



COMMITMENT TO DEVELOPMENT

Priorities of the Danish Government for
Danish Development Assistance 2007-2011

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August 2006

SUMMARY

Commitment to development

In the Finance Act for 2007, the Danish Government will allocate approximately a further DKK 800 million in development assistance compared to the Finance Act for 2006. With the increasing level of Danish development assistance also follows greater international responsibility. The Danish Government will take action in areas where the need is greatest. In this regard, the challenges of sustainable development are far and away greatest in Africa, which is therefore at the heart of the Government's development policy priorities. The Government will increase the assistance to Africa in the coming years – which will take place through a long-term effort aimed at supporting the African countries' own will and determination to combat poverty and secure a better future. Furthermore, Denmark will strengthen its involvement in relation to the Arab world. The focal point of the Government's development policy will be to contribute actively to the fulfilment of the UN Millennium Development Goals.

In 2007, the Government will assign particular priority to three focus areas:

Good governance – a fundamental prerequisite for development

Good governance and respect for human rights are the keys to development. Without good governance, other development initiatives and efforts will have only limited impact. The Government will step up its efforts to ensure good governance in the world's poorest countries. A strategy will be formulated for promoting good governance, which will be followed up by a series of new initiatives. In total, activities aimed at promoting good governance and democracy will be implemented in the Danish programme countries amounting to approximately DKK 500 million. As an integral part of the Danish efforts, the Government will continue its targeted efforts to fight corruption. The Danish development policy is based on a zero-tolerance principle for all forms of misuse of Danish development funds.

Women – a driving force for development

Danish development assistance should actively contribute to strengthening women's rights – in working, political and family life. In all major bilateral development assistance programmes launched in 2007, the Government will place particular focus on improving the situation of women. Focus will be placed on strengthening women's rights and opportunities to generate economic growth as well as participate actively in the resolution of conflicts. In 2007, the Government will earmark DKK 140 million to strengthening the role of women in Africa – and through a number of measures strengthen the focus on women in the concrete implementation of the Danish development policy. In all major Danish development assistance programmes in the future, an obligatory analysis will be conducted of how the planned activities promote the situation and conditions of women.

HIV/AIDS – focus on Africa and vulnerable groups

The spread of HIV/AIDS represents a serious threat to sustainable development – especially in Africa. The Danish Government will double the level of assistance targeted at combating HIV/AIDS over the next four years to an amount equaling DKK 1 billion in 2010. In 2007, commitments will be made to implement new activities amounting to DKK 300 million. The intensified efforts will be directed at building the capacity of the health sectors in African countries, in order to enable them to tackle the HIV/AIDS epidemic and other health problems more effectively. Particular focus will be placed on vulnerable groups such as women and orphans. The strengthening of measures to combat HIV/AIDS will take the form of both bilateral and multilateral initiatives. The Government will maintain the significant annual Danish contribution of DKK 140 million allocated to the Global Fund to Fight HIV/AIDS, Malaria and Tuberculosis.

I. COMMITMENT TO DEVELOPMENT

Globalisation has changed the world significantly in recent years. Global prosperity has never been greater, yet at the same time global cohesion has come under steadily increasing pressure from the world's inequality.

While 400 million people around the world during the last few decades have been lifted out of absolute poverty, the number of poor people in Sub-Saharan Africa has doubled. Where approximately 160 million people at the start of the 1980s lived on less than one US dollar a day in Sub-Saharan Africa, this figure has risen to more than 320 million at the start of the 21st century.

Fighting poverty – and its many faces, such as inhuman living conditions, the spread of infectious diseases and conflicts – is the key challenge facing Danish development policy. In the fight against poverty, it is Danish policy to carry out targeted efforts in areas where the need for, and effect of, development assistance is greatest.

In order to break out of poverty, it is crucial that the poorest developing countries also attain the benefits of globalisation. The most important building stone is a strong commitment to development from the countries themselves. The poor countries must take strong responsibility for ensuring good governance and for pursuing a sensible economic policy. Without this responsibility, the developing countries will not become part of the global economy – and thus will be unable to attain the full benefits of globalisation.

But even with a strong commitment, development will not come by itself. A number of challenges are global and require solutions that poor countries cannot implement on their own. Many developing countries will need massive assistance for many years to come – especially in Africa.

Here, the Government will meet its responsibility and maintain its strong involvement – and through a long-term and sustained effort contribute to enabling the poorest developing countries to break out of poverty.

Denmark's development assistance will continue to amount to at least 0.8 per cent of GNP. With the present growth level of the Danish economy, this will mean that the Government in the Finance Act for 2007 will set aside approximately a further DKK 800 million in development assistance compared to the Finance Act for 2006¹. Consequently, the total Danish development assistance will amount to approximately DKK 13.6 billion, which will maintain Denmark's position as one of the world's largest donors.

The increased development assistance will strengthen Denmark's solid platform internationally; a platform that will also continue to be used to press other industrialised countries to increase their level of development assistance. The Government will, for example, use the strong Danish platform in efforts to ensure that EU Member States meet the new development aid targets that they adopted in spring 2005 – and which in total are expected to inject approximately DKK 150 billion per year in new development funds from 2010.

The Government will **place Africa at the heart** of its development policy priorities. This is where the need for assistance is greatest. The Danish development assistance to Africa will therefore be increased in the coming years. This will take place, for example, through the establishment of

¹ Approximately DKK 185 million of this allocation will stem from price and pay regulation of development assistance, while the remaining amount will be provided through the 0.8 per cent guarantee.

programme cooperation with Mali, to which will be allocated DKK 350 million in 2007, and through a substantial increase in Denmark's contribution to international debt relief agreements.

In the assistance to Africa, the Government will place importance on maintaining and supporting the African countries' responsibility for and ownership of their own development. The Government will help strengthen Africa's own capacity to tackle conflicts and regional challenges through a contribution of DKK 65 million to the African Union in 2007.

Strengthened cooperation with the African Union is a concrete follow-up to the international Copenhagen Conference on Africa held in Copenhagen in May 2006. The conference placed focus on the importance of harnessing the strong resources of women in the work on building a stable and prosperous Africa. In the coming years, the Government will implement targeted efforts to strengthen Africa's women in their endeavours to escape from poverty and conflicts.

The Government's focus on Africa reflects the high priority assigned to the efforts to combat poverty. A massive effort against poverty is also an effort against radicalisation and extremism – and against national or regional conflicts.

Poverty and marginalisation to a high degree create the breeding ground for totalitarian forces. In Africa alone, more than 50 million young people have no prospect of finding a job that can provide a reasonable existence for a family. Danish development policy will actively contribute to giving Africa's new generations hope of a better future.

Throughout the world, the Danish development policy will build on values such as respect for human rights, democracy, tolerance and cross-cultural understanding; values that are all absolutely fundamental in a globalised world.

This plan presents the Government's **development policy priorities** for development assistance in the period 2007-2011.

The plan outlines the Government's vision of how Danish development assistance can contribute to establishing a better and more just world; a cohesive world – and a world where commitment to development and change is given favourable growth conditions.

The development policy priorities for 2007-2011 are based on the Government platform (regeringsgrundlag) from February 2005 and further develops the development policy stance set out by the Government in the three policy papers, *Globalisation – Progress through Partnership* (2005), *Security, Growth – and Development* (2004) and *A World of Difference* (2003).

