

Minutes from the meeting in the Council for Development Policy
on 12 September 2024

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Director for Nutrition Line Damsgaard, The Danish Agriculture & Food Council
Senior Researcher Adam Moe Fejerskov, Danish Institute for International Studies (DIIS)
Secretary General Charlotte Slente, Danish Refugee Council (DFC)
Director Charlotte Flindt Pedersen, Danish Foreign Policy Society
Chief Advisor Mattias Söderberg, DanChurchAid
- MFA: Under-Secretary for Development Policy Ole Thonke
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Deputy Head of Department Mette Bech Pilgaard, Department for Evaluation, Learning and Quality, LEARNING
Head of Section Caroline Busk Ullerup, Department for Evaluation, Learning and Quality, LEARNING
- Agenda item 1: Head of Department Ketil Karlsen, Department for Africa, Policy and Development, AFRPOL
- Agenda item 2: Deputy Head of Department Mads-Emil Stærk, Department for Green Diplomacy and Climate, KLIMA
Senior Advisor Maja Thagaard, Department for Green Diplomacy and Climate, KLIMA
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Deputy Head of Mission Adam Sparre Spliid, Embassy in Kampala (Online)
Team Leader Ole Dahl Rasmussen, Embassy in Kampala (Online)
Deputy Head of Mission Sebastian Lukas Bych, Embassy in Addis Ababa (Online)
Chief Advisor Rose Marie Arvid Larsen, Embassy in Addis Ababa (Online)
- Agenda item 3: Head of Department Karin Poulsen, Department for Green Diplomacy and Climate, KLIMA
Chief Advisor Jette Michelsen, Department for Green Diplomacy and Climate, KLIMA
Chief Advisor Dorrit Skaarup, Department for Green Diplomacy and Climate, KLIMA
Team Leader Lisbeth Jespersen, Embassy in Rome (Online)

- Agenda item 4: Head of Department Karin Poulsen, Department for Green Diplomacy and Climate, KLIMA
 Team Leader Henning Nøhr, Department for Green Diplomacy and Climate, KLIMA
 Head of Section Anton Ærbo Giversen, Department for Green Diplomacy and Climate, KLIMA
- Agenda item 5: Head of Department Anne Hougaard Jensen, Department for Green Diplomacy and Climate, KLIMA
 Chief Advisor Morten Blomqvist, Department for Green Diplomacy and Climate, KLIMA
 Team Leader Merete Willum Pedersen, Department for Green Diplomacy and Climate, KLIMA
- Agenda item 6: Ambassador Stephan Schönemann, Embassy in Nairobi (Online)
 Team Leader Henrik Larsen, Embassy in Nairobi (Online)
 Team Leader Tobias von Platen-Hallermund, Embassy in Nairobi (Online)
- Agenda item 7: Head of Secretariat Anette Aarestrup, Secretariat for Government-to-Government Cooperation, MYNSEK
 Chief Advisor Bjarke Kofod Scheutz, Secretariat for Government-to-Government Cooperation, MYNSEK
 Head of Section Helene Merete Bangert, Secretariat for Government-to-Government Cooperation, MYNSEK
 Head of Department Lærke Bojsen-Møller, Ministry of Industry, Business and Financial Affairs
 Head of Section Kia Ris Skræddergaard, Ministry of Industry, Business and Financial Affairs
 Head of Department Michael Poulsen, The Danish Patent and Trademark Office
 Head of Department Martin Riis Hansen, The Danish Maritime Authority
 Head of Section Yvonne Halkjær Jensen, The Danish Maritime Authority
- Agenda item 8: Head of Department Marie-Louise Koch Wegter, Department for Multilateral Cooperation, MULTI
 Team Leader Signe Fischer Smidt, Department for Multilateral Cooperation, MULTI
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 Chief Advisor Rikke Enggaard Olsen, Department for Multilateral Cooperation, MULTI
 Head of Section Anne Katrine de Hemmer Gudme, Department for Multilateral Cooperation, MULTI

Agenda item 9: Head of Department Ketil Karlsen, Department for Africa, Development Policy and Financing, AFRPOL
Team Leader Mirja Matilde Crone, Department for Africa, Development Policy and Financing, AFRPOL

Agenda Item No. 1: Announcements

The Under-Secretary for Development Policy briefed the Council about the recent ministerial reshuffle, noting that all aspects of development cooperation would now become part of the Minister for Foreign Affairs' area of responsibility. The Minister for Foreign Affairs envisioned greater synergy between development cooperation and other matters of foreign policy, not least in relation to the implementation of the Government's new strategy for Denmark's engagement with African countries. The Minister had a busy schedule but efforts were being made to plan a meeting with the Council in the near future.

The Under-Secretary passed the floor to the Head of Department for Africa, Development Policy and Financing (AFRPOL) who briefed the Council about the strategy for Denmark's engagement with African countries (henceforth "the Africa Strategy"). The Africa Strategy was launched on 26 August 2024 after an intense and inclusive process. AFRPOL had received written input from forty different organisations, held a kick-off event in May 2024, and organised several ministerial visits to African countries during the past year. Most recently, the Minister for Foreign Affairs had visited Egypt and Ghana. In Ghana, the Minister for Foreign Affairs had been accompanied by his colleagues from other Nordic countries, recognising the importance of joint Nordic presence and cooperation in Africa. Now it was time to put words into action and focus on implementing the strategy.

A total of DKK 1.4 billion had been allocated on the Finance Bill 2025 for new initiatives to implement the Africa Strategy. Several new, concrete activities were planned, including initiatives to enhance trade and student exchanges. Funding would include ODA-funding but also non-ODA funding, e.g., with DKK 150 million going to the Export and Investment Fund of Denmark (EIFO) for activities in Africa.

As part of the Africa Strategy, Denmark was opening embassies in Senegal, Tunisia, and Rwanda and was reinforcing diplomatic staff and resources at the embassies in Egypt, Kenya, South Africa, Nigeria and Ghana. As a result of military coups that had severely limited the scope for action in the Sahel region, the embassies in Burkina Faso and Mali would be closed.

