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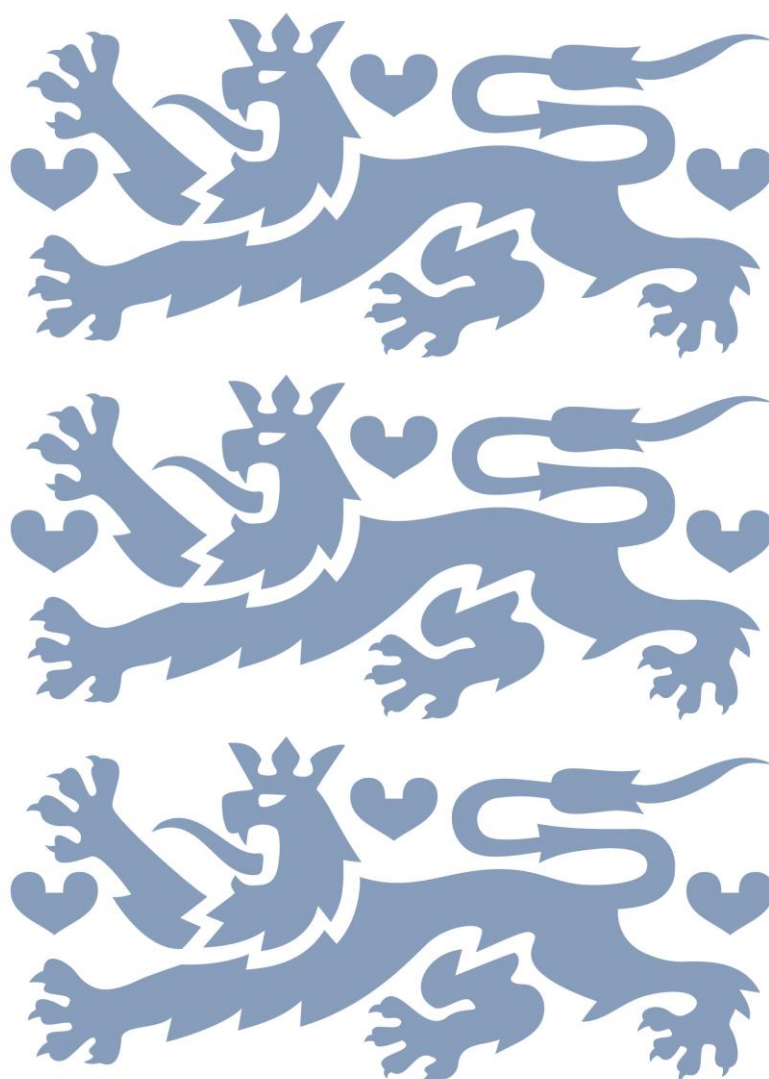


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o. INTRODUCTION

Herewith is presented the Annual Report of the Ministry of Foreign Affairs of Denmark (MFA) for 2015.

The MFA is an integrated organisation comprising one single department and more than 100 Diplomatic Missions and Trade Offices as well as Innovation Centres. In addition, there are around 400 Honorary Consulates abroad. Moreover, the Danish Institute for International Studies (DIIS) and the Danish Institute for Human Rights (DIHR), which are self-governed organisations, also belong under the MFA in respect to appropriations. These institutes present their own independent annual reports.

In accordance with the practice of previous years, the MFA's Annual Report reports on all MFA tasks and functions that are an integral part of the MFA's activities, including the departmental functions and responsibilities. The report provides all those with an interest in the MFA's activities a coherent and cross-cutting financial picture of the MFA's most important results in 2015. Moreover, it documents the governance that has laid the foundation for their achievement.

The Annual Report has been prepared on the basis of the guidelines for writing annual reports published by the Agency for the Modernisation of Public Administration (*Moderniseringsstyrelsen*). It is divided into four parts: management statement, operations review, accounts and annexes. Further information about the MFA's activities can be found on the MFA's website at www.um.dk.

The performance reporting comprises the six priorities and the underlying goals and initiatives of the past year upon which the MFA's performance management has been based in 2015.

In addition, information regarding activities and target achievement within Danish development assistance can be found in Danida's annual reports (<http://aarsberetninger.danida.um.dk/>) and OpenAid.dk (<http://openaid.um.dk/>). Information regarding activities within export and investment promotion can be found on the Trade Council website (<http://um.dk/da/eksportraadet/>).

Questions concerning the MFA Annual Report can be addressed to the MFA's Finance Department at OKO@um.dk.

1. MANAGEMENT STATEMENT ON THE OVERALL ACCOUNTS

The Annual Report comprises the main accounts on the Finance and Appropriation Act for which the Ministry of Foreign Affairs of Denmark is responsible, CVR number 43 27 19 11: Section 06.11.01 – The Danish Foreign Service and Section 06.11.05 – Revenue from Consular Services, including the accounting principle explanations, which are to be presented to Rigsrevisionen (National Audit Office of Denmark) in connection with the appropriation audit inspection for 2015. In addition, the Ministry of Foreign Affairs of Denmark is responsible for the administration of a number of grant accounts, cf. table 2 and 12.

It is herewith stated:

- that the Annual Report is true and accurate, i.e. the report does not contain significant misinformation or omissions, and the presentation of goals and performance reporting in the Annual Report is comprehensive.
- that the expenditure detailed in the presented accounts conforms to the announced appropriations, laws and other rules as well as entered agreements and normal practice.
- that procedures have been established which ensure proper financial management of funds and operations in the Ministry of Foreign Affairs of Denmark

Ministry of Foreign Affairs of Denmark, 10 March 2016.



Ulrik Vestergaard Knudsen
*Permanent Secretary of State, Ministry of Foreign
Affairs of Denmark*



Jesper Kammersgaard
Head of Department, Finance

2. OPERATIONS REVIEW

2.1 Presentation of the business activities

2.1.1 Primary functions

The MFA's primary responsibility is to implement the Danish Government's foreign and security policy, EU policy, export and investment promotion policy, and development policy. This entails that the MFA:

- Ensures a flexible and global network for the entire Government through coordination of Denmark's official relations with foreign countries, including a number of international organisations, such as the EU, the UN and NATO, as well as the Nordic cooperation.
- Administers Danish development assistance.
- Assists the Danish business community in their export activities, internationalisation and other commercial activities abroad where there is a clear Danish commercial interest for Denmark, and attracts foreign investments to Denmark.
- Handles and coordinates Denmark's international economic relations with other countries, including within the trade policy sphere.
- Assists Danes who find themselves in difficult situations abroad and performs tasks relating to the issuance of visas, residence permits and passports.
- Contributes to providing sound information to the outside world about Denmark, Danish culture and Denmark's special competences (public diplomacy).

In terms of appropriations, the MFA's primary functions fall into four general main areas: General foreign policy, Administration of development assistance, Export and investment promotion and Consular Services.

2.1.2 Organisation

The MFA comprises the Ministry in Copenhagen and Embassies, Consulates-General and Trade Offices, etc. abroad as well as Missions at the most important international organisations. Added to this are a large number of Honorary Consulates. At the end of 2015, the entire organisation had a total of 2,599 employees, of whom 828 were located at the Ministry in Copenhagen and 1,771 were located at the Missions. Of the 1,771 employees based abroad, 1,338 were locally employed staff.

The MFA is an integrated organisation. This means that the staff all work together in one and the same organisation, regardless of where they are located. It also implies that a single-stringed approach is adopted in regard to the safeguarding and promotion of Denmark's international interests, whether it be in the realm of foreign and security policy, EU policy, development policy, trade policy, support given to promoting the internationalisation of Danish companies, assistance to Danes in distress abroad or public diplomacy. The organisational structure makes it possible to deliver solid responses to international and global challenges across operational areas, without organisational or administrative obstacles.

The global network of Missions is the hallmark of the MFA and provides the basis for enabling the MFA to safeguard and promote Denmark's international interests. With in-depth knowledge of local conditions and the right networks, the Missions contribute to ensuring the quality and validity of the flow of information that serves as the basis for shaping Danish foreign policy and a number of other policy aspects in Denmark. The number, size and location of the Danish Missions are reviewed and prioritised on an ongoing basis according to Denmark's foreign policy interests and goals. At the end of 2015, Denmark had 71 Embassies, as well as 35 other Missions, including 6 Multilateral Missions, 13 Consulates-General, 1 Consulate, 2 Mission Offices, 6 Trade Offices and 6 Innovation Centres. Denmark also had over 400 Honorary Missions associated with a primary Embassy.

In 2015, it was decided that the Embassy in Zimbabwe would be closed in 2016 and that the Embassies in Bolivia, Mozambique and Nepal would be closed in 2017. The closures are a consequence of the fact that Denmark's development cooperation with the four countries is being phased out as an aspect of the reduction in Danish development assistance to 0.7 per cent of GNI. In addition, it has been decided that the Consulate in Munich and the Trade Office in Hamburg are both to be upgraded to Consulates-General.

The Ministry in Copenhagen is organised according to a central structure with seven centres. Each centre has either a functional, geographical or customer-oriented focus. The purpose of this structure is to ensure a clear and up-to-date division of tasks. In addition, the centre structure aims at enhancing the integrated approach to task performance, which is the MFA's strength and a prerequisite for being able to tackle present and future challenges effectively.

More information about the MFA's organisational set-up can be found on the MFA website at www.um.dk, including the above-mentioned information as well as, for example, the earlier annual reports.

2.2 Management report

2.2.1 The operational results in 2015

According to the guidelines for writing annual reports issued by the Agency for the Modernisation of Public Administration (*Moderniseringsstyrelsen*), "all goals that have been agreed or determined by another party than the organisation" must be reported on. The external determination of goals for the MFA is set by law as well as through ministerial and Government decisions, foreign policy and development policy reports, parliamentary decisions, and decisions adopted within international fora. In 2015, these goals were internally operationalised in line with the MFA's strategic priorities and underlying goals, which emerged from a general political priorities paper drawn up on the basis of the Government Platform. The goals are designed to ensure the delivery of concrete results, products and services of benefit to the Government, public authorities, citizens and enterprises in Denmark and abroad, and to safeguard and promote Danish interests in general. The goals for 2015 are incorporated into a strategic priorities plan for the entire MFA. Section 2.4 reports on the level of goal attainment regarding the six priorities through the nine underlying strategic goals for 2015.

