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INTRODUCTION

The Danish Government is committed to fighting poverty and promoting human rights, democracy, sustainable growth, peace and stability. But development cooperation alone cannot fulfill this objective, as policy choices in non-development policy areas also have a great impact on global development. Some policies do not only unintentionally impede developing countries’ ability to achieve progress and prosperity, but they also undermine the effectiveness of development cooperation and aid. Fulfilling the potential of developing countries can also contribute to global economic growth and not least safeguard Europe’s long-term prosperity.

Policy Coherence for Development (PCD) enjoys broad political support in Denmark. PCD is recognised as a shared responsibility to not impede global development and instead pursue mutually supportive policies and collective interests with the developing world. PCD builds common ground on how to make efforts in relevant key policy areas more coherent and effective. PCD is therefore also important in the formulation of the post-2015 development framework.

Incoherent policies are sometimes a matter of lack of coordination or insufficient information. But even more it is a matter of conflicting interests or competing objectives. This implies trade-offs and compromise, and requires political ownership and choices. However, it is also acknowledged that sometimes there are issues subject to concerns and interests that may outweigh development policy objectives.

WHAT IS POLICY COHERENCE FOR DEVELOPMENT?

OECD defines Policy Coherence for Development as an approach and policy tool for integrating the multiple dimensions of development at all stages of policy making. Its main objectives are to:

1. foster synergies across policy areas to support sustainable development;
2. increase governments’ capacities to identify trade-offs and reconcile domestic policy objectives with internationally agreed objectives;
3. address the negative spill-over effects of domestic policies on long-term development prospects.

Part I of this Action Plan describes the long-term political objectives and strategic priorities for Denmark’s PCD engagement. It also outlines Denmark’s system for prioritising, coordinating and implementing efforts for PCD. Part II identifies concrete policy tracks and initiatives to be pursued for the next years. This part will be subject to an annual review. The Action Plan is the result of an inclusive process with valuable contributions from the Danish civil society, the Parliament, the Council for Development Policy and research institutions.

1 PCD is embedded in the Lisbon Treaty which Denmark is part to.
2 A comparative analysis of PCD systems in selected EU countries has been conducted as a part of the preparation to this action plan: ECDPM (2013) - “Insights from Developments in National Policy Coherence for Development Systems: Key Cross Cutting Issues and Dilemmas”.

3
DENMARK’S POLITICAL COMMITMENTS TO POLICY COHERENCE FOR DEVELOPMENT:

‘It is recognized that developing countries are not only affected by development policies, but also by other policy areas’.

Act on International Development Cooperation (2013)

‘Political measures in other areas such as trade, energy, climate, security, migration, taxation, agriculture and fisheries often play a far more important role than development cooperation’


‘Denmark will formulate an action plan that sets political priorities and goals for Denmark’s work on policy coherence for development...”

DENMARK’S STRATEGIC PRIORITY AREAS FOR POLICY COHERENCE FOR DEVELOPMENT

Denmark is applying an ambitious but realisable approach to Policy Coherence for Development (PCD) based on political objectives and targets. Denmark will engage in a limited number of selected priority areas, in which Denmark can act as an agent of change and add value to the policy processes. Denmark’s approach is thematic, issue-based and forward-looking. This will focus resources, maximise impact, and lead to concrete outcomes.

Denmark will concentrate its efforts on EU policies, as these rather than Danish national policies have the greatest impact on developing countries. The Danish efforts will thereby support EU work and efforts on PCD. The strategic priorities in this Action Plan will apply as long as they remain relevant. The duration of the action plan will be sought coordinated with relevant milestones in the EU.

Denmark has selected three strategic priority areas for its Action Plan:

- Trade and Finance
- Food Security and Climate Change
- Peace and Security

These strategic priorities lie within the EU’s current five PCD themes and represent areas in which Denmark is strongly engaged. Involvement in these areas complements efforts and strategic orientations set out in other political strategies, strategic frameworks and action plans, addressing global challenges.

Within these three selected strategic priority areas, a limited number of political objectives are set for the next years, and concrete policy tracks for engagement are identified (ref. Part II of the Action Plan).

The policy tracks will be reviewed annually. All relevant ministries are included and engaged in deciding priorities and activities for the action plan and share the responsibility for pursuing the targets.

In the following chapters, Denmark’s overall objectives and engagement for PCD within the strategic priorities are described.

TRANSLATING PCD INTO ACTION:

Translating political commitments to PCD into concrete action and political choices requires:

- Political support and ownership across government.
- A system for cross-ministerial coordination of policies with an active engagement of all relevant ministries whose mandates affect developing countries.
- Collection and analysis of evidence in order to strengthen knowledge-input and assessments, which can feed into the process of refining national policy priorities and positions.

PCD COMMITMENT AT EU LEVEL

Policy Coherence for Development is a legal obligation in the EU. The Lisbon Treaty (TFEU) art. 208 stipulates:

‘The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries’.

