

Support to DIPD – Promoting vivid and well-functioning multiparty democracies

Key results:


















- Political parties formulate and communicate political solutions.
- Political parties are inclusive and engaging organisations.
- Political parties are democratic organizations.
- Political parties engage in cross-political cooperation and dialogue.
- DIPD document and learn from results.

Justification for support:

- Promotion of Danish values permeate Denmark's development policy and requires sustained promotion and protection of human rights, democracy and gender equality.
- Experience with 150 years of democracy makes Danish political parties and DIPD a credible and sought after partner.

Major risks and challenges:

- Contextual: shrinking democratic space, COVID-19 restrictions, political instability
- Programmatic limited organisational, administrative and financial ability amongst partners
- Institutional: reputational risks due to political engagement, cases of financial irregularities and of sexual exploitation, abuse and harassment
- Mitigation measures are in place to manage risks, however residual risks remain. Risks will be monitored, discussed during Annual Consultations and adaptations will be made as required.

File No.	2021-2021					
Countries	Interregional					
Responsible Unit	HCE					
Sector	15160					
Partner	DIPD – Institute for Parties & Democracy					
<i>DKK mill.</i>	2021	2022	2023	2024	2025	Tot.
Commitment	15	30	30	30	15	135
Projected ann. disb.	15	30	30	30	30	135
Duration	2021-2025					
Previous grants	2010-2020 annual grant					
Finance Act code	§ 06.32.08.					
Head of unit	Mette Thygesen					
Desk officer	Peter Bøgh Jensen					
Reviewed by CFO	Jonas Lundsgaard Palmstrøm					
Relevant SDGs						
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation	
 Affordable Clean Energy	 Decent Jobs Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production	
 Protect the Planet	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals		

Strategic objectives:

Objective: Vivid and well-functioning multiparty democracies with inclusive political parties, who ensure the social, economic and political rights and influence of citizens

Justification for choice of partner:

Based on 170 years of democratic history with political parties playing a key role, DIPD is able to share and spread inspiration, ideas and support to political parties in developing countries. DIPD support public participation and representation by providing support to building capabilities of political parties and multiparty platforms.

Summary:

The purpose of this development engagement with DIPD 2021-2025 is to continue to support Denmark's longstanding efforts to broaden and deepen broad based participation in political processes in developing countries in particular for the youth and for women.

Budget:

Political parties formulate and communicate political solutions.	25,980,000 DKK
Political parties are inclusive and engaging organisations.	29,530,000 DKK
Political parties are democratic organizations	21,780,000 DKK
Political parties engage in cross-political cooperation and dialogue.	30,680,000 DKK
DIPD document and learn from results. DIPD is a learning organisation, where experience is the foundation for partnerships	22,080,000 DKK
Indirect costs (administration and audit)	4,950,000 DKK
Total	135.000.000 DKK

Support to the Danish Institute for Parties and Democracy (DIPD)

“Strong and Well-Functioning Multiparty Democracies”

(2021-2025)

Development Engagement Document

05-05-2021

F2 # 2021-2921

1. Introduction

The present development engagement document (DED) details the objectives, budget and management arrangements for the development cooperation concerning ‘Support to The Danish Institute for Parties and Democracy (2021-2025)’ as agreed between the parties specified below. The DED is annexed to the relevant commitment letter.

1.1 Parties

The Department for Humanitarian Action, Civil Society and Engagement (HCE) of the Danish Ministry for Foreign Affairs, and The Danish Institute for Parties and Democracy (DIPD).

1.2 Documentation

“The Documentation” refers to the partner documentation for the supported intervention, i.e., the DIPD strategy (2021-2025) and the MFA Capacity Assessment (2019) (cf. annex 6).

1.3 Contributions

Denmark, represented by the Department for Humanitarian Action, Civil Society and Engagement of the Danish Ministry of Foreign Affairs, commits to a contribution to the engagement of DKK 135.000.000 (one hundred and thirty-five million DKK) for the period 01.07.2021-31.12.2025.

2. Background

The purpose of this grant is to promote democracy in developing countries by way of support to the implementation of DIPD’s new strategy for 2021 through to 2025. Promotion of democracy is a fundamental value across Denmark’s development policy and DIPD is a key partner in this endeavour. DIPD’s understanding of democracy is based on the Danish model: a representative multiparty democracy in which political parties are strongly rooted in the community and work together to ensure long-term sustainable solutions. DIPD sees political parties as key players in a democracy. The parties must represent the people and ensure that democracy provides solutions that will benefit the individual as well as the society overall.

According to the strategy the vision of DIPD is:

To have strong and well-functioning multiparty democracies with representative parties, ensuring the social, economic, and political rights and influence of all people.

DIPD works in developing countries through partnerships with political parties, multiparty institutions, and other pertinent actors. These partnerships provide mutual inspiration, learning and change with a view to making political parties more representative and stronger in terms of policy and organisation.

2.1 Context

The global democracy anno 2021 is faced with several serious challenges. As reported by Varieties of Democracy Institute at the University of Gothenburg, V-Dem, autocratisation continues to surge. For the first time since 2001 democracies are no longer in majority, as only 48 % of the world’s

countries are characterized as “electoral and liberal democracies”. This is 11 countries fewer than in 2010. Rather than talking about the third wave of democracy, V-Dem et.al. describes a third wave of autocratisation. This shift is further fuelled by the documented acceleration of autocratisation globally and by the emergence of autocratisation inside the EU. Simultaneously, the quality of the global democracy is declining as documented by Int. IDEA. This worrying tendency is seen in both old, well-established democracies as well as countries with more recent democratic transitions.

Underneath these two global trends, several worrying undercurrents contribute to a complex global democracy crisis.

While political parties have played a vital part in the development of representative democracy in almost all its variations, establishing and developing the link between citizens and executive power, the days of mass-based parties seem to be a thing of the past in most parts of the world. This tendency has been evolving for decades, but it is now at point where it is inevitable to talk of a crisis of democratic representation. Those political parties which used to be mass-based, member inclusive vehicles for change, have neither managed to maintain their membership nor delivered a univocal answer to what political representation will look like in the 21st Century. The political dialogue that previously took place in party branches or town halls has moved online. With that move the character and dynamics of political dialogue and mobilisation have also changed.

This crisis of representation has in turn contributed to the slow and steady loss of legitimacy and identity, especially among the old political party elite. Trust in political parties is alarmingly low, and the renewal of political parties as organisations and vehicles for political change is not happening at a pace that satisfies the electorate. Additionally, the trust in democratic institutions is plummeting and AfroBarometer reports a growing dissatisfaction with the way democracy is practiced in Africa.

Instead of renewal, there is an alarming development towards autocratisation of party organisations in all parts of the world, in part linked to diminishing memberships. This movement is well documented by V-Dem and is also visible in some of the world’s largest economies across the Western countries, the Middle East, Asia, Africa, and Latin America. At the same time, the growing monetisation of politics, where the cost of running for office surge, create a dependency on special interests and continue to undermine inclusive and democratic policy development.

But DIPD also sees reasons for optimism. Counter-acting the surging autocratisation and delegitimization of political parties is a new wave of political activism. It emerges in new forms and new fora, but with a familiar demand: democratic influence and accountable governments.

This is the burning platform from which DIPD is adjusting its strategic focus. Through a comprehensive internal development process anchored in its new 5-year strategy, DIPD will seek to provide the necessary platform for the Danish political parties to engage with political parties and multiparty platforms in developing countries, through an adjusted setup, new partnership frameworks and a stronger focus on learning, documentation, support, and oversight. This will better position the Danish political parties to renew and rethink the role of political parties to counter democratic backsliding.

2.2. The partner

DIPD is established by law in 2010 with the key purpose of strengthening Danish development cooperation, especially regarding support to the building democratic political parties and multiparty democracy in developing countries. Its core vision as presented in the institute’s strategy for 2021-2025 is “vibrant and well-functioning multiparty democracies with inclusive political parties, who ensure the social, economic, and political rights and influence of citizens”.

DIPD is self-governed institution within the public domain (“*selvejende institution*”) directed by a board responsible for overall strategic governance. Prioritizing its strategic role, the board has decided to

introduce an external grant appraisal committee, which will introduce an external quality control in the grant-making process (see annex 1 for further information).

The board supervises a director-led secretariat, currently comprised of 12 staff members in Copenhagen as well as offices in Yangon and Kathmandu, charged with the management of DIPD's core grant administration, coordination of cross-political initiatives and support to the Danish political parties represented in parliament in their partnership planning, administration, and evaluation.

In 2021, DIPD is predominantly financed through an annual grant on the Danish Finance Act. In addition, DIPD receive EU funding for programs in Myanmar and Malawi.

DIPD supports partnerships between Danish political parties and political parties, multiparty institutions, and other actors in developing countries. Through these partnerships, DIPD works closely with a wide range of Danish Embassies particularly in priority countries. This is the case in Burkina Faso where the Embassy in Ouagadougou asked DIPD to facilitate bipartisan dialogue with 14 parties in the Parliament, a novelty in a society lacking trust and cohesion. In Kenya, DIPD has a focus on participation of young people in political life and dialogue with political parties – done in close collaboration with the Embassy in Kenya. In Palestine, DIPD supports a partnership with the youth wings of three leftist parties. Going ahead the MFA will explore synergies between DIPD's work and the priorities of UNDP's strategic plan that enjoys significant funding from Denmark.

DIPD has been subject to three external MFA reviews, evaluations, or capacity assessments during the past 10 years. In 2019, a capacity assessment (by the MFA) found that DIPD's capacity to administer the grant from the MFA was adequate and that the proven capacity provided DIPD with a platform for further institutional development "with a long-term vision, more room for manoeuvre and more flexibility, including 5-year *rolling plans*", as this was needed to effectively provide the type of support to democracy and political parties that DIPD is mandated to.

The capacity assessment also included nine key recommendations covering the areas of:

1. **Grant modality**
Incl. a new grant modality with the MFA, which supports DIPD's strategic direction.
2. **Operationalisation of political party resources**
Incl. the support for a party-led approach, more flexible partnership approaches and further development of capacity to collect results, support knowledge sharing and simpler and more flexible supporting systems.
3. **Simplification of grant management systems**
Incl. the introduction of an external grant assessment mechanism and clearer criteria for quality control of applications.
4. **Recalibration of roles and responsibilities**
Incl. an updated description of segregation of roles and responsibilities between board, secretariat, and political parties.
5. **Update of financial management processes**
Incl. a further systematisation of financial oversight procedures, an updated anti-corruption policy, and updated guidelines for financial and risk management applicable for the political parties.

In this DED, DIPD presents institutional initiatives set in motion based on this capacity assessment with the view to strengthen DIPD's administrative and programmatic capacity.

2.3 Lessons learned

DIPD has 10 years' experience in the field of democracy and political party support. Lessons learned from the first 10 years especially revolve around political party support under four programmatic themes: women's representation, youth representation, intra-party organisation, and multiparty

dialogue. DIPD's work has build inclusive structures for women in political parties and has contributed to strengthening policies that enable women to overcome challenges of gaining representation. DIPD's interventions have reinforced youth representation by applying working methods in political party support such as mentoring, advocacy, and reform of party policies. DIPD's work on strengthening inclusive political parties has often focused on involving local party branches in policy formulation to secure co-development and ownership of policies. The policies are adapted to local conditions and involve a range of themes e.g., health and education. Multiparty dialogue processes supported by DIPD include political parties improving their working relationships on important constitutional issues. Multiparty dialogue processes have also brought the political parties together to promote dialogue and strengthen the representation of women and young people in political parties.

DIPD has gone through three grant periods with the MFA. Reviews in 2013 and 2016, as well as an MFA capacity assessment in 2019 and an external evaluation of DIPD's youth programming in 2017 have confirmed the relevance of modus operandi and strategic approaches to its results areas, but also recommended initiatives, which could improve DIPD's performance.

The key recommendations from the capacity assessment in 2019 informed DIPD's strategy process in 2019/2020 and has thus provided a valuable platform for action on key lessons learned:

DIPD's value added is the engagement of Danish political parties. The collective experiences and capacities of Danish political parties provide DIPD with a legitimate and, in a Danish context, unique platform for supporting democratic development and political parties in developing countries. To maximise this added value, DIPD will phase-in a stronger party-led approach to programming.

Democratisation is an unpredictable and volatile process, which requires patience, flexibility, and opportunism. For the past 10 years, DIPD has supported oppressed political oppositions in autocratic regimes, democratic forces in emerging democracies and political parties and multiparty platforms in countries undergoing democratic consolidation. The road towards democracy has never proved certain in any of the 20+ countries DIPD has engaged with. The project approach applied for the past 10 years has therefore also proved inadequate. To provide the right type of support at the right time, DIPD will introduce a new partnership approach with focus on strategic planning, flexibility, and reciprocal learning.

Countering the growing pressure on democracy globally and navigating the changing role of political parties require knowledge, learning and collaboration. The area of democracy support and especially support to political parties is still relatively new and limited research exists on dynamics and potentials of this particular area of work. In a time where democracy is under increased pressure the need for knowledge-based support to political parties as key democratic organisations is vital. To this end, DIPD will strengthen its efforts in learning, documentation, and evaluation.

2.4 Theory of Change

The new DIPD strategy and its implementation is guided by the underlying theory of change (ToC). It outlines the way the Danish political parties work with partners in developing countries through DIPD and how these partnerships contribute to DIPD's vision.

The ToC presented below is based on DIPD's strategy 2021-2025, where DIPD comprises the work of the DIPD secretariat, the Danish political parties and the DIPD board. These three entities work together within DIPD's strategic framework but have different roles and autonomies, which influence DIPD's modus operandi.

DIPD's ToC is based on experiences and lessons learned through more than ten years of working with democracy support and support to political parties. Experience shows that well-functioning and democratic political parties lead to well-functioning, representative multiparty democracies.

Democratic political parties are the best guarantee of freedom, prosperity, stability, equality, and peace. By making political parties more democratic, inclusive and relevant in terms of responding to societal challenges, the political parties will increase their legitimacy, equally represent all segments of the population and diminish autocratisation of party organisations. They will counteract a lack of trust in political parties and political institutions and decrease the possibility for upholding autocratic structures, systems, and political culture. By supporting well-functioning political parties that will promote pluralism and dialogue across the political divides, DIPD is contributing to increasing the quality of democracy (e.g. in terms of strengthening the level and depth of organization, and increasing capacity for women and youth to participate in societal decision-making) - hereby stopping democratic backsliding.

The ToC operates with three layers: control, influence, concern. As presented in annex 1, DIPD works strategically to improve and adjust the preconditions for implementing the ToC. These are initiatives within the board's and secretariat's control. This includes the continued development of strategic frameworks, systems, and guidelines for the partnerships, within which the Danish political parties autonomously select and carry out partnerships with partners in developing countries. These partnerships, their specific setup, content, and results, are therefore not within the secretariat's direct control. In DIPD's strategy 2021-2025 and in the ToC presented below, DIPD is defined broadly as "*a community of Danish parliamentary parties*". Within this broad notion, the board, the secretariat and the political parties have different roles in achieving the overall strategic goals in the ToC.

DIPD's board is responsible for the overall strategic governance of DIPD and thus provides both guidance and oversight. The strategic role of the board will be reinforced by the introduction of an external grant appraisal committee. Together with the secretariat, the board determines overall frameworks, systems, and guidelines for the political parties' partnership, but does not decide how the political parties choose to operate within these.

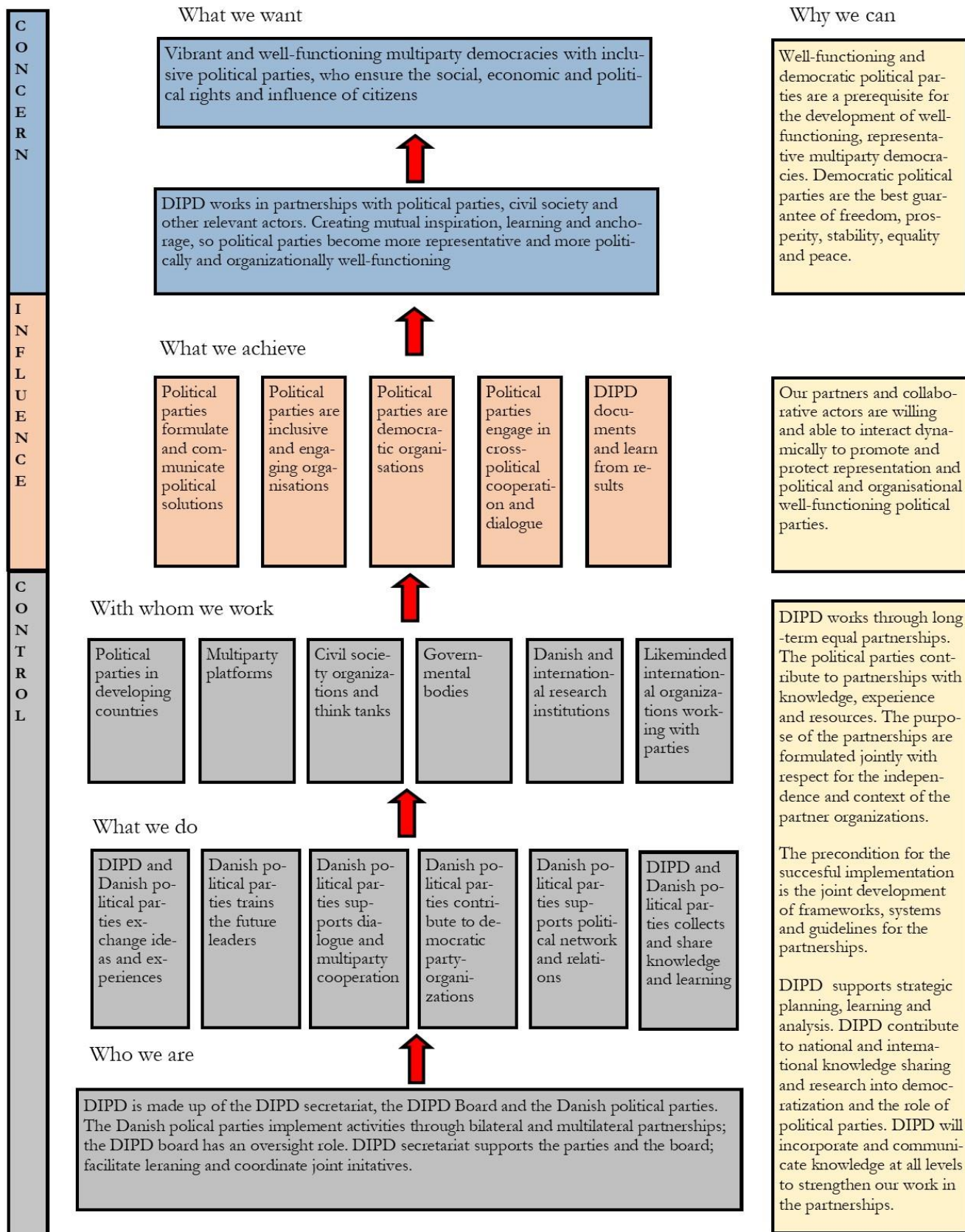
The implementation of partnership activities is the responsibility of the Danish political parties. Experience shows that the added value of the Danish political parties is best utilized, by positioning the parties in a leading role in programme implementation, allowing direct contact with all partners. Additionally, this provides the political parties and partners with a stronger platform for sharing knowledge and experiences. Experience also shows that when working in autocracies, a more flexible approach to programming is needed, to counter the volatile environment in which the partners operate.

The secretariat is responsible for programmatic, financial, and administrative support, cross-party activities and initiatives involving the Danish political parties, such as conferences, courses and capacity development, and communication. The secretariat organises experience sharing, joint-learning, and cross-cutting evaluations with the Danish political parties and partners in developing countries. Documenting and learning from results is one of the five main goals of DIPD's strategy 2021-2025, which guides the ToC, and is output 5 in the adherent results framework. Documenting and learning from results will be a key focus for DIPD and it will work in synergy with the programmatic outputs 1-4 in the results framework. This is the first time DIPD highlights documentation and learning as a strategic goal. It is therefore only natural that the operationalisation of the goal will need time to evolve and develop, and adjustments will be made continuously during the strategy period as the DIPD secretariat gains more experience on the needs of the organisation and partners.

The target is to share knowledge and lessons learned to empower the Danish political parties, employees, and partners as well as to contribute to the democracy debate with these actors. A professionalised approach to knowledge-sharing involves, among other things, gaining an overview of

knowledge needs, incorporating relevant knowledge and research, documenting and disseminating results systematically, facilitating cross-party learning and exchanging experiences across partnerships and with international partners. Knowledge-sharing can take place analogously or digitally and will take into account both the needs and the building of autonomy and competence in the political parties and partners.

Figure 1: DIPD's theory of change



3. Development Engagement Objectives

DIPD's engagement objectives are based on the five strategic goals presented in DIPD's strategy 2021-2025, which also guides the ToC presented above.

The five strategic goals are synergetic and collectively contribute to the fulfilment of DIPD's vision: *"vibrant and well-functioning multiparty democracies with inclusive political parties, who ensure the social, economic and political rights and influence of citizens"*.

The five strategic goals guide the partnerships carried out by the Danish political parties through DIPD. While the first four goals focus on change in the partner countries, the fifth goal addresses the preconditions for understanding, assessing, and adapting to change and results:

1. Political parties formulate and communicate political solutions.
2. Political parties are inclusive and engaging organisations.
3. Political parties are democratic organisations.
4. Political parties engage in cross-political cooperation and dialogue.
5. DIPD documents and learns from results.

Finally, DIPD's five strategic goals guide DIPD's results framework (which is found in full detail in annex 3), which in turn guides DIPD's budget (annex 4). The Danish political parties will sign a framework agreement with DIPD. Each of these framework agreements will include one results framework per party. These result frameworks will correspond to the DIPD strategic goals.

