

Ministry of Foreign Affairs – Permanent Mission of Denmark to the UN in New York

Meeting in the Council for Development Policy on 24 June 2022

Agenda Item No. 3

- 1. Overall purpose:** *For discussion and recommendation to the Minister*

- 2. Title:** *Organisation Strategy for Denmark's Engagement with United Nations Development Programme (UNDP) 2022-2025*

- 3. Presentation for Programme Committee:** 28 April 2022

- 4. Previous Danish support to UNDP presented to UPR** 11 September 2018



MINISTRY OF FOREIGN AFFAIRS OF DENMARK

DANIDA | INTERNATIONAL
DEVELOPMENT COOPERATION

**Strategy for Denmark's Engagement with
The United Nations Development Programme
2022-2025**



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Danish Organisation Strategy for UNDP

Introduction: UNDP is the largest UN development organisation worldwide working in 170 countries and territories to eradicate poverty and reduce inequality. UNDP's role is to help countries develop policies, leadership skills, partnering abilities, institutional capabilities, and to build resilience to achieve the SDGs, focusing on three areas: sustainable development, democratic governance & peace building, and climate and disaster resilience guided by their strategic plan 2022-2025.

Key results:

- Promoting inclusive, effective and accountable democratic governance for the peaceful resolution of conflict and for advancing social cohesion rooted in a human-rights based approach with gender mainstreamed throughout.
- Build resilience in fragile and conflict-affected settings by ensuring greater collaboration across work related to conflict prevention, governance, disaster risk reduction and climate change.
- Enhancing organisational effectiveness contributing to UN reform, curbing corruption, and leveraging innovation.

Justification for support:

- UNDP has a unique mandate to end poverty, build democratic governance, rule of law and inclusive institutions, build sustainable peace and resilience, including through conflict prevention and early recovery.
- Its programming and mandate addresses key Danish priorities and interests relating to promoting human rights, curbing irregular migration, empowering women and addressing extreme poverty and climate change.

How will we ensure results and monitor progress:

- Progress will be monitored via key performance indicators from UNDP's strategic plan and by assessing UNDP's performance as part of the collective performance of the UN development system.

Risks and challenges:

- UNDP dependency on small group of core donors.
- Gap between HQ and country offices.
- Insufficient aggregation of results.
- Assure more effective results.
- Fragmented support.

Strategic objectives

Contribute to achievement of Agenda 2030's commitment to 'leaving no one behind' and to achievement of Sustainable Development Goals. Serve as 'integrator' across UN development system.

Priority results

1. Governance.
2. Resilience.
3. Nature, climate and energy.
4. Organisational effectiveness and leveraging innovation.

File No.	2022-12948			
Responsible Unit	FNNY, MUS (personnel)			
<i>Mill.</i>	2023	2024	2025	total
Commitment	370	370	370	1110
Projected ann. Disb.	370	370	370	1110
Duration of strategy	2022 – 2025*			
Finance Act code.	§06.36.01.10, §06.36.06.16			
Desk officer	Mikael Erbs			
Financial officer	Michael Blichfeldt			

*2022 contribution was granted as part of 2018-2022 strategy.

SDGs relevant for Programme (all)

 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
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Budget (2021)

Regular resources	USD 0.6 billion
Other resources	USD 4.7 billion
Total	USD 5.3 billion

Danish involvement in governance structure

- Active bilateral dialogue with UNDP at all levels, including the level of Minister/Under Secretary General (Administrator).
- Active participation in Executive Board Meetings. Denmark participates in a rotation scheme for the Executive Board coordinated in the Western Europe and Other donor group (WEOG). Denmark assumes formal membership in 2023 and 2025 but is nonetheless actively participating every year.
- Annual high-level consultations with UNDP.

Core information

Established: 1965
Headquarters: New York
Head: Achim Steiner, Administrator
Human Resources: 19,794 employees
Country Presence: Present in 170 countries

