

Minutes from meeting in the Council for Development Policy 31 October 2017

Present:

- Members: Professor Emeritus Georg Sørensen, University of Aarhus (Chair)
Vice Secretary-General Tania Dethlefsen, The Danish Family Planning Association (vice chair)
Director Jan Laustsen, The Danish Agriculture & Food Council
Head of Projects Tine Bork, SMEdenmark
Partner Marina Buch Kristensen, Nordic Consulting Group
Senior Researcher Lars Engberg-Pedersen, Danish Institute for International Studies
Associate Professor Michael W. Hansen, Copenhagen Business School
General Secretary Birgitte Qvist-Sørensen, DanChurchAid
Director Mads Bugge Madsen, The LO/FTF Council
- MFA: Morten Jespersen, Under-Secretary for Global Development and Cooperation
Nicolaj A. Hejberg Petersen, Head of Department for Technical Quality Support
Signe Winding Albjerg, Deputy Head of Department for Development policy and Finance
Frank Rothaus Jensen, Chief Adviser, Department for Technical Quality Support
Mette Brink Madsen, Administrative Officer, Department for Technical Quality Support
- Agenda item 2: Ambassador Mette Knudsen, Deputy Head of Mission Henrik Larsen, Deputy Head of Mission Nina Berg, Programme officer Anne Nyaboke Angwenyi and Special Adviser Signe Fischer Smidt, Embassy Nairobi
- Agenda item 3: Ambassador Mette Thygesen, Deputy Head of Mission Anne Maria Madsen Special Adviser Åge Sandal Møller and Head of Section Mads Holm, Embassy Addis Ababa
- Agenda item 4: Head of Department Henriette Ellermann-Kingombe and Chief Adviser Nicolai Steen Nielsen, Department for Multilateral Cooperation and Climate
- Agenda item 5: Head of Department Anders Tang Friborg and Special Adviser Astrid Folkmann Bonde, Department for The Middle East and Northern Africa
Esben Bruhn Skivild, Danish Consulate General Istanbul
- Agenda item 6: Head of Department Stephan Schønemann, Chief Adviser Thomas Thomsen, Chief Adviser Jakob Rogild Jakobsen and Head of Section Mathias Schmidt Nielsen, Department Humanitarian action, migration and civil society

Agenda item no. 1: The process for programming the additional funds

For information

(Department for Development policy and Finance, UPF)

The Under-Secretary for Global Development and Cooperation informed the Council that all programmes on the agenda for the meeting would be financed from funds that will be transferred to the development assistance managed by the Ministry of Foreign Affairs later in the year as a consequence of the reduced in-donor refugee costs throughout 2017.

At the time of preparing the 2017 Finance Act, it was estimated that Denmark would receive 10,000 refugees in 2017 and DKK 2.7 billion was budgeted as part of Denmark's development assistance to cover in-donor refugee costs. As the number of refugees has been significantly less than estimated, the associated in-donor refugee costs will also be significantly lower. As a consequence of the new regulation mechanism for development aid, which aims to ensure that Denmark meets the 0.7 target, the difference between the estimated and the actual in-donor refugee costs will be transferred (Aktstykke) to the development aid budget administered by the Ministry of Foreign Affairs in the 4th quarter. These funds will be committed to new activities before end of 2017. Based on the 3rd quarter budget follow-up, the amount to be transferred is DKK 2.148 billion. This is slightly higher than expected, which means that some of the amounts of the programmes discussed by the Council at the meeting will be increased. This would not affect the substance of the programme and thus would not need another discussion by the Council. The programme proposals on the agenda for this meeting amounted to approximately DKK 1.3 billion. Other programmes to be funded from the 2.148 billion was discussed at previous meetings or would not require Council discussion. It is the Government's wish that the vast majority of these funds should be used in the countries and regions affected by conflicts and crises, addressing the underlying causes for and consequences of protracted crises, droughts, migration and population growth.

