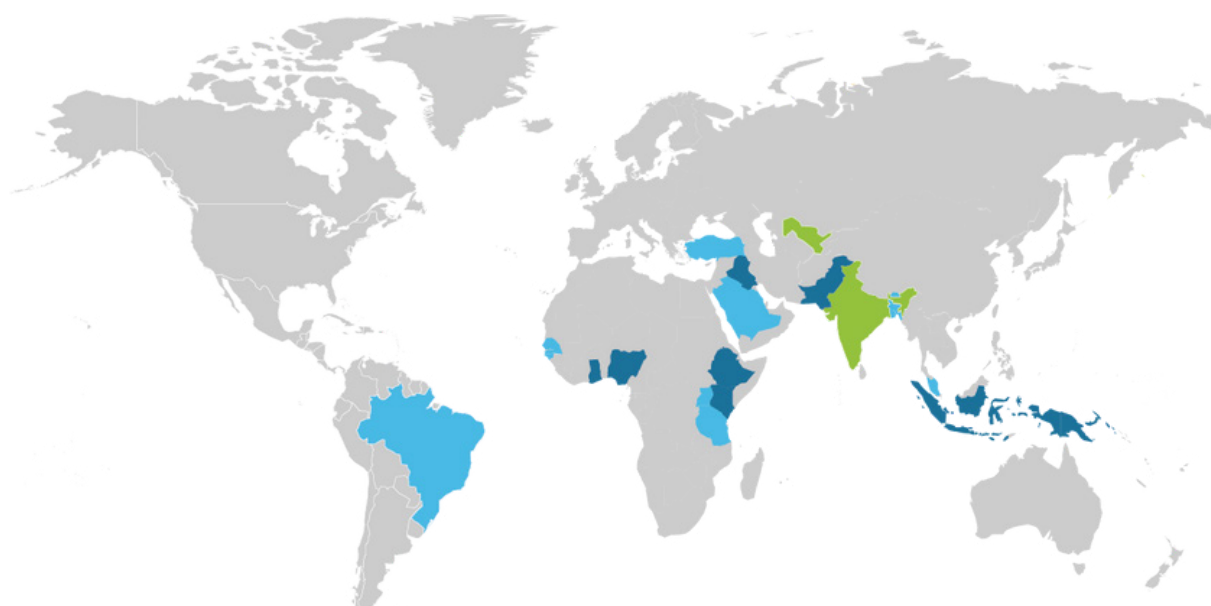
Other collaboration agreements signed




1

Completed support activity projects

Some projects had several establishment goals (researched several goals at the same time) or several establishment results (established in the target country in several ways simultaneously).

Countries in which partnerships were created (establishment results until 2025)



-  Launching local business operations
-  Signing a collaboration agreement with a local operator
-  Launching business operations and signing a collaboration agreement

By guiding recipients of support towards long-term establishment, we aim to create long-term development impacts. This also promotes sustainable results and continuity.

As acceptable establishment goals during the reporting period are considered establishing a subsidiary or joint venture in the target country, signing a maintenance, subcontracting, licensing, franchising or similar agreement with a partner in the target country, initiating developing country

imports as well as the initiation or development of vocational education activities that promote the Business Partnership Support project. Support can also be granted for projects with the aim of piloting technology with an international organisation (e.g., the UN) as well as for support activity projects in which a non-governmental organisation or educational institute implements measures supporting the business partner's Business Partnership Support projects and developing the local community.

Established businesses and collaboration agreements

Founding a new company is one of the most common goals of Business Partnership Support projects. Initiating long-term and stable operations in developing countries will often require presence in the target country either by a fully-owned subsidiary or in the form of a joint venture established with a partner identified in the target country.

As a result of the projects, eight new companies were founded in the target countries. In addition, two projects had founded a company in the target country in connection with an earlier project. The established companies operate in six sectors and produce building components, education services, information technology as well as financial and advisory services, among other things. Companies were founded in Ethiopia, India, Indonesia, Iraq, Kenya, Nigeria, Pakistan, Papua New Guinea and Uzbekistan. By summer 2025, eight of these ten established companies were still in operation.

In addition to establishing new companies, the Business Partnership Support projects may also aim at signing long-term collaboration agreements in the target countries.

8

Established subsidiaries or joint ventures

88%

Companies still in operation (2025)

23

Collaboration agreements signed

For example, services or products may be subcontracted or imported from the target countries or technology or services to produce common business operations may be licensed to the target country partner.

