



**MINISTRY OF FOREIGN AFFAIRS
OF DENMARK**
Danida

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EVALUATION OF THE DANISH STRATEGIC SECTOR COOPERATION





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PEMCONSULT
PEOPLE • ENVIRONMENT • MANAGEMENT

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The evaluation team has done its best to reflect and accurately present the opinions and recommendations of all stakeholders it met. However, the findings and recommendations in this report ultimately represent the views of the team and should be subject to further review and discussions among all stakeholders.

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ABBREVIATIONS AND ACRONYMS

ANVISA	Brazilian Health Surveillance Agency
BMoH	Brazilian Ministry of Health
BRAHIT	Optimising Brazil Health Care with Telemedicine Research Project (W2)
BtO	Back-to-office
CCAs	Central Competent Authorities (Kenya)
DAC	Development Assistance Committee (OECD)
Danida	Danish International Development Cooperation
DEA	Danish Energy Agency
DEPA	Danish Environmental Protection Agency
DFC	Danida Fellowship Centre
DHA	Danish Health Authority
DI	Dansk Industri (Confederation of Danish Industries)
DKK	Danish kroner
DKPTO	Danish Patent and Trademark Office
DMDP	Danida Market Development Partnerships
DRG	Diagnosis-Related Groups
DSIF	Danida Sustainable Infrastructure Finance
DTU	Technical University of Denmark
DVFA	Danish Veterinary and Food Administration
DWEA	Danish Working Environment Authority
EC	European Commission
EKF	Dansk Eksportkredit
ELK	Evaluation, Learning and Quality Department (MFA)
EM	Evaluation Matrix
ESP3	Environmental Sector Programme Support (Indonesia)
EQ	Evaluation Question
ERG	Evaluation Reference Group
ESDM	Ministry of Energy and Mineral Resources (Indonesia)
EU	European Union
FAO	Food and Agriculture Organization
FFU	Consultative Research Committee
GECKO	Green and Circular Innovation for Kenyan Companies (W2)
IFU	Investeringsfonden for Udviklingslande
ILO	International Labour Organisation
IMO	International Maritime Organisation
INPI	Instituto Nacional da Propriedades Industrial (Brazilian Intellectual Property Rights Office)
IPR	Intellectual Property Rights
JC	Indo-Danish Joint Commission
JWG	Joint Working Group
LEAP	Long-range Energy Alternatives Planning
L&F	Landbrug og Fødevarer (Danish Agriculture and Food Council)
MANCP	Multi Annual National Control Plan
M&E	Monitoring and Evaluation
MoEF	Ministry of Environment and Food
MESPT	Micro Enterprises Support Programme Trust (Kenya)

MoCEU	Ministry of Climate, Energy and Utilities
MFA	Ministry of Foreign Affairs of Denmark
MIC	Middle-income Country
MITC	Ministry of Industrialization, Trade and Cooperatives (Kenya)
MNRE	Ministry of New and Renewable Energy (India)
MoE	Ministry of Employment
MoH	Ministry of Health
MoIBFA	Ministry of Industry, Business and Financial Affairs
MoU	Memorandum of Understanding
MYNSEK	Myndighedssekretariatet (Strategic Sector Cooperation Secretariat, MFA)
NEC	National Energy Council (Indonesia)
NEMA	National Environmental Management Authority (Kenya)
NIWE	National Institute of Wind Energy (India)
OECD	Organisation for Economic Co-operation and Development
P4G	Partnering for Green Growth
PLN	Perusahaan Listrik Negara (Indonesia state electricity company)
PPH	Patent Prosecution Highway Agreement
PPP	Private Public Partnership
PwD	Partnering with Denmark
RE	Renewable Energy
SC	Sector Counsellor
SD	Statistics Denmark
SDG	Sustainable Development Goal
SSC	Strategic Sector Cooperation
TA	Technical assistance
TC	Trade Council
ToC	Theory of Change
ToR	Terms of Reference
UMC	Udaipur Municipal Corporation
UN	United Nations
UNGA	United Nations General Assembly
W2	Development Research Window 2
WHO	World Health Organization
WRA	Water Resource Authority (Kenya)
WTO	World Trade Organization

EXECUTIVE SUMMARY

A. Evaluation purpose and scope

The evaluation of the Strategic Sector Cooperation (SSC) Initiative was commissioned by the Evaluation, Learning and Quality Department (ELK) of the Ministry of Foreign Affairs (MFA) and conducted from October 2019 to May 2020. It was framed by six evaluation questions in order to assess if the SSC Initiative delivered results according to its three objectives and if the management arrangements were adequate vis-a-vis the current programme portfolio.

The evaluation was based on consultations with the Danish partner authorities, Danish private sector representatives and MYNSEK – the secretariat of the SSC Initiative based at the MFA. In line with the Terms of Reference (ToR), the evaluation also consulted the main partner authorities and the Danish embassies in four preselected case countries, namely Brazil, India, Indonesia and Kenya. In addition, the evaluation conducted a document review of 12 ongoing projects, which were entering the 2nd implementation phase.

B. The SSC Initiative

The SSC Initiative was launched in January 2015. It is implemented within the framework of the Danish Strategy for Development Aid and Humanitarian Assistance (2017), *The World 2030*, and the Danish Government's Strategy for Economic Diplomacy (2018). The SSC Initiative supports peer-to-peer cooperation and capacity development between Danish public authorities and partner authorities in transition economies and middle-income countries (MICs). The aim is to contribute to sustainable growth and development by improving the framework conditions of the Sustainable Development Goals (SDGs) established by the United Nations 2030 Agenda for Sustainable Development. The main objective of the SSC Initiative is to mobilise partnership cooperation in sectors where Denmark has strong expertise and technology. It also has two additional objectives as it aims to strengthen and expand bilateral relations between Denmark and the partner countries and, in the longer-term, it is expected to open the doors for transfer of Danish expertise and technologies on commercial terms.

By March 2020, the SSC Initiative supported 21 Danish authorities that were engaged in 40 SSC projects in 18 partner countries. The SSC Initiative also employs 35 Sector Counsellors (SCs) based at the embassies in the partner countries. Since 2015, the total budget allocation for the SSC Initiative is almost DKK 200 million. This amount is exclusive of the budget allocations for the SCs and for the training courses and Window 2 (W2) research grants administered by the Danida Fellowship Centre (DFC). In 2019, DKK 74 million was budgeted for SCs and DKK 60 million for training courses at DFC, while DKK 49 million was approved for W2 research grants.

C. Evaluation findings

Partnerships and results achievements

The SSC Initiative is young, and results are still emerging, but the potential for impact achievements is promising. Within a short period of time, the programme has mobilised Danish public sector expertise, which would not have been accessible on commercial terms or otherwise and initiated relevant contributions to the 2030 Agenda for Sustainable Development. Judged by the preliminary results and the potential for scalability and longer-term impact, the programme is in many ways punching above its weight compared to the resources invested in the programme. Indeed, local partners consulted by the evaluation expressed high appreciation and a good deal of enthusiasm about the Danish collaboration. They were well informed and actively engaged in the partnership cooperation and confirmed that Danish partners contributed to priority challenges within their sectors.

Most SSC projects contribute to conducive SDG framework conditions by supporting policy implementation and institutional strengthening, while policy change is more likely a longer-term outcome. A particularly strong and possibly underrated feature of the SSC Initiative is its ability to empower partner authorities beyond the formal objectives of a project cooperation. This includes stronger capacity for change management and reform coordination, that enable partners to interact and connect with key public, private, civil society, and development actors, and to influence and shape broader policy and programme outcomes. Such achievements are mutually benefiting for both partners in a partnership and mostly achieved 'under the radar' of SSC monitoring. However, it is an essential outcome of the programme and key to appreciate the full value-added of the SSC Initiative.

The SSC Initiative also contributes to stronger bilateral relations and cooperation between Denmark and SSC partner countries. This is particularly evident in transition economies, and in MIC countries without Danish bilateral development support. The contributions to partner authorities "add substance to diplomacy" as one ambassador noted and

provide access for Danish embassies to the governments in the partner countries, both at sector and at government level.

There have been varying interpretations of private sector engagements and how it should be addressed by the Danish authorities, the embassies and the SCs. Incremental changes of the SSC Initiative added to this discussion. The evaluation noted that a mutual understanding of private sector engagement has emerged in which the main focus is to improve the enabling environment for the private sector, whereas private sector contributions on commercial terms are considered a more long-term outcome. However, some sectors and partners found it relevant to engage the Danish private sector more actively as dialogue partners in framework improvements and to demonstrate Danish Private-Public-Partnership (PPP) solutions in the projects. While commercial aspects of SSC engagements are considered a longer-term outcome, some synergies are also emerging through the collaboration with the Trade Councils (TCs).

Factors that underpinned results and the lessons learned

Overall, the positive achievements are a testimony of the Danish authorities' ability to engage in international development, to deliver context sensitive contributions and to facilitate partner ownership to the process. The SCs play an important role in this, especially when partnerships are forged, and trust and mutual understanding is built between the SSC partners. Moreover, the evaluation identified a number of factors that underpinned positive results achievements, which may inform the ongoing SSC programming:

- The pre-selection of sectors with strong Danish expertise and international reputation is a key factor for success. The ability of SSC projects to showcase and disseminate Danish sector experiences, PPP solutions and leading technologies, enhance the relevance of SSC contributions and underpin the credibility of Danish authorities and Denmark. In some cases, the SSC Initiative could also build on already established partner relations with the SSC countries.
- The flexibility of the SSC framework underpins adaptive programming and successful partnerships and allow projects to adapt to local processes and customs without insisting on a rigid 'one size fits all' format. The light setup also ensures that projects can adapt to changing needs, and to sudden risks and force majeure.
- Results from SSC projects may come faster with certain sector approaches. For example, when government agencies focus on more specific and scalable interventions without compromising on local demand and adaptation, or when they prepare for project formulations with support from analyses of alternative

cooperation options based on local demand and available Danish expertise.

- Local settings matter and the selection of countries and sectors needs individual assessments. At the outset, so-called MIC settings would seem to be more suited for the SSC approach, as MIC settings entail stronger policy, fiscal and governance frameworks and higher institutional absorption capacities. Danish approaches and solutions may be more relevant and adaptable to partner countries and – equally important – present a stronger setting to sustain solutions once implemented. With limited resources, individual SSC projects may struggle to address more fundamental challenges in SDG frameworks found in lesser developed contexts. Such settings require more comprehensive development assistance and peer-to-peer cooperation could be less relevant or less sustainable, unless combined with more substantial development instruments. Country programmes in Danida priority countries may offer a suitable platform in such settings, when the SSC modality can complement other Danish sector support.

Given that the evaluation was based on preliminary results and a limited number of country studies, key factors for results achievements should be subject to further elaboration and validation, once SSC projects have been completed and more in-depth outcome and impact analyses are feasible.

Areas in need of more attention

The current programme framework has been conducive for adaptive approaches, building partnerships and delivering preliminary results with a good potential for longer-term development impact. However, after the first years of testing and expansion of the programme modality, there is a need to consolidate programme results and the management framework.

One of the key findings of the evaluation is the need for more policy dialogue and exchange of experience to proceed with the SSC Initiative and ensure programme coherence. Partners and actors in Denmark found that it is time to discuss the direction of the programme and to consolidate the guidance and the international work of Danish authorities through more regular meetings between partners and stakeholders. This will also support international units in the Danish authorities and their efforts to engage and build ownership within their own authority.

The shared management responsibilities are also somewhat ambiguous and at times creates challenges for the programme management and oversight. More dialogue between partners can streamline responsibility issues and ensure more coherence with other Danida programmes such as the DFC training courses and the W2 research grants.

The improvement of the programme coherence through more dialogue and cooperation between partners and stakeholders could be underpinned by a more explicit programme-wide Theory of Change (ToC) and by documentation of good practises in the SSC guidelines. A programme-wide ToC could also streamline project designs and support Danish authorities that are challenged by the project language.

The evaluation also found that in Danida priority countries with multiple development programmes, coordination with the country programme would likely facilitate the harvesting of the full value of the SSC Initiative. The country programming process provides a good opportunity to assess the pros and cons of the SSC modality and, if applied, to coordinate the modality with the monitoring and evaluation of the country programme.

D. Recommendations

In order to consolidate programme achievements and ensure a coherent approach, the evaluation identified the following recommendations:

Recommendation #1: MYNSEK should strengthen programme coherence and coordination by more exchange of programme and project information, knowledge, experiences, and lessons learned between partner authorities. This should also include more interactions with private sector organisations.

Rationale: The programme management is somewhat fragmented and shared among several actors. This creates challenges for a coherent programme management and oversight and for a shared understanding of the programme.

This recommendation could be implemented through the following measures:

- MYNSEK should facilitate more regular policy discussions with Danish authorities and private sector representatives to guide the strategic direction of the SSC programme and to ensure coherence between projects and sector cooperation. These meetings could be tailored towards a sector thematic agenda and/or a specific SSC country.
- MYNSEK should facilitate more regular discussions and exchange of experience between project managers in the Danish authorities, especially for smaller partner authorities and/or authorities with less SSC experience. Meetings could be tailored and driven by some of the experienced partners and executed e.g. 3-4 times annually with a well-prepared agenda. Meeting could take place

in smaller thematic working groups or organised more broadly to discuss various management setups in the Danish partner authorities.

Recommendation #2: MYNSEK should formulate a programme-wide ToC for the SSC Initiative that describes how the programme and its partnerships contribute to the programme objectives and the broader development outcomes associated with achievement of the SDGs.

Rationale: The SSC Initiative does not have a programme-wide ToC, which presents its results, its change theory and how the three programme objectives are interlinked. Accordingly, the selection of countries, sectors and projects is done ad hoc, and it is left to the projects to develop a ToC to guide the implementation at the project level. In practice, there is a great deal of variation in the way projects present their intervention logic and ToC, and the lack of a programme-wide ToC makes it difficult to locate projects within a broader programme framework.

This recommendation could be implemented through the following measures:

- Develop a programme-wide ToC to underpin future selection of countries, sectors and projects and to serve as a reference for the projects. This could include some overall indicators regarding partnership building, policy development and bilateral relations.
- Acknowledge explicitly that the SSC Objective 1 is the main objective of the SSC and that Objective 2 (fully) and Objective 3 (partly) are subsequent results driven by activities within Objective 1.
- Conduct workshops to develop the programme-wide ToC with experienced Danish authorities and discuss relevant indicators linking projects with the wider programme objectives. Henceforth, only ask projects for a mandatory description of an objective, a result chain, a sector approach and some indicators to apply in the reporting.

Recommendation #3: Improve programme guidance through dissemination of good practices and a checklist for study tours

Rationale: The programme flexibility is a major factor in the success of the SSC projects. However, as the programme implementation has evolved over the last four-five years, there is a need to document and disseminate good practices.

This recommendation could be implemented through the following measures:

- As part of the project document, include a format on how to link SDGs, national priorities in partner countries and the SSC projects during the project design. Once projects are implemented, focus progress reporting on national development priorities.
- Document and present good practices on how Danish authorities design and implement SSC projects, including how to apply a problem analysis and rank alternative cooperation options in the preparation of a sector cooperation, based on local demand and available Danish expertise.
- Develop a guiding check list for study tours to Denmark, which also take into consideration the involvement of the private sector and Danish experiences with PPP.
- Ensure that project missions are sufficiently documented, preferably by a guiding format for Back-to-Office reporting.
- The inter-authority working group should oversee and discuss the guidelines revisions above.

Recommendation #4: Develop a toolbox on SSC engagement with the Trade Council

Rationale: The SSC Guidelines contain limited guidance on private sector engagement. Hence, there are various interpretations – and options within the local context – of private sector engagement in the SSC projects, which may vary from a presentation during a study tour to active dialogue and agreements with the private sector during project formulation. Moreover, there is some lack of clarity among the Danish stakeholders on how to improve the cooperation with the TCs and forge synergies across the TC's commercial Key Performance Indicators and the more long-term objectives of the SSC Initiative.

This recommendation could be implemented through the following measures:

- Develop a toolbox with clear guidance, approaches and good practices.
- Conduct consultative meetings with relevant business associations to gather view-points on how this dimension of the SSC programme can be improved.
- Create/strengthen a MYNSEK focal point for Objective 3 of the SSC Initiative.

- Increase the engagement with TC and seek to identify areas of common interest for SSC and TC. Consider establishing a working group.

Amend the SSC Guidelines with the beforementioned measures.

Recommendation #5: Danida priority countries should assess the relevance of the SSC modality as part of the country programming

Rationale: In Danida priority countries with multiple development programmes (engagements), joint coordination of SSC projects with the country programming could facilitate the harvesting of the full value of SSC projects. SSC projects may otherwise risk duplicating efforts or missing synergies when engaging in framework improvements.

This recommendation could be implemented through the following measures:

- Assess the relevance of the SSC modality as part of the country programming in Danida priority countries.
- When SSC projects are applied, ensure they are coordinated with the country programme monitoring and evaluation framework in order to capture all contributions to national frameworks.

Recommendation #6: Improve the execution and follow up on DFC training courses by more adaptive approaches

Rationale: Planning and implementation of DFC training courses is efficient and effective. However, there is still limited evidence of the effectiveness of the learning, and there is no formal set-up for the monitoring of the learning effects and the actual value added to SSC activities. In addition, Danish authorities are not always involved in the planning of the training courses and to an even lesser degree in the follow-up post-training. SSC reporting is mainly activity driven relative to who and how many have participated in training courses rather than on the actual outcomes of the new learning. DFC is following the Alumni platform activities, but it is difficult to draw conclusions on learning from these activities. In addition, some sector demands for training courses cannot be fully met due to lack of capacity in Denmark.

This recommendation could be implemented through the following measures:

- DFC should be tasked and resourced to support SSC implementers (i.e. Danish authorities and their partners) to systematically follow up after DFC training is completed. New methods and approaches need to be developed and applied in close coordination with Dan-

ish authorities and SCs. Experiences from e.g. the Danish Energy Agency and the Danish Patent and Trademark Office can be used as inspiration.

- In SSC countries and sectors with a substantial training demand, DFC may complement trainings in Denmark with training courses rendered in the SSC country.
- Training providers can include (a week) follow-up training in SSC countries e.g. six months after the first training. Some of the follow up can be done jointly with the management level in the partner authority to facilitate that new knowledge and practices are applied.
- Shorter training courses (one week) with the essentials of the longer in-depth courses should be provided for the management level for a better institutional understanding.

Recommendation #7: Enhance the coherence between SSC projects and research support under W2 call for proposals and improve monitoring and dissemination of results

Rationale: The research support under W2 is a suitable way of generating new knowledge to a sector including an SSC project, however, there is a need to further strengthening the coherence between the W2 and an overall MFA strategy for the SSC. Given that the first research results are to materialise in 2020, it will be important to ensure that the assessment of, and learning from, these research results, relative to the relevance of the new data and knowledge to the SSC, involve all stakeholders, including the Danish and partner authorities, the SCs and research institutions in Denmark and in the SSC country.

This recommendation could be implemented through the following measures:

- In order to strengthen the synergy and collaboration between the SSC and the research support under W2, MFA could amend the guidelines for W2 call for proposals to ensure enhanced sharing of relevant SSC information with all W2 applicants.
- Once granted, W2 research projects must present their research to the Danish authorities and the authorities abroad.
- The lines of responsibility for the assessment of research results as well as the process for further dissemination and outreach should be reviewed in collaboration with Danida Consultative Research Committee for Development Research, based on the lessons to

be learnt from the upcoming management of incoming research results expected in 2020.

Recommendation #8: MFA and Danish authorities should promote in-house recruitments of Sector Counsellors from the Danish authorities

Rationale: While SCs in general provide excellent work, more focus on SC recruitments from Danish authorities could facilitate a larger resource base for the SSC initiative and retain in-house international expertise, when SCs return to the Danish authority after serving at the embassy. However, recruitment of in-house SCs can be difficult with a limited resource base. In most Danish authorities, an international career path with a step as international Project Manager and a step as SC (with leave of absence) is not part of typical career development.

This recommendation could be implemented through the following measures:

- More emphasis should be put on sector knowledge and experience from Danish authorities when selecting SC candidates.
- Danish authorities could:
 - Encourage their staff to apply for SC positions and optimise on their SSC experiences after their return.
 - Promote international Project Managers as a regular career position.
- Relevant training should be provided to facilitate new SCs preparation for the international position.

1 INTRODUCTION

The evaluation of the Strategic Sector Cooperation (SSC) Initiative was commissioned by the Evaluation, Learning and Quality Department (ELK) of the Ministry of Foreign Affairs (MFA) and conducted from October 2019 to May 2020.

The purpose of the evaluation was to assess whether, how and why the SSC Initiative succeeds in delivering concrete results according to its three overall objectives. This included an assessment of the current governance and management arrangements vis-à-vis the diversity and continued expansion of the Initiative.

In line with the terminology of the SSC Initiative, this report refers to the peer-to-peer cooperation between a Danish and partner country authority as a “project” or “SSC project”, even if the content and interpretation of a partnership cooperation may vary across partners, countries and sectors.

