

AUGUST 2016

THE GOVERNMENT'S PRIORITIES FOR DANISH DEVELOPMENT COOPERATION 2017

**OVERVIEW OF THE DEVELOPMENT
COOPERATION BUDGET 2017-2020**

REGERINGEN

The Government's Priorities for Danish Development Cooperation 2017

PART 1 OF THE IMPLEMENTATION OF THE NEW DRAFT STRATEGY FOR DEVELOPMENT COOPERATION

Overview of the development cooperation budget 2017-2020

Denmark's development cooperation is a tangible and visible contribution to the joint responsibility Denmark undertakes for the development of the world. Danish development cooperation is fully integrated in Denmark's foreign and security policy and is aimed at making the world a safer, more free, wealthier and more just place to grow up in for future generations.

We will be driven by the wish to promote Danish foreign and domestic policy interests at one and the same time. We will fight poverty, enhance sustainable growth and economic liberty, peace, stability, gender equality and a rule-based international order. When doing this, we will at the same time counter threats against our own security and way of life, create a launch pad for trade, economic diplomacy and commercial interests, and promote the principles, values and human rights that our own open, democratic society rests upon.

The Government has presented a draft of Denmark's new strategy for development cooperation and humanitarian assistance. The strategy's point of departure is the pursuit of Denmark's interests and priorities for development cooperation, which it relates to the new Sustainable Development Goals that constitute the new framework for international development cooperation until 2030.

The Government views the Finance Bill for 2017 as a first step towards putting the draft of the new strategy for development cooperation and humanitarian assistance into practice, which – after its adoption – will be able to impact the Finance Acts of the coming years.

The Government will apply 0.7% of GNI on development assistance each year. The Government's tightening of the rules in the asylum area and the declining number of asylum seekers will consequently cause a decline in the expenditures related to refugee response in 2017. This will release financial resources that can be used directly to prevent, alleviate and manage the refugee and migration movements that led to the crisis and which continue to constitute a great challenge to security and welfare in Europe.

With the Finance Bill for 2017, the Government allocates in total DKK 15,017.5 million to development assistance. At the same time, the Government will utilise the development cooperation as a mobilising and catalysing force that is to draw on broad community resources – including both our own knowledge, competencies, funding and experience as well as that of our partner countries – in order to create the results needed to reach the Sustainable Development Goals.

The Finance Bill for 2017 prioritises Denmark's development cooperation in relation to the new Sustainable Development Goals. In the Finance Act for 2017, the Government particularly plans to 1) improve the situation in countries and regions affected by war and conflict *inter alia* through enhanced coherence between humanitarian assistance and development cooperation, 2) strengthen the focus on migration, including the readmission of developing countries' own nationals, and 3) increase development financing especially to growth and employment by mobilising and catalysing private capital and bringing Danish businesses, investors and solutions into play. At the same time, the Government is 4) maintaining a strong focus on human rights especially improving gender equality and the rights of women and girls – because it is the right thing to do, a necessity and the world's best investment.

Security and development – peace, stability and protection

Denmark will invest in peace, stability and protection and increased resilience in developing countries. To ensure a larger impact of the interventions related to protracted crises of displacement and irregular migration, steps are being taken to disintegrate the artificial separation between short-term humanitarian assistance and long-term development cooperation.

Denmark will provide humanitarian assistance to the distressed during war, conflicts and natural disasters. Within the Finance Bill for 2017, the humanitarian frame will be increased by DKK 550 million to a total amount of DKK 2,375 million. This is the highest amount ever to be allocated to humanitarian assistance in a Finance Act and a clear reflection of the significant priority Denmark attaches to its efforts in the areas affected by conflict and protracted crises of displacement, including in Syria and the neighbouring countries.

The efforts of Denmark must be flexible, meaning that country programmes and cooperation with international organisations can be more easily changed and thereby secure integration between long-term development cooperation and humanitarian assistance, depending on the challenges facing us. The cooperation between Denmark and a number of multilateral organisations will to a greater extent than previously be linked to the Danish priorities for development cooperation through a combination of core contributions, thematic and regional earmarking of grants and the secondment of multilateral advisers.