The Under-Secretary further noted that the annual stocktaking report regarding the Country Strategic Framework for Kenya (2021-2025) would be postponed to May 2025, since the Council had recently been briefed about the country programme during their visit to Kenya in April 2024.

Members of the Council enquired about Denmark's upcoming Presidency of the Council of the European Union (EU) and whether the Council would be consulted beforehand and/or during the Presidency. Members also asked for further information about the Team Europe Initiatives. Finally, Members noted that the ministerial reshuffle meant that global climate policy was no longer based in the Ministry of Foreign Affairs (MFA) and wondered how this would affect future climate negotiations.

Regarding the upcoming Presidency of the Council of the EU, The Head of AFRPOL noted that setting priorities was in the making. This included a dialogue concerning a revitalisation of the FAC/DEV constellation and how to translate Global Gateway into practice. Team Europe was the frontrunner of Global Gateway, and this approach was about creating initiatives that were in high demand in Africa. A key priority in the Africa Strategy was to help improve the EU's cooperation with African countries.

Regarding the ministerial reshuffle, the Under-Secretary noted that global climate policy would once again be housed in the Ministry of Climate, Energy and Utilities (KEFM) – as it had been before the previous Minister for Development Cooperation and Global Climate policy had assumed his position. The last year and a half had strengthened the close cooperation between MFA and KEFM, and the close partnership would continue despite the ministerial reshuffle.

With reference to the Rules of Procedure for the Council for Development Policy, the Chair of the Council asked if members had any conflicts of interest related to the agenda items. There were no conflicts of interest.

Agenda Item No. 2: Tropical Forest Initiative

For discussion and recommendation to the Minister

DKK 455.4 million

The Department for Green Diplomacy and Climate, KLIMA

Summary:

The presentation of the Tropical Forest Initiative (TFI) consists of a strategic framework that defines the overall objectives and strategic priorities for the TFI and the first four projects which are being financed under the programme. The 4 projects are: 1) contribution of DKK 150 million to the Amazon Fund; 2) contribution of DKK 150 million to the Central African Forest Initiative (CAFI); 3) contribution of DKK 60 million to the EU-Uganda Forest Partnership; and 4) contribution of DKK 105.4 million to the REDD+ Investment Program II (RIP II) in Ethiopia.

<i>The Council for Development Policy recommended the Tropical Forest Initiative and the four presented projects for approval by the Minister for Foreign Affairs.</i>
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The Council commended the Department for Green Diplomacy and Climate (KLIMA) for a comprehensive strategic framework for the Tropical Forest Initiative (TFI) and well-prepared project documents for the four underlying projects. The many comments received during the formulation phase - from the Programme Committee as well as from the public hearing - seemed to have been addressed and incorporated as necessary. Furthermore, Members of the Council appreciated that both Danish and Norwegian lessons learned had been included in the project formulation.

Members of the Council asked for clarification on the link between the strategic framework and the four underlying projects as well as to the duration and overall budget of the strategic framework. Would three years be sufficient to implement the programme? And would the relatively small contribution from Denmark to the different existing projects make a real difference? It was suggested to clarify in the strategic framework that all the projects selected had to live up to all three strategic priorities – even if they contributed to varying degrees. It might

also be useful to consider the geographic scope of the programme to ensure the desired transformative change.

Members of the Council raised questions regarding the management of the framework and the underlying projects. Why was the strategic framework under the responsibility of KLIMA, if the embassies were to be responsible for implementing most of the projects? Members also asked about the capacity available at the embassies to follow up on related political issues with local partners and whether there was also a domestic political push for implementing these programmes. The importance of incorporating local capacity development was emphasised as was the need for balance between project management and long-term political involvement in the topic.

Members of the Council suggested that the link to the Kunming-Montreal Global Biodiversity Framework was further elaborated in the strategic framework. The issue of carbon markets was raised, especially with regards to additionality and risk of double counting.

Regarding the Danish contribution to the Amazon Fund (AF) of DKK 150 million, Members of the Council highlighted the immense importance of the Amazon Forest and the need for support, especially in light of the current wildfires that were destroying large parts of the forest. The importance of political backing and buy-in from the national and local government as well as the need for coordination with other donors could not be underestimated. Furthermore, Members of the Council asked how this contribution was linked to other instruments in the Danish collaboration with Brazil and requested an update about the unspent funds in the Amazon Fund and their capacity to ensure that the funds were being spent in a timely manner. A question was raised in regards to the status of the Brazilian project to pave a highway through the Amazon which raised concerns of increased deforestation.

With regards to the proposed project in Ethiopia, Members of the Council noted that the complex security situation in Ethiopia could be further elaborated in the project document. Recognising the high level of poverty in the country, Members of the Council asked about how people would directly benefit from the programme.

Members of the Council suggested that the link between commercial interest and poverty reduction should be further elaborated in the EU-Uganda Forest Partnership. Furthermore, Members of the Council sought to understand how the projects and activities took into account new regulatory requirements, especially in Uganda and Ethiopia.

As for the proposed support to CAFI, Members of the Council asked how Denmark would be able to follow projects and influence the work of CAFI with no local presence in the partner countries in the Congo Basin.

Finally, Members of the Council highlighted the need to ensure that the knowledge and experience of the Danish resource base was drawn upon in the implementation of the TFI and in the formulation of future projects.

The Deputy Head of KLIMA thanked the Council for their comments and input. It was clarified that although the document indicated that the strategic framework would run from 2024-2027,

this concerned the timeframe of the DKK 1 billion for the TFI. The strategy itself did not have a specific end-date and the various underlying projects may also extend beyond 2027. The four projects presented was the first batch of projects, additional projects would be developed under the strategic framework to utilise the available budget of DKK 1 billion.

In regards to the selection of projects, it was stressed that the projects complemented each other and that all the projects were to contribute to the strategic priorities, which would be further clarified in the document. It was emphasised that poverty reduction was an important part of the strategy and that the nexus between climate mitigation and climate adaptation and sustainable development was a key element. The embassies had been closely involved in the project identification and formulation both through bilateral meetings and through the task force on forests which was established last year. It was further emphasised that the proposed projects were selected based on both the need for political buy-in and commitment from partner countries to combat deforestation and restore forests, as well as opportunities to collaborate with other entities, such as the EU in Uganda and Norway in Ethiopia, in a field where Denmark had not been very active in recent years.