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3 In 2009 the EU decided to focus efforts on the following five PCD challenges among the 12 policy areas from 2005 that the EU agreed to track progress on: 1) Trade and Finance, 2) Climate change, 3) Food security, 4) Migration and 5) Security.

4 E.g. the New Trade Policy Strategy (May 2013), the Strategic Framework for Natural Resources, Energy and Climate Change (September 2013), Implementation plan for Danish engagement in tax and development (July 2013), Policy Note on Food Security (September 2013).
A number of developing countries have become new drivers of trade and growth and are profiting from increasing economic growth, regional integration, and higher investment rates. This makes them less dependent on development aid, and it opens up new possibilities for cooperation and trade relations, also benefiting developed countries. However, some of the world’s poorest countries are being left behind in the quest for economic growth due to inadequate integration into the international trade system. Their share of world trade is negligible, their integration in global value chains is comparatively weak and their export base undiversified. Barriers also remain in the trade between developing countries. Growth in itself does not always translate into better incomes and productive jobs, which contribute to reducing poverty. In many developing countries, most jobs are characterised by low average earnings, and often there is a lack of adequate social protection, violations of labour rights, and unsafe working conditions. Particularly women, young persons, migrants, and older workers in the informal economy are vulnerable.

DENMARK WILL:

– Build on the positive and pro-development results, e.g. on trade facilitation from the WTO Ministerial Conference on Bali in December 2013, and continue to push for the conclusion of the remaining items of the Doha Development Agenda in subsequent WTO-negotiations, including progress as regards green trade liberalisation.

– Promote that the unique context and needs of developing countries are taken into account when negotiating EU’s free trade agreements with other developed countries.

– Pursue development-friendly trade policies that help least developed countries to draw upon the benefits of trade, including concluding development-friendly and flexible Economic Partnership Agreements, with a special focus on regions and countries in Africa.

– Support the EU in promoting socially and environmentally responsible behaviour by both developing countries and European enterprises engaged in developing countries, including transfer of good practices on human rights and labour rights, environmental protection, and anti-corruption to business operations in developing countries.
Political objective II
EU AT THE FOREFRONT OF FIGHTING TAX FRAUD AND TAX EVASION

Every year developed and developing countries, including Danish priority countries, lose billions of dollars due to illicit financial flows connected with corruption, money laundering and tax evasion. In 2011 alone, it was estimated that crime, corruption and tax evasion drained USD 946.7 billion from the developing world, increasing more than 13.7 percent from 20105. While Africa has a relatively smaller nominal share of regional illicit outflows, its illicit outflows averaged 5.7 percent of GDP from 2002-2011, and the loss of capital has a severe impact on the continent. The funds lost to illicit financial outflows could otherwise have financed public services, poverty reduction efforts and underpinned longer-term development. Countering illicit financial flows will require efforts by both developed and developing countries, including greater transparency, stronger collaboration and information sharing.

DENMARK WILL:

– Support the EU’s efforts to promote designing of efficient and fair tax systems and strengthening tax administrations that can help mobilise more domestic resources in developing countries based on the Commission Communication “Tax and Development” (2010) and the subsequent Council Conclusions (June 2010).

– Support the implementation of the Action Plan to Strengthen the Fight against Tax Fraud and Tax Evasion (2012), including the accompanying recommendations, which encourage Member States to take immediate and coordinated action against aggressive tax planning and tax havens.

– Work to promote synergies between EU efforts to fight tax fraud and tax evasion and EU efforts to promote good governance in tax matters, through i.a. supporting the EU’s engagement in the work of the OECD against Base Erosion and Profit Shifting (BEPS).

– Actively support the work of the EU and the OECD on developing an international standard for automatic exchange of tax information.

– Promote the EU’s efforts on country-by-country reporting, including promoting timely implementation of relevant initiatives and directives.

5 Illicit Financial Flows from Developing Countries: 2002-2011, Global Financial Integrity, December 2013
Political objective III  
EU-POLICIES CONTRIBUTE TO GLOBAL FOOD SECURITY

The global middle-class is expected to increase by three billion in 2030. This will increase demands for energy with 45 per cent, for water with 30 per cent and for food with 50 per cent. Today, already 840 million people from mainly the developing world suffer from hunger and malnourishment. This happens in a situation in which it is estimated that a third of all crops produced, including fruits and vegetables, are being wasted along the value chain in both developing and developed countries. Building global food security is complex and it requires actions and cross-cutting approaches in a broad range of policy areas. The challenges include reconciling the need for increased agricultural production and supply with other potentially competing objectives and constraints such as biofuels, access to land, land rights and tenure security, water scarcity and quality, loss of forests and other ecosystems.

DENMARK WILL:

– Work to ensure that EU’s agricultural, energy and investment policies are not negatively affecting developing countries’ food and nutrition security.

– Work to ensure that the EU supports land and property rights in developing countries, safeguarding that food production and the livelihood of the local populations are not undermined through external acquisition of land.

– Support the promotion of policies that focus on and stimulate more resource-efficient, diversified and sustainable production of better and safe food, also with a view to minimising food loss and waste and improving food and nutrition security. This also includes transfer of research, knowledge and technologies to developing countries.