As these funds are not yet available to the Ministry, it has been not possible to follow the normal process for programming of development assistance, including the publishing of proposals on the Ministry homepage prior to the Council's meeting. Despite an accelerated process, efforts have been made to stay as close as possible to normal programming procedures, including this presentation to the Council. Development specialists have been involved in the preparation and early inception reviews have in some cases been included to ensure quality checks before full-scale implementation.

The Council found it important to ensure adequate learning and stocktaking from these initiatives. The Council also raised a general concern about the lack of a more complete programme and risk analysis.

Agenda item no. 2: Embassy Nairobi

For discussion and recommendation to the Minister

2.a: Pro-poor access to and management of water resources in the refugee-hosting areas and arid and semi-arid lands of Kenya

DKK 100 million

Summary:

The Water and Livelihoods Programme aims to improve livelihoods in refugee camps and host communities through improved access to water and other services. The Programme provides an opportunity to integrate long-term development and humanitarian support. By integrating service delivery and enhancing self-reliance opportunities, and building the capacity of local authorities to deliver such services, refugees and their host communities will benefit from a more favourable environment, increasing their livelihoods opportunities sustainably, and decreasing the incentives for irregular secondary movements. The development engagements will be incorporated into the Kenya Country Programme under the Green Growth and Employment Thematic Programme. Key interventions will include enhancing access to water and sanitation services; improved water resource management; and expanding economic opportunities for both refugees, host communities and other local communities in ASAL areas of Kenya.

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

The Council found the programme relevant with relatively solid documentation, not least in light of the brief time that had been available to prepare it.

The Council found that the programme would support two more SDG's than those indicated on the cover page, namely the SDGs for peace and gender. The Council also found that the pro-poor and gender related objectives of the programme could be better reflected in the results framework and that baselines could be more ambitious since some of these had a 2010 starting point.

The Council asked how the programme will handle the issue of integration in a situation where refugees are not permitted to work (due to encampment policy), and how this could affect implementation. The Council also noted that there were capacity challenges in the Water Sector Trust Fund and requested further clarification on how these would be addressed.

The Council noted the Kenyan Government's considerations regarding the possible closure of the Dadaab camp and suggested this reflected in the risk assessment. Similarly, it was pointed out that the risk assessment could also reflect the risks of water-related conflicts between refugees and hosting communities in an area where water is scarce and difficult to access. Regarding the engagement with the World Bank, the Council underlined the risks involved if attempts were made to speed up the implementation before structures were in place. The Council asked whether management structures were in place to ensure Denmark's monitoring of and influence on the engagement with the World Bank.

The Council noted that it was difficult to see how these engagements would fit within the existing Green Growth and Employment Programme in the Kenya Country Programme. The Council asked how the Small Medium Enterprises and the private sector would be involved in the livelihood programme. The programme document underestimated that the large influx of IDPs will have severe consequences for sizes of clans and political structures. This needs to be addressed as a risk.

The Embassy acknowledged that the programme had been prepared within a short time period. In recognition hereof, the Embassy had incorporated a substantial inception period and review mechanism to further detail and improve the results framework and baselines as well as risk assessments. The pro-poor objective would be included as it was prominently included in the documentation in general, including the World Bank project document. The early starting point for the baselines was due to the attempt to harmonise these with baselines of the existing Country Programme.

The Embassy underlined the importance of the cooperation with the government in implementing the engagements and the use of a holistic approach especially in the World Bank engagement. This was not least important in the attempt to remove structural challenges such as refugees not being allowed to work outside the camps. The Embassy informed the Council that the closure of Daadab was not as imminent as previously thought. It was pointed out that the Government of Kenya had recently requested to join the Comprehensive Refugee Response Framework (CRRF). In addition, the support by central government as well as Turkana county government to the establishment of the integrated settlement camp in Kaloybei was a positive indication of reconsideration of the future response to the refugee situation through new development/humanitarian approaches.

