

Denmark – Mali

Country Policy Paper



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Tabel of content

1. INTRODUCTION: MALI - THE SECURITY AND DEVELOPMENT NEXUS.....	4
2. THE VISION: A STABLE MALI ENJOYING SUSTAINABLE PEACE AND ECONOMIC GROWTH.....	5
3. DENMARK IN MALI – INSTRUMENTS, KEY PARTNERS AND RESULTS.....	8
4. NATIONAL CONTEXT	9
4.1 Peace within reach.....	9
4.2 Weak democratic structures.....	10
4.3 Trapped in a circle of poverty	11
5. STRATEGIC OBJECTIVES FOR DENMARK’S PARTNERSHIP WITH MALI	12
5.1 Strategic objective 1 – Peaceful Co-existence, Stability and Security	12
5.2 Strategic objective 2 - Democratic and Inclusive Governance	13
5.3 Strategic objective 3 – Inclusive and Sustainable Economic Growth.....	14
6. RISKS AND SCENARIOS	15
7. MONITORING AND EVALUATION.....	17
ANNEX 1. KEY DATA.....	18
ANNEX 2. DENMARK’S BILATERAL DEVELOPMENT COOPERATION WITH MALI	19
ANNEX 3. OVERVIEW OF PROGRESS TOWARDS THE MDGS IN MALI	20

List of Abbreviations:

AU – African Union

ECOWAS – Economic Community of West African States

EU – European Union

EUCAP – European Union Common Security and Defence Policy Mission in Mali

EUTM – European Union Training Mission in Mali

MINUSMA - UN’s Multidimensional Integrated Stabilization Mission in Mali

MDGs – Millennium Development Goals

NGOs – Non-Governmental Organisations

SDGs – Sustainable Development Goals

UN – United Nations

UNSCR – United Nations Security Council Resolution



1. INTRODUCTION: MALI - THE SECURITY AND DEVELOPMENT NEXUS

Mali and the Sahel region have become of increased strategic importance to Danish and European foreign policy and security interests. The conflict in Mali is closely linked to the broader Maghreb-Sahara-Sahel region. Following the collapse of Libya, Sahel is only one border away from Europe. The combination of weak states with limited control of vast territories and borders and a power vacuum in Libya have enlarged the playing field for rebels, transnational organised crime, violent extremism and terrorism. The limited control of borders allows for increased irregular migration towards e.g. Europe, driven by wide-spread poverty and large numbers of young people looking for opportunities and employment. Since 2012, the United Nations Security Council has repeatedly stated that the situation in Mali constitutes a threat to global peace and security.

Mali appeared as the epicentre for the current crisis in the Sahel in 2011, when a Tuareg uprising spearheaded violent Islamic groups taking control of the northern part of the country – coinciding with a military coup in the capital Bamako. The groups were driven back by the French led military intervention Serval supported by i.a. Denmark. Recognizing the potential impact in the region and beyond, the crisis in Mali has been met with an unprecedented international response - politically, militarily and in terms of development assistance.

Mali is slowly recovering from the crisis. Democracy returned after general elections in 2013 and the country was presented with a historical opportunity for peace when the Malian government and the two coalitions of armed groups during May and June 2015 signed the Algiers Peace Agreement in the presence of the international community. **However, the situation remains fragile.** While state structures are in place in the Southern part of Mali large parts of Northern Mali remain outside state control and with few – but notable exceptions – armed conflict has played out in the North. Implementation of the complex peace accord will be challenging, and it must be anticipated that violent extremists and organised crime will continue to fuel the conflict.

Facing significant insecurity and being one of the poorest and least developed countries of the world, **a durable resolution of the crisis requires recognition of the inter-dependence between security and development.** Just like peace and security are the immediate preconditions for good governance, effective service delivery and economic growth; inclusive democratic governance and economic growth are the long-term prerequisites for sustainable poverty reduction and a durable peace.

It is in Denmark's strategic interest to continue our contribution to the stabilisation and development of Mali through a broad-based and comprehensive engagement. Denmark is a trusted partner in Mali, and has responded to the Malian crisis with flexibility and

commitment to bringing Mali back on the democratic development track. In this regard, Denmark has combined all instruments available in a comprehensive manner.

This policy paper provides an analysis of the political, social and economic context in Mali, and based on this presents three strategic objectives underpinning the future Danish-Malian partnership, namely: 1) peaceful co-existence, stability and security, 2) democratic and inclusive governance, and 3) inclusive and sustainable economic growth. The paper will be used as a guiding, strategic document for the entire Danish-Malian partnership, including the bilateral development cooperation.

2. THE VISION: A STABLE MALI ENJOYING SUSTAINABLE PEACE AND ECONOMIC GROWTH

The overall vision for Denmark's partnership with Mali is that the people of Mali enjoy sustainable peace and development, underpinned by an inclusive and legitimate state with respect for human rights.