As a result of the project, 23 subcontracting, maintenance, licensing, import and other long-term agreements were signed with target country partners. In addition, continued projects had signed six collaboration agreements in connection with an earlier project. Agreements were signed to produce services and manufacture products in the target country, among other things. Collaboration agreements were signed in 18 countries.



Digizen's digital identification brings banking services to remote towns in Papua New Guinea

A large part of the population of Papua New Guinea lives in undeveloped countryside where traffic connections are difficult and mobile networks do not reach remote villages. Finnish Digizen has developed a digital identification service for these challenging conditions. With Digizen ID, it is possible to create a verified identity to people, which makes it possible to open a bank account, for example. Finnpartnership's support sped up the commercialisation and launching of a business in Papua New Guinea.

The need for a new way to verify one's identity is desperate as, particularly in the countryside, few people are able to get a traditional identity card. Digizen reimagined the way to apply for and establish a verified identity. Instead of the person, responsibility now lies with a trained bank officer who travels to the village, collects evidence of a person's identity and grants a digital identity card on site.

Digizen ID can be compared to Finnish banking IDs. In addition to opening and using a bank account, it can also be used for other services requiring strong authentication. Significant for the increase in the use of Digizen ID is the fact that, after a testing phase, it was approved by the Bank of Papua New Guinea and can now be used officially for digital authentication.

Since then, Digizen has founded a local joint venture in Papua New Guinea: Digizen PNG. In addition, it has signed collaboration agreements with local banks, such as Women's Microbank and MiBank, as well as an insurance agency. Product development and expansion continue.

Investments in target countries

Business Partnership Support functions as seed money which catalyses recipients of support to invest in the target countries after they have implemented research and preparation steps with the help of the grant. The catalysation of investments is one of the key results of Business Partnership Support projects. Typically, the projects invest approximately 2–10 times more private funding to developing countries compared to the grant paid for the projects. As the supported projects are very different, there is a lot of annual and project-specific variation in the total investment amount.

Of all 2021 projects, 21% reported that they invested in the project's target country. The total amount of investments was nearly EUR 3.3 million, which is notably more than in 2020 (< EUR 1 million). This shows that companies have managed to adapt to the new operating environment after the uncertainties in the beginning of the COVID-19 pandemic.

Just under half of the investments were made into buildings and a third into machines and devices. Other investments focused on working capital and purchased services.

10

Projects that invested in the target country

3.3
MEUR

In investments until now

Investments will often enable direct and significant development impacts. In addition, investments produce revenue in the target country in the form of taxes and other fees. Projects 2021 estimated that they paid approximately EUR 1.9 million in taxes and other fees in the target country.

Generally, this amount does not contain taxes and other fees paid by partners and service providers in the target country. When also these are taken into account, the actual total amount of taxes and fees transferred to the target country is significantly higher. In addition, the amount of taxes will increase in the future as the business operations stabilise and expand.



3DBear and Häme University of Applied Sciences HAMK support the development of vocational education in Africa

According to a UN estimate, the African population is expected to double by 2050. There is already a considerable need to organise quality vocational education that is strongly linked to the working life and develops skills needed in the working life. This need will only increase in the future.

Finnish software company 3DBear and Häme University of Applied Sciences HAMK develop digital vocational education for the developing markets with support from Finnpartnership. The joint project develops learning environments based on simulation pedagogy in collaboration with local educational institutes and partners in Tanzania. The aim is to give students a good and realistic starting point to the working life after graduation.

The local Save the Children programme is also part of the education project, which Finnpartnership supports. It has produced visually impressive simulations for five industries (pharmacology, measuring technics, fishing and seaweed farming, tourism and agriculture). Partnering with local specialists has been important in the needs-based development of educational materials. The educational materials have been developed and created to include theory, exercises and simulations that form a pedagogic whole.

HAMK has trained teachers through in-person teaching and by creating an approachable digital remote course to develop teachers' digital pedagogy skills and to ensure they are motivated and ready to utilise the materials created in the project. The project materials are now in active use in five vocational educational institutes. The materials will remain at the educational institutes permanently, which supports long-term impacts.

Employment impacts

Employment impacts are one of the most common development impacts created in Business Partnership Support projects. The creation of decent and sustainable jobs is also one of Finnpartnership's main goals in the programme season 2025–2027, which directly supports the UN Sustainable Development Goal 8: decent work and economic growth. Business operations launched with the grant will often lead to new jobs or the preservation of existing jobs. Recipients of support are expected to follow responsible employment practices which Finnpartnership supports in various ways.

