Minutes from meeting in the Council for Development Policy on 15 May 2025

Members: Professor Anne Mette Kjær, University of Aarhus (Chair)

Deputy CEO and International Director Jarl Krausing, CONCITO (Deputy

Chair)

Political Consultant and Project Officer of DAPP Lucas Højbjerg, The

Danish Chamber of Commerce

Secretary General Charlotte Slente, Danish Refugee Council (DFC) Director Charlotte Flindt Pedersen, Danish Foreign Policy Society Political Director Jonas Manthey Olsen, Danish Youth Council (DUF)

Chief Advisor Mattias Söderberg, DanChurchAid

Director for Global Development and Sustainability Marie Gad Hansen,

Confederation of Danish Industries (DI)

Head of Secretariat Lone Ilum Christiansen, The Danish Trade Union Development Agency (DTDA) did not take part in the meeting but had shared

written comments

MFA: State Secretary for Development Policy Elsebeth Søndergaard Krone

Head of Department Tove Degnbol, Department for Evaluation, Learning and

Quality, LEARNING

Head of Section Lotte Blom Salmonsen, Department for Evaluation, Learning

and Quality, LEARNING

Head of Section Lea Ambra Klein Skovbjerg, Department for Evaluation,

Learning and Quality, LEARNING

Agenda item 2: Ambassador Stephan Schønemann, The Embassy of Denmark in Nairobi

(online)

Deputy Head of Mission Søren Knudsen Møller, The Embassy of Denmark in

Nairobi (online)

Team Leader Mette Melson, The Embassy of Denmark in Nairobi (online) Team Leader Henrik Larsen, The Embassy of Denmark in Nairobi (online)

Team Leader Tobias von Platen-Hallermund, The Embassy of Denmark in

Nairobi (online)

Agenda item 3: Ambassador Jesper Kammersgaard, The Embassy of Denmark in Dar es

Salaam (online)

Deputy Head of Mission Lise Abildgaard Sørensen, The Embassy of

Denmark in Dar es Salaam (online)

Chief Financial Officer Michael Schou Olsen, The Embassy of Denmark in

Dar es Salaam (online)

Agenda item 4: Special Representative of Denmark to Afghanistan Lars Bo Møller, The

Department of Asia, Latin America and Oceania (ASILAC)

Chief Advisor Bjørn Blau, The Department of Asia, Latin America and Oceania (ASILAC)

Special Advisor Andrea Bruhn Bove, The Department of Migration, Peace and Stabilisation (MIGSTAB)

Agenda item 5: Deputy Head of Department Camilla Lykke Rasmussen, The Department of the Middle East and Northern Africa (MENA)

Chief Advisor Kurt Mørck Jensen, The Department of the Middle East and Northern Africa (MENA)

Agenda item 6: Head of Department Karin Poulsen, The Department for Green Diplomacy and Climate (KLIMA)

Team Leader Henning Nøhr, The Department for Green Diplomacy and Climate (KLIMA)

Head of Section Pauline Kudsk, The Department for Green Diplomacy and

Climate (KLIMA)

Agenda item 7: Head of Department Karin Poulsen, The Department for Green Diplomacy and Climate (KLIMA)

Team Leader Henning Nøhr, The Department for Green Diplomacy and Climate (KLIMA)

Head of Section Pauline Kudsk, The Department for Green Diplomacy and Climate (KLIMA)

Peace and Stabilisation (MIGSTAB)

Agenda item 8: Head of Department Kasper Thams Olsen, The Department of Migration,

Team Leader Nille Gry Olesen, The Department of Migration, Peace and Stabilisation (MIGSTAB)

Chief Advisor Nicolaj Sønderbye, The Department of Migration, Peace and Stabilisation (MIGSTAB)

Head of Section Valdemar Satoshi Røjle Christensen, The Department of Migration, Peace and Stabilisation (MIGSTAB)

Agenda Item No. 1: Announcements

The State Secretary for Development Policy briefed the Council about the status of the new strategy for development policy, expected to be launched before the end of June. The State Secretary further briefed the Council about the World Bank Spring Meetings, the biannual meeting of the heads of the UN system organisations in Copenhagen, chaired by the UN Secretary-General on 7 May, as well as the Copenhagen Climate Ministerial that took place 7-8 May 2025. The latter gathered 15 ministers and the top executive level of the UN. It was held in Copenhagen for the fourth time.