To achieve the vision, **Denmark will expand and consolidate its comprehensive, integrated and strong partnership with Mali within three mutually reinforcing strategic objectives** in line with key Malian policy and development documents, including the Algiers Peace Agreement, Danish policy priorities related to addressing poverty and fragility, economic growth and irregular immigration, as well as key EU strategic documents and plans for Mali and the Sahel:

1. Promotion of peaceful coexistence and increased stability and security
2. Strengthened democratic and inclusive governance
3. Increased inclusive and sustainable economic growth

Recognising that political, security, social and economic progress is interdependent, the **integrated stabilisation approach for Denmark's engagement in fragile and conflict-affected areas will provide strategic direction during the pursuit of the overall vision.** It is a conflict sensitive whole of government approach that builds on Denmark's experiences in similar situations. It will help ensure the effective and balanced use of the instruments available, including development cooperation taking into account the cohesion of the country. The approach will serve to ensure policy coherence and joined up strategies within a regional perspective where relevant, while preserving the independence, neutrality and impartiality of humanitarian assistance. The approach will address key underlying drivers of conflict, irregular and forced migration and violent extremism etc. in the Malian context.

In pursuing the vision, a **broad range of diplomatic, political, military, humanitarian and commercial instruments as well as bilateral, regional and multilateral development**

cooperation will come into play under each strategic objective. Multiple instruments will be used simultaneously in a flexible manner, taking advantage of synergies across instruments. The aim will be to ensure that our relations continuously stay relevant and effective in a situation of changing national and regional dynamics. At the same time we will forge a partnership where Mali and Denmark will continue to pursue joint political agendas internationally and regionally, as has been the case e.g. on countering violent extremism.

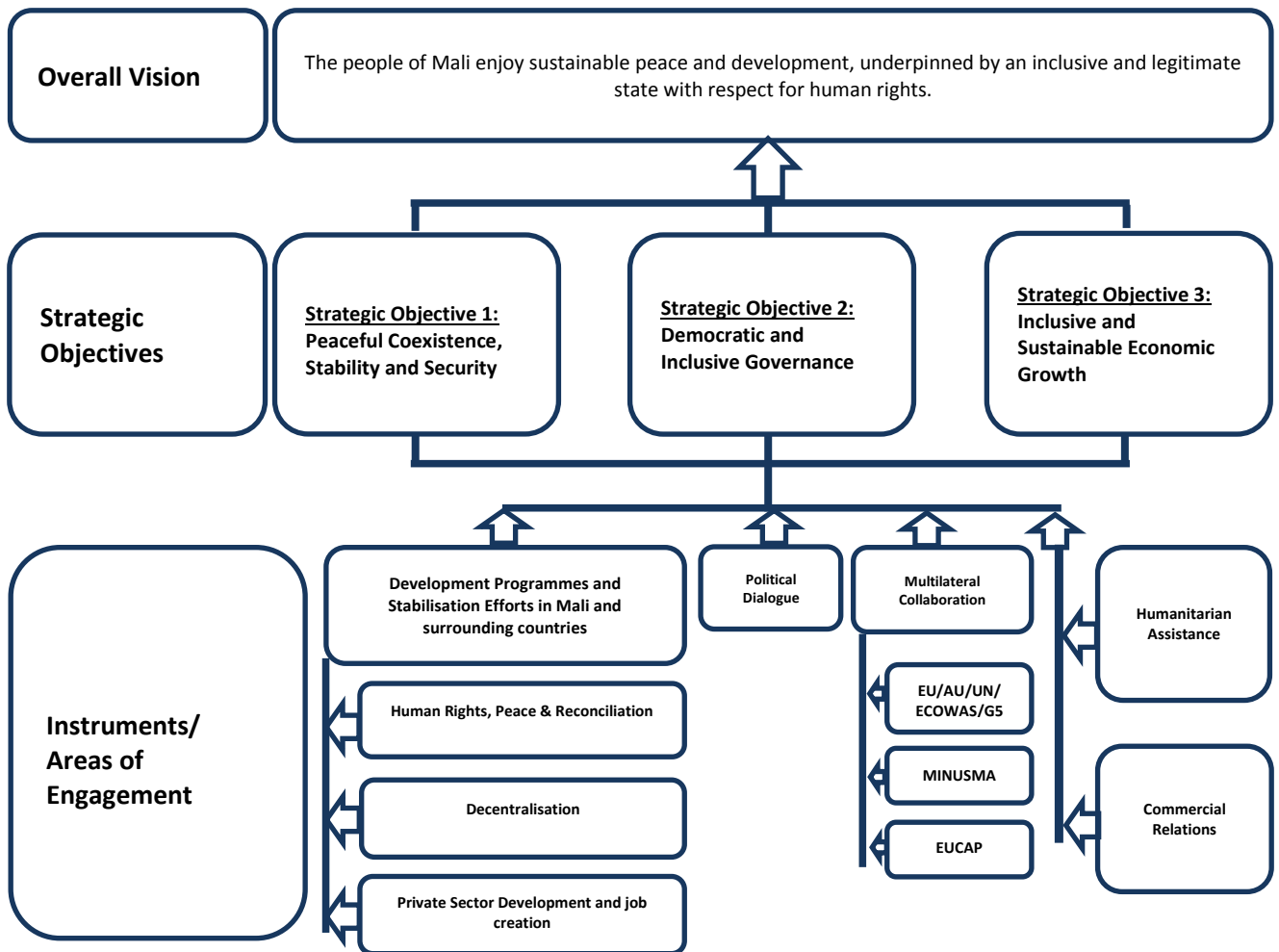
Denmark remains committed to human rights and gender equality in all its dimensions. Working with like-minded partners, Denmark will assert political influence to ensure that human rights and especially girls and women's rights are protected and promoted. In order to address the root-causes of Mali's crisis in a holistic manner, Denmark will **apply the Human Rights-based Approach**, using non-discrimination, participation and inclusion, transparency and accountability as guiding standards from initial analysis to final evaluation.