The Embassy agreed that it would be important to allow the World Bank to establish the proper structures to ensure a full participatory approach to planning and implementing activities. On the other hand, it would be equally important to create tangible results and change on the ground within a reasonable amount of time for communities to become included and influence these new approaches.

The Embassy explained that Denmark would be fully informed about the progress of the World Bank project through regular reports and through participation in the National Steering Committee as well as through field monitoring. The Embassy emphasised that the success of this engagement would provide Denmark with an opportunity to show good results and opportunities from implementing the new integrated development-humanitarian approach.

The Chair concluded that there was broad support for the programme in the Council; but requested that the concerns raised by the Council were taken into account.

2.b: Fighting the consequences of conflict, drought and refugee flows: increasing resilience in Somali communities

DKK 100 million (at the time of the meeting, the amount was expected to be DKK 70 million)

Summary:

The proposed programme pursues a development approach to the challenge of forced displacement in Somalia that remains a challenge addressed through ad-hoc humanitarian relief interventions despite its repeated occurrence during decades of civil war and reoccurring droughts. Through the development of area action plans based on expressed community needs in hotspots of displacement, Danish Refugee Council will provide humanitarian assistance; but with elements of development in the form of resilience programming, social safety nets and diversification of livelihoods. The programme will engage with authorities at local, federal state and national level to ensure the formulation and implementation of long-term durable solutions for displaced, returnees and host communities. A research and knowledge management component that will include intention surveys of returnees and IDPs and real time data will inform programming of both DRC and other partners. The programme will provide Denmark with a platform to promote durable solutions and the application of the CRRF process at a national level in Somalia.

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

The Council welcomed the programme that was considered relevant with a good management set-up and opportunities for generating interesting learning.

The Council asked whether other donors would be contributing funds to the programme and whether the presented total budget of 150 million DKK could be adjusted to the requested 70 million DKK grant, if necessary. The Council suggested that the documentation would benefit from a better analysis and inclusion of gender aspects, including activities on Female Genital Mutilation (FGM). The Council asked whether an appraisal had been conducted and underlined the need to improve some indicators. The Council enquired about DRC's administration costs. The Council asked about the cooperation with the Somali authorities, and whether they are present in the areas of intervention. The Council asked whether it is possible to work on issues of land ownership in Somalia. The council asked for an evaluation of the first phase of the programme and questioned whether DRC could manage the relatively large scale-up of funds.

The Embassy confirmed that the proposed budget exceeds the grant requested. The programme has been shared with several donors, including DFID who funded the first phase, and the Embassy is confident that more donors will join the programme. However, should this not be the case, DRC will adjust the log-frame and budget accordingly. The Embassy underlined that the programme is holistic; but agreed that certain elements such as gender, health and education including FGM could be further developed and incorporated. In terms of services focus will be on humanitarian aid, cash and livelihoods. An important element of the programme will be the development of a referral system to other services. The Embassy agreed that the intervention logic could be improved. This will be done by DRC with support from the Third Party Monitoring unit and relevant departments in the Ministry. During this process, the budget will be updated and quality assured. As for administration costs, the Embassy shared that these

naturally will be affected by high expenditures for security. The Embassy is planning an inception mission within the first 3-6 months of project implementation.

In relation to the concerns on cooperation with national and local authorities and potential conflict around land-ownership, the Embassy emphasised that the programme will engage with concerned authorities and stakeholders at local and national level to address these and other problems. Geographically, the programme will target the two states of South West and Jubaland where the relevant authorities will be involved. Many of the suggested activities are interventions with local authorities i.e. police, courts, elders, whom all are crucial to target when working in the suggested locations. The Embassy shared the Council's concerns regarding land ownership and assured the Council that this will be addressed.

The Chair concluded that there was broad support for the programme in the Council. The recommendations made by the Council covered: a better inclusion of SDG 5 on gender into the programme, encourage DRC to get more donors to support the programme, elaborate on the capacity of the various government authorities targeted under the programme and on the presence of state actors outside of Mogadishu. In addition, the Chair pointed to the different contexts of the suggested areas of interventions, the relatively large increase of funding compared to the pilot phase and the need for increased focus on possibilities for employment.

