



MINISTRY OF FOREIGN AFFAIRS OF DENMARK

DANIDA | INTERNATIONAL
DEVELOPMENT COOPERATION

**Strategy for Denmark's Engagement with
The United Nations Development Programme
2022-2025**



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Danish Organisation Strategy for UNDP

Introduction: UNDP is the largest UN development organisation worldwide, working in 170 countries and territories to eradicate poverty and reduce inequality. UNDP's role is to help countries to develop policies, leadership skills, partnering abilities, institutional capabilities, and to build resilience to achieve the SDGs, focusing on three areas: sustainable development, democratic governance & peace building, and climate and disaster resilience guided by their Strategic Plan 2022-2025.

Key results:

- Promoting inclusive, effective and accountable democratic governance for the peaceful resolution of conflict and for advancing social cohesion rooted in a human-rights based approach with gender mainstreamed throughout.
- Build resilience in fragile and conflict-affected settings by ensuring greater collaboration across work related to conflict prevention, governance, disaster risk reduction and climate change adaptation.
- Enhancing organisational effectiveness contributing to UN reform, curbing corruption, and leveraging innovation.

Justification for support:

- UNDP has a unique mandate to end poverty, build democratic governance, rule of law and inclusive institutions, build sustainable peace and resilience, including through conflict prevention and early recovery.
- Its programming and mandate addresses key Danish priorities and interests relating to promoting human rights, curbing irregular migration, empowering women and addressing extreme poverty and climate change.

How to ensure results and monitor progress:

- Progress will be monitored on the basis of key performance indicators from UNDP's Strategic Plan and by taking note of collective performance of the UN development system.

Risks and challenges:

- Results-based management, monitoring, evaluation and reporting remain areas for improvement.
- Stretched human and financial resources, reliance on small donor base.
- Insufficient adaption of rules and procedures to fully leverage partnerships and financing opportunities.
- Increased reported incidents of procurement fraud reported in the Annual report of the Office og Audit and Investigations.
- Potential political obstacles to UNDP's work, its impartiality particularly when operating in fragile and conflict-affected areas.
- Challenges in organisational structure and culture in implementing more strategic and programmatic focus.

Strategic objectives

Contribute to achievement of Agenda 2030's commitment to 'leaving no one behind' and to achievement of Sustainable Development Goals. Serve as 'integrator' across UN development system.

Priority results

1. Delivering on signature solution 2: Governance.
2. Delivering on signature solution 3: Resilience.
3. Nature, climate and energy.
4. Organisational effectiveness and leveraging innovation.

File No.	2022-12948					
Responsible Unit	FNNY, MUS					
	<i>Mill.</i>	2022	2023	2024	2025	total
Commitment		370	370	370	370	1480
Projected ann. Disb.		370	370	370	370	1480
Duration of strategy	2022 - 2025					
Finance Act code.	§06.36.01.10, §06.36.06.16					
Desk officer	Mikael Erbs					
Financial officer	Michael Blichfeldt					

SDGs relevant for Programme (all)



Budget (2020)

Regular resources	USD 0.7 billion
Other resources	USD 4.9 billion
Total	USD 5.6 billion

Danish involvement in governance structure

- Active bilateral dialogue with UNDP at all levels, including the level of Minister/Under Secretary General
- Active participation in Executive Board Meetings. Denmark participates in a rotation scheme to decide membership of the Executive Board coordinated in the Western Europe and Other donor group (WEOG). Denmark assumes membership in 2023 and 2025.
- Denmark has annual high-level consultations with UNDP.

Core information

Established: 1965
Headquarters: New York
Head: Achim Steiner, Administrator
Human Resources: 19,794 employees
Country Presence: Present in 170 countries

1. Objective

This Strategy for the cooperation between Denmark and the United Nations Development Programme (UNDP) forms the basis for the Danish contributions to the organisation and is the central platform for Denmark's dialogue and partnership with UNDP. It sets forth Danish priorities for UNDP's performance within the overall framework established by the organisation's own Strategic Plan 2022-2025. In addition, it outlines specific goals and results vis-à-vis UNDP that Denmark will pursue in its cooperation with the organisation. Denmark will work closely with like-minded countries towards the achievement of results through its efforts to pursue specific goals and priorities. The strategy will align with UNDP's Strategic Plan and form the basis of the Strategic Partnership Agreement (SPA) between Denmark and UNDP, which will enter into force mid-2022 and cover the same period.