2.2.2 The financial results in 2015

The MFA Annual Report 2015 is submitted for the following two main accounts on the Finance and Appropriation Act:

- Section 06.11.01. The Danish Foreign Service
- Section 06.11.05. Revenue from Consular Services

In addition, the MFA is also responsible for the administration of a number of grant accounts, cf. tables 2 and 12.

The MFA's operating profit/loss for 2015 shows a deficit of DKK 37.7 million after an adjusted provision for reserved appropriations, cf. table 1. Consequently, an accumulated surplus of DKK 276.6 million has been carried forward to 2016, cf. table 8.

The MFA's payroll expenditure under the payroll ceiling totalled DKK 621.7 million in 2015. When the expenditure is compared with the payroll ceiling of DKK 585.3 million stipulated in the Finance and Appropriation Act for 2015 (incl. supplementary appropriations), the increased expenditure totalled DKK 36.4 million. As a result, an accumulated payroll saving of DKK 38.2 million has been carried forward to 2016, cf. table 11.

Table 1. The MFA's main and key financial figures

Profit/Loss Account – Main Figures	2013	2014	2015
Ordinary and other operating revenue, total	-1,944.2	-1,887.8	-1,874.5
Ordinary operating costs, total	1,812.2	1,830.1	1,870.6
Result of ordinary operations, total	-132.0	-57.7	-3.9
Result before financial items	-195.2	-134.5	-87.7
Year-end profit/loss	-126.7	-24.1	37.7
Balance	2013	2014	2015
Fixed assets	1,796.9	1,720.7	1,717.5
Current assets	303.3	327.0	539.9
Equity*	-322.9	-347.1	-309.4

Long-term liabilities	-1,778.8	-1,755.5	-1,701.9
Short-term liabilities	-232.0	-371.2	-352.3
Borrowing limit	2,528.6	2,527.2	2,526.6
Borrowing limit (PF4) -balance 31.12.	1,796.9	1,720.7	1,717.5

Financial key figures (obligatory)	2013	2014	2015
Rate of utilisation of borrowing limit	71.1 %	68.1 %	68.0 %
Appropriation proportion	89.5 %	89.3 %	88.3 %

Personnel information	2013	2014	2015
Full-time equivalents	1,134.7	1,122.3	1,098.0
Full-time equivalent cost (DKK thousand)	517.8	522.9	566.2
Payroll cost percentage**	30.7 %	31.3 %	33.4 %
Payroll ceiling	622.3	571.2	585.3
Payroll expenditure in relation to payroll ceiling	587.6	586.8	621.7

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus.

* Equity includes adjusted equity of DKK 32.8 million

**Excluding the MFA Competence Centre.

Table 2 below shows an overview of the main accounts administered by the MFA, grouped into three primary categories: operations, administrative arrangements, and plant and machinery.

Table 2. The MFA's main accounts

Operations						
Main account	(DKK million)	FL	TB	Total appropriation for the year	Accounts	Accumulated carry-forward surplus, year-end
Total *	Expenditure	1,976.5	9.2	1,985.7	2,016.7	276.6
	Revenue	-315.8	-20.9	-336.7	-324.2	
Section 06.11.01. The Danish Foreign Service	Expenditure	1,976.5	9.2	1,985.7	2,016.7	276.6
	Revenue	-240.8	-20.9	-261.7	-213.8	
Section 06.11.05. Revenue from Consular Services	Expenditure	0.0	0.0	0.0	0.0	0.0
	Revenue	-75.0	0.0	-75.0	-110.4	
Administrative arrangements						
Main account	(DKK million)	FL	TB	Total appropriation for the year	Accounts	Accumulated carry-forward, year end
Total	Expenditure	13,246.4	-507.7	12,738.7	27,018.5	143.7
	Revenue	-235.5	0.0	-235.5	-15,881.3	
06.11.06 Interest revenues from diverse receivables	Revenue	-10.0	0.0	-10.0	-7.2	0.0
06.11.15 Non-statutory grants	Expenditure	40.8	-2.0	38.8	31.6	16.2
06.11.19 The Bilateral Neighbourhood Programme	Expenditure	0.0	0.0	0.0	-0.5	34.2
06.11.21 Repayments from the Investment Fund for Central Europe (IØ) and the Investment Fund for Developing Countries (IFU)	Revenue	-150.0	0.0	-150.0	-100.0	0.0
06.21.01 The Nordic Council of Ministers	Expenditure	101.6	0.0	101.6	92.8	0.0
06.22.01 Peacekeeping operations	Expenditure	410.5	0.0	410.5	290.1	0.0
06.22.03 Other organisations	Expenditure	253.7	0.0	253.7	251.4	0.0
06.22.05. The European Investment Bank	Expenditure	0.5	0.0	0.5	0.0	0.0
	Revenue	-0.6	0.0	-0.6	0.0	

06.31.79. Reserves and budget adjustments	Expenditure	-396.4	396.4	0.0	0.0	0.0
06.32.01 Developing countries in Africa	Expenditure	2,570.0	-421.8	2,148.2	1,721.4	4.8
06.32.02 Developing countries in Asia and Latin America	Expenditure	727.5	138.4	589.1	525.8	0.8
06.32.04 Personnel assistance and cooperation with public authorities	Expenditure	391.2	-26.5	364.7	322.1	20.0
06.32.05 Danida Business Programmes**	Expenditure	596.0	-	369.0	216.8	3.8
			227.0			
06.32.07 Loan assistance	Expenditure	1.1	3.5	4.6	0.4	0.8
	Revenue	-48.2	0.0	-48.2	-51.6	
06.32.08 Other assistance	Expenditure	643.3	68.8	712.1	518.7	7.9
06.32.09 The Danish-Arab Partnership Programme	Expenditure	275.0	-8.6	266.4	210.1	0.2
06.32.11 The Neighbourhood Programme	Expenditure	230.0	-15.7	214.3	211.9	0.2
06.33.01 Assistance through civil society organisations	Expenditure	1,103.0	-26.3	1,076.7	1,050.7	0.0
06.34.01 Environment and climate assistance in developing countries, etc.	Expenditure	652.0	-	480.8	476.4	3.0
			171.2			
06.35.01 Research and information in Denmark, etc.	Expenditure	361.0	-8.0	353.0	181.5	11.5
06.35.02 International development research	Expenditure	10.0	-4.0	6.0	6.0	0.0
06.36.01 The UN Development Programme (UNDP)	Expenditure	605.4	-30.1	575.3	575.1	0.2
06.36.02 The UN Children's Fund (UNICEF)	Expenditure	90.0	0.1	90.1	90.0	0.1
06.36.03 HIV/AIDS, Population and Health Programmes	Expenditure	497.0	-65.0	432.0	392.0	0.0
06.36.04. UN Programmes for agricultural development	Expenditure	100.0	-	0.0	0.0	0.0
			100.0			
06.36.06 Other UN development programmes and various multilateral contributions	Expenditure	136.7	-26.3	110.4	101.6	3.8
	Expenditure	1,075.0	-	950.0	16,610.0	0.0
			125.0			
06.37.01 The World Bank Group***	Revenue	-1.2	0.0	-1.2	-15,693.7	
06.37.02 Regional development banks	Expenditure	0.0	6.1	6.1	6.0	0.1
06.37.03 Development funds, etc.	Expenditure	325.0	-0.2	324.8	319.3	5.6
06.37.04 Assistance through the European Union (EU)	Expenditure	545.0	-34.0	511.0	506.8	4.3
	Revenue	-2.2	0.0	-2.2	-2.2	
06.38.01 Multilateral regional and reconstruction assistance	Expenditure	0.0	0.0	0.0	-23.2	0.0
06.38.03 Various multilateral contributions	Expenditure	0.0	28.0	28.0	0.0	0.0
06.39.01 Humanitarian organisations	Expenditure	640.0	0.1	640.1	640.0	0.1
06.39.02. Humanitarian contributions, crises	Expenditure	0.0	0.1	0.1	-0.7	0.8
06.39.03. Humanitarian contributions, partners	Expenditure	1,135.0	425.0	1,560.0	1,559.9	0.1
06.41.02 Trade Commissioners and Trade Office	Expenditure	71.7	-5.7	66.0	77.7	18.0
	Revenue	-23.3	0.0	-23.3	-26.6	
06.41.03 Special export promotion grants	Expenditure	54.8	0.0	54.8	56.8	7.2

Plant and machinery

Main account	(DKK million)	FL	TB	Financial year appropriation, total	Accounts	Accumulated carry-forward, year end
Total	Expenditure	-	-	-	-	-
	Revenue	-	-	-	-	-

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus.

*Appropriation and accounts figures are calculated before the adjustment for provisions for reserved appropriations.

**In accordance with Appropriation Note 260 of 25 May 1994, a provisions scheme was introduced to protect against losses on loans guaranteed by the Export Credit Fund (EKF). In connection with following up on Rigsrevisionen's (Danish National Audit Office) review of Danida Business Finance in 2014/15, the MFA drew up an action plan which follows up on their recommendations. As part of the implementation of this action plan, the provisions scheme is being eliminated. At the end of 2015, there remained provisions against losses in EKF totalling DKK 290.3 million. In connection with eliminating the provisions scheme, the outstanding balance will be returned to main account 06.32.05.18 Danida Business Finance. The elimination of the provisions scheme will be effected by submitting an Appropriation Note to the Finance Committee reflecting the change in practice. At the same time, a new administration agreement is being drawn up with EKF. The Appropriation Note and the new administration agreement with EKF are expected to be ready in the first half of 2016. The provisions scheme will subsequently be eliminated and the outstanding balance will be returned to the Ministry and recorded in the accounts.

*** In 2015 it was decided in consultation with the Agency for the Modernisation of Public Administration (*Moderniseringsstyrelsen*) to reclassify the historical payments to main account 06.37.01.11 The International Development Association so that these payments no longer appear in the accounts as actual injections of capital in the IDA. The reclassification does not have implications with regard to appropriations, as 06.37.01.11 is a cost appropriation.

2.3 Primary functions and resources

Table 3 below shows the entire MFA's resource consumption for each and every MFA primary function. The division of functions has been carried out with a point of departure in table 6 of the Finance and Appropriation Act, "Specification of expenditure on functions". The table covers the MFA's entire operations, including commercial activities.

