





Members of Parliament Kimmo Tiilikainen of the Centre Party, Pertti Salolainen of the National Coalition Party, Johanna Sumuvuori of the Greens, and Astrid Thors of the Swedish People's Party took part in a panel discussion on the NGOs' mid-term assessment of Finland's development policy. All these MPs represent parties currently in government.

Finnish development policy assessed by NGOs

Finland's development policy needs to be more transparent and emphasize the ownership of partner countries. Economic reforms should not be neglected. These issues are among the key improvements suggested by KEPA and a group of its member organizations in an assessment of Finland's development policy published in March 2009 at the halfway point in the current government's term.

The NGOs' assessment was entitled "Hope for global crises – a two-year final sprint for development policy". The assessment sparked a lively debate both in the media and in a discussion forum organized by KEPA to enable representatives from the government, the opposition, NGOs and civil servants to challenge each other's views.

The transparency of Finland's development policy emerged as the focal point. NGOs argued that development policy has become less open. Many policy guide-

lines and decisions have been made, but their schedules are unclear, NGOs have only limited opportunities to participate, and final decisions are not always made public.

The assessment also noted that Finland's current Development Policy Programme emphasizes sectors important to Finland, such as forestry. This entails the risk that development policy is shaped to serve the interests of Finnish companies more than the needs of Finland's partner countries.

The government was lauded for striving to comprehensively take into account societal, ecological and economic perspectives in its development policy. This results in an excellent platform for responding to global crises. The government was also praised for acknowledging the importance of agriculture and entrepreneurship in reducing poverty.

The front and back covers of this report feature Doctor Hope, a fictional Namibian Doctor who has featured in KEPA's campaigns stressing that Finland should not forget the poorest countries in these times of economic difficulty. (Photos: Juha Reunanen)

A year of hope – and hopelessness



TIMO LAPPALAINEN
Executive Director

In terms of development policy, the Copenhagen climate summit was the culmination of 2009. The summit's results were meagre. But at least climate change has finally taken its place in the centre of world politics, something civil society movements have demanded for years. This gives us cause for some hope.

The climate negotiations were marked by a deep distrust between rich and poor countries. Significant emissions cuts by rich countries should in the future be seen as a way to build trust. They may also have a wider impact on the atmosphere of international politics.

Those who are the least responsible suffer the most from both climate change and the global economic depression. Livelihoods stagnated in both Africa and Asia due to the bursting of the financial bubble in the United States, as exports and emigrants' remittances petered out.

At KEPA we believe that poverty is the result of action, and that the structures which create and sustain poverty exist on different levels. This means that we can address the causes of poverty by acting in different ways. The financial crisis, for instance, led political leaders to admit – at least in principle – that globalization does need tighter multi-lateral rules in order to stabilize the global economy and make it more transparent.

Several developed nations cut their development aid in 2009. At the same time, the prospect of achieving the UN's Millennium Development Goals, such as halving the number of people who go hungry, seems ever more remote. The possibility of achieving the MDGs will be evaluated at the UN summit to be held in September 2010.

As far as Finland is concerned, there are grounds for hope. Opinion polls show that the economic crisis did not turn Finns against development cooperation significantly. Finland was able to increase its development aid even after the drastic budget cuts made in the autumn. Despite this, the objective of raising development funding to 0.7% of GNI will be a challenging legacy for the next government.

We need to do more to create a more just world – and we need to do it better. This challenge does not only concern governments. The international process to make the work of NGOs more effective, begun in 2008, gained momentum in 2009. KEPA contributed to this process by taking part in the project's steering committee.

2009 was the last year in KEPA's three-year programme. One achievement stands out from this period – the emphasis on combating the structures that lead to poverty in all of our work, from development project consulting to the Finnish Volunteer Programme.



Campaigners dressed up as doctors demanded a stimulus package for the world's poor when the government's budget negotiations began in March 2009.

ANALYSES AND SOLUTIONS

In a number of reports, KEPA analyzed the effects of the economic crisis on development. KEPA recommended, for instance, that the flight of capital out of developing countries be curbed. Illegal flows of funds from developing countries to tax havens and developed countries amount to a sum almost ten times larger than the official development aid sent in the opposite direction by the OECD countries.

KEPA also called for the adoption of a financial transaction tax to calm international financial markets, and for the liberalization of international trade to be slowed down. Liberalization exposes developing countries to fluctuations in the world economy without giving them the time necessary to develop their social security institutions and their competitiveness.

ECONOMIC DEBATE AT WORLD VILLAGE FESTIVAL

Three Members of Parliament discussed the economic crisis in a panel debate organized by KEPA at the World Village Festival in May. Eero Heinäluoma of the Social Democrats, Kimmo Sasi of the National Coalition Party and Outi Alanko-Kahiluoto representing the Greens all wanted more transparency in the global economy. All three MPs also favoured international taxes to limit speculative capital movements.

Economic crisis struck poorest

The financial crisis in the developed nations expanded into a global recession in 2009. Unemployment and hunger increased in developing countries. KEPA urged the Finnish government not to cut its development aid spending during the crisis.