– Promote conclusion of EU’s Fisheries Partnership Agreements with developing countries, as they play an important role in combatting illegal fishing in the territorial waters of developing countries, safeguarding stocks and securing livelihood of local and coastal communities.
A fundamental prerequisite of development is environmental sustainability. In many low-income countries natural capital constitutes a large share of wealth. These countries are therefore highly dependent on the sustainable and efficient use of natural resources, including water, land, and eco-systems. Inclusive green growth can offer real opportunities for more sustainable and inclusive growth in developing countries while protecting the environment. A green growth approach is a good opportunity for emerging and developing economies to leapfrog unsustainable and wasteful production and consumption patterns and promote resource efficiency. Developing countries are also more vulnerable to the effects of climate change than other countries due to higher sensitivity and lower adaptive capacity. Although the developed countries have left a big ecological footprint on the world, greenhouse gas (GHG) emissions from developing countries today exceed those from developed countries and are according to projections expected to increase to two-thirds of global emissions by 2020. Deforestation as well as land and forest degradation are in many developing countries also a major source of GHG emissions. Developing countries therefore have an important role in mitigating climate change. Developed countries can actively facilitate the development of environmental goods and services, and thereby support an environmentally, economically and socially balanced development. Green technologies, efficiency and holistic solutions involving all partners are at the core towards a global, sustainable green growth. In this process, the interests and needs of the poor and vulnerable segments of the population must be taken into account.

DENMARK WILL:

– Support the aim of reaching an ambitious binding agreement at the 2015 UN Conference on Climate Change (COP21) to be held in Paris. An ambitious EU framework for climate and energy from 2020 to 2030 will contribute positively to these negotiations.

– Promote embedding of a balanced environmental, social and economic development agenda in the formulation of Sustainable Development Goals (SDG) and the overall post-2015 framework in close collaboration with partners within and outside the EU. Particular emphasis will be given to the sustainable and inclusive use and management of water and energy.

– Support EU efforts to advance inclusive green economy, including through an active EU role in the UN Secretary-General’s initiative Sustainable Energy for All (SE4ALL), achieving objectives for access to modern energy for all, improving energy efficiency and increasing the share of renewable energy.

– Support phasing out fossil fuel subsidies, while promoting measures that protect the poor and vulnerable.

– Support EU efforts for sustainable consumption and production and promote policies and approaches that decrease pressure on the global natural resource. Efforts for decoupling environmental impact and growth through resource efficiency, productivity of economic activities and environmentally sound technologies are supported as well. This also includes ensuring that EU’s trade and internal market policies support the achievement of environment and climate goals and provide incentives to other countries to upgrade and enforce their environmental regulatory frameworks and standards, also with a view to preventing environmental dumping.

– Provide competencies in the field of green and climate-smart technologies and promote private-public partnerships in addressing climate change challenges in developing countries. This also includes promoting and facilitating innovative and private finance and investments models.
Peace, stability and security are closely interrelated with development, poverty reduction and advancement of human rights. The World Bank and OECD predict that more than half of the world’s poor will be living in fragile states by 2015. Overall, fragile states are by far underperforming on UN development targets and no fragile or conflict-ridden country has reached the Millennium Development Goals. As a consequence, both the EU and Denmark have increased their cooperation with fragile states and efforts within conflict prevention, state building and peace building. The EU is uniquely equipped to tackle these complex and interrelated challenges with its wide array of political, developmental, financial, trade and security tools at its disposal. A number of PCD relevant dilemmas are related to peace and security. These include but are not limited to conflicts related to resources, sourcing of minerals, climate change, arms trade, reforms in the security sector, maritime security, armed robbery at sea, piracy, and demining.

**DENMARK WILL:**

- Work to strengthen coordination and complementarity between security and development objectives, and promote comprehensive approaches while maintaining focus on key development aspects as poverty reduction, upholding humanitarian principles and capacity building. This will include efforts with regard to the EU’s strategic response to challenges in Africa, e.g. in the Gulf of Guinea and the Horn of Africa, as well as the EU’s Global Maritime Security Strategy for Europe.

- Support EU efforts to promote a responsible sourcing of minerals from conflict-affected areas and high-risk areas in order to limit the financing of armed conflict. Denmark will support focus on development, stabilisation and Corporate Social Responsibility in this regard without limiting legitimate and responsible sourcing of minerals.
DENMARK’S SYSTEM FOR ADVANCING POLICY COHERENCE FOR DEVELOPMENT

Denmark’s system for handling PCD will be based on the comprehensive and well-founded system for Denmark’s EU Policy Coordination, which has the advantage of ensuring efficiency and ownership across ministries. The PCD coordination will be embedded in the Special Committee for Development Policy Issues, which is one of the thematic Special Committees in the Danish EU decision-making process. The Special Committee will become the platform for inter-ministerial dialogue and coordination of PCD-related issues and will comprise all relevant ministries. The Special Committee will be given the task of identifying policy tracks to be pursued within the strategic priorities and will be the forum for discussing PCD aspects in relevant EU proposals. If necessary, other EU special committees, academia or civil society organisations can be engaged in specific issues.