Denmark's strategy for its partnership with UNDP is anchored in Denmark's Strategy for Development Cooperation, 'The World We Share' and Denmark's Foreign and Security Policy Strategy 2022.

2. The Organisation

Mission and Mandate: Mandated by the UNGA, UNDP has the most comprehensive tasks among all UN agencies. Its mandate includes, but is not limited to, poverty reduction, democratic governance, peacebuilding and state building. Beside its programmatic role in eradicating poverty in all its forms and dimensions, accelerating structural transformation for sustainable development, and building resilience to crises and shocks, UNDP serves an 'integrator' function. It spearheads a multidisciplinary, 'whole of society' response in line with the SDGs, with innovation, digitalization and financing as key enablers. Furthermore, UNDP is the 'operational' backbone of the UN system, servicing other UN entities at country level. It provides a platform that includes finance, human resources, procurement, travel, IT and other services to over 80 UN and other entities. At the normative level, UNDP performs a leading role in global development policy thinking that covers, e.g. governance and the role of the private sector in development. The organization's work is guided by the [Strategic Plan 2022-2025](#), which charts the course towards an inclusive recovery from COVID-19 and the attainment of the SDGs, especially the commitment to 'leaving no one behind' and reaching those furthest behind first.

Governance arrangement: UNDP is governed by and accountable to an Executive Board, which is subject to the authority of the UN Economic and Social Council and provides inter-governmental support and oversight. The Board comprises 36 members representing the five regional groups of UN Member States. During the period of this Organisation Strategy, Denmark will assume membership on the Board in 2023 and 2025. It meets three times a year to review and establish policies, approve programmes and decide on administrative and financial plans and budgets. UNDP is administered by an Administrator appointed by the UN Secretary-General.

Organisational structure: UNDP is the largest UN development organisation worldwide, operating in a highly decentralised manner across 170 countries and territories and employing over 19,000 staff across 137 country offices, 5 regional offices and 5 global policy centres. 93 % of its workforce is based at country level. UNDP further administers the United Nations Capital Development Fund (UNCDF) and United Nations Volunteers programme (UNV).

Finances and funding: UNDP is funded entirely from voluntary contributions totalling USD 5.6 billion in 2020. Donor contributions to UNDP represent about one-fifth of all contributions to the UN Development System. In 2020, Denmark was the 9th largest donor to UNDP's core resources (15th in terms of total contributions) and 2nd largest donor to UNDP's Funding Windows, which are softly earmarked pooled funds, where Denmark contributed to the window on *Governance, Peacebuilding, Crisis and Resilience*. Denmark contributed in total DKK 350 million in core and soft-earmarked funds, of which DKK 150 million were in core funding to UNDP in 2021. For more information on UNDP's budget please refer to the latest [Annual Report](#) and [Funding Compendium 2020](#).

3. Lessons learnt, key strategic challenges and opportunities

Recent years have presented significant challenges to delivering development progress in the multilateral system, the COVID-19 pandemic, persistent humanitarian crises and fragility including pressures on civic space, climate change have had disruptive effects, forcing UNDP to remain dynamic and agile in delivering on its mandate.

The socio-economic impacts of the pandemic compounded by other challenges, resulted in the number of people living in poverty increasing for the first time in over 20 years. The pandemic unmasked a deep inequality in the capacity of governments to respond to external shocks like the pandemic, including due to lack of financing and technical capacity. UNDP played a pivotal role in the UN systems socio-economic response to COVID-19, particularly through the elaboration of country-level socio-economic response and recovery plans. Risk-informed development is key to prevention, recovery and stabilization with a view to addressing the structural vulnerabilities and future uncertainty. That is why building an agile, anticipatory organisation as well as improving risk-informed programming is at the core of UNDP's Strategic Plan.

At the organisational level, recent years have also been extraordinarily turbulent for UNDP. Reforms of the UN development system (UNDS) have had particularly far-reaching consequences for UNDP. In 2019, the Resident Coordinator (RC) function was delinked from the UNDP Resident Representative. As outlined in Resolution 72/279 as well as the 2020 Quadrennial Comprehensive Policy Reform of the UN system's operational activities (QCPR) policy guidance, UNDP continues to maintain a unique role in assisting the RC and UNCTs providing an 'integrator' function¹ and is still the second largest contributor to the RC system. According to the [2021 report of the Multilateral Organisation Performance Assessment Network](#) (MOPAN assessment), UNDP has adapted well to these changes, including delinking from the RC system. However, a persisting challenge remains with regard to UNDP's repositioning in the Humanitarian-Development-Peace (HDP) nexus, an issue of particular interest vis-a-vis Denmark's cooperation with UNDP.