The Danish development partnership with Mali will be based on the following **strategic principles**:

- Denmark will apply and advocate for a realistic, **long-term transformational view** of continued progress towards the vision **as well as a long-term commitment and a flexible approach** to be able to adapt to changing situations.
- In order to simultaneously contribute to developing capacity and building trust between the Malian people and state at local and central levels, Denmark will consider a balanced **mix of top-down and bottom-up approaches**.
- In the pursuit of sustainable results, Denmark will work for the **integration of results and accountability measures into monitoring and evaluation systems**.

Recognising that risks are integral to the Malian context, Denmark will **approach and handle risks in an open and transparent manner**, and communicate about the relations between risks and results.

Figure 1: Strategic partnership between Denmark and Mali



3. DENMARK IN MALI – INSTRUMENTS, KEY PARTNERS AND RESULTS

Denmark has a broad based and longstanding partnership with Mali drawing on a wide range of instruments – spanning from active diplomatic and political efforts, military contributions, long-term development cooperation, regional stabilisation efforts to humanitarian assistance (cf. box 1). Denmark’s active engagement in Mali’s neighbouring countries Burkina Faso and Niger as well as Danish activities in North Africa (in particular Libya) also have an important impact on the situation in Mali and the Sahel.

Box 1: The toolbox - Denmark’s broad engagement in Mali

- *Active diplomatic and political efforts bilaterally and in international fora, notably the EU.*
- *Long term bilateral development cooperation with Mali*
- *Regional stabilisation efforts using the Peace and Stabilisation Fund*
- *Military and civilian contributions to MINUSMA*
- *Humanitarian assistance in Mali and to Malian refugees in neighbouring countries*
- *Climate funds for Sabel*
- *Economic diplomacy*

Denmark’s efforts are part of a comprehensive international engagement in Mali. A key partner in this regard is the UN’s Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) established in April 2013. With UNSCR 2227 (2015) MINUSMA is mandated to i.a. protect civilians; monitor and supervise ceasefire arrangements; and support the implementation of the peace accord between the Malian parties. Another key partner is the EU which is the largest donor and provider of training to the Malian security forces. A number of EU Member States are strongly engaged in Mali, particularly France. Denmark will cooperate and align with other international partners in Mali and seek synergies where possible. Denmark will seek to influence multilateral partners, such as the EU, World Bank and UN organisations in line with the principles of this paper and pursue continued partnerships with Danish NGOs. Danish partnerships will be in keeping with Goal 17 **“Revitalizing the global partnership for sustainable development”** of the United Nation’s 2030 Sustainable Development Agenda.

Denmark had been engaged in Mali for decades **when Mali in 2006 became a priority country for Danish long term development assistance.** Denmark has been a frontrunner in private sector development and is considered a reliable, innovative and flexible partner, a strong advocate for human rights (including for women), and an active player in the peace and reconciliation process.

Box 2: Denmark in Mali - looking at results

Denmark has contributed to:

- Establishing 1,061 small-scale enterprises securing 5,924 existing jobs and creating 1,127 new jobs of which 40% are held by women (in the period 2008-2013)
- 500,000 Malians having gained access to safe drinking water (in the period 2013-2015).
- 1,073 villages have installed latrines and received education in good practices related to hygiene (in the period 2013-2015)
- 579 schools having developed safe sanitation (in the period 2013-2015).
- 4,500 Malians having conducted in-depth participatory action research, determining and prioritising obstacles and solutions to peace in Mali with strong Malian ownership and broad consensus (in the period 2013-2015).
- Key stakeholders, including the government, the army, the armed groups in the north and civil society representatives having participated in the peace process through 123 dialogue sessions and 183 radio debates (in the period 2013-2015).
- 147 members of the Malian Parliament having developed an understanding of measures to prevent corruption, strengthen accountability, and ensure transparency in public affairs (in 2014)
- Members of vulnerable groups and victims of gender-based violence having gained access to justice through 2,146 legal consultations (in 2014)
- Protecting the share of the national budget allocated to ensuring equal access to social services and to prevent it from falling below 32% (in 2014)
- Providing humanitarian assistance to people in need, including informing 80,000 on the danger of unexploded ammunition and hand weapons (in 2014)

Despite a difficult context, Denmark's partnership with Mali has provided good results with its effective use of a broad range of instruments (cf. box 2). Both during and following the state coup, Denmark successfully managed to rapidly adapt the development cooperation to the changing conditions by restructuring the Danish development engagements from direct relations with the state to collaboration with parastatal organisations, international and Malian civil society organisations. The reorganisation enabled Denmark to remain in Mali throughout the crisis as one of few active development partners, playing its part in re-installing security and constitutional democracy. The future Danish-Malian partnership will build on lessons learned and results achieved since 2010.

4. NATIONAL CONTEXT

4.1 Peace within reach

Mali is situated in the Sahel where the disintegration of Libya, presence of international terrorist groups, transnational organized crime and trafficking are **destabilizing factors that play into and exacerbate existing conflict lines**. There are historic divides between the densely populated South and the inaccessible and sparsely populated North. Since independence in 1960 Mali has seen several armed rebellions followed by unfulfilled peace agreements.