Results framework

Engagement Title		Support to the Danish Institute for Parties and Democracy	
Outcome		Vibrant and well-functioning multiparty democracies with inclusive political parties, who ensure the social, economic, and political rights and influence of citizens	
Outcome indicator		<ul style="list-style-type: none"> Political parties formulate and communicate political solutions. Political parties are inclusive and engaging organisations. Political parties are democratic organisations. Political parties engage in cross-political cooperation and dialogue. DIPD documents and learns from results. 	
Baseline	Year	2021	<ul style="list-style-type: none"> Three external reviews or capacity assessments and one internal evaluation has confirmed the relevance of DIPD's strategic focus and approaches and concluded that DIPD has adequate capacity to provide the envisaged support. With its new strategy, DIPD strengthens its focus on documentation of and learning from results which supports strategic planning and continuous learning. Increasing trend of autocratization globally, democracies are no longer in majority as only 48 % of the world's countries are characterized by V-Dem as "electoral and liberal democracies". Globally the capabilities of all social groups to participate in the political arena is declining as reported by V-Dem's Egalitarian Component Index Political parties have generally not managed to maintain their membership base and trust in political parties is alarmingly low, according to Afrobarometer and other democracy indices Development of political parties in autocratizing countries since 2000 shows an increasing trend of anti-pluralism according to V-Dem 2021 data
Target	Year	2025	<ul style="list-style-type: none"> The Danish political parties have contributed to the fulfilment of the five strategic goals through partnerships, and DIPD has documented to which degree the strategic goals are fulfilled.

			<ul style="list-style-type: none"> Danish political parties and their partners have anchored the partnership in a way which institutionalizes and ensures sustainability and long-term impact.
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Output 1		Political parties formulate and communicate political solutions. DIPD has contributed to political parties in developing countries, contributing to this strategic goal through DIPD-funded partnerships, have developed and updated policies and communicate them to and in dialogue with the public	
Output indicator		<ul style="list-style-type: none"> At least 25 % of the Danish political parties receiving grants through DIPD has contributed to this strategic goal through their partnerships. DIPD has carried out at least one evaluation of the work towards this goal before 2025, which has contributed to learning and changes in the Danish political parties' practise and partnerships. Degree to which political parties in selected developing countries have increased their capacity to formulate and communicate political programmes and political solutions to societal challenges drawing on DIPD funded support. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. 	
Baseline	Year	2021	<ul style="list-style-type: none"> 6 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results in the improved capacity of political parties to formulate and communicate political solutions. This especially relates to including local branches and lower structures in policy formulation and on strengthening capacity to communicate with the electorate in an inclusive manner. DIPD has not made an evaluation of cross-partnership strategic approach to supporting policy development and communication within a democracy support framework.
Target	Year 5	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. At least 25 % percent of the Danish political parties receiving grants through DIPD is contributing to this strategic goal through partnerships. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties, which enhances the understanding of barriers, and drivers, methodologies and approaches for creating long term change for developing political solutions. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.
Output 2		Political parties are inclusive and engaging organisations. DIPD has contributed to political parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, being increasingly inclusive and that they increasingly engage youth, women, and marginalized groups and explore new ways of democratic and political engagement.	

Output indicator			<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic target. DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships are being increasingly inclusive, especially regarding youth, women, and marginalized groups. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly explore new ways of democratic and political engagement.
Baseline	Year	2021	<ul style="list-style-type: none"> 7 Danish political parties currently work with this strategic area in partnerships. DIPD carried out an evaluation of the work with youth in politics in 2016, which concluded that DIPD's approach to strengthening youth in politics was "relevant, logical and skilfully opportunistic"¹. DIPD has documented results in the improved representation of women and youth based on partnership activities, including more youth and women in leadership positions among partners. Proven methods for inclusion are networking, capacity building and engagement of political leadership, among others.
Target	Year	2025	<ul style="list-style-type: none"> At least 15% of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties., which enhances the understanding of barriers, and drivers, methodologies, and approaches for creating long term change in developing inclusive and engaging organisations. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.

Output 3		Political parties are democratic organisations.	
		DIPD has contributed to the development of political parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, being more democratic and well-functioning, with more accountable leadership, transparent party structures and stronger involvement of members and engagement of volunteers.	
Output indicator			<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic goal. DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships are being increasingly inclusive, especially regarding youth, women, and marginalized groups. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly explore new ways of democratic and political engagement.
Baseline	Year	2021	<ul style="list-style-type: none"> 6 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results reg. improved party structures, incl. the organisation of youth and women, based on partnership activities. This includes

			<p>the establishment of youth wings and women wings and strengthened local- and lower-level representation in the parties.</p> <ul style="list-style-type: none"> DIPD has made no evaluation of the effects of working for democratic and well-functioning political parties with accountable leadership, transparent party structures and stronger involvement of members and engagement of volunteers.
Target	Year	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties., which enhances the understanding of barriers, and drivers, methodologies and approaches for creating long term change in strengthening political parties as democratic organisations. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.

Output 4		<p>Political parties engage in cross-political cooperation and dialogue.</p> <p>DIPD has contributed to that parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, increasingly take part formal and informal dialogue and collaboration and that they thereby contribute to political settlements and an increasingly democratic culture.</p>	
Output indicator		<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic goal. DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. 	
Baseline	Year	2021	<ul style="list-style-type: none"> 5 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results reg. improved cross-political dialogue and cooperation based on partnership activities. This includes that interparty dialogue has brought together political parties to promote dialogue and strengthen participation of women and in young people in decision-making. DIPD has made no r evaluation of the effects of working with cross-political cooperation and dialogue.
Target	Year 5	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties, which enhances the understanding of barriers, and drivers, methodologies and approaches for creating long term change in terms of political parties engaging in cross-political cooperation and dialogue. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.

Output 5		DIPD document and learn from results. DIPD is a learning organisation, where experience is the foundation for reflection and learning across partnerships.	
Output indicator		<ul style="list-style-type: none"> • DIPD has allocated at least 15 % of its partnership funds to this strategic goal. • 100 % of the Danish political parties receiving grants through DIPD have contributed to this goal by formulating internal learning targets and by periodically following up on those targets. • 100 % of the Danish political parties receiving grants through DIPD have carried out at least one external evaluation of their partnerships. • DIPD has carried out at least 4 reviews or evaluations with focus on best practice, results, and learning. • DIPD has developed a goal-to-result system that supports strategic planning, learning and analysis. • DIPD has contributed to national and international knowledge sharing and made its results available for research in democratisation and the role of parties. • DIPD has documented to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships. • DIPD facilitate learning across projects and countries within the thematic areas of its work 	
Baseline	Year	2021	<ul style="list-style-type: none"> • Evaluation undertaken in 2021 documented the level of strategical work in projects in relations, implementation and in partnership, e.g., working with structures and actions at the management level leading to changes that last. • DIPD has piloted new evaluation approaches in 2020 and 2021, incl. outcome harvesting and outcome mapping. • Since 2019 DIPD has reported on Global Democracy Trends in DIPD Operating countries. E.g., against V-DEM Party Institutionalization Index, DIPD has favourably impacted in Bhutan and Kenya on democratic development through the institutionalization of political parties in terms of strengthening their roots in society.
Target	Year	2025	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. • 100 % of the Danish political parties receiving grants through DIPD has formulated internal learning targets. • 100 % of the Danish political parties receiving grants through DIPD has carried out at least one external evaluation of their partnerships. • DIPD has carried out at least 4 reviews or evaluations with focus on best practice, results, and learning, which has led to the Danish political parties adopting new approaches in the partnerships. • DIPD has contributed to national and international knowledge sharing and made its results available for research in democratisation and the role of political parties. • DIPD has documented to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships. • DIPD has supported Danish political parties to have adopted innovative and effective monitoring methods to learn and document strategic change

4. Risk management

The contextual risks cover various conditions defining the different contexts in which DIPD supports political parties and multiparty platforms. Most notably, political instability and violence, especially before, during and immediately after elections, pose a serious risk, not only to the partner organisations themselves, but also to DIPD's ability to offer support these. This is most prevalent in autocratic

regimes and countries with emerging democratic openings but is a risk in all context in which DIPD's offers its support.

The programmatic risks include intra-party conflicts and the general volatility of the political landscape in many of the context in which DIPD's offers its support. It also includes the occurrence of under-prioritisation of international partnerships within the political parties partnering in DIPD.

The institutional risks include weak or inadequate administrative and financial capacity of partners.

In the engagement period, DIPD is prioritising strengthening of pre-programme assessments, including risk assessments, and the ongoing oversight with sub-grantees and partners.

6. Summarized budget

The budget table below presents the budget summary at output level. The budget only reflects inputs from this specific grant. If other funds are added to achieve the same outputs, then the budget and results matrix should be updated to include all co-funding.

The budget reflects the two overall elements of DIPD's budget:

1. Spending through transfers to country offices and implementing partners.
2. Spending on allocated programme supporting costs.

The first element represents all DIPD's partnership funds, which over time will be channelled through the Danish political parties. This element constitutes roughly 65 % of DIPD's overall budget. As part of the parties' new framework agreements with DIPD, an overall budget covering all interventions must be presented. This budget contains certain criteria and expenditure ceilings, including:

1. An expenditure ceiling on salary and administrative costs (specific ceiling to be decided on board meeting on 9 April 2021)
2. Minimum expenditure on partnership activities (specific floor to be decided on board meeting on 9 April 2021).

DIPD's board has a clear objective of ensuring that a considerable percentage of DIPD's grant is spent through and with the partner organisations, while also ensuring the necessary organisational, administrative, and programmatic capacities in Denmark. Total amount for the whole grant allocated to partnerships is higher compared to previous cycles. For 2014-2017 15.11 million DKK was allocated to partnerships. For the period 2018-2021 the amount was 16.80 million DKK. For the coming phase as of 2021 through to 2025 DIPD aims to allocate 20 mio. DKK to partnerships.

The second element represents the entire budget of DIPD's secretariat and board, and covers both running costs and programme supporting activities, including conferences, courses and capacity development, communication, knowledge sharing and evaluations. This element constitutes roughly 35 % of DIPD's overall budget.

As stipulated in the parliamentary white paper drafted in conjunction with the preparation of the law, a maximum of 50 percent of DIPD's total grant can be used on "sister party projects". So far, DIPD has lived up to this specific requirement by separating partnership funds in to two separate pools:

1. The party pool: funds allocated to the Danish political parties through project-specific grants.
2. The multiparty pool: funds managed by the DIPD secretariat through country-specific grants.

Budget line	Total budget (2021-2025)	2021 - 2022 (18 months)	2023	2024	2025
OUTPUT 1 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 1 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 1 - Total direct cost	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 2 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 2 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 2 - Total direct cost	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 3 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 3 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 3 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 4 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 4 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 4 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 5 - Total direct activities via transfers to country offices or implementing partners	17.320.000	6.040.000	4.000.000	3.960.000	3.320.000
OUTPUT 5 - Total direct allocated programme-supporting (activity-specific) cost	8.870.000	2.900.000	1.950.000	1.990.000	2.030.000
OUTPUT 5 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
A - Total direct cost (sum of outputs) - Programme specific activities supporting main outcome	130.950.000	44.700.000	29.750.000	29.750.000	26.750.000
<i>Spent through direct transfers to country offices and development partners</i>	87.200.000	30.200.000	20.000.000	20.000.000	17.000.000
<i>Spent on allocated programme supporting cost (activity-specific rent, communication, tools development, innovation, research)</i>	43.750.000	14.500.000	9.750.000	9.750.000	9.750.000
Audit	1.050.000	300.000	250.000	250.000	250.000
B - Total audit	1.050.000	300.000	250.000	250.000	250.000
C – Contingency ¹	3.000.000	0	0	0	3.000.000
Total budget (A+B+C)	135.000.000	45.000.000	30.000.000	30.000.000	30.000.000
GRANT	135.000.000	45.000.000	30.000.000	30.000.000	30.000.000

¹ Maximum 3 % of budget.

As DIPD implements a new party-led approach, which includes a gradual transfer of responsibility for the multiparty programming to the Danish political parties, a different method of living up to the requirement will be introduced: From the beginning of the new grant period, a budgetary requirement in DIPD's guidelines will be introduced, placing a 50 % ceiling on spending on bilateral partnerships between political parties, thereby ensuring that minimum half of DIPD's grant will be spent on multiparty programmes, and activities and resources supporting the multiparty programming. This budgetary requirement will be part of the new framework agreements for the political parties and subsequently spelled out in DIPD's guidelines.

The budget is based on DIPD's expense levels for 2018-2021 and will therefore likely be adjusted as the operationalisation of DIPD's strategy 2021-2025 takes form, which will include minimum requirements for transfers to partner countries.

6. Management arrangement

The operationalisation of DIPD's strategy (2021-2025) entails adjustments to the delegation of roles and responsibilities in DIPD (see Annex 9: Transition plan for summarized process description):

a. The Board

For the board of DIPD, a move towards a more strategic governance role will be carried out throughout the strategy period. First and foremost, the introduction of an external appraisal committee in preparation of the new grant period will remove grant assessment responsibility from the secretariat and introduce an external quality control in the grant-making processes. This will support the strengthened focus on quality in the grant assessment process. The details of the external appraisal committee function and how it will operate will be decided upon at the DIPD Board meeting 12 May 2021.

Secondly, a new system for reporting on results will be introduced, supporting the board's focus on partnership developments, results, synergy and emerging intervention needs and opportunities.

b. The Secretariat

For the secretariat, a move towards a more supporting role will be carried out throughout the strategy period. First and foremost, the gradual transfer of responsibility for the multiparty programming to the Danish political parties will relieve the secretariat of its direct program implementation responsibilities, meaning that by 2023, the Danish political parties will become responsible for all partnership programming in DIPD, including financial management of partnerships. Secondly, the introduction of an external grant appraisal committee will relieve the secretariat of its role in assessing and nominating grant proposals to the board.

Instead of the above responsibilities, the secretariat will take up a predominantly supportive role with a focus on core administration, programmatic and financial oversight, programmatic support, and coordination of cross-party initiatives, and learning and documentation, both in Denmark and internationally, as well as reporting.

c. The political parties

For the political parties, an operationalisation of the party-led approach will be carried out throughout the strategy period. First and foremost, the gradual transfer of responsibility for the multiparty programming in 2021-2022 will provide the political parties with additional programmatic responsibilities. Secondly, the introduction of a more strategic and flexible programmatic framework coupled with improved systems for learning and documentation will add to the political parties' responsibilities.

The modalities for the future multiparty partnerships will be developed with DIPD's board during the first 18 months of the grant period. Specific process plans will be developed for each of the current multiparty programmes during the 2nd and 3rd quarter of 2021.

The MFA and DIPD have agreed to the following management arrangement with the aim to ensure adequate dialogue and timely decisions regarding this development engagement. Changes can be introduced throughout this grant period if agreed between the parties.

6.1 Applicable guidelines

The grant is administered according to the MFA guidelines for Country Strategic Frameworks, Programmes and Projects (www.amg.um.dk) and the General Guidelines for financial management – unless exceptions or other more specific details are made in this document.

6.2 Reporting procedures

The following reporting schedule must be respected with regards to this development engagement. Reporting required for previous agreement remain.

By March 2023, DIPD shall submit to the MFA:	<ul style="list-style-type: none"> • Budget monitoring report covering progress until month of December of the previous year. • Annual results report regarding DIPD's work, covering the period 01.07.2021-31.12.2022. • Certified accounts annotated by management for the previous financial year and a half.
By March 2024, DIPD shall submit to the MFA:	<ul style="list-style-type: none"> • Budget monitoring report covering progress until month of December of the previous year. • Annual results report regarding DIPD's work, covering the period 01.01.2023-31.12.2023. • Certified accounts annotated by management for the previous financial year and a half.
By March 2025, DIPD shall submit to the MFA:	<ul style="list-style-type: none"> • Budget monitoring report covering progress until month of December of the previous year. • Annual results report regarding DIPD's work, covering the period 01.01.2024-31.12.2024. • Certified accounts annotated by management for the previous financial year and a half.
By June 2026, DIPD shall submit to the MFA.	<ul style="list-style-type: none"> • Budget monitoring report covering progress until month of December of the previous year. • Final results report regarding DIPD's work, covering the period 01.07.2021-31.12.2025. • Certified accounts annotated by management for the entire grant period.

6.3 Annual consultations

When relevant and tentatively in the second or third quarter of each year during the engagement period, the MFA and DIPD shall meet to approve the budget monitoring report and the annual reporting from the previous year submitted by DIPD, as well as discuss general developments, results

and challenges of implementation, evolution of the partnership and future perspectives. Updated plans and budgets for the coming year will be subject to discussion.

7. Financial management

Both parties will strive for full alignment of the Danish support to the implementing partner rules and procedures. The following financial management arrangement applies to this development engagement:

7.1 Applicable guidelines

For eligibility of expenses, the grant is administered according to the General Guidelines for Financial Management – unless exemptions or other more specific details/conditions are outlined in this document (or separate email exchange), c.f. section 7.2 below.

Reference is made to Danida’s “General Guidelines for Financial Management – for development cooperation”, which can be accessed on www.amg.um.dk and more specifically: <https://amg.um.dk/en/tools/financial-management/accounting-and-auditing>.

The contribution is intended for funding for the implementation of DIPD’s strategy (2021-2025) targeting developing countries only. Spending of the grant must comply with OECD’s requirements for overseas development assistance (ODA). Hence, the purpose of all underlying activities must be economic development and welfare improvement in developing countries.

In case of co-funding, this should be clarified in an updated budget and results framework. It shall also be explained in results reporting and in financial reporting. The grant cannot be used to subsidise projects won by DIPD through corporate engagement or otherwise expected to be financially self-sustaining.

7.2 Special conditions and exemptions

The following special condition and exemptions apply to this DED only:

- The output-based budget specified according to the outputs appearing in the results framework, shall for each output be allowed to include allocated programme-supporting costs (which are linked to the specific outputs). DIPD shall be able to explain the link between a programme supporting cost and the given output (activity) under which it is budgeted. Furthermore, DIPD shall be able to present and justify budget breakdown and allocation of all the budgeted programme-supporting costs. Non-activity specific costs must be covered by the administrative fee (7 %).
- The budget shall include a specification of transfers to country offices/regional hubs and implementing partners.
- Salary levels shall be kept in accordance with (not exceeding) the recognized salary scale for government staff, i.e., the standard salary level for salaries paid with public funds as presented by the Ministry of Finance (“Den fællesakademiske lønskala” via Moderniseringsstyrelsen www.modst.dk).
- DIPD is allowed to set aside unspent (maximum 3 % of annual budget) funds for institutional equity and the end of each financial year.

7.3 The grant and its disbursement

The grant to DIPD is approved in Danish kroner (DKK). Any loss due to variations of exchange rates between the grant in DKK and the currency/currencies of the organisation’s cooperating partners in developing countries must be covered within the grant.

Funds will be transferred in DKK from the MFA to:

Account holder: Institut for Flerpartisamarbejde (DIPD)
Swift code: DABADKKK
Account number: 0216 / 4069 166 091
IBAN-number: DK1802164069166091
Bank name and address: Danske Bank

7.4 Accounting requirements

Accounts shall be kept in accordance with internationally accepted accounting principles. DIPD must follow the basic four-eye principles for all payments and secure proper and solid segregation of duties. The accounts shall be drawn up to the same level of detail as is done in the budget. The total grant cannot be exceeded and shall be used for the agreed purpose only.

The grant shall be kept and accounted for separately from other funds from earmarked funds from the MFA as well as other sources.

7.5 Budget and expense ceilings

For eligibility, the following budget and expense ceilings must be respected:

Administrative fee (non-activity specific cost)	Maximum 7 % of the direct (activity-specific) costs of the activities
Contingency (unforeseen expenses, exchange rate loss etc.)	Maximum 3 % of total budget amount

As all DIPD's expenses are considered direct costs, an administrative fee of maximum 7 % is not applicable in the budget.

For the Danish political parties that receive grants through DIPD, all their expenses are also seen as direct costs within DIPD's overall budget. An administrative fee of 7 % is therefore not included in the underlying budgets either, but expense ceilings on salaries, rent and pro rata other, defined by DIPD's board, are applied.

7.6 Budget reallocations

DIPD has the discretion to reallocate between outputs within the budget. Changes exceeding 30 % must be presented to and approved by the MFA.

7.7 Procurement of goods and services

DIPD will manage the grant with care, consideration, and due diligence. Pursuant to Danida's and DIPD's existing guidelines, only economy or economy class tickets purchased for travel.

7.8 Transparent recruitment

When recruiting permanent staff, DIPD shall announce positions openly and publicly and use transparent selection procedures with a view to ensure that candidates are not subject to discrimination in terms of race, colour, political views, sexual orientation or gender identity, disability, sex, age, or national origin. Rotation of staff is not subject to open and public recruitment.

7.9 Audit requirements

The financial statement may be prepared as an "Appendix statement", i.e., the financial statements cover the financial situation of the entire organisation, but a detailed income and expenditure

information pertaining to particular grants or engagements is specified in a separate section, notes or appendices to the general financial statement.

7.10 Interest and unspent funds

Interests accrued from bank holdings should be recorded as income and may be used for activities supporting the objective of this development engagement or returned to the MFA at the end of the engagement. Negative interests are to be accounted for as expenditures and may be covered by the grant.

Unused funds shall be returned to the MFA after the approval of the final accounts for the engagement. However, if a succeeding engagement (with a similar objective) follows this contribution, the MFA may decide to allow for the transfer of unspent funds from this engagement to the next. Also, DIPD is allowed to set aside unspent funds (maximum 3 % of annual budget) for institutional equity and the end of each financial year. Likewise, the MFA may allow DIPD to set aside unspent funds exceeding 3 % of the total grant at the end of the engagement period.

8. Monitoring and evaluation

DIPD shall monitor and report on progress and achievements against the agreed results framework using its own system for monitoring and evaluation. DIPD uses a results framework with a combination of quantitative and qualitative indicators to measure progress and results against the objectives, outcomes, and outputs.

