DANISH MULTILATERAL DEVELOPMENT COOPERATION ANALYSIS

An assessment of Denmark’s multilateral engagement in light of *The Right to a Better Life*, the strategy for Danish development cooperation

April, 2013
Danish multilateral cooperation in figures

**Denmark’s ODA 2010 and 2011**

![Denmark’s ODA in million DKK, 2010](image)

**Denmark’s ODA in million DKK, 2010**

- Assistance to multilateral organisations (core funding)
- Bilateral assistance through multilateral organisations (earmarked funding)
- Bilateral ODA

**Denmark’s ODA in million DKK, 2011**

- Assistance to multilateral organisations (core funding)
- Bilateral assistance through multilateral organisations (earmarked funding)
- Bilateral ODA

**Denmark’s assistance to and through multilateral organisations in USD, 2010**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>EU</td>
<td>USD 279,000,000</td>
<td>USD 2,000,000</td>
</tr>
<tr>
<td>WB Group</td>
<td>USD 98,000,000</td>
<td>USD 89,000,000</td>
</tr>
<tr>
<td>UN Funds and Programs</td>
<td>USD 107,000,000</td>
<td>USD 107,000,000</td>
</tr>
<tr>
<td>Other UN</td>
<td>USD 200,000,000</td>
<td>USD 100,000,000</td>
</tr>
<tr>
<td>Regional Development Banks</td>
<td>USD 77,000,000</td>
<td>USD 100,000,000</td>
</tr>
<tr>
<td>Other multilaterals</td>
<td>USD 16,000,000</td>
<td>USD 100,000,000</td>
</tr>
</tbody>
</table>

**Danish contribution to organisations included in the analysis (2011)**

- Core funding
- Earmarked funding
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Executive summary

Multilateral cooperation is a cornerstone of Danish development policy. It is essential for the identification and implementation of global solutions to “problems without passports” - to use the words of former UN Secretary-General Kofi Annan - such as climate change, persistent poverty and international terrorism. Multilateral organisations also have significant roles to play in promoting economic and social development, human rights, and peace and security, not least in fragile states. Through their universal membership and mandates, these organisations have high legitimacy and are centrally placed to assist countries in taking ownership for their own development and adhering to global norms and values. For a small country but large donor like Denmark, investing in a well-functioning multilateral system is also a way of maximizing influence on the international development agenda beyond the reach of purely bilateral efforts.

It is a political priority for Denmark to strengthen the engagement with the multilateral organisations and over the coming years channel more development funds through the multilateral system. In order to implement the Strategy for Danish Development Cooperation The Right to a Better Life, a policy of New Multilateralism will be pursued.

Denmark wishes to support organisations whose mandates are in line with Denmark’s development cooperation priorities and who, on the one hand, deliver tangible results on the ground and, on the other, contribute to addressing global challenges through an effective and lean organisation in line with international aid effectiveness principles. The purpose of this analysis is to provide the foundation for future policy decisions, including funding decisions, on Denmark’s multilateral engagement to this end.

This analysis is the second cross-cutting assessment of Denmark’s multilateral engagement. On the basis of the strategy for development cooperation it evaluates the organisational effectiveness and strategic relevance of 17 multilateral organisations that have long-standing relationships with Denmark. The rating of the organisations’ effectiveness (“how well do they perform”) is based on existing data from MOPAN ratings, whereas the rating of the strategic relevance (“why does Denmark fund them”) is based on a composite index reflecting perceptions of those MFA staff who are responsible for handling the organisations of how well the organisations’ mandates overlap with selected Danish development priorities, their contribution to strengthening the multilateral system, their responsiveness vis-à-vis Danish policies and their financing characteristics.

The overall conclusion is that the multilateral organisations covered by the assessments are generally seen as both effective and highly relevant to Danish development priorities. This is not surprising, given that most of the organisations have received Danish funding for years, but is nevertheless an important positive finding. Comparisons across different organisations should be undertaken only carefully because their mandates and thematic and geographic coverage vary greatly; whereas some multilateral partners have a narrow mandate that overlaps with a specific Danish priority (UNAIDS is one example), others cover a broad range of issues, like the UNDP and the World Bank. Assessing organisations against their mandate is generally acknowledged as

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1 http://um.dk/en/danida-en/goals/
2 MOPAN is a network of 17 donor countries with a common interest in assessing the organisational effectiveness of the major multilateral organisations they fund. MOPAN members carry out joint assessments of organisations, share information and draw on each other’s experience in monitoring and evaluation. See Chapter 2 for more detail.
favouring small and specialist organisations. With these methodological limitations, the analysis finds that the five organisations perceived as being the most relevant for Danish development priorities are UNHCR, UNAIDS, OHCHR, GFATM, and WFP, followed closely by a second batch consisting of the World Bank, UNFPA, IFAD, AsDB, and UNICEF. On effectiveness, the organisations also fare well: Overall, the IFIs score high on effectiveness as do the large UN funds and programmes. The five highest ranking organisations are AsDB, the World Bank, IFAD, UNICEF and UNEP, followed by UNDP, UNAIDS, WHO, UNFPA, and WFP. The findings are captured in the Double Bubble chart below (Figure i).

Perceptions at country level are more mixed and there is clearly great variation in the organisations’ local performance. Some embassies report that multilateral partners often operate in un-coordinated and non-aligned ways and their engagement in the strategic policy dialogue is seen as lacklustre. Possible explanations may be found in different country situations or particular competencies of country teams and managers. It may also reflect the organisations’ financing modalities where fundraising for new activities – for lack of sufficient core funds – is more common in the field than in headquarters; thus, country office staff is more focused on earmarked activities that, as often as not, lie outside of the organisation’s comparative strengths.

Although there are wide variations, non-core contributions continue to cause serious problems for the organisations included in this analysis. Activities to which funds are earmarked are often, although not always, designed and implemented outside the organisations’ formal governing systems and imitate the agendas of individual donors rather than express the organisations’ mandates and strategic priorities.

In order to counter the trend towards increased earmarking and as an expression of Denmark’s commitment to multilateralism, Denmark will continue to allocate the largest share of its multilateral aid as core funding – while at the same time maintaining the possibility of using earmarked contributions to strategic and special interventions. In 2011, Denmark provided DKK 6.182 million to multilateral organisations, of which 68.3 pct. was core funding and 31.7 pct. earmarked. Of the earmarked contributions, approx. 50 pct. were targeted to specific countries – primarily fragile and conflict affected countries such as Afghanistan and Somalia. This corresponds to the international tendency, where earmarked contributions to multilateral organisations remain a key channel for donors to reach the poorest and most fragile states.

Denmark will explore new ways to allow for non-core funding that respect the multilateral and independent nature of the organisations while contributing to innovation and progress on priority issues that overlap with Danish political priorities. To this end, the possibility for establishing new Innovation Facilities will be explored in the course of 2013 as a supplementary element of cooperation with select organisations.

The Multilateral Analysis also underscores the importance of achieving synergy and complementarity between Denmark’s multilateral and bilateral efforts – at an operational but also at a policy level. In order to strengthen the policy dialogue, Denmark will raise the level of the political dialogue with key partners to the ministerial level. The purpose will be to ensure a common understanding of key challenges and shared agendas. By doing this, a major step will have been taken to ensure that the joint results - in terms of poverty reduction and human rights promotion - will form a whole that is greater than the sum of its parts.
Figure i: Danish Multilateral engagement in 2011 ("Double Bubble chart")

**Effectiveness-relevance-contributions (core and total, DKK millions)**

Organisational effectiveness (MOPAN data)
Overview of main findings and recommendations

The multilateral development analysis 2013 defines New Multilateralism – Denmark’s multilateral development cooperation (see Figure ii). New Multilateralism is based on an overview of the main multilateral development partners of Denmark, their effectiveness and their proximity to Danish development priorities. New Multilateralism contains a number of recommendations on multilateral implementation of The Right to a Better Life in the current development context. It also provides guidance on future Danish multilateral funding, including the use of core and earmarked funding. Finally it lists a number of tools available to Denmark for best promoting Danish development priorities in our multilateral cooperation. The main findings and recommendations of the report are:

Main findings – relevance and effectiveness

- To implement The Right to a Better Life through the multilateral system, Denmark needs to work in a coherent and coordinated way, preferably with like-minded countries.
- The multilateral organisations included in the analysis are assessed as being relevant to Danish development priorities and are generally effective organisations.
- The view from the field is more complex; while some organisations perform well, others could do better.
- Denmark is a top-ten donor in five organisations but also supports many organisations with small contributions.
- Denmark is a large core donor, but earmarked funding increased between 2010 and 2011.
- The EC is a major channel for delivering of Danish development assistance.
- Multilateral reforms are underway but the pace is slow and it is still difficult to assess impact on the ground.

Table i: Overview of findings and assessments

<table>
<thead>
<tr>
<th>Priority/Rating</th>
<th>Best practice</th>
<th>Good</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty reduction</td>
<td>World Bank, AsDB, UNDP, UNICEF, UNFPA, WFP, GFATM, and UNAIDS</td>
<td>AfDB, IFAD, WHO, UNEP, OHCHR, and Global Compact</td>
</tr>
<tr>
<td>HRBA</td>
<td>OHCHR, UNFPA, UNHCR, UNAIDS, GFATM, WFP, IFAD, and Global Compact</td>
<td>AsDB, AfDB, World Bank, UNDP, UNICEF, WHO, UNEP, UNRWA, and UNODC</td>
</tr>
<tr>
<td>Human rights and democracy</td>
<td>OHCHR, UNHCR, UNFPA, UNAIDS, IFAD, and Global Compact</td>
<td>UNDP, UNICEF, World Bank, AfDB, GFATM, WHO, WFP, UNEP, and UNODC</td>
</tr>
<tr>
<td>Green growth</td>
<td>UNEP, IFAD, and Global Compact</td>
<td>World Bank, AsDB, AfDB, and UNDP</td>
</tr>
<tr>
<td>Social progress</td>
<td>UNFPA, UNAIDS, and OHCHR</td>
<td>UNDP, UNICEF, World Bank, AsDB, AfDB, WHO, WFP, IFAD, UNHCR, GFATM, Global Compact, and UNODC</td>
</tr>
<tr>
<td>Stability and protection</td>
<td>UNHCR and UNODC</td>
<td>World Bank, AsDB, AfDB, UNDP, UNICEF, OHCHR, WFP, UNEP, and UNRWA.</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Five most effective</td>
<td>Next five</td>
</tr>
<tr>
<td>Country level importance</td>
<td>Five organisations considered most important at country level</td>
<td></td>
</tr>
<tr>
<td></td>
<td>AsDB, World Bank, IFAD, UNICEF, UNEP</td>
<td>UNDP, UNAIDS, WHO, UNFPA, WFP</td>
</tr>
<tr>
<td></td>
<td>World Bank, Regional Banks, UNDP, UNHCR, UNICEF</td>
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Main recommendations

- Denmark should further strengthen its cooperation with the multilateral organisations and channel more funds through the multilateral system to promote Danish development policy objectives.
- In doing so, Denmark should apply the principles of New Multilateralism to enhance coherence, impact and results in the multilateral development system.
- Denmark should use all available instruments including its position as a provider of substantial core funding to promote Danish development priorities, support prioritised reform initiatives and keep the organisations focused on development results within their mandates.
- At country level, Denmark should seek to build on the most relevant organisations’ comparative advantages to further Danish development priorities, including through close dialogue between bilateral representations and entities at headquarters level on the organisations’ performance on the ground.
- As regards funding, Denmark should focus its multilateral assistance on fewer but larger contributions. Denmark should primarily provide core funding but continue the use of earmarked contributions to strategic and special interventions.

New Multilateralism

The objective of New Multilateralism is two-fold: To strengthen the multilateral system and its ability to effectively deliver development results and address complex global challenges, and to promote specific Danish policy priorities. New Multilateralism is based on the assessment and findings of this analysis.

To achieve optimal impact while best serving broader Danish development priorities, implementation of New Multilateralism will be focused in the following four areas:

- Effectively promote Danish strategic priorities
- Contribute to the post-2015 agenda
- Support multilateral reform to enhance results and development impact
- At the country level, encourage cooperation and strengthen complementarity between multilateral and bilateral efforts.

These four focus areas can be addressed through a strategic use of the multilateral toolbox. The most important tools are funding; participation in formal governance structures; bilateral dialogue with the organisations; targeted bilateral initiatives within prioritised areas; cooperation with likeminded partners; new partnerships and outreach to new development actors; and secondments and the UN City in Copenhagen. It is important to note that the tools complement each other and may be used in combination for greater impact. The optimal mix will depend on the circumstances and the particular multilateral organization in question.

The four focus areas and the tools available should be considered when elaborating new organisation strategies for the multilateral organisations that Denmark works with and serve as a point of departure for other aspects of the dialogue and cooperation with the organisations. The ultimate objective is naturally to reduce poverty and promote human rights in line with the provisions in the Danish development strategy.
Explanation of Figure ii

The multilateral development cooperation analysis is the main tool of New Multilateralism. The assessment in the analysis is based on MOPAN, perception analysis and input from the country level. Based on the assessment Denmark is better positioned to make informed decisions on “Who to work with”. The Analysis identifies a number of tools that can be used by Denmark to strengthen our cooperation with the multilateral organisations that Denmark cooperates with. The tools describe “How to work with the multilateral organisations”. The analysis identifies five focus areas that Denmark should focus on in its multilateral cooperation to strengthen the multilateral system and its ability to effectively deliver development results and address complex global challenges and to promote Danish policy priorities. The findings and recommendations of the analysis should be implemented in the individual organisations through the Multilateral Organisation Strategies that are drawn up for each organisation receiving more than DKK 35 m in core funding. The ultimate goals that Denmark wishes to achieve is to reduce poverty and promote human rights.
1. Introduction

The development challenges have changed dramatically in recent years. The impressive growth rates in many developing countries have made an important contribution to poverty reduction and development, while at the same time bringing with them negative implications for the environment and rising inequalities in and among countries. Emerging economies are also associated with a shift in global power structures and rising south-south cooperation. In parallel, traditional official development aid (ODA) is losing significance as a financing tool compared to other, growing, sources like foreign direct investment, private investment, remittances and private donations.

These trends are changing the framework conditions for international development cooperation and for the way global challenges are dealt with. As the call for global solutions to climate change, macroeconomic imbalances, food insecurity, tax avoidance, and inadequate financial regulation, grows stronger, multilateral cooperation becomes ever more pertinent and formations of partnerships with emerging economies and the private sector ever more relevant. A next important step for creating a development paradigm that considers these trends is the formation of a post-2015 framework to follow the UN Millennium Development Goals (MDGs).

The MDGs have generated remarkable results in terms of political focus and prioritisation of investments in both developing countries and among donors. For this reason there is a strong international wish to draw up a new global framework that builds on and further develops the momentum of the MDGs. Indeed, this question currently takes priority on the international development agenda and the UN Secretary-General has set up a High Level Panel to advise him on the matter. At the same time, work to draw up a set of Sustainable Development Goals is to be carried out by an open-ended working group in follow up to the UN Rio+20 conference (June 2012) and ultimately integrated into one common framework post-2015.

The current MDG framework was not a negotiated outcome and has been criticized for not being the result of a transparent and inclusive process. An inclusive dialogue with participation and ownership from all stakeholders will be of key importance in order to draw up a new framework all partners can support. However, the broad range of issues and the large number of actors with diverging interests will demand leadership from both member states and the UN in order to ensure a coherent and ambitious new development framework from 2015 onwards.

Therefore, while it is not an easy task, the post-2015 framework and the process leading up to the formation of a set of new overarching development goals will be an important test of the multilateral systems ability to deliver tangible results. At the same time, it will provide the guiding principles for future development efforts.

This work also underlines the fact that the multilateral organisations are an essential building block of the international community. Multilateral engagement is thus central to Denmark’s development and humanitarian policy, in its own right and as a supplement to bilateral efforts. The multilateral organisations’ obvious comparative advantages are political legitimacy/neutrality; global governance and membership structures; convening power; potential to promote global public goods; economies of scale and leveraging of development funds from other financing sources; knowledge and analytical capacity; and global presence. However, the multilateral system is facing a number of challenges with regards to fragmentation, financing, complementarity and cooperation, forming new partnerships and defining its comparative advantages.
Denmark’s support to multilateral organisations is founded in the belief that global problems demand global solutions and in the recognition that multilateral organisations are absolutely necessary for the promotion of Danish development priorities.

*The Right to a Better Life* was adopted in May 2012. The strategy introduces a human rights-based approach to global poverty reduction with four thematic priorities: human rights and democracy, green growth, social progress, and stability and protection. The strategy is based on the premise that the multilateral system is critical to its effective implementation. Accordingly, Denmark is in the process of strengthening its multilateral engagement and intends to channel more funds to the multilateral system in the coming years. New contributions will be based on a continuous assessment of how and through which organisations Denmark’s interests and policy objectives are best advanced. New funding will primarily be in the form of increased core funding, supplemented by a strategic but limited use of earmarked contributions for exceptional purposes.

The *Danish Multilateral Development Cooperation Analysis* will provide the strategic framework – called New Multilateralism - for this undertaking. Through an assessment, it reviews the effectiveness and relevance for Denmark’s strategic priorities of selected multilateral organisation as well as their responsiveness to Danish inputs and expectations. The Analysis, thus, aims to provide a consolidated picture of the organisations’ comparative advantages in key areas to enable Danish development cooperation to be concentrated on organisations that most effectively promote Denmark’s priorities. In this way, the Analysis provides the foundation for the prioritisation of Denmark’s future multilateral engagement and for further efforts to strengthen coherence and synergies with Danish bilateral development cooperation. It describes a number of specific tools that can be used to advance Denmark’s influence in the multilateral system at all levels. Specifically it highlights four areas that Denmark should focus on in order to ensure that the multilateral system and Danish priorities are aligned and that the multilateral system in general is strengthened and remains relevant to meet global challenges.

The findings and recommendations of the Analysis will be incorporated in organisation strategies for individual multilateral organisations as they are renewed over the next years and will thus form part of the regular cooperation and dialogue with specific organisations. The strategies will also include important aspects of cooperation not explicitly covered in this report such as their specific contributions to global and local development results. In parallel, the findings of the Analysis will also serve to inform political decisions regarding Denmark’s broader multilateral engagement especially as regards:

- Selection of which organisations Denmark should work with to implement the Danish development strategy
- Funding of the multilateral development system at the systemic level as well as regards individual organisations
- Implementation of the principles guiding Danish multilateral cooperation contained in the policy of New Multilateralism.

The analysis covers multilateral organisations with an important development and/or humanitarian mandate that receive annual core contributions from Denmark of DKK 35 m or above. A few organisations that receive smaller funding have been included as they are deemed particularly important for the implementation of the Danish development strategy. Other organisations are excluded for specific reasons, e.g. UN Women because it only came into existence in 2010 and therefore it is premature to make a thorough assessment of their
performance. The EU is not assessed as a multilateral organisation but only as a funder of the multilateral system. 17 organisations in all are analysed:


The Analysis is organised in two parts:

Part I contains the assessments and the main findings of the analysis and consists of the following chapters: Chapter 2 that provides an overview of the cross-cutting assessment of the relevance and effectiveness of 17 multilateral organisations that are the main receivers of Danish multilateral funding, which is followed by a closer look at which organisations are considered as being most relevant to the implementation of the specific priorities in the The Right to a Better Life in Chapter 3. This is then qualified in Chapter 4 with inputs regarding the multilaterals’ ability and willingness to undertake reform efforts and form new partnerships, as well as their impact and presence at country level in Danish priority countries. Funding trends for the multilateral system are presented in Chapter 5 which describes Danish financing principles and looks at the development funds led through the EU.

Part II contains the recommendations for Danish multilateral engagement in the years to come and consists of the following chapters: Chapter 6 outlines the Danish policy of New Multilateralism describing the objectives and the tools to achieve these, before conclusions are made in Chapter 7.

Annex 3 presents detailed information on each of the organisations assessed in the analysis, including reporting on cooperation in 2012.
Part I: Assessments and Findings

2. Cross-cutting assessment of Denmark’s multilateral engagement: “Double Bubble”

2012 saw the first cross-cutting examination of Denmark’s multilateral engagement. This year’s Multilateral Development Cooperation Analysis focuses on how multilateral cooperation may best help to advance the implementation of the new Danish development strategy *The Right to a Better Life* and what are the comparative advantages of individual multilateral organisations in key strategic areas. Like last year, the main parameters assessed are 1) organisational effectiveness (“how well do they perform”) and 2) relevance to Danish priorities (“why Denmark funds them”).

2.1 THE MULTILATERAL DEVELOPMENT COOPERATION ANALYSIS

Increasing the multilateral system’s effectiveness and contribution to development results is high on the international agenda, and bilateral and joint donor assessments of multilateral organisations’ performance have proliferated in recent years. The methodology, scope and analytical rigour of the different assessments vary but, as pointed out by OECD/DAC, there are also commonalities and a strong degree of convergence in the criteria used. One shared challenge is difficulties in integrating “the view from the field” in a structured manner in order to gauge a perceived/real gap between what the organisations say at headquarter and what they do at country level: A well-written strategy applauded by Board members in Geneva or Washington does not necessarily bring impact in the field, nor does a comprehensive performance framework in itself guarantee actual development results. Part of the assessment problem is that the same organisation may perform quite differently in different countries, depending on the context and on competences and inclinations of its in-country staff (see chapter 4 for a discussion). Another difficult question is how to capture the organisations’ contributions to results at different levels through a generally accepted theory of change. It is a central Danish priority to strengthen the organisations’ results focus but a robust methodology for assessing progress is yet to be developed. Accordingly, this analysis does not explicitly assess the multilateral organisations’ actual results. Rather, this is covered by the organisation strategies detailing Denmark’s corporation with individual organisations, based on detailed performance frameworks.

The Multilateral Organisation Performance Assessment Network (MOPAN) is a joint undertaking between 17 major bilateral donors established in the spirit of development effectiveness to promote collective assessment efforts. Denmark is a co-founder of MOPAN and remains an active member. The network annually assesses the organisational effectiveness of 4-6 major multilateral organisations, based on data collected through a broad mix of survey, document review and interview methods. The key performance indicators for organisational effectiveness fall into four broad categories: strategic management, operational management, relationship management and knowledge management. For more information on MOPAN, including methodological queries, please visit the MOPAN website.

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4 See the MOPAN website for more information on the Network and its methodology and assessments: http://www.mopanonline.org/.

5 The key performance indicators for organisational effectiveness fall into four broad categories: strategic management, operational management, relationship management and knowledge management. For more information on MOPAN, including methodological queries, please visit the MOPAN website.
managing to obtain development results, in 2012 MOPAN piloted a new results component assessing how the organisations measure and report on results as identified in the organisations’ own strategic plans, in recipient countries’ development plans and in the MDGs; the result component will be made permanent from 2013 and is expected to add an important facet to MOPAN’s assessments, thus increasing their applicability and methodological robustness.

The Danish Multilateral Development Cooperation Analysis relies on MOPAN and other existing data sources for the evaluation of the multilateral organisations’ effectiveness. Only as regards their relevance to Danish development priorities has data been collected specifically for the analysis, because the information was not otherwise available. Specifically, relevant MFA staff were asked to rate the multilateral organizations on 13 parameters related to alignment with Danish strategic priorities, contributions to the multilateral system, responsiveness to Danish policies, and sustainable funding. Maintaining the leanest possible data collection process is a deliberate choice in response to international concerns that donors’ (wholly legitimate) preoccupation with assessing multilateral effectiveness may create overlaps and inefficiencies if not well coordinated. While bilateral assessments can be better tailored to a donor agency’s specific needs and political priorities, there is a trade-off between the value of the extra information and the cost of obtaining it in terms of the extra work-load and the risk that buy-in from the organisations and partner countries may deteriorate. Thus, the Danish decision to use MOPAN effectiveness data – although it is openly acknowledged that MOPAN is not in its current form a perfect assessment tool and still has room for methodological and data improvement; including, not least, when it comes to the multilateral organizations’ achievement and documentation of development results. The results are illustrated in Figure 1 and 2.

**Figure 1: Organisational effectiveness – Based on MOPAN data**

![Figure 1: Organisational effectiveness – Based on MOPAN data](image)

**Figure 2: Relevance to Danish priorities – Based on perception analysis**

![Figure 2: Relevance to Danish priorities – Based on perception analysis](image)
The characteristics and results of the analysis’ two overall parameters - organisational effectiveness and strategic relevance – are presented in detail in Annex 2.

2.1 CROSS-CUTTING ASSESSMENT/"DOUBLEBUBBLE"

The two composite indexes are combined with data on Danish core and total contributions to the assessed organisations in the “double bubble” chart to give an overall impression of how the organizations perform at the very general level (Figure 3). The chart shows a very positive picture. The location of all organisations in the upper right-hand corner reflects overall harmony between the organisations’ effectiveness and relevance and Danish financial contributions. While it is to be expected to find a certain modicum of good performers among organisations with long-standing relationships with Denmark (or cooperation would not take place), it is reassuring to see so many partner organisations actually doing well on the effectiveness and relevance parameters.

As one of three outliers in the chart, UNRWA struggles somewhat with effectiveness and relevance but is an indispensable tool in the international efforts to alleviate human suffering in the Middle East and would need to be reinvented if it did not already exist. The pattern was the same in last year’s analysis; to address UNRWA’s acknowledged challenges in a constructive fashion, Denmark has initiated a new organisation strategy outlining the key strategic areas in cooperation with UNRWA, including reform and effectiveness issues. OHCHR and UNODC also fall somewhat out of the general pattern; this may be related to the underlying effectiveness data which does not come from MOPAN (see Annex 2).

Generally speaking, it is important not to over-interpret the chart: It is a snap-shot, largely based on subjective assessment at the head quarter level. Thus, it does not contain information on the organisations’ ability to reach objectives and create results in the field as noted above. Finally, it is generally acknowledged that assessing organisations against their mandate (which is what happens here in comparison to last year) favours small and specialist organisations. With these reservations, however, it would seem clear that Denmark’s current multilateral engagement – in terms of specific partners and their potential for contributing to effective implementation of the policy priorities in The Right to a Better Life – is on “the right track”. From that observation does not, however, follow that there is no room for improvement in individual organisation’s performance or in the workings of the consolidated multilateral system. Nor does it preclude adjustments of Denmark’s multilateral portfolio in the near or long-term future.
Figure 3: Danish Multilateral engagement in 2011 ("Double Bubble chart")

Effectiveness-relevance-contributions (core and total, DKK millions)

Organisational effectiveness (MOPAN data)
Box 1: “Double Bubble chart”: Methodology

In the chart, the horizontal axis shows an average of the specific organisation’s ratings in the latest MOPAN Common Approach assessment from 2009 or later (survey and document review). For the small number of organisations where such assessments are not yet available, the value has been calculated based on other existing sources. The vertical axis displays a single value for relevance, calculated as the mean average of the specific organisation’s ratings on 13 specific components, in an adjusted (“scaled-up”) 6-point scale. The size of the “bubbles” reflects Danish core and total contributions to the organisations in 2011 measured in DKK millions.

The methodology is considered suitable for the purposes of this analysis but has its shortcomings. Foremost, the data is to a large extent (although not exclusively so) based on perceptions rather than documented evidence and is thus subjective by nature. While measures have been taken to minimize the potential bias, still the findings should be interpreted with care. Other stakeholders may assess the organisations differently. In particular, it should be kept in mind that the observations express a “head quarter perspective” on the organisations’ performance which may differ quite markedly from how they are viewed at the field level. Also, the assessment only looks at organisations Denmark is already engaged with and, in most instances, has a long-standing relationship with rather than the whole spectrum of multilateral organisations. This “pre-selection” means that the organisations are likely to be assessed positively (otherwise cooperation would be non-existent or more limited) and, in other words, would be expected to cluster in the upper right-hand corner of the “double bubble” chart.
3. Thematic findings

This chapter takes a closer look at the organisations’ relevance vis-à-vis the six thematic priorities of *The Right to a Better Life*. Fighting poverty and promoting human rights are the overarching objectives of the strategy. The objectives are inter-linked: While promoting human rights is a goal in itself, it is also a means to achieve poverty reduction and sustainable development. By helping poor people fight for their rights, the main causes and effects of poverty are addressed, and by eradicating poverty and inequality, including gender inequality, people are empowered to demand their basic rights fulfilled. To meet the overarching objectives of fighting poverty and promoting human rights, Denmark will concentrate its policy engagement in four strategic areas – human rights and democracy, green growth, social progress, and stability and protection.

In order to identify comparative advantages of the organisations in relation to each strategic priority, MFA staff responsible for and closely involved in Denmark’s day-to-day cooperation with the organisations were asked to assess the organisations’ relevance with regards to each priority. This was supplemented by meetings with multilateral entities and embassies in partner countries, as well as feedback from embassies that provide considerable funding through the multilateral system at country level. As such, our quantitative assessment of the multilateral system based on effectiveness and relevance is qualified by a qualitative assessment based on these extensive consultations. Where relevant the qualitative feedback is included and reflected in the analysis. Table 1 provides a summary of the main findings.

### Table 1: Overview of findings and assessments

<table>
<thead>
<tr>
<th>Priority/Rating</th>
<th>Best practice</th>
<th>Good</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Poverty reduction</strong></td>
<td>World Bank, AsDB, UNDP, UNICEF, UNFPA, WFP, GFATM, and UNAIDS</td>
<td>ADB, IFAD, WHO, UNEP, OHCHR, and Global Compact</td>
</tr>
<tr>
<td><strong>HRBA</strong></td>
<td>OHCHR, UNFPA, UNHCR, UNAIDS, GFATM, WFP, IFAD, and Global Compact</td>
<td>AsDB, ADB, World Bank, UNDP, UNICEF, WHO, UNEP, UNRWA, and UNODC</td>
</tr>
<tr>
<td><strong>Human rights and democracy</strong></td>
<td>OHCHR, UNHCR, UNFPA, UNAIDS, IFAD, and Global Compact</td>
<td>UNDP, UNICEF, World Bank, ADB, GFATM, WHO, WFP, UNEP, and UNODC</td>
</tr>
<tr>
<td><strong>Green growth</strong></td>
<td>UNEP, IFAD, and Global Compact</td>
<td>World Bank, ADB, ADB, and UNDP</td>
</tr>
<tr>
<td><strong>Social progress</strong></td>
<td>UNFPA, UNAIDS, and OHCHR</td>
<td>UNDP, UNICEF, World Bank, ADB, ADB, IFAD, WHO, WFP, IFAD, UNHCR, GFATM, Global Compact, and UNODC</td>
</tr>
<tr>
<td><strong>Stability and protection</strong></td>
<td>UNHCR and UNODC</td>
<td>World Bank, ADB, ADB, UNDP, UNICEF, OHCHR, WFP, and UNRWA.</td>
</tr>
<tr>
<td><strong>Effectiveness</strong></td>
<td>Five most effective</td>
<td>Next five</td>
</tr>
<tr>
<td></td>
<td>AsDB, World Bank, IFAD, UNICEF, UNEP</td>
<td>UNDP, UNAIDS, WHO, UNFPA, WFP</td>
</tr>
<tr>
<td><strong>Country level importance</strong></td>
<td>Five organisations considered most important at country level</td>
<td>World Bank, Regional Banks, UNDP, UNHCR, UNICEF.</td>
</tr>
</tbody>
</table>

The presentation below is focused on organisations that are considered to have particularly relevant mandates or potentials in the respective areas (see chapter 2 and Annex 2 for more detail). Since the methodology of assessing relevance against mandates tend to favour small and specialist agencies there is a risk of neglecting the equally important role of multilateral partners with broader or more complex work programmes. Thus, where organisations are
considered important for reasons not explicitly captured by the relevance assessment, they are also included. The findings and recommendations of the chapter will guide and influence our engagement in the multilateral system and the specific cooperation with individual organisations. For the latter, the follow-up will be detailed in and implemented via the organisation strategies which will also look into the organisations’ ability to deliver tangible development results and impact at global and country level.

3.1 POVERTY REDUCTION

While there has been progress over in poverty reduction over the last decade, far too many people still live in indignity and poverty. A major concern is those countries, primarily in the group of Least Developed Countries (LDCs) and fragile states that are falling behind as the rest of the world is moving forward in the fight against poverty. According to the latest MDG progress report the target of reducing extreme poverty by half was reached in 2010, five years ahead of the 2015 deadline. This is a great achievement and a clear validation of the approach embodied in the MDGs. Still, there remains much work to be done. Four out of every five people living in extreme poverty live in sub-Saharan Africa and Southern Asia and 47 pct. of the people in sub-Saharan Africa still live in extreme poverty. Also, a new development framework must address gender inequality, as women are disproportionately represented among the poorest and most marginalized in the world.

Findings

Among the 17 organisations included in this analysis, all are relevant in a poverty reduction context. The highest assessment ratings are given to the World Bank, AsDB, UNDP, UNICEF, UNFPA, WFP, GFATM, and UNAIDS. Good scores are given to the AfDB, IFAD, WHO, UNEP, OHCHR, and Global Compact, while the remaining organisations all receive adequate scores. As a general trend, it may be argued that while the MDBs are major funders of investments in physical and social infrastructure including education (The Global Partnership for Education is administratively anchored in the World Bank), the UN organisations are strong in norm-setting and in the social sectors with a special focus on health (WHO and UNICEF), education (UNICEF and UNESCO) and food (FAO and humanitarian actors like WFP). Therefore it is important to recognise the interconnectedness between efforts by different organisations and in different areas as these support progress in other areas as well; indeed, with the elaboration of the MDGs, the agendas of the MDB’s and the UN have increasingly merged and effective cooperation has become pivotal.

The MDBs are vital for a number of reasons, including the sheer size of their financial contributions to the poorest countries; cooperating closely with the banks serves to leverage Denmark’s (much smaller) development program for broader geographical and thematic coverage. For instance, The International Development Association (IDA), which is the World Bank’s fund for the poorest nations disbursed almost USD 10 billion in 2012 for direct and indirect global poverty reduction purposes, making it one of the largest sources of assistance for the world’s 81 poorest countries, 39 of which are in Africa, and the single largest source of donor funds for basic social services in these countries. 45 pct. of these funds went to low-income countries. The AfDB is another important source of finance for development and growth in African countries and increasingly so as the institution has implemented fundamental reforms to increase its relevance and effectiveness; as a regionally
owned organisation (African nations hold 60 pct. of the Bank’s shares) AfDB enjoys special legitimacy on the continent compared to “outside” partners and is often considered more amenable to local conditions and needs. The AsDB plays a parallel role in Asian countries (and, outside the scope of this analysis, so does Inter-American Development Bank in Latin America) and is an important partner not least for engaging with large new development partners like China and India. All of the MDBs also function as important convening powers and knowledge centres although some reports from the country level indicate that at times implementation in the field may be less satisfactory.