The risk of armed groups taking over the entire country in 2013 led to an unprecedented international engagement in Mali aimed at stabilizing the country. At the request of the

Box 3: Key elements of the Algiers Peace Agreement 2015

- Demobilisation of armed groups and re-integration in the Malian army and society
- Comprehensive decentralisation to regional and municipal levels as well as better representation in the political and administrative system
- Increased development efforts in the North
- Reconciliation and humanitarian action
- A monitoring committee with broad international participation will supervise the implementation.

government of Mali and backed by the UN Security Council and the entire international community, MINUSMA plays a key civil and military role in the Malian peace process and will continue to do so for the time to come.

After a lengthy process, the Algiers Peace Agreement was signed during May and June, 2015. It seeks to address important root causes to the conflict such as weak security forces, exclusion, inequalities and lack of representation as well as reconciliation and immediate humanitarian needs, whereas other root causes such as corruption are not addressed. **The peace accord presents Mali with a unique opportunity to build a peaceful country** and will be at the centre of stabilisation and development efforts in the years to come. Mali is more than 25 times the size of Denmark but with only three times the number of inhabitants. Effective control of the vast territories by weak security forces is extremely difficult. **Transnational organized crime will thus continue to fuel conflict and instability** and remain a critical obstacle to peace and development.

The humanitarian situation caused by the violent conflict continues to be serious with about 78,000 internally displaced persons and 138,000 Malians refugees in neighbouring Niger, Mauritanian and Burkina Faso (2015). In addition, Mali and the entire Sahel region are regularly affected by drought and malnutrition is endemic in Mali.

4.2 Weak democratic structures

After the end of authoritarian rule in the 1990s, democracy and rule of law seemed well-established in Mali. **However, the 2012 crisis revealed deep fractures in the Malian society – also in the South** – that contributed to the apparently sudden disintegration of the state when the then government was ousted by the military coup. External factors and the Northern rebellion were catalysts for the 2012 crisis. But the crisis also illustrated that years of **poor governance and weak democratic institutions**, including poor enforcement of rule of law, weak security forces, endemic corruption and impunity, have been detrimental to social and national cohesion and have provided fertile ground for instability.

Mali's decentralisation process that was launched in the 1990s lost momentum in the early years of the new millennium. The main reasons were the previous governments' reluctance to transfer power and resources and the inadequacy of the financial and human resources available to local governments. **The profound decentralisation reform foreseen in the peace agreement is an important new opportunity** to deepen Mali's democratic transition. The progress of other key reforms such as security sector reform, legal sector reform and public financial management reform will also be essential to restore the legitimacy of the state and strengthen social cohesion.

Although Mali has ratified most international and regional human rights instruments, including women's and children's rights, key challenges remain, particularly related to the conflict in the North. Despite some progress women and girls are still largely deprived of their equal rights and status, including the lack of access to sexual and reproductive health and

rights as well as the exclusion from political decision making and economic activities. Given the breadth and depth of human rights violations in Mali, human rights must be at the core of Mali's development.

4.3 Trapped in a circle of poverty

Mali is ranked 176th out of 188 countries in the Human Development Index and is on target to meet only three of the 2015 Millennium Development Goals (MDGs), i.e. eradicating hunger, combat HIV/AIDS, and access to safe drinking water, whereas it is unlikely that other MDG's will be achieved. More than 50% of the Malian population live on less than 1.25 USD per person per day.

With a population growth of 3% per year **the population will double in 24 years, leaving current growth rates insufficient to effectively combat poverty.** 70% of the population is below 30 years and every year an estimated 300,000 new young people enter a labour market with few job opportunities. The young population presents Mali with numerous challenges in terms of combatting poverty and creating conditions conducive to the growth and employment in order to avoid social unrest, crime, radicalisation and irregular migration. Mali has not yet started the demographic transition which in other Sub-Saharan countries has yielded a demographic dividend from a rising share of the working age population. However, the potential of the demographic dividend also represents a significant opportunity if realised.

Migration for economic reasons is a traditional response to the lack of opportunities in the poorest countries in West Africa, including Mali. Most Malian migrants travel to the richer neighbours along the African coast or to the Maghreb countries. There is free movement in the entire West African region. Mali benefits from the emigration of a large part of its unemployed youth as well as from substantial remittances which surpass the flow of development aid. Following the collapse of Libya, new routes towards Europe have opened up from the West African region through Mali and Niger. Mali has thus become both a migrant producing and a transit country for migration towards Europe. Human traffickers are of increasing importance to transport people over the dangerous Sahara desert, Libya and the Mediterranean Sea.

The Malian economy is heavily dependent on cotton and mining as the main export products and is thus vulnerable to world market prices. Mali's formal private sector accounts for less than 40,000 jobs. The majority of private sector businesses are organised as small informal family-based enterprises with little potential to move beyond a subsistence economy. **The economy's dependence on rain-fed agricultural activities remains a structural challenge** due to changing weather conditions and the effects of climate change. The agricultural sector is characterised by low productivity due to lack of secure land tenure, a weak agricultural extension services and difficulties in accessing credit. The processing of agricultural produce remains limited. Despite measures taken by government to improve the business climate **the World Bank Doing Business 2015 ranks Mali 146 out of 189 countries.**

Limiting factors include inadequate access to credit, cumbersome regulatory and fiscal procedures, corruption and national products not conforming to international standards.