Because of the ongoing food crisis, poor countries were already particularly vulnerable to the effects of the economic recession. The most vulnerable groups in these societies suffered the most from the crisis. These were at the same time the people least responsible for causing the crisis.

The recession reduced investments, export income, and emigrant remittances to developing countries, stifling GDP and employment growth.

The severity of the crisis has made development cooperation more important than ever. However, many economically struggling developed nations have recently cut their aid budgets.

KEPA demanded in its campaigns that Finland not make needy people in the developing world suffer due to problems in the Finnish economy.

THE DOCTOR BROUGHT HOPE

There was hope in the air in early 2009. KEPA's globbarit global issues lobbying network called on the government to raise development spending to 0.7% of GNI by 2015. The campaign was led by the fictional Namibian Doctor Hope. Finland remains obliged by commitments to both the UN and the EU to raise its official development assistance funding to 0.7% of GNI.

KEPA's member organizations reminded Minister of Finance Jyrki Katainen of the importance of development cooperation by obtaining ethical gifts including a first aid kit and school supplies on his behalf, and delivering them to needy communities in developing countries.



The campaign “Beware of cuts!” opposed reductions in the funds allocated for future development aid. NGOs’ appeals featuring warning signs were published in major Finnish newspapers.

In the autumn, this hope was dashed, when the government resolved to reallocate funds previously earmarked for development aid to address unemployment in Finland.

“Are the poor in developing countries going to be made to pay for Finland’s economic difficulties?” asked KEPA’s chairperson Gunvor Kronman in August.

DEVELOPMENT AID UNDER THREAT

KEPA reacted quickly to news of the cuts, launching a campaign calling on the government to abandon plans to cut projected development spending, and also highlighting the achievements of past development cooperation.

Almost 150 NGOs took part in an appeal published both in Helsingin Sanomat, which is the most-read newspaper in the country, and the Swedish-language newspaper Hufvudstadsbladet. A group of celebrities and prominent figures compiled a parallel petition, which was published in the daily tabloid Ilta-Sanomat.

G20 FAILS TO LIVE UP TO PROMISES

The G20 group of rich countries and emerging economies declared in April 2009 that banking secrecy in tax havens would be ended, and that developing countries would be helped in their efforts to survive the economic crisis. KEPA monitored the implementation of this declaration, and regretfully reported in the autumn that the practical measures fell considerably short of what was needed. The problem of tax havens was addressed in a way that did next to nothing to help the poorest developing countries.

The Finnish government ended up cutting the amounts of development aid projected for 2010 by 60 million euros. This reduction was still significant, but more moderate than the cuts originally planned.

MOST VULNERABLE MUST NOT BE FORGOTTEN

In late 2009 KEPA and its member NGOs reminded the Finnish government that the people who suffer the most from the economic crisis are women, children, and the disabled in developing countries.

KEPA launched a campaign calling for these most vulnerable groups to be taken into account in all development cooperation. External assessments have shown that despite Finland’s political commitments, this “cross-cutting theme” is only partially realized in development policy.

During the campaign, NGOs visited the Minister for Foreign Trade and Development Paavo Väyrynen, almost 20 Members of Parliament, and key civil servants at the Foreign Ministry.



VIEWPOINT: SOLUTIONS BENEFITING EVERYONE

The economic crisis brought the co-dependency of countries and people to the forefront. As I am writing this, unemployment in Finland is nearing 10%. For the first time in history, there are over a billion undernourished people in the world.

There are solutions to these challenges – solutions from which everyone can benefit. KEPA particularly calls for the curbing of international tax evasion and the closing of tax havens, as well as the introduction of taxes on international financial markets. The stabilization of the global

economy is in the interests of both rich and poor countries.

We also support forms of development cooperation that strengthen the ability of the poorest and most vulnerable to participate in society. In the long run, poverty reduction is the best policy for ensuring security and helping to reduce the numbers of refugees.