DIPD monitors and reports annually on progress of implementation by partners as well as by DIPD itself directly (the first annual report covers 01.07.2021-31.12.2022 (18 months)). DIPD supports partners with capacity development on monitoring, evaluation, and learning, as well as verifies reported results through monitoring visits and other initiatives. Furthermore, DIPD initiates internal assessments of partners' support needs to approve its support.

DIPD is currently updating its monitoring, evaluation and learning framework and guidelines, to develop more adequate tools and systems for the assessment and reporting of results. This includes new evaluation and reporting requirements and approaches for implementing partners, including outcome harvesting, and the expanded usage on global data and development indicators from international knowledge institutions. DIPD will have an increased focus on learning and sharing of knowledge between actors such as the Danish political parties, international partners, international actors within the field of democracy support, research institutions and the DIPD secretariat. Furthermore, synergy with Danish country programmes undertaken by Danish embassies in the area of democracy and human rights as well as gender equality and youth will be sought.

New initiatives include a yearly joint seminar for the DIPD Board, DIPD secretariat and Danish political parties to do a status on partnerships, share knowledge on methodologies and approaches and discuss the strategic direction of DIPD. Furthermore, yearly learning exercises or thematic reviews will be carried out to dive into thematic areas of interest and to use past experiences to innovate and improve approaches going forward.

DIPD will have an increased focus on ongoing documentation and communication of results and lessons learned through social media, the DIPD website, policy briefs, guides, inspiration catalogues, videos etc.

DIPD shall report to the MFA on the progress achievements in implementing the DED through reporting, regular dialogue as well as the annual consultations. Reviews on performance and capacity as

well as financial inspection will be carried out according to the regular rules and assessment by the MFA. A Mid-Term-Review will be carried out half-way through the duration of the DED i.e. in late 2022 or early 2023. The MFA shall have the right to carry out any technical or financial mission that is considered necessary to monitor the implementation of the project. To facilitate the work of person(s) instructed to carry out such mission, DIPD shall provide these with all relevant support, information, and documentation.

The MFA reserves the right to undertake reviews of progress during implementation and carry out an evaluation after the termination of grant period.

Representatives of the Auditor General of Denmark shall have the right to: i) carry out any audit or inspection considered necessary with regards to the use of the Danish funds in question, based on all relevant documentation, ii) inspect accounts and records of suppliers and contractors relating to the performance of the contract, and to perform a complete audit. (see also 6. Management arrangement).

9. Anti-corruption

No offer, payment, consideration, or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made, promised, sought or accepted – neither directly nor indirectly – as an inducement or reward in relation to activities funded under this agreement, including tendering, award, or execution of contracts. Any such practice shall be ground for the immediate cancellation of this grant and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the MFA, a further consequence of any such action can be the definite exclusion from any project funded by the MFA.

10. Child labour

DIPD shall abide by the local laws and by applicable international instruments, including the UN Convention of the Rights of the Child and International Labour Organisations conventions.

11. Prevention of sexual exploitation, abuse, and harassment

The recipient agrees to ensure that the work of the organisation is implemented in an environment free from all forms of harassment, exploitation, abuse, sexual or otherwise, especially in case of vulnerable groups.

Sexual abuse is defined as actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions. Sexual exploitation is defined as any actual or attempted abuse of position of vulnerability, differential power, or trust, for sexual purposes, including but not limited to profiting monetarily, socially, or politically from sexual exploitation of another. Sexual harassment is defined as any form of unwanted verbal, non-verbal or physical conduct of a sexual nature with the purpose or effect of violating the dignity of a person, particularly when creating an intimidating, hostile, degrading, humiliating or offensive environment.

The above definitions are referred to as Sexual Exploitation Abuse and Harassment (SEAH).

DIPD confirms that it is developing a policy for preventing SEAH to be finalized ahead of entry into force of this DED. With this, DIPD confirms that it will ensure:

- That it has adequate policies, standards, or frameworks in place to prevent SEAH.
- That all employees have been informed about these policies, standards, or frameworks.
- That there are appropriate SEAH reporting procedures and complain mechanisms in the organisation, including the protection of victims of SEAH and that prompt and adequate action is taken if SEAH is observed, reported, or suspected.

In case the development engagement includes sub-grantees, the recipient is responsible for ensuring the prevention of SEAH also at the level of sub-grantee. The MFA has zero-tolerance towards SEAH and will consider non-adherence to point 1, 2 and 3 as grounds for immediate termination of grant.

12. Transfer of ownership

DIPD, responsible for the implementation of this DED, shall maintain updated inventories of all equipment financed by the MFA, in accordance with the existing DIPD rules.

13. Suspension

In case of non-compliance with the provisions of this DED or violations of the essential elements mentioned in this DED, the MFA reserves the right to suspend with immediate effect further disbursements to the grantee under this contribution.

14. Entry into force, duration, and termination

The contribution will be announced in a letter of commitment to this DED.

The grant will have the duration of 54 months in accordance with the engagement period stated above. The duration of the grant may be extended by mutual arrangement and within the agreed budget.

15. Prerequisites

The cooperation with the implementing partner as specified by this DED will become effective when:

- The finance act is approved by the Danish parliament.
- The grant is approved by the Finance Committee of the Danish parliament.
- The grant is approved by the Ministry for Development Cooperation.
- This DED is signed by both parties.
- The signed commitment letter is sent from MFA to DIPD (this DED is an annex to the commitment letter).

Signatures

For the Danish Institute for Parties
and Democracy

For the Ministry of Foreign Affairs

Date:_____

Date:_____

Name:_____

Name:_____

Signature:_____

Signature:_____

Annex 1: Context analysis

1. Overall development challenges, opportunities and risks

1. Global context for support to democracy and political parties

Through grants to the Danish political parties, DIPD supports political parties and cross-political platforms in Africa, the Middle East, Asia, Eurasia, and Latin America. The partnerships therefore develop and operate in very different political, geographic, and historical context, often difficult to compare.

The width or depth, historically and geographically, of the analysis of the state of democracy and the adherent challenges therefore also determines how grave or optimistic conclusions might be drawn.

However, if one looks at the global progression of various forms of democracy since the end of WWII or even since the fall of Berlin Wall in 1989, it is difficult to maintain a deep pessimism. After three waves of democracy (and a corresponding number of counter waves), the number of democracies globally have been on a steady rise. Even at DIPDs formation in 2010, the global democracy support environment was riding on a wave of optimism.

In the MENA region, the Arab spring blossomed and the hope of a wider democratization of the region was broadly aired both by the millions of protestors and activists in the streets of Tunis, Cairo, Sana'a, Rabat, Algiers etc. and by Western governments. In Asia, the encouraging transition from armed conflict to electoral democracy in Nepal was followed by a long-awaited democratic opening in Myanmar led by Nobel Peace Prize laureate Daw Aung San Suu Kyi.

As both the withering of the Arab spring and the subsequent backsliding or at least stagnation in Nepal and Myanmar have demonstrated, neither the democratization processes nor the life and development of political parties follow straight paths. Quite often, progress and adversity come in equal measures along a "start-stop-start" spectrum. Democratization is a delicate and often highly volatile process, with a tremendous number of actors and factors in play, and often, the winner of a particular process takes it all. Democratic development is not linear. It takes its twist and turns, and most importantly democratic development takes time.

To provide support to political parties and democratization is therefore also highly delicate. It is a business where the autonomy of the partner is always at the core. So, while the support aims to strengthen democracy, in fact it is almost always limited to contributing to promoting preconditions for stronger democracy at a given level of development.

Still, the need for political party and democracy support is more urgent today, than at any point since 1989.

1.1 Key challenges in global context

The strategic framework for DIPD's body of work for the years 2021-2025 is defined in its strategy covering the same period. The strategy takes its departure in an analysis of the global state of democracy, with a special emphasis on the role political parties are playing in the development of and challenges facing democracies globally.

DIPD bases its analysis on the global data collected and presented by especially the Varieties of Democracy Institute at the University of Gothenburg, Sweden and by the International Institute for Democracy and Governance (Int. IDEA), as well as other global research and analysis institutions such as Freedom House and AfroBarometer. The analysis is further informed by the contextual expertise and experience of DIPD's partners.

Looking across the conclusions presented by these institutions, several worrying tendencies have emerged and the global democracy anno 2021 is faced with the number of serious challenges:

a. Declining no. of democracies

As reported by V-Dem, autocratisation continues to surge. For the first time since 2001 democracies are no longer in the majority, as only 48 % of the world's countries are characterized as "electoral and liberal democracies", with 46 % of the world's population living in those countries. This is 11 countries fewer than in 2010, when DIPD was established. Instead of talking about the third wave of democracy, V-Dem now addresses a third wave of autocratisation. This shift is further fuelled by the documented acceleration of autocratisation and by the emergence of autocratisation inside the EU.

b. Declining quality of democracy

Along with the numerical decline of democracies, the quality of democracies globally is also taking a turn for the worse, both in terms of representation and legitimacy, as documented by Int. IDEA. This worrying tendency is seen in both old, well-established democracies and countries with more recent democratic transitions.

Underneath these two overall trends, several worrying undercurrents contribute to a complex global democracy crisis:

c. A crisis of representation

While political parties have played a vital part in the development of representative democracy in almost all its variations, establishing and developing the link between citizens and executive power, the days of mass-based parties seem to be a thing of the past in most parts of the world. This tendency has been building for decades. It is now at a point where it is inevitable to talk of a crisis of democratic representation, at least in its traditional form. Most political parties that used to be mass-based and member inclusive vehicles for change, have neither managed to maintain their membership nor delivered a univocal answer to what political representation will look like in a social media dominated 21st century.

d. A crisis of legitimacy

This crisis of representation has in turn contributed to the slow and steady loss of legitimacy and identity, especially among the old political party elite. Trust in political parties is alarmingly low, and the renewal of political parties as organisations and as vehicles for political change is not happening at a pace that satisfies the electorate. Additionally, the trust in democratic institutions is plummeting and AfroBarometer reports a growing dissatisfaction with the way democracy works on the African continent.

e. Autocratisation of party organisations

Instead of renewal, there is an alarming move towards autocratisation of party organisations in all parts of the world, in part linked to diminishing memberships. This tendency is well documented by V-DEM and is also visible in some of the world's largest economies across the West, the Middle East, Asia, Africa, and Latin America. At the same time, the growing monetisation of politics continue to undermine inclusive and democratic policy development.

1.2 Key opportunities in global context

Out of this dissatisfaction emerges both new challenges and reasons for optimism. Challenges have emerged in the form of political populism, which has hit both western and emerging democracies as a disruptive and damaging wave, as well as in the form of the emergence of digital democracy, which has backed political polarization and the emergence of fake news.

At the same time, a counter wave of democratic resistance is gathering pace across the globe. As documented by V-DEM, pro-democratic protests reached an all-time high in 2019 and looking across the past 10 years, pro-democratic protests have contributed to substantial democratisation in 22 countries. Citizens go to the streets demanding democracy and influence. In fact, as documented by Int. IDEA the demand for democracy has never been higher.

This demand also crystalises in different political and democratic arenas with the MeToo movement proving a powerful force along with democratic mobilisation demanding climate action, equal rights regardless of skin-color and the involvement of youth in political decision-making.

This counter wave provides DIPD with key opportunities to support pro-democratic actors in countries, where democracy is under pressure. The emergence of new political movements that challenge the political establishment and suggest a new hope for political mobilisation and representation also provide DIPD with opportunities to support the democratic invigoration and the renewal of political parties through needed to counter the crisis of legitimacy and representation.

Simultaneously, the nature of democratic participation and dialogue is changing. Online platforms such as Facebook, Twitter, YouTube, and WeChat have largely replaced town halls as the forum for political debate and provided a new platform for mobilisation and debate. The jury is still out on the long-term effects of this shift. While DIPD supports the democratic engagement through online platforms (especially in the time of COVID-19), the partnerships through DIPD will also explore the opportunities pitfalls of online democracy.

DIPD will also seize momentum of the #MeToo movement and demand for inclusion of marginalised groups in decision making. This offers an opportunity to push for increased representation and inclusion of women, youth and marginalised people in political parties and political systems.

DIPD supports this demand in all phases of democratization based on thorough analyses of development opportunities. While the indexing of democratization in phases (and the process of democratization itself) is not subject to consensus, DIPD sees at least three main phases of democratization:

a. Autocratic regimes

Countries with autocratic rule that enable very limited political and civic space and little to no democratic representation. These are countries with complex pathways to democratic transitions and where the role of political parties – especially those in opposition – is suppressed through limitations of civil and political rights, deep corruption, and the absence of rule of law.

DIPD supports the political parties and/or movements, which advocate for democratic change in these highly difficult contexts. Supporting opposition parties and pro-democratic movements in autocratic regimes is both difficult and essential in pushing for democratic change. Few organisations can offer this type of support directly between political parties, which underlines the relevance of DIPD's approach.

b. Emerging democracies

Countries with emerging democratic openings and countries in the early phase of democratic transition. These are countries transitioning from conflict or autocratic rule to the earliest phase of electoral democracy. These contexts are highly sensitive and fragile, with the role of political parties – old and new – often under significant scrutiny.

DIPD supports the political parties and/or movements and multiparty platforms, which push for democratic change and support a peaceful transition to representative democracy, and work together with election commissions, civil society, and media organisations.

c. Democratic consolidation

Countries invested in the consolidation and maturation of democracy. These are countries with democratic constitutions in place and regular, reasonably free and fair elections and political parties that to some extent fulfil their democratic role. These are contexts, where the further maturation of democracy is often challenged by ethnic divides, political populism, and a skew political representation, especially when it comes to women, youth, and minorities.

DIPD supports the political parties and multiparty platforms that play an active role in the democratic process, either through their parliamentary representation or through their contribution to the advancing of cross-political dialogue and collaboration.

2. Political parties as key agents in democratic development

Common to all three phases is the central premise that drives DIPD's work: there is no democracy without democratic political parties, and without democratic political parties there can be no well-functioning multiparty democracy (see section 2.4 "Theory of change"). So, while the role of political parties in both the furtherment and the backsliding of democracy should rightly be discussed and analysed, there is no alternative to the political parties.

Political parties as organisation and actors in the political process come in many shapes and forms. Some are as old as modern democracy itself, whereas others are products of a more recent mobilization. Some are rooted in liberation movements, while others have grown out of militaries or resistance groups. Some have strong organisations and sophisticated funding schemes, while others are loosely organised movements characterized by political activism.

Because political parties are such diverse beings, the Danish political parties' choice of partners are subject to analysis of the specific context, of the role that the specific political party or movement plays in the democratic development, and of how the Danish political party can support them politically and organisationally.

3. DIPD strategy 2021-2025

With the new multi-annual strategy, DIPD addresses both the key contextual challenges and opportunities and draws up the key institutional adjustments, that will enable DIPD and the Danish political parties to provide the support needed to grasp the emerging opportunities.

These adjustments are anchored in a critical assessment of DIPD's setup, both provided by the MFA in the 2019 capacity assessment, and through thorough internal analysis and discussions in DIPD.

3.1 Key institutional challenges for DIPD

The Danish Institute for Parties and Democracy was established to strengthen the Danish democracy support, especially with regards to the support to political parties and multiparty systems in developing countries, as per Law no. 530 of 26th May 2010.

The focus on democracy and political parties in a broad sense highlights a scope of work that transcends many traditional development arenas, placing an emphasis on well-functioning multiparty democracy as a precondition for political stability and sustainable development. DIPD contributes to the development of inclusive political systems; to the development of democratic political parties, which operate within these systems; and to a democratic culture that promotes cross-political dialogue, collaboration, and stability. As such, DIPD contributes to the preconditions for economic development and sustainable growth.

Since its establishment, DIPD's modus operandi has consisted of two key approaches:

1. Bilateral support to political parties in developing countries through the Danish political parties.
2. Multilateral support to clusters of political parties through multiparty platforms in developing countries.

Over the years, several mixed approaches combining the party-to-party and multiparty approaches have been developed and tested, with the predominant ambition being to ensure the direct involvement of the Danish political parties in as many aspects of DIPD's programmatic work as possible. This motion was also supported in the 2019 MFA capacity assessment, and a suggestion to further strengthen the party-led approach was presented as a key recommendation.

When assessing DIPD's first 10 years of operation, the introduction of these mixed approaches has underlined the need for adjustments throughout DIPD's institutional and programmatic setup. This is due to the following key institutional challenges:

1. Mixed roles in DIPD's three main institutional levels (board, secretariat, parties) and a lack of arm's length in key processes.
2. Unconstructive division between party-to-party and multiparty programming.
3. Inflexible short-term project approach unfit for long-term democracy support, where flexibility and diligence are key.
4. Administrative guidelines hampers member-based partnerships and fails to deliver the desired administrative and programmatic quality.
5. This project approach forces short-term thinking and a focus on compliance, repressing the focus on continuous learning and adaptability.

3.2 Key strategic adjustments

The adjustment of the institutional setup is seen as a pivotal precondition for ensuring quality in the support to democracy and political parties, which DIPD offers through the Danish political parties. Based on the identified key challenges, the strategy presents five central adjustments, which will be implemented in the coming years:

a. Recalibration of roles and responsibilities

In the current setup, DIPD is organised with three institutional levels: the board is responsible for the overall strategic governance and holds the grant approval function of DIPD. The secretariat is responsible for DIPD's operations, for donor relations and for implementing multiparty programmes, and for supporting and monitoring the global program. The political parties of the Danish parliament are responsible for implementing party-to-party projects and partnerships funded by DIPD's grant from the Danish parliament.

However, based on the lessons learned after the first ten years of operation, the roles and responsibilities need recalibration.

First and foremost, the board has decided to prioritize its role as the strategic governance body of DIPD, and to introduce an arm's length principle in the grant-making processes, informed by the MFA's capacity assessment in 2019. Therefore, a new external grant appraisal committee will be set up in preparation of the new grant period.

Secondly, with the phasing in of the party-led approach described below, the DIPD secretariat will take up an exclusively supporting and coordinating role, no longer implementing partnerships on its own. Likewise, the secretariat will no longer assess and nominate political party grant proposals to the board (this will be the responsibility of the new grant appraisal committee). The DIPD secretariat will support the political parties in terms of assessment, designing, documentation and learning, and coordinate and facilitate cross-political initiatives, conferences etc. Furthermore, DIPD will also work with the political parties on areas such as anti-corruption and safety.

Finally, the political parties will become the sole implementers of partnerships through DIPD.

b. Development of party-led approach

The current two approaches to programming in DIPD, i.e., the party-to-party and multiparty approaches, have added to DIPD's versatility. Through careful planning and flexible programming, both approaches have proven relevant.

However, the two approaches have been allowed to develop in "siloes" in DIPD and failed to achieve their full potential for synergy. A core reason for this is that the party-to-party modality has been

implemented by the Danish political parties, while the multiparty approach has been the responsibility of the secretariat.

To maximise the involvement of the Danish political parties and their expertise in political party support, DIPD will towards 2024 gradually transfer the responsibility for the multiparty programming to the Danish political parties, giving the Danish political parties the exclusive responsibility for choosing and managing partnerships funded by DIPD.

c. From projects to partnerships

For the past 10 years, it has been a strategic priority for the secretariat to support the Danish political parties in implementing projects within guidelines similar to those applicable for the CSO's in Danish development aid. The project approach with 3-year grant cycles has at best helped structure some partnerships and ensured a clear platform for compliance and oversight.

However, this approach has also proved less fit for the type of work that DIPD is mandated to carry out. Democracy and political party support are long-term processes and tangible results rarely emerge within 3-year cycles.

So instead of providing a flexible framework for the political parties' strategic collaborations, the project approach has enforced a focus on activity plans and short-termism.

To support a more strategic approach to programming, DIPD will move from a project approach to a longer-term partnership approach, with focus on analysis, continuous learning, and adaptability.

In line with this approach, the current project application formats will be replaced by framework agreements for all political parties, in which their contributions to the DIPD strategy and results framework are presented along with an analysis of the contexts in which they will carry out partnerships. An external appraisal committee will be established to assess the framework agreements and make recommendations to the board for approval. The appraisal committee will consist of the DIPD executive director and Danish and international experts in the area of democracy support through political parties. The details of the external appraisal committee function and how it will operate will be decided upon at the DIPD Board meeting 9 April 2021.

d. Simplification of administrative guidelines

With the ambition of ensuring transparency and accountability in DIPD's grant-making processes and in the programming, the administrative guidelines implemented during the past 10 years have required significant human resources in both the political parties and at the secretariat.

The guidelines and systems have become overly complex for the purpose and has neither delivered a decrease in risks nor a level of quality commensurate with the administrative level of effort.

Closely linked to the move from projects to partnerships, DIPD will therefore simplify the administrative guidelines, making it easier for the Danish political parties to administer the funds received through DIPD. This includes the introduction of new framework agreements between the Danish political parties and DIPD instead of the existing project formats. Also, a simplification of budget formats and financial and administrative guidelines is coupled with the introduction of obligatory annual audits for all parties and the further development of DIPD's financial oversight systems.

The simplification is also directly linked to the changed approach to learning, documentation and oversight presented below.

e. Improved learning, documentation, and oversight

The field of democracy support and support to political parties is under-researched and largely undocumented, both in Denmark and internationally. There is therefore very little data available to support the approaches applied by DIPD and its likeminded organisations in Europe and the US.

This underscores the need for a systematic and effective approach to learning, documentation, and oversight, which does not currently exist in DIPD.

For the past 10 years, documentation has largely comprised annual status reports, in which the Danish political parties and the partners abroad have been required to report primarily on their activity plans and whether things are going according to plan. There have been no requirements regarding reciprocal learning and no external evaluations aside from the cross-cutting evaluations carried out by the MFA and DIPD. The secretariat has delivered aggregated reports to the MFA and carried out oversight with grant receivers.

Along with the new partnership guidelines and framework agreements, DIPD will introduce a new systematic approach to learning, documentation, and oversight. This includes mainstreaming a focus on reciprocal learning in all partnerships and the introduction of regular thematic reviews and learning exercises within a grant cycle. It also includes a mandatory requirement for annual submission of audited accounts for all Danish parties receiving grants and for DIPD.