With reference to the Rules of Procedure for the Council for Development Policy, the Chair of the Council asked if members had any conflict of interest related to the agenda items. Several Council Members announced their

potential conflict of interest regarding agenda item 5 "Annual Stocktaking: Danish-Arab Partnership Programme (DAPP) 2022-2027". Due to the agenda being an annual stocktaking and <u>not</u> a recommendation of a new grant to the Minister, MFA resolved that all Members could participate in the discussion.

Agenda Item No. 2: Annual Stocktaking: Kenya Strategic Framework

For information and discussion

The Embassy of Denmark in Nairobi

Summary:

The 2024 Stocktaking report for the Denmark-Kenya Strategic Framework 2021-2025 included an overview of the political and economic landscape in Kenya; a section on how the Embassy has expanded the partnership with Kenya as a response to the emerging risks and opportunities; a status on the progress of the Bilateral Development Programme (BDP); a thematic section on synergies across the programme, including between development cooperation and strategic sector cooperation; and a final section on opportunities and priorities for 2025, including the development of a new partnership framework to guide the Denmark-Kenya partnership for the next 5 years as well as the Embassy's new role as a regional hub. The total budget for the BDP was DKK 1,070 million and later, DKK 520 million has been added as a result of additional engagements addressing the protracted forced displacement situation in Northern Kenya, impacts of climate change, and improving economic opportunities by promoting free trade in East Africa.

- The Council requested information about the process of a new partnership framework for Kenya and asked how the Council would be consulted in the process. The Council referred to the current country framework, which was developed according to the approach of "Doing Development Differently (DDD)". The Council discussed the new country framework under this approach in 2019. Did the Embassy identify any lessons learned from implementing DDD that could inform the development and implementation of a new partnership framework?
- The Members of the Council found the Embassy's new role as a regional hub interesting and highlighted the need to unfold what this implied, including Kenya's potential as a regional player as well as how learning would be shared across the region.
- The Members of the Council wished to learn more about the political realism of and buyin regarding the newly launched Shirika plan, which is promoting socio-economic
 inclusion of refugees. Members asked for an assessment of the potential for mobilising
 funds, given the current strained funding situation.
- With reference to the protests during 2024 followed by political turmoil, Members of the Council requested information on how the Embassy worked with the youth, including the engagement of Civil Society Organisations to address the youth's frustration with the government. The importance of the inclusion of youth in the dialogue was stressed.
- Members of the Council expressed concern about the level of corruption in Kenya, which
 combined with the increased pressure from tax authorities and increased import tariffs,
 was seen as highly demotivating for private companies looking to invest in Kenya. The

level of debt was also underlined as very worrying especially in light of the lack of funding from the US, which made newer players (United Arab Emirates, Turkey, India and China) more interesting for Kenya to look at.

Other issues mentioned included the programme "Financing Locally-Led Climate Action (FLLoCA)" where Members stressed the importance of involving local actors in the planning and ensuring local capacity building synergies and links between the BDP and other engagements including to the Strategic Sector Cooperation; considerations about the future Danish involvement in the health sector; and consequences of the US aid freeze and the impact on Danish-funded programmes.

- The Ambassador explained that the process of formulating the new development programme was primarily defined by the MFA in Copenhagen. On the regional role of the Embassy, the Ambassador informed that several programmes with a regional focus were now being launched within three key areas: an enabling environment for free trade, addressing consequences of forced displacement in Northern Kenya, and addressing climate.
- The significance of the new Shirika plan could not be overstated, but it was clear that the operationalisation of the plan would be difficult and demand funding. This underlined the importance of the Inclusive Refugee Response Programme, including the existing alliance between the Embassy and the Danish philanthropic foundations.
- The Ambassador described how the Embassy was working to support a voice for young people in the dialogue with government authorities. Among the initiatives, Denmark was supporting a human rights programme and a 'Folkemøde' as an annual democratic event. The 'youthquake' was still ongoing and it was important that the youth would be an active part of the next election in 2027.
- In response to the observations from Members of the Council about conditions for doing business in Kenya, the Ambassador agreed that there were challenges but also several initiatives to address the challenges. The Ambassador stressed the importance of the Embassy's work with the EU in response to the increasing interest in Kenya from countries like United Arab Emirates, Turkey, India and China. The EU's potential to create market access for European companies and to become a strong political and economic player was key. Debt was a serious problem but the Government in Kenya was in negotiations with IMF about a new programme.
- In relation to the FLLoCA programme, the Council was ensured that focus was on the local actors and it was informed that additional support would be provided through Danida Fellowship Centre to build capacities of local actors. Synergies between BDP and Strategic Sector Cooperation were strong as the Council also witnessed during its visit in