Denmark will take a systematic approach to handling PCD in the national EU Policy Coordination system. The approach is depicted in the figure on the next page:

1. The Special Committee on Development Policy Issues will base its work on an annual screening of forthcoming EU policy proposals and initiatives relevant to PCD. This screening will be provided by the Commission’s General Directorate for Development Co-operation (DEVCO) and is developed on the basis of the annual work programme of the Commission.

2. Taking outset in the screening, but not excluding other channels of information, the Special Committee will discuss PCD aspects of relevant new legislative or policy proposals from the Commission or the European External Action Service. The Special Committee will identify a limited number of specific and immediate policy tracks in which Denmark will engage for the next year(s), supporting the policy objectives for the strategic priorities. The Danish resource base including civil society organisations will be invited to meet with the Special Committee and contribute with input to this process.

3. Subsequently, the Special Committee will decide upon specific goals, actions and indicators for the selected policy tracks or update the existing ones. The sector ministries will take due consideration to the input from the Committee when formulating Denmark’s objectives in the succeeding negotiations on the concrete proposal.

The Special Committee consists of officials from the Ministry of Foreign Affairs (chair), the Ministry of Finance, Ministry of Business and Growth, Ministry of Taxation, Ministry of Food, Agriculture and Fisheries, Ministry of Climate, Energy and Building, Ministry of Environment, and the Ministry of Justice.

DENMARK’S SYSTEM FOR EU POLICY COORDINATION

The Danish system is based on the principles of early internal policy coordination in the ministries as well as early involvement of Parliament in the EU decision-making process.

The inter-ministerial coordination process is centred on the Danish EU Committee of which all EU-relevant ministries are members, and the underlying thematic Special Committees.

The coordination process normally begins at the outset of a new Commission proposal and is only completed prior to a decision being made at Council level.

The Parliament’s European Affairs Committee is informed about decisions of importance and is consulted with a view to obtaining a negotiating mandate before decisions of major significance.
4. PCD aspects of relevant EU proposals will be an integrated element of the dialogue with the European Affairs Committee as part of the Danish EU coordination procedure. The Minister for Development Cooperation will on a regular basis inform the Foreign Affairs Committee and European Affairs Committee on Danish PCD priorities and efforts, e.g. when preparing for the Foreign Affairs Council for development ministers.

5. The Danish PCD priorities and goals will be promoted in the EU through the regular channels for influence, e.g. through the formal EU negotiating and decision-making fora as Council working groups and Council meetings, but also through early dialogue with relevant stakeholders in the EU institutions.

Denmark’s efforts for policy coherence for development will be reported in Danida’s annual report. The biennial PCD reports of the EU and the EU PCD work programme will also be utilised as a basis for following progress in the EU, including on the institutional handling of PCD as well as within the individual priority areas.

WORKING THROUGH THE EU

Denmark will primarily focus its PCD efforts on policies and procedures in the EU. This will not exclude support to endeavours in other fora, such as the OECD, which plays a leading role in developing global approaches to PCD. Denmark will play an active role in ensuring an ambitious EU approach to PCD, i.a. by pushing for the implementation of the council conclusions of December 12, 2013. The EU can play an important role in promoting PCD in the post-2015 development agenda, with a view to mainstreaming PCD in policy formulation and development processes beyond 2015.

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9 Adopted at the Foreign Affairs Council (Development) in Brussels on December 12, 2013.
Denmark will actively promote that the EU develops a longer-term PCD work programme that focuses on areas where the EU can act as an agent of change and where concrete results can be achieved on the basis of clear political objectives. Denmark will also contribute to more strategic discussions at political level in the EU Council of Ministers. The discussions should be regular, thematic, and when relevant, include involvement of ministers and European Commissioners from non-development sectors. Denmark will also work to strengthen the institutional dialogue with the European Parliament on PCD-related issues.

The European Commission has a great potential to analyse future PCD-relevant proposals, and has taken lead on preparing an annual screening of upcoming policy proposals on the basis of the Commission’s work programme. Denmark will continue to support that this screening is prepared annually by the Commission and that it remains substantial and relevant. It is crucial that policies and relevant initiatives are shaped to take incoherencies and PCD issues into account. The EU’s impact assessments and sustainable impact assessments remain the main tool for promoting PCD in new policy or legislative initiatives and in proposals for policy revision. Denmark will encourage a strong PCD focus in these analyses. Finally, Denmark will work to ensure that measuring impact of EU policies on developing countries is included as a mandatory criterion in the evaluations of EU policies.