Agenda item no. 3: Embassy Addis Ababa

For discussion and recommendation to the Minister

3.a: Rollout of Ethiopia's nine pledges under the Comprehensive Refugee Response Framework (CRRF)

DKK 85 million

Summary:

Currently, Ethiopia hosts more than 880,000 refugees from the neighbouring countries, mainly South Sudan, Somalia, and Eritrea. The objective of the Thematic Programme (three years, 2018-2020) is to contribute to the implementation of the pledges made by the Ethiopian Prime Minister in September 2016 under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country. Through one development engagement with UNHCR, the Programme will focus on (1) improved access to secondary and tertiary education for refugees and host-communities, (2) increased ability to obtain civil status documentation for refugees supporting the right to work, access to social services, and economic opportunities, and (3) strengthening of key institutions to support the rollout of the CRRF for Ethiopia. The Programme enhances the coherence between humanitarian responses and development cooperation.

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

The Council found the Programme well prepared with interesting perspectives. Positive to see that Denmark will be amongst the first-movers in supporting the CRRF as a concept and more concretely the rollout of the CRRF for Ethiopia.

The Council agreed with the choice of focus areas in the Programme being education and documentation. In this regard, the Council noted that, although access to education was paramount, it was equally important to focus on retention and completion. It would be beneficial to reflect these areas in the indicators in the results framework. Further, the Council found that vocational training was an important element in creating opportunities for youth. The Embassy answered that it would seek to integrate retention and completion rates in the indicators and that other donors already were engaged in vocational training in some of the refugee camps and host-communities.

The Council acknowledged the significance of the increased ability to obtain civil status documentation for refugees and asked if this would help improve access to work-permits as well as the possibility to acquire land. The Embassy explained that the ability to access civil status documentation was a vital and first step in securing work-permits for refugees. However, the refugees would not be able to acquire land. However, as part of the pledges made by the Ethiopian Prime Minister, refugees would get access to the use of land in certain localities.

The Council underlined the importance of civil society being included in the governance structure of the CRRF for Ethiopia. This should also apply to groups representing refugees and host-communities respectively. The Embassy agreed with the importance of including civil society in the governance structure and explained that the technical working groups under the structure would include participation from civil society.

The Council found that sustainable solutions were essential. In this regard, it was important to strengthen the capacity within government institutions and structures. Further, the Council asked if experience gathering and learning across CRRF rollout countries would take place. The Embassy, explained that UNHCR will ensure that such experience gathering take place, including with a view of informing the preparation of the ‘Global Compact on Refugees’ in 2018. In this regard, it could be of particular interest focusing on the CRRF rollout countries in East Africa/the Horn of Africa.

The Chair concluded that the Programme was well prepared and justified. The Embassy was encouraged to ensure that civil society organisations and refugee groups be included in the governance structure for the CRRF where and when relevant. As pointed out, the Programme would benefit from a stronger focus on retention and completion rates for secondary and tertiary education and not only on accessibility in the results framework. Capacity building of government structures was also emphasised. The Chairman noted the importance of lessons learnt and/or evaluations across the CRRF rollout countries.

3.b: Ethiopia's Rural Productive Safety Net Programme, (PSNP)

DKK 50 million

Summary:

Ethiopia's Rural Productive Safety Net Programme (PSNP) supports approximately 8 million chronic food insecure households in rural Ethiopia. The PSNP further scales up during climate related shocks to assist temporary food insecure households. The beneficiaries receive food or cash transfers in exchange for participation in public works projects, such as rehabilitation of land and forests, construction of schools, health posts and roads, etc. based on community decisions. The proposed Danish support DKK 50 million will run from 2018-2020.