2 THE SSC INITIATIVE

The SSC Initiative was launched in January 2015. It is implemented within the framework of the Danish Strategy for Development Aid and Humanitarian Assistance (2017), *The World 2030*, as well as the Danish Government's Strategy for Economic Diplomacy (2018). Both strategies give priority to SSC as an initiative that promotes sustainable growth and development by improving framework conditions in transition and growth economies while simultaneously creating a platform for an increased commercial presence of Danish businesses.

The SSC Initiative has evolved gradually since it was agreed upon as part of the "Growth Package" (June 2014) and included in the Finance Act of 2015 with two separate accounts: 1) one for the partnerships and SSC projects, and 2) another for a "Growth Counsellor" to be stationed in a Danish embassy.¹ The budget allocation has thereafter continued in the annual Finance Acts with some minor changes to the text.²

Contrary to normal practice in Danish development assistance, the SSC Initiative did not develop a programme document; instead guidelines were published in March 2015 and specific communications (in particular the memos from 20 February 2015 and 10 September 2018³) were provided from the MFA to Danish embassies on the interpretation and implementation of the SSC Initiative. Simultaneously, Growth Counsellors were recruited, and projects were developed by Danish Authorities guided by the newly formed SSC Secretariat in the MFA (MYNSEK).

The memo from MYNSEK in 2018 includes the need for Danish sector ministries' participation in development work with the MFA; their partnerships with Danish business organisations in international work and the need to "internationalise" Danish ministries. The "internationalisation

1 § 06.38.02: Strategisk sektorsamarbejde and §06.38.02.13: Vækstrådgivere.

2 The Danish Green Diplomacy was added in the Finance Act for 2020. A particular focus shall be provided on sectors where Danish authorities have experience with environment and sustainable development.

3 Letter to the embassies in Accra, Ankara, Beijing, Bogota, Brasilia, Dhaka, Hanoi, Jakarta, Mexico City, Nairobi, Pretoria and Yangon from MFA dated 20 February 2015. And "Notat til Ambassader med Myndighedssamarbejde fra Udenrigsministeriet", 10 September 2018.

of Slotsholmen” is also the topic in a note (*klumme*)⁴ from 2018 by the former Secretary General of MFA, Ulrik Vestergaard Knudsen.

In 2017, the SSC Guidelines were updated⁵, and the SSC Initiative’s three objectives fully outlined. In addition, the title “Growth Counsellor” was changed to “Sector Counsellor”. While the original title is still used in the Finance Acts and in various documentation reviewed by the evaluation, this report applies the term Sector Counsellor (SC), unless specifically referring the Finance Acts or similar documents, where the original term is still applied.

2.1 SSC Objectives

The SSC Initiative has three mutually supportive objectives:

1. To contribute to inclusive, sustainable growth and development in partner countries by supporting conducive framework conditions for the fulfilment of the Sustainable Development Goals (SDGs);
2. To strengthen and expand relations between Denmark and partner countries; and
3. To engage the Danish private sector in delivering solutions to the SDG challenges in partner countries. Private sector engagement is motivated through improved framework conditions, local networks, knowledge and exposure to resource efficient, high-quality solutions.

The Guidelines (p. 9) state that the “core of the SSC activities will be peer-to-peer cooperation between staff from Danish public authorities and their colleagues in the partner country”. Thus, Objective 1 (development) is the main objective of the Initiative, while Objectives 2 and 3 are secondary and partly reached through the first objective. This follows from the text for the SSC and the “Growth Counsellors” in the Finance Acts, where Objective 3 only is mentioned briefly as one of the tasks of the “Growth Counsellor” “by focusing on sectors, where Denmark can provide special competences, knowledge and technology and pave the way for Danish Private sectors export and international activities”.⁶

4 Internationalt udsyn er et must for danske embedsmænd. Altinget, May 2018.

5 Henceforth, all reference to the SSC Guidelines refers to the 2017 version unless otherwise stated.

6 Translation of the text from Finanslov, 2015, 2016, 2017, 2018, on Vækstrådgivere. In 2019 and 2020 the text is changed to “opening the door for Danish private sector” and in 2020 “cooperation with the Danish private sector”.

Objective 2 is not included in the text in the Finance Acts and has been formulated separately.

The internationalisation of the Danish authorities (see above) is also not included as an objective in the guidelines. Rather it is an outcome of Danish Authorities' implementation of international projects and engagement in SSCs.

PROGRAMME STRATEGY

As mentioned, the SSC Initiative does not have a programme document, nor does it have an explicit programme-wide theory of change (ToC) or a results framework. Rather, the SSC framework has emerged organically since 2015, as a result of extended discussions among programme stakeholders, and through reviews and lessons learned from the earlier programme stages.

The Finance Acts 2015-2020 contain limited information about the envisioned programme strategy for the initiative. In almost identical texts across finance years, the text to the Finance Act briefly outlines the programme objectives mentioned above (i.e., supporting Danish authorities' contribution towards improved framework conditions for the SDGs and sustainable economic growth and development).

By improved framework conditions for SDGs, the Finance Acts refer to regulation, enforcement, policies, etc., albeit with little information on how Danish authorities will achieve this through their partnerships with authorities in the partner countries. The Acts emphasise that SSC support should be rendered in sectors with a strong Danish expertise and technology and should be based on the demand of the partner authority. Moreover, the Finance Acts anticipate that partnership building and capacity development is driven by Danish authorities' participation in specific project activities in the partner countries, "such as courses, workshops, study visits, collaboration on strategy development, policies and guidelines, and financial analyses, reviews and pilots, etc., which can pave the way for new and existing partnerships and application of Danish expertise and technology". The partnerships may also be enhanced by scholarships and research collaboration.

To this end, the following programme strategy for the SSC projects and partnerships can be reconstructed from the Finance Acts:

- *If* sectors selected for support are sectors where Denmark has global expertise and a technological leadership, and
- *If* Danish authorities provide advice on policy formulation, regulation, enforcement and governance as requested by authorities in the partner countries, supported by courses, workshops, study

visits, collaboration on strategy development, policies and guidelines, financial reviews and pilots,

- *Then* this advice will build the capacity of partner authorities in the selected sectors and contribute to improvement of SDG frameworks for sustainable growth and development, and “in the longer term”, pave the way for the delivery of Danish technology and knowledge on a commercial basis⁷

As mentioned above, the SSC Initiative’s main objective is Objective 1, while Objectives 2 and 3 are secondary. The text in the Finance Acts 2015 to 2020 does not entail any information on “strengthen and expand general bilateral relation”, so the programme strategy is reconstructed by the evaluation based on the SSC Guidelines (p. 5):

“The partnerships also provide a valuable platform for bilateral dialogue and cooperation on broader political issues of joint interest in relation to the sector – such as UN conventions, international agreements, trade issues etc. Thus, it is the expectation that the cooperation will be of mutual benefit by bringing in Danish experiences and state-of-the art solutions to solving development challenges in a given partner country, while at the same time providing a platform for increased Danish public and private sector cooperation with the partner country” (Guidelines p. 5).

Henceforth, the programme strategy under Objective 2 could be reconstructed as:

- *If* Danish and SSC partner authorities interact and build relations
- *Then* more relations can be developed at government level between Denmark and the partner country, and
- *Then* this can contribute towards development of bilateral and multilateral agreements.

For the third objective, the Finance Acts (2015-2018) anticipates a key role for the SCs in the coordination and implementation of partnerships: “The growth counsellors shall focus on sectors where Denmark can contribute special skills, knowledge and technology that can pave the way for Danish business exports and internationalisation of activities.” And thereafter (2019, 2020) with a more indirect language “and in the longer term, pave the way for the delivery of Danish technology and knowledge on a commercial basis” (§06.38.02.14).

⁷ The notion “in the longer term” was only added in 2019, meaning that under previous Acts, commercial engagements could be interpreted as a more imminent or direct outcome of the partnerships.

Based on this and other elements in the text to the Finance Acts, a programme strategy for private sector engagement could be reconstructed as:

- *If* the Danish private sector participates in the selection of SSC countries and sectors based on Danish competencies,
- *And* “Growth Counsellors” focus on areas where Danish private sector can contribute with special skills, knowledge and technology,
- *Then*, the Danish private sector will be able to deliver solutions, investments and technology to contribute to the achievement of the SDGs.

Clearly, the engagement of the private sector is more complicated than what can be extracted from the Finance Act. The success of the SSC Initiative to engage the private sector will also depend on other factors, such as market developments, synergies with Danida business instruments⁸, and support from the embassies and from the Danish ministers in gaining access to the relevant authorities.

2.2 SSC Guidelines

The SSC guidelines provide more detail on the implementation of the SSC. According to the revised SSC Guidelines 2017,⁹ the idea behind the SSC is that “experiences and competencies of the Danish public sector institutions can provide useful inspiration for other countries in their efforts to improve framework conditions for sustainable development”. In addition, “growth in developing countries will also open new market and investment opportunities for Danish businesses and investors”. SSC can through partnerships, exchange of experiences and ideas facilitate that solutions for specific challenges in the partner country are shared.

Eligible countries are those with a Danish embassy and countries eligible for development assistance according to the OECD criteria.¹⁰ The sectors and countries selected should reflect the competencies and priorities of the Danish private sector. (Guidelines, p. 17).

8 Such as IFU, DMDP, DSIF, EKF, see Section 4.4.

9 Guidelines for Strategic Sector Cooperation, Final version, November 2017, page 4. Although the Guidelines should be a ‘living document’, they have only been revised once. By December 2019 another revision was shared with the stakeholders for comments.

10 The ODA def. for development assistance is “the promotion of the economic development and welfare of developing countries”.

Support for strategic sector cooperation consists of two interlinked elements: SSC projects and the deployment of SCs. Since 2017, it has also been possible to supplement the strategic sector cooperation with research cooperation and scholarships and Danish regions and municipalities as SSC partners.

The guiding principles for SSC projects are:¹¹

1. The project must address a well-defined development challenge identified by the partner country – preferably in policies and strategies of the partner country or institution;
2. Strong ownership of the project in the partner country – preferably at a high level (i.e., at Prime Minister level);
3. The Danish authority and the partner authority jointly agree on the purpose, approach, division of labour, and responsibilities;
4. Building successful partnerships takes time – projects must be conceived with well-defined objectives and with a longer-term perspective;
5. The project must be anchored at a high level in the Danish and partner country authorities, ideally also with high-level political support to ensure progress and access to the necessary resources in the two partner institutions; and
6. Systematic involvement of multiple stakeholders is a prerequisite for successfully tackling complex issues.

A project would normally have a one-year inception phase to form a partnership and organise and define their first project. Thereafter, a project can operate for three to five years in its first phase and an additional three years in its second phase. The most advanced projects entered the second phase in 2019. However, the SSC Initiative clearly allows for projects to continue for longer periods.

In the selected SSC countries, SCs employed by the MFA are stationed at the embassy and report to the ambassador. The SCs should spend at least 80% of their working time on the SSC project and in general facilitate the implementation of the project and the communication between the partners. The remaining 20% of their working time is spent on other duties identified by the ambassador.

11 Ibid, page 7.

With funds from a central grant¹², DFC organises training courses for the SSC partners and scholarships for up to two years. Courses are implemented in cooperation with universities or private companies. The MFA also provides research grants for the SSC upon application into the Development Research Window 2 (W2). The W2 grants are financed under the MFA research frame¹³, consisting of a Window 1 for research collaboration in Danida priority countries, and a Window 2 for research conducted in relation to SSC projects in growth and transition countries. DFC manages the research application process and ongoing research projects on behalf of the MFA and the SCs take active part in the identification of training contents and suitable W2 research projects.

2.3 SSC budget envelope

From 2015-17, DKK 72 million were allocated annually to fund the Sector Counsellors and the SSC. The initial 20 SSC projects were launched in 2015. Most of them have entered Phase 2 in 2019 or early 2020, except for two (in Vietnam and Turkey), which were discontinued due to the lack of progress or change of preconditions.

By 2018, an annual budget of DKK 68 million supported nine Danish public authority and 25 Sector Counsellors stationed at Danish embassies. In total, they were engaged with counterparts in 14 countries, implementing 29 SSC projects.

By 2019, the SSC expanded further with an annual budget of DKK 145 million supporting a total of 14 Danish authorities and 35 Sector Counsellors stationed at Danish embassies. In early 2020, SSC engagements increased to 40 projects in 18 countries and it is expected that 38 Sector Counsellors are positioned by 2020.¹⁴

Table 1 presents the total SSC allocations by March 2020, while a full list of all SSC projects and their current budget allocation is presented in Annex B.

12 The Finance Act, §06.38.02.20.

13 The Finance Act, §06.38.02.19.

14 Two projects in Vietnam share a Sector Counsellor (Education and Statistics) and one project (Statistics, Ghana) is so far implemented without a Sector Counsellor.

TABLE 1: TOTAL PROJECT NUMBER AND VOLUME PER COUNTRY BY MARCH 2020

Country	Allocation (DKK)	Number of projects
Argentina	1,297,461	1
Bangladesh	7,456,279	1
Brazil	15,226,289	2
China	39,693,675	7
Colombia	6,500,000	1
Egypt	1,250,000	1
Ethiopia	985,000	1
Ghana	7,800,000	3
India	19,154,065	4
Indonesia	21,906,357	4
Iran	8,000,000	1
Kenya	14,198,788	3
Mexico	6,096,931	2
Morocco	1,250,000	1
Myanmar	7,097,231	1
South Africa	18,034,851	2
Turkey	4,266,418	1
Vietnam	18,461,479	4
Total	198,674,824	40

Source: MYNSEK and own calculations.

Hence, 40 SSC projects¹⁵ are in Inception Phase, Phase 1 or Phase 2 by March 2020 with a total projects volume of nearly DKK 200 million. This excludes two environment projects (Vietnam and Turkey), which stopped by the end of Phase 1 in 2019 due to limited interest from the SSC part-

15 The SSC project in Iran was terminated in March 2020 due to the political situation and the deteriorating security situation.

ners. Several projects including in Brazil, Kenya and Indonesia are about to enter Phase 2, which will increase the project volume substantially.

The annual budget limit for an SSC inception-project is up to DKK 1.25 million, while a full SSC project has an average budget of DKK 6.5 million for a three-year project phase (the current range is from DKK 1 million to DKK 11 million, see also Annex B).

Project budgets cover salaries, with an overhead for indirect costs,¹⁶ and all other costs for the Danish agencies including travels. However, Danish agencies must provide their own 10% contribution of the total costs.

Partners should cover all their costs, including travel expenses and per diems. Exceptions are optional for partners that do not have enough funding (e.g. a municipal council or a ministry with limited resources). The overall budget lines are presented in the textbox below. The addition of another budget line for communications to promote project activities is anticipated in new draft guidelines, along with higher project budgets.

TEXTBOX 1: BUDGET LINES IN THE SSC

- 1 Salary budget for personnel from Danish Authority (max 75%)
- 2 Reimbursables for Danish staff (travel, per diem etc.)
- 3 Activities (workshops, study trips and other activities)
- 4 Local and international consultancies (max 30%)
- 5 Contingency funds (only for full scale SSC)

The SSC Guidelines provides 17 standard annexes to facilitate and support project preparation, formulation, implementing, budgeting and accounting and management by the partners. The volume of mandatory monitoring is limited (e.g. a one pager public document, three-pager internal annual report and a project completion report).

16 Before 2017 (2015 Guidelines) the overhead was 7% of salaries and all project costs (travel, seminars, study tours etc.), which however was changed to a more accurate calculation from 2017 following the Ministry of Finance (Moderniseringstyrelsen) rules (<https://www.fm.dk/oekonomi-og-tal/publikationer/budgetvejledning>). Projects started before 2017 follow the 2015 approach.

3 EVALUATION FRAMEWORK

3.1 TERMS OF REFERENCE

The Terms of Reference (ToR) (see Annex A) presented the overall purpose of the evaluation, which is to identify programme-wide lessons and recommendations for the continued development of the SSC programme framework. The scope of the evaluation was outlined by six evaluation questions (EQs), which included an assessment of achieved results within the three programme objectives and the conduciveness of programme modalities and the governance framework:

TABLE 2. EVALUATION QUESTIONS

EQ #	Evaluation Question
<i>DAC Criteria</i>	
EQ1 <i>Effectiveness, Impact, Sustainability</i>	What are the overall achievements of the SSC during its first four years focusing on the three overall objectives of the Initiative? This evaluation question will include an assessment of to what extent SSC is producing results (outputs, outcomes) contributing to meet its objectives and whether achieved results of the SSC Initiative are likely to contribute to change of relevant framework conditions towards sustainable development.
EQ2 <i>Relevance, Effectiveness</i>	In what ways have the SSC objectives been interpreted, prioritized and used in practice – in particular regarding the notion of ‘conductive framework conditions for fulfilment of the SDGs’ and ‘engaging the Danish private sector in delivering solutions to the SDG challenges in partner countries’? This evaluation question should also consider to what extent is the SSC Initiative likely to be successful across different country and embassy settings?
EQ3 <i>Effectiveness</i>	How is the SSC contributing to strengthening bilateral relations between various partners in Denmark and between partners in the partner country and Denmark, including Danish commercial interests and synergies with Trade Council?
EQ4 <i>Effectiveness, Sustainability</i>	To what extent has the SSC produced unintended outcomes (i.e., positive and negative), including internal learning of the Danish authorities?
EQ5 <i>Effectiveness, Efficiency</i>	To what extent is the SSC Initiative likely to promote synergies with other Danida programme partnerships, including Danida scholarships and research managed by Danida Fellowship Centre?
EQ6 <i>Efficiency</i>	Is the current management and coordination framework for the Strategic Sector Cooperation Initiative and its underlying projects appropriate for the objectives, scope, and breath of the Initiative? This would include an assessment of whether the SSC Initiative has an appropriate organisational set-up in light of the recent scale-up, and whether the SSC Initiative provides adequate administrative guidance, flexibility and means for implementation.

3.2 EVALUATION APPROACH

The evaluation was based on four preselected case countries: Brazil, India, Indonesia and Kenya, a document review of ongoing projects, consultations with the Danish partner authorities and other key stakeholders. The evaluation entailed a great deal of variation between projects, sectors and contexts. In addition, the SSC Initiative is young and expanding, while all projects are still under implementation at this stage. It was therefore not possible to assess the full value and results of SSCs. In order to assess results under SSC Objective 1, the evaluation took point of departure in the emerging results and approaches as well as significant factors driving or impeding results achievements.

This included context related factors across the four case countries. Brazil and India are both higher-end middle-income countries (MICs), engaged in fewer development programmes, and they gave insights into how the SSC Initiative can work in an MIC context. Kenya and Indonesia are emerging lower middle-income countries, and more rooted in traditional development assistance. In addition, Kenya is still a Danish priority country and benefitting from several bilateral and multilateral development programmes.

Partnership approaches across sectors and government levels was also considered, especially for the two Danish authorities with most partnerships: The Ministry of Environment and Food (MoEF) with 13 projects, and the Ministry of Climate, Energy, and Utilities (MoCEU) with eight projects. Danish partner authorities include ministry departments, government agencies and municipalities and may entail different perspectives and mandates in relation to SDG frameworks.

EVALUATION DESIGN

The evaluation applied a mixed methods approach of quantitative and qualitative assessments and data triangulation. Data was drawn from a range of primary and secondary sources, including programme and project documents, reviews and the stakeholder interviews. Evaluation methods and tools included the following:

Evaluation Matrix

The evaluation matrix was based on the evaluation questions and the reconstructed programme strategy in order to structure, guide and manage the evaluation (see Annex C). In the matrix, each evaluation question was divided into judgement criteria, indicators, means of verification and methods for the data collection.

Country studies

The four country studies¹⁷ constituted a key information source of the evaluation. Apart from the 2017 SSC programme review¹⁸, the country studies and the consultations with the authorities in the partner countries allowed for a more complete assessment of the SSC Initiative at its implementation stage, including its results, its value added in the particular partner countries and contextual factors for results achievements across country and development settings. The 13 selected projects in the four case countries involved nine Danish government agencies, see Table 3 below.

TABLE 3: DANISH AUTHORITIES AND THE NUMBER OF SSC PROJECTS IN THE FOUR CASE COUNTRIES

Ministry	# projects	Agency	# projects
The Ministry of Industry, Business and Financial Affairs projects	3	Danish Patent and Trademark Office	2
		Danish Business Authority	1
		Danish Maritime Authority	1
The Ministry of Health	1	Danish Medicines Agency	1
		Danish Health Data Authority	1
Ministry of Climate, Energy and Utilities	3	Danish Energy Agency	3
Ministry of Environment and Food	6	Danish Environmental Protection Agency	4
		Danish Veterinary and Food Administration	2
Aarhus Municipality	1		1
TOTAL¹⁹	13		13

Document review

Apart from the case country studies, the evaluation conducted a desk review of programme documents and 12 SSC projects, which are in the final stage of Phase 1 or had reached the second phase. At the strategic level, the document analysis included Danish strategies such as the

¹⁷ The four case studies along with the document review mentioned below, are presented in separate – unpublished – reports.

¹⁸ Danish Ministry of Foreign Affairs (2017) *Review of Partnering with Denmark for Sustainable Growth, Trade and Welfare; Danish Authorities in International Cooperation*, Copenhagen.