The methodologies and approaches to learning and documentation will be further developed between DIPD's board and secretariat, and with the Danish political parties and partners during the grant period, and build on the experiences with outcome harvesting and cross-party learning exercises conducted in 2018-2021.

3.3 The strategic goals

With the new institutional adjustments, DIPD will improve its capacity to and focus on ensuring adequate and effective preconditions for support to political parties in the democratisation of developing countries. The institutional success is therefore seen as a precondition for the fulfilment of strategy's five goals to which the Danish political parties and the partners in developing countries contribute:

1. Political parties formulate and communicate policies on critical issues.
2. Political parties in developing countries work to become more inclusive and engaging organisations.
3. Political parties in developing countries become more democratic organisations.
4. Political parties in developing countries engage in cross-party collaboration and dialogue.
5. DIPD learn from and document results.

These five goals are therefore predominantly linked to the partnerships between the Danish political parties and the partners in developing countries and thus not within DIPD's direct control. The exception being goal no. 5, which encompasses both partnerships and DIPD as an institution.

List the key documentation and sources used for the analysis:

1. International Institute for Democracy and Governance – The Global State of Democracy 2019: Addressing the Ills – Reviving the Promise
2. Varieties of Democracy Institute – Democracy Report 2020: Autocratisation Surges – Resistance Grows
3. Freedom House – Freedom in the World 2020: A Leaderless Struggle for Democracy
4. Afrobarometer – Democracy in Africa: Demand, supply, and the “dissatisfied democrat” - February 2019
5. Thomas Carothers, Frances Z. Brown - Revitalizing Democracy Internationally - September 2020
6. Samuel P. Huntington – Democracy's Third Wave – Journal of Democracy – Spring 1991

Are additional studies / analytic work needed? How and when will it be done?

Analyses of the specific country contexts in which partnerships will be continued or established are obligatory in the Danish political parties' framework agreements with DIPD. Therefore, additional and country/partner specific analyses will be carried out by the Danish political parties, with the support of DIPD, prior to partnership initiation.

2. Fragility, conflict, migration and resilience

1. Democracy creates stability and long-term solutions

In part, DIPD's mandate and strategic focus stems from an ambition to counteract fragility and prevent political conflict and ethnic, geographic, and economic conflicts playing out in the political arena. Well-functioning multiparty democracies are more stable and resilient, and less prone to conflict.

As presented in section 1, DIPD has chosen to support political parties and multiparty platforms in all phases of democratization. This entails working with partners in fragile states and countries with high levels of political and ethnic conflicts and low levels of stability and/or national security. These are countries where the absence of representative democracy with democratic political parties, which can negotiate solutions to deeply rooted conflicts, contributes to a volatile and fragile environment. So, while DIPD does not engage explicitly in state building or conflict mediation, these are often vital agendas for the partners with which DIPD engages.

DIPD's approach to political party support does however include the promotion of inter- and intraparty dialogue, in order to counter both internal and cross-political conflicts.

List the key documentation and sources used for the analysis:

Pauline H. Baker – The Dilemma of Democratization in Fragile States – UN chronicle (<https://www.un.org/en/chronicle/article/dilemma-democratization-fragile-states>)

Bryce W. Baker, Merete Bech Seeberg – Fighting your friends – A study of intra-party violence in sub-Saharan Africa (Democratization, volume 25, 2018)

Are additional studies / analytic work needed? How and when will it be done?

No.

3. Assessment of human rights situation (HRBA) and gender¹

1. Human rights-based approach

Democracy is strengthened by respect for human rights. Human rights protect the existence of political parties as independent organisations, and they protect their members. Respect and protection of human rights is essential for a democratic society, in which citizens can participate freely and fearlessly in political processes.

DIPD works rights based and for the political parties and partners to purposefully strengthen and protect human rights. DIPD seek to protect human rights in general, with a particular emphasis on civil and political rights and principles such as freedom of assembly, freedom of association, freedom of expression, and the protection of the rights of women and minorities to political participation.

2. Key human rights challenges in global context

In several countries worldwide, human rights are under pressure. In those countries political parties are very restricted in their ability to perform their basic functions. In the worst affected countries, lack of respect for human rights gives rise to local conflicts and enormous human suffering.

Political parties have a dual role as both rights-holders and duty-bearers. In context with weak rule of law and frequent human rights violations, political parties in opposition have a vital role to play in safeguarding the human rights and representing the downtrodden.

DIPD's strategic focus on democratic representation includes a strong engagement in ensuring that human rights to political participation are upheld and that equal access to participation is afforded to women, youth, and other marginalised groups.

3. Human Right Standards

According to several internationally recognized institutions, there is increasing erosion of fundamental human rights in many countries, such as freedom of association and assembly (Freedom House, 2020) and freedom of the press (Reporters Without Borders, 2020). V-Dem estimates that only about 46 percent of the world's population today live under democratic governments, and that in recent years there has been a clear decline in this percentage. Populist and national regimes with clear authoritarian tendencies seem to be on the rise on all continents and in many countries.

In this light, it is important to strengthen Denmark's efforts to promote democracy and human rights. This entails intensifying the political dialogue on democracy and human rights at country level with governments, preferably in collaboration with other donors, such as the Nordic countries or the EU, depending on the local context and the possibilities for involving these countries.

Furthermore, dialogue can be intensified at country level between the embassies, DIPD and partners, especially those partners working on human rights and democracy, to gain a better understanding of the problems and challenges they face. Therefore, linkages with UN and EU country and regional level processes will be sought to raise the issue of shrinking space for democracy.

4. Human Rights Principles (PANT)

The PANT-principles of participation, accountability, non-discrimination and transparency are not only crosscutting values underpinning the work of DIPD, but also directly targeted in DIPD's partnerships through strategies to enhance participation and youth in politics, to enhance the linkages between parties and citizens and parties and governments to enhance accountability, eliminate discriminatory practices, and to support transparent decision-making in political parties and discussions on party financing mechanisms.

The focus on the quality of both the process and the outcome is inherent in DIPD's democracy work, where all experience shows that for democracy to thrive the process (elections, campaigning, etc.) must conform to agreed standards, but also the outcome must be accepted and supported by the political parties and the citizens at large. However, many partners need capacity development in the field of human rights respect as an essential part of democratic strengthening. The political parties and their MP's are the legislators in areas of crucial importance for the respect and protection of human rights. Yet, many parties have little knowledge of the international human rights system and how national human rights and protection systems can work or how human rights respect is essential for free and fair democratic practices. Human rights training will be given higher priority in the next phase and the next update of DIPD guidelines will address HRBA operationalisation more explicitly.

5. Gender equality

Although more than half of the world's population are female and despite the fact including women in decision-making leads to better outcomes for all of society, women remain underrepresented in the political space. For this reason, gender equality is an integral part of DIPD's work.

Meaningful representation and inclusion of women in politics can only be achieved if there is political buy in, enabling structures and if the women have the confidence and are equipped to claim their

space. Thus, the DIPD has a three-legged approach to gender equality addressing party leadership; party procedures and structures; and the women themselves.

DIPD will contribute to SDG 5 targets 5.1, 5.2, 5.5, 5.B and 5.C. Through the partnerships of the Danish political parties a focus will be on ensuring more women in politics and decision-making, ending political violence against women, and creating an enabling environment for women's participation.

Going forward, DIPD will further develop its gender approach based on experiences and lessons learned. This includes exploring further how to better involve men, strengthen experience sharing between women and combating violence against women in politics.

In reporting DIPD will use gender aggregated data to better analyse how women participate and are included in activities in decision making. Furthermore, the result frameworks of the Danish political parties will have specific indicators for women's representation and influence.

List the key documentation and sources used for the analysis:

DIPD, Danish Institute for Human Rights - Political Parties and Human Rights, 2018
Human Rights Council - Contribution of Parliaments to the work of the Human Rights Council and its universal periodic review - Report of the Office of the United Nations High Commissioner for Human Rights, Thirty-eighth session, 2018

Are additional studies / analytic work needed? How and when will it be done?

No.

4. Inclusive sustainable growth, climate change and environment

Recent studies indicate that democratic countries are better at combating climate change and environmental problems than their autocratic counterparts.

In the overall analysis, what makes the difference is the quality of the democracy. Two important factors are 1) the political debate in the democracies and with this, the ability to include experts and ordinary citizens in the policy formulation. 2) the ability to engage in multiple points of access in policy making (pluralism). Moreover, research shows that democratic countries are more actively engaged in global problem solving, and in making binding commitments. Yet, the picture is diverse. As an example, the historically most prominent representatives of democracies and autocracies, respectively, the US and China, bucked this trend.

Within the framework of DIPD's strategic goals, DIPD argue that democracy support also indirectly leads to countries being more prone to inclusive growth (SDG 8.1), combating climate change (SDG 13) and environmental degradation (SDG 14 and 15). When work to promote more democratic and inclusive parties succeeds, the political debate in the partner countries is also strengthened. More representative parties get involved in debates and the quality of the political debate tends to improve when populist statements give way for more scientific evidence. Further, supporting political parties to take part in multiparty cooperation and dialogue encourages the parties to propose legislation built on cooperation between the parties in a pluralistic system.

Finally, several of the Danish political parties also provide more hands-on inspiration for sustainable growth and environmental protection in the partnerships with their likeminded counterparts, focusing directly on the green agenda and sustainable growth.

List the key documentation and sources used for the analysis:

Daniel Fiorino, Atlas Institute for International Affairs - Improving Democracy for the Future: Why Democracy Can Handle Climate Change. 2019.

Dasgupta, Shouro and Enrica De Cian. 2018. "The Influence of Institutions, Governance, and Public Opinion on the Environment: Synthesized Findings from Applied Econometrics Studies," *Energy Research and Social Science* 42: 77-95.

Povitkina, Maria. 2018. "The Limits of Democracy in Tackling Climate Change," *Environmental Politics* 27: 411-432.

Are additional studies / analytic work needed? How and when will it be done?

No.

5. Capacity of public sector, public financial management and corruption

Well-functioning democracies are characterized by institutions with high levels of transparency, democratic oversight, and subsequent low levels of corruption. Conversely, high levels of corruption lead to lack of trust in political institutions and thus undermines democracy. Political parties are essential in ensuring the transparency and accountability needed to build trust. Especially political parties in opposition can be key as gatekeepers to hold the ruling party/ies and/or Government accountable.

One of the biggest challenges for political parties in fighting corruption and ensuring effective public financial management, is that politics is becoming increasingly monetized. Transparency International has shown that there is a direct link between big money in politics and levels of corruption (TI report 2019). When campaigning and politics become exceedingly expensive, candidates and politicians grow dependent on the people funding them and on gaining back the money they have spent during their campaigns. In other words, both the big donors of political parties and politicians themselves can or may need to buy influence, both of which undermine good governance and accountability. This also leads to increased risk of corruption, as politicians owe favours to the money men which can be repaid through government contracts etc. Furthermore, big money in politics can lead to clientelism and thus higher levels of corruption and less accountability as vote casting is based on favours and money rather than performance.

Through support to building democratic and inclusive structures within and between political parties, DIPD contributes to parties playing their role in ensuring an effective public sector and reducing corruption. DIPD work with political parties to create legislation with transparent funding to parties and to increase state funding to avoid private persons gaining control over the parties.

List the key documentation and sources used for the analysis:

Transparency International - Corruption Perception Index 2020, Transparency International

Jacob S. Hacker, Nathan Loewentheil - Democracy: A Journal of Ideas (2013) - How Big Money Corrupts the Economy

Shari Bryan & Denise Baer – NDI (2005) - Money in politics: a study of party financing practices in 22 countries

AfroBarometer WP102 (2008): Corruption and trust in political institutions in sub-Saharan Africa

Are additional studies / analytic work needed? How and when will it be done?

No.

6. Matching with Danish strengths and interests, engaging Danish actors, seeking synergy

DIPD was established in 2010 to complement Danish development cooperation and it is as such an integrated element in DIPD's mandate to work in synergy with Danish and international actors in the field of democracy and political party support.

DIPD's strategic focus on well-functioning multiparty democracy, anchored in the Danish history of representative democracy with a strong citizen engagement, matches The World 2030 and its reaffirmed commitment support democracy and human rights in the world.

For the past 10 years, DIPD has benefitted from the collaboration with Danish representations in several partner countries and vice versa, and when relevant DIPD always prioritizes synergies and joint action with its large network of Danish and international partners (see annex 2 for detailed description). This includes partnerships and collaborations with Danish actors such as the Danish Parliament, the Danish Institute for Human Rights, The Women's Council Denmark, the Danish Youth Council, Danish Institute for International Studies and research environments. Additionally, DIPD is a member of Global Focus.

List the key documentation and sources used for the analysis:

None.

Are additional studies / analytic work needed? How and when will it be done?

No.

7. Stakeholder analysis

As a funding mechanism for support to democracy and political parties, DIPD engage with its stakeholders on various levels and through different partnership and collaboration approaches.

First and foremost, DIPD work closely with the Danish political parties. The parties are an integrated part of DIPD, both through their majority representation in DIPD's board and through their responsibility for planning and executing the partnerships funded by DIPD. Currently, eight of the parliamentary parties are active in both board and partnership implementation.

Secondly, the partners of the Danish political parties are considered key stakeholders in achieving DIPD's strategic vision and goals. Through DIPD's funding, the Danish political parties enter partnerships with primarily two types of organisations: political parties or movements and multiparty platforms or cross-political political conveners in developing countries (see annex 2 for detailed description). The political parties can be either in government or opposition – or even without a current parliamentary representation. Emphasis is placed on their active role in the democratic process.

Likewise, the multiparty platforms or cross-political conveners also come in various forms. Some are party-formed platforms, others are Election Commissions or parliamentary committees, while in some context research or governance institutions also act as cross-political conveners.

Thirdly, DIPD as an institution collaborate with a wide array of Danish, Nordic, European and international actors through various networks and interests.

In Denmark, DIPD collaborate with the Danish Institute for Human Rights on issues regarding political parties and human rights, with the Danish Youth Council on issues regarding youth and representation, with KVINFO and The Women's Council Denmark on issues regarding gender and equality, with organisations such as Folkemødet and WeDoDemocracy on dialogue and deliberation (deliberative democracy), and with the Danish universities and researchers to benefit from and contribute to contemporary research on political parties and democratisation.

On a Nordic level, DIPD is a coordinating member of the Nordic Meeting Network together with DEMO Finland, UNDP Oslo Governance Center, Swedish International Liberal Centre, Swedish International Development Aid and Olof Palme International Center among others. DIPD also collaborate with International IDEA on both a programmatic level and regarding democracy research, and with the Varieties of Democracy Institute based at the University of Gothenburg.

On a European level, DIPD is a member of the European Partnership for Democracy – a Brussels-based network organisation coordinating joint initiatives and advocacy between 16 organisations, including the Netherlands Institute for Multiparty Democracy, Westminster Foundation for Democracy and Club de Madrid.

And on a global level DIPD collaborate with both overseas democracy institutions such as the National Democratic Institute through the Political Party Peer Network, and with research institutions such as AfroBarometer.

List the key documentation and sources used for the analysis:

None.

Are additional studies / analytic work needed? How and when will it be done?

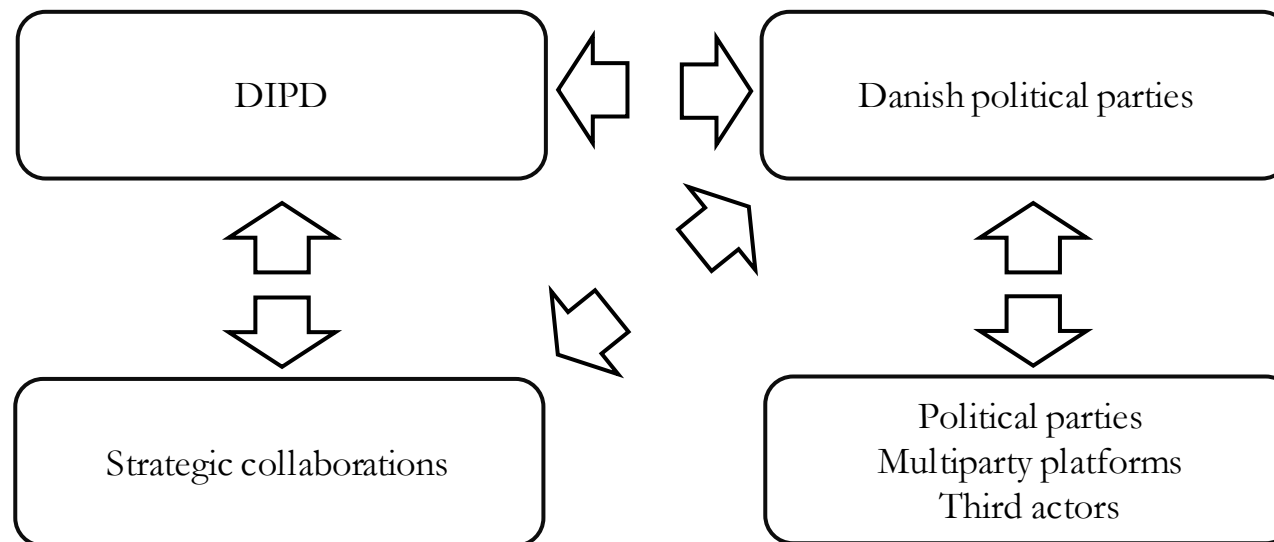
A specific analysis and internal capacity assessment of all partners is an obligatory part of the Danish political parties' framework agreements with DIPD.

Annex 2: Partners

1. Summary of stakeholder analysis

DIPD's institutional setup creates a hierarchy of stakeholders, which determines both DIPD's space for manoeuvre and its influence.

In short, DIPD provides grants to the Danish political parties and systems that support the partnerships in which they engage. The political parties engage in partnerships with political parties, multiparty platforms, and other actors in developing countries. The political parties choose the partners and the specific focus of the partnerships within the framework of DIPD's strategy and guidelines. Finally, DIPD engages in strategic collaborations with wide range of actors, both in Denmark and internationally.



I.e., DIPD has influence over the preconditions for the partnerships between the Danish political parties and political parties, multiparty platforms, and other actors in developing countries. This influence includes setting up criteria for budget allocations within DIPD's five strategic goals and developing guidelines that accommodate strategic planning, learning and evaluation with a focus on quality, adaptability, and results. It also includes offering programmatic and administrative support to the Danish political parties and the partnerships and coordinating cross-political initiatives with the Danish political parties. Finally, it also includes establishing adequate and effective systems for harvesting results and ensuring financial oversight.

DIPD does not have direct ultimate control over which partners the Danish political parties choose to engage with, over how they prioritise within the framework of DIPD's strategy and guidelines, or over the specific partnership activities carried out in the partnerships.

DIPD has therefore also limited control over effects and results of the partnerships but can provide adequate and meaningful evaluation of best practices, results and learning opportunities, as well as ensure that the preconditions for assessing and acting on financial, programmatic, and institutional risks are in place.

2. Criteria for selecting programme partners

The selection of partners in DIPD is an ongoing process and as explained above, the prerogative of the Danish political parties. The selection of partners is thus the first step in DIPD's grant cycle and is subject to external assessment.

The main partners are political parties in developing countries. Secondly, multiparty platforms and organisations with cross-political convening power continue to be key partners in DIPD. Finally, third actors that can provide critical support or advocacy for parties or multiparty initiatives to perform better can add quality to the partnerships.

The partners are supported through bilateral or cross-political initiatives with the Danish political parties. In line with DIPD's strategi 2021-2025, priority will be given to partnerships that can best realise the strategic intent and contribute to the strategic goals.

In assessing countries and partners, DIPD relies on several criteria as elaborated in the DIPD guidelines:

- All countries on the OECD-DAC list (all four country categories) are eligible for DIPD partnerships.
- An analysis of the political situation of the country must be provided.
- An assessment of the overall party organisational profile must be made.
- An analysis of the partner organisation's position in the political landscape must be provided.
- An analysis of the strengths and weaknesses of the political party or partner organisation must be provided.
- Opportunities for synergies between party partnerships and multiparty partnerships and synergies with other Danish and international interventions for enhanced results must be sought.
- A risk assessment including contextual and programmatic risks.
- An assessment of conditions and opportunities for reciprocal learning.

The partners represent a variation of types of political parties and organisations, with varying organisational, financial, and political capacity. Some parties are part of strong international networks, such as Progressive Alliance or Liberal International, while other parties have fewer or newer connections or affiliations internationally.

However, in all cases the partner selection and partnership objectives need to correspond to DIPD's strategy and guidelines and should be appraised by the new external grant appraisal committee before being approved by the board. Most importantly is however, DIPD through the Danish political parties must be able to meaningfully respond to the local demand with the particular types of engagement that DIPD can offer.

3. Brief presentation of types of partners

There are three main types of partners in DIPD, all of which engage in partnerships with the Danish political parties through various partnership modalities:

- Political parties

- Multiparty platforms and cross-political conveners
- Third actors

Political parties

Through the Danish political parties, DIPD supports political parties and political movements in all three democratic phases presented in the context analysis:

In countries with autocratic regimes, DIPD supports political parties and movements, who advocate for democratic change. These are political parties, who are often under immense scrutiny, operating in little to no civic space. Often, it is also political organisations with relatively weak organisational structures and capacity, but with strong political and mobilisation platforms.

In emerging democracies, DIPD supports the political parties, political movements, who push for democratic change and support a peaceful transition to representative democracy. These are political parties, who often prepare for their first electoral experience and who therefore also undergo a political and organisational transition. It can also be newly formed political parties, political movements in the party-forming process, or new electoral alliances of political parties.

In countries in the process of democratic consolidation, DIPD supports the political parties, who play an active role in the democratic process, either through their parliamentary representation or through their contribution to the furtherment of cross-political dialogue and collaboration. These can both be political parties in government and in opposition, newly formed or experienced organisations.

Multiparty platforms and cross-political conveners

In countries with autocratic regimes, multiparty platforms are often hard to come by and DIPD therefore more often supports established cross-political conveners, who can draw both government and opposition to the table. Sometimes the conveners are a civil society organisation or a research institution, other times it is through the support of DIPD and other international democracy support organisations that the process of convening can be organised.