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

The Council found the Programme relevant and justified. The Council noted that the PSNP has been in place in Ethiopia for more than a decade and requested further information on evaluations and overall assessments of the programme. The Embassy presented some of the main achievements of the PSNP, including construction of schools, health posts and roads; delay in marriage for adolescent girls; increased school attainment and efficiency for particular girls; rehabilitation of degraded lands; and irrigations schemes. These activities had contributed to improved productivity, resilience, and livelihoods of many beneficiaries.

The Council found the aspect of capacity building of government institutions and structures could be better reflected in the programme document, including how it would lead to supporting the reform agenda in Ethiopia. The Embassy explained that the support includes capacity building of government institutions and structures through direct support to the relevant institutions implementing the PSNP. The Embassy underlined that PSNP is a national programme with strong ownership and commitment from the Ethiopian government. The reform agenda was described as a broader political agenda and was as such not directly related to the Programme.

The Council raised the question of cash vs. food transfers to food insecure households, and whether participation in public works projects under the PSNP would be required to receive food or cash aid. The Embassy answered that cash transfers was the preferred option; but that in cases where local markets do not function, food transfers could be considered. Further, the Embassy explained that participation in public works projects was a requirement for all able beneficiaries; but that pregnant and women with children under one year and disabled and elderly people were exempted from public works activities.

The Council found the identified risks of the Programme to be rated somewhat high. The Embassy explained that risk assessments were in line with the World Bank's assessments, but emphasised that discussions to revisit risk assessments were ongoing among donors.

The Chair concluded that the Council found the Programme relevant, well justified, and could recommend it for the approval of the Minister. In this regard, the Chairman highlighted the long perspective of the Programme and the strong local support to the Programme.

Agenda item no. 4: Multilateral Cooperation and Climate Change (MKL)

For discussion and recommendation to the Minister

4.a: Support to Education Cannot Wait (ECW) and UNICEF education activities in Burkina Faso, Niger, and Mali

DKK 170 million

Summary:

The proposed programme concerns a Danish contribution to Education in Emergencies with a total budget of 170m DKK for 2017-18. The proposed programme consists of two development engagements with multilateral partners: 1) Education Cannot Wait Fund (ECW), and 2) UNICEF education activities in selected countries in the Sabel area. Both engagements supported education in countries affected by conflict and fragility.

The Council for Development Policy recommended the Programme for approval by the Minister for Development Cooperation, with acknowledgement of the concerns raised by the Council.

The Council found the programme relevant and acknowledged the need to support education in emergencies. The programme will address important issues and represent a potentially good opportunity for learning more about education when applying the Hum-Dev nexus within the Ministry. The Council noted that the time available to develop the programme had been very short and that the documentation will benefit from updating after an inception period. Specifically the Council noted that there was no risk analysis included with the documentation and that completion rates ought to be one of the indicators included in the monitoring of the programme.

The Council expressed concerns over the proliferation of organisations and asked why the partner for this programme was ECW and not the Global Partnership for Education (GPE). The Council felt that it could be better explained how the ECW was functioning. The Council asked whether the ECW has the capacity to absorb and allocate such a large amount of funding and whether the current hosting arrangement with Unicef will have implications for the implementation of the programme. The council noted that the implementation period 2017-2018 seemed very short as we are already towards the end of 2017, and that vocational training could be a relevant intervention area.

MKL shared that the ECW and UNICEF were chosen because of their proven ability to deliver, as well as their explicit intention to work with a focus on the hum-dev nexus. Both organisations had a strategic drive to support education in areas aligned with the World 2030. UNICEF and ECW also included youth populations in their specific programmes. Furthermore, it was explained that the ECW can receive both development and humanitarian funds as opposed to GPE.

MKL explained that the hosting arrangement with UNICEF is temporary and based on a decision taken by interim directors over the summer of 2016. An ongoing hosting-review will provide

recommendations concerning permanent hosting. The MFA would like to see a solution that will bring ECW and GPE closer to each other in order to better pursue synergies. MKL shared that the ECW had already demonstrated capacity to allocate large amounts of funding. Most of the funding provided during the first year of operation has already been allocated; primarily to long-term crises and rapid onset disasters.