With regards to the Amazon Fund, it was clarified that this commitment was very closely linked to the Danish engagement in the G20 Environment and Climate Sector Working Group as well as the preparations for the COP30 in Belem which would coincide with the Danish presidency of the EU. It was also mentioned that the Amazon Fund had a lot of projects in the pipeline and that they were working on regaining speed of implementation after having been frozen during the Bolsonaro government where no new projects could be awarded while the funds accumulated. Furthermore, discussions were ongoing among donors of possibly increasing the administration fee, which was currently very low (3%), to support a timely implementation of the funds. Finally, KLIMA informed that the project to pave the highway through the Amazon Forest was currently on hold and that donors were keeping a close eye on the issue.

The Deputy Head of Mission at the Embassy in Addis Ababa assured the Council that they were attentive to the political context and acknowledged that the wording regarding the security situation could be reviewed in order to reflect its severity. It was underlined that there were mitigating measures in place should the situation worsen and affect the planned implementation of the project. The RIP II project benefited greatly from the vast Norwegian experience in the area as well as lessons learned from the previous phase. In regards to the challenges that many smallholders were facing with the new EU Deforestation Regulation (EUDR), it was emphasised that the project was supporting the farmers with the traceability requirements through geolocalisation and the Participatory Forest Management approach which was part of the project.

The Deputy Head of Mission at the Embassy in Uganda pointed out that the Danish contribution to the EU-Uganda Forest Partnership built on the EU's experience and capacity in the area and that the project was both a Team Europe Initiative and part of the Global Gateway. With regards to the link between the commercial forest sector and poverty reduction, it was stressed that the project would deliver approximately 160,000 forest related green jobs. It was expected that the delegated collaboration with the EU would facilitate the management of the project for the embassy. There would be important synergies with other Danish projects, not least in regards to EUDR which was not a part of the EU-Uganda Forest Partnership, but which the Danish embassy addressed through other projects.

The Chair of the Council concluded that the Council recommended the Tropical Forest Initiative and the four presented projects for approval by the Minister for Foreign Affairs. The Council looked forward to reviewing the second round of projects under the Initiative in the coming year.

Agenda Item No. 3: Support to Climate Resilient Agriculture and Food Systems

For discussion and recommendation to the Minister

DKK 150 million

The Department for Green Diplomacy and Climate, KLIMA

Summary:

The purpose of the support to Climate-resilient Agriculture and Food Systems 2025-2027 is to increase the climate-resilience of small-scale farmers and food systems, with a special focus on Africa. Through provision of a Danish core contribution to the International Fund for Agriculture Development's (IFAD) new initiative Additional Climate Contributions, the support aims to 1) improve climate-resilient practises of small-scale farmers' production and market access, and 2) increase climate finance for Africa.

The Council for Development Policy recommended the support to Climate-resilient Agriculture and Food Systems 2025-2027 for approval by the Minister for Foreign Affairs. It was suggested that a dialogue with the Council about progress of the project should take place in relation to the planned Midterm Review in 2026.

The Council commended the substantial context analysis and the strong focus on small scale farmers and catalytic financing in the programme document.

The Council agreed to the choice of partner but would have preferred to see core funding instead of earmarked funding. The Council wondered why the new initiative Additional Climate Contributions was preferred at the expense of replenishment of the International Fund for Agriculture Development (IFAD) 13? It was argued that donor support to the new window could lead to a reduction of core-support to IFAD with the risk of hampering IFAD's commitment to climate adaptation work in general.

Members of the Council alluded to the challenges related to IFAD's work in fragile states. While references to the central Sahelian countries in the project document were well noted, Members of the Council inquired if it was possible for IFAD to work in a meaningful way in Burkina Faso, Mali, and Niger?

Members of the Council argued for synergies with the planned Danish support to the forest sector (discussed in the meeting under agenda item 2) and the upcoming Danish support to the water sector as indicated in the new strategy for Denmark's engagement with African countries. It was argued that support to Climate-resilient Agriculture without integrating water aspects would not lead to sustainable development in the countries concerned. A warning was given concerning the risk of supporting maladaptation instead of adaptation adjusted to specific conditions and need of the population.

Members of the Council found that the requirements upon IFAD were relatively few, also taking into account the volume of the future support. At this stage, no pipeline had been established to illustrate the use of the Additional Climate Contributions funds, and a new Strategic Framework

for 2026–2030 would only be prepared by the end of 2025. Thus, the number of African countries benefitting from the support would remain unknown during the coming year. Members of the Council challenged the confidence in IFAD, which the programme document expressed, and asked for arguments for the volume of the support. Value for money reflections were called for.

A particular concern was mentioned in relations to the proposed performance-based criteria for support to individual countries. It was found that better off countries would often receive a larger share than poorer countries when such criteria were applied.

Finally, Members of the Council wondered if the approach of spreading the Danish support to adaptation across a wide range of specific grants was the best use of the funds. They asked if the Ministry was able to engage at an appropriate level in so many boards and steering committees. Following up on earlier discussions of an overview of the distribution of climate change and environment-related support, prepared by the Department for Green Diplomacy and Climate (KLIMA), Members of the Council asked if they could receive an updated version.

On the choice of partner and the modality for support, the Head of KLIMA referred to IFADs core mandate and the organisation’s strong reputation not least at a decentralised level. Experience from supplementary funding was good, and the Danish contribution to the new initiative Additional Climate Contributions had a clear ambition of “greening” IFADs portfolio in general. After some years, it could be considered to go back to core support which Denmark had provided until 2015.

KLIMA shared the concerns with regard to IFAD’s work in fragile states, including in the central Sahel. Denmark had restricted its bilateral development cooperation with Burkina Faso, Mali, and Niger and no longer provided direct support to the central governments. Therefore, Denmark would pay special attention to whether the right control and safeguarding mechanisms were in place if support to these countries was considered by IFAD. It was stressed that a dialogue with IFAD in this regard had started and would continue during implementation.