Table 3. Outline of the MFA's economy under Section 06.11.01 and Section 06.11.05 (DKK million)

	Appropriations booked as revenue	Other revenue	Expenditure	Proportion of year profit
Support functions	638.5	0.0	746.9	108.4
General foreign policy	303.1	-138.1	354.6	-86.7
Administration of development assistance	241.5	0.0	282.5	41.0
Export and investment promotion, etc.	314.8	-81.5	368.3	-28.0
Consular services	226.0	-3.3	264.4	35.1
Fee-financed activities, consular services	-75.0	-107.1	0.0	-32.1
Total	1,649.0	-330.0	2,016.7	37.7

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus.

Please note that the expenditure for "Support functions", which amounts to DKK 746.9 million, involves payroll expenditure for the overall administration and management of the MFA as well as expenditure for additional operation costs in the MFA, including the operation costs for embassies. The expenditure for "Support functions" can however not be distributed evenly between the four expenditure-generating areas because it is estimated that the majority of this expenditure could be primarily assigned to the areas "General foreign policy" and "Administration of development assistance."

2.4 Performance reporting

The MFA's performance management encompasses both the MFA's outward functions, such as the delivery of services to the general public and companies, and the MFA's departmental functions that involve servicing Ministers, the Government and the Folketing (Danish Parliament). This method of reporting promotes balanced governance across the MFA's main areas of activity.

The MFA's performance management for 2015 is based on a general political priorities paper drawn up on the basis of the Government Platform together with a number of policies and strategies for the MFA's task performance. Each political priority is owned by a member of the Corporate Management, who formulates annual goals and follows up on goal attainment, with assistance provided by so-called stakeholders in the MFA's centres.

The MFA's performance management follows the main principles set out in the Agency for the Modernisation of Public Administration guidelines, "*Strategisk styring med resultater i fokus*" (*Strategic governance with focus on results*). The performance reporting covers the selected strategy goals and initiatives for the entire organisation, which does not constitute a comprehensive description of all MFA tasks and functions.

In connection with setting the goals for 2015, additional focus was placed on defining fewer but clearer goals and evaluation criteria. In 2015, six strategic priorities were defined for the MFA's overall sphere of activity. For each priority, 1-3 underlying goals were attached (9 in total). For each goal, 2-3 major specific initiatives were attached (24 in total), which make a significant contribution to goal attainment.

The six strategic priorities are as follows:

1. A balanced security policy
2. Growth and employment in Denmark and Europe
3. Transition to a green economy and green growth
4. The Arctic

5. Active engagement for values and rights
6. An open, communicating and cooperating foreign service

With regard to the performance management process in 2015, biannual dialogue meetings were held between members of Corporate Management and the respective Heads of Mission. The purpose of these meetings was to regularly follow up on the progress being made with the specific initiatives and thus on the overarching strategic priorities and initiate any additional follow-up measures necessary to ensure goal attainment. Furthermore, in 2015 quarterly reporting took place to the Corporate Management Forum (KLF) on the underlying goals and initiatives in order to ensure strategic ownership and regular follow up.

Table 4 below provides a summary in schematic form of the overall level of goal attainment for the six priorities through the nine underlying strategic goals. As a rule, a grade 'A' is required (full goal attainment). The level of goal attainment is measured on the basis of full-year reporting for 2015 for each specific goal, with contributions from the relevant MFA units responsible for their attainment.

The MFA has followed up on the progress towards achieving the strategic goals on a quarterly basis. Where the goal has been achieved, an 'A' is given; a 'B' is given for a goal that has been partially achieved; while a 'C' is given for a goal that has not been achieved.

As table 4 shows, 5 out of the 9 strategic goals in general were deemed to be fully attained, whilst 2 strategic goals were deemed to be partially attained and 2 strategic goals were deemed to be "not attained". The MFA's goal attainment for 2015 is therefore deemed in general to be satisfactory in the light of the comprehensive work involving the adjustments resulting from the Government's new foreign policy priorities following the change of government in the middle of the year.

Table 4. Goal attainment 2015

Political priorities and strategic goals	Goal attainment broken down as follows: A= attained B= partially attained C= not attained			
	Total number of strategic goals	Attained goals	Partially attained goals	Unattained goals
Priority 1. A balanced security policy	1			1
Priority 2. Growth and employment in Denmark and Europe	2	2		
Priority 3. Transition to a green economy and green growth	1	1		
Priority 4. The Arctic	1	1		
Priority 5. Active engagement for values and rights	1	1		
Priority 6. An open, communicating and cooperating foreign service	3		2	1
Total attainment of strategic goals	9	5	2	2

2.4.1 Performance reporting - Part 2: In-depth analyses and assessments

The following section elaborates and comments on the level of goal attainment for each of the MFA's six strategic priorities and 9 underlying strategic goals. For each strategic goal, a summary is provided initially of the level of overall goal attainment, cf. table 4.

Priority 1: A balanced security policy

Strategic goal 1.1:

Contribute to a continued proactive security policy which addresses a new threat landscape through (i) preventing and fighting violent extremism globally; (ii) fostering a stabilisation of the situation in Ukraine and (iii) strengthening the international system of sanctions.

The overall level of goal attainment for **strategic goal 1.1** is classified as 'C' (not attained).

In 2015, Denmark continued its multifaceted efforts to fight terrorism and violent extremism. These efforts included: (i) the general CVE efforts (Countering Violent Extremism) were given increased priority with a separate regional CVE programme totalling DKK 28.5 million; (ii) a 1-year stabilisation programme for Iraq was launched, and a new regional stabilisation programme for Iraq and Syria for 2016-2018 is under preparation; (iii) a new phase of the 3-year project for the capacity building of border authorities in Lebanon has been launched with the aim of helping to prevent the proliferation of violent extremism from Syria; (iv) an analysis of the radicalisation challenges in the Middle East and North Africa (MENA) region has been completed, and the subsequent implementation of a French-led EU programme has been initiated. The goal set for 2015 was not attained for a number of reasons, one being the fact that the allocation to the UNODC Terrorism Prevention Branch was cancelled in connection with the Government's change of priorities with regard to development assistance. In addition, cooperation with the Hedayah Centre in the sphere of CVE was not strengthened in 2015, as it was not possible for the Hedayah Centre to visit Copenhagen. Finally, the point of departure at the end of 2014 was that the MFA was to coordinate a collective Danish contribution, together with the Ministry of Justice and the Ministry for Children, Education and Gender Equality and Social Affairs, under the auspices of the UN on the issue of 'Foreign Fighters.' The initiative was not carried out because it was not deemed appropriate to share data on convicted terrorists in a UN forum.

2015 saw Denmark maintain its significant political and assistance support to Ukraine, which has contributed to greater participation of the people in the Ukrainian democracy. In addition to continuing existing assistance efforts focusing on democracy, human rights and good governance, economic development and energy efficiency, in September 2015 the MFA launched a new programme totalling DKK 60 million for reforming the judicial sector, combatting corruption as well as promoting human rights through, for example, the Ukrainian Ombudsman's office. The partial achievement of the MFA's target related to promoting the stabilisation of the situation in Ukraine is primarily due to the fact that disbursements of development aid were halted in connection with the change of Government in summer 2015. A new programme was therefore not launched until the third quarter of 2015 instead of in the second quarter, which had been the original aim. The partial achievement was, moreover, also due to the fact that it was only possible to recruit and deploy 16 persons to the OSCE Special Monitoring Mission as opposed to the original target of deploying 20 persons, which was primarily the result of a limited number of qualified applicants.

In 2015, Denmark sought to contribute to strengthening the international system of sanctions as an essential element of the security policy through the effective Danish handling of sanctions and the improved legal rights of individuals and groups targeted by sanctions. Together with other relevant public authorities, the MFA launched a review of the Danish decision-making procedures and of the implementation of sanctions. Moreover, Denmark increased cooperation with the UN Ombudsperson for the Al-Qaida sanctions list, whose task it is to improve the legal rights of individuals and groups targeted by sanctions. The partial achievement of the MFA's target regarding strengthening the international system of sanctions is primarily due to a time delay in completing a comprehensive review of and establishing a process for implementing pending UN sanctions in Greenland and the Faroe Islands. An initial preliminary review and process were introduced in the fourth quarter of 2015, and the initiative will continue in 2016.

Priority 2: Growth and employment in Denmark and Europe

Strategic goal 2.1:

Promote economic growth and job creation in Denmark and the EU by (i) placing Denmark as 'close to the heart' of the EU as possible; (ii) contributing to an effective economic policy in the EU; (iii) promoting ambitious free trade agreements and free movement in the Nordic region.

The overall level of goal attainment for **strategic goal 2.1** is classified as 'A' (full attainment).

In 2015, the MFA focused on fostering the best possible framework conditions for future job and growth creation, and even though the overall rates of growth in the EU have not been impressive, the Community appears to be on the other side of the economic crisis. The anticipated activities from the EU have all been carried out, including a major focus on promoting growth initiatives in the Commission, in particular the European Fund for Strategic Investments (EFSI), which has now approved projects totalling approximately DKK 50 billion. In addition, the implementation agenda has been largely followed up on, both in Denmark and the EU, in order to ensure a better functioning internal market with a 'level playing field.' Finally, in 2015 time was spent on establishing the proper legal foundation for the referendum on a restructuring of the Danish opt-out on EU justice and home affairs, which the Government deemed would be an advantage for the Danish business community.

Additionally, Denmark worked actively through the EU for the plurilateral green trade liberalisation agreement, the Environmental Goods Agreement (EGA) and the Trade in Services Agreement (TiSA), where progress has been made in the negotiations on product coverage. The external analysis of the consequences of such an agreement for developing countries has been completed.

Finally, during its Presidency of the Nordic Council of Ministers in 2015, Denmark achieved a strong profile with regard to eliminating border obstacles and, at the behest of the MFA, issues relating to border obstacles were discussed in a wide range of specialised Councils. In October, the Prime Ministers of the Nordic countries adopted a declaration on border obstacles at the initiative of Denmark.

Strategic goal 2.2:

Improve the contribution to job creation and growth in Denmark through increased Danish exports and attracting foreign investments, including the implementation of the Government's Strategy for Export Promotion and Economic Diplomacy.

The overall level of goal attainment for **strategic goal 2.2** is classified as 'A' (full attainment).