Feedback from developing countries on the impact of policies on development is fundamental to generate the necessary evidence to inform policy. As no single EU member state has the capacity or resources to conduct such data-gathering work solely on their own, a common need exists to improve the capacity for performing joint analyses and sharing knowledge. With its global presence in nearly 140 countries, the EU has striking comparative advantages to any of its member states in maintaining country-level dialogue and providing feedback on PCD-related issues. Denmark will promote that EU delegations engage in a more systematic dialogue with partner countries including the civil society, academia etc. in order to receive feedback and better assess the impact and possible incoherencies of EU policies at country-level. Denmark will also advance PCD in PCD in the EU’s overall strategies for engagement with partner countries, and in programming guidelines.

STRENGTHENING EVIDENCE

Without investment in evidence-driven research on the impact of EU policies on developing countries and global development, commitments and institutional arrangements for policy coherence for development will lack the necessary traction. Knowledge-input and collection of evidence is necessary to ownership and engagement to the PCD agenda. Denmark will work with relevant partners including the EU, OECD, think tanks, research institutes and civil society organisations at both international and national level to promote more systematic approaches to evidence-based analyses. Denmark will also build on the tools and knowledge-sharing in the OECD. Danish representations will be encouraged to strengthen cooperation with EU delegations in order to generate more field level knowledge and evidence. Denmark will seek to promote that obtained knowledge-input feeds into the policy making process.

IMPLEMENTING THE ACTION PLAN

A successful implementation of Denmark’s PCD action plan requires broad engagement and willingness to prioritise PCD in the EU and in Denmark. Denmark depends on the EU’s capability to make the necessary and timely analyses of PCD-relevant policy proposals in order to keep track, and on the readiness to make development-friendly compromises when necessary. On a national level, the Ministry of Foreign Affairs together with the sector ministries will play a vital role in taking forward PCD in relevant and prioritised policy areas. It also requires a joint understanding of PCD across government as well as necessary capacity and knowledge on PCD issues. However, achievement of progress will often depend on the realities of the negotiations in the EU. Denmark will continue to play an active role in promoting and communicating the concept of PCD - also to the broader public. Engagement of the resource base, including civil society organisations and research institutions, will remain key.
DENMARK’S POLICY TRACKS FOR POLICY COHERENCE FOR DEVELOPMENT

This part of the Action Plan is a rolling document. It sets out the concrete policy tracks and processes, in which Denmark will engage to promote policy coherence for development for the forthcoming years. The selected policy tracks support the overall political objectives for the action plan and will contribute to fulfilling the priorities as outlined in Part I.

The policy tracks will primarily focus on policies and issues that are already or soon to be in process in the EU system. However, it is also recognised that not all issues identified in the priorities can be pursued at the same time, as it depends on the state of play of negotiations in the EU and other fora, as well as a prioritisation of resources.

The concrete policy tracks, including the specific actions, goals and indicators, are short-term efforts (1-2 years) and will be subject to an annual assessment, review and monitoring by the Special Committee for Development Policy Issues. The policy tracks will be updated accordingly, and if necessary, replaced by new policy tracks.

The figure shows the relation between the long-term strategic priorities for Denmark’s PCD efforts, the political objectives for the Action Plan, and the short term policy tracks.
Political objective I
THE EU’S FREE TRADE AGREEMENTS LEAD TO GREATER ECONOMIC INCLUSION OF LEAST DEVELOPED COUNTRIES

POLICY TRACKS

Follow-up on the 9th WTO Ministerial Conference
I. In December 2013, the WTO-members agreed on a package of elements from the Doha Development Agenda, comprising a political agreement on trade facilitation and several measures in support of least developed countries, including a review mechanism to ensure their special and differential treatment. Furthermore, it was decided to develop a clearly defined work programme in 2014 on the remaining outstanding issues from the Doha Development Agenda. Denmark will promote the interests of the least developed countries and work to ensure that these are reflected in the EU’s position and inputs to negotiations in the Doha Development Round.

II. Denmark plays a leading role in the EU in advancing green trade liberalisation. Reducing tariffs on green products and services will facilitate green trade, benefit the climate and the environment and also create economic growth and development. Presently, evidence of the impacts of liberalisation of green trade on developing countries is rather limited. With the aim of reaching a comprehensive international agreement on green goods and services, Denmark has an interest in securing that green trade also benefits developing countries. Denmark will actively contribute to creating more knowledge in this area.

Free trade agreement between the EU and developed countries
EU’s free trade agreements with other developed countries, e.g. with the USA, can also benefit developing countries, especially by generating increased trade. Denmark will advocate for a more systematic conduction of analysis of impacts on sustainable development, including in the developing countries. These assessments should optimally be conducted early enough to feed into the negotiations and provide recommendations for the design of possible measures to maximise positive impacts and reduce negative consequences for developing countries of trade liberalisation.