The Government will contribute to a coordinated effort for peace and stability. The stabilising efforts, including combatting violent extremism, will be implemented in the hot spots of the world and hubs of instability for example in and around Syria and Iraq, Afghanistan, the Sahel region in Africa and the Horn of Africa.

In 2017, the Government will focus especially on fragility and instability in the Sahel region. Therefore, DKK 855 million will be allocated to Danish priority countries in the region: Mali, Niger and Burkina Faso. Additionally, DKK 250 million will be allocated to Palestine, and DKK 200 million will be allocated to the Danish-Arab Partnership Programme, which is concentrated and prioritised on fewer countries, and DKK 160 million will be allocated to the Neighbourhood Programme focused on Ukraine and Georgia. South Sudan will continue to receive humanitarian assistance, including assistance from a number of Danish NGOs, which are active in South Sudan and which, with the increased flexibility, will serve as an example of how humanitarian initiatives can incorporate long-term perspectives. As part of the more concentrated effort on fewer fragile states and ensuring a larger impact where Denmark is present, the development cooperation with South Sudan will be phased out.

Migration and development

Denmark will contribute to the prevention of irregular and illegal economic migration and to addressing the root causes of the heavy and irregular migration we have experienced in recent years. Denmark will strengthen the cooperation concerning readmission with the countries we are cooperating with, including through the EU.

The root causes of migration should be seen in correlation with efforts to stabilise fragile countries and regions as well as economic and political development. In this relation, the wide effort of development, growth and employment which is implemented through bilateral and multilateral programmes may contribute to addressing some of the root causes of irregular and drastic migration. The considerations of migration are reflected across relevant country efforts, which the new country programme of Niger is an example of.

In 2017, the Government will maintain its efforts concerning migration with a special frame of DKK 50 million to specific efforts targeted at managing migration. This involves for instance capacity building of national migration authorities in relation to negotiating readmission agreements, in relation to border controls, initiatives combatting human trafficking, information campaigns and a strengthened international dialogue.

Generally, we can accomplish bigger results through the EU. Denmark supports a much stronger readmission policy under the auspices of the EU. Denmark will make a targeted effort to place migration as centrally as possible in the development assistance of the EU and in the Valetta Trust Fund to ensure a clear connection to the results achieved on the readmission agenda – an EU approach where for instance the African countries that comply with their obligations to take back their own nationals are rewarded, while pressure on the countries that do not comply with their obligations is increased.

Denmark will also prioritise migration within our cooperation with the UN and the World Bank.

Inclusive, sustainable growth and development

Denmark will invest in inclusive, sustainable growth in developing countries with a focus on energy, water, agriculture, food and other areas where Denmark has particular knowledge, resources and interests. This will contribute to creating sustainable communities with economic opportunities and jobs – especially for young people. This will also benefit the Danish economy, trade and investment.

In the Finance Bill for 2017, the Government brings together efforts which will underpin growth and employment in developing countries in a new activity area. This creates awareness of and coherence for the Danish efforts which support the necessary transition of developing countries to sustainable growth and development in general. One of the main priorities is to catalyse funding and investments through public-private partnerships. This will enable a gearing of investments by a factor between 2 and 10. This will also require a strengthening of the framework conditions for the business community, sustainable investments and trade.

Denmark's engagement with the Investment Fund for Developing Countries (IFU) will be increased by DKK 300 million. Of these, DKK 100 million will be allocated for a new fund within IFU, which will work towards mobilising private funding to promote the Sustainable Development Goals. Furthermore, the Government will allocate DKK 200 million as capital contribution and will examine the opportunity of using state guaranteed finance instruments to increase the capital base of IFU even more. This will enable IFU to expand its investments and thereby mobilise additional private capital to underpin progress in developing countries. Danida Business Finance will, moreover, be strengthened. It is an instrument that underpins investments in infrastructure and is in high demand by the Danish business community. Furthermore, additionally DKK 50 million

will be allocated to the development of specific investment projects.

