

## Minutes from meeting in the Council for Development Policy 29 November 2018

### Present:

- Members:
- Professor Emeritus Georg Sørensen, University of Aarhus (Chair)
  - Vice Secretary-General Tania Dethlefsen, The Danish Family Planning Association (vice chair)
  - Director Thomas Bustrup, Confederation of Danish Industries (agenda item 1-3)
  - Head of Projects Tine Bork, SMEdenmark
  - Partner Marina Buch Kristensen, Nordic Consulting Group
  - General Secretary Birgitte Qvist-Sørensen, DanChurchAid
  - International Director Gunvor Bjerlund Thomsen, The Danish Youth Council (agenda item 1-4)
  - Director Mads Bugge Madsen, The LO/FTF Council
  - Associate Professor Michael Wendelboe Hansen, Copenhagen Business School
  - Senior Researcher Lars Engberg-Pedersen, Danish Institute for International Studies
- MFA:
- State Secretary for Development Policy Martin Bille Hermann
  - Head of Department Mikael Hemniti Winther, Technical Quality Support
  - Head of Department Lotte Machon, Development Policy and Financing
  - Adviser Mette Brink Madsen, Department for Technical Quality Support
- Agenda item 2:
- Head of Department Stephan Schönemann, Chief Adviser Thomas Thomsen, Chief Adviser Jakob Rogild Jakobsen and Chief Adviser Jette Michelsen and Special Adviser Lene Aggernæs, Department for Humanitarian action, migration and civil society
- Agenda item 3:
- Head of Department Stephan Schönemann, Chief Adviser Thomas Thomsen and Head of Section Trine Løber, Department for Humanitarian action, migration and civil society
- Agenda item 4:
- Ambassador Morten Jespersen and Head of Section Sofie Kallehauge, UN Mission Geneva
- Agenda item 5:
- Special Adviser Anders Ørnemark and Head of Section Anna Cecilie Friis Bach, Embassy Washington
- Agenda item 6:
- Head of Department Henriette Ellermann-Kingombe, Deputy Head of Department Asser Rasmussen Berling, Chief Adviser Niklas Borker Bjerre, Special Adviser Jesper Andersen and Head of Section Signe Schelde, Department for Multilateral Cooperation and Climate Change
  - Ambassador Peter Lehman Nielsen and Special Adviser Casper Stenger Jensen, UN Mission New York

## **Agenda item no. 1: Announcements**

The Vice Chair announced that she would resign from the Council as she would take up a new position and no longer be directly engaged in development cooperation. The Ministry would initiate the process of finding a replacement.

The State Secretary for Development Policy informed the Council about recent developments regarding pressure on human rights in general and LGBT rights in particular as well as shrinking space for civil society in Tanzania. The concerning developments had led to Denmark withholding an upcoming tranche of DKK 65 million under the Country Programme and another DKK 40 million had been reallocated to strengthening the Danish engagement with civil society in Tanzania. Furthermore, consultations with both local Tanzanian partners as well as Danish partners engaged in Tanzania would take place. The Minister for Development Cooperation had further raised the issue at an EU Council meeting and it was the impression that concern about the situation in Tanzania was widespread among the EU countries. In that regard, the EU had decided to carry out a review of the EU's engagement in Tanzania.

## **Agenda item no. 2: Thematic discussion: Humanitarian-Development-Peacebuilding Nexus**

*For discussion*

(Department for Humanitarian Action, Migration and Civil Society, HMC)

The Council had a thematic discussion on the humanitarian-development-peace (HDP) nexus. The HDP-nexus is about the interlinkages between humanitarian, development and peace actions, and about promoting greater coherence and coordinated efforts to promote efficient responses in fragile, crisis and conflict-affected contexts. There is, however, no precise internationally agreed definition.

The HMC Department opened the discussion and underlined that the HDP-nexus approach was a key component in a number of global agreements and initiatives, including the Grand Bargain, the New Way of Working (NWoW) and the Comprehensive Refugee Response Framework. The background was the increasing global prevalence of fragility, crisis and conflict that risked undermining global efforts to achieve the 2030 agenda. The understanding was that an increasing number of the world's poorest would be living in fragile contexts, e.g. OECD had estimated that up to 80 pct. of the world's poorest could be living in fragile contexts by 2030.