¹⁹ The total adds up to 14 projects, but one project is shared by MoCEU and MoEF. Three projects are implemented by two agencies.

Guidelines for Strategic Sector Cooperation 2017, the 2017 SSC programme review, the Danish Strategy for Development Aid and Humanitarian Assistance (2017), *The World 2030* and the *Danish Government's Strategy for Economic Diplomacy* (2018), various Finance Acts, annual programme reports, as well as the review of Window 2 research²⁰, and the ongoing evaluation of Window 1 research. At the intervention level, the document review focused on SSC project documentation and assessed their contribution to a selected number of evaluation questions including the annual reports.

Stakeholder consultations

The evaluation consulted all relevant stakeholders involved in the implementation of the programme. These consultations were conducted as semi-structured key informant interviews or focus group discussions and included MYNSEK, all 21 Danish partner authorities, the Confederation of Danish Industries (DI), the Danish Agriculture and Food Council (L&F), DFC and the Consultative Research Committee (FFU). Danish partners were members of the Evaluation Reference Group (ERG) and consulted at various stages of the evaluation (see below). In the four case countries, consultations were conducted with the partner authorities, the Danish embassies including the ambassadors, deputies, the SCs, programme staff and the TCs, business organisations, private businesses, consultants and CSOs.

Contribution analysis

Pulling the above areas of analysis together, the evaluation conducted a contribution analysis of country SSC agreements. The project logic and partner cooperation modalities generated evidence on the contribution of the SSC Initiative to the SSC projects. This analysis included an assessment of the challenges the Danish support sought to address, and any significant changes achieved through the partnership. Through this analysis it was possible to identify ways the national context influenced project results.

EVALUATION STAGES

The assignment comprised of three main phases: The Inception Phase, the Field Phase, and the Synthesis Phase.

The Inception Phase was conducted from October to December 2019 and comprised of the development of the evaluation methodology and presentation of the draft Inception Report to the ERG on the 25 November 2019. The evaluation also participated for half a day in the annual meeting of the SCs on 9 October 2019 and conducted brief focus group discussions with the SCs during the lunch break.

²⁰ Danish Ministry of Foreign Affairs (2019) Review of development research funding Window 2, Copenhagen.

The Field Phase took place from November 2019 to March 2020 and comprised of consultations with all Danish stakeholders and the four country visits. The country visits were conducted consecutively in order to build on findings from the previous visits, and consultations with the Danish partners were arranged to inform the upcoming country visits where relevant. The Field Phase was planned to be concluded with an ERG meeting to discuss the initial findings based on the four country study reports and the document review. Due to the Covid-19 Pandemic this was substituted by a written hearing process and Skype calls with the MFA to discuss and consolidate all comments. The evaluation report was drafted during the Synthesis Phase and shared with all ERG members. It was subsequently finalised based on a Skype call and a second round of written comments from all ERG members.

LIMITATIONS

The ToR stipulated that potential implications of change in the formulation of the stated SSC objectives could be taken into account. This entailed in particular that the 2030 Agenda and the Danish Development Strategy (*The World 2030*) only were included in the SSC objectives after the revision of the SSC Guidelines in 2017. As all projects now encompass the new objectives in their progress reports or project documents, the evaluation only referred to the objectives from 2017.

Overall, programme evidence is still limited. In the absence of a programme-wide change theory and results framework, the evaluation assessed programme results at the project level (EQ1). Since no projects have yet been concluded, and second-phase projects have just started, it was still too early to request full accountability for results. To this end, only three of the 13 projects in the case countries had entered or was about to enter Phase 2, while six had reached Phase 1. Moreover, the evaluation comprised only four case countries. Hence, comparative assessments across sectors and contexts and key factors for results achievements identified by this evaluation, need further elaboration and validation, once outcome and impact evaluations are feasible.

Each country visit was limited to five days, allowing for only brief stakeholder consultations, without going deep into the technical substance of the partnerships. Within these limitations, the evaluation assessed the relevance of the projects relative to partner priorities, emerging results, partner ownership to these results and the value-added of the SSC Initiative. Beyond preliminary results achievements, partner consultations also focused on the process and early activities of partnership building and the conduciveness of the SSC Initiative in this process.

The evaluation was requested to look for unintended results (EQ4) and it carefully assessed the emergence of unintended results during all consultations and document reviews. In the end, the evaluation found limited evidence of significant positive or negative unintended results.

In addition, it was not always possible to assess if results were indeed unintended or simply part of a project or partnership development. Unintended results are therefore addressed when relevant across Chapter 4.

As the latter part of the evaluation coincided with the Covid-19 Pandemic and the global lockdown, the country visit to India was shortened to three days and conducted with lesser scope, i.e. partners were interviewed via video links and phone calls from the embassy and the hotel. All key partners were consulted in this way, if only very briefly.

3.3 REPORT STRUCTURE

Chapter 4 presents the evaluation findings according to the six EQs. Sections 4.1-4.3 are dedicated to the results achievements under the three objectives of the SSC Initiative and the answers for EQs 1-4:

- Section 4.1 presents the findings regarding the SSC projects under SSC Objective 1.
- Section 4.2 presents the findings related to bilateral relationships under Objective 2.
- Section 4.3 presents evaluation findings with regard to Objective 3 (i.e., the private sector engagements under the SSC Initiative), but also includes approaches taken by the SSC projects.
- Section 4.4 presents the evaluation findings on programme coherence with other Danida instruments, notably the DFC scholarships and the Research Window 2.
- Section 4.5 presents the evaluation findings on SSC governance framework of the SSC.

Chapters 5 and 6 present the evaluation's conclusion and recommendations, respectively. A series of annexes are attached to the report, including the ToR, the evaluation matrix, the evaluation references and the list of people met. (see p. 5)

4 EVALUATION FINDINGS

The answers to the six EQs are presented in this Chapter. Sections 4.1 to 4.3 presents the evaluation findings on EQs 1-4, while Sections 4.4 and 4.5 present the evaluation findings on EQs 5 and 6, respectively.

4.1 CONTRIBUTIONS TO CONDUCTIVE FRAMEWORK CONDITIONS FOR THE FULFILMENT OF THE SDGS

The SSC Initiative presents its expected results under Objective 1 at the programme level, but without a results framework. Instead, outcomes and outputs are sought at the project level. This section assesses results achievements at project level regarding contributions to conducive framework conditions for the fulfilment of the SDGs. The findings summarise preliminary results achievements from the four country case studies, but also draw on findings from the document review. This responds to EQ1, results at project level achieved on support to conducive framework conditions for the fulfilment of the SDGs; and EQ2, how the projects understood the notion of “conductive framework conditions for fulfilment of the SDGs”. Finally, factors underpinning and constraining results achievements are identified to support programme-wide lessons learnt.

RESULTS ACHIEVEMENTS

Although results are still emerging, SSC projects were found to be relevant to national priorities. Danish partner contributions to sector challenges are highly appreciated by the partners in the case countries. Most projects contribute towards policy implementation and institutional strengthening, while policy change is more likely a longer-term outcome.

None of the projects in the SSC programme portfolio have yet been concluded²¹. The 10 most mature projects are in the first half of Phase 2. This includes three projects in the case countries, where six projects are in Phase 1 and four still in the Inception Phase. Since most written documentation of the SSC Initiative is based on self-reporting by the Danish partners and the SCs, the four case countries presented an opportunity to discuss the SSC projects with the partner authorities and obtain their perspective on the project relevance, early results and their

21 Except for three projects terminated before their conclusion, see below.

ownership to the outcomes. The latter also provided some indication whether the likely results achievements would be sustainable beyond the duration of the projects.

Overall, the partner authorities interviewed for the four country studies expressed high appreciation of the partnerships with Danish authorities and confirmed both the relevance of the projects and the value-added of peer-to-peer cooperation. Even if results are still emerging, the partners were able to identify contributions and value added of the projects viz national strategies (or even development goals). The focus of the projects depends on the role and mandate of the partner authorities and whether they are government ministries, agencies or municipalities. However, in most cases, projects are focusing on policy implementation (rather than policy reform or development) and institutional strengthening. This could reflect that the more immediate framework challenges of partner countries are linked to institutional capability gaps and the need for more comprehensive implementation strategies, while challenges with higher order policy or regulatory frameworks may be addressed later as part of an incremental approach. Annex F provides a summary of emerging results, SSC contributions and key factors for results achievements, which illustrates the range of challenges and interventions in the most advanced case country projects as well as links to SSC Objectives 2 and 3. Below is a more detailed presentation of the emerging achievements in these projects.

Brazil

In Brazil, the health project (Supporting efficient healthcare management in Brazil) is in the final stage of Phase 1. It supports Brazil in reform measures aiming to make the health sector more effective and more efficient and improve health service access for the citizens. The health project has so far contributed towards a new strategic direction within planning and budgeting, health data management and e-health investments. The partnership between the Danish Ministry of Health (MoH) and the Brazilian Ministry of Health (BMoH) has promoted a reorientation in the use of strategic planning and budgeting tools steering the health reform in Brazil. Based on Danish experiences within Diagnosis-Related Groups (DRG)²², the BMoH has adjusted its own DRG approach based on the work of two DRG working groups reassessing the use of DRG, including the need for inhouse capacity to develop locally adapted DRG software (rather than applying Danish software) and establishment of a three-year action plan to implement DRG in the health sector. The health project also supports e-health in Brazil and the SSC cooperation made the BMoH realise that its medical terminology

22 Diagnosis-Related Groups (DRG) is a system to classify hospital cases in order to identify the 'products' that a hospital provides. DRG serves as a planning and budgeting tool to improve effectiveness and efficiency of the health sector.

was too inconsistent and required further standardisation before e-health solutions could be introduced. The BMoH has now established a more comprehensive platform for digital transformation of the Brazilian health sector with a health data network and portal. During the second phase, the BMoH will be piloting e-health solutions in one federal state with assistance from the MoH. The health project also assists the Brazilian Health Surveillance Agency (ANVISA) in the streamlining of its application processes for pharmaceutical products, inter alia by supporting the revision of administrative procedures, guidelines, policies and/or regulations. This has so far contributed to a substantial reduction in ANVISA's backlog of requests for new biosimilar products approvals in 2019 and an increase in the number of products authorized. The second phase will also include more efficient approval of medical devices.

The digitalisation and innovation project (Public innovation, digitalization and modernization) has entered Phase 2. It has made contributions which are similar to some of the health project contributions. The partnership between the Danish Ministry of Industry, Business and Financial Affairs (MoIBFA) and the Brazilian Ministry of Economy is contributing to the Brazilian e-governance strategy and to economic growth through support to innovation and protection of Intellectual Property Rights (IPR). Key achievements of the digitalisation and innovation project include:

- Establishment of the GNova Innovation Lab (www.gnova.enap.gov.br/en) within the School of Public Administration (ENAP) including funding from the ENAP budget and external sources. It is based on contributions from the Danish MINDLab.²³
- Denmark signed a Patent Prosecution Highway (PPH) agreement²⁴ with Brazil (UN-World Intellectual Property Organisation fast-track agreement on granting of patents), facilitating expedited examination of patent applications for Danish businesses. Denmark was the first country to sign a PPH-agreement with Brazil covering all industrial sectors.
- Contribution to Brazil's adaption of UN's Madrid Protocol in 2019 – an international system for businesses to obtain trademark

23 GNOVA was designed to change the way the public sector conducts its projects and offers services. It aims to stimulate the generation of creative ideas and solutions, promote more humane and user-centred approaches, integrate and articulate efforts from different sectors, resulting in process and service improvement and systematically promote the culture of innovation in the public sector.

24 A PPH agreement entails mutual recognition of the case work conducted in the patent offices covered by the agreement. This means that each office benefits from the work previously done by the other patent office thereby the processing time can be significantly reduced.

protection in a number of countries and/or regions using a single application.

- Development of an online platform for trading of IPR – the IP Market Place. In 2019, the Brazilian Intellectual Property Rights Office (INPI) and the Danish Patent and Trademark Office (DKPTO) signed an MoU on the usage of the IP Market place in Brazil.
- Creation of an Innovation Network fostering society innovation, entrepreneurship IP generation and commercialisation, and economic growth (priority sectors are Agribusiness, Sustainable Energy, and Health).
- Reduction of the backlog on patent applications during the SSC cooperation period by 50%.
- Significant contributions to the establishment of the new federal strategy for public sector digitalisation.
- Contributions to the delivery on one-stop administrative e-services accessed through the government e-portal **www.gov.br** through improved regulation and ongoing adaptation of Danish signature solutions such as nem-id, e-boks.dk, nem-konto, virk.dk and borger.dk. Brazil can now offer digital access to 53% of its administrative services.

India

In India, the two most advanced SSC projects support energy and urban water, respectively, but are only in their second year of Phase 1. Both projects support important national and sub-national government institutions involved in sector development and build the capacity of these institutions to contribute to a more conducive framework for achievement of the SDGs.

*India has the scale;
Denmark has the skills*

Narendra Modi

The Offshore Wind Energy project has strengthened the cooperation of the Ministry of New and Renewable Energy (MNRE) with the Danish Energy Agency (DEA). DEA is invited 'into the regulatory machine room' of the MNRE and asked to provide input and advice on how to promote offshore wind energy in India. Project activities are focused on the Danish model for one-stop-shop service delivery, as well as financial modelling of offshore wind and standardisation. As a result, knowledge-sharing on de-risking of offshore wind is progressing fast and peer-to-peer learning is providing useful insights to the Indian partners. As an example of the fast-developing strategic sector cooperation and the interest shown by the Indian government in Denmark's engagement, a Letter of Intent for an Indo-Danish Centre of Excellence focused on Offshore Wind signal an intent of both governments to expand the cooperation.

TEXTBOX 2: CENTRE OF EXCELLENCE IN INDIA ON OFFSHORE WIND

In March 2019, Denmark and India signed a Letter of Intent to establish a Centre of Excellence in India on offshore wind. The intent is to create a partnership where Danish and Indian government agencies will work together to develop the sector in India. The DEA will provide knowledge-sharing and technical assistance based on 30 years' experience of developing the offshore wind sector. Increased cooperation within renewable energy has emerged as an important part of the intensified dialogue between the two governments. Several areas for cooperation have been identified based on the ambitious Indian targets for renewable energy implementation and Denmark's experience and results going through a transition to renewable energy over the last four decades. The cooperation was discussed in December 2018, when the two Foreign Ministers held a Joint Commission meeting in New Delhi and again in January 2019 when Prime Minister Narendra Modi and Prime Minister Lars Løkke-Rasmussen met at Vibrant Gujarat. On this occasion, the Indian Prime Minister highlighted that "Denmark has the skills, India has the scale".

Source: MFA (2019) India and Denmark sign Letter of Intent to establish an Indo-Danish Centre of Excellence on Offshore Wind Energy, Denmark in India, website, 7 March 2019, accessed 15 March 2020: <https://indien.um.dk/news/newsdisplaypage/?newsid=f4c70cae-810d-4461-88f0-3ef414ce1b79>

The Sustainable Urban Water Management project in Udaipur promotes a holistic approach to urban planning and implementation supported by the City of Aarhus. The partnership has seen good progress in the promotion of a more holistic urban water management approach and the Ayad River running through Udaipur serves as a focal point for the project. In 2019, the Udaipur Municipal Corporation (UMC) approved a five-kilometre stretch on the Ayad River front in Udaipur for redevelopment and is currently awaiting approval from the State Government of Rajasthan. The City of Aarhus has contributed to the planning and tendering process, among others by integrating sustainable urban designs and architectural heritage into the development plan and tender material assisted by the Aarhus School of Architecture. This approach draws on the City of Aarhus' own experience from the redevelopment of Aarhus River and the partnership serves a dual purpose: It promotes Ayad River as a platform for holistic water management and uses the river development to strengthen the cultural identity of Udaipur, expanding the recreational potential of the river, while adhering to its cultural heritage.

Indonesia

In Indonesia, the most advanced projects are the energy project (Clean Energy, Renewable Energy and Energy Efficiency Project) and the environment project (Circular Economy and Solid Waste Management Project), both exhibiting some positive contributions to the framework conditions.

The energy project is in its second phase and aims to contribute to low carbon development in Indonesia. Here, the DEA supports the Ministry of Energy and Mineral Resources (ESDM), the National Energy Council

(NEC) and the state electricity company, known as Perusahaan Listrik Negara (PLN), to develop and implement relevant policies, strategies and solutions to implement Indonesia's Nationally Determined Contributions under the United Nations Framework Convention on Climate Change as well as national targets for electrification, renewable energy and energy efficiency. The project supported the publication of the annual Indonesia Energy Outlook report with three Outlook studies on future energy demand and supply projections based on the Long-range Energy Alternatives Planning (LEAP) system and the Balmorel energy modelling. This has encouraged an integration between the Balmorel system and the LEAP system of energy management, which enables interactive processing in energy supply and trading industry while improving efficiencies. Support was also provided to the publication of the Technology Catalogue and the concept of a levelized cost of energy, the Lombok Energy Outlook 2030, along with three regional energy outlook reports, a study on grid security, a report on Economic Merit Order Dispatch, and a prefeasibility on renewable energy (RE) for Lombok. DEA also provided advice on the measurement of power plant efficiency and on the RE options for Lombok. Moreover, the SSC project contributed to regional energy planning and interacted with various non-government and industry-related bodies to support advocacy efforts for clean energy.

The environment project is in its second year of Phase 1 and implemented by the Danish Environmental Protection Agency (DEPA). It seeks to reduce the negative environmental impacts to livelihoods, economy and health from waste through sound waste management and circular economy initiatives. Contributions include assistance to the Ministry of Environment and Forestry to

- Improve practices in waste management by supporting the development of new guidelines for waste management,
- Develop a communication strategy to reduce plastic waste and an early draft regulation, and
- Develop a draft roadmap for waste reduction for producers (e.g., bottle recycling system inspired by the Danish system), and creating a system for the collection of waste data from 514 Indonesian cities.

The waste data activity was inspired by the City of Copenhagen and data development by Statistics Denmark (SD). Further results included support to waste management planning in Jakarta and the preparation of 12 incinerators in larger cities, although the latter is not in the project document. It has also provided general support to discussions on the Circular Economy at a broader level between a number of ministries, civil society organisations and private sector in Indonesia. The project commissioned a study, undertaken by PlanMiljø, to identify, assess and

recommend best practices in circular economy and solid waste management in Indonesia.

Kenya

The most advanced SSC projects in Kenya are the food safety project (Improved Food Safety, Quality and Value Addition in the Dairy and Horticulture Sector Project) supported by the Danish Veterinary and Food Administration (DVFA), and the green growth project (Kenyan-Danish Strategic Sector Cooperation on Green Growth in the Manufacturing Sector) supported by the Ministry of Environment and Food (MoEF) and DEPA. Both projects are demonstrating some positive contributions to framework conditions towards sustainable development, most clearly in the Food Safety Project.

The food safety project is in its second phase and has contributed to a reform within food control through the introduction to the Multi Annual National Control Plan (MANCP) system practiced in Denmark and the EU. This promotes a new Kenyan approach to food control, moving from the control of products towards establishment of systems to control food business operators. This includes the following interventions: 1) the creation of partnerships between nine Central Competent Authorities (CCAs) within food regulations at the national level and regulators at Nyandarua county; 2) a new understanding by the nine CCAs of the approach to supportive and risk-based control of the food production sector and continuous updating of the MANCP instead of control; 3) support to joint policy documents at the highest level and contributions to new dairy legislation and new legislation for livestock production (veterinary services) with the Ministry of Agriculture, Livestock, Fisheries and Cooperatives; and 4) promotion of the need for a new joint Kenya Food Authority and support to the Kenyan Ministry of Health's first draft for this authority. The Food Safety project has also in Nyandarua county through the support from DVFA, Dairies without Borders and Policy and Market Options stimulated the value chain development from farmer to export markets.

The green growth project is in its last year of Phase 1 and has struggled to sustain momentum. Notwithstanding this, it is supporting a transition in the National Environmental Management Authority's (NEMAs) approach to environmental control of businesses, which is moving from control and inspection, towards support and guidance. This process has brought private sector organisations and NEMA together to cooperate on new regulations for environmental control. It has also supported the formulation of a new waste management law and piloted new business regulations and environmental controls in Ruaraka District with many businesses.

Document Review

The evaluation document review of selected projects confirms the finding from the case country studies that SSC projects tend to support policy implementation and institutional strengthening of regulatory authorities along with some elements of policy development and reform.

For example, the Ghana maritime project is particularly focused on International Maritime Organisation (IMO) compliance and improving the ways the national authorities operate. It supports the Ghana Maritime Authority to improve its approach to corrective actions plan and establish a quality unit. This includes support to the ongoing dialogue on framework conditions in the maritime sector in Ghana and improved regional maritime cooperation for better IMO compliance and the use of digital navigation tools based on expressed demand. The project is also working with the Port of Tema to improve the skills of tugboat captains.

In Mexico, the health sector cooperation supports a partnership between the Secretariat of Health in Mexico and the MoH. Rather than supporting changes to the policy, legal and regulatory framework, the project supports the use of e-health as a tool to assist patients with a chronic or mental disease, increase quality of care within primary health-care services and assist in the development of integrated health services networks. Thus, instead of supporting macro level reform, the project is using Danish partnerships to apply Danish solutions to meso-level modelling, planning and administration.