In 2017, the Government will give greater priority to cooperation with authorities in strategically selected developing countries by allocating additional DKK 23 million to this area. The cooperation will be gradually expanded by adding counsellors, recipient countries and relevant Danish authorities. The budget for development research will be increased to a total amount of DKK 230 million. This is in order to strengthen the development of new knowledge, capacity building, and the use of research results in sectors where Denmark can contribute with special competencies, knowledge and technology and can open up for export and international activities of Danish universities and business communities in priority and growth countries.

In 2017, the Government will support free trade on a global scale by allocating DKK 35 million to assist the integration of the poorest countries of the world into global trade, enabling them to make use of the positive benefits of globalisation. At the same time, the countries' ability to mobilise their own resources must be strengthened, and the Government will therefore allocate resources to share Danish experiences concerning tax collection.

Freedom and development – democracy, human rights and gender equality

Denmark will invest in efforts to support human rights, democracy, the rule of law and gender equality. Everybody has a right to a secure life, without fear and with involvement and equal opportunity. We will work towards creating societies that do not discriminate – including on the basis of gender – and respect human rights. This also provides the opportunity for sustainable growth and prosperity.

Denmark will continue to pay considerable attention to the strengthening of human rights and the promotion of democracy, good governance and the rule of law on a global scale. This also applies to the framework conditions of the private sector, which include anti-corruption and private property rights. Denmark's strong focus on the promotion of gender equality and the rights of women and girls will be maintained.

Prioritised interventions are furthermore linked to the Danish candidacy to the UN Human Rights Council. A total of DKK 10 million will be allocated to activities underpinning this candidacy. In country programmes, human rights are in particular integrated in good governance efforts where approximately DKK 600 million will be allocated in 2017. To organisations making a targeted effort to promote human rights – such as the UN High Commissioner for Human Rights, the Danish Institute for Human Rights and Dignity – DKK 244 million will be allocated.

The Government will increase the focus on girls and women within the development cooperation engagement. Denmark will continue to prioritise the advancement of sexual and reproductive health and rights, and DKK 408 million will be allocated to the UN and international civil society organisations that are engaged within this area. In the budget estimate years 2018 and 2019, a total amount of DKK 300 million will be allocated to the next replenishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Danish civil society consists of important development cooperation actors and contributes to transforming a wide popular engagement in international humanitarian efforts and development cooperation into results within many thematic and geographic areas. Focus will for example be placed on employment, gender equality and the management of migration, including through organisations that gather young people in order to strengthen their participation and influence in society. The support of The Danish Youth Council will be increased as part of this effort. Simultaneously, an open application round will be launched in 2017, which will distribute a significant part of the civil society support for the purpose of incorporating this in the 2018 Finance Act. This application round will be implemented in parallel with a similar round within the humanitarian area.

Tables

Table 1:		
Promotion of Inclusive, Sustainable Growth		2017
Capital contribution to the Investment Fund for Developing Countries (IFU)		200 mio. kr.
Sustainable Development Goals and the Climate Investment Fund (IFU)		100 mio. kr.
Danida Business Finance, incl. the project development facility		300 mio. kr.
Partnerships for market-driven growth		172 mio. kr.
Cooperation between public authorities		90 mio. kr.
Research cooperation and scholarships		260 mio. kr.
Labour market and framework conditions, including ILO		67 mio. kr.
Other, including financing and trade and development		110 mio. kr.
Ghana (Growth in agriculture and business)		75 mio. kr.
Myanmar (Sustainable economic growth)		40 mio. kr.
Bangladesh (Growth and employment in agriculture)		90 mio. kr.

Table 2:
Commitments to major programmes in priority countries

Poor, fragile countries and regions affected by fragility:		
Burkina Faso	Water and sanitation, development contract and good governance	300 mio. kr.
Mali	Peace and reconciliation and good governance	330 mio. kr.
Niger	Water and democracy, stability and migration	225 mio. kr.
Palestine	State building and human rights	250 mio. kr.
Poor, stable countries:		
Bangladesh	Growth and employment, and climate proofing and sustainable energy	135 mio. kr.
Myanmar	Education, economic growth and good governance	235 mio. kr.
Transition and growth economies:		
Ghana	Growth in agriculture and business	75 mio. kr.