The HDP-nexus had been developed by key international actors, such as the UN, the EU, the World Bank and the OECD, among others. The OECD DAC had recently prepared a draft recommendation aimed at promoting a more coherent approach to the HDP-nexus. The recommendation would constitute part of the framework for the regular OECD DAC peer reviews of international development assistance.

The HDP-nexus had been included as a priority in the Danish Strategy for Development Cooperation and Humanitarian Action – The World 2030. Although the World 2030 focused mostly

on the “Humanitarian” and the “Development” part of the HDP-nexus, it was increasingly recognised that also the peace dimensions - the “P” - had to be addressed in order to tackle the drivers of fragility, crises and conflict and resulting vulnerability and displacement. HMC was aware that the “P” included a large number of different interventions at different levels, e.g. from small-scale dialogue mechanisms at the local community level to stabilisation and military engagements.

The Council appreciated having a thematic discussion based on a solid paper on the HDP-nexus, which the Council found informative, not least regarding the challenges. The Council noted that the HDP-nexus represented a change of focus from the silent poor to the poor who voted with their feet. It further noted that there was a tendency to view the HDP-nexus from a humanitarian standpoint while there was less emphasis on development and peace. In this regard, the Council further underlined that the role of civil society also ought to be included and that references to local organisations and the localisation agenda was missing.

Moreover, the Council emphasised the need to build on earlier thinking and documents, including the “New Deal for Engagement in Fragile States” from 2011, “Denmark’s Integrated Engagement in Fragile and Conflict-Affected Areas of the World” from 2013, and “the Stockholm Declaration on Addressing Fragility and Building Peace in a Changing World” from 2016. The Council further suggested to revisit the ILO Recommendation 205 “War to Peace” to get guidance and inspiration. The Council accepted that operationalisation was challenging and accepted the inherent risk working in fragile contexts. In doing so, the Council underscored its support to continue working across the HDP-nexus and seek to develop further knowledge and understanding and focus on its practical operationalisation at country level.

The Council urged the Ministry to continue to describe Danish comparative advantages and to focus on engagements where Danish support would be most efficient. The Council underlined the need to continue to prioritise as Denmark could not be active in all fragile contexts.

The Council accepted that the HDP-nexus concept and its potential in practical operationalisation had not been fully utilised. It was a moving target. The Council noted that there was still a lack of concrete proposals of how to link Humanitarian, Development and Peace building activities. A number of comments from Council members underlined the need to establish the Danish position on the HDP-nexus given the many different competing conceptualisations and also to further elaborate and clarify the peace dimensions of the nexus. Some members underlined the importance of the Grand Bargain, including the results of work stream 10 on the humanitarian-development nexus and the focus on localisation. Some members questioned the role of World Bank in fragile contexts. There was strong support to focus more on prevention and preparedness, and to seek a better understanding as to what it actually meant in operational terms. In this context, the Council emphasised the need for diplomacy and for long-term engagements that could help reducing social conflict. The Council emphasised that moving resources from long-term development to humanitarian responses was likely to undermine the ambitions of preventing an escalating number of refugees.

The Council missed a focus on the role of civil society as a Danish comparative advantage and an examination of opportunities for enabling civil society organisations to address issues in a more agile manner in fragile contexts, including using different funding sources more flexibly. It was problematic that development funding was long term while humanitarian funding often was on shorter terms – this made it difficult create an actual nexus between the two. In general, the Ministry should try to avoid further silos between humanitarian and civil society funding.

Some Council members underlined agility and the focus on coordination at the local level as Danish comparative advantages. Danish support to gender equality, anti-corruption, technology and development and sexual reproductive health and rights efforts were also underlined as strong Danish entry points in fragile contexts along with support to youth as agents of change and the development of social dialogue and a sustainable labour market. It was further suggested to include dialogue with religious leaders. The Council also mentioned that though focus on sexual and reproductive health and rights was an important cross-cutting issue, it somehow ought to be subordinated a more inclusive cross-cutting issue of “health” in general.