Of 2021 projects, 14 companies (30%) employ people in the target country. In addition, three continued projects employ people in the target country. In total, the projects employed 316 people, 131 of whom were employed directly and 185 indirectly. In addition, continued projects have so far employed a total of 388 people directly and 165 indirectly. Therefore, projects that received support in 2021 employed a total of 869 people directly or indirectly.

316

Employed people, total

131

Directly employed people

185

Indirectly employed people

131

Number of new jobs among the jobs

Even though the COVID-19 pandemic has hindered and slowed down the establishment of business operations in several projects, they succeeded in creating both direct and indirect jobs.

The report's responses show that future prospects are looking brighter, as the reporting companies estimated to employ 1,061 additional people in the next two years. The instability on the markets has also slowed down the stabilisation of business operations in several projects, which can also be seen in the creation of employment impacts. Therefore, employment impacts are likely to be delayed in the reported projects.

Social impacts

Business Partnership Projects can have significant social impacts in the target countries. On an individual level, they can improve occupational safety, salary levels and the fair treatment of employees, which promotes economic development and supports a more equal and stable society. Companies following international responsibility standards will often have a good reputation and are attractive employers locally.

Of the projects employing in 2021, 57% (65% with continued projects included) paid a salary that is higher than the average. All of them followed international labour law and occupational safety standards. Among others, these include International Labour Standards as well as IFC Performance Standards and the World Bank EHS Guidelines. In addition, 43% of the projects (53% with continued projects included) reported that they follow voluntary social responsibility standards.

Other measures improving working conditions that were mentioned include offering occupational healthcare and insurances as well as the aim to help and employ discriminated refugees and other people in challenging situations.

30%

of the projects employed
locals

57%

of employing projects
paid a salary higher than
the average in the target
country

43%

of employing projects
follow voluntary social
responsibility standards

Impact on the employment and equality of women

Business Partnership Support projects play a significant role in promoting gender equality in developing countries. The jobs and educational opportunities created by the projects strengthen the economic position of women and their participation in the working life.

Finnpartnership's operations support UN Sustainable Development Goal 5, the aim of which is to achieve gender equality as well as to strengthen the rights and opportunities of women and girls.

Of the projects, 51% reported to have had a direct impact on gender equality by offering products or services that promote equality, employing women or improving their working conditions, for example.

In addition, 45% of the projects contained themes that supported female employment. These were gender neutral and non-discriminatory employment, training for women as well as subcontracting agreements with women-owned businesses, among other things. The projects also supported the employment of disabled and indigenous women. In many cases, women were hired in managerial functions.

77

women employed through the projects

24

projects in which the product or service had an impact on gender equality

21

projects that improved female employment and working conditions

19

projects that had other equality impacts

All in all, 14 projects (82% of all employing projects) employed a total of 77 women. Continued projects have employed 233 women so far. This means that 310 people was the total female employment impact of projects that received a support decision in 2021.

Geographically, the projects employed most women in Asia, where 88% of people employed by the projects were women (68 female employees). The rest of the employed women were in Africa. When we also take the continued projects into consideration, the projects employed the most women in Africa (78%) and Asia (22%).

The projects have also had other positive equality impacts. In Projects 2021, these impacts included the active inclusion of

women in training and workshops, the improvement of accessibility to digital learning environments particularly in the countryside, strengthening presentation and self-expression skills, training on the rights of disabled women, support for women's financial independence through, for example, opening a personal bank account, as well as strengthening the visibility and leadership of women.



Corrsy's solution offers affordable quality private tuition in Iraq

Corrsy's story began from the passion of its founder, Iraqi Mustafa Abdulameer, to develop education and make it more equal in the Middle East.

In Iraq, everyone completes a national placement test between the ages of 14 and 19. However, the unequal quality of teaching and income disparity means that some do not pass the test. Traditional private tuition is expensive and not accessible to most people.

Corrsy's solution offers quality and affordable private tuition digitally to everyone with a mobile phone and Internet connection. The service makes it up to 40 times more affordable to prepare for the placement test compared to traditional private tuition.

With support from Finnpartnership, Corrsy founded a subsidiary in Iraq in 2024. The support covered initial research and made it possible to train personnel in customer service, digital tools and Finnish pedagogy. It took over two years to register the subsidiary, but this gave Corrsy a legal right to operate, hire people and transfer funds between Finland and Iraq. At the moment, Corrsy employs 39 people, 25 of whom are women. Keys to success include strong local advisors, perseverance as well as a clear social mission: to make education preparing people for the placement test affordable and accessible in Iraq.