Table 3:
Aid to developing countries in the Finance Bill 2017

		2016	2017	2018	2019	2020
		(mio. DKK) 2016-prices*	(mio. DKK) 2017-prices	(mio. DKK) 2017-prices	(mio. DKK) 2017-prices	(mio. DKK) 2017-prices
Development cooperation on the Finance Bill Account §6.3						
06.31	Reserves	-661,2	-890,2	-500,0	-500,0	-500,0
06.31.79	Reserves	-661,2	-890,2	-500,0	-500,0	-500,0
06.31.79.10	Reserves	100,0	100,0	100,0	100,0	100,0
06.31.79.20	Budget regulation	-761,2	-990,2	-600,0	-600,0	-600,0
06.32	Bilateral assistance	2,893.9	2,767.2	2,958.2	2,541.8	2,795.5
06.32.01	Developing countries in Africa	551,0	955,0	1,466.4	1,393.2	1,415.7
06.32.01.05	Ethiopia	4,0	5,0	255,0	5,0	5,0
06.32.01.06	Niger	0,0	225,0	35,0	100,0	0,0
06.32.01.07	Zimbabwe*	25,0	0,0	0,0	0,0	0,0
06.32.01.08	Somalia	0,0	0,0	0,0	500,0	0,0
06.32.01.09	South Sudan*	100,0	0,0	0,0	0,0	0,0
06.32.01.10	Tanzania	1,0	5,0	0,0	0,0	0,0
06.32.01.11	Kenya	0,0	0,0	0,0	0,0	0,0
06.32.01.12	Uganda	0,0	5,0	225,0	525,0	0,0
06.32.01.13	Mozambique*	184,0	10,0	0,0	0,0	0,0
06.32.01.15	Ghana*	65,0	75,0	5,0	0,0	0,0
06.32.01.17	Burkina Faso	170,0	300,0	300,0	0,0	0,0
06.32.01.20	Mali	1,0	330,0	460,0	185,0	5,0
06.32.01.23	Other initiatives in Africa	1,0	0,0	186,4	78,2	1,405.7
06.32.02	Developing countries in Asia and Latin America	1,038.6	625,0	340,0	10,0	5,0
06.32.02.04	Pakistan*	0,0	0,0	0,0	0,0	0,0
06.32.02.05	Myanmar	242,0	235,0	5,0	5,0	0,0
06.32.02.07	Indonesien*	0,0	0,0	0,0	0,0	0,0
06.32.02.08	Palestine	195,0	250,0	0,0	0,0	0,0
06.32.02.09	Afghanistan	379,0	5,0	330,0	0,0	0,0
06.32.02.11	Bangladesh	207,0	135,0	5,0	5,0	5,0
06.32.02.12	Nepal*	4,6	0,0	0,0	0,0	0,0
06.32.02.15	Other initiatives in Asia	1,0	0,0	0,0	0,0	0,0
06.32.02.17	Bolivia*	0,0	0,0	0,0	0,0	0,0
06.32.02.18	Other initiatives in Latin America	10,0	0,0	0,0	0,0	0,0
06.32.04	Technical assistance	336,4	263,7	273,7	261,7	261,7
06.32.04.10	Bilateral advisors	6,0	10,0	20,0	8,0	8,0
06.32.04.11	Fellowships	27,0	0,0	0,0	0,0	0,0