Exports constitute a significant contribution to job creation and growth in Denmark. Approximately one in every four jobs in Denmark is either directly or indirectly dependent on exports, which corresponds to approx. 700,000 jobs. However, at the same time, only 10 per cent of Danish enterprises are exporters. The MFA plays a central role in making it easier for Danish enterprises to export to new growth markets as well as to the major traditional export markets.

The Strategy for Export Promotion and Economic Diplomacy (May 2014) establishes the overall framework for the MFA's export and investment promotion efforts for the Danish business sector. The strategy comprises 40 initiatives which encompass a broad range of measures designed to ensure that Danish enterprises enjoy a greater benefit from official Denmark's support to the global growth markets. Thus, as a new initiative in 2015, 17 growth counsellors were deployed to selected markets for the purpose of establishing cooperation between Danish and foreign public authorities in areas that match local development needs with Danish commercial strengths. Similarly, the MFA has strengthened its political-commercial counselling to the business sector in order to provide businesses with improved prerequisites for operating under the framework conditions that apply in foreign markets. In addition, the emphasis has been increased on developing partnerships with the primary business sector organisations as well as with the local and regional actors within export promotion. Implementation of the strategy's initiatives will follow the time schedule that has been established.

In 2015, the MFA provided counselling to 3,356 Danish enterprises and other customers against payment and as a 'public service.' The MFA had a goal in 2015 that at least 72 per cent of customers would find the counselling from the MFA to have had either a high degree of or crucial value for their enterprise. The result of 81 per cent for the year demonstrates that the customers expressed a high level of satisfaction with the counselling they received. Similarly, the MFA also had a goal in 2015 that at least 26 per cent of all paid tasks (measured in number of hours) would be classified as political-commercial counselling. With a result of 35 per cent, the goal was achieved, and compared to the result in 2014 of 27 per cent, the improvement in 2015 indicates that a decent level of progress has been made.

Invest in Denmark had a goal of creating or retaining 1,200 jobs in Denmark in 2015. The result for the year was about 1,700 jobs. Compared with the result in 2014 of 1,250 jobs, this represents an improvement which, however, is partially explained by a new method of calculation in which construction jobs are included in the total if they are newly-created jobs, i.e. green field investments, for projects where the work lasts at least 1 year and where the investment totals at least DKK 75 million. In total, these types of jobs comprise around 400 of the approx. 1,700 jobs.

In the first half of 2015, Oxford Research evaluated the six Danish Innovation Centres (Munich, New Delhi, São Paulo, Seoul, Shanghai and Silicon Valley), whose purpose it is to create innovation and growth through partnerships with the leading actors in the innovation environments abroad. The results of the evaluation were positive and demonstrated that the Centres had achieved their goals to a great extent. It was especially noted that the Innovation Centres add value for the users and to the innovation landscape in Denmark through maintaining a clear focus on international activities and bilateral relations with valuable cooperation partners. The specific results of the evaluation can be seen at:

<http://icdk.um.dk/en/reports>

Priority 3. Transition to a green economy and green growth

Strategic goal 3.1:

Increase the efforts to promote sustainable and responsible development in developing countries through a greater involvement of Danish business competences and the establishment of new partnerships.

The overall level of goal attainment for **strategic goal 3.1** is classified as 'A' (full attainment).

2015 saw the MFA launch a number of initiatives to increase the involvement of Danish business competences and public-private partnerships to promote sustainable and socially responsible development in developing countries.

The MFA launched a project with the International Union for Conservation of Nature (IUCN) to mitigate the impact of climate change through the rehabilitation of the mangrove forests in Asia. The project is running as planned, and in 2015 a satellite data system was introduced for monitoring, approx. 1,000 hectares of mangroves were planted, and a 'best practice' manual was published which is to contribute to building up local capacity to maintain the efforts. In addition, an innovative guarantee scheme was established through the Climate Pool to promote investments by small and medium-sized enterprises in energy efficiency measures as a part of Vietnam's strategy for green growth.

A key initiative in the Strategy for Export Promotion and Economic Diplomacy is cooperation between public authorities, and as a part of this initiative in 2015, 17 growth counsellors were deployed, 17 preparatory strategic sector cooperation projects with Danish line ministries were launched; and two cooperation projects were approved. Due to time delays, the remaining cooperation projects will not be launched until 2016. The preparatory strategic sector cooperation projects will lay the foundation for 3-5-year cooperation projects between Danish line ministries and public authorities in the OECD-DAC countries. For the participating Danish line ministries, which have a relatively limited amount of experience with projects of this type, there has been a need to provide additional time for the preparatory projects in order to ensure sufficient quality and depth in the preparation process, thereby ensuring a solid basis for the future long-term cooperation. Another key initiative in the strategy is the creation of a new Danish agricultural investment fund to ensure more and better food in developing countries. The Investment Fund for Developing Countries (IFU) and the pension companies Pension Danmark and PKA have agreed to cooperate on a combined contribution to the fund totalling DKK 700 million. A third initiative is the project development facility Danida Business Explorer, which was introduced in 2015. Due to the great demand from the Danish business community, the budget for Danida Business Explorer was expanded by DKK 5 million to a total of DKK 10 million.

The MFA launched and carried out a number of additional initiatives in cooperation with the Danish business sector to strengthen the role of the private sector in the work of development cooperation. Firstly, a study of the options for improving responsible production in the fashion and textile branches was conducted, and secondly, an international conference on sustainability in cooperation with the Confederation of Danish Industries was held. Additionally, the MFA also entered into an agreement with the international sustainable trade initiative, IDH, where it is expected that the Danish business community will also take part. Moreover, plans were made to develop a strategic business platform with the aim of rethinking, unifying, and laying out the direction for Danida's efforts to stimulate sustainable growth in cooperation with the Danish business community, other stakeholders and local partners involved in development cooperation. Due to the change of Government in summer 2015, the platform was not launched in June as planned.

Priority 4. The Arctic

Strategic goal 4.1:

Operationalize the Arctic Strategy through the promotion of Danish priorities during the American Chairmanship of the Arctic Council 2015-2017.

The overall level of goal attainment of **strategic goal 4.1** is classified as 'A' (full attainment).

In April 2015 the USA assumed the chairmanship of the Arctic Council. An important focus for the MFA in 2015 was, therefore, in cooperation with Greenland and the Faroe Islands, to position the Kingdom of Denmark constructively during the preparation and implementation of the American Chairmanship. Following an active effort, the Kingdom of Denmark became Vice-Chairman of the Emergency Prevention, Preparedness and Response working group (EPPR), which supports environmental protection and sustainable development, and acts as Vice-Chair (together with the USA) for the Task Force on Telecommunications Infrastructure in the Arctic (TFTIA), which supports sustainable development.

Efforts to increase the participation of the observers in the Arctic Council was intensified in 2015. The MFA held a well-attended workshop for observers, which provided a good starting point for further dialogue with countries such as South Korea, Japan, India and China regarding both the Arctic as well as general foreign policy issues. The close dialogue with the key actors in the Arctic Council continued in 2015 in multilateral as well as bilateral settings.

In close cooperation with Greenland and the Faroe Islands, the MFA provided a substantive contribution to the work on the EU's future Arctic strategy. The efforts will continue in 2016, including in the context of the work on the new EU Global Strategy. In 2015, the MFA launched a mid-term review of the Kingdom of Denmark's Arctic Strategy. The work, which involves a wide range of Greenlandic, Faroese and Danish public authorities, is expected to be completed in 2016. Under the auspices of the Nordic Council of Ministers, it was possible to have a substantial portion of the funds in the

Arctic Cooperation Programme allocated to supporting the work of the Arctic Council within the Kingdom of Denmark's priority areas, sustainable development and environmental protection.

Again in 2015 close cooperation was maintained with Greenland and the Faroe Islands in the Arctic Council as well as with regard to the implementation of the Arctic Strategy and in handling foreign policy issues in a broader context. For example, the MFA provided support in the Faroe Islands' efforts to modernise and expand their trade agreement with the EU, and the efforts are expected to continue in 2016. With regard to Greenland, raw material mining remained a key issue in 2015. The follow-up work on the working/coordination group on uranium mining was resumed after the elections in Greenland and Denmark, and consensus was reached on a network of agreements laying out the overall framework for how Denmark and Greenland are to cooperate on the special foreign, defence and security policy issues associated with extracting and exporting uranium. The agreements ensure that the Kingdom of Denmark's international obligations will be met and that mining will take place in accordance with the highest international standards. Furthermore, in March 2015, an event to promote Greenland was held in Japan which included the participation of the Danish Royal Family. At EU level, it was possible to maintain the Inuit exception through an amendment of the EU Seal Regulation.

Priority 5. Active engagement for values and rights

Strategic goal 5.1:

Increase the efforts to achieve the UN Millennium Development Goals, secure Danish priorities in the post-2015 goals, and promote the international rule of law through the universal ratification and improved implementation of the UN Convention against Torture.

The overall level of goal attainment of **strategic goal 5.1** is classified as 'A' (full attainment).

2015 was the year when stock was taken of the achievement of the Millennium Development Goals (MDG) and the new 2030 Agenda for Sustainable Development was adopted with 17 new global goals. In the period 2000-2015, significant results were achieved with regard to the MDG on universal access to primary education. Today, 9 out of 10 children have access to primary school, and the difference between access for boys and girls has been levelled out such that in 2010, 97 girls were enrolled in primary school for every 100 boys. Access to education also has a prominent place on the 2030 Agenda, where the focus has changed from access to education to an increased emphasis on the quality of education (that the children actually learn something in school).

The Strategic Plan for the Global Partnership for Education (GPE) for 2016-2020 was adopted at the GPE's Board Meeting in Dakar in December 2015. The Strategic Plan is expected to be published in spring 2016. Denmark has participated actively in drafting the new strategy, particularly after Denmark's representation on the GPE's Board was strengthened in October 2015 with Denmark becoming a full member of the electoral group along with Sweden. In its priorities and principles, the new Strategy is in full accordance with the priorities set out in the Organisation Strategy for Denmark's Engagement with the GPE. The key goals presented are promoting equal access to education for both boys and girls; strengthening the focus on gender equality as well as on the vulnerable and the marginalised; involving all relevant stakeholders (including civil society) as well as the building of a human rights approach to achieving quality education. In addition, a strong emphasis on education in fragile/conflict-affected states is maintained. The new Strategy also focuses both on making the GPE more effective and on how GPE funds can be used more efficiently and transparently.