2024. Finally, the Ambassador noted that it was too early to say how the cut in US aid would impact programmes. While Danish support to Primary Health Care remained highly relevant and needed, it was insufficient to address the current funding shortfalls. It was also noted that China had expressed readiness to provide financial support to the health sector, though not without conditions.

Agenda Item No. 3: Team Europe: Green and Smart cities - SASA

For discussion and recommendation to the minister DKK 150 million
The Embassy of Denmark in Dar es Salaam

Summary:

The high-level strategic objective of the Danish Team Europe Initiative (TEI) support programme in Tanzania will add value to the EU investments in Tanzania for greener and smarter cities. In recognition of the significant population increase and urbanisation, the programme seeks to bring EU and its member states together with local authorities and central government to establish the right conditions for greener, and more resilient cities, and to stimulate urban job creation. The programme will ensure better urban planning, and quality investments in infrastructure, including sanitation and water supply and market places in selected cities.

The Council for Development Policy recommended Team Europe: Green and Smart Cities – SASA for approval by the Minister for Foreign Affairs.

- The Council welcomed the programme and appreciated the Team Europe approach, although the Council was missing a more general discussion of Denmark's new approach to Tanzania after the phase out of most development cooperation programmes.
- Members of the Council were in particular curious to hear how the programme had brought member states closer together, and if this kind of programme would give the EU the voice and visibility needed. Members of the Council expressed interest in hearing the Embassy's experience with cooperating with the EU. What were the lessons learned and how could it be used in this programme?
- Focussing on the 'all encompassing' approach and hence the importance of connecting the various elements of the programme, Council Members expressed interest in understanding better the potential role of the private sector, including Public-Private-Partnerships, the potential of vocational training, value chains, and the underlying resilience agenda. In particular, it was recommended to ensure reach out to the Danish private sector and to build upon existing relevant knowledge networks, incl. C40, to make use of Strategic Sector Cooperation in e.g. the water sector and to consider use of Danish Strategic Partners and Danish municipalities.
- Members of the Council expressed interest in the ongoing evaluation of 60 years of Danish-Tanzanian partnership and asked how its conclusions had impacted decisions

- around the SASA programme and the future building blocks for the activities to be supported in Tanzania.
- Council Members expressed concern regarding the potentially adverse consequences of urban renewal, which might result in trade being diverted from the informal markets. What implications could this have for the livelihoods of the city's poorest residents?
- The Council recognised that the framework was well-aligned with Tanzanian government structures and priorities, including the 'Vision 2050'. Members of the Council inquired about the aspect of equal partnerships in the programme. Did the priorities come from the EU only or had Tanzanian local and national priorities influenced the design? Members also asked about the actual level of deconcentration and decentralisation for lasting impact of the programme.

Other issues mentioned included links to the Danish support of the African Development Bank (AfDB); cooperation with actors within research and knowledge; and the criteria for choosing these cities and their autonomy in regards to the government.