The UNDP plays an important normative role as it is the main body for coordinating the global effort to support partner countries in reaching the MDGs. Several representations, however, stated that UNDP is spreading its efforts too thinly at country level, engaging in too many areas at the same time which reduce its operational impact and effectiveness. In a recent internal evaluation of UNDP’s contribution to poverty reduction activities since 2000 UNDP is encouraged to analyse challenges and strengthen approaches to capacity development in order to ensure sustainability of the results to which UNDP contributes; to ensure that UNDP activities at the country level are not disconnected from corporate strategies and finally that the contribution of UNDP interventions to national poverty outcomes are not compromised by the absence of adequate support to learning from its interventions about what works and why.

LDCs accounted for some 55 pct. of total expenditure of the UN development system in 2010. For the major funds and programmes the figures were respectively: UNDP (47pct.), UNICEF (57pct.), UNFPA (49.1pct.). Other organisations also stand out because of their commitment to the poorest countries. According the UK Multilateral Assessment, in particular the global health and education funds spend their money in the poorest countries. Among the humanitarian organisations WFP – that spends more than 90 pct. of its funds in LDCs - plays a key role in alleviating food insecurity and providing safety nets, which has a documented effect in spurring economic growth, including in fragile contexts.

Conclusion

Denmark should continue to support the poverty reduction architecture, meaning the UN organisations and funds as well as the MDBs, primarily through core funding and only resorting to earmarked contributions for strategic or special interventions. Also, Denmark should look favourably at organisations that spend most of their money in the poorest countries and fragile states. This point should be stressed in the dialogue with the organisations in order to alleviate poverty and to improve results vis-à-vis the MDGs.

6 “Analysis of funding of operational activities for development of the United Nations system for the year 2010”, p. 31
8 Programme expenditure according to Annual Report of the Executive Director of UNICEF p. 22.
9 49.1 of total regular resources country programme expenses of $276.8 million was spent in Least Developed countries according to UNFPA Statistical and financial review 2011 p. 5.
10 http://www.dfid.gov.uk/What-we-do/Who-we-work-with/Multilateral-agencies/Assessment-by-institution-index/
3.2 HUMAN RIGHTS BASED APPROACH (HRBA)

A human rights based approach (HRBA) focusing on the four principles of non-discrimination, participation and inclusion, transparency, and accountability is the foundation for *The Right to a Better Life*. The strategy emphasises closer linkage between the normative work on human rights in international forums and development cooperation on the ground. Through their universal membership, multilateral organisations possess high legitimacy, while their mandates as well as their reach convey an important role in disseminating international norms and standards globally and implementing them nationally.

In 2003, the United Nations adopted a ‘Common Understanding on the Human Rights-Based Approach to Development’, which stipulates that all programmes of development cooperation, policies and technical assistance should further the realisation of human rights and should, in turn, be guided by the Universal Declaration of Human Rights. Since 2009, a UN Development Group’s Human Rights Mainstreaming Mechanism has been in place to further elaborate and coordinate the mainstreaming of a HRBA in the UN’s development work.\(^\text{11}\) In spite of these efforts, significant challenges remain, particularly at country level. This is reflected in the ratings. At the operative level, organisations are on average rated lower than at the normative level. A number of reports point to the fact that this is due to capacity constraints, lack of funding and/or low prioritisation.

**Findings**

Among the 17 organisations included in this analysis, eight are assessed as highly relevant in a HRBA-perspective at either a conceptual or operational level. Thus, the highest HRBA-scores are given to OHCHR, UNFPA, UNHCR, UNAIDS, GFATM, WFP, IFAD and Global Compact. Good scores are also given to AsDB, AfDB, the World Bank, UNDP, UNICEF, WHO, UNEP, UNRWA and UNODC.

OHCHR, WFP, GFATM, UNFPA, UNAIDS, UNHCR and IFAD all receive top-ratings from responsible entities on their ability to promote an HRBA at the analytical normative level. However, none of these organisations receive the same top-rating as regards their ability to promote a human rights-based approach at the operational/country level. The MDBs are generally rated lower than the UN organisations and the funds, and this is hardly surprising given their non-political mandates. OHCHR is given its mandate particular relevant in the promotion of an HRBA at the normative level and is actively working with UN country teams on integrating human rights in their work. Still, there is room for improvements for OHCHR at the operational level due to capacity issues related to the organisation’s financial situation. IFAD being of hybrid nature as both a financial institution and a specialised UN agency is rated high due to focus on empowerment of rural women and men and through focusing on the right to food, land and rights of women and indigenous peoples.

**UNICEF** is regarded as a global leader in implementation of HRBA and the organisation is working actively with the implementation of the approach based on a cross-cutting normative

\(^{11}\) See more at: [http://hrbaportal.org/](http://hrbaportal.org/)
mandate - guided by the 1989 Convention on the Rights of the Child. At the same time UNICEF also plays an important role for HRBA in humanitarian frameworks, and for Security Council resolutions on Women, Peace and Security, and Children in Armed Conflict. A recent evaluation of UNICEF’s HRBA\[12\] found variety in the implementation of HRBA principles at the country level, partly due to specific country contexts and constraints. Human rights are also at the core of UNFPA’s mandate and the organisation generally promotes a HRBA in its policies and its results based framework as well as in its mainstreaming efforts across the UN, but still lacks a fully consolidated organisational policy on this. UNAIDS has a front position since the organisation has been attentive to the fact that the special needs and challenges of their target group can best be met through a human rights based approach. GFATM has a new strategy with strong focus on mainstreaming human rights, which has not been implemented yet. WFP is a central partner in promoting the right to food as a fundamental human right. WFP responds to the needs of hungry populations recognizing their most basic right, the right to life. A recent organisational realignment underpins WFP’s rights-based approach. UNHCR’s efforts to mainstream human rights with regard to e.g. women’s rights, sexual and reproductive rights and health, sexual and gender-based violence, HIV/AIDS, water and sanitation across its operations serve as a best practice. In spite of UN Development Group’s Human Rights Mainstreaming Mechanism, an HRBA is not an explicit cross-cutting theme for UNDP. On the other hand, UNDP has great potential due to its reach and its role in capacity building as well as a close advisor to many governments. Furthermore, it is an integrated part of UNDP’s mandate to promote democratic governance. UN Global Compact - an initiative for businesses that are committed to aligning their operations and strategies with universally accepted principles in the areas of human rights, labour, environment and anti-corruption - does not primarily contribute to promote HRBA at the normative level. Rather it is disseminating and implementing human rights principles at the operative level reaching non-state actors and private sector.

As mentioned above, promoting human rights per se is not part and parcel of the mandates for MDBs. Nonetheless, entry-points for an HRBA do exist. With very high standards on transparency and accountability and strong operational implementation efforts the World Bank actually does well from an HRBA perspective at the operational level. This is also highlighted in several reports from the country level. From a Danish perspective there is a potential for enhancing the rights-based approach in the bilateral partnership with the Bank, for instance on of gender and non-discrimination issues. This will be further detailed in the new organisation strategy for cooperation with the World Bank (2013-17).

Conclusion

At the overall level, Denmark should continue to strengthen the international human rights architecture across the board by emphasizing the inter-linkages between human rights, equality and sustainability. This will be particularly important as Denmark supports the development of the post-2015 agenda. Denmark will engage closely with organisations that use and further the HRBA successfully based on the four principles of non-discrimination, participation and inclusion, transparency, and accountability, and Denmark will also promote


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gender equality as a core normative standard. Special focus should be directed at the operational country level, which seems to be lacking in comparison to the analytical level in many organisations. Finally, where appropriate, Denmark should seek to benefit from the legitimacy of multilateral organisations when promoting human rights principles in our bilateral partner countries.

3.3 PROMOTING HUMAN RIGHTS, DEMOCRACY AND GOOD GOVERNANCE

As a natural consequence of the overarching approach to development cooperation, human rights, women’s empowerment, democracy and good governance are at the centre of the Danish development efforts. The work to further human rights is also based on the empowerment of all citizens and of governments to implement the reforms needed in order to create a society based on democratic accountability and the rule of law. Special attention is directed at the groups of citizens that have traditionally been marginalized including women and girls. The UN human rights system, built on the Universal Declaration of Human Rights from 1948 and several specific conventions including the labour market conventions of ILO adopted since, has special legitimacy as regards to holding countries accountable to human rights commitments as well as promoting good governance and democracy. UN thus provides the framework, whereas donors and multilateral organisation have a joint task in supporting partner countries’ efforts to increase capacity to implement international commitments such as the protection and promotion of human rights.

Findings
The assessments show that many of the multilateral organisations analysed do indispensable work within the area of human rights, good governance and democracy, both at the normative level and with regards to promoting the rights and voice of specific groups. The highest scores are given to OHCHR, UNHCR, UNFPA, UNAIDS, IFAD and Global Compact. Good scores are also given to the UNDP, UNICEF, the World Bank, AfDB, GFATM, WHO, WFP, UNEP, and UNODC.

UNDP is the only UN development agency with an explicit mandate and focus on governance, and offers significant expertise, a substantive body of global evidence-based knowledge and experience in the field. The organisation supports national efforts on a range of issues on women’s rights and democracy. It also supports electoral assistance in a number of countries and work on public service capacity building within this area. This is an area in which UNDP has a recognised comparative advantage, however, the organisation has difficulties in limiting itself to exactly such areas. Other assessments such as DfID’s Multilateral Aid Review have furthermore pointed out that the organisation’s performance at country level does not deliver the results to be expected from its mandate.

The other main players are the MDBs; not least the World Bank, which is considered a leading development partner in good governance and anti-corruption. The Bank has major activities in this field, including important undertakings in fragile states. The challenge, however, is that the World Banks somewhat technocratic approach occasionally manifests itself in cumbersome operational procedures limiting the effectiveness and development impact of the activities.
On the other hand the MDB’s do by nature not score high on alignment with the priority on promoting human rights and democracy as they generally do not make decisions based on political criteria. However, the space for human rights activities in the MDB’s such as the World Bank and AfDB has progressively opened up over the years, as exemplified by the increased focus on women’s role in economic development. Also, because the AsDB is literally owned by the Asian countries, it has proven to be a conducive forum for frank dialogue on issues like governance and corruption, issues that would be controversial in other contexts.

Through the UN Global Compact more than 7,000 corporate participants and other stakeholders from over 130 countries have committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Endorsed by chief executives, the Global Compact is a practical framework for the development, implementation, and disclosure of sustainability policies and practices, offering participants a wide spectrum of workstreams, management tools and resources — all designed to help advance sustainable business models and markets. Of the organisations not included in this analysis UN Women deserves special mentioning, as it is a catalyst organisation in terms of women’s rights, gender equality and women’s empowerment and UN Women has established a strong strategic focus on women’s participation and leadership in democratic processes.

The OHCHR is a key player, both with regards to integrating human rights into the work of the various UN bodies, and when it comes to promoting human rights in the member states. It provides an invaluable secretarial function in relation to the Human Rights Council (HRC), the Universal Periodic Review (UPR), treaty bodies and the special procedures, and makes the recommendations provided by these bodies operational at country level. The mandates of other UN organisations included in the analysis are more specialised, relating to specific human rights as UNICEF’s strong link to Children Rights Convention and the UNFPA’s link to the International Conference on Population and Development, both very important for the rights of women and girls. UNHCR focuses on the rights of refugees and has a strong protection mandate based on humanitarian principles of neutrality, independence and impartiality. The Danish contributions to UNICEF, UNFPA and UNHCR have all been increased since 2011.

The reporting on the organisations on this thematic priority reflects the fact that this is a sensitive issue in some countries, who defend the principle of non-intervention. For instance, OHCHR is under constant pressure from countries who want more focus on economic and social rights at the expense of the more sensitive political and civil rights, while UNICEF is at the same time helped and hampered by the organisation’s neutrality and insistence on remaining apolitical.

**Conclusion**

On good governance, anti-corruption, and to some extent democratisation the organisations with broader mandates such as UNDP and the MDBs have comparative advantages, while the specialised UN agencies are instrumental in promoting human rights within their specific areas. Denmark should encourage the organisations to play on their strength and give room for an effective division of labour, especially as the MDBs get more involved with human rights issues. Close cooperation is the key to obtaining long-term sustainable results. Denmark
should furthermore engage strongly in multilateral forums to counter the voice of more conservative forces arguing for a more limited approach to human rights, not least concerning the rights of women and SRHR-issues.

3.4 GREEN GROWTH

The Danish priority of promoting sustainable development through green growth in developing countries demands local as well a global solutions. The multilateral system is crucial in advancing sustainable development agendas and has a dual role in this respect: as platform for negotiation and as agents stimulating green growth at country level. While the multilateral system has had limited success so far in translating commitments of the multiple conventions, protocols and agreements into implementable actions at global, regional and national level, there has been some progress as regards stimulating green growth in a few countries and through certain private sector, bottom-up initiatives. As development actors, multilateral organisations are well placed to address the multiple challenges arising from environmental degradation, climate change, strengthen resilience of climate vulnerable resource constraint countries and mitigate the worst consequences. The multilateral system also plays an important role in gathering and dispersing knowledge on the challenges and opportunities related to the green growth agenda.

Findings

Of the 17 organisations included in this analysis, three (UNEP, Global Compact and IFAD) are seen as particularly relevant for the promotion of the green growth agenda. The MDBs and the UNDP are also important actors within this field.

UNEP is a strong and essential partner in the Danish efforts to promote global green growth and in formulating the green economy paradigm. Although UNEP has a very limited direct implementing role, its core priorities count advice, coordination, information gathering and promotion of the green economy agenda. These priorities contribute to an understanding for green initiatives and a more enabling international environment for green growth. Within its niche mandate targeting smallholder agriculture, IFAD is a leader in green growth agenda. IFAD’s approach increasingly focuses on sustainable food production, ‘green’ value chains, access to markets and private-sector development, with undertakings such as Adaptation for Smallholder Agriculture Programme, a USD 300 m climate change programme providing a new source of co-financing targeted at scaling up and integrating climate change adaptation in ‘regular’ smallholder development programmes.

The need to involve a large number of actors – private sector, researchers, governments, investors etc. makes it relevant to look at partnerships, such as 3GF, GGGI and Global Compact, which play an imperative role in engaging the private sector in green growth and in advancing solutions for improved resource efficiency and access to resources such as water and energy. The UN Secretary-General’s Sustainable Energy for All (SE4ALL) initiative is important through its focus on universal access to modern energy services, energy efficiency, and renewable energy. Denmark’s strong commitment to promoting green growth and global position of strength in energy efficiency and in renewable energy make the Danish current active commitment to the SE4All initiative obvious.
The MDBs have critical roles in that they are providing technical assistance and finance for green growth, environment and clean energy. The World Bank has also delivered a considerable input to the “thinking” on inclusive green growth with its 2012 Inclusive Green Growth report, while AfDB has been instrumental in setting the African agenda on green growth, energy and climate.

Climate finance in multilateral organisations is another important aspect of the green growth priority. Currently, it is essentially channelled through various funds in the United Nations Framework Convention on Climate Change (UNFCCC) financial mechanism, the multilateral development banks and to a more limited extent UN agencies and programmes, including UNDP, UNEP, FAO and others. While funds in these organisations have been operational for a number of years, a decision was taken by the Conference of the Parties of the Climate Convention in Cancun 2010 to establish a new global Green Climate Fund (GCF). This fund will be part of the UNFCCC financial mechanism. It is expected that it will become operational in 2013 or 2014. Its coordination with the other climate funds has not been decided, but it can be expected – if all works well - that donors will direct new contributions of climate finance to the GCF.

**Conclusion**

Building an international architecture that is conducive for green growth is necessary for addressing this global challenge and the multilateral system is particularly well-placed to provide critical value-added. It is particularly important that this architecture includes all relevant partners including private companies, civil society and governments as well as regional and international organisations themselves. Denmark should seek to promote such an approach while building on successful initiatives within individual countries or organisations. Throughout, it will be important to maintain a clear focus on results, given the complexity of the task at hand.

### 3.5 SOCIAL PROGRESS

The aim of the strategic priority on social progress is to contribute to raise quantity and quality of social development by promoting equal access to social services as well as social protection for poor and vulnerable groups. Several multilateral organisations are important actors in social sectors due to their enduring engagement in health and education and their contribution to addressing global challenges as e.g. epidemics and under-nutrition. The objective of a stronger multilateral engagement in the social sectors is to contribute to coherence and large scale interventions. Working through the multilateral system will help minimise transaction costs for developing countries through reduction of the number of partners at country level. The number of organisations working with the issues of health, including sexual and reproductive health and rights as well as malnutrition and education is large, highlighting the need for coordination and alignment to national priorities.

**Findings**

Of the 17 organisations included in this analysis, three organisations (UNFPA, UNAIDS and OHCHR) are rated as highly relevant in the promotion of social progress. Another 12 organisations also receive high scores – UNDP, UNICEF, the World Bank and AsDB, AfDB, WHO, WFP, IFAD, UNHCR, GFATM, Global Compact and UNODC – while the remaining two organisations receive adequate scores.
The top-scores, UNFPA, UNAIDS, and OHCHR, engage in different fields with different weightings. OHCHR works on a normative level but has little operational impact at field level. UNAIDS has a clear focus on social progress including high level advocacy with African leaders around social inclusion, equal access to health care, and rights of vulnerable groups within the domain of HIV/AIDS. The major Danish priority sexual and reproductive health and rights (SRHR) fall within the core mandate of UNFPA; the organisation is delivering convincing results on the normative front as well as on the ground despite a lack of international consensus on key elements of the mandate. The unwillingness of some member states to engage leaves UNFPA to manoeuvre on its own in a challenging political environment. There is a compelling need for Denmark as a dedicated supporter of the SRHR agenda to continue to support UNFPA.

The normative and standard setting work of WHO in health related issues is a prerequisite for the activities carried out by GFATM, UNAIDS and other multilateral organisations addressing health and equity issues. At the same time, WHO increasingly works with health as a fundamental right with an overarching focus on equity and social justice. The organisation is also important in addressing global health related challenges such as global epidemics. It still struggles, however, with a high degree of earmarking (75 pct.) often not aligned with agreed priorities. Denmark is one of the few donors to exclusively provide core funding and therefore has a special interest in coherence between priorities and funding. There is also much common ground between the World Bank activities in the social sectors and Denmark’s development objectives in areas such as basic education, sexual and reproductive health, and social protection especially for poor and vulnerable groups.

Together UNESCO (that is not otherwise included in this report) and UNICEF are particularly important actors in the field of children’s education. As a norm setter, UNESCO has been instrumental in developing international goals for education and implementation follow-up, while UNICEF is actively engaged in advocacy with regards to girl’s education, quality in education and educations budgets. The largest part of Danish earmarked funds channelled through UNICEF in 2011 (besides financing for emergency/humanitarian purposes) were targeted children’s education in fragile countries (Pakistan and South Sudan).

While not included in the assessment in this report, it is also necessary to mention the Global Partnership for Education. GPE – technically, a trust fund administered by the World Bank but in for all intents and purposes acting as a separate entity – includes more than 54 developing countries, donor governments, international organisations, private sector, teachers, and civil society. The partnership supports developing country partners in formulating and implementing sound education plans. Members of the Partnership mobilise and coordinate resources to support the objective of enrolling more children in school for a good quality education. A wide range of support is offered including technical support, support to sector coordination and dialogue, strategic information on global best practices and financial support for activities. The GPE is governed by a Board of Directors organised in constituencies and representing all partners. The partnership is guided by a Strategic Plan 2012-2015 and a Vision and Mission beyond 2015 focusing on coordinated efforts to secure good quality education for all children everywhere. Danish contribution to GPE was 300 million DKK in 2012 and will remain at the same level in 2013.

Other relevant organisations are UNDP and AsDB. Besides its work within the areas of vocational training, capacity building of public service deliveries and social safety
mechanisms, UNDP has collaborated with the UN Special Rapporteur on extreme poverty and human rights, who has set out to elaborate and promote a human rights framework for social protection. AsDB contributes to the agenda through annual analytical reports that bring very strong data advocating redistribution e.g. research on “middle income trap”.13

Nutrition and the right to food is a key element in human development and social progress, which makes WFP a natural partner in promoting this Danish priority in humanitarian situations. In 2012 WFP updated its safety nets policy, underscoring its role as a leading global practitioner in social protection as related to food assistance. Like other humanitarian organisations, the funding for WFP is to a large extent earmarked. However, in 2011, approx. two thirds of Denmark’s contribution was core funds to WFP’s humanitarian mandate, and this robust, predictable un-earmarked contribution is cited as essential for Denmark’s strategic influence at WFP.

Conclusion
The multilateral system has a comparative advantage within the area of social progress as it can at the same time use its normative influence when it comes to rights and standards, its analytical strengths when it comes to disseminating knowledge and documenting results as well as its financial and operational capabilities when it comes to providing services on the ground. It is important that the different parts of the multilateral system each play their role in achieving results based on comparative strengths. Therefore Denmark should continue to use the multilateral system as the main channel for development assistance within this field and continue to provide a high degree of core funds for organisations in the social sectors with a clear comparative advantage within their field. At the same time Denmark should work to strengthen the efforts to ensure alignment between organisational priorities and funding. Denmark should strive to take advantage of the strength of the individual organisations in specific areas within social progress, such as WHO within standard setting in health, UNICEF within children’s education and health, and UNFPA within sexual and reproductive rights. GPE also has a positive impact and due to its working modalities a comparative advantage at the local level.

3.6 STABILITY AND PROTECTION

Ensuring peace and prosperity in fragile and conflict-affected states has emerged as a major development challenge to the international community in recent years. Fragility and conflict hamper poverty reduction, create or aggravate humanitarian crises, and provide breeding ground for instability and migration. Interventions in fragile states demand considerable human and financial resources and require the international community to work closely together based on fundamental humanitarian and human rights principles. Multilateral and regional organisations, particularly the UN, play a key role in international conflict prevention, peace-building and peacekeeping and in post-conflict reconstruction as well as at the humanitarian level. The Right to a Better Life makes it clear that Denmark will not only continue to support the efforts of relevant regional and multilateral organisations in fragile states but also to a large extent work through them, especially at country level. Going

13 http://www.adb.org/data/main
forward, it is the intention to increase the financial support for fragile states channelled through the multilateral system. Where earmarking is warranted (say, for a specific country) the preference is for multi-donor arrangements to reduce the risk of inefficiencies and overlap. In parallel, Denmark will encourage the organisations to focus more on fragility and stability as part of their core business to be financed via the regular budget – thus reducing the need for earmarking in the longer run. Denmark will also seek to strengthen the capacity of countries and of regional organisations to prevent conflicts through dialogue and mediation, and through the integration of conflict prevention in interventions. Denmark is very committed to the International Dialogue (ID) on Peace-Building and State-Building and in the New Deal for Engagement with Fragile States (“New Deal”).

Humanitarian undertakings are also key in these efforts. The Strategy for Danish Humanitarian Action 2010-2015 sets out to reduce vulnerability, mitigate the effect of climate change and natural hazards, and protect conflict affected populations. In this work the multilateral organisations play a central role, and Denmark is committed to support the overall coordination role of the UN in promoting a coherent international response to humanitarian crises, including through the Inter-Agency Standing Committee’s Transformative Agenda, which is a set of concrete actions aimed at transforming the way in which the humanitarian community responds to emergencies. For the purpose of promoting better humanitarian coordination, Denmark is a strong supporter of the UN Office for the Coordination of Humanitarian Affairs (OCHA), as well as to UN common funds for humanitarian crises, including the UN Central Emergency Response Fund, Common Humanitarian Funds, and Emergency Response Funds. The International Red Cross (ICRC) as well as OCHA is a key humanitarian player, but as the Danish core contributions to both organisations are under the cut-off point for this assessment, they have not been included in the analysis. The relevance of the Danish support through common funds has also not been analysed in this assessment.

**Findings**

Two of the 17 organisations included in this analysis have received the highest relevance rating in the area of stability and protection: UNHCR and UNODC. These are organisations with fairly specialised mandates, often working in particular circumstances. Another nine organisations also receive high scores, and these are the World Bank, AfDB, AsDB, UNDP, UNICEF, OHCHR, WFP, UNEP and UNRWA.

The UN and in particular UNDP possess strong comparative advantages and a natural leadership role, although in some country contexts, cooperation with national governments might sometimes be sensitive and prevent UNDP from fully utilising its potential. UNICEF with a dual humanitarian and development mandate is considered especially well-placed to integrate long-term development considerations into their humanitarian efforts also in fragile states.

The World Bank is particularly strong on two of the Danish priorities for stability and protection, namely poverty reduction and job creation and state building. Realizing that sustainable development requires equitable economic growth Denmark has entered into a strategic partnership with the International Finance Corporation, the World Bank’s private-sector arm, to support private sector-led employment and service delivery in selected fragile states in Africa with a special focus on promoting gender, environment and climate issues. Based on recommendations of the 2011 World Development Report on Conflict the Bank is
now working closer with the UN and other relevant partners. Much remains to be done, however, as seen in Afghanistan where bilateral donors are encouraging the World Bank and UNDP to increase dialogue and improve coordination to avoid duplication of efforts. The Bank has committed to simplifying its procedures to make support for fragile states more agile and more effective, and a special fragile states “hub” (office) has been established in Nairobi. It serves to connect those working in fragile and conflict situations across the globe and to provide access to the latest research and knowledge on what works in volatile environments. The AsDB is rated highly on account of its substantial contributions to development and stability in Afghanistan and Pakistan, and its extensive engagement of its shareholders in preparation for taking up work in Myanmar. The AfDB is actively engaged in several fragile states in Africa in different ways including through its Fragile States Facility and an important contributor to regional integration in close alignment with the African Union and the UN’s Economic Commission for Africa, which is seen as an important factor in stabilisation processes. Due to local ownership the AfDB is considered particularly legitimate on the ground.

UNODC plays a central role in the fight against transnational crime and threats such as corruption, piracy, terrorism and drugs and is a central UN agency when it comes to strengthening security in fragile countries. It does however face difficulties because it answers to a number of different entities, and due to a high degree of earmarking. Although 86 pct. of the Danish contribution is earmarked (particularly for fragile states such as Afghanistan, Pakistan, and Somalia) this is below average, and the relatively significant core funding is cited as one of Denmark’s main channels of influence in the organisation.

With its particular geographic focus UNRWA is an important contributor to stability in the Middle East region. Without UNRWA’s services to Palestine refugees, host countries’ social systems would collapse and conflict would break out. However, it is beyond UNRWA’s mandate to actively engage in state building and/or peace building between the parties in the region.

UNHCR is the UN humanitarian cluster leader on protection, and Denmark has been in close dialogue UNHCR on the Transitional Solutions Initiative (TSI) aimed at paving the way for transitioning from humanitarian assistance to long-term development aid in support of local integration. WFP is the world’s largest humanitarian organisation, actively engaged in promoting food security and resilience, and the organisation is assessed as best practise in humanitarian efforts. Finally, UNFPA is a relatively new humanitarian actor, but it fills an important gap as the organisation carries out essential tasks that otherwise would not be cared for. It also plays a highly specialised role in the UN cluster coordination system in setting goals, norms and standards. The organisations in the humanitarian field still need to further improve leadership, coordination and division of labour, and their donors need to ensure greater predictability in funding. Therefore Denmark supports humanitarian reforms, and sees the Transformative Agenda as a corner stone in this effort. Furthermore, Denmark has taken steps to strengthen the partnership with organisations with key humanitarian mandates, including the signing of Partnership Framework Agreements with UNICEF, UNFPA and, soon to come, UNHCR to improve funding predictability and operational flexibility in exchange for better planning and clear performance targets against the Danish priorities.
Finally, UN Women is a leading UN agency for the implementation of UNSCR 1325 on women, peace and security and UN Women thus plays a central catalyst role in promoting system-wide focus on the importance of participation of women in conflict prevention and in all phases of peace-keeping and peace-building which is a prerequisite for sustainable peace.

Reports from Danish bilateral missions indicate that multilateral organisations are often seen to operate individually which is particularly problematic in fragile states where national capacity to effectively manage the development process is low or non-existent. On the positive side, the multilateral organisations’ ability to convene other agencies and implementing partners, their vast pools of technical and theoretic expertise and their continued country presence are highlighted as clear comparative advantages.

Conclusion
The multilateral system is a very important actor in fragile states – in its own right and as an implementer for bilateral donors without country presence. As government capacity is often very limited, it is crucial that the entire system works together effectively and that roles for each agency are clearly defined. There would seem to be considerable room for improvement on this front. Together with humanitarian organisations, in particular the UNDP and the World Bank should be encouraged to develop their cooperation. Denmark should push the organisations to strengthen their efforts in fragile states as part of their core business but also, where warranted, use earmarked funding to promote activities in fragile states. In such cases, multi-donor arrangements should be preferred as they are more effective and likely to yield results. New international set-ups such as g7+ and International Dialogue are important to ensure alignment with fragile states’ own priorities. Finally, Denmark should continue to support humanitarian reforms, and should strive to ensure maximum predictability and flexibility in funds.
4. The Wider Perspective

4.1 MULTILATERAL REFORM

Due to Denmark’s commitment to the multilateral system, its importance for handling global challenges and the significant Danish financing of it, Denmark has a particular interest in well-functioning, effective and transparent institutions. Therefore, the reporting entities were also asked to assess the multilateral organisations’ efforts to strengthen the international development system and contribute to reform efforts. The result is encouraging with many positive evaluations, although there is still room for improvement.

The organisations’ readiness to engage in reform is a critical factor – in and of itself and because at the systemic level there are challenges that need to be dealt with. First, the system is fragmented. There are too many actors, especially at country level, acting in an uncoordinated manner and competing for limited funds and recipient countries’ limited absorptive capacity. Second, financing of multilateral institutions is increasingly earmarked, which not only leads to further fragmentation in the system, but also undermines the organisations’ formal governance structures and complicates long-term planning. Third, the multilateral actors also are not sufficiently complementing each other and building on each other’s strengths, partly because of unclear and sometimes overlapping mandates. Fourth, the multilateral organisations have to become better at forming inclusive partnerships that involve all relevant actors, including academia, civil society, private businesses and philanthropic organisations. Five, stronger focus is needed on defining priorities and comparative advantages and documenting results.

All of the organisations are, of course, aware of these challenges and to varying degrees engaged in reform activities to address them. For instance, AfDB has undergone comprehensive reforms over the last decade to increase relevance and effectiveness and has emerged as strong partner in Africa. WFP has played a central role throughout the development of the new Transformative Agenda regarding humanitarian coordination and reform. The World Bank is focusing its reform efforts on promoting inclusiveness, innovation, efficiency, effectiveness and accountability while strengthening its cooperation with a broad range of partners; progress is seen, for instance, in the relationship with the UN not least in fragile states. Generally for the MDBs, institutional effectiveness is assessed as good or very good overall, but there is a need to simplify operational procedures so as to make them more effective. From a Danish perspective, it is particularly important to strengthen the banks’ engagement in donor coordination efforts at country level in close cooperation with Danish bilateral embassies and under country leadership. Human resources and corporate services are other pressing reform areas in the MDBs.

Within the UN-system, Denmark has supported the High level Panel on System Wide Coherence set up by former Secretary-General Kofi Annan in 2005. Concrete outcomes include the establishment of UN Women, which was a major priority and in line with Danish policy. Denmark has also supported “Delivering as One” (DaO), which aims for a unified UN country presence. A recent independent evaluation of the DaO initiative highlighted that the pilot and self-starter countries are very appreciative of DaO but that there is a need for stronger leadership and promotion of DaO principles from headquarters, as the fragmentation of the UN system cannot be overcome in a bottom-up process. As funding is a major driver of organisational change One Funds were established. One Fund is a common pool of
supplementary resources used to raise additional funds for the One Programme, preferably both multi-annual and un-earmarked. According to the independent evaluation the One Fund proved to be an important incentive for organisations to work together and it has facilitated responses to national needs and priorities, especially on cross-cutting issues.

The recently adopted Quadrennial Comprehensive Policy Review (QCPR) paves the way for a more effective UN with important decisions regarding financing, activities in fragile states, transparency, accountability and inclusive development processes, results-based management and Delivering as One. With the evaluation of the DaO, as well as the QCPR a next important step will be the next strategic plans of UN Funds and Programmes that will for the first time be developed to cover the same time period (2014-2017). In line with the QCPR, UN Funds and Programmes should ensure that there is a clear strategic focus based on the respective agencies’ comparative advantages, strong results frameworks and better monitoring and reporting on results, as well as better evaluation functions.

**Conclusion**

Continued reform is critical to maintaining a multilateral system that is both effective and relevant when it comes to dealing with today’s global challenges. Denmark is a strong supporter of the reform agenda and, while acknowledging the important progress that has been achieved in recent years, is keen to see more and better reforms especially in areas like results-based management, increased cost consciousness and human resources modernisations. As internal reforms are often complex and difficult to implement, it is important to engage and cooperate with like-minded partners and, at the same time, reach out to other stakeholders (for instance, in executive boards) to secure a shared understanding of the importance of reform. Denmark should focus on increasing coherence and cooperation among multilateral development organisations, including within the UN system through an increased focus on Delivering as One implementation – including at HQ-level – and where adequate use One-UN-funds. Also, efforts in the multilateral development banks to strengthen participation in donor coordination, harmonisation and alignment efforts at country level should be supported.

**4.2 NEW PARTNERSHIPS**

In spite of challenges and short-comings, new global partnerships are essential to address challenges that cannot be met without engagement from a wide range of actors because they present a coherent approach, applies a wide range of tools, and gather a broad spectrum of actors in collective efforts. They present possibilities to attract large scale funding and they can expand and disseminate values and experiences.

Global partnerships such as **Global Compact** represent a significant trend in multilateral cooperation. They have a strong comparative advantage due to their ability to facilitate cooperation between governments, academia, business, investors, civil society and organisations. Other examples of global partnerships relevant for Danish priorities are SE4ALL, the UN Secretary-General’s Zero-Hunger Challenge which is relevant for a human rights based approach, and the Global Green Growth Forum (3GF) which is a forum of dialogue where new type of public-private partnership can be developed with the aim of contributing to sustainable growth. Through the Board of Directors and the active engagement in the G20, the **World Bank** is also instrumental in bringing in new development players. It
has also augmented its work on south-south cooperation and is a key partner in bringing in the private sector.