The GPE Strategic Plan 2016-2020 thus does not just reflect Danish priorities, but also reflects the comprehensive education goals in the 2030 Agenda for Sustainable Development. In the intergovernmental negotiations for the 2030 Agenda for Sustainable Development, Denmark has actively supported the idea that universal access to quality education specifically should be a primary goal and principle in the area of education.

37 UN Member States still need to ratify the Convention against Torture. Through the Convention against Torture Initiative (CTI), in 2015 Denmark continued to contribute to promoting the ratification and improved implementation of the Convention against Torture by means of an exchange of lessons learned between Member States within the context of regional meetings and seminars in Costa Rica, Indonesia, Poland, the USA, Austria and Morocco, where the CTI's 2nd Annual Forum was also held. The CTI Secretariat in Geneva has, moreover, prepared and presented a first draft of a Ratification Tool to be used by countries that have yet to ratify the Convention but who wish to begin a process towards ratification. The CTI Group of Friends has grown by 12 countries (to a total of 32), including, among others, Myanmar and Fiji, who have yet to ratify the Convention, but who are working towards ratification with support from the CTI. The CTI Secretariat tailored a study trip to Geneva specifically for Myanmar and is in a dialogue with Myanmar's Government regarding providing possible additional support in the ratification process.

Priority 6. An open, communicating and cooperating foreign service

Strategic goal 6.1:

Implement the MFA's communication policy, including an increased profile for the Nordic region, improved communication with Danish target groups and an increased use of social media.

The overall level of goal attainment of **strategic goal 6.1** is classified as 'B' (partially attained).

In order to strengthen the profile of the Nordic region, in 2015 activities were conducted in over 20 different countries on the basis of cooperation between the Nordic embassies or with Nordic content. The Arctic Strategy sets out an ambition for a strengthened and more systematic international communication effort regarding the Arctic. The exhibition 'Our Arctic Future' was produced as a collaboration between the National History Museum of Denmark, the MFA and the Governments of Greenland and the Faroe Islands. The exhibition tells the story of the significance of climate change for the Arctic, the Arctic as a cooperation region, new business opportunities in the Arctic as well as the cultural and political diversity of the Danish Realm. The exhibition is playing an increasing part in Public Diplomacy events hosted by the Embassies. 'Our Arctic Future' was shown in five countries (including Germany and China) in 2015. The specific target of showing the exhibition in 10 countries in 2015 was thus partially achieved. The partial attainment was particularly due to the fact that the production of the exhibition was delayed. A large number of Missions expect to show the exhibition in 2016, including those in London, Paris, Washington, New York and Moscow.

As part of the roll out of the MFA's communication policy, a reader survey and an adjustment of the content of the magazine *Eksportfokus* (*Focus on Exports*) were carried out. The survey indicated that 91 per cent of readers were satisfied with *Eksportfokus*, which is 20 percentage points higher than the average level of satisfaction for comparable trade journals. The goal of having a 10 per cent increase in circulation was partially achieved with an actual increase of 4 per cent. The partial attainment was due to the fact that the promotional campaign in TC Survey did not have the full impact expected. In order to ensure an increased digital presence, new initiatives were introduced in 2015, including a new iPaper edition and a digital newsletter.

With regard to the magazine *Udvikling* (*Development*), an adjustment of the content of the magazine was carried out as planned including, for example, *Nyt fra Nærområderne* (*News from Regions of Origin*) about the practical application of Denmark's humanitarian aid to refugees in regions of origin. The specific target of a 10 per cent increase in circulation was partially attained with an actual increase of close to 6 per cent for domestic and almost 4 per cent for foreign subscriptions. The partial attainment was primarily due to the fact that the staffing capacity was lacking to carry out the necessary marketing campaigns.

Finally, the MFA continually seeks to improve communication through an active presence on the social media. The MFA has a wide range of profiles, the most important of which are the MFA on Twitter, Danida on Facebook, the Trade Council on Facebook and LinkedIn, and the MFA on LinkedIn. On these channels, the total number of followers in 2015 rose from 22,030 to 35,916, corresponding to an increase of 63 per cent against a target of 50 per cent. On the channels such as Embassy profiles that are not administered centrally, the goal was partially achieved.

Strategic Goal 6.2:

Increase the accessibility when submitting visa applications, a smoother and more efficient processing of visa applications as well as expanding awareness of the travel guidelines and Consular Service information available on um.dk.

The overall level of goal attainment for **strategic goal 6.2** is classified as 'B' (partial goal attainment).

With approximately 116,000 visas issued in 2015, around 93,000 of which were for travel to Denmark, the MFA helped to increase Danish tourism and business opportunities. An overall increase of 16 per cent can be seen in terms of tourist travel and business trips combined compared to 2014.

The MFA has continued its focus on the Red Carpet Programme for business travellers (the so-called 'Fast Track Business Visa'), which has resulted in less documentation and visas with a longer period of validity of up to 5 years. At the end of 2015, 82 new Red Carpet agreements had been concluded at the Danish Missions abroad.

Moreover, there has also been a continued focus on creating greater accessibility when submitting applications for visas to Denmark. At the end of 2014, it was possible to submit an application for a visa to Denmark at a total of 93 outsourcing centres in the world, and at the end of 2015, the number was up to 101. This means greater accessibility to submitting applications for visas at 8 new outsourcing centres, which is slightly under the goal of having ten new locations in 2015. In

2016 and 2017, four Danish Missions will be closed, but the MFA intends to find solutions so that it will continue to be possible for applicants from the countries involved to submit applications for visas to Denmark.

On 1 May 2015, Danish Missions were empowered to issue refusals to applications for visas. On the basis of a comprehensive course of training in 2014 and 2015, the relevant staff members achieved the competence necessary to process applications in accordance with the applicable legislation.

The efforts in the area of Consular Services and the service targeting individual Danes travelling abroad were further strengthened with the rolling out of the new app, *UM Rejseklar* (*MFA Travel Ready*), in the beginning of fall 2015. With *UM Rejseklar* travellers can, for example, plan trips and easily find contact information for the MFA and Danish Embassies and Consulates abroad. The partial attainment of the specific target regarding expanding the awareness of travel guidelines is primarily due to a somewhat low-key launch of *UM Rejseklar*. Interest in *UM Rejseklar* has though been positive, and the number of users is increasing steadily, with almost 20,000 current users against the goal of 60,000.

Strategic goal 6.3:

Enhance the capacity to create results of a high professional standard through improved strategic governance and resource prioritisation; efficient workflows; and clarity regarding career development and greater mobility.

Throughout 2015, the MFA strengthened the strategic governance and the prioritisation of resources through, among other things, the development of a new concept for strategic corporate governance, the development of a new cross-cutting strategic management information portal, as well as trials in identifying and allocating general overhead costs. In addition, targeted work has been carried out to support the further streamlining of workflows, e.g. through the implementation of a new EDRMS system.

Compared with the originally defined evaluation criteria for strategic goal 6.3, it is deemed, however, that overall goal attainment for **strategic goal 6.3** must be classified as 'C' (not attained).

In 2015, the MFA launched a number of initiatives in both the service at home and the service abroad to adjust its activity level to the Ministry's decreasing appropriation leading up to 2019. In this context, 2015 was characterised by a comprehensive internal restructuring, streamlining and prioritisation of the MFA's activities. Overall, the need to ensure an efficient, orderly and professional execution of the economic, professional, staff and organisational adjustments resulted in time delays for certain elements within strategic goal 6.3, which is a major reason for the lack of goal attainment.

2015 saw the MFA launch a number of initiatives to promote improved strategic corporate governance, including (i) the development of a simplified and strategic performance management system fully anchored with top management, which creates a more coherent and targeted strategic governance within the MFA; (ii) the development of a cross-cutting strategic management information portal which will create improved accessibility to key figures critical to MFA operations and which can underpin the internal dialogue on governance; (iii) trials in identifying and allocating general overhead costs. In addition, the MFA focused on better management of the budgets in the service at home and improved precision in prognoses. The specific target regarding the centres' quarterly prognosis precision were not attained, and it is thus determined that there continues to be room for improvement with regard to the centres' accrual of consumption. With the implementation of the new strategic management information portal, improved support of budgeting and consumption management in the Ministry is ensured in the future. The portal will similarly strengthen the ongoing monitoring and follow up of selected key figures.

2015 saw the MFA roll out a new EDRMS system, F2, throughout the entire service abroad F2 is to support and streamline a range of digital workflows, including archiving, submissions to Ministers, cases involving requests for public access to documents etc. At the end of 2015, F2 had been rolled out to the entire service abroad. The effort has been extensive, and a large number of staff members have taken part in the training, the rolling-out process and the support of F2, which has resulted in a good anchoring of F2 within the organisation. The main reason for the partial attainment of the specific target regarding the implementation of F2 in the service abroad by mid-2015 was a time delay in winter/spring 2015, when priority was given to using more staff resources on training and follow-up in the service at home.

In early autumn 2015, the MFA put the initiative of creating career development plans for the various groups of staff in the Ministry on hold. The reason for the postponement was the work involved with realising the above-mentioned reductions in appropriation. Specifically, the elimination of positions meant that both management and the shop stewards for the different groups of staff estimated that the organisation did not have the necessary absorption capacity to adequately commit to developing such an initiative while simultaneously realising the reductions. With regard to the work involving mobility (between posts in the service at home and abroad), at the end of 2015 an initiative was launched to reduce the

barriers hindering partners/spouses/families from accompanying posted staff. The initiative included measures for improved communication about existing options and conditions, but also included completely new specific measures for creating better employment opportunities as well as for involving the partners of posted staff in identifying possible additional specific initiatives for the future.

2.5 Expectations for the coming year

2.5.1. The budget framework and its significance for the coming year

The MFA expects to realise a surplus of DKK 5.6 million in 2016 on the MFA's operating appropriation, cf. Table 5. The surplus is committed to carried-over expenditure within the Ministry.

Table 5. Expectations for the coming year

	Accounts 2015	Core budget 2016
Appropriation and additional revenue	-1,979.0	-1,988.2
Expenditure	2,016.7	1,982.6
Result	37.7	-5.6

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus.