- The Ambassador provided the Council with an introduction to the future partnership between Denmark and Tanzania revolving around i) strengthened political dialogue, ii) economic diplomacy, trade and investments, iii) strategic development projects, and iv) research cooperation, cultural engagement, NGOs, and philanthropic funds. The importance of moving away from 'business as usual' and addressing the partnership with Tanzania through a geopolitical lens was highlighted by the Ambassador.
- The Deputy Head of Mission clarified that SASA provided an opportunity for Denmark, in its first year of its 'new partnership' to join the EU and other member states in a project that had already taken off. From being a 'coordinated EU approach', Denmark's additional engagement had given impetus to SASA, which now appeared more as a joined programme. Moving forward there was a task in ensuring that it was also used to boost the profile of EU in Tanzania.
- Denmark's added value in the programme was to scale up the infrastructure investments that had been identified through Joint City Prioritisation Plans. Surveys in local communities had provided information about local priorities Denmark would however still contribute to the 'softer' parts of the programme including job creation (with Belgian Development Agency, ENABEL) and protection of water sources (with German Development Agency, GIZ).
- The Deputy Head of Mission confirmed that Public Private Partnership remains a challenge. EU and its member states would need to focus closely on this task together with e.g. the World Bank to push for more results. Mwanza and Tanga would be relevant first movers as they benefit from strong local authorities. Actual decentralisation was evident in these cities, which was also why additional green investments could be attracted

through public and private funding incl. blended financing. Preliminary findings from the evaluation had pointed out that water and cities previously had been important Danish priorities which had yield much appreciated results.

The Chair of the Council concluded that the Council recommended Team Europe: Green and Smart Cities – SASA for approval by the Minister for Foreign Affairs.

Agenda Item No. 4: Status regarding the situation in Afghanistan and the overall implementation of the Afghanistan Transition Programme (2024-2025) and other Danish Interventions

For information and discussion

The Department of Asia, Latin America and Oceania, The Department of Migration, Peace and Stabilisation

Summary:

As agreed during a previous presentation to the Council in February 2024, the aim is to provide an overview of the prevailing situation and present a brief status of the implementation of Danish supported programmes in Afghanistan.

- The Council welcomed the opportunity to discuss the situation in Afghanistan and expressed appreciation for the achievement of keeping Danish-supported activities on track despite the extremely difficult context. It was positively noted that the approach of engagements for and with women could be maintained despite challenging circumstances.
- The Council was interested in hearing more about China, Russia, and other non-Western actors and their approaches towards Afghanistan. With their focus on commercial ties, countering narcotics, overall stability, etc. and less concern about human rights, were there any areas where Denmark could find common ground with these countries?
- Referring to the recent substantial cuts in financial assistance from the United States,
 Members of the Council asked about the consequences for Afghanistan. Concerning the
 high numbers of Afghans being forcefully returned from Pakistan and the impact on the
 situation in Afghanistan, Members enquired about possibilities for addressing returnees
 in all Danish-supported programmes and not mainly in the Region of Origin Programme.
- Members of the Council asked whether Afghans in exile were also being addressed in some of the interventions and how economic development could be enabled in a country with numerous dividing lines. Members of the Council questioned the rationale of naming an engagement a "transition programme" and wondered in which direction the transition would take Afghanistan. Was there any light in the prevailing darkness and what were the perspectives for the coming years? Moreover, did the current situation, in spite of the many challenges, offer a higher level of security which could allow more humanitarian

work on the ground? Members of the Council stressed the importance of remaining engaged in Afghanistan.

Other issues mentioned by the Council included the management of the various Danish-supported engagements within the MFA.

- The Special Representative of Denmark to Afghanistan underlined that the overall security situation in Afghanistan was better than in the past many decades. The Special Representative visited Afghanistan in November 2024 and was able to travel to areas previously severely affected by conflict. For individual Afghan citizen, however, security had not improved, with Taliban actively rolling back rights, especially rights for women and girls. The economy seemed to have bottomed out, currently showing a modest increase in GDP of 2.5% however the current population growth would negate the growth in GDP per capita.
- Recently, the Special Representative recently had had discussions regarding Afghanistan with Chinese interlocutors in Beijing. It was clear that China opposed the restrictions imposed on women and girls by Taliban but mainly viewed this through an economic lens, where it did not make sense to disenfranchise half the population that could be productively contributing to economic growth. China cautioned that any changes in Taliban policies may take time. The Special Representative referred to the recent Danish UN Security Council Presidency, where Denmark was able to act as facilitator in the negotiations around the renewal of the United Nations Assistance Mission in Afghanistan (UNAMA) mandate and together with China actually ensure unanimous adoption of an updated mandate.
- The Special Representative emphasised the severity of the financial cuts initiated by the new administration in Washington. In Afghanistan, almost half of the humanitarian and almost a quarter of basic needs funding were previously provided by the United States. This was a main topic for ongoing discussion, including at a recent in-person meeting in the overall coordination fora Afghanistan Coordination Group (ACG) where the United States opted not to participate. During this and subsequent meetings, a strengthened role of the private sector was discussed, both because women still play a role in this sector and also in order to ensure more sustainability in donor finance engagements. The Special Representative also referred to the ongoing Doha process (where Denmark is now a member) and the efforts to build confidence and ensure stronger links between political aspects and development engagements. In the Doha process, Denmark would keep focus on, i.a. inclusivity and human rights as well as Afghanistan's adherence to international obligations.