1. Objective

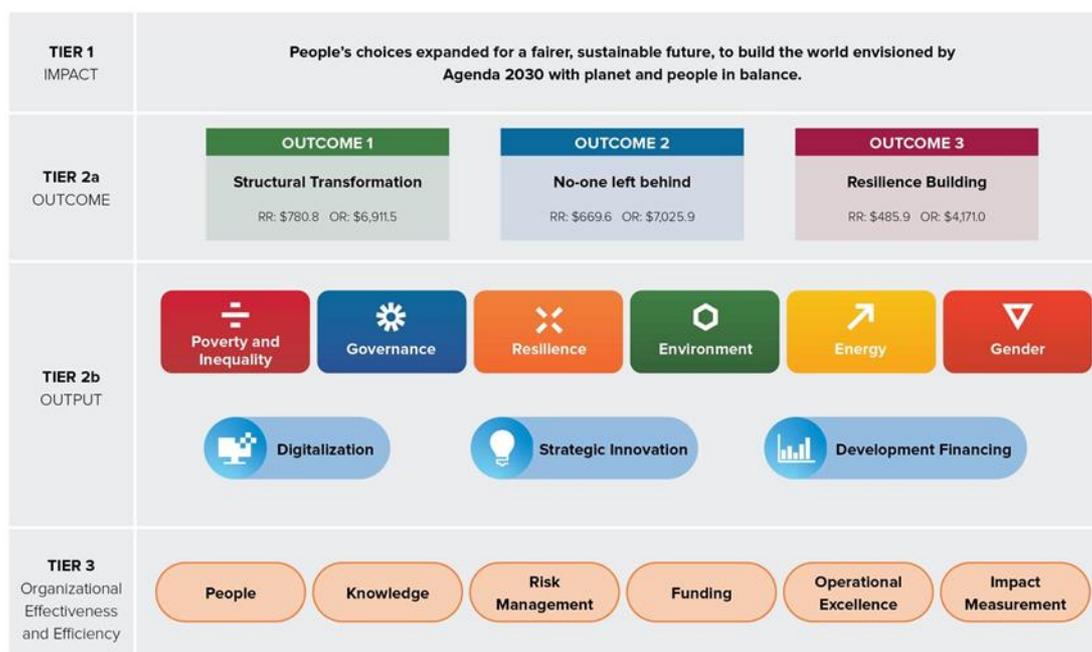
This Danish organisation strategy for cooperation between Denmark and the United Nations Development Programme (UNDP) forms the basis for Danish contributions to the organisation. It sets forth Danish priorities for UNDP’s performance within the overall framework established by UNDP’s [Strategic Plan 2022-2025](#). Denmark will work closely with like-minded countries towards the achievement of results through its efforts to pursue specific goals and priorities.

Denmark’s strategy for its partnership with UNDP is anchored in Denmark’s Strategy for Development Cooperation, ‘The World We Share’ and Denmark’s Foreign and Security Policy Strategy 2022. According to the former *‘the UN plays an important role in relation to Denmark’s development policy priorities as the UN is a values-based community that guards the norms and frameworks for international rules-based cooperation, including the Sustainable Development Goals and human rights.’* According to the Danish Foreign and Security Policy Strategy, Denmark is working for *‘a UN that gives Denmark a bigger voice in the world and makes Denmark safer.’*

Danish support will contribute to UNDP’s overall objective, which is to support the expansion of people’s choices for a fairer, sustainable future, to build the world envisioned by Agenda 2030 through three interrelated outcome areas namely structural transformation, leaving no one behind, and resilience building. UNDP is working through ‘six signature solutions’ on (1) poverty and inequality, (2) governance, (3) resilience, (4) environment, (5) energy, and (6) gender equality as these are where country needs are greatest, and UNDP capabilities and position within the United Nations development system render it the best equipped organization to make a difference.

UNDP’s approach is enhanced by the application of three enablers—strategic innovation, digitalization, and development financing—to scale up development impact and support delivery. In addition, UNDP is continuing its efforts to be more agile and anticipatory by continuously improving its internal capacities, systems, and processes to support transformative changes.

This is the theory of change upon which UNDP’s strategy 2022-2025 is based:



A quick glance and overview of the strategy and its approach is found in annex 1.

2. The Organisation

Mission and Mandate: Mandated by the UN General Assembly, UNDP has the most comprehensive tasks among all UN agencies. Its main purpose is to support countries in their path towards the Sustainable Development Goals through country and regional programmes driven by national development choices with poverty eradication at the core.

Its mandate includes, but is not limited to, poverty reduction, democratic governance, peacebuilding and state building. Furthermore, UNDP is the ‘operational backbone’ of the UN system with a platform that includes finance, human resources, procurement, travel, IT and other services to over 80 UN entities. At the normative level, UNDP performs a leading role in global development policy thinking that covers, a.o. governance and the role of the private sector in development.

Governance arrangement: UNDP is governed by, and accountable to, an Executive Board, which is subject to the authority of the UN Economic and Social Council (ECOSOC). The Board comprises 36 members representing the five regional groups of UN Member States. During the period of this organisation strategy (2022-2025), Denmark will assume formal membership on the Board in 2023 and 2025, but is nonetheless actively participating every year and also listened to due to our relatively high contribution.

The Board meets three times a year to review and establish policies, approve country and regional programmes and decide on administrative and financial plans and budgets. UNDP is administered by an Administrator appointed by the UN Secretary-General.

Organisational structure: UNDP is the largest UN development organisation worldwide, operating in a highly decentralised manner across 170 countries and territories and employing over 19,000 staff across 137 country offices, 5 regional offices, and 5 global policy centres. 93 % of its workforce is based at country level. UNDP further administers the United Nations Capital Development Fund (UNCDF) and United Nations Volunteers programme (UNV).

The UNDP Administrator is vice-chair of the UN Sustainable Development Group (UNSDG), which unites the 40 UN entities that contribute to the 2030 Agenda for Sustainable Development at the country level and which collectively constitute the UN development system (UNDS). The UNSDG provides strategic direction and oversight to ensure that UNDS entities deliver coherent, effective and efficient support to beneficiary countries.

As UNSDG vice-chair, the Administrator convenes the UNSDG Core Group comprised of the executive heads of the United Nations Department of Social and Economic Affairs (DESA), FAO, ILO, UNDP, UNFPA, UNHCR, UNICEF, UN Women, WFP, WHO, and the rotating chairs of the Regional Economic Commissions. UNDP’s integrator mandate serves both as a foundation for a strong UN development system, and as a key provider of integrated services and platforms in support of a joint UN system approach for the achievement of the SDGs under the leadership of the UN Resident Coordinators.