The core of the Danish development policy will be a **long-term effort**. Many years of experience clearly show that development assistance is at its most effective when provided in a long-term framework. The Government sees a long-term effort as a prerequisite for combating poverty and maximising the impact of development assistance. The point of departure for the Danish effort will be the developing countries' own poverty reduction strategies, which aim to ensure strong national ownership.

With its development policy priorities for 2007-2011, the Government will continue the long-term cooperation carried out with the bilateral programme countries. This cooperation will include launching 21 new phases of sector programmes and other large-scale programmes within, for example, commerce, agriculture, health, environment and education, amounting to a total of around DKK 3 billion in 2007.

Table 1: New sector programmes and other major programmes in 2007

Country	Activities	Commitments in 2007 (DKK million)
Benin	Programme for promoting good governance	100
Bhutan	Education and health	140
Bolivia	Public sector reform	110
Burkina Faso	HIV/AIDS	70
Ghana	Health sector programme and HIV/AIDS	425
Kenya	Programme for improving public finance management	40
Mali	Business sector programme	185
	Agricultural sector programme	150
Mozambique	Reform of the public sector	100
	General budget support for implementing the poverty reduction strategy	210
Nepal	Environmental programme	150
	Peace process and conflict prevention	50
Tanzania	Environmental programme	180
Uganda	HIV/AIDS	80
	Water and sanitation sector programme	80
	Transport sector programme	80
	Support to reforms of public administration	80
Vietnam	Agricultural sector programme	230
	Support to reforms of public administration and promotion of human rights	70
Zambia	Transport sector programme	400
	Education sector programme	115
Total		3,045

The long-term and targeted effort will also characterise Denmark's substantial multilateral assistance efforts in the EU, the World Bank and the UN. A number of challenges are global and require solutions that individual countries cannot implement on their own. This applies, for example, to the efforts to combat poverty, anti-terrorism, cross-border environmental problems, and the struggle to ensure respect for human rights. It is a high priority of the Government that such problems are solved via strong multilateral cooperation in which Denmark plays an active role.

The Government will maintain its high priority of promoting a sustainable environment in developing countries with regard to both multilateral and bilateral development assistance. There is a close correlation between poverty and an impoverished environment – and it is the Government's position that global poverty cannot be fought without simultaneously taking steps to address the environmental problems.

The strong Danish humanitarian involvement will also be continued. The efforts here are an expression of the strong will among Danes to help people in need; a will that was clearly demonstrated in the wake of the Asian tsunami in December 2004 and the earthquake in Pakistan in 2005.

In order to strengthen the long-term effort, the Government will continuously adjust the Danish development assistance to new global challenges. Danish development assistance must constantly relate itself to a changing world, in order to ensure that the Danish efforts are focused, effective and up-to-date – and thus support the countries that possess a strong commitment to development.

In order to strengthen Danish development assistance, the Government will **assign special priority to three areas**, all of which are crucial for sustainable development in the world's poorest countries:

- **Good governance** – which itself is the fundamental prerequisite for progress and development
- **Women**, whose rights are far too often violated – and who have enormous resources that can be turned more effectively into a driving force for development.
- **HIV/AIDS** – which threatens entire communities, and where enormous gains are to be made from intensified and targeted Danish efforts

II. GOOD GOVERNANCE

– A PREREQUISITE FOR PROGRESS

In the coming years, the Government will intensify Denmark's international efforts to promote good governance, democracy and respect for human rights.

Numerous international studies – including the Commission for Africa report (2005) – have found that good governance is absolutely vital for achieving development and poverty reduction. Without good governance, other political and economic reforms will often have only limited effect.

Good governance is seen in Danish development assistance as the supervision and management of society's resources for use in promoting social and economic development. Good governance implies respect for human rights, democracy, pluralism, open public debate, rule of law, competent public administration, elimination of corruption, and sustainable economic development.

Good governance can only be secured through a strong sense of national obligation. Fundamentally, the developing countries themselves are responsible for taking the necessary steps to implement the reforms that can promote good governance and foster development.

However, lack of resources and capacity often means that many developing countries have difficulty in efficiently delivering basic services to their populations and in implementing and sustaining the reforms necessary for ensuring good governance. In many developing countries, there will be a need for assistance over many years before the countries have the capacity themselves to create and finance an efficient public sector.

With the Danish efforts, the Government will contribute to creating an efficient, open and responsible public administration in our programme countries. The Government will strive to ensure that the programme countries which demonstrate commitment to change are not kept in poverty due to the lack of resources and capacity.

In 2005, Denmark allocated approximately DKK 1 billion to strengthening good governance and civil society in developing countries – and this assistance will be further strengthened in the coming years.

To serve as a basis for this increase in prioritisation, **a strategy for good governance** will be formulated in 2007. The aim of the new strategy will be to ensure that the Danish efforts in this area are further focused, effective and visible, with the aim of generating the best possible results from the Danish development policy.

The new strategy will in particular focus on strengthening public administration in developing countries, so that the countries in the long-term are themselves able to deliver basic services such as healthcare, education, water and infrastructure.

Another absolutely key element of the strategy will be a strengthening of the public sector's capacity to offer good and reliable framework conditions for business development. This is a huge challenge in many developing countries – especially in Africa. The Government will continue to assign very high priority to efforts aimed at strengthening the framework conditions for private companies – especially within the framework of the Danish business sector programmes.

The World Bank's "Doing Business" indicators – which describe the regulations for starting and running a business – will be applied in the Danish assistance in order to identify the precise obstacles to a favorable business climate in the respective Danish programme countries.

Indicators provide a good starting point for a targeted Danish assistance, in which help to self-help is given, aimed at eliminating the concrete obstacles to generating economic growth.

In its efforts to foster good governance, the Government will make a concerted effort to strengthen the role of civil society in the Danish programme countries – both through bilateral assistance and through the Danish NGOs. An active civil society is crucial for promoting reliable public administration and a strong focus on poverty.

In 2007, the Government will implement activities in the Danish programme countries amounting to a total of approximately DKK 500 million, with the aim of promoting good governance and democracy in these countries. The specific new initiatives are presented in Table 2.

Table 2: New bilateral initiatives in 2007 to promote good governance

Country:	Benin	Bolivia	Kenya	Mozambique	Uganda	Vietnam
Commitment (DKK million)	100	110	40	100	80	70
Objective:	Good governance	Public sector reform	Public finance management	Public sector reform	Public sector reform	Public sector reform

At the same time, the Government will continue already initiated activities promoting good governance in the other programme countries and within other sector programmes. The Danish assistance to good governance will build up the administrative and judicial capacity in the Danish programme countries – and thereby their ability to assume responsibility for their own development.

The Government will also strengthen its **multilateral efforts** to promote good governance. Within the EU, Denmark will strive to promote good governance in Africa, and the Government will press for the adoption of credibility, willingness to embrace change and progressive reforms as important criteria in connection with the allocation of the EU Commission's development funds. Within the UN, Denmark will strive to ensure strong initiatives on the part of the UN Development Programme (UNDP) to promote good democratic governance.

The Government will also continue to assign very high priority to efforts aimed at promoting **democracy and human rights** – both internationally and through bilateral development assistance. The Government will strengthen the Partnership for Progress and Reform – as well as efforts to ensure that populations in poor countries can live in freedom and dignity in open societies with responsible governments.