Denmark would like the UN and the MDBs to do even more to involve new development actors in their work or advocate for their participation in the international development system. The multilateral organisations have clear comparative advantages when it comes to engaging new actors in international development. In our assessment, most organisations are rated high on their approach to new development actors. Denmark should continue to encourage organisations to engage proactively with all relevant stakeholders. The Global Partnership for Effective Development Cooperation (Global Partnership) is particularly important in this context in order to build consensus on international development with new partners and ensuring that the principles for aid effectiveness are shared among all relevant actors. It brings together developing countries, including major providers of south-south cooperation, donor countries, civil society organisations and private funders from around the world. Together with the OECD, UNDP is hosting the Secretariat for the Global Partnership and is therefore expected to be very committed to the principles of the Busan declaration and the implementation of the four principles guiding the Partnership: Ownership of development priorities by developing countries; Focus on results, Inclusive development partnerships, and Transparency and accountability. From the Danish side particular importance will be put on five priority areas that will also guide follow up with regards to our multilateral cooperation: inclusiveness and new partnerships, transparency and openness, risk willingness, policy coherence for development, and fragile states and New Deal.

Conclusion
Multilateral organisations already engage with a broad range of stakeholders but should be encouraged to reach out even more to new development partners including civil society, the private sector, regional organisations and other multilateral organisations.

4.3. THE VIEW FROM THE FIELD

Writing this year’s Multilateral Analysis, efforts have been made to give the results of the analysis a “reality check” from the field. This has been done in a number of ways. First, the entities reporting on the individual multilateral organisations strategic relevance have been encouraged to involve colleagues at Danish Embassies in relevant cooperation countries, both when contributing to the narrative part of the analysis and when grading the merits of the organisations in question. Second, a number of representations, selected on the basis of criteria including considerable Danish funding and multilateral presence, have been invited to participate in video conferences and submit written contributions on their perceptions of the multilateral organisations’ performance at country level. Third, 24 Danish representations in partner countries were asked to fill in a questionnaire as well as give qualitative feedback on the individual organisations covered by the analysis. Fourth, a draft version of the analysis was circulated, presented and discussed in connection with the annual meeting of all the Heads of Danish Embassies and Multilateral Missions, held in Copenhagen in January 2013. Finally, it should be noted that MOPAN relies on input from a broad range of stakeholders at the country level (bilateral donors, government officials, other partners); thus, in the effectiveness component of this assessment, the field perspective is well represented.
Due to their limitations in scope, the four different layers of reality checks do not capture the view from the field in a comprehensive way, but they do help to qualify the findings of Chapter 3. While the overall picture is that the multilateral organisations included in this analysis are highly relevant for promoting Danish development cooperation priorities on the ground, it is clear that there are many local nuances. This both in terms of relevance and efficiency of the individual organisations and vis-à-vis the broader questions on synergy between bi- and multilateral efforts on the ground.

General conclusions on the individual organisations’ performance on the ground must be drawn carefully, but in very general terms the Danish representations in the field confirmed the observations coming out of the “double-bubble” diagram. The result of the questionnaire was for instance quite clear as the Danish representations ranked the World Bank as a clear number one when it came to leaving the most positive contribution to the development effort of the host countries. The Bank was followed by the Regional Development Banks (pooling the ADB, AfDB and IDB) while the bilateral Danish representations ranked UNDP third followed by UNICEF and UNHCR in that order.

It should be noted, that the bilateral representations were remarkably consistent in the listing of the five organisations considered to contribute most to development at country level, while the spread in ranking of the remaining organisations was much bigger. One additional observation, however, deserves to be mentioned: Some specialised organisations such as UNODC and to some extent UNAIDS are seen as highly relevant and good performers in the countries where they have substantial set-ups and a specific role to play.

However, as already mentioned the complete picture is more nuanced still. Drawing on the narrative feed-back from the above mentioned dialogue with the bilateral representation there is considerable variation in how the representations evaluate cooperation with individual multilateral organisations on the ground. Some organisations are performing well as policy advisers to host governments, service providers and in donor coordination in some countries and lacking behind in others. The same organisation can even perform differently in the different roles within the same country, like UNDP in Kenya for instance – strong in good governance but unfocused in other sectors.

One area where the feed-back differs is the quality of work by the individual organisations when they serve as direct advisers to host governments. In some countries, the multilateral organisations are deemed to have unique skills and competences; in others, the same organisations are portrayed as adding no value to the operations. UNDP is perhaps the organisation with the widest spread in perceived relevance and efficiency all the way from a country like Bolivia, where the organisation is seen at a central player to a country like Zimbabwe where the full potential may not yet have been fulfilled. A point made by Danish representations in some countries is that some specialised organisations such as UNICEF may be very good at what they do when they act as service-providers, but have a distinct project approach to their operations, thus distancing themselves from a sector-wide approach – a tendency that may complicate cooperation and possible delegation efforts.

Another important area is how well the organisations interact with the host government and bilateral donors. Coordination, harmonisation and alignment processes should have the recipient country in the driver’s seat, but since capacity varies vastly among recipient countries, professional assistance from multilateral organisations is often essential. Typically,
the role of supporting the host government in the over-all coordination falls on either the World Bank or UNDP, while at sector level this role can also be undertaken by specialised multilateral organisations or bilateral donors. Also within this area, the multilateral organisations’ performance differs from country to country and from sector to sector and over time as well.

Again looking for general trends, insufficient engagement in donor coordination on the ground is a critique that has been mentioned as a source of some frustration from the field. Although the World Bank generally scores high marks, in some countries cooperation with the UN organisations works better, because the UN is more willing to align with national procedures and systems. In Tanzania however, it is the exact opposite situation since the modalities of the UN do not correspond well to bilateral donor modalities, whereas the cooperation with the World Bank runs better due to expertise and volume as well as analytical capacity. Although it has been pointed out that both the World Bank and the UNDP has a less than perfect record, it is on the other hand also important to underline that there are at least as many examples of the multilateral organisations taking the coordination role very seriously as invaluable partners for the recipient governments. Generally the specialised UN agencies seem to fare well when it comes to coordination within sectors whereas the World Bank in some instances have had problems in concrete sectors, possible stemming from a still relatively high degree of centralisation. However, most, if not all, multilateral organisations are aware of the challenge and have over the past years paid much more attention to coordination at country level. New and more flexible guidelines have for instance been applied by the Work Bank in order to facilitate smoother cooperation at the local level.

Another critique surfacing from the field is that multilateral organisations are sometimes seen as being too close to partner countries’ governments, which can occasionally prevent them from being a constructive partner at country level in situations where the donor community sees a need for critical dialogue with the recipient government (to some extent, this may stem from the organisations’ global membership structure – voicing concerns and keeping a distance may be more difficult for a country office when the host government itself is a member of the organisation and its governance structure). There is, however, also ample evidence of the opposite: In Uganda, for instance, the participation of the World Bank in a joint donor decision to suspend development cooperation when the local auditor general reported misuse of funds was important because of the size and influence of the Bank, while other development partners were important in coordinating the common understanding on suspension in the donor community.

The feed-back from the Danish Embassies reflects that a number of factors are decisive to an organisation’s performance on the ground, not least local management and personal relations. That persons matter is also reflected by that fact maintaining personal contacts to local donor coordination groupings is highlighted in the Embassies’ feed-back as being among the best vehicles to coordinate policies and ensure coherence at country level. With Danish staff in the organisations a direct and informal dialogue can more easily be obtained. Active and strategic use of secondments in organisations in the field is thus deemed as an efficient way to gain influence.

As a main barrier to increased synergy between multilateral and bilateral efforts, the feedback from the field highlights multilateral fundraising and competition among agencies for funds. Another challenge relates to differences in programming periods between the actors as
well as dissimilar administrative requirements for each partner, different use of modalities (budget support or not) and lack of sufficient decentralised/delegated decision-making powers for the multilateral organisations. A very project-oriented focus in some organisations, which differs markedly from Denmark’s activities, is also considered a hindrance for closer cooperation.

Conclusion
In short, the objective is to reach a higher level of complementarities on at least three different levels: Operational complementarity through interaction between programmes; organisational complementarity through interaction between organisations; and policy complementarity between bilateral and multilateral donors sharing the same policy goals. This will require increased planning and coordination between the different branches of the Foreign Service: Denmark’s bilateral embassies, the multilateral representations that deal with the organisations at headquarter level as well the Ministry of Foreign Affairs in Copenhagen that formulates the overall policies. As a result Denmark’s development profile both vis-à-vis the multilateral organisations, peer bilateral donors and not least the partner countries will be strengthened. At the country level, Denmark should continue to encourage local cooperation and strengthen complementarity between multilateral and bilateral efforts. Denmark should therefore continue to give high priority to multi-donor coordination mechanisms especially processes led by partner country governments. In accordance with *The Right to a Better Life*, the end-goal of these combined efforts is to produce more and better results on the ground in the partner countries.
5. Financing

5.1 OVER ALL TRENDS IN MULTILATERAL FUNDING

An important aspect of Danish influence in the multilateral organisations is the size of the Danish contribution and its modalities. The most important distinction in this regard is between contributions to the multilateral organisations (also labelled multilateral ODA or core funding) and contributions via the multilateral organisations (also labelled non-core multilateral ODA or earmarked funding – see also Table 3). The issue of core vs. earmarked is not straightforward, however core funding is necessary to build on the comparative advantages of the multilateral system.

Table 2: The advantages of core funding for different actors\(^{14}\)

| Developing countries | - Limits the number of interlocutors’ that developing countries have to work with  
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<td></td>
<td>- Coordinated with host government to be in line with national plans</td>
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| Multilateral organisations | - In line with established governance mechanisms and board decisions.  
|                       | - Reduced transactions costs (Including on reporting) |
| Bilateral donors      | - Funds multilateral agencies core advantages such as Economies of scale, Governance based on global development principles and standards, political neutrality and legitimacy, abundant capital and knowledge resources, Low transaction costs, Contribution to global public goods, Global presence |

In 2011, DAC member’s contributions to multilateral agencies increased by one pct. compared to the year before. However, core funding to the UN decreased by 3 pct. in 2010, whereas non-core funding increased by 6 pct.\(^{15}\) Thus, there continues to be a trend towards increased earmarking, but at the same time there is an increased acknowledgement of the fact that by earmarking funds, donors undermine multilateral institutions’ possibilities for building on their strengths. On the other hand, bilateral donors continue to have a need – both for political and operational reasons – to be able to pinpoint funding to specific prioritised initiatives, and non-core funds are an important contribution to the development system and specific operational activities. Therefore, a balance needs to be struck, and principles shared by donors and multilateral organisations alike should guide the use of core-funding and non-core funding.

It is also important in this regard to be aware of differences in non-core resources. Flexible and soft earmarking aligned with priorities of programme countries and the strategic plans of the organisations generally contribute less to the problems associated with earmarking than restrictive earmarking that reduce the influence of the governing bodies, increases transaction

\(^{14}\) Adapted from “What do we Know About Multilateral Aid – the 55 billion dollar question?” p. 5. http://www.oecd.org/dac/aid-architecture/12_10_02%20Policy%20Briefing%20on%20Multilateral%20Aid_draft_final_draft%20(2).pdf

costs and leads to the fragmentation of operational activities for development and thus constrain effectiveness.

**Figure 4: Core and non-core funds in UN entities**

As can be seen from Figure 4 the difference between core funding and non-core resources is particularly conspicuous among the main funds and programmes of the UN except for UNFPA and UNRWA. The graph shows the important role of non-core resources as a contribution to the overall development portfolio within the UN system. On the other hand it also shows that some organisations are so dependent on non-core funding that the main part of its activities lies outside of the direct influence of the board and the strategic plan. In general, the funding of the World Bank is less distorted towards non-core resources than the UN funds and programmes.

The MDB’s financial situation differs from the UN agencies’ in important ways. As financial institutions operating on the international markets they need to be extra aware of their long term financial situation to maintain a high credit rating (AAA). The banks’ revenue stems from issuing of bonds on world capital markets, retained earnings from lending operations, and the repayment of loans. With “income of their own” (based on capital provided by member states, that is) the banks are less dependent on donors for funding than, say, the UN system. Some of the revenue generated on the financial markets is used for the banks’ concessional development funds (African Development Fund, Asian Development Fund and International Development Association, respectively). The main contributions for the funds, however, come from member states’ voluntary commitments and are agreed in replenishment negotiations every 3-4 years.

Even though the World Bank strives to get core contributions to IDA, trust funds play an increasingly important role. The Bank has, over the past ten years, administered more than USD 30 billion to over 1,000 trust funds, and an evaluation of the Bank’s trust fund portfolio found that they do allow donors to direct additional resources to their preferred countries and themes. But it is also found that trust-funded activities are not always consistent with the country’s own priorities, and in some cases they exacerbate aid fragmentation and administrative burdens for the recipients. Trust funds are not consistently managed as effectively as the Bank’s own budget and lending resources, including IDA and risk.

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16 The 2012 DAC report on multilateral aid. p. 45
undermining formal governance structures. The Bank has embarked upon a trust fund reform programme to address the increase in the number of trust funds: 1) Strategic alignment and consolidation of trust funds into country strategies and sector strategies; 2) Integration with Bank Business processes; 3) Cost recovery and efficiency; 4) Oversight Board of Directors. Denmark will take a much more strategic and selective approach to its trust fund portfolio in the World Bank going forward, following guidelines that are consistent with Danish policy specified below.

Within the UN System the recently adopted QCPR recognises the usefulness of non-core funding but also highlights the need of donors and multilateral organisations to improve funding. The QCPR recognises the need to attain an adequate balance between core and non-core resources. To meet donor’s needs the multilateral organisations are at the same time requested to communicate better on mandates, needs and results and to define critical mass – the level of core resources adequate to respond to the needs of the programme countries through programmatic activities, to produce the results expected in strategic plans as well as to finance administrative and managerial costs. Finally the QCPR requests organisations to adopt harmonised differentiated cost recovery rates by the end of 2013 with a view to ensuring full cost recovery.

The QCPR also invites developing countries to contribute and encourages the United Nations development system to engage with the Bretton Woods institutions, civil society, the private sector and foundations to diversify potential sources of core funding. While some funds and programmes have been relatively successful in collecting funds from private funds (for example the Bill and Melinda Gates Foundation is a larger donor to UNICEF than Denmark), emerging states or middle income countries are still insignificant core donors. South-south cooperation and tri-angular cooperation that is often facilitated by multilateral development organisations may be another way to encourage emerging donors to contribute to multilateral development organisations. As a main core funder of multilateral organisations, the provisions of the QCPR to a high degree meet Denmark’s priorities for multilateral funding.

5.2 DANISH MULTILATERAL FUNDING

As stated in The Right to a Better life, Denmark will pursue a policy of greater core funding, but maintain the use of earmarked contributions to strategic and special interventions. In practice, the exceptions relate to strategic innovation within the organisations’ mandates and thematic or geographical areas where there is no suitable mechanism for core funding (for instance, green transition) or where extra funding is considered necessary for the organisations to enhance their efforts over and above what they can do via their core budgets (for instance, in fragile and conflict-affected countries). Finally, large trust funds that are in reality independent entities, such as the Global Partnership for Education, and specific humanitarian purposes also count as earmarked funds. Denmark will strive to work in unison with other donors when earmarking, e.g. through the use of multi-donor trust funds.
Table 3: Types of funding to multilateral development

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<tr>
<th>Type of Funding</th>
<th>Description</th>
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<tr>
<td>Assessed contributions</td>
<td>Annual assessed contributions to UN Specialized Agencies (e.g. FAO, UNIDO, UNESCO, WHO, ILO) are legally binding obligation of membership. Assessed contribution can be supplemented by voluntary core funding and non-core funding.</td>
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<tr>
<td>Core funding</td>
<td>Funds to an international institution whose members are governments and which conducts all or a significant part of its activities in favour of development; and those contributions are pooled with other amounts received so that they lose their identity and become an integral part of the institution’s financial assets. Pooling implies that the contributions are disbursed at the institution’s discretion. (OECD DAC definition)</td>
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<tr>
<td>Non-core funding</td>
<td>Non-core/multi-mixed assistance (i.e. voluntary contributions from donors to a multilateral agency supplementary to core membership contributions) earmarked for specific purposes. Earmarked funding at any level – whether to a specific partner country, region, sector or theme – is classified in DAC statistics as bilateral aid because the bilateral donor effectively controls or directs the use of funds. Non-core funding can be restricted or soft. Restricted earmarking is when a donor provides funds to an organisation to implement a specific project defined by the donor. The donor is using the international organisation to implement its bilateral projects. Soft-earmarking (also sometimes called good-quality earmarking) is when the donor provides funds to the organisation that are not restricted to be used on a specific project but rather for working within a specific country or field or thematic issue. As an example of soft-earmarking, Denmark has Partnership Framework Agreements with UNICEF and UNFPA to support their humanitarian mandates.</td>
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<tr>
<td>Multi-donor trust funds</td>
<td>MDTFs are a mechanism to manage large-scale donations for thematic- or country-specific grantmaking (UNDP, 2011) and follow general governance arrangements: A fund administrator (secretariat), such as a United Nations agency or the World Bank, that manages all administration and coordination of the Fund; A policy body (steering committee) that sets the framework for the fund and, under some arrangements, ratifies grant applications. These bodies typically include donor representatives, multilateral representatives, national government authorities, and thematic experts; A funding decision-making body (technical review board) that reviews grant applications (UNDP definition). Denmark funds a number of MDTFs such as the Afghanistan Reconstruction Trust fund and the GPE.</td>
</tr>
</tbody>
</table>

Denmark allocates more of its multilateral aid to core funding than the DAC-average. However, the Danish multilateral development aid saw a rise in earmarked funds between 2010 and 2011. In 2011 Denmark provided funds to and through multilateral organisations for a total of 6,182 m DKK, up from 5,807 m DKK in 2010. The share of earmarked funding rose from 23.5 pct. of the total multilateral portfolio in 2010 to 31.7 pct. in 2011.

It is difficult to gauge exactly what share of Danish earmarked contributions via the multilateral organisations that can be counted as soft or in line with the principles described above. However, of the non-core resources in 2011 approx. 24 pct. supported efforts to
improve the environment and combat climate changes, 21 pct. were provided for humanitarian assistance and almost 14 pct. went to the Global Partnership for Education (see Figure 5). 47 pct. of earmarked funds were targeted specific countries, the lion share (more than 70 pct.) of which were fragile and conflict affected states such as Afghanistan, Somalia, and Zimbabwe.

**Figure 5: Sectoral distribution of Danish earmarked funds (2011)**

Of the major recipient organisations of Danish development aid, UNFPA and the AfDB have seen a significant increase in earmarked Danish contributions from 2010 to 2011. This partly owes to new policy initiatives within the sectors mentioned previously where earmarking is considered feasible for lack of existing suitable channels; for instance, the Sustainable Energy Fund for Africa administered by the AfDB. Organisations as UNICEF and UNHCR have seen minor decrease in earmarked funding, while the earmarked contribution to UNRWA has been phased out in recent years and most of it reallocated to core funds. Figure 6 illustrates the Danish contributions to and via the organisations included in this analysis.

**Figure 6: Danish contribution to organisations included in the analysis (2011)**
The entities and representations responsible for each of these organisations have made an assessment of the degree to which the organisations have a long term sustainable financial footing and an appropriate balance between core and earmarked contributions. This is generally the case as the average score is 3 out of 4. However, some organisations fare better than others. Because of their need to retain a high credit rating, the MDBs naturally score well here, while some of the UN agencies have greater challenges in securing sustainable financing. UNEP is suffering from very unpredictable funding and is relying on relatively few donors, while 75 pct. of WHO voluntary contributions are earmarked specific programs that are often not aligned with agreed priorities. These challenges have spurred reform in both organisations. UNRWA’s funding channels are regarded as a constant problem for the organisation, which struggles to attract new donors and is forced to chase short-term funds for activities that are naturally considered long-term and “developmental”. With the strong focus on core funding, Denmark should continue to support the reform processes on-going in the individual organisations and encourage other donor’s to be predictable and longsighted in their funding.

The influence of Denmark in the multilateral organisations is determined by a great number of factors, which is detailed in chapter 6 of this analysis, one of them being the size of the Danish contribution. Figure 7 shows the rank of Denmark as a donor in the organisations analysed. As the fifth largest contributor to UNFPA, Denmark has a potential significant financial leverage in the interaction with this UN body. Furthermore the relatively high amount of Danish core funding provides for a more active role in the organisations than donors who only provide heavily earmarked funding.

**Figure 7: The rank of Denmark as a donor in the organisations (core and non-core funds, based on organisations’ own reports)**

```
  UNFPA: 5
  UNDP**: 7    UNEP: 7
  UNAIDS: 8    UNICEF***: 9
  UNHCR: 11    UNODC: 11    GFATM: 12    OHCHR: 12
  WB/IDA: 15    UNRWA: 15    AfDB/AfDF****: 17
  WFP: 18       IFAD*****: 19
  WHO: 20
```

* The relative size of contributions to AsDF/AsDB and UN Global Compact could not be determined.
** Only core contributions. *** Only government donors **** Percentage of burden share in the AfDF
***** Contribution to IFAD8

The financial muscles for Denmark as a donor are to a certain extent dependent on the number of multilateral initiatives that is funded. Besides the 17 entities analysed here, Denmark supports a number of organisations and funds with less than 35 m DKK annually. Strategies
and action plans may be drawn up for these organisations, if they are considered to have particular strategic importance for Denmark, otherwise the individual entities and representations are responsible for monitoring the progress made in accordance with Danida guidelines. There are many good and perfectly well-aligned reasons for providing smaller contributions, and many of these minor grants are allocated to valuable humanitarian funds or upcoming organisations with great significance within Danish priority areas, such as UN Women. However, as a small country, Denmark should be aware not to spread its resources too thinly, and the scope and value of the smaller grants needs to be judged in relation to their actual impact, and whether they are significant for Denmark as well as the organisation or fund.

In 2011 Denmark made net positive contributions to a total of 82 funds and organisations (see Figure 8)\textsuperscript{17}. Of these 24 received more than 35 m DKK and they made up approx. 91.75 pct. of the total multilateral portfolio, while the corresponding share was 0.70 pct. for the 29 funds and organisations receiving 5 m DKK or less in 2011. Figure 8 below illustrates this. Furthermore, the contributions to some of the major organisations are divided between many different grants, some of them quite small. To take one example, UNDP received a total of 376 m DKK in non-core funding in 2011 through 46 grants of which 27 were 5 m DKK or less, together making up less than 15 pct. of the 376 m DKK.

\textbf{Figure 8: Danish Multilateral portfolio (2011)}

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\textsuperscript{17} The numbers from 2011 provides a snapshot of Danish development funding, and the average numbers over several years are to be used in order to thoroughly analyse the contributions to the individual organisations, as done elsewhere in the report. This partly explains why the number of funds and organisations is above the 17 organisations analysed in this report, which also owes to the exclusion of funds like the European Development Fund and the Nordic Development Fund. The numbers from 2011 do however lend themselves to a general analysis of Denmark’s multilateral portfolio.
5.3 DANISH FUNDS TO MULTILATERAL ORGANISATIONS THROUGH EU

The EU is a major receiver of Denmark’s contribution to multilateral organisations. Almost 10 pct. of Denmark’s total development funds and more than 20 pct. of Danish multilateral development funds are channelled to the European Union via EU’s general budget and the European Development Fund. The EU’s commitment to effective multilateralism is an important element of its external actions as stated in the Lisbon Treaty. Vis-à-vis the multilateral system, the EU is both a regional grouping of member states and a donor in its own right. The European Commission is among the top six donors in seven of the organisations assessed in this analysis. Based on interviews with key stakeholders, the DAC peer review of EU development policies and programmes testify that EU is recognised by UN stakeholders as a crucial partner within humanitarian assistance, food security, disaster risk reduction and climate change. On the other hand, stakeholders point to the divide between the strong political will to multilateral cooperation and the reality of the partnerships impeded by administrative constraints. The EU is considered a cumbersome donor with administrative procedures involving high transaction costs.

The added value of EU funds being channelled through international organisations is frequently questioned. The answer is similar to bilateral actors’ reasoning for channelling funds through multilateral organisations: it provides a chance for the European Commission to engage in difficult contexts, it allows the Commission to benefit from UN expertise and engage in dialogue with partner countries. The EU funding pattern being mainly of earmarked nature to multilateral institutions does not correspond to Danish priorities.

Figure 9: Trend in EC’s 2010 multilateral and non-core multilateral ODA in USD

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18 Art.21 TEU
19 UNODC, OHCHR, UNHCR, UNWRA, UNEP, WFP and GTAFM
Funding decisions are decentralised with EU delegations at country level considering the available options. On a case-by-case basis the most effective way to support a given sector is analysed and the main reasons for choosing a multilateral channel are expertise and avoiding duplications of efforts.

There is a need to encourage the Commission to constantly consider the added value of contribution to multilateral organisations and to work for smooth and flexible administrative procedures. In some areas there are obvious synergies between EU and multilateral activities which must be built on. A strategic framework for Denmark’s engagement with the EU on development cooperation will be drafted in 2013 and will elaborate on Denmark’s position towards EU as an actor in multilateral organisations.

5.4 CONCLUSION

Danish funding to multilateral organisations should remain at a high level to support the bedrock of the multilateral development system and strengthen the multilateral architecture. At the same time, Denmark should review modalities for earmarking of funding to ensure a development towards an increased use of core funding and a strategic use of earmarked funding. Danish earmarked funding should be of high quality in line with the principles outlined in the QCPR (soft earmarking, predictability and multi-donor arrangements) and with a clear results focus. Earmarked funding should mainly be used for strategic innovation within the organisations’ mandates and for green transition, fragile and conflict-affected countries as well as large trust funds that are in reality independent entities (like the GPE), and humanitarian purposes. Denmark should also continue to work consistently with streamlining its trust fund portfolio in the World Bank.

It is important that Denmark strikes a balance between the number of multilateral organisations receiving Danish multilateral contributions and effectiveness in terms of impact, results and administrative burden. The high number of organisations receiving small grants may not necessarily be the best use of development funds. As regards the EC, Denmark should increase its engagement and insight in how the EC works with and through the multilateral system and seek synergies.
Part II: Addressing challenges - New Multilateralism

6. New Multilateralism

In *The Right to a Better life* it is a priority to revive and strengthen Denmark’s multilateral and humanitarian engagement through a policy of New Multilateralism. The objective of New Multilateralism is two-fold: To strengthen the multilateral system and its ability to effectively deliver development results and address complex global challenges, and to promote specific Danish policy priorities.

**Figure 11: New Multilateralism**

<table>
<thead>
<tr>
<th>NEW MULTILATERALISM</th>
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<tbody>
<tr>
<td><strong>Multilateral Development Cooperation Analysis</strong></td>
</tr>
<tr>
<td>Assessment: Who to work with</td>
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<tr>
<td>MOPAN assessments</td>
</tr>
<tr>
<td>Tools: How to work with them</td>
</tr>
<tr>
<td>Funding</td>
</tr>
<tr>
<td>Focus Areas: What to do</td>
</tr>
<tr>
<td>Promote Danish Strategic Priorities</td>
</tr>
<tr>
<td><strong>Multilateral Organisation Strategies: How to implement</strong></td>
</tr>
<tr>
<td><strong>Results in Reducing Poverty and Promoting Human Rights: What to achieve</strong></td>
</tr>
</tbody>
</table>

To achieve optimal impact while best serving broader Danish development priorities, implementation of New Multilateralism will be focused in the following four areas:

- Effectively promote Danish strategic priorities
- Contribute to the post-2015 agenda
- Support multilateral reform to enhance results and development impact
- At the country level, encourage cooperation and strengthen complementarity between multilateral and bilateral efforts.

These four focus areas can be addressed by using a number of tools from the multilateral toolbox. The most important tools are:

- Funding
- Participation in formal governance structures
• Bilateral dialogue with the organisations
• Targeted bilateral initiatives within prioritised areas
• Cooperation with likeminded partners
• New partnerships and outreach to new development actors
• Secondments and the UN city

6.1 PRINCIPLES AND FOCUS AREAS OF NEW MULTILATERALISM

How to promote Danish priorities, and through which channels, was discussed in Part I, based on the assessment of the major multilateral organisations’ effectiveness and strategic relevance. The three other aspects of New Multilateralism have a more general nature and will guide Danish engagement with the organisations as well as with the multilateral system as such. Implementation of New Multilateralism vis-à-vis individual organisations, including strategic and funding decisions, is detailed in specific organisation strategies that take into account the organisation’s particular strengths and weaknesses.

The principles behind New Multilateralism form an important part of Denmark’s contribution to meeting the donor community’s commitments at the High-Level Forum in Busan in 2011 to “improve the coherence of our policies on multilateral institutions, global funds and programmes”\(^{21}\). They are presented below, followed by an examination of Denmark’s tools and channels for influence on individual organisations’ work and priorities.

6.1.1 PROMOTE DANISH STRATEGIC PRIORITIES

Denmark has a strong interest in ensuring that the multilateral development system and its individual organisations focus their efforts within their mandates and comparative advantages; this is how they can most effectively contribute to reaching global development objectives. Indeed, they cannot and should not be expected to be experts in all fields and sectors, and cooperation efforts should be focused on topics where they can contribute effectively to Danish priorities, as discussed in chapter 3. The assessment shows the organisations that Denmark currently works with are considered relevant for one or several of the specific priorities in *The Right to A Better Life*. Where possibilities for working with and through multilateral partners are available, it is important to explore complementarity at the earliest possible stage to better inform design decisions regarding the mix of multilateral and bilateral modalities.

6.1.2 CONTRIBUTE TO THE POST-2015 AGENDA

As the world is experiencing major shifts in political power balances and economic structures the solutions and contributions from the international development system, including the multilateral organisations, must adjust accordingly. The MDGs have been fairly successful in their ability to focus the entire international community’s attention on a limited set of

\(^{21}\) “Busan Partnership for Effective Development Cooperation” (2011), paragraph 25(b) [http://www.dev-practitioners.eu/fileadmin/Redaktion/Documents/Post-Busan_03_2012/Busan_FINAL_EN.pdf?PHPSESSID=676429f1ff11085f8399f01af656fbb3](http://www.dev-practitioners.eu/fileadmin/Redaktion/Documents/Post-Busan_03_2012/Busan_FINAL_EN.pdf?PHPSESSID=676429f1ff11085f8399f01af656fbb3)
tangible, albeit ambitious goals, defining the development efforts of more than a decade. But
as the MDGs’ target date of 2015 is approaching, a new far-reaching framework needs to be
elaborated. As with the MDGs, the multilateral system naturally takes centre stage in the
formulation of this new development agenda because of the organisations’ global convening
power and political legitimacy and their vast analytical and sector expertise. Only if the UN,
the MDBs, and other multilateral organisations are able to provide robust and credible
development solutions at the global and the country level, will they remain relevant actors in a
fast-changing landscape.

6.1.3 SUPPORT MULTILATERAL REFORM AND RESULTS

Denmark should push for a faster reform pace in the multilateral development system and
within multilateral institutions. Continued reform to increase effectiveness and efficiency in
the organisations and stronger cooperation between the organisations is one of the main
channels for strengthening the multilateral system and ensuring its continued relevance. There
is also an acute need of important processes like results-based management, increased cost
consciousness and human resource modernisation to pick up pace across the system,
especially on the implementation side. Denmark’s multilateral partners must be able to
demonstrate how they contribute to promoting their mandates and creating results globally
and locally. This requires a better understanding among the organisations, not least UN funds
and programmes of what are their comparative advantages and how they can reach out to new
partners.

Institutional reform is a complex and difficult endeavour and it is encouraging to note that a
number of organisations have made substantial progress in recent years. Through cooperative
forums like MOPAN, Good Humanitarian Donorship Group and Nordic+, Denmark is
actively working to advance the reform agenda in concert with other major donors, as well as
engaging in strategic outreach and alliance-building with emerging economies and developing
countries in selected areas. Reform-minded actors need to bring into play several
tools/channels for influence to secure the necessary progress. Active participation in budget
and strategy decisions in the organisations’ governing bodies is one such tool, funding
decisions another. Denmark will use its position as a provider of substantial core funding to
request the organisations to increase transparency, strengthen results-based budgeting,
programming and monitoring and to actively seek to enhance multilateral cooperation.

6.1.4. ENCOURAGE COOPERATION AND STRENGTHEN COMPLEMENTARITY BETWEEN
MULTILATERAL AND BILATERAL EFFORTS

Looking beyond the direct cooperation with multilateral partners at headquarter level, as a
bilateral donor Denmark interacts with the multilateral organisations at different levels in the
field where different forms of complementarities can be obtained:

- Operational complementarity through interaction between programmes;
- Organisational complementarity through interaction between organisations; and
- Policy complementarity between bilateral and multilateral donors sharing policy goals.

It requires increased planning and coordination of efforts between bilateral embassies,
multilateral representations and the Ministry of Foreign Affairs in Copenhagen as well as
robust staff incentives to consistently consider options for potential cooperation and complementarity. Increasing internal coherence and sending the same message at headquarter level as at country level also serves to create a better understanding in the organisations of what Denmark stands for and thus for concrete cooperation initiatives they may wish to pursue on their own initiative.