In South Africa, the water management project focuses on the challenges faced in the sub-national province of Western Cape and, in particular, on the specific challenges faced by local governments. While efforts are made to improve the national regulatory framework, it also seeks to help provincial and local governments address the challenges associated with the management of resources. This includes the No Drop Guidelines to drive municipal non-revenue water improvements and the development of tools for municipal water costing and tariff setting. It also supports the preparation of guidelines on water conservation and water demand to promote water efficiencies in selected industries, while strengthening regulatory implementation and dialogue on industrial water efficiency.

DERIVED IMPACTS OF SSC PROJECTS FOR THE BENEFIT OF PARTNER COUNTRIES AND FOR DENMARK

One of the key achievements of the SSC Initiative is to empower partner authorities beyond the formal objectives of a project cooperation. This refers to Denmark's ability to interact and connect with key public, private, civil society, and development actors, and to influence the shaping of broader policy and programme outcomes. Such achievements are mutually benefiting for both partners in SSC partnerships, but mostly achieved 'under the radar' of SSC monitoring. However, it is an essential outcome of the programme and key to appreciate the full value-added of the SSC Initiative.

It is an important finding of the evaluation that the SSC Initiative achieves significant results in the empowerment of partner institutions beyond the formal project objectives. Such achievements are sometimes captured as activities, but rarely as results in programme monitoring and reporting, even if they are important to appreciate the full value of the programme. Partner empowerment may for example materialise as improved coordination within a partner authority, as a stronger appreciation of institutional challenges or as value-added to quality assurance of a tender process. It may be achieved through formal and informal networking, increased information sharing between the partners as trust and confidence in Danish authorities grows and through stronger engagement with the embassy, and stronger bilateral relationships.

For example, in Brazil, the executive management of the BMoH explained that the partnership with the Danish health authorities has improved its capacity to assess and coordinate health reform initiatives within the ministry. Through the partnership, the ministry executives have become less 'siloed' in their work processes, and more open towards joint, resourced implementation plans, which is improving the coherence of the ministry interventions. In other words, the BMoH has obtained a better capacity for change management and increased its ability to translate policy reforms and strategies into action plans and results.

In India, the National Institute of Wind Energy (NIWE) is rooted in a traditional technology-oriented culture, which tend to underestimate institutional barriers for the introduction of renewables. Through the partnership with DEA, the NIWE and the MNRE, are gradually moving towards a more comprehensive approach, which takes into account institutional implementation barriers for renewable energy. Similar achievements are emerging from the Aarhus-Udaipur partnership, which is mitigating 'siloed' approaches to urban development and stimulating a more holistic mindset in order to harvest synergies between water management, sustainable urban development, cultural heritage and private sector development.

The partnerships teach our staff to self-reflect and argue for the way we work

Danish authority

SSC partnerships also improve the capacity of the Danish partners. As highlighted by the former Permanent Secretary of the Danish MFA²⁵, it is crucial for Danish civil servants to master an international perspective in their policy advice, as globalisation plays an increasing role in Danish domestic affairs. The consultations with the Danish partner authorities revealed that the partnership cooperation in general make them reflect more on their own frameworks, practises and solutions, especially Danish partners with lesser international exposure. The SSC programme provides a platform to obtain an international perspective on the sector in question and an opportunity for the Danish partners to establish a human resource policy with international career opportunities and hence tap into knowledge gained from international exposure.

Danish partners also made reference to tangible benefits for their own authority. For example, the health project in Brazil provides an opportunity for the Danish health authorities to assess digital health and other solutions in a larger and much more diverse population compared to Denmark. The City of Copenhagen even took this aspect further, as the partnership with the City of Beijing also contributed to the improvement of urban development in Copenhagen. For example, it provided a second opinion on Copenhagen's approach to flash rainwater management and to its management of large-scale development projects and smart city approaches.

INTERPRETATION OF SDG FRAMEWORK CONDITIONS

SSC partnerships interpreted conducive framework conditions for fulfilment of the SDGs (EQ2) as peer support for partner institutions to 'put the flesh on the bones' of high level, macro plans, to rethink and broaden the scope of strategic interventions and to establish core institutional capacity to guide and strengthen national and sub-national frameworks and improve service provisions. SSC projects have high relevance and are aligned to national priorities and sector strategies.

As illustrated above, most projects assessed by the evaluation interpreted SDG framework improvements as support to policy implementation, regulation and institutional strengthening rather than policy change. The SSC guidelines encourage projects to demonstrate their links with country priorities and the SDGs, and provide instructions regarding national policy alignment, which are used to influence the formulation of projects. However, the localisation of SDGs in the national contexts and the response to the SDG localisation by the SSC projects, are not made explicit in the project documentation. In addition, the SSC guidelines do not explain such linkages in detail. Similarly, SDG alignment is seen as important, but it is unclear how these inform

²⁵ Ulrik Vestergaard: Internationalt udsyn er et must for moderne embedsmænd, Altinget, May 2018.

the design of SSC projects. Moreover, the projects reviewed by the evaluation appear to have made their SDG alignment after the focus of the project has been set, without directly informing the project formulation. In addition to this, the partner authorities consulted by the evaluation in the four case countries were not able to discuss in detail the linkages between the SDGs, the national priorities and the project response to these²⁶, which confirms that the SDGs did not guide the project formulations as such.

This notwithstanding, all projects in the case countries did respond to national priority needs and the evaluation was able to reconstruct project linkages and relevance viz. the SDGs. For example, the partnership between the Danish health authorities and their counterparts in Brazil engages in crosscutting support for improved effectiveness and efficiency of the health sector in Brazil. This contributes towards a more productive health sector and thereby to improved access to health services for the Brazilian population as a whole. In this case, the support broadly underpins all health targets under SDG 3, while the partnership also specifically supports improved access to medication for all through the partnership cooperation between the Danish Medicine Agency and ANVISA, underpinning SDG target 3.8²⁷.

The Brazilian Government priority on SDG 3 is also confirmed by its response to the UN call in 2017 for a Voluntary National Review of the localisation of 2030 Agenda, which included localisation of SDG 3 within the national health priorities. Here, the government highlights the improvement of the Unified Health System as a national priority to provide health care and promote the well-being of all Brazilians. SDG 9

26 This is probably also a result of the comprehensiveness and the level of detail of the 2030 Agenda with its 17 SDGs, 169 targets and a global indicator framework containing 231 unique indicators. Given more time in the case countries, the evaluation might have been able to discuss SDG linkages with national priorities in more detail with the appropriate authorities. For example, Indonesia has been quite advanced in its formulation of country-level SDG targets. The National Development Planning Agency (Badan Perencanaan Pembangunan Nasional or Bappenas) is responsible for the formulation of the Government of Indonesia's development policies. Indonesia has a well-established policy framework that is used to guide social and economic development and Bappenas furthers synergy between planning, budgeting, regulations, and institutions at central and regional level with Indonesian sector ministries and authorities. Bappenas also contains a national SDG secretariat. Similarly, in India, the National Institution for Transforming India, NITI Aayog (NITI 2018), is a policy think tank of the Government of India and presented the Strategy for New India @ 75. This defines development objectives for 2022-23 across 41 sectors, defined as drivers, infrastructure, inclusion and governance. NITI Aayog is also the national coordinating agency for SDG implementation and progress, overseeing the localisation of SDGs in India.

27 SDG target 3.8. states "Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all".

is mentioned in the same report and the need to promote digitalisation and innovation, which is the target of the other SSC project in Brazil.

FACTORS UNDERPINNING AND CONSTRAINING PARTNERSHIPS AND RESULTS

All SSC projects are currently under implementation, and it is still too early to assess the full results and value of the SSC initiative in various sectors and contexts. Potentially, there could be a more comprehensive impact beyond the SSC support, which is not apparent at this stage. Given these limitations, the evaluation assessed contributing and constraining factors for achievement of results. This entailed variations in national and cultural contexts, political systems, sectors, institutional structures, and electoral cycles. While such contextual variations are not always relevant to programme-wide learning, the evaluation identified a mix of factors, which are shaping the success of SSC projects. Since they are based on preliminary results and a limited number of country studies, all factors below should be subject to further elaboration and validation, once SSC projects have been completed and in-depth analyses of outcomes and impacts are feasible.

Relevance and context sensitivity build local ownership

SSC projects were relevant as they were able to adapt to specific national and sector contexts. Context-sensitive partnerships were key to achieving results.

Partners consulted in the case countries highlighted how the achievement of results in SSC projects was driven by the ability of Danish authorities to engage in context-sensitive partnerships and adopting flexible change strategies and solutions within the local context. The SSC projects in the case countries and in the document review exhibited a good understanding of national development priorities and sector frameworks. Successful partnerships evolved as the understanding of the needs, interests and capacities of partners grew. Through this process, project interventions were refined to become more realistic and effective by allowing partner authorities a strong lead in the tailoring of 'best fit' solutions, rather than a 'turn-key' transfer of Danish solutions.

Sector preselection based on Danish strengths motivates partnerships

The preselection of sectors with strong Danish expertise and international reputation is key to the success of SSC projects. Danish sector leadership and the opportunity to visit Denmark and experience first-hand a framework and a set of solutions that works, motivates partner authorities.

One of the key findings of the evaluation is the importance of sector and country selection based on Danish leadership and Denmark's international reputation. Consultations with partners in the case

countries revealed that Danish sector leadership and experience play a key role for the motivation of the partner authorities to engage in partnership collaborations on framework challenges. For example, the Danish leadership in e-governance and PPP driven e-service solutions for citizens and the private sector, is a major motivation for the Brazilian Ministry of Economy to engage in the partnership with the MoIBFA. Similarly, the global leadership of the DKPTO within IPR, is key for INPI (the Brazilian Intellectual Property Rights Office) to engage in a cooperation, which goes right into the core of management and work processing of INPI and its relations to private sector stakeholders.

Similar findings were made in other sectors. For example, the Danish approach towards a coherent and efficient health sector, including e-health solutions, was highlighted by the BMoH, while the global leadership of DEA under SGD 7 and the Danish leadership in renewable energy and wind power, was highlighted as a motivation by partners in Indonesia and India.

The sector leadership and the opportunity to visit Denmark to experience, first-hand, a system and set of solutions that works, is a major source of motivation and inspiration for partner authorities. In this sense, the difference in size between Denmark and some of the larger partner countries was not perceived by the partners as a barrier for cooperation. Instead, partner authorities were inspired by the ways Denmark was able to integrate solutions in health, renewable energy, water, etc., through close dialogue and cooperation with research institutions, the private sector and civil society at large. The possibility for study visits to Denmark and to combine peer-to-peer cooperation with DFC courses and sector research, enhance the project achievements. This is discussed further in Section 4.4.

I used to think renewable energy was a dream, but then I went to Denmark and saw that it is possible

Partner Authority

Programme flexibility underpins adaptive programming

The flexibility of the SSC Initiative reinforced successful partnerships as it allowed SSC projects to adapt to local processes and customs without insisting on a rigid 'one size fits all' format.

The SSC guidelines state: "SSC partnership building takes time". While this was a concern expressed by Indonesian partners who were eager to avoid prolonged preparation and approval procedures, in most cases, the flexibility and the opportunity to allow for sufficient time to design SSC projects was considered important for building a solid relationship foundation. All partners interviewed highlighted the way MYNSEK was open to maintain a balanced and flexible approach in order to adapt to local contexts, even when preparations took longer than anticipated. For example, the process of relationship building in India was particularly sensitive and SSC projects took more time to evolve.

The SCs positioning at the embassy to facilitate and liaise with both partners enhanced the flexible approach through their day-to-day interaction with partner authorities. This is key to progress and achievement of results, and especially important during the critical phase of partnership formation, where trust is built, and a joint understanding of challenges and partnership focus is established.

Moreover, the Danish authorities and their SSC partners have in most cases been able to contribute to the cooperation in a timely manner and commit staff and consultancies as and when required. See also Section 4.5.

Specific sector approaches may achieve quicker and stronger results

Mandatory background studies assist in all project designs. For some government agencies, a focus on more specific and scalable interventions may speed up progress and results achievements. For others, the assessment and ranking of alternative cooperation options according to local demand and available Danish expertise may enhance partner discussions and project designs.

In peer-to-peer cooperation, focus areas often emerge through informal discussions and meetings between the partners. This approach could potentially lead to a partial assessment of capacity needs and to a mismatch between capacity needs and capacity support, unless guided by more comprehensive analyses. The requirement of the SSC Initiative to undertake a background study in order to steer the project design is a good step towards a more comprehensive problem analysis and for the discussions on cooperation options. Danish authorities were found to apply different approaches to strengthen project relevance, impact and sustainability.

Some of the Danish government agencies sought scalability of contributions and quicker results through a more focused approach. This is evident, for example, in the case of the international strategy of the MoCEU and the DEA, where DEA Global Cooperation offers expertise in the fields of wind power, framework conditions and integration of renewable energy, energy efficiency, district heating, long-term energy modelling, and scenario analyses. This focus - combined with a certain scale in the international cooperation buoyed by the Climate Envelope - allowed DEA to engage in a consultancy framework contract with EnergiNet and the Technical University of Denmark (DTU). Through the framework contract, DEA can quickly deliver external expertise as and when a demand for support emerges.

The DKPTO is another authority, which builds its SSC engagement on targeted approaches to the protection of IPR through lean workflow processes, enhanced quality assurance and dialogues with the applicants. This enables DKPTO to tailor approaches and workflows in partner authorities, when trust and confidence is ensured. The

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Danish Working Environment Authority (DWEA) and the DVFA are other agencies, which are practising a more focused cooperation in line with their mandate. The DVFA is also implementing projects using the MANCP principle as basis for food safety.

Other Danish government agencies enter into partnerships and project designs in a more open-ended manner, for example engagements within broader health and environment reforms, where more tailoring is needed during the Inception Phase.

In India, the MoEF complemented the background study with an approach that narrowed down the scope for potential areas of cooperation within water policy. To assist the project design during the Inception Phase, the MoEF commissioned a wastewater sector analysis, which included an assessment of Indian priorities – ranked according to “Importance” in the table below – with Danish competencies and solutions (i.e., “Danish Strength”), combined with an assessment of project feasibility or practicality (i.e., “Straightforwardness”). This led to a short-list of recommended challenges the project might consider. While this analysis was not shared with the Indian partners, it provides a valuable insight into how the Danish ministry employs a design process based on the integration of Indian priorities with Danish capabilities. In this case, the study ranked “Performance Monitoring, Enforcement of Compliance” as the most relevant area of cooperation, whilst “Urbanisation and population growth” – the focal area of the Aarhus-Udaipur cooperation – was ranked second.

TABLE 4: ASSESSING INDIAN PRIORITIES AND DANISH CAPABILITIES IN WASTEWATER²⁸

Challenge	Importance [A]	Danish Strength [A]	Straight- forwardness [A]	Combined [B]
Urbanisation and population growth	4	5	3	12
Existing sewage infrastructure	5	2	1	8
Wastewater management in rural areas	4	4	4	12
Micro pollutants and hazardous xenobiotics	3	3	5	11
Financial constraints, investments & O&M	3	2	1	6
Public-private partnerships - PPP	1	1	2	4
Performance Monitoring, Enforcement of Compliance	4	5	5	14
Resource efficiency, recovery and reuse	2	4	4	10
New technologies including smart water	4	3	4	11

Local contexts matter

SSC projects may add good complementary in Danida priority countries when jointly coordinated with the country programme. MIC settings offer more elaborate frameworks in which the SSC Initiative can be successful without the assistance from other development programmes. Countries transitioning from Danida support offer good opportunities, where the SSC Initiative can build on results and relations from previous Danida programmes. However, local relevance needs individual assessment in all contexts.

Among the four case countries, Kenya was an outlier, being a Danida priority country²⁹ and benefitting from Danish and other development assistance. In this case, the SSC Initiative is an add-on to the country programme, which may be a challenge to its effectiveness and efficiency. Traditional development programmes entail support from long-term experts, more investments etc. whereas the leaner SSC approach is more demanding in terms of partner proactiveness and own-contributions. This difference has to be appreciated by the SSC partners, and in the case of the SSC Green Growth Project, which is implemented alongside the Green Growth and Employment Programme, it was difficult for SSC partners interviewed to distinguish between the different modalities

28 Danish Ministry of Environment and Food (2020). Ranking of [A]: 1 (low) – 5 (high) and [B]: 1 (low) – 5 (high).

29 Programming for the Danish-Kenyan Partnership 2021-2025 is ongoing.

applied. Transaction costs for coordination may also be higher in such settings, with the presence of other – potentially competing – development programmes.³⁰ In addition, bilateral relations may already be strong due to the country partnership, and SSC may be less decisive in this regard. On the other hand, the presence of a Danida country programme also offers opportunities to nest the SSC Initiative within the broader scope of sector support and build on the long-term Danish presence and stakeholder access.

The findings from Indonesia suggest that the SSC modality could play a key role as exit support to the strengthening of SDG frameworks and in maintaining bilateral relations in transition countries, when Danish development assistance is phased out. According to the Danish Ambassador to Indonesia the SSC is “small money with high impact” and superior in developing strategic and supportive networks, building trust and sharing information – all of which contribute to more sustainable results. Notably, the SSC Initiative was able to link up and continue from Danida’s former Environmental Sector Programme Support (ESP3) and apparently accelerate implementation and results achievements. In India, a similar effect is emerging from the energy project, which is cooperating with the NIWE, a former beneficiary of Danida support.

The findings from Brazil and India suggest that MIC settings presents more elaborated SDG frameworks and SSC partners with a higher capacity to benefit from project inputs without support from additional programmes. Especially in Brazil, there are fewer development programmes to coordinate (and compete) with, and the contributions from the SSC projects and the relevance of Danish approaches are quite apparent. Moreover, the SSC in both Brazil and India provides strong contributions to bilateral relations, whilst the market conditions – in varying degrees – pose good opportunities and possibly fewer risks for private sector engagements.

Given the limited evidence, it is not possible to rank one development setting above the other in terms of SSC relevance. In general, MIC settings may present good opportunities for catalytic SSC contributions relative to the resources invested, for example as seen in the SSC support to the health sector reform in Brazil. MICs have more elaborated policy, fiscal and governance frameworks and higher institutional absorption capacities. Danish approaches and solutions may also be more relevant and adaptable to partner countries and – equally important – present a stronger setting to sustain solutions once implemented. With limited resources, SSC cannot on its own address more fundamental challenges in lesser developed contexts (such as less elaborate

30 The need for better coordination is also acknowledged in the concept note for the new Green Growth project.

regulatory frameworks, less capacity and fewer resources to implement and sustain policies etc.). In such settings, peer-to-peer cooperation could be less relevant or less sustainable, unless combined with more substantial development instruments. To this end, country programmes in Danida priority countries may offer a good platform, where the SSC modality can add value in combination with other sector programmes. Hence, both upper and lower MIC settings may be relevant for the SSC modality, but each country and sector application need to be assessed individually. In Danida priority countries, the country programming process would be a suitable entry point to assess the complementarity of the SSC modality viz. the local context and the interventions of the country programme. (See Recommendation #5).

Accessibility of SSC partners need monitoring

While the SSC Initiative may be relevant and add value, careful preparation may not guarantee successful partnerships. SSC partner access and motivation therefore need good monitoring in any context.

All SSC partners consulted in the case countries were engaged strategically in the partnerships and in the specific project areas. They were also open for Danish partners to access core – and at times sensitive – aspects of the way they are working. The trust developed through the partnerships is key to achieving this. However, SSC projects are long-term, spanning one or more election terms, and conditions, priorities and ownership may change during implementation. In Brazil, for example, general elections in 2018 introduced a new government which delayed project approvals, but also strengthened the demand for cooperation on e-governance. This change of government could also impact peer relations as it may cause leadership change in civil service motivated by political affiliations.

In spite of careful preparation and progress monitoring, partners may eventually exhibit weak ownership, and partnerships may not evolve in a sufficiently open and constructive manner. For example, according to Danish partners, some authorities in MIC-countries have been reluctant to engage in mutual cooperation on framework challenges. The political tradition of the partner country may be part of the explanation. Even if relevant in terms of building stronger bilateral relations and strengthen private sector engagement, these projects may be of less relevance with regard to achieving the first objective of the SSC Initiative. However, the picture is mixed with some projects focusing more on presenting and exchanging knowledge, others going a step further to working jointly to improve implementation and strengthen institutions and yet others also aiming at changing the regulatory framework.

The light modality is key during political and institutional instability
The light setup makes SSC projects more adaptable and less risky in times of force majeure or when partner relations fail to progress.

The world is changing no matter the country and sector settings, and SSC projects must be able to mitigate risks. This entails robustness when faced with force majeure events such as the coup in Turkey in 2016, which impacted severely on civil service and relations between government ministries, or the terrorist attacks in Dhaka during the same time. The same applied to the IPR cooperation with Iran, that had to be cancelled when international relations and the security situation deteriorated in early 2020. Currently, and on a much grander scale, the ongoing Covid-19 Pandemic and the global lockdown call for mitigation measures to bridge suspension in international travels. The SCs are crucial in this phase and mature partnerships might be able to fully exploit the possibilities of video links, etc.