Finances and funding: UNDP is funded entirely from voluntary contributions. Annual contributions decreased by 4 % to USD 5.3 billion in 2021 (from USD 5.5 billion in 2020). Annual contributions to regular (core) resources decreased by 7 % to USD 648 million in 2021 (from USD 696 million in 2020).

UNDP aims to see member states increase regular resources funding as a proportion of its revenues up to a goal of 30 % thereby giving it more financial stability. However, the proportion of regular resources slightly decreased to 12 % of total UNDP resources in 2021 from 13 % in 2020 thereby moving further away from the 30 % goal (also referred to in risk section).

Denmark has traditionally been among UNDP's top donors in terms of overall funding as well as core contributions. In 2021, Denmark ranked 10th largest government donor in terms of core funding and 2nd largest donor to UNDP's Thematic Funding Windows, which are softly earmarked pooled funds.

Denmark's total disbursement to UNDP in 2021 was approximately DKK 800 million (including DKK 165 million in core contributions and DKK 110 million in thematic soft earmarked contributions). In 2020, Denmark's total disbursement to UNDP was DKK 920 million and DKK 683 million in 2019.

3. Lessons learnt, key strategic challenges and opportunities

UNDP is a long-term trusted partner of host governments, which puts the organisation in a privileged position to support national development processes. Furthermore, UNDP's 'People for 2030' strategy seeks to strengthen the organisation's skills to respond to development challenges, including ability to rapidly deploy expertise on e.g. energy and finance. UNDP's new data strategy seeks to strengthen thought leadership and country programming through improving data collection, management and analysis.

Recent years have presented serious development challenges due to the COVID-19 pandemic and persistent humanitarian crises and fragility, including pressures on civic space, where climate change have had disruptive effects. The socio-economic impacts of the pandemic compounded by other challenges such as climate change, resulted in the number of people living in poverty increasing for the first time in over 20 years.

The pandemic also unmasked a deep inequality in the capacity of governments to respond to external shocks like the pandemic, including due to lack of financing and technical capacity. This situation has only been aggravated since the war in Ukraine started with severe implications for food, energy and financing.

Against this backdrop, UNDP is playing a pivotal role in the UN system's socio-economic response particularly through the elaboration of country-level socio-economic response and recovery plans.

According to the 2021 report of the Multilateral Organisation Performance Assessment Network (MOPAN assessment):

- UNDP has handled the turbulent context of the recent years well. It fully aligned with the 2030 Development Agenda, played a constructive role in UN Reforms, and demonstrated great resilience and new dynamism in responding to the COVID-19 pandemic. UNDP – a partner agency at heart - is strongly committed to, and aligned with, Member States' priorities.
- Its effective decentralised decision-making and resource allocation mechanisms support this.
- UNDP's strong management systems, independent evaluation and oversight functions and its transparent information disclosure have made it a trusted partner.

The MOPAN assessment also identified a number of areas for improvement that are referenced in chapter 6.

Deliberations in the internal Ministry of Foreign Affairs (MFA) UNDP contact group, which serves as a forum for discussing and strategizing around the partnership, have indicated that UNDP's implementation of UNDS reform principles and cooperation with other UN organisations varies from country to country with some Danish representations reporting room for improvement. Other observations include the need for UNDP to engage and coordinate more frequently and strategically with key donors and to ensure an effective and consolidated development response. Such observations are taken up with UNDP.

4. Priority areas

While Denmark stays fully committed to UNDP's strategic plan as a whole, the following priority areas have been selected for Denmark's partnership and dialogue with UNDP based on the linkages between Denmark's and UNDP's strategic priorities.

Priority Area 1: Governance

Inclusive, accountable, democratic and effective governance systems and processes are crucial to sustainable development and forms the foundation for leaving no one behind. This is reflected in UNDP's second 'signature solution' on governance. Such governance enables national partners' management of risks and contributes to building the resilience necessary to tackle complex development crises and help prevent conflict.

Denmark will support UNDP's work to build inclusive, effective and accountable institutions and mechanisms for peaceful resolution of conflicts and for advancing social cohesion - rooted in a human-rights based approach and with gender mainstreamed throughout.

This priority area aligns with the objectives outlined in Denmark's Strategy for Development Cooperation and the objective of supporting good governance and democratic, transparent institutions as fundamental for delivering social services and broad-based economic development, anti-corruption and protection of rights.

Denmark expects UNDP to tailor its support in this domain to reflect country needs. Some development contexts may require support for inclusive institutions and processes, core governance functions, electoral cycle and civic engagement, local governance and service provision, rule of law, anti-corruption, access to justice, support for improved regulatory capacities, enhanced legal frameworks, strengthened local governance capacities, digital governance. In crisis and post-crisis contexts, support may be required for re-establishing core governance functions to support long-term preventive solutions that address root causes of conflict and disasters.

Denmark expects UNDP to deliver on building inclusive, effective and accountable democratic institutions and mechanisms for the peaceful resolution of conflict and for advancing social cohesion. UNDP's engagements should be based on thorough conflict analysis and understanding of drivers of conflict. This requires ensuring the inclusion of women, youth, people with disabilities and other groups at risk of marginalisation as well as working in partnership with agencies such as UNICEF, the High Commissioner for Human Rights, UN Women and others.