**Box 2: Main priorities within the four focus areas**

<table>
<thead>
<tr>
<th><strong>Effectively promote Danish strategic priorities</strong></th>
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<tbody>
<tr>
<td>• Support a strong and effective multilateral system where the normative and implementing parts of organisations’ mandates complement each other as a critical global public good in its own right</td>
</tr>
<tr>
<td>• Cooperate closely with multilateral partners that share fundamental Danish development values and promote closer alignment in the organisations with relevant Danish development priorities within their mandates</td>
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<tr>
<td>• Apply different approaches to the promotion of different strategic priorities, targeting the choice of partners and the mix of instruments for exerting influence to the particular topic</td>
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<table>
<thead>
<tr>
<th><strong>Contribute to the post-2015 agenda</strong></th>
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<tbody>
<tr>
<td>• Promote a central role for the multilateral system in a new post-2015 development framework</td>
</tr>
<tr>
<td>• Contribute to avoiding further proliferation and fragmentation of the multilateral system by using existing organisations and funding channels as the default mode</td>
</tr>
<tr>
<td>• Push for the multilateral organisations to focus on fulfilling their respective mandates and to leverage strategic and operational comparative strengths in innovative ways</td>
</tr>
<tr>
<td>• Engage with multilateral organisations in close cooperation with like-minded donors for maximum effect</td>
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<table>
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<tr>
<th><strong>Support multilateral reform to enhance results and development impact</strong></th>
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<tbody>
<tr>
<td>• Continue to encourage and press for multilateral reform, both at the systemic level and in individual organisations, bilaterally and in cooperation with like-minded partners</td>
</tr>
<tr>
<td>• Use Denmark’s position as a provider of substantial core funding to promote better and faster reform</td>
</tr>
<tr>
<td>• Focus, in particular, on promoting organisational effectiveness and results-based management</td>
</tr>
<tr>
<td>• Apply existing frameworks for assessing multilateral efficiency and effectiveness (like MOPAN) and work to improve them as necessary rather than inventing new assessments</td>
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<tr>
<th><strong>Complementarity and cooperation</strong></th>
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<tbody>
<tr>
<td>• Support efforts to co-ordinate multilateral operations in the field to avoid overlap and waste of resources and to ensure buy-in from multilateral organisation headquarters</td>
</tr>
<tr>
<td>• Strengthen complementarity between Danish bilateral and multilateral development efforts</td>
</tr>
<tr>
<td>• Participate actively in multi-donor co-ordination mechanisms at country-level that bring together multilateral and bilateral donors, in particular such processes led by partner country governments</td>
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</table>
6.2 INSTRUMENTS FOR IMPLEMENTATION OF NEW MULTILATERALISM

As an active player with a long history of close cooperation with and engagement in the multilateral system, Denmark has at its disposal a number of instruments for seeking influence both on the system at large and on individual organisations, ranging from active participation in governance structures over bilateral dialogue to funding modalities. Through New Multilateralism, Denmark will strengthen the efforts to identify and apply the most appropriate and useful mix of instruments for each organisation and thus eschew a “one size fits all” approach to multilateral cooperation. However, in all major multilateral relationships, promoting consistency between what the organisations say at head quarter level and what they do at country level will be given high attention. This necessitates even closer cooperation and exchange of experience between relevant MFA entities, including bilateral embassies than today.

For the assessment in this report colleagues with responsibility for day-to-day cooperation with major multilateral organisations were asked to rate the organisations’ responsiveness to Danish inputs. With very few exceptions all organisations are assessed as willing to take on – to a considerable or very considerable degree – Danish policy priorities and viewpoints (expressed, for instance, in bilateral high-level consultations and formal governance structures) and to recruit Danish staff and procure Danish goods and services. This is very encouraging and bodes well for the implementation of New Multilateralism because it shows that even a small committed country may exert significant influence when cooperation is concentrated on issues of mutual relevance and interest.

6.2.1 FUNDING MODALITIES

One of the most powerful instruments to obtain influence in the multilateral organisations is through financing. Consequently, the donors’ funding decisions are invariably followed with great interest both by the organisations and by partners alike: How much? To whom? What kind? When? Most of the multilateral organisations operate on the basis of a core budget that finance the institutional costs of the organisations, and underpin the ability of the organisation to fulfil its mandate and the priorities set out in the strategic plans. Without sufficient core funding it becomes difficult for the organisation to act effectively. Therefore, it is a top priority for Denmark – as a committed supporter of multilateralism – to maintain a high level of core funding to the organisations and to encourage other donors to follow the same line. Earmarked funding may still be necessary and indeed preferred under certain circumstances but, as discussed in chapter 5, should be limited to exceptional instances where there is a clear and explicit strategic case for it; for instance, in order to create political attention and visibility, to enable strategic innovation or steer the organisations’ work in a particular direction. As a new initiative under New Multilateralism, Denmark will allocate funds for new Innovative Facilities that are softly earmarked and come with less rigorous administrative requirements than existing arrangements. This will allow the organisations to launch new strategic initiatives within their mandates without first having to engage in extensive and time-consuming consultations with donors.
6.2.2 PARTICIPATION IN FORMAL GOVERNANCE STRUCTURES

Traditionally, much of Denmark’s engagement with the multilateral organisations takes place through the formal governing structures where decisions regarding strategic directions, results, budgets, reform initiatives and country programmes are made. Membership of the organisations’ executive boards is used actively as a platform to strengthen the organisations’ strategic focus within their mandates and areas of expertise and increase their organisational effectiveness and efficiency, including through continued reform and a stronger results focus; in the UN this includes a special focus on the Delivering as One initiative. Working to ensure healthy financing of the organisations’ core activities is another Danish priority.

Decision-making in the boards tends to be consensus based which underlines the importance of strong substantive arguments and well-prepared outreach and alliance-building to maximize influence; it puts smaller countries like Denmark on a more equal footing with larger nations when it is the power of your ideas rather than the size of your country that matters. In the UN system, Denmark acts in national capacity and is currently a member of the governing board for IFAD, UNFPA and UNICEF. In the multilateral development banks, Denmark participates in the work of the executive boards as members of different constituency groups with rotating presidencies. Being part of a larger constituency group where members share fundamental ideas about development and the particular organisation’s contribution to the international system strengthens the potential for Danish influence; this is very much the case in the World Bank where Denmark is part of the Nordic-Baltic constituency group. On the other hand, less homogenous constituency groups provide an excellent opportunity for Denmark to cooperate and partner with countries with different development experiences and goals.

Generally speaking, Denmark has managed to obtain considerable clout in the organisations’ formal structures, often more so than indicated by the Danish share of funding or ownership. This is especially the case where discussions turn on assessments from the field level; because the Danish administration is so small and lean it is also very agile and able to communicate and cooperate across units quickly. This may be used for the benefit of strengthened coherence between bilateral and multilateral efforts and closer cooperation at the country level.

6.2.3 BILATERAL DIALOGUE

Denmark already enjoys close and valued dialogue with the organisations that receive major Danish funding. The dialogue may take different forms depending on the organisation in question – examples include high-level consultations with individual UN Funds and Programmes and regular replenishment negotiations with the development banks as well as on-going dialogue at country level.

As a supplement to existing forums, and to further underscore the strategic importance of New Multilateralism, it is the intention to introduce regular bilateral dialogue at the political level (Minister for Development Cooperation) with the largest multilateral recipients of Danish development cooperation. The first such consultations will take place with UNDP, UNICEF, UNFPA, and UN Women in April 2013. The purpose of the political consultations is to deepen the joint understanding of the shared agenda that Denmark and the organisations
seek to advance and to create stronger visibility of Danish priorities within the organisations. As such the dialogue will focus on the organisation’s ability to leverage its comparative strengths to effectively obtain results and deliver on relevant Danish priorities.

6.2.4 BILATERAL INITIATIVES IN AREAS OF STRATEGIC PRIORITY

Another way to shape the agenda in the multilateral organisations and highlight specific Danish expertise or interest is by initiating specific initiatives within prioritized areas, bilaterally or in cooperation with relevant partners. The Global Green Growth Forum (3GF) is an example of original Danish policy thinking that has brought together a plethora of international partners to formulate new ideas and innovations of relevance to both bilateral and multilateral agencies. Also, by commissioning reports from selected organisations on specific topics – for instance, UNDP’s report on regional integration – and engaging staff and member countries in such initiatives it is possible to promote Danish viewpoints. Ensuring coherence with initiatives at country level is important to encourage synergy and greater impact.

6.2.5 COOPERATION WITH LIKE-MINDED PARTNERS

Alliance building is often a very decisive factor in promoting specific priorities and initiatives in multilateral institutions. Denmark participates in a number of formal and informal donor groups at capital, head quarter and country level. They serve a multitude of purposes depending on the context; common elements include exchange of information and out-reach to build support for Danish policies and initiatives. Some groupings have participation of multilateral organisations - for example, the budget support donor groups in Ghana and Mozambique include the local World Bank office as a prominent member. This enables greater impact in the donor community’s dialogue with the national governments including on sensitive political economy issues where the multilateral organisations may traditionally have difficulties finding their feet. At other times, donors-only figurations may be more appropriate.

Denmark will continue to look for the most suitable grouping to deal with the issue at hand in order to obtain sustainable results. Speaking with one voice in various settings is of course critical; cohesion requires close coordination between all relevant MFA entities. Specifically as regards the EU, the intention is to pursue a more active role in promoting Danish priority areas and influencing EC development cooperation with multilateral organisations, both locally in partner countries and at headquarter level.

6.2.6 NEW PARTNERSHIPS AND OUTREACH TO NEW DEVELOPMENT ACTORS

Among the multilateral organisations’ clear-cut strengths are their global membership basis and convening power, providing them with a strong platform for forging new partnerships and engaging non-traditional actors (states, regions and regional communities, private sector, philanthropic funds etc.) in international development cooperation. It is a Danish priority to support such efforts and help to promote a shared understanding of fundamental development challenges and possible solutions. Besides its intrinsic values, creating alliances with new donors through targeted out-reach activities is also a constructive means to secure broader appreciation of Danish policy priorities.
6.2.7 DANISH INPUT – SECONDMENTS AND THE UN CITY IN COPENHAGEN

Having Danes placed strategically in international organisations is a way to gain a better understanding of how the organisations work and strengthen the basis for a close dialogue. Denmark will second and in other ways seek to place Danes in strategically important positions in relevant multilateral organisations. The JPO programme for young employees can serve as a “feeder” line into the organisations and thus pave the way for future careers. For example, recent figures from UNDP show that close to half of the JPOs funded by Denmark over the last 12 years continued working in the UN System after their JPO assignment.

Another issue of great importance to Denmark is the UN City in Copenhagen. The UN City will open in the spring of 2013 and employ more than 1,700 UN staff when fully utilised. Denmark could forge a stronger link with the organisations that are based in Copenhagen to further utilise the exceptional presence of the UN in Denmark.

Box 3: The Multilateral Toolbox - Recommendations

<table>
<thead>
<tr>
<th>Funding</th>
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<tbody>
<tr>
<td>• Maintain a high level of core funding to organisations with high relevance either for the multilateral system as such or for Danish development priorities</td>
</tr>
<tr>
<td>• Work with donors and organisations to encourage increased core funding</td>
</tr>
<tr>
<td>• Establish Innovation Facilities in selected organisations</td>
</tr>
<tr>
<td>• Limit funding to organisations that are not considered in line with Danish development priorities or not considered effective by MOPAN</td>
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<tr>
<td>• Limit tightly earmarked contributions to multilateral organisations</td>
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<tr>
<th>Formal governance structures</th>
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<tr>
<td>• Strengthen the strategic focus of the organisations within their mandates;</td>
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<tr>
<td>• Promote relevant Danish development priorities within the organisations;</td>
</tr>
<tr>
<td>• Facilitate synergy between Denmark’s bilateral and multilateral efforts, including by closely following-up on country programmes in partner countries;</td>
</tr>
<tr>
<td>• Push for continued reform and stronger results focus; in the UN this includes a special focus on the Delivering as One initiative</td>
</tr>
<tr>
<td>• Work to ensure healthy financing of the organisations’ core activities</td>
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<tr>
<th>Bilateral dialogue</th>
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<td>• Maintain an active engagement in existing formal/informal forums for bilateral dialogue, while introducing political dialogue directly with the leadership of the organisations;</td>
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<tr>
<td>• Focus political dialogue on issues of mutual interest, including funding decisions;</td>
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<tr>
<td>• Discuss relevant Danish development priorities and the organisations’ potential for promoting them innovatively within their mandate;</td>
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<tr>
<td>• Follow-up on specific issues raised in organisation strategies and action plans.</td>
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<tr>
<th>Specific initiatives in areas of strategic importance</th>
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<tbody>
<tr>
<td>• Continuously look for opportunities for launching targeted Danish initiatives</td>
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<tr>
<td>• Ensure coherence with initiatives at country level to encourage synergy and greater impact;</td>
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<tr>
<td>• Where relevant for the promote of Danish interests, contributing to and participating in</td>
</tr>
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</table>
likeminded countries’ initiatives

### Like-minded partners

- Explore the options for using agreement with like-minded partners (not least, Nordic and European partners) on key development issues
- Use the like-minded groups to build support for Danish strategic thinking and initiatives
- Strengthen efforts to engage with the EU Commission on multilateral development issues, including the Commission’s cooperation with and support for multilateral organisations
- Specifically on funding, encourage like-minded donors to increase their core funding and strengthen the quality of earmarked contributions

### New partners

- Promote partnerships with new development actors and with “old” partners engaging in new roles, for instance, the private sector
- Reach out in constructive cooperation to create a shared understanding of fundamental development challenges and Danish strategic priorities aimed at addressing them
- As regards new development actors, reach out in constructive cooperation to increase their understanding of, and possible support for, Danish policy priorities

### Danish input

- Position Danish staff in relevant positions in the multilateral organisations which are central for the implementation of the Danish development strategy
- Further develop Copenhagen as a UN City and deepen the cooperation with the organisations that are present in Copenhagen.
7. Conclusion

As a small country but a large and committed donor, Denmark is well placed to promote its development priorities through the multilateral system. Cooperation with multilateral organisations is a cornerstone of successful implementation of *The Right to a Better Life* and an important supplement to Denmark’s bilateral development efforts. Thanks to an active engagement in the multilateral organisations, Denmark is able to obtain greater development impact and results at both country and global level than if only working bilaterally while, at the same time, contributing to further development and strengthening of the multilateral system as such. Denmark can enhance its cooperation with the multilateral system through a more coherent multilateral approach as expressed in the policy of New Multilateralism.

**Main findings – relevance and effectiveness**

- To implement *The Right to a Better Life* through the multilateral system, Denmark needs to work in a coherent and coordinated way, preferably with like-minded countries.
- The multilateral organisations included in the analysis are assessed as being relevant to Danish development priorities and are generally effective organisations.
- The view from the field is more complex; while some organisations perform well, others are considered could do better.
- Denmark is a top-ten donor in five organisations but also supports many organisations with small contributions.
- Denmark is a large core donor, but earmarked funding increased between 2010 and 2011.
- The EC is a major channel for delivering of Danish development assistance.
- Reforms are underway but the pace is slow and it is still difficult to assess impact on the ground.

**Main recommendations:**

- Denmark should further strengthen its cooperation with the multilateral organisations and channel more funds through the multilateral system to promote Danish development policy objectives.
- In doing so, Denmark should apply the principles of New Multilateralism to enhance coherence, impact and results in the multilateral development system.
- Denmark should use all available instruments including its position as a provider of substantial core funding to promote Danish development priorities, support prioritised reform initiatives and keep the organisations focused on development results within their mandates.
- At country level, Denmark should seek to build on the most relevant organisations’ comparative advantages to further Danish development priorities, including through close dialogue between bilateral representations and entities at headquarter level on the organisations’ performance on the ground.
- As regards funding, Denmark should focus its multilateral assistance on fewer but larger contributions. Denmark should primarily provide core funding but continue the use of earmarked contributions to strategic and special interventions.
## Annex 1: List of acronyms used

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>3GF</td>
<td>Global Green Growth</td>
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<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AfDB</td>
<td>African Development Bank</td>
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<tr>
<td>AsDB</td>
<td>Asian Development Bank</td>
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<tr>
<td>DAC</td>
<td>Development’s Development Assistance Committee (of The Organization for Economic Cooperation)</td>
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<tr>
<td>DaO</td>
<td>“Delivering as One”</td>
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<tr>
<td>DfID</td>
<td>Department of International Development (UK)</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<td>FAO</td>
<td>Food and Agricultural Organization of the United Nations</td>
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<td>GCG</td>
<td>Green Climate Fund</td>
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<tr>
<td>GFATM</td>
<td>The Global Fund to fight Aids, Tuberculosis and Malaria</td>
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<tr>
<td>GGGI</td>
<td>Global Green Growth Institute</td>
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<tr>
<td>G20</td>
<td>Group of Twenty Finance Ministers and Central Bank Governors</td>
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<tr>
<td>GPE</td>
<td>Global Partnership for Education</td>
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<tr>
<td>HRBA</td>
<td>Human Rights Based Approach</td>
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<tr>
<td>HRC</td>
<td>Human Rights Council</td>
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<tr>
<td>ICRC</td>
<td>The International Red Cross</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>ID</td>
<td>International Dialogue</td>
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<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>IFI</td>
<td>International Financial Institutions</td>
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<tr>
<td>IDB</td>
<td>Inter-American Development Bank</td>
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<tr>
<td>LDC</td>
<td>Least Developed Countries</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>MDB</td>
<td>Multilateral Development Bank</td>
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<td>MDG</td>
<td>Millennium Development Goals</td>
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<td>MFA</td>
<td>Ministry of Foreign Affairs (of Denmark)</td>
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<td>MDTF</td>
<td>Multi-Donor Trust Funds</td>
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<tr>
<td>MOPAN</td>
<td>The Multilateral Organisation Performance Assessment Network</td>
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<tr>
<td>New Deal</td>
<td>New Deal for Enlargement with Fragile States</td>
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<tr>
<td>OCHA</td>
<td>UN Office for the Coordination of Humanitarian Affairs</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>OECD</td>
<td>The Organization for Economic Cooperation and Development</td>
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<tr>
<td>OHCHR</td>
<td>Office of the High Commissioner for Human Rights</td>
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<tr>
<td>QCPR</td>
<td>Quadrennial Comprehensive Policy Review</td>
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<tr>
<td>Rio+20</td>
<td>The United Nations Conference on Sustainable Development</td>
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<tr>
<td>SE4ALL</td>
<td>Sustainable Energy for All</td>
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<tr>
<td>SRHR</td>
<td>Sexual and Reproductive Health and Rights</td>
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<tr>
<td>TSI</td>
<td>Transitional Solutions Initiative</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNAIDS</td>
<td>The Joint United Nations Programme on HIV/AIDS</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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<tr>
<td>UNFPA</td>
<td>United Nations Populations Fund</td>
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<tr>
<td>UNHCR</td>
<td>United Nations High Commissioner for Refugees</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<tr>
<td>UNODC</td>
<td>United Nations Office on Drugs and Crime</td>
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<tr>
<td>UNRWA</td>
<td>United Nations Relief and Works Agency</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>UPR</td>
<td>Universal Periodic Review</td>
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<tr>
<td>WB(G)</td>
<td>World Bank (Group)</td>
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<tr>
<td>WFP</td>
<td>World Food Programme</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Annex 2: Assessment methodology

This year’s Multilateral Development Cooperation Analysis focuses on how multilateral cooperation may best help to advance the implementation of the new Danish development strategy *The Right to a Better Life* and the comparative advantages of individual multilateral organisations in key strategic areas. The main parameters assessed are 1) organisational effectiveness (“how well do they perform”) and 2) relevance to Danish priorities (“why Denmark funds them”). The assessment covers 17 organisations with which Denmark has a long-standing relationship.

The analysis relies on MOPAN and other existing data sources for the evaluation of the multilateral organisations’ effectiveness. Only as regards their relevance to Danish development priorities has data been collected specifically for the analysis, because the information was not otherwise available.

**ORGANISATIONAL EFFECTIVENESS**

MOPAN’s assessment of the multilateral organisations’ effectiveness measure four aspects or clusters of organisational practices, systems and behaviours believed to be important for managing for development results. They are (with underlying key performance indicators listed):

- **Strategic management:** Providing direction for results, corporate focus on results, focus on thematic priorities, country focus on results
- **Operational management:** Resource allocation decisions, linking aid management to performance, financial accountability, using performance information, managing human resources, performance-oriented programming, delegating authority
- **Relationship management:** Supporting national plans, adjusting procedures, using country systems, contributing to country dialogue, harmonising procedures
- **Knowledge management:** Evaluating external results, presenting performance information, disseminating lessons learned.

In 2012, MOPAN piloted a new component to assess how selected multilateral organisations measure and report on development results. It is important to note that this analysis does not include the outcome of MOPAN’s new component because of its test nature.22

The effectiveness index is calculated as the un-weighted average of the specific organisation’s ratings in the latest MOPAN Common Approach assessment from 2009 or later. For a small number of organisations where such assessments were not available, the value was calculated based on other existing sources, notably, the UK’s Multilateral Aid Review from 2011 (OHCHR) and the Australia Multilateral Assessment from 2012 (UNODC).

The results appear in the graph below. All organisations fall within a band of average ratings between 3.4 and 4.6. Taken under one, this is broadly satisfactory. MOPAN terminology

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22 For more detail on MOPAN’s methodology, see the MOPAN website [http://www.mopanonline.org/](http://www.mopanonline.org/)
operates with a 6-point rating scale where the rating 3 signifies “inadequate”, 4 means “adequate” and 5 is “strong”.

The graph indicates that the MBAs tend to score high on effectiveness (with the exception of the AfDB which comes out average but still acceptable). The large UN funds and programmes also do well. The lowest ratings are recorded for OHCHR and UNODC. As these are among the organisations where MOPAN data was not available, a considerable dose of caution is warranted in interpreting the observations, both the absolute level and in comparison to other organisations.

More generally, it is important to note that MOPAN’s methodology has evolved over time with a view to making it less subjective and generally more robust. Since all organisations are not assessed in all years, the change in methodology means that the observations in the graph are not directly comparable. Differences in the organisations’ mandate and structure also make it methodologically problematic to compare MOPAN ratings across institutions but since the assessments are repeated on a regular basis it is possible to compare trends in the individual organisation over time. Indeed, the five organisations examined by MOPAN in the latest assessment round in 2012 – AfDB, UNAIDS, UNDP, UNICEF and the World Bank – show an ascending trend in average effectiveness ratings as compared to the previous assessment in 2009. This development is partly explained by MOPAN’s decision to adopt a more sophisticated methodology (known as the Common Approach) in 2010; it introduced a thorough document review as a supplement to the original survey of perceptions and the survey was expanded to include more groups of stakeholders, including key partners in developing countries.

**STRATEGIC RELEVANCE**

Constructing the second index on strategic relevance required new data on the multilateral organisations’ potential to contribute to effective implementation of Danish development

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23 The 2012 assessment also included GAVI Alliance. However, GAVI Alliance is not covered by this analysis.
priorities. MFA staff with close, day-to-day knowledge of the organisations and the main fixtures of their cooperation with Denmark were asked to rate performance on a 4-point scale ranging from 1 for “weak” over 2 for “adequate” and 3 for “good” to 4 for “very good/best practice”. The organisations were assessed on 13 parameters grouped under the following four headings:

- Alignment with Danish development priorities: Human rights-based approach (HRBA); overall poverty reduction; human rights, democracy and good governance; green growth; social progress; stability and protection
- Contribution to the multilateral system: Reform-mindedness; active involvement of new development actors
- Financing and funding: Sustainable financing; balanced funding modalities.
- Partnership approach/responsiveness: Room for Danish policy influence; use of Danish inputs

After quality assurance by central units staff the 13 single ratings for each organisation were merged in a composite index, based on equal weights. The average score was 3.1 on the 4-point scale with 13 of the 17 organisations assessed rated 3 (“good”) or above. The observations were then scaled up to fit a 6-point scale. Scaling up does not change the relative position of the observations and only serves to “spread out” the observations and obtain larger differentiation. The result appears in the graph below, confirming that at the overall level all the organisations are considered relevant or very relevant for Danish policy priorities. From the graph, differences in ratings would seem to depend more on the organisation’s individual mandate and traits than its fundamental character as a development bank, UN fund/program or other.

The aim of the relevance assessment is to provide a snapshot of the organisations’ performance in areas that are central to Danish development priorities based on relevant MFA staff’s experience. The methodology is considered suitable for this purpose but has its shortcomings. Foremost, the data is to a large extent (although not exclusively so) based on perceptions rather than documented evidence and is thus subjective by nature. While measures have been taken to minimize the potential bias, still the findings should be interpreted with care. Other stakeholders may assess the organisations differently. In particular, it should be kept in mind that the observations express a “head quarter perspective” on the organisations’ performance which may differ quite markedly from how they are viewed at the field level.
In the main text, the two parameters of the assessment are combined with information on Danish core and total contributions to the organisations in the “Double Bubble chart” to give a quick overview of Denmark’s cooperation with the most important multilateral development partners.

Constructing and combining two composite indexes on strategic relevance and effectiveness follows the assessment model used, i.a., by the UK’s Multilateral Aid Review24 and the Australia Multilateral Assessment25 but with notable differences: First, as mentioned in the text, only data from MOPAN and other existing sources is used for the effectiveness index. Secondly, the coverage is more limited as the assessment only looks at organisations Denmark is already engaged with and, in most instances, has a long-standing relationship with rather than the whole spectrum of multilateral organisations. This “pre-selection” means that the organisations are likely to be assessed positively (otherwise cooperation would be non-existent or more limited) and, in other words, would be expected to cluster in the upper right-hand corner of the “Double Bubble chart”. Finally, the processes for data collection and processing are less rigorous: The Danish Multilateral Development Cooperation Analysis is meant to be lean and quick and that comes with the cost of reduced methodological rigour. Data for the relevance composite index is based on MFA staff’s general assessment of the organisations performance in the areas covered rather than objective, pre-defined criteria. Although only staff with thorough knowledge of and experience with the institutions is involved, the perceptions-based approach introduces a risk of uncertainty and bias. To address this, Danish bilateral missions have provided input on how they view actual multilateral performance in the field. Other agencies may use perceptions-based data for aspects of their multilateral assessments – indeed, MOPAN does so although to a declining extent – but tend to back it up with a more rigorous (but resource heavy!) quality assurance process, involving the organisations themselves and other external partners at HQ and field level.

DANISH MULTILATERAL DEVELOPMENT COOPERATION ANALYSIS

Annex 3: Organisational overview
26 The organisational overview is based on reports received from missions and representations with organisational responsibilities. The numerical figures are primarily based on information from the organisations’ own reporting systems and may therefore differ from the official Danish ODA figures used in the main report.
The African Development Bank Group (AfBD)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Organisational effectiveness

Contribution to African Development Bank Group of total assistance to and via multilateral organisations in DKK, 2011

FINANCIAL OVERVIEW

The resources of the AfDB are generally obtained through capital market borrowings and installments by AfDB members (every 8-10 years or when needed). The resources of the African Development Fund (ADF) stem from contributions and periodic replenishments by ADF members, usually on a 3-year basis. NTF resources are provided solely by the Federal Republic of Nigeria. The Bank Group provides concessional and non-concessional loans, grants and technical assistance to clients in its regional member countries.

Financial overview in DKK, 2011

Mandate

The African Development Bank Group is a multilateral development institution with 77 member countries, 53 being African. The overarching objective of the Bank Group is to foster sustainable economic development and social progress in its regional member countries thus contributing to poverty reduction. The Bank Group (hereafter referred to as “the Bank”) consists of the African Development Bank (AfDB), the African Development Fund (ADF) and the Nigeria Trust Fund (NTF).

Role in the multilateral architecture

Along with the AU and the UN Economic Commission for Africa (UNECA), the Bank is one of the three fix points in the evolving pan-African architecture. The Bank’s main advantage is its considerable legitimacy and sense of ownership among African member countries. Under the leadership of Donald Kaberuka, the Bank has recently gone through a series of organisational reforms which paired with a more tight strategic focus has positioned the Bank as an increasingly preferred development partner in Africa.
Overall, the Bank should be commended for its reform efforts which have resulted in improved levels of transparency, greater focus on human resource and change management, and a more strategic focus in its overall operations. Also, the Bank has shown prudent management of its funds during the challenges of the financial crisis, thus keeping its triple A rating.

With its regional legitimacy and leverage as well as increased collaboration with key African actors, the Bank has become a central partner for Denmark in Africa. The Bank’s attempt to position itself as a driving force behind the “New Africa” agenda is manifested in the forthcoming Long Term Strategy 2013-2022 (LTS). The LTS outlines the strategic orientation of the Bank to become not only the preferred development partner in Africa but also a recognised knowledge broker. The strategic outlook...
of the Bank is generally in sync with the Danish development priorities as set forth in The Right to a Better Life. As one of the Bank’s core priorities, private sector-led development has received more attention (and financing volume) over the past five years. Denmark works closely with the Bank to build up a multi-donor platform (SEFA) for supporting private-sector-driven energy sector initiatives to promote energy access and inclusive green growth. However, the SEFA-initiative is still in its design phase and Denmark attaches great importance to its successful implementation. Also, in the area of regional economic integration, a key priority of the Bank since its inception, the Bank has intensified its efforts of collaboration with other key African actors such as the African Union (AU), the New Partnership for Africa’s Development (NEPAD) and the various regional economic communities. Thirdly, the Bank’s strategic prioritisation of fragile states is closely affiliated with the Danish focus on peace and stability in key areas of Danish development engagements. By means of its dialogue with the Bank and through its constituency work, Denmark is well positioned to influence the Bank to engage in a more comprehensive approach to private sector-led development, regional economic integration and fragile states. The priorities and guidelines for Denmark’s future cooperation with the Bank will be outlined in a new Danish organisational strategy.

### Channels of Influence

Denmark has a longstanding bilateral relationship with the Bank, dating back to its membership of the ADF in 1973 and the AfDB in 1982. Danish influence on the Bank’s activities goes through various channels and the Bank is largely considered willing to engage in a constructive dialogue on Danish policy priorities. Accordingly, the Bank has given increased attention to its work with gender, decentralization of its operation and the use of country systems after encouragement by the Nordic-Indian Constituency. Also, despite the Bank’s sensitivity towards politicization of its operations as per its Articles of Agreement, the Indian-Nordic Constituency has made notable efforts in fostering political awareness on certain issues such as human rights and good governance. In a constituency of likeminded donor countries, Denmark’s development priorities are overall well reflected and noted in the Board. Denmark should continue its active engagement with the constituency work and promote Danish policy priorities in the future. Greater coordination with our embassies and relevant offices in the Ministry could help to further increase the weight of Danish positions in the Bank. Denmark may equally strengthen its influence on the Bank through continued dialogue on strategic issues with key actors, not least at senior management level. Likewise, the replenishment negotiations of the ADF taking place in 2013 constitute an opportunity to strengthen the strategic dialogue betweenour constituency and the Bank. For the ADF13, Denmark will work to ensure a strategic focus of core priorities (fragile states, private sector-led development, regional economic integration and gender) in the forthcoming negotiations. Lastly, Danish policy influence on Bank operations is asserted through bilateral dialogue and joint initiatives with the Bank through the Zimbabwe Trust Fund, the African Guarantee Fund (AGF), and the Sustainable Energy Fund for Africa (SEFA) as well as technical assistance cooperation. However, in line with our Development Strategy, Denmark will work for a more strategic and selective approach to its cooperation with the Bank on trust funds as well as a more strategic use of secondments to the Bank, in the fields of overall strategic planning, evaluation and energy (SEFA).

### Background Information

**Strategic plan of the organisation**

The strategic outlook of the Bank covers the twin objective of inclusive and green growth through the cross-cutting and mutually reinforcing themes of infrastructure, regional integration, private sector development (including agriculture), good governance, support to fragile states, women’s empowerment, and human development.


**Governance structure**

The Bank’s supreme organ is the Board of Governors, which meets annually to review the implementation of past policy decisions and to deliberate on new policy issues. Certain decisions are reserved for the Governors such as admission of new members, increase in capital stock, amendments to the institution’s Articles of Agreement and the election of the Board of Directors and the President. Each member country has a Governor and an Alternate Governor.

General operations are overseen by the Board of Directors which comprises 20 Chairs from each Constituency, 13 regionals and 7 non-regionals (14 Chairs, 7 regionals and 7 non-regionals for the ADF). The Board of Directors resides at the Bank’s temporary headquarters in Tunis and meets weekly to discuss and approve strategies, programmes and projects in the Board and in different committees. The Bank has field presence in 34 borrowing member countries and an external representation office in Tokyo.

- **Danish participation in management/governing bodies:**
  - Denmark is part of the Nordic-Indian Constituency and holds the position of Executive Director on behalf of the Constituency from 2011-2013 (ending in June 2013). The Danish Executive Director is currently Chairperson of the Committee on Administrative Affairs and Human Resource Policy Issues.
  - **Names and title of management team:**
    - The Management Team in the Bank consists of the Bank’s President, Donald Kaberuka; Chief Operating Officer, E. E. Mbi; Director COO, Z. R. Zoukpo; A. Kabagambe, Office of the President; and Chief Economist, M. Ncube.

**Employees**

- **Number of Employees:**
  - As of December 2011, the Bank had 1902 employees
  - As of November 2012, there are, in addition to our Executive Director, seven Danish
employees located at the Bank’s headquarters in Tunis:

- Jacob Kolster, Director for North Africa operations (ORNA)
- Niels Bisgaard Pedersen, Senior Energy & Trade Specialist (the only Danish secondment)
- Youssef Arfaoui, Chief Renewable Energy Specialist
- Christian Kingombe, Chief Trade and Regional Integration Officer
- Mike Salawou, Assistant to the Secretary General
- Carina Sugden, Senior Public Finance Management Officer
- Lise Weidner, Principal Transport Economist
Asian Development Bank (AsDB)
and Asian Development Fund (AsDF)

OVERVIEW OF ORGANISATION RATINGS

ORGANISATION OVERVIEW

**Mandate**
AsDB aims for an Asia and Pacific free from poverty. While it has achieved a significant reduction in extreme poverty, the region remains home to about two-thirds of the world’s extreme poor. With $21.72 billion in approved financing in 2011, more than 2,900 employees from 59 countries, AsDB in partnership with member governments, independent specialists and other financial institutions is focused on delivering projects that create economic and development impact. AsDB helps developing member countries tackle poverty by providing loans, technical assistance and grants for a broad range of development activities. Asian Development Fund (AsDF) is the soft window attached to the AsDB, which offers grants and loans at very low interest rates earmarked to the poorest countries in the region.

**Role in the multilateral architecture**
Established in 1966, the Asian Development Bank (AsDB) finances development in the Asia and Pacific region with the aim of reducing poverty. By 2012, 80 pct. of AsDB lending will be in five core operational areas, identified as comparative strengths of AsDB:
- Infrastructure, including transport and communications, energy, water supply and sanitation and urban development
- Environment
- Regional cooperation and integration
- Finance sector development
- Education
AsDB will continue to operate in health, agriculture, and disaster and emergency assistance, but on a more selective basis.
Read more AsDB publications on Policies and Strategies.
AsDB has 67 shareholding members including 48 from the Asia-Pacific region. View a complete list of members and their joining dates. In 2011, AsDB’s operations totaled $21.72 billion, of which $14.02 billion was financed by AsDB (Ordinary Capital Resources (OCR) and Special Funds) and $7.69 billion by cofinancing partners.