On the importance of linking the support to IFADs climate adaptation work and future Danish support to the water sector in Africa, it was highlighted by the Chief Advisor, KLIMA that most of the IFAD projects implemented in African countries contained hooks to apply holistic thinking, planning, and implementation. It was argued that IFAD promoted an integrated climate and development approach to adaptation, considering that climate adaptation and integrated rural development must go hand in hand, building on synergies and avoiding siloes.

KLIMA acknowledged the challenges with regard to predictability of the planned support through the Additional Climate Contributions, but argued that IFAD had been a trustworthy Danish partner so far. Experience from implementation of supplementary funds was overall good. Normal checks and balances were built into the project design, including planned reviews with value for money reflections as standard elements. On top of that, the representative of the Danish Embassy in Rome confirmed the good collaboration with IFAD, including in the Governing Council and the Executive Board. The Embassy assured the Council that it was following the implementation of IFAD 13 closely and the new initiative Additional Climate Contributions in particular.

The Chair of the Council suggested that a dialogue with the Council about progress of the project should take place in relation to the planned Midterm Review in 2026.

Finally, the Chair of the Council concluded that the Council recommended the support to Climate-resilient Agriculture and Food Systems 2025-2027 for approval by the Minister for Foreign Affairs.

Agenda Item No. 4: Support to Adaptation Fund

For discussion and recommendation to the Minister

DKK 100 million

The Department for Green Diplomacy and Climate, KLIMA

Summary:

The Organisation Strategy covers Denmark's core support to the Adaptation Fund (AF) in the period of 2024-2027. Denmark's partnership and dialogue with AF will be guided by three priorities: 1) Enhance Direct Access to Finance, 2) Promote Locally Led Adaptation, and 3) Strengthen Engagement in Advancing Gender Equality.

The Council for Development Policy recommended the Danish Support to the Adaptation Fund 2024-2027 for approval by the Minister for Foreign Affairs. Additionally, the Council stated that it should be considered to increase the Danish contribution to the fund, as the planned DKK 25 million a year was relatively low considering the large adaptation gaps at local level in many countries.

The Council commended the Department for Green Diplomacy and Climate (KLIMA) for a thorough and well-written Organisation Strategy. Members of the Council noted the strategic importance of supporting climate adaptation initiatives, particularly with regard to countries in Africa, Least Developed Countries (LDCs), Small Island Development States (SIDS), and Group of 77 (the largest intergovernmental organisation for developing countries in the UN). In general, the Council found the Danish priorities in the Organisation Strategy relevant.

Members of the Council highlighted the relatively modest level of support compared to other Climate Funds and requested an explanation about the size of the Danish contribution. What was the expected outcomes of Denmark's presence in numerous climate funds from a strategic perspective? Were there better, alternative ways of supporting adaptation than by supporting the Adaptation Fund (AF) and other funds? And did AF and other Funds have enough capacities at local level to ensure locally-led adaptation?

Members of the Council were concerned that support for adaptation efforts may be spread too thinly instead of providing substantial support for a limited number of engagements that would enhance Denmark's voice and influence. In this regard, the Council encouraged KLIMA to update the overviews of programmes administered by the department, previously shared with the Council, with a particular focus on adaptation programmes. The Council also expressed interest in further discussing the Ministry of Foreign Affairs' (MFA) approach to engaging in climate related efforts in developing countries.

Members of the Council further emphasised the synergy between adaptation and loss & damage, recommending more alignment between the two agendas and stressing the importance of collaboration between the Adaptation Fund and the newly established Loss & Damage Fund.

Concerning the Fund's implementing entities, Members of the Council asked about the balance between multilateral, regional and national implementing entities and the Fund's ability to reach beneficiaries at the local level.

Members of the Council noted that a "decreasing global interest in climate finance" was listed as a risk and recommended to remove this from the Organisation Strategy unless it was supported by concrete evidence.

Finally, Members of the Council noted that AF was a unit under the World Bank and wondered if there was a possibility to strengthen the adaptation agenda in the World Bank and influence the reform of the Bank through the Fund.

The Head of KLIMA explained that supporting the Adaptation Fund would provide an opportunity to gain a better understanding of the Fund. This experience would inform considerations regarding the possibility of continuing support and expanding the contribution size upon the completion of the upcoming support period 2024-2027. The Head of KLIMA also underlined that the criteria for selecting programmes for support in the adaptation area was a combination of global funds and partnerships and programmes at the local level, most often in cooperation with embassies on the ground.

The Under-Secretary added that Denmark's strategic approach to climate engagement could be discussed during the drafting process of the new strategy for development cooperation.

The Head of KLIMA emphasised that Denmark's presence in multilateral climate funds was highly valued by countries in the Global South and positioned Denmark more favourably in international negotiations. Furthermore, the Head of KLIMA stressed that by supporting multilateral funds, Denmark could scale up its efforts and establish a presence in regions where Denmark currently had limited or no presence. Additionally, the Head of KLIMA noted that support for the Adaptation Fund was particularly valued by developing countries which held the majority of seats on the Board. The Head of Section elaborated that Denmark would not have a seat on the Adaptation Fund Board but would have access to other channels of influence, such as informal collaboration with Nordic donor countries, participation in High-Level dialogues at Climate COPs and other forums, dialogue with the secretariat, and participation in hearings on policies and strategies.

The Chief Advisor in KLIMA underlined the challenges in reaching local level and the general challenges in building local capacity. The Chief Advisor underscored AF's achievements regarding its work on direct access to finance and its contribution to capacity building. The Head of Section pointed out the Fund's success in accrediting national implementing entities and handling project proposal submissions. Furthermore, the collaboration between AF and the Green Climate Fund (GCF) was elaborated upon, particularly in terms of GCF scaling up AF-funded projects and fast-track accreditation.

The Head of Section in KLIMA informed about the balance between national and multilateral implementing entities (IEs) and stressed the Fund's newly introduced cap on multilateral IEs due to its focus on national IEs.