In view of such risks, it is a major advantage of the SSC Initiative that it applies a light project setup. While the projects provide a unique access to Danish public-sector reform expertise, they are implemented without long-term experts based in the partner organisations. This makes the modality more flexible when conditions change in contrast to traditional Technical Assistance (TA) programmes. The project phasing also makes it easier to change or completely stop a collaboration, when progress and ownership is lacking, such as the environment projects in Turkey and Vietnam, that were terminated after Phase 1.

4.2 STRENGTHENING BILATERAL RELATIONS AND COOPERATION BETWEEN DENMARK AND THE PARTNER COUNTRIES

The section provides answers to the evaluation's EQs 1, 3 and 4 regarding strengthen of bilateral relations through the SSC Initiative. This covers EQ1 regarding results of the SSC's Objective 2: *To strengthen and expand general bilateral relations and cooperation between Denmark and the partner countries* and EQ3 regarding SSC contribution to *strengthening bilateral relations between partners in Denmark and between partners in the partner country and Denmark*. As presented in Chapter 2, the rationale behind Objective 2 is that SSC projects provide platforms that can help pave the way for wider engagements within the sector and beyond.

BILATERAL RELATIONS AT GOVERNMENT LEVEL

Findings from the case countries and the document review confirm that the SSC is instrumental in strengthening and expanding relations between Denmark and partner countries, especially in countries without the presence of Danish bilateral development assistance.

Overall, a review of the annual SSC reports confirmed that SSC projects contribute towards stronger and expanded bilateral relations. The reports prepared by the embassies highlight specific cases where trust and mutual understanding gained through the SSC project led to broader more sector-wide cooperation and access to a wider range of key stakeholders – such as ministers and parliamentarians, support for international candidatures, and opportunities for raising issues at high-level bilateral meetings in the margins of international meetings.

Interviews with the ambassadors in the four case countries confirmed the value added by SSC projects to improving bilateral relations. The SSC projects “add substance to diplomacy” for the embassies, as one ambassador noted, by serving as platforms for diplomatic engagements and improve Denmark’s credibility at high-level meetings. The interviews also indicate that the SSC Initiative is particularly beneficial for Denmark’s bilateral relations, when applied in partner countries, where Denmark does not – or has ceased to – provide bilateral development support. In such cases, SSC projects significantly expand the number of high-level entry points and opportunities to access key stakeholders in the partner countries.

RELATIONS BETWEEN DENMARK AND PARTNER COUNTRIES

Public authorities in the SSC projects report that they have good or excellent relations with their SSC partners and also emerging relations with other organisations.³¹

Examples of good relations between SSC partners are abundant. For example, the Danish Maritime Authority has established good relations with the Kenyan Maritime Authority during the Maritime Project’s Inception Phase, as it has with other partnering maritime authorities in China and Ghana. The staff met by the evaluation in the Kenyan SSC partner public authorities are familiar with their counterparts in DEPA and DVFA and often connected by mail or social media. Both projects in Kenya are working with more than ten partners within environmental and food safety control and, as in Brazil, the evaluation found that the Danish partners were well accepted by their SSC partners. The Brazilian ministries and agencies clearly understand the relevance of specific Danish solutions. As a result, Danish partners have been granted access to key decision makers within the partner institutions and other stakeholders. In Indonesia and Kenya, partner staff describe their regular contact with their Danish peers using WhatsApp, Facebook and email, which are used for inquiries and discussions on project relevant issues.

31 Relations with the private sector will be dealt with specifically in Section 4.3.

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The document review of 12 projects also confirmed that strong relations have been built between Danish authorities and partners. This provides a strong foundation, not just for future SSC cooperation, but also for general political dialogue and stronger bilateral relations.

These stronger relations between Danish and SSC partner organisations are among the most important results of the SSC Initiative, which has led to implementation of relevant projects established by the Danish and the SSC partner authorities with good ownership both sides and many early results as presented in Section 4.1.

In some cases, projects are building on previous relations and cooperation arrangements. For example, the Danish Medicines Agency had previously established relations with ANVISA in Brazil through regular meetings in international for a, while DEPA also had previous project involvement in Indonesia. Before the SSC project, Copenhagen City had engaged in various partnership activities with the Beijing City since 2011. These included activities associated with water management since 2012, and urban planning since 2014. Prior to the inception of the upcoming water policy cooperation in India, the Danish environment authorities engaged in international cooperation with the Ministry of Environment, Forest and Climate Change for more than a decade.

The evaluation also found good partner relations and strong project ownership in the willingness of SSC partners to contribute resources to projects. For example, local partners in Indonesia covered many local costs, such as hosting seminars, catering, meeting facilities, and the attendance of experts from regions travelling to Jakarta or headquarter-staff going to the regions (e.g., flights, hotels, per diems, etc). In Kenya, local partners are, to some extent, willing to contribute with resources, but it can be an issue to finance items such as seminars, as this is normally done by development partners.

The SSC initiative is also important for Danish authorities to expand their relations to other organisations in the partner countries. In Indonesia, the ambassador highlighted how several other Danish bilateral and multilateral initiatives could be used better, not only for synergies, but as platforms for better relationships with Indonesia. Similar options exist and can be mapped in other countries.

TEXTBOX 3: OTHER DANISH SUPPORT AND COOPERATION TO ENERGY AND ENVIRONMENT IN INDONESIA

- Contribution to the Clean Energy Transition Program, which supports the International Energy Agency for renewable energy integration and energy efficiency.
- Contribution to the International Renewable Energy Agency for long-term energy scenarios for Southeast Asia, including Indonesia for energy planning capacity development (including renewable) with the ASEAN Centre for Energy, located in Indonesia.
- C40's collaboration with Jakarta on developing a climate action plan for the city.
- Global Green Growth Institute (GGGI) cooperation with *Bappenas* on green growth.
- Contribution to the International Institute for Sustainable Development for phasing out fossil subsidies.
- Danish contribution to the World Bank's Indonesia Trust Fund for Ocean Debris.
- Collaborations with the EU, UNDP, the World Economic Forum, the World Business Council for sustainable development and the World Resources Institute in Indonesia.
- Cooperation with the Children's Investment Fund Foundation in the UK, which provides funding to the SSC Energy for development of energy scenarios for provinces.

Relations have also been established between SSC countries and other organisations in Denmark. For example, through DFC training and through research projects, such as the BRAHIT research project with participation of BMOH, the National Heart Institute in Rio de Janeiro and Bispebjerg-Frederiksberg Hospital. Another example is the GECKO research project carried out by the DTU with support from the Kenya Industrial Research & Development Institute (KIRDI) and Ruaraka District in Nairobi. See also Section 4.4.

SSC PARTNERS IN DENMARK

In Denmark, Danish authorities are mainly working and cooperating within their own ministry or municipality. Interactions with other ministries and agencies are mostly limited to events arranged by MYNSEK or occasional meetings in the partner countries, but there are also examples of more extended cooperation.

Typical coordination arrangements within Danish ministries involve quarterly meetings to update and exchange experiences. For example, an official in the MoEF is responsible for the SSC and calls for a meeting with the project staff from DVFA and DEPA. Similarly, an official in MoIBFA is responsible for the SSC Initiative and calls for a meeting with the Danish Business Authority, the Danish Maritime Authority and DKPTO.

EVALUATION FINDINGS

There is a potential for better relations and synergies between the Danish partners in the SSC. It is a logic step for Danish partners to launch sector cooperation within the context and mandate of their own authority, but according to the 2030 Agenda, it is crucial to avoid siloed approaches and promote balanced and integrated solutions (cross-sectoral interventions, territorial approaches etc.) to achieve the SDGs (Objective 1). Danish partners met are open to this and requested for thematic meetings facilitated by MYNSEK to support project preparation, monitoring or to understand the context in specific sectors and countries, see Section 4.5. More activities of this nature were reported in the first years of the SSC Initiative, before the expansion in 2017.

Nevertheless, some new relations across authorities and organisations are emerging. For example, the cooperation between DEPA and DEA on the Island Initiative in Indonesia regarding Circular Economy and Solid waste, or DEPA and Odense Municipality, where 11 staff (including some from the municipal affiliated water and waste companies) are identified to support SSC activities. Another example, building on previous collaborations in Aarhus, is the engagement of the School of Architecture in Århus in the urban development project in Udaipur, India.

Relations have been improved between the MFA and the Danish authorities involved in SSC, who are now more used to interacting with MFA and MYNSEK and to appreciate MFA's task and procedures and the context of general diplomacy. The SSC session at the annual Ambassador's meeting with all the Danish ministries facilitates this and improves the connections between embassies and the Danish authorities.

UNINTENDED RESULTS

The SSC is an emerging programme, and without an explicit programme-wide ToC or results framework it is difficult to assess if results are indeed unintended or part of the programme's interventions. However, some of the unintended or unexpected positive results and surprises mentioned during interviews regarding bilateral relations included:

- Interest and appreciation of the SSC project modality from other stakeholders e.g. from the UK and Japan, furthering interest on how the SSC model with peer-to-peer learning with a limited budget and what the Danish authorities could deliver.
- Cooperation with the World Bank on digital ID and the Innovation Network in Brazil.
- SSC participants from the DFC training meet in the Kenyan DFC alumni with many former participants from DFC and maintain and develop a good relation and interchange of experiences with Denmark.

- Additional interest from the Ministry of Labour, trade unions and employer organisations in Myanmar in the Danish labour market model.

4.3 ENGAGING THE DANISH PRIVATE SECTOR IN DELIVERING SOLUTIONS TO THE SDG CHALLENGES

The section covers the results (EQ1) following the SSC Objective 3: to engage the Danish private sector in delivering solutions to the SDG challenges in partner countries, and how this has been interpreted in practice. It also covers EQ3 regarding relations between the SSC countries and the private sector in Denmark and the cooperation with the Trade Council (TC).

THE SSC INITIATIVE AND PRIVATE SECTOR ENGAGEMENT

There are various interpretations of private sector engagement in the SSC Initiative and how it should be addressed by the Danish authorities, embassies and the SCs. Incremental changes of the SSC Initiative added to this discussion. The evaluation found that a mutual understanding of private sector engagement has emerged, focusing primarily on improving framework conditions for the private sector. Moreover, some sectors and partners engaged Danish private sector more actively as dialogue partners and for the demonstration of PPP solutions in the projects. Results are also emerging through the activities led by the SCs and the TCs, although there are also challenges.

Private sector engagement has been a part of the SSC Initiative from its outset, recognising the role the Danish private sector can play in delivering solutions to the 17 SDGs. As presented in Chapter 2, the starting point to understand the Initiative is the Danish Finance Act of 2015, which describes how the programme focuses on “sectors where Denmark is able to offer a high level of know-how and technology and at the same time benefit Danish private sector export and globalisation efforts”. And the role of the SCs to “focus on sectors where Denmark can contribute special skills, knowledge and technology that can pave the way for Danish business exports and internationalisation of activities” (Finance Act, §06.32.04.16). As stated in Section 2.2, the language was more indirect in 2019 and 2020 relative to 2015-2018: “and in the longer term, pave the way for the delivery of Danish technology and knowledge on a commercial basis” (§06.38.02.14).

This has led to the overall principle of an indirect, more long-term involvement, which is also aligned with the understanding of the Danish private sector organisations. The consensus is that the SSC Initiative understands private sector engagement as improving framework

conditions for its contributions and promoting commercial opportunities in the longer term. Within these parameters, the scope for private sector involvement in the SSC has been interpreted at three levels. First and foremost, directly as a dialogue partner in SSC projects on improving SDG framework conditions and demonstrating technical and PPP solutions, secondly and more broadly as engagement in the relevant sector, and thirdly on more commercial terms in cooperation with TC.

Following the SSC Guidelines, projects are encouraged to “actively provide information about Danish private sector competences and solutions to the partner authorities” (Guidelines, p. 6) and the SCs should “facilitate the broader strategic sector cooperation and create linkages and synergies with other Danish and international development initiatives” (Guidelines p. 8). This includes the role the Danish private sector plays in the selection of new SSC countries and sectors for partnership projects, which ensures high relevance and strong market leadership of Danish private sector solutions.

The contributions of the DKPTO is an example of how the SSC Initiative improve framework conditions for the private sector overall. For example, in Brazil, where an important part of the engagement is to provide better and faster access for the Danish private sector to the Brazilian market per se, and for Danish companies more specifically through the Patent Prosecution Highway (PPH) agreement. Also, several agriculture and maritime projects have a stronger commercial element.

The evaluation finds that the SSC guidelines explains well the aspiration with private sector engagement in the programme and the SCs role for this is clear. As discussed further in Section 4.5, what could strengthen this dimension is first and foremost more dialogue and dissemination of good practises and case studies. (*See Recommendations #1-4*).

Direct private sector participation is limited by the degree to which the local partners accept private sector involvement. For example, in Brazil health and in India overall, involving private sector too directly is delicate or even impossible in SSC projects. On the other hand, local partners in Indonesia and other countries are more open to directly engaging with the private sector as part of the projects e.g. with demonstration of Danish technologies within waste-energy and wind power in Indonesia. Moreover, there are also legal limitations to private sector involvement: “Direct involvement of private sector companies in the implementation of activities (i.e. as a service provider) requires an open and transparent process of selection in accordance with the Danish regulations for public” (Guidelines p. 18), so it may be complicated to include a private company directly in a project activity, even on a voluntarily basis.

APPROACHES WITHIN THE SSC PROJECTS

SSC projects have followed the SSC Guidelines and developed valuable tools and strategies for engaging the private sector as part of the projects implemented by the Danish authorities. The most common modality for involving the Danish private sector in SSC projects has been through their participation in seminars, workshops, training courses, and study tours as an integrated part of the projects conducted by the Danish authorities. Also, Window 2 research projects have been applied to involve the Danish private sector.

Study Tours

The most common approach used to involve the private sector in SSC projects has been through their participation as hosts of study tour delegations. All four country studies contain examples of how private Danish companies and private sector organisations hosted study tour delegates to showcase relevant Danish solutions, and the document review identified descriptions on how exposure to Danish firms and technologies enriched the training and study tour experiences. Some examples are presented below in the box.

TEXTBOX 4. PRIVATE SECTOR ENGAGEMENT THROUGH STUDY TOURS

- In China, the Quality Offshore Wind project organised two study tours to Denmark for Chinese delegates to witness Denmark's green transition. These study tours gave room for Danish businesses to present new solutions and technologies.
- In Egypt study tour for the energy sector cooperation to Denmark in 2019 contributed to opening the eyes for new opportunities for private investments in renewable energy.
- From India, four delegations from the energy sector cooperation visited Denmark to share knowledge on tender documents, environmental impact assessments, geotechnical surveys and the Danish one-stop-shop model in order to de-risk offshore wind development.

The evaluation finds that the SSC study tours is a valuable tool to expose partners to Danish private sector solutions. Some examples exist, however, of study tour programmes without a good exposure to the private Danish sector e.g. without visits to DI, other private sector organisations and relevant private companies. This could be improved by better communication among the Danish authorities, the SCs and the private sector and by a guiding checklist for study tours included in the Guidelines to ensure that all elements are covered. (*See Recommendation #3*).

Seminars, Workshops and Trade Fairs

Many SSC projects have convened or hosted seminars and workshops on specific sector issues and invited the Danish private sector to participate

and present³². This has provided an opportunity for Danish firms, not only to present relevant technologies and other solutions, but also to contribute to discussions around sector cooperation and public-private partnerships. Some examples are provided below:

TEXTBOX 5. PRIVATE SECTOR ENGAGEMENT THROUGH SEMINARS, WORKSHOPS AND FAIRS

- In Kenya, the Danish SSC partners held a short seminar in 2019 with DI, Access2Innovation and DTU to review the ways in which the project could meet Danish interests and needs.
- In South Africa, the SSC project co-hosted the annual Water Stewardship Event several times, which focuses on partnerships and PPPs (<https://www.2030wrg.org/swpn-co-hosts-5th-annual-water-stewardship-conference-in-johannesburg/>). The project also supported the Danish Pavilion at the African Utility Week – the prime event for companies in the water and energy who wish to do business in Africa – and enabled Danish firms in the water sector to showcase their products and services.
- In China in 2019, a technical seminar on groundwater management was arranged by the SSC environment and water team and the SSC partners. The Guangzhou Water Day also involved several Danish companies who also presented a range of possible water solutions.

Training Courses

Danish companies have been involved in the delivery of formal training courses in Denmark and partner countries, as well as in informal settings and pilot projects involving local partners, in some cases, local firms. An example of this is from Ghana, where the Danish firm DanPilot as part of the project in the maritime sector, conducted pilot training courses in the Tema Port. This led to more commercial activities including contribution from DanPilot to improvements of the pilotage in the port of Tema and continued training in manoeuvring ships and systematic knowledge sharing between the pilots. In addition, the Ghana Ports and Harbours Authority has expressed interest in the use of new Danish technology that contributes to further optimising and ensuring safer ship handling operations in Ghana.

Cooperation with Business Organisations

Many SSC projects have engaged business organisations representing Danish and partner country businesses. DI has been an important stakeholder in many SSC projects including during study tour programmes in Denmark. L&F is a partner in all SSC food and food safety projects. It guides the Danish authorities (MoEF, DVFA) and SCs on relevant Danish expertise in the sector and has been involved in selecting new countries for partner cooperation, such as Indonesia and

32 This is often organised with TC, (see below).

Kenya. It actively supports application for Danida Market Development Partnerships (DMDP), for example with Arla Foods in parallel with the new SSC project in Indonesia in the agriculture sector.

There are also several examples of private business organisations in SSC countries with direct involvement in the projects e.g. in Kenya within the Green Growth and Food Safety projects, see textbox below for more examples on sector-wide cooperation.

Research and Danida Window 2

Many projects have focused on the development of business networks and the production of research reports, business cases and market- and sector-relevant information that Danish investors find useful. Examples include the preparation of wind maps in Indonesia, and the annual *Energy Outlook* reports, produced at national and selected provincial levels, as well as the publication of the *Technology Catalogue* for renewable energy. In Brazil, the BRAHIT research project funded under W2 involves the Danish companies Trifork ApS, Visikon ApS and Cortrium ApS, see Section 4.4.

The South African water sector project seeks to share knowledge on “late-stage innovation implementation, capacity building and research facilities and instruments”. The project supports collaboration between South African and Danish stakeholders on strengthening the linkage between research outputs and the implementation of these solutions in practice. This includes the facilitation of South African-Danish cooperation on research and innovation, and on platforms for sector specific skills development and capacity building.

PRIVATE SECTOR-WIDE APPROACHES

In addition to the approaches above, the SSC Initiative employs a range of modalities to engage the Danish private sector in a more sector-wide approach. In some cases, it strengthened relations between SSC countries and the private sector in Denmark and improved overall bilateral relations. In addition, relations between the Danish authorities and relevant companies and organisations have been strengthened.

There are many good examples of innovative private sector engagements in SSC projects with a sector-wide approach. Most of these emerge gradually from project-oriented activities and examples are provided below.

TEXTBOX 6. EXAMPLES OF SECTOR-ORIENTED PRIVATE SECTOR ENGAGEMENT IN SSC PARTNERSHIPS

Colombia – Cooperation with PorkColombia

The SSC partnership on food safety in Colombia has developed a direct relationship with the Colombian Pig Producers Organisation, known as PorkColombia, which has been chosen as a third partner in the project representing the industry. The three partners have a common goal of improving veterinary and food safety in order to access new markets. The project plans to build closer relations and cooperation between the Danish and Colombian private sector in parallel with the institutional capacity building between DVFA, Colombian Veterinary Authority and the Colombian Food and Drug Administration under Colombia's Ministry of Health and Social Protection. This will be done to secure know-how and technology transfer to increase and improve Colombia's production of pig meat.

Bangladesh – Sourcing in the garment sector

The Improving the Health and Safety of Workers in Bangladesh project supports the Department of Inspection for Factories and Establishments. This project is rooted in the experiences of private firms and their workers in the ready-made garment sector. Through this project, it is anticipated that it will be easier for the Danish private sector to source products in Bangladesh and ensure a sustainable supply chain. Some Danish companies sourcing from Bangladesh are members of the Accord on Fire and Building Safety and many have local staff, auditors or consultants who regularly visit supplier factories. The SCs works closely with the TC and is reaching out to Danish enterprises, associations of business and trade unions. The project has established a link with the Danish Fashion Forum and more activities in Dhaka are planned for 2020.

South Africa – promoting Danish PPP model

The South Africa SSC project on water resources promotes the Danish policy position on public-private partnerships (PPPs) and on the triple helix (i.e., public, private research) in innovation. In 2019, these approaches were promoted and supported during contract negotiations for a PPP water supply concession in the South African city of Nelspruit. The PPP approach is also supported through the P4G instrument.

India Assessment of Danish capabilities in in the water sector

Also, in the formulation of a water sector partnership in India, the recent wastewater sector analysis undertaken for the Danish Ministry of Environment and Food (see Section 4.1) included an assessment of Indian priorities combined with an assessment of Danish capabilities, including Danish private sector capabilities and technologies.