In emerging democracies, DIPD often sees more opportunities for supporting newly formed multiparty platforms, who push for democratic change and support a peaceful transition to representative democracy. In the time of democratic transition, the national election commission is often a vital institution and a valuable partner of DIPD, as they call for cross-political dialogues on issues of national concern.

In countries in the process of democratic consolidation, DIPD also support multiparty platforms and cross-political conveners, who support the furtherment of cross-political dialogue and collaboration. These can both regular multiparty platforms formed and governed by political parties, or non-partisan conveners such as research or governance institutions. Often these organisations are on the receiving end of international funding from several sources, including the UN or other international democracy support organisations.

Third actors

In countries with autocratic regimes, third actors such as research or cultural institutes are often the only possible convener of political parties or selected members hereof. These are organisations without a specific role in the political process, but which organise different initiatives and which with a negotiated buy-in from the ruling party can carry out cross-political dialogues and/or support to limited groups of party members,

such as youth or women. In context with little to no civic space, the collaboration with civil society organisations in synergy with political parties is often high-risk and close to impossible with DIPD's mandate. As an example, DIPD previously worked closely with the Danish-Egyptian Dialogue Institute in Cairo on issues of cross-political dialogue and capacity building of young leaders in political parties.

In emerging democracies on the other hand, third actors such as civil society organisations and media organisations often play a vital role in pushing for democratic change and in oxygenating the political parties. When relevant, DIPD therefore involves third actors, especially in dialogue processes.

In countries in the process of democratic consolidation and with more civic space, third actors play an increasingly important role in interfacing with political parties and informing policy formulation. DIPD therefore often encourage the collaboration with civil society and media to nurture the collaboration with political parties.

4. Examples of key partner features

Partner name <i>What is the name of the partner?</i>	Core business <i>What is the main business, interest and goal of the partner?</i>	Importance <i>How important is the programme for the partner's activity-level (Low, medium high)?</i>	Influence <i>How much influence does the partner have over the programme (low, medium, high)?</i>	Contribution <i>What will be the partner's main contribution?</i>	Capacity <i>What are the main issues emerging from the assessment of the partner's capacity?</i>	Exit strategy <i>What is the strategy for exiting the partnership?</i>
Danish political parties						
The Social Democratic Party (Socialdemokratiet)	Current governing party. Represented at both municipal, regional, and national level. In 2021, the party has active partnerships with a political party in Swaziland and a regional, social-democratic platform in Asia.	Low	Medium	Board representation Bilateral partnerships Cross-political partnerships	DIPD most recently carried out a financial and administrative inspection visit at the Social Democratic Party in March 2019. The conclusion was that The Social Democratic Party had the necessary capacity to administer DIPD's funding, but encouraged a future focus on: 1. Ensuring that all relevant staff are aware of DIPD's financial guidelines. 2. Focus on financial monitoring of partners (was carried out	Not relevant

					in November and December 2019).	
The Conservative People's Party (Det Konservative Folkeparti)	<p>Political party represented at both municipal, regional, and national level.</p> <p>In 2021, the party has an active partnership with an opposition party in Tanzania.</p>	Low	Medium	<p>Board level</p> <p>Bilateral partnerships</p> <p>Cross-political partnerships</p>	<p>DIPD most recently carried out a financial and administrative inspection visit at The Conservative Party in March 2019. The conclusion was that The Conservative Party had the necessary capacity to administer DIPD's funding, but encouraged a future focus on:</p> <ol style="list-style-type: none"> 1. The account registration of outputs and the formulation of a procedure for this exercise both in Denmark and in the partner country. 2. Clarify the approach to assessing financial capacity in the partner organisation. 3. Ensuring partner awareness of DIPD guidelines. 	Not relevant
The Red-Green Alliance (Enhedslisten)	<p>Political party represented at both municipal, regional, and national level.</p> <p>In 2021, the party has active partnerships with political parties in Palestine, Turkey,</p>	Low	Medium	<p>Board level</p> <p>Bilateral partnerships</p> <p>Cross-political partnerships</p>	<p>DIPD most recently carried out a financial and administrative inspection visit at The Red-Green Alliance in March 2019. The conclusion was that The Red-Green Alliance had the necessary capacity to administer DIPD's funding, but encouraged a future focus on:</p>	Not relevant

	Nicaragua and Colombia.				1. The account registration of outputs and the formulation of a procedure for this exercise both in Denmark and in the partner country. 2. Clarify the approach to assessing financial capacity in the partner organisation.	
Political parties in developing countries						
Swazi Democratic Party (SWADEPA) Opposition party in eSwatini Partner of The Social Democratic Party	Political party. No parliamentary representation. Pushes for the introduction of multiparty democracy in the Kingdom of eSwatini.	Medium. The Social Democratic Party is their most important international partner and has contributed considerably to the development of the organisation.	Low. SWADEPA has little influence over DIPD's global programme, but substantial influence on the partnerships with The Social Democratic Party.	Pushing for democracy in eSwatini.	DIPD most recently carried out a financial and administrative inspection visit at SWADEPA in October 2019. The conclusion was that SWADEPA had the necessary capacity to administer DIPD's funding, but that the very limited number of persons involved in the organisational set-up and then consequently lack of segregation of duties requires some compensatory controls by management. A future focus on the following was encouraged: 1. That the accounting system is implemented as soon as possible. 2. That the Secretary General strengthen the financial oversight.	A decision for The Social Democratic party and SWADEPA.

					3. Increased auditor support.	
Chama cha Demokrasia na Maendeleo (CHADEMA) Opposition party in Tanzania Partner of The Conservative Party	Political party. Political party represented at both municipal and national level. No representation at the lowest level after boycotting latest local election.	Low. CHADEMA is a large political party with a very broad member base and a history of democratic representation. The party has additional influential international partners besides The Conservative Party.	Low. CHADEMA has little influence over DIPD's global programme, but substantial influence on the partnerships with The Conservative People's Party.	Pushing for democracy in Tanzania.	DIPD most recently carried out a financial and administrative inspection visit at CHADEMA in October 2019. The conclusion was that SWADEPA had the necessary capacity to administer DIPD's funding, but encouraged a future focus on: 1. The account registration of outputs. 2. That all cash payments to participants and trainers are duly signed by the recipient.	A decision for The Conservative Party and CHADEMA.
Multiparty platforms						
Centre for Multiparty Democracy Kenya (CMD-K) Multiparty platform in Kenya. Partner of The Liberal Party	Political party-based organisation mandated to enhance multiparty democracy and to strengthen the institutional capacity of political parties in Kenya.	Medium. CMD-K is a relatively well-supported organisation with several national and international donors.	Low. CMD-K has little influence over DIPD's global programme, but substantial influence on the partnership with The Liberal Party	Contributing to the enhancement of multiparty democracy in Kenya.	DIPD most recently carried out a financial and administrative inspection visit at CMD-K in October 2019. The conclusion was that CMD-K had the necessary capacity to administer DIPD's funding, but encouraged a future focus on: 1. The establishment of a procurement committee.	A decision for the Liberal Party and CMD-K.
The Centre for Democratic Governance of Burkina Faso (CDG)	A non-profit, apolitical organisation that aims to promote	Medium. CDG is a relatively well-supported organisation	Low. CDG has little influence over	Contributing to the enhancement of multiparty democracy in Burkina Faso.	DIPD most recently carried out a financial and administrative inspection visit at CDG in September	CDG is a new partner of DIPD and thus the talk of an

Multiparty platform in Burkina Faso Partner of DIPD	democratic governance in Burkina Faso and in West Africa through applied research, training, education, and the facilitation of democratic dialogue.	with several national and international donors, including the Danish Embassy in Ouagadougou.	DIPD's global programme, but substantial influence on the partnership with DIPD.		2018. The conclusion was that CDG had the necessary capacity to administer DIPD's funding.	exit strategy is considered premature.
Third actors						
Youth Agenda Youth-led organisation in Kenya Partner of CMD-K and The Liberal Party.	A youth-led organisation which advocates for youth inclusion.	Low. There are few resources involved for Youth Agenda in this partnership, which provides them with additional dialogue platforms with political parties.	Low. Youth Agenda has little influence over DIPD's global programme and modest influence over the partnership.	Contributing to the enhancement of youth inclusion in Kenya.	DIPD has not carried out an inspection visit.	Youth Agenda is a relatively new addition to the partnership and is not dependent on the resources made available through the partnership.
Facebook Global media corporation.	A global media corporation.	Low. A collaboration with Facebook was established in Myanmar on the topic of hate speech in the lead-up to the 2020 elections.	Low. Facebook has no influence over DIPD's global programme.	Contributing to a healthier online dialogue in Myanmar	DIPD has not carried out an inspection visit.	Not relevant.

4. Types of partnerships

DIPD has tried and tested several different partnership modalities, based on the two core working modalities: party-to-party partnerships and multiparty partnerships.

During the first 10 years, there was a clear division between the responsibilities for these different modalities. While the party-to-party partnerships were decided on and managed by the Danish political parties, the multiparty partnerships were decided on and managed by DIPD's secretariat. In recent years, several hybrid modalities have been introduced, leading to a situation, where the Danish political parties entered partnerships with multiparty institutions, where several Danish parties joined forces to collaborate with one or more parties and platforms in developing countries, and where the Danish political parties and DIPD's secretariat entered joint partnerships.

With the strategy (2021-2025), DIPD is taking another step towards the party-led approach, which was a key recommendation in the MFA capacity assessment in 2019 (see Development Engagement Document, section 2.2 “The Partner”). From 2021 to 2023, DIPD is phasing out the secretariat-led multiparty partnerships in favour of funding political party-led multiparty partnerships. The multiparty partnerships will predominantly be initiated by DIPD’s board, involving a broad section of the Danish political parties, facilitated by the DIPD secretariat.

In the future, all partnerships in DIPD will therefore be managed by the Danish political parties. The DIPD secretariat will support the political parties in terms of assessment, designing, documentation and learning, and coordinate and facilitate cross-political initiatives, conferences etc. DIPD will also offer administrative support if needed.

Annex 3 - Results framework

This is the results framework for the DIPD as an institution.

In addition to the below results framework, each of the Danish political parties under the auspices of DIPD will develop a results framework as part of their new framework agreements for the grant period 2021-2024. The indicators in the results frameworks of the parties will feed into the five strategic goals of DIPD.

Engagement Title		Support to the Danish Institute for Parties and Democracy		
Outcome		Vibrant and well-functioning multiparty democracies with inclusive political parties, who ensure the social, economic, and political rights and influence of citizens		
Outcome indicator		<ul style="list-style-type: none"> Political parties formulate and communicate political solutions. Political parties are inclusive and engaging organisations. Political parties are democratic organisations. Political parties engage in cross-political cooperation and dialogue. DIPD documents and learns from results. 		
Baseline	Year	2021	<ul style="list-style-type: none"> Three external reviews or capacity assessments and one internal evaluation has confirmed the relevance of DIPD's strategic focus and approaches and concluded that DIPD has adequate capacity to provide the envisaged support. With its new strategy, DIPD strengthens its focus on documentation of and learning from results which supports strategic planning and continuous learning. 	
Target	Year	2025	<ul style="list-style-type: none"> The Danish political parties have contributed to the fulfilment of the five strategic goals through partnerships, and DIPD has documented to which degree the strategic goals are fulfilled. Danish political parties and their partners have anchored the partnership in a way which institutionalizes and ensures sustainability and long-term impact. 	

Output 1		Political parties formulate and communicate political solutions. DIPD has contributed to political parties in developing countries, contributing to this strategic goal through DIPD-funded partnerships, have developed and updated policies and communicate them to and in dialogue with the public		
Output indicator		<ul style="list-style-type: none"> At least 25 % of the Danish political parties receiving grants through DIPD has contributed to this strategic goal through their partnerships. DIPD has carried out at least one evaluation of the work towards this goal before 2025, which has contributed to learning and changes in the Danish political parties' practise and partnerships. Degree to which political parties in selected developing countries have increased their capacity to formulate and communicate political programmes and political solutions to societal challenges drawing on DIPD funded support. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. 		
Baseline	Year	2021	<ul style="list-style-type: none"> 6 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results in the improved capacity of political parties to formulate and communicate political solutions. This especially relates to including 	

			<p>local branches and lower structures in policy formulation and on strengthening capacity to communicate with the electorate in an inclusive manner.</p> <ul style="list-style-type: none"> DIPD has not made an evaluation of cross-partnership strategic approach to supporting policy development and communication within a democracy support framework.
Target	Year 1	2021	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021 have been allocated to this strategic goal. Danish political parties have formulated in Framework agreements with DIPD Secretariat how they will implement the five goals laid out in DIPDs' strategy.
Target	Year 2	2022	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2022 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. All partnerships have a long-term plan and perspective for implementation of activities and a strategy for generating lasting changes.
Target	Year 3	2023	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2023 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 4	2024	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2024 have been allocated to this strategic goal. At least 25 % percent of the Danish political parties receiving grants through DIPD is contributing to this strategic goal through partnerships. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 5	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. At least 25 % percent of the Danish political parties receiving grants through DIPD is contributing to this strategic goal through partnerships. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties, which enhances the understanding of barriers, and drivers, methodologies and approaches for creating long term change for developing political solutions. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships

			<p>increasingly develop and update political programmes and political solutions to essential societal challenges.</p> <ul style="list-style-type: none"> • DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. • Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.
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Output 2		Political parties are inclusive and engaging organisations.	
		DIPD has contributed to political parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, being increasingly inclusive and that they increasingly engage youth, women, and marginalized groups and explore new ways of democratic and political engagement.	
Output indicator		<ul style="list-style-type: none"> • DIPD has allocated at least 15 % of its partnership funds to this strategic target. • DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. • DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships are being increasingly inclusive, especially regarding youth, women, and marginalized groups. • DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly explore new ways of democratic and political engagement. 	
Baseline	Year	2021	<ul style="list-style-type: none"> • 7 Danish political parties currently work with this strategic area in partnerships. • DIPD carried out an evaluation of the work with youth in politics in 2016, which concluded that DIPD's approach to strengthening youth in politics was "relevant, logical and skilfully opportunistic" • DIPD has documented results in the improved representation of women and youth based on partnership activities, including more youth and women in leadership positions among partners. Proven methods for inclusion are networking, capacity building and engagement of political leadership, among others.
Target	Year 1	2021	<ul style="list-style-type: none"> • DIPD has allocated at least 15 % of its partnership funds for 2021 to this strategic target. • At least 25 % of the Danish political parties receiving grants through DIPD has contributed to this strategic goal through partnerships.
Target	Year 2	2022	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2022 have been allocated to this strategic goal. • DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. • DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. • All partnerships have a long-term plan and perspective for implementation of activities and a strategy for generating lasting changes.
Target	Year 3	2023	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2023 have been allocated to this strategic goal. • DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships

			<p>increasing develop and update political programmes and political solutions to essential societal challenges.</p> <ul style="list-style-type: none"> DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 4	2024	<ul style="list-style-type: none"> At least 15% of partnership funds for 2024 have been allocated to this strategic goal. At least 25 % percent of the Danish political parties receiving grants through DIPD is contributing to this strategic goal through partnerships. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year	2025	<ul style="list-style-type: none"> At least 15% of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties., which enhances the understanding of barriers, and drivers, methodologies, and approaches for creating long term change in developing inclusive and engaging organisations. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.

Output 3		<p>Political parties are democratic organisations.</p> <p>DIPD has contributed to the development of political parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, being more democratic and well-functioning, with more accountable leadership, transparent party structures and stronger involvement of members and engagement of volunteers.</p>	
Output indicator		<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic goal. DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships are being increasingly inclusive, especially regarding youth, women, and marginalized groups. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly explore new ways of democratic and political engagement. 	
Baseline	Year	2021	<ul style="list-style-type: none"> 6 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results reg. improved party structures, incl. the organisation of youth and women, based on partnership activities. This includes the establishment of youth wings and women wings and strengthened local- and lower-level representation in the parties.

			<ul style="list-style-type: none"> DIPD has made no evaluation of the effects of working for democratic and well-functioning political parties with accountable leadership, transparent party structures and stronger involvement of members and engagement of volunteers.
Target	Year 1	2021	<ul style="list-style-type: none"> At least 15 % of the partnership funds for 2021 have been allocated to this strategic goal.
Target	Year 2	2022	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2022 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. All partnerships have a long-term plan and perspective for implementation of activities and a strategy for generating lasting changes.
Target	Year 3	2023	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2023 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 4	2024	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2024 have been allocated to this strategic goal. 25 % percent of the Danish political parties receiving grants through DIPD is contributing to this strategic goal through partnerships. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties., which enhances the understanding of barriers, and drivers, methodologies and approaches for creating long term change in strengthening political parties as democratic organisations. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.

Output 4		Political parties engage in cross-political cooperation and dialogue. DIPD has contributed to that parties in developing countries, who contribute to this strategic goal through DIPD-funded partnerships, increasingly take part formal and informal dialogue and collaboration and that they thereby contribute to political settlements and an increasingly democratic culture.	
Output indicator		<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic goal. DIPD has carried out at least one evaluation of the work towards this goal carried out by political parties before 2025. 	
Baseline	Year	2021	<ul style="list-style-type: none"> 5 Danish political parties currently work with this strategic area in partnerships. DIPD has documented results reg. improved cross-political dialogue and cooperation based on partnership activities. This includes that interparty dialogue has brought together political parties to promote dialogue and strengthen participation of women and in young people in decision-making. DIPD has made no r evaluation of the effects of working with cross-political cooperation and dialogue.
Target	Year 1	2021	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021 have been allocated to this strategic goal.
Target	Year 2	2022	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2022 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. All partnerships have a long-term plan and perspective for implementation of activities and a strategy for generating lasting changes.
Target	Year 3	2023	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2023 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 4	2024	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2024 have been allocated to this strategic goal. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD is documenting to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public.
Target	Year 5	2025	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. DIPD has carried out at least 1 evaluation of the work towards this goal carried out by political parties, which enhances the understanding of barriers, and drivers,

			<p>methodologies and approaches for creating long term change in terms of political parties engaging in cross-political cooperation and dialogue.</p> <ul style="list-style-type: none"> DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasing develop and update political programmes and political solutions to essential societal challenges. DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly communicate their policies to and with the public. Danish political parties have increased capacity (especially in methodology and implementation) to generate long term change.
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Output 5		DIPD document and learn from results.	
		DIPD is a learning organisation, where experience is the foundation for reflection and learning across partnerships.	
Output indicator		<ul style="list-style-type: none"> DIPD has allocated at least 15 % of its partnership funds to this strategic goal. 100 % of the Danish political parties receiving grants through DIPD have contributed to this goal by formulating internal learning targets and by periodically following up on those targets. 100 % of the Danish political parties receiving grants through DIPD have carried out at least one external evaluation of their partnerships. DIPD has carried out at least 4 reviews or evaluations with focus on best practice, results, and learning. DIPD has developed a goal-to-result system that supports strategic planning, learning and analysis. DIPD has contributed to national and international knowledge sharing and made its results available for research in democratisation and the role of parties. DIPD has documented to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships. DIPD facilitate learning across projects and countries within the thematic areas of its work 	
Baseline	Year	2021	<ul style="list-style-type: none"> Evaluation undertaken in 2021 documented the level of strategical work in projects in relations, implementation and in partnership, e.g., working with structures and actions at the management level leading to changes that last. DIPD has piloted new evaluation approaches in 2020 and 2021, incl. outcome harvesting and outcome mapping. Since 2019 DIPD has reported on Global Democracy Trends in DIPD Operating countries. E.g., against V-DEM Party Institutionalization Index, DIPD has favourably impacted in Bhutan and Kenya on democratic development through the institutionalization of political parties in terms of strengthening their roots in society.
Target	Year 1	2021	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2021 have been allocated to this strategic goal. 100 % of the Danish political parties receiving grants through DIPD has formulated internal learning targets. DIPD has developed a goal-to-result system that supports strategic planning, learning and analysis.
Target	Year 2	2022	<ul style="list-style-type: none"> At least 15 % of partnership funds for 2022 have been allocated to this strategic goal. 100 % of the Danish political parties receiving grants through DIPD have formulated internal learning targets.