*Phasing out as priority country

**2016 appears as in the Finance Act for 2016

06.32.04.12	Company advisors	25,0	40,0	40,0	40,0	40,0
06.32.04.14	IT-, property-, travel-, competence development and communication expenses	93,3	94,3	94,3	94,3	94,3
06.32.04.15	Advisory Units	118,1	119,4	119,4	119,4	119,4
06.32.04.16	Growth counsellors	33,0	0,0	0,0	0,0	0,0
06.32.04.17	Strategic sector cooperation	34,0	0,0	0,0	0,0	0,0
06.32.05	Danida Business platform	303,0	0,0	0,0	0,0	0,0
06.32.05.12	Business instruments and Corporate Social Responsibility	88,0	0,0	0,0	0,0	0,0
06.32.05.13	CSR training fund re. IFU investments	3,0	0,0	0,0	0,0	0,0
06.32.05.16	UN Global Compact	2,0	0,0	0,0	0,0	0,0
06.32.05.18	Danida Business Finance	200,0	0,0	0,0	0,0	0,0
06.32.05.19	Investment funds	0,0	0,0	0,0	0,0	0,0
06.32.05.20	Danida Business Delegations	10,0	0,0	0,0	0,0	0,0
06.32.07	Loan assistance	-51,8	-68,6	-65,8	-56,4	-43,7
06.32.07.14	Debt relief for developing countries	0,6	16,0	19,4	22,9	26,5
06.32.07.15	Repayment on government loans to developing countries	-52,4	-84,6	-85,2	-79,3	-70,2
06.32.08	Other bilateral assistance	466,7	632,1	583,9	573,3	796,8
06.32.08.40	Dignity - Danish Insitute Against Torture	42,0	48,0	48,0	48,0	48,0
06.32.08.50	Danish-Arab Partnership Programme	0,0	0,0	0,0	0,0	0,0
06.32.08.60	Stabilisation and conflict prevention	89,0	111,2	100,0	100,0	200,0
06.32.08.70	Democracy and human rights	104,5	166,7	136,7	126,1	249,6
06.32.08.80	Peace and Stabilisation fund	205,0	277,0	270,0	270,0	270,0
06.32.08.90	The Danish Institute for Human Rights	26,2	29,2	29,2	29,2	29,2
06.32.09	Danish-Arab Partnership Programme	140,0	200,0	200,0	200,0	200,0
06.32.09.10	Danish-Arab partnership contributions	111,9	160,0	40,0	160,0	40,0
06.32.09.20	Other initiatives	28,1	40,0	160,0	40,0	160,0
06.32.11	Neighbourhood Programme	110,0	160,0	160,0	160,0	160,0
06.32.11.10	Programme initiatives	77,0	130,0	130,0	130,0	130,0
06.32.11.20	Other initiativesindsatser	33,0	30,0	30,0	30,0	30,0
06.33	Assistance through civil society organisations	758,0	740,2	736,3	736,3	736,3
06.33.01	Assistance through civil society organisations	758,0	740,2	736,3	736,3	736,3
06.33.01.10	Framework agreements	595,6	537,9	537,9	537,9	537,9
06.33.01.11	Strategic initiatives	5,0	20,0	20,0	20,0	20,0
06.33.01.12	Pool schemes	157,4	182,3	178,4	178,4	178,4
06.34	Natural resources, energy og climate changes	301,0	320,0	343,0	320,0	320,0
06.34.01	Natural resources, energy and climate changes in developing countries	301,0	320,0	343,0	320,0	320,0
06.34.01.30	Climate Investment Fun	0,0	0,0	0,0	0,0	0,0
06.34.01.50	UN Environment Programme (UNEP)	9,0	10,0	10,0	10,0	10,0