• In conclusion, the Special Representative mentioned that a new Afghanistan programme would be presented to the Council early next year. The new programme would most likely entail a continued partnership with the World Bank regarding the Afghanistan Reconciliation Trust Fund (ARTF), while the Danish support to the Special Trust Fund for Afghanistan (STFA) would need to be further assessed. It was doubtful if Danish support to community-based education could be maintained with increased Taliban interference in this sector.

The State Secretary for Development Policy emphasised that the ongoing focus on bringing the Danish-funded programmes better in sync would be further pursued and also the streamlining of. the management of the various engagements among relevant MFA Departments would be considered.

The Chair of the Council concluded with appreciation of the discussion.

Agenda Item No. 5: Annual Stocktaking: Danish-Arab Partnership Programme (DAPP) 2022-2027

For information and discussion

The Department of the Middle East and Northern Africa

Summary:

The Danish-Arab Partnership Programme (DAPP) 2022-2027 supports human rights and job creation for young people in Morocco, Tunisia, Egypt, and Jordan. Support for human rights under the Human Rights and Inclusion Consortium (HRIC) includes torture prevention, free media, gender equality and general human rights. Support to job creation under the Youth Employment and Entrepreneurship Consortium (YIEP) includes skills and employability, entrepreneurship, and growth of small and medium enterprises (SMEs) for more green jobs.

- The Council enquired about the termination of collaboration with the Investment Fund for Developing Countries (IFU) regarding the Sharaka Capital Fund. It was noted that the process had incurred significant transaction costs. Clarification was requested regarding the actual reasons behind IFU's withdrawal. Additionally, questions were raised about the feasibility of identifying a new partner to replace IFU at this late stage, and whether the DKK 75 million might be more effectively allocated to alternative projects.
- Members of the Council asked about Danish-Egyptian Dialogue Initiative (DEDI) and the new set-up with UNDP. Was the initiative still dialogue-based?
- The Council raised concerns regarding the political situation, with particular emphasis on the human rights context in Egypt and Tunisia. Questions were posed as to whether current efforts are achieving sufficient impact, and how DAPP is adapting its approach in response to the evolving political landscape.

- The Council expressed concerns about the consortium set-up, which was characterised as rigid in the Mid-Term Review (MTR). Were there synergies among the various efforts? Council Members highlighted the recommendations of the MTR, notably to call for enhanced policy dialogue and strengthened cooperation with the Embassies. How would the programme set-up be re-assessed following 2027?
- The Council highlighted the target numbers for job creation. Members acknowledged the significant increase in the number of jobs created from 2023 to 2024 and sought clarification on the nature and types of employment generated. In particular, inquiries were made regarding the programme's focus on highly educated youth. Council Members expressed agreement with the Midterm Review's conclusion that it may be appropriate to revise the job creation targets downward.

Other issues raised by the Council included the 80/20 rule which implies that only 20 percent of the budget can be used outside the DAPP countries, the Youth Sounding Board (YSB) being underutilised noting the considerable potential to enhance peer-to-peer engagement with Danish youth, and safety net for human rights defenders through legal support or other measures.