The four priority areas for Danish support spanning both earmarked and core contributions to UNDP 2022-2025:

1. Governance
2. Resilience
3. Nature, climate and energy
4. Organisational effectiveness contributing to UN reform, curbing corruption and leveraging innovation

Funding for this priority area will be provided to UNDP's thematic funding window for 'Governance, peacebuilding, crisis and resilience', the purpose of which is to 'strengthen governance processes and institutions that enable inclusive participation, ensure equal access to quality services; build societies in which all people benefit from peace, justice and security; and strengthen risk-informed development and the resilience of people, communities and countries to anticipate, prevent, and recover from disasters, conflicts and shocks and stresses.'¹

Priority Area 2: Resilience

Environmental and human crises are becoming ever more interlinked and pose the risk of undermining and reversing existing development gains and preventing progress. A deeper understanding of systemic, multidimensional risks is thus required to inform resilient societies and ensure human security. With 'resilience' as a signature solution, UNDP supports countries and communities in building resilience to a wide range of shocks and crises, including conflict, climate change, disasters and epidemics.

Denmark expects UNDP to continue to deliver on this signature solution by harnessing UNDP's integrated developmental approach and expertise and by mainstreaming a gender perspective across the issues of conflict prevention, peacebuilding, disaster risk reduction and climate change.

In conflict and crisis contexts, such as in the Sahel, UNDP is building on its strong comparative advantage within governance work and works closely with humanitarian, development and peacebuilding actors to prevent crisis, promote recovery, protect development gains and build resilience.

UNDP's work in this area is thus well aligned with the objectives of Denmark's Strategy for Development Cooperation, focusing on activities that contribute to addressing root causes and focusing on efforts to prevent conflict, fragility and instability leading to forced displacement and irregular migration, and Denmark's focus on enhancing a coherent crisis approach for UN agencies and partners working in the HDP nexus.

Denmark expects UNDP to facilitate collective outcomes that build resilience in fragile and conflict-affected settings by ensuring greater collaboration related to conflict prevention, governance, disaster risk reduction and climate change.

Funding for this priority area will also be provided via UNDP's thematic funding window for 'Governance, peacebuilding, crisis and resilience' mentioned above.

Priority Area 3: Nature, climate and energy

Climate change and biodiversity loss are among the greatest challenges of our time undermining development gains, threatening the lives and livelihoods of millions, driving displacement and exacerbating risks of conflict. Furthermore, ensuring access to renewable energy for more than 750 million people who currently lack access to electricity is a precondition for poverty reduction, economic growth and employment as well as education, gender equality and health. With a strong comparative advantage in governance and poverty reduction and a demonstrated ability to work in complex multi-stakeholder partnerships, UNDP plays an important role in accelerating nature, climate and energy policy areas.

¹ UNDP operates with four funding windows allowing donors to softly earmark funding yet in a structured way with annual reporting on each window.

Nature, climate and energy will therefore be a new key priority with particular focus on UNDP's work to support countries in the implementation of their climate commitments, accelerating the expansion of access to renewable energy, and strengthening climate adaptation efforts and resilience.

UNDP's administrator is co-chair of the UN Energy Group and UNDP has the largest UN portfolio on nature, climate and energy. UNDP's interventions on climate cut across its six signature solutions, and aim to put the environment at the heart of national economies, development and fiscal planning. It includes UNDP's signature solution on energy, under which it aims to increase access to clean and affordable energy for 500 million people.

UNDP has also set up the Energy Access and Green Productive Use of Electricity Financing Facility, with the potential to leverage over USD 1 billion in private sector investments. A recent [evaluation of UNDP's energy portfolio](#) (2018-2021) confirmed UNDP's important role in the energy field.

UNDP's 'Climate Promise', which is the world's largest source of support for nationally determined contributions (NDCs) under the Paris Agreement in more than 120 countries is linking the combined expertise of over 35 partners, including leading United Nations development organizations, the World Bank and the ILO. UNDP is also working closely with United Nations Environment Programme (UNEP), the International Union for Conservation of Nature (IUCN) and building on UNDP's lessons learned and expertise from implementing the Global Environment Fund (GEF).

This priority area and UNDP's convincing work on this thus aligns well with the objectives of Denmark's Strategy for Development Cooperation, 'The World We Share', on climate action and renewable energy access. Firstly, strengthening action to support climate adaptation and resilience contributes to reducing poverty and inequality, and promotes sustainable green economies and jobs, thereby increasing social cohesion and addressing root causes of migration. Secondly, ensuring access to renewable energy is a precondition for poverty reduction, economic growth and employment as well as education, gender equality and health, and contributes to achieving climate targets.

UNDP already works closely with IRENA, Sustainable Energy for All, and the Global Climate Fund under the Climate Investment Platform. In addition, UNDP will be encouraged to work closely with the multilateral development banks to ensure a more commercial link and up-scaled impact from UNDP's work. UNDP should also further strengthen cooperation with UN organizations such as the UNHCR in relation to increasing climate adaptation in areas with a high proportion of refugees. In addition, UNDP will be motivated to collaborate with Danish-supported international organizations and think tanks such as World Resources Institute and the Global Green Growth Institute as well as EU's new Team Europe Flagship projects.