Multilaterally, the Government will work to strengthen the linkage between human rights and development. In 2007, the Government will give a multi-annual commitment of DKK 25 million to the World Bank's work on integrating human rights in policies, guidelines and aid programmes. On an international level, the World Bank will be in a position to contribute to integrating human rights more strongly in development assistance.

An important part of the Danish efforts to promote good governance will be to strengthen the consistent Danish policy aimed at **fighting corruption in developing countries**, which hits the poor hard. The Danish development assistance is based on a principle of zero-tolerance for corruption, and Denmark will contribute to strengthening developing countries' own capacity to eradicate corruption.

As an important element in the efforts against corruption, the Government will place emphasis on promoting ethical conduct in public administration. This implies, for example, introducing improved and transparent procedures for public procurement, strengthening the role of inspection authorities, and implementing initiatives to fight the culture of corruption that prevails in certain

public administrations. In this regard, civil society has an absolutely key role to play as a provider of information and education on the eradication of corruption.

In the implementation of the Danish assistance, decisive importance will be attached to the ability of developing countries to demonstrate a commitment to fighting corruption. The same applies to the organisations receiving Danish assistance, and also to civil society organisations such as NGOs and industrial organisations, which can play an important role in the efforts to fight corruption in both the public and private sector.

III. WOMEN

– A DRIVING FORCE FOR DEVELOPMENT

The Government will place increased focus on women in the development processes. In far too many developing countries, many women continue to experience marginalization, violence and oppression, which violate not only their rights but also deprive them of the opportunity to contribute actively to societal development.

The Government will devote concerted effort to converting women's potential into a driving force for development. The Danish efforts must contribute to securing equal rights, equal access to resources and equal opportunities for political and economic influence for women and men. Without improved conditions for women and young girls, Africa will fail to reach the UN Millennium Development Goals.

The Government will focus particularly on **strengthening women's rights and access to resources**. Equal rights – e.g. property ownership and the right of inheritance – are crucial for enabling access to resources such as land and real estate. The link with economic growth and development is simple. If half of a country's population does not have access to credit, technology, financial resources, education and the right to own land and property, the society's human resources will not be used optimally and effectively, and its development potential will not be realised.

Great inequality between men and women contributes to keeping many developing countries locked in a vicious circle of poverty and weak economic growth. Greater economic independence offers women freedom and status – and thus also a greater opportunity and ability to protect themselves against HIV/AIDS as well as a greater ability to exercise their democratic right to participate in political life.

In 2007, the Government will **promote girls' resources through increased access to education** via a contribution of DKK 25 million to the Education for All – Fast-track Initiative (FTI). The initiative is designed to help achieve the UN goal of universal primary education by 2015. When families in poor developing countries face the choice of which of their children will attend school, it is most often the girls who are sacrificed first. Consequently, there is a need for an extra effort in this area – and the Government will in its contribution place special emphasis on improving educational opportunities for girls.

The Government will also focus on the role of **women in crisis and conflict situations**. Women constitute an enormous pool of resources before, during and after a conflict. In this respect also, the protection and safeguarding of rights is crucial for enabling women to fully realise their potential. The resources of women are not fully exploited here either. Women are far too often too weakly involved in the process of rebuilding their communities after conflicts. Consequently, the Government will work to ensure that women's resources are utilised more effectively in the resolution of conflicts.

The enhanced efforts will take a point of departure in the Government's gender equality strategy within the development assistance sphere. The efforts will be implemented through the integration of gender equality considerations in the development assistance as well as through special initiatives implemented via bilateral and multilateral assistance.

In 2007, the Government will step up efforts to help women and allocate DKK 140 million to **strengthening the position of women in Africa**. The point of departure for the Danish efforts will be the Government's five-point plan for gender equality, which was presented in connection with the Copenhagen Conference on Africa in May 2006.

In specific terms, the Government will allocate funds to the following four focus areas:

- DKK 40 million in the new programme country, Mali, to a special project aimed at facilitating women's access to resources and promoting female entrepreneurs as part of a new business sector programme.
- DKK 40 million to a special project aimed at strengthening the efforts of African actors to promote gender equality. The objective is to embed the work on securing women's rights, access to resources and influence in African regional and sub-regional organisations as well as in African think-tanks and networks. The African ownership is important for Africa's women and for ensuring that their potential is not only exploited but also contributes to poverty reduction, economic growth and fulfilment of the UN Millennium Development Goals.
- DKK 40 million to a project carried out in collaboration with the National Prosecuting Authority of South Africa focusing on HIV/AIDS as well as violence against women and children in South Africa and Southern Africa.
- DKK 20 million to strategic initiatives aimed at helping women in conflict and post-conflict situations. An exceptional effort is needed to protect and secure women's rights in all phases linked to an armed conflict. The initiatives are to be implemented in cooperation with African organisations, Danish and international NGOs, and international organisations.

In addition, the Government will strengthen the focus on **women's resources and rights** in the delivery of Danish development assistance by:

- Placing special focus on women's opportunities for inclusion and influence in major bilateral assistance programmes launched in 2007.
- Establishing a special project group in Danida charged with the task of promoting gender equality in Danish development assistance.
- Introducing an obligatory gender equality analysis in all major Danish programme initiatives and new country strategies to examine how the activities specifically impact on and contribute to gender equality. On the basis of the results, relevant indicators will be identified in collaboration with the recipient countries and other donors in order to measure the results of the initiatives.

In parallel with providing the high level of assistance to women, the existing reporting mechanisms regarding this assistance will be refined with the aim of ensuring better documentation and visibility of Denmark's efforts to improve the situation of women in developing countries.

At the international level, the Government will also make a concerted effort to strengthen focus on women in development, for example by pressing for preparation of gender-segregated statistics and the incorporation of gender equality perspectives in poverty reduction strategies.

IV. HIV/AIDS

– FOCUS ON AFRICA AND VULNERABLE GROUPS

The HIV/AIDS epidemic is a human tragedy on a global scale. It makes orphans of children, breaks families up and robs society of its most important resource – people. The epidemic is not an isolated health problem; in many poor countries it is one of the key barriers to sustainable development and economic growth. In 2004, Copenhagen Consensus concluded that development assistance for HIV/AIDS prevention and care is one of the areas where the most development for money is to be gained. Halting the spread of HIV/AIDS will give a boost to the whole national economy in poor countries.

The following figures clearly illustrate the size of the challenge. Today, more than 40 million live with HIV. In 2005, more than 3 million people died of AIDS and almost 5 million people became infected with HIV.

Hidden behind these global figures is a story of the world's inequality. Whilst it has been possible to keep the epidemic under control in Europe and North America, the disease in other parts of the world, particularly in Africa, has developed into a long-term development problem. While approximately 10 per cent of the world's population lives in Sub-Saharan Africa, the same continent is home to more than 60 per cent of the world's HIV sufferers. More than 60 per cent of these sufferers are women and more than 15 million African children have already lost one or both of their parents due to AIDS.

It is a vital priority for the Government that development assistance contributes to preventing the epidemic from spinning even more out of control. There is no quick or simple solution to the HIV/AIDS crisis in Africa. What is needed is a sustained effort where all actors cooperate actively – and here the Danish Government will meet its responsibility.