			<ul style="list-style-type: none"> • DIPD has carried out at least one review or evaluation with focus on best practice, results, and learning. • DIPD is contributing to national and international knowledge sharing and is making its results available for research in democratisation and the role of political parties. • DIPD is documenting to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships. • DIPD has a long-term plan and perspective for learning, knowledge sharing and documentation of results. • DIPD supports Danish political parties to pilot innovative and effective monitoring methods to learn and document strategic change
Target	Year 3	2023	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2023 have been allocated to this strategic goal. • 100 % of the Danish political parties receiving grants through DIPD has formulated internal learning targets. • DIPD has carried out at least one review or evaluation with focus on best practice, results, and learning. • DIPD is contributing to national and international knowledge sharing and is making its results available for research in democratisation and the role of political parties. • DIPD is documenting to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships.
Target	Year 4	2024	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2024 have been allocated to this strategic goal. • 100 % of the Danish political parties receiving grants through DIPD has formulated internal learning targets. • At least 50 % of the political parties receiving grants through DIPD has carried out at least one external evaluation of their partnerships. • DIPD has carried out at least one review or evaluation with focus on best practice, results, and learning. • DIPD is contributing to national and international knowledge sharing and is making its results available for research in democratisation and the role of political parties. • DIPD is documenting to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships.
Target	Year	2025	<ul style="list-style-type: none"> • At least 15 % of partnership funds for 2021-2025 have been allocated to this strategic goal. • 100 % of the Danish political parties receiving grants through DIPD has formulated internal learning targets. • 100 % of the Danish political parties receiving grants through DIPD has carried out at least one external evaluation of their partnerships. • DIPD has carried out at least 4 reviews or evaluations with focus on best practice, results, and learning, which has led to the Danish political parties adopting new approaches in the partnerships. • DIPD has contributed to national and international knowledge sharing and made its results available for research in democratisation and the role of political parties. • DIPD has documented to which degree the Danish political parties increasingly work strategically with reflection and learning in the DIPD-funded partnerships. • DIPD has supported Danish political parties to have adopted innovative and effective monitoring methods to learn and document strategic change

Annex 4 – Budget details

Budget line	Total budget (2021-2025)	2021-2022 (18 months)	2023	2024	2025
OUTPUT 1 – Salaries	6.200.000	2.046.000	1.400.000	1.382.000	1.372.000
OUTPUT 1 – Investments	60.000	15.000	15.000	15.000	15.000
OUTPUT 1 – Pro rata rent	540.000	180.000	120.000	120.000	120.000
OUTPUT 1 – Pro rata other	1.144.000	379.000	250.000	255.000	260.000
OUTPUT 1 – Pro rata tools, development, and innovation	300.000	110.000	70.000	70.000	50.000
OUTPUT 1 – Activities	186.000	60.000	40.000	43.000	43.000
OUTPUT 1 – Travel	0	0	0	0	0
OUTPUT 1 – Communication	120.000	40.000	25.000	25.000	30.000
OUTPUT 1 – Monitoring	170.000	70.000	30.000	30.000	40.000
OUTPUT 1 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 1 - transfers to country offices	2.290.000	1.790.000	500.000	0	0
OUTPUT 1 - transfers to implementing partners	15.180.000	4.250.000	3.500.000	4.010.000	3.420.000
OUTPUT 1 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 1 - Total direct cost	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 2 – Salaries	6.200.000	2.046.000	1.400.000	1.382.000	1.372.000
OUTPUT 2 – Investments	60.000	15.000	15.000	15.000	15.000
OUTPUT 2 – Pro rata rent	540.000	180.000	120.000	120.000	120.000
OUTPUT 2 – Pro rata other	1.144.000	379.000	250.000	255.000	260.000
OUTPUT 2 – Pro rata tools, development, and innovation	300.000	110.000	70.000	70.000	50.000
OUTPUT 2 – Activities	186.000	60.000	40.000	43.000	43.000
OUTPUT 2 – Travel	0	0	0	0	0
OUTPUT 2 – Communication	120.000	40.000	25.000	25.000	30.000
OUTPUT 2 – Monitoring	170.000	70.000	30.000	30.000	40.000
OUTPUT 2 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 2 - transfers to country offices	2.290.000	1.790.000	500.000	0	0
OUTPUT 2 - transfers to implementing partners	15.180.000	4.250.000	3.500.000	4.010.000	3.420.000
OUTPUT 2 - Total direct activities via transfers to country offices or implementing partners.	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000

OUTPUT 2 - Total direct cost	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 3 – Salaries	6.200.000	2.046.000	1.400.000	1.382.000	1.372.000
OUTPUT 3 – Investments	60.000	15.000	15.000	15.000	15.000
OUTPUT 3 – Pro rata rent	540.000	180.000	120.000	120.000	120.000
OUTPUT 3 – Pro rata other	1.144.000	379.000	250.000	255.000	260.000
OUTPUT 3 – Pro rata tools, development, and innovation	300.000	110.000	70.000	70.000	50.000
OUTPUT 3 – Activities	186.000	60.000	40.000	43.000	43.000
OUTPUT 3 – Travel	0	0	0	0	0
OUTPUT 3 – Communication	120.000	40.000	25.000	25.000	30.000
OUTPUT 3 – Monitoring	170.000	70.000	30.000	30.000	40.000
OUTPUT 3 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 3 - transfers to country offices	2.290.000	1.790.000	500.000	0	0
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OUTPUT 3 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 3 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 4 – Salaries	6.200.000	2.046.000	1.400.000	1.382.000	1.372.000
OUTPUT 4 – Investments	60.000	15.000	15.000	15.000	15.000
OUTPUT 4 – Pro rata rent	540.000	180.000	120.000	120.000	120.000
OUTPUT 4 – Pro rata other	1.144.000	379.000	250.000	255.000	260.000
OUTPUT 4 – Pro rata tools, development, and innovation	300.000	110.000	70.000	70.000	50.000
OUTPUT 4 – Activities	186.000	60.000	40.000	43.000	43.000
OUTPUT 4 – Travel	0	0	0	0	0
OUTPUT 4 – Communication	120.000	40.000	25.000	25.000	30.000
OUTPUT 4 – Monitoring	170.000	70.000	30.000	30.000	40.000
OUTPUT 4 - Total direct allocated programme-supporting (activity-specific) cost	8.720.000	2.900.000	1.950.000	1.940.000	1.930.000
OUTPUT 4 - transfers to country offices	2.290.000	1.790.000	500.000	0	0
OUTPUT 4 – transfers to implementing partner	15.180.000	4.250.000	3.500.000	4.010.000	3.420.000
OUTPUT 4 - Total direct activities via transfers to country offices or implementing partners	17.470.000	6.040.000	4.000.000	4.010.000	3.420.000
OUTPUT 4 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
OUTPUT 5 – Salaries	6.300.000	2.046.000	1.400.000	1.382.000	1.472.000

OUTPUT 5 – Investments	60.000	15.000	15.000	15.000	15.000
OUTPUT 5 – Pro rata rent	540.000	180.000	120.000	120.000	120.000
OUTPUT 5 – Pro rata other	1.144.000	379.000	250.000	255.000	260.000
OUTPUT 5 – Pro rata tools, development, and innovation	300.000	110.000	70.000	70.000	50.000
OUTPUT 5 – Activities	186.000	60.000	40.000	43.000	43.000
OUTPUT 5 – Travel	0	0	0	0	0
OUTPUT 5 – Communication	120.000	40.000	25.000	25.000	30.000
OUTPUT 5 – Monitoring	170.000	70.000	30.000	30.000	40.000
OUTPUT 5 - Total direct allocated programme-supporting (activity-specific) cost	8.870.000	2.900.000	1.950.000	1.990.000	2.030.000
OUTPUT 5 - transfers to country offices	2.290.000	1.790.000	500.000	0	0
OUTPUT 5 - transfers to implementing partner	15.030.000	4.250.000	3.500.000	3.960.000	3.320.000
OUTPUT 5 - Total direct activities via transfers to country offices or implementing partners	17.320.000	6.040.000	4.000.000	3.960.000	3.320.000
OUTPUT 5 - Total direct costs	26.190.000	8.940.000	5.950.000	5.950.000	5.350.000
A - Total direct cost (sum of outputs) - Programme specific activities supporting main outcome.	130.950.000	44.700.000	29.750.000	29.750.000	26.750.000
<i>Spent through direct transfers to country offices and implementing partners</i>	87.200.000	30.200.000	20.000.000	20.000.000	17.000.000
<i>Spent on allocated programme-supporting (activity-specific) cost</i>	43.750.000	14.500.000	9.750.000	9.750.000	9.750.000
Audit	1.050.000	300.000	250.000	250.000	250.000
B - Total audit	1.050.000	300.000	250.000	250.000	250.000
C - Contingency ¹	3.000.000	0	0	0	3.000.000
Total budget (A+B+C)	135.000.000	45.000.000	30.000.000	30.000.000	30.000.000
GRANT	135.000.000	45.000.000	30.000.000	30.000.000	30.000.000

The budget is based on DIPD's expense levels for 2018-2021 and will therefore likely be adjusted as the operationalisation of DIPD's strategy 2021-2025 takes form, which will include minimum requirements for transfers to partner countries.

¹ Maximum 3 % of budget.

ANNEX 5: Risk assessment matrix for the Danish Institute for Parties and Democracy

1. Contextual risks (external)

Risk Factor	Likelihood (high/medium/ low)	Impact (high/medium/low)	Risk response	Residual risk	Background to assessment	Responsible
COVID-19 and/or other pandemics hinders travels and implementation of large-scale activities	Likely	High	Plan activities which can be implemented physical as well as online. Limit the number of large-scale activities and design new ways of organising large-scale meetings. DIPD has held learning sessions on how to continue experience sharing without physical meetings and new approaches are being developed.	The risk response decreases the impact of residual risk considerably as COVID-19 will not hinder implementation of activities.	Institutional and partner experience, as well as MFA, embassies, and partner assessments.	DIPD Secretariat Danish political parties
Shrinking democratic space for political parties	Likely	High	Each programme will be tailored to meet the local security level. DIPD has significant experience from interventions in many weak democracies – and a few not democratic countries – on how to continue party support.	Residual risk remains as government continue to find new means to tighten the grip on opposition.	Institutional and partner experience, as well as MFA, embassies, and partner assessments.	DIPD Secretariat Danish political parties
Political instability and violence	Low	High	Preventive dialogues in multiparty settings seek to prevent conflict escalation. Conflict management and dialogue trainings in multiparty settings to provide political parties with tools to prevent and de-escalate conflict.	The risk response decreases the likelihood of residual risk.	Institutional and partner experience, as well as MFA, embassies, and partner assessments.	DIPD Secretariat Danish political parties

			Activity moratorium around elections.			
Election systems making broad representation more difficult.	Likely	Medium	Strategies should be adapted to meet this challenge. This can be done by supporting smaller parties, working to enhance the broader representation of political parties in first-past the post systems.	Residual risk not reduced. However, the risk response can mitigate the consequences of first-past-the-post electoral systems.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties

2. Programmatic risks

Risk Factor	Likelihood (high/medium/ low)	Impact (high/medium/ low)	Risk response	Residual risk	Background to assessment	Responsible
Lack of buy in in political leadership	Medium	High	Continuous engagement with political leadership at strategic level. Advocacy targeting political leadership. Renewed dialogue and confirmation of partnership if/when there are changes in political leadership among partners.	The risk response decreases the likelihood of residual risk.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties
Intra-party conflicts	Medium	Medium	Conflict management and dialogue trainings in multiparty settings to provide political parties with tools to prevent and de-escalate conflict. Programmatic focus on capacity development and inclusion of marginalized groups within the party.	The risk response decreases the likelihood of residual risk to some extent.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties

Partner preoccupied with electoral campaigning	Medium	High	An activity moratorium is applied around elections and therefore the threat is handled through timely planning and programmatic adjustments.	The risk response decreases the impact of residual risk considerably as elections will not hinder implementation of activities.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties
International support to parties not allowed	Low	High	No direct support to partners. Partnerships will focus on exchange activities and on Danish parties making available resources persons rather than financing trainings and other types of support.	The risk response decreases the impact of residual risk considerably as restrictions on financial support will not hinder implementation of activities.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties
Monetisation of politics undermine the work of building democratic political parties	High	High	Advocacy for regulation on financing of political parties; advocacy for public funding of political parties	Residual risk remains.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties
There are hindrances to women's political rights, rights to association and participation	High	High	Political parties will be engaged to advocate for creating an enabling environment. Work with political parties to change gender biased culture in the parties and society. Support women to participate in politics.	The risk response decreases the likelihood of residual risk to some extent.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties

3. Institutional risks (internal)

Risk Factor	Likelihood (high/medium/ low)	Impact (high/medium/ low)	Risk response	Residual risk	Background to assessment	Responsible
Corruption and financial mismanagement	Medium	Medium	A whistle blower scheme is put in place.	The risk response decreases the	Institutional and partner assessments.	DIPD Secretariat

			Regular monitoring visits and spot checks.	likelihood of residual risk.		
Programmatic capacity constrains among partners	Medium	High	Capacity building of partners	The risk response decreases the likelihood of residual risk.	Institutional and partner assessments.	DIPD Secretariat Danish political parties
Sexual harassment	Medium	Medium	Guidelines for prevention of sexual harassment in place	Residual risk remains.	Institutional and partner experience and assessments.	DIPD Secretariat
Violence against people involved in partnership	Low	Medium	Continued focus on how to work with political parties in countries that are democratically challenged. DIPD has developed a vast experience on this.	Residual risk remains.	Institutional and partner experience and assessments.	DIPD Secretariat Danish political parties
Weak administrative and financial capacity of partners	Medium	Medium	Financial capacity assessment prior to signing of partnership agreement. Partners will have their financial capacity strengthened and DIPD will provide financial advice.	The risk response decreases the likelihood of residual risk.	Institutional and partner assessments.	DIPD Secretariat Danish political parties

Annex 6 – List of supplementary materials

#	Document / Material	Source
1	DIPD strategy 2021-2025	
2	MFA capacity assessment 2019	
3	DIPD annual report 2019	
4	DIPD annual report 2018	
5	Final evaluation of STEP Democracy Programme (Myanmar), 2018	
6	DIPD evaluation: Youth in politics, 2016	
7	Request for proposal: DIPD learning exercise, 2021	
8		
9		
10		

ANNEX 9 – Draft Transition Plan

In the following, a summarized overview of DIPD's strategy operationalisation plan is provided, with a special emphasis on the development of the so-called *party-led approach*.

While the transition plan provides overall structure and guidance to the process, DIPD's governance structure with an independent board directs the ongoing decision-making process. Thus, priorities may be subject to adjustments within the overall ambition of DIPD's strategy 2021-2025.

Action/product	Deadlines	Responsible/involved	Comment/status
<i>Programmatic development and transition</i>			
Establishment of new external quality assessment committee	May 2021	DIPD board	
First funding window in 2021: Majority of Danish political parties submit new framework agreements to DIPD's board.	June 11 th 2021	DIPD board External quality assessment committee DIPD secretariat Danish political parties	Political parties can submit new framework agreements covering all partnerships in one of two funding windows in 2021: June and November. The new external quality assessment committee convenes ahead of each board meeting (June 11 th and November 26 th).
Second funding window in 2021: Remaining Danish political parties submit new framework agreements to DIPD's board.	November 26 th 2021	DIPD board External quality assessment committee DIPD secretariat Danish political parties	
Annual strategic consultation	December 2021	MFA DIPD secretariat	

Specific transition plans for each multiparty partnership are developed and approved by DIPD's board.	September 2021- June 2022	DIPD board DIPD secretariat	
<i>Mid-term review and subsequent adjustments</i>			
MFA initiates mid-term review with focus on DIPD's strategic transition.	3 rd quarter 2023	MFA	
Findings and recommendations of the mid-term review are discussed by DIPD's board.	1 st quarter 2024	DIPD board	
Plan for strategic and operational adjustments based on mid-term review recommendations and other findings is presented to the board.	1 st quarter 2024	DIPD board	

Annex 7 – Communication plan

DIPD must develop a strategic communication plan to be approved by the board no later than 11 June 2021. The strategic communication plan must describe prioritized target groups, realistic communication goals and main communication topics.

DIPD communication should support DIPD's vision of thriving multiparty democracies through three main message themes:

1. Communicating activities in and results achieved by the partnerships.
2. Communicating activities in and results achieved by the institute.
3. Participating in the international debate to highlight the role of political parties in democracy support.

The DIPD strategic communication plan must continue and improve upon the current user-oriented, dialogue-based approach to communication. This includes communication initiatives with the Danish political parties around partnership activities and communication support the parties' programme staff.

The extra resources that DIPD now have for communications, must be reflected not only in quantitatively improved communications impact but also in strategically precise activities that support the goals of DIPD's new strategy and reflects the new ToC. The determining impact that current trends have on DIPD communications must be considered, especially the need to create synergy between all platforms and ensure that DIPD communications can attract the necessary attention. To achieve this, DIPD should draw on the latest knowledge from communication research and ensure that all communication is understandable, reliable, and relevant to the chosen target groups.

Planning tools

The following planning tool will be applied to ensure that development and implementation of the strategic communication plan is realistic and targeted:



DIPD will apply the development of personas partly to optimize the understanding of the chosen target groups and partly to optimize the shared understanding of said target groups.

Evaluations and documentation

DIPD is expected to introduce and develop a routine documentation and evaluation procedure concerning all communication efforts. The aim is to include the generated knowledge in the planning of future communication activities. This will include:

- Procedures for evaluation of events and activities, combining quantitative and qualitative methodologies.
- Continuous quantitative monitoring of social media engagements, website use and media coverage.

- Relevant efficient single evaluations that can be both quantitative and qualitative such as pop-op tests to evaluate the usability and relevance of the website or interviews with important stakeholders or target group representatives to uncover their communication needs re the activities and results of DIPD and DIPD partnerships.

Time frame

The DIPD strategic communication plan is expected to be developed and presented to the DIPD board during the first half of 2021.

During this period, DIPD is expected to maintain an active communication effort. The following are examples of overarching communication activities that will be carried out in the period:

Activity	Deadline
Continuation of seminar activities, taking appropriate COVID-19 regulations into account.	12 January 2021
Launch of new DIPD website.	15 January 2021
Continued attention to and coverage of elections in DIPD partnership countries as an opportunity to: <ul style="list-style-type: none"> - analyse and communicate the state of democracy in the country. - highlight the results achieved by DIPD partnerships in the country. - strengthen the ties between the Danish parties, DIPD and the international partnership participants. 	15 January 2021
Establishment of a DIPD Communications Advisory Board with participants from media, parties, and communication research.	25 March 2021

Summary of recommendations of the appraisal

Title of Programme/Project	Strong and Well-Functioning Multi-Party Democracies
File number/F2 reference	2021-2921
Appraisal report date	2 May 2021
Council for Development Policy meeting date	27 May 2021
Summary of recommendations not followed by the responsible unit: <p>Across the world, democratic space is shrinking whilst pressure on democratic forms of governance and ways of life are growing. Historically, political parties have played a vital part in the development of representative democracy, establishing, and developing the link between citizens and executive power. Today, mass-based parties seem to be a thing of the past in most parts of the world. A new wave of political activism on the net and in the streets are emerging, however. It takes new forms, yet the aspirations are familiar: influence, participation and accountability. In this situation, DIPD becomes an even more important partner for MFA efforts to promote democracy in developing countries.</p> <p>HCE would like to thank ELK for its comprehensive and thorough appraisal report. It concurs with the majority of the recommendations as well as the spirit of recommendation 4 and will continue the dialogue with DIPD on how to widen and deepen outreach to partners in the Global South in accordance with the strategic ambitions for a more party-led approach to implementation.</p>	

Overall conclusion of the appraisal

The proposed support to the Danish Institute for Parties and Democracy (DIPD) concerns the grant to DIPD's international development cooperation activities in the Danish Finance Act. It aligns with DIPD's new strategy and builds on its experience and expertise in providing support to promote multiparty democracy with well-functioning political parties in developing countries. DIPD's focus is in full accordance with MFA priorities concerning democracy. There are strong potential synergies with other Danish engagements, in particular in terms of contributing to development results in specific countries, but also in relation to the international policy agenda.

The grant reflects a wider ongoing organisational transformation at DIPD that includes an adjustment to a more party-led approach with introduction of framework agreements between DIPD and the Danish political parties as well as the introduction of an external appraisal committee in the DIPD grant process. These commendable steps follow up on recommendations from the 2019 capacity assessment and the DIPD strategy. However, further clarifications are still needed, some of which can be provided in the early implementation phase.

DIPD's adjustment to a more party-led approach coincides with the MFA introducing a new support modality for Danish human rights and democracy organisations, which the administration of this grant to DIPD is expected to conform to. Together, this has led to considerations between DIPD and HCE about whether the DIPD approach is moving in the direction of a pool-funds set-up. The considerations about DIPD's approach and the MFA support modality intertwines with some of the challenges the appraisal found in the documentation relating to e.g. the theory of change, the results framework, the budget and costs categories and the management arrangements. Nonetheless, this appraisal was conducted with a programmatic perspective and on the basis of the new support modality for human rights and democracy organisations.

The appraisal found that the documentation, in particular the theory of change and the results framework, could be further elaborated and refined in order to provide a better basis to assess and monitor, as well as adapt as necessary, how DIPD work towards addressing context challenges and contribute to concrete improvements for political parties and multiparty democracy in developing countries. Partnerships and capacity development based on mutuality and peer-to-peer relations are at the core of DIPD's work, but the appraisal found that this could be elaborated in the documentation. Based on the reviewed documentation and consultations held, the appraisal also found that there was still room for further alignment with the intentions concerning increasing transparency on cost categories such as direct activities costs, transfers to partners and offices in developing countries and direct activity-supporting costs, including promoting increased transfers to partners and offices in developing countries.

The proposed Development Engagement Document is recommended for presentation to UPR following revisions in line with appraisal recommendations presented below.