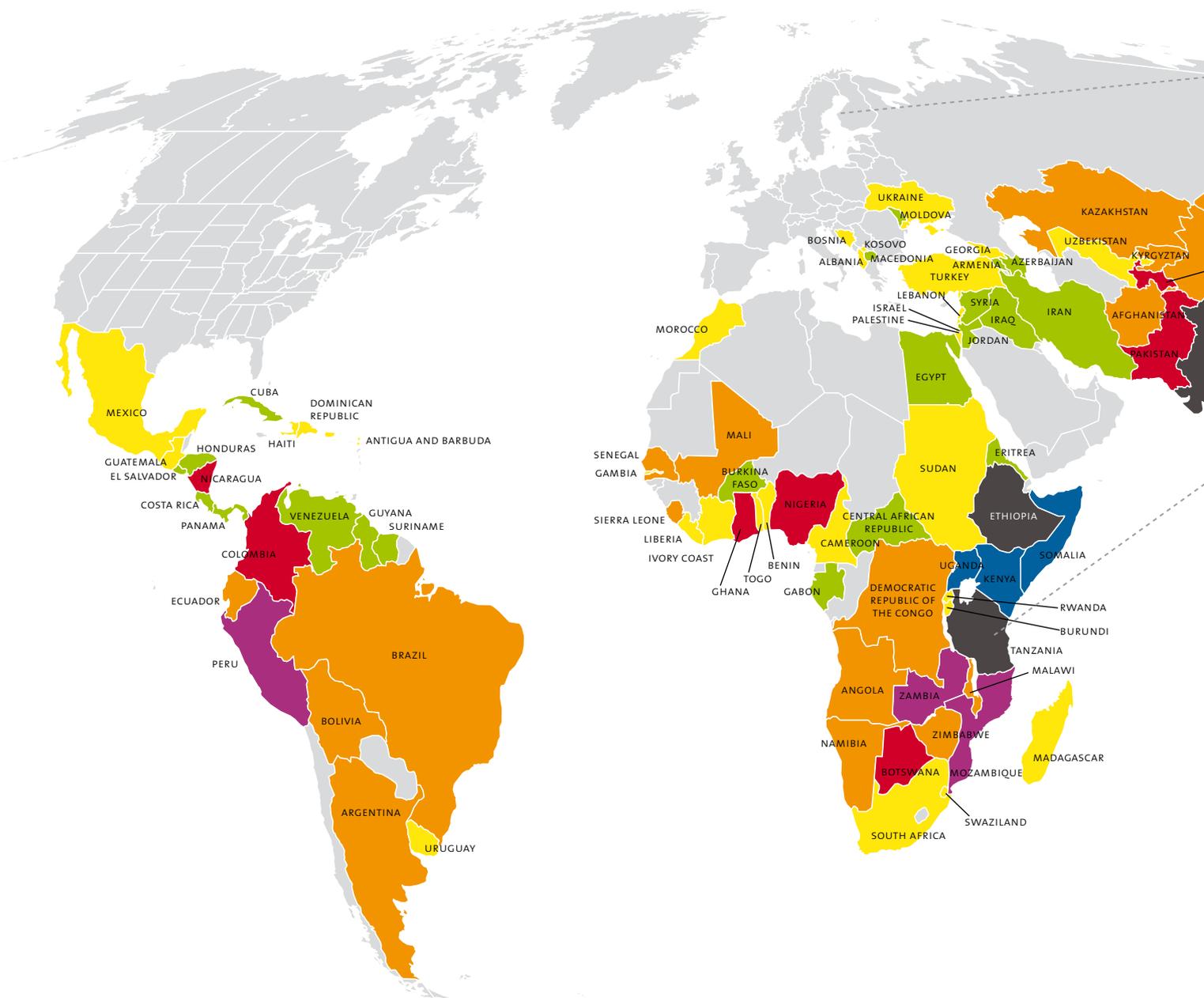
The year was also marked with some successes. The planned cuts to development funding were reduced, 70 MPs supported calls for Finland to work towards establishing an international currency

transaction tax, and the media started to cover the problem of tax havens from the point of view of developing countries. In addition, the Ministry for Foreign Affairs has developed new tools which can be used to better take the most vulnerable into account in all forms of development cooperation.

All in all, Finnish development NGOs successfully brought a global perspective to discussions revolving around the economic crisis in 2009.

*Tytti Nahi
Advocacy and Policy Officer*

NGOs' development cooperation projects in 2009



ALMOST 1,000 PROJECTS

- ▶ Finland's Ministry for Foreign Affairs supported more than 980 NGO-led development projects in 88 countries.
- ▶ Two-thirds of the projects were carried out by Finnish NGOs cooperating with their partner organizations in the South.
- ▶ A third of the projects were supported by three Finnish foundations – Abilis, Kios and Siemenpuu – who provide direct support for projects organized by Southern NGOs.

- ▶ Regional and global projects, such as Finn Church Aid's Human Trafficking in Asia and the Finnish UN Association's Making Marginal Voices Heard in the UN's Climate Process, do not show up on the map. In total, there were 75 such projects.

SOURCE:
FINNISH MINISTRY FOR FOREIGN AFFAIRS



COUNTRY OFFICES PROVIDE SUPPORT FOR KEPA MEMBERS

The Vaasa Association for Developing Countries, which is an NGO member of KEPA, and its Tanzanian partner the Foundation for Indigenous Education have prepared a Training and Advice Plan (TAP) together with KEPA.

The plan covers a folklore collection project in the Morogoro region of Tanzania. Elina Puhto, who is responsible for the TAP at the Vaasa Association for Developing Countries, stresses that the plan has been useful. The Finnish NGO determines the objectives of the project together with its Tanzanian partner, but KEPA's help has been essential in getting the project on the right track.

KEPA's Tanzania office has provided advice on budget issues and on how to interpret the requirements of Finland's Ministry for Foreign Affairs. KEPA also facilitated the drafting of an action plan for the project.

Training and Advice Plans aim to support cooperation between KEPA's member NGOs and their Southern partners. It is also to clarify KEPA's role in supporting this cooperation. KEPA aims to provide services in the same way in all three Southern countries where it makes project advisory services available. TAPs encourage NGOs to utilize KEPA's services systematically – the goal being that NGOs would seek advice on their projects before problems arise.