MKL shared that the risk analysis is work-in-progress, but a draft could be shared with the Council shortly. It was explained that if the ongoing strategy process did not produce the expected results, it would be a possibility to not pay out the second installment. MKL agreed that it would be desirable to include completion rates in the results framework.

The chair concluded that there was consensus among the council members that it was a relevant programme. Concerns remained over the allocation of a large sum of money for a programme with a short time horizon and the absence of a risk analysis. It was agreed that MKL will develop and submit a draft risk analysis to the Council (attached as Annex 1 to these minutes).

Agenda item no. 5: The Middle East and Northern Africa (MENA)

For discussion and recommendation to the Minister

5.a: UNDP Funding Facility for Expanded Stabilisation (FFES) in Iraq

DKK 135 million

Summary:

The UNDP Funding Facility for Expanded Stabilisation (FFES) in Iraq is an intermediate mechanism designed to quickly consolidate the gains made during immediate stabilisation by generating large numbers of jobs in newly liberated cities and stabilising the corridors between liberated districts. The focus of FFES is on the rehabilitation of large public institutions, including universities and public hospitals, which provide work for thousands of employees and incentivise families to remain in, rather than leave, areas liberated from ISIL. Priority is also given to repairing the sections of the transport, electricity, sanitation and agricultural corridors that link liberated cities. Denmark has a good record working with UNDP, the Government of Iraq and a broad range of others donors on immediate stabilisation in Iraq. The suggested support to expanded stabilisation efforts under the FFES will build on these experiences, and will align with the Danish priorities under the Regional Stabilisation Programme for Iraq and Syria. The project will be finalised by December 2018.

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

The Council welcomed the project proposal and acknowledged the substantial need for stabilisation efforts in Iraq post-ISIL. Stabilisation engagements are critical to facilitate the return of refugees and IDPs in areas liberated from ISIL. The Council found that the support would also contribute towards the SDG 16 to “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”.

The Council acknowledged the volatile political context and the scale of UNDP stabilisation efforts in Iraq. The Council found that the documentation on the framework for managing corruption cases under the FFES could be strengthened. The Council agreed with MENA's recommendation that there is a need for a strong UNDP team on the ground and that this should be raised with headquarters. A strong team is necessary to ensure that adequate mechanisms are in place to prevent corruption.

The Council pointed out that the support to stabilisation in Iraq cannot stand alone, and that political dialogue and reconciliation need to be integrated parts of the overall Danish support to Iraq. Moreover, the Council drew attention to the need for UNDP to pursue a gender sensitive approach in stabilisation, noting that large infrastructure projects rarely employs women.

MENA clarified that the international community had engaged in an intense political dialogue with the government of Iraq which demonstrated tendencies towards a more inclusive development. MENA noted that UNDP in Iraq has a strong track record in implementing stabilisation engagements and has established solid procedures to prevent corruption. However, there is room for improving the results framework and enhancing the dialogue with donors on results achieved under the FFES. MENA shared that, UNDP in Iraq currently is finalising a gender strategy aimed at guiding the work of the FFES in a more gender sensitive way, including how the FFES can better support women-led households. In addition, MENA and SSP are currently looking to support another UNDP-led project on reconciliation in Iraq.

The Chair concluded that the programme clearly involves a lot of risks; but also that the needs are evident and that it is better to act now than later. The documentation could have been stronger (one Council member found that the documentation was inadequate) and MENA should try to address the issues raised by the Council and pursue a stronger communication with UNDP on the implementation of the FFES. The Council recommended the programme for the Minister's approval.