In the coming years, Danish development assistance will further focus on building up national health systems that can effectively manage the prevention and treatment of HIV/AIDS. The Government will pursue a two-pronged approach: firstly, it will contribute to building up capacity in the health systems in developing countries, and secondly, it will implement initiatives targeted directly at combating HIV/AIDS.

The Government will **double assistance to HIV/AIDS initiatives to an amount equalling DKK 1 billion in 2010.**

Table 3 below shows the gradual rise in the level of assistance funding to HIV/AIDS initiatives up to 2010, which will raise the level of the Danish assistance from approximately DKK 500 million in 2006 to approximately DKK 1 billion in 2010.

Table 3: New funds designated for HIV/AIDS initiatives up to 2010 (DKK million)

	2007	2008	2009	2010
Innovative multilateral HIV/AIDS initiatives:	100	100	100	100
New bilateral HIV/AIDS initiatives in Africa:	200	200	300	400
Total increase of assistance to HIV/AIDS initiatives:	300	300	400	500

In 2007, the Danish efforts to combat HIV/AIDS will specifically be strengthened through:

- **Innovative multilateral HIV/AIDS initiatives with focus on vulnerable groups**

The Government will set aside DKK 100 million to new innovative HIV/AIDS initiatives with particular focus on vulnerable groups such as orphans and young people in Africa. The initiatives will also be designed to promote the active participation of civil society in the fight against HIV/AIDS. The more precise distribution of the new funds will be based on a concrete assessment in 2007 of which international organisations Danish development funds can be channelled through to achieve maximum impact.

- **Strengthened bilateral initiatives**

Bilateral initiatives to combat HIV/AIDS will be strengthened by making commitments in the bilateral assistance to Burkina Faso, Ghana and Uganda to implement activities amounting to DKK 200 million.

Table 4: Commitments regarding new bilateral HIV/AIDS initiatives in 2007

Country:	Burkina Faso	Ghana	Uganda
Sum (million):	70	50	80

At the same time, efforts will be made to integrate HIV/AIDS components in other relevant sector programmes. The initiatives under the bilateral assistance will strengthen the capacity of the countries' health sectors to tackle the problem of HIV/AIDS more effectively.

At an international level, Denmark will play a leading role in the fight against HIV/AIDS. The Government will maintain the high Danish contribution of DKK 140 million per year to the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria. This annual contribution of DKK 140 million places Denmark among the countries that provide the most per capita to the Global Fund.

In order to ensure concrete implementation of the stepped-up efforts against HIV/AIDS, the Government will **increase the number of HIV/AIDS advisers** – both bilaterally and multilaterally. Specifically, Danish advisers will be posted to a joint Nordic HIV/AIDS centre in Lusaka. The centre will have the capacity to support the building up of enhanced Danish efforts in Africa as well as engage in strong cooperation with like-minded donors. Multilaterally, the Government will work to establish new senior adviser positions in the World Bank, in the EU and in the Joint UN Programme on HIV/AIDS (UNAIDS).

The Government will **step up efforts to combat infectious diseases** in the coming years by maintaining the extraordinary contribution of DKK 25 million per year to the Global Alliance for Vaccines and Immunisation (GAVI). The alliance is a global private-public partnership whose objective is to promote vaccination coverage in developing countries, support the development of vaccines and introduce use of new vaccines.

The Government will continue the efforts to **promote sexual and reproductive health and rights**. There is a close correlation between this area and the fight against HIV/AIDS. The Government will base its efforts on the new Danish strategy on sexual and reproductive health and rights that was presented in spring 2006. In health programmes, the strategy will lead the Government to invest in strengthening the linkage between community initiatives and HIV/AIDS initiatives.

V. THE CHALLENGES OF GLOBALISATION

– DANISH INVESTMENTS IN GLOBAL COHESION

In order to create a better world, a commitment to development is needed in a large number of areas. The Government will therefore continue to implement wide-ranging and coordinated initiatives that reflect the many challenges posed by globalisation.

Initiatives, for example, aimed at preventing conflicts, protecting the global environment and responding to humanitarian disasters are all global challenges where Denmark will make important contributions.

As part of its long-term policy, the Government will promote the positive consequences of globalisation in developing countries by continuing to focus on five thematic areas that all pose particular challenges:

- Social and economic development
- Human rights, democratisation and good governance
- Stability, security and the fight against terrorism
- Refugees, emergency relief and regions of origin
- The environment

The Government presented its planned initiatives within these five thematic areas in the policy paper, *A World of Difference* (2003). Since then, the initiatives have been refined in the policy papers, *Security, Growth – Development* (2004) and *Globalisation – Progress through Partnership* (2005). The Government will continue earlier prioritised initiatives and further enhance them to reflect the changing global challenges.

Through wide-ranging initiatives within the five thematic areas, the Government will contribute to strengthening global cohesion, in which the benefits of globalisation are enjoyed by all.

Economic growth and market access – help to self-help

The Government will step up its efforts to foster economic growth in developing countries – with particular focus on Africa. Without stronger economic growth, the UN Millennium Development Goal of halving poverty will not be achieved in Africa. It is through private initiative and endeavour that Africa's women and men must generate the economic growth and the social dynamism necessary for eradicating the continent's poverty.

With the intensified efforts, the Government will strengthen the opportunities for the private sector to act as an engine for economic development – and thereby pave the way for Africa to establish itself as an active player in the global economy.

In the new programme country, Mali, the Government will specifically contribute to generating economic growth by allocating DKK 185 million to the implementation of a new business sector programme – with particular emphasis on promoting female entrepreneurs.

During the next three years, the Government will set aside a further DKK 100 million annually to measures aimed at securing **investments, innovation and entrepreneurship** primarily in Africa. Development is about change, and this new initiative will make it easier for Africa's entrepreneurs to contribute to increased economic growth by securing:

- Investments of a further DKK 50 million in the form of mixed credits to new businesses and to strengthening the business community's framework conditions through the enhancement of infrastructure within, for example, the energy, transport and telecommunications sectors.
- Innovative solutions of a further DKK 10 million to public partnerships with the Danish business community that open new ways and opportunities for especially the contributions of women to economic growth in Africa.
- Entrepreneurial support of a further DKK 40 million through the B2B programme, with focus on Africa's businesswomen, with the aim of enabling Africa to better exploit its full economic and human potential.

Likewise, the Government will pave the way for enhanced economic growth by increasing its contributions to **debt relief**. Cancellation of debt improves developing countries' access to commercial credit, and is therefore an important prerequisite for securing investments and economic development in poor countries.

For many years, Denmark has been an advocate of increased debt relief. The Government places great importance that words are translated into action in situations when developing countries indeed fulfill the criteria and reforms that were required as a precondition for debt relief. In recent years, especially in connection with the G8 Summit in 2005, there has been strong international focus on debt relief, and donor countries in general have committed themselves to intensifying efforts within this area.

Consequently, the expenditure on debt relief will rise in the coming years, also for Denmark. But with the Government's 0.8 per cent guarantee, there will be a possibility that development efforts in other areas may also be increased.

At the same time as the focus on strengthening framework conditions for the private sector, the Government will step up its trade-related technical assistance, so that developing countries are better able to participate in **international trade**. In connection with the conclusion of the Doha Round, the assistance to the Integrated Framework for Trade-Related Technical Assistance will be doubled to an amount equaling a total of DKK 30 million per year. This doubling of assistance is conditional upon other donors also increasing their contributions.