Economic Partnership Agreements between the EU and ECOWAS/EAC
Denmark is committed to concluding development-friendly Economic Partnership Agreements with regions and countries in Africa, the Caribbean and the Pacific and will encourage the European Commission to exercise flexibility in negotiations, giving attention to the interests of least developed countries when it comes to sustainability and market access, levels of liberalisation, transition periods, export taxes and accompanying measures. Denmark will focus the efforts on negotiations with regional organisations in Africa, such as the East African Community (EAC) and the Economic Community of West African States (ECOWAS).
POLITICAL OBJECTIVE I

The EU’s free trade agreements lead to greater economic inclusion of least developed countries

POLICY TRACKS

Follow-up on the 9th WTO Ministerial Conference

Free trade agreements between the EU and developed countries

Economic Partnership Agreements between EU and ECOWAS/EAC

GOALS, ACTION AND INDICATORS

Goal
The interests of LDCs is given primacy in future agreements in the Doha Development Round, incl. development preserved as a central pillar in the WTO negotiation track.

Action
Together with like-minded EU partners, Denmark keeps the Commission focused on the interests of the LDCs in the EU’s inputs into the negotiations in the Doha Development Round.

Indicator
The LDCs stay on board in the negotiations and support future agreements.

Goal
Increased knowledge on how developing countries can benefit from green trade liberalisation.

Action
The Ministry of Foreign Affairs of Denmark commissions a study on the topic.

Indicator
Study conducted giving recommendations on how to include developing countries in green trade liberalisation.

Goal
Maximise positive impact of the FTAs on LDCs and reduce possible negative effects.

Action
Request the Commission to conduct early sustainability impact assessments (which include analyses of the FTAs’ effects on LDCs), to allow that the result of these assessments play into the negotiations.

Indicator
Early sustainability impact assessments are conducted.

Goal
Conclusion of additional development-friendly EPAs before October 2014 with particular focus on EAC and ECOWAS.

Action
In cooperation with like-minded EU states facilitate that the Commission shows necessary flexibility in the negotiations of EPAs.

Indicator
The Commission shows necessary flexibility in the negotiation of EPAs.
Political objective II
THE EU AT THE FOREFRONT OF FIGHTING TAX FRAUD AND TAX EVASION

POLICY TRACKS

Revision of the EU Directive on Administrative Cooperation
The EU is working with the OECD on the development of a new international standard for the automatic exchange of information for tax purposes. Such a standard will also provide developing countries with timely information on non-compliance where tax has been evaded, even in cases where no previous indication of such activity exists. In 2013, the European Commission proposed a revision of the EU Directive on Administrative Cooperation introducing mandatory automatic exchange of information in the field of taxation. The revision is expected to be adopted by the end of 2014 following an expected endorsement in September 2014 of the global standard for automatic exchange of information developed by the OECD. In this context, Denmark fully supports the introduction of comprehensive measures on automatic exchange of information for tax purposes, and is conscious of the obstacles faced by developing countries in making use of the system.

Revision of EU’s Anti-Money Laundering Directive
Denmark supports making tax crimes a predicate offence under the revised EU’s Anti-Money Laundering Directive, which is currently being negotiated at EU level, as well as the requirement to ensure full disclosure of beneficial ownership, i.e. disclosure of the natural person(s) who ultimately owns or controls a company. In this context, Denmark supports freedom of method in ensuring public access to this information.

Follow-up on the Recommendations on Good Governance in Tax Matters
Denmark fully supports the work to implement the EU Action Plan to strengthen the fight against tax fraud and tax evasion from 2012, including the adoption of a set of criteria to identify third countries not meeting minimum standards of good governance in tax matters and a ‘toolbox’ of measures in regard to third countries according to whether or not they comply with those standards, or are committed to comply with them. In this context, Denmark supports joint EU blacklisting of non-compliant jurisdictions as a more effective measure against countries with harmful tax practices.
POLITICAL OBJECTIVE II

The EU at the forefront of fighting tax fraud and tax evasion

POLICY TRACKS

Revision of the EU Directive on Administrative Cooperation

Revision of the EU’s Anti-Money Laundering Directive

Follow-up on the Recommendations on Good Governance in Tax Matters

GOALS, ACTION AND INDICATORS

Goal
EU and international adoption of automatic exchange of information for tax purposes.

Action
Promote the goal in the work on finalising the revision of the EU Directive on Administrative Cooperation as well as in the OECD.

Indicator
Automatic exchange of information becomes a mandatory part of the adopted EU Directive on Administrative Cooperation.

Goal
The fight against tax crimes, including ensuring public access to information about beneficial ownership, are made part of EU efforts against money laundering.

Action
Promote the goal in EU negotiations on Anti-Money Laundering Directive.

Indicator
Tax crimes are made a predicate offence and provisions for public access to information about beneficial ownership are included in the adopted EU Anti-Money Laundering Directive.

Goal
Joint EU approach towards jurisdictions that do not meet minimum standards of good governance in tax matters.

Action
Promote the goal in EU fora.

Indicator
A common EU black-list of jurisdictions that do not comply with minimum standards of good governance in tax matters established.
Political objective III
EU POLICIES CONTRIBUTE TO GLOBAL FOOD SECURITY

POLICY TRACKS

Global agricultural policies
As the world’s largest importer and the second largest exporter of agricultural commodities, the EU’s agricultural policies and instruments have a potential effect on world food prices and agricultural development in developing countries. The EU’s Common Agricultural Policy (CAP) has been substantially reformed partly to minimise its impact on world markets, especially developing countries. The role of market intervention mechanisms has been either abolished or significantly reduced to a safety-net level. Denmark supports a continued and systematic monitoring and evaluation of the effects of agricultural policies (incl. the CAP) on developing countries’ capabilities to obtain and ensure global food security e.g. through WTO mechanisms.