AsDB raises funds through bond issues on the world’s capital markets. AsDB has a very strong AAA rating and also rely on members’ contributions, retained earnings from lending operations, and the repayment of loans. The latest capital increase in 2009 has tripled AsDB’s capital from $55 billion to $165 billion. Denmark holds 0.39 pct. of the paid in shares and has an equal responsibility for the guarantee capital equivalent to DKK 2.9 billion.

AsDB also provide loans and grants from a number of Special Funds. The largest is the Asian Development Fund. The AsDF is refilled every 4th year with voluntary contributions. The XI replenishment decided in Manila in March 2012 a replenishment of $12.3 billion for 2013-2016. Denmark’s share of 0.43 pct. is equivalent to DKK 133.3 million planned to be committed in 2013 and part of the FL13.

Denmark has three remaining trust funds that are planned to be fully used and completed during 2013.
Denmark holds 0.39 pct. of the paid in shares and has an equal responsibility for the guarantee capital equivalent to DKK 2.9 billion. This has been unchanged for a number of years.

Denmark has traditionally had a share of 0.89 pct. (equivalent to approximately DKK 280 million). However, at the ninth replenishment of the Asian Development Fund (AsDF X) in 2009, Denmark’s share was reduced to 0.43 pct. (equivalent to DKK 100 million). Denmark’s share of 0.43 pct. will be sustained in the tenth replenishment of the Asian Development Fund (AsDF XI) (equivalent to DKK 133.3 million).

PERFORMANCE OF THE ORGANISATION

AsDB has developed a corporate results framework to assess its progress in implementing Strategy 2020. Annually, it will monitor implementation through the AsDB Development Effectiveness Review. AsDB is in several recent external assessments considered to be an outstanding efficient organisation. One explanation to these very positive assessments is the unique ownership of the organisation, where the majority of shares – and thereby decision making in the board - are held by countries in the region, thereby ensuring a very strong ownership and alignment to recipient governments priorities.

For reference to external assessments see:
• UK Multilateral Aid Review Assessment (2011)
RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

Asia is home to the largest amount of poor people in the world. 1.7 billion of the people in Asia are poor. AsDB’s 2020 Strategy provides a vision of an Asia and Pacific free of poverty and gives AsDB the mission to help developing member countries improve the living conditions and quality of life of their people. Strategy 2020 identifies drivers of change that will be stressed in all its operations - developing the private sector, encouraging good governance, supporting gender equity, helping developing countries gain knowledge, and expanding partnerships with other development institutions, the private sector, and with community-based organizations.

On modalities and aid effectiveness AsDB is in several recent assessment considered to be the highest ranking organisation, this is partly due to the strong regional ownership and compliance with the priorities of lending countries. While Denmark is a strong supporter of the aid effectiveness agenda it is however a challenge to ensure that AsDB is clearly distinct from a normal commercial bank and that AsDB fully gives priority to be a multilateral development finance institution that engages in (mostly public sector lending) for development purposes.

CHANNELS OF INFLUENCE

AsDB offers a much more conducive fore for frank dialogue on issues like governance and corruption than most other multilateral fora – the reason is that the countries of Asia are literally the owners of the organisation and that permits AsDB to take up issues that would be controversial in other context. Denmark provides 0.39 pct. of funding to AsDB and 0.43 pct. of funding to AsDF. This limited contribution has an incremental effect that turns a contribution of millions into billion as it encourages other traditional donors and emerging economies in the region to pick up a share that corresponds to their economic weight.

Influence is being made in four ways:

1) Formally through the Constituency Office at the Board Meetings that deals with all matters of substance including specific programmes as-well-as policies and strategies
2) The annual Governors meeting (normally in a country in the region first weekend of May), next meeting in New Delhi in 2013
3) Informal meetings with top management including President and VP’s together with other Nordics in the margin of the Governors meeting
4) Field coordination between Danish representations and ADVB-representations

Decisions in the board are to the extent possible taken by consensus. The line taken is reflecting the line of the shareholders. AsDB is still funding coal power, it is energy efficient, but it is not our priority.

In general AsDB and AsDF are very much willing to engage in dialogue with shareholders. AsDB has many times invited Denmark to participate in sector policy formulation, but have declined for the reasons of lack of own staff resources.

AsDB and AsDF has taken due concern to our specific country priorities. AsDF will allocate $905 million to Afghanistan for 2013-16. (Afghanistan can only receive grants). A high funding level of loans and grants is also provided to Pakistan. Finally AsDB has to our satisfaction involved the members extensively in the preparation of taking up work in Myanmar.

BACKGROUND INFORMATION

**Strategic plan of the organisation**

Guiding AsDB’s work is Strategy 2020, the long-term strategic framework. AsDB focuses on five core areas of operations: infrastructure; the environment, including climate change; regional cooperation and integration; finance sector development; and education.

**Governance structure**

AsDR’s highest policy-making body is the Board of Governors, which meets annually and comprises one representative from each shareholding member nation – 48 from the Asia-Pacific and 19 from outside the region. View the list of members. The Governors elect 12 members of the Board of Directors. The AsDB President, assisted by four Vice Presidents and a Managing Director General, manages the business of AsDB.

- **Danish participation in management/governing bodies:**
  - Each of the 12 Executive directors is backed by a constituency office of shareholders who combined holds approximately 8.3 pct. of the shares. The constituency office of Denmark always has a Canadian Executive director and advisors on a rotating basis from Sweden, Norway, Denmark, Netherlands and Ireland. Denmark is currently not represented in the CO and is up for a post as advisor (financed by the AsDB) in 2014.
  - **Names and title of management team:**
    - Micheline Aucoin, Executive Director for Canada, Denmark, Finland, Ireland, the Netherlands, Norway, Sweden.

**Employees**

**Number of employees:**

- 2,900 employees from 59 countries

**Number and rank of Danish employees (junior/mid-level/senior):**

- In 2011, seven Danish employees at senior professional level
The Global Fund to fight Aids, Tuberculosis and Malaria (GFATM)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Denmark's contribution to GFATM of total assistance to and via multilateral organisations in DKK, 2011

ORGANISATION OVERVIEW

Mandate

The Global Fund (established in 2002, GFATM) is a public-private partnership and international financing institution that invests funds in countries to support large-scale prevention, treatment and care programs against HIV/AIDS, tuberculosis and malaria. Investments are also intended to strengthen countries' health systems. 56% of funds go to fight HIV/AIDS, 17% to tuberculosis and 27% to malaria. To date GFATM has committed US$ 22.9 billion to programs in 151 countries. 55% of the funds go to Sub-Saharan Africa.

Role in the multilateral architecture

GFATM is uniquely placed in the multilateral system and has contributed immensely to the achievement of the MDG's, in particular MDG6. The Global Fund's first decade was characterized by rapid growth, notable successes and mobilization of billions of US dollars to fight HIV/AIDS, tuberculosis and malaria. GFATM has embarked on a serious and ambitious reform program following recommendations from the independent high level panel in 2011 on the urgent need to improve the Fund's business processes and procedures, including harmonization and alignment at country level. As a key element in implementation of the Fund’s new Strategy (2012-2016) a new funding model is being developed that aims to invest more strategically and maximize the impact of and value-for-money of its grants. A new method for allocating funds will focus on countries with highest needs and least ability to pay. The new model emphasizes cooperation with countries and alignment with national strategies. The General Manager has succeeded in steering the Secretariat during a demanding year and has embarked on a reorganization of the Secretariat to focus more on the core business of managing grants. Main challenges will be in relation to further implementation of the strategy and roll out of a new business and funding model.
FINANCIAL OVERVIEW

Danish and EC+EU27 contribution of total contributions (USD 3 billion) to GFATM in USD, 2011

USD 30.723.315
USD 1.359.161.496
USD 2.833.360.189

Danish contribution compared to main donors in USD, 2011

Trend in Danish Funding within the past 5 years in DKK
(all is core funding)

PERFORMANCE OF THE ORGANISATION

The Global Fund continued to deliver strong programmatic results with improved value for money. Absolute achievements for selected top 10 indicators are: (1) 3.3 million people currently receiving ARV therapy (102%), (2) 8.6 million smear-positive
TB cases detected and treated (68%); (3) 230 million Insecticide-treated nets distributed (55%); (4) 1.3 million HIV positive pregnant women receiving treatment under PMTCT programmes (67%). With regards to civil society engagement performance exceeded expectations with 37% of funds allocated to civil society organizations as implementers against a target of 35%.

Reporting on the key performance indicators (KPI) shows that some areas fell below expectations (the volume of financing disbursed to supported programs, the length of time taken to sign and operationalize new grants and aid effectiveness).

The current key performance indicators are not directly reflecting the strategic objectives of the new strategy and adjustments and developments of KPI’s will be needed. That work will start in 2013 and also inform the work on the development of the new Danish Organization strategy with the Fund.

GFATM has developed a results based management system, however indicators primarily show numbers of products distributed which does not allow for measurement of long term impact of GFATM activities. Also there is a need to measure preventive efforts and the work on human rights and gender equality.

Link to strategy and action plan of the organisation: http://fingerveum.dk/en/health/

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

The Fund will continue to be a key partner for Denmark in poverty reduction, achievement of social progress and fulfillment of the MDG’s. With its new strategy “Investing for Impact” and the explicit focus on promotion and prevention of human rights the Fund has strengthened its focus on human rights and will be an important partner for Denmark in implementing the rights based approach in the development cooperation. Strategic actions in “Investing for Impact” in relation to human rights include 1) ensure that Global Fund does not support programs that infringe human rights, 2) integrate human rights considerations throughout the grant cycle and 3) increase investments in programs that address rights-related barriers to access (including those relating to gender inequality). The strategy builds on existing initiatives aimed at addressing gender equality and sexual orientation and gender identity. Denmark will have a special role to play in maintaining a focus on building capacity and policies in these areas including development of key performance indicators to ensure a continued result based management approach. The new strategy has a clear vision to invest more strategically and focus on countries most in need. The new funding model currently under development and refinement aims to achieve this and will – when rolled out – contribute to a more fair distribution of funds based on new allocation criteria. This would eventually contribute to further poverty reduction and social progress in the poorest countries.

CHANNELS OF INFLUENCE

The Fund is very responsive to Danish policy priorities and engages in close dialogue at all levels. In the constituency Denmark has taken the lead on issues relating to human rights, gender equality and ensuring maximum effect for women and children’s health. This role will be a platform for strengthened dialogue with both the Secretariat and in raising and maintaining focus on the issues at Board level. The unforeseen increased engagement in the Board as alternate from 2013 and as Board member from 2015 will provide a unique opportunity for further advancement of Danish priorities. The Global Fund only employs one Danish staff. It could be considered to second Danish staff to e.g. the human rights/gender team in connection with implementation of the new strategy and also preferably in connection with Danish Board membership. In the future strategic high level policy dialogue should be pursued more regularly and for 2013 be planned as part of the preparation of the new Danish Organization strategy with the Global Fund.

BACKGROUND INFORMATION

Strategic plan of the organisation

The Global Fund Strategy 2012-2016: Investing for Impact (adopted November 2011) focuses on five strategic objectives: 1) Invest more strategically in areas with high potential for impact and strong value for money, and fund based on countries’ national strategies; 2) Evolve the funding model to provide funding in a more proactive, flexible, predictable and effective way; 3) Actively support grant implementation success through more active grant management and better engagement with partners; 4) Promote and protect human rights in the context of the three diseases; and 5) Sustains the gains, mobilize resources – by increasing the sustainability of supported programs and attracting additional funding from current and new sources.

Link to strategic plan of the organisation: http://www.theglobalfund.org/en/about/strategy/

Governance structure

The Board is the supreme governing body of the Global Fund (28 members, 20 voting) and includes representatives of donor and recipient governments, key international development partners, non-governmental organizations, the private sector (including businesses and foundations) and affected communities.

Following a review and strategic analysis of the fundamental governance structures, the Board in 2011 adopted revised by-laws, operating procedures, and endorsed a new committee structure with a clear decision-making framework. The existing committees were restructured into three new standing committees: the Strategy, Investment and Impact Committee; the Finance and Operational Performance Committee; and the Audit and Ethics Committee. The Board has also established a Coordinating Group to provide a mechanism for coordination and collaboration between the Board and its Committees in regard to the Board’s governance, risk and administration functions.

Link to Coordinating group: http://www.theglobalfund.org/en/about/strategy/
- **Danish participation in management/governing bodies:**
  Denmark is part of the Point Seven constituency (Norway, Ireland/Board member, Luxembourg, Netherlands, Sweden/alternate). It is foreseen that Denmark will engage as alternate in the Board from May 2013 and as Board member 2015-2017. Denmark was a member of the Board in 2004-2006.

- **Names and title of management team:** Mark Dybul became executive director of GFATM on 21st of January 2013.

<table>
<thead>
<tr>
<th>Employees</th>
<th>Number of Employees:</th>
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<tbody>
<tr>
<td></td>
<td>Number of employees: 579</td>
</tr>
<tr>
<td></td>
<td>Number and rank of Danish employees (junior/mid-level/senior)</td>
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<tr>
<td></td>
<td>1 Danish employee, Program Officer, grade 03 (equiv. to P2 in the UN system).</td>
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International Fund for Agricultural Development (IFAD)

**OVERVIEW OF ORGANISATION RATINGS**

<table>
<thead>
<tr>
<th>Relevance and effectiveness</th>
<th>Contribution to IFAD of total assistance to and via multilateral organisations in 2011, DKK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment</td>
<td>DKK 6,141,060.87</td>
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<tr>
<td>Organisational effectiveness</td>
<td>DKK 16,292.150</td>
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<tr>
<td>Contribution</td>
<td>DKK 25,000,000</td>
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<tr>
<td>Financing</td>
<td>DKK 25,000,000</td>
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<tr>
<td>Partnership</td>
<td>DKK 16,292.150</td>
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**ORGANISATION OVERVIEW**

**Mandate**
IFAD is an IFI and a specialized UN agency focusing on empowering poor rural women and men in developing countries to achieve higher incomes and improved food security. IFAD focuses on country-specific and sustainable solutions to rural poverty in developing countries, increasing poor rural peoples’ access to financial services, markets, technology, land and other natural resources, thereby enabling them to exit poverty.

**Role in the multilateral architecture**
Through its hybrid nature (UN agency and IFI) and specialized mandate, IFAD plays a crucial niche role in the international financial and development framework. IFAD works with hard-to-reach rural communities in least developed countries, fragile states and Sub-Saharan Africa, to which 2/3 of its loans and grants are directed, in close partnership with implementing national and local partners.

IFAD targets vulnerable groups such as indigenous peoples, and 60% of IFAD’s beneficiaries are women. IFAD promotes smallholder commercialization and integration in markets and value-chains as well as sustainable and resilient agricultural development adapted to climate change. IFAD plays an increasingly important advocacy role on food insecurity and rural poverty and development with linkages to among others MDG 1, 3 and 7, and feeds into on-going discussions on a post-MDG global framework. HR reform, sustainability at country-level, in particular in fragile states, and resource mobilization for up-scaling and increased impact of IFAD’s relatively small operations are a continuous challenge.

**FINANCIAL OVERVIEW**

IFAD provides loans and grants to developing countries, and manages resources for other development organisations. IFAD’s financing is drawn from several sources, incl. investment incomes, loan reflows and contributions from Member States and multilateral institutions. Contributions come through three-year replenishment contributions (un-earmarked) by its Member States, and through supplementary funds (earmarked) by Member States, as well as co-financing by other partners, incl. non-member countries, other IFI’s, civil society and private sector actors. An increasingly large share of contributions to IFAD is coming from domestic contributions from developing countries (from 22% in 2007 to 38% in 2011). The new Replenishment period is IFAD 9/2013-2015.

- **Core funding:**
  This should be understood in an IFI context based on triennial replenishment periods. For the replenishment period IFAD 8 (2010-12), the replenishment target of US$ 1.2 bn can be described as core funding, provided by Member States without earmarking. For the new replenishment period (IFAD 9/2013-15) the replenishment target is at record level of US$ 1.5 bn, of which over 90 % has been pledged. This includes the IFAD9 pledge by Denmark.

- **Earmarked funds:**
  Under IFAD8 Denmark has provided supplementary funding under the Neighbourhood Programme of a total of DKK 51.7 m (of which DKK 24.7 m for Armenia and DKK 27 m for Moldova.). Considerations are underway in EUN on possible new funding for IFAD in Moldova from 2013.
The Danish contribution (core funding/ear marked):
Under IFAD8 DKK 75 m were disbursed as Denmark’s replenishment contribution. Early 2012 Denmark de-posted its official “Instrument for Contribution” for IFAD9 following the resolution of the Minister for Development Cooperation. The total Danish IFAD9 replenishment contribution is DKK 85 m DKK for 2013-15, to be disbursed in three annual tranches (DKK 29 m in 2013; DKK 28 m in 2014; DKK 28 m in 2015).

EU contribution (core funding/ear marked):
EU is neither a Member of IFAD nor a permanent observer, but contributes with significant co-financing, between 2009 and 2011 a total of EUR 67 m.

PERFORMANCE OF THE ORGANISATION

IFAD is highly relevant to the Danish Strategy. It has performed in a satisfactory manner on the 5 priority areas in the Danish Organisational Strategy 2010-2012. The 2010 MOPAN co-led by Denmark highlights IFAD’s specialized mandate, results-based management and independence of its evaluation and reporting mechanisms. The final IFAD8 Action Plan reporting to KVA and UGS (January 9, 2013) demonstrates that IFAD has delivered fully or satisfactory on all indicators (19 out of 19). These include targeting of fragile states and poverty in Africa, as well as adoption of a new gender policy. There is a marginal improvement in IFAD’s final 2012 Action Plan grading compared to 2010 and 2011. Areas for improvement include i.e. sustainability and impact at country level as well as IFAD’s country presence.

The 2012 Multilateral Review highlights IFAD as a strong strategic partner, ranking it in the upper section of the effectiveness-relevance matrix. IFAD scores high marks on relevance for Danish development cooperation, compliance with the Paris Declaration and the Accra Action Plan, innovation and as an agenda-setting agency. It also scores high on systems for financial responsibility, incl. risk management and anticorruption, as well as participation in the international development system. IFAD scores midrange on its ability to provide information on results and challenges and on including new development actors. In line with Review recommendations, IFAD has intensified outreach to new actors i.e. through a newly launched Alternative Resource Mobilization Initiative, and has scaled up support at country level on green economy through i.e. the Adaption for Smallholder Agriculture Programme.
IFAD’s strategic priorities mirror core Danish development cooperation priorities, in particular the strategic priority Green Growth, justifying an announced 13% rise in Denmark’s contribution from IFAD8 to IFAD9. In line with the Danish Strategy’s rights-based approach, IFAD’s focuses on empowering rural poor people especially women, youth and indigenous peoples, promoting social progress and inclusive and sustainable growth. IFAD works to strengthen the capacity of developing country governments at all levels, supports capacity-building and employs a participatory approach vis-à-vis its target groups at country level, incl. individual smallholders, cooperatives, rural women groups and local and national government as implementing partners. By developing the economic potential of smallholder farmers as businesswomen and –men, particularly via participation in the production/value chain, IFAD contributes to promoting economic empowerment at country level. IFAD is present in the majority of Danish priority countries and regions.

As demonstrated in its Result Measurement Frameworks (IFAD8 & IFAD9), IFAD contributes positively to MGD1 on hunger and poverty (core mandate), on MDG3 on gender equality (up to 60% of IFAD’s target group is female and a new IFAD gender policy was approved in 2012) and MDG7 on environmental sustainability. IFAD is an important partner for Danish priorities on poverty alleviation in Sub-Saharan Africa, as between 40-50% of IFAD’s resources are directed to this sub-region. IFAD’s renewed engagement on climate change adaptation and agricultural sustainability is well in line with the Green Growth focus on supporting growth based on sustainable management and use of natural resources, promoting innovative technological and financial solutions in agriculture and climate as well as poor men and women’s increased participation and improved access to water, land, knowledge and finance. IFAD’s public private partnerships implemented at country level act as a catalyst for green growth and sustainable food production and value chains.

**CHANNELS OF INFLUENCE**

IFAD’s partnership potential is generally positively assessed. IFAD’s core values and priorities harmonize well with Danish Development Cooperation in strategic areas such as gender, climate change, fragile states and Sub-Saharan Africa, where IFAD is an active partner. There is a good on-going informal dialogue with IFAD’s Management and within IFAD’s Secretariat, with responsiveness on core issues. IFAD offers opportunities for secondment at both junior and senior level in areas of particular Danish interest.

The channels of strategic influence are multiple and mutually reinforcing. Denmark is a founding member of IFAD and an active participant in the EB, also for IFAD9. As EB member Denmark is able to promote a number of strategic issues of relevance to Danish priorities, i.e. IFAD’s Gender Policy containing clear Danish “fingerprints” following up on the MDG3 Torch to IFAD’s President; the inclusion of fragile states and Sub-Saharan Africa in the result-framework of IFAD9 as well as promoting cost efficiency and effectiveness within IFAD’s administrative budget and programme of work. IFAD provides a forum for active Danish collaboration with a wide range of constituencies. This serves to strategically influence IFAD’s direction as well as to include new players in a more or less binding international cooperation. Denmark participates actively in the OECD (List A) to monitor and discuss IFAD’s performance and to coordinate and deliver joint EB statements. Through List A Denmark’s strategic influence is optimized via joint messaging on corporate issues such as organisational efficiency and effectiveness, transparency and accountability. Denmark engages actively with the Nordic group though joint Nordic statements at IFAD’s annual Governing Council. IFAD also lends itself to wider alliance-building, i.e. on gender (GRULAC) and IDA harmonization (Gulf countries).

Denmark is active in subsidiary Committees and working groups, since 2011 as List A member in the Emoluments Committee on the President’s housing etc. This is a useful channel for access to IFAD top management. IFAD is a strategic player for an Agricultural Index of high priority to the Danish Minister, giving Denmark a preferential access to technical expertise. Any Danish climate funding would serve to increase this access further.

### BACKGROUND INFORMATION

**Strategic plan of the organisation**

IFAD’s Strategic Plan 2011-15 focuses on lifting poor rural women and men out of poverty, increasing resilience to climate change, environmental degradation and market transformation, improving nutrition, livelihood and raising incomes related to farm and non-farm enterprises. 40-50% of IFAD’s portfolio is allocated to Sub-Saharan Africa. 85,4% of IFAD’s 2011 allocation was for low-income food deficit countries.

Link to strategic plan of the organisation: [IFAD Strategic Framework 2011-2015](#)

**Governance structure**

Felix Nwanze (Nigeria) was elected President of IFAD in 2009 for a 4-year term. Nwanze is candidate for a second and final four year presidential term to be decided at the Governing Council 13-14 February, 2013 in Rome.

IFAD’s governing bodies consist of a Governing Council (highest decision making body with one annual meeting) and the Executive Board/EB (normally three annual meetings) and a number of underlying committees. Additional EB meetings may be convened during the year. IFAD is the only UN agency with a fully Independent Office of Evaluation (IOE), whose Director, budget and
programme of work are dealt with directly by the EB (and not IFAD Management).
The role of the EB, chaired by IFAD’s President, is to discuss and approve strategies and policies,
approve financing to Member States, provide oversight and review financial and development
effectiveness reporting and evaluations. The EB is composed of 18 members and 18 alternates,
representing all three member groups of IFAD. These member groups consist of List A (OECD
countries), List B (OPEC countries) and List C (Members from developing countries, divided into
sub-groups from Africa, Asia and Latin America). The EB is composed of 8 List A members, 4 List
B members and two members from each subgroup of List C. Decision making in the Board is
normally based on consensus, and it is chaired by the President. There are two permanent EB
committees (audit & evaluation), in addition to ad hoc committees and working groups.

- Danish participation in management/governing bodies:
  Denmark has a strong track record of EB participation in IFAD since its establishment. In
  List A, Denmark is in a sub-group with Japan and New Zealand. Denmark is (alternate)
  Member during the current IFAD8 and participates actively and fully in the EB on behalf
  of List A. This arrangement will continue during IFAD9. Denmark is a member of the
  Emoluments Committee, a Committee established by the Governing Council, consisting of
  nine Governors or their representatives, to deal with the allowances and other entitlements
  of the President.

- Names and title of management team:
  Kanayo Felix Nwanze, President (appointed in April 2009. The Government of Nigeria’s
  official candidate for a second presidential term from 2013-16)
  Vice-President, vacant since the departure of the former incumbent, Yukiko Omura
  (Japan) early 2012. Position to be filled after the Governing Council in February 2013.
  Kevin Cleaver (USA), Associate Vice-President, Programmes
  Carlos Sere (Uruguay), Chief Development Strategist
  Iain Kellet (UK), Chief Financial Officer
  Rutsel Martha (Netherlands), General Counsel
  Lakshmi Menon (India), Head, Corporate Services Department

| Employees | Number of employees:
|------------|------------------------------------------|
| IFAD has a total of 660 employees, most of whom are Rome-based at its Secretariat, with
  84 staff, including nationals, at country level, as well as a small North American Liaison
  Office.
| As of November 2012 there are a total of 14 Danish IFAD employees, incl. 2 JPO’s, 1 GS
  staff and 7 consultants. A former Danish JPO was hired as Associate Country Programme
  Manager after his JPO-ship ended in the summer of 2012, boosting IFAD’s JPO retention
  rate. Since the summer of 2012 there is a first Danish out-posted Country Programme
  Manager (Vietnam). In addition, IFAD manages a core pool of consultants which includes
  7 Danes, 5 of which are Rome-based and full-time employed by IFAD.
| IFAD does not have an informal quota system for internationally recruited staff in relation
to level of contributions. However, in relation to its level of financial contribution to
IFAD, Denmark is considered to be within an acceptable range and above other Nordic
countries that are higher contributors to IFAD.

Number and rank of Danish employees (junior/mid-level/senior):
- High – mid level Professional (P) staff: 2, including 1 out-posted P5 (Country Programme
  Manager Vietnam) and 1 P5 (Country Programme Manager IFAD Secretariat)
- Junior P staff: 4, including 1 P3 and 3 P2’s (incl. 2 JPOs)
- Consultants: 7 (5 of whom are working in IFAD’s Secretariat in Rome)
- General Service (GS) staff: 1
Office of the High Commissioner for Human Rights (OHCHR)

### OVERVIEW OF ORGANISATION RATINGS

<table>
<thead>
<tr>
<th>Relevance and effectiveness</th>
<th>Contribution to OHCHR of total assistance to and via multilateral organisations in DKK, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment</td>
<td>Core funding: DKK 13,000,000</td>
</tr>
<tr>
<td>Organisational effectiveness</td>
<td>Earmarked funding: DKK 4,180,000</td>
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<td>Contribution</td>
<td>Other multilateral organisations</td>
</tr>
<tr>
<td>Partnership</td>
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### ORGANISATION OVERVIEW

**Mandate**
The mandate of the High Commissioner for Human Rights is to promote and protect human rights and protest when these are violated. The mandate is carried out through normative development of human rights, surveillance of compliance, and ensuring strengthening of the UN’s approach.

**Role in the multilateral architecture**
OHCHR plays a leading role in strengthening the UN system-wide efforts to mainstream human rights in UN operational activities for development. Furthermore, OHCHR provides an invaluable secretarial function in relation to the HRC, the Universal Periodic Review (UPR), treaty bodies and the special procedures. The High Commissioner herself enjoys a high level of respect and credibility among UN member states and civil society. OHCHR is under constant pressure from countries – mainly from the Global South – who want more focus on ESC rights at the expense of the more sensitive political and civil rights. OHCHR also faces a challenge as several countries seek to intensify the dialogue with the High Commissioner with the aim of bilaterally controlling and monitoring the work of OHCHR. An increase in the number of assignments mandated to the OHCHR from an increasingly active HRC is yet another challenge facing the Office as the Office struggles to strike a meaningful balance between the many different human rights issues.

### FINANCIAL OVERVIEW

- Core funding: 3% of the regular UN budget which for the 2010-2011 biennium amounted to USD 151.6 million. In 2011, USD 111.1 million derived from voluntary contributions.
- The Danish contribution (core funding/ear marked): DKK 13 million unearmarked, DKK 2 million earmarked to the UN Voluntary Fund for Victims of Torture (UNVFVT), and DKK 2.18 million earmarked to OHCHR’s activities in the MENA region (2011).
- EU contribution (core funding/ear marked): ECHO contributed in 2011 with USD 5.09 million unearmarked, USD 2.67 earmarked. The EU member states contributed with USD 57.7 million in total where USD 31.1 million were unearmarked and USD 26.6 million were earmarked.
Contributions (244,400,000) in USD, 2011

Denmark's contribution of total contributions to OHCHR in USD, 2011

Danish contribution compared to main donors in USD, 2011

Trend in Danish Funding within the past 5 years in DKK (core funding/earmarked)
PERFORMANCE OF THE ORGANISATION

OHCHR’s performance related to Danish priorities is overall assessed to be satisfactory. In this context, the following developments in 2011 deserve mentioning: OHCHR officially launched a process of consultations seeking to strengthen the treaty body system; OHCHR upgraded efforts to support other UN organizations i.a. by chairing and coordinating the work of the UN Development Group Human Rights Mainstreaming Mechanism, by working with UN country teams on integrating human rights in their work, by contributing to the development with the DPA and DPKO of a policy on human rights in UN peace and political missions, and by playing a leading role in developing a human rights-based policy on UN support for non-UN security forces. OHCHR further contributed to the strategic planning process of UN Women and prepared a joint work plan for submission to the 56th session of the Commission on the Status of Women and the 19th session of the HRC, and actively cooperated on themes related to developments in the Middle East and North Africa during the Arab spring. Still, there is room for improvements, for example when it comes to prioritising the provision of adequate resources to treaty bodies or taking a strategic approach to incorporating human rights in conflict and security.

Link to strategy and action plan of the organisation:

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

The work of OHCHR is particularly relevant in the promotion of a human rights based approach (HRBA) to development. The approach taken by OHCHR is that economic growth and access to basic needs alone do not fight poverty. An HRBA with a focus on equality, non-discrimination, accountability and active and meaningful participation of the population in decision-making processes is crucial to achieve development. Extreme poverty reduction, elimination of discrimination, gender equality, strengthening the rights of women and girls, including the right to sexual and reproductive health, strengthening the rule of law, and protection of civilians are merely a few areas where direct links between the activities of the OHCHR and the priorities in the Danish development strategy can be established.

One of OHCHR’s expected results in 2012-13 is increased integration of human rights standards and principles in national development plans, poverty reduction strategies, public budgets, laws and policies governing development cooperation, trade, finance, investment and business activities. OHCHR intends to contribute to this result by implementing strategic interventions that will include reviewing and sharing information on good practices and lessons learned in the application of a human rights-based approach to development planning at the country level.

CHANNELS OF INFLUENCE

The Danish Mission to the UN in Geneva engages in a close and continuous informal collaboration with OHCHR as well as in annual formal consultations within the setting of the Rubens Group. The Rubens Group is an informal collaboration between like-minded OHCHR country donors, incl. Sweden, Finland, UK, Ireland and the Netherlands (Norway has recently pulled out of the collaboration), and it convenes regular meetings to discuss common priorities and possibilities to strengthen the work of OHCHR. Once a year the Group meets formally with the High Commissioner as well as Secretariat staff. The Rubens meetings provide a valuable tool for Denmark to interact with the OHCHR at the highest level and are in general a useful forum for Denmark to raise important human rights issues with like-minded. This year, the Rubens Group has decided on a new format for the yearly discussions with the HC which will be more focused on management and financial aspects. Denmark has proposed that the Rubens group consider conducting an independent consultancy analysis on funding and management depending on the results of the ongoing internal review which are expected by the end of 2012.

In light of the significant increase in the Danish contribution to the OHCHR planned for 2013, improving and strengthening the strategic collaboration between the Office and Denmark is envisaged through regular high-level bilateral meetings with the High Commissioner. Such high-level dialogue should be used to promote the role of the OHCHR in mainstreaming HRBA into the UN system in general just as more emphasis should be put into creating greater synergy between recommendations from treaty bodies, special procedures and the UPR and country strategies in developing countries.

Increasing the number of Danish funded secondments and JPO’s could also be considered with a view to strategically enhance and strengthen a two-way partnership with OHCHR.

BACKGROUND INFORMATION

| Governance structure | OHCHR is part of the UN Secretariat with headquarters in Geneva, a liaison office in New York and offices in numerous countries and regions. High Commissioner for Human Rights answers directly to the UN Secretary General. OHCHR provides technical, substantive and secretariat support to the Human Rights Council (HRC). As HRC can mandate OHCHR with assignment, the Council has a significant role in deciding how OHCHR spends its resources.  
  - Danish participation in management/governing bodies:  
  - Denmark takes active part in the UN General Assembly negotiations related to the OHCHR and its |
budget, as well as in HRC as an active observer.

- **Names and title of management team:**
  - High Commissioner for Human Rights: Ms Navi Pillay (since 2008)
  - Deputy High Commissioner (ASG): Ms. Kyung-wha Kang (since 2007)
  - ASG (New York Liaison Office): Ivan Simonovic (since 2010)
  - Country and region offices are headed by Executive Directors and Managers

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<th>Number and rank of Danish employees (junior/mid-level/senior):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior: 1 (P5)</td>
</tr>
<tr>
<td>Mid: 5 (3 P4s, 2 P3s)</td>
</tr>
<tr>
<td>Junior: 1 (P2/JPO)</td>
</tr>
<tr>
<td>General Service: 1 (G6)</td>
</tr>
</tbody>
</table>
The United Nations Children’s Fund (UNICEF)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Contribution to UNICEF of total assistance to and via multilateral organisations in DKK 2011

ORGANISATION OVERVIEW

Mandate
UNICEF upholds the Convention on the Rights of the Child and seeks to contribute to build a world where the rights of every child are realized. UNICEF works to ensure equality for those who are discriminated against, girls and women in particular. UNICEF works for the MDGs and for the progress promised in the United Nations Charter. UNICEF strives for peace and security and work to hold everyone accountable to the promises made for children.