WHAT'S TAP?

- ▶ Training and Advice plans have been utilized since 2007.
- ▶ The Finnish NGO in question, its Southern partner, KEPA's country office and KEPA's Helsinki office all participate in drawing up the plan. Individual plans are always made for particular projects.
- ▶ KEPA's country offices in Nicaragua, Mozambique, and Tanzania provide advice and training to the local partner NGO. KEPA's Helsinki office supports the Finnish NGO.
- ▶ TAPs can include plans stipulating how KEPA's project advisors will support the NGOs' project monitoring and provide other specified services.
- ▶ At the start of a three-year project, for instance, partner organizations may be given training in project management. During later stages of the project, KEPA's country office may train the local NGO in media skills to enable them to gain local publicity for the project's achievements.
- ▶ So far 22 Training and Advice Plans have been drafted. KEPA's Helsinki office additionally supports many other NGO projects by providing training and project advice.

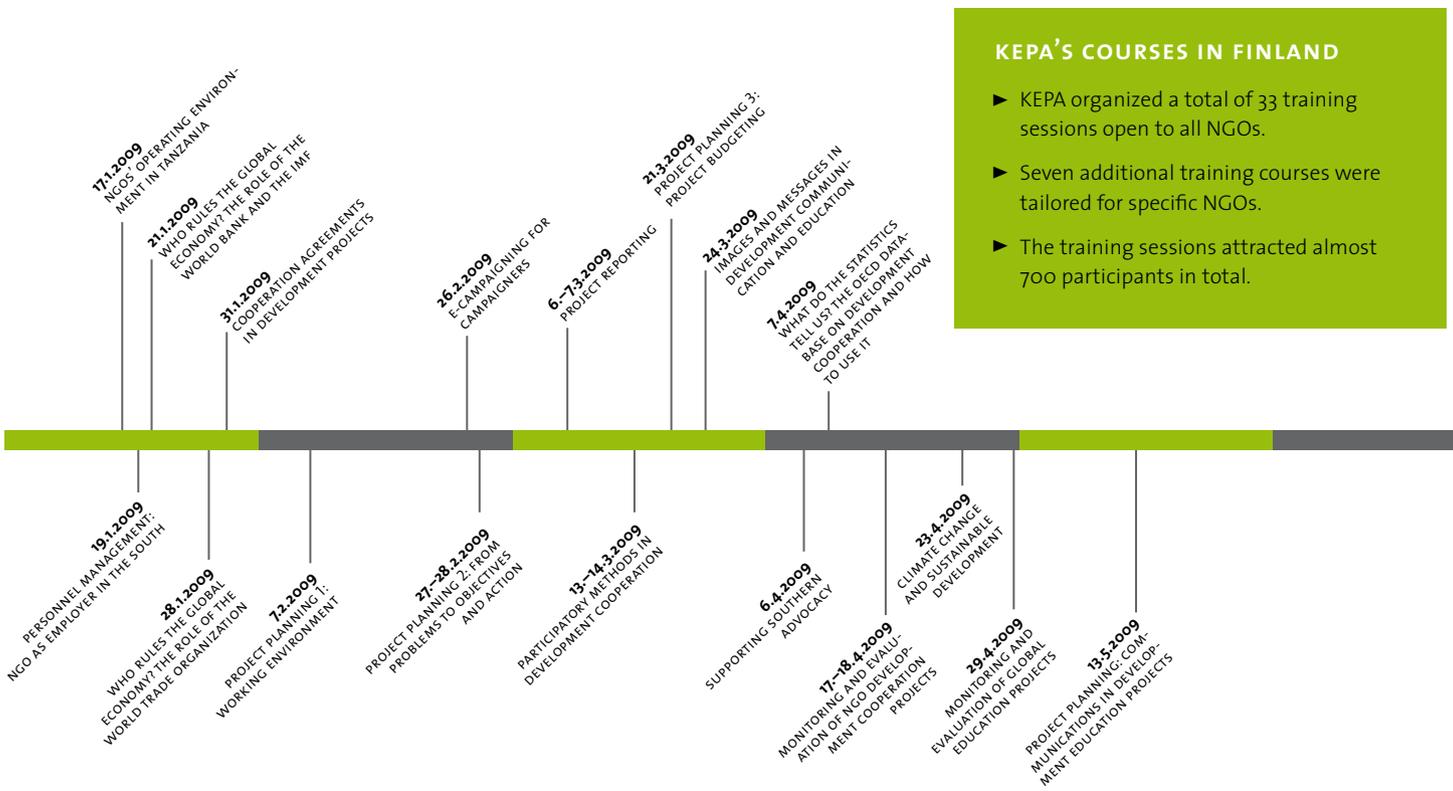
Project advice services yield results

Utilizing KEPA's training and advice services is advantageous for NGOs. Some 70% of the NGOs who have utilized these services within the last two years were able to get project funding from the Ministry for Foreign Affairs, compared to an overall success rate of 55% of all funding applicants.

In 2009, KEPA introduced consultation services specifically geared to address financial issues. Several of its member organizations utilized these services. Member organizations were given project advice on a total of more than 200 occasions during the year. Advice was given to almost 80 member NGOs. To ensure the effectiveness of project consultation, it is important to contact the project advisor well in advance of deadlines, so that possible problems can be better anticipated and solved.

In May KEPA organized the traditional Crazy Project Days event in advance of the Ministry's project funding application deadline. Project advisors from KEPA's country offices took part in the event to enable NGOs to discuss their projects and their viability directly with experts working in the South.

The utilization rates of project advice services vary greatly between NGOs. Some organizations use them monthly or even weekly – while others only turn to KEPA when they run into problems. Those NGOs who have used KEPA's training and advisory services actively and systematically have had the most success in gaining funding for their projects.



VIEWPOINT: PROJECT ADVISOR 'TRAVELS' AROUND THE WORLD

Project advisors must answer questions on issues ranging from project planning and monitoring to the funding requirements of the Ministry for Foreign Affairs.

Individual projects differ greatly. They might address conflict resolution in Somalia or microfinance in Ecuador. The most common sectors are education and health.

KEPA emphasizes the role of partnerships between Finnish NGOs and their Southern counterparts. KEPA also strives to ensure that the cross-cutting themes of Finnish development cooperation, such as improving the status of women, children, and ethnic minorities, are duly taken into account in all projects.

We also strive to ensure that each project is designed to address a clearly-defined problem. Projects must also aim to break down the structures that lead to poverty, and their outcomes need to be sustainable.

*Marjukka Mankila
Project advisor*

Training provides sustainable basis for NGOs' work

One of KEPA's key functions is to provide training for NGOs engaging in campaigning, global education, and development cooperation work.

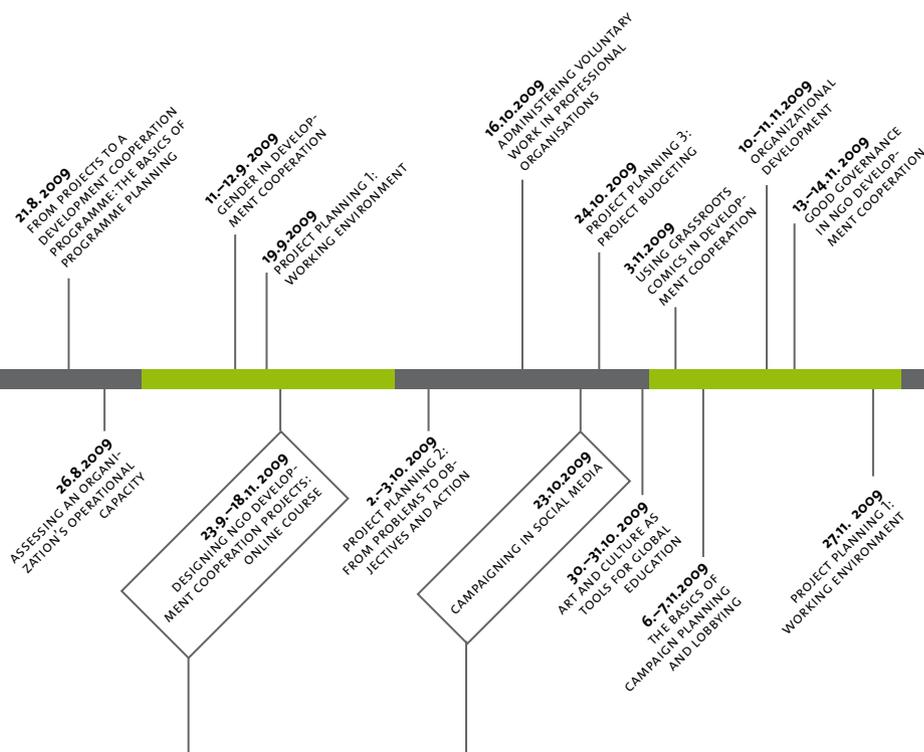
Southern know-how and equal partnerships between North and South were some of the main emphases in development project training courses run in 2009. The importance of understanding the host society was particularly stressed, as this is vital for making the results of development projects sustainable and conducive to the strengthening of the local civil society.

New longer-term development processes were introduced in 2009. KEPA helped to improve NGOs' evaluation tools by facilitating 26 workshops for five organizations. KEPA also undertook capacity analyses for two NGOs, one

of which was coordinated by experts from the Tanzanian training organization TRACE.

Topical issues such as climate change and the use of social media in campaigning were also covered in training courses. Because of the economic crisis, afternoon workshops focusing on power relationships in the global economy were particularly popular.

In addition to the training work organised by the Helsinki office, KEPA's country offices also provided training for their own partner NGOs and the local partners of KEPA's member organizations. In Tanzania, for instance, NGOs received training on advocacy work.



ONLINE DISCUSSIONS BRIDGE GAPS

The use of the internet for learning was increased. An online course on the basics of project planning attracted more than three times as many applications for participation than could be accepted, with interest from four continents.

Online discussions brought the views of Finnish and Southern NGOs closer together on such topics as the meaning of partnership and project ownership.

TIPS FOR SOCIAL MEDIA

"Campaigning in social media" was one of the most popular training courses organized in 2009. This course enabled NGOs to consider how they could utilize social media tools such as Facebook and Twitter in their campaign work.

Feedback from participants indicated a high level of satisfaction. Participants especially appreciated case studies from those few NGOs who have already campaigned using social media, and many said they gained new ideas from the course.

Climate debate at World Village Festival

Climate change was the main theme of the World Village Festival in 2009. There were numerous climate-related events in the festival programme, and NGOs organized a climate-themed village in the festival grounds. Prime Minister Matti Vanhanen took part in a panel discussion on “Finland in climate policy”, which focused on the international agreements needed to combat climate change. Two climate-themed art installations were unveiled in Railway Square in the centre of Helsinki.

The festival’s carbon footprint was measured for the first time. Compared to other large festivals, the World Village Festival’s footprint was found to be modest at approximately 1.7 kilograms of carbon dioxide per participant, corresponding to around 5% of the daily carbon footprint of an average Finn.

This measure reflects the festival’s commitment to the environment. Waste and recycling issues have long been carefully addressed, and festival-goers have been encouraged to use public transport.

Now that it is possible to measure the festival’s climate impact, this will be scrutinized even more closely in the future. Food vendors will be encouraged to offer more vegetarian options, as the higher carbon footprint of meat production was clearly visible in the results.

However, the largest share of the festival’s emissions was caused by transportation of both performers and spectators. To limit emissions, the festival no longer flies artists from developing countries to Finland for a single performance. Foreign artists taking part in the festival do so as part of a European or Finnish tour. The emissions caused by people visiting the festival were relatively small, since most people used public transport.



The uncrowned king of Finnish tango Eino Grön charmed the crowd on a sunny Sunday afternoon.



Members of Parliament Liisa Jaakonsaari (Social Democrats), Kimmo Kiljunen (Social Democrats), Annika Lapintie (Left Alliance), and Aila Paloniemi (Centre Party) received awards for their work promoting development cooperation and fair trade.

VIEWPOINT: NGOS’ OWNERSHIP CRUCIAL IN FLAGSHIP EVENT



The World Village Festival has now been organized ten times. I have been involved since the very beginning. During the first two festivals in 1995 and 1997 I worked for Amnesty International and the International Voluntary Service KVT, and since then I have been working for KEPA organizing the whole festival.

The festival was popular from the beginning. Initially, there was an excessive division be-

tween professionally produced elements of the programme purchased from external contractors, and the more amateurish parts of the festival organized by NGOs. In a sense, the festival was two different events.

The biggest change over the years has been that the festival has become first and foremost an event for NGOs. Their role has been increased in both planning and realising the festival.

It is important that NGOs have a sense of ownership of the festival. The World Village Festival is the flagship of the Finnish global development movement. According to member surveys, the festival is the service provided by KEPA that NGOs are most satisfied with.

*Kai Artes
Festival producer*

A GROWING REPUTATION

- ▶ Despite rainy weather, the World Village Festival held on May 23–24 attracted around 65,000 visitors.
- ▶ There were a record number of almost 400 exhibitors, including almost 300 NGOs.
- ▶ The festival programme was typically diverse, with musical styles ranging from Eino Grön's Finnish tangos to the Colombian band LA-33, as well as discussions on issues such as climate change.
- ▶ The festival is now better known and more highly regarded than ever before, as reflected in the Best of Helsinki Award given to the festival by the City of Helsinki.
- ▶ KEPA's globbarit global issues lobbying network campaigners gave awards to politicians who had done the most to promote development cooperation and fair trade. The National Coalition Party's Pertti Salolainen scored highest in their assessment.
- ▶ The World Village Festival enables NGOs to publicise their work and raise public awareness of development cooperation and different cultures.



A Cuban mural art installation attracted widespread attention among the public and the media.



A multicultural fashion show added colour to Kajaani's Market of Possibilities.

Markets of Possibilities increasingly popular

Climate issues also featured in the Markets of Possibilities events held all around Finland. These Markets enable NGOs to publicise their work and encourage people to work for global justice.

The climate theme was covered in discussion forums, speeches, and interviews with experts. Climate change workshops were organized during some Markets. NGOs also distributed their own climate change material at their respective stands.

The Markets of Possibilities held in 2009 were more popular than ever overall, attracting over 31,000 visitors, almost 6,000 more than in the previous year. Many Market events drew record crowds. In Espoo, for instance, the number of visitors doubled to around 3,000.

Markets of Possibilities were organized in 21 cities around Finland, with more than 600 NGOs participating. KEPA's local member NGOs were responsible for the practical arrangements.

Volunteers strengthen North-South partnerships

The volunteers sent abroad through the Finnish Volunteer Programme (ETVO) help Finnish NGOs and their Southern partners to understand each other better.

Volunteers work in vital development fields including environmental conservation and women's rights. At the same time, they act as intermediaries between one of KEPA's Finnish member NGOs and its Southern partner. This helps Finnish organizations to understand the realities of day-to-day work in the South.

The programme also enhances understanding in the South. A representative from the Nepalese child rights NGO CWISH stresses that participation in the ETVO programme has helped the organisation to understand Finnish ways of working. The volunteers working for CWISH have assisted in evaluating projects, drawing up documentation, and organizing training sessions. The volunteers have also taught English to the NGO's employees and the children whom the organization is helping.

The volunteers themselves feel that working through ETVO has broadened their horizons. Henriika Lindroos, who volunteered in Nepal, says that her experience strengthened her trust in the effectiveness of development cooperation. Kati Ruskola, who also worked in Nepal, feels that her volunteer experience has deepened her understanding of the causes of poverty.

The volunteer experience also inspires participants to continue working for NGOs. According to CWISH's Finnish partner Interpedia, several former ETVO volunteers are still active in the organization.



Henriika Lindroos taught English at a centre where informal education is arranged for Nepalese children and women who work as domestic servants.



ETVO volunteer Erna Alitalo ran physical education classes at Ligula School in Mtwara, Tanzania in December 2009.

APPLICATION PROCESS REVAMPED

- ▶ In the new application process, potential volunteers apply to a particular NGO they want to work with, whereas before they applied to a specific country. KEPA's member NGOs and their Southern partners now take a more active role in selecting volunteers.
- ▶ In 2009 sixteen KEPA member NGOs took part in the ETVO volunteer programme, alongside 20 partner organizations in Asia, Africa and Latin America.
- ▶ Almost 50 applications were received, and 27 volunteers were eventually sent to work in the South in 11 different countries.
- ▶ For the second year running Finnish NGOs could receive volunteers from the South through the programme. Two Zambian volunteers spent a month in Finland – one working for the Global Dry Toilet Association of Finland in Tampere, and the other at the Student Union of the Turku University of Applied Sciences.
- ▶ ETVO furthers KEPA's global education goals by raising awareness of day-to-day life in the South. The application process for potential volunteers is run every autumn.



KEPA's website shapes visitors' world views

Two-thirds of visitors to the Kepa.fi website feel that it has made them more open to global solidarity, according to a survey conducted last year.

Over half of the site's users also say that it has encouraged them to act. Many users have begun to pay more attention to their consumption choices, by favouring Fair Trade, for instance. Kepa.fi has also encouraged many people to take part in events organized by KEPA or become active in NGOs themselves.

The Kepa.fi site is used by around 30,000 unique visitors a month. This figure has remained relatively stable for the past two years. Around half of visitors come to read articles from KEPA's magazine *Maaillman Kuvalehti Kumppani*. About a quarter primarily follow Kepa.fi's own news bulletins, and the rest visit the site to learn about KEPA's campaigns and events.

Responses to the visitor survey indicate high levels of satisfaction, with no fewer than 96% saying they are either quite happy or very happy with the website.

Current affairs, also covered by the mainstream media, gain the most attention, as Kepa.fi often brings an alternative perspective to these stories. Last year Kepa.fi had a few scoops – covering several significant stories before any other Finnish media, and gaining widespread references in subsequent reports in other media. Examples of such scoops included coverage of the World Food Programme's financial troubles and details of the UN trade and development organization UNCTAD's assessment of the return of casino-style speculation to financial markets.

KEPA's other websites – Etvo.fi, Globbarit.fi, Globaalikasvatus.fi, Mahdollisuuskientori.fi, and Maaillmakylässä.fi – also attracted visitors throughout the year. *Maaillmakylässä.fi* was the most popular, with 40,000 unique visitors before the festival in May. During an ordinary month, the total number of visitors on all of KEPA's websites is around 43,000.



KEPA'S MAGAZINE RENAMED

Kepa's *Kumppani* ("Partner") magazine changed its name in 2009 to *Maaillman Kuvalehti Kumppani* ("World's Pictorial Magazine Kumppani"). The new name is more in tune with what the magazine is today – a pictorial covering global issues. The word 'Kumppani' will eventually be dropped from the name.

The magazine strives to make complex global issues easily comprehensible to the general public.

In 2009 the magazine highlighted such topics as land deals between rich and poor countries, the effects of the economic crisis on developing countries, and various aspects of climate change.

The magazine aims to raise public awareness of developing countries, and covers themes central to KEPA's work, such as impoverishing structures and trade policy. The magazine appeared 11 times in 2009, including one double issue.



Around 70 NGO activists from different parts of Nicaragua took part in a budget monitoring seminar organized by KEPA in the city of Boaco. Omar Treminio, an active member of an umbrella organization working for local democracy, was one of the instructors. Treminio's organization is one of KEPA's local partners.

KEPA's 20 years in Nicaragua: from volunteer placement to trade policy work

Last year KEPA celebrated its 20th anniversary in Nicaragua. In the beginning, KEPA's role mainly involved sending Finnish volunteers to work in Nicaragua, but it has since evolved to cover a wide range of development policy related activities.

KEPA's Nicaragua office works to further the global goals set out in KEPA's programme. KEPA's aims in Nicaragua are the same as in Finland – including fairer trade policies, improving the use of development funding, and strengthening Southern ownership.

Support for local NGOs is central to KEPA's work in Nicaragua. KEPA's cooperative network enables NGOs to monitor state and municipal budgets to ensure that the authorities use their resources in ways that reduce poverty. Nicaraguan NGOs have persisted with this budget monitoring work in the face of strong pressure from the government.

The other key focus area for KEPA's Nicaragua office is trade policy. KEPA is currently backing local NGOs' demands for a fair trade agreement between Nicaragua and the European Union. The EU is negotiating with Central American countries with the aim of liberalizing trade in goods and services. Nicaraguan NGOs want local agriculture and services protected against competition from Europe, although they would like to gain freer access to European markets for their export crops such as coffee and sugar.

KEPA's position is that trade negotiations should primarily be conducted under the auspices of the World Trade Organization. The EU, in contrast, is rushing ahead with negotiations conducted directly with poor countries. In the WTO, poor countries would be able to cooperate, whereas they are in a weaker position in direct negotiations with the rich block. On the local level, KEPA's Nicaragua office is working to raise awareness of the practical effects of trade policies on people's day-to-day lives.

KEPA'S COUNTRY OFFICE NETWORK STABILISED

Long-planned reforms to KEPA's network of country offices in the South were completed in 2009. It was decided that the Mekong office will remain in Bangkok, and KEPA's Zambia office was closed permanently. The Tanzania office was moved to the capital Dar es Salaam. KEPA's other country offices are in Mozambique and Nicaragua.

KEPA's country offices provide local support for NGOs working towards KEPA's

goals. They train NGOs and support their advocacy work. Last year in Mozambique KEPA also organized trade policy lobbying workshops in the capital Maputo and in Pemba in the north.

In Tanzania, KEPA organized a training session on the Economic Partnership Agreements (EPAs) between the EU and the East African Community. The Mekong office was engaged in similar work – sup-

porting a seminar on EU-ASEAN free trade negotiations run by the trade network FTA Watch.

Project advisors working in country offices also assist Finnish NGOs and their local partners.

KEPA's finances and administration

KEPA's budget for 2009 was, for the most part, allocated as planned, with €5.3 million used to finance the organization's main functions.

94% of KEPA's expenses were covered through funding obtained from the Ministry for Foreign Affairs. The largest other sources of revenue were again the World Village Festival and the MaaIlman Kuvalehti Kumppani magazine. Revenue from membership fees increased slightly from 2008.

The proportion of expenses spent on support functions such as administration and programme development continued to decline. Expenditure on the main objectives outlined in KEPA's programme increased. Around three million euros were spent on such activities, including measures to safeguard NGOs' operational capacity and development policy advocacy work.

Savings achieved in financial management and personnel expenses were greater than anticipated, resulting in an overall budget surplus.

At the end of 2009, KEPA had 282 member organisations.

KEPA'S STAFF

- ▶ The number of employees remained constant. One local development policy worker was hired for KEPA's Mekong office, but the project advisor position in Zambia became redundant due to the closure of the office.
- ▶ The Helsinki office had 54 employees, eight of whom were temporarily covering for permanent employees.
- ▶ KEPA's country offices employed a total of 29 people, including 7 posted from Finland and 22 hired locally.
- ▶ For the first time in KEPA's 24-year history an employee retired from the Helsinki office having reached pensionable age.
- ▶ In a recent survey more than 80% of KEPA's employees described their working environment positively. Almost 90% are enthusiastic about their own work and feel it is meaningful.

EXPENDITURE ON KEPA'S MAIN FUNCTIONS BY PROGRAMME AREA AND LOCATION (2,997,000 EUROS IN TOTAL)

SAFEGUARDING MEMBER ORGANISATIONS' OPERATIONAL CAPACITY 782,531 (26%)

e.g. provision of training and services, promoting interests of members

Finland	548,330 (70%)
Country offices	234,201 (30%)

COMMUNICATIONS 476,267 (16%)

Finland	424,470 (89%)
Country offices	51,796 (11%)



GLOBAL EDUCATION ACTIVITIES 960,191 (32%)

e.g. World Village Festival, Markets of Possibilities, Finnish Volunteer Programme (ETVO)

Finland	959,961 (100%)
Country offices	230 (0%)

DEVELOPMENT POLICY, ADVOCACY AND CAMPAIGN WORK 778,392 (26%)

Finland	312,585 (40%)
Country offices	465,807 (60%)



FORMER RED CROSS HEAD IS KEPA'S NEW CHAIRMAN

Markku Niskala was chosen as KEPA's new chairman at the organization's autumn meeting. Niskala worked for over 40 years for the Red Cross, serving most recently as the Secretary General of the International Federation of Red Cross and Red Crescent Societies.

A new board was also appointed, comprised of 15 members and eight deputy members.

KEPA's new programme for the years 2010–2012 was also discussed at the meeting. New focuses include the link between climate change and poverty.