The expected surplus in 2016 must be seen in the light of the fact that the MFA has a continual focus on adjusting its activity level to the Ministry's decreasing appropriation leading up to 2019. In 2015, the MFA undertook a number of adjustments of the service at home and abroad. As a consequence of these adjustments, approx. 135 regular positions and approx. 65 local staff positions are being eliminated so that a total of around 200 positions in the MFA are to be eliminated in the coming years.

The process of adjusting the MFA to the appropriation situation will be operationalized through restructuring, streamlining and prioritising. The adjustment is, in part, a result of demands for greater efficiency in general, but also a result of the fact that the overall level of development assistance is being reduced to 0.7 per cent of GNI in 2016. The reduction in development assistance requires, among other things, focusing on the priority countries, which are being reduced from 21 to 14. In the future, a total of 10 out of 14 priority countries will be in Africa. Development cooperation is being phased out in Nepal, Bolivia, Zimbabwe and Mozambique, and as a consequence, the Missions in these countries are being closed. Pakistan, Indonesia and Vietnam will similarly cease to be priority countries. The Missions in these countries will, however, be maintained with a focus on foreign, security and trade policy matters.

In the service at home, seven departments are being eliminated or consolidated, while two new departments are being established. For example, a department for Corporate Legal Service and Public Law is being established, where the processing of cases regarding requests for public access to documents can be gathered together in one place. Similarly, a range of functions previously handled in several different places within the Ministry will be centralised. In order to ensure a more efficient use of resources, a number of administrative simplifications of the existing internal procedures will be carried out, particularly within development policy but also within the EU sphere. Finally, certain tasks are being downgraded or eliminated on the basis of priorities, including tasks within the field of disarmament, the Balkans, the Neighbourhood Programme and The Danish-Arab Partnership Programme (DAI), which will be focusing on fewer countries. The adjustments, which especially entail a streamlining and downscaling of the MFA's administration of development policy as well as the Ministry's general operations, will, on the whole, mean a lower level of activity for the MFA in the coming years.

The ongoing review of the Danish foreign and security policy which the Government launched in September 2015 is to present an overall report on how best to achieve stronger coordination and integration of Denmark's foreign and security policy, defence policy, trade policy and business promotion along with development policy all based on a report on Denmark's strategic interests. The review is due to be completed 1 May 2016 and will, among other things, constitute a part of the foundation for the upcoming negotiations on a new defence agreement for 2017 and a new development policy strategy.

2.5.2. Main political priorities

Within the MFA's sphere of operations, the work in 2016 is expected to be largely dominated by the migration crisis, the fight against the terrorist organisation ISIL and the developments in Denmark's neighbouring area to the east. In addition,

managing the consequences of the outcomes of the referendums on the restructuring of the Danish opt-out on EU justice and home affairs and the UK's relationship with the EU is expected to set the agenda with regard to the MFA's main priorities in the European policy area in 2016. Finally, the work of formulating a new development policy as well as the adoption and implementation of a new strategy for Germany in the area of export and investment promotion must be highlighted as expected main priorities.

Migration

The migration crisis has put EU cooperation under considerable pressure. Therefore, in 2016 it will be necessary to ensure European solutions to the crisis and continued cohesion in the EU.

At EU level, many different initiatives have been launched, including the EU-Turkey Joint Action Plan, increased humanitarian funding for Syria and its neighbouring countries, and the Valletta Action Plan with the African countries. It will be necessary to ensure effective implementation of the decisions adopted, and for Denmark it will be important that implementation focuses on, among other things, addressing the root causes for why the migrants seek paths to Europe as well as on ensuring effective management of the external borders with a view to ensuring a well-functioning Schengen cooperation.

From the European side, efforts have also been made to increase the cooperation with the relevant third countries, including through holding the Valletta Summit. A key element consists in the work for increased integration of development policy, trade policy and other foreign policy instruments with a view to ensuring the effective return of rejected asylum seekers and other foreigners without legal residence status. This will also be an important priority for Denmark in 2016.

New development strategy

Refugees and migration are expected to constitute a significant strategic focus area for the new strategy for Denmark's development cooperation, which will be launched in 2016. The strategy will set out the guidelines for Denmark's global engagement in development and humanitarian efforts on the basis of both the immediate challenges and the new opportunities the world is currently facing. The point of departure will be the fact that the development policy constitutes a part of the overall efforts to safeguard Danish foreign policy interests. A part of the framework for the new strategy will be the UN's new 2030 Agenda on Sustainable Development. In addition to refugees and migration, key themes are expected to be market-driven growth, free trade, private investment and new partnerships with private actors and civil society.

Syria/Iraq /ISIL

In 2016, Denmark will also be actively involved in the fight against ISIL and violent extremism through both civilian and military interventions. For example, a three-year regional programme for Syria and Iraq is expected to be drafted which will help to stabilise the situation in both countries while at the same time also helping to support efforts to achieve a political solution to the conflicts in Syria and Iraq. Work will also continue on a range of civilian initiatives in the region to prevent terrorism, which are to contribute to weakening ISIL. These initiatives involve, for example, strategic counter communication, measures to counter financing for terrorism and preventing violent extremism. The humanitarian efforts in Syria and its neighbouring countries will continue to be expanded in cooperation with Danish and international humanitarian partners, also including through the Danish-led European Regional Development and Protection Programme in the Middle East as well as through contributions to joint funds.

Ukraine and Russia

The Ukraine crisis will continue to constitute a significant foreign and security policy challenge. In this context, compliance with the Minsk Agreement is deemed to have particular importance for ensuring peace and stability in Ukraine. In 2016, Denmark will continue its engagement to support Ukraine's territorial integrity and the reform process, both in bilateral relations and through the EU and NATO.

Russia seeks a key role in managing important international security issues. Denmark will strive to maintain the EU pressure on Russia to contribute constructively to a political solution to the Ukraine crisis and, at the same time, seek critical dialogue and engagement, including in relation to the conflict in Syria, Iran's nuclear programme, the fight against terrorism and the Arctic.

The EU

Following the referendum on 3 December 2015, managing Denmark's continued association with Interpol will be a key priority. On the basis of discussions with the parties in the Folketinget (Danish parliament), a dialogue will be engaged in with the European Commission regarding Danish wishes and options.

At the meeting of the European Council 18-19 February 2016, consensus was reached on an agreement which is to form the basis for a referendum in the UK, 23 June 2016, on the UK's continued membership in the EU. From a Danish perspective, it has been important to reach a mutually acceptable agreement which can keep the UK in the EU. The agreement opens up for adjustments of provisions relating to the EU's rules on free movement which also align with Danish wishes.

Export and investment promotion

In the efforts to promote exports, in 2016 there will continue to be a focus on implementing the 10 growth-market strategies and the 3 volume-market action plans. Seeing as they all expire at the end of the year, work will take place in 2016 on a new strategic approach.

At the same time, 2016 will also be characterised by the new strategy for Germany, which includes, among other things, a high level of ambition for Danish business promotion campaigns, a targeted effort for small and medium sized-enterprises and an increased presence in Southern Germany with a new Consulate-General in Munich as well as the establishment of a Consulate-General in Hamburg.

The investment promotion efforts will undergo a slight shift in priority from Asia to Europe where the returns on the efforts are assessed to be higher.

2.5.3. Key organisational priorities

The MFA must be seen as an organisation which efficiently delivers results of high quality, which is open and has the ability to cooperate with partners, customers, stakeholders and citizens. At the same time, the MFA must ensure an even stronger integration of Denmark's foreign policy instruments in order to be able to safeguard Denmark's interests in the best possible way.

The Senior Management of the MFA has defined three organisational benchmarks which are to guide the organisational development of the Ministry in the period 2016-2020. The organisational benchmarks are: (1) Results of a high professional standard through the effective and efficient administration and prioritisation of resources; (2) Openness and cooperation; and (3) Cross-cutting integration and coordination.

For each of the organisational benchmarks, one or more specific projects of change will be identified which are crucial for achieving the benchmarks. The projects of change will have a cross-cutting organisational focus and must be able to be carried out within a relatively short time span (1-2 years). In addition, each centre in the MFA is to define 2-5 high priority core tasks or cases which will support the policy objectives, the organisational benchmarks and/or the specific projects of change.

3. FINANCIAL REVIEW

The scope of accounting concerning the revenue and cost accounts comprises Section 06.11.01. The Danish Foreign Service and Section 06.11.05. Revenue from Consular Services.

3.1 Applied accounting procedures

- The MFA adheres to the general government accounting rules for cost-based accounts and cost-based appropriations, with the following comments: In conformity with the agreement with the Ministry of Finance, all transferable or partially transferable properties are valued on the basis of a market valuation carried out in 2005, whereas non-transferable properties are valued on the basis of the acquisition price. No revaluations are made regularly in relation to market developments in relation to the transferable and partially transferable properties. The value of all properties is divided according to three categories: land, buildings and installations. The value of installations is fixed at 10 per cent of the value of the building.
- Assets that fall under the grants/subsidies sphere are not included in the cost-based accounts.
- The MFA has changed its accounting procedures in relation to the ongoing exchange rate adjustment in the accounts. Until 2013, each Mission adjusted the exchange rate on an ongoing basis in connection with transfer of cash and cash equivalents. At a given time, therefore, there were several exchange rates per currency in the accounts. From 2013, an annual exchange rate per currency is set. This annually fixed exchange rate is used also when setting the budget frame.
- In 2005, the MFA entered into agreement with the Ministry of Finance and the Danish Agency for the Modernisation of Public Administration to use joint bank and cash holdings in the service abroad in the cost and expenditure-based sphere. From 2013, the cash and cash equivalents in both the service abroad and the home service are separated in these areas. There are however, grant appropriations that are registered in the cost-based accounts and subsequently settled.

3.2 Profit and loss account, etc.

The MFA's profit and loss accounts for the years 2014 and 2015 along with the budget for 2016 are presented below in table 6.