Role in the multilateral architecture
UNICEF is a key multilateral player due to the strong mandate, decentralized model and global presence with programs in more than 150 countries. The twin humanitarian and development mandate provides UNICEF with a considerable comparative advantage in relation to providing a consistent and stable response at the intersection of humanitarian and development interventions.

UNICEF's work is based on a cross-cutting normative mandate - guided by the 1989 Convention on the Rights of the Child, and on its reporting and monitoring obligations in relation to the mandates of the UN Secretary General’s special representatives on sexual violence, children in armed conflicts and violence against children. UNICEF is a highly experienced and robust development actor with a very well-tested business model. The opportunity to demonstrate tangible and meaningful results helps UNICEF attract wide-spread support from a diverse set of donors. This is clearly a considerable organizational strength for UNICEF but may not be allowed to create dependency on fast and ‘easy to measure’ interventions in for example health services to the potential detriment of the fulfillment of more complex, difficult, or long term priorities.

FINANCIAL OVERVIEW

Overall income 3.7 billion USD, 2011

From 2002-2009 Denmark allocated DKK 180 million annually in core funding. This was cut to DKK 155 million in 2010 and remained the same in 2011. In 2012, due to an extra contribution late in the year, the collective Danish allocation for the year amounted to DKK 165 mio. Approximately 20% of overall funding from Denmark is allocated through local embassies. Denmark has increasingly focused its ear marked support to UNICEF on education and water and sanitation programmes at the country level, but has also supported HIV/AIDS and child protection programmes.

**PERFORMANCE OF THE ORGANISATION**

UNICEF is overall a strong development and humanitarian performer with a significant stake in the fulfillment of the MDGs, especially in relation to hunger, education, child and maternal mortality, water and sanitation, and a strengthened global partnership for development. With regard to the Danish organization strategy and action plan, UNICEF continues to deliver overall solid results and displays openness and willingness to engage in constructive dialogue.

In line with the recommendations of the 2012 Review, UNICEF continues to be a global leader on implementation of HRBA, among other things because of the protection mandate and strong links with CRC, CEDAW and other human rights instruments. In addition, UNICEF plays an important role for HRBA in humanitarian frameworks, and in relation to Security Council Resolutions on Women, Peace and Security, and Children in Armed Conflict. In 2011/2012 UNICEF evaluated its’ HRBA in programming. The resulting discussions internally and in the UNICEF Executive Board could be a steppingstone to revitalization and a further strengthening of the approach. An important indicator will be the status of HRBA in the new medium-term strategic plan (MTSP) 2014-17 and its’ meaningful integration in the results framework. Also in line with the recommendations, UNICEF has continued to build its comparative strengths in fragile states, including through taking steps to enhance risk informed programming, developing risk mitigation measures, and initiating a dialogue with donors on shared risk.

UNICEF’s unique twin mandate as a both humanitarian and development actor positions the organization exceptionally well to take the lead on issues of transition, linking humanitarian efforts with development, and resilience building.

**RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES**

UNICEF’s mandate, anchored in the Convention on the Rights of the Child (protecting children’s rights in all forms and all contexts) and the Convention on the Elimination of All forms of Discrimination of Women (mainstreaming gender equality), is highly relevant for Denmark’s strategic priorities for development cooperation, particularly for the priority areas of social progress, and stability and protection.

UNICEF’s work and focus is well aligned with Danish development priorities, particularly in the areas of human rights and equity, children’s rights, health and reduction of child mortality, education and gender equality. In this regard, UNICEF’s human rights based approach to programming, complimented by the roll-out of the equity approach, is a key factor.

In addition, when it comes to cooperation on fragile and conflict affected states UNICEF’s presence and considerable staying power on the ground worldwide in both development and fragile/humanitarian contexts, combined with a strong emergency response capacity, make the organization a solid and relevant partner for Denmark.

UNICEF in 2011 continued to achieve a satisfactory level of performance in terms of accomplishing the priority goals set out in the current Danish action plan. Overall, the organization maintains a well-run operation, which manages to adapt and stay relevant to the overall development agenda - with the small caveat, that the current strategic plan is from 2006, and therefore understandably is showing its’ age.

Going forward, UNICEF needs a new up-to-date, innovative and flexible strategic plan which will allow the organization the needed nimbleness to adapt to the shifting global aid architecture, to the emerging post-MDG framework, and to different country contexts. Importantly, UNICEF must be able to build better bridges and connections between the various areas of interventions, including between sectors and with regards to humanitarian and development efforts.

**CHANNELS OF INFLUENCE**

UNICEF displays a considerable level of willingness to engage in strategic dialogue with Denmark, especially at headquarters level. In this regard, the main avenue for the dialogue is the annual high-level dialogue with Executive Director Tony Lake, complimented by continuous meetings and dialogues at Deputy or expert level. Denmark is a leading and very active participant in the three annual meetings of the Executive Board of UNICEF regardless of formal membership status. Denmark is active both on a national basis, as a member of the Nordic group, and of the group of Western European and other countries group. In addition, Denmark strives to reach out to countries outside these configurations, in particular program countries.

Bearing in mind the current elaboration of a new strategic plan for 2014-17, Denmark will work to strengthen its’ influence on the strategic priorities of the organization, including through working in the Nordic configuration which is exceedingly strong in this context. This should happen alongside active Danish and Nordic participation in the broader processes regarding the elaboration of a post-MDG framework that reflects Danish priorities. Denmark should also continue to complement its’ status as a top ten core funder with providing strategic earmarked funding, especially in support of innovation and investments that can lead to improved performance for UNICEF. Denmark should also seek to continue its’ practice of dedicating part of the annual funding from the humanitarian partnership framework agreement to global support in order to strengthen this aspect (including reform and surge capacity) of UNICEF and to further cement its’ status as a best practice donor. Finally, Denmark should continue to strengthen the constructive dialogue regarding risk, particularly in fragile and difficult country contexts, with UNICEF and the other funds and programs, in order to support the creation of an enabling environment for an operational and organizational model that will allow the organizations to work in these contexts with the appropriate safeguards in place.
**Strategic plan of the organisation**

The current strategic plan was adopted by the UNICEF Executive Board in 2005 for the period 2006-09. It has since been extended twice and is now in force until 2013. Extensions were done in order to bring UNICEF’s plan and the plans for UNDP and UNFPA into alignment. The UNICEF MTSP has 5 focus areas: Child Survival and Development; Basic Education and Gender Equality, HIV/AIDS and Children; Child Protection and Policy Advocacy and Partnerships. A new strategic plan for 2014-17 is currently being developed, and is expected to be finalized in September 2013.

Link to strategic plan of the organisation: [http://www.unicef.org/about/execboard/files/05-11_MTSP.pdf](http://www.unicef.org/about/execboard/files/05-11_MTSP.pdf)

**Governance structure**

UNICEF is administered by an Executive Director (ED) under policies established by an Executive Board in accordance with such principles as may be laid down by ECOSOC. Since 1946, UNICEF ED’s have been appointed by the United Nations Secretary-General in consultation with the UNICEF Executive Board.

- Danish participation in management/governing bodies:
  - Denmark will be on the UNICEF Executive Board in 2013 and 2014.

- Names and title of management team:
  - The current ED, Anthony Lake (USA), is UNICEF’s sixth. He was appointed on 1st May 2010. There are three Deputy Executive Directors: Martin Mogwanja (management), Geeta Rao Gupta (programmes) and Yoka Brandt (external affairs).

**Employees**

Number of employees:

- App. 11,000 staff members globally.

Number and rank of Danish employees (junior/mid-level/senior):

- UNICEF employs app. 125 Danish nationals (35 professionals; 3 JPOs and 87 support staff in Copenhagen). The highest ranking Dane is D-2 (UNICEF representative in Pakistan).
The United Nations Development Programme (UNDP)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Contribution to UNDP of total assistance to and via multilateral organisations

ORGANISATION OVERVIEW

Mandate

UNDP’s mandate covers poverty reduction and achieving the MDGs, democratic governance, crisis prevention and recovery, environment and sustainable development. UNDP’s ultimate goal is to generate positive and transformative changes in peoples’ lives and to offer them choices and opportunities.

UNDP also functions as the chair of the UN Development Group and as manager of the Resident Coordinator system.

Role in the multilateral architecture

UNDP is a thought leader in the field of sustainable human development. UNDP maintains a wide field-presence, with offices in 129 countries and operations in an additional 48. Headquartered in New York City, the organisation also ensures its global presence through six regional centres and five representation offices. The UNDP Administrator serves as chair of the UN Development Group (UNDG) comprising 32 agencies, while UNDP Resident Representatives also serve as Resident Coordinators at country level. UNDP’s long-term country presence as well as in-depth local knowledge, uniquely positions the organization to play a leading role in contexts that are often politically sensitive and complex in character.

UNDP is the only UN development agency with a specific mandate to promote democratic governance, which is critical for the achievement of the MDGs, managing and preventing conflict and tackling climate change. As governance can either break or accelerate progress towards the MDGs, UNDP has consistently devoted the largest share of its resources (approx. 40%) to help countries deliver on this area.

On average, UNDP is helping a country with an election every three weeks. In 2011, UNDP provided electoral support to 58 countries.

Demonstrating and attributing results to development support in complex areas such as democratic governance, sustainable development and crisis prevention and recovery is challenging but UNDP is committed to continue improvement in what it does and to a strong focus on results. As part of this commitment, UNDP embarked on an internal reform process, under the Agenda for Organizational Change (AOC), to improve organizational effectiveness and leadership of the organization.

UNDP acknowledges the need to enhance its strategic focus and internal preparations for the UNDP 2014-2017 Strategic Plan are well underway. Substantive analysis of the development context, UNDP operational performance and assessment of possible future need and demand for services from UNDP are all taking place at this time in consultation with UNDP’s Executive Board members to receive their views and engage substantively on UNDP’s focus in the next Strategic Plan.

The Nordic liaison office of UNDP is located in the UN City in Copenhagen.
UNDP is funded entirely from voluntary contributions provided by bilateral and multilateral partners and programme countries. Contributions in 2011 totaled $4.83 billion. Regular core resources, which are non-earmarked funds, accounted for 20 per cent of this total.

**Total income (4,830,000,000) in USD, 2011**

- Regular core resources
- Ear marked funds

**Denmark’s contribution of total contributions to UNDP in USD, 2011**

- The Danish contribution earmarked
- The Danish contribution core funding
- UNDP’s contribution from other donors/sources

**Danish contribution compared to 10 main donors**

- Core funding
UNDP’s coordination role within the United Nations system is seen as a key organizational strength in both the 2009 and 2012 draft MOPAN, among other assessments. UNDP’s strengths are particularly highlighted as Chair of the United Nations Development Group, lead agency for the Millennium Development Goals, publisher of the Human Development Reports, and coordinator of the Delivering as One initiative within countries.

UNDP’s performance in documenting results has given rise to criticism but it is recognized that the organization is working to improve its planning, monitoring, evaluating, and reporting on results through a range of efforts reported regularly to its Executive Board. UNDP’s Agenda for Organizational Change (AOC), initiated in 2011, launched a reform process that aims to enhance organisational effectiveness; improve internal governance; strengthen leadership, culture and behaviour; and ensure effective programme delivery. In particular, the AOC aims to improve UNDP’s strategic planning and priority-setting, organisational performance and results, programme quality and focus, as well as results and resource linkages. The preliminary results of the draft MOPAN of 2012 found that “UNDP is clearly committed to results-based management across the organization and is working to improve corporate and country level planning, monitoring, and reporting on results”. However, the report also underlines that the current reporting at corporate and country level does not yet provide a holistic picture of organizational performance.

UNDP has strong systems in place for financial audits, strong policies for anti-corruption and risk management, and procedures to address financial irregularities. UNDP also promotes transparency, making it relevant for national development planning, public financial management, mutual accountability and other processes at country level. In 2012, UNDP ranked 10th in the Aid Transparency Index.

UNDP has played an important role in both the Rio+20 conference and is a key player in the process of developing the post-2015 development agenda.

UNDP is committed to find new and effective ways of working together with DPKO and other members of the UN family in the field based on their respective comparative advantages in the area of Fragile and Conflict affected Situations and in 2012 a joint focal point on Rule of Law was established. In addition, UNDP’s is working to improve collaboration with the World Bank (e.g. UNDP engaged with the WB on the WB’s 2011 World Development Report which emphasizes the complementarity of mandates).

Link to strategy and action plan of the organisation: [http://www.undp.org](http://www.undp.org)

**PERFORMANCE OF THE ORGANISATION**

UNDP’s mandate provides a solid platform for synergy between the new Danish development strategy – The Right to a Better Life – and UNDP’s strategic priorities and the organisation is working in line with the 2012 multilateral review. The four focus areas in the new Danish strategy and its rights-based approach are all important parts of UNDP’s work. As a thought leader in its field with a global knowledge network to draw upon, UNDP enjoys a strong legitimacy and is a trusted and often preferred partner of governments in developing countries and hence uniquely positioned as a convener and knowledge broker at both national and global level. Its role as chair of the UNDG and as Resident Coordinator at country level also gives UNDP an important position in mobilising the UN development system as a whole.

Human Rights and Democracy; Denmark has long recognized UNDP comparative strength and advantage in supporting effective and accountable governance systems and in promoting rule of law. UNDP is the only UN development agency with an explicit mandate and focus on governance, and offers significant expertise, a substantive body of global evidence-based knowledge and experience in the field. UNDP’s close relationship with national governments as manager of the RC system provides easy access to key government institutions but also places UNDP in a situation where the fine balance between being a trusted partner and a state-of-the-art policy advisor continuously has to be kept in mind.

Stability and protection: UNDP has a strong focus on crisis prevention and recovery and supports a large number of countries in building resilience to shocks and crisis, either man-made or natural, and to recover from crisis and disasters in ways that strengthen countries and communities resilience and disaster preparedness in the future. UNDP’s governance work, including its governance for peace, is closely integrated into this work and builds on decades of experience of working in fragile and crisis...
prone countries. Since the launch of the WDR 11 on fragile states, UNDP has increased its cooperation with the WB and has taken on a lead role on RoL. In addition, UNDP is playing a key role in the implementation of the New Deal.

Green Growth; UNDP’s core mandate is sustainable human development and UNDP’s combined focus on the environment and access to energy for all focuses on advancing human development by way of supporting sustainable energy solutions that at the same time help reduce poverty and benefits the poor. UNDP is playing an important role to leverage the sustainable development agenda at country level.

Social Progress; Under its poverty reduction programme, UNDP supports vocational training, job creation and access to micro credits, as well as capacity building of public service deliveries and social safety mechanisms.

Rights-based approach; as mentioned in the draft MOPAN report for 2012, HRBA is not an explicit cross-cutting theme for UNDP, and UNDP lacks the dedicated human resources and accountability mechanisms to ensure mainstreaming. But UNDP engages in over 90 countries providing specific advice on strengthening national human rights systems, human rights programming, gender equality and engaging with human rights machineries.

Due to the broad mandate of UNDP and the UNDP’s role as “provider of last resort”, sharpening of focus and performance are continuing priorities in Denmark’s collaboration with UNDP towards the adoption of the next strategic plan for 2014-2017.

CHANNELS OF INFLUENCE

Denmark plays a very constructive and at times critical role in its strategic policy dialogue with UNDP.

Denmark is participating actively in the discussions of the Executive Board, which provides a platform for Denmark to leverage its power beyond its financial contribution by way of choosing a pragmatic, constructive and cooperative role.

Denmark also holds annual consultation meetings, which traditionally have been held between the UNDP Administrator and the PR to the Danish Mission in NY. This consultation process will be expanded to annual consultations at the level of the Danish Minister for Development Cooperation.

The Nordic countries collaborate closely on issues of common interests, including with a view to the elaboration of the next strategic plan. This Nordic configuration provides further leverage to Danish positions together with other likeminded donor groupings like Nordic+ and Utstein.

Beyond these formal channels of partnership discussions, UNDP and the Danish MFA are in continuous and open dialogue via the Danish Mission in NY, the UNDP Nordic Representation Office and the MFA, and through the UNDP country offices and respective Danish Embassies.

Another channel of influence, albeit more indirectly, is through the JPO programme, secondment of staff and use of Danish experts in UNDP, which provides Denmark national and cultural influence in the organisation.

BACKGROUND INFORMATION

| Strategic plan of the organisation | UNDP’s Strategic Plan for 2008-2011, which was extended to 2013, defines four focus areas based on the highest levels of demand: achieving the MDGs and reducing human poverty, fostering democratic governance, supporting crisis prevention and recovery, and managing energy and the environment for sustainable development. In addition, the Strategic Plan explicitly identifies three cross-cutting priorities to be mainstreamed throughout the organisation’s four areas of focus (i.e., capacity development, gender equality, and South-South cooperation). UNDP Strategic Plan, 2008-2011: Accelerating Global Progress on Human Development (2008) http://web.undp.org/execbrd/adv2008-annual.shtml |
| Governance structure | UNDP is governed by an Executive Board composed of representatives from 36 member states who serve on a rotating basis. Responsibilities of the Executive Board include approving UNDP’s programmes, monitoring its performance, deciding on administrative and financial plans and budgets, and reporting to the UN Economic and Social Council annually. The Administrator, appointed by the United Nations Secretary-General in consultation with the Executive Board, is the head of UNDP and is responsible for providing direction and control. |
| Employees | Number of employees: The total UNDP workforce is 8020 staff: 2658 international staff, 1486 national officers and 3876 general staff. Number and rank of Danish employees (senior/mid-level/junior): 1 ASG, 2 D2, 4 D1, 2 P6, 11 P5, 16 P4, 12 P3, 2 P3/SARC, 3 P2, 6 P2/JPO, 15 G7, 20 G6, 1 G4 |
The United Nations Environment Programme (UNEP)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness
Contribution to UNEP of total assistance to and via multilateral organisations

ORGANISATION OVERVIEW

| Mandate | UNEP is the designated authority of the United Nations system in environmental issues at the global and regional level. Its mandate is to coordinate the development of environmental policy consensus by keeping the global environment under review and bringing emerging issues to the attention of governments and the international community for action. |
| Role in the multilateral architecture | UNEP was established in 1972 as the designated authority of the UN system in environmental issues at regional and global level. UNEP core tasks are analytical, normative, coordinating and advisory with the aim of being the leading global environmental authority that sets the global environmental agenda, promotes coherent implementation of the environmental dimension of sustainable development within the United Nations system and serve as the authoritative advocate for the global environment. In accordance with the Rio+20 outcome document of June 2012 and the follow-up processes outline herein, UNEP will be strengthened and upgraded in several aspects. Most notably UNEP is expected to see increased financial resources from the UN regular budget and universal membership of its governing body will be introduced. UNEPs role will also be reinforced in areas such as the promotion of a strong science policy interface; UNEPs engagement in key UN coordination bodies; on formulation of UN system-wide strategies on the environment and the provision of capacity-building to countries, including access to technology. UNEPs main weakness is the unpredictable sources of financing due to the reliance on a small group of major donors. Historically, UNEP has lacked clout in relation to other UN institutions, however with the Rio+20 outcome document UNEP is expected to enhance its voice in the UN system through strengthened engagement in key UN coordination bodies and the mandate to formulate UN system-wide strategies on the environment. This is inter alia expected to translate into a stronger UNEP representation in New York, but will also require strong support from Member States. |
FINANCIAL OVERVIEW

Total contributions to UNEP in USD, 2011

- Core funding
- Ear marked funds

USD 114,100,000
USD 101,000,000

Danish and EU contribution of total contribution in USD, 2011

- USD 6,000,000 - The Danish contribution ear marked
- USD 4,600,000 - The Danish contribution core funding
- USD 17,500,000 - EC contribution ear marked
- USD 187,000,000 - Contributions to UNEP from other donors/sources

USD 187,000,000

Danish contribution compared to main donors in USD, 2011

- Norway (22,000,000)
- Germany (9,600,000)
- ECL (11,500,000)
- UK (15,200,000)
- Switzerland (11,800,000)
- Denmark (10,000,000)
- USA (11,000,000)
- Finland (8,600,000)
- France (8,600,000)
PERFORMANCE OF THE ORGANISATION

UNEP has overall performed satisfactorily within the past year. UNEP delivered valuable inputs to the preparations of Rio+20, primarily in the areas of International Environmental Governance and Green Economy. UNEP’s submission on the zero draft of the Rio+20 outcome document was well reflected in the final document. In addition, UNEP’s work has contributed technical inputs to inform several key substantive areas in the document, including chemicals, ecosystems, food security and agriculture, green economy, resource efficiency, sustainable consumption and production and Sustainable Development Goals (SDGs).

In relation to the implementation of the Programme of Work, UNEP released the fifth Global Environment Outlook Report, the second “Emissions Gap Report” in relation to COP17 in Durban, and a very comprehensive study on oil contamination in Ogoni Land, Nigeria, which led to government commitment to a comprehensive clean-up operation. UNEP also provided support to the establishment of the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) and continued to develop the methodology for valuation and accounting for ecosystem services (TEEB). UNEP furthermore supported the negotiation processes on chemicals and wastes, including the process for development of a legally binding instrument on mercury.

In relation to the Strategy for Danish Development Cooperation with UNEP 2009–2013 the organisation has shown good progress at the institutional level. Results based management has significantly improved, but there are still outstanding issues on result-based budgeting and improving the reporting structures and delegation of authority. Another Danish priority is an improved strategic presence at the regional level and in New York in order to increase effectiveness at country-level and cooperation with other multilateral organisations. Both priorities are reflected in the Rio+20 outcome document and UNEP is currently taking measures in this direction. This is also expected to further improve UNEP’s work in relation to “Delivering as One UN”.

The unpredictable funding will to some extent be addressed through an expected increase in UN regular budget funding from the current 0,26 % to 1,0 %. UNEP still needs to increase funding from non-traditional donors, yet the organisation does not seem to have a clear strategy for this.


RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

As the most significant international proponent for green economy UNEP plays an important role for the priority “Green Growth” in the strategy for Denmark’s development cooperation. Although UNEP has no implementing role itself the advice, coordination, information gathering and promotion of the green economy agenda are UNEP core priorities that create understanding for green initiatives and a more enabling international environment for green growth. UNEP is a strong and essential partner in the Danish efforts to promote global green growth and in formulating the green economy paradigm.

UNEP Green Economy Advisory Services consist of policy advice, technical assistance and capacity building provided to governments in support of their national and regional initiatives to transform and their economies in a green direction. Since Rio+20 UNEP has increased its advisory services partnerships with a number of countries. The advisory services focus primarily on contributing to better national and regional conditions for green growth in developing countries. UNEP is engaged in a large number of areas related to green economy and poverty such as the Partnership for Action on Green Economy (PAGE), the 10-year Framework of Programmes on Sustainable Consumption and Production (10YFPSCP), the International Resource Panel, The Economics of Ecosystems Management and Biodiversity (TEEB) and the Poverty and Environment Initiative.

UNEP will in collaboration with UNDP lead thematic consultations on environmental sustainability that will feed into the post-2015 process through the UN Secretary-Generals High Level Panel on the UN post-2015 development agenda that, according to the Rio+20 agreement, will be coordinated and coherent with the Sustainable Development Goals.
Denmark’s strategic dialogue with UNEP takes place annually at joint Nordic consultations. The Nordic countries are all among the top 10 donors to UNEP and a common Nordic voice is a strong channel of influence on UNEP. Consultations are characterised by open, frank discussions and responsiveness from UNEP’s side. UNEP is to a large extent acting and developing according to Danish priorities, which will be further reinforced with the implementation of the Rio+20 outcome document.

Denmark also has a strong voice in the Committee of Permanent Representatives (CPR) especially due to holding the current chairmanship of the committee. If the CPR is reformed as a result of the universal membership of the General Council the options for Danish influence will naturally have to be reconsidered.

In the medium term Danish contributions to UNEP will increasingly be directed towards core-funding. Increased funding under an agreement with UNEP where certain percentages of the funds are allocated to sub-programmes of particular Danish interest is currently in the drafting process. Sweden and Norway have similar agreements with UNEP.

Denmark has for several years seconded 2-3 JPOs to UNEP in areas of special Danish interest.

**BACKGROUND INFORMATION**

**Strategic plan of the organisation**

UNEP Medium-term Strategy for 2010-2013 focuses on six areas: Climate change, Disasters and conflicts, Ecosystem management, Environmental governance, Harmful substances and hazardous waste, Resource efficiency – sustainable consumption and production. UNEP’s draft Medium-term Strategy for the period 2013-2017 contains, in addition to six focus areas mentioned above, the focus area of environment review.

[Link to strategic plan of the organisation:](http://www.unep.org/PDF/FinalMTSGCSS-X-8.pdf)

**Governance structure**

UNEP has since 2006 been led by Executive Director and UN Under-Secretary General Achim Steiner.

UNEP Governing Council (GC) convenes annually to review and provide general policy guidance to UNEP, including reviewing and approving the Programme of Work and the utilization of resources of the Environment Fund (managed by UNEP). The GC reports to the UN General Assembly through ECOSOC. As a result of the Rio+20 outcome document GC will now have universal membership.

Hitherto the 58 members of the GC were elected by the UN General Assembly for a 4 year term. The Global Ministerial Environment Forum is convened annually to review important and emerging policy issues in the field of the environment, with the GC constituting the forum either in its regular sessions (budget years) or special sessions.

The Committee of Permanent Representative (CPR) is a subsidiary body of the GC for consultation between Member States and the UNEP Executive Director between GC sessions. The mandate of the CPR includes reviewing, monitoring and assessing the implementation of GC decisions, reviewing the UNEP Programme of Work and budget and monitoring its implementation, and preparing draft decisions for consideration by the GC. CPR meets at least four times annually with the UNEP Executive Director, and has in addition a number of sub-committee meetings. The Danish ambassador to Kenya is currently chairing the CPR.

As a result of the universal membership of GC, the current CPR-format for follow-up to GC decisions and dialogue between UNEP and member states between the annual GC assemblies is being reconsidered.

**Employees**

- App. 1400 employees.
- Number and rank of Danish employees (junior/mid-level/senior):
  - As of 2012 five Danish citizens are employed with UNEP:
    - Head (D-1)
    - Director (D-1)
    - Programme officer (P-5)
    - Programme officer (P-4)
    - Legal officer (P-5)
The United Nations Global Compact (UN GLOBAL COMPACT)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

<table>
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<th>Alignment</th>
<th>Contribution</th>
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The Global Compact is a practical framework for the development, implementation, and disclosure of sustainability policies and practices, offering participants a wide spectrum of workstreams, management tools and resources — all designed to help advance sustainable business models and markets. With over 7000 corporate participants and other stakeholders from over 130 countries, the Global Compact is the largest voluntary corporate responsibility initiative in the world. The Global Compact is uniquely positioned for outreach and mobilization of the private sector.

Weakness/current challenge: A new UN Partnership Facility was launched at Rio+20. The challenge is to include and identify the role of the Global Compact within this Facility with the potential to act as the focal point for driving best practices from within the UN system and the business community to strengthen existing partnerships, and to establish an efficient and impact-driven approach for future partnerships.

FINANCIAL OVERVIEW

The Global Compact receives no funding from the regular budget of the United Nations. The Global Compact’s costs are to a large extent funded by voluntary contributors from Member States to a UN Trust Fund. With a view to further enlarge the funding base and better reflect the public-private nature of the Global Compact, a Foundation was created in 2006 in order for companies to support the activities of the Global Compact.

In 2012, the UNGC hopes to receive USD 3.6 million from governments in the Trust Fund and USD 7.4 million from companies in the Foundation. As a public private initiative, maintaining an appropriate balance between public and private funding will be crucial to reinforcing the co-investment aim of the initiative and the need to protect both the brand and the organization through adequate safeguards. Beginning 2013, all business participants will be required to make an annual contribution to the Foundation for the Global Compact,

Since 2002 Denmark has made yearly contributions (DKK 1-3 million) to the Global Compact Trust Fund. Moreover, Denmark has made ear marked contributions to a number of Global Compact activities such as capacity building of Global
Compact Local Networks in Danida priority countries, Local Network Regional Meetings in Africa and Caring for Climate in the lead up to COP15.

Denmark is one of the lead donor among the group of Govt donors (total of 15 Govts, primarily European), followed by Sweden, Switzerland and Germany.

Trend in Danish funding within the past 5 years (core funding/ear marked): Combination; Core funding provided to the GCO and earmarked funding provided to support local networks in developing countries and other activities.

PERFORMANCE OF THE ORGANISATION

- Actions and goals as laid out in the strategic framework 2010-2013 are well underway and the objectives for 2011 were met.
- 2011 was a year of unprecedented growth for the Global Compact, with 1861 companies joining the initiative – an increase of 54 percent over 2010 growth figures.
- The Global Compact Office spent a significant amount of its resources organising the Corporate Sustainability Forum at Rio+20 in June, which hosted a large number of business and industry driven events.
- The strategic plan 2011-2013 plan is currently under revision to accommodate the outcomes of Rio+20 and will be discussed in the donor group in the beginning of 2013

Link to annual reviews: [http://www.unglobalcompact.org/AboutTheGC/annual_review.html](http://www.unglobalcompact.org/AboutTheGC/annual_review.html)

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

The Global Compact sets the frame for how Danida wishes to engage businesses in leveraging development goals, i.e. by promoting corporate sustainability and finding innovative and transformative solutions to global challenges. There is therefore a specific reference to the Global Compact in the strategy The Right to a Better Life. The Global Compact Principles in combination with the ILO Decent Work Agenda forms the essential framework in efforts to engage the private sector in an inclusive and sustainable manner to reach the MDGs. Hence the Global Compact translates development goals on human rights, environmental protection and anti-corruption into principles business can relate to and voluntarily contribute to. In addition, with the new priority area of Green Growth, the business community that so far have worked with the GC Principles are foreseen as being well-positioned to lead innovations needed to e.g. achieve political goals of reducing energy consumption and efforts to advance the goals of e.g. Sustainable Energy for All. Moreover, the issue area on human rights is directly linked to the rights-based approach and the Guiding Principles on Business and Human Rights. Lastly, the Global Compact will have a key role in providing input relating to businesses’ perspectives on the Post 2015 process/SDGs

CHANNELS OF INFLUENCE

Denmark has an influential position in the organisation; via participation in the Donor Group and inclusion in strategic dialogue, engagement of GCO in 3GF and close, strategic dialogue btw. CEO and Ambassador at N.Y. Mission through “Friends of CG” Group; having contributed with financial support to the GCO for years; and having financed and delivered two JPOs from MoFA to the GCO the past years and a mid-level employee (formerly working for Conf. of Danish Industries). The Global Compact is willing to engage in two-way partnership and to promote Danish policy priorities. The Danish priorities are well aligned with the ten principles of the GC and Executive Director, Mr. Georg Kell participates in 3GF’s Advisory Board.

The Global Compact hosts a Leaders Summit every third year. At the last meeting in 2010 the (former) Danish Minister for Business and Growth played a key role. The next meeting will take place in September 2013. Likewise, the (former) prime minister played a key role in a Private Sector Forum equally organised by the Global Compact. A publication on “Caring for Climate” showcasing how Nordic companies’ have embraced this initiative was for instance launched by Ban Ki Moon when visiting Denmark in preparations of COP15, reflecting recognition of Danish companies strong engagement and dedication to work with implementation of the 10 Principles. Danish companies such as NovoNordisk and Maersk are part of the CG LEAD company group.

BACKGROUND INFORMATION

<table>
<thead>
<tr>
<th>Strategic plan of the organisation</th>
<th>- The strategic plan 2011-2013 is currently under revision to accommodate the outcomes of Rio+20.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Promote responsible business practices</td>
</tr>
<tr>
<td></td>
<td>- Sustainable solutions</td>
</tr>
<tr>
<td></td>
<td>- Partnerships with the private sector</td>
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</table>

Overall, the Global Compact pursues two complementary objectives:

1. Mainstream the ten Global Compact principles relating to human rights, labour rights, climate/environment and anti-corruption in business activities around the world
2. Catalyze actions in support of broader UN goals, including the Millennium Development Goals (MDGs)

The UN Global Compact provides thought leadership on corporate sustainability pointing to new levels of performance. Through collaboration with the Global Compact, Danida Business Partnerships continues to reach further, to experiment, to innovate, and to share learnings.

**Governance structure**

In keeping with the Global Compact’s voluntary and network-based character, the governance framework (download the current Global Compact Governance Framework or the 2008 Governance Update) is light, non-bureaucratic and designed to foster greater involvement in, and ownership of, the initiative by participants and other stakeholders themselves. In November 2008, the Global Compact Donor Group adopted its own Terms of Reference. Here it is stated that: "While appreciating its character as a UN-private enterprise initiative with its own governance structure, donors / Governments never the less need to ensure that their funds are used effectively and efficiently. To this end, they [donors] engage with the GC in a regular exchange on the strategic (overall) orientation as well as the definition and monitoring of the annual planning and the results achieved.

Governance functions are shared by seven entities, each with differentiated tasks within a multi-centric framework:

- Global Compact Leaders Summit
- Local Networks
- Annual Local Networks Forum
- Global Compact Board
- Global Compact Office
- Inter-Agency Team
- Global Compact Donor Group

- Danish participation in management/governing bodies:
  Donor Group. Donor-meetings are held bi-annually on invitation of individual donor governments and in coordination with the Global Compact Office (GCO).

  - Names and title of management team:
    - Executive Director CEO Georg Kell

**Employees**

<table>
<thead>
<tr>
<th>Number and rank of Danish employees (junior/mid-level/ senior):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ole Lund Hansen (mid-level/senior level)</td>
</tr>
<tr>
<td>Marie Wibe (junior)</td>
</tr>
</tbody>
</table>
The United Nations High Commissioner for Refugees (UNHCR)

OVERVIEW OF ORGANISATION RATINGS

- Relevance and effectiveness
- Contribution
- Alignment
- Organisational effectiveness
- Partnership

CONTRIBUTION TO UNHCR OF TOTAL ASSISTANCE TO AND VIA MULTILATERAL ORGANISATIONS IN DKK, 2011

- DKK 122,834,010
- DKK 128,386,915
- DKK 5,931,092

FINANCIAL OVERVIEW

- Total contributions to UNHCR in USD, 2011
- Core funding
- Earmarked funds
- Other multilateral organisations

ORGANISATION OVERVIEW

Mandate
Based on the 1951 Refugee Convention and its 1967 Protocol, UNHCR provides international protection and humanitarian assistance to refugees until durable solutions are found, i.e. through return and re-integration in the country of origin, local integration in the country of asylum, or resettlement in a third country. Link to the Statute: http://www.unhcr.org/3b66c39e1.html

Role in the multilateral architecture
UNHCR has a strong mandate focused on refugee protection, and its strategy remains based on humanitarian principles of neutrality, independence and impartiality, which are essential for preserving humanitarian space. UNHCR’s comparative advantage lies in its politically skilled High Commissioner, its vast partnership network, wide field presence and strong commitment to effectiveness and reform. The Office integrates a number of crosscutting thematic issues in its work, including environmental protection, HIV/AIDS, sexual and gender-based violence and various other human rights concerns. Key challenges flow from UNHCR having to work in complex operational environments and having to respond to new emergencies, with implications for programming and budgeting. As UN cluster lead for protection, UNHCR’s activities with IDPs have grown in magnitude, but its mandate in this area is questioned by some states. A deteriorating security situation on the ground in many areas has created challenges in terms of staff safety and has also placed restrictions on operations.