Lastly, the Head of KLIMA found the remark regarding the World Bank interesting and ensured the Council that this would be explored further.

The Chair of the Council concluded that the Council recommended the Danish Support to the Adaptation Fund 2024-2027 for approval by the Minister for Foreign Affairs. Additionally, the Council stated that it should be considered to increase the Danish contribution to the fund, as the planned DKK 25 million a year was relatively low considering the large adaptation gaps at local level in many countries.

Agenda Item No. 5: Danish support to Climate Technology Centre & Network

For discussion and recommendation to the Minister

DKK 30 million

The Department for Green Diplomacy and Climate, KLIMA

Summary:

The Climate Technology Centre and Network (CTCN) is the implementing arm of the Technology Mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and is headquartered in the UN City of Copenhagen. The Danish contribution will allow CTCN to continue its work in promoting technology transfer at the request of developing countries as they seek to adapt to climate change and implement their ambitions set out in their Nationally Determined Contribution (NDC) targets. The Danish support will enable CTCN to be responsive to demand-driven climate-related technology needs from developing countries while promoting more regional/global knowledge exchange and introducing a more programmatic approach to technology innovation.

<i>The Council for Development Policy recommended the Danish contribution to the Climate Technology Centre and Network (CTCN) 2024-2027 for approval by the Minister for Foreign Affairs.</i>

The Council welcomed the support to the Climate Technology Centre and Network (CTCN) and emphasised the relevance of supporting developing countries in accessing climate-relevant technology. Technology was critical to adapt to climate change and implement the new generation of Nationally Determined Contributions (NDC's) that would be submitted before COP30 in Brazil.

Considering the importance of technology transfer, Members of Council asked why the size of the grant was relatively modest and had not increased over the past 10 years. How could Denmark and CTCN leverage more funding from other donors and sources to meet the demand? Did Denmark consider an exit after the current project period?

Members of the Council agreed with the project's strong gender focus. Members also found the included cases highly relevant but expressed interest in better understanding how the country support was operationalised.

Members of the Council supported the demand-driven approach of CTCN but also questioned how the demand was cultivated among the Least Developed Countries (LDCs). It was observed that there was a "push" and "pull" in a demand-driven approach which should be balanced. Was there an overview of requests for support that had been received so far? And an overview of how

many of the supported intervention had succeeded in attracting additional funding from other funds?

Members of the Council enquired as to why the engagement of the Danish private sector appeared relatively modest with only eight Danish members of the CTCN.

Members of the Council also raised some concern that the results framework lacked indicators on poverty and adaptation. Members asked for clarification regarding results, impacts and monitoring between “expected results” and “concrete results”.

Finally, Members of the Council asked about the UN Environment Programme’s (UNEP) recent review of CTCN (May 2024) which had found that externally driven processes could limit the country’s ownership and the country's ability to maintain a relevant role in the planning and implementation of technical assistance. It was not entirely clear to Members of the Council why the evaluation had described it as an externally driven process, since support through CTCN was based on demand.

The Head of the Department for Green Diplomacy and Climate (KLIMA) thanked the Council for the questions and comments. She explained that the demand-driven nature of CTCN meant that country cases varied greatly - from using water-tubes against flooding in Burundi to low-carbon public transport in Panama. In its new Programme of Work, CTCN had identified five thematic areas with the purpose of bundling country support into clusters, and CTCN had published a case-catalogue in April this year.

The Head of KLIMA clarified that the Danish private sector members of CTCN were mainly Danish consultancy firms that could support with the implementation of country-driven technical assistances. One of the Danish private sector members, Novonesis, was currently Advisory Board member, providing broader technology advisory to CTCN.

CTCN had a clear poverty orientation where almost 50% of the country-support was provided to Africa, 38% to LDCs and 16% to Small Island Developing States (SIDS). The demand from countries came from the National Designated Entities (NDE) and priorities should be linked to the NDCs. Recently, CTCN had introduced a requirement to set up national steering committees to ensure stronger national ownership with relevant sectors and stakeholders to secure up-take of the technical assistance recommendations and findings.

The Chief Advisor, KLIMA explained that the Danish support had been static due to the general donor support but that CTCN had initiated efforts to mobilise more donor funding both from bilateral donor agencies and philanthropic funds. He also clarified that CTCN reporting was focused on both “expected outcomes” from the technical assistances but also on actual up-take of the technical assistances. Denmark was encouraging CTCN to strengthen its focus on post-implementation to ensure up-take of findings and recommendations from technical assistances. This was already in process by CTCN in the current Plan of Work (2023-2027) and collaboration had been established with the Green Climate Fund (GCF), Global Environment Facility (GEF) and Adaptation Fund.

The Chair of the Council concluded that the Council recommended the Danish support to Climate Technology Centre & Network for approval by the Minister for Foreign Affairs.

Agenda Item No. 6: Increased resilience, through adoption of nature-based solutions, access to water and renewable energy

For discussion and recommendation to the Minister

DKK 50 million

The Embassy in Nairobi

Summary:

This contribution will provide additional support to a long-standing Danish partner in Kenya: The Northern Rangeland Trust (NRT). NRT is an association of 45 community conservancies covering 10 counties in the North and coastal Kenya. NRT works in collaboration with national and county governments in the areas of interest including rangelands, livestock, wildlife, forest, water and security. This support to NRT will strive to increase resilience of vulnerable households through nature-based solutions, improved access to water and energy in the selected NRT Conservancies communities. It will leverage the present Danish engagement 2021-2025 Resilient Communities and Natural Resources under the Kenya-Denmark Strategic Framework as well the additional DKK 35 million grant on water and energy through implementation of integrated water projects, energy and nature-based solutions at the community conservancy level.

The Council for Development Policy recommended the project “Increased resilience, through adoption of nature-based solutions, access to water and renewable energy” for approval by the Minister for Foreign Affairs, while encouraging the Embassy to continue the monitoring of the human rights situation.