The MOPAN assessment also identified key operational challenges and areas relevant for UNDP's implementation of the Strategic Plan 2022-2025: i) a reliance on a small number of core donors and an imbalance in regular and earmarked funding, ii) a lack of alignment of its organisational structure and culture to a more strategic and programmatic focus as well as persisting gaps between HQ policies and field-level operations, iii) a results based management system that is unable to steer and aggregate results at global level, iv) shortcomings in monitoring and evaluation, v) internal fragmentation of thematic interventions. [Many of these same findings were presented in a mid-term review of the previous Organisation Strategy for UNDP (2018-2022) conducted by the MFA. In this review, particular emphasis was put on the process of delinking from the RC system and UNDP's role in the HDP nexus space as well as the overall inadequacy of the UNDP results-based monitoring system.] Further risks are identified in section 6. Finally, deliberations in the internal UNDP MFA Contact Group have indicated that UNDP's implementation of UNDS reform principles and cooperation with other UN organisations varies from country to country, with some representations reporting room for improvement. Other observations from representations in the field include the need for UNDP to engage and coordinate more frequently and strategically with key donors at country level and to ensure that country level leadership is both willing and capable of addressing the development challenges in that specific context.

UNDP is a long-term trusted partner of host governments, which puts the organisation in a privileged position to support national development processes. In case that no other agency is able to respond to demands at country level, UNDP has a mandate as a provider of last resort. The recent MOPAN assessment, noted that this creates a risk of confusion about the organisation's role vis-à-vis other specialized agencies. A stronger emphasis on knowledge management and positioning itself as a 'thought leader' would strengthen the organisation's role as an 'integrator' and help leverage their comparative advantage in the area of governance. UNDP's aspires to leverage this opportunity under the Strategic Plan. A recent [evaluation of UNDP's energy portfolio](#) (2018-2021) echoed this finding and recommendation with regard to UNDP's role in the energy field.

Following a decade of increasing imbalance between core and earmarked funding, UNDP saw some improvements in the total amount of regular resources received over the past years. However, inadequate and imbalanced funding remains a key challenge for the organisation. In 2020, UNDP saw a 13 % increase in regular resource contributions, increasing from USD 616 million received in 2019 to USD 696 million in 2020. However, the proportion of regular resources remains at 13 %, the same level it has been at since 2016. Core resources are a prerequisite for adequate organisational development, monitoring and documentation of result as well as many of the services and infrastructures provided by UNDP in a range of contexts of interests to Denmark.

¹ Under General Assembly resolution 72/279 (paragraph 32).

Under the Strategic Plan, UNDP aims to increase proportion of regular resource funding further, in line with the 30 % goal of the funding compact. This ambition also supports UNDP's aim of shifting programming to focus on portfolios over projects, in order to support long-lasting, transformative development progress.

UNDP's Strategic Plan also seeks to address a number of the other abovementioned risks, challenges and opportunities. In line with the plan, UNDP commits to increased investment in six key areas to build an agile, anticipatory organisation: people, knowledge, risk management, funding, operational excellence and impact measurement. This includes roll out of a new Enterprise Risk Management (ERM) policy to strengthen oversight and accountability as well as developing a new system of monitoring, evaluation and results measurement including a revamped enterprise resource planning (ERP) system to be launched in 2022. Furthermore, UNDP's People for 2030' strategy seeks to strengthen the organisations skills and competencies to respond to development challenges of the future, including ability to rapidly deploy expertise on e.g. energy and finance. UNDP's new Data Strategy also seeks to strengthen thought leadership and country programming through improving data collection, management, analysis and deployment. With investment in these six areas, UNDP sets an ambition of creating the 'country office of the future' with flexible resources, skills and access to best practices built on a culture of continuous learning and experimentation. The Strategic Plan also emphasises strengthening UNDP's partnerships across the UN system drawing on agencies' complementary strengths and capabilities to deliver stronger results, as well as continuing to leverage its long-standing partnerships with international financial institutions (IFIs), civil society, academia and the private sector and building innovative new development partnerships.

Furthermore, UNDP has established a [strategy and