- The Chief Adviser acknowledged that the IFU contract had incurred substantial transaction costs, with significant time invested by both the MFA and IFU. It was regretted that the Board of IFU had decided not to pursue the collaboration after a contract had been signed. A key lesson learned was that IFU required engaging with larger-scale enterprises rather than small and medium-sized companies. A potential new partner had since been identified and was currently being considered. Several accelerated enterprises were already in place and ready to receive financial support.
- The Chief Adviser acknowledged the risks associated with human rights work, particularly in Egypt and also in Tunisia. Nevertheless, all partner organisations remained present in Tunisia and were adapting to the context. While DIGNITY previously collaborated with the Tunisian national government, it now engaged at the governorate level. The Deputy Head of Department emphasised that the Midterm Review highlights several positive efforts, including DIGNITY's work on torture prevention and work on LGBT rights, though the situation remained complex.
- Regarding the new phase of DEDI, the Chief Adviser stressed that the core activities of DEDI remained intact, including its focus on peer-to-peer engagement and dialogue. Recruitment of a Coordinator was underway, and two staff members had already been hired. MENA underlined that DEDI was a strong example of an equal partnership.
- The Chief Adviser emphasised the ambition to generate sustainable employment. The jobs created so far were new jobs, and the MEAL unit was involved in assessing their quality. It was, however, still too early to determine their long-term sustainability. The

- target group was not only the highly educated but was divided into four subgroups, including vulnerable youth.
- The Deputy Head of Department acknowledged the Midterm Review's recommendation to reassess the programme's structure and mentioned that the lessons learned would be taken into account in the preparation of the next phase of the programme. Finally, the Chief Adviser commented on questions regarding the Youth Sounding Boards, noting that while their expenses were covered, they did not receive remuneration. The possibility of enhancing their engagement was currently under consideration.

Agenda Item No. 6: African transboundary Water Management (CREATES)

For discussion and recommendation to the minister DKK 300 million
The Department for Green Diplomacy and Climate

Summary:

CREATES is Denmark's contribution to the EU's Team Europe Initiative (TEI) on Transboundary Water Management (TWM) in Africa that aims to enhance water security, promote regional stability and resilience, and foster peaceful development across the African continent. CREATES supports this goal by improving effectiveness of transboundary water management in Tanzania, Uganda, and Kenya. The programme will be implemented through two contributions: A) Led by United Nations Environment Programme — DHI Water & Environment (UNEP-DHI), focus will be on enhancing decision support systems and capacity building, and B) Led by the International Union for Conservation of Nature (IUCN), focus will be on improving river basin governance, stakeholder coordination, and promoting climate-resilient water solutions. While an overarching EU coordination office is seated in Brussels, Denmark will open a project office in Nairobi, which will become the regional hub for all the 25-30 TWM projects that EU currently supports. The programme contributes to SDGs 1, 6, 13, and 15, and it aligns with the Danish objective of strengthening actions to support climate adaptation and resilience in the poorest and most vulnerable countries. It also aligns with the Africa strategy, including with its geographical focus.

The Council for Development Policy recommended African Transboundary Water Management (CREATES) for approval by the Minister for Foreign Affairs.

- Overall, the Council appreciated the integration of a climate and a development focus. Collaboration with government partners was found to be well-described in the document.
- As other organisations were already undertaking similar initiatives in these areas, Council Member inquired about the rationale behind the selection of the two partners, International Union for Conservation of Nature (IUCN), and United Nations Environment Programme DHI Water & Environment (UNEP-DHI) instead of building on some of the ongoing activities. They further questioned how the programme would ensure added value both to and from other actors and partners operating in the region.

- Concern was raised about security aspects of working with transboundary waters, which
 were not sufficiently explained in the programme document. While transboundary waters
 interventions were important, Members of the Council stressed the risk of contributing
 to increased conflicts if interventions were not based on thorough studies of the politicaleconomy context at all levels from communities, over regional and national to
 international levels.
- Council Members pointed out that the distinction between the two main projects was unclear, particularly with respect to their positioning at the systematic level and their approaches to water management. Questions were raised regarding the extent of overlap between the two projects and the specific changes each was intended to drive.
- With regard to the programme's sustainability, Council Members wanted to know whether the initiative had originated from the partner countries or had been instigated by Denmark. While remarking that governments in Africa would rarely refuse programmes like this, they inquired about the extent of local ownership and questioned whether political and economic interests might give rise to any adverse consequences. The Council recommended the development of a more comprehensive political-economic analysis and a better application of this to the selection of key actors in the programme.
- Members of the Council observed that the programme had been long underway, since the presentation in the Programme Committee in 2023. What was the reason for the prolonged preparation process?