Table 6. The MFA's profit and loss account 2014 – 2016 (DKK million)

Profit/loss as of 31.12.2015	Accounts 2014	Accounts 2015	Budget 2016
Ordinary operating revenue			
Appropriations booked as revenue			
Appropriations	-1,686.0	-1,649.0	-1,634.4
Amount spent of previous year's reserved appropriations	-5.0	-5.8	0.0
Amount reserved of current year's appropriations	5.8	0.0	0.0
Appropriations booked as revenue, total	-1,685.2	-1,654.8	-1,634.4
Sale of goods and services	-102.4	-107.6	-84.6
Fees/charges	-100.2	-110.4	-105.0
Grants for own operations	0.0	-1.7	0.0
Ordinary operating revenue, total	-1,887.8	-1,874.5	-1,824.00
Ordinary operating revenue			
Consumption costs			
Rent	226.6	233.3	227.0
Consumption costs, total	226.6	233.3	227.0
Personnel costs*			

Salaries and wages	605.6	649.6	610.8
Pension	98.5	99.1	93.2
Reimbursement of pay	-109.3	-131.9	-124.0
Other personnel costs	10.1	16.8	15.8
Personnel costs, total	604.9	633.6	595.8
Depreciation and amortisation	132.8	95.4	82.6
Other ordinary operating costs	865.8	908.3	991.5
Ordinary operating costs, total	1830.1	1,870.6	1896.9
Result of ordinary operations, total	-57.7	-3.9	72.9
Other operating entries			
Other operating revenue	-94.8	-103.3	-164.2
Other operating costs	17.9	19.6	0.0
Result before financial items, total	-134.6	-87.6	-91.3
Financial items			
Financial revenue	-1.4	-1.1	0.0
Financial costs	111.7	126.5	85.7
Financial items, total	110.3	125.4	85.7
Result before extraordinary items, total	-24.2	-37.7	-5.6
Extraordinary items			
Extraordinary costs	0	0.0	0.0
Extraordinary revenue	0	0.0	0.0
Extraordinary items, total	0	0.0	0.0
Year-end profit/lost, total	-24.2	37.7	-5.6

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus. The appropriations and accounts figures were calculated prior to an adjusted provision for reserved appropriations.

* The MFA's personnel costs contain salary related to commercial activities as well as subsidies for individuals, and therefore exceed the salary expenditure under the payroll ceiling, cf. section 4.6, table 11.

The table below accounts for the MFA's distribution of year-end profit for 2015.

Table 7. Distribution of year-end profit (DKK million)

	2015
Year-end profit for transfer	37.7
Appropriated earned surplus	0,0
Transferred to dividends to Treasury	0,0
Transferred to carry-forward surplus	37.7

3.2.1 Explanation of reversed provisions and accrual items

The MFA's provisions are adjusted annually, and were last adjusted as of 31.12.2015.

Provisions in 2015	DKK million
Holiday pay	105.4
Severance pay for locally employed staff in the service abroad	36.9
Refurbishment of leased properties	59.2
Loss on debtors	0.2
Personnel adjustments	28.2

3.3 The balance sheet

The MFA's balance sheet for 2014 and 2015 is presented below in table 8. Notes to the balance sheet can be found in section 5.1.1.

Table 8. The MFA's balance sheet (DKK million)

Balance as of per 31.12.2015					
Assets	2014	2015	Liabilities	2014	2015
Fixed assets			Equity		
Intangible fixed assets			Adjusted equity		
Completed development projects	116.2	87.1	Carry-forward surplus	-32.8	-32.8
Acquired concessions, patents, licences, etc.	2.6	2.5	Equity, total	-314.3	-276.6
Development projects in progress	6.3	16	Provisions	-347.1	-309.4
Intangible fixed assets, total	125.0	105.6	Long-term liabilities	-83.4	-124.5
Tangible fixed assets			Mortgage debt and other long-term debt		
Land, space and buildings	1,491.1	1,462.5	FF4 Long-term debt	0.0	0.0
Transport equipment	25.5	27.2	Long-term liabilities, total	-1,755.5	-1,701.9
Plant and machinery	6.8	8.5	Short-term liabilities	-1,755.5	-1,701.9
Fixtures and fittings, tools and IT equipment	49.9	40.1	Suppliers of goods and services		
Work in progress at own cost	22.3	73.6	Other short-term debt	-111.9	-97.6
Tangible fixed assets, total	1,595.7	1,611.8	Holiday pay due	-21.2	-18.6
Financial fixed assets			Reserved appropriation	-101.0	-105.4
Government bonds	32.8	32.8	Prepayments, liabilities	-5.8	0.0
Other financial fixed assets	0.0	0.0	Work in progress and liabilities	-2.3	-1.8
Financial fixed assets, total	32.8	32.8	Short-term liabilities, total	-129.0	-128.8
Fixed assets, total	1,753.5	1,750.3	Debt, total	-371.2	-352.3
Current assets			Liabilities, total	-2,126.7	-2,054.2
Accounts receivable	237.6	438.4	Liabilities	-2,557.2	-2,488.0
Prepayments and accrued revenue	89.3	101.5			
Cash and cash equivalents					
FF5 Non-interest-bearing account	-181.5	22.4			
FF7 Financing account	489.0	36.4			
Other cash and cash equivalents	169.2	139.0			
Cash and cash equivalents, total	476.7	197.9			
Current assets, total	803.7	737.7			
Assets, total	2,557.2	2,488.0			

3.4 Explanation of equity

The MFA's equity totalled DKK 309.4 million at the end of 2015. Of this amount, the accumulated surplus carried forward totalled DKK 276.6 million and the adjusted equity totalled DKK 32.8 million, cf. table 9.

The carry-forward surplus totalled DKK 314.3 million at the beginning of 2015, which together with the year-end deficit of DKK -37.7 million thus decreased to DKK 276.6 million.

Table 9. Explanation of the MFA's equity 2015 (DKK million)

	R-1 2014 DKK million	R 2015 DKK million
Equity, year-beginning	-322.9	-347.1
Adjusted equity, opening balance	-32.8	-32.8
Changes in adjusted equity	0.0	-0.0
Adjusted equity, closing balance	-32.8	-32.8
Revaluations, opening balance	0.0	0.0
Changes in revaluations	0.0	0.0
Revaluations, closing balance	0.0	0.0
Carry-forward surplus, opening balance	-290.1	-314.3
Changes in carry-forward surplus related to account changes	0.0	0.0
Existing carry-forward surplus appropriated	0.0	0.0
Year-end profit/loss	-24.1	37.7
Year-end profit/loss appropriated	0.0	0.0
Dividends to the State	0.0	0.0
Carry-forward surplus, closing balance	-314.3	-276.6
Equity, year-end	-347.1	-309.4

3.5 Separate cash flow and borrowing limit

The MFA's operating appropriations fall under the scope of the separate cash flow scheme. The scheme is tailored to the special organisational conditions at the Missions of the Danish Foreign Service.

Table 10. Utilisation of the borrowing limit (DKK million)

	2015
Intangible and tangible fixed assets, total	1,717.5
Borrowing limit	2,526.6
Rate of utilisation in %	68.0 %

3.6 Follow-up on the payroll ceiling

The MFA's payroll expenditure under the payroll ceiling totalled DKK 621.7 million in 2015, which meant an expenditure increase of DKK 36.4 million in relation to the payroll ceiling of DKK 585.3 million. The total payroll saving subsequently amounted to DKK 38.2 million by the end of 2015, cf. table 11.

Table 11. Follow-up on payroll ceiling (DKK million)

Main account	2015 Section 06.11.01
Payroll ceiling FL (Finance and Appropriation Act)	589.4
Payroll ceiling incl. TB (Supplementary Appropriation/Appropriation Notes)	585.3
Payroll expenditure under payroll ceiling	621.7
Difference	-36.4
Accumulated saving, year-end 2014	74.6
Accumulated saving, year-end 2015	38.2

3.7 The appropriation accounts

The cost-based main accounts of the MFA are presented below in table 12.

Table 12. The MFA's administered cost-based main accounts (DKK million)

Main account	Type of appropriation	Revenue/Expenditure	Appropriation	Accounts 2015
06.11.06 Interest revenues from diverse receivables	Other appropriation	Revenue	-10.0	-7.2
06.11.15 Non-statutory grants	Revenue appropriation	Expenditure	38.8	31.6
06.11.19 The Bilateral Neighbourhood Programme	Revenue appropriation	Expenditure	0.0	-0.5
06.11.21 Repayments from the Investment Fund for Central Europe (IØ) and the Investment Fund for Developing Countries (IFU)	Other appropriation	Revenue	-150.0	-100.0
06.21.01 The Nordic Council of Ministers	Statutory	Expenditure	101.6	92.8
06.22.01 Peacekeeping operations, etc. under the UN	Statutory	Expenditure	410.5	290.1
06.22.03 Other organisations	Statutory	Expenditure	253.7	251.4
06.22.05 The European Investment Bank	Other appropriation	Revenue	-0.6	0.0
		Expenditure	0.5	0.0
06.32.01 Developing countries in Africa	Revenue appropriation	Expenditure	2,148.2	1,721.4
06.32.02 Developing countries in Asia and Latin America	Revenue appropriation	Expenditure	589.1	525.8
06.32.04 Personnel assistance	Revenue appropriation	Expenditure	364.7	322.1
06.32.05 Danida Business Programmes*	Revenue appropriation	Expenditure	369.0	216.8
06.32.06 Mixed credits	Revenue appropriation	Expenditure		
06.32.07 Loan assistance	Revenue appropriation	Revenue	-48.2	-51.6
		Expenditure	4.6	0.4
06.32.08 Other assistance	Revenue appropriation	Expenditure	712.1	518.7
06.32.09 The Danish-Arab Partnership Programme	Revenue appropriation	Expenditure	266.4	210.1
06.32.11 The Neighbourhood Programme	Revenue appropriation	Expenditure	214.3	211.9
06.33.01 Assistance through civil society organisations	Revenue appropriation	Expenditure	1076.7	1,050.7
06.34.01 Environment and climate assistance in developing countries, etc.	Revenue appropriation	Expenditure	480.8	476.4
06.35.01 Research and information in Denmark, etc.	Revenue appropriation	Expenditure	353.0	181.5
06.35.02 International development research	Revenue appropriation	Expenditure	6.0	6.0
06.36.01 The UN Development Programme (UNDP)	Revenue appropriation	Expenditure	575.3	575.1
06.36.02 The UN Children's Fund (UNICEF)	Revenue appropriation	Expenditure	90.1	90.0
06.36.03 HIV/AIDS, Population and Health Programmes	Revenue appropriation	Expenditure	432.0	392.0
06.36.06 Other UN development programmes and various	Revenue appropriation	Expenditure	110.4	101.6

multilateral contributions

06.37.01 The World Bank Group**	Revenue appropriation	Revenue	-1.2	-15,693.7
		Expenditure	950.0	16,610.0
06.37.02 Regional development banks	Revenue appropriation	Expenditure	6.1	6.0
06.37.03 Regional development funds, debt relief initiatives and other funds	Revenue appropriation	Expenditure	324.8	319.3
06.37.04 Assistance through the European Union (EU)	Other appropriation	Revenue	-2.2	-2.2
		Expenditure	511.0	506.8
06.38.01 Multilateral regional and reconstruction assistance	Revenue appropriation	Expenditure	0.0	-23.2
06.38.03 Various multilateral contributions	Revenue appropriation	Expenditure	28.0	0.0
06.39.01 General contributions to international humanitarian organisations	Revenue appropriation	Expenditure	640.1	640.0
06.39.02 Humanitarian contributions to acute and protracted crises	Revenue appropriation	Expenditure	0.1	-0.7
06.39.03 Humanitarian contributions to partners in acute and protracted crises	Revenue appropriation	Expenditure	1,560.0	1,559.9
06.41.02 Trade Commissioners and Trade Office	Revenue appropriation	Revenue	-23.3	-26.6
		Expenditure	66.0	77.7
06.41.03 Special export promotion grants	Revenue appropriation	Expenditure	54.8	56.8

Note: A positive (+) figure = expenditure/deficit, and a negative (-) figure = revenue/surplus.