Funding will be provided to UNDP's thematic funding window for 'nature, climate and energy' the purpose of which is to 'support the creation of a virtuous cycle of healthy ecosystems through their protection, restoration, and sustainable management; address climate change through ambitious and accelerated action, with resilient approaches; and promote transition from predominantly fossil fuels to more sustainable energy systems, by making more accessible and affordable.'

Priority Area 4: Organisational effectiveness contributing to UN reform, curbing corruption and leveraging innovation

As the Danish requirements relating to reporting, audit, monitoring & evaluation, fraud and counter-terrorism will be outlined in a Multilateral Partnership Agreement between Denmark and UNDP, this section has a focus on additional efforts to enhance organisational effectiveness and efficiency.²

Denmark will follow UNDP's continued efforts to combat corruption and address financial irregularities on an ongoing basis through dialogue with UNDP and the Executive Board. Denmark will encourage continued transparency in terms of ongoing financial investigations and concluded cases and will assess anti-corruption efforts during midterm reviews and UNDP's efforts to fight corruption and financial irregularities will be reviewed on an annual basis and uploaded on MFA's dedicated anti-corruption website for multilateral aid.

Denmark expects UNDP to continuously enhance organisational effectiveness; engage in joint actions spanning analysis, planning and delivery; curbing all forms of corruption; strengthening results-based monitoring system; and leveraging the potential of innovation; addressing climate change and reducing its programmatic carbon footprint; and ensure continued, constructive engagement in the implementation of UNDS reform and that UNDP, as part of the UN System, continuously reforms to be fit for purpose and able to reflect emerging challenges.

To achieve this, Denmark expects UNDP to have a capable, professional and ambitious leadership who can set out a clear direction for the organisation and that UNDP works towards attracting, retaining and deploying sufficient, diverse and highly qualified staff.

In line with UN development and Resident Coordinator system, Denmark expects UNDP to continue to work closely with UN partners as part of the UN Country Team and other actors including governments (national and local) to build and ensure well-aligned national and local ownership, cooperation with civil society organisations, other development partners, the international financial institutions, and the private sector to achieve shared objectives. Denmark expects UNDP to deliver on its ambition to build partnerships that generate shared value, transform systems, empower local actors and leverage digital platforms.

In particular, Denmark expects UNDP to strengthen localization through partnering with national and local actors, including civil society organizations, whenever possible. In line with the One UN approach, Denmark expects UNDP to help ensure coherence and complementarity with several other UN agencies – especially given its size and strong country presence.

Denmark has supported UNDP's Innovation Facility since 2014 as the main donor. In 2019, Denmark and UNDP agreed to transition UNDP's Innovation Facility to focus on 'deep system transformation' following five years of focus on rapid, small-scale experimentations. This entails building capabilities in UNDP to understand and support a permanent system transformation logic.

² According to the Ministry of Foreign Affairs' Guidelines for Management of Danish Core (including Soft Earmarked) Support to Multilateral and International Organisations all Organisation Strategies must include a priority area that addresses the organisation's effectiveness, including institutional reform processes, adaptive management, efforts to combat corruption and misuse of funds and sexual exploitation and abuse.

The Innovation Facility supports UNDP country offices to go beyond siloed interventions and deploy a system transformation logic to better understand and more coherently intervene in complex development issues facing countries e.g. from trust in institutions to transitions towards circular economies. UNDP's strategic plan identifies strategic innovation as one of three key crosscutting enablers to accelerate and scale results across signature solutions and Denmark expects UNDP to deliver on this. The funding for the Innovation Facility will be provided as soft earmarking.

UNDP has established a [Prevention and Response to Sexual Misconduct](#), and allocated resources for implementing the action plan through appointing Protection from Sexual Exploitation and Abuse (PSEA) focal points in country offices. The UNDP Executive Board receives annual reports on this enabling Denmark to follow this closely.

5. Danish approach to engagement with the organisation

Doing Development Differently (DDD) constitutes Denmark's ambition to improve synergies between Danish multilateral and bilateral cooperation, use all the tools in the toolkit, including humanitarian, development, peacebuilding and climate related instruments, break down siloes and strengthen collective outcomes, improve monitoring of results as well as learn from best practices. Denmark's engagement with UNDP will be based on the principles of DDD.

This entails firstly, aiming towards a more holistic approach to and use of Denmark's development instruments, including ensuring stronger cohesion between Danish missions and Copenhagen, multilateral and bilateral development assistance and various partnership instruments. Secondly, striving towards an adaptive approach with an increased emphasis on more effective use of lessons learned and available resources. These principles suggest opportunities for new programme synergies that are based on a more holistic and integrated model of development that addresses emerging challenges when creating more conducive conditions for desired development outcomes.

The biggest Danish bilateral engagements with UNDP include the Sahel countries, Horn of Africa, Syria, Iraq, Afghanistan and Ukraine and multi-bilateral cooperation synergies with respect to these countries will be reinforced.

Denmark will also continue to support UNDP's Innovation Facility that analyses challenges within local contexts to identify connections and patterns in search of new ways to address 'wicked development challenges' thereby enabling UNDP and supported countries to continuously innovate and adapt.