FINANCIAL OVERVIEW

- Total contributions to UNHCR in USD, 2011
- Core funding
- Earmarked funds
UNHCR is delivering on its objectives of improving its partnerships with relevant partners on the ground as well as with other UN organisations in accordance with the Transformative Agenda, but further coordination is possible, notably with other UN organisations. UNHCR has continued implementing the Guiding Principles on IDPs and met targets with regard to sexual and gender-based violence, environmental protection and several components of the durable solutions agenda (self-reliance, right of return, gainful employment and community participation). Challenges pertain to the difficult issues of voluntary returns and the naturalisation of stateless persons. Over the past 5 years, UNHCR has undertaken major structural and management reform in order to improve effectiveness and efficiency, including through the introduction of results-based management, decentralisation and improvement of Human Resources. Significant results have been obtained, but there is still room for some improvement, especially in terms of effectively implementing RBM in the field. UNHCR has taken important steps to improve staff safety and generally has access to in-house and external personnel for rapid deployment during emergencies. While the financial accountability system is acceptable, UNHCR still faces challenges in terms of putting in place a comprehensive risk management framework at the organisational level. UNHCR, however, delivered on its targets of letting participatory assessments inform programme design.

Link to strategy and action plan of the organisation:
UNHCR provides a key role as UN cluster lead on protection, delivering humanitarian aid and basic services in conflict-affected areas and fragile states. Within its mandate, UNHCR contributes directly to the implementation of the priorities in the strategy for DK’s development cooperation by protecting those most vulnerable, including refugees and IDPs, through the improvement of their living conditions and through working for durable solutions, while simultaneously assisting host communities through the provision of services and capacity-building. DK has worked with UNHCR to further the Transitional Solutions Initiative (TSI) aimed at paving the way for transitioning from humanitarian assistance to long-term development aid. Through this and other transitional initiatives, UNHCR contributes to achieving the MDGs among populations of concern. UNHCR also contributes to the fulfillment of economic and social rights through its promotion of durable solutions, including inter alia resettlement, self-reliance and community participation which are key to rebuilding the lives of refugees. UNHCR’s efforts to mainstream human rights with regard to e.g. women’s rights, sexual and reproductive rights and health, sexual and gender-based violence, HIV/AIDS, water and sanitation across its operations serve as a best practice. While UNHCR does not aspire to further green growth per se, it has an environmental protection strategy that is supportive of furthering the objective of sustainable development.

**CHANNELS OF INFLUENCE**

UNHCR is generally receptive to Danish policy priorities and there is a constructive two-way partnership in place. DK actively participates in meetings of the ExCom and its Standing Committees. In addition to this, DK holds annual donor consultations with UNHCR and Canada on the basis of the Joint Institutional Strategy 2010–13, which was developed with Canada and the UK (the UK later opted out). Consultations focus on 22 selected GSP targets. DK has been in a close dialogue with UNHCR on the Transitional Solutions Initiative, which focuses on achieving durable solutions in terms of making the transition from humanitarian aid to development. DK is also taking an active role in furthering environmental protection, the protection of children, sexual and gender-based violence, voluntary return and the UNHCR’s coordinating role in the UN cluster system. Given the size and importance of the organisation, it is considered essential that DK increasingly seeks to finance JPOs and the secondment of senior advisers into UNHCR to ensure continued representation, including at the senior levels of the organisation.

The bilateral strategic relationship with UNHCR will be sought strengthened in 2013 through a new framework agreement and the related introduction of regular high-level dialogue meetings. Like similar agreements with e.g. UNICEF and UNFPA, the strategic partnership agreement with UNHCR will generally reflect priorities embedded in the Danish Development Strategy, in the Humanitarian Strategy, and in the Strategic Framework for the Regions of Origin Initiative. This includes a focus on durable solutions and on specific protracted complex emergencies that are prioritised within the framework of overall humanitarian assistance from Denmark. The agreement will be accompanied by an increase in Danish funding for these purposes.

**BACKGROUND INFORMATION**

**Strategic plan of the organisation**

The Global Strategic Priorities (GSPs) reflect areas of critical concern within the context of the UNHCR’s Global Needs Assessment, which form the basis of UNHCR’s budget. The GSPs define priorities for global operations for the planning biennium, supported by the Office’s Results Framework. The GSPs address the following issues with regard to populations of concern: 1) establishing a favorable protection environment; 2) fair protection processes and documentation; 3) security from violence and exploitation; 4) basic needs and essential services; 5) community participation and self-management; 6) durable solutions; and 7) headquarters and regional support.

Link to strategic plan of the organisation:

**Governance structure**

UNHCR is governed by the Executive Committee (ExCom), which is a subsidiary organ of the UNGA and elected by ECOSOC. It is currently composed of 87 members. ExCom meets annually in Geneva to review and approve UNHCR’s programmes and budget, advise on international protection and discuss a wide range of other issues with UNHCR and its intergovernmental and non-governmental partners. ExCom's Standing Committee meets several times each year to carry on the ExCom's work between plenary sessions.

- **Danish participation in management/governing bodies:**
  Denmark is a member of the ExCom.

- **Names and title of management team:**
  Former Portuguese prime minister Antonio Guterres was elected UN High Commissioner for Refugees by UNGA on 15 June 2005. He was subsequently re-elected for another 5-year term in April 2010. T. Alexander Aleinikoff (US) has served as Deputy High Commissioner since February 2010. He is a former academic.

**Employees**

<table>
<thead>
<tr>
<th>Number of employees:</th>
<th>6,696 regular staff members</th>
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</thead>
</table>

**Number and rank of Danish employees (junior/mid-level/ senior):**

- Total number of Danish employees: 26
- Senior: 6 (1 P5; 5 D1s)
- Mid-level: 16 (12 P3s, 4 P4s)
- Junior: 4 (P2)
The United Nations joint program on HIV/AIDS (UNAIDS)

OVERVIEW OF ORGANISATION RATINGS

<table>
<thead>
<tr>
<th>Relevance and effectiveness</th>
<th>Contribution to UNAIDS of total assistance to and via multilateral organisations in DKK, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment</td>
<td>DKK 40,000,000</td>
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<tr>
<td>Contribution</td>
<td>DKK 6,142,313.02</td>
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ORGANISATION OVERVIEW

Mandate

The United Nations joint program to fight HIV/AIDS (UNAIDS) comprises a Secretariat in Geneva and co-sponsoring organizations (UNICEF, UNDP, UNFPA, UNESCO, WHO, the World Bank, UNODC, ILO, WFP, UNHCR and UNWOMEN). The objective of UNAIDS is to ensure a unified and consolidated action from the United Nations system in the fight against HIV/AIDS on a global, regional and national level. This is undertaken through mobilizing support and resources, establishing global strategies, and through technical assistance. Monitoring of the epidemic at a global level and capacity-building at country level are also key objectives of UNAIDS.

Role in the multilateral architecture

As a joint program UNAIDS has a key role to play in the multilateral system in ensuring coherence and coordination among the co-sponsors. MOPAN (2013) concludes that the program is highly valued by partners and co-sponsors. UNAIDS has contributed to the achievement of the MDG’s, in particular MDG6. With the strategy “Getting to Zero” (2011-2015) UNAIDS has formulated a strong framework for the HIV/AIDS response towards the end of the MDG’s and also positioned itself in a changing global development agenda marked by “competing” priorities. UNAIDS is committed to bringing “AIDS out of isolation” and advocates that HIV/AIDS interventions are also platforms for advancement of broader development policy and improvement of social justice and living conditions for the most vulnerable. UNAIDS plays the leading role as global advocate for the fight against HIV/AIDS with a particular focus on anti-discrimination and advancement of human rights.

A challenge for UNAIDS continues to be the translation of policy objectives into real action at country level. The organisation has demonstrated responsiveness and has reallocated staff resources from HQ to country level in 2011. Another challenges is linked to effective collaboration with the co-sponsors, as stated in MOPAN: “As UNAIDS unique structure has and will continue to present opportunities to the organisation, there remain significant challenges in ensuring that defined roles of the co-sponsors and the Secretariat are respected at all levels of the Joint Programme.”
**FINANCIAL OVERVIEW**

Total contributions (approx. 269,200,000) in USD, 2011

USD 26,920,000
USD 242,280,000
USD 7,374,631
USD 850,255
USD 260,975,114

Danish and EC contribution of total contributions to UNAIDS in USD, 2011

The Danish contribution core funding
EC contribution (core funding/ earmarked)
Contributions to UNAIDS from other donors/sources

Danish contribution compared to main donors in USD, 2011

USD 50,000,000
USD 45,000,000
USD 40,000,000
USD 35,000,000
USD 30,000,000
USD 25,000,000
USD 20,000,000
USD 15,000,000
USD 10,000,000
USD 5,000,000
USD 0

Trend in Danish Funding within the past 5 years in DKK (core funding/earmarked)
### PERFORMANCE OF THE ORGANISATION

There has been continued progress on key indicators including global advocacy, increased coherence between investments and epidemiological data, integration of HIV/AIDS in the broader health, development and human rights agenda, strengthened country capacity to track and measure progress in the response, mobilizing and leveraging funding for AIDS responses at country level and combating stigma and enhancing coherence between HIV/AIDS and sexual and reproductive health and rights. Efforts to promote coherence between results and investments have been successful. UNAIDS continues to meet challenges in reporting including capturing the diverse work of the Joint Programme at country level through agency-specific reporting and managing the interface between different reporting systems and Cosponsors’ own information needs.


### RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

UNAIDS will continue to be a key partner for Denmark in relation to the priorities on HIV/AIDS. With its clear focus on social progress and human rights UNAIDS is highly relevant for the implementation of Danish development priorities. There is a strong commitment at both strategical and operational level to advancement of human rights, equity and gender equality.

UNAIDS is a strong advocate for HIV/AIDS as catalyst for combating discrimination and sensitive issues such as sexual and reproductive rights and the most vulnerable groups: men who have sex with men, sex workers and drug users are successfully being confronted and debated. UNAIDS conducts high level advocacy with African leaders around social inclusion, equal access to health care, rights of vulnerable populations and LGBT. Also in the outreach to civil society groups – who uniquely sit on UNAIDS PCB – UNAIDS play a key role in bringing civil society groups to the table at country level for national strategic planning and in advocacy around the Global Fund.

The focus on impact in countries and value for money is high on the agenda and the further advancement of tools like the Strategic Investment Framework (guidance to countries based on existing evidence of what works in HIV prevention, treatment, care and support. It is intended to facilitate more focused and strategic use of scarce resources) and the agenda on Shared Responsibility (mobilizing additional domestic resources while ensuring efficient use of external funds) will make important contributions to a future sustainable response to the fight against HIV/AIDS.

### CHANNELS OF INFLUENCE

UNAIDS is very responsive to Danish policy priorities and engages in close dialogue at all levels. Strategic high level policy dialogue should be planned as part of the preparation in 2013 of the new Danish organization strategy with UNAIDS. The foreseen Board membership from January 2014 for a two year period will provide a unique opportunity for further advancement of Danish priorities.

Denmark continues to play an active and critical role on the UNAIDS PCB in shaping UNAIDS policy and that of co-sponsor organizations around AIDS and human rights. This voice has become even more important as new countries from the global south become more active in the UNAIDS Board and there is an increased need to ensure a strong voice in the PCB for social justice, social inclusion, and protecting the right to services and human rights of the most vulnerable.

Denmark currently has no JPO’s in UNAIDS. UNAIDS is looking for a JPO to be assigned to the Human Rights team in HQ and this would be an opportunity for Denmark to place influence on an area of work that is directly linked to Danish development priorities. Also the use of higher level secondments should be considered positively as a ways of influencing the Organization in key areas of work.

### BACKGROUND INFORMATION

- **Strategic plan of the organisation**: The UNAIDS strategy (2011-2015) “Getting to Zero” is a roadmap to achieving UNAIDS’ vision of “Zero new HIV infections. Zero discrimination. Zero AIDS-related deaths”. The strategy aims to advance global progress in achieving country set targets for universal access to HIV prevention, treatment, care and support and to halt and reverse the spread of HIV and contribute to the achievement of the Millennium Development goals by 2015. The strategy positions the HIV response in the new global environment. The AIDS response is a long term investment and the intent of the strategy is to revolutionize HIV prevention, catalyze the next phase of treatment, care and support, and advance human rights and gender equality.


- **Governance structure**: The UNAIDS Executive Director reports directly to the Programme Coordinating Board (PCB). The PCB is the organisation’s governing body, composed of representatives from 22 Member States, the co-sponsors, and five NGOs (including associations of people living with HIV/AIDS). The Committee of Co-sponsoring Organisations (CCO), a standing committee of the PCB, serves as a forum for the co-sponsoring organisations to meet on a regular basis and provide input into the policies and strategies of UNAIDS.
- **Danish participation in management/governing bodies:**
  Denmark is a member of the constituency group consisting of Denmark, Finland and Norway (currently member of PCB). Denmark was a member of PCB in 2008-2009. It is foreseen that Denmark will be a member of PCB 2014-2016.

- **Names and title of management team:**
  Executive Director Michel Sidibé (since 2009). Deputy Executive Director Ms Jan Beagle (since 2009).

<table>
<thead>
<tr>
<th>Employees</th>
<th>Number of employees:</th>
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<tbody>
<tr>
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<td>837</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Number and rank of Danish employees (junior/mid-level/senior):</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1: 1, P5-P2: 4, G6: 1</td>
</tr>
</tbody>
</table>
The United Nations Office on Drugs And Crime (UNODC)

**OVERVIEW OF ORGANISATION RATINGS**

**Relevance and effectiveness**

<table>
<thead>
<tr>
<th>Alignment</th>
<th>Contribution</th>
<th>Partnership</th>
<th>Organisational effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>

**Contribution to UNODC of total assistance to and via multilateral organisations in DKK, 2011**

- DKK 30,882,680
- DKK 4,993,193
- DKK 6,145,849,993

**ORGANISATION OVERVIEW**

**Mandate**

The United Nations Office on Drugs and Crime (UNODC) is a leader in the global fight against illicit drugs, transnational organised crime, terrorism and corruption, and is the guardian of most of the related conventions, particularly:

- The United Nations Convention against Transnational Organized Crime and its three protocols (against trafficking in persons, smuggling of migrants and trafficking in firearms)
- The United Nations Convention against Corruption
- The International drug control conventions

**Role in the multilateral architecture**

UNODC plays a central role in the fight against transnational crime and threats (such as corruption, piracy and terrorism) and drugs and is a central global organisation and UN agency when it comes to strengthening security in fragile countries and sectors thus contributing to stability and resilience.

Its strength is the clear relevance of these issues and the continued political focus on them and the clear mandate of UNODC in these areas (based on i.a. the UN conventions mentioned above) and the ability to tailor effective and concrete programmes and projects in these areas.

Weaknesses are:

The organisation faces structural difficulties because of its construction of serving two commissions (CND and CCPCJ) as well as several conventions, thus it answers to a number of different entities.

This, combined with its financial situation, where the organisation relies heavily on voluntary contributions (90%) and only receives limited core funding from donors (6.6 per cent), makes it very challenging to prioritise and steer the organisation from Headquarter level.

The organisation delivers both normative work within e.g. justice reform and specific technical assistance – this sometimes present a dilemma for the organisation (and for donors). Member States do not always agree to what extent the organisation should prioritise the normative work or project implementation.

**Contribution to UNODC of total assistance to and via multilateral organisations in DKK, 2011**

- Danish contribution to UNODC: Core funding
- Danish contribution to UNODC: Earmarked funding
- Other multilateral organisations
EU has just informed that in addition to present funding (50 mio. USD in 2012), the EU has pledged 95 mio. USD to a law reform programme in Nigeria.

Geographically, earmarked funds have the following distribution between regions (2010-11):
- Latin America and the Caribbean – 23%
- Africa and the Middle East – 22%
- Central and Western Asia – 16%
- Central and Eastern Europe – 3%
- Global – 29%

UNODC is presently engaging heavily in Western Africa (Guinea-Bissau, Nigeria, Mali) and combined with the strong growth of the Counter Piracy Programme in Eastern Africa, the geographical distribution will change so that funding to Africa grows (at the cost of programmes in Latin America and the Caribbean).
In 2011, Denmark was the 11th biggest donor. Due to increased funding in 2012 (and 2013), Denmark is projected to move up the ladder and rank among the top 10 donors. In 2013, the core funding from Denmark will increase to 15 mio. DKK.

*2008-2011 based on UNODC information; 2012 based on MFA’s disbursement records.

PERFORMANCE OF THE ORGANISATION

Funding has increased from 94.5 million USD to 264.2 million USD in 2010. Increased funding has made it possible to deliver on a number of the expected accomplishments in the strategy.

The programmes and projects receive increased support from donors, funding is shifting from drugs-related activities (presently 63%) to crime-related activities (37%). Danish contributions also primarily go to crime-related activities.

The organisation was not part of the Multilateral Review 2012.


RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

Ensuring stability and protection for citizens in fragile and conflict affected situations is a global challenge. Making a contribution to this challenge is one of the five priorities of the strategy for Denmark’s development cooperation. This objective will be pursued through strengthening local ability to prevent conflict through capacity building and dialogue, among others, through the UNODC.

Addressing foundational issues of peace and security in conflict-affected and fragile states is key to global development priorities. This is broadly recognised and emphasised in the global community, documented in analyses such as the WDR 2011 and politically supported in the New Deal for fragile states. Several of UNODC’s core efforts are central to Danish priorities and the organisation plays an important role as guardian of the conventions on corruption, transnational organised crime and drugs. The UNODC has a key role to play in central areas in terms of security and justice sector capacity building, counter...
terrorism, counter piracy and thereby fostering stability and resilience paving the way for economic growth, growing trade and improved employment. The UNODC-activities which Denmark sponsors contribute in various ways to preventing conflict and creating sustainable stability.

**CHANNELS OF INFLUENCE**

UNODC is very willing to engage in dialogue with Denmark on priorities and strategy. Denmark’s core funding – although relatively small – plays a role in this connection. Due to the very limited core funding which UNODC receives (6.6 per cent), donors willing to contribute with core funding and multiannual contributions can play a more active role in the organisation than donors who only provide heavily earmarked funding.

Consultations with the organisation were conducted in November 2012 from headquarter level, and the organisation was both open and willing to engage at senior level. In early 2012, the organisation faced challenges with its counter piracy programme. Denmark, in its capacity as chair of Working group 2 in the Contact Group for Piracy off the Coast of Somalia (CGPCS) was involved in a dialogue regarding certain issues regarding staffing and ensuring implementation. UNODC reacted quickly to the issues raised and has made significant efforts to improve. Further, the UNODC has listened to donors’ demand for coordination with the UNDP in Somalia, and has done so in a whole-of-UN-compliant manner.

In conclusion, the organisation has proven, both at headquarter level and at country level, to be sensitive to Danish influence and demands and positive to work with.

**BACKGROUND INFORMATION**

The Strategy identifies seven sub programmes covering the five thematic areas of UNODC's work along with two cross-sectional sub programmes. The sub programmes are:
1. Countering transnational organised crime, illicit trafficking and illicit drug trafficking
2. Countering corruption
3. Terrorism prevention
4. Justice
5. Prevention, treatment and reintegration, and alternative development
6. Research, trend analysis and forensics
7. Policy support


UNODC is governed by two commissions, the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ). UNODC is led by its Executive Director (Under Secretary General) Yury Fedotov (Russian Federation).

- **Danish participation in management/governing bodies:**
  Denmark is a member of the CND (2012-15) but not a member of the CCPCJ. Denmark holds no positions in senior management.

- **Names and title of management team:**
  Executive Director: Yury Fedotov
  Deputy Executive Director: Sandeep Chawla

**Employees**

- **Number of employees:**
  1500

- **Number and rank of Danish employees (junior/mid-level/ senior):**
  Approx. 10 employees (4 junior / 5 mid-level / 1 senior).
The United Nations Population Fund (UNFPA)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Country

Malawi

Mandate

UNFPA’s mandate and strategic orientation include population and development, reproductive health and rights, and gender equality. The UN’s rights-based population policy agenda was established based on the program of action of the International Population Conference (ICPD PoA) in Cairo in 1994 (in 2010 extended indefinitely). UNFPA was given a leaner and more strategic focus as a result of the mid-term review in 2011, and reproductive health and rights now figure even more prominently in its program.

Role in the multilateral architecture

UNFPA goals are achieving universal access to sexual and reproductive health (including family planning), promoting reproductive rights, reducing maternal mortality and accelerating progress on the ICPD agenda and MDG 5. UNFPA also focuses on improving the lives of youths and women by advocating for human rights and gender equality and by promoting the understanding of population dynamics. UNFPA promotes the message that sexual and reproductive health and women’s empowerment all powerfully affect population trends.

The Program of Action of the International Conference on Population and Development (ICPD PoA) adopted in Cairo in 1994 (set to expire by 2014 but extended indefinitely in December 2010) lays out a rights-based approach to population and development. UNFPA is the leading agency for the implementation of the ICPD PoA. Furthermore, the work of UNFPA contributes to the broad MDG agenda, while most directly contributing to the achievement of MDG 4, reduce child mortality, and MDG 5 improve maternal health.

UNFPA is an important member of the UN family of development actors alongside organizations such as UNDP, UNICEF and UN Women. Through broad global presence in over 150 countries UNFPA works to support local governments in preparing development and rights oriented policies and programmes.
FINANCIAL OVERVIEW

Total income (934,020,000) in USD, 2011
- Core funding
- Ear marked funds
- Other revenue (interest, JPOs)

Danish and EC contribution of UNFPA's total income in USD, 2011
- The Danish contribution ear marked
- The Danish contribution core funding
- EC contribution (core funding/ear marked)
- UNFPA's income from other donors/sources

Danish contribution compared to main donors in USD, 2011

Trend in Danish Funding within the past years (core funding/earmarked)
PERFORMANCE OF THE ORGANISATION

UNFPA continues to deliver convincing results on the ground with the largest bulk of its activities and funds focusing on the sexual and reproductive health and rights. Achievements have been significant in repositioning family planning and access to commodities on the international agenda and obtaining increased funding. Also, UNFPA’s efforts to improve maternal health, i.e. through midwifery programmes, and to eliminate fistula, are showing good results.

In late 2011, UNFPA began implementing its new Business Plan, which aims to sharpen the focus of programmes to meet the most urgent needs at the country level. The Business Plan reinforces recommendations stemming from the organization’s Midterm Strategic Review earlier in the year. A new organization-wide communications strategy developed in 2011 will reinforce implementation of the new Business Plan.

Accountability continued to be a top organizational priority and many steps were taken to strengthen it in 2011. A key initiative was the establishment of an internal audit monitoring committee to ensure urgent implementation of recommendations by the United Nations Board of Auditors and by UNFPA’s Internal Audit.

In response to the Midterm Strategic Review, UNFPA established a new framework for results-based management, and provided expanded guidance for staff to make operations, programmes and administration more effective, and to document achievements to make the organization more accountable to people and donors alike. In line with the Midterm Strategic Review and with the organization’s new Business Plan, UNFPA became more field-focused in 2011. It is expected that the results based framework will be strengthened further in UNFPA’s new strategic plan for 2014-17.

Link to strategy and action plan of the organization: http://www.unfpa.org/public/about/pid/4631

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

UNFPA’s mandate and work align very well with Denmark’s strategy for development cooperation with its clear focus on SRHR and gender equality and empowerment of women. UNFPA has to maneuver in a challenging political environment and the lack of consensus amongst some UN member states on key elements of UNFPA’s mandate and work makes fund-raising a special challenge.

UNFPA’s new and more focused strategic orientation towards SRHR is a welcomed orientation of the organization’s work. UNFPA applies a rights-based approach in its operational work. UNFPA has a crucial role to play in the area of advocacy and promotion of human rights, including gender equality and women’s empowerment accompanied by and integrated approach to service delivery. UNFPA shares Denmark’s view that efforts must be made to reach the most marginalized populations. UNFPA further has increased focus on the largest generation of young people in history. UNFPA has also asserted itself strongly in the sustainable development agenda. Moreover, UNFPA fills an important gap in humanitarian and fragile situations by carrying out essential tasks that are otherwise not cared for, such as for instance supplying safe delivery and reproductive health kits.

CHANNELS OF INFLUENCE

UNFPA works closely with Denmark in advancing the ICPD agenda. The Danish UN mission in New York has close and frequent contact with UNFPA at all levels. DK has thus been able to influence important policy decisions concerning the strategic direction UNFPA is taking. The most recent example is the Mid Term Review which led to the adoption of a much improved strategic framework. DK also worked closely with the UNFPA in securing the extension of the ICPD indefinitely and preparing the ground for the ICPD +20 process which is crucial for ensuring that the ICPD and in particular women’s sexual and reproductive health and rights, improving maternal health and ensuring women’s universal access to family planning is prominently reflected in the post 2015 framework.

Denmark is an active player in meetings of the Executive Board and works closely with Nordic colleagues and other likeminded WEoG members. Denmark also strives to reach out to partners outside the, including from developing countries.

Denmark will continue to encourage UNFPA to apply a human rights based approach to its work and to emphasize UNFPA’s normative mandate which must guide the organization’s operational work at the country level.

A strategy for UNFPA’s work in fragile settings in under way and Denmark will continue its dialogue under the humanitarian partnership agreement 2012-15 with UNFPA on their efforts in priority countries.

BACKGROUND INFORMATION

| Strategic plan of the organisation | UNFPA’s four-year Strategic Plan (2008-2011) was extended through to 2013 so that its Strategic Planning cycle would align to the QCPR. In 2011 a comprehensive mid-term review was conducted of the results achieved to date and the changing environment. This lead to a revision of the results framework and a more focused Strategic Plan, with sexual and reproductive health and MDGs at its centre. Analytical work is currently underway that will inform the drafting of the next Strategic Plan (2014-2017), ensuring that it is focused and evidence based. |
| Governance structure | UNFPA is a subsidiary organ of the United Nations General Assembly. UNFPA receives overall policy guidance from the General Assembly and Economic and Social Council (ECOSOC). It reports to its governing body, the UNDP/UNFPA Executive Board, on administrative, financial and programme matters. UNFPA is a member of the UN Development Group and part of its Executive Committee.  
- **Danish participation in management/governing bodies:**
  - Denmark is currently a member of the Executive Board of UNFPA
- **Names and title of management team:**
  - Executive Director/Under-Secretary-General Dr. Babatunde Osotimehin
  - Deputy Executive Director/Ass. Secretary-General:
    - 1) Anne-Birgitte Albrectsen (Management)
    - 2) Kate Gilmore (Programme) |
| Employees | Number of employees:
- Currently a total of 2341 employees worldwide

Number and rank of Danish employees (junior/mid-level/senior):
- 18 Danish nationals are currently employed by UNFPA
  - (1 ASG, 6 P5, 2 P4, 5 P3, 4 P2)
The United Nations Relief and Works Agency (UNRWA)

OVERVIEW OF ORGANISATION RATINGS

<table>
<thead>
<tr>
<th>Relevance</th>
<th>Contribution to UNRWA of Denmark’s total assistance to and via multilateral organisations in DKK, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment</td>
<td>DKK 70,000,000</td>
</tr>
<tr>
<td>Organisational effectiveness</td>
<td>DKK 2,499,148</td>
</tr>
<tr>
<td>Contribution</td>
<td>DKK 6,109,226,718</td>
</tr>
</tbody>
</table>

ORGANISATION OVERVIEW

Mandate
UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East) provides assistance, protection and advocacy for some 5 million registered Palestine refugees in Jordan, Lebanon, Syria and the occupied Palestinian territory, pending a solution to their plight. UNRWA is funded almost entirely by voluntary contributions from UN member states.

Role in the multilateral architecture
UNRWA was established following the 1948 Arab-Israeli conflict by United Nations General Assembly. The Agency was established with a mandate to carry out direct relief and works programmes for Palestine refugees in the occupied Palestinian territories (which includes Gaza and the West Bank including East Jerusalem) and in the neighbouring “host” countries (Jordan, Lebanon and Syria) in close cooperation with the governments of the host countries.

UNRWA is often highlighted as a unique UN organ due to its mandate and target group, which makes it geographically limited. The political and historical background of UNRWA and the context, in which it works, makes its work and existence of international political interest. UNRWA is often referred to as a “state within the state”, providing services to Palestine refugee in parallel to existing, national institutions. UNRWA operates under very sensitive and unpredictable circumstances, and its core activities (education and health) create a safety net for many Palestine refugees who are often unable to claim basic social and legal rights.

FINANCIAL OVERVIEW

Total contributions to UNRWA in USD, 2011

- Core funding
- Ear marked funds
PERFORMANCE OF THE ORGANISATION

In 2012 UNRWA showed a slight increase in its responsiveness to the priorities of Denmark. In particular, members of UNRWA’s Advisory Commission have commended UNRWA for working professionally with costing of sector reforms (education and health) as well as strengthening the dialogue with donors and host countries on key reform challenges (Relief and Social Services) at Sub-Committee level.

Some improvement was registered with regards to comprehensive budget reporting and clarity/transparency of the various funding portals of UNRWA. However, as highlighted by members of UNRWA’s Advisory Commission, it is still not clear how different activities are funded by different funding channels (General Fund, Emergency Appeal, Projects) and UNRWA could further improve its presentation of a consolidated budget overview to external stakeholders. The process leading up to the publishing of the 2013 budget was not sufficiently inclusive - as seen from a Danish perspective.
UNRWA has continued its attempts to engage new donors such as Brazil, Russia, China, Iraq and Indonesia. Despite these efforts, however, traditional donors still provide the main part of UNRWA's General Fund.

**Link to strategy and action plan of the organisation:** [http://www.unrwa.org/userfiles/201003317746.pdf](http://www.unrwa.org/userfiles/201003317746.pdf)

### RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

UNRWA operates in a difficult context characterized by fragile states and armed conflict. The core activities within the fields of education and health are guided by a rights-based approach with a focus on reduction of poverty among the most vulnerable Palestine refugees. As such, UNRWA’s rights-based focus and its focus on poverty reduction is contributing to the implementation of the priorities for Denmark’s development cooperation.

UNRWA can be seen as a stabilizing force in the wider region. However, without a political solution to the Israeli-Palestinian conflict in sight, the challenges of Palestine refugees in the region will not disappear, and are, due to population growth and continuous regional social, economic, and political instability, likely to increase. The question of Palestine refugees should be seen as a fundamental humanitarian and human rights issue regarding the right of displaced persons to maintain a decent standard of living until their situation is resolved. For more than 60 years UNRWA has worked to ensure this on behalf of the international community. This role supports the priorities for Denmark’s development cooperation within the field of stability and protection.

It is important to underline that unlike many of the agencies in the multilateral analysis UNRWA is not a global organisation. It was created to address the very concrete challenges related to Palestine refugees in the five fields of operation. Today UNRWA functions as the key service provider to millions of refugees.

### CHANNELS OF INFLUENCE

UNRWA’s dialogue with donors and host countries is not optimal. Due to the lack of a governing board the UNRWA management is not obliged to follow advice formulated in the official fora. The lack of a governing board makes it challenging to pursue accountability vis-à-vis the management of the organization.

As mentioned above, clarity and transparency of UNRWA budgets is a key priority for Denmark. This focus is shared by other donor countries, and as the Chair of the UNRWA Subcommittee in 2012, Denmark has been in a strategically good position to pursue this agenda vis-à-vis UNRWA. Creating a consolidated budget overview covering all funding portals is crucial to ensure clarity and transparency. 2012 has showed willingness from UNRWA’s side to work on such a budget overview. Denmark has tried to facilitate a more open and frank discussion of the reform and clarity/transparency challenges in UNRWA, which will hopefully create a favourable environment for UNRWA to continue to improve its work in these fields.

Furthermore, Denmark has made 15% of its contribution to the UNRWA General Fund performance based. This makes it possible to make UNRWA respond directly to the Danish interest in e.g. efficiency improvement and budget reform, and creates a path to closer bilateral communication on UNRWA’s work in relation to the Danish organizational strategy 2010-2015.

Throughout 2012 Denmark has tried to strengthen its influence by taking on the role as Chair of the Subcommittee. This has created some results but a deeper and broader influence requires more time and active engagement – and thus resources - from Denmark.

### BACKGROUND INFORMATION

**Strategic plan of the organisation**

UNRWA’s work exemplifies an international commitment to the human development of Palestine refugees, helping them:

- acquire knowledge and skills
- lead long and healthy lives
- achieve decent standards of living
- enjoy human rights to the fullest possible extent

**Link to strategic plan of the organisation:** [http://www.unrwa.org/etemplate.php?id=85](http://www.unrwa.org/etemplate.php?id=85)

**Governance structure**

The United Nations established the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) under UN General Assembly Resolution 302 (IV), of 8 December 1949, as a subsidiary organ of the United Nations.

Unlike other UN agencies, UNRWA does not have a regular Board. Instead it refers directly to the General Assembly and is guided but not directed by an Advisory Commission (ADCOM), which is the central forum for discussing issues pertaining to operations and organizational development. The ADCOM members are main donors to UNRWA and host countries. Advisory Commission meetings are prepared by a Sub-Committee.