The SSC Initiative also provides a platform through which private sector resources from Denmark can be involved in projects. The India Offshore Wind Energy project reports that Danish private investor interest in India is growing. While the partnering government ministry initially kept private sector outside of the partnership, increasing trust and

confidence in the DEA made it possible to facilitate more interaction with private stakeholders.

Also, linkages can be created with other Danish private sector-oriented programmes and services as also follows in Section 4.4. SSC projects have e.g. supported applications to the DMDP, i.a. in Myanmar in collaboration with Bestseller and the Danish Initiative for Ethical Trading SSC projects and in Kenya and Indonesia with Arla Foods. In Kenya, Danish companies such as FOSS Analytics, Chr. Hansen and Bactoforce have participated (pro bono) with equipment to dairies in the Food Safety Project.

Some challenges also exist. For example, in Indonesia, the SCs highlighted the challenges of engaging Danish companies in sector dialogues. SCs indicated that only the biggest Danish companies exhibit sufficient capacity and interest in the Indonesian market, and many are focused on short-term returns and have little interest in framework conditions or long-term term business opportunities. More positive results are achieved when Danish companies showcase specific technologies, although these are often already known and have been tested in Indonesia. For the large Danish pharmaceutical companies, the health project in e.g. Brazil also has a more overall interest. They already have a presence in Brazil, but the SSC engagement is important to them as it provides information on the direction of broader health agendas and reforms in the country.

According to DI, Danish interest in business development is a challenge, but nevertheless the SSC projects in food safety and environment have managed to involve some Danish companies in specific activities.

COOPERATION WITH TC ON PRIVATE SECTOR ENGAGEMENT

For private sector opportunities related to the SSC Objective 3, the SCs cooperates closely with the TC. Through this cooperation, SSC activities tend to have a more commercial focus with deliberate attempts to reach out to the private sector and its organisations in Denmark and partner countries. The cooperation spans joint events organised by the SCs and the TC, and typical joint activities are trade fairs, smaller business seminars and organisation of visits of government delegations from Denmark with involvement of Danish companies.

In general, the SCs met take a pragmatic approach to the cooperation with TC. TCs met also express that their status as commercial entities with an aim to identify quicker opportunities to their clients from the Danish private sector puts some limitations to cooperation on longer term aspects.

EVALUATION FINDINGS

Overall, a good cooperation has emerged between SCs and TCs with weekly coordination meetings, joint participation in embassy meetings and daily informal coordination. DI has always been an important partner for the TC, and this is also increasingly the case for the SCs, which create some synergies in the cooperation with the private sector in Denmark.

SCs in Brazil, Kenya and India also mention their participation in recent regional TC meetings which provided an opportunity to discuss more freely, to understand TC's agenda better and discuss trade issues with the private sector. The location of SCs at the embassy and in some cases in shared offices with the TC is also promoting better cooperation. In India, a strong working relationship between the SCs and the TC has emerged. Much attention has been given to sharing information and ensuring coordination across all SSC projects and the TC activities. Regular inter-departmental meetings are held, and the SCs are leaders of their respective sector groups.

In Brazil, SCs also work in sector groups with the TC and the Innovation Centre Denmark, which are located jointly in Sao Paolo. This has resulted in better opportunities for Danish firms to interact with Brazilian partners during visits by Danish delegations. It includes coordinating with the engagement of Danish firms in the annual national high-level innovation week, where Innovation Centre Denmark is one of the main partners.

In Kenya, the SCs are actively engaging with the TC through weekly coordination meetings, but some activities are not materialised due to the TC's need to generate revenues. Examples of joint activities are two dairy trade fairs /seminars executed with participation of Danish companies and a conference organised jointly with Danish companies. It was planned to host a business delegation from Region Jutland jointly in June 2020.

Successful engagements with Danish firms emerge also from the efforts taken jointly with TC in forging private sector networks, consulting with current and potential investors and searching for pragmatic opportunities for the private sector to become more engaged. As a result, a number of new models for sector-specific private sector engagement have emerged, such as the Health Business Club in Mexico, the Strategic Business Alliance in Bioenergy in Indonesia and the labour market consortium in Myanmar.

Moreover, the evaluation document review identified examples with successful cooperation with TC; one of the more advanced is in South Africa, which highlights how the SSC has worked with the TC to improve the exposure of Danish expertise and creation of platforms for Danish firms to interact with the decision-makers in the water sector including

by arranging high-level delegation visits and business receptions. This has according to the project's *2018 Narrative Report* exposed technologies and investors to key South African decision-makers such as the Department of Water and Sanitation, water boards and the SSC has now "a direct line to the decision-makers in and policies of the South African government", which has been instrumental in shaping companies' understanding of the direction in renewable energy and water.

However, some TCs raised the concern that the private sector engagement in SSC projects could be better and recommended more attention be given to ensure that the Danish business community are aware of the SSC work underway, and how this might lead to increased Danish business opportunities. (See *Recommendation #4*). This is also relevant for the improvements of the study tour programmes as mentioned above.

4.4 SYNERGIES WITH OTHER DANIDA PROGRAMMES

With a few exceptions there are other Danida programmes³³ and partnerships in all SSC countries. The evaluation finds that the SSC is promoting synergies and collaboration with other Danida programmes and partnerships when possible. The efficiency and effectiveness of these collaborations varies from country to country often depending on available human resources, time and interest.

Since the commencement in 2015, MYNSEK encouraged SCs, embassies and other partners to the SSC to promote collaboration with other Danida programmes. The 80/20 division of SCs time was partly to allow for SCs to facilitate collaboration and promotion of synergies with other programmes managed by either the embassy or by Danida in Copenhagen. In practice, the time available for an SC to promote synergy often depends on other embassy duties and tasks including the number of other development activities in the country.

This section provides an overview and assessment of the synergies or collaboration between the SSC and i) DFC training courses³⁴, ii) Danida Window 2 Research Projects, and iii) other Danida programmes. Annexes G, H and I include specific data for each of the three areas.

33 In this report Danida programmes also cover DFC activities which are not real programmes but grants, e.g. for development research and training courses.

34 Training is to be understood in a broader learning perspective.

DANIDA FELLOWSHIP CENTRE TRAINING COURSES

DFC training courses are a very important instrument for the SSC. Participants interviewed by the evaluation expressed general appreciation with the learning and the execution of the courses. The courses add value by demonstrating Danish approaches and knowledge on sector specific issues, but also strengthen Danish relations among individuals and their institutions in SSC countries. However, there is a need to monitor how and to what extent new learning and knowledge is being applied.

DFC has a long tradition in facilitating training courses with participation from Danida programmes around the world. Since 2017, more than 60 training courses have been facilitated by DFC. In 2017, less than 40% of the participants in the DFC facilitated training courses came from SSC countries, whereas, more than 80% came from SSC countries in 2019. Overall, more than 1,200 participants from SSC countries have participated in the training courses since 2017. The majority of the training is conducted through courses of one to six weeks duration. Thematic training courses are tailor made for the specific SSC sectors. Other courses are cross-cutting and open to participants from SSC programmes and for participants from other Danida and Danish NGO programmes.

TEXTBOX 7. PARTICIPANTS FROM A DFC FACILITATED HEALTH SECTOR TRAINING COURSE

In Brazil, the DFC participants interviewed highlighted that an important add on to the DFC training is the opportunity to exchange experiences with colleagues from other (SSC) countries and the learning about how public authorities work and cooperate in Denmark. The courses linked the participants up with other SSC projects e.g. in China, Mexico, Vietnam and established relation with Danish Institutions (University of Copenhagen, DTU, DTI, Rigshospitalet, Bispebjerg-Frederiksberg and Gentofte Hospital).

Annex G shows the total number of participants from each SSC country as well as an overview of the themes for the different courses. As example, Table 5 below shows the total number of participants from the four case countries. The table indicates that some SSC countries make more use of DFC than others, but also that in most countries there is an increasing interest in DFC training courses measured in number of participants from 2017 to 2019.

TABLE 5. NUMBER OF DFC COURSE PARTICIPANTS FROM THE FOUR SSC COUNTRIES.

	2017	2018	2019	Total
Kenya	24	77	146	247
Indonesia		29	92	121
Brazil	7	21	65	93
India			17	17
Total (all SSC Countries)	139	382	747	1,268

Source: DFC.

In Indonesia, DFC training courses and study tours have been extensively used by the SSC projects and valued by participants interviewed. More than one hundred people from the SSC Energy project participated in DFC training since 2017. According to trainees interviewed, the training has been relevant to the demands faced by Indonesian partners. The Circular Economy project also used DFC training courses on solid waste management, public private partnerships and environmental governance. However, a key challenge with the training has been to catalyse institutional change. This requires training for all levels of the partnering organisations, including senior managers and decision makers. Some participants interviewed explained that they had been unable to practice their new skills due to lack of support and understanding of the benefits from their own superiors.

Similarly, the DFC courses have been of high importance in Kenya. Without exception, participants interviewed all praise the courses and the experiences they have gained. The courses have been tailor-made to fit the needs of the participants. The SCs have played a central role in designing the courses in cooperation with Danish universities. A one-week training and study tour programme in Denmark for the management level was valuable for their understanding of green growth. According to participants from the MoEF and the Ministry of Industrialization, Trade and Cooperatives (Kenya), this facilitated that the staff could use their new knowledge from the longer training programmes due to better understanding and appreciation of new knowledge and learning at management level.

Further, DFC is facilitating an Alumni platform where course participants interact with each other after completion of the training course. The evaluation notes that participants interviewed appreciate and use this platform to build international relations with other SSC participants. In particular in Kenya, the platform was highlighted by recent DFC participants and by the ambassador.

The evaluation found that the technical, professional and language capacities of course participants varied significantly. Often, there were capacity differences between participants from developing countries and participants from growth and transition countries. Whereas, in some courses it might lower the level of learning, the participants interviewed also acknowledged the importance of cross-learning and the above-mentioned alumni and international relationship building opportunities. Some participants from MICs (China and Brazil) expressed that the course content was not always relevant or sufficiently advanced for their needs.

The relative success in regard to number of courses and interest of participants can partly be attributed to the strong relationship between DFC and the SCs and their respective embassies. Many Danish embassies in countries with Danida funded bilateral programmes have long traditions cooperating with DFC and since 2016, SCs have become instrumental in promoting the opportunity to apply for DFC facilitated training courses for staff in national partner institutions. DFC is participating in annual SC seminars in Denmark among others with promotion of the opportunity to tailor or to participate in planned training courses. The collaboration between DFC and the SCs is operational and effective, however, in some cases more opportunity and ad hoc driven than driven by a strategic approach.

As raised by DFC, DEPA and DVFA during the interviews, Danish authorities are not always involved in the planning of the training courses and to an even lesser degree in the follow-up post-training. However, as a good case example the DEA has been an active authority both in regard to identification of training needs but also in the design and implementation of training courses, see textbox below. Further, DKPTO and DWEA are also involved in planning and follow up with participants after the training. There are emerging examples of initiatives to enhance learning e.g. through a model linking the preparation and implementation of the training with follow up training in-country. The involvement in the selection, planning and implementation enhances the opportunity to also support the follow-up and application of new knowledge.

TEXTBOX 8. ENSURING COHERENCE BETWEEN DFC COURSES AND THE SECTOR COOPERATION

DEA has a framework agreement with Energinet and can draw on their expertise for SSC purposes. DEA also has a consultancy framework contract with DTU and four consultancy companies to quickly field consultants in SSC projects as and when needed. This is led by DTU and Energy Analysis. DEA together with DFC ensures that experts from these framework agreements are the same who teach at the DFC courses. This ensures coherence between DFC and SSC interventions. For example, DEA facilitated 17 DFC scholarships for the MNRE and NIWE in 2019 on the DTU Energy Planning and Mapping course.

Monitoring and measuring of the effectiveness of the learning from training courses is a challenge. DFC is the facilitator of training suppliers and has the overall responsibility for the monitoring or quality assurance of the training conducted. Training providers (Danish universities³⁵ and private consulting firms) only conduct an end-of-training evaluation and have only very limited opportunity (resources) to follow-up e.g. three or six months after completion of the training. Training courses operate with the development of a specific Action Plan for each participant which is to be discussed within the organisation and if possible, be implemented upon return. The Action Plan element is a significant element in all DFC courses linking a work-related challenge to the course.

There are, however, no mechanisms for training providers or others to support the implementation of these Action Plans. Similarly, SCs and embassies have no means to monitor and follow-up in-country. Finally, with the exception of DEA and partly DKPTO, there is only limited involvement of Danish authorities and basically no institutional approach for monitoring and follow-up on learning effects and methods. Participants e.g. from the Energy Project in Indonesia on their side express that it can be a challenge to apply learning (on energy planning) because of work pressure and/or with their higher-level management not being up to date on new approaches and therefore not willing to support the implementation of e.g. the Action Plan developed by the participant. Training courses in Bangladesh and Myanmar on labour market included assessments and preparation in the countries before the training was conducted at Aalborg University. DWEA has established four master courses through DFC and appoints SSC participants themselves. DKPTO also runs courses through their projects. In Brazil, the training course on Transparency and Digital Transformation will have a one week follow-up in Brazil and the training course on Value Chain Development

35 Mainly Copenhagen University (KU) and the DTU.

had follow-up weeks in Mexico and Colombia. The experience from DEA, DWEA and DKPTO could serve as good examples for other authorities.

Whereas the planning, design and implementation of DFC training courses appears to be efficient and effective, there is as discussed above still limited evidence of the effectiveness of the learning. Furthermore, SSC reporting is mainly activity driven relative to who and how many have participated in training courses more than on the actual outcomes of the new learning. DFC is following the Alumni platform activities, but it is difficult to draw conclusions on learning from these activities.

To improve this, DFC should be tasked and resourced to support SSC implementers (i.e., Danish authorities and their partners) to systematically follow up after DFC training is completed. New methods and approaches need to be developed and applied in close coordination with Danish authorities and SCs. For example, experiences from DEA and DKPTO can be used as inspiration. (*See Recommendation #6*).

RESEARCH PROJECTS WINDOW 2

Overall, W2 is a suitable way of generating new knowledge including to the SSC and SSC projects. However, there is a need to strengthen the strategic coherence between the W2 and the SSC, and to ensure that new knowledge generated through W2 research projects is used and applied in SSC activities.

Danida has funded development research since the 1980s. Following the approval of the global Sustainable Development Goals (SDGs) in 2015, as well as cutbacks in Danish development assistance, support for research cooperation was 're-launched' at the end of 2016. The strategy that had been agreed in 2014 as the basis for funding development research was abandoned in favour of a new approach briefly summarised in the Development and Humanitarian Strategy (2017)³⁶, *The World 2030*, page 29: "Research cooperation between universities and research institutions in Denmark and developing countries will be strengthened and research cooperation will be seen in context with other instruments such as the Partnering with Denmark [now known as the Strategic Sector Cooperation] initiative. The goal is still to contribute to new solutions with new knowledge and approaches and to increase the countries' capacities for creating and applying new knowledge. Going forward we will also prioritize research cooperation and fellowship programmes in growth and transition countries where Denmark is present and where the countries are facing societal challenges that match Danish strengths, e.g. within climate, water, energy, health and food as well as e.g. democracy and the rule of law."

36 A total of DKK 135 million was allocated for these funding windows in the Finance Act 2017 and a total of DKK 220 million in 2018.

The research cooperation between universities and research institutions in Denmark and developing countries is also known as Development Research Window 1, and the development research linked to the SSC as Window 2 (W2)³⁷. W2 comprise research cooperation between Danish research institutions and research institutions in SSC partner countries within the specific sector. Research projects have a duration of three years and a maximum budget of DKK 5 Million. DFC administers the funds on behalf of MFA and the Consultative Research Committee (FFU) provides advisory support during the Call for Proposals and the granted projects.

Annex H provides an overview of approved W2 research projects relative to sector, country and the Danish grant holder. In total, 31 projects in 12 countries and 15 sectors have been approved in the 2017, 2018 and 2019 calls for proposal. Six Danish Universities and two Danish research institutions are implementing the projects. As examples: the number of W2 research projects, sector and Danish University approved and under implementation in the four countries visited is shown in the table below:

TABLE 6: APPROVED W2 APPLICATIONS IN THE CASE COUNTRIES

	2017	2018	2019
Health care		Brazil KU 1	Brazil KU 1
Urban water			India KU 1
Renewables			India KU 1
Manufacturing	Kenya DTU 1		

Source: DFC.

A detailed Review of the W2 was conducted in 2019. The overall finding of the Review was that W2 is a relevant funding modality to supplement SSC activities. The review was conducted at a relatively early stage of the W2 and recommendations at the time were among others to strengthen the strategic guidance of W2 relative to the selection of SSC countries and most strategic sectors for Denmark. In the 2019 call for proposal, the MFA followed-up on the recommendations of the Review and reduced the number of countries eligible for a research grant. Naturally, such a decision has consequences e.g. in Brazil which is one of the countries not included in the 2020 call for proposals.

³⁷ Of the total funds available for research grants, the pilot projects funded through Window 2 accounted for DKK 55 million in 2017, DKK 50 million in 2018 and similar for 2019. Research project grants are allocated on a competitive basis.

Moreover, the review concluded that research projects appear to be responding to the need for new and more detailed knowledge and data and thereby meeting the expectations and demands from participating partners in SSC countries. The evaluation finds that the W2 research projects are generating interesting and relevant research data. In Brazil, the BRAHIT W2 project (see textbox) will be focusing on e-health emerged as a spin-off of a DFC training course for Brazilian health participants. The W2 project is relevant to the health sector challenges in Brazil and relevant in a Danish context involving also private sector. Even though the particular research subject is not fully aligned with the health sector project implemented under the SSC, this might not necessarily be an issue given that the W2 project might open for new and emerging opportunities for cooperation between Denmark and Brazil. In this perspective, the research project is relevant and delivers applicable solutions with potential benefits to both Denmark and Brazil.

TEXTBOX 9: THE BRAHIT W2 RESEARCH PROJECT

In 2017, DFC (through Copenhagen University) tailored a five-week training course on Cardio Metabolic Diseases, which included three participants from the BMoH and the National Heart Institute in Rio de Janeiro. As part of the course and a well-prepared side-programme, the participants met with Danish cardiac researchers at Bispebjerg-Frederiksberg Hospital and with other relevant actors in Denmark including Danish Health Agency. This led to the preparation of a research project, BRAHIT on telemedicine, treatment and prevention of heart diseases. The research project was approved for financing from the Window 2 research window in 2019 (2018 call) and has now been approved by the National Research Board in Brasilia. It is now implemented by the Cardio Metabolic Hospital in Rio de Janeiro and Bispebjerg-Frederiksberg Hospital.

Source: Interviews with partners in Brazil, the W2 Research Coordinator and Bispebjerg-Frederiksberg Hospital.

Another example is the DTU managed GECKO W2 Research Project in Kenya aiming to provide the scientific knowledge base to develop a national strategy for designing and projecting high-circular eco-industrial parks in Kenya, looking into both water, energy and materials. The SC in Kenya has been instrumental in linking up the research project with relevant Kenya institutions already cooperating with other Danish programmes in Kenya including the SSC. Cooperation with DEPA and Kenyan institutions on findings and learning from different studies and analyses have been implemented. The GECKO W2 project will be completed in 2020 with two learning workshops for key stakeholders in Kenya. In India, two new W2 projects were approved in 2019. One on urban water which is linked to the Sustainable Urban Water Management SSC implemented by the City of Aarhus and the other W2 on renewable energy is linked to the Energy SSC (offshore wind)

implemented by the Danish Energy Agency. The two W2 projects in India have great potential to deliver relevant data to the SSC activities.

The evaluation finds that while the coordination and collaboration between the SCs and the Danish research institutions is working well; Danish authorities appear to be less involved in the W2 projects and their results. This could be improved by enhanced sharing of SSC information between W2 projects and the authorities. The SCs are expected to consult the Danish authorities in connection with the assessment of relevance in Phase 1 of the application round. Confidentiality rules apply for share of information with the Danish authorities. Some authorities e.g. DWEA, DVFA and the Danish Health Agency (see textbox above) have developed close relations with researchers and the Danish universities which appear to have improved opportunities for synergy, but in general sharing of information could be strengthened.

Whereas the W2 appears to be delivering relevant and applicable results, there is still limited evidence of outcomes. The first W2 projects granted in 2017 have only just been completed and most are still ongoing. DFC receives progress reports and together with the Consultative Research Committee (FFU) monitor progress, research quality and deliverables. The role of Danish authorities in making use of research data is not clear leaving the further use of results in the hands of the SC and the national partners.

The evaluation finds that the W2 is a suitable way of generating new knowledge to a sector including an SSC project, however, there is a need to further strengthening the coherence between the W2 and an overall MFA strategy for the SSC or other Danida programmes in the SSC country. Given that the first research results are to materialise in 2020 it will be important to ensure that the assessment of and learning from these research results relative to the relevance of the new data and knowledge to the SSC involves all stakeholders including the Danish authorities.