Based on the priorities specified above, Denmark will continue to pursue an open and constructive dialogue with UNDP through its Permanent Mission in New York supported and informed by the internal contact group. Annual High-Level Consultations are used to assess and follow-up on the cooperation over the past year and to discuss the way ahead.

Denmark will track results via UNDP's Integrated Results and Resources Framework (IRRF) with particular attention to the delivery of the results related to the four priority areas (refer annex 2).

Another important platform for dialogue is the UNDP Executive Board meetings, where Denmark engages actively, even in years when not a formal member (but observer). Denmark will continue to cooperate closely with the Nordic countries and other like-minded countries, including via the Western Europe and Other Group (WEOG) through regular coordination meetings prior to important discussions and decision-making. These modalities will be further outlined in the Multilateral Partnership Agreement between Denmark and UNDP.

The engagement through dialogues with UNDP extends to the regional and country level (including the UNDP Nordic Office in Copenhagen), where Danish representations and MFA departments engage the organisation in discussions around its programming as well as its advocacy work. Efforts are made to facilitate information sharing among the different layers at which the MFA is engaging with UNDP (New York, Copenhagen and Danish representations at country-level), a.o. through the internal contact group, which meets regularly to discuss issues pertaining to Denmark's collaboration with UNDP. In order to continue to strengthen coherence and synergies between various types of support (i.e. multilateral support and bilateral support as well as among Danish support for various multilateral organisation), periodic meetings with relevant MFA focal points as well as focal points engaging with UNDP via bilateral programmes will be held. In addition, feedback loops and quality assurance will be reinforced through the contact group when entering new bilateral partnerships.

6. Budget

Denmark remains a long-term and committed partner of UNDP and will continue to provide reliable and predictable funding. Denmark combines core funding with softly earmarked funding for two of UNDP's well-established funding windows: (1) Governance, Peacebuilding, Crisis and Resilience [and as a new area (2) Nature, Climate and Energy based on Denmark's increased support for international climate work]. Also, the Innovation Facility will continue to receive earmarked Danish funding. Earmarked funds will follow Danish government priorities. Finally, Denmark is projecting to provide DKK 15-20 million per year in funding for human resources, which includes the secondment of technical experts (e.g. JPOs and Senior Advisors) at both HQ and field level to support development activities of UNDP in line with the priority areas agreed upon between UNDP and Denmark.

Danish contributions (core, soft earmarked and personnel) to UNDP 2022-2025**

Funding as stipulated in the Danish draft Finance Act for 2023 (DKK million)	Finance Act code	2022* *	Planne d 2023*	Planne d 2024*	Planne d 2025*
Total core incl. soft earmarked funding hereof:	§06.36.01.10				
Core funding	§06.36.01.10	150	150	150	150
Soft earmarked: Thematic funding window on Governance, Peacebuilding, Crisis and Resilience	§06.36.01.10	185	185	185	185
Soft earmarked: Thematic funding window on Nature, Climate and Energy	§06.36.01.10	N/A	***		
Soft earmarked: Innovation Facility	§06.36.01.10	15	15	15	15
Personnel support	§06.36.06.16	15-20	15-20	15-20	15-20
Total contribution (core, soft earmarked and personnel support)			370	370	370

* Subject to annual parliamentary approval. Core incl. soft earmarked contributions follow multilateral guidelines.

**2022 contributions were granted as part of the UNDP organisation strategy 2018-2022.

*** These additional funds are pending the finalisation of the Finance Act 2023 and onwards.

7. Risks and assumptions

The 2021 MOPAN report proposed a number of areas for improvement (UNDP's responses are inserted after each area):

- UNDP's dependency on a small group of core donors combined with uneven resourcing across priority areas and partners have created an imbalance in resources across UNDP's strategic priorities and constitute a strategic and reputational risk: UNDP will communicate more persuasively about the use and impact of core funding as well as provide more visibility of core donors in order to attract more core funding.
- UNDP's organizational structure, processes and people still primarily reflect its traditional role as service provider: Project approaches are still preferred by partners. Nonetheless, UNDP will improve staff skills for improved system and portfolio thinking.
- Gap between HQ policies and country-level programming and decision making: A new Integrated Work Plan will better link and facilitate the implementation of the strategic plan across the organisation.
- UNDP's Results Based Management (RBM) systems insufficiently steer and aggregate results at the global level: A new Enterprise Resource Planning system will link a number of platforms and business processes and better align resources with results and lessons learned for future policies and programming.
- Need to assure more effective, relevant, efficient and sustainable development results: UNDP will adapt a more country-focused RBM approach to improve its operation.
- Too many UNDP interventions remain fragmented, scattered across too many themes and areas, and are insufficiently geared towards upstream policy making and capacity strengthening: UNDP will create systems to better manage and co-ordinate interventions.
- UNDP needs to better integrate the lessons from evaluations of past interventions and apply these systematically: UNDP has developed a strategy to strengthen its evaluation function, which will be discussed by senior management quarterly.