Other issues mentioned by the Council included the involvement of youth, civil society and other relevant partners, the importance of developing a clear framework for implementation, and the suggestion to develop a communication plan.

- The Head of Department emphasised how the programme is Denmark's contribution to the EU's Team Europe Initiative (TEI) on Transboundary Waters Management (TWM) in Africa. This highlights the potential for financial scalability, as EU has the ambition to provide long-term funding and thereby lay the foundation for larger future funding opportunities.
- On the selection of organisations, the Head of Department emphasised that IUCN and UNEP-DHI were trusted partners whom Denmark already supported with core funding and that they were chosen due to their complementary strengths; UNEP-DHI with its technical expertise on water and IUCN with strong experience with locally-led actions. The Chief Adviser added that IUCN and UNEP-DHI would be working with the same Theory of Change, result framework and annual work plan, and therefore the programme

- would only succeed by cooperating. The establishment of a steering committee and the shared project office would also ensure effective alignment between the two projects.
- While the programme was initiated by TEI, the Chief Adviser stressed that there had been clear buy-in from the local governments. As an example, a verification workshop had recently been held in Nairobi with participation from the three governments and the embassies, where buy-in and interest to initiate the programme had been very strong.
- On the prolonged preparation process, the Head of Department emphasised that due to the scale and nature of the programme, it had been challenging to develop the programme.
- Regarding a communication plan, the Chief Adviser explained that a shared office in East Africa would be established. This would ensure communication about the programme. Moreover, the Danish embassies would play a key part in ensuring communication to the Danish public.

The Chair of the Council concluded that the Council recommended African transboundary Water Management (CREATES) for approval by the Minister for Foreign Affairs.

Agenda Item No. 7: Organisational support for IIED

For discussion and recommendation to the minister DKK 75 million
The Department for Green Diplomacy and Climate

Summary:

Denmark aims to support International Institute for Environment and Development (IIED) with core funding for the period 2025-2030. IIED has a strong expertise and reputation for its work on locally-led climate adaptation and is an important strategic actor in international policy processes focused on climate and environment, promoting the voice of the Global South. IIED can provide Denmark with research and knowledge, which can inform and contribute towards Danish inputs on global climate policy and enhancing implementation in Danish-supported projects on climate adaptation. The support will contribute to achieving SDGs 1, 11, 13, 15, and 17. Due to the nature of the organisation's focus, the support aligns with Danish priorities in "Africa's Century".

The Council for Development Policy recommended the Organisation Strategy for IIED for approval by the Minister for Foreign Affairs.

Key observations and recommendations from the Council:

• Members of the Council, who were not familiar with IIED, found the organisation strategy unclear and therefore requested clarification about the added value of the partnership compared to other knowledge institutes. Other members with long-term experience with the work of IIED found the new organisation strategy timely and appropriate and stressed that the objectives and Theory of Change were relevant and well-conceived. The Council pointed out that arguments for collaboration with IIED could have been better presented in the programme document.

- Members of the Council asked why other donors had chosen to scale down their contributions and found that this could raise concern about the organisation's financial sustainability. How financially robust was the organisation in the short term?
- The research-to-action approach of IIED was considered an advantage but Members of the Council asked if this was different from what was offered by other organisations and if the focus of IIED might be too broad.
- The organisation strategy was framed as Danish support to IIED. Members of the Council recommended to also display how Denmark would gain value from the partnership and to include the possibility of synergies with Danish actors into the Organisation Strategy (OS).

Other issues mentioned by the Council included the involvement of the private sector and how IIED will contribute to strengthening climate finance.

The Ministry of Foreign Affairs' (MFA) response to key issues:

- The Head of Department explained that KLIMA had several partnerships with knowledge institutes on mitigation but was missing a strong partner on climate adaptation. In this regard, IIED was one of the strongest and most experienced knowledge institutes on locally-led climate adaptation and was also an experienced partner on the Indigenous Peoples agenda. The impact of the partnership would be to inform and inspire KLIMA and Danish embassies as well as strengthening Danish positions during international climate negotiations. It was therefore duly noted that the core funding should be described more as a partnership between Denmark and IIED than solely Danish support to IIED.
- The Chief Adviser informed the Council that Sweden had chosen to renew its funding and UK and Ireland were committed to retain their funding. Therefore, IIED's financial sustainability was more certain than suggested by the comments by the Council.
- While the Chief Adviser acknowledged the complexity of IIED's broad scope, he also emphasised that if the organisation was to make contribution to a real transition on climate adaptation, it was critical to look at the relevant issue as a whole.