In order to strengthen the synergy and collaboration between the SSC and the W2, MFA should consider amending the guidelines for W2 call for proposals to ensure enhanced sharing of relevant SSC information with all W2 applicants as well as ensuring that once granted, W2 research projects present their research to the Danish authorities and the authorities abroad. The lines of responsibility for the assessment of research results as well as the process for further dissemination and outreach should be reviewed based on the lessons to be learnt from the upcoming management of incoming research results expected in 2020. (See Recommendation #7).

EVALUATION FINDINGS

OTHER DANIDA PROGRAMMES

There are many good examples of synergies and cooperation between the SSC and other Danida programmes. However, it is less obvious what is guiding the management of synergies. Since the commencement of the SSC, MFA and MYNSEK have encouraged SCs and embassies to ensure synergies and collaboration. In practice, synergies and collaboration are often pursued by an SC and other individuals rather than being guided and managed by a specific sector strategy or approach.

Annex I provides an overview of other Danida programmes with potential synergy effects with SSC in each country and sector. It also includes evaluation findings from the four case countries. Other Danida programmes include: P4G, DMDP, the Climate Envelope, Danida bilateral programmes, Innovation Centre Denmark, W2 and IFU including Danida Sustainable Infrastructure Finance (DSIF). The table illustrates that most SSC countries have synergy opportunities with other Danida programmes, but the table also shows a great diversity in programmes and sectors in all SSC countries. Table 7 shows the different programmes implemented in the four countries visited.

TABLE 7: LINKAGES BETWEEN CASE COUNTRY PROJECTS AND OTHER DANIDA PROGRAMMES

SSC	Sector	P4G	DMDP	Climate Envelope	DSIF	IFU investments	Danida bilateral	Innovation Centres	W2
Brazil		*				*		*	
Brazil	Health								X
Brazil	IPR							X	
Brazil	Digitalisation								
India						*		*	
India	Energy			X		X			X
India	Water								
India	Cities			X					
India	IPR								
Indonesia						*	*		
Indonesia	Energy								
Indonesia	Food safety	X				X			
Indonesia	Environment	X					X		
Kenya		*				*	*		
Kenya	Environment	X	X				X		X
Kenya	Maritime								
Kenya	Food safety		X			X			

[* = same country but different sector, and X = same country and sector]

Sources: MFA-MYNSEK, DFC, IFU, DMDP Sec., DEA, www.ufm.dk

A general finding of the evaluation is that synergies often are created when individuals at embassies see the opportunity and have the time and resources to pursue them. Synergy effects are not driven by a deliberate (sector) strategy in the SSC countries. In some countries, the SSC project is the driver of synergy and collaboration, whereas in others SSC projects have emerged from other Danida programmes, where the SSC has taken over already established relationships and opportunities.

4.5 SSC MANAGEMENT FRAMEWORK

The light and flexible programme framework allows partnerships and projects a space for innovation and adaptive programming. It entails number of inherent trade-offs that are working well as a whole, but also create challenges for the programme coherence, dialogue and decision making.

The section is dealing with all the aspects regarding the governance framework (EQ6), starting with the programme strategy and the monitoring system. It deals with how MYNSEK, Danish embassies, SCs and Danish authorities are fulfilling their roles and their interacting within the framework that is provided. This includes how MYNSEK as the SSC management body is managing, guiding and steering the programme.

PROGRAMME STRATEGY AND MONITORING

The lack of an SSC programme document with a programme-wide ToC and results framework, makes programme coherence and accountability an issue. Quality and monitoring of SSC projects is also affected by the complexity of incorporating ToC and intervention logic in the project documents.

A programme-wide ToC

As highlighted in Chapter 2, the SSC Initiative does not have a programme-wide ToC, and the evaluation had to reconstruct a programme strategy based on the text from the Finance Acts³⁸. In addition, the SSC Initiative does not have a results frame at programme level. The 2017 Review recommended that a programme-wide ToC was developed, which outlined how the programme and its partnerships contribute to the three objectives and how the broader development outcomes are associated with achievements of the SDGs. However, this recommendation was not followed through. Subsequently, the expansion of the SSC Initiative across new partners, countries and projects was done incrementally and case by case, whilst the basis of the

38 This alone is insufficient to present the complexity of the programme, the sources (notes, articles, finance acts, guidance), which has informed the programme's development, and the underlying assumptions and risks.

decision-making has not been documented apart from the individual project documents.

The flexible expansion of the SSC Initiative has been key to adaptive programming and to the fast upscale of the programme. In addition, the programme cannot be managed as a traditional development programme as this will overlook the many positive outcomes achieved in terms of mutually supportive partnerships between Danish and SSC partner authorities – including the benefits for Danish partners in terms of internationalisation and self-reflection.

On the other hand, a programme-wide ToC could underpin programme planning and coherence by explaining more clearly a change theory across the three objectives and by identifying key assumptions, risks and mitigation measures for future programming. This could enhance a more explicit discussion on relevant criteria for the future selection of countries, sectors and projects and for example to which extent longer-term commercial potential could or should play a role. Without such a programme-wide ToC, it may be more difficult to consolidate the SSC Initiative and to evaluate it at programme level.

Moreover, interviews with MYNSEK and Danish authorities indicate that many resources are spent on getting the ToC and intervention logic right at the project level. As expressed by one Program Manager: “The SSC guidelines are sometimes cumbersome with a rather complex project formulation requirement for a ToC and intervention logic instead of a more simplistic approach”. The document review also confirmed that many project documents did not contain a well formulated ToC, including the causal effects of the proposed project interventions and how these would help beneficiaries (i.e., project partners) to achieve the desired results. Instead, several project documents presented a historically framed and descriptive narrative of the proposed project, even if many also included well-formulated project outputs, outcomes and anticipated results.

To this end, the project designs could also benefit from a programme-wide ToC in which individual projects could nest or embed their results chains, while removing the need for a project ToC. This approach would provide practical guidance for projects on how to align their interventions to the broader programme modalities and ambitions, while still responding to specific national and sector dynamics. It could also strengthen the understanding on how Objective 3 (private sector engagement) is entailed in the programme logic. Following the programme-wide ToC, a set of common, programme-wide indicators could be formulated including for private sector engagement. Such common indicators (although not exclusive) would support project design considerations, improve project monitoring and aid broader evaluation efforts at both the programme and project levels. The indicators should reflect

the programme ToC and provide a practical illustration on how the programme-wide logic can be encapsulated in specific SSC projects. This would also be of practical value to the Danish authorities and SCs in the process of implementing projects. Equally important, it would provide the MFA with a more consolidated and coherent picture of the projects and their results, which again would present a better and more coherent information for MFA's decision-making and management responses on where and how to invest the available funds. (See *Recommendation #2*).

Programme and project monitoring

SSC projects are required to prepare a work plan, which should reflect “an operational and systematic overview of objectives” (Guidelines, p. 23). The work plan provides an intuitive understanding and an overview of project objectives, outcomes, outputs, and activities. This is accompanied by a set of quantitative and qualitative indicators for measurement that are used to monitor the project's engagement. All projects were found containing a results framework that identifies anticipated outcomes and outputs.

The SSC relies on the monitoring and reporting instruments and the guidelines provide a template for each. The evaluation found a broad spectrum of project results presented ranging from activities undertaken to the contribution from the project to the framework conditions and bilateral relations. Some are simply outputs (e.g. number of people trained); others are reporting on project outcomes (e.g. a study report that has changed the way the local government manages water); while others connect outputs and outcomes to broader impacts or results (e.g. improved standards of inspections will lead to new export markets).

Overall, the evaluation finds that while the instruments used to monitor programme and project activities and results are valid, they could be improved. A recent example is the 2019 format for the narrative annual report, which includes a status of the project's outcome indicators under Objective 1, which is a good improvement. The format has deleted the relevant SDGs (which can be found in the project document) and maintains a narrative of SSC Objectives 2 and 3. Below, the textbox presents the standard SSC monitoring reports.³⁹

³⁹ The 2019 annual projects reports are not part of the document review as they were provided to the evaluation in April 2019 after the evaluation's preliminary findings were concluded.

TEXTBOX 10. SSC PROJECT MONITORING

Annual Narrative Reports. An internal document, which is used to report on progress following the three objectives of the SSC Initiative. Introduced in 2018, it is a narrative account of the project's activities and main achievements. SCs are required to rate the achievement of the project towards achieving the three objectives by assigning a score out of five and providing a justification for this score.

The evaluation found these reports are useful in providing an overview of the activities of the project in the past year and documenting the challenges, achievements and lessons learned. The scoring also provides some limited information about the progress of the projects.

In the first year, these reports did not report on actual results against anticipated results or targets, as contained in the project document. From 2019, the format has been improved substantially by deleting the standard reference to selected SDGs and instead asking for status of SSC outcome indicators.

Moreover, projects are not required to account for any discrepancy or variation in the anticipated results described in the project document until after the project has concluded.

Annual Reports

Annual reports are public, one-page summaries used to provide information about the project context, purpose, activities, and results to a broader audience, such as Danish companies, politicians, journalists and the public in general.

The evaluation found these to be useful documents for communication, although short and providing little insight into the substance of the partnership. A stronger narrative that tells the partnership story in less bureaucratic terms and highlights the benefits of partnership and improved bilateral relations would create a more engaging and informative public document.

Completion Reports

Completion Reports are used to report on the achievements of the project and to document lessons learned and evaluate the prospects for continued sustainable progress. Most completion reports follow the template provided in the Guidelines Annex 12. For example, the completion reports from the Digitalisation and Innovation Project in Brazil (six pages) and the Maritime Project in Ghana (eight pages). These reports provide a good summary of results according to the project's predefined output and outcome indicators, along with an explanation of any deviations from the initial project budget, partner and work plan. Other two pager reports (e.g., Bangladesh) from smaller projects are very brief.

SSC GUIDANCE AND MANAGEMENT

MYNSEK has established a good balance between SSC objectives and procedures. Its support to the Danish authorities is relevant and commended by them. However, Danish authorities and business representatives also called for more policy dialogue and exchange of experience, whereas SCs and the embassies felt that the governance structure at times calls for a more proactive and streamlined approach.

MYNSEK was established in 2015 as part of the Department for Growth and Employment (VBE), and recently incorporated into the new Department for Green Diplomacy. Its overall task is to coordinate the SSC cooperation regarding project planning and formulation, financial management, monitoring, communication with Danish stakeholders and to facilitate synergy with Danish commercial interests including TC. The staff of four provides guidance to the stakeholders and report to MFA on the

programme. An important instrument for guidance and management is the SSC Guidelines.

MYNSEK is operating in a complex context within the procedures and internal demands in the MFA and with 21 Danish public authorities (i.e., ministries, agencies and municipalities) with their own sector orientation, organisational setup, political priorities, practices and experiences with implementation of international projects. At the same time, the SSC governance and implementation framework has been under development in parallel with the scale up of the number of Danish authorities and projects.

Danish authorities and SCs find that MYNSEK, in spite of a growing portfolio, provides good guidance during project formulation, and allow for sufficient flexibility to adjust for changes in project priorities, e.g. after elections. At times, some partners also experienced that project preparations can be rather time consuming with many iterations and sometimes also shifting opinions by MYNSEK staff e.g. when MYNSEK staff is changed. This included waiting for comments from MYNSEK and the broader range of consultation and assessment processes required to complete project proposals. Also, quality standard requirements can vary according to available time and pressure from the Danish authorities to move to implementation e.g. when partners in SSC countries are waiting for next phases of the project.

In some cases, embassies have raised that MYNSEK could play a more active role, when project implementation is delayed because Danish authorities cannot deliver the needed expertise. For example, when DEPA could not deliver the agreed expertise for the Green Growth project in Kenya in 2019 or when a demand for e-governance expertise could not be met by the Danish Business Agency and the Danish Digitalisation Agency (under the Ministry of Finance) during the first phase of the Innovation and Digitalisation project in Brazil. In these cases, MYNSEK could bring the Danish authorities, SCs and, if needed, ambassadors together and facilitate a solution. Another instrument for MYNSEK would be to facilitate that the embassy prepares a “written understanding of the role and responsibilities of the Sector Counsellor – both internally at the embassy and in relation to the Danish Public Authority and the Partner Authority” (SSC Guidelines p.17, see below).

Currently, the main platforms for more strategic development on the SSC Initiative include the annual SC meetings and the annual meetings between ambassadors and Danish partner authorities.

None of the Danish authorities met mentioned the Inter Authority Working Group, which according to the SSC Guidelines (p. 11) should meet “with representation from the participating Danish Public Authorities acts as a consultative forum for discussion of experiences and the future devel-

opment of the SSC approach". However, all Danish authorities consulted as well as DI and L&F expressed the need for more regular meetings and for exchange of experience between Danish partners and stakeholders. Both at the technical level on how to build successful partnerships and projects, and more broadly at sector and policy level to improve sector cooperation and build synergies with private sector participation and other development instruments. (See *Recommendation #1*).

SSC Guidelines

The first version of the SSC guidelines was published in March 2015, followed by a second version in September 2017, which first and foremost "introduce a new approach to budgeting and calculation of fees and overhead for the Danish Public Authorities" (p. 3). The 2017 guidelines are supposed to be a 'living document' (p. 3), but they were only revised once, and a new revision has started in December 2019⁴⁰. Some of the major issues raised by the Danish stakeholders to the evaluation are presented below in the textbox. The evaluation finds that a working group with some of the Danish authorities that participated actively in the hearing process, should revise and refine the SSC Guidelines. (See *Recommendations #3 - 4*).

40 The hearing process proceeds in parallel with the present evaluation.

TEXTBOX 11. SOME MORE SPECIFIC ISSUES FOR THE REVISION ON SSC GUIDELINES 2017**Guidelines or regulation – what is permitted and what is not permitted?**

“The guidelines are one hand too long and on the other too short”. By saying this a project manager from a Danish authority simultaneously praised the relative simplicity and flexibility of the guidelines (relative to EU Twinning) and raised that the rules are not always specific enough to be really useful. E.g. how quickly MYNSEK responds to proposals and changes; when the standard is good enough and when MYNSEK’s approval is mandatory. An example from Section 3.4, Flexibility in implementation is: “The SSC Steering Committee *can approve* changes in activities and work-plans without prior consultation with the Ministry of Foreign Affairs, while changes to the predefined main outputs *require approval* from the SSC secretariat in Copenhagen. Changes in the overall objective of the cooperation *may require* a completely new application process and a new grant”.

The evaluation finds that the language could be adjusted, so it is clearer what is mandatory and what is flexible. The Guidelines is divided into guidance up to chapter five and thereafter *administrative rules and procedures*. The adjustments should follow this principle.

Private Sector Engagement – Examples and good practices

The guidelines mention private sector engagement in general terms several places mostly with emphasis on the *Danish* private sector e.g.:

“The idea behind the SSC is that experiences and competencies of the Danish public sector institutions can provide useful inspiration for other countries in their efforts to improve framework conditions for sustainable development. Growth in developing countries will also open new market and investment opportunities for Danish businesses and investors” (p. 6) or “Special priority is given to sectors perceived as Danish strongholds, where both the public and private sector can offer useful models and solutions” (p. 4).

The limitation of what can be done is also included as “Direct involvement of private sector companies in the implementation of activities (i.e. as a service provider) requires an open and transparent process of selection in accordance with the Danish regulations for public” (p. 18).⁴¹

What lacks are examples of good practices and examples on how the private sector can be engaged.

As also mentioned in the SSC Review 2017 the Danish PPP Model is somehow unique and could be promoted better during study tours, for example, to understand how these models are working.

Project Finance DKK – Closing of the financial account in October/November is problematic – calculation of staff overhead is fair

A major complication in the Guidelines, mentioned by almost all stakeholders, is the demand to close the project financial account each year by October or November and restart again in January following the financial procedures for all ministries in Denmark. This complicates conducting activities early and late in the year.

The new calculation method of the budget overhead from 2017 relative to 2015 is appreciated as it is more realistic although more complex, but the Danish partners find it is manageable after it is incorporated in their financial systems.

The demand for the 10% contribution from their own budget is an issue discussed internally in the Danish Authorities, but with the new rules for calculation of the overhead, it is easier to allocate the contribution.

Annexes to Guidelines – better connection – in particular excel annexes

Danish authorities appreciate the standard annexes, as they facilitate preparation and reporting etc. Several highlighted that there could be a better connection between the annexes, so they could avoid filling in the same information several times. The annexes in excel could e.g. be connected directly or in a single file, so more calculation could be done automatically and the information only filled in once.

41 This is also a sensitive issue in several countries and full transparency in any business opportunity should be ensured. Several SCs warn that presentation of Danish companies too directly can diminish trust quickly.

THE ROLE OF DANISH AUTHORITIES

Danish authorities' experience with international cooperation and project implementation varied substantially in 2015, but many partners have since improved their capacity to implement SSC partnerships and projects. Most ministries, including those with a large portfolio, delegate project implementation to their agencies, while maintaining a monitoring role for the project and linkage to other international activities. Partner support is delivered timely with a high level of relevant sector expertise. Examples of broader strategic sector cooperation have also started to emerge. However, there is a demand for more policy dialogue and sharing of experience to improve the strategic sector cooperation and build synergies.

The SSC Initiative has been highly innovative with an increasing number of Danish authorities taking on a new role in Danish development policy. This has been based on the assumption that they are able to professionally implement international projects within an overall organisational and international set-up and link them to broader sector cooperation engagements.

Below in the textbox follows some key information about the eight ministries, eleven agencies and two municipalities involved in SSC.

TEXTBOX 12. DANISH AUTHORITIES' ORGANISATIONS AND MOTIVATION FOR SSC

- Five ministries and both municipalities have an international strategy, but SSC is only mentioned directly in two;
- 50% of the agencies had previous experience with international projects (e.g. EU Twinning);
- A key motivation for two ministries and both municipalities in the SSC is private sector development; while the remaining authorities mentioned development within their sector (e.g., health, energy, environment)
- Almost all SSC projects are anchored in an international unit or department;
- All SSC projects have dedicated project managers;
- Most project managers spend about 50% of their working time on SSC projects;
- SSC project management is delegated to agencies and project managers, except in the Ministry of Health and Ministry of children and Education;
- Only two authorities have specific mission procedures (e.g., ToR and BtO);
- All ministries but one, have a person in charge of the SSC at ministerial level, whereas municipalities coordinate from the Mayor's Office;
- Many other public authorities are involved (e.g., the Digitalisation Agency, Odense and Bornholm municipalities, public water and waste management companies);
- Twelve of the SCs have previous experience from employment in a Danish partner (i.e. ministry or agency); and
- About one third of SCs are currently on leave of absence and a few have returned to their ministry.

Almost all ministries have now established an international coordination focal point and international organisations. Two examples are the Danish SSC partners with most projects, the MoCEU and the MoEF, which are involved in several countries including Kenya, Indonesia and India. The

ministries delegate project management to the DEA Global Cooperation and to DVFA and DEPA, respectively. The MoEF has one person in charge of SSC at the overall level, while SSC is nested under the Head of the Global Centre in MoCEU. A similar structure is seen at the Ministry of Employment with delegation of two projects to dedicated project managers in the DWEA, while the MoE only has a monitoring role.

All Danish authorities have dedicated project managers, who are managing SSC projects among other international tasks. The project managers are then responsible for successful project implementation and decide on procedures that fit into the internal systems⁴². An important part of their function is to identify relevant expertise in the Danish authorities to fulfil specific needs in project implementation. Project managers are normally identified in-house, but examples also exist of external hiring (Ministry of Children and Education and DEPA) and an internal formalised hiring process (DWEA).

Internationalisation

As for internationalisation of the Danish authorities, the 2017 review mentioned “that the PwD in general and the SSC projects in particular, to some extent are driven by individual staff members with a strong and committed interest in international work, more than by an institutional approach to international work” (p. 14). This situation seems to be improving as the majority of the Danish authorities now have project setups anchored in an international unit or department, which are working on general international issues based on international strategies. All ministries engage in sector-related international work in the EU and other international cooperation e.g. ILO, WHO, FAO, WTO etc. Several examples exist of SSC partners, who have started their relations before SSC as part of meetings in international organisations e.g. within health, environment and energy (see also Section 4.2). Some project linkages are also starting to emerge to a wider sector cooperation e.g. within energy in Indonesia and India facilitated by the Climate Envelope and in other countries emerging (intentionally) around projects that are working towards policy development e.g. health in Brazil and food safety in Kenya.

Also, interviews showed that the SSC projects are linked up to general international strategies or work programmes in most ministries, while others are developing theirs: The flagship example is MoCEU with the Centre for Global Climate Action at the department and the DEA Global Cooperation. SSC is part of the ministry’s international strategy and the ministry is leading several international initiatives related to SDG 7 (affordable and clean energy) with bilateral and multilateral cooperation.

42 The evaluation only found two agencies (Statistics Denmark and DKPTO) where specific project/mission procedures are developed e.g. in the form of ToR or back to office reports.

EVALUATION FINDINGS

DEA is closely linked up with 50 staff working on international projects and activities (e.g., the Climate Envelope).

The MoEF with its agencies DVFA and DEPA has a similar but smaller structure with the agencies having several other international activities towards international agreement and conventions. Also, the MoIBFA manages the SSC projects as part of the overall set up in the ministry's international work including how to facilitate better opportunities for the private sector as seen in the selection of projects in Brazil.