The focus on strengthening trade-related conditions will go hand in hand in Danish trade and development policy. Internationally, Denmark will press for all countries in Sub-Saharan Africa to be offered tariff and quota-free market access. Freer trade will be absolutely crucial if developing countries are to attain the full benefits of globalisation. Denmark will work hard for a rapid conclusion of the Doha Round in the WTO that places a strong focus on the conditions for developing countries.

If poor developing countries are to achieve the necessary economic growth, there is also need for a strong focus on **education and training**. Education and training is an investment in the human resources – and without education and training, the opportunities for competing successfully in a global market are very limited.

Within the frameworks of the Danish business sector programmes, the Government will strengthen its efforts within vocational education and training – especially in regard to women. Lack of qualified labour is one of the key barriers to companies' growth opportunities in many developing countries. Many young people who complete primary education cannot be offered opportunities for further education. Through the development assistance, therefore, the Government will work to ensure that as many young people as possible are offered the opportunity to take a vocationally oriented adult education and training programme that can lead to employment and income.

In order to prepare future business leaders in programme countries for globalisation's challenges, the Government will between 2007 and 2011 offer a total of 100 young people a one-year scholar-

ship in Denmark (at MBA or equivalent level). The initiative will focus particularly on providing young, female business leaders with managerial tools and an international network that enables them to contribute effectively to future economic growth and development. The initiative, which is financed annually by DKK 10 million channelled through Danida's central fellowship funds, is an investment in the human resources that are crucial for enabling developing countries to attain the full benefits of globalisation. At the same time, the initiative will strengthen the interaction between future business leaders in developing countries and the business community in Denmark. Emphasis will be placed on introducing these future business leaders to the strengths of using environmentally friendly technology and sustainable production methods.

For several years, Denmark has provided economic support to help developing countries establish **poultry farms**, in order to provide a commercial and food-based livelihood. The outbreak of avian flu and the risk of the disease spreading have threatened to kill millions of poultry in poor developing countries. In the development cooperation with Danish programme countries, the Government will therefore take care to contribute to efforts aimed at preventing the spread of veterinary diseases that can have far-reaching detrimental effects on the economy and health.

The Partnership for Progress and Reform – stepped-up efforts

Through a strengthened Partnership for Progress and reform, the Government will promote dialogue between Denmark and the countries in the Middle East as well as support specific reform and democratisation initiatives.

The cartoon affair, which reached a climax at the beginning of 2006, can be seen as an illustration of the risk of a cultural clash and emphasises the need for enhanced dialogue. This in no way implies that Denmark should abandon or tone down fundamental values. On the contrary, there is need for us to obtain a better mutual understanding and eliminate the many prejudices and misunderstandings that flourish.

Through the cooperation projects implemented under the Partnership for Progress and Reform, Denmark has been able, despite the cartoon affair, to maintain a constructive exchange of views; not just to foster mutual understanding but also to exchange viewpoints and knowledge regarding reforms and democratisation processes. The Government will support the forces in the Middle East desiring to reform both the political and economic system in the region. And among those forces there continue to be many that wish to find partners in Denmark and take inspiration from a Scandinavian model.

The Government is firmly determined to maintain its pursuance of a pro-active policy in relation to the Middle East. The thematic programmes encompass key issues such as human rights, gender equality, media and youth. From 2007, the Government has set aside a further DKK 25 million to the Partnership for Progress and Reform, primarily to strengthen the Danish representation in the region. The Partnership for progress and Reform will in 2007 have a total budgetary framework of up to DKK 125 million. A further increase in the framework is expected in the coming years.

Reconstruction and conflict management – a strong Danish profile

Denmark will continue to contribute actively to the resolution of violent conflicts and to the promotion of peaceful and democratic development in the world's flashpoints. Through the Danish membership of the UN Security Council in 2005-2006, the Government has worked purposefully to strengthen the linkage between security and development – with special emphasis on conflicts in Africa.

Denmark has been one of the most active countries behind the establishment of the **UN's new Peacebuilding Commission**, which is designed to strengthen the international community's capacity to prevent countries falling back into conflict, which up to now has happened in more than 50 per cent of cases. A better linking of the military and humanitarian efforts with longer-term reconstruction assistance aims at ensuring durable peace settlements.

In 2007, the Government will contribute DKK 50 million to the Commission's work. Together with the Danish contribution of DKK 50 million allocated in 2006, this will place Denmark as an important donor to the Peacebuilding Commission. Denmark will exert special effort to ensure the Commission strengthens the role of women in post-conflict situations – especially in Africa.

Denmark will devote special attention to efforts aiming at contributing to **conflict resolution in Africa**. The Government will contribute to peacebuilding and also support efforts to build the African security architecture, for example by giving a commitment of DKK 5 million in 2007 to Mali's Peacekeeping School – in collaboration with the Danish military.

In crisis-hit areas, the military efforts must not stand alone, but must be combined with emergency relief and reconstruction assistance. In situations where the activities of civilian organisations are impeded, the Government is ready to deploy military forces to undertake these tasks through active **civilian-military cooperation**. The Danish efforts in Iraq, Afghanistan and Sudan must help these still conflict-ridden countries to consolidate the political advances that have been made in all three countries. For example, targeted support towards building a modern justice system will aim to help these countries to respect international human rights.

Humanitarian involvement and regions of origin

In recent years, humanitarian crises have hit the world hard. The Government will continue to assign very high priority to assistance to disaster-hit areas and will allocate a total of over DKK 1 billion to humanitarian efforts in 2007. As a concrete measure to emphasize the **humanitarian involvement**, the Government will allocate DKK 50 million to the UN Humanitarian Fund in 2007, which will enhance the UN's ability to react swiftly to unforeseen humanitarian crises and take effective action to address the world's forgotten crises.

The Government has continually stepped up its **region-of-origin assistance** through active interaction with international organisations and the Danish NGOs, which have considerable experience of working in regions of origin.

The Government will continue to allocate up to DKK 300 million per year to improving the living conditions of both displaced people and local populations. Through active Danish region-of-origin efforts, refugees and internally displaced people can be given the opportunity to return and establish themselves either where they come from or close to their home regions.

In new programmes, emphasis will be placed on helping to build the capacity to cope with the numerous refugees that reside in many developing countries – in order to ensure that the refugees are treated in accordance with international conventions. Effort will be made to adopt a regional approach to solving the problems so as to ensure that the refugee problem is addressed on both sides of the border. This applies, for example, to the Somali refugees in the Horn of Africa.

Denmark will continue to develop innovative linkages between the national refugee policy and the efforts in regions of origin. The positive lessons learned with respect to Afghan refugees will be applied in relation to Iraqi refugees.

Environment – a sustainable future

Poverty and an impoverished environment are closely entwined, and poverty cannot be eradicated without action being taken to address the environmental problems. One of globalisation's greatest challenges is to ensure a good environment, where environmental problems are often cross-border in nature. In its development assistance, the Government will maintain its high priority of a stronger global environment.

The Government will carry out targeted efforts to contribute to a **sustainable management of the environment and natural resources**. In the new programme cooperation with Mali, water and energy will be in focus in the programme to promote better management of natural resources.