The Chair of the Council concluded that <u>the Council recommended the Organisation Strategy</u> <u>for IIED for approval</u> by the Minister for Foreign Affairs.

Agenda Item No. 8: Mid-Term review of "Climate Change, Conflict, Displacement And Irregular Migration in Sahel"

For information and discussion

The Department of Migration, Peace and

The Department of Migration, Peace and Stabilisation

Summary:

The objective of the regional programme on Climate Change, Conflict, Displacement and Irregular Migration in Sahel is to increase the resilience of vulnerable populations to the impacts of climate change by building their adaptive capacities, as well as those of national and regional partners, to address the root causes of fragility driving conflict, forced displacement, and irregular migration. The Mid-Term Review found that the programme had faced difficulties since its beginning with several components either delayed or not implemented as a result.

Key observations and recommendations from the Council:

- The Council welcomed the opportunity to discuss developments in the Sahel region, acknowledging the challenging, fragile, and volatile context, but regretted that the programme had not achieved the objectives set when it was initiated in 2021.
- The Council asked about the learning by MFA of the situation and recalled that the Council had pointed to many of the challenges before the programme was approved. These included the multitude of competing objectives and an unclear organisational setup. Members warned against a possible conclusion about integration of climate change and development as a problem in itself. The climate-development nexus was considered a highly relevant approach in a context such as Sahel and instead it was suggested that the many objectives and confusion about responsible units in MFA had led to sub-optimal programme management.
- Members of the Council asked if the selected partners had the relevant capabilities to operate in the challenging context. SNV was highlighted as the best performing partner, while some of the others were either much delayed or never really managed to undertake the activities expected.
- Members also expressed concern about the reduction of the programme from originally approximately DKK 800 million to approximately DKK 420 million. Was a reduction the best response to the challenges encountered or could the money have been better spent if the programme had been redesigned? Had the programme missed the opportunity to adapt partners and focus, when it became clear that the approach did not work?
- The Council noted the positive benefits when the Embassies in Ouagadougou and Bamako had had the responsibility of managing parts of the programme when this had been possible and pointed out the difficulties of running a complicated programme from Copenhagen in situations without local presence.
- The Council stressed the importance of continued Danish support to the Sahel and asked if MFA considered scaling up the activities of SNV with the unspent funding.

Other issues mentioned included the MEAL unit being too resource-heavy; and the delay of the inception review of the programme.

- The Head of MIGSTAB agreed with the Council and the recommendations of the MTR. He emphasised the established policy of maintaining presence in Sahel, even with embassies being closed in the region, and explained how the department would follow-up closely on the MTR findings and recommendations.
- Overall, the programme administration had been challenged due to both the programme design and the difficult context, the military coups in the region, and the COVID pandemic. It was noted that one of the key challenges in addressing the climate-development nexus was the overly broad scope, attempting to tackle too many dimensions at once. A key lesson learned was that in complex settings, simpler and more focused approaches tend to be more effective. Despite the challenges, some results had been achieved and should not be overlooked, particular under the SNV project and under the World Bank's support to social protection. Therefore, the Head of Department stressed that the nexus approach would continue to be applied as it was currently the case in programmes in e.g. Ethiopia, Kenya, Uganda, and Somalia.
- The success of activities led by local stakeholders was highlighted as evidence of the importance of local ownership, especially in complex and fragile environments. The Head of Department reiterated the importance of ensuring proper anchoring from the outset, highlighting it as a key learning point.
- Regarding the MEAL unit, the Head of Department referred to a recent study by LEARNING on the use of external MEAL contractors which stresses the importance of focusing the tasks and avoiding huge and costly assignments.

Agenda Item No. 9: Any Other Business

No issues were raised under this agenda item.