06.34.01.60	The Global Environment Facility (GEF)	0,0	0,0	0,0	0,0	0,0
06.34.01.70	Climate Envelope	270,0	300,0	300,0	300,0	300,0
06.34.01.80	Other contributions	22,0	10,0	10,0	10,0	10,0
06.34.01.90	The Ozone Fund	0,0	0,0	23,0	0,0	0,0
06.35	Information activities	165,0	63,0	63,0	63,0	63,0
06.35.01	Information activities in Denmark etc.	159,0	63,0	63,0	63,0	63,0
06.35.01.10	Projects in Denmark	0,0	0,0	0,0	0,0	0,0
06.35.01.11	Research activities	100,0	0,0	0,0	0,0	0,0
06.35.01.13	Information activities	34,0	40,0	40,0	40,0	40,0
06.35.01.14	Cultural cooperation (CKU)	5,0	0,0	0,0	0,0	0,0
06.35.01.17	Seminars, courses, conferences etc	7,0	8,0	8,0	8,0	8,0
06.35.01.18	Evaluation	13,0	15,0	15,0	15,0	15,0
06.35.02	International development research	6,0	0,0	0,0	0,0	0,0
06.35.02.10	International agricultural research (CGIAR)	0,0	0,0	0,0	0,0	0,0
06.35.02.11	Other international development research	6,0	0,0	0,0	0,0	0,0
06.36	Multilateral assistance through the UN etc.	944,6	1,039,0	1,139,0	1,141,0	1,186,0
06.36.01	UN Development Programme (UNDP)	386,0	458,0	435,0	435,0	435,0
06.36.01.10	UN Development Programme (UNDP)	158,0	220,0	200,0	200,0	200,0
06.36.01.12	UN Women	53,0	63,0	60,0	60,0	60,0
06.36.01.14	UN City	175,0	175,0	175,0	175,0	175,0
06.36.02	UN Children's Fund (UNICEF)	121,0	125,0	125,0	125,0	125,0
06.36.02.10	General contribution to UNICEF	121,0	125,0	125,0	125,0	125,0
06.36.03	HIV/AIDS, population and health programmes	302,0	370,0	495,0	495,0	345,0
06.36.03.10	UN Population Fund (UNFPA)	114,0	200,0	180,0	180,0	180,0
06.36.03.11	International Planned Parenthood Federation (IPPF)	100,0	115,0	115,0	115,0	115,0
06.36.03.12	WHO development activities	19,0	25,0	25,0	25,0	25,0
06.36.03.14	Joint UN Programme on HIV/AIDS (UNAIDS) and others	19,0	30,0	25,0	25,0	25,0
06.36.03.16	Global Fund to Fight AIDS, Tuberculosis and Malaria	50,0	0,0	150,0	150,0	0,0
06.36.06	Other UN programmes and various multilateral contributions	135,6	86,0	84,0	86,0	281,0
06.36.06.10	UN Industrial Development Organisation (UNIDO)	6,1	0,0	0,0	0,0	0,0
06.36.06.13	International Labour Organisation (ILO)	9,5	0,0	0,0	0,0	0,0
06.36.06.16	Representation of interestst in international organisations	77,0	70,0	70,0	70,0	70,0
06.36.06.19	Danish UN association	0,0	0,0	0,0	0,0	0,0
06.36.06.20	Support to activities within trade and development	35,0	0,0	0,0	0,0	0,0
06.36.06.23	OECD-DAC development related contribution	0,0	5,0	3,0	5,0	0,0
06.36.06.24	Miscellaneous multilateral contributions	8,0	11,0	11,0	11,0	211,0
06.36.06.25	UN Office on Drugs and Crime (UNODC)	0,0	0,0	0,0	0,0	0,0