The Council welcomed the support to the Northern Rangeland Trust (NRT) which they found relevant. Nonetheless, the Council was concerned about the various human rights allegations towards NRT including the elements and status of the due diligence report and the potential forthcoming Human Rights Watch report. Members of the Council also raised concerns about whether the timing of this additional contribution was appropriate given the fact that NRT appeared to be in a fragile phase, also considering that one of its founding members had recently expressed concerns about the organisation.

Members of the Council agreed with the project’s objective of increasing climate resilience through a horizontal approach with a focus on capacity building and learning, contributing to both adaptation and mitigation benefits but also asked about NRT’s capacity and experience in this field. Members of the Council also found the project to be a strong example of applying a climate-development approach and particularly underlined the importance of harvesting lessons in this regard.

Members of the Council emphasised the importance of NRT’s skills development objective and activities as a critical tool to enable economic development for community members. Members also stressed that it would be important to be aware of any possible negative environmental and social impacts of NRT’s procurement activities since the project document did not specifically mention this.

Finally, Council Members noted the significant increase of NRT operation and budget in recent years and asked whether the governance structure of NRT was still fit for purpose, whether it

was possible to include all relevant actors, not least the traditional leaders, and also whether the number and average size of conservancies was appropriate.

The Ambassador to Kenya appreciated the positive feedback and comments. With regards to the human rights allegations, he underlined the due diligence processes carried out during the formulation process. This included the very detailed investigation done by the joint supporters to NRT, the specific Danish technical review of NRT, which was in addition to the normal quality assurance processes, the appraisal of the project and the mid-term review of the overall bilateral development programme. This additional grant had awaited these processes as well as the external review of the NRT carbon credit project. The processes had been concluded with none of the allegations having been substantiated. That said, this was an area that Denmark would continue to monitor closely together with the other development partners.

Denmark had taken a lead in the NRT Joint Supporters group on key discussions regarding human rights and governance issues which also included the recent concerns expressed by the original founder of NRT. The NRT donor community was well aligned on these issues. The Ambassador further stressed that NRT itself had taken emerging allegations seriously, but also underlined the importance of taking into consideration the complex environment that NRT operated in, both in terms of political and financial interests. NRT did, however, have a continuous need to learn from these experiences and develop its approach to communications and community relations.

The Ambassador confirmed that the number of conservancies to NRT had increased significantly in recent years. In this regard, it was important to note that it was communities themselves that decided whether to apply for conservancy status and for NRT membership. The expansion of conservancies could therefore not be seen solely as a strategy from NRT's side. Additionally, NRT's level of support to conservancies depended on the financial situation of each conservancy and the longer-term goal was for successful conservancies to graduate away from support from NRT. No conservancy had yet managed to graduate, but this would most likely start to happen within a foreseeable future.

The Chair of the Council concluded that the Council recommended the project “Increased resilience, through adoption of nature-based solutions, access to water and renewable energy” for approval by the Minister of Foreign Affairs and also encouraged the Embassy to continue to monitor the human rights situation.

Agenda Item No. 7: Framework Programme for the Strategic Sector Cooperation with the Ministry of Industry, Business and Financial Affairs

For discussion and recommendation to the Minister

DKK 82.71 million

The Secretariat for Government-to-Government Cooperation, MYNSEK

Summary:

The framework programme for the strategic sector cooperation (SSC) with the Ministry of Industry, Business and Financial Affairs (MIBFA) and its underlying agencies, Danish Maritime Authority (DMA) and Danish Patent and Trademark Office (DKPTO), provides the basis for the SSC cooperation within intellectual property rights and maritime affairs for 2025-2028. The framework programme replaces seven separate project agreements

and ensures long term commitment to the agencies' global partners, and allows for a future collaboration expansion. The ongoing projects seek to provide equal and demand driven cooperation between Danish authorities and their counterparts in selected DAC countries globally with an emphasis on capacity building.

The Council for Development Policy recommended the Framework Programme for the Strategic Sector Cooperation with the Ministry of Industry, Business and Financial Affairs for approval by the Minister for Foreign Affairs.

The Council commended the framework programme for the strategic sector cooperation (SSC) with the Ministry of Industry, Business and Financial Affairs (MIBFA), in particular its clear focus on capacity building. Members of the Council were pleased with the framework programme's demand driven approach to project collaboration.

Concerns were raised, however, as to how the framework programme could be characterised as development aid, as elements of the framework programme seemed to address more political and diplomatic concerns rather than development concerns. Could clear developments effects be documented?

Members of the Council pondered what measures were taken to ensure a sustainable and long-lasting impact. The structure of peer-to-peer collaboration with global partners was a fragile constellation as it could be vulnerable to staff changes in partner organisations. At the same time, Council Members asked how partnerships between agencies provided direct results for people in the partner countries, and whether results were able to reach and positively affect poor segments of the populations.

It was suggested by Members of the Council that the SSC advisors may have more impact if they were positioned in the partner organisation rather than at the Danish Embassies.

There was a general interest in how the Danish Maritime Authority (DMA) and the Danish Patent and Trademark Office (DKPTO) worked on establishing synergies with other development instruments, organisations and SSC projects to generate larger impact, and also in how the SSCs contributed to lasting and more systemic change. Not only to activities financed by Denmark, but also to international and local development projects. Members of the Council suggested that synergies and integration in the local institutional context could help ensure long-term sustainability.

Questions were raised regarding engagements in India, China, and Brazil, especially regarding China's upcoming change in DAC status and what this meant for the SSC collaboration in China. The importance of promoting a green shift in the global maritime discourse was emphasised. Following up on the level of interaction with the Chinese counterparts and DMA, there was a question of whether the DMA met all partners on the level of director general. In relation to India and Brazil, questions were raised as to the difference in relation to the countries' cultures and approaches with the matter of vaccine patents as a concrete example. Both countries had called for a waiver in regards to the production of Covid-19 vaccines during the pandemic. In light of the Danish position on vaccine waivers, compared to that of India and Brazil, Members of the Council questioned whether the difference of opinion was too great for in depth collaboration to be successful.

In relation to ensuring demand driven collaboration, the Council asked for an elaboration of how partners and countries were identified, in order to ensure that the topic of collaboration was of mutual interest and not foisted upon partners. The same was mentioned in relation to ensuring joint decision making.