With respect to the need for risk willingness in relation to HDP-nexus activities, the Council praised the Ministry, but expressed a concern over the Ministry’s capacity to engage in such activities. Moreover, the Council asked about the capacity for monitoring and evaluation in this field. Finally, it was raised whether it was useful to address victims of social conflict and of climate change within the same framework.

The State Secretary for Development Policy underlined that an increasing number of the poorest and most vulnerable people would be living in the most difficult and fragile contexts. Therefore, engagements in the future would be more difficult, more expensive and more risky. Denmark should face this reality and continue to adapt and develop tools for engagements to promote efficient responses. In doing so, the World Bank was playing an increasingly important role in fragile contexts, e.g. with new financing tools such as concessional finance for middle income countries and a new upcoming mechanism designed to deliver early action to prevent famine.

The Chairman thanked for a full and rich discussion and stated that the HDP-nexus was a key approach due to the increased number of conflicts and forced displacement of people. Denmark was doing well to address the issues and Danish development assistance and humanitarian action was being adapted to the changing environment. Summing up, the Chairman underlined the need to continue to seek further clarification of the HDP-nexus, including to better understand the objective “to reduce vulnerability”. There was a need to continue exploring linkages between the “H and the D” and the peacebuilding and the security elements of the HDP-nexus. It had further been recommended that the Danish development cooperation and humanitarian action in fragile contexts should be based on Danish comparative advantages, including in areas such as civil society engagements, prevention and anti-corruption, and it should be recognised that Denmark had to prioritise and could not be engaged in all fragile contexts.

**Agenda item no. 3: Follow-up on presentation to the Council in October 2017:**  
**Status update on UN-Habitat's component (SHURA) of the Regions of Origin-Initiative phase IV in Afghanistan**

*For information*

(Department for Humanitarian Action, Migration and Civil Society, HMC)

*Summary:*

*In October 2017, the Council for Development Policy recommended the Regions of Origin Initiative phase IV for approval by the Minister for Development Cooperation. At that time, the Council asked for a stocktaking note, after a year, on the SHURA programme component in order to follow up on programmatic risks highlighted in the desk appraisal. SHURA is implemented by UN Habitat and aims at enabling returnees and protracted IDPs in urban areas to become self-reliant, resilient and productive citizens as quickly as possible. This is attempted by providing programme beneficiaries with shelter housing support and plots of land that has been allocated from vacant state land in close proximity to suitable livelihood opportunities in urban centres or secondary cities. Further, the ambition is to demonstrate an approach that could be taken to scale and adopted for other parts of Afghanistan. The implementation of SHURA is behind schedule as political disagreement has delayed a presidential decree, which constitutes the legal basis for the programme and the project continues to be associated with risks. However, with the legal framework in place and noteworthy progress made, the project seems to be gaining momentum and it represents one of few promising approaches to the pressing issue of urban displacement in Afghanistan. The Ministry's recommendation is to continue support to the programme conditioned by more frequent reporting and a closer dialogue with UN Habitat and the EU as co-donor. The Ministry will maintain a performance-based approach as a risk mitigating measure with disbursements being subject to ongoing performance assessments.*

The Council for Development Policy took note of the follow-up and progress made in the SHURA project despite significant delays in its implementation.

The Council recognised that land was a sensitive and contentious subject in Afghanistan and found that the issue of urban displacement received too little attention in general. For this reason, the Council supported increased risk taking in projects dealing with the pressing issue of urban displacement. The Council commended the Ministry's cautious performance-based approach and the close coordination with the EU as co-donor, but requested more information on what this closer coordination entailed.

Furthermore, the Council asked for more information on the Afghan government's ownership and view on SHURA, as well as whether UN Habitat had coordinated with DACAAR on SHURA.

The HMC Department echoed that complications and delays had to be expected in projects like SHURA given the political and contested nature of land in Afghanistan. HMC further responded that UN Habitat had secured strong government ownership through the establishment of various horizontal committees. HMC reported that SHURA was gaining political momentum, which had been underlined at the Ministerial Conference on Afghanistan in Geneva on 27 November. At a side event, Chief Executive Abdullah Abdullah and President Ghani's Advisor on Migration and Returnees had praised the new presidential decree, which allowed for the allocation of state land

to returnees and internally displaced people, stressing that granting land to returnees was crucial for sustainable reintegration of returnees.