5. STRATEGIC OBJECTIVES FOR DENMARK'S PARTNERSHIP WITH MALI

5.1 Strategic objective 1 – Peaceful Co-existence, Stability and Security

Mali's stability and ability to protect its people from conflict and shocks as well as its populations' resilience is vital and **a first condition for efforts to reduce poverty, strengthen democratic transition, and pave the way for an inclusive and sustainable economic growth.**

A strategic objective for Denmark is to support peaceful co-existence and increase stability and security. The objective reflects that the current conflict in northern Mali needs to be contained. Also the spread of radicalization, as well as criminal and violent extremist groups should be countered. The (humanitarian) impact of a potential spread to neighbouring countries could be disastrous for the region and with significant spill-over effects to Europe. Mali's national policy framework and the Algiers Peace Agreement provide opportunities to address many of the underlying causes behind Mali's multidimensional challenges. The objective is in keeping with Goal 5 (Achieve gender equality and empower all women and girls) and Goal 16 (Promote just, peaceful and inclusive societies) of the United Nation's 2030 Sustainable Development Agenda.

A secure, stable and peaceful Mali will require a concerted effort from the Malian government as well as the international community. **Denmark will cooperate with like-minded partners to keep Mali high on the international agenda and in furthering the peace process.** Key international partners will be the EU on maintaining focus on political reforms, MINUSMA, France whose Barkhane mission will be critical to countering violent extremism, the EU's military and civil security sector training missions EUTM Mali and the EUCAP Sahel Mali, and the African Union, the regional organization G5 and other like-minded partners.

Denmark will capitalize on its experiences with the integrated stabilisation approach, its contribution to MINUSMA and the EUCAP Sahel Mali mission, and the perception of Denmark as a country committed to and capable of facilitating broad-based cooperation across the domains of policy, security, humanitarian assistance, and longer term development efforts. In keeping with the UN Security Council Resolution 1325 on Women, Peace and Security, Denmark will continue to give **priority to addressing violence against women and support women's role in building peace.** In addition, a greater linkage between humanitarian assistance and development cooperation will be essential in order to achieve a greater degree of resilience as well as to create durable solutions for vulnerable groups to sustain a dignified life.

Denmark will:

- Work for maintaining national, regional and international commitment to Mali's peace process through active diplomacy, in particular by cooperating closely with the EU, but also the UN and other key international partners.
- Use all instruments to assist MINUSMA in playing its key role in the peace and stabilisation process, including through military and civilian deployments.
- Strengthen the engagement in key areas important for stabilisation in Mali and the Sahel, such as improved security, countering violent extremism, conflict prevention and resolution, reconciliation, reintegration of displaced people, and the promotion and protection of human rights.
- Work actively to address challenges related to irregular migration and human trafficking, e.g. through improved security in the border regions.
- Alleviate humanitarian needs and contribute to improved protection of those affected by conflicts, crises and disasters, with a focus on strengthening the resilience of vulnerable groups.

5.2 Strategic objective 2 - Democratic and Inclusive Governance

Economic inequalities and political exclusion have been behind historical resentments against the state, especially among northern communities. **A legitimate state must be based on democratic values, transparency, rule of law and inclusion.** Democratic governance holds the promise of containing Mali's internal conflict potential, managing fragmentation tendencies and neutralising socio-economic conflicts of interest.

A strategic objective for Denmark is to strengthen democratic and inclusive governance and increase the number of mechanisms through which the Malian people can participate in governance and hold their government - local as well as national - to account. Shortcomings of democratisation and decentralisation are key causes for the failure of previous peace agreements. Participation in and control by democratic actors of the state's commitment to development and poverty reduction efforts will be key to increasing the legitimacy of the state and to laying the foundation for a more stable Mali. The objective is in keeping with Goal 5 (Achieve gender equality and empower all women and girls), and Goal 16 (Promote just, peaceful and inclusive societies) of the United Nation's 2030 Sustainable Development Agenda.

In particular the low level of participation in democratic processes is a key concern and an obstacle to Mali's further democratic transition. Although the laws and system allow greater involvement of citizens, the incentives to participate in decentralised governance have not yet materialised. The Algiers Peace Agreement with its broad-based backing provides a strong mandate and **a new opportunity for improving the representativeness and functioning of Mali's democratic processes and state institutions.**

Strengthening democratic governance requires **a concerted effort from Mali's government, civil society and its international development partners**, including the EU, Germany and Belgium as key partners supporting Mali's decentralisation process. Denmark will build on its experience from working at national level with the government and the National Assembly as well as experiences from strengthening decentralised public service delivery mechanisms and civil society's ability to participate and facilitate greater accountability.

Denmark will:

- Promote inclusive political processes and legitimate governance as well as greater social cohesion, with particular attention to ensuring the participation of the poor and most vulnerable, including women and youth, in democratic processes.
- Assist the Malian government in implementing decentralisation reforms, while contributing to ensure improved service delivery for the population.
- Contribute to strengthening the civil society and seek to actively involve local stakeholders in order to gradually create the transparency, accountability and cohesion between the state and society, which infers legitimacy to political processes and ensures that they serve shared goals.