The project still faces challenges, as bureaucracy, barriers to payment transactions and infrastructure risks slow down the process. Yet, the opportunities are significantly larger. Iraq has a young and motivated population as well as a massive need for digital learning solutions. Corrsy has grown from an idea to a locally operating business shaping the future of teaching technology in Iraq.

Training and increased competence

Training provided by companies has significant development impacts. In addition to vocational skills, it often also increases participants' understanding of rights, occupational safety and environmental impacts. In the long term, training can support sustainable economic and social development. In addition, training makes it possible for the employees to share what they learnt with others, which may strengthen the entire community's competence level.

Business Partnership Support projects both train the employees employed in the target country and develop the standard of education in the target countries from early childhood education to universities. In total, 2021 projects trained 1,725 people, 686 of whom were own, partner or subcontractor employees. In addition, four continued projects had already trained 382 people.

Of the projects, 49% trained personnel in the target countries in assembling and testing equipment, the manufacturing and production of products as well as quality and occupational safety, among other things. In some projects, personnel was also trained in subjects such as recycling, planning and EU regulations.

1,725

People who received training by 2025

23

Projects trained employees in the target country

686

Own, partner or subcontractor employees trained

27

Projects developed local communities' competence or know-how

By training personnel in the projects, know-how, competence and knowledge are also transferred to the communities in which the projects are implemented. Including communities in the projects is nearly always useful for the projects. Sometimes, it is even necessary.

Of the reported projects, 57% developed local communities' competence or know-how. This was related to research and development, working conditions and methods, delivery and logistics as well as good governance and practices, among other things. The responses particularly emphasised investing in the development of local leadership.



Perseverance and local knowledge support FGES's growth in Pakistan

When Finnish FGES set off to apply Finnish teacher education competence in Pakistan, they faced a market that could not be accessed remotely from Finland.

Finnpartnership's Business Partnership Support made it possible to go on site and implement the project – without it, the project would have been just a dream.

The goal of FGES in Pakistan was to build a sustainable model in which local actors train teachers with the help of Finnish pedagogy. The concept contains digital teaching materials and a learning platform. Local partners use the model with a license. The first steps were taken in Karachi, and collaboration networks have been built with determination. FGES also established its own subsidiary in Pakistan in early 2025.

Local knowledge has been crucial to FGES's growth. A knowledgeable partner brought decades of experience and high-level contacts to the project. Through these networks, FGES was able to take part in an education programme funded by UNICEF and EU that improves school infrastructure and learning results. FGES's role is key particularly in developing teacher education and pedagogy together with local universities and associations. At the moment, FGES is negotiating continuation projects with UNICEF and looking for connections with other NGOs.

The long-term work is now producing results: Two schools founded by FGES's local subsidiary are opening at the turn of the year. In the future, the goal is to expand to up to 20 schools. FGES operates the schools with a local partner and owns a share of the business operations.

Perseverance, active presence and local ownership create a good foundation for future growth. FGES's work in Pakistan creates jobs, improves teacher competence and gives children a better opportunity for learning.

"This would not have been possible without support from Finnpartnership. Finnish education competence is now building bridges and creating an impact where it is needed the most."

Environmental impacts

Many projects operate in industries where the core business operations have direct or indirect environmental impacts. During the reporting period, these projects consisted of projects with the aim of assembling and maintaining solar energy technology and utilising waste as energy, among other things. Of 2021 projects, 28% have implemented at least one of the measured actions to consider environmental impacts.

The projects are expected to consider environmental impacts comprehensively and report any potential environmental impacts during the implementation of the project. Likewise, they are expected and required to obey international and national environmental standards and legislation.

The purpose of the targeted requirements and recommendations issued to a project by an environmental specialist as well guidance by collaboration consultants is to prevent the creation of negative impacts and to implement the project in a sustainable manner even after the Business Partnership Support ends.

13

Projects included measures to improve the environmental impact

8

Projects improved compliance with environmental standards

7

Projects used green production methods or raw materials

6

Projects tracked environmental impacts

5

Projects implemented environmental technologies

3

Projects carried out environmental and social impact studies

3

Projects received environmental certification for a product or service

Market and infrastructure impacts

One of the key purposes of the Business Partnership Support is to strengthen and diversify the market and production structure in the target country. This will consequently lead to the national economy of developing countries being less dependent on one sector or product.