Regarding coordination with the EU, HMC explained that the EU and the Danish MFA, represented by HMC and the Danish Embassy in Kabul would have monthly common donor meetings with UN Habitat. Furthermore, UN Habitat had had dialogue with the Danish organisation DACAAR, as they were delivering public water and sanitation services on a large scale in Afghanistan.

#### **Agenda item no. 4: Strategy for Denmark's Cooperation with the International Committee of the Red Cross (ICRC)**

*For discussion and recommendation to the Minister*

(UN Mission Geneva)

##### *Summary:*

*The Strategy for the Cooperation between Denmark and the International Committee of the Red Cross (ICRC) forms the basis for the Danish contribution to ICRC, and it is the central platform for Denmark's dialogue and partnership with ICRC. It sets up Danish priorities for ICRC's performance within the overall framework established by ICRC's own strategy. It identifies four priority areas for the collaboration: 1) protection, humanitarian assistance and compliance with International Humanitarian Law (IHL), 2) leveraging synergies between humanitarian and development efforts, 3) coherence in the areas of stabilisation and security and 4) technological transformation and increased effectiveness. These priority areas are to a large extent in line with Danish priorities for humanitarian and development assistance. ICRC is a unique humanitarian actor mandated by the international community both to protect and assist people affected by armed conflicts but also to ensure that this operational experience translates into ever more protective humanitarian norms such as the Geneva Conventions of 1949 (and their Additional Protocols) which remain the most widely-ratified treaties to this day. The principled type of humanitarian action that ICRC implements is key to the neutrality, impartiality and independence of the protection and assistance brought to victims of armed conflict. ICRC's presence in fragile contexts combined with its unique role in relation to the development of and compliance with IHL is of value to the Danish Ministry of Foreign Affairs and to the Danish Ministry of Defense, both of which have ongoing dialogue with ICRC.*

The Council for Development Policy recommended the organisation strategy for approval by the Minister for Development Cooperation.

The Council noted that ICRC plays an important role in the humanitarian landscape, but acknowledged that it could be challenging to influence ICRC due to its specific characteristics. In light of this, the Council commended the Ministry's model of channelling some of the contribution to the ICRC through the Danish Red Cross, as this model had strengthened the collaboration between ICRC and the Danish Red Cross, ensuring some level of local anchoring of the Danish support.

The Council recognised the focus on digitalisation and data protection in the strategy and underlined the importance of a continued focus on the many dilemmas which digitalisation brings

about, including ensuring data security in line with the EU's Directive on data protection, GDPR, and considering issues like consent, security and transparency.

The Council asked whether the fact that the ICRC is a private association under Swiss law was considered problematic and further inquired how the ICRC saw the status of respect for International Humanitarian Law (IHL).

The Council requested more clarity on the second priority area of the Strategy, namely leveraging synergies between humanitarian and development efforts. The Council recommended being careful about the framing of this priority area, as ICRC ought to remain a strictly humanitarian organisation. The Council was interested in knowing how ICRC wished to place itself in relation to collaborating with development actors and increasingly engaging in protracted crises.

The Council drew attention to the fact that for ICRC, coordination with other actors had traditionally been challenging, and the Council recommended the Ministry to influence ICRC to coordinate better with other actors, including OCHA. The Council also drew attention to the limited mentioning of gender aspects in the Strategy. In this regard, the Council found that the ICRC could take on a more leading role.

The Council asked why cooperation with the Danish Red Cross had not been included in the strategy, thereby formulating one overall strategy. Lastly, the Council drew attention to the expansion of the ICRC's activities over the last few years. In relation to this, the Council asked if there were any particular issues to be aware of, especially with regard to possible mission creep.

The Mission explained that it was not an issue that the ICRC was a Swiss association. States had given ICRC a particular international mandate very early on while being aware of its status as a Swiss association. In fact, this status enabled the ICRC to uphold a level of neutrality. The Mission acknowledged that the ICRC in the past had had challenges regarding coordination, but nevertheless saw that this was improving and that dialogue was good. Denmark itself had a good collaboration with ICRC, both bilaterally and through the Donor Support Group. Furthermore, the Mission also commended the usefulness of channelling some of the funding through the Danish Red Cross, both for the national society and for Denmark.