06.37	Development banks, funds and the EU	1,848.5	1,731.4	1,793.8	2,209.7	1,888.8
06.37.01	World Bank Group	763,8	820,8	771,8	763,8	778,8
06.37.01.10	International Bank for Reconstruction and Development (IBRD)	0,0	0,0	0,0	0,0	0,0
06.37.01.11	The International Development Association (IDA)	665,0	622,0	573,0	565,0	580,0
06.37.01.12	The International Monetary Fund (IMF)	0,0	0,0	0,0	0,0	0,0
06.37.01.13	International Finance Cooperation (IFC)	0,0	0,0	0,0	0,0	0,0
06.37.01.15	Special Action Account	-1,2	-1,2	-1,2	-1,2	-1,2
06.37.01.17	World Bank Global Facility for Disaster Reduction and Recovery	0,0	0,0	0,0	0,0	0,0
06.37.01.18	Global Partnership for Education (GPE)	100,0	200,0	200,0	200,0	200,0
06.37.02	Regional development banks	200,0	100,0	100,0	100,0	0,0
06.37.02.10	The African Development Bank (AfDB)	0,0	0,0	0,0	0,0	0,0
06.37.02.11	The Asian Development Bank (AsDB)	0,0	0,0	0,0	0,0	0,0
06.37.02.12	The Inter-American Development Bank (IDB)	0,0	0,0	0,0	0,0	0,0
06.37.02.13	The Asian Infrastructure Investment Bank (AIIB)	200,0	100,0	100,0	100,0	0,0
06.37.03	Regional development funds, debt relief initiatives and other funds	512,0	215,7	222,0	645,9	410,0
06.37.03.10	African Development Fund (AfDF)	403,0	100,0	100,0	430,0	210,0
06.37.03.11	Asian Development Fund (AsDF)	0,0	0,0	0,0	90,0	0,0
06.37.03.13	Nordic Development Fund (NDF)	0,0	0,0	0,0	0,0	0,0
06.37.03.14	Multilateral debt relief initiatives	109,0	115,7	122,0	125,9	200,0
06.37.04	Development assistance through the EU	372,7	594,9	700,0	700,0	700,0
06.37.04.10	European Development Fund (EDF)	375,0	595,3	700,0	700,0	700,0
06.37.04.11	EU loans to Turkey	-2,3	-0,4	0,0	0,0	0,0
06.38	Partnerships for sustainable growth	0,0	1,299.2	899,2	1,031.2	1,044.2
06.38.01	Mobilisation of financing for investments	0,0	620,0	420,0	520,0	470,0
06.38.01.11	Investment fund for developing countries (IFU)	0,0	300,0	100,0	100,0	0,0
06.38.01.12	International finance corporation (IFC)	0,0	20,0	20,0	20,0	20,0
06.38.01.13	Danida Business Finance	0,0	250,0	300,0	400,0	400,0
06.38.01.14	Project development facility Danida Business Finance	0,0	50,0	0,0	0,0	50,0
06.38.02	Framework conditions, knowledge and business opportunities	0,0	679,2	479,2	511,2	574,2
06.38.02.12	Partnerships for market driven growth	0,0	172,0	112,0	132,0	192,0
06.38.02.13	Growth counsellors	0,0	40,0	50,0	50,0	50,0
06.38.02.14	Strategic sector cooperation	0,0	50,0	50,0	62,0	65,0
06.38.02.15	International Labour Organisation (ILO)	0,0	9,5	9,5	9,5	9,5
06.38.02.16	Support for activities within trade and development	0,0	35,0	5,0	5,0	5,0
06.38.02.17	Energy- and water resources etc.	0,0	45,0	45,0	45,0	45,0
06.38.02.18	Strategic initiatives in growth economies	0,0	10,0	10,0	10,0	10,0
06.38.02.19	Research cooperation	0,0	230,0	110,0	110,0	110,0

06.38.02.20	Fellowships	0,0	30,0	30,0	30,0	30,0
06.38.02.21	Labour market and framework conditions	0,0	57,7	57,7	57,7	57,7
06.39	Humanitarian assistance	1,825.0	1,900.0	1,900.0	1,900.0	1,900.0
06.39.01	General contributions to international humanitarian organisations	590,0	605,0	605,0	605,0	605,0
06.39.01.10	Office of the UN High Commissioner for Refugees (UNHCR)	160,0	160,0	160,0	160,0	160,0
06.39.01.11	UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	70,0	70,0	70,0	70,0	70,0
06.39.01.12	UN Office for Coordination of Humanitarian Affairs (OCHA)	30,0	30,0	30,0	30,0	30,0
06.39.01.13	Humanitarian Food Aid (WFP)	210,0	210,0	210,0	210,0	210,0
06.39.01.14	International Committee of the Red Cross (ICRC)	20,0	20,0	20,0	20,0	20,0
06.39.01.16	UN Central Emergency Response Fund (CERF)	100,0	100,0	100,0	100,0	100,0
06.39.01.17	UN Mine Action Service (UNMAS)	0,0	15,0	15,0	15,0	15,0
06.39.03	Humanitarian contributions to partners in acute and protracted crises	1,235.0	1,295.0	1,295.0	1,295.0	1,295.0
06.39.03.10	Strategic Partnerships and relief pools	674,0	650,0	650,0	650,0	650,0
06.39.03.11	Other contributions to acute and protracted crises	561,0	645,0	645,0	645,0	645,0
§ 06.3 Total		8,074.8	8,969.8	9,332.5	9,443.0	9,433.8