Responsible agricultural investments and governance of tenure
Land rights and access to land require special attention in consequence of the expected pressure on resources as well as the need for securing food security among the poorest. The pursuit of increased energy security must not come at the expense of securing access to food. Denmark will work to ensure that the EU supports land and property rights in developing countries, safeguarding that food production and the livelihood of the local populations are not undermined through external acquisition of land. To this end, Denmark will promote that the EU works with international organisations, partner countries and private actors to ensure a more systematic implementation of the FAO “Voluntary guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests” from 2012. Denmark also supports that the EU plays a significant role in contributing to developing a set of strong principles to promote responsible investments in agriculture, underpinning an environmentally, economically, and socially inclusive development that contribute to food security and nutrition. This also includes preventing and minimizing negative impacts on other food production, such as fisheries. A special focus will be on the implementation of these principles in Denmark’s priority countries for development cooperation.

EU Biofuels Policy
Biofuels have both local and global impacts on food security, food prices, and land use. However, the links between biofuels and food security are complex and the assessments of such should thus be multi-faceted and specific to the local context. Denmark will work for an EU Biofuels Policy that secures the sustainability of biofuels, including increasing incentives for advanced biofuels from non-food crops that do not create an additional demand for land. Denmark will promote efforts to include indirect land use change (ILUC) emission estimates as a part of the sustainability criteria for biofuels.
POLITICAL OBJECTIVE III

EU policies contribute to global food security

POLICY TRACKS

Global agricultural policies
Guidelines on responsible agricultural investments and governance of land tenure
EU Biofuel Policy

GOALS, ACTION AND INDICATORS

Goal
EU agricultural policies do not negatively affect developing countries’ food and nutrition security.

Action
Consider possibilities for strengthening and improving WTO monitoring mechanisms of agricultural policies, incl. the CAP.

Indicators
Effective utilisation of WTO monitoring instruments (incl. ensuring greater transparency and reporting requirements).

Goal
Promote good governance of tenure and investment strategies in support of sustainable natural resource management for food security.

Action
Through relevant EU fora promote formulation and implementation of responsible investment principles and implementation of voluntary guidelines on governance of land tenure (VG).

Indicators
Strong principles for Responsible Agricultural Investment adopted and VG promoted and implemented in a number of Danish priority countries for development cooperation.

Goal
Improve sustainability of biofuels.

Action
Promote proposals that encourage use of advanced biofuels from non-food crops in e.g. the Renewable Energy Directive.

Indicator
E.g. the Renewable Energy directive reflects a more ambitious approach to the use of advanced biofuels. ILUC included as part of sustainability criteria for biofuels.
Political objective IV
THE EU TAKES A LEAD ROLE IN PROMOTING GREEN TRANSITION AND CURBING CLIMATE CHANGE

POLICY TRACKS

EU policy framework for climate and energy policies and the international climate agreement in 2015
At the initiative of the EU and the most vulnerable countries, an agreement was reached at the Durban Climate conference in December 2011 to adopt by 2015 a new global climate regime covering all countries, entering into force in 2020. Denmark supports that the new regime takes form of a legally binding protocol, setting ambitious targets on collective actions for reduction of global GHG emissions and securing adequate, predictable and sustainable funding prioritising the least developed and most vulnerable countries. Denmark supports ambitious internal targets for the EU in the 2030 policy framework for climate and energy, as these will set the tone for the international climate ambitions and will feed directly into the negotiations leading up to COP21 in Paris in 2015.

Sustainable Development Goals (SDG)/Sustainable Energy for All (SE4ALL)
Agreeing on a set of universal goals for poverty eradication and sustainable development will be an important contribution to achieving a global green transition with focus on areas such as poverty eradication, economic growth and employment, gender equality and women’s empowerment, access to modern energy services, access to/usage and management of water, promoting sustainable consumption and production patterns, including sustainable managing and conserving of natural resources. The EU Commission has set the ambitious goal of helping developing countries to provide access to sustainable energy to 500 million people by 2030 in support of the UN Secretary-General’s SE4ALL initiative. Denmark supports EU efforts to engage in initiatives aimed at reforming FFS in developing countries and will work for the EU to actively promote a phasing out of FFS in the G20, and agreeing on a common definition of FFS while securing measures that protect vulnerable groups from the impact of subsidy removal.