The world's poorest are directly dependent on natural resources for their survival. This applies to the supply of food, water, fuel and building materials. However, the ecosystems which ensure that crops can grow in the field, that water and air is purified, and that the climate is regulated and nutrients converted are – as the UN Millennium Ecosystem Assessment has proven – under pressure. Sustainable management of the environment and natural resources is very much a question of good governance and of how to strengthen the ability of women to influence their own living conditions.

At the same time, **climate change** is a growing development policy challenge that makes demands on adaptation, in a way which ensures that the living conditions of vulnerable population groups in developing countries do not deteriorate.

The initial experiences with the Danish Climate and Development Action Programme have been reaped in Vietnam, Tanzania and Mozambique. The action programme is used partly to carry out a climate check of the Danish assistance, in order to ensure that the development activities implemented are climate-safe. In 2007, the programme will be widened to include other climate-vulnerable Danish programme countries, such as Mali and Bangladesh.

The efforts carried out under the special environmental assistance to assist developing countries in building their capacity to develop Clean Development Mechanism (CDM) projects will be widened to include a number of poorer developing countries – primarily in Africa. These efforts form part of the strategy on CDM, which the Government will present in parallel with the development policy priorities.

At the same time as the developing countries must be helped to adapt to the climate changes that are inevitable, the efforts to prevent climate change must be intensified. Increased use of **sustainable energy** plays a crucial role in climate change prevention, and it is important that developing countries are also afforded access to clean and sustainable energy forms.

VI. MAXIMUM DEVELOPMENT FOR MONEY

– EFFECTIVE AND FOCUSED ASSISTANCE

A significant contribution to the achievement of the UN Millennium Development Goals is increased effectiveness of development assistance. The cost-effectiveness of development assistance must constantly be maximised. Since it took office in 2001, the Government has significantly enhanced the effectiveness of Danish development assistance and streamlined the associated administration – e.g. by untying and decentralising the Danish assistance. The efforts made to streamline and focus the assistance will be further strengthened in the coming years – both in the delivery of bilateral Danish assistance and in the cooperation with multilateral institutions.

Denmark cannot perform this task alone. The interplay with other actors is crucial for success. An improved division of labour and better coordination is necessary. Through its specific priorities, the Government will strive to ensure that the Danish assistance is built around Denmark's special strengths and increasingly leave other areas to like-minded donors.

The Government will work to ease and simplify the administration linked to the receipt of assistance by developing countries. Far too often, conflicting demands are imposed on the developing countries from different sides. In addition, too many parallel structures are created and too many small and scattered initiatives are implemented.

The Government sees it as absolutely vital that the assistance – also in light of the focus on good governance – is increasingly adapted to the recipient country's own administrative systems and budgets. The recipient of assistance must to a higher degree focus on achieving results that benefit the respective country's own inhabitants – and not on servicing the donor countries.

In addition, the Government has also worked hard in the EU to make development aid more effective. For example, following Danish pressure, an aid effectiveness package was adopted by the Commission in spring 2006 with the aim of ensuring the delivery of faster and more effective development aid. Denmark, for its part, will continue to place considerable emphasis on promoting the delivery of effective aid from the EU – the world's largest donor.

In the coming years, the Government will implement a number of initiatives that will enhance the effectiveness of the Danish assistance. The point of departure will be that the recipient country sets the agenda and demonstrates a commitment to change. Only activities and reforms that arise from the recipient country's own wishes will be implemented.

In order to focus and streamline the Danish assistance further, the Government will:

- Strive to ensure that the development assistance is integrated into the finance acts of recipient countries; a step that will strengthen the **democratic monitoring and control** of how the assistance funds are spent.
- Focus the Danish bilateral assistance in each programme country on fewer and larger initiatives through **stronger cooperation and better division of labour** with other donors.
- Increase cooperation with other donors in the form of **joint missions and joint offices**.
- Participate in the formulation of **joint country strategies** in the programme countries, when there is basis for doing so. This entails that Denmark will be present in fewer sectors and fewer programme components in these countries.

Programme and project support continue to account for the vast proportion of Danish assistance. However, where progress towards good governance and a commitment to implement reforms builds trust in the effective use of Danish development assistance funds, **general budget support** may be given as part of the Danish assistance in collaboration with other donors.

The Government will base its decision to provide general budget support on an assessment of **10 criteria**, which are listed in the fact box below.

10 criteria for assessing the effectiveness of general budget support

1. Good governance, encompassing a minimum respect for human rights, a free press, pluralistic democracy and rule of law, including independence for the judiciary
2. Responsible anti-corruption with implementation of prevention and control measures as well as follow-up, with a view to improving the country's standing in the international corruption league table
3. Solid poverty reduction strategy and the will to implement it
4. Positive experiences with development cooperation generally and budget support specifically, as well ongoing documentation of concrete development results
5. The Finance Act process, with publication of budget and accounts, as well as parliamentary consideration
6. Rules for public procurement broadly in accordance with international standards
7. Presence of an independent National Audit Office or similar functioning inspection body
8. Expert appraisal of quality and capacity in public finance management
9. Mutual observance of agreed obligations
10. Consensus among all budget support donors regarding approach (incl. rules for transfer and monitoring) and conditions for general budget support

These are not 'either/or' criteria. It must be expected that the Danish programme countries will vary in their ability to meet these criteria. Therefore, the decision to provide general budget support will be based on an overall assessment of these criteria, where the distinct characteristics of each country will affect the weight given to the different criteria. In the overall assessment, importance will be attached to the recipient country's strength and will to implement difficult political reforms.

In 2005, the Government introduced a **self-financing** requirement for NGOs that have a framework agreement with Danida, which came into effect in 2006. The self-financing proportion will be increased to 10 per cent of the grant award in 2007. The self-financing requirement is an expression of the wish to promote the financial independence of NGOs and popular ownership – and the Government will maintain the level of Danish NGO assistance at the same high level.