5.3 Strategic objective 3 – Inclusive and Sustainable Economic Growth

Acknowledging the security-development nexus, **improvements in peace and security will only be maintained if followed by inclusive and sustainable economic growth**. The large youth population needs to be recognised as a resource and their resilience to crime, violent extremism or migration needs to be strengthened by offering them better alternatives. Likewise, reintegration of internally and externally displaced people in the Malian economy is crucial.

A strategic objective for Denmark is to promote inclusive and sustainable economic growth. This objective reflects Mali's need for a longer period of inclusive and sustained economic growth in order to effectively address key challenges such as the rapidly rising unemployment, growing socio-political discontent, and the financing of national development plans. The objective is in keeping with Goal 1 (End poverty in all its forms everywhere), Goal 5 (Achieve gender equality and empower all women and girls), Goal 8 (Promote inclusive and sustainable economic growth, employment and decent work for all) of the United Nation's 2030 Sustainable Development Agenda.

The Malian private sector must play a key role in achieving this objective. Not only as a source of income and employment; but also in facilitating a diversification of the economy; reducing the dependence on rain-fed agriculture and volatile gold and cotton prices, and providing the tax base. **The Malian government will have to provide coherent policies and**

an enabling environment that support productive activities and the creation of decent jobs, while ensuring that economic growth is pursued in a manner that it does not compromise the opportunities of future generations. Denmark will build on previous experience in supporting Malian private sector development with a value chain approach.

Despite difficult market conditions, important opportunities exist and Danish companies may show a greater interest in investing and working in Mali in the future. **Based on demand, Denmark will promote and support activities of Danish companies in Mali** as well as Danish-Malian economic activities through economic diplomacy and development cooperation.

Denmark will:

- Support Mali in fighting poverty and creating sustainable development through green growth, increased income and employment, especially for the youth and women, including support to reintegrate people affected by the conflict into the Malian economy.
- Promote Mali's integration into the regional and global market as well as an enabling environment for the private sector and Foreign Direct Investments in particular encouraging innovative public-private partnerships that can help foster pro-poor growth.
- Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small-, and medium-sized enterprises.
- Contribute to mitigating irregular migration through economic growth, including job creation.
- Respond to the demand for support and promotion of Danish companies' economic relations with Mali.

6. RISKS AND SCENARIOS

Mali remains exposed to numerous risks and vulnerabilities, some of which are nested within larger regional problems, related to climate change, the proliferations of arms, drugs trafficking, terrorism, consequences of internal and external conflicts, epidemics and pandemics, political instability, economic and financial crisis, high population growth etc. Over the policy period all of these risks and vulnerabilities may, on their own or in any combination, affect the ability to achieve Denmark's overall vision and the strategic objectives.

Specific key risks requiring attention include:

- Deteriorating commitment to the implementation of the Algiers Peace Agreement by one or several parties, leading to failure of the peace process and increasing violence;

- Failure to deliver tangible benefits to Northern communities within a reasonable timeframe, resulting in increased mistrust , leveraging arguments of spoilers;
- A reduction in the strength of the international and Malian security forces in the North, opening opportunities for actors to step up violent activities, resulting in increased insecurity and lack of protection of civilians;
- Deteriorating democratic governance and legitimacy of the government, resulting in increased political instability;
- Further instability in Mali's surrounding countries affecting the political, security and economic situation in Mali negatively.

The Country Policy operates with three major scenarios (cf. box 4) that will guide Denmark's engagement with Mali during the policy period. All three scenarios or a mixture of them are considered likely and can in principle become reality, underlining the fragility of the situation and the need to have realistic ambitions and maintain flexibility.

Box 4: Three major scenarios for Mali

Scenario 1: Status quo. This scenario assumes that the immediate future will resemble the past. Like earlier peace accords, the latest one will not bring about enduring peace for a variety of reasons. Other incentives and failure to deliver on key agreements will keep the North-South divide alive with regular outbreaks of violence and difficulties in accessing the north as a result. As a consequence of insecurity gradually expanding further south, the northern regions will be abandoned in terms of governance, public services and rule of law.

Policy response: *Denmark will maintain the balance between the three strategic objectives with a focus on addressing security challenges while working to strengthen democratic governance and laying the foundation for inclusive and sustainable economic growth.*

Scenario 2: Towards stability. The implementation of the Peace Accord provides the political and security arrangements needed to increase security and pursue stability. Successful integration of the Malian army means that northerners accept its presence. Trust between the north and the south grows as does the belief in a durable peace. The legitimacy of the Malian state increases with increased northern representation in key state institutions, greater decentralisation and democracy, and visible improvements in public service delivery. Government reforms together with increasing stability and gradually improved access create optimism and a more enabling environment for economic activities, including foreign direct investments. Key conditions that will allow this scenario to play out include strong leadership and determination to implement the Peace Agreement and continued support from the international community. Even if these conditions are met, there will be a constant threat from the presence of ‘spoilers’.