*In accordance with Appropriation Note 260 of 25 May 1994, a provisions scheme was introduced to protect against losses on loans guaranteed by the Export Credit Fund (EKF). In connection with following up on Rigsrevisionen's (Danish National Audit Office) review of Danida Business Finance in 2014/15, the MFA drew up an action plan which follows up on their recommendations. As part of the implementation of this action plan, the provisions scheme is being eliminated. At the end of 2015, there remain provisions against losses in EKF totalling DKK 290.3 million. In connection with eliminating the provisions scheme, the outstanding balance will be returned to main account 06.32.05.18 Danida Business Finance. The elimination of the provisions scheme will be effected by submitting an Appropriation Note to the Finance Committee reflecting the change in practice. At the same time, a new administration agreement is being drawn up with EKF. The Appropriation Note and the new administration agreement with EKF are expected to be ready in the first half of 2016. The provisions scheme will subsequently be eliminated and the outstanding balance will be returned to the Ministry and recorded in the accounts.

** In 2015 it was decided in consultation with the Agency for the Modernisation of Public Administration (*Moderniseringsstyrelsen*) to reclassify the historical payments to main account 06.37.01.11. The International Development Association so that these payments no longer appear in the accounts as actual injections of capital in IDA. The reclassification does not have implication with regard to appropriations, as 06.37.01.11 is a cost appropriation.

4. ANNEXES

4.1 Notes to the profit/loss account and the balance sheet

Extraordinary items

In 2015, the MFA had neither extraordinary revenue nor extraordinary expenditure.

Loss on receivables (Balance sheet)

In 2015, the MFA reduced its provisions for loss on debtors in 2015 from DKK 0.4 million in 2014 to DKK 0.2 million in 2015. The realised recorded net loss for 2015 amounted to DKK 1.0 million, which equals the same level as in 2014.

Inventories (Balance sheet)

The MFA had no inventories for the purposes of resale.

Provisions (Balance sheet)

Please refer to section 3.2.1.

4.1.1 Notes to the balance sheet

Note 1. Intangible fixed assets (DKK million) – (discrepancies may occur due to rounding)

	Completed development projects	Acquired concessions, etc.	Total
Cost price as of 1.1.2015	246.4	3.2	249.6
Opening balance adjustments and transfers between scopes of accounting			
Acquisition	3.6	0.0	3.6
Disposal	-8.1	0.0	-8.1
Cost price as of 31.12.2015	242.0	3.2	245.2
Accumulated depreciation	-154.9	-0.7	-155.5
Accumulated amortisation			
Accumulated depreciation and amortisation 31.12.2015	-154.9	-0.7	-155.5
Financial value as of 31.12.2015	87.1	2.5	89.6
Annual depreciation	-24.6	-0.1	-24.7
Annual amortisation			
Annual depreciation and amortisation	-24.6	-0.1	-24.7

Development projects in progress

	DKK million
Opening balance as of January 2015	6.3
Acquisition	13.5
Amortisation	
Transferred to completed development projects	-3.7
Cost price as of 31.12.2015	16.0

Note 2. Tangible fixed assets (DKK million)

	Land, space and buildings	Infrastructure	Plant and machinery, etc.	Transport equipment	Fixture and fittings, tools and IT equipment	Total
Cost price as of 01.01 2015	1,933.2		37.2	77.1	164.6	2,212.1
Opening balance adjustments and transfers between scopes of accounting						
Acquisition	5.8		4.0	13.6	11.1	34.5
Disposal	-5.4		-10.5	-13.3	-6.3	-35.4
Cost price as of 31.12.2015	1,933.7		30.7	77.4	169.4	2,211.1
Accumulated depreciation	-316.7		-22.2	-50.2	-127.2	-516.3
Annual amortisation	-154.3		0.0	0.0	-2.1	-156.6
Annual depreciation and amortisation	-471.1		-22.2	-50.3	-129.3	-672.9
Financial value as of 31.12.2015	1,462.5		8.5	27.2	40.1	1,538.2
Annual depreciation	-30.7		8.2	1.3	-14.6	-35.9
Annual amortisation	1.7					1.7
Annual depreciation and amortisation	-29.0		8.2	1.3	-14.6	-34.2

Work in progress at own cost

	DKK million
Opening balance as of 1 January 2015	22.3
Acquisition	54.9
Amortisation	
Transferred to completed tangible fixed assets	-3.7

Cost price as of 31.12.2015	73.6
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4.2 Commercial activities

A statement of the commercial activities under the MFA Competence Centre (UMKC) is presented below in table 13.

Table 13. Commercial activities 2012-2015 (DKK million)

	2012	2013	2014	2015
Language training, year-end profit/loss ("-" sign = surplus)	2.4	1.1	-0.2	-0.3
Language training, accumulated year-end profit/loss ("-" sign = surplus)	-5.0	-4.0	-4.2	-4.5

4.3 Fee-financed activities

A statement of fee-financed activities in the MFA under Section 06.11.05 is presented below in table 14. The legislative framework has been respected and observed.

Table 14. Fee revenue 2012-2015 (DKK million)

	2012	2013	2014	2015
Fee - passports	-16.5	-16.7	-16.2	-16.9
Fees - legalisation	-12.3	-13.4	-13.9	-14.0
Fees – assistance cases	-0.4	-0.2	-0.2	-0.1
Fees – visas and residence/work permits	-57.9	-62.9	-67.7	-76.1
Other fee revenue	-1.7	-1.5	-2.2	-3.2
Total	-88.7	-94.6	-100.2	-110.3

4.4 Grant-financed activities

A statement of the grant-financed activities in the MFA is presented below in table 15.

Table 15. Grant-financed activities

	Carry-forward surplus previous year	Grant 2015	Expenditure 2015	Year-end profit carried forward
Multi-donor-financed Regions of Origin programme in Jordan, Lebanon and Iraq	118.9	16.8	19.1	116.5

4.5 Presented investments

It should be noted that the MFA did not complete any capital projects in 2015.

A statement of the capital projects currently in progress is presented below in table 16.

Table 16. Capital projects in progress (DKK million)

Capital projects in progress	Most recently presented	Commencement of construction	Expected completion	Incurred expenditure, total	Incurred expenditure, current year	Approved total expenditure
Embassy building, Dhaka*	2005			0.2	0.0	DKK 7.0, cf. Appropriation Note 178, 2005
Embassy and residences, New Delhi, land rights**		2016	2017			DKK 136.0, cf. Appropriation Note 48, 2008
Embassy and residences, New Delhi ***	2015	2016	2017	12.7	8.8	DKK 76.0, cf. Appropriation Note 3, 2015

* As a result of the decision regarding a Nordic joint location in a leased property (established in 2015), initial steps will be taken towards selling the land obtained through Appropriation Note 178, 2005.

**The cost incurred with the acquisition of land rights amounts to DKK 136 million and was defrayed in 2010.

***Start of engineering design activity (EDA) incl. EU procurement in 2010. Commencement of construction originally announced for 2012, but has been changed to 2016.

4.6. Overview – Priorities and Goals

Political priorities and strategic goals		Goal attainment broken down as follows: A = attained B = partially attained C = not attained
Priority 1. A balanced security policy		
Goal 1.1: Contribute to a continued proactive security policy which addresses a new threat landscape through (i) preventing and fighting violent extremism globally; (ii) fostering a stabilisation of the situation in Ukraine and (iii) strengthening the international system of sanctions.		C
Priority 2. Growth and employment in Denmark and Europe		
Goal 2.1: Promote economic growth and job creation in Denmark and the EU by (i) placing Denmark as close 'to the heart' of the EU as possible; (ii) contributing to an effective economic policy in the EU; (iii) promoting ambitious free trade agreements and free movement in the Nordic region.		A
Goal 2.2: Improve the contribution to job creation and growth in Denmark through increased Danish exports and by attracting foreign investments, including the implementation of the Government's Strategy for Export Promotion and Economic Diplomacy.		A
Priority 3. Transition to a green economy and green growth		
Goal 3.1: Increase the efforts to promote sustainable and responsible development in developing countries through a greater involvement of Danish business competences and the establishment of new partnerships.		A
Priority 4. The Arctic		
Goal 4.1: Operationalize the Arctic Strategy through the promotion of Danish priorities during the American Chairmanship of the Arctic Council 2015-2017.		A
Priority 5. Active engagement for values and rights		
Goal 5.1: Increase the efforts to achieve the UN Millennium Development Goals, secure Danish priorities in the post-2015 goals, and promote the international rule of law through the universal ratification and improved implementation of the UN Convention against Torture.		A
Priority 6. An open, communicating and cooperating foreign service		
Goal 6.1: Implement the MFA's communication policy, including a strengthened profile for the Nordic region, improved communication with Danish target groups and the increased use of social media.		B
Goal 6.2: Increase the accessibility when submitting visa applications, a smoother and more efficient processing of visa applications as well as expanding awareness of the travel guidelines and Consular Service information available on um.dk.		B
Goal 6.3: Enhance the capacity to create results of a high professional standard through improved strategic governance and resource prioritisation; efficient workflows; as well as clarity regarding career development and greater mobility.		C