On digitalisation, the Mission agreed that this was an important area and highlighted how it was a priority area in the overall Danish strategy for development and humanitarian cooperation. The Mission acknowledged the challenges of finding a standardised model for data-sharing and conveyed how ICRC saw itself as being in a particularly challenging situation due to the kind of data it handles. The Mission underlined that this only encouraged further and stronger collaboration and dialogue on jointly solving the issues.

The Mission further explained the second priority of the Strategy and the ICRC's approach to leveraging synergies between humanitarian and development efforts. It underlined that the ICRC should not carry out development activities. However, in light of the changed landscape in which ICRC was operating, especially the protracted nature of the majority of the conflict situations, the ICRC was looking to adapt its approaches and working methods to look more holistically at

needs. Furthermore, ICRC would be open to collaboration with those who were able to respond to the kinds of needs that ICRC traditionally did not respond to.

Regarding equality and protection, the Mission remarked that the special protection needs of women and girls were highlighted in the Strategy and that a specific indicator was developed on this matter. The Mission also acknowledged the need for a continued dialogue with ICRC in order to sharpen the indicators. In relation to ICRC's operations, the Mission conveyed how ICRC was working on ensuring gender equality both in their teams on the ground, i.e. specifically those carrying out negotiation on the ground, and in their management teams in the field and at head quarter level.

The Mission explained that one joint strategy for the ICRC and the Danish Red Cross was not desirable due to the fact that the ICRC and the Danish Red Cross had different operational approaches even though they cooperated. Furthermore, ICRC had a specific mandate concerning IHL. Furthermore, it would be challenging for the Ministry to manage one joint strategy.

Regarding strengthening the respect for IHL, the Mission underlined that ICRC would always be defenders of IHL, but that there was also an acknowledgement of the fact that compliance with IHL was being challenged. The Mission mentioned that Danish Ministry of Defence had a fruitful dialogue with ICRC on IHL.

The Chair concluded by acknowledging the Council's agreement of the relevance of the Strategy and that the Council could recommend the Strategy to the Minister's approval. The Chair also highlighted the Council's comments regarding the ICRC as a unique organisation, the ICRC's ability and willingness to coordinate with other humanitarian actors, and the fact that the character of the context in which ICRC operates had changed. Conflicts had become more complex, and therefore ICRC would have to collaborate increasingly with other actors.

### **Agenda item no. 5: Support to Women Entrepreneurs Finance Initiative (We-Fi)**

DKK 46 million

*For discussion and recommendation to the Minister*  
(Embassy Washington)

#### *Summary:*

*We-Fi supports projects and programmes that eliminate barriers that women face in starting and growing successful Small and Medium-sized Enterprises (SMEs) in a variety of sectors, and strengthen the enabling environment for such firms. SMEs play an important role in economic growth and job creation in developing countries. While the SME sector in most developing countries has seen impressive development, it has not yet reached its full potential. It is widely recognised that women entrepreneurs play a critical role in economic development by boosting growth and creating jobs. Only 30 percent of formal SMEs around the world are owned and run by women. Women today face numerous challenges to financing, owning, and growing a business, including legal and policy obstacles to business ownership and development. 70 percent of women-owned SMEs in developing countries cannot get the capital they need, resulting in a credit deficit of nearly \$1.5 trillion. It is nearly impossible to start or sustain a business without access to capital. We-Fi intends to change this. Its holistic approach will help women in developing*



*countries gain increased access to the finance, markets, and networks necessary to start and grow a business. To address these challenges, the World Bank's Board of Executive Directors in June 2017 approved the Women Entrepreneurs Finance Initiative. We-Fi managed to secure commitments from 14 countries totalling USD 348 million, which meant the fund was able to set an upgraded target of mobilising a total of USD 1.6 billion in additional funds. We-Fi opened for business in October 2017 and the first round of funding allocations were announced in April 2018, with \$120 million slated for three programmes designed to knock down the unique barriers facing women entrepreneurs in developing countries.*

Based on the presented documentation, the Council for Development Policy could not recommend the support to We-Fi to approval by the Minister for Development Cooperation. The Council called for an elaboration of the results framework, the long-term theory of change, the outline of the process of project-selection and the exit strategy before re-presenting it to the Council.