Recommendations by the appraisal team	Follow up by the responsible unit
Bilateral Development Programme/Programme Level:	
Preparatory process	
1. Include in the DED that DIPD, in consultation with the MFA, will prepare a transition plan that sets out clear time bound milestones and targets for clarifying and operationalising key adjustments following from the DIPD strategy. The first annual DED consultation should be a key milestone in this process. Include a mid-term review as an opportunity to assess how adjustments and the new support model applied to the DIHR-MFA cooperation agreement works in practice and learn from this.	<p>Agree.</p> <p>A draft transition plan setting out a number of milestones and targets has been prepared and attached as DED Annex 9. The draft transition plan will be further refined in conjunction with the upcoming annual consultations between the MFA and DIPD in December 2021.</p>
Programmatic approach	
2. Elaborate the theory of change including all key DIPD actors with particular focus on how it responds to the context analysis, change pathways, approach, rationale and assumptions as well methods. Include elaboration of DIPD's partnership and capacity building approach and DIPD's commitment to poverty eradication, sustainable development, human rights, gender equality, youth and leaving no-one behind.	<p>Agree.</p> <p>Theory of change, including reference to key actors, has been elaborated.</p>
Results framework	
3. Adjust the results framework in particular concerning meaningful qualitative and quantitative indicators and targets for progress and change at outcome and output level. Set out a collaborative process between DIPD secretariat, Danish political parties and their partners, in dialogue with the MFA, to ensure coherence and synergy between a meaningful and realistic DED results framework and the results frameworks of the political parties - to be completed by 2021.	<p>Agree.</p> <p>The results framework has been adjusted in order to create clearer links to the context analysis and a more change-oriented focus.</p>
Budget	

<p><i>4. Update the budget and related narrative to:</i></p> <p><i>4.1 Include and clarify direct activity costs, transfers to partners and activity-supporting costs reflecting the model for cost categories;</i></p> <p><i>4.2 Establish a baseline for transfers to partners in developing countries and reflect commitment to increase transfers to partners in developing countries in the budget with annual targets. Include figure for realized transfers in the annual reporting to the MFA;</i></p> <p><i>4.3 Clarify distribution of funds between secretariat, board and Danish political parties reflecting transition to a more party-led approach and diversity among Danish political parties as well as their capacities and support needs from the secretariat;</i></p> <p><i>4.4 Clarify and confirm or correct the approach to leave out the budget line for administration costs, in terms of eligibility and subsequently feasibility;</i></p> <p><i>4.5 Clarify and confirm or correct the approach to contingency funds and to setting aside funds for equity, in terms of eligibility and subsequently feasibility.</i></p>	<p>Agree</p> <p>Re 4.1: Details on budget costs, transfers to partners and direct allocated support costs (DASC) are clarified and found in annex 4.</p> <p>Re 4.2: DIPD has agreed to introduce new budgetary requirements for its grant receivers, allowing DIPD to establish a baseline for transfers to partner countries in 2023.</p> <p>Re 4.3: The budgetary setup has been revised to provide a more transparent insight into DIPD's budget levels, including funds allocated to the secretariat.</p> <p>Re 4.4: Historically, DIPD has been allowed to charge administration costs of the pools in manages. It has never used this option in practice. The budget line is therefore not relevant in the present budget.</p> <p>Re 4.5: As recommended by the Capacity Assessment of 25 April 2019, MFA will continue its dialogue with DIPD in order to establish a buffer to enable response to unforeseen situations.</p>
<p>Management and financial management</p>	
<p><i>5. Elaborate and clarify management and financial management arrangements, in particular with regards to transition to party led approach and its implications as well as to introduction of a DIPD appraisal committee. Further clarification and operationalization should be provided in a transition plan. Facilitated dialogue may bridge different perspectives.</i></p>	<p>Agree.</p> <p>Further clarification and operationalisation of financial management arrangements have been indicated to some extent in the transition plan and will be discussed during annual consultations.</p>
<p>6. Clarify and confirm or correct specific aspects related to eligibility of procurement of economy plus tickets as well as to audit requirements.</p>	<p>Agree.</p> <p>Air travel will adhere to AMG, use economy class and take the most cost-efficient route possible.</p>

<p>7. Update reference to applicable guidelines as per the Aid Management Guidelines so they refer to those in force, currently the new Guidelines for Country Strategic Frameworks, Programmes and Projects (November 2020).</p>	<p>Agree.</p> <p>Reference is made to the Guidelines for Country Strategic Frameworks, Programmes and Projects (November 2020).</p>
<p>Risk management</p>	
<p>8. Include considerations concerning safety in response measures to certain risks as well as include considerations concerning risks related to Danish politicians' participation and to institutional risks related to adjustment to a more party-led approach.</p>	<p>Agree.</p> <p>DIPD assesses risks related to activities carried out by the institute, especially risks related to partners in developing countries. Political parties receiving funds from DIPD are responsible for health, safety and insurance of MP's, professionals or volunteers travelling with them as part of their engagement. DIPD supports political parties in their risk assessments, including by linking up with Danish representations in partner countries.</p>

I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed in Copenhagen on the 2 May 2021

Mads Wegner Hove

Appraisal Team leader/ELK representative

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in Copenhagen on the 5 May 2021



Mette Thygesen, Head of Humanitarian Action, Civil Society and Engagement

Ministry of Foreign Affairs – Danida

DRAFT Appraisal Report

Support to the Danish Institute for Parties and Democracy (DIPD) “Strong and Well-Functioning Multi-party Democracies” (2021-2025)

Table of Content

Abbreviations	1
1. Introduction.....	2
2. Rationale and justification incl. preparation process	2
2.1 Relevance of the engagement and its objectives	2
2.2 Overall quality of the development engagement support design	4
2.3 Adequacy of the preparation process	5
3. Programmatic approach.....	7
3.1 Theory of change	7
3.2 Results framework.....	8
3.3 Partnership approach and approach to capacity development.....	10
4. Management and organisation.....	11
4.1 Budget.....	11
4.2 Management and financial management.....	14
7.1 Risk management	15
Annex 1 Terms of reference	16
Annex 2: List of persons consulted.....	22

Abbreviations

Abbreviation	Definition
AMG	Aid Management Guidelines
DDD	Doing Development Differently
DED	Development Engagement Document
DIPD	Danish Institute for Parties and Democracy
DKK	Danish Krone
HCE	Department for Humanitarian Action, Civil Society and Engagement
ELK	Department for Evaluation, Learning and Quality Department
FRU	Department for Financial Management and Support in Relation to International Development Cooperation
MFA	Ministry of Foreign Affairs
PC	Programme Committee
ToC	Theory of Change
UPR	Council of Development Policy

1. Introduction

The Danish Institute for Parties and Democracy (DIPD) is established as an independent and self-governing public institution. The grant to DIPD is based on annual commitments at the level of DKK 30 mio. on the budget line in account § 06.32.08.70 with the headline “Democracy, human rights and good governance”.

The proposed support to “Strong and Well-Functioning Multi-party Democracies”(2021-2025) is a continuation of the support to DIPD. While the proposed grant remains at the same level budget wise, the modality of support has, however, been modified. This is part of a general change in the Ministry of Foreign Affairs’ (MFA) support to human rights and democracy organisations with a view to, inter alia, enhancing the documentation of concrete results that are in line with Danish policy priorities. In terms of transparency and efficiency the new modality promotes more coherence between theory of change, results and budget lines.

The objective of the appraisal is to provide quality assurance of the design and documentation of the new engagement in line with the Aid Management Guidelines (AMG) as per the Terms of Reference (Annex 1). The appraisal is based on a review of the documentation provided by DIPD and the responsible MFA, the Department of Humanitarian Action, Civil Society and Engagement (HCE), complemented by virtual consultations with key stakeholders (Annex 2).

The appraisal report provides suggestions and recommendations for revision of the Development Engagement Document (DED) and recommends the “Promoting Vivid and Well-functioning multiparty democracies” for presentation to UPR following revision of the documentation.

The appraisal was conducted from 7 to 2 May 2021 by Mads Wegner Hove and with general support from Anne-Catherine Legendre, Department for Evaluation, Learning and Quality (ELK)/MFA and support from Anders Stuhr Svensson, Department for Financial Management and Support in Relation to International Development Cooperation concerning budget and financial management aspects.

The appraisal team extends its thanks to staff from DIPD and relevant MFA departments for the assistance provided and to everyone met during the assignment for sharing their knowledge, experience and viewpoints.

2. Rationale and justification incl. preparation process

2.1 Relevance of the engagement and its objectives

The background analysis is overall sound drawing on, in particular, analysis and data from Varieties of Democracy and International IDEA, to substantiate the relevance of the

engagement and its objectives. Overall, the appraisal finds that there is evidence to support the relevance of the engagement and its objectives.

The background analysis focuses on the pressure on democracy and political parties and it briefly describes opportunities related to a new wave of democratic political mobilization. However, it could still benefit from further describing how this links with political parties and what opportunities and challenges this entails for them. The background analysis could also benefit from describing the diversity of contexts for democracy and political party, where annex 2 rightly distinguishes between different contexts concerning democracy, autocratic regimes, emerging democracies and democratic consolidation, which could also with benefit be complemented by hybrid contexts and autocratising contexts.

There are currently some interventions in fragile contexts and some of the Danish political parties consider engaging in fragile contexts under the proposed DED. It would therefore also be relevant to reflect on democracy and particular political parties in fragile contexts.

The background analysis describes the role of political parties and the challenges they face, but could benefit from being more specific about history, roles, opportunities and challenges for political parties in developing countries. This should include aspects relevant for the output areas of the theory of change, including concerning gender, women and young people that are important focus areas and target groups in the DED. The background analysis should also include brief relevant analysis of relevant for poverty eradication, sustainable development and human rights and how the engagement contribute to this. This could e.g. be connected to the societal problems political parties will be supported to provide programmes and political solutions to address, in accordance with the results framework. It could also be connected to key relevant sustainable development goals (SDGs) such as SDG 16 to e.g. sustainable development goal 16 on peace, justice and strong institution and international human rights, such as the right to participate

The appraisal acknowledges that some of the suggested additional or elaborated background analysis can be drawn from draft annex 2 on context analysis.

The DED refers to lessons learned including in support of a more party-led approach, a new partnership approach and a focus on learning. These are important elements in the DED and its theory of change and support design, and in particular, lessons learned informing the adjustment to a more party-led approach central to DIPD, the DED and its theory of change should be further elaborated.

Concerning more specific lessons learned in focus areas in the theory of change, it is described that they revolve around four programmatic themes; women's representation, youth representation, intra-party organisation and multi-party dialogue, but not what the actual lessons learned are. Lessons learned from applying different approaches and methods are not

described. DIPD acknowledges that systematically collecting and applying lessons learned is a current weakness that the new strategy and DED seeks to address. DIPD has already embarked on an exercise with external consultants to collect and analyse existing lessons learned. This is commendable, but it is also fair to expect the some lessons learned, have informed thematic and methodological aspects of the DED and could be presented in the DED. The statement in the DED that limited research exists on political parties support is somewhat sweeping, and should not limit DIPD from drawing on the research and lessons learned that do exist.

The partnership between the MFA and DIPD is important to both parties and the DED describes close relations with Danish embassies. The appraisal observed good complementary, synergetic and mutually beneficial relations between DIPD and MFA, in particular at country level and with increasing interest at headquarters level. This is a good foundation for ensuring and further developing these relations taking into account both DIPD adjustment to a more party-led approach and the MFA's holistic focus as a part of *Doing Development Differently* as well as the mutual interest in further enhancing protection and promotion of democracy in the face of increasing pressure globally and in developing countries, recognizing the arm's length between MFA and the agency, DIPD, that deals with the sensitive realm of political parties, politicians and national politics.

2.2 Overall quality of the development engagement support design

The appraisal finds that the development engagement is designed in a way that demonstrates that consideration about the standard quality criteria i.e. relevance, effectiveness, efficiency, sustainability and impact have been taken into account.

The adjustment to a more party-led approach is a core element for the support design. This follows a recommendation from the 2019 capacity assessment. At an overall level, the appraisal observes that this is supported by the documentation and interviews by the appraisal, but that clarification and operationalisation is needed. The implications and strengths and challenges with this approach should be carefully considered and taken into account as it is being further clarified and operationalised. In particular, with regards to the roles and responsibilities between, in particular secretariat and the Danish political parties, in the support design with a more party-led approach and how this interlinks with the budget and the management arrangements (see e.g. also section 4.1 and 4.2). It is important that DIPD ensures and enhances effectiveness, efficiency, and sustainability in the support design as an important point of awareness going forward.

DIPD's adjustment to a more party-led approach coincides with the MFA introducing a new support modality for Danish human rights and democracy organisations, which the administration of this grant to DIPD is expected to conform to. Together, this has contributed to enhanced considerations between DIPD and HCE about whether the DIPD approach set-up is becoming more similar to a pool of funds set-up and approach. The considerations about

DIPDs set-up and approach and the MFA support modality intertwines with some of the challenges the appraisal found in the documentation relating to e.g. the theory of change, the results framework, the budget and costs categories and the management arrangements described in the relevant sections. Nonetheless, this appraisal was conducted with a programmatic perspective and on the basis of the new support modality for human rights and democracy organisations.

The budget for the country offices in Myanmar and Nepal is being phased out in 2023 and the DED states that specific process plans will be developed for each of the current multiparty programmes during the 2nd and 3rd quarter of 2021. The plans for and implications of this for the support design is thus still to be clarified in more detail.

In DIPD's set-up, it is for the Danish political parties to decide their geographic priorities in their individual programmes under the DED. Thus, The DED does not include geographic targeting. The DED does also not include more broad considerations of geographic focus, coherence and synergy and how this can be promoted. The interviews however indicate that there is broad awareness of the importance of promoting geographic focus, coherence and synergy in the individual parties work and across the different political parties. The political parties have already initiated dialogues with each other on possible collaboration and synergies. It could thus also with benefit be reflected in the DED how DIPD will work to enhance geographic coherence and synergy as the parties' framework agreements are being designed.

The documentation provides a basis to establish the relevance of the support design, while the quality in terms of considering sustainability and impact in the developing countries could be further strengthened by emphasizing certain aspects in the DED. The issue of sustainability could, in particular, be addressed in relation to elaborating the partnership approach and approach to capacity building (see 3.3), while the issue of impact and results could be addressed in relation to updating the results framework (and 3.2). The appraisal recognises that it is important to be realistic about the level of ambition of the support design and take into account resource constraints i.e. proposed approach to enhance sustainability and documentation of impact in the developing countries should be manageable.

2.3 Adequacy of the preparation process

The preparation process for the DED has been preceded by DIPD's own strategy formulation process in 2021 and prior to that a capacity assessment of DIPD by the MFA with support from two external expert consultants. Both DIPD and MFA have found these successive steps and their order conducive for the preparation process. The capacity assessment was finalised in 2019. It helped facilitate a shared understanding on some of the strengths and challenges for DIPD, which has also informed the preparation of the DED. DIPD has followed up to respond to the recommendations and had a constructive dialogue with the MFA in this

connection. DIPD has followed up on some of the recommendations already, while the draft DED responds to or lays the foundation for responding to others.

The DIPD strategy process provided the overall direction setting on the DIPD side. It facilitated participation and consultation of internal and external stakeholders. The process was adapted to mainly virtual formats due to the COVID-19 pandemic and the imposed restrictions. This naturally involved some limitations to participatory approaches in the process. Still, DIPD managed through different virtual tools to conduct a process involving the board, the secretariat, Danish political parties, partners in developing countries, public and international democracy experts and actors. Representatives from Danish political parties working with their implementation participated in a drafting working group, which appears to have been a helpful and appreciated element in the strategy process.

The preparation process for the DED itself has been conducted mainly in collaboration between HCE and DIPD with support from an external consultant contracted by the MFA for process facilitation and formulation support. From DIPD the secretariat, with substantial involvement and guidance of the board, have played the leading role, which is seen to a large degree as a matter of ‘translating’ from the DIPD strategy to the DED. Representatives from the political parties working with implementation of DIPD support have been consulted, but some of them have been interested in participating more extensively in the preparation of the DED, seeing this process also as a step in operationalizing the strategy. It seems appropriate so shortly after the strategy process, not to have rolled out a very large participatory process again for the DED formulation. At the same time, the appraisal observes that there has been an interest in some of the Danish political parties to be more actively involved in the formulation of the DED, which they are even more so in relation to the further operationalisation of the strategy and DED.

The appraisal notes that despite some adjustments in the DED after the PC meeting, there is still room for improvement in terms of following up on the recommendations that were formulated especially concerning the theory of change, the results framework and elaboration and clarifications concerning the more party-led approach and its implications in terms of e.g. management and financial management arrangements.

The DED formulation is an important milestone in a process of wider organisational adjustment following through from the capacity assessment and the DIPD strategy. Some elements will need to be further addressed, clarified, operationalised and adjusted in the next phase, including e.g. concerning results framework, party-led approach and management arrangements.

Recommendation

1. Include in the DED that DIPD, in consultation with the MFA, will prepare a transition plan that sets out clear time bound milestones and targets for clarifying and operationalising key adjustments following from the DIPD strategy. The first annual DED consultation should be a key milestone in this process. Include a mid-term review as an opportunity to assess how adjustments and the new support model applied to the DIHR-MFA cooperation agreement works in practice and learn from this.

3. Programmatic approach

3.1 Theory of change

The theory of change as presented in a figure in the DED is comprehensive and sound at an overall level. However, the narrative is somewhat generic, which is partly to do with DIPD's organisational set-up and approach. Nonetheless, the theory of change can and should benefit from further elaboration and precision on several key aspects of the theory of change.

The change pathway for how inputs are expected to lead to outputs which again are expected to lead to the outcome, including the underlying rationale and assumptions for this is not described. The methods that will be applied to succeed with the theory of change is also not described. The synergies between the different outputs, in particular between output 1-3 and output 4 and 5 respectively, could also with benefit be described.

The DED does also not describe how it takes into account and addresses the described context, including increasing challenges to democracy and political parties. In addition, it does not describe how it approaches and intends to advance key priorities such as gender equality, women and youth and more broadly leaving no-one behind.

The DED does not describe the theory of change and more programmatic aspects of party-to-party approaches and multi-party approaches, including e.g. the application, strengths, weaknesses, opportunities and challenges of each and the synergy between them. The theory of change does also not describe change pathways and more programmatic aspects of the adjustment to a more party-led approach, in particular concerning multi-party approach and engagements.

There are helpful elements to draw from in both DIPD's own strategy in e.g. the sections concerning principles, goals and how DIPD reach its goal, and in annex 1 in the section concerning human-rights based approach to development (HRBA).

Recommendation

2. Elaborate the theory of change including all key DIPD actors with particular focus on how it responds to the context analysis, change pathways, approach, rationale and assumptions as well methods. Include elaboration of DIPD's partnership and capacity

building approach and DIPD's commitment to poverty eradication, sustainable development, human rights, gender equality, youth and leaving no-one behind.

3.2 Results framework

The results framework and its outcome and outputs overall reflect the theory of change. However, the results framework needs further work in particular on the indicators and targets.

In the DED, the results framework has omitted outputs targets, which are included in the annex 3 results framework. Either the results frameworks should be harmonized between the DED and the annex or it should be clearly stated that further details are included in the annex.

The outcome level indicators in the results framework are currently a re-statement of the five outputs. Instead, meaningful quantitative and qualitative indicators and target for change and results at the outcome level in developing countries should be included in the results framework.

At output level, the indicators are more concerned with DIPD allocation of funds and documentation than with output level change and results, which to some degree relates to the DIPD set-up and approach. Meaningful quantitative and qualitative indicators and targets for change and results at the output level in developing countries can and should still be included in the results framework. To illustrate what this point means, please see below table 1 with examples of potential alternative formulations of some of the output indicators for the output 1 and output 2, taking point of departure in existing formulations of these output indicators. This table should not in any way be understood as prescriptive, but rather be understood as an illustration of the point made. It is hoped that this can be a helpful constructive input to the update of indicators and targets by DIPD in dialogue with the MFA.

Tabel 1: Examples of potential alternative formulations of some of the output indicators with point of departure in existing formulations of output indicators	
<i>Existing formulation</i>	<i>Example on potential alternative formulation</i>
Output 1	
DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly develop and update political programmes and political solutions to essential societal challenges.	# of political programmes and political solutions to societal challenges formulated and updated by political parties in selected developing countries drawing on DIPD funded support.
DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly	Degree to which political parties in selected developing countries have increased their capacity to formulate and communicate political programmes and political solutions to societal challenges drawing on DIPD funded support.

communicate their policies to and with the public.	
Output 2	
DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships are being increasingly inclusive, especially regarding youth, women, and marginalized groups.	# of women in decision-making positions in supported political parties in developing countries;
DIPD has documented to which degree political parties in developing countries working towards this strategic goal through DIPD-funded partnerships increasingly explore new ways of democratic and political engagement.	# of young people in decision-making positions in supported political parties in developing countries;
	# of steps taken to enhance inclusion (of women and/or young people) in political party structures and/or political parties' formulation and updating of political programmes or political solutions to societal problems

It is important that the DED results framework including the indicators and targets reflect the overall results in the DIPD strategy as well as the results frameworks each of the Danish political parties' framework agreement with DIPD, which they will develop in collaboration with their partners in the developing countries. The Danish political parties have been consulted in the development of the DED results framework, but at this stage they have not, yet, been part of a more participatory process around the results framework. In addition, the Danish political parties are only in the beginning of their processes of formulating their results frameworks with their partners.

In recent years DIPD results reporting has been undergoing a positive improvement in terms of dealing with the challenges of planning ahead and collecting and collation information from a diverse range of actors. Nonetheless, there is shared understanding among the board, secretariat and Danish political parties that the results framework of the previous agreement was wanting and there is a shared ambition to ensure coherence between a realistic overall DED results framework and the results framework each of the Danish political parties' framework agreements. This should provide basis for working together to ensure an appropriate and realistic DED results framework in good synergy with the new results frameworks being developed by the Danish political parties for their work.

The need for DIPD to develop a realistic overall/global results framework, which is reflected in the results frameworks of each of the political parties' results frameworks, is not new. It was emphasised as a comment to the previous MFA-DIPD agreement and as a recommendation in the 2019 capacity assessment. The capacity assessment more specifically recommended a consultative process to develop a more realistic global results framework.

Recommendation

3. Adjust the results framework in particular concerning meaningful qualitative and quantitative indicators and targets for progress and change at outcome and output level. Set out a collaborative process between DIPD secretariat, Danish political parties and their partners, in dialogue with the MFA, to ensure coherence and synergy between a meaningful and realistic DED results framework and the results frameworks of the political parties - to be completed by 2021.

3.3 Partnership approach and approach to capacity development

Partnerships is at the core of the approach and ways of working of DIPD and of the DED theory of change. With DIPD's new strategy and the DED, DIPD will make adjustments that are expected to further emphasise and enhances its partnership approach. The DED emphasise that mutuality in relation to learning and change is important in the approach to partnership. The adjustment to a party-led approach is expected to enhance mutuality and peer-to-peer aspects of collaboration directly between Danish political parties and political parties and multi-party platforms in developing countries. DIPD will also introduce new more flexible partnership framework agreements between DIPD as an institution and the Danish political parties. They will focus on strategic planning, flexibility, and reciprocal learning. In addition, annex 2 describes types of partnerships, partnership selection criteria and some of the partners.

The documentation and interviews supports the importance of building partnerships with focus on mutuality and peer-to-peer relations between Danish political parties and political parties in developing countries. It also indicates that there is basis, interest and ability to further develop this with the intended adjustments.

While the aspects mentioned above are key aspects of the partnerships approach, the DED would benefit from a more elaborate overall coherent description of the partnership approach, encompassing the diversity to the Danish political parties and their partnerships in developing countries. An important aspect would be how it is ensured that the intended advantages of the adjusted partnership approach is reflected in how the partnerships is experienced by the partners in the developing countries. Another important aspect would concern exit strategies and sustainability of the results of the partnerships.