Implementation of reserve allocated on § 35		2017	2018	2019	2020
		(mio. kr.)	(mio. kr.)	(mio. kr.)	(mio. kr.)
06.39	Humanitarian assistance	475,0	475,0	475,0	475,0
06.31.79.20	Budget adjustment	660,0	600,0	600,0	600,0
06.31.79.10	Reserve		60,0	60,0	60,0
Total reserve on § 35		1,135.0	1,135.0	1,135.0	1,135.0

Table 4:
Estimate of Denmark's total development assistance
in 2017 according to the OECD/DAC rules

	Mio. kr.
Development cooperation with developing countries (Finance Act Account § 6.3)	8,969.8
Administration of development cooperation	735.9
Danish Institute for International Studies (DIIS)	22.4
EU development assistance	1,307.0
Parts of international activities delivered by the police and the Danish defence	31.6
Share of UN peace keeping operations	20.4
Expenditures for the sustenance of refugees in Denmark*	3,960.7
Distribution of lottery funds to non-profit organisations	12.9
Other (contributions to UN organisations, etc.)	106.9
Total Danish development cooperation	15,167.6

* In comparison to previous years, more areas of expenditure have been identified concerning the sustenance of refugees which according to OECD/DAC rules can be included as development aid. This entails that the part of refugee expenditures, which can be calculated as development aid, will be increased by DKK 377 million in 2017. A further consolidation of possible areas of expenditure and amounts which can be calculated as development aid will be made when approaching the amendments.

The above-mentioned figures are based on an expected number of asylum seekers of 20,000 in 2017 and a GNI estimate determined in May 2016. As a consequence of a revised GNI estimate determined in August 2016 and a downward adjustment of the expected number of asylum seekers in 2016 and onwards to 10,000, a reserve of DKK 1,135 million for development aid will be allocated to § 35 General Reserves for the purpose of sustaining a development aid percentage of 0.7 % of GNI in 2017 and onwards. Hence, the total development assistance frame is now:

	Mio. kr.
Development cooperation with developing countries (Finance Act Account § 6.3)	8,969.8
Administration of development cooperation	735.9
Danish Institute for International Studies (DIIS)	22.4
EU development assistance	1,307.0
Parts of international activities delivered by the police and the Danish defence	31.6
Share of UN peace keeping operations	20.4
Expenditures for the sustenance of refugees in Denmark*	2,675.6
Distribution of lottery funds to non-profit organisations	12.9
Other (contributions to UN organisations, etc.)	106.9
Reserve allocated to § 35	1,135
Total Danish development cooperation	15,017.5

**THE GOVERNMENT'S
PRIORITIES FOR
DANISH DEVELOPMENT
COOPERATION 2017**

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The Government has presented a draft of Denmark's new strategy for development cooperation and humanitarian assistance. The strategy's point of departure is the pursuit of Denmark's interests and priorities for development cooperation, which it relates to the new Sustainable Development Goals that constitute the new framework for international development cooperation until 2030.

The Government views the Finance Bill for 2017 as a first step towards putting the draft of the new strategy for development cooperation and humanitarian assistance into practice, which – after its adoption – will be able to impact the Finance Acts of the coming years.

The Finance Bill for 2017 prioritises Denmark's development cooperation in relation to the new Sustainable Development Goals. In the Finance Act for 2017, the Government particularly plans to 1) improve the situation in countries and regions affected by war and conflict inter alia through enhanced coherence between humanitarian assistance and development cooperation, 2) strengthen the focus on migration, including the readmission of developing countries' own nationals, and 3) increase development financing especially to growth and employment by mobilising and catalysing private capital and bringing Danish businesses, investors and solutions into play. At the same time, the Government is 4) maintaining a strong focus on human rights especially improving gender equality and the rights of women and girls – because it is the right thing to do, a necessity and the world's best investment.