The Council acknowledged We-Fi's overall objective to support women entrepreneurs and the focus of economic empowerment of women in a development context and the Council noted that the objective of We-Fi was aligned with Denmark's strategic priorities.

The Council noted that the fund had been established under special circumstances and further noted the untraditional group of donors. This highlighted the political importance of the timing of establishment as well as the topic in focus. The Council found it positive if We-Fi could potentially engage new donors and thereby mobilise new capital for women's economic empowerment in developing countries. However, the Council also raised a concern in relation to some of the other donors as some of them were known for working against the Danish gender agenda in other fora and questioned whether this represented a political risk.

The Council underlined that it was difficult to see exactly how the fund would support the overall objective and how the fund would target obstacles that were particular for women entrepreneurs. The Council found that the fund focussed strongly on organising high-level meetings and requested a clarification of the target groups as well as the long-term theory of change. Furthermore, the Council found that the presented results framework was too weak as many issues were still to be determined. The Council emphasised the need to update the existing results framework in order to clarify the target group and the objectives on the overall portfolio level of the trust fund. The Council called for a revision of the results framework so it clearly highlighted the expected development outcomes for the fund and for specific targets for We-Fi's work to be outlined. The Council further underlined, that the baseline indicators ought to be revised in order to be better able to follow the outcome of support through the fund.

The Council further expressed concern regarding the management costs and the complexity of the framework under which We-Fi was constructed. In this regard, the Council found it essential to obtain concrete information on results and the target group of current projects funded by We-Fi before approval of the Danish support to the fund. The Council also asked about the relation to other funds such as the Women Entrepreneurs Opportunity Facility and questioned whether there was any overlap.

The Council noted the relatively short time-span for the fund and in that regard the Council called for more information in relation to an exit strategy of We-Fi. The Council questioned the intention of mainstreaming gender into other World Bank Instruments and whether that was considered possible within the given timeframe.

Lastly, the Council expressed the need for the document to outline the process of project-selection by the Governing Committee and Technical Expert Panel.

The Embassy responded by clarifying the intended target group of We-Fi's projects as well as an explanation of the management framework which We-Fi was built upon. The Embassy also emphasised that monitoring and evaluation of We-Fi's operations was already and would continue to be central for Denmark's participation in the Governing Committee. Together with like-minded countries, Denmark would follow this process closely throughout We-Fi's lifetime.

Summing up, the Chair underlined the Council's support to the overall objective. However, there was a need for further clarification of the concrete content of the proposed programme. There was a need for further development of We-Fi's results framework and theory of change. Furthermore, there was a need for a clarification of the target group as well as documentation of concrete outcomes of the current projects supported by We-Fi. On this basis, The Chair concluded that the Council was not able to recommend the proposed support to We-Fi to final approval by the Minister at this time.

Based on the discussion in the Council, it was decided that the Embassy should revise the programme document and strengthen the results framework, clarify the long-term theory of change, outline the process of project-selection by the Governing Committee and Technical Expert Panel, describe the concrete activities carried out under the first three projects co-financed by We-Fi and finally, clarify the exit strategy.

#### **Agenda item no. 6: Support to the UN Special Purpose Trust Fund for a strengthened UN Resident Coordinator system**

DKK 70 million

*For discussion and recommendation to the Minister*

(Department for Multilateral Cooperation and Climate Change, MKL & UN Mission New York)

##### *Summary:*

*As part of Denmark's support to the UN Secretary-General's initiative to reform the UN Development System, Denmark will commit a total of DKK 70 million to the reinvigoration of the UN Resident Coordinator system for the period of 2019-2021. The reinvigoration of the RC-system is part of a bigger process to reform the UN Development System mandated by the General Assembly resolution 72/279 from May 2018 with the purpose of creating a UN system that is "more strategic, accountable, transparent, collaborative, efficient, effective and results-oriented" as well as better positioned to respond to the 2030 Agenda. The implementation of the reinvigorated RC-system officially launches on 1 January 2019 and is expected to be fully implemented by 2021. This proposed Danish financial support to the reform of the UN is included as one of the initiatives in the Danish Foreign and Security Policy Strategy 2019-2020.*

The Council for Development Policy recommended the support for approval by the Minister for Development Cooperation.
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The Council found that the programme was highly relevant, as the need to reform the UN Development System to make it more efficient, coordinated and results-oriented, had long been apparent. It was therefore considered important that Denmark supported the present reform process.