Based on UNDP's own assessment of risk associated with the implementation of the strategic plan, it will scale up impact and results, including through:

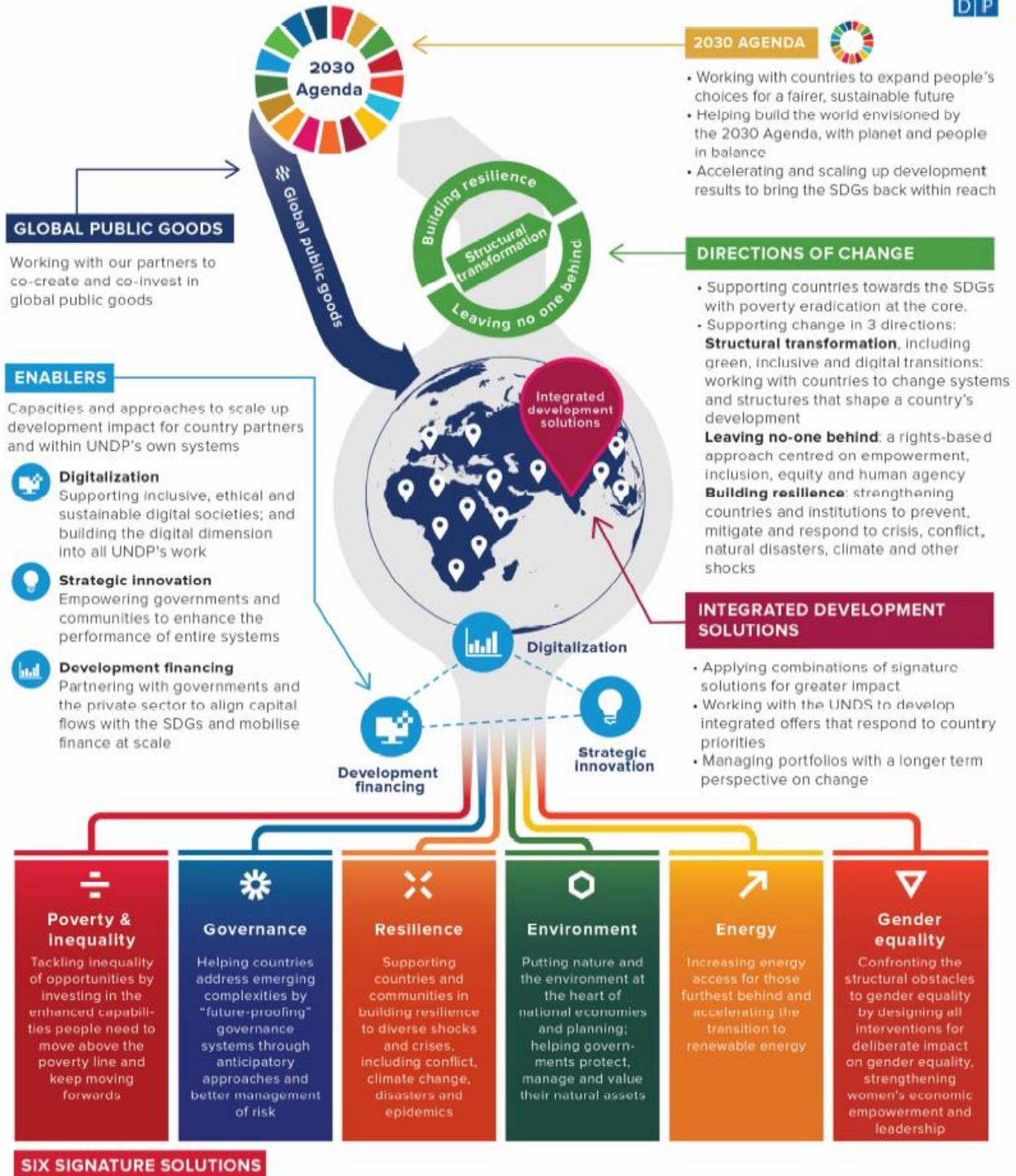
- Country-level support tailored to the unique context and responsive to national needs.
- Building on the 'enablers': digitalization, innovation, development finance.
- More strategic partnerships with wider range of actors.
- Working towards systems transformation (solving complex development puzzles with partners, not looking for one-off solutions).
- Collaborating with UN system partners to deliver coherent, integrated support and maximise collective results (UNDS reform in practice).
- Improving and upgrading its corporate management systems to enhance results-based management.

It is assumed that UNDP will manage to sufficiently mitigate the above areas and thereby remain sufficiently agile to deliver. During both Executive Board meetings and bilateral consultations these issues will be pursued.

An additional risk is the pressure on and potential political obstacles to UNDP's work on democratic governance and rights: This will be mitigated by a continued focus on this during Executive Board meetings, bilateral consultations and especially when approving new UNDP country programmes.