Policy response: *Denmark’s will gradually reduce its focus on peaceful co-existence, stability and security while increasing focus on democratic governance and inclusive and sustainable economic growth. Improved stability and access will allow for an increase in long term capacity building activities in Northern Mali. In addition, instruments aimed at promoting commercial relations can to a greater extent come into play.*

Scenario 3: Increased insecurity. Northern Mali continues to be where the destabilising dynamics of the region converge, increasing the threats to peace and security in the north as well as in the south. ‘Spoilers’ such as terrorists, organised crime and armed groups not part to the Peace Accord increase their activities in pursuit of a divided and unstable Mali in which their activities can thrive. The increased activity-level, the vastness of the Malian territory, and the asymmetric nature of the conflict, leave Malian security forces, MINUSMA and the French Barkhane mission overstretched, resulting in growing insecurity and increased displacements and possibly irregular migration. As citizen confidence in the state evaporates, religious leaders may enter politics to fill the vacuum, which in turn may threaten the secular nature of the Malian state, or the military may seek to capitalise on the situation, attempting a coup.

Policy response: *Denmark will increase its focus on achieving peaceful co-existence, stability and security. This will include increased use of instruments to improve security, ensure the protection of civilians, meet humanitarian needs, and promote stability. Problems with access to parts of the country and the need for addressing immediate security needs may make it difficult to monitor activities.*

7. MONITORING AND EVALUATION

Denmark will monitor progress towards the overall vision and strategic objectives through policy-level reviews and dialogue with the government and partners, and through the tracking and analysis of developments in key indicators and risk factors. Developments in key risk factors will be monitored through the on-going dialogue with the Malian government, civil society and regional and international partners, and used for assessing and if necessary adjusting the composition of and balance between the strategic objectives and instruments.

ANNEX 1. KEY DATA

KEY SOCIAL DATA		UNIT	VALUE	YEAR	SOURCE
Area		KM ²	1,240,192.0	2015	WDI
Population		Millions	15.7	2014	WDI
Population proportion under 15		%	47.3	2013	WHO
Population growth		%	3.0	2013	WDI
Fertility rate, total (births per women)		Children	7.0	2013	WDI
Life expectancy at birth		Years	55.0	2013	WDI
Adult literacy (aged 15 and older)		%	33.4	2013	HDR
Human Development Index (HDI)		Rank out of 185 countries	176 (low human development)	2014	HDR
GINI inequality coefficient		Points	33.0	2014	HDR
Social Institutions and Gender Index		Points	0.5164 (very high category)	2014	OECD
KEY ECONOMIC DATA		UNIT	VALUE	YEAR	SOURCE
GDP		USD/billion	12.0	2014	WDI
Annual economic growth (share of GDP)		%	7.2	2014	WBG
GNI, Atlas Method		USD	11,314,792.2	2014	WDI
GNI per capita, Atlas Method		USD	720	2014	WDI
Economic sectors (share of GDP)					
	Agriculture, value added	%	42	2012	WDI
	Industry, value added	%	23	2012	WDI
	Services, value added	%	35	2012	WDI
Health Expenditure (share of GDP)		%	7.1	2013	WHO
Military expenditure		% of GDP	1.0	2013	WDI
Tax revenue		% of GDP	16.0	2013	WDI
Foreign direct investments (net inflows, BoP)		USD	307,853,389.0	2013	WDI
Official development assistance received in landlocked developing countries (ODA)		% of GNI	13.4	2013	MDG
Total debt service (% of exports of goods, services and primary income)		%	2.0	2011	WDI
Doing Business Rank		Rank out of 189 countries	146	2015	WBG
OTHER KEY DATA		UNIT	VALUE	YEAR	SOURCE
Corruption Perception Index (CPI)		1-100 points	32.0 (115 out of 176 countries)	2014	TI
Fragile States Index		Points	93.0 (30 out of 178 countries. Alert level)	2014	FFP
Freedom in the World Index (points 1-7. 1 representing most free, 7 representing least free)					
	Freedom rating (points 1-7. 1 representing most free, 7 representing least free)	Points	4.5	2015	FH
	Political Rights (points 1-7. 1 representing most free, 7 representing least free)	Points	5.0	2015	FH
	Civil Liberties (points 1-7. 1 representing most free, 7 representing least free)	Points	4.0	2015	FH
Internally displaced		Persons	78,000	2015	UNHCR
Refugees by country of origin (divided primarily between refugee camps in Mauritania, Burkina Faso and Niger)		Persons	138,000	2015	UNHCR
Governance perception					
	Maliens preferring democracy to other forms of government	%	75.0	2015	ABM
	Maliens preferring a unified country	%	92.0	2015	ABM
	Maliens believing persons implicated in human rights violations should be banned from holding elected positions	%	87.0	2015	ABM

SOURCES:

ABM - Afrobarometer
 FFP – Fund for Peace
 FH – Freedom House
 HDR – Human Development Index
 MDG – United Nations’ Millennium Development Goals
 OECD – Organisation for Economic Cooperation and Development
 TI – Transparency International
 UNHCR – United National High Council for Refugees
 WBG – World Bank Group
 WDI – World Development Indicators
 WHO – World Health Organisation

ANNEX 2. DENMARK'S BILATERAL DEVELOPMENT COOPERATION WITH MALI

The current transition programme (2015-2016) includes support to four thematic programmes: (I) Promoting Private Sector Development (PACEPEP), (II) Support to Water and Sanitation (PADS-PROSEA), (III) Promotion of Democracy, Peace and Reconciliation and (IV) General Budget Support (GBS).