The Council asked whether the proposed reform would indeed bring about the needed changes of the UN Development System, also considering the risk of ‘resistance to reform’ by both UN entities and Member States, as outlined in the programme document. The Council further asked whether the US was backing the reform process, as this would be important for its success.

The Council asked about the existence of Terms of Reference for the new Resident Coordinators and underlined the importance of finding very competent and professional candidates for the positions if the reform should strengthen the effectiveness of the UN Development System. The Council also flagged a concern that the Resident Coordinator could become too powerful compared to some of the smaller UN specialised agencies who might find it difficult to have a say at the country level and e.g. maintain their direct dialogue with local governments.

The Council enquired about the hybrid-financing model and whether the financing of the reinvigorated Resident Coordinator System would also be dependent on voluntary contributions after the end of the inception phase in 2021. The Council also noted with surprise that the reform aimed at saving approximately \$300 million while at the same time establishing a new leadership tier at the country level.

The MKL Department and the UN Mission in New York underlined that the reform, which was initiated by the Secretary-General himself, constituted the most ambitious attempt to reform the UN in many years – if not ever. A reinvigorated Resident Coordinator System was a key part of the reform and a core aspect of the creation of a UN Development System more fit-for-purpose at the country level and better able to support the implementation of the 2030 Agenda. In order to support the reform implementation and mitigate risks, the Ministry, the Mission in New York and other relevant Danish missions would follow and monitor the implementation process closely through relevant fora, including Executive Boards. MKL underlined that the US did support the Secretary-General’s reform agenda, and that Denmark was continuously seeking to collaborate with the US on common priorities and to keep the US positively committed to the UN in general.

MKL and the Mission underlined that the demand for a changed dialogue and a stronger Resident Coordinator role at the local level was also coming from partner countries. It was considered important for the success of the reform that the Resident Coordinator was sufficiently strong to fully tailor and steer UN country teams clearly focused on the SDGs and in alignment with the development priorities of the national governments. The UN Secretariat had formulated clear Terms of Reference for the Resident Coordinators and was establishing a new Resident Coordinator assessment and recruitment process to ensure that the Resident Coordinators would be

sufficiently skilled development and humanitarian professionals. This also included opening up for recruitment of external candidates.

MKL and the Mission explained that the hybrid-financing model was a compromise as a result of the negotiations in the General Assembly, as not all Member States were interested in securing the financing of the reinvigorated Resident Coordinator System through assessed contributions, as initially suggested by the Secretary-General. The review of the functioning of the RC-system, which the Secretary-General would submit for the consideration of the 75<sup>th</sup> session of the General Assembly (before mid-September 2021), would include an assessment of a future funding mechanism. It could not be ruled out that voluntary contributions would be needed after the inception phase.

In conclusion, the Chairman found that the Council fully supported the programme, while recognising that there were still unclear elements and risks associated with the reform implementation. However, it was also recognised that the supportive momentum created required immediate action and support and that this initiative had significant potential for positive effects. The Council therefore recommended the programme for approval by the Minister.

#### **Agenda item no. 7: AOB.**

One member asked for an opportunity to revisit the P4G initiative and have yet another discussion once an inception review had been carried out.

Regarding the board of the Danish Institute for International Studies, for which the Council had appointed two members, the Council was informed that Henrik Halkier from Aalborg University had been appointed Chair of the board.

The Chair encouraged members to prioritise participation in Council meetings as there recently had been problems ensuring quorum at the meetings. In this regard, it was underlined that if members were unavailable at upcoming meetings, they should inform the Secretariat as soon as possible as it would make it possible to reschedule meetings if necessary.

Finally, since this was his last meeting as State Secretary for Development Policy, he used the opportunity to thank the Council for its constructive cooperation and valuable contributions to the discussions in the Council.