Appendix 1

Account Section 06.3 – Government Expenditure Proposals – Finance Act 2007

Finance Act Account	2006 (DKK million) 2006-prices	2007 (DKK million) 2007-prices	2008 (DKK million) 2007-prices	2009 (DKK million) 2007-prices	2010 (DKK million) 2007-prices	2011 (DKK million) 2007-prices
Reserve	100,0	100,0	100,0	100,0	100,0	100,0
06.31.01.79. Reserve	100,0	100,0	100,0	100,0	100,0	100,0
Countries in Africa	2.087,9	2.455,7	2.994,5	2.531,0	2.731,0	3.046,9
06.32.01.10. Tanzania	590,0	15,0	655,0	605,0	15,0	590,0
06.32.01.11. Kenya	296,0	45,0	5,0	45,0	570,0	5,0
06.32.01.12. Uganda	195,0	330,0	100,0	410,0	510,0	310,0
06.32.01.13. Mozambique	485,0	315,0	390,0	10,0	665,0	410,0
06.32.01.15. Ghana	256,0	431,0	706,0	271,0	6,0	326,0
06.32.01.16. Benin	10,0	115,0	145,0	160,0	310,0	390,0
06.32.01.17. Burkina Faso	5,0	75,0	330,0	305,0	5,0	100,0
06.32.01.18. Zambia	15,0	525,0	10,0	110,0	220,0	10,0
06.32.01.19. Egypt	0,0	0,0	0,0	0,0	0,0	0,0
06.32.01.20. Mali	0,0	350,0	190,0	115,0	15,0	415,0
06.32.01.23. Other countries in Africa	235,9	254,7	263,5	200,0	15,0	90,9
06.32.01.24. Special bilateral measures to combat HIV/AIDS in Africa	0,0	0,0	200,0	300,0	400,0	400,0
Countries in Asia and Latin America	1287,0	932,0	552,0	1179,0	1137,0	1532,0
06.32.02.11. Bangladesh	541,0	25,0	10,0	10,0	10,0	570,0
06.32.02.12. Nepal	30,0	210,0	60,0	460,0	10,0	10,0
06.32.02.13. Bhutan	5,0	146,0	61,0	76,0	6,0	106,0
06.32.02.14. Vietnam	445,0	315,0	265,0	285,0	245,0	415,0
06.32.02.15. Other countries in Asia	50,0	105,0	15,0	87,0	15,0	60,0
06.32.02.16. Nicaragua	11,0	11,0	131,0	191,0	441,0	11,0
06.32.02.17. Bolivia	205,0	120,0	10,0	70,0	410,0	160,0
06.32.02.18. Other countries in Latin America	0,0	0,0	0,0	0,0	0,0	200,0
Technical Assistance	185,7	269,2	300,2	224,2	287,2	282,2
06.32.04.10. Bilateral advisers	61,7	127,2	158,2	82,2	145,2	140,2
06.32.04.11. Fellowships	34,0	50,0	50,0	50,0	50,0	50,0
06.32.04.12. Company advisers	90,0	92,0	92,0	92,0	92,0	92,0
B2B Programme etc.	230,0	230,0	230,0	230,0	180,0	180,0
06.32.05.12. B2B Programme	160,0	200,0	200,0	200,0	160,0	160,0
06.32.05.15. Public-Private Partnerships	70,0	30,0	30,0	30,0	20,0	20,0
Mixed Credits	300,0	350,0	350,0	350,0	300,0	300,0
06.32.06.10. Mixed Credits	300,0	350,0	350,0	350,0	300,0	300,0
Loan Assistance	166,0	426,0	536,0	649,0	776,0	426,0
06.32.07.14. Debt relief for developing countries	166,0	426,0	536,0	649,0	776,0	426,0

Finance Act Account	2006 (DKK million) 2006-prices	2007 (DKK million) 2007-prices	2008 (DKK million) 2007-prices	2009 (DKK million) 2007-prices	2010 (DKK million) 2007-prices	2011 (DKK million) 2007-prices
Other Bilateral Assistance	523,0	428,0	398,0	398,0	398,0	398,0
06.32.08.10. Bilateral regions of origin	160,0	0,0	0,0	0,0	0,0	0,0
06.32.08.20. Bilateral regional assistance	115,0	175,0	135,0	135,0	135,0	135,0
06.32.08.30. Support to democracy and human rights	200,0	105,0	115,0	115,0	115,0	115,0
06.32.08.40. Rehabilitation Council for Torture Victims (RCT)	48,0	48,0	48,0	48,0	48,0	48,0
06.32.08.50. The Partnership for Progress and Reform	0,0	100,0	100,0	100,0	100,0	100,0
NGO Assistance	895,5	932,5	925,5	925,5	925,5	925,5
06.33.01.10. Framework agreement support	511,5	521,5	526,5	526,5	526,5	526,5
06.33.01.11. Single projects	340,0	316,0	316,0	316,0	316,0	316,0
06.33.01.10. Mini-programmes	44,0	95,0	83,0	83,0	83,0	83,0
Special Environmental Assistance	480,5	480,5	480,5	480,5	480,5	480,5
06.34.01.20. Bilateral environmental initiatives	480,5	480,5	480,5	480,5	480,5	480,5
Research and Information Activities in Denmark	197,8	240,7	222,3	195,1	242,7	224,3
06.35.01.10. Projects in Denmark	40,5	40,4	64,0	34,8	40,4	64,0
06.35.01.11. Research activities	96,7	96,7	96,7	96,7	96,7	96,7
06.35.01.13. Information activities	26,0	27,0	27,0	29,0	29,0	29,0
06.35.01.14. Intercultural cooperation	0,0	42,0	0,0	0,0	42,0	0,0
06.35.01.15. Fact-finding activities	10,6	10,6	10,6	10,6	10,6	10,6
06.35.01.17. Seminars, courses, conferences	4,0	4,0	4,0	4,0	4,0	4,0
06.35.01.18. Evaluation	20,0	20,0	20,0	20,0	20,0	20,0
International Development Research	50,0	50,0	50,0	50,0	50,0	50,0
06.35.02.10. International agricultural research	35,0	35,0	35,0	35,0	35,0	35,0
06.35.02.11. Other international research	15,0	15,0	15,0	15,0	15,0	15,0
UN Development Programme (UNDP)	418,0	416,0	416,0	416,0	416,0	416,0
06.36.01.10. General contributions to UNDP	370,0	370,0	370,0	370,0	370,0	370,0
06.36.01.12. UN Development Fund for Women (UNIFEM)	5,0	5,0	5,0	5,0	5,0	5,0
06.36.01.13. UNDP trust funds	12,0	0,0	0,0	0,0	0,0	0,0
06.36.01.14. UN House in Copenhagen	31,0	41,0	41,0	41,0	41,0	41,0
UN Children's Fund (UNICEF)	209,3	207,2	207,2	207,2	207,2	207,2
06.36.02.10. General contributions to UNICEF	180,0	180,0	180,0	180,0	180,0	180,0
06.36.02.11. UNICEF warehouse facility	29,3	27,2	27,2	27,2	27,2	27,2