- **Names and title of management team:**
- General Commissioner: Mr. Filippo Grandi
- Deputy General Commissioner: Ms. Margot Ellis
- Director of External Relations: Mr. Salvator Lombardo

<table>
<thead>
<tr>
<th>Employees</th>
<th>Number of employees:</th>
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<tr>
<td></td>
<td>over 30,000.</td>
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**Number and rank of Danish employees (junior/mid-level/ senior):**
- 7 (1 D2, 1 P5, 1 P4, 1 P3, 3 P2/JPOs)
The United Nations World Food Programme (WFP)

OVERVIEW OF ORGANISATION RATINGS

ORGANISATION OVERVIEW

Mandate
WFP’s mandate* is to save and protect lives in refugee and emergency situations, to improve the food security, nutrition and quality of life of the most vulnerable people at critical times in their lives, and to build assets and promote self-reliance of poor people and communities. WFP is a leader in the fight against hunger and is committed to the poorest developing countries with the majority of its country presence in Africa.

*Denmark’s core/un-earmarked contribution does not support WFP’s UN-approved development mandate.

Role in the multilateral architecture
WFP is the world’s largest humanitarian organisation. In 2011, WFP distributed 3.6 m metric tons of food assistance to 99 m people in 75 countries. More than 80% were women and children. In 2011, WFP procured 2.4 m metric tons of food for a value of US$1.23 bn; 71% of purchases took place in developing countries. WFP is up-scaling its use of new tools such as vouchers and cash with a target of reaching 30% of food assistance by 2015. 80% of WFP’s resources are spent on relief and early recovery operations. WFP has a strong track record and a key role in humanitarian coordination and reform, as well as comparative advantages in analysing and mapping vulnerable populations, emergency telecommunications, logistics, procurement and humanitarian assistance through its deep field presence and cluster leads as well as its leading role in implementing humanitarian reform, including the Transformative Agenda.

Lack of humanitarian access and insecurity in fragile states poses an increasing challenge for WFP’s ability to deliver humanitarian assistance, as does WFP’s role in protracted crises with a number of obstacles to transitioning out. WFP’s chronic budget underfunding underlines the need for prioritization and hand-over/exit strategies.

FINANCIAL OVERVIEW

WFP is a 100% voluntary funded organisation without assessed annual core contributions. In 2011, its annual budget, based on a needs-based methodology, rose with over 40% from the originally estimated US$ 4.35 bn to US$ 6.1 bn due to a number of unforeseen humanitarian crises during the year. However WFP’s actual income in 2011 only met around 60% of its budget needs. This continues the trend for WFP showing a large structural gap between assessed needs and income since the food price crisis in 2007-08.

Around 88% of WFP’s funding is ear-marked, incl. in-kind contributions to specific humanitarian crises. Un-earmarked funds that WFP can allocate freely according to organisational priorities within either its humanitarian and/or its development mandate correspond to approx. 12% of its total funding. This un-earmarked portion of WFP’s funding has increased over the last years from around 8% (to now 12% in 2011), including now also the first un-earmarked funding from the UK and the USA. Denmark’s annual un-earmarked funding/core contribution to WFP is directed towards its humanitarian mandate. WFP is also the main recipient of UN CERF funding, including from Denmark.
Total contributions to WFP in USD, 2011

Danish and EU contribution of total contributions to WFP, 2011

Danish contribution compared to main donors in USD, 2011

Trend in Danish Funding within the past 5 years in USD (core funding/earmarked)
**PERFORMANCE OF THE ORGANISATION**

WFP has performed well vis-à-vis the three priority areas in the Danish Organisational Strategy. The action plan reporting to KVA and HCP (June 15, 2012) demonstrates that WFP has delivered fully or satisfactorily on more than two thirds of the indicators. Main indicators that were deemed less satisfactory included WFP’s gender mainstreaming within the organisation, as well as WFP’s ability to engage in field-based partnerships with the Rome-based agencies.

In line with the recommendations of the 2012 Review, WFP has 1) by continuing the move from food aid to food assistance furthered its rights-based approach by working more consistently on Governments’ ownership and capacity building; 2) strengthened its systems for Results-based Management as well as Risk Management by launching a Corporate Risk Register with special focus on 25 high-risk country offices (including post-conflict and fragile states e.g. Afghanistan, Somalia, South Sudan and Zimbabwe) and by shifting the responsibility for programme results reporting to its Performance & Accountability Management Division; 3) intensified its outreach to new actors, by engaging in partnerships with the private sector, more inclusive collaboration with NGOs, and by using innovative approaches like debt-swaps to further engage new donors such as host Governments, the BRICS and the Middle East; and 4) strengthened the role of gender in the organisation and its operations by having the Gender Unit report directly to the Deputy Executive Director (DED) and more than doubling its resources in WFP’s new Management Plan 2013-2015.

Link to strategy and action plan of the organisation:
- Danish Organisational Strategy 2011-13
- Danish Action Plan 2012

**RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES**

WFP is highly relevant to the Danish Strategy. The MDGs, central in the Danish Strategy, serve as the basis for WFP’s Management and Strategic Plan. WFP’s highest prioritized Strategic Objective 1, “Save lives and protect livelihoods in emergencies”, is of direct relevance to MDG 1, and aspects of WFP’s work are of relevance to MDGs 2-8. While operating on a needs-based methodology, WFP applies a human rights-based approach to programming. WFP is a central partner in promoting the right to food as a fundamental human right, highlighted by the Danish Minister for Development Cooperation in the Danish Strategy’s preamble. WFP responds to the needs of hungry populations recognizing their most basic right, the right to life. A recent organisational realignment, placing the beneficiaries in the center of WFP’s operations in order to enhance accountability, and supported by delegation of resources and authority to field and regional levels, underpins WFP’s rights-based approach.

WFP has a proven track record in furthering the Danish strategic priority Stability and Protection*. It reduces food deficit and saves lives in times of crisis, including through social protection schemes (e.g. in recent crises in the Sahel and the Horn of Africa); improves national and international disaster preparedness capacities, systems, plans, emergency infrastructure and stockpiles (e.g. through cluster leads, active involvement in the IASC, and management of UNHAS and UNHRD**): addresses the special needs of women and girls in humanitarian crisis (by targeting them as food assistance recipients and through special nutrition programmes); and safeguards fundamental humanitarian principles through its Humanitarian Protection Policy.

WFP also plays roles in other Danish strategic priorities, such as Social Progress (by providing the safety nets for vulnerable populations, including through vouchers and cash); Flexible Partnerships (by promoting more inclusive partnerships with NGOs and by engaging in innovative partnerships with the private sector and new donors); and Results and Effectiveness (by increased focus on results reporting and risk management).

* As acknowledged in the Danish Organisational Strategy, WFP also plays a central role in the implementation of the underlying Strategy for Danish Humanitarian Action 2010-2015. WFP engages actively in the Danish prioritized humanitarian reform, including as one of the main operational IASC agencies in the implementation of the Transformative Agenda.


**CHANNELS OF INFLUENCE**

WFP’s partnership potential for Denmark is generally positively assessed. WFP’s rights-based approach harmonizes well with “The Right to a Better Life”, as well as with the underlying Strategy for Danish Humanitarian Action, where WFP and Denmark engage as active partners in humanitarian reform. Denmark’s predictable annual un-earmarked funding/core contribution provides a channel of dialogue and influences that exceeds the monetary value and Denmark’s relatively modest total donor ranking. This provides an entry point for close dialogue on core humanitarian issues at formal and informal level between Denmark and WFP in Rome and locally.

A robust, predictable un-earmarked contribution is essential to Denmark’s influence at WFP*. Further strengthening of Denmark’s position could include funding for innovation via an increased core contribution. Secondments at senior level in areas of particular Danish interest, e.g. risk management or emergency preparedness, could be a useful complement to the JPO feeder line, which evidences a good WFP retention rate and could be increased.

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WFP’s receptiveness towards strategic dialogue on Danish priorities was demonstrated at the High-Level Consultations (HLC) on 4 October 2012, led by the Danish Under-Secretary and WFP’s Executive Director and DED. WFP’s comparative advantages in humanitarian preparedness and response as well as its contributions to humanitarian reform and coordination were acknowledged, and the importance of continued development of capacities and capabilities discussed. Danish priorities related to Danish employees at WFP, Danish procurement as well as WFP’s possible use of the new UN City in Copenhagen were raised, and WFP was invited to visit Copenhagen. WFP, which engages in HLCs only with a few major/strategic donors, has committed to follow-up.

In addition to participation in the Executive Board during (EB) membership years, during non-board years Denmark still has ample opportunities to actively monitor, message and influence WFP through among others the OECD group (List D) and informal Nordic cooperation. Denmark also feeds in through the EU**, which is a permanent observer to the EB.

* See also Background information on Danish participation in governing bodies.
**There is no EU coordination in UN Funds and Programmes, but broader humanitarian issues and EU’s own WFP EB statements are discussed locally and in the EU Working Party on Humanitarian Aid and Food Aid (COHADA).

### BACKGROUND INFORMATION

| Strategic plan of the organisation | WFP’s Strategic Plan 2008-2013 marks a strategic shift from WFP as a food aid agency (distribution of food commodities) to a food assistance agency, with a more nuanced set of tools (i.e. vouchers and cash, local and regional procurement) to respond to hunger needs. The overarching goal of this strategic shift is to reduce aid dependency and to support governmental and global efforts to ensure long-term solutions to food security. Link to strategic plan of the organisation: [WFP Strategic Plan 2008-2013](http://www.wfp.org/documents/strategic-plan-2008-2013). |
| Governance structure | Ertharin Cousin (USA) became the 12th Executive Director (ED) of the UN World Food Programme (WFP) in April 2012 and the third woman to hold that post. Cousin is a member of the IASC Principles Group, the Scaling Up Nutrition (SUN) Lead Group and the UN Chief Executives Board. The WFP Executive Board (EB) is made up of representatives from 36 countries who serve on a rotating basis. Of the Board’s 36 members, 18 are elected by ECOSOC and 18 by FAO’s Council. Each Member serves up to a three-year term and is eligible for re-election. The EB meets three times a year in Rome, including a week long annual meeting in June. Other high-level consultations may be convened during the year. Board Members are divided into regional groups, whose chairs are represented in the WFP Bureau, which meet on a monthly basis with WFP’s top management. WFP has an [Audit Committee](http://www.wfp.org/about/audit-committee), composed of external national experts to provide strengthened oversight to WFP’s management as well as the EB.

- **Danish participation in management/governing bodies:**
  Denmark was member of the EB until end-2011 on behalf of the OECD group (List D). The new rotation scheme for OECD countries for the upcoming twelve year period (2013-24) allocates a total of six Board years for Denmark, divided into two three year terms (2015-17 and 2020-22). There is a possibility for Denmark of gaining one extra Board year from 2018 based on increase, size and quality (un-earmarking) of its contributions within the first five years.

- **Names and title of management team:**
  - Ertharin Cousin (USA), Executive Director (appointed April 2012 for a 5 year term, with the possibility of re-election for one second 5 year term).
  - Amir Mahmoud Abdulla (Sudan), Deputy Executive Director and Chief Operating Officer (appointed October 2012).
  - Ramiro Armando de Oliveira Lopes da Silva (Portugal), Assistant Executive Director, Operations Services, (appointed October 2012).
  - Manoj Juneja (India), Assistant Executive Director, Resource Management and Accountability, (appointed October 2012).
  - Mr. Pedro Alfonso Medrano (Chile), Acting Assistant Executive Director, Partnership and Governance Services (appointed October 2012).

| Employees | Number of employees:

  - As of mid-October 2012 there are a total of 32 Danish WFP employees (out of approx. 1500 international staff and a total of approx. 12,000 staff) including 3 field-based JPO’s, 2 GS staff and 5 consultants who are full-time employed by WFP. As a 100% voluntary funded programme, WFP does not have a quota system for internationally recruited staff in relation to level of contributions. However, in relation to Denmark’s level of financial contribution to WFP, Denmark is considered to be well within an acceptable range and well above other Nordic countries who have higher contributions to WFP.

  - Number and rank of Danish employees (junior/mid-level/senior):
    - Senior: 1 (1 D1/Chief and Secretary to the Executive Board. The Danish D2/Chief of Operations retired end 2012).|

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- **Mid:** 8 (P4-P5), incl. 1 Country Director (El Salvador), 2 Deputy Country Directors (India and Sri Lanka) and 1 Chief of WFP’s Copenhagen-based Nordic Office
- **Junior:** 16 (P1-P3), incl. 3 field-based JPOs (Ethiopia, Sudan and oPt)
- **Consultants:** 5 (at present full-time employed by WFP)
- **General Service:** 2
World Bank Group

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness

Contribution to WB of total assistance to and via multilateral organisations in DKK, 2011

ORGANISATION OVERVIEW

Mandate

The overall mandate of the World Bank Group is to: “Help to Reduce Poverty”. The World Bank promotes long-term economic development and poverty reduction by providing technical and financial support to help countries reform particular sectors or implement specific projects—for example, building schools and health centers, providing water and electricity, fighting disease, and protecting the environment. World Bank assistance is generally long term and is funded both by member country contributions and through bond issuance. World Bank staff is often specialists in particular issues, sectors, or techniques. The World Bank Group committed USD 52.6 billion in loans, grants, equity investments, and guarantees to help promote economic growth, overcome poverty, and promote economic enterprise in developing countries during fiscal year 2012, which ended on June 30. The Bank Group has more than 120 country and regional offices that assist in implementation and capacity building.

Role in the multilateral architecture

The World Bank Group is one of the world’s largest sources of funding and knowledge for developing countries. It is the world’s largest funder of education and the largest external funder of the fight against HIV/AIDS. It is a leader in the fight against corruption, a strong supporter of debt relief, and the largest international financier of biodiversity projects and of water supply and sanitation projects. Over the years, the Bank has continuously evolved and reinvented itself to meet emerging needs in the development arena. The Bank serves as an important convening power, knowledge center and financing channel to assist countries reach the Millennium Development Goals (MDGs) and to implement development initiatives of the G20. In recent years, the Bank has had to confront the global financial crises, the increasing needs of post-conflict and fragile states, and middle-income countries’ increasing access to other sources of finance, including from the private sector. The Bank Group has been well positioned to respond to these events, thanks to five main assets: Its large capital base, stable donor financing, consensus-based governance structure, access to clients’ top leadership and highly qualified professional staff. Although the Bank is often praised for its effectiveness in financial management, it has sometimes been impaired by its cumbersome planning and implementation procedures, inadequate tailoring of its policy advice to clients’ fast-changing requirements and insufficient country presence. From time to time, observers have also been critical of the quality of the World Bank’s cooperation with other key development actors, including through the poverty reduction support credit processes (PRCS). Finally, given the nature of the Bank’s core operation of providing loans to recipient countries, there have been limitations as to how much the Bank has been able to engage on a regional level.
Agriculture: Denmark will work with the Bank in order to combat poverty. The WBG is a partner in the UN’s ‘Sustainable Energy for All’ initiative.

Green Growth: In its own programs and projects, the WBG’s main activities coincide well with Danish priorities in three main areas: Energy; Climate change and Sustainable agriculture. Denmark will monitor and report on the WBG’s indicators pertaining to the sustainable development goals. Energy: The WBG considers that providing access to energy is an inherent part of combating poverty. The WBG is a partner in the UN’s ‘Sustainable Energy for All’ initiative.

The assessment is, that the World Bank’s performance in 2012 was very satisfactory based on the organisation strategy 2007-2012 and the action plan for 2012 (reference is made to separate elaborate report). The Bank has also shown progress in key areas in relation to the Multilateral Review 2012 including in areas such as 1. Financing (to ensure a more effective, strategic, results-focused, and sustainable approach in the use of trust funds, management is implementing reforms to integrate them into its budget and business-planning processes,) 2. Goals and performance (strengthened results-based management systems and transparency) 3. Increased involvement of BRICS through the Bank’s active engagement in G20 and south-south cooperation facilities in the Bank; 4. Conflict-affected and fragile states (in 2012, the Bank was actively engaged in New Deal and convened several high-level meetings with g7+). The Bank also established a new World Bank fragile states hub in Nairobi) 5. Sustainability and green economy (Green Growth Flagship Report in the preparation for Rio+20 got good traction. Moreover, a new environment strategy was developed taking into account aspects on renewable energy. Also IFC increased its investments on renewables. Finally, the World Bank was appointed interim-trustee for the coming Green Fund on climate change).

Challenges still remain: Although significant progress was made on managing for results and gender mainstreaming, more can still be done. Moreover, project outcome ratings for investment projects show a declining trend. There is also a need for improving the quality of monitoring and evaluation and while WBG country programs meet their objectives, the performance standard set by the Scorecard has yet to be attained. Attention is also needed to enhance synergies within the WBG; project quality-at-entry and implementation support; crisis preparedness; sustained dialogue with clients; and quality of analytical work.

A ‘rights-based’ approach in the World Bank Group context: The Bank’s Articles of Agreement state that the World Bank should not make decisions based on political criteria including basic human rights. However, discussions in the World Bank’s Executive Board have, over the years, clarified that they do not entirely prohibit WBG activities with human rights objectives, and indeed the space for the human rights perspective has progressively opened up. Through the Nordic Trust Fund, Denmark has and will continue to aim to build consensus around a broader approach to human rights. Denmark will also engage in an active dialogue with the Bank about how to ensure that a more rights-based approach is applied in the Bank’s delivery of services in areas such as primary education, primary health care, access to water and sanitation, rural electrification and gender equality and vulnerable groups. In the upcoming IDA-17 replenishment negotiations in 2013-14, Denmark will take a key role in promoting rights-based approaches. Regarding results measurement on human rights and gender equality, Denmark will work with Bank management to develop one or more indicators of operational effectiveness on fostering government capacity and accountability.

Green Growth: In its own programs and projects, the WBG’s main activities coincide well with Danish priorities in three main areas: Energy; Climate change and Sustainable agriculture. Denmark will monitor and report on the WBG’s indicators pertaining to green growth as outlined in the new organizational strategy 2013-2017. Denmark will also engage the Bank in the post-2015 discussions and the development of the sustainable development goals. Energy: The WBG considers that providing access to energy is an inherent part of combating poverty. The WBG is a partner in the UN’s ‘Sustainable Energy for All’ initiative.

Denmark will advocate for a new Bank energy strategy as a framework for its country programs. Climate change: Denmark will work for climate change becoming a key development priority in the upcoming IDA-17 replenishment negotiations. Sustainable Agriculture: Denmark will work with the Bank in order to develop an international doing agriculture index (“doing business in agriculture index”), where sustainability aspects are duly incorporated.

In 2012, the focus areas were: 1. Inclusive Economic Growth and Jobs Creation; 2. Gender Equality; 3. Stability and Fragility; 4. Environment and Climate; and 5. Internal Reforms of the Bank. Moreover, Denmark focused on human rights including gender issues and rights-based approaches through the support to the Nordic Trust Fund on Human Rights.

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

In the upcoming IDA-17 replenishment negotiations in 2013-14, Denmark will take a key role in promoting rights-based approaches. Regarding results measurement on human rights and gender equality, Denmark will work with Bank management to develop one or more indicators of operational effectiveness on fostering government capacity and accountability.
Social Progress: Denmark’s development objectives are entirely aligned with IDA’s mainstreaming of lending and policy work in areas such as primary education, sexual and reproductive health, supporting social sectors through budget support and multilateral initiatives and strengthening efforts for social protection, especially for poor and vulnerable groups. Not only is IDA a leading global source of finance for health, education and social protection programs; it has also pioneered ways of moving development assistance in the social sectors from a project-based toward a budget-support model. Denmark will monitor and report on the WBG’s indicators pertaining to social progress as outlined in the new organizational strategy 2013-2017 and will aim to promote a rights-based approach within these areas.

Stability and Protection: The WBG is particularly well positioned to help address two of Denmark’s goals for stability and protection in fragile and conflicted affected states, namely poverty reduction and job creation, and state and peace building, including through a focus on the development challenge of forced displacement. Based on the recommendations of the 2011 World Development Report on Conflict Security and Development, the Bank is now working much closer with the UN in fragile states, as increased donor coordination is key in achieving results. As part of the IDA-16 replenishment, IDA management is committed to improve its procedures in order to make its support for fragile states more agile and more effective. Denmark will monitor progress on those commitments at the IDA-16 review and press for further commitments in IDA-17. Denmark will continue to contribute to multi-donor trust funds for individual fragile or conflict-affected situation and make strong effort to participate actively in the governance structures of the trust funds. Denmark will continue to fund the Bank’s State- and Peace-building Trust Fund and to the Trust Fund for the Global Programme on Forced Displacement. Denmark will push the Bank to work closer with i.a. the UN-system in fragile states.

CHANNELS OF INFLUENCE:

The World Bank Group is an important partner for Denmark’s development co-operation. In general, the Bank is receptive to establishing partnerships that build on mutual understanding and trust. The priorities of the Bank are well aligned with the Danish Development Strategy. WB/IDA accounts for roughly 15 percent of all Denmark’s multilateral contributions – more than almost any other multilateral organization and it contributed roughly DKK 420 mill per year to the IDA-16 replenishment. Denmark holds 0.76 percent of the shares and voting power of the World Bank. Denmark pursues an active secondment policy with the World Bank. Denmark has an ongoing and strategic dialogue with the Bank on policy issues through: Board of Governors (typically the Minister for Development Cooperation participates in the Annual Meetings and the Spring Meetings of the Bank); Board of Directors (Nordic/Baltic instructions on strategic and financial issues and in some cases concrete projects); Donor coordination efforts in recipient countries, high-level visits by the Ministry of Foreign Affairs in Washington and Senior World Bank staff to Denmark. Finally, Danish companies and consultancy firms supply about DKK 150-250 mill worth of goods and services each year to World Bank-financed projects.

An independent review was conducted in 2012 by an external consultant. The result was that Denmark has had more influence on the Bank Group than its modest financial role would predict. Denmark has long sought to shape the work of the organization and has largely succeeded because it has consistently supported a few clear development themes and has chosen high-priority issues around which to build consensus. Denmark has achieved much of its impact through the Executive Board and in IDA replenishments, along with strategic staff secondments. It has been less clear what influence has been obtained through Danish supported trust funds. In accordance with the new Organisation Strategy for the Bank, the Embassy in Washington will develop key guidelines for future Danish engagement in various World Bank administered trust funds. Board Representation: General operations of the Bank are overseen by the Board of Executive Directors, in which member countries are represented by a total of 25 chairs. Denmark is part of the 8-country Nordic/Baltic constituency. The members of the Nordic-Baltic constituency are like-minded on most development matters. This shared philosophy allows the chair to present a coherent position in Executive Board discussions and decision making and implies that Denmark’s viewpoints are normally well reflected in the Chair’s collective positions. Denmark will systematically use these opportunities to articulate positions anchored in the priorities of “The Right to a Better Life” including a rights-based approach to development. This will also include systematic input from the Danish embassies in partner countries regarding the Bank’s performance in the field.

Contributions to International Development Association (IDA): IDA’s funding is replenished every three years through meetings at which high-level donor representatives pledge funds and provide guidance about the development priorities for IDA assistance. Denmark has long exerted disproportionate influence in IDA replenishments. It was noted for sharpening IDA’s attention to gender equality, fragile states, climate change and lately inclusive growth. Denmark’s influence in IDA derives from three factors: the consistency of its positions over successive replenishments, its disproportionately large contributions in relation to its GDP; its selection of compelling themes that other donors also want to support.

Contributions to World Bank-administered Trust Funds: Denmark contributes to roughly 70 World Bank administered trust funds. A number of Danish-supported trust funds are aligned with Danish priorities, as illustrated in the new draft organization strategy. Other trust funds, however, are less aligned. Moreover, in some funds, Denmark’s contribution is too small to give it an effective influence. There are 15 trust funds to which Denmark contributes less than USD 1 million, and roughly 30 to which Denmark accounts for less than 10 percent of total contribution. In 2013, Denmark will take a more strategic and selective approach to its Trust Fund portfolio in the World Bank. Denmark will work closely with the WBG’s trust fund departments to implement this new approach.

Staff Secondments: Denmark aims to identify qualified individuals to the strategic needs of the Bank; thus ensuring that its secondments are driven by demand rather than supply. Denmark will manage the secondment program even more strategically, by supplying experts in Denmark’s priority areas. Denmark will, moreover, when possible use secondments as part of a career opportunity for officials of the Ministry of Foreign Affairs.
NEW WORLD, NEW WORLD BANK GROUP - Post-Crisis Directions: The vision of the World Bank Group is to overcome poverty by supporting an inclusive and sustainable globalization, enhancing growth with care for the environment, and creating individual opportunity and hope. The strategy links directly to the Millennium Development Goals: Target poor and vulnerable groups, create opportunities for growth, promote global collective action, strengthen governance and manage risk and prepare for crisis. The strategy also links to IDA-16’s development objectives. The new President of the World Bank, Dr. Jim Kim is expected to update the Strategy of the Bank Group in 2013 with even more focus on poverty eradication and turning the Bank from a ‘knowledge bank’ into a ‘solutions bank’.

Link to strategic plan of the organisation:

The World Bank Group consists of IBRD, IDA, IFC, MIGA and ICSID. Each has its own articles of agreement. Each Bank Group institution is owned by its member countries, which are its shareholders: from 188 in IBRD to 146 in ICSID. In practice, member countries govern the Bank Group through its institutions’ Board of Governors and Board of Directors. These two bodies make all major policy decisions for the Bank Group.

The Board of Governors consists of 188 members and they meet normally once a year at the Annual Meeting. Members consist of Ministers of Finance, Central Bank Governors and Ministers of Development Cooperation from each member country. The governors admit or suspend members, review financial statements and budgets, make formal arrangements to cooperate with other international organisations, and exercise other powers that they have not delegated. Because they only meet annually, they often delegate specific duties to the Board of Executive Directors.

The Board of Executive Directors oversees the general operations of the World Bank Group except for ICSID. The Board considers policies, projects, country programs, budget and development issues. The President of the Bank serves as the chair of the 25 members Board, but has no voting power. The five biggest shareholders – USA, Japan, Germany, France and UK each appoint one executive director. The other countries are grouped into constituencies, each of which elects an executive director as its representative. Denmark is part of the 8-country Nordic/Baltic Constituency. Each member country has an official assigned to the constituency office at all times. The constituency elects the executive director in accordance with a long term rotation scheme. Sweden is currently the member of the Board. Denmark will assume the position in 2016-2019. Short analysis: The members of the Nordic/Baltic constituency are all like-minded on most development issues. This shared philosophy allows the Nordic/Baltic executive director to present a coherent position at the Board of Directors and this means that Denmark’s viewpoints are normally very well reflected in the Nordic/Baltic chair’s collective positions.

- **Danish participation in management/governing bodies:**
  - The Danish representative in the office of the executive director is advisor/senior advisor Peter Ellehoj. The highest ranking Danish official in the World Bank is Vice President Inger Andersen (MENA-department). Steen Lau Jørgensen is director in the same MENA-department.

- **Names and title of management team:**

**Employees**

- **Number of employees:**
  - Ca. 11.000 employees in Washington and around the world.

- **Number and rank of Danish employees (junior/mid-level/ senior):**
  - Junior=7; mid-level=59; senior=2
World Health Organization (WHO)

OVERVIEW OF ORGANISATION RATINGS

Relevance and effectiveness  Contribution to WHO of total assistance to and via multilateral organisations in DKK, 2011

Organisational effectiveness  Contribution

Financing  Partnership

Alignment

Mandate

WHO is the directing and coordinating authority for health within the United Nations system. It is responsible for providing leadership on global health matters, shaping the health research agenda, setting norms and standards, articulating evidence-based policy options, providing technical support to countries and monitoring and assessing health trends.

Role in the multilateral architecture

As the leading global organisation for promotion of health and development WHO is well placed in the multilateral system to advance the health related MDG’s through its norms and standard setting work and as provider of technical support to countries especially in development of health systems. However, challenges remain to make WHO fit for purpose and adapt to a changing global health landscape. WHO has embarked on an ambitious and most needed governance, managerial and programmatic reform program that intends to address these issues.

The most urgent challenge relates to financing of WHO. 75 % of WHO voluntary contributions are currently earmarked specific programs that are often not aligned with agreed priorities. This is obviously a major challenge for the organization in the implementation of the agreed strategic objectives, where some areas are constantly underfunded, including Danish priority areas such as child, adolescent, maternal and sexual and reproductive health and health system strengthening.

Also there is a serious lack of transparency when it comes to distribution of funds for various priorities. In 2010 Denmark decided, as one of very few countries, to provide a fully flexible voluntary contribution to WHO in line with aid effectiveness principles and also to support the Director-General’s reform efforts and wish for more flexibility. Hence Denmark has a special interest in coherence between priorities and funding in order to ensure that Danish funds are used to promote areas where WHO can bring added value, including in relation to children’s and women’s health and promotion of gender equality and human rights.

Core funding: DKK 44,290,934

Earmarked funding: DKK 2,576,559

Other multilateral organisations: DKK 6,134,888,373

Core funding

Earmarked funding

Other multilateral organisations

Other multilateral organisations; DKK 6,134,888,373

Contribution to WHO of total assistance to and via multilateral organisations in DKK, 2011
**FINANCIAL OVERVIEW**

- **The Danish contribution (core funding):** 40 million DKK. DK assessed contribution 2011 USD 3,432,530
- **EU contribution:** Total EC 2011: USD 39,352,687
- **Assessed Contribution (USD 2010):** Total EU 27: 181,380,400
- **Voluntary Contribution (USD 2010):** European Commission: 57,213,835, Total EU 27: 271,099,123
- **Combined Contribution (USD 2010):** European Commission: 57,213,835, Total EU 27: 452,479,523

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**PERFORMANCE OF THE ORGANISATION**

According to Performance assessment report of Program Budget 2010-2011 out of a total of 85 Organization-wide expected results for the biennium 2010–2011, 46 were considered to have been “fully achieved” and 39 “partly achieved”. As regards Danish priority areas Strategic Objective 2 child, adolescent, maternal and sexual and reproductive health, of the eight Organization-wide expected results for this strategic objective, six were «fully achieved» and two «partly achieved». For Strategic Objective 10 on health systems, of the thirteen Organization-wide expected results for this strategic objective, seven...
were «fully achieved» and six «partly achieved». For many indicators the report shows an overachievement of targets set for 2011, particularly for Strategic Objective 2.

As described above a particular challenge arises from the consistent underfunding of Danish priority areas and it has been raised with WHO how relatively good achievements and in some cases even overachievement on specific indicators can be obtained when severe underfunding within the same areas of work continues to exist. The work to improve a results-based management approach continues to be a central part of the reform discussions, in particular in relation to establishing a realistic and funded program budget for the next biennium 2014-2015.

Link to strategy and action plan of the organisation: http://fngeneve.um.dk/en/health/

RELEVANCE OF THE ORGANISATION TO DANISH PRIORITIES

WHO remains highly relevant for overall poverty reduction, advancement of social progress and achievement of health related MDG’s. The normative and standard setting work of WHO is a prerequisite for the work carried out by both Global Fund and UNAIDS and other multilateral organisations addressing health and equity issues. Also the role in providing technical assistance and guidance to countries is crucial in order to advance sustainable health development at country level.

In the draft for the next General Programme of Work (2014-2019) the overall WHO mission is clearly stated as the attainment by all peoples of the highest possible level of health as a fundamental right. There is a clear overarching focus on equity, social justice and gender equality in the new program of work and there is a great potential for advancing these issues within all levels of the organisation, but this will depend on continued political commitment and prioritization.

In general the continued effectiveness and relevance of WHO will require a successful reform process, with bold steps to focus and strengthen institutional priorities and efficiency at all levels of the organization (HQ, regions and country offices). As a member-driven organization, where reform issues will be the subject of inter-governmental processes, it is to be expected that advancing on the reform program will be a long term process.

CHANNELS OF INFLUENCE

Denmark’s main channel of influence is through close cooperation in the EU where a wide range of technical and policy issues are discussed and EU positions developed on most agenda items for Board meetings and World Health Assembly. In addition, there is a tradition of close Nordic coordination and dialogue. Denmark has an ongoing well established bilateral dialogue with WHO on specific development-related topics. Danish influence is best strengthened through continued strong engagement in EU coordination and development of EU positions. Denmark could also increase its influence on issues relevant for Danish development priorities by considering secondment of staff to work with the newly established team on mainstreaming gender, equity and human rights throughout the organisation.

WHO Secretariat is very responsive to a two-way partnership with Denmark, but WHO direct responsiveness to specific Danish development priorities is by nature limited by the fact that WHO is a member state driven organisation and issues are subject to intergovernmental processes.

Strategic high level policy dialogue should be planned as part of the preparation in 2013 of the new Danish organization strategy with WHO.

BACKGROUND INFORMATION

| Strategic plan of the organisation | The Eleventh General Programme of Work 2006–2015 sets out a long-term global health agenda for all stakeholders to guide the response to global health challenges. The Medium-term strategic plan (MTSP) 2008–2013 defines the strategic direction for implementing this agenda and provides a monitoring and assessment framework that allows WHO to measure progress over time. As part of the on-going reform process a new General Programme of Work (2014-2019) is currently being developed. This revised General Programme of Work will also encompass the strategic objectives currently set out in the MTSP instrument. The draft General Programme of Work has identified five technical categories for the future work of WHO: (i) Communicable diseases; (ii) Non-communicable diseases; (iii) Promoting health through the life-course; (iv) Health systems; and (v) Preparedness, surveillance and response. A sixth category of work will be added as “WHO’s corporate services”. It is foreseen that the new General Programme of Work and the next Programme Budget for 2014-2015 will be adopted by the World Health Assembly May 2013. Link to strategic plan of the organisation: http://www.who.int/about/role/en/index.html and http://www.who.int/about/resources_planning/en/index.html |

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### Governance Structure

The World Health Assembly is the supreme decision-making body (194 Member States). Its main function is to determine the policies of the Organization. The Health Assembly appoints the Director-General, supervises the financial policies of the Organization, and reviews and approves the proposed program budget. The Executive Board (EB) is composed of 34 members. The main functions of the Board are to give effect to the decisions and policies of the Health Assembly, to advise it and generally to facilitate its work.

- **Danish participation in management/governing bodies:**
  Traditionally there has been an informal “Nordic seat” in the EB (currently Norway). Denmark was a member of the EB in 2006-2009. Denmark is also represented by the EU in the EB (currently through Lithuanian Board member).

- **Names and title of management team:**
  - Director General Dr Margaret Chan.
  - Deputy Director-General Dr Anarfi Asamoah-Baah.

### Employees

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<thead>
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<tbody>
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<th>Number and rank of Danish employees (junior/mid-level/senior):</th>
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<tr>
<td>- Senior Management Staff (P6-UG): 2</td>
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<tr>
<td>- Professional Staff (P1-P5): 18</td>
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