Agenda item no. 6: Humanitarian Action, Migration and Civil society (HMC)

For discussion and recommendation to the Minister

Summary:

The three contributions submitted by HMC support refugees and their host communities by linking humanitarian action with a development response aimed at ensuring long-term sustainable solutions. Denmark's Strategy for Development Cooperation and Humanitarian Action (2017) has identified that in areas and countries of neighbouring crisis and conflict, Denmark will strengthen its assistance targeting internally displaced people, refugees and affected local communities and through strengthened protection and improved livelihoods, education and employment opportunities contribute to enabling vulnerable communities to pursue a life in safety and dignity without having to move on to other countries. In doing so, Denmark will also contribute actively to the efforts to break down silos across the humanitarian and development work in the EU, the UN system, the World Bank Group and in the OECD-DAC cooperation and lead by example. In this, Denmark will support innovative EU initiatives and World Bank efforts to provide long-term developmental assistance to states and local communities that receive large groups of refugees and internally displaced people. This strategic orientation is the basis for these three contributions.

6.a: Support to Global Concessional Financing Facility (GCFF)

DKK 337.1 million (at the time of the meeting, the amount was expected to be DKK 300 million)

Summary:

The GCFF is a flexible and innovative financing initiative that brings down the cost of borrowing for middle-income countries coping with a massive influx of refugees. The GCFF is managed by the World Bank and it supports projects in various sectors, provided they benefit both refugee populations and host communities, initially in Jordan and Lebanon.

6.b: Support to Global Programme on Forced Displacement (GPF)

DKK 65 million

Summary:

The GPF is a mechanism that helps develop a pipeline of initiatives in response to the increased World Bank commitment to address challenges related to refugees and affected host communities in low-income countries facing a significant displacement crisis.

6.c: Support to EU's Regional Trust Fund in response to the Syrian Crisis, the "MADAD" Trust Fund

DKK 150.7 million

Summary:

The Madad fund is the key EU Regional Trust Fund in Response to the Syrian Crisis and it supports the governments of the Lebanon, Jordan, Turkey, Iraq and Egypt along with other partners in enhancing access to basic services and improving infrastructure.

The Council for Development Policy recommended the three grant proposals for approval by the Minister for Development Cooperation.

The Council recognised that it is a Danish priority to develop more coherent humanitarian and development responses to protracted crises. In doing so, the Council underlined the need to include a comprehensive conflict analyses in these efforts and the relevance of Sustainable Development Goal (SDG) number 16 on Peace, Justice and Strong Institutions in the further development of the Danish engagement in the three projects. The Council requested more information on the avenues for Denmark to add value in these three partnerships with the World Bank and the EU.

The Council recognised the World Bank's analytical ability, also in the area of displacement and fragility. In view of the World Bank's increasing focus in this area, the Council requested more information about the World Bank's ability to make an operational difference at the local level and effectively coordinate, in particular in relation to the EU and UN entities. The Council also underlined the need for coordination between the GCFF and the Madad Fund, and between

these two initiatives and the EU-Turkey facility for refugees. It was further questioned why Denmark had to pay for World Bank core staff if the World Bank is serious about its engagement on displacements.

The Council further found that a more elaborate gender analyses and examples of women's participation could enhance the effectiveness of the initiatives, not least the Madad Fund. The Council suggested that creation of jobs for refugees should be a high priority in the continued involvement with the initiatives. The Council asked if the legal framework was in place to allow Syrian refugees to take jobs in for example Jordan, and about the strategic consideration behind the contribution to GPFD.

HMC responded that the World Bank is emerging as a key partner in the global response to fragility and displacement. The GCFF is a relatively new World Bank managed financing mechanisms, which has successfully opened the door to using concessional financing in a new way; one that incentivised initially Jordan and Lebanon to provide global public goods. The EUs Madad fund has also effectively implemented EUs priorities in the region. Both Madad and GCFF have proven to be coordinated and coherent in their responses to the Syrian refugee crises.