Fossil Fuel Subsidy Reform
At the Copenhagen Climate Summit in 2009, developed countries pledged US$30 billion in funding during 2010-2012 to combat climate change. The same year more than US$400 billion were spent globally on subsidies for fossil fuels – a key source of emissions contributing to global warming. Fossil fuel subsidies (FFS) undermine international efforts to avert climate change and represent a drain on national budgets. It also fails in benefitting the poorest, as the majority of benefits from FFS go to the richest 20% of households. Denmark supports EU efforts to engage in initiatives aimed at reforming FFS in developing countries and will work for the EU to actively promote a phasing out of FFS in the G20, and agreeing on a common definition of FFS while securing measures that protect vulnerable groups from the impact of subsidy removal.
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<td>The EU takes a lead role in promoting green transition and curbing climate change</td>
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<td>Action</td>
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<td>An ambitious EU position for COP21, facilitated by progress in EU’s internal targets.</td>
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<td>Progress on the attainment of the three SE4ALL goals, particularly at country level</td>
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<td>Progress on phasing out fossil fuel subsidies</td>
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<td>An ambitious EU position for COP21 that sets higher thresholds in the international negotiations for a binding protocol.</td>
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<td>Language on SE4ALL and energy reflected in relevant EU documents as part of post-2015/SDG process. EU delegations further engaged in promoting SE4ALL-goals.</td>
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<td>Commitments reached in G20 to phase out Fossil Fuel Subsidies with a deadline, and measures secured to protect vulnerable groups.</td>
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Political objective V
THE EU APPLIES COHERENT APPROACHES TO CONFLICTS AND STABILISATION

POLICY TRACKS

Maritime Security Strategy for Europe
The December 2013 European Council Conclusions called for the development of an EU Maritime Security Strategy by June 2014 based on a joint communication from the High Representative and the Commission. This is envisaged to be followed by the subsequent elaboration of action plans to respond to maritime challenges. Denmark will work for an appropriate inclusion of key development aspects in the discussions as well as ensuring the incorporation into the EU’s external relations in a comprehensive manner. These priorities will naturally also be sought in the following elaboration and implementation of the activities.

Gulf of Guinea Strategy
Maritime insecurity in the Gulf of Guinea is defined by a range of interlinked challenges that affect the states in the region as well as Europe and other international trade partners. The challenges include illegal fishing, piracy and armed robbery at sea, illicit dumping, trafficking of narcotics, arms and human beings, and illegal actions at sea related to the oil and gas industry, and affects i.a. local employment and consumption, energy supplies to the EU, and international shipping lanes. A joint communication with elements for EU’s Strategic Response to the Challenges in the Gulf of Guinea was launched in December 2013. Denmark will work to ensure that the development and implementation of an EU strategy takes a regional and comprehensive approach that also incorporates the development dimension. The aim of an EU strategy would be to achieve an active and coordinated EU engagement based on local and regional ownership, capacity building and support to national institutions and regional organisations like the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS) and the Gulf of Guinea Commission (GGC).

EU regulation on responsible sourcing of minerals
The EU regulation on responsible sourcing of minerals from conflict areas is an important step to ensure a comprehensive approach to responsible mineral sourcing that includes development, stabilisation and corporate social responsibility aspects. Denmark will actively promote that development and stabilisation aspects are prioritised in the Council’s discussions regarding the regulation and in the follow-up to the joint communication, including in the Council’s contributions to the regulation regarding responsible sourcing of minerals’ from conflict-affected areas. Denmark will support an effective mapping of conflict minerals supply chains and a comprehensive assessment of the impact of the certification system in connection with the review of the regulation, in order to ensure that satisfying results are achieved.
The EU applies coherent approaches to conflicts and stabilisation

**POLICY TRACKS**

- **Maritime Security Strategy for Europe**
- **Gulf of Guinea Strategy**
- **Responsible sourcing of minerals from conflict-affected areas**

**GOALS, ACTION AND INDICATORS**

**Goal**
Civil cooperation, capacity building and development aspects are included in the strategy and in the implementation hereof. Coherence between strategy and existing development programmes and initiatives will be sought.

**Action**
Promote a comprehensive approach in the formulation and implementation of the strategy, including by having joint sessions in the council working groups with participation of CODEV. Ensure that development aspects are taken into account in discussions and negotiations with EU institutions and member states.

**Indicator**
Adequate focus on development aspects in the strategy and in the implementation of the strategy.

**Goal**
Ensure a comprehensive and regional approach in the elaboration and implementation of the strategy, including the development dimension.

**Action**
Work to ensure that these priorities are reflected in the implementation of the strategy.

**Indicator**
Implementation in line with the strategy and council conclusions that mention the importance of a comprehensive regional approach and capacity building.

**Goal**
Ensure a strong focus on development and stabilisation aspects and corporate social responsibility in the regulation and in possible council conclusions. Strengthen responsible sourcing of minerals as a market condition in the EU without harming legitimate and responsible trade from conflict-affected areas.

**Action**
Actively work to ensure that development and stabilisation aspects are prioritised in negotiations with EU institutions and member states. After adoption, push for an effective mapping by the Commission of conflict minerals’ supply chains.

**Indicator**
Stabilisation and development aspects are prioritised in the regulation and included in possible council conclusions. A thorough mapping of conflict minerals’ supply chains is provided by the Commission.