Market or production structure impacts were created by 34% of Projects 2021. In total, nine projects focused on the creation of a completely new product or industry, eight improved product quality or increased the degree of processing

and had their production or business operations in the countryside or smaller growth centres. In addition, five projects strengthened the target country's export trade.

Of the projects, 9% had an impact on improving the basic infrastructure of the target country. Two projects developed the infrastructure of daycare centres, schools, hospitals or health centres and information technology systems, while one project improved the supply of energy among the local population.



Review of support function projects

Business Partnership Support has been granted for support function projects implemented by non-governmental organisations or educational institutions since 2016. In support function projects, the NGOs or educational institutions do not aim for a profit-making business partnership for themselves. Instead, their purpose is to support and develop local communities in the target country while supporting the Business Partnership Support project of a Finnish company operating as a partner in the project.

The aim of support function projects is to promote the success of projects in a responsible and sustainable manner. Through joint projects, companies will have access to the associations' long experience that may go back as far as decades.

Support functions supporting Business Partnership Support projects include, among other things, collaboration between companies and NGOs or educational institutes to develop the capacity of Business Partnership Support project stakeholders, develop collaboration networks or to pilot products and services. In addition, support activities can develop collaboration and innovation platforms related to the Business Partnership

2

Implemented support activity projects

1

Finnish company whose business operations in the developing markets has benefited

Support project or organise related seminars and workshops.

Annually, we have approved approximately one to five support function projects. There were two support activity projects among Projects 2021. One was implemented as planned, while the other one was terminated after the research phase as the business partner went bankrupt. In the successful project, collaboration with the business partner continues and the project has had positive equality impacts in the target country. In addition, the project has transferred know-how and increased understanding in the target country of the possibilities of digital learning environmental opportunities in vocational education.

Summary of the results

Business Partnership Support decisions 2021

47

Business Partnership
Support projects

42

Companies

5

Educational
institutes

Project implementation 2021–2023

1.6

Total support
paid to projects

28

Target countries

13

Industries

8

Projects in the
countryside or smaller
growth centres

Business operations, partnerships and investments 2021–2025

8

Companies
established

23

Collaboration
agreements signed

3.3^{MEUR}

Investments in
target countries

1.9^{MEUR}

Taxes and other fees
to target countries

Positive impacts in
target countries
2021-2025

24

Projects had positive
equality impacts

316

Employed persons

23

Projects trained
personnel

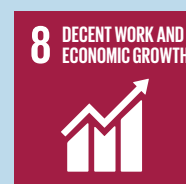
16

Projects impacted target
country markets or
production structure

13

Projects had positive
environmental impacts

Impacts on sustainable
development goals
2021-2025



Appendix: summary

2019–2021

	2019	2020	2021
Allocated grants (excl. continuation applications)	64	49	49
Recipients of payment	48	42	47
Total sum of payments	1,717,877	1,904,795	1,441,477
Total sum of payments (incl. continuation applications)	1,855,737	2,059,081	1,567,485
Companies with direct employees	13 (27%)	16 (38%)	14 (30%)
Direct employees	213	103	131
Indirect employees	108	399	185
New jobs	174	290	131
Employed women	63	46	77
Share of women among the employed people	30%	45%	59%
Companies that made investments	14 (29%)	11 (26%)	10 (21%)
Total sum of investments	3,860,000	906,000	3,080,000
Total sum of investments (incl. continuation applications)	3,900,000	938,000	3,289,000
Relation of investments to payments (incl. continuation applications)	210%	46%	210%
Established subsidiaries or joint ventures	7 (16%)	7 (17%)	8 (17%)
Initiated subcontracting or other agreement collaboration	21 (44%)	20 (48%)	23 (49%)
Initiated developing country import with added value	2 (4%)	0 (0%)	2 (4%)
Projects that transferred technologies and know-how	31 (65%)	29 (69%)	30 (64%)
Projects that implemented training	22 (45%)	18 (43%)	23 (49%)
Projects that paid higher-than-average salaries	7 (13%)	6 (14%)	11 (23%)
Projects with positive impacts on female employment or gender equality	21 (44%)	26 (62%)	21 (45%)
Projects with impacts on general infrastructure	10 (21%)	14 (33%)	4 (9%)
Projects with impacts on the markets and their production structure	26 (54%)	25 (60%)	16 (34%)
Projects with positive environmental impacts	20 (45%)	12 (29%)	13 (28%)



Contact us

fp@finnpartnership.fi

finnpartnership.fi

[X](#) @Finnpartnership

[in](#) Finnpartnership

finnfund



Ulkoministeriö
Utrikesministeriet