Concerning multiparty partnerships, the DED states that the modalities for the future multiparty partnerships will be developed with DIPD's board during the first 18 months of the grant period. It seems to be a long time if the Danish political parties will only be able to embark on multiparty partnerships. The DED describes that there will be a 50 percent ceiling on bilateral part-to-party support, but if the modality for multi-party partnership will only be in place after 18 months this could also potentially negatively affect adherence to this ceiling in practice.

The DED states that partners are supported in capacity development and several of the indicators and targets in the results framework mention enhancement or strengthening of capacity of political parties in developing countries. In addition, annex 1 states that partners are often political organisations with relatively weak organisational structures and capacity. However, the DED and the annexes do not include a description of DIPD's approach to capacity development of political parties in developing and the methods used. DIPD does have a thorough document about DIPD's approach building of political party capacity linked to the 2014-2017 DIPD strategy, which include aspects concerning contexts, types of capacity development, entry points and tracing impact. The interviews supports that there is further experience and expertise with political party capacity building, in which peer-to-peer relations comes across as an important added value.

The DED mentions UNDP as an important partner to engage more with. Annex 2 mentions strategic collaborations in the figure illustrating DIPD's engagement with different types of partners and the interlinkages between these, while annex 1 describes stakeholders that DIPD engages with in Denmark and globally. The appraisal also observes that some strategic partners or stakeholders have noticed and appreciated enhanced DIPD engagement, but synergy with the work of the Danish political parties and the partners in developing countries can be strengthened. The DED would benefit from describing DIPD's overall approach to strategic collaborations, including point to specific priorities in this regards and how synergy between strategic collaborations and Danish political parties and partners in developing countries can be enhanced.

Recommendation 2 above on theory of change also includes dimensions regarding the partnership approach and approach to capacity development.

4. Management and organisation

4.1 Budget

The budget is output based with equal distribution between the five outputs.

The change to the support modality for the agreement between the MFA and DIPD as well as the wider MFA decision to phase out Technical Activity-specific Consultancy Support has been supported by the introduction of a new model for cost categories. This model include output sub-budget lines that breaks down costs in direct activity costs, implementation through local partners or regional hubs and allocated programme-support costs in order to provide transparency and to promote increase in allocation to implementation through local partners or regional hubs.

In agreement between HCE and DIPD, the output sub-budget lines for 'direct activity costs' are however omitted and the output sub-budget lines for 'implementation through local partners or regional hubs' and 'allocated programme-support costs' has been interpreted as

respectively all funds transferred to and through Danish political parties and all funds for secretariat and board costs with reference to the practice applied by another Danish grantee Civil Society in Development. The transparency about expenditures across the three sub-budget lines of the model for cost categories is thereby lost and the budget itself does not indicate increase in allocation to implementation through local partners or regional hubs.

DIPD has explained that it is difficult for DIPD, as an institution, to budget transfers to implementation through local partners or regional hubs, because it is the individual political parties that budgets this for each of their partnerships. DIPD further informs that they currently do not have an analysis of total expenditures on 'implementation through local partners or regional hubs' and the share of this compared to total expenditures. The 2019 capacity assessment was able to calculate and estimate activities in partner countries. Local staff and local administration made up 61,4 percent of the total project budget, while only approximately 40 percent was spent on direct activities in partner countries, which the capacity assessment found should give cause for reflection in the board. It has not been possible in the appraisal process to establish if either of these two figures can be relevant as a baseline figure or help calculate a baseline figure for implementation through local partners or regional hubs, but the indication from DIPD is that they are not.

However, DED states that DIPD board has a clear objective of ensuring that a considerable percentage of DIPD's grant is spent through and with partner organisations. DIPD also confirms that expenditures for 'implementation through local partners or regional hubs' is a focus area for DIPD. It plans to introduce systems to document how much of DIPD's budget is spent in developing countries and to promote increasing expenditures through or with the partners in developing countries. To pursue these ambitions and plans as well as take into account the above described challenges DIPD finds, it might be relevant to consider phasing in the use of the cost-categories over e.g. the first 6-12 months of the DED. This might be included in the proposed transition plan.

Concerning the distribution of budget between costs at the secretariat and the board and costs at and through the Danish political parties, the DED states that approximately 35 percent is budgeted for the first, while approximately 65 percent would go to and through Danish political parties. In comparison, DIPD has informed that the share was 29 percent to the secretariat and 71 percent to the political parties and projects for the period for 2014-17, while estimates for the current phase are 45 percent vis-à-vis 55 percent. DIPD has explained that the significant change is mainly due to COVID-19. DIPD has further informed that the approximate 35 percent vis-à-vis 65 percent is not final, and that it is likely this will change somewhat, to increase funds through the Danish political parties. In comparison, in the case of another MFA partner managing a grant mechanism, the share of the budget that goes to secretariat costs is approximately 15 percent, out of which approximately 50 percent goes to grants management and approximately 50 percent to capacity building of grantees.

It will be important for DIPD to clarify in the DED the distribution of budget between secretariat, board and Danish political parties in a way that reflects the transition to a more party-led approach, value for money, the diversity among Danish political parties and their support needs from the secretariat and the secretariats role in collecting, analysing and sharing knowledge. Assessing capacity within financial and programmatic management at secretariat for each Danish political party as well as their support needs can inform the future service level agreements between DIPD and each political party and the subsequent plan for DIPD support to and monitoring of grants and flow of funds to each Danish political party throughout the upcoming programme period.

The budget does not include a budget line for administration costs. While the section 7.2 states that non-activity specific costs must be covered by the administrative fee (7 %), it is stated in section 7.5 that all DIPD's expenses are considered direct costs, an administrative fee of maximum 7 % is not applicable in the budget, applying both to costs at the secretariat and at the Danish political parties. This approach is a continuation of the approach applied in the Danish support to DIPD hitherto. With reference to the new model for costs categories, it can seem surprising if DIPD should not have costs under the indirect costs administration fee budget category in the model for costs categories. Therefore, the eligibility and subsequently feasibility of this approach should be clarified and confirmed or corrected.

The budget includes funds for contingency for unforeseen expenses, exchange rate loss etc. It is explained by the relevant MFA unit, the Department of Humanitarian Action, Civil Society and Engagement (HCE), that the budget for contingency is also intended as a measure for DIPD to be able bear costs in case of losses in case of e.g. potential corruption, where funds cannot be recovered. In section 7.10 it is stated that it is allowed to set aside unspent funds (maximum 3 % of annual budget) for institutional equity at the end of each financial year. Likewise, the DED states that the MFA may allow DIPD to set aside unspent funds exceeding 3 % of the total grant at the end of the engagement period. However, the MFA Department for Financial Management and Support in Relation to International Development Cooperation (FRU) assess that it cannot be a direct purpose to use funds for development cooperation to build equity or savings. Consequently, the eligibility and subsequently feasibility of this approach should be clarified and confirmed or corrected.

Recommendation:

4. Update the budget and related narrative to:
 - 4.1 Include and clarify direct activity costs, transfers to partners and activity-supporting costs reflecting the model for cost categories;
 - 4.2 Establish a baseline for transfers to partners in developing countries and reflect commitment to increase transfers to partners in developing countries in the budget with annual targets. Include figure for realized transfers in the annual reporting to the MFA;

- 4.3 Clarify distribution of funds between secretariat, board and Danish political parties reflecting transition to a more party-led approach and diversity among Danish political parties as well as their capacities and support needs from the secretariat;
- 4.4 Clarify and confirm or correct the approach to leave out the budget line for administration costs, in terms of eligibility and subsequently feasibility;
- 4.5 Clarify and confirm or correct the approach to contingency funds and to setting aside funds for equity, in terms of eligibility and subsequently feasibility.

4.2 Management and financial management

The DED includes overall strategic direction concerning adjustment of roles and responsibilities between the board, the secretariat and the Danish political parties, which also includes the introduction of an external appraisal committee to assess the proposals from the Danish political parties for framework agreements with DIPD. This responds to the adjustment to a more party led approach as well as to the recommendation in the 2019 capacity assessment about introducing an external mechanism in the grant process. This is a commendable step.

There is however still a need to clarify and operationalize management arrangements and financial management, including concerning roles, responsibilities, procedures, capacities and needs. For example, it is stated in the DED that functions and operationalization of the external appraisal committee is to be decided upon at a board meeting on 9 April 2021 and that modalities for multi-party work is to be developed over the first 18 months of the DED. More broadly, the more detailed description of in particular the management and financial managements arrangements between the secretariat and the Danish political parties are still under clarification and operationalization. This includes the division of labor between the secretariat and the Danish political parties as well as aspects relating to capacity building, support, accountability, financial management and monitoring and programmatic monitoring and evaluation. The appraisal observes a diversity in capacities and needs between the Danish political parties as well as a diversity of views among boards, secretariat and the Danish political parties that will be important to encompass and bridge as far as it is feasible. Assessing these different capacity needs and perspectives can support this process going forward. Some clarifications can be provided as part of the finalization of the DED, while others will be a part of a transition phase. Explicitly stating this in the DED and including it in the proposed transition plan could be a feasible approach.

In section 7.7 Procurement of goods and services, it is stated that economy plus tickets can be purchased for travel. This is a deviation from the overall financial management guidelines and is not seen with other partners. Eligibility of this should be clarified and confirmed or corrected. Reference is made to correspondence from the DMFA to DIPD on February 27 2018.

In section 7.9 on audit requirements, information on §9 agreement should be included and it should be specified that annual financial statements should be in line with overall financial

management guidelines. It can also be considered to include information on audit requirements related to funds to and through the Danish political parties.

The appraisal finds that the DED should explicitly reflect that the grant is implemented in the framework of DDD and that the implementation will follow the applicable guidelines, currently the new Guidelines for Country Strategic Frameworks, Programmes and Projects (November 2020), not the 2018 guidelines as stated. The DED format was applied because the preparation of the underlying documentation for the new agreement between the MFA and DIPD was initiated before a new format for project/programme document was available. However, the applicable AMG in relation to implementation are as a general rule those in force in any given time.

Recommendations:

5. Elaborate and clarify management and financial management arrangements, in particular with regards to transition to party led approach and its implications as well as to introduction of a DIPD appraisal committee. Further clarification and operationalization should be provided in a transition plan. Facilitated dialogue may bridge different perspectives.
6. Clarify and confirm or correct specific aspects related to eligibility of procurement of economy plus tickets as well as to audit requirements.
7. Update reference to applicable guidelines as per the Aid Management Guidelines so they refer to those in force, currently the new Guidelines for Country Strategic Frameworks, Programmes and Projects (November 2020).

7.1 Risk management

In general, the risk management matrix, elaborated in annex 5, is quite thorough. The mentioned risks include shrinking space, political instability and violence and violence against people involved in the partnerships, but the response measures does not explicitly include safety aspects. The importance of safety is further advanced by the described context developments and by the considerations in some of the political parties about engaging in more in fragile contexts. Specific risks that may related to involvement of Danish politicians, including some elected or in other prominent positions, is not explicitly considered. Finally, there are not explicit considerations about potential institutional risks related to the adjustment to a more party-led approach, which may include the risks related to (some of) them taking on new management and financial management responsibilities.

Recommendation:

8. Include considerations concerning safety in response measures to certain risks as well as include considerations concerning risks related to Danish politicians' participation and to institutional risks related to adjustment to a more party-led approach.

TERMS OF REFERENCE

Desk appraisal

Development Engagement Document

Support to the Danish Institute for Parties and Democracy (DIPD)

“Strong and Well-Functioning Multiparty Democracies” (2021-2025)

1. Introduction

These terms of reference (ToR) set out objectives, outputs and scope of work for a desk appraisal of Support to the Danish Institute for Parties and Democracy (DIPD) - ‘Strong and Well-Functioning Multiparty Democracies’ (2021-2025).

2. Background and context

Background

DIPD is self-governed institution within the public domain (“*selvejende institution*”) directed by a board responsible for overall strategic governance. The board supervises a director-led secretariat, currently comprised of 12 staff members in Copenhagen as well as offices in Yangon and Kathmandu.

In 2021, DIPD is predominantly financed through an annual grant on the Danish Finance Act. In addition, DIPD receive EU funding for programs in Myanmar and Malawi.

DIPD has been subject to three external MFA reviews, evaluations, or capacity assessments during the past 10 years. In 2019, a capacity assessment (by the MFA) found that DIPD’s capacity to administer the grant from the MFA was adequate and that the proven capacity provided DIPD with a platform for further institutional development “with a long-term vision, more room for manoeuvre and more flexibility as this was needed to effectively provide the type of support to democracy and political parties that DIPD is mandated to.

The capacity assessment also included nine key recommendations covering the areas of:

1. **Grant modality**

Incl. a new grant modality with the MFA, which supports DIPD’s strategic direction.

2. **Operationalisation of political party resources**

Incl. the support for a party-led approach, more flexible partnership approaches and further development of capacity to collect results, support knowledge sharing and simpler and more flexible supporting systems.

3. Simplification of grant management systems

Incl. the introduction of an external grant assessment mechanism and clearer criteria for quality control of applications.

4. Recalibration of roles and responsibilities

Incl. an updated description of segregation of roles and responsibilities between board, secretariat, and political parties.

5. Update of financial management processes

Incl. a further systematisation of financial oversight procedures, an updated anti-corruption policy, and updated guidelines for financial and risk management applicable for the political parties.

Taking the recommendations of the capacity assessment further, the board has decided to introduce an external grant organ, which will alleviate the latter of some of its functions in the grant making process and introduce an external quality control. The board has also decided to launch a process that leads to a stronger party-lead in designing and implementing programmes. This party-led approach is emerging and it is not, at this point in time, clear what kind of structures, procedures and rules that will underpin this aspiration in practice.

The capacity assessment did also recommend that certain functions of the secretariat was strengthened e.g. on communication and monitoring and evaluation. Needless to say, this much justified enhancement of the secretariats capacity has led to increased indirect costs.

DIDP's current grant cycle was planned to last for a period of three years with a completion by December 31 2020. Due to a number of reasons the present grant cycle was extended to June 30.

For the present grant cycle, DIDP's budget was increased from 25 million DKK per year to 30 million DKK per year. Disbursement, however, has been effected by the Covid-pandemic and its restrictions on travel and physical meetings. In 2020 22.5 million was disbursed against a budget of 30 million DKK. For the first part of 2021 it is anticipated that disbursement will amount to 7.5 million DKK or half of the volume of the years 2018 through to 2019.

Context

The state of democracy in terms of depth and width has changed significantly since DIPD was established in 2010. Some of the trends are listed below:

a. Declining no. of democracies

For the first time since 2001 democracies are no longer in the majority, as only 48 % of the world's countries are characterized as “electoral and liberal democracies”, with 46 % of the world's population living in those countries.

b. A crisis of representation

While political parties have played a vital part in the development of representative democracy in almost all its variations, establishing and developing the link between citizens and executive power, the days of mass-based parties seem to be a thing of the past in most parts of the world. It is now at a point where it is inevitable to talk of a crisis of democratic representation, at least in its traditional form.

c. A crisis of legitimacy

This crisis of representation has in turn contributed to the slow and steady loss of legitimacy and identity, especially among the old political party elite. Trust in political parties is alarmingly low, and the renewal of political parties as organisations and as vehicles for political change is not happening at a pace that satisfies the electorate.

Opportunities

A counter wave of democratic resistance is gathering pace across the globe. As documented by V-DEM, pro-democratic protests reached an all-time high in 2019 and looking across the past 10 years, pro-democratic protests have contributed to substantial democratisation in 22 countries. Citizens go to the streets demanding democracy and influence. In fact, as documented by Int. IDEA the demand for democracy has never been higher.

The emergence of new political movements that challenge the political establishment and suggest a new hope for political mobilisation and representation also provide DIPD with opportunities to support the democratic invigoration and the renewal of political parties through needed to counter the crisis of legitimacy and representation.

3. Objective

The objective of the appraisal is to provide quality-assurance of the Development Engagement Document and its related material and recommendations to the Programme Committee prior to submission of the documentation to the Council for Development Policy.

Outputs/deliverables

The outputs of the appraisal will be:

- A Draft Appraisal Report (1max 15 pages + annexes) with specific recommendations to the appropriation documentation to be submitted to HCE for comments;
- A Final Appraisal Report (max pages + annexes) with specific recommendations to the appropriation documentation to be submitted to HCE.

- A Summary of Recommendations Overview of the specific recommendations to be submitted alongside the Final Appraisal Report.

4. Scope of Work

The scope of work will include, but not necessarily be limited to, the following tasks:

1. Overall rationale and justification incl. preparation process
 - Assess the relevance of the development engagement and its objectives in a global and/or national context and its compatibility with Danish development policy;
 - Assess justification and rationale of the development engagement support design;
 - Assess the adequacy of the preparation process, i.e., whether the necessary analyses have been prepared, including a stakeholder analysis, and whether there has been sufficient consultation with and participation by key stakeholders and target group representatives, where relevant;
 - Consideration by the development engagement of relevant previous experiences and lessons learned;
 - Follow up to recommendations of the MFA Programme Committee.
2. Project/Programme
 - Assess of the development engagement objectives and quality of the theory of change and the results framework;
 - Assess contribution towards poverty reduction and human rights, national (or institutional) sector objectives, relevant Danish priorities, gender equality and the four HRBA principles;
 - The technical, institutional and financial feasibility of the development engagement;
 - Consider operational, geographical and thematic focus, avoidance of geographical and thematic spread, avoidance of institutional complexity, and manageability in terms of size and number of DIPD partners;
 - Assess commitment to the development engagement by DIPD and major stakeholders and capacity of partner institution(s) to absorb and manage the support;
 - Assess DIPD's partnership approach, including the will and ability to reach out to partners in developing countries and support capacity development in partner organisation(s),
3. The management and organisation of the development engagement including reporting and review mechanisms;
 - The adequacy of the proposed financial management system including accounting, auditing and procurement mechanisms;
 - Budget including budget allocation expected efficiency and costing;
 - The sustainability of the expected outcome of the development engagement including exit strategy;

- The adequacy of the proposed management arrangement and monitoring, evaluation and learning system (incl. quality of baseline data, indicators), documentation of results, learning and adaptation strategy, etc.);
- The assumptions, risks and pre-conditions, i.e. whether these have been sufficiently analysed and whether relevant mitigating measures are included (ref. to Danida Guidelines for risk management);

5. Method of work

The overall responsibility for the appraisal rests with the Department for Evaluation, Learning and Quality (ELK) of the Danish Ministry of Foreign Affairs of Denmark. A team of two ELK Development Specialists will conduct the appraisal. The appraisal will be undertaken in accordance with Danida's Aid Management Guidelines.¹

The work will comprise a desk study and virtual meetings with DIPD, their partners and other relevant stakeholders as well as HCE. During the desk study, the team will review key documents provided by HCE. Preliminary conclusions and recommendations will be presented to and discussed with HCE and DIPD at a debriefing before submission of the draft appraisal report with preliminary findings and recommendations. Upon receipt of comments from HCE and DIPD a final appraisal report with conclusions and recommendations will be shared with HCE.

6. Timing

The appraisal will commence on 6 April 2021 and is expected to be completed by 30 April 2021 in accordance with the following schedule:

6 April	Appraisal start. Documents shared before.
20 April	Debriefing with DIPD and HCE – presentation of preliminary findings and recommendations
24 April	Draft appraisal report
28 April	Comments to appraisal report
30 April	Final appraisal report integrating comments from responsible unit and partner

7. Team composition

Two development specialists, ELK.

8. Background documents

List of background documents to be finalised in consultation and uploaded to a sharepoint location which the Consultant will have access to. Documents to be compiled includes:

- Development Engagement Document + annexes

¹) It should be noted that the DED follows the old guidelines for Programmes and Projects

- Underlying documentation as set out in the list of supplementary materials.
- Other documents as relevant

Copenhagen, March 2021

Annex 2: List of persons consulted

- Kasper Sand Kjær, Chairman, DIPD, the Danish Social Democrats, Member of Parliament.
- Michael Aastrup Jensen, Deputy Chairman, The Liberal Party, Member of Parliament,
- Clara Halvorsen, the Danish Social-Liberal Party.
- Morten Østervang, the Socialist People's Party.
- Marianne Victor Hansen, the Danish Social Democrats,
- Bent Nicolajsen, Danish Liberal Democracy Programme
- Lisbeth Pilegaard, Director, DIPD.
- Mathias Parsbæk Skibdal, Head of Support and Development-
- Martin Rosenkilde Pedersen, Head of Programme.
- Flemming Astrup, Chief Financial and Administrative Advisor
- Frankline Mukwanja, Executive Director, Centre for Multiparty Democracy – Kenya
- Julius Mwita, Training Coordinator, CHADEMA Academy – Tanzania
- Ken Godfrey, Executive Director, European Partnership for Democracy (EPD)
- Jonna Haapanen, Director of Programmes (Acting Executive Director), Political Parties of Finland for Democracy (DEMO Finland)
- Staffan I. Lindberg, Director, V-Dem Institute, Dept. of political science, Univ. of Gothenburg
- Malin Herwig, Interim Director, Oslo Governance Centre
- Mette Nørgaard Dissing-Spandet, Ambassador to Tanzania, MFA.
- Jane Werngreen Rosales, Chief Advisor, MNS, MFA.
- Joseph Kimani Njuguna, Project Manager, Danish Embassy in Kenya, MFA.
- André Gertz Sonnichsen, Chief Advisor, Danish Embassy in Burkina Faso, MFA.
- Lucien Ouedraogo, Project Office, Danish Embassy in Burkina Faso, MFA.
- Peter Bøgh Jensen, Chief Advisor, HCE, MFA.
- Thomas Nikolaj Hansen, Chief Advisor, HCE, MFA.
- Kasper Thede Anderskov, Chief Advisor, HCE, MFA.
- Hans-Henrik Christensen, Chief Advisor, FRU, MFA.