Copenhagen City has a large international agenda leading C40 on several Climate Change activities and SSC is an integrated part of this with projects within Sustainable Urban development in China and Argentina. Aarhus City is also using its SSC projects to promote its internationalisation with involvement of business organisations and is currently in the process of integrating all international activities under the Mayor's Office and the Finance Committee.

Some authorities are mainly focusing on project implementation and as stated in Section 4.2, there is a potential for more synergies with other international activities promoted by Denmark. This is also an area where MYNSEK should bring the Danish partners together for more policy dialogue and sharing of experiences.

EMBASSIES AND SECTOR COUNSELLORS

Danish authorities find that the set-up at the embassies is working with the SCs as the interface between the partners in Denmark and those in the SSC countries. Embassies including the ambassadors are well informed about the projects and integrating the SCs into the overall management structure of the embassies. However, lines of responsibilities are not always clear.

The division of tasks between stakeholders in the SSC Initiative is complex and implies well-functioning lines of communication, flexibility and sufficient manpower. Overall, it works well. However, several interviewees also mentioned that if disagreements emerge between Danish authorities, MYNSEK and embassies, it is not always clear who makes the final decision. This can cause some delays in project implementation, even smaller disputes or unclarity (and it may also impact on the coordination with DFC and other instruments). For example, Danish authorities in some cases found that SCs interfered too much in specific technical issues and project approaches. On the other hand, some embassies found that SCs sometimes spend too much time connecting the Danish authorities with SSC partners or got overloaded with reporting requirements that were supposed to be done by the Danish authorities.

Reviewing the SSC guidelines reveals that clearly the embassy has some overall responsibility for a successful project implementation. Accord-

ingly, the embassy should: “Ensure that there is a joint written understanding of the role and responsibilities of the Sector Counsellor – both internally at the embassy and in relation to the Danish Public Authority and the Partner Authority” (Guidelines, p. 17). The Guidelines (p. 15-16) are also dealing with the functions of the Danish Authorities and the SCs, which sometimes creates potential overlaps, see table below.

TABLE 8. POTENTIAL AREAS WITH OVERLAPS IN RESPONSIBILITIES OF DANISH AUTHORITIES (PROJECT MANAGERS) AND SECTOR COUNSELLORS

Area	Functions of Danish Authorities	Functions of SCs
Project Preparation	Identify development challenges together with partners and develop SSC projects	Facilitate and support the Danish Public Authority in the identification, development and implementation of SSC projects
Relation building and communication with SSC partners	Build relationships with partner authorities and other relevant stakeholders	Facilitate and support project implementation through regular dialogue and coordination with the Danish Public authority and the Partner Authority
Relevance of project and commitment of SSC partners	Ensure that the SSC project is in line with the overall strategic priorities of the authority and secure high-level institutional commitment to the strategic cooperation	
Monitoring and reporting	Progress reporting and completion reporting on the SSC project	Develop country progress reporting in cooperation with the Danish Public Authority
Mission planning and consultancies	Develop clear Terms of Reference for all missions of own experts and external consultants in dialogue with the Partner Authority	
DFC Scholarships and Research	Consider how the SSC cooperation may benefit from the scholarship and research cooperation instruments and where relevant liaise with the relevant Danish research institutions	Contribute to identification of scholarship opportunities and research partnerships in coordination with the Danish Public Authority and Danida Fellowship Centre (DFC)
Communication and networking with the Danish private sector	Share knowledge and networks with the relevant Danish private businesses and private sector organisations in Denmark and in the partner country	Facilitate involvement of Danish businesses as integral part of the Danish Embassy through information on contact points and opportunities, matchmaking etc.

The evaluation finds that “a joint written understanding” could be a good starting point. However, the division of responsibilities in the Guidelines is difficult to clarify completely, since functions also depend on the individuals and their competences with the sector and experience in international projects. Overlaps also represent natural areas where cooperation is crucial.

EVALUATION FINDINGS

Interviews with embassies and Danish authorities revealed that most issues are eventually settled, as SCs and project managers adjust, and SSC projects mature. Some SCs are very involved in project implementation, while others are more involved in coordination with other projects and programmes. For example, in Kenya, there are many other programmes and projects in the green growth and food safety and agriculture sectors. Similarly, in the energy sector in India, Climate Envelope activities are attended by the SC, which provides excellent synergy.

If conflicts emerge, the embassy should direct this to the relevant authority and if needed with the assistance of MYNSEK. This must be based on cooperation and negotiation as the Danish embassies, MFA and Danish authorities are at equal levels in the decision structure. A stronger relationship between the Danish authorities and the SCs may also underpin a good working relation between the Danish authorities and the SCs. There are two good examples of this observed by the evaluation. In the first example, the new SC in the Food Safety Project in Indonesia, who is on leave of absence from her DVFA post, was able to draw on her DVFA connections and quickly initiate a cooperation between the DVFA and Indonesian partners that applied DVFA's approach. The second example was found in Brazil, where the SC in the health sector is on leave of absence from the MoH and was able to quickly facilitate a cooperation between the MoH and its agencies in support of health reforms in Brazil. This said, the evaluation also met many well-functioning SCs with other backgrounds, working in harmony with the Danish and national authorities and highly appreciated by the Danish authorities.

Almost all SCs met spend 80% or more on SSC projects as requested in the SSC Guidelines. In the largest embassies visited in Kenya and India, SCs are more involved in the daily business of the embassy (e.g. in the form of screening of project proposals and promotion of other Danida partnerships).

Ambassadors, MYNSEK and some Danish authorities are raising the issue of synchronizing the length of SC contracts and the length of the Inception Phase and first Phase of the projects. The challenge is that SCs are hired during the Inception Phase for three years and therefore cannot complete Phase 1 within the current contract. This could be solved by aligning the contract with the Inception Phase and Phase 1 process, but the question is if SCs will sign a contract for 3.5 years? Furthermore, departure of a well performing SC is always an issue during implementation of any phase, also when a project is moving from Phase 1 to the next phase.

On a more strategic level, recruitment of in-house SCs from the Danish authorities could facilitate a larger resource base for the SSC initiative and retain and expand in-house international expertise within the Dan-

ish authority when SCs return after serving at the embassy. However, the resource base has to be widened⁴³ and appointments of SSC project managers in Danish authorities could also include this dimension to develop resources for the SSC Initiative both in Danish authorities and as SCs in partner countries. This could e.g. be by more external hiring of project managers instead of less experienced internal appointees. Presently, about 13 SCs, or one third of all SCs, are in-house candidates. Some authorities met by the evaluation indicated they were aware of internal candidates who were not selected as SCs. Thus, a larger potential exists for employing authorities' staff and this could be taken into consideration when new SCs are hired. MYNSEK has also raised the option for a more direct link between the Danish authorities and the SCs. (See Recommendation #8).

43 There are currently only two examples of SCs returning to a Danish ministry or agency.

5 CONCLUSION

The evaluation assessed emerging results of the SSC initiative and the overall conduciveness of the programme framework. Through stakeholder consultations, desk reviews and four case country studies, the evaluation documented preliminary results across the three programme objectives, assessed programme coherence with other Danida instruments and identified a number of challenges and lessons learnt, which are key to the ongoing development of the programme.

Partnerships and results achievements

The SSC Initiative is young, and results are still emerging, but the potential for impact achievements is promising. Within a short period of time, the programme has mobilised Danish public sector expertise, which would not have been accessible on commercial terms or otherwise and initiated relevant contributions to the 2030 Agenda for Sustainable Development. Judged by the preliminary results and the potential for scalability and longer-term impact, the programme is in many ways punching above its weight compared to the resources invested in the programme. Indeed, local partners consulted by the evaluation expressed high appreciation and a good deal of enthusiasm about the Danish collaboration. They were well informed and actively engaged in the partnership cooperation and confirmed that Danish partners contributed to priority challenges within their sectors.

Most SSC projects contribute to conducive SDG framework conditions by supporting policy implementation and institutional strengthening, while policy change is more likely a longer-term outcome. A particularly strong and possibly underrated feature of the SSC Initiative is its ability to empower partner authorities beyond the formal objectives of a project cooperation. This includes stronger capacity for change management and reform coordination, that enable partners to interact and connect with key public, private, civil society, and development actors, and to influence and shape broader policy and programme outcomes. Such achievements are mutually benefiting for both partners in a partnership and mostly achieved 'under the radar' of SSC monitoring. However, it is an essential outcome of the programme and key to appreciate the full value-added of the SSC Initiative.

The SSC Initiative also contributes to stronger bilateral relations and cooperation between Denmark and SSC partner countries. This is particularly evident in transition economies, and in MIC countries without Danish bilateral development support. The contributions to partner

authorities “add substance to diplomacy” as one ambassador noted and provide access for Danish embassies to the governments in the partner countries, both at sector and at government level.

There have been varying interpretations of private sector engagements and how it should be addressed by the Danish authorities, the embassies and the SCs. Incremental changes of the SSC Initiative added to this discussion. The evaluation noted that a mutual understanding of private sector engagement has emerged in which the main focus is to improve the enabling environment for the private sector, whereas private sector contributions on commercial terms are considered a more long-term outcome. However, some sectors and partners found it relevant to engage the Danish private sector more actively as dialogue partners in framework improvements and to demonstrate Danish PPP solutions in the projects. While commercial aspects of SSC engagements are considered a longer-term outcome, some synergies are emerging through the collaboration with the TCs.

Factors that underpinned results and the lessons learned

Overall, the positive achievements are a testimony of the Danish authorities’ ability to engage in international development, to deliver context sensitive contributions and to facilitate partner ownership to the process. The SCs play an important role in this, especially when partnerships are forged, and trust and mutual understanding is built between the SSC partners. Moreover, the evaluation identified a number of factors that underpinned positive results achievements, which may inform the ongoing SSC programming:

- The pre-selection of sectors with strong Danish expertise and international reputation is a key factor for success. The ability of SSC projects to showcase and disseminate Danish sector experiences, PPP solutions and leading technologies, enhance the relevance of SSC contributions and underpin the credibility of Danish authorities and Denmark. In some cases, the SSC Initiative could also build on already established partner relations with the SSC countries.
- The flexibility of the SSC framework underpins adaptive programming and successful partnerships and allow projects to adapt to local processes and customs without insisting on a rigid ‘one size fits all’ format. The light setup also ensures that projects can adapt to changing needs, and to sudden risks and force majeure.
- Results from SSC projects may come faster with certain sector approaches. For example, when government agencies focus on more specific and scalable interventions without compromising on local demand and adaptation, or when they prepare for project formulations with support from analyses of alternative

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cooperation options based on local demand and available Danish expertise.

- Local settings matter and the selection of countries and sectors needs individual assessments. At the outset, so-called MIC settings would seem to be more suited for the SSC approach, as MIC settings entail stronger policy, fiscal and governance frameworks and higher institutional absorption capacities. Danish approaches and solutions may be more relevant and adaptable to partner countries and – equally important – present a stronger setting to sustain solutions once implemented. With limited resources, individual SSC projects may struggle to address more fundamental challenges in SDG frameworks found in lesser developed contexts. Such settings require more comprehensive development assistance and peer-to-peer cooperation could be less relevant or less sustainable, unless combined with more substantial development instruments. Country programmes in Danida priority countries may offer a suitable platform in such settings when the SSC modality can complement other Danish sector support.

Given that the evaluation was based on preliminary results and a limited number of country studies, key factors for results achievements should be subject to further elaboration and validation, once SSC projects have been completed and more in-depth outcome and impact analyses are feasible.

Areas in need of more attention

The current programme framework has been conducive for adaptive approaches, building partnerships and delivering preliminary results with a good potential for longer-term development impact. However, after the first years of testing and expansion of the programme modality, there is a need to consolidate programme results and the management framework.

One of the key findings of the evaluation is the need for more policy dialogue and exchange of experience to proceed with the SSC Initiative and ensure programme coherence. Partners and actors in Denmark found that it is time to discuss the direction of the programme and to consolidate the guidance and the international work of Danish authorities through more regular meetings between partners and stakeholders. This will also support international units in the Danish authorities and their efforts to engage and build ownership within their own authority.

The shared management responsibilities are also somewhat ambiguous and at times creates challenges for the programme management and oversight. More dialogue between partners can streamline responsibility issues and ensure more coherence with other Danida programmes such as the DFC training courses and the W2 research grants.

The improvement of the programme coherence through more dialogue and cooperation between partners and stakeholders could be underpinned by a more explicit programme-wide ToC and by documentation of good practises in the SSC guidelines. A programme-wide ToC could also streamline project designs and support Danish authorities that are challenged by the project language.

The evaluation also found that in Danida priority countries with multiple development programmes, coordination with the country programme would likely facilitate the harvesting of the full value of the SSC Initiative. The country programming process provides a good opportunity to assess the pros and cons of the SSC modality and, if applied, to coordinate the modality with the monitoring and evaluation of the country programme.

6 RECOMMENDATIONS

In order to consolidate programme achievements and ensure a coherent approach, the evaluation identified the following recommendations:

Recommendation #1: MYNSEK should strengthen programme coherence and coordination by more exchange of programme and project information, knowledge, experiences, and lessons learned between partner authorities. This should also include more interactions with private sector organisations.

Rationale: The programme management is somewhat fragmented and shared among several actors. This creates challenges for a coherent programme management and oversight and for a shared understanding of the programme.

This recommendation could be implemented through the following measures:

- MYNSEK should facilitate more regular policy discussions with Danish authorities and private sector representatives to guide the strategic direction of the SSC programme and to ensure coherence between projects and sector cooperation. These meetings could be tailored towards a sector thematic agenda and/or a specific SSC country.
- MYNSEK should facilitate more regular discussions and exchange of experience between project managers in the Danish authorities, especially for smaller partner authorities and/or authorities with less SSC experience. Meetings could be tailored and driven by some of the experienced partners and executed e.g. 3-4 times annually with a well-prepared agenda. Meeting could take place in smaller thematic working groups or organised more broadly to discuss various management setups in the Danish partner authorities.

Recommendation #2: MYNSEK should formulate a programme-wide ToC for the SSC Initiative that describes how the programme and its partnerships contribute to the programme objectives and the broader development outcomes associated with achievement of the SDGs.

Rationale: The SSC Initiative does not have a programme-wide ToC, which presents its results, its change theory and how the three programme objectives are interlinked. Accordingly, the selection of

countries, sectors and projects is done ad hoc, and it is left to the projects to develop a ToC to guide the implementation at the project level. In practice, there is a great deal of variation in the way projects present their intervention logic and ToC, and the lack of a programme-wide ToC makes it difficult to locate projects within a broader programme framework.

This recommendation could be implemented through the following measures:

- Develop a programme-wide ToC to underpin future selection of countries, sectors and projects and to serve as a reference for the projects. This could include some overall indicators regarding partnership building, policy development and bilateral relations.
- Acknowledge explicitly that the SSC Objective 1 is the main objective of the SSC and that Objective 2 (fully) and Objective 3 (partly) are subsequent results driven by activities within Objective 1.
- Conduct workshops to develop the programme-wide ToC with experienced Danish authorities and discuss relevant indicators linking projects with the wider programme objectives. Henceforth, only ask projects for a mandatory description of an objective, a result chain, a sector approach and some indicators to apply in the reporting.

Recommendation #3: Improve programme guidance through dissemination of good practices and a checklist for study tours

Rationale: The programme flexibility is a major factor in the success of the SSC projects. However, as the programme implementation has evolved over the last four-five years, there is a need to document and disseminate good practices.

This recommendation could be implemented through the following measures:

- As part of the project document, include a format on how to link SDGs, national priorities in partner countries and the SSC projects during the project design. Once projects are implemented, focus progress reporting on national development priorities.
- Document and present good practices on how Danish authorities design and implement SSC projects, including how to apply a problem analysis and rank alternative cooperation options in the preparation of a sector cooperation, based on local demand and available Danish expertise (see Table 4 in the report for a good practise on conducting an options analysis).

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- Develop a guiding check list for study tours to Denmark, which also take into consideration the involvement of the private sector and Danish experiences with PPP.
- Ensure that project missions are sufficiently documented, preferably by a guiding format for Back-to-Office reporting.
- The inter-authority working group should oversee and discuss the guidelines revisions above.

Recommendation #4: Develop a toolbox on SSC engagement with the Trade Council

Rationale: The SSC Guidelines contain limited guidance on private sector engagement. Hence, there are various interpretations – and options within the local context – of private sector engagement in the SSC projects, which may vary from a presentation during a study tour to active dialogue and agreements with the private sector during project formulation. Moreover, there is some lack of clarity among the Danish stakeholders on how to improve the cooperation with the TCs and forge synergies across the TC's commercial Key Performance Indicators and the more long-term objectives of the SSC Initiative.

This recommendation could be implemented through the following measures:

- Develop a toolbox with clear guidance, approaches and good practices.
- Conduct consultative meetings with relevant business associations to gather view-points on how this dimension of the SSC programme can be improved.
- Create/strengthen a MYNSEK focal point for Objective 3 of the SSC Initiative.
- Increase the engagement with TC and seek to identify areas of common interest for SSC and TC. Consider establishing a working group.

Amend the SSC Guidelines with the beforementioned measures.

Recommendation #5: Danida priority countries should assess the relevance of the SSC modality as part of the country programming

Rationale: In Danida priority countries with multiple development programmes (engagements), joint coordination of SSC projects with the country programming could facilitate the harvesting of the full value

of SSC projects. SSC projects may otherwise risk duplicating efforts or missing synergies when engaging in framework improvements.

This recommendation could be implemented through the following measures:

- Assess the relevance of the SSC modality as part of the country programming in Danida priority countries.
- When SSC projects are applied, ensure they are coordinated with the country programme monitoring and evaluation framework in order to capture all contributions to national frameworks.

Recommendation #6: Improve the execution and follow up on DFC training courses by more adaptive approaches

Rationale: Planning and implementation of DFC training courses is efficient and effective. However, there is still limited evidence of the effectiveness of the learning, and there is no formal set-up for the monitoring of the learning effects and the actual value added to SSC activities. In addition, Danish authorities are not always involved in the planning of the training courses and to an even lesser degree in the follow-up post-training. SSC reporting is mainly activity driven relative to who and how many have participated in training courses rather than on the actual outcomes of the new learning. DFC is following the Alumni platform activities but it is difficult to draw conclusions on learning from these activities. In addition, some sector demands for training courses cannot be fully met due to lack of capacity in Denmark.

This recommendation could be implemented through the following measures:

- DFC should be tasked and resourced to support SSC implementers (i.e. Danish authorities and their partners) to systematically follow up after DFC training is completed. New methods and approaches need to be developed and applied in close coordination with Danish authorities and SCs. Experiences from e.g. the Danish Energy Agency and the Danish Patent and Trademark Office can be used as inspiration.
- In SSC countries and sectors with a substantial training demand, DFC may complement trainings in Denmark with training courses rendered in the SSC country.
- Training providers can include (a week) follow up training in SSC countries e.g. six months after the first training. Some of the follow up can be done jointly with the management level in the

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partner authority to facilitate that new knowledge and practices are applied.

- Shorter training courses (one week) with the essentials of the longer in-depth courses should be provided for the management level for a better institutional understanding.

Recommendation #7: Enhance the coherence between SSC projects and research support under W2 call for proposals and improve monitoring and dissemination of results

Rationale: The research support under W2 is a suitable way of generating new knowledge to a sector including an SSC project, however, there is a need to further strengthening the coherence between the W2 and an overall MFA strategy for the SSC. Given that the first research results are to materialise in 2020, it will be important to ensure that the assessment of, and learning from, these research results, relative to the relevance of the new data and knowledge to the SSC, involve all stakeholders, including the Danish and partner authorities, the SCs and research institutions in Denmark and in the SSC country.

This recommendation could be implemented through the following measures:

- In order to strengthen the synergy and collaboration between the SSC and the research support under W2, MFA could amend the guidelines for W2 call for proposals to ensure enhanced sharing of relevant SSC information with all W2 applicants.
- Once granted, W2 research projects must present their research to the Danish authorities and the authorities abroad.
- The lines of responsibility for the assessment of research results as well as the process for further dissemination and outreach should be reviewed in collaboration with Danida Consultative Research Committee for Development Research, based on the lessons to be learnt from the upcoming management of incoming research results expected in 2020.

Recommendation #8: MFA and Danish authorities should promote in-house recruitments of Sector Counsellors from the Danish authorities

Rationale. While SCs in general provide excellent work, more focus on SC recruitments from Danish authorities could facilitate a larger resource base for the SSC initiative and retain in-house international expertise, when SCs return to the Danish authority after serving at the embassy. However, recruitment of in-house SCs can be difficult with

a limited resource base. In most Danish authorities, an international career path with a step as international Project Manager and a step as SC (with leave of absence) is not part of typical career development.

This recommendation could be implemented through the following measures:

- More emphasis should be put on sector knowledge and experience from Danish authorities when selecting SC candidates.
- Danish authorities could
- Encourage their staff to apply for SC positions and optimise on their SSC experiences after their return.
- Promote international Project Managers as a regular career position.
- Relevant training should be provided to facilitate new SCs preparation for the international position.

EVALUATION OF THE DANISH STRATEGIC SECTOR COOPERATION

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