The thematic programme for **Democracy, Peace and Reconciliation (2015 – 2016)** aims at promoting an environment conducive to democracy, peace and reconciliation in Mali in order to strengthen the resilience of the Malian population against current and future crises. The programme seeks to consolidate the results from the previous good governance programme (2009 – 2014) by reinforcing the capacities of the Malian Parliament, strengthening access to justice through paralegals, and supporting the peace and reconciliation processes. The programme budget is DKK 55 million.

The thematic programme for **Promoting Private Sector Development II (2013 - 2018)** supports private sector driven inclusive growth leading to increased income and employment generation through targeting a number of primarily agriculture based value chains and covering four regions in Mali. Efforts seek to strengthen the competitiveness of the private sector by providing access to business development services and financing, developing economic infrastructure to promote production and access to markets, and contributing to the competitiveness of economic sectors through vocational training focused on employment. The programme budget is DKK 300 million.

The thematic programme for **Improving Access to Water and Sanitation (2010 - 2016)** focuses on reducing household expenditures for water as well as to reduce water related diseases and to make time available for more useful pursuits. The strategy focuses on four principles (i) ensure access to drinking water through rural and urban water infrastructures, (ii) improve the health situation through access to public latrines, (iii) ensure the sustainability of infrastructures by strengthening management capacities, and (iv) ensure a more equitable access to drinking water at a lower cost, especially for poor households. The total programme budget for the period is DKK 415 million.

The thematic programme for **General Budget Support/Development Contract (2015 – 2016)** has the overall objective of reducing poverty and promoting human rights. The general budget support is provided in a close partnership with the EU State-Building Contract. The immediate objectives are to enable the government to respond to the current context and needs of the Malian people and to protect a pro-poor focus in its plans, budgets and expenditures as this is considered a prerequisite for long-term poverty reduction and stability. The total budget is DKK 40 million.

Besides the thematic programmes, activities include: a regional Sahel programme, a lean number of strategic Local Grant Authority projects and promotion of cultural cooperation and entrepreneurship with the aim to create income based cultural activities. In addition, Denmark contributes with **humanitarian assistance** to address the crisis, with a focus on internally displaced and other affected communities in Mali and Malian refugees in neighboring countries, in particular in Niger. In 2015 (per October), Denmark allocated DKK 26,9 million in humanitarian assistance. Mali continues to be a prioritized recipient country of Danish humanitarian assistance in 2016.

ANNEX 3. OVERVIEW OF PROGRESS TOWARDS THE MDGS IN MALI

MDG INDICATOR	BASELINE	ACTUAL LEVEL	MDG 2015	LIKELYHOOD OF ACHIEVEMENT
GOAL 1 ERADICATE EXTREME POVERTY AND HUNGER.				
Population living below \$1.25 a day (%)	85.9 (1994)	50.6 (2010)	41.9	Unlikely
Proportion of population below minimum level of dietary energy consumption	16.7 (1991)	5.0 (2015)	8.3	Likely
GOAL 2 ACHIEVE UNIVERSAL PRIMARY EDUCATION				
Net enrolment ratio: primary (% of children of primary school age)	47.2 (1999)	68.8 (2013)	100.0	Unlikely
Literacy rate of 15-24 year-olds, women and men	24.2 (1998)	47.1 (2011)	100.0	Unlikely
GOAL 3 PROMOTE GENDER EQUALITY AND EMPOWERMENT OF WOMEN				
Gender Parity Index in primary level enrolment	0.61 (1990)	0.88. (2012)	1.00	Unlikely
Proportion of seats held by women in national parliament (single or lower house only - %)	2.3 (3 out of 129) (1997)	9.5 (14 out of 147) (2015)	50.0 (73 out of 147)	Unlikely
GOAL 4 REDUCE CHILD MORTALITY				
Under five mortality rate (deaths of children per 1000 births)	254.2 (1990)	122.7 (2013)	84.8	Unlikely
GOAL 5 IMPROVE MATERNAL HEALTH				
Maternal mortality ratio (maternal deaths per 100,000 live births)	1100.0 (1990)	550.0 (2013)	275.0	Unlikely
Antenatal care coverage, at least four visits (%)	25.8 (1996)	34.9 (2010)	100.0	Unlikely
GOAL 6 COMBATE HIV/AIDS, MALARIA AND OTHER DISEASES				
HIV incidence rate (number of new HIV infections per year per 100 people age 15-49)	0.16 (2001)	0.03 (2013)	<0.16	Likely
Tuberculosis death rate per year per 100,000 population	19.0 (1990)	10.0 (2013)	19.0	Likely
GOAL 7 ENSURE ENVIRONMENTAL SUSTAINABILITY				
Reverse loss of forests. Proportion of land area covered by forest (%)	11.5 (1990)	10.2 (2010)	>11.5	Unlikely
Proportion of population using an improved drinking water source (%)	27.1 (1990)	77.0 (2015)	63.5	Likely
Proportion of population using an improved sanitation facility (%)	14.1 (1990)	24.7 (2015)	57.0	Unlikely
GOAL 8 GLOBAL PARTNERSHIP FOR DEVELOPMENT				
Internet users per 100 inhabitants	0.00 (1990)	7.0 (2014)		
Mobile-cellular telephone subscriptions per 100 inhabitants	0.00 (1990)	149.02 (2014)		
ODA received in landlocked developing countries as % of their GNI	19.92 (1990)	13.42 (2013)		