Denmark has advocated for and pushed the agenda for a New Way of Working and for more coherent approach to humanitarian action and development responses. Denmark actively promotes this agenda through normative work, e.g. in response to proposals for UN reform, as well as through operational collaboration with multilateral institutions at the country level. The World Bank's increasing role is a game-changer supported by Denmark, and the GPFD is seen as a particularly effective tool to further the agenda.

The Chair of the Council concluded that the Council had a positive assessment of the three contributions. The Council found that the GCFF and Madad were relevant investments; but recommended that gender analyses and job creation be considered as part of the priority areas for further Danish engagement in the three initiatives. The Chair further noted that the Council had highlighted the relevance of including SDG no 16 on Peace, Justice and Strong Institutions among the reference goals.

6.d: Regions of Origin Initiative – Afghanistan - Phase IV

DKK 300 million

Summary:

Phase IV of the Regions of Origin (ROI) Afghanistan will focus on providing access to protection and durable solutions for returning Afghan refugees and internally displaced persons (IDPs). This will be achieved through three engagements, which in combination will contribute to: a) inclusion of IDPs and returnees in local governance mechanisms through inclusiveness of Community Development Councils; b) a fair beneficiary selection process which can be taken to scale, contributing to solving the contested issue of land allocation in Afghanistan; c) successful reintegration of IDPs and returnees into their communities in urban and peri-urban areas by construction of 1,725 households in close proximity to livelihood opportunities; d) sustainable improvements to infrastructure and livelihood opportunities in displacement-affected communities strengthening host community absorption capacity. The proposed programme has a budget of DKK 300 million and is scheduled to run from 2018 to 2020.

The Council for Development Policy recommended the Regions of Origin Initiative phase IV to the Minister for Development Cooperation for approval.

The Council commended HMC for choosing an interesting and relevant mix of partners. The Council appreciated the intention of drawing on the experience and competencies of Danish NGOs. The Council asked, whether it would be a competitive call among NGOs and if it would include capacity building of local civil society. The Council noted the significant risks in the Afghan context, including programmatic risks regarding UN Habitat highlighted in the Desk Appraisal. The Council asked whether the Citizens' Charter Afghanistan Project would constitute the rural component of the efforts in relation to displacement. Young men are at risk of illicit livelihood and mixed migration and the Council noted that the programme was thin on youth. Finally, the Council noted the critical appraisal report and requested to receive a stocktaking note next year on progress regarding the engagement with UN Habitat.

HMC pointed out that the department has considerable experience and a well-developed procedure regarding competitive calls among NGOs. The NGO call in the programme will be targeted partners with a proven track record of delivering results in the Afghan context. This reflects the importance of an in-depth understanding of the context in order to operate successfully in Afghanistan. When it comes to capacity of local civil society, HMC pointed out that the call among NGOs also stressed capacity building and social mobilisation among CBOs.

HMC acknowledged that corruption is quite likely as it is endemic in the Afghan context. The Citizen Charter component is channelled through the World Bank trust fund and hence subject to its continuing financial scrutiny. In terms of NGO partners, it will be their track record and proven partnership with the Danish MFA that will be the most essential mitigating measure.

HMC stressed that the issues raised by the desk appraisal had been used actively in the dialogue with especially UN Habitat and that key points already had been accommodated in a satisfactory manner. As a further safeguard, the programme framework will include the possibility to redirect funding from UN Habitat pending achievement of significant milestones. It was also shared that the EU had decided to step in as the largest donor with a contribution of 16 million Euro, thus reflecting progress in programme documentation.

HMC confirmed that the initial focus of the Citizens' Charter Afghanistan Project would be on rural areas, as the urban component was not ready for additional funding.

The Chair concluded that the Council was supportive of the Regions of Origin Initiative phase IV and could recommend it for the Minister's approval. The Council recognised that Afghanistan is a difficult and risky country to work in, but also that it is necessary taking these risks. The Chair found that the requests for clarification regarding the NGO component had been answered satisfactorily. The Chair noted that there was agreement that a note on progress regarding the engagement with UN Habitat was to be made available to the Council in Q4 2018.