Members of the Council suggested that performance indicators regarding gender and poverty be included in the framework programme.

Finally, Members of the Council recommended that DMA and DKPTO focussed more on African countries when selecting potential new partners as they held larger potential for synergy with other instruments. It was also recommended to further emphasise joint decision making with partners in order to strengthen the demand driven approach.

The Head of the Secretariat for Government-to-Government Cooperation (MYNSEK) thanked the Council for their comments. Referring to the comments on the fragility of the cooperation, she emphasised that capacity building was not solely the responsibility of the sector counsellors, but the primary objective of the cooperation between the experts from the Danish agencies and their corresponding partner authorities.

The Head of Department from MIBFA thanked for the questions and agreed that the projects from DMA and DKPTO had to be demand driven by their partners. It was added that, at the same time, the projects should be thematically within Danish competencies to enable a potential positive impact.

The Head of Department from DMA stressed that the SSC's primary objective of capacity building fell within development cooperation. DMA was meeting at the level of director general regularly with all partners. When working in partner countries, the DMA focussed on both impact outside government offices and were actively following up to ensure impact at society level especially in relation to the safety standards of fishermen and capacity building of sailors. The DMA worked on different levels in each project in order to ensure best conditions for lasting impact. This included meetings at decision-making level, train-the-trainer programmes, in addition to on ground and at harbour/sea level. From the DMA side, they experienced a high volume of interest for collaboration, which indicated a high demand for their competencies. Most projects had started with the partner country reaching out to DMA. The DMA had two ongoing projects in Africa (out of five) and were open to expanding their engagements in Africa. For future projects, DMA would focus on potential cooperation supporting the countries' national agenda, whilst also considering whether the country had sufficient capacity for collaboration.

The Head of International Projects from DKPTO underlined that a difference of opinion in relation to vaccine waivers was not an issue in relation to collaboration in India and Brazil. Their partner countries all shared a desire for long term economic growth, which required strong legislation and standards within intellectual property rights. The DKPTO was assisting in this regard, thereby ensuring that the collaboration was demand driven. Also, the collaboration went beyond intellectual property rights by focusing on trademarks, outreach and geographic indicators which created an impact at lower levels of society. It was mentioned that they, like DMA, also experienced that most collaborations started with requests from partners. Indonesia was used as an example to demonstrate how the demand had developed over a five-year period.

DKPTO had adjusted their approach in relation to some projects, e.g., in India. This had been done by decentralising the focus of the SSC in order to have greater impact on society level in both the formal and informal sectors. They were open to increasing their focus on female entrepreneurs. From the DKPTO side, there was also a willingness to consider African countries for future projects.

The Under-Secretary for Development Policy briefly mentioned that the Ministry of Foreign Affairs (MFA) was considering allowing the SSC projects to also cover side accredited countries.

The Head of MYNSEK confirmed that gender was a focus point which was reflected in the individual projects and not only at the framework programme level.

The Chair of the Council concluded that the Council recommended the Framework Programme for the Strategic Sector Cooperation with the Ministry of Industry, Business and Financial Affairs for approval by the Minister of Foreign Affairs.

Agenda Item No. 8: Organisation Strategy for the World Bank 2025-2030

For discussion and recommendation to the Minister

DKK 4,620 million

The Department for Multilateral Cooperation, MULTI

Summary:

The Organisation Strategy for the World Bank 2025-2030 provides the overall framework for Denmark's engagement and financial support to the World Bank Group. In the strategy period, Denmark's strategic partnership with the Bank is guided by the following four priorities: 1) Better, bigger and bolder Bank; 2) Climate and Energy; 3) Fragility, Conflict and Violence; and 4) Private Capital Mobilisation.

The Council for Development Policy recommended the Organisation Strategy for the World Bank 2025-2030 for approval by the Minister for Foreign Affairs. The Council strongly recommended to include a focus on ensuring responsible and sustainable procurement in the strategy.

The Council commended the Department for Multilateral Cooperation (MULTI) for a well-written and thorough organisation strategy. The Council agreed on the strategic relevance of the World Bank Group (WBG) as an important partner for Danish development policy and a main provider of finance to the least developed countries as well as its position as a key player in the multilateral system and the international financial architecture.

The Council noted that the strategy included a large sum of Danish funds to the WBG which were not being presented to the Council for their approval but that this followed the normal procedure. The financial support to the WBG would be approved directly by the Minister and subsequently by the Finance Committee at the Danish Parliament.

The Council largely agreed with the four priorities outlined in the strategy but enquired about the increasing global distrust between the global South and the global North, and whether the four priorities outlined in the strategy were the most relevant to address this, including on the question of equal representation. Members of the Council also noted that cross-cutting priorities such as

gender equality, human rights and indigenous people were not mentioned as priorities in the strategy and requested that reference to these be inserted.

Members of the Council highlighted the importance of supporting the ongoing evolution process in the Bank, not least given the high ambitions of the World Bank President and potential push-back from inside the system. It was important that Denmark worked for a better governance structure and helped African countries gain more influence and decision-making capacity in the Bank.

Members noted the important role the World Bank played in terms of climate action and in fragile settings. On the latter, Members underscored the importance of ensuring that the Bank had the necessary modalities in place to act in such contexts. Was the World Bank able to work with local governments in fragile contexts when central structures were not appropriate? It was also recommended to include adaptation efforts in all projects.

Council Members agreed with the importance of mobilising private capital to bridge the financing gap but also asked whether there might be a risk that the World Bank, given its size, would exhaust private funds for development. Many activities were now being administered by Funds under the World Bank, but were there considerations as to how many Funds were too many? And what activities remained in the World Bank itself?

Furthermore, Members of the Council noted with concern that the strategy did not mention sustainable procurement or reflexions on how to make sure that investments made by the World Bank led to sustainable procurement with respect for the environment, human rights, and so on. As the World Bank's primary function was to lend funds for purchasing goods and services, a focus on sustainable procurement was vital.