Annex 1: UNDP's strategic plan 2022-2025 at a glance

UNDP Strategic Plan 2022-2025 at a glance



- Where country demands are greatest
- Focusing on UNDP's strongest capabilities and role within the UN system
- Refining and developing the signature solutions for greater impact and scale

Annex 2: Results selected from UNDP's results framework

Denmark will track results via UNDP's Integrated Results and Resources Framework (IRRF) with particular attention to delivery of results related to the four priority areas:

Governance

Result	Indicator	Reporting countries	2021	2022	2023	2024	2025
			Baseline	Milestone	Milestone	Milestone	Target
2.4 Democratic institutions and processes strengthened for an inclusive and open public sphere with expanded public engagement Contributing especially to Outcome 2: No one left behind	2.4.1 Number of countries with: <i>(Cooperation with UNICEF, UN Women)</i>						
	a) constitution making processes with mechanisms for civic engagement	23	2	3	4	6	7
	b) Electoral Management Bodies with strengthened capacity to conduct inclusive, peaceful and credible elections	33	0	2	4	8	15
	c) parliaments with improved capacities to undertake inclusive, effective, and accountable law-making, oversight and representation	28	1	4	6	7	10
	NOTE Rating scale at country level: 0 = Not in place, 1 = Work started, 2 = Work in progress, 3 = Work almost complete, 4 = In place						
	2.4.2 Number of voters registered (millions):						
	a) Female	21	106	110	119	123	125
	b) Male	20	114	118	123	127	128
	2.4.4 Number of new people registered with legal identity (millions): <i>(Cooperation with UNFPA, UNICEF)</i>						
	a) Female	5	5,4	6,3	7,0	7,8	8,5
	b) Male	5	5,2	6,1	6,9	7,6	8,4
	2.4.5 Number of regional, national and sub-national initiatives, policies, and strategies to protect and promote: <i>(Cooperation with UNFPA, UN Women, WFP)</i>						
	a) Civil society to function in the public sphere and contribute to sustainable development	24	95	169	195	212	235
	b) Inclusive spaces, mechanisms and capacities for public dialogue	22	49	111	128	134	149
	c) Access to reliable information on issues of public concern	20	52	67	96	115	139

Resilience

Result	Indicator	Reporting countries	2021	2022	2023	2024	2025
			Baseline	Milestone	Milestone	Milestone	Target
3.3 Risk informed and gender-	3.3.1 Number of people benefitting from jobs and improved livelihoods in crisis or post-crisis settings (millions):						

<p>responsive recovery solutions, including stabilization efforts and mine action, implemented at regional, national and sub-national levels</p> <p>Contributing especially to outcome 3: Resilience building</p>	<i>(Cooperation with ILO, WFP)</i>						
	a) Female	37	4,1	4,8	2,2	2,2	2,1
	b) Male	36	9,9	5,3	2,5	2,5	2,5
	NOTE This indicator is reported on an annual basis and is not cumulative.						
	3.3.2 Number of people benefitting from improved infrastructure for recovery in crisis or post-crisis settings (millions):						
	<i>(Cooperation with WFP)</i>						
	a) Female	16	1,4	1,3	0,4	0,3	0,2
	b) Male	15	1,4	1,2	0,3	0,3	0,2
	NOTE This indicator is reported on an annual basis and is not cumulative.						
	3.3.3 Number of institutions with gender-responsive resilient recovery strategies or plans in crisis and post-crisis settings, including stabilization and mine action, informed by joint assessments:						
	<i>(Cooperation with UNICEF, WFP)</i>						
	a) Cross-border institutions	3	1	1	3	5	8
	b) Regional institutions	1	3	10	11	11	11
	c) National governments	8	38	48	54	56	59
d) Sub-national governments	8	43	197	209	218	221	
e) Private sector	1	4	14	89	89	134	
f) CSO/NGOs	5	0	15	16	17	18	

Environment

Result	Indicator	Reporting countries	2021	2022	2023	2024	2025
			Baseline	Milestone	Milestone	Milestone	Target
<p>4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods</p> <p>Contributing especially to outcomes 1: Structural transformation</p>	4.1.1 Number of people directly benefitting from initiatives to protect nature and promote sustainable use of resources (millions):						
	<i>(Cooperation with UNEP, WFP, WHO)</i>						
	a) Female	58	2,0	3,2	3,8	4,2	4,5
	b) Male	57	2,1	3,3	3,8	4,2	4,4
	4.1.2 Natural resources that are managed under a sustainable use, conservation, access, and benefit-sharing regime:						
	<i>(Cooperation with FAO, UNEP, UNICEF, WFP, WHO)</i>						
a) Area of terrestrial and marine protected areas created or under improved management practices (million hectares)	50	129	146	150	154	155	
b) Number of shared water ecosystems (fresh or marine) under new or improved cooperative management	NA	19	20	22	26	30	

Innovation

Result	Indicator	2021	2022	2023	2024	2025
		Baseline	Milestone	Milestone	Milestone	Target
<p>1.3 Cutting-edge strategic innovations and digital solutions cultivated for policy and programming</p>	1.3.1 Percentage of new country programme documents that incorporate digital by default	NA	10%	50%	75%	100%
	1.3.2 Number of datasets stored in the Data Catalogue	0	3	5	10	15
	1.3.3 Number of the Accelerator Lab learning challenges addressed in partnership with:					
	a) United Nations entities	50	50	50	50	50
	b) Private Sector	100	100	100	100	100

	c) Civil Society Organizations (CSOs)	100	100	100	100	100
	d) Local Government	150	150	150	150	150
	e) Academia	40	40	40	40	40
	1.3.4 Number of country level digital assessments and surveys conducted	7	23	45	60	79
	1.3.5 Number of personnel trained in:					
	a) Digital competencies	NA	200	660	1,320	1,800
	b) Data literacy	100	200	600	1,000	1,500
	c) Complexity, system transformation and portfolio capabilities	100	300	400	450	500