Finance Act Account		2006 (DKK million) 2006- prices	2007 (DKK million) 2007- prices	2008 (DKK million) 2007- prices	2009 (DKK million) 2007- prices	2010 (DKK million) 2007- prices	2011 (DKK million) 2007- prices
HIV/AIDS, Population and Health Programmes		525,0	770,0	530,0	770,0	530,0	650,0
06.36.03.10.	UN Population Fund (UNFPA)	180,0	180,0	180,0	180,0	180,0	180,0
06.36.03.11.	International Planned Parent Federation (IPPF)	40,0	80,0	0,0	80,0	0,0	40,0
06.36.03.12.	WHO development activities	40,0	80,0	0,0	80,0	0,0	40,0
06.36.03.14.	Joint UN Programme on HIV/AIDS (UNAIDS)	40,0	80,0	0,0	80,0	0,0	40,0
06.36.03.15.	HIV/AIDS and other population programmes	85,0	185,0	185,0	185,0	185,0	185,0
06.36.03.16.	Global Fund to Fight HIV/AIDS, TB and Malaria	140,0	140,0	140,0	140,0	140,0	140,0
06.36.03.17.	Global Alliance for Vaccines and Immunisation (GAVI)	0,0	25,0	25,0	25,0	25,0	25,0
UN Agricultural and Food Programmes		180,0	180,0	180,0	180,0	180,0	180,0
06.36.04.10.	UN World Food Programme (WFP)	160,0	160,0	160,0	160,0	160,0	160,0
06.36.04.11.	International Fund for Agricultural Development (IFAD)	20,0	20,0	20,0	20,0	20,0	20,0
Global Environmental Programmes		455,5	181,0	150,0	181,0	281,0	165,5
06.36.05.10.	UN Environment Programme (UNEP)	15,5	31,0	0,0	31,0	0,0	15,5
06.36.05.11.	Global Environment Facility (GEF)	310,0	0,0	0,0	0,0	131,0	0,0
06.36.05.12.	Other environmental contributions	130,0	150,0	150,0	150,0	150,0	150,0
Other UN Programmes		223,3	226,8	241,8	201,8	241,8	201,8
06.36.06.10.	UN Industrial Development Organisation (UNIDO)	5,0	5,0	5,0	5,0	5,0	5,0
06.36.06.13.	ILO programmes	20,0	0,0	40,0	0,0	40,0	0,0
06.36.06.14.	UNESCO and the Fast-Track Initiative (FTI)	20,0	45,0	20,0	20,0	20,0	20,0
06.36.06.16.	Multilateral advisers	75,0	75,0	75,0	75,0	75,0	75,0
06.36.06.18.	Consultancy firms	2,0	0,0	0,0	0,0	0,0	0,0
06.36.06.19.	Danish UN Association	1,3	1,8	1,8	1,8	1,8	1,8
06.36.06.21.	UN peacekeeping operations	100,0	100,0	100,0	100,0	100,0	100,0
World Bank Group		573,8	523,7	693,7	548,7	548,9	548,9
06.37.01.10.	International Bank for Reconstruction and Development (IBRD)	125,5	45,0	20,0	20,0	20,0	20,0
06.37.01.11.	International Development Association (IDA)	420,0	420,0	645,0	500,0	500,0	500,0
06.37.01.12.	International Monetary Fund (IMF)	0,0	50,0	0,0	0,0	0,0	0,0
06.37.01.13.	International Finance Corporation (IFC)	10,0	10,0	10,0	10,0	10,0	10,0
06.37.01.14.	Assistance to the Middle East through IBRD	20,0	0,0	20,0	20,0	20,0	20,0
06.37.01.15.	Special Action Account	-1,7	-1,3	-1,3	-1,3	-1,1	-1,1

Finance Act Account		2006 (DKK million) 2006- prices	2007 (DKK million) 2007- prices	2008 (DKK million) 2007- prices	2009 (DKK million) 2007- prices	2010 (DKK million) 2007- prices	2011 (DKK million) 2007- prices
	Regional Banks	18,0	0,0	55,0	14,1	45,0	10,0
06.37.02.10.	African Development Bank (AfDB)	3,0	0,0	30,0	0,0	30,0	0,0
06.37.02.11.	Asian Development Bank (AsDB)	15,0	0,0	25,0	14,1	15,0	10,0
06.37.02.10.	Inter-American Development Bank (IDB)	0,0	0,0	0,0	0,0	0,0	0,0
	Regional Development Funds, Debt Relief Initiatives and Other Funds	207,0	312,0	279,0	289,0	309,0	324,0
06.37.03.10.	African Development Fund (AfDF)	100,0	100,0	100,0	100,0	100,0	100,0
06.37.03.11.	Asian Development Fund (AsDF)	46,0	46,0	46,0	46,0	46,0	46,0
06.37.03.13.	Nordic Development Fund (NDF)	61,0	61,0	68,0	68,0	68,0	68,0
06.37.03.14.	Multilateral debt relief initiatives	0,0	105,0	65,0	75,0	95,0	110,0
	Assistance through EU	450,2	460,2	460,1	460,1	460,0	460,0
06.37.04.10.	European Development Fund (EUF)	452,0	462,0	462,0	462,0	462,0	462,0
06.37.04.11.	EU loans to Turkey	-1,8	-1,8	-1,9	-1,9	-2,0	-2,0
	Multilateral Regional and Reconstruction Assistance	80,0	50,0	45,0	40,0	40,0	40,0
06.38.01.10.	Multilateral regional assistance	35,0	0,0	0,0	0,0	0,0	0,0
06.38.01.11.	Multilateral reconstruction assistance	45,0	50,0	45,0	40,0	40,0	40,0
	Stability and Security Oriented Efforts	23,5	105,0	105,0	105,0	105,0	105,0
06.38.02.11.	Conflict prevention	18,5	100,0	100,0	100,0	100,0	100,0
06.38.02.12.	UN Office on Drugs and Crime (ODC)	5,0	5,0	5,0	5,0	5,0	5,0
	Various Multilateral Contributions	91,0	123,5	128,5	128,5	128,5	128,5
06.38.03.10.	Multi-various	13,0	25,5	25,5	25,5	25,5	25,5
06.38.03.20.	International human rights and NGO's	35,0	40,0	45,0	45,0	45,0	45,0
06.38.03.25.	Trade etc.	40,0	55,0	55,0	55,0	55,0	55,0
06.38.03.30.	Multilateral seminars, conferences, etc.	3,0	3,0	3,0	3,0	3,0	3,0
	Humanitarian UN Agencies and the like	262,0	320,0	330,0	330,0	330,0	330,0
06.39.01.10.	UN High Commissioner for Refugees (UNHCR)	130,0	130,0	130,0	130,0	130,0	130,0
06.39.01.11.	UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	60,0	60,0	70,0	70,0	70,0	70,0
06.39.01.12.	UN Office for Coordination of Humanitarian Affairs (OCHA)	10,0	10,0	10,0	10,0	10,0	10,0
06.39.01.13.	Humanitarian food aid (WFP)	35,0	35,0	35,0	35,0	35,0	35,0
06.39.01.14.	International Committee of the Red Cross (ICRC)	12,0	20,0	20,0	20,0	20,0	20,0
06.39.01.15.	Office of the UN High Commissioner for Human Rights (OHCHR)	15,0	15,0	15,0	15,0	15,0	15,0
06.39.01.16.	UN Central Emergency Response Fund (CERF)	0,0	50,0	50,0	50,0	50,0	50,0

Finance Act Account	2006 (DKK million) 2006- prices	2007 (DKK million) 2007- prices	2008 (DKK million) 2007- prices	2009 (DKK million) 2007- prices	2010 (DKK million) 2007- prices	2011 (DKK million) 2007- prices
Extraordinary Humanitarian Contributions etc.	679,0	794,0	794,0	794,0	794,0	794,0
06.39.02.10. Extraordinary humanitarian contributions	519,0	469,0	469,0	469,0	469,0	469,0
06.39.02.11. International Humanitarian Service (IHB)	55,0	55,0	55,0	55,0	55,0	55,0
06.39.02.12. Assistance to refugees in regions of origin	105,0	270,0	270,0	270,0	270,0	270,0
Total Assistance, Account Section 06.3	10.899,0	11.564,0	11.754,3	11.977,7	12.224,3	12.506,3

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Danida

COMMITMENT TO DEVELOPMENT

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In *Commitment to Development* the government set forth its priorities for Danish development assistance in the period 2007-2011. The plan expresses the long-term engagement of the Danish government to support poor developing countries in their fight against poverty. Focus is on Africa, where the challenges are far and away the greatest.

Commitment to Development is based upon the Government platform from February 2005 and further develops the development policy stance set out by the Government in previous years.

In 2007, the Government will assign special priority to three areas:

- Good governance – a fundamental prerequisite for development
- Women's rights and resources – a driving force for development
- HIV/AIDS – with a special focus on Africa and vulnerable groups