Members also asked about the World Bank Trust Funds and Financial Intermediary Funds (FIFs), in particular the high number of funds and the Bank's ongoing efforts to reform and downsize, use of lessons learned from governance structures in Funds under the WBG e.g. the Adaptation Fund, the size of the overhead costs of the WBG, and how the coordination between Danish support to the WBG and these funds worked.

Finally, Members of the Council asked how the amount of Danish support to the various WBG entities was decided upon, especially IDA.

The Head of MULTI thanked the Council for their feedback on the presented organisation strategy. She took note of the request to enhance focus on crosscutting priorities such as gender equality. Unlike in the preceding organisation strategy for Denmark's partnership with the World Bank Group, gender equality was not listed as a stand-alone strategic objective due to the introduction of the WBG's new Gender Strategy (2024-2030), which aligned well with and enabled system-level pursuit of gender equality objectives.

On sustainable procurement, the Head of MULTI agreed to its relevance and would include a reference to procurement in the strategy. It was, however, a sensitive and complex issue. The Under-secretary noted that responsible procurement would be a priority in the dialogue with the WBG.

The Head of MULTI highlighted that the four priorities in the organisation strategy did in many ways respond to the requests from the Global South and the growing global mistrust. The Danish government was committed to pushing for meaningful reform of the International Financial Architecture, including more equal representation of developing countries in various fora. This was also part of the Strategy for a strengthened Danish engagement with the African countries, and Denmark would act accordingly in the upcoming WBG shareholder review in 2025. However, while developing countries were vocal about the wish for equal representation during for instance the negotiations for the upcoming ‘Pact for the Future’ in the UN, this concern had yet to be explicitly voiced by them in the World Bank. Currently, their priorities were more linked to access to financing which the World Bank did deliver on and was working at becoming even better at through the evolution process.

On the Bank’s role in fragile contexts, the Head of MULTI mentioned that Denmark would engage actively in the formulation of a new WBG FCV-strategy (Fragility, Conflict and Violence) as the current strategy would expire in 2025. One aspect would be to make sure that the Bank had the right modalities or safeguards in place. On private capital mobilisation, the Chief Advisor, MULTI pointed out that an aim of the WBG was to develop the private sector with a view to generate even more private funds.

MULTI mentioned that the responsibility for Denmark’s support to trust funds and FIFs was decentralised to units and Embassies. An aim with the organisation strategy and the creation of a contact group was to enhance the internal coordination and thus streamline Denmark’s engagement across the WBG and these various funds. An ongoing evaluation of Danish and other Nordic countries’ support to Trust Funds would provide important lessons learned to take forward, which would also shed light on some of the issues raised by the Council. On the Danish support to IDA, this followed a fixed replenishment cycle every three years. Denmark’s contribution to IDA21 was not yet finalised and would be approved by the Finance Committee during autumn 2024. The organisation strategy would be updated to reflect the contribution.

The Chair of the Council concluded that the Council recommended the Organisation Strategy for the World Bank 2025-2030 for approval by the Minister of Foreign Affairs. The Council strongly recommended to include a focus on ensuring responsible and sustainable procurement in the strategy.

Agenda Item No. 9: Orientation about the government’s proposal for the Finance Bill 2025

For information and discussion

The Department for Africa, Development Policy and Financing, AFRPOL

Summary:

The Finance Bill for 2025 and the Government’s priorities for Danish development cooperation were presented to the Council.

The Head of the Department for Africa, Development Policy and Financing (AFRPOL) together with the Team Leader, AFRPOL informed the Council about the key figures concerning the budget for development cooperation on the Finance Bill for 2025. The Government had

allocated 0.7 pct. of GNI to development cooperation corresponding to approximately DKK 21.8 billion. With the adjustment of the realised assistance in 2021 and 2023, the total allocation was approximately DKK 22.5 billion. Of this, DKK 4.9 billion would be used on expenses outside § 06.3. “Bistand til udviklingslandene”, e.g., on development aid through EU and in-donor refugee costs. DKK 17.6 billion would be used within § 06.3.

The main priorities for the development cooperation on the Finance Bill included 1) the Government’s new strategy for Denmark’s engagement with African countries (henceforth “the Africa Strategy”) and equal partnerships, 2) Ukraine and Eastern neighbouring countries, 3) Green development cooperation and 4) Private Sector, trade and investments.

The Council thanked AFRPOL for the presentation. Council Members acknowledged the focus on value chains and global trade and highlighted the importance of focusing on human rights in development cooperation.

Members of the Council noted that during the drafting process of the Africa Strategy, there had been much focus on it going beyond development cooperation. Nonetheless, much of the funding for implementing the strategy seemed to come from the development budget. As such, Council Members asked to know more about the initiatives that were part of the Africa-Strategy but that were not development cooperation.

There was a concern that the approach of the Africa Strategy would mean that new and more short-term initiatives would replace longer-term development activities, and that foreign and domestic policy interests would outweigh development considerations when choosing new partners.

Finally, Members of the Council asked questions about the future engagement in Sahel, the level of funds to administration of the development cooperation in the Ministry of Foreign Affairs, the nexus approach, and the future cooperation with civil society organisations.

In response, the Head of AFRPOL emphasised that there was a holistic approach and strong focus on equal partnerships in the Africa-strategy. Though most funding was to come from the development budget, this would be supplemented by other instruments, e.g., funding through the Export and Investment Fund of Denmark (EIFO). With regard to the future engagement in Sahel, it was underpinned that Denmark would stay engaged, but that it was necessary to adapt to the difficult conditions of doing development programmes in countries in the Sahel region. The level of funds for administration in 2025 was expected to be DKK 1,238.2 million. It was still a priority to continue the focus on HDP nexus in Denmark’s development and humanitarian cooperation. In regard to the strategic partnership agreements with the civil society, the current phase was planned to end in 2025 with a new phase starting in 2026.

The Chair of the Council thanked AFRPOL for the orientation, which had provided important insights, especially regarding the implementation of the Africa Strategy.

Agenda Item No. 10: Any Other Business

Members of the Council asked if the recent ministerial reshuffle would impact the role and function of the Council. The Under-secretary clarified that the current role and function would not be affected in a short-term perspective.