MEMORANDUM

OECD-DAC PEER REVIEW OF DENMARK 2021

Ministry of Foreign Affairs of Denmark
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EXECUTIVE SUMMARY

This Memorandum presents features of Denmark’s development cooperation including changes introduced since the 2016 peer review and makes suggestions for the focus of the 2021 peer review.

Global efforts for sustainable development. Denmark is committed to coherent policies and legislation for sustainable development, consistent with international commitments and endorsed at the highest political level. Efforts to this end are work in progress engaging the Government as well as Parliament, the Auditor General’s Office, civil society, and Statistics Denmark. The Climate Act and the Governments Global Climate Action Strategy exemplify a coherent approach across national and international action also contributing to setting the stage for a new strategy for development cooperation and humanitarian action to be presented to Parliament in 2021. Denmark is pushing for Build Back Better and Greener (BBBG) from the COVID-19 crisis and renewing its commitment to women, peace and security and the protection of women from gender-based violence.

Policy vision and framework. Since the last peer review, the policy vision and framework have undergone several changes. The Development Cooperation Act was revised to integrate the 2030 Agenda and SDGs, a new development cooperation strategy combined humanitarian action and development into one strategy, and most lately, the Aid Management Guidelines (AMG) have been revised to reflect the reinforcement of a holistic and adaptive approach of Doing Development Differently (DDD). As further base for decision-making, the Minister for Development Cooperation continues to publish the Governments priorities covering thematic priorities and levels of engagement as part of the annual cycle of preparing the Financial Bill for the coming year.

Financing for development. Denmark has lived up to the UN target of providing at least 0.7 % of ODA relative to GNI since 1978. This was also the case for the period since the last peer review. Development assistance continues to be vital, but will have to be increasingly catalytic for enhancing financial flows and initiatives from other sources through improvements of the enabling environment including capacity development and other framework conditions. In addition, Denmark directly encourages engagement of the private sector through new forms of public-private partnerships, including the SDG Investment Fund, which will contribute to the SDGs through commercial investments in developing countries.

Structure and systems. The Danish development cooperation system continues to be one-stranded under the responsibility of the Minister for Development Cooperation. However, issues-based coordination and cooperation across Government is increasingly taking place. Financial and programming authority is delegated according to thresholds, and the responsibility for planning, preparing and implementing is to a certain extent decentralized to embassies in priority countries and missions accredited to UN organizations. The introduction of DDD marks an innovative approach to development planning and programming. MFA is an integrated/unified and relatively small service where demands on all staff continue to increase. A major initiative to strengthen the overview, use and development of staff members’ professional competencies across the MFA has been launched.

Delivery, modalities and partnerships. Denmark strives to ensure predictability through strategic multi-annual partnerships and to align to partners’ objectives and management systems. The level of alignment depends on the capacity of the recipient country and on contextual developments as they evolve over time and vary between and within countries. DDD and the adaptive management approach require more regular country dialogue with government and stakeholders, which expectedly will address some of the challenges arising from implementation through a broader range of stakeholders including the channelling of an increasing part of Danish development through multilateral and international organisations. The process to document the justification for partner identification and choice and to enhance focus on local ownership and adaptive management has
been updated. A new public-private partnership approach has been introduced, and following the recommendations of the peer review, various cooperation modalities with Danish CSOs were replaced with four-year Strategic Partnerships.

**Results management, evaluation and learning.** A Results Reporting Project launched in 2019 aims to improve accountability, and ensure compliance with the legal obligation to communicate results to Parliament and to inform the public through improving the coverage and quality of data, upgrading of the website “OpenAid”, and improving accountability measures. The evaluation programme has become more programmatic and coherent, identifying areas of high interest, such as climate change, and bundling various evaluation activities. There is room for strengthening the institutional learning processes between the decentralized (embassies and missions) and central level in order to improve results monitoring and reporting throughout the organization. The new DDD approach is expected to advance knowledge exchange and learning in this regard.

**Fragility and humanitarian action.** Denmark aims at ensuring coherence and complementarity between humanitarian action and long-term development cooperation through humanitarian assistance, support to bilateral and multilateral development cooperation in countries affected by fragility and displacement, and support to stabilisation in conflict-affected areas. Denmark actively participates and contributes to a number of global forums and agendas and six of Denmark’s 12 priority countries are poor, fragile states. DDD facilitates building coherence and complementarity across all involved programmes and partnerships, including across the humanitarian-development nexus and with linkages to stabilisation programmes. The work is guided by the 11 principles of the OECD DAC Recommendation on the Humanitarian-Development-Peace Nexus.

**Suggested focus of the 2021 peer review.** We would appreciate guidance from the peer review in the following four areas:

1) **Doing Development Differently (DDD).** DDD was launched in 2019 with the dual objectives of strengthening the strategic coherence and the flexibility of our bilateral as well as multilateral development engagements. Based on the initial experiences, we invite feedback from the peer review on the approach and its implementation.

2) **Results management.** A Results Reporting Project launched in 2019 is being rolled out to improve accountability and to ensure compliance with the Ministry’s legal obligation to communicate results to Parliament and to inform the public. We invite feedback from the peer review on the challenges and how to best ensure achievement of the objectives of the project.

3) **The Humanitarian-Development-Peace Nexus.** In 2017, when Denmark’s Act on Development cooperation was aligned with the 2030 Agenda, we also, for the first time, combined our humanitarian strategy and our development cooperation strategy into one joint strategy underlining that more holistic approaches and joint utilisation of available tools are called for. We invite feedback from the peer review on successes and shortcomings in the way we are implementing this integrated approach.

4) **Climate assistance.** Cooperation on climate is expected to be at the core of the new Danish development cooperation strategy. Two independent evaluations of development cooperation in the area of climate change will feed into the discussions. One evaluation on adaptation, one on mitigation with expected publication in February and April 2021 respectively. In addition, in January 2021 a report from the Auditor General’s Office on Denmark’s climate assistance was critical of the application of the Rio Markers for reporting as well as of the underlying methodology. We invite guidance from the peer review on the future of Denmark’s climate assistance including in relation to the realization of co-benefits.
CHAPTER 1: GLOBAL EFFORTS FOR SUSTAINABLE DEVELOPMENT

1.1 EFFORTS TO SUPPORT GLOBAL SUSTAINABLE DEVELOPMENT

Support for global agendas and commitments

Denmark’s development cooperation is a tangible and visible contribution to the joint responsibility Denmark assumes for the world’s development. Denmark has lived up to the UN target of providing at least 0.7% of GNI to Official Development Assistance (ODA) since 1978, and Danish development cooperation is an integral part of Denmark’s global engagement and vision of a world that is a safer, freer, more prosperous, sustainable and just place to grow up for the future generations.

The common global vision and ambition expressed in the 2030 Agenda and Sustainable Development Goals and notably the Paris Agreement, are strongly in line with Danish values and interests for which Denmark has worked for globally for decades.

With the adoption, by a large majority in Parliament in 2017, of the Danish Strategy for Development Cooperation and Humanitarian Action “The World 2030” (2017-2021), the UN Sustainable Development Goals came to the forefront of Denmark’s development cooperation. The strategy is strongly committed to contribute to realising the global ambition of a world in balance without extreme poverty, with sustainable growth and development – financially, socially and environmentally – where no one is left behind.

The strategy expires in 2021. The present Government has announced its plans to have a new development strategy agreed upon in 2021. As indicated in the recently launched Danish Global Climate Action Strategy, climate and environmental support will be central in the new development strategy and closely tied to efforts to fulfil the SDGs.

No country is currently on track to achieve the SDGs by 2030. In addition, COVID-19 has negatively affected progress towards the achievement of almost all of the SDGs. Vulnerable and least developed countries have been hit particularly hard by the pandemic, and Africa’s development trajectory has suffered a severe setback, with extreme poverty rising. COVID-19 has reminded us that we live in a closely connected world. What happens locally can have severe consequences globally. Denmark recognizes that in order to find solutions to global challenges it is essential that development assistance also support a strong multilateral system and organisations, which can take the lead in driving sustainable development, build international peace and security, and protect human rights.

Denmark aims to work through a Whole-of-Government and ideally Whole-of-Society approach. Thus, the aim is to draw on all assets of the Danish society: knowledge, principles, values, competencies and strengths, public authorities, civil society, trade associations, labour organizations, businesses, cities, private foundations, pension funds, the financial sector and research institutions.

In 2021, Denmark will be conducting its second Voluntary National Review at the UN High Level Political Forum. Building on its VNR in 2017, Denmark will continue to include contributions from a broad range of stakeholders in the process to help identify common challenges and priorities.

Priority issues for global engagement

Responding to COVID-19, climate change and international peace and security are among the priority issues for Denmark’s global engagement.
Denmark responded to the COVID-19 crisis with an early and swift allocation of more than 1 billion DKK from humanitarian and development funds to COVID-19 alleviation with a particular focus on COVID-19’s impact on Africa and the global refugee and displacement crisis. In addition, Denmark is supporting a green recovery after COVID-19 - Build Back Better and Greener - with a focus on clean water and energy, a socially just green transition that creates growth and opportunities for all, and which fights inequality. To support this, Denmark will work jointly with the other Nordic countries (see below) to shift financial streams from black to green and mobilize investment for green transition and climate adaptation.

Following the adoption by Parliament in 2020 of the Danish Climate Act with a legally binding commitment to reduce greenhouse gas emissions by 70% by 2030 and following the Government’s launch later in 2020 of the Global Climate Action Strategy, A Green and Sustainable World, Denmark is strengthening its multilateral and bilateral climate diplomacy.

The objective is to influence other countries to commit to green transition by taking action to raise significantly global ambitions for the climate and resilience, the environment and nature, and by actively advancing implementation of the Paris Agreement, and further sustainable development in line with the SDGs. The bilateral climate diplomacy effort focuses on countries where Denmark has particular opportunities for influencing given its broad engagement, and will vary according to the challenges and opportunities of the given country. In addition, Denmark will work for comprehensive solutions through multilateral efforts and through the EU and by engaging non-state actors.

To enable this ambitious, persistent, multifaceted and integrated global climate effort, the Government has designated 20 Green Frontline Missions across the world, nominated a Climate Ambassador to spearhead the climate diplomacy through a whole-of-Government approach, and established a new cross-cutting Department for Green Diplomacy and Climate in the MFA.

Regarding international peace and security, the rising number of conflict-affected people and an increasing duration of protracted crises, has made it evident that international humanitarian assistance alone is not sufficient to address the needs resulting from humanitarian crises. Instead, more holistic approaches and joint utilisation of available tools, i.e. humanitarian assistance, development cooperation and political dialogue, are called for.

Thus, the humanitarian-development nexus is a defining element in Denmark’s strategy for development cooperation and humanitarian action and has also been a guiding principle for Denmark’s operational support and in terms of policy approach in most major international fora related to fragility and displacement during the past several years. These include the World Humanitarian Summit in 2016, the Grand Bargain process, the Global Compact on Refugees (including the Global Refugee Forum), and the OECD-DAC INCAF-process.

Facilitating greater coherence and coordination across the humanitarian-development-peace (HDP) nexus is among the reasons for Denmark’s decision to focus its assistance to protracted humanitarian crises on 12-15 prioritised complex emergencies.

The fourth Danish national action plan (NAP) on Women, Peace and Security was launched in December 2020. Reflecting a whole-of-government approach, the NAP will be implemented jointly by the Ministry of Foreign Affairs, the Ministry of Defence and the Ministry of Justice. It has a strong and human rights based focus on promoting women’s participation in all areas of peace building and stabilisation/security. Furthermore, it addresses Sexual and Gender Based Violence (SGBV) in fragile and conflict-affected settings.

Migration is a key Danish development priority. Since 2016, Denmark has increased its focus on migration by supporting country specific, regional and global initiatives. Denmark contributes to countering irregular migration and addressing the root causes of migration in both countries of origin
and transit. In 2017, Denmark appointed an ambassador and dedicated funds to facilitate return and readmission, and in 2020 further created a high-level position as Special Envoy for Migration, established an Inter-Ministerial Task Force and dedicated additional funds to counter irregular migration.

The priority issues for global engagement are reflected in the Government’s Priorities for Danish Development Cooperation 2021, which presents the expenditure framework for the development cooperation for the period 2021-2024. In the run-up to the preparation of a new development policy strategy, this Government has put emphasis on especially on three areas. i) Climate and the Green Agenda: Danish leadership of the green transition internationally and in development cooperation; ii) Irregular Migration and displacement: Better help for more people in regions affected by crisis, conflict, displacement and fragile states; and iii) Solidarity with Africa including through a focus on access to clean water and energy, COVID-19 recovery and gender equality.

Leadership

From January 2021, Denmark will chair the multi-stakeholder partnership Call to Action Call on protection from gender-based violence in emergencies (Call to Action) for a two-year period with the ambition to ensure that every humanitarian action includes prevention, mitigation and response to sexual and gender-based violence against women and girls in humanitarian crises.

In October 2020, the Government of Denmark, in partnership with the Government of Germany, the European Union, and the United Nations hosted a high-level humanitarian event on the Central Sahel bringing together a broad array of partners. The initiative mobilized USD 1.7 Billion to scale-up lifesaving humanitarian aid to millions of people in Burkina Faso, Mali and Niger, and to help stem what could otherwise become one of the world’s biggest humanitarian crises.

In August 2020, in the wake of the initial impact of COVID-19, the Danish Minister for Development Cooperation organized an international High-Level (virtual) Round Table to build momentum around efforts to Build Back Better and Greener (BBBG). Joining hands with his Nordic colleagues, this has led to a number of Nordic initiatives. These include replenishment of the Nordic Development Fund (NDF) to the tune of EUR 350 million as a “BBBG flagship”; support for developing countries’ access to COVID-19 vaccines; and joint climate diplomacy targeting the multilateral development banks to ensure green transition, halt support for fossil energy and ensure integration of the BBBG-principles in the banks’ support for COVID-19 recovery.

Following the UNSG Climate Summit in 2019, where Denmark in collaboration with Ethiopia co-lead the energy transition track and facilitated multi-stakeholder coalitions for the Summit on decarbonizing shipping, cooling and energy efficiency, the Danish Prime Minister announced continued SDG7 leadership and this is now an integrated part of the Government’s new strategy for global climate action. A particular focus in 2021 will be on the high-level SDG7 dialogue as a steppingstone towards COP26 for which Denmark has applied to become global champion, with an emphasis on energy transition and coal phase out as well as access to renewable energy in Africa.

To improve the effectiveness of the multilateral system and agencies, Denmark is also supporting the UN Development System Reform. Denmark co-chaired the negotiations in the UN General Assembly in 2018 and Denmark supports the implementation of the reform financially.

1.2 POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT

Commitment to policy coherence for sustainable development
Denmark is committed to coherent policies and legislation for sustainable development, consistent with international commitments and endorsed at the highest political level. As described below, efforts to this end are ongoing engaging the Government as well as Parliament, the Auditor General’s Office and civil society.

In 2017, the Danish Government adopted its first national action plan on the implementation of the SDGs built around priority clusters allowing for identification of synergies and trade-offs as well as effective monitoring and reporting. The action plan contains 37 national objectives for which progress is reported annually to Parliament. The action plan focuses on incorporating the SDGs into domestic policies, inter alia through a mechanism, designed to assess legislative proposals in terms of their cross-sectoral consequences for the SDGs within the framework of the action plan.

In autumn 2019, the Finance Committee of Parliament asked the Auditor General’s Office to review progress towards Denmark’s achievement of the SDGs. In its report from October 2020, the Auditor General’s Office noted that too little had been done across the Government administration to analyze, integrate and implement the SDGs in ministries and underlying agencies and that Parliament had not been clear in its reporting requirements. Concerning the mechanism designed to assess legislative proposals, the Auditor General’s Office noted that the assessments of legislative proposals had not been sufficiently documented, and that they disregarded potential negative consequences of the proposals.

The current Government has announced that a new national SDG action plan will be published in the first half of 2021. The new plan will strive to achieve a certain amount of specific targets and show the Government’s commitment to identify synergies and trade-offs to foster policy coherence for sustainable development. Concrete indicators for each target will ensure effective monitoring and provide a framework for the ministries to coordinate national and international SDG initiatives. The mechanism designed to assess legislative proposals in terms of their cross-sectoral consequences for the SDGs will be reconsidered as part of the up-coming action plan process. Using the action plan as foundation, the Government will ensure that annual progress reports are sent to Parliament.

In October 2020, the Vores Mål Projekt (Our Goals Project) led by Statistics Denmark supported by the 2030-Panel (see below) proposed 197 indicators for monitoring Denmark’s domestic progress towards achieving the SDGs.

Institutional mechanisms, including cross-government mechanisms
Since 2017, an inter-ministerial working group consisting of representatives from all ministries and led by the Ministry of Finance has been in charge of developing and monitoring the action plans for the SDGs.

In 2017, the Finance Committee of Parliament established the All Party Coalition for the Sustainable Development Goals referred to as The 2030-Network as a sub-committee. The Network is a platform for broad discussions on SDGs across political parties and with civil society and the private sector. To that end, the Network established the 2030-Panel consisting of 24 diverse stakeholder profiles representing key players in the Danish society to serve as an advisory body to support the 2030-Network in its context-sensitive learning and action for impactful national sustainable development policy-making.

Priority issues for policy coherence

The Government wants to ensure that efforts to fight climate change and support sustainable development go hand in hand. Meeting the goals of the Paris Agreement and the SDGs serve as
the framework for the efforts. The Danish Climate Act (2020) and the Government's global climate strategy (2020) constitute an example of a priority issue for policy coherence.

The Climate Strategy spans across government and sectors, applies an integrated approach to reduction, adaptation and sustainable development with a double focus on the aims of the Paris Agreement as well as the SDG, and combines action across the UN, the EU, countries, and non-state actors. It cuts across five strategic axes of action: 1) climate ambition, 2) reduction of GHG emissions, 3) climate adaptation and sustainable development, 4) mobilization of finance, 5) engaging the business community.

As part of the Climate Strategy, the Government will inter alia work to support a reduction of the global climate footprint of Danish and foreign businesses, with a focus on the value chain. The Government will also strengthen responsible and deforestation-free value chains for agricultural goods in order to benefit the climate, biodiversity, and social conditions in producer countries, and to reduce the Danish climate and environmental footprint.

In the Climate Strategy, the Government also outlines its intentions for the Danish development cooperation. The Government wants to ensure green development cooperation rooted in solidarity with a stronger focus on adaptation and sustainable development in the poorest and most fragile developing countries, where more people must have access to clean energy and clean water. The Government also wants to explore positive synergies between a green transition, climate adaptation and achieving the other SDGs, such as SDG 5 on gender equality. Investments in women’s and girls’ education and sexual and reproductive health and rights contribute to improving the inclusion of women in political and economic life and help to break the population curve. This also applies to SDG 8 on decent jobs and economic growth, where the green transition can be a tool for creating new green jobs, including by investing in workers with green skills.

Further details will be developed in the new strategy for development policy to be presented to Parliament in 2021. Meanwhile, the Finance Act for 2021 allocates DKK 2.9 billion of the development budget for climate and the green agenda.

With regard to international trade, Denmark is actively working for a free, fair and sustainable trade policy that can contribute to ensuring that trade will benefit all groups. This includes working for solid trade and sustainable development chapters in EU trade agreements. Regarding the green agenda, Denmark will also push for new WTO negotiations on liberalization of green goods and services; increased use of green labelling schemes and standards; and a more active effort to phase out subsidies for fossil fuels.

1.3 GLOBAL AWARENESS

Efforts towards raising global awareness and citizenship at home

The overall purpose of the Ministry of Foreign Affairs’ communication to and engagement of the Danish population is to enhance the knowledge and understanding of the challenges of developing countries and the significance of Denmark’s participation in international development cooperation. Understanding of and engagement in global issues is a precondition for popular support for development policy. A 2020 survey on the Danish population’s knowledge of and support to development issues shows, that 63 percent of the population is supportive of the development cooperation of the Danish Government.

The communication to and engagement of the Danish population is to a high degree based on a partnership approach. MFA facilitates the work of the civil society organizations in engaging the Danes in global issues. In recent years, a stronger emphasis has been placed on reaching out to
target groups not already engaged in or taking an interest in development and global issues. This approach has entailed cooperation with partners on existing popular platforms like media, campaigns and festivals and development of new sustainable and engaging initiatives, customised to meet the targets groups at eye level.

For a number of years, the social media presence of MFA has been gradually strengthened in order to support efforts to engage and inform the broader public. The transparency and feedback possibilities of digital communication underpin MFA's ambition to communicate in an open, dialogue-oriented and pro-active way. Furthermore, the above-mentioned partnership approach is also an integral part of the MFA digital communication, offering synergy and multiplying effects.

The core messages in communication and outreach are based on the Strategy for development cooperation and humanitarian action, The World 2030, and Government initiatives. All placed within an SDG framework.

Denmark has an official website for the SDGs, which focuses on raising awareness and increasing knowledge about sustainable development and the 2030 agenda to show that the SDG are as important and relevant to the Danish population as to the rest of the world. The independent media organization World’s Best News manages the website with financial support from the Government.

CHAPTER 2: POLICY VISION AND FRAMEWORK

2.1 FRAMEWORK

Vision

The objective for Denmark’s development cooperation is stated in opening articles of the International Development Cooperation Act as amended in 2017:

“The objective of Denmark’s development cooperation is to fight poverty and promote human rights, democracy, sustainable development, peace and stability in accordance with the United Nations Charter, the Universal Declaration of Human Rights and the United Nations’ human rights conventions and with a key focus on the United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

Danish development cooperation shall contribute to promoting Denmark’s interests in a more peaceful, stable and equal world. Consequently, development policy is a central and integral element of Danish foreign policy, which recognizes that developing countries are not only affected by development policies but also by other policy areas.

The objective stated will be pursued through partnerships with developing counties and within the framework of internationally recognised principles and objectives for development cooperation and principles of humanitarian aid.”

The Act came into force in January 2013 (replacing the former act from 1971) and amendments came into force in January 2014 and January 2017. The latter amendment ensured alignment with the 2030 Agenda, including with regard to the Investment Fund for Developing Countries (IFU).

Denmark’s strategy for development policy and humanitarian action, “The World 2030”, further elaborates on this vision. According to the strategy, the vision of Denmark’s development policy is a more secure, free, prosperous, sustainable and just world where each individual, now and in the
future, is able to take charge of their own life and provide for their family. Denmark works to realise this vision through active development cooperation that contributes to achieving the Sustainable Development Goals, fights poverty, creates equal opportunities for everyone and contributes to reducing inequality. The Strategy also confirms that Denmark will maintain its long-standing track record of fulfilling the UN goal that the world’s rich countries should contribute minimum 0.7 percent of the gross national income to development assistance.

As mentioned in Chapter 1, the Government has announced its plans to have a new development cooperation and humanitarian strategy approved by Parliament in 2021.

Scope

In 2017, when the Act on Development cooperation was aligned with the 2030 Agenda, we also, for the first time, combined our humanitarian strategy and our development cooperation strategy into one joint strategy underlining that more holistic approaches and joint utilisation of available tools, i.e. humanitarian assistance, development cooperation and political dialogue, are called for.

The Strategy has four objectives: 1) Security and development – Peace, stability and protection, 2) Migration and development, 3) Inclusive, sustainable growth and development and 4) Freedom and development – democracy, human rights and gender equality. To achieve the objectives, Denmark’s efforts will be focused in areas, where a) Denmark has the most at stake in terms of interests and values, b) Denmark can obtain influence through strategic use of its strengths, expertise and experience, and c) Denmark can establish partnerships on a common cause, or take the lead to advance an agenda.

The Strategy identifies three country categories: i) poor, fragile countries and regions characterized by fragility, ii) poor stable countries, and iii) transition and growth economies. Denmark is engaged extensively through country programmes in 12 priority countries, all belonging to one of the first two categories. Global programmes such as the Strategic Sector Cooperation (SSC) and the Danish Energy Partnership Programme (DEPP) are primarily operational in the third category of countries, while regional programmes, such as the Danish-Arab Partnership Programme (DAPP) and the Danish Neighborhood Programme may include countries from all three categories.

2.2 PRINCIPLES AND GUIDANCE

Comprehensive approach

The principles for the Danish bilateral and multilateral development cooperation and humanitarian assistance are operationalized through the Aid Management Guidelines (AMG). In autumn 2020, the AMG were updated to strengthen the relevance and effectiveness of Danish development cooperation through the reinforcement of a holistic and adaptive approach – Doing Development Differently (DDD) - with a focus on results, continuous learning and decision-making, as well as local ownership.

The AMG identifies the context analysis for preparing country strategic frameworks, programmes and projects as the entry point for taking the social, economic and environmental aspects of sustainable development into account. More specifically, the guidance points to issues such as fragility, conflict and resilience; human rights, gender and youth and Human Rights Based Approach (HRBA); as well as inclusive sustainable growth, climate change and environmental assessment. In each area, checklists and references are provided. Specific guidance is provided in a few areas such as gender equality, fragility, youth, capacity development, HRBA, green growth. As of December
2020, the latter two guidance and screening notes are awaiting update as part of the overall update of the AMG.

An initiative to strengthen systematic results reporting was initiated in 2020 (please see Chapter 6). The focus on enhanced results reporting across all levels in the organization will enhance the ability to assess the impact our programming is having on key priority areas and with regard to crosscutting issues.

Poverty reduction and leaving no-one behind

The objective of Denmark’s development cooperation is among other things to fight poverty with a key focus on the United Nations 2030 Agenda for sustainable development and the Sustainable Development Goals. The vision is a world in balance without extreme poverty, with sustainable growth and development – financially, socially and environmentally – where no one is left behind. The Danish strategy on development cooperation and humanitarian action (2017) is based on a human rights based approach and emphasizes the importance of the SDGs thus having ‘Leaving no one behind’ as an overall principle to Danish development cooperation and humanitarian action implying that everyone especially the most vulnerable groups are included.

The AMG identifies the context analysis for preparing country strategic frameworks, programmes and projects as the entry point for taking poverty reduction into account e.g. general development challenges including poverty, equality/inequality, national development plans/poverty reduction strategy, and humanitarian assessment.

2.3 BASIS FOR DECISION-MAKING

Country, regional and global engagements and global public goods

According to Article 5 of the International Development Cooperation Act, the Minister for Development Cooperation shall once a year, present a four-year plan to the Folketing (Parliament) covering expenditure on bilateral as well as multilateral development activities for the following financial year and the subsequent years covered by the budget estimations of the finance bill.

The four-year plans and expenditure frameworks referred to as the Government’s priorities for development cooperation are developed and published as part of the annual cycle of preparing the Financial Bill for the coming year. The four-year plans cover thematic priorities and levels of engagement (country, regional, global). The latest was published in October 2020 and covers the period 2021-2024.

Together with the strategy for Denmark’s development policy and humanitarian action, the four-year plans and the annual financial bills present the rationale for Denmark’s decisions to engage in international development co-operation and humanitarian action.

Inclusive development partnerships

Partnerships with multilateral and international organizations, civil society, research institutions, the private sector and not least with the countries with which we work, their governments at all levels, and civil society are at the core of Denmark’s development cooperation in line with the 2030 Agenda and the Addis Ababa Agreement on Financing for Development.

Denmark regards civil society as powerful agents of change in the promotion of a democratic culture and to promote and uphold rights and strongly supports an enabling environment and space for civil
society, including through advocacy within the OECD DAC for the adoption of a recommendation in that regard (please also see Chapter 5.1 about effective partnerships).

The complexity of sustainable development challenges often calls for more or less formalized multi-stakeholder partnerships where each partner contributes with its particular strengths and expertise to create synergies. This point is illustrated in Info Box 1 through the example of the Danish support for strengthening policy coherence for sustainable development in the context of the ready-made-garment industry in Bangladesh where the Danish Country Programme (2016-2022) has a strong focus on supporting Bangladesh’ political ambition of passing the LDC graduation while working towards sustainable and inclusive growth.

Info Box 1: Policy coherence for sustainable development in the context of the ready-made-garment industry in Bangladesh

Bangladesh’s significant growth over the last decade has to a large extent been driven by the Ready-Made-Garment industry which also has considerable environmental impact, just as labour rights remain a significant challenge. A number of initiatives and partnerships to improve the sustainability of the value chain are supported by Denmark:

- A greener and more resource efficient Ready-Made-Garment sector is supported through a partnership with the International Finance Corporation (IFC) engaging global apparel brands, textile factories, the industry association, relevant government partners, financial institutions and technology vendors. Key parameters addressed are waste water pollution, reliable supply of energy, knowledge and finance to adopt efficient processes and technologies, and the regulatory environment.

- Labour rights are at the centre through support provided for the ILO-IFC Better Work Programme, where Bangladesh is one of seven partner countries. Focus is on in-factory compliance with the ILO fundamental principles, influencing brands and buyers, supporting government agencies in their capacity to engage on the agenda and provide policy guidance at a global level. Denmark’s close collaboration with the Danish Union 3F’s Bangladesh Office contributes to a good practical understanding of the actual supply chain challenges to be addressed.

- There are significant synergies between the ILO project and the Strategic Sector Cooperation (SSC) between the Danish Working Environment Authority and the Bangladeshi Labour Inspection. The SSC has also proven instrumental in creating opportunities for larger Danish brands to take part in the dialogue and cooperation on sustainability and labour rights for increased competitiveness.

- The work is underpinned by two projects funded under the Danida research grants. The first pointed to positive results from combining efforts to increase productivity with strengthening the working environment and the findings are now being implemented in the sector. The second is looking into how to conduct sustainability audits.

With a Sector Advisor placed at the Danish Embassy in Dhaka, Denmark is in a unique position to strengthen cooperation and coordination to promote decent, safe and fair working conditions. Denmark has an active voice on the importance of sustainable development through its engagement in policy dialogue with relevant stakeholders through formal and informal channels. Most recent, Denmark has played an active role in setting up EU’s Team Europe Initiative on Decent Work in Bangladesh with the ambition to bring policy dialogue, trade and development work closer.

Multilateral co-operation
Partnerships with multilateral organizations is one of the cornerstones of Denmark’s development cooperation through provision of core contributions and through targeted interventions to create synergies with bilateral initiatives – as illustrated in Info Box 1 above.

The Guidelines for Management of Danish Core Support to Multilateral and International Organisations were revised in 2020. The revision includes: i) Introduction of DDD initiatives (such as contact groups, and bringing units and instruments closer together). ii) Results monitoring, reporting and learning initiatives (e.g. reporting to OpenAid and an annual stock-taking report). iii) Leaner processes and procedures (e.g. replacing mandate notes with an annual action plan and informal discussions in the contact groups). iv) Introduction of clear definitions for soft earmarking and Strategic Partnership Agreements.

Support for multilateral organizations – the UN, development banks and international organizations – is based on organization strategies and on the joint MOPAN assessments of the performance of international organizations.

To improve the effectiveness of the multilateral system and agencies, Denmark is also supporting the UN Development System Reform. Denmark co-chaired the negotiations in the UN General Assembly in 2018 and Denmark supports the implementation of the reform financially.

CHAPTER 3: FINANCING FOR DEVELOPMENT

3.1. OVERALL ODA VOLUME

ODA targets, trends and plans to meet targets

Denmark has lived up to the UN target of providing at least 0.7 % of GNI to ODA since 1978. This was also the case for the period of 2015-2019, where the average Danish ODA disbursements amounted to 0.75 % of GNI. Figure 3.1 provides an overview of the Danish disbursements relative to GNI for the period. The 2017 strategy for development cooperation and humanitarian aid, “The World 2030”, states: “Denmark will maintain its long-standing, politically broad tradition of fulfilling the UN goal that the world’s rich countries should contribute minimum 0.7 percent of the gross national income to development assistance.”

Figure 3.1: ODA as share of GNI, 2015-2019*

Source: Own calculations based on stats.oecd.dac table DAC1. Net disbursements as share of GNI.
*2018-2019 based on grant equivalent as percentage of GNI and 2015-2017 based on net disbursements as share of GNI. 2019 is based on preliminary figures.
In terms of volume, the Danish ODA disbursements averaged approximately 2.6 billion USD (2018 prices) across the 2015-2019 period as evident in Figure 3.2 above.

The Danish Finance Act determines the overall allocation of resources to bilateral and multilateral development cooperation broken down in overall frames for priority countries and multilateral organizations. As part of the annual Finance Act process, the Government presents a short policy publication “Priorities of the Danish Government for Development Cooperation”.

**ODA reporting**

Denmark completed a Statistical Peer Review in September 2019. The review covered the statistical policy issues, domestic data collection; statistical reporting; performance on DAC recommendations and international commitments; transparency; data accessibility; and publication of statistics. The report presents the key findings of the review, appreciating our advanced IT systems and automated tools for managing development co-operation and tracking financial commitments, but also highlighting the need to improve inter alia the quality assurance of the statistical dimensions at the activity level. In general, Denmark strives to provide the annual statistical reports on time and in conformity with the DAC directive and decisions made at the WP-STAT meetings.

A minor part of Danida development cooperation is tied aid under the Danida Sustainable Infrastructure Finance (DSIF). Based on findings and recommendations of an evaluation to be finalized during 2021, a possible reform of the instrument will be considered.

**3.2. BILATERAL ODA ALLOCATIONS**

**Geographic allocations**
The geographic allocation of the Danish bilateral official development assistance is guided by three country categories: i) poor, fragile countries and regions characterized by fragility, ii) poor stable countries, and iii) transition and growth economies. Denmark is engaged extensively through country programmes in 12 priority countries, which belong to one of the first two categories above. The priority countries are where Denmark is present with a long-term engagement and financial and political weight. The priority countries are Afghanistan, Burkina Faso, Mali, Niger, Palestine and Somalia in the category of poor, fragile countries and regions characterized by fragility and Bangladesh, Ethiopia, Kenya, Myanmar, Tanzania and Uganda in the group of poor, stable countries. Eight of the 12 priority countries are located in Africa. Table 3.1 provides an overview of the top-20 recipients of Danish bilateral ODA in 2019.

Table 3.1: Top-20 recipient countries of Danish bilateral aid, 2019

<table>
<thead>
<tr>
<th>Recipient</th>
<th>USD millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>97.5</td>
</tr>
<tr>
<td>Syria</td>
<td>81.9</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>73.3</td>
</tr>
<tr>
<td>Somalia</td>
<td>60.0</td>
</tr>
<tr>
<td>Tanzania</td>
<td>44.6</td>
</tr>
<tr>
<td>Kenya</td>
<td>41.9</td>
</tr>
<tr>
<td>Mali</td>
<td>41.6</td>
</tr>
<tr>
<td>Yemen</td>
<td>40.9</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>29.6</td>
</tr>
<tr>
<td>Myanmar (Burma)</td>
<td>29.3</td>
</tr>
<tr>
<td>Uganda</td>
<td>29.1</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>27.8</td>
</tr>
<tr>
<td>Ukraine</td>
<td>24.9</td>
</tr>
<tr>
<td>Iraq</td>
<td>20.9</td>
</tr>
<tr>
<td>Mozambique</td>
<td>16.5</td>
</tr>
<tr>
<td>Niger</td>
<td>13.0</td>
</tr>
<tr>
<td>South Sudan</td>
<td>12.7</td>
</tr>
<tr>
<td>Gaza/West Bank</td>
<td>11.3</td>
</tr>
<tr>
<td>Lebanon</td>
<td>10.6</td>
</tr>
<tr>
<td>Ghana</td>
<td>7.2</td>
</tr>
</tbody>
</table>

Source: Denmark’s CRS data 2019, net disbursements in USD

Thematic allocations

Figure 3.3 shows the sectoral breakdown of Danish ODA disbursements in 2019.
As shown in figure 3.3, the sectorial distribution of Danish ODA disbursements in 2019 points towards a significant share of the disbursements aimed at Social Infrastructure & Services as well as Humanitarian Assistance. Combined the two sectors amount to 60 pct. of the total disbursements.

### 3.3. MULTILATERAL ODA ALLOCATIONS

**Multilateral allocations**

In 2019, Denmark provided more than DKK 9.7 billion to multilateral organizations for ODA purposes including more than DKK 5 billion as core contributions. The UN-family alone (including funds and commissions) received around DKK 4.5 billion, of which DKK 1.6 billion were core contributions. Table 3.2 shows the contributions in USD million.

**Table 3.2: Danish core contributions to multilateral organizations 2019, USD million**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Commission - Development Share of Budget</td>
<td>202.1</td>
</tr>
<tr>
<td>European Commission - European Development Fund</td>
<td>97.6</td>
</tr>
<tr>
<td>International Development Association</td>
<td>84.5</td>
</tr>
<tr>
<td>African Development Fund</td>
<td>64.1</td>
</tr>
<tr>
<td>United Nations Population Fund</td>
<td>45.0</td>
</tr>
<tr>
<td>World Food Programme</td>
<td>30.4</td>
</tr>
<tr>
<td>Central Emergency Response Fund</td>
<td>27.4</td>
</tr>
<tr>
<td>United Nations Office of the United Nations High Commissioner for Refugees</td>
<td>24.0</td>
</tr>
<tr>
<td>Global Fund to Fight AIDS, Tuberculosis and Malaria</td>
<td>22.5</td>
</tr>
<tr>
<td>Global Environment Facility - Least Developed Countries Fund</td>
<td>22.5</td>
</tr>
<tr>
<td>United Nations Development Programme</td>
<td>16.0</td>
</tr>
<tr>
<td>International Development Association - Multilateral Debt Relief Initiative</td>
<td>15.9</td>
</tr>
<tr>
<td>Asian Infrastructure Investment Bank</td>
<td>12.7</td>
</tr>
<tr>
<td>United Nations</td>
<td>12.4</td>
</tr>
<tr>
<td>United Nations Relief and Work Agency for Palestine Refugees</td>
<td>10.5</td>
</tr>
<tr>
<td>Other multilaterals</td>
<td>96.0</td>
</tr>
</tbody>
</table>
3.4. FINANCING FOR SUSTAINABLE DEVELOPMENT

Approach to financing sustainable development

Development assistance will continue to be vital, but going forward, it will have to be increasingly catalytic for enhancing financial flows and initiatives from other sources than official development assistance through improvements of the enabling environment including capacity development and other framework conditions. In addition to traditional official development assistance, Denmark believes that mobilization of the private sector is an essential source of funding for development. Continued close cooperation between MFA and IFU through blended finance arrangements will enhance sustainable productive investments in lower income countries. Innovative approaches to develop financial instruments to strengthen mobilization of additional private capital are actively pursued.

The countries where the SDGs lack the most are those affected by conflict and fragility. Climate change is an additional risk factor, in particular for least developed countries and fragile states, including in relation to indebtedness. A strong civil society is important to ensure democratic control of, inter alia, domestic resource mobilization.

Since 2012, Denmark has waived Value Added Tax (VAT) exemption in its development cooperation, meaning that VAT is accepted as eligible expenditure in countries of cooperation as a means to help partner countries increase their domestic resource mobilization through tax revenues and bring down the considerable transaction costs for national authorities associated with VAT refunds. Other forms of taxes, like import tariffs, are expected to be covered by the recipient country as an in-kind contribution to the engagement and budget.

Info Box 2 presents the Danish Strategic Sector Cooperation (SSC) Initiative, which aims at strengthening the framework conditions for sustainable development, improvements that in the longer run also will help attract new sources of investments.

<table>
<thead>
<tr>
<th>Info Box 2: Partnering with Denmark through the Strategic Sector Co-operation Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Strategic Sector Cooperation Initiative (SSC) was launched in January 2015 and is promoting partnerships between Danish and local authorities. The objective is to support partners in strategically important developing transition economies to strengthen their framework conditions for sustainable development in areas such as renewable energy, food safety, health, intellectual property, and occupational health. The SSC builds on a “peer-to-peer” approach in areas where Denmark has strong expertise and technology. According to a recent independent evaluation, the SSC Initiative has a promising potential for impact achievements. Within a short period of time, the programme has mobilized Danish public sector expertise, which would not have been accessible on commercial terms or otherwise, and initiated relevant contributions to the 2030 Agenda for Sustainable Development. Under the SSC, 39 projects each with their set-up of local partners are being implemented in 18 countries involving 13 Danish authorities, 35 sector counsellors posted to Danish missions abroad, and a Secretariat in MFA.</td>
</tr>
</tbody>
</table>

Mobilising additional development finance

The Danish SDG Investment Fund was launched in 2018 as a Public-Private Partnership with a 60/40 allocation between private and public investors. The Fund will contribute to the SDGs through...
commercial investments in developing countries. The Fund is established by Danish pension funds, private investors, and Denmark’s official Development Finance Institution as well as the fund manager, IFU. Total capital commitment to the Fund is DKK 4.85 billion, of which DKK 2.90 billion is mobilized from the private sector. The funds are expected to be fully invested in 2022. The Fund has so far e.g. invested in renewable energy, health and agribusiness. It is too early to assess the outcomes of these investments.

In 2016 we introduced the P4G and DMDP public-private partnerships which have contributed to mobilizing business for development and establishing a stronger and more confident collaboration between CSOs and the business community, both SMEs and large businesses. Please see Info Box 4 in Chapter 5.1 presenting the example of the Danida Market Development Partnership (DMDP) in Nigeria.

Denmark is reviewing the prospects for introducing a bilateral sovereign guarantee instrument to support Danish development policy objectives. A guarantee instrument would be an effective modality to mobilize additional private capital for sustainable investments.

Tracking and reporting beyond ODA flows

Denmark supports the development of the broader Total Official Support for Sustainable Development (TOSSD) statistical framework and participated in the pilot reporting on TOSSD related to the 2017 flows and has again in 2019 reported the official resource flows to promote sustainable development. However, it is a challenge to track TOSSD-eligible activities in other ministries and relevant institutions especially in ministries that do not report on ODA. It is expected that it would be possible to broaden the reporting of figures under TOSSD during the coming years.

Denmark provides data related to the levering effect and additionality when it comes to support provided through the Danish Development Finance Institution, IFU, as this is the only window of support where it is relevant to collect data related to additionality in connection with development activities.

**CHAPTER 4: STRUCTURE AND SYSTEMS**

**4.1. AUTHORITY, MANDATE AND CO-ORDINATION**

Authority and leadership

It is the responsibility of the Danish Minister for Development Cooperation to coordinate Denmark’s participation in international negotiations relating to development policy issues and to administer the Denmark’s bilateral and multilateral development cooperation. The Minister’s authority is determined in the Development Cooperation Act, which also authorizes the Investment Fund for Developing Countries (IFU) and the Council for Development Policy.

IFU is an independent institution governed by a board of directors appointed by the Minister for Development Cooperation managed by a managing director, also appointed by the Minister. The purpose of IFU is to promote business development in developing countries in cooperation with Danish trade and industry.

The Council for Development Policy provides advice to the Minister responsible for development cooperation in relation to preparation and implementation of Danish development cooperation. The Council discusses strategic policy initiatives within the sphere of development policy and
development cooperation, including policy papers for Denmark’s relations with priority countries, new thematic strategic frameworks multilateral organizations. It also contributes with independent knowledge sharing through discussions and prioritization of the annual evaluation programme. The Council consists of 11 members from academia, civil society and interest organizations appointed by the Minister.

Internally in MFA, the responsibility for planning, preparing and implementing bilateral strategic frameworks and the associated bilateral development programme is decentralized to Danish embassies in the 12 priority countries, while other projects and programmes are the responsibility of HQ. With regard to multilateral cooperation, the responsibility for relations with and core contributions to select multilateral organisations is decentralised to relevant Danish missions abroad, e.g. to Danish missions accredited to UN organizations in New York, Geneva, Nairobi, Rome, Vienna, and Ramallah. In relation to both bilateral and multilateral cooperation, appraisal and evaluation of initiatives above DKK 39 million remain the responsibility of HQ units. Global programmes fully remain the responsibility of HQ units, in some cases outsourced to external partners such as the World Resources institute (WRI) or private consultant companies.

Co-ordination

The Danish development cooperation system is one-stranded as explained above. However, issues-based coordination and cooperation across Government is increasingly taking place. Examples are the Ministry of Defence (on CIV-MIC cooperation), the Danish Emergency Management Agency (DEMA) (on natural disasters), the Ministry of Defence and the Ministry of Justice (on Women, Peace and Security), the Ministry of Climate Change (on climate change and renewable energy), and the Ministry of Immigration and Integration (on refugees, immigration and returnees).

In addition, the Strategic Sector Cooperation Initiative (see Info Box 2) was initiated and designed through a series of consultations between MFA and line ministries, an approach still at the core of the initiative, which is implemented by 11 ministries and two municipalities.

4.2. SYSTEMS

Policy/programme approval mechanism

The Council for Development Policy advises the Minister on programmes and projects with a budget of more than DKK 39 million prior to submission to the Finance Committee of Parliament. Grants above DKK 39 million are also earlier in the process – between identification and formulation – presented to the internal Programme Committee in the form of a concept note or a draft strategy. The minutes of the deliberations of the Programme Committee are attached to the final and appraised proposal when presented to the Council for Development Policy.

The procedures for presenting proposals above 10 million DKK to the Programme Committee were revised in June 2020. In the context of DDD, several initiatives were launched to make sure that the Committee serves as a forum for early learning, quality assurance, and peer learning. Discussions are now guided by strategic questions from the presenting unit, comments are submitted in writing three days in advance and participation by heads or deputy heads of departments/embassies is mandatory. For proposals up to 10 million DKK, grants are approved by the Head of Unit only.

Since January 2020, the Department for Evaluation, Learning and Quality (ELK) is the department responsible for servicing the Council for Development Policy and the Programme Committee. The responsibility for reviewing the delegation of financial and programming authority is executed jointly with the Department for Financial Management and Support in relation to Development Co-operation (FRU). The unit responsible for a proposal always takes part in the relevant meetings of the Council
for Development Policy and/or the programme Committee. This is also the case when a programme/project is prepared and implemented by another ministry or institution.

**Quality Assurance**

In addition to the quality assurance embedded in the Council and the Programme Committee procedures, quality is assured through several specific mechanisms during programme formulation, implementation and evaluation.

Substantial quality assurance including with regard to mainstreaming of cross-cutting issues is taking place through mandatory appraisals and performance reviews of all grants above 10 million DKK, independent evaluations (please refer to Chapter 6.2), as well as the external performance audits conducted by the Auditor General's Office. The Department for Evaluation, Learning and Quality Assurance (ELK) plans and manages appraisals and performance reviews in cooperation with the in-stationed technical advisors of each unit.

For grants below 10 million DKK, a quality assurance checklist is required for the final approval by the Head of Unit. However, projects that require early quality assurance due to novelty of approach, high risk or new type of engagement, can in agreement with the Department for Financial Management and Support in relation to Development Co-operation (FRU) be submitted by the responsible MFA unit to the Programme Committee for strategic advice.

Financial quality assurance is the responsibility of the Department for Financial Management and Support in relation to Development Co-operation (FRU), and is ensured through participation in development of and approval by financial officers of all grants. Financial control and support visits are carried out during programme implementation and utilization of funds are documented through audit reports, which are approved by financial officers. Guidelines for financial management provides guidance on all aspects in relation to financial management of grants.

**Procurement, contracting and agreement-making**

In the Danish development cooperation, procurement procedures are used primarily for consultancies. Procurement conducted by MFA shall comply inter alia with the Danish Public Procurement Act and the principles of good administrative practice such as equal treatment, transparency, non-discrimination and proportionality. The Public Procurement Act implements Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014. The authority responsible for the Act is the Danish Competition and Consumer Authority under the Ministry of Industry, Business and Financial Affairs. An unofficial translation of the Danish Public Procurement Act is available on the webpage of the authority.

The Procurement and Contracts Team in the MFA Finance Department (ØKO) has the overall responsibility for organizing tenders and advertisement of contracts as well as providing related advice and guidance in the areas of development cooperation and general operations. Applicable legislation, guidelines, manuals and templates are made available by the Procurement and Contracts Team on a dedicated site on the MFA's intranet, the Procurement Portal. The Procurement Portal provides the Home Service and the missions abroad with the necessary support and information for conducting the procurement process within the legal framework.

**Risk management**

Risk management is an integrated part of the Country Programme cycle. When presenting a new programme, assessment of potential risks and risk responses are presented in a risk management matrix. The Risk Management Guidelines identify three main categories of risks: Contextual risk concerning the general risk factors in the country, programmatic risk concerning risk with regard to achievement of thematic programme outcomes, and institutional (reputational) risks in relation to the
interest of Denmark and its partners. Implementing partners must be informed about Denmark’s zero-tolerance policies towards (i) Anti-corruption; (ii) Child labour; (iii) Sexual exploitation, abuse and harassment (SEAH); and, (iv) Anti-terrorism. Specific articles on this are included in the standard legal agreement, where it is specified that violations hereof are grounds for immediate termination of the agreement.

**Ending Sexual Exploitation, Abuse and Harassment in development cooperation (SEAH)**

In recent years, Denmark has made progress in implementing the DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment, including by introducing or strengthening requirements and dialogue on SEAH in partnerships with UN and NGO partners. Denmark generally applies an arms-length approach requiring partners to have the necessary measures to prevent and respond to SEAH, while also addressing SEAH in assessments and dialogue with partners. NGO partners with humanitarian funding must demonstrate adherence to the quality criteria in the Core Humanitarian Standard (CHS) through independent verification or certification, which contributes to quality assurance on SEAH measures. Denmark also supported the Danish NGO umbrella organization “Global Focus” to strengthen the coordination among NGOs. This resulted in joint SEAH-commitments supported by all NGO members, aligned with the OECD DAC recommendation. Please see Annex III.

**Anti-corruption**

Measures for preventing corruption include actively working with risk management, capacity development of partners as well as strengthening the partners’ own procedures and control systems. Special emphasis should be given to procurement and contract management. Furthermore, contracts with partners include standard clauses on anti-corruption, including clauses, which stipulate that any form of corruptive practice will be reasons for claiming repayment or immediate cancellation of agreements. Please see Annex II.

**Whistleblower mechanism**

On 1 November 2020, MFA established a Whistleblower mechanism with the purpose of expanding opportunities to speak out about impermissible circumstances in the MFA without a fear of negative consequences. The mechanism can also be used by employees of MFA’s external partners with a more continuous or formalized collaboration with the MFA. Reports can be submitted via the MFA’s website regarding criminal offences, serious or repeated violations of the law or principles of administrative law, serious personal conflicts, sexual harassment and deliberate misinformation of citizens and partners. The whistle-blower mechanism stands alongside the other reporting channels in the MFA, particularly Danida’s anticorruption hotline, which pertains to irregular administration of development assistance or similar external grants.

**Innovation and adaptation**

With the Doing Development Differently (DDD) Project and the revised Aid Management Guidelines, efforts have been made to promote deliberate, short-cycled innovation and experimentation. The idea is that once a testing cycle is successfully completed, upscaling would be based on the best option, and the adaptive approach may well move towards simple programmes or framework planning. This approach will be applied in a measured and considered way where relevant. Please see Info Box 3.
4.3. CAPABILITIES THROUGHOUT THE SYSTEM

Staffing levels, composition and location

In November 2020 the total number of staff in the MFA was 2,804 employees, representing an almost 10 pct. increase since the end of 2016. Out of the 2,804 employees, 915 are working at HQ-level and 1,889 at the missions abroad. Approx. 25% (459) of the employees at the missions are posted staff.

During 2019-2020, the organizational structure of MFA headquarters was adjusted in a push towards a flatter hierarchy and faster decision-making. Please see the organizational chart in Annex IV.
The Danish MFA is an integrated/unified service operating within four main areas: General foreign policy, development cooperation, export and investment promotion, and citizen/consular services. The same employee thus often performs tasks that support several of MFA’s areas of work. At HQ-level, the primary task of seven departments with approx. 175 employees (Nov. 2020) is development cooperation. The embassies in priority countries, where most of the work relates to development cooperation, comprise 73 posted and 2020 locally engaged staff.

Bilateral and multilateral advisors
Substantial technical assistance in the form of bilateral and multilateral advisors is provided as a contribution to enhance effective implementation of development cooperation objectives.

The majority of the long-term advisors advise on policy or institutional reform objectives at government levels in the priority countries. Short-term advisors perform analytical tasks or time-limited training and facilitation tasks primarily in fragile states. All are employed under dedicated staff regulations. In 2020, 45 advisors were assigned on long-term contracts and 10 on short-term contracts.

In the area of multilateral cooperation, Junior Professional Officers and senior staff are seconded as a mean to understand and contribute to the organizations’ work. The number of posts funded and recruited in a given year is based on a selection process specified in the policy of Multilateral Advisors, agreements between MFA and the organizations, and Denmark’s multilateral development cooperation analysis. The majority of advisors are posted to UN and World Bank country offices and to EU-delegations in Denmark’s partner countries (49,1% in 2020) and at HQ level (50,9% in 2020) within strategic priorities such as stability and protection, migration, human rights and democracy, green growth and social progress.

Seconded National experts to the EU
MFA currently seconds 30 experts in the area of development co-operation to the European Commission, the Council Secretariat, the European Parliament, and the Common Foreign Service of the EU. They are seconded to policy areas that have strategic and political significance for MFA and typically to policy positions. Employees of the Ministry of Foreign Affairs have the option to be seconded for a limited period.

Human resource management
The Danish MFA is a relatively small organization, and therefore relies on having the best and most skilled human resources to deliver solutions in a complex and difficult international environment. The demands on all staff continue to increase and the MFA needs to have the right people for the right jobs, across the organization.

Against this background, Senior Management has launched a major initiative to strengthen the overview, use and development of our staff members’ professional competencies across the MFA. Over the next couple of years, the professional competencies of all staff will be mapped systematically with the purpose of strengthening career planning and the speed with which staff rotate between positions has been reduced to prevent the loss of critical knowledge and experience. To retain knowledge, the concept of professional “beacons” (thematic chief counsellors) has been introduced. Within the field of development, there is currently five beacons. Furthermore, a career path project has been introduced along with a formal system for pipelining for critical positions and for succession planning for management positions.

The MFA applies a systematic approach to induction and on-boarding of staff. For the Home Service on-boarding encompasses; a) Information to new staff and receiving units about on-boarding b) induction in the unit of the staff member c) obligatory e-learning courses and d) participation in an
on-boarding course. Guidelines and checklists are available for missions in connection with recruitment of mission-employed staff.

Opportunities for skills development are provided by the Human Resource Department (HR) through participation in internal courses as well as funding for external training. This includes pre-departure training for posted staff as well as a range of training courses for mission-employed staff. In addition, a number of departments provides more specific training and seminars directly, including on development cooperation.

Fragile or crises contexts
Due to, among other things, the selection of priority countries for development cooperation, staff members are posted to a number of countries with considerable security and/or health related challenges. It is important to the MFA to manage and address these challenges and support posted staff members and their families in such locations. The MFA has formulated a security and HR policy for postings to such locations. Initiatives include pre-posting briefings, hardship travels, additional time off based on hardship level, allowances reflecting hardship level, competence development (security, health related etc.), access to 24/7 medical and security related advice, shorter and/or flexible posting duration, including in locations with severe air pollution etc. The policy, including the list of posts covered, is reviewed once a year and new initiatives are introduced based on need assessments in dialogue with the missions abroad.

Ending Sexual Exploitation, Abuse and Harassment (SEAH) in Danish MFA
Internally in MFA, the following initiatives have been taken to end SEAH:
- Senior Management’s communication to all employees on the importance of addressing and preventing unwanted sexual attention and harassment;
- Existing policy has been revised;
- Key HR-staff and union representatives are being trained;
- Dialogue meetings held between HR and members of our Occupational Health Organization and Union representatives;
- Questions on Sexual Harassment in 2020-Workplace survey revised to follow the most updated terminology;
- Guidance on MFA intranet updated regarding whom to contact in cases of harassment or unwanted sexual attention and were to file complaints (Corporate HR and new whistle-blower system).

CHAPTER 5: DELIVERY MODALITIES AND PARTNERSHIPS, GLOBALLY, REGIONALLY AND AT COUNTRY LEVEL

5.1. EFFECTIVE PARTNERSHIPS

In line with the commitments made in the 2030 Agenda and in Denmark’s strategy for development cooperation and humanitarian action - the World 2020 - the Danish development cooperation builds on broad engagement and inclusive partnerships. This includes stakeholders in Denmark, in partner countries (see Chapter 5.2), with regional, international and intergovernmental organizations and entities as well as civil society organizations (CSO), the private sector, academia etc.

In line with SDG 16, Denmark attaches high importance to building strong and effective institutions at all levels. Therefore, capacity development is a core element of Denmark’s partnership approach with a focus on facilitating change processes that are owned by those whose capacity is strengthened in order to promote their own agendas. Hence, Denmark strives to align to partners’
objectives and management systems, so that support is built around partners’ aspirations. This principle is followed both when local partners are supported directly at country level and when support is provided through international partners and it provides a good basis to maintain a permanent dialogue on how to make partners’ development strategies more effective.

The principles for Danish engagement with development partners are operationalized through the Aid Management Guidelines. In 2018, these were updated to strengthen the process to document the justification for partner identification and choice. In 2020, the AMG were further refined to enhance focus on local ownership and adaptive management.

**Partnerships with multilateral and international organizations**

Denmark contributes to maintaining and promoting an effective multilateral system in the overall interest of the global public good and in the particular interest of a small country such as Denmark. The support enables Denmark to promote development, and to shape and influence the international community’s efforts to implement the 2030 Agenda and the Sustainable Development Goals (SDGs) and hence influence the way development financing and the efforts to improve conditions in developing countries are targeted also in countries, where Denmark is not represented. The partnerships are based on multi-annual organization strategies for each organization.

**Partnerships with civil society**

Support to and via civil society constitute an important aspect of Danish development cooperation. Civil society organizations are regarded as powerful agents of change in the promotion of a democratic culture and to promote and uphold rights. A significant part of the Danish bilateral development cooperation is channeled through CSOs of which approximately DKK 1.2 million annually to and through 16 CSOs under multi-year partnerships, covering civil society and labour market development activities as well as a substantial part of the Danish support to humanitarian action (please see Chapter 7).

The Strategic Partnerships with CSOs aim to engage partners in strategic dialogue and cooperation on shared thematic and geographic priorities in order to promote strategic and operational synergies and strengthen results. They are based on the CSOs’ own vision, goals, strategies and specific core competencies and build on a fundamental respect for the independent nature of CSOs and for the different roles and mandates of the strategic partners. In addition, Denmark supports a wide range of smaller and more specialized Danish civil society organizations working in partnerships with associations in the global South. This amounts to annually DKK 261 million and is managed through a number of Danish civil society platforms and umbrella organizations to ensure broad popular engagement.

Denmark has also strengthened its response for civic space with a focus on protecting freedoms of association, assembly, and expression. In addition to strengthened policy dialogue, this initiative includes grants to a number of international civil society organizations supporting enabling NGO legislation, human rights defenders, digital resilience, and free, independent media. Denmark is committed to the development of a possible DAC Policy Instrument setting out a strong case for DAC members to defend and facilitate civic space.
Public-private partnerships

In 2016, Denmark introduced a new partnership approach to contribute to inclusive economic development and green growth in developing countries through sustainable business ideas. Inspired by SDG 17, these partnerships federate international and local actors spanning from CSOs to business, academia and public partners and are being promoted by two challenge fund platforms – P4G (Partnering for Green Growth and the Global Goals) and DMDP (Danida Market Development Partnerships). Both have contributed to mobilizing business for development and establishing a stronger and more confident collaboration between CSOs and the business community, including SMEs. In addition, a partnership with institutional investors, the Danish SDG Investment Fund, was launched in 2018 (please see Chapter 3.4).

Predictability and flexibility in programming and budgeting

Denmark strives to ensure budget predictability for its partners using multi-annual funding frameworks, contingent on the parliamentary approval of the annual budget allocations in the Danish Finance Act from which commitments are made. The Finance Act includes seven periods - the past three years, the current year, and three subsequent years - and thus lends some indicative multi-year predictability at any given time.

Major recipients of Danish development assistance, such as UN organizations, the international development banks and multilateral funds, such as the Global Environment Facility, the Green Climate Fund, and the Global Fund have their “own” accounts or are specifically mentioned in the Finance Act, while commitments to others are made from thematic accounts. Predictability is a cornerstone in Denmark’s partnerships with international partners such as multilateral and intergovernmental organizations. Generally, agreements with such partners are multi-annual funding frameworks with a robust results framework and dedicated monitoring system as a basis for annual disbursements.

With regard to civil society, a number of existing cooperation modalities with Danish CSOs were replaced with four year Strategic Partnerships in January 2018, as described above. This followed the 2016 OECD DAC Peer Review of Denmark, which pointed out that the then new Danish development strategy opened for strengthening the coherence between strategic objectives and allocations of official development assistance (ODA), and concluded that selecting partners strategically could increase the impact of Danish development cooperation.
Joint Approaches

Denmark supports joint approaches and donor harmonization, and participates in delegated partnerships. At country level, Denmark is working closely with the EU and supports the Team Europe approach. Denmark is also working jointly with key partners to strengthen the HDP-Nexus approach, including through the EU in the Sahel. In Bangladesh, Denmark has played an active role in setting up EU’s Team Europe Initiative on Decent Work with the ambition to bring policy dialogue, trade and development work closer.

Denmark also engages in delegated partnerships with likeminded donors, including the EU and its member states, as a way to promote harmonization and minimize the transaction costs for both the beneficiary organisations and the donors, by delegating the daily management responsibility of a programme to one donor. In several cases, Denmark implements EU programmes such as the EU Anti-Corruption Initiative in Ukraine, entrepreneurship in the agricultural sector in Burkina Faso, and food security in Kenya. In countries where Denmark is not permanently represented, or has a limited development cooperation portfolio, it is more frequent for Denmark to delegate the management of larger parts of its development cooperation programmes to other donors e.g. in Niger and in some East European countries under the Neighbourhood Programme.

Denmark also works closely with other development partners, often taking a leadership role in donor coordination at the country level including through the established EU and UN led donor coordination groups. Moreover, Denmark is supporting the new Resident Coordinator System to strengthen the UN’s role and efforts in promoting coordinated and coherent development efforts.

Info Box 5: A joint approach to Democratic Governance in Uganda

Through the Democratic Governance Facility (DGFI) seven donors (Austria, Denmark, Ireland, the Netherlands, Norway, Sweden and the EU) have come together to support democratic governance, accountability and human rights in Uganda. Through joint programming, DGFI supports civil society organisations as well as local and national government partners engaging more than 70 partners.

The Danish Embassy plays a leading role as legal entity of the Facility and is responsible towards the other donors of ensuring that DGFI is administered and implemented in accordance with Danish administrative rules and procedures. In addition, Denmark is the permanent co-chair of the DGFI steering committee where all donors are represented.

DGFI is implemented in 2018-2022 and has a multiyear budget for the grant period. The donors provide a budget frame for each year. DGFI is applying an adaptive programming approach, and in close coordination with the large number of partners, the planning framework and details of outputs, results and timelines will continue to be revised throughout the programme’s lifespan.

Accountability and transparency

MFA is currently working on enhancing its systems for results reporting to increase transparency, give better access to information about development results, and improve learning (see Info Box 7).

The Danida Transparency initiative provides better insight for the general public into Denmark’s development cooperation as well as a structured way to receive input from stakeholders on our development cooperation and for having a dialogue on priorities.

Since 2014, Denmark has run an automated daily update of all data regarding ongoing activities in the IATI-format. Simultaneously, the OpenAid website has displayed the content of this data-source to the public. However, the Danish OpenAid website is currently undergoing an update to make the
A new version of OpenAid will be available at the end of 2021. Accountability is also furthered through responses to Parliamentary Questions, presentations to Ministers, Freedom of Information requests and media queries as well as audits from the Auditor General’s Office (Rigsrevisionen) under Parliament.

Equally, Denmark is committed to strengthening accountability in partner countries to ensure citizens can hold their governments accountable, in particular through support to civil society and systems strengthening. Denmark also ensures that partners receiving Danish funding conform to the highest standards of accountability, good governance and financial oversight in managing programmes in accordance with our zero tolerance policy towards corruption.

5.2 COUNTRY LEVEL ENGAGEMENT

Country ownership

Denmark remains committed to the principle of country ownership and Denmark’s new emphasis on adaptive aid management highlights the importance of focusing on local ownership and leadership. Where Danish ODA is channelled through public partners, extensive use is sought of national management systems in terms of planning, implementation, monitoring and evaluation.

Denmark’s bilateral development cooperation is mainly concentrated in two of the three country categories presented in The World 2030, also reflecting a longer-term trend of a strengthened focus on states and regions affected by conflict and fragility. Half of our 12 priority countries are poor, fragile countries and regions characterized by fragility (Afghanistan, Burkina Faso, Mali, Niger, Palestine and Somalia), while the other six counties are poor, stable countries (Bangladesh, Ethiopia, Kenya, Myanmar, Tanzania and Uganda).

Our partnerships with priority countries generally imply large development portfolios and long-term engagements based on mutual interests and political priorities including partner countries’ national development plans and, in many cases, also a focus on strengthening country systems. However, the level of alignment to country systems depends both on the capacity of the recipient partner country and on contextual developments as they evolve over time regardless of the above country categories. For instance, in some fragile countries like Burkina Faso and Niger that have made efforts to undertake democratic reforms, quite extensive use of national systems has been possible and it is found highly relevant to maintain support to public institutions in order to uphold the legitimacy of the state, and thereby contribute to long-term stability. In both countries, Denmark supports national systems for the delivery of basic water and sanitation services (including sector budget support in Burkina Faso). We are thereby also able to support the strengthening of national capacity to take into account specific vulnerabilities related to the humanitarian needs and to plan for more sustainable long term responses in a very vital sector.

In other countries, changing policy environments and contextual factors have in some cases negatively influenced opportunities to promote reforms through use of national systems.

Based on analyses of local drivers of change and locally relevant problem solving, Danish ODA is increasingly implemented with the involvement of a broader range of stakeholders, including local civil society and the private sector. The approach is still to stimulate active ownership by local partners and to support them in implementing their priorities based on their own results frameworks, but this may not always fully translate into the use of national systems.

Context permitting, Denmark seeks to bring stakeholders together at the national level to assess progress in supported areas based on the bilateral country programme. This is also a general
requirement in the new adaptive management approach, which requires more regular country
dialogue with government and stakeholders as part of introduction of the DDD approach with
comprehensive Country Strategic Frameworks for priority countries and regions.

As an increasing part of Danish development aid is channelled through multilateral and international
organisations, Denmark also attaches importance to how, and through which mechanisms, these
organisations take local ownership into account in their country engagements. Local ownership is
an important parameter for assessing the operational effectiveness of multilateral and international
partners. However, the question of alignment and use of country systems by multilateral and
international organizations may warrant more attention in international fora such as the OECD DAC
and the GPEDC.

Predictability

For priority countries, a commitment based budget covers the whole duration of the bilateral
development programme of up to five years. The introduction of the DDD approach in 2019 will
provide a more coherent overview of all Danish instruments that come into play in priority countries
and regions through the elaboration of Country/Regional Strategic Frameworks. This will give partner
countries a clearer indication of their overall engagement with Denmark, although the indicative 5-
year budget framework only concerns the bilateral development programme.

The Country Strategic Framework gives strategic direction to all Danish interventions in a priority
country. Within this framework, there will be a high degree of flexibility with regard to programming
and approval processes in order to ensure that specific projects and programmes remain relevant
and effective in contexts that are often very volatile. The higher degree of flexibility is likely to reduce
predictability, at least for individual partners, but this is seen as a necessary trade-off to respond to
rapid changes that are likely to occur in partner countries and thus to give a better ability to meet the
needs of countries and partners. The highly decentralised management of Denmark’s bilateral
development cooperation will contribute to ensuring that adjustments take place in close
collaboration with local partners and with a continued focus on ensuring maximum alignment.

Transparency and accountability to each other

As far as bilateral development cooperation is concerned, information about support funded by
Denmark in partner countries is usually made available to national partners through annual sector
performance reports and publications made by partners in line with the principle of local ownership.
Sector reports are discussed with key national stakeholders and publicised. The Strategic
Framework approach introduced with DDD will also expectedly provide partner countries with a
clearer indication of their overall engagement with Denmark. Regarding transparency, please also
see Chapter 5.1.

Responsiveness and inclusiveness

Solid context analysis is an essential part of any new Danish development cooperation engagement.
A standard template in AMG provides guidance on elements that should be considered, drawing on
already existing research and analysis, which may be complemented by supplementary studies if
relevant. The context analysis must also include in-country consultation with a broad range of key
state and non-state stakeholders. The systematic application of a Human Rights Based Approach
(HRBA) also implies a focus on promoting participatory and inclusive processes in all phases of the
programme cycle with particular attention to those who are most marginalized, excluded or
discriminated against.
Denmark places a particularly high importance to gender equality and youth as right holders and agents for change. A set of new tools have been developed to mainstream the focus on youth in Danish development cooperation and humanitarian actions. This includes a growing attention to how youth concerns can be consulted during preparation and implementation of programmes. Please see Info Box 6 about the Youth Sounding Board in Mali.

### Info Box 6: The "Youth Sounding Board" in Mali

Mali’s challenges in the area of youth underline the importance of Denmark’s priority of doing development with, by and for young people. In 2018, the Royal Danish Embassy in Bamako established a Youth Sounding Board with a diverse group of young people from civil society and the private sector, selected through the Embassy’s network in Mali according to their capacities in speaking out for the youth. The Board meets when necessary, a couple of times a year. To keep it dynamic, the YSB is kept as a rather informal structure without a leadership and secretariat.

Among many different activities, the Youth Sounding Board has been involved in the development and implementation of the toolkit Youth in Development (2018) as well as the midterm evaluation of Denmark’s bilateral country programme with Mali. Representatives from the Youth Sounding Board often participate as experts and resource persons in steering committees, selection committees, visits etc. One example of this is the involvement in youth entrepreneurship fund FACEJ providing insight that helped adjusting its targeting of women and the mechanisms for financing the youth. Another example was the Ambassador hosting a work lunch with the youth sounding board and the Malian Minister of Youth and Sports. A fruitful and concrete discussion took place between the Minister and the young people about the challenges facing youth in Mali and possible solutions with and by youth – this lead to several follow-up meetings between members of the YSB. Finally, the Embassy met with the YSB to discuss their views on the political situation around the coup d’état in August 2020 and the transition phase that followed, to get the view from the youth on the stakes.

Denmark has also recently developed a new Fragility, Risk and Resilience Analysis Tool (FRRAT) (June 2020), which provides specific guidance on integrating multi-dimensional considerations on fragility risks in context analyses when relevant. The underlying methodology is derived from the OECD-DAC fragility framework that assesses fragility across the economic, environmental, political, security and societal dimensions. Please see Chapter 7.

The focus of the context analysis depends on the scope and level of engagement, but it will contribute to informing decisions on how the engagement can be operationalized with a view to best meeting partner countries’ needs and capacity. Denmark uses a wide range of delivery instruments selected in each case to maximise impact, sustainability, effectiveness and efficiency, including reduction of transaction costs. Opportunities for implementation with other bilateral and multilateral partners, scope for policy dialogue and for locally led solutions are also taken into account.

Experience shows, however, that preparatory analysis cannot capture all uncertainties. Adjustments have to be made during the implementation. To encourage a greater continuous responsiveness to learning, contextual changes and local ownership, Denmark is now adopting an adaptive approach to the management of development cooperation, whereby we also encourage to initiate pilot phases, when relevant, to test an approach before potentially scaling it up.

### Conditionality

Denmark does not place conditionalities on its development assistance. However, we do expect that beneficiaries of Danish aid comply with certain internationally agreed principles and standards are complied with e.g. regarding humanitarian law, human rights, financial accountability, environmental
regulations, etc. Beyond this, our development assistance is results-based and progress towards jointly agreed outcomes will be a key element for assessing whether partnerships should be pursued.

CHAPTER 6: RESULTS MANAGEMENT, EVALUATION AND LEARNING

6.1. MANAGEMENT FOR DEVELOPMENT RESULTS

Results oriented policies and strategies

Denmark applies a results-based management system for its development cooperation. Denmark’s strategy for development cooperation and humanitarian action “The World 2030” defines the strategic objectives and defines how to approach them in different country settings, characterized by poverty, fragility and growth potential. They are consistent with internationally agreed goals, including the SDGs. For all development engagements, clear and measurable objectives have to be formulated, and, where relevant, formulation of new engagements take the point of departure in the partner countries’ objectives. All new appropriations are aligned with the SDGs at target level. The quality assurance process of proposed development interventions emphasizes the use of the Theory of Change and the associated results framework for a stringent chain of action from input to expected output and outcome resulting in expected impact. The principle of adaptive management is being introduced for development cooperation in fragile and complex settings and for complex programmes (for instance governance programmes) with a view to enhancing the achievement of results.

Approach to results measurement

MFA’s Monitoring and Evaluations (M&E) system is centred on continuous monitoring, follow up and learning. It is based on the fundamental principle of applying the monitoring system of implementing partners to avoid duplication of efforts and parallel systems. Independent data collection is normally not done, and, if at all, it would be coordinated with other stakeholders. Relevant disaggregation of data is discussed during the preparatory phase with the implementing partner and the national partner, if different from the former. The categories vary following the nature of support. Through support for capacity development to national partners, strengthening of their statistical capacity can be supported, if requested. This is typically done through sector support.

The implementing partner is responsible for the day-to-day monitoring and for regular reporting to the donor based on the agreed results framework. This forms the basis for dialogue with the implementing partner as well as for the Ministry’s own monitoring at a more aggregated level and for the Ministry’s reporting, ensuring that adequate information is entered into the aid management systems. All data on financial flows and results are reported on the website OpenAid. Evaluations form part of recurrent learning.

Use of results information

Based on information on development results staff undertakes regular dialogue with relevant stakeholders for stocktaking of progress and learning with a view to undertaking possible course correction. Learning is also an important element of reviews providing a more independent and arm length assessment of progress and results achievement. Clearly defined processes and instruments underpin the result focus throughout the entire life cycle of programmes and projects from planning, budgeting and monitoring to dialogue. There are, however, challenges in following up on reported results from the partners due to insufficient attention at the operational level. OpenAid, the official website, communicates all data, financial flows and development results, unfiltered. OpenAid is currently under revision to become more intuitive in its presentation of results encompassing financial information and development results.
In 2019, the Senior Management initiated a Results Reporting Project in response to points raised by the Auditor General's Office (Rigsrevisionen) in a report on Denmark’s development co-operation with Myanmar. The Project aims to improving results reporting by strengthening the capacity of staff and improving the reporting instruments. It also includes better internal accountability measures to increase incentives for reporting and its use. It is expected to run for two more years to ensure a real change to results reporting, learning and relevant follow up and action. The project and its preliminary findings are described in Info Box 7.

### Info Box 7: The Results Reporting Project

The objective of the Results Reporting Project is to improve accountability, and ensure compliance with the Ministry's legal obligation to communicate results to Parliament and to inform the public. This is done through improving the coverage and quality of data, upgrading of the website “OpenAid”, and improving accountability measures.

The preliminary findings and actions are:
- Staff needs training and coaching to gain relevant competencies for establishing results framework and undertaking regular reporting.
- The aid management system contained inconsistencies for stringent reporting, which have been rectified. The system will be upgraded to the current IATI standard 2.03.
- Results reporting coverage is low, as some types of aid do not fit easily into the IATI reporting format. Important to include development of results methodology, when introducing new aid forms or initiatives.
- The layout of the OpenAid website does not lend itself to an understandable presentation of results, especially at the project level. A new layout has been prepared to be implemented once the IT platform has been upgraded, as part of a larger IT project, together with the update to the current IATI-standard.
- Accountability is being strengthened with the reintroduction of the “Annual Portfolio Performance Report” (unit level) as part of the annual management dialogue.
- Annual reporting to be introduced in the form of dashboards showing the performance of the entire development portfolio, including a corporate results framework linked to the SDGs.

### 6.2. EVALUATION SYSTEM

**Evaluation policy and evaluation function**

The Department for Evaluation, Learning and Quality (ELK) undertakes the evaluation of the Danish development cooperation. The Department was established on 1st January 2020 to continue a strong and impartial evaluation effort, improve the learning uptake from evaluations and analytical work, and bring this knowledge closer to operational uptake and strengthen quality assurance. The [Evaluation Policy and the Evaluation guidelines](#) guide the evaluation efforts. Both are aligned to the recently updated OECD/DAC evaluation criteria, and the new organizational structure in Danida. The policy includes evaluation principles based on the OECD/DAC quality standards for evaluations and reflects the current emphasis on enhancing utility and learning of evaluations, although accountability remains an important purpose of many evaluations as well.

**Independence of evaluations**

The Evaluation team at ELK prepares and manages evaluations, which are all undertaken by contracted, mostly international but also Danish, consulting companies, selected through EU procurement procedures. Evaluation reference groups including internal and external stakeholders provide feedback and comments during the evaluation process. The final responsibility for the evaluation report is with the company undertaking the evaluation. Evaluation results are
communicated to the State Secretary for Development Policy and the Minister for Development Cooperation for information. A Danish summary is forwarded to Parliament and a press release posted to the MFA website, where all evaluations are made available to the public.

Planning and budgeting for the evaluation of development assistance activities

Annually, a two-year rolling evaluation programme is prepared, based on consultations with operational departments, embassies and the Council for Development Policy (see Chapter 4.2). The evaluation programme aims to ensure usability, to be timely to feed into up-coming strategy or programming processes, and to cover most bilateral assistance over a 5-7 year period – including different modalities, large aid programmes and countries. The programme includes any topic deemed relevant for evaluation and may bring forward topics for evaluation that are suggested from any source.

The annual dedicated budget for evaluations covers 4-5 larger evaluations, some minor evaluations, as well as a number of studies. Evaluation studies are often launched with the purpose of looking into the evaluability of future evaluation themes.

In recent years, the evaluation programme has become more programmatic and coherent, identifying areas of high interest, e.g. climate change and development financing, and bundling various evaluation activities around these issues. This has turned out to be an effective way to carry out evaluative work that supports strategic thinking. Examples are how to work with development investments, blended finance, and DFIs.

Evaluation partnerships and strengthening capacity

Evaluation efforts will increasingly seek to enhance ownership, capacity and partnerships with stakeholders in developing countries in designing and carrying out evaluations. The current COVID-19 situation has taught us the need for strong partnerships with evaluators in partner countries to be able to implement reliable and on-site evaluative work. Support for the new Global Evaluation Initiative (GEI) is within this perspective.

Danida works with the international organization BetterEvaluation to provide learning loops between evaluations and operative development assistance deliveries, and develop related staff competencies to interpret and assimilate evaluative knowledge. Work with BetterEvaluation and DAC EvalNet is also an important platform for innovation and piloting evaluation approaches, e.g. current work on testing Real Time Evaluation with Norway and Finland, and efforts to evaluate effects of COVID-19 through the COVID-19 Global Evaluation Coalition, and the evaluation engagement with the UN COVID-19 Response and Recovery Fund.

Studies and research

In addition to evaluations and evaluation studies, ELK regularly commissions analytical studies in close dialogue with departments and embassies on themes of relevance for development assistance interventions, policies and strategies. They often aim to update current knowledge within a specific subject, such as climate change adaptation, tax and revenue in Africa, and TechDevelopment. National and international experts conduct the studies, often in partnership with research institutions such as the Danish Institute for International Studies (DIIS), or international think tanks. Studies are published either on the Danida website or by the involved research institution.

The Danida development research funds support research projects within a broad field of themes of relevance for development assistance operations. Research is carried out in close partnerships between recipient countries researchers and Danish researchers. It also holds a strong focus on building capacities for recipient country partners within conducting critical research and higher-level university education.

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6.3. INSTITUTIONAL LEARNING

Learning from and using results information and evaluation findings

The utility of evaluative knowledge is a key component of the enhanced learning approach developed and realized by Danida. Evaluation is a key element for an effective Monitoring, Evaluation, Accountability and Learning (MEAL) system to capture results and lessons learned from development interventions. Evaluations do provide unique opportunities to document results on higher results levels (outcome and impact level) and constitutes a core element within the Danida results measure system.

To the extent possible, Danida’s evaluations are designed and timed to ensure that evaluation results are fed into the strategy and programming processes to ensure fast up-take and reaction to the findings, conclusions and recommendations. The department/embassy in charge of the evaluation subject is responsible for the management response and hence for the follow-up to the evaluation. Management responses are discussed in the Programme Committee to promote institution wide learning from the evaluation. The Chairman of the Programme Committee approves the final management response to an evaluation.

Knowledge management

The Department for Evaluation, Learning and Quality (ELK) was created as a unit to i.a. facilitate systemic learning within Danida, but all concerned departments and embassies contribute to institutional knowledge management and learning as basis for evidence based implementation, policy, and planning. Important platforms for learning include the quality assurance mechanism applied for appraisals and reviews, support for development research, evaluations, fellowship training, and modalities for seminar, meetings, and analytical work.

- Regular technical/professional staff seminars organized by ELK provide an important venue for bringing together colleagues from across the world, sharing experience and learning between staff abroad and at home. Staff seminars often build on analytical studies as described above.

- Regular reviews and appraisals of all bilateral, regional and multilateral development assistance programmes carried out by Technical Advisory Services (TAS) staff produce a rich source of learning in regard to what works within the broad spectrum of Danida’s interventions.

- The TAS staff provides strong learning loops between ELK and operational units at HQ and field level with respect to compliance with guidelines and good practices. ELK is the home of a critical mass of the TAS staff, while a number of TAS staff perform their functions in HQ departments and at embassies.

- The Danida Programme Committee (see Chapter 4.2) is an important internal platform for institutional learning and strategic discussions, where all key departments with stakes in development policies and programmes are represented.

- The Council for Development Policy (see Chapter 4.2), closes the institutional loop of quality assurance and learning by systematically providing external advice made publically available through Danida Transparency.

There is still room for strengthening the institutional learning processes between the decentralized (missions) and central level in order to improve results monitoring and reporting throughout the organization. Missions participate in meetings of the Programme Committee and the Council for Development Policies where relevant. However, the knowledge and learning loops between the decentralized level and HQ needs enhancement. Aspects of this challenge is addressed in the new
DDD approach, where improvements in M&E and results reporting, and introduction of light annual consultations, are expected to advance knowledge exchange and learning.

With regard to development research, our ambition is both to continue to improve the knowledge management and learning system for research uptake - as analyzed in the recent evaluation of Danida support to Development Research - and to better communicate the research results, not least through the Danida Fellowship Centre. The combination with a fellowship programme, providing subject specific training courses, is a strong learning platform, also with regard to building capacities of recipient country partners.

CHAPTER 7: FRAGILITY AND HUMANITARIAN ACTION

This chapter merges 7.A Crisis and fragility and 7.B Humanitarian assistance to fully capture the nexus approach that has been adopted by Denmark when responding to fragility and humanitarian crises.

7.1 STRATEGIC FRAMEWORK

The strategic framework for Denmark’s approach to working with fragility and humanitarian crisis is embedded in the Danish Strategy for development cooperation and humanitarian action, The World 2030, launched in 2017. Among overall priorities, the Strategy aims at ensuring coherence and complementarity between humanitarian action and long-term development cooperation. The Strategy is also an integral part of Danish foreign policy. The Strategy underlines the importance of efforts to stabilise fragile countries and situations and create a favourable, sustainable economic and political development. It emphasises that efforts are closely related to managing future displacement and migration flows, including flows towards Europe.

The Strategy has four pillars of which “Security and development – Peace, stability and protection” is particularly relevant for the Danish approach to fragility and humanitarian crisis. According to the Strategy, Denmark will prioritise the prevention of conflicts and stabilisation in and around fragile countries and situations through investing in peace, stability, protection and increased resilience. This will happen as part of a comprehensive international approach and where possible through cooperation with national authorities based on a coherent plan and mutual agreement that set out the framework and goals for a number of years.

The strategy also reaffirms that the objectives of Danish humanitarian assistance are to contribute to the delivery of lifesaving humanitarian assistance to victims of war, armed conflicts and natural disasters, while, to the greatest extent possible and as quickly as possible, allowing them to return to a safe and dignified life. Linked to this, the strategy confirms that Danish humanitarian action must live up to the international humanitarian principles, and be based on the vision of the European Consensus on Humanitarian Aid, the principles for “Good Humanitarian Donorship” and the humanitarian principles of humanity, neutrality, impartiality and independence. Likewise, the strategy reflects Denmark’s commitment to complying with International Humanitarian Law (IHL), human rights’ law and international refugee law.

Within this overall framework, Denmark places particular emphasis on seeking lasting solutions to forced displacement. This is done by supporting partners in strengthening protection and livelihoods, along with provision of employment opportunities and access to education and health. Focus is on supporting all affected population groups, including internally displaced people, refugees and local communities in areas neighbouring crisis and conflict.
Finally, Denmark also places a particular priority on food security and on promoting age- and gender-related protection, including protection against sexual and gender-based violence along with support for sexual and reproductive health and rights.

Financial instruments available for crisis response and recovery

The “World 2030” underscores that Denmark will place a bulk of available funds for development cooperation in fragile and poorer contexts with a focus particularly on countries and regions characterised by fragility and where poverty and vulnerability is prevalent. This is done through (i) Humanitarian assistance, (ii) Support to bilateral and multilateral development cooperation in countries affected by fragility and displacement, and (iii) Support to stabilisation in conflict-affected areas.

(i) Humanitarian assistance
From 2015-2019, Denmark provided a total of DKK 12.3 billion in humanitarian assistance. During these years, there has been a continued increase in the Danish humanitarian budget in successive finance bills and on top, additional resources have been re-allocated from other budget lines toward the end of every financial year. Whereas the finance bill for 2015 allocated 10 per cent of Danish ODA to the humanitarian budget, this figure increased to 15.86 per cent in 2019. In 2019, Denmark was the 11th largest government donor of humanitarian assistance measured in absolute figures (Source: Development Initiatives, Global Humanitarian Assistance Report 2020).

(ii) Contributions to development cooperation addressing fragility and displacement
Contributions for targeted, multi-annual engagements in countries such as Burkina Faso, Mali, Niger, Uganda, Ethiopia, Somalia, Kenya, Syria, Lebanon, Jordan, Afghanistan, Bangladesh and Myanmar have increased significantly in recent years. This has been through multi-donor trust funds, accounts and financing facilities such as the Multi-donor Account on Health in Jordan as well as in collaboration with the UN, EU and the World Bank. Further engagements and partnerships include

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<tr>
<th>Info Box 8: The three humanitarian budget lines of the Danish Finance Bill</th>
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<td>- <strong>Core contributions</strong> – approx. 32% of humanitarian budget (2020)<strong>Core contributions to seven international humanitarian organisations (UNHCR, UNRWA, OCHA, WFP, ICRC, UNCRF and UNMAS) mark the strong Danish commitment to the Good Humanitarian Donorship principles and aid effectiveness. While Denmark is the ninth largest donor to UNHCR, it is the fifth largest contributor of un-earmarked funds to this organisation.</strong></td>
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<tr>
<td>- <strong>Strategic Partnership agreements</strong> - approx.34% of humanitarian budget<strong>This budget line covers annual allocations to nine (2019) Danish civil society organisations (ADRA, Caritas, DanChurchAid, Danish Refugee Council, Danish Red Cross, Mission East, MS-Action Aid, Oxfam-Ibis and Save the Children) and three UN organisations (UNHCR, UNFPA and UNICEF) within the framework of multi-year partnership agreements. All include allocations for interventions in protracted crises proposed by the partners. Most include substantial flexible funds, enabling partners to respond to sudden emergencies as well as allocations for global policy activities and for innovation (technological solutions, new partnerships, approaches and methodologies).</strong></td>
</tr>
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<td>- <strong>Allocations to immediate and protracted crises</strong> – approx. 34% of the humanitarian budget<strong>This budget line covers support during the year to new crises/disasters or to protracted crises that escalate and/or where the funding gaps between humanitarian response budgets and received funding are substantial. Funds are typically released as softly earmarked extraordinary contributions to select international humanitarian organisations and pooled funds (CERF and country-based) along with additional funding (through a bidding process) to civil society organisations with a humanitarian partnership agreement. Funds are also allocated to humanitarian policy think tanks etc. with a view to enhancing the effectiveness of the international humanitarian system.</strong></td>
</tr>
</tbody>
</table>
co-financing and delegated partnerships with bilateral partners, such as with the French development organisation AFD.

(iii) Contributions to stabilisation in conflict-affected areas
With a budget of DKK 500 million in 2020, Denmark’s Peace and Stabilisation Fund (PSF) is a key financial pillar for Danish support to stabilisation of fragile and conflict-affected areas. It seeks to develop and support integration between the relevant areas, including for example diplomacy, security, defence and development engagements, to enhance the impact and sustainability of Danish stabilisation efforts in fragile and conflict-affected regions, countries and areas. Funds to the PSF has increased in recent years. The PSF includes programmes covering the Sahel region, the Gulf of Guinea, Iraq-Syria, Afghanistan, the Horn of Africa, Georgia and Ukraine as well as support to global engagements such as the UN Peacebuilding Fund.

Contribution to global efforts

Denmark supports the Sustaining Peace resolutions adopted by the United Nations in 2016, as a framework for peace actions, as well as UNSC Resolution 1325 (2000) and the subsequent nine UNSC resolutions on the Women, Peace and Security Agenda and further supports recently adopted EU decisions such as the resilience framework and its integrated approach to development.

Denmark is also a strong supporter of the OECD DAC Recommendation on the “Humanitarian-Development-Peace Nexus” and uses the guidance of its “eleven principles” to further strengthen complementarity and coherence between humanitarian, development and peace actions through coordination, programming and financing. For more details, please refer to Annex III section 2.

Other examples of contributions to global efforts include:

- Following the World Humanitarian Summit in Istanbul in May 2016, Denmark led the nexus work stream within the Grand Bargain together with UNDP and to this end organized a High-Level Workshop on the New Way of Working that convened more than 120 participants from Member States, UN entities, multilateral and bilateral donor agencies and NGOs in Copenhagen in March 2017.

- Regarding displacement, Denmark was one of the initiators of the Solutions Alliance established in 2014, which contributed to recognition of displacement as a development challenge and the need to work with governments in affected countries to include displacement in national development plans. These principles are now part of the Comprehensive Refugee Response Framework and the Global Compact on Refugees. Denmark is also a strong supporter of the World Bank’s engagement in forced displacement, and has, since 2019 hosted the UNHCR-World Bank Joint Data Centre on Forced Displacement in Copenhagen.

- Denmark supports multilateral organizations in devising flexible, efficient and accountable response mechanisms in situations affected by fragility and humanitarian crises. In doing so, Denmark engages with relevant coordination mechanisms, actively participates in a number of multi-donor trust funds and in donor coordination groups at country and global level.

- Denmark engages with the broader humanitarian community through a number of formal and informal policy forums including the Good Humanitarian Donorship (GHD) initiative, the European Council Working Group on Humanitarian Aid and Food Aid (COHAF), and the Grand Bargain donor group. In 2020, Denmark chaired the Food Assistance Convention (FAC) group of signatories.

- During the past decade, Denmark has been a core supporter for the development of humanitarian standards and related accountability systems through the Humanitarian
Accountability Partnership (HAP), the Core Humanitarian Standard (CHS) initiative and the Humanitarian Quality Assurance Initiative (HQAI).

- In 2019, Denmark hosted the Senior Officials Meeting on the crisis in Syria and in October 2020, it co-chaired a High-level Roundtable on the humanitarian situation in the Central Sahel in a long-term perspective together with Germany, the EU and UN-OCHA, raising 1.7 billion USD to the crisis, covering both humanitarian and nexus responses.

- Finally, with respect to its focus on age- and gender-related protection, Denmark continues to engage in the global Call to Action on Protection from Gender-based Violence in Emergencies (Call to Action). As of January 1st 2021, Denmark chairs Call to Action for a two-year period and aims to scale up engagement to drive change so that every humanitarian action includes prevention, mitigation and response to sexual and gender-based violence against women and girls in humanitarian crises.

7.2 EFFECTIVE PROGRAMME DESIGN AND INSTRUMENTS

Rapid response tools and mechanisms

Denmark seeks to support timely humanitarian responses by various mechanisms. This includes

- Providing substantial flexible funds to Danish partners and UNHCR, allowing them to respond in a timely manner to sudden emergencies;

- Funding stand-by agreements between Danish organisations and their international partners, facilitating the timely deployment of emergency staff;

- Funding of [UN] country-based pool-funds and the Central Emergency Response Fund (CERF);

- A framework agreement with the Danish Emergency Management Agency (DEMA), allowing it to take part in emergency responses through the European Civil Protection Mechanism and the International Humanitarian Partnership, typically in support of UN emergency response efforts;

- A flexible fund amounting to DKK 25 million that supports the response to sudden onset crises through Danish civil society organisations without a humanitarian partnership with the MFA; and

- Releasing contributions (up to DKK 39 million per grant) to international humanitarian organisations in case of sudden-onset crisis or spikes or severe lack of funds in protracted crises.

Denmark also works at the international level to promote more efficient response mechanisms, e.g. in the context of the Grand Bargain. This includes support for anticipatory funding and action.

Instruments available for protracted crises and recovery – including risk analysis tools

As detailed above, funding for efforts in countries and regions affected by fragility, protracted humanitarian crisis, and displacement is provided through three instruments: humanitarian assistance, bilateral and multilateral development cooperation, and stabilisation. During recent years, a number of initiatives have been put in place to promote efficiency, flexibility, agility, predictability, coherence and complementarity between these instruments to the extent relevant and possible. These include:

- The Doing Development Differently (DDD) approach introduced in 2019. Through the mandatory use of task forces, DDD facilitates building coherence and complementarity across all involved programmes and partnerships, including across the humanitarian-development nexus and with linkages to stabilisation programmes. DDD also provides for greater flexibility, while maintaining relevant safeguards. The task forces are composed of all units within the Ministry of Foreign
Affairs that are responsible for specific activities in a given priority country A task force approach is also used for thematic and regional engagements, such as a new initiative being developed on climate change, conflict, displacement and irregular migration in Sahel. For more on DDD, please refer to Info Box 3 in Chapter 4.2.

- In line with the DDD-approach, quality assurance efforts are increasingly adopting a cross-programme perspective in order to assess coherence and resulting aid efficiency as a basis for offering recommendations for future strategic directions. Examples include a recent mid-term review of the Danish engagements in Afghanistan and an upcoming review of engagements in Danish engagements in Syria and Iraq, both inspired by the OECD DAC HDP Recommendation.

- A Fragility Risk and Resilience Analysis Tool was developed in collaboration with the OECD-DAC INCAF for preparation and implementation of country strategic frameworks (CSF). The tool introduces a systematic multidimensional fragility risk and resilience analysis to improve and promote comparability of context analyses underpinning engagements in fragile contexts.

- Focusing assistance to protracted humanitarian crises on 12-15 prioritised complex emergencies, currently the protracted crises in and around Afghanistan, Central African Republic, Iraq, Mali, Myanmar, the Occupied Palestinian Territories, Pakistan, Somalia, Sudan, South Sudan, Syria and Yemen. In 2019, Ethiopia and Libya were added to the list. The annual or biannual review of prioritisations is based on a consultative process involving relevant MFA units and Danish partner organisations. In ten of these crises, Denmark is also engaged with other instruments, including bilateral development cooperation and stabilisation instruments.

Specific initiatives in support of managing forced displacement

In recent years, the nexus approach has shaped the strategic partnerships with several Danish NGOs, including in particular the Danish Refugee Council while also being instrumental in driving partnerships with UNHCR and the World Bank’s Global Programme on Forced Displacement and Global Concessional Financing Facility (since 2009), both of which focus on developing long-term, solutions-oriented responses to protracted displacement.

In 2019, Denmark became the host for and largest contributor to the World Bank/UNHCR Joint Data Center (JDC) established to improve access to quality micro-economic and demographic data as a basis for improved responses to forced displacement by humanitarian and development actors. Denmark has also supported improved data on internal displacement through multiannual grants to the Joint IDP Profiling Service (JIPS) since its inception in 2009.

Denmark is a significant donor to displacement-focused trust funds, such as the EU Trust Fund for Displacement in the Middle East (the MADAD Fund), the EU Africa Trust Fund, and the Global Concessional Financing Facility (GCFF). Denmark has also been a staunch supporter of the establishment of sub-windows focused on refugees and host communities within the framework of IDA18 and IDA19 and is also supporting the work of the High-Level Panel on IDPs through the provision of funding for its secretariat in Geneva.

Concrete examples of support for management of forced displacements in later years include support for IDPs in Rakhine State in Myanmar and for refugees and host communities in Cox’s Bazar in Bangladesh, with coherent assistance being mobilised both through humanitarian partnerships and bilateral country programmes. Similar multi-annual approaches in support of displaced people and affected local communities have been undertaken in Afghanistan, Lebanon, Jordan, Somalia, Kenya, Uganda, Ethiopia, Mali and Burkina Faso, again using several different funding instruments.

Such approaches have also involved a gradual shift towards more flexible reprogramming within bilateral country programmes with a view to being able to swiftly respond to sudden on-set or rapidly
escalating crises in contexts affected by conflict and displacement. That, for example, was the case, when components within the bilateral development programme in Bangladesh were used as part of the response following the influx of refugees from Rakhine State, Myanmar, in August 2017.

**Addressing gender aspects of conflict**

Denmark continues to actively support the full implementation of UNSC Resolution 1325 (2000) and subsequent nine UNSC resolutions on the Women, Peace and Security Agenda. The fourth Danish National Action Plan (NAP) on Women, Peace and Security was launched in December 2020. It has a strong and human rights based focus on promoting women’s full, equal and meaningful participation in all areas of peace building and stabilisation/security. Furthermore, it addresses sexual and gender based violence (SGBV) in fragile and conflict-affected settings. Denmark also currently (2021-2022) chairs the Call to Action on Protection from Gender-Based Violence in Emergencies Initiative. The global policy engagement is complemented by an increasing focus on the need for gender-sensitive analysis and operations in the ongoing dialogue with core UN and NGO partners.

### 7.3 EFFECTIVE DELIVERY AND PARTNERSHIPS

**Multilateral partnerships and partnerships with civil society**

Partnerships are entered with a perspective to promote cooperation, coherence and efficiency between humanitarian, development and peace actions, and to the extent possible as part of agreed strategic frameworks and plans for engagements. The bulk of Danish assistance is provided as core contributions or as softly earmarked grants, thereby allowing partners significant freedom to prioritise at all levels, i.e. in terms of beneficiary groups, sectors, areas, crises etc., thereby ensuring their ability to respond efficiently to emerging needs.

Humanitarian support is primarily channelled through professional Danish NGOs and multilateral/ international organisations, all of which operate within the framework of UN-led coordination structures and appeals.

The allocations to Danish civil society organisations are based on multi-annual partnership agreements and a set of dedicated guidelines and procedures that cut across humanitarian action and support for civil society development. The partnership agreements provide organisations that over time have demonstrated necessary programmatic and administrative capacity with more predictability and flexibility. In return, the organisations plan and document results in accordance with Danish priorities as derived from the Strategy for Development Cooperation and Humanitarian Action. This is agreed in annual consultations between the Ministry of Foreign Affairs and each organisation. The consultations are based on reporting on results and challenges of the previous year, and updated strategic framework plans. Partners are also subject to financial inspections every second year and a full-scale capacity assessment review every four years.

All partnerships with civil society include allocations for interventions in protracted crises proposed by the partners, based on their own operational capacities, expertise and priorities, and typically within multiannual strategic frameworks. The allocations are subject to certain overriding criteria, including that funded operational activities are restricted to one or more of the crises that are prioritised by Denmark. Up to 30% of humanitarian funds may be set aside as flexible funds, enabling Danish civil society partners to respond to emergencies without having to secure additional funds or approval from MFA. Such funds are utilised by the Danish Refugee Council to finance stand-by roster agreements with UNHCR, WFP, UNICEF and OCHA and by the Danish Red Cross to deploy delegates to IFRC and other national societies. Finally, up to 10% of partnership funds can be
allocated to innovation, which is broadly defined to include activities in respect of technology, methodologies, partnerships etc.

In addition, Denmark has multi-annual partnership agreements with three UN organisations (UNHCR, UNICEF and UNFPA) in the humanitarian field. These include allocations to interventions in prioritised humanitarian crises in much the same way as for Danish civil society organisations. Funds may also be allocated for global activities, including emergency preparedness and innovation. On top of this, all three organisations receive significant core contributions from either humanitarian (UNHCR) or development (UNICEF and UNFPA) budget lines. The agreements are subject to annual consultations, based on reporting on the previous year and proposals covering the following year (with high-level consultations normally taking place every second year). Amongst others, the annual consultations are utilised to promote coherence between humanitarian, development and peace actions.

The UN and civil society partners are also involved in other Danish assistance instruments along with other types of actors. These are multilateral funds such as the EU MADAD Fund and Africa Fund and World Bank funds and programmes, such as the Global Concessional Finance Facility, the State and Peace Building Fund, the Global Programme on Forced Displacement and in a broader sense IDA 18 and IDA 19, including dedicated sub-windows targeting host communities and refugees. Given its financial strength and convening power, Denmark believes that it is essential that the World Bank Group strengthen its engagement in fragile contexts in partnership with the UN and other relevant actors, such as civil society organisations. Denmark is therefore also a strong advocate for the new World Bank strategy for engagements in the Fragility, Conflict and Violence area.

Finally, Denmark supports the UN Peacebuilding Fund and the United Nations Development Programme (UNDP) Crisis Prevention and Recovery Fund.

Whole-of-government approaches, including civil-military coordination

Denmark’s efforts in support of stabilization and conflict resolution are based on a whole-of-government approach that is qualitatively different from conventional development cooperation and military engagements. Examples of whole-of-government approaches are

- The Danish Peace and Stabilization Fund (PSF), which was established as part of the 2010-2014 Danish Defence Agreement, and most recently reconfirmed by the 2018-2023 Agreement.

- The Danish Peace and Stabilisation Response (PSR), which is an emergency roster for deployment of civilian experts to hotspots where stabilization, peacekeeping and democracy-building efforts are needed. Since 1994, Denmark has deployed approximately 160-200 civilian experts annually to such hotspots. Around 300 experts make up the PSR roster and deploy to missions coordinated by the EU, OSCE, NATO and UN. When deployed, experts are considered representatives of the Danish Government, promoting peace, democracy and structural stability.

- The fourth Danish National Action Plan (NAP) on Women, Peace and Security (2020) which is implemented jointly by MFA, the Ministry of Defence, and the Ministry of Justice, represented by the Danish National Police.

- The framework agreement between the Ministry of Foreign Affairs and the Danish Emergency Management Agency (DEMA), which enables DEMA to respond to requests for emergency support in sudden humanitarian crises from the UN (through the International Humanitarian Partnership) and the EU Civil Protection mechanism.
- A regular dialogue on matters relating to International Humanitarian Law (IHL) between MFA and the Ministry of Defence. The latter is in the process of establishing a Centre for Operationalisation of IHL. Furthermore, it is developing a project focused on incorporating IHL in the training of military forces in other countries. IHL is also the core focal area for the Danish Government’s Red Cross Committee, which is chaired by the Ministry of Foreign Affairs and includes the Prime Minister’s office, the Ministry of Justice, the Ministry of Defence, the Defence Command, DEMA, the Ministry of Health, and the Danish Red Cross.

Co-ordination with other donors and local systems

Where possible, Denmark supports co-operation with national authorities based on a coherent plan and mutual agreement that set out the framework and goals for a number of years. In and around fragile countries, Denmark cooperates with authorities and local communities in cities and rural districts as well as with international and local civil society organizations, multilateral partners and the private sector to create sustainable growth and economic freedom, education and job opportunities.

The EU, not least because of its integrated approach, is an important platform for Denmark’s engagements, especially in connection with protracted crises that trigger displacement and migration where particularly the coherence between the EU’s support of humanitarian aid and development is important. Denmark places great emphasis on UN and EU Common Security and Defence Policy (CSDP) civilian missions, including through secondment of advisers.

Approach towards localising the response and affected communities participation

Denmark prioritises participation of and accountability towards beneficiaries throughout the programme cycle. This is one of the reasons that Danish civil society partners require certification or verification by HQAI against the Core Humanitarian Standard (CHS) when utilising Danish funds in fragile settings.

Denmark generally promotes the use of participatory approaches as good operational practice, which supports local ownership and thereby sustainability. Apart from HQAI verification or certification, the use of such approaches is reviewed as part of the recurring capacity assessments of partner organisations and in the regular dialogue, including annual consultations, with them. In the ongoing development of a new framework for strategic partnerships with Danish civil society organisations, the importance of localisation will be further stressed, including through a direct requirement for partnerships with local civil society actors.

The support for localisation is also among the key reasons for the increased prioritisation of support to country-based pooled funds as these have proven to be effective in channelling funds to local civil society organisations in an accountable manner.

7.4 ORGANISATION FIT FOR PURPOSE

Staff and systems

As part of the reorganisation of MFA in 2020, a new Department for Migration, Stabilisation and Fragility (MNS) was established. MNS became responsible for fighting the underlying causes of migration, including climate change, conflicts, and poverty, through advancement of coherent Danish humanitarian, development, stabilization, and peacebuilding efforts. Strengthening of efforts in fragile states and regions with a focus on conflict areas and their neighbouring regions. The Department’s focus is also international cooperation on migration, stabilization, conflict prevention, and peacebuilding in fragile states and regions. Support of the work related to the advancement of
a fair and humane asylum system, including return and readmission of rejected asylum seekers. Technical aid and capacity-building in the neighbouring regions of conflict areas and throughout the migration routes, covering border control, building asylum systems, and countering irregular migration. Advancement of coordination with other Danish authorities, including the inter-ministerial secretariat for the Peace and Stabilization Fund and on thematic areas like women, peace and security (UNSCR1325), and violent conflicts.

The Department for Humanitarian Action, Civil Society and Engagement (HCE) is in charge of Danish humanitarian assistance, except overall relations with and core contributions to certain multilateral/international humanitarian organisations for which the responsibility has been decentralised to Danish missions abroad. As a result, the Permanent Mission to the UN in Geneva covers UNHCR and ICRC, the Embassy in Rome covers WFP; and the Representation Office in Ramallah covers UNRWA.

The Department's Humanitarian Policy Team has the overall responsibility to maintain and develop Danish humanitarian policy and response, and manage the humanitarian budget and international humanitarian partnerships. The Department's Partnership Team is responsible for relations with Danish civil society organisations that have been selected for multi-annual strategic partnerships with the Ministry of Foreign Affairs, including with respect to humanitarian assistance.

Recurrent rotation of staff to other parts of MFA affects the management of a fairly complex portfolio in both teams. To counter this, all new team members undergo extensive internal training to ensure thorough knowledge of humanitarian policies, issues, approaches, etc.

In recent years, regional displacement and migration advisors have been placed in Addis Ababa and Beirut respectively. The Danish Permanent Missions to the UN in New York and Geneva have staff with particular responsibilities for following conflicts, crisis and humanitarian affairs in the UN.

Monitoring performance and the impact of programmes

The Ministry of Foreign Affairs has various mechanisms for assessing the impact and performance of partners, be they NGOs, INGOs or multilateral. These include:

- Active engagement on the boards of international organisations
- Annual performance reports, review reports, evaluations etc.
- Close and continuous dialogue with partner organisations on progress and possible challenges;
- Periodical independent reviews or capacity assessments by the Ministry of Foreign Affairs and a team of external consultants, for strategic NGO partners, usually every four years.
- Core contributions and softly earmarked grants tracked only through accessing general reports from partners. Denmark has no specific reporting requirements for such contributions.
- MOPAN-assessments of the performance of multilateral organisations at the country-level against their own mandate.

7.5 COMMUNICATION

Information to major stakeholders regarding fragility and humanitarian assistance is managed as described in Chapter 1.3 and in the section on accountability and transparency in Chapter 5.1.
CORE REFERENCES

1) Legal basis, policies, strategies, and action plans

The International Development Cooperation Act (2013) including amendments (2014 and 2017)

Danish strategy for development policy and humanitarian action, “The World 2030” (2017-2021)

Priorities of the Danish Government for Danish Development Assistance and overview of the development assistance budget 2021-2024

Danish Climate Act (2020)

Global Climate Action Strategy (2020)

Denmark’s bilateral development cooperation - country strategies for the 12 priority countries

Organisation strategies for multilateral and international organisations

Policy for Danish support to Civil Society

Women, Peace and Security National Action Plan

2) Guidelines

Aid Management Guidelines (AMG) (2020)

Guidelines for Country Strategic Frameworks, Programme and Projects (AMG 2020)

Guidelines for Management of Danish Core Support to Multilateral and International Organisations (AMG 2020)

Results Management guidelines

Guidance Note for Adaptive Management (um.dk)

Guidelines for Risk Management (um.dk)

Guidelines for financial management

Procurement (um.dk)

The Danish Public Procurement Act

Guidelines for exiting from bilateral development cooperation

Guidelines for the Peace and Stabilisation Fund (um.dk)

3) Oversight and communication

The Council for Development Policy
The 2030-Network

2030-Panel

Danida Transparency

Danida Open Aid Open Aid (um.dk)

Evaluation of development assistance (um.dk)

SSC evaluation (um.dk) (2020)

Report of the Auditor General on Denmark’s development co-operation with Myanmar

Report of the Auditor General reviewing progress towards Denmark’s achievement of the SDGs (2020)

Report of the Auditor General on climate change assistance provided to the developing countries (2021)

Danida’s anticorruption hotline

Denmark’s official website for the SDGs

World’s Best News

Vores Mål Projekt (Our Goals Project (2020)) led by Statistics Denmark

4) Various programmes and initiatives

Strategic Sector Cooperation (SSC)

Danish Energy Partnership Programme (DEPP)

Danish-Arab Partnership Programme (DAPP)

Danish Neighborhood Programme

The Danish SDG Investment Fund (2018)

P4G (Partnering for Green Growth and the Global Goals)

Danida Market Development Partnerships (DMDP)

The Somalia Country Programme 2015-2018 (um.dk)

Peace and Stabilisation Programme 2018-2022 (um.dk)

The Danish Peace and Stabilisation Response (PSR)

Danida development research funds (Danida Fellowship Centre)
ANNEXES

ANNEX I: FOLLOW-UP TO THE PREVIOUS PEER REVIEW RECOMMENDATIONS

Denmark Peer review 2016 – matrix updated January 2021

STANDARD FORMAT OF ANNUAL REPORTING MATRIX – IMPLEMENTATION OF DAC PEER REVIEW RECOMMENDATIONS

<table>
<thead>
<tr>
<th>Issue</th>
<th>DAC recommendations</th>
<th>Reviewed country comments; Action planned/implemented</th>
<th>Impact (Expected/actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Towards a comprehensive Danish development effort</td>
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<tr>
<td>1.1. To take forward its vision for Agenda 2030, Denmark should increase cross-government understanding of the implications of its commitment to ensuring its policies are consistent with sustainable development objectives.</td>
<td>In January 2017 Denmark adopted its new development policy and humanitarian strategy “The World 2030”, centred on the SDGs. In May 2017, the Danish government published its first Action Plan for implementation of the Sustainable Development Goals. The Action Plan sets out 37 overall objectives for Danish implementation of the SDGs at home and abroad. A new national action plan will be published in the first half of 2021. An inter-ministerial working group for the SDGs headed by the Ministry of Finance and with participation from all ministries was set up to ensure implementation. Each line ministry is specifically responsible for objectives falling under its purview. This includes the strategy “The World 2030” under the responsibility of the MFA. A section of the Action Plan related to “Coherence for Sustainable and Global Development”, links national and European Union commitments to policy coherence for development. An annual progress report on the Action Plan is sent to the Danish parliament, while a more comprehensive status report is prepared every four years.</td>
<td></td>
<td> 2021 New National Action plan for implementation of the SDGs is underway  Inter-ministerial working group for the SDGs headed by the MOF and with participation from all ministries  Linking to EU commitments and policy coherence for development  Annual progress report to Parliament  Comprehensive status report every 4 years and Denmark will present its second VNR in 2021</td>
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<tr>
<td>1.2. In line with its 2014 action plan, Denmark is encouraged to report publicly on</td>
<td>In 2016 Denmark replaced its annual DANIDA reports, in which work on PCD used to be reported, with an OpenAid website that is updated daily. In 2019, a new online platform <a href="http://www.verdensmaal.org">www.verdensmaal.org</a> that monitors how Denmark and the Danes work with the SDGs was established.</td>
<td></td>
<td> 2016 OpenAid website  2019 online platform on Denmark’s progress on the SDGs</td>
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<td>Its achievements and challenges in ensuring that its domestic and foreign policies are development friendly.</td>
<td>A mechanism to assess the SDG impact of new legislative proposals was established in 2019.</td>
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<td>1.3. In the frame of its private sector instruments, Denmark should continue efforts to set up few, large and demand-driven private sector facilities with clearly defined development objectives.</td>
<td>In 2018 Denmark launched the SDG Investment Fund – a public private partnership between the Government and Danish institutional investors, managed by the Industrialisation Fund for Developing Countries (IFU). The fund has raised DKK 4.85 billion in capital commitment, including DKK 2.9 billion from private investors. The majority of the public contributions has been provided from IFU’s own resources. Danish ODA constitutes DKK 100 million. In addition, IFU has access to loans of up to DKK 800 million through the Central Bank for which the Danish ODA budget provides a guarantee. The Fund is based on a preferred return model. In the case of a loss, it will be split proportionally between all investors, private and public. Funds and programmes related to private sector development are demand-driven and implemented in close collaboration with stakeholders ranging from businesses, to investors, to NGOs, to governments and authorities, etc.</td>
<td>➢ SDG impact of new legislative proposals being assessed</td>
<td>➢ SDG Investment Fund launched with total capital of DKK 4.85 billion of which DKK 2.9 billion is provided by private investors</td>
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<td>1.4. Denmark should examine how to better capture the additionality of, and return on, private sector instruments in developing countries.</td>
<td>While there is not yet any internationally agreed method to assess additionality, it remains an important aspect for Denmark. Denmark has actively engaged in the OECD DAC Community of Practice to develop Impact Standards for Financing Sustainable Development to guide owners and managers of development finance institutions. These new Impact Standards are expected to be explicitly referred to in the next revision of the Danish Government’s Ownership Document providing direction to the Board of IFU. The Community of Practice is expected to contribute to increased harmonization among donors and owners.</td>
<td>➢ The planned revision of the Danish Government’s Ownership Document for IFU will emphasize the need for additionality across the portfolio of investments and require better documentation of additionality in proposals that are submitted to the board.</td>
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### 2. Denmark’s vision and policies for development co-operation:

**As Denmark revises its development co-operation strategy, it should:**

2.1. **Clarify how the Sustainable Development Goals will guide its development co-operation, while safeguarding the** The law on Denmark’s development cooperation clearly states fighting poverty among its objectives. In 2017, a reference to agenda 2030 and the SDG’s was included in the law. Agenda 2030 and the Sustainable Development Goals form the basis of the current Danish development and humanitarian strategy, “The World 2030”.

Based on Denmark’s potential to create impact, the strategy identifies four sets of five priority SDGs at (i) a global level; (ii) in low-income, fragile priority countries; (iii) in low-income, stable priority counties; and (iv) in transitioning priority countries.

With SDG1 in both of the first two sets, the pro-poor focus is continued in Denmark’s ODA-funded activities. Moreover, the larger share of Danish | ➢ 2017 reference to Agenda 2030 and the SDG’s included in the law on Denmark’s development cooperation | ➢ 2017 new development and humanitarian strategy, “The World 2030” based on Agenda 2030 and the SDGs |
### pro-poor focus of its ODA-funded activities.

ODA is invested in countries in the low-income and fragile category, (Afghanistan, Palestine, Burkina Faso, Mali, Niger and Somalia) and in the low-income category (Ethiopia and Uganda). The Danish focus on the humanitarian-development nexus is a clear acknowledgement of the need to integrate efforts, in light of the interlinked nature of the SDGs. The principle of leaving no one behind and the human rights-based approach to development are core components in Danish external action and help direct Danish assistance towards the marginalised and those most in need.

A new development and humanitarian strategy is being developed and will expectedly be approved by Parliament later in 2021 and come into effect from 2022.

#### 2.2. Within the new priorities, define operational objectives and criteria to prioritise activities and guide the selection of priority partners and funding instruments.

The current strategy “The World 2030”, takes four “signposts” as its starting point. They are there to guide Danish development and humanitarian policy towards actions that 1) create long-term results at country-level and 2) benefit the Danish society. Each provides keywords for a goal-oriented and operational development and humanitarian policy:

1. Security and development
2. Migration and development
3. Sustainable, inclusive growth and development
4. Freedom and development

The World 2030 formulates **three criteria** for choosing areas of focus and corresponding activities: (i) Denmark will be guided by its interests and values, (ii) Denmark will prioritize involvement where it can leverage its strengths, expertise and experience for influence, and (iii) Denmark will engage where it can play an important role through partnerships or active leadership.

Finally, Danish development and humanitarian policy **three geographical categories** to guide Danish engagement:

1. Poor and fragile countries and regions:
   
   Six priority countries and the regions of Sahel and the Horn of Africa are the targets of efforts that centre on humanitarian, development and stabilisation efforts.

2. Poor and stable countries
   
   Six priority countries, where efforts focus on growth and transition, taking into account that fragility is a threat to advancement.

3. Transition and growth economies
   
   These are middle-income countries that can benefit from ODA, and where twinning and partnership instruments are leveraged with a view to mutually beneficial cooperation.

Combined, the four signposts, three criteria and geographic differentiation constitute an operational set of constraints that guide activities from the political level, through policy to funding and implementation.

- 2021 new development strategy to be adopted
- The World 2030 with transparent and operational set of constraints to guide activities from the political level, through policy to funding and implementation:
  - Four signposts toward long term results at country level and benefit Danish society
  - Three criteria for choosing focus areas and activities
  - Three geographical categories
2.3. Reiterate the rationale for Denmark’s support to multilateral organisations and align its funding allocations with its objectives.

“The World 2030” makes it clear that multilateral cooperation is an important channel for Denmark to influence the development of international norms and standards, global priorities and strategies that are necessary when seeking to leverage Danish interests and that the Danish engagement with multilateral organisations must be relevant to Denmark’s strategic interests.

Denmark’s multilateral engagement is pursued with the aim to make a difference, e.g. by promoting the effectiveness of the organisations as well as the delivery of tangible results toward the SDGs.

Denmark develops national “organization strategies” to guide cooperation with each of the multilateral organizations that receive substantial Danish funding. The organization strategies guide Danish overall policy towards the given organization.

Regarding UN organizations the strategy emphasises that Denmark will prioritise cooperation with organizations with a mandate falling within Danish priorities in terms of interests and values. Consequently, the number of UN organisations receiving Danish financial support has been reduced.

Denmark has entered into strategic partnership agreements with a number of UN organisations considered instrumental for leveraging Danish interests and priorities on the global agenda; UNDP, UNFPA, UNICEF, UNWOMEN, WFP, UNHCR. The objective of the partnership agreements is to increase synergies between the different types of Danish financial support to the organizations.

The strategic partnership agreements unify and gather the financial support in one agreement, hereby strengthening linkages between the different contributions and Danish policy priorities within the mandates of the organisations.

Denmark has softly earmarked parts of its contributions to e.g. UNDP, UNFPA, UNHCR and UNICEF to specific regions, countries and themes. The objective is to increase the Danish influence on the work of the organizations in the field and improve the visibility of the Danish efforts.

Contributions to the organizations’ performance of their core functions (core contributions) continue to be an important instrument to ensure the Danish strategic influence and guidance on the organizations’ work within the 2030 Agenda.

The new agreements with UN and CSO organizations cover both humanitarian and development work. Denmark has implemented its Grand Bargain commitments, providing multi-year funding for WFP, UNHCR, UNICEF, UNFPA, UNRWA and UNDP as well as for 17 strategic CSO partners to enable them to do multi-year planning and programming in protracted crises (see below).

Multi-year support is also provided to the WB Global Concessional Financing Facility, the WB State and Peacebuilding Fund, including the H-D-P Initiative, and Education Cannot Wait.

In 2019, DKK 675 million (24%) of Danish humanitarian assistance was provided as core contributions to international humanitarian

- Clear rationale for Denmark’s support in line with Danish political interests and values;
- Funding allocations aligned with strategic objectives;
- Organization strategies to guide Danish priorities;
- Strategic cooperation with selected multilateral organizations whose mandate support Danish political priorities;
- Strategic partnership agreements with selected UN organizations;
- Danish influence on the work of the organizations in the field increased;
- Visibility of the Danish efforts improved;
- Core funding combined with select earmarking;
- Partnership agreements cover development and humanitarian assistance to help bridge nexus;
- Grand Bargain implemented with multiyear funding for 6 UN organisations and 17 CSO-partners;
- Multi-year funding to WB Global Concessional Financing Facility, WB State and Peacebuilding Fund, including the H-D-P Initiative, and Education Cannot Wait;
- More than 70% of humanitarian aid in core and softly earmarked contributions;
- Working with MDBs to maintain focus on growth.

<table>
<thead>
<tr>
<th>Contributions to</th>
<th>The organizations’ performance of their core functions (core contributions) continue to be an important instrument to ensure the Danish strategic influence and guidance on the organizations’ work within the 2030 Agenda.</th>
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</table>
organisations. On top of this, DKK 1,261 million (49%) was provided as softly earmarked contributions to humanitarian response plans and appeals, including country-based humanitarian funds.

As for the cooperation with multilateral development banks, the strategy makes it clear that these institutions are in a central position to promote the SDGs.

Denmark works to ensure that MDBs continue to contribute to growth and social inclusion, particularly for the World’s poorest. This includes a particular focus on displacement. Denmark has been supporting this, e.g. through direct multi-annual grants to the WBG Global Programme for Forced Displacement and the WBG-administered Global Concessional Financing Facility for MICs hosting large refugee populations and indirectly through grants that have enabled UNHCR to build a strong partnership with the WBG.

Denmark supports the MDBs’ agenda and unique position to further innovative financing with the private sector. Denmark will use the development banks as a platform for economic diplomacy, particularly in developing countries, where the banks have the tools required to break down barriers and bring into play the competencies of the business sector.

Denmark’s expects that the introduction of adaptive management and Doing Development Differently (DDD) initiatives will strengthen and focus the dialogue at HQ level as well at field level with multilateral partners.

3. Allocating Denmark’s official development assistance:

<table>
<thead>
<tr>
<th>3.1. Denmark is encouraged to fully consider the impact of reallocating its ODA to manage refugee costs. This affects the predictability of Denmark’s development cooperation programme dealing with poverty reduction in developing countries.</th>
</tr>
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<tbody>
<tr>
<td>Denmark reports its Official Development Assistance in line with the DAC-directive. Denmark considers this important to the transparency and integrity of ODA and cross-donor comparability and accountability. To increase predictability, Denmark has instituted a balancing adjustment mechanism. The mechanism aims to ensure that funding commitments within the same or following financial years are not adversely affected by sudden rises in refugee management costs, leaving an adjustment period for affected partners/programmes.</td>
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<tr>
<th>3.2. When deciding on multilateral allocations, Denmark, along with other donors, should take into account the impact</th>
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<tbody>
<tr>
<td>Denmark is working to make the multilateral system more efficient and impactful. Core funding continues to remain a priority for Denmark as a way to ensure flexible support and influence the work and focus of the multilateral organizations at a strategic level. In 2019 Denmark provided more than DKK 9.7 billion to multilateral organizations for ODA purposes including more than 5 billion as core contributions. The UN-family alone</td>
</tr>
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</table>

- Denmark reports ODA in line with the DAC-directive.
- Balancing adjustment mechanism introduced in 2018.
- Strengthened strategic cooperation between Denmark and selected multilateral organizations.
- Diversified funding streams to strategically influence the work and
of core versus earmarked funding on the ability of these organisations to carry out their mandate.

(including funds and commissions) received around 4.5 billion DKK, of which 1.6 billion were core contributions.

Denmark supports efforts to broaden the base of donors of core support as a key element in enhancing the ability of multilateral organizations to deliver on their global mandates.

While maintaining strong core funding, Denmark is also applying a strategic targeting of resources to select UN organizations whose mandate and work – thematically and regionally - align with Denmark’s priorities as outlined in “The World 2030”, including enhancing synergies between humanitarian and development interventions. With increased targeted funding, Denmark is in a better position to impact humanitarian and development efforts at country level.

The majority of Danish contributions to the MDBs are provided as capital, guarantees or funding to the Banks’ Development Funds. These contributions are considered “core funding”. Denmark supports a few more thematic trust funds in the MDBs.

The Guidelines for Management of Danish Core Support to Multilateral and International Organizations were revised in 2020. The revision includes: i) Introduction of Doing Development Differently (DDD) initiatives. ii) Results monitoring, reporting and learning initiatives. iii) Leaner processes and procedures. iv) Introduction of clear definitions for soft earmarking and Strategic Partnership Agreements.

4. Managing Denmark’s development co-operation:

The Ministry of Foreign Affairs (MFA) evaluates the suitability of its organization on an ongoing basis. During the past few years, the following adjustments in the area of development cooperation have been made to ensure that the organizational structure is fit for purpose:

- The Policy Department and the Africa Department were merged to the Department for Africa, Policy and Development (APD) to mark the current Government’s wish to focus Danish development cooperation efforts more strongly on the African region;
- A new Department for Green Diplomacy and Climate (GDK) was established to mark the high priority given to this policy area;
- A new department for Migration, Stabilization and Fragility (MNS) was established responsible for fighting the underlying causes of migration, including climate change, conflicts, and poverty, through advancement of coherent Danish humanitarian, development, stabilization, and peacebuilding efforts.
- A new department for Evaluation, Learning, and Quality (ELK) was established to continue a strong and impartial evaluation effort, improve the learning uptake from evaluations and analytical work, and bring this knowledge closer to operational uptake and strengthen quality assurance.

With regard to Technical Advisory Services (TAS) ELK is the home of a critical mass of the TAS staff while a number of TAS staff perform their functions in HQ departments and at embassies. ELK is in charge of the planning of all regular reviews and appraisals of all bilateral, regional

focus of multilateral organizations
- Earmarked funding to enhance results in support of Danish political priorities
- Ensure sufficient core funding for organizations to deliver on global mandate;
- Strong Danish influence on strategic direction of individual organizations through active role in boards

- Organizational structure reflects thematic and geographic priorities, and supports learning and quality assurance
- Technical expertise closer to the design and implementation of main development programmes and planned coherently
- Mandatory taskforces facilitate building coherence and complementarity across all involved programmes and partnerships in priority countries.
- Partnership approach strengthened with quality assurance focus on partner capacity,
and multilateral development assistance programmes carried out by TAS staff of all units.

Under the Doing Development Differently (DDD) approach introduced in 2019 and formalized in the Aid Management Guidelines in 2020, task forces to strengthen the relations between HQ and embassies in priority countries have become mandatory.

The partnership approach has been strengthened. This involves relying more on the technical capacity of partners. Quality assurance is now preoccupied with partner capacity, planning and strategic focus, rather than detailed assessment of activities supported.

### 5. Denmark’s development co-operation delivery and partnerships:

#### 5.1. Denmark should speed up its programming processes to increase timely implementation, especially for fragile states.

Denmark has changed the balance between time used for programming and implementation in fragile states. The programming phase for bilateral programmes remains substantive and has been strengthened in terms of risk assessment, scenarios for implementation and justification for choice of partners - including capacity assessments. At the same time, the implementation phase has increased from three to five years while programming continues to allow for a high degree of flexibility that allows responsible units (embassies) to respond to changes in context without the need to go through a new programming phase.

- Programming phase strengthened
- Increased duration of implementation phase
- Flexibility in implementation allows for adjustment to changes in context

#### 5.2. Denmark should pursue its efforts to strengthen risk assessments to inform programming. In particular, it should select its partners based on an in-depth assessment of institutional risk.

Risk assessments at the contextual-, programmatic-, and institutional levels are integrated elements of the programming process and are subject to annual review and update during the implementation phase.

Denmark updated its guidelines for programmes and projects in January 2018. A key change in this regard was the strengthening of the stakeholder assessment and stronger requirements to justify choice of partners. The process includes an assessment of the capacity of partners including an assessment of associated risks.

- The 2018 strengthened stakeholder assessment process and requirements for the justification of choice of partners, including associated risks, has been maintained.

#### 5.3. Denmark should identify effective ways of promoting private sector engagement that do not increase the share of tied aid.

IFU was untied as of 1 January 2017. This marks a break with the fund’s 50-year history.

Contrary to its predecessors, the grant programme “Danida Market Development Partnerships” does not require Danish partners. This is similar to the P4G-initiative, where fewer than 20% of partnerships include a Danish partner.

- IFU’s untied status has provided better investment opportunities
- Danida Market Development Partnerships do not require DK partner

### 6. Results and accountability of Denmark’s development co-operation:

#### 6.1. Denmark should pursue its efforts to link measurement of programme level

Denmark fully supports the concept of country-led national reporting on progress against SDG targets and developments in SDG indicators. Recognizing that not all countries are in a position to deliver on this responsibility, Denmark aims to ensure that the relevant partner

- Capacity building of national partner institutions in cooperation with UN where possible.
outcomes with national development indicators to better inform its policy decisions.

Institutions have access to the necessary capacity development activities. This is done in cooperation with the UN whenever possible.

6.2. Denmark should consolidate its knowledge management system to capitalise on knowledge produced in the field and by its partners, including civil society organisations, and strengthen information sharing.

Denmark continues to work on knowledge management, specifically to enhance the feedback loops between implementation in the field and programming decisions in the ministry and among partners. Learning as part of Doing Development Differently (DDD) has become a prominent feature of the MEAL system of new projects and programs.

The MFA has introduced mechanisms for regular dialogue between implementing units in the ministry and senior management on portfolio performance.

Strengthened external oversight through the Council for Development Policy with regular reviews of larger programmes in priority countries through annual stocktaking exercises.

The MFA has established thematic clusters with civil society partners. The clusters reflect key priorities in the World 2030 and are anchored with relevant MFA policy departments or with CSOs. While some mainly focus on knowledge sharing, others also set out to prepare policy proposals, conferences etc.

- Dialogue between implementing units and senior management on portfolio performance
- Council for Development Policy oversees regular reviews of larger country programmes.
- Thematic clusters with CSO-partners for knowledge sharing and policy development

6.3. To rebuild public support, Denmark should do more to communicate the interdependence between Danish interests, development goals and global public goods in a comprehensive framework, while maintaining the voice of development cooperation.

“The World 2030” underlines that Denmark’s development cooperation is a tangible and visible contribution to the joint responsibility Denmark assumes for the world’s development. The strategy also reflects that development cooperation is fully integrated into Denmark’s foreign and security policy.

Comprehensive communication on this cross-cutting approach was carried out when launching the strategy, but the approach has also been streamlined into the day-to-day communication of Danish development cooperation.

Development communication increasingly uses social media to reach a wider audience.

The SDGs have become a cornerstone in the MFA’s communication on development issues, highlighting among other things the interdependence between Danish interests and global development and the work with partners.

The Department for Public Diplomacy, Press and Communication (KOM) has developed – together with an external consultancy – an analysis identifying segments within the Danish public based on their attitudes and knowledge of development cooperation in order to better identify channels and target messages.

- Continued coordinated and integrated communication on SDGs across development and foreign policy effort.
- Joint communication products with partners have increased reach and engagement.
- Implementation and strategic use of segmentation analysis leads to precise and customized content in communication.
- Integrated use of analysis of the population who might be open to increased dialogue on development cooperation and to recognizing documented results.
- Digital platforms have increased the outreach
7. Denmark’s humanitarian assistance:

<table>
<thead>
<tr>
<th>7.1. Denmark should ensure its policy work on humanitarian-development coherence is supported by relevant funding streams for both humanitarian and development activities.</th>
<th>Please refer to Chapter 7 in the 2021 Peer Review Memorandum as this has been written in a manner that ensures a comprehensive and detailed account for the nexus approach that has been adopted by Denmark when responding to fragility and humanitarian crises.</th>
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<tr>
<td>7.2. Denmark should reinforce its measurement of outcomes and impact to inform and strengthen its policy work.</td>
<td>With the 2018-2021 strategic partnerships with Danish NGOs, Denmark has strengthened focus on outcome-level reporting. Moreover, the MFA has launched a series of thematic evaluations of the Danish engagement with civil society in order to strengthen learning across the portfolio. Further, efforts are now ongoing to incorporate outcome-level reporting in the Ministry’s programme management system and streamline formats to the expected IATI-formats to be introduced in coming years. The submission of progress reports has been moved to mid-June to allow for more substantial processing of these in preparation for subsequent forward-looking consultations. In this, aspects related to contextual challenges and programmatic learning have been emphasized. Similarly, steps have been taken to reinforce the measurement and reporting of outcomes and impact across other assistance instruments. This includes the development of new database tools for coherent data entry.</td>
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- Strengthened focus on outcome-level reporting
- Changed progress reporting cycle to allow for forward looking consultations.
ANNEX II: ANTI-CORRUPTION

Summary of progress with implementing the 2016 Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption, referring to each of the ten areas specified in the recommendation to the greatest extent possible:

The Ministry of Foreign Affairs is determined to maintain the highest standards of integrity and work ethics among its staff and across all areas of activity, including but not limited to international development cooperation. The Ministry therefore maintains a policy of zero tolerance towards corruption in all its forms.

1. Code of Conduct (or equivalent)
The Ministry’s Anti-Corruption policy applies to all officials and is publicly available here (English version and Danish version). The policy is part of the mandatory e-learning course for all staff.

2. Ethics or anti-corruption assistance/advisory services
There are several entries to ethics and anti-corruption advice guidance and support to staff. The system for reporting corruption (so called c-cases) has dedicated officers who respond to queries and guides staff. For anonymous reporting there is the dedicated whistleblower webform. Access to the whistleblower correspondence is restricted and emphasis is on confidentiality and creating a safe space. Staff providing advisory regarding anti-corruption are trained to handle matters of anti-corruption and the ministry has internal guidelines on how to handle suspected cases of corruption.

3. Training and awareness raising on anti-corruption
There is a mandatory e-learning course for all staff. A repository has been made on the Ministry’s Intranet for documentation relevant for anti-corruption (Anti-Corruption Resource Centre). At Embassies implementing Danish development assistance a Anti-Corruption Focal Point (ACFP) is designated as resource on matters related to corruption (TOR can be found at the Anti-Corruption Resource Centre). Virtual meetings between ACFP and HQ are held at regular intervals.

4. High level of auditing and internal investigation
The ministry upholds a high level of auditing and internal investigation. There is a transparent reporting to national oversight bodies (Parliament/Auditor General) as well as the public in general of the way the Ministry of Foreign Affairs conducts financial management and internal investigations. The public in general, as well as the Danish Parliament and the Auditor General, have access to an overview of the reported cases of corruption. Furthermore, there is a detailed, and continuously updated, list of specific cases.

The specific issue of reporting suspicion of misuse or corruption with funds from the Ministry of Foreign Affairs is described here; and the reporting form is found here.

5. Active and systematic assessment and management of corruption risks
Risk management, including corruption mitigation, are integrated in the guidelines for programme management.

6. Measures to prevent and detect corruption enshrined in ODA contracts
Following the guidelines, measures of preventing corruption include actively working with risk management, capacity development of partners as well as strengthening the partners’ own control systems, including national institutions such as the Auditor General’s Office, anti-corruption institutions and a national Ombudsman institution. An assessment of the partners’ capacity must always be made, including an assessment of the partners’ financial and administrative procedures to ensure acceptable fiduciary standards.
Furthermore, contracts with partners should include standard clauses on anti-corruption, including clauses, which stipulate that any form of corrupt practices will be grounds for immediate cancellation of agreements. Measures of control include different types of monitoring, such as monitoring for results, financial audits, compliance audits, value for money audits, financial control visits, etc. In fragile areas, it may be necessary to use a variety of third part monitoring. Support for civil society and investigative journalism to serve as watchdogs for corruption also contributes to the strengthening of a control environment at societal level in a given context.

7. Reporting/whistle-blowing mechanism
The MFA has a public whistleblower channel, which is open to reports from all. The Auditor General’s Office is also notified of all cases of reasonable suspicions of irregularities or misuse concerning Danish development assistance. As a main rule, these notifications are also published on the MFA’s webpage.

8. Sanctioning regime
MFA will apply zero tolerance towards corruption in line with its Anti-Corruption Policy and its Code of Conduct that are applicable to all staff working in the MFA. The specific issue of reporting suspicion of misuse or corruption of funds from the Ministry of Foreign Affairs is described here; and the reporting form is found here.

9. Joint responses to corruption
The Ministry of Foreign Affairs has signed a Memorandum of Understanding on Anti-Corruption Cooperation with the World Bank that opens up for sharing experience and consulting on operational matters.

10. Take into consideration the risks posed by the environment of operation
The risks posed by the environment of operation are addressed through the risk mitigation system for formulation and follow-up of activities, and integrated in the guidelines for programme management.
ANNEX III: SUMMARY OF PROGRESS WITH IMPLEMENTING OTHER DAC OR COUNCIL RECOMMENDATIONS AS THEY ARE ADOPTED

1) 2019 DAC RECOMMENDATION ON ENDING SEXUAL EXPLOITATION, ABUSE, AND HARASSMENT IN DEVELOPMENT CO-OPERATION AND HUMANITARIAN ASSISTANCE

Denmark has taken the following steps to implement this recommendation:

- In recent years, Denmark has made progress in implementing the DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment, including by introducing or strengthening requirements and dialogue on SEAH in partnerships with UN and NGO partners. Denmark generally applies an arms-length approach requiring partners to have the necessary measures to prevent and respond to SEAH, while also addressing SEAH in assessments and dialogue with partners.

- Implementing partners must be informed about Denmark’s zero-tolerance policies towards (i) Anti-corruption; (ii) Child labour; (iii) Sexual exploitation, abuse and harassment (SEAH); and, (iv) Anti-terrorism. Specific articles on this in the standard legal agreement are currently being developed.

- NGO partners with humanitarian funding must demonstrate adherence to the quality criteria in the Core Humanitarian Standard (CHS) through independent verification or certification, which contributes to quality assurance on SEAH measures. Denmark also supported the Danish NGO umbrella organization “Global Focus” to strengthen the coordination among NGOs. This resulted in joint SEAH-commitments supported by all NGO members, aligned with the OECD DAC recommendation.

- Internally in the MFA, the following initiatives have been taken to end SEAH:
  - Senior Management communication to all employees on the importance of addressing and preventing unwanted sexual attention and harassment;
  - Existing policy revised;
  - Key HR-staff and union representatives are being trained;
  - Dialogue meetings held between HR and members of our Occupational Health Organization and Union representatives;
  - Questions on Sexual Harassment in 2020-Workplace survey revised to follow the most updated terminology;
  - Guidance on MFA intranet updated regarding whom to contact in cases of harassment or unwanted sexual attention and were to file complaints (Corporate HR and new whistleblower mechanism).

- A whistleblower mechanism was established on 1 November 2020 with the purpose of expanding opportunities to speak out about impermissible circumstances in the MFA without a fear of negative consequences. Employees of the MFA’s external partners, who have a more continuous or formalized collaboration with the MFA, can also use the mechanism. Reports can be submitted via the MFA’s website regarding criminal offences, serious or repeated violations of the law or principles of administrative law, serious personal conflicts, sexual harassment and deliberate misinformation of citizens and partners. The whistle-blower mechanism stands alongside the other reporting channels in the MFA, particularly Danida's anticorruption hotline, which pertains to irregular administration of development assistance or similar external grants.
2) **2019 DAC RECOMMENDATION ON THE HUMANITARIAN-DEVELOPMENT-PEACE NEXUS**

Denmark has taken the following steps to implement this recommendation:

- Denmark warmly welcomed the Recommendation. Denmark has aimed to break silos and build coherence in its engagements even before the Recommendation was issued in 2019. An HDP approach is embedded and mainstreamed in the Danish Development and Humanitarian Strategy from 2017.

- Denmark has been part of a working group in OECD INCAF that was tasked to prepare an implementation and monitoring plan for the Recommendation.

- The Recommendation is very useful for guidance and for advocacy purposes and has been integrated in several MFA workflows following the adoption in 2019. The Recommendation has been explicitly mentioned and used in reviews, monitoring visits, messaging in international meetings etc. A recent example is that the Recommendation is being used as the entry point to a review of all our Syria related engagements.

- At the Global Refugee Forum in December 2019, Denmark organised a spotlight session that focused on the role of national and international development partners in moving towards true and consistent burden and responsibility sharing as a basis for comprehensive, long-term responses to displacement. The panel included several high-level representatives from host governments, donors, and multilateral organisations, including the OECD-DAC Secretariat, who used the opportunity to deliver a detailed presentation of the Recommendation to the audience numbering close to 300 participants. (recording available at [UNHCR - 2019 Global Refugee Forum - Comprehensive list of available documents, materials, recordings, videos and further links (repository)](https://www.unhcr.org/))

- In 2020, Denmark published an evaluation study on the role of development actors in operationalising the Global Compact on Refugees. The study highlights the Recommendation as one of the most important opportunities for promoting comprehensive nexus approaches in humanitarian and displacement situations.

- The Recommendation is included in a new tool from June 2020 in the Danish Aid Management Guidelines (AMG). The specific purpose of this tool is to integrate multi-dimensional and systematic considerations on fragility risks in context analyses conducted in countries and situations where Denmark is engaged. The broader aim is to serve risk-informed and anticipatory decision-making on Danish instruments used to implement a Whole of Government approach to engagements in the Humanitarian-Development-Peacebuilding (HDP) Nexus. The tool has been piloted in Burkina Faso.

- The Ministry of Foreign Affairs is preparing an HDP Policy paper, which will be finalised early 2021. The paper will define Danish HDP policy priorities in a foreign and security policy perspective and provide guidance for Denmark’s engagement in the UN in particular. The paper will also provide a so-called “how-to-note” on HDP which will feed into the new Danish strategy for development cooperation and humanitarian action in 2021.
3) **2019 Recommendation of the OECD Council on Policy Coherence for Sustainable Development**

Denmark has taken the following steps to implement this recommendation, noting that efforts to this end are ongoing engaging the Government as well as Parliament, the Auditor General’s Office and civil society.

- Denmark has an [official website for the SDGs](#), which focuses on raising awareness and increasing knowledge about sustainable development and the 2030 Agenda to show that the SDG are as important and relevant to the Danish population as to the rest of the world. The independent media organization [World’s Best News](#) manages the website with financial support from the Government.

- Since 2017, an [inter-ministerial working group](#) consisting of representatives from all ministries and led by the Ministry of Finance has been in charge of developing and monitoring the action plans for the SDGs.

- In 2017, the [Finance Committee of Parliament](#) established the All Party Coalition for the Sustainable Development Goals referred to as [The 2030-Network](#) as a sub-committee. The Network is a platform for broad discussions on SDGs across political parties and with civil society and the private sector. To that end, the Network established the [2030-Panel](#) consisting of 24 diverse stakeholder profiles representing key players in the Danish society to serve as an advisory body to support the 2030-Network in its context-sensitive learning and action for impactful national sustainable development policy-making.

- In 2017, the Danish Government adopted its [first national action plan](#) on the implementation of the SDGs built around priority clusters allowing for identification of synergies and trade-offs as well as effective monitoring and reporting. The action plan contains 37 national objectives for which progress is reported annually to Parliament. The action plan focuses on incorporating the SDGs into domestic policies, inter alia through a mechanism, designed to assess legislative proposals in terms of their cross-sectoral consequences for the SDGs within the framework of the action plan.

- In autumn 2019, the Finance Committee of Parliament asked the Auditor General’s Office to review progress towards Denmark’s achievement of the SDGs. In its [report from October 2020](#), the Auditor General’s Office noted that too little had been done across the Government administration to analyze, integrate and implement the SDGs in ministries and underlying agencies and that the Parliament had not been clear in its reporting requirements. Concerning the mechanism designed to assess legislative proposals, the Auditor General’s Office noted that the assessments of legislative proposals had not been sufficiently documented, and that they disregarded potential negative consequences of the proposals.

- The current Government has announced that a [new national SDG action plan](#) will be published in the first half of 2021. The new plan will strive to achieve a certain amount of specific targets and show the Government’s commitment to identify synergies and trade-offs to foster policy coherence for sustainable development. Concrete indicators for each target will ensure effective monitoring and provide a framework for the ministries to coordinate national and international SDG initiatives. The mechanism designed to assess legislative proposals in terms of their cross-sectoral consequences for the SDGs will be reconsidered as part of the up-coming action plan process. Using the action plan as foundation, the Government will ensure that annual progress reports are sent to Parliament.
In October 2020, the Vores Mål Projekt (Our Goals Project) led by Statistics Denmark supported by the 2030-Panel (see below) proposed 197 indicators for monitoring Denmark’s domestic progress towards achieving the SDGs.

In 2019, Parliament adopted the Danish Climate Act with a legally binding commitment to reduce greenhouse gas emissions by 70% by 2030. In 2020, the Government’s global climate strategy was launched. The Climate Strategy spans across government and sectors, applies an integrated approach to reduction, adaptation and sustainable development with a double focus on the aims of the Paris Agreement as well as the SDG, and combines action across the UN, the EU, countries, and non-state actors. It cuts across five strategic axes of action: 1) climate ambition, 2) reduction of GHG emissions, 3) climate adaptation and sustainable development, 4) mobilization of finance, 5) engaging the business community.

As part of the Climate Strategy, the Government will inter alia work to support a reduction of the global climate footprint of Danish and foreign businesses, with a focus on the value chain. The Government will also strengthen responsible and deforestation-free value chains for agricultural goods in order to benefit the climate, biodiversity, and social conditions in producer countries, and to reduce the Danish climate and environmental footprint.

With regard to international trade, Denmark is actively working for a free, fair and sustainable trade policy that can contribute to ensuring that trade will benefit all groups. This includes working for solid trade and sustainable development chapters in EU trade agreements. Regarding the green agenda, Denmark will also push for new WTO negotiations on liberalization of green goods and services; increased use of green labelling schemes and standards; and a more active effort to phase out subsidies for fossil fuels.

Regarding Danish development cooperation, the Development Cooperation Act was revised in 2017 to integrate the 2030 Agenda and SDGs. Examples of approaches that further Policy Coherence for Sustainable Development can be found in the initiatives and partnerships supported by Denmark in Bangladesh to improve the sustainability of the value chain of the ready-made-garment industry (Info Box 1). Another example, also involving the private sector, is the SDG Investment Fund established in 2018 by Danish pension funds, private investors, and Denmark’s official development finance institution, the Investment Fund for Developing Countries, IFU, which is also the fund manager. The Fund will contribute to the SDGs through commercial investments in developing countries.

In the Climate Strategy, the Government outlines its intentions for the Danish development cooperation going forward. The Government wants to ensure green development cooperation rooted in solidarity, with a stronger focus on adaptation and sustainable development in the poorest and most fragile developing countries, where more people must have access to clean energy and clean water. The Government also wants to explore positive synergies between a green transition, climate adaptation and achieving the other SDGs, such as SDG 5 on gender equality. Investments in women’s and girls’ education and sexual and reproductive health and rights contribute to improving the inclusion of women in political and economic life and help to break the population curve. This also applies to SDG 8 on decent jobs and economic growth, where the green transition can be a tool for creating new green jobs, including by investing in workers with green skills.

Further details will be developed in the new strategy for development policy to be presented to Parliament in 2021.
4) **2020 RECOMMENDATION OF THE OECD COUNCIL ON ENVIRONMENTAL ASSESSMENT OF DEVELOPMENT ASSISTANCE PROJECTS AND PROGRAMMES**

Denmark has taken the following steps to implement this recommendation:

- The Danish development cooperation is guided by the Danish Strategy for Development Cooperation and Humanitarian Aid, The World 2030, scheduled for replacement in 2021. The World 2030 has recently been complemented by the new Danish long-term strategy for global climate action. This new strategy places climate and environmental support at the center stage of Danish development cooperation. The strategy on global climate action will ensure that Danish development cooperation activities advance efforts to meet the SDGs and the goals of the Paris Agreement, and that no Danish efforts counteract the ambitions of the Paris Agreement.

- At the operational level, Danish development assistance is also guided by the Danida Aid Management Guidelines (AMG). The AMG require that all commitments above DKK 10 mill complete the Annex 1 Context Analysis, which includes a risk assessment on sustainable growth, climate change and environment. Thereby, partner agencies’ own safeguards and policies will be reviewed and made subject to internal or external appraisal. This content of the annex is currently under revision.

- The operational responsibility for the Danida Sustainable Infrastructure Finance (DSIF) has been moved to the Investment Fund for Developing Countries, IFU, to, intern alia, ensure that DSIF is managed by a finance institution with adequate policies and procedures in place to meet international social and environmental standards for large infrastructure projects. In 2019, IFU strengthened and up-dated its Sustainability Policy and ESG framework which is complemented by several tools for business partners. Further, IFU has established procedures for governance and a grievance mechanism as well as publishes an annual sustainability and impact report.
ANNEX IV: ORGANISATION CHART AND STAFFING

1) ORGANISATION CHART: MINISTRY OF FOREIGN AFFAIRS AS OF 1ST JANUARY 2021

![Organisation Chart](image)

Weblink: Organisation chart - how the Ministry of Foreign Affairs is organised (um.dk)

2) STAFFING AS OF NOVEMBER 2020****

<table>
<thead>
<tr>
<th>Location*</th>
<th>Number of staff*</th>
<th>Female*</th>
<th>Male*</th>
</tr>
</thead>
<tbody>
<tr>
<td>HQ Copenhagen</td>
<td>915</td>
<td>504 (55.1 %)</td>
<td>411 (44.9 %)</td>
</tr>
<tr>
<td>Hereof in the professional hub “Development policy” (please refer to the organization chart)</td>
<td>174</td>
<td>109 (62.6 %)</td>
<td>65 (37.4 %)</td>
</tr>
<tr>
<td>Posted staff at missions</td>
<td>459</td>
<td>175 (38.1 %)</td>
<td>284 (61.9 %)</td>
</tr>
<tr>
<td>Hereof posted staff to embassies in Danida priority countries**</td>
<td>73</td>
<td>36 (49.3 %)</td>
<td>37 (50.7 %)</td>
</tr>
<tr>
<td>Locally engaged staff at missions</td>
<td>1,430***</td>
<td>854 (59.7 %)</td>
<td>545 (38.1 %)</td>
</tr>
<tr>
<td>Hereof locally engaged staff to embassies in Danida priority countries**</td>
<td>202</td>
<td>86 (42.6 %)</td>
<td>116 (57.4 %)</td>
</tr>
<tr>
<td>Total staff</td>
<td>2,804***</td>
<td>1,533***</td>
<td>1,240***</td>
</tr>
</tbody>
</table>

* As of November 2020
** Addis Ababa (Ethiopia), Bamako (Mali), Dar es Salaam (Tanzania), Dhaka (Bangladesh), Kabul (Afghanistan), Kampala (Uganda), Nairobi (Kenya), Ouagadougou (Burkina Faso), Ramallah (Palestine) and Yangon (Myanmar)
***Gender data is not available for 31 locally employed staff
**** The numbers are dynamic. For instance, the table does not include staff engaged in development activities at multilateral missions.
### ANNEX V: GLOSSARY AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADP</td>
<td>Department for Africa, Policy and Development</td>
</tr>
<tr>
<td>AFD</td>
<td>Agence Française de Développement</td>
</tr>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
</tr>
<tr>
<td>AMG</td>
<td>Aid Management Guidelines</td>
</tr>
<tr>
<td>BBBG</td>
<td>Build Back Better and Greener</td>
</tr>
<tr>
<td>CERF</td>
<td>United Nations Central Emergency Response Fund</td>
</tr>
<tr>
<td>CHS</td>
<td>Core Humanitarian Standard</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
</tr>
<tr>
<td>DAC</td>
<td>OECD Development Assistance Committee</td>
</tr>
<tr>
<td>DANIDA</td>
<td>Danish International Development Assistance</td>
</tr>
<tr>
<td>DAPP</td>
<td>Danish-Arab Partnership Programme</td>
</tr>
<tr>
<td>DDD</td>
<td>Doing Development Differently</td>
</tr>
<tr>
<td>DEPP</td>
<td>Danish Energy Partnership Programme</td>
</tr>
<tr>
<td>DEMA</td>
<td>Danish Emergency Management Agency</td>
</tr>
<tr>
<td>DKK</td>
<td>Danish Kroner</td>
</tr>
<tr>
<td>DMDP</td>
<td>Danida Market Development Partnership</td>
</tr>
<tr>
<td>DSIIF</td>
<td>Danida Sustainable Infrastructure Finance</td>
</tr>
<tr>
<td>ELK</td>
<td>Department for Evaluation, Learning and Quality</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FRU</td>
<td>Department for Financial Management and Support in relation to Development Co-operation</td>
</tr>
<tr>
<td>GBV</td>
<td>Gender-based Violence</td>
</tr>
<tr>
<td>GDK</td>
<td>Department for Green Diplomacy and Climate</td>
</tr>
<tr>
<td>GCFF</td>
<td>Global Concessional Financing Facility</td>
</tr>
<tr>
<td>GEI</td>
<td>Global Evaluation Initiative</td>
</tr>
<tr>
<td>GHD</td>
<td>Good Humanitarian Donorship</td>
</tr>
<tr>
<td>GHG</td>
<td>Green House Gas</td>
</tr>
<tr>
<td>GNI</td>
<td>Gross National Income</td>
</tr>
<tr>
<td>GPEDC</td>
<td>Global Partnership for Development Co-operation</td>
</tr>
<tr>
<td>HAP</td>
<td>Humanitarian Accountability Partnership</td>
</tr>
<tr>
<td>HCE</td>
<td>Department for Humanitarian Action, Civil Society and Engagement</td>
</tr>
<tr>
<td>HDP</td>
<td>Humanitarian-Development-Peace Nexus</td>
</tr>
<tr>
<td>HRBA</td>
<td>Human Rights Based Approach</td>
</tr>
<tr>
<td>HQ</td>
<td>Headquarter</td>
</tr>
<tr>
<td>HQAI</td>
<td>Humanitarian Quality Assurance Initiative</td>
</tr>
<tr>
<td>HR</td>
<td>Human Resource Department</td>
</tr>
<tr>
<td>IATI</td>
<td>International Aid Transparency Initiative</td>
</tr>
<tr>
<td>ICRC</td>
<td>International Committee of the Red Cross</td>
</tr>
<tr>
<td>IDPs</td>
<td>Internally Displaced Persons</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
</tr>
<tr>
<td>IFRC</td>
<td>International Federation of Red Cross and Red Crescent Societies</td>
</tr>
<tr>
<td>IFU</td>
<td>Investment Fund for Developing Countries</td>
</tr>
<tr>
<td>IHL</td>
<td>International Humanitarian Law</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>INCAF</td>
<td>International Network on Conflict and Fragility</td>
</tr>
<tr>
<td>IOM</td>
<td>International Organization for Migration</td>
</tr>
<tr>
<td>MFA</td>
<td>Ministry of Foreign Affairs</td>
</tr>
<tr>
<td>MOPAN</td>
<td>Multilateral Organisation Performance Assessment Network</td>
</tr>
<tr>
<td>MNS</td>
<td>Department for Migration, Stabilisation and Fragility</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>NAP</td>
<td>National Action Plan</td>
</tr>
<tr>
<td>NDF</td>
<td>Nordic Development Fund</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>OCHA</td>
<td>Office for the Coordination of Humanitarian Affairs</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
</tr>
<tr>
<td>P4G</td>
<td>Partnering for Green Growth and the Global Goals</td>
</tr>
<tr>
<td>PPP</td>
<td>Public Private Partnership</td>
</tr>
<tr>
<td>PSF</td>
<td>Denmark’s Peace and Stabilisation Fund</td>
</tr>
<tr>
<td>PSR</td>
<td>Denmark’s Peace and Stabilisation Response</td>
</tr>
<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
</tr>
<tr>
<td>SEA/SH</td>
<td>Sexual Exploitation and Abuse/ Sexual Harassment</td>
</tr>
<tr>
<td>SEAH</td>
<td>Sexual Exploitation, Abuse and Sexual Harassment</td>
</tr>
<tr>
<td>SGBV</td>
<td>Sexual and Gender Based Violence</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium sized Enterprise</td>
</tr>
<tr>
<td>SSC</td>
<td>Strategic Sector Cooperation</td>
</tr>
<tr>
<td>TOSSD</td>
<td>Total Official Support for Sustainable Development</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNHCR</td>
<td>United Nations High Commissioner for Refugees</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
<tr>
<td>UNRWA</td>
<td>United Nations Relief and Works Agency for Palestine Refugees in the Near East</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>VNR</td>
<td>Voluntary National Review</td>
</tr>
<tr>
<td>WFP</td>
<td>United Nations World Food Programme</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organization</td>
</tr>
<tr>
<td>WRI</td>
<td>World Resources Institute</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
<tr>
<td>ØKO</td>
<td>MFA Finance Department</td>
</tr>
</tbody>
</table>
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Table 3.2: Danish core contributions to multilateral organizations 2019, USD million

Figure 3.1: ODA as share of GNI, 2015-2019

Figure 3.2: ODA, 2015-2019

Figure 3.3 Sectoral breakdown of Danish ODA disbursements in 2019

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Info Box 2: Partnering with Denmark through the Strategic Sector Cooperation (SSC) Initiative

Info Box 3: Doing Development Differently (DDD)

Info Box 4: Danida Market Development Partnership (DMDP) in Nigeria

Info Box 5: A joint approach to Democratic Governance in Uganda

Info Box 6: The "Youth Sounding Board" in Mali

Info Box 7: The Results Reporting Project

Info Box 8: The three humanitarian budget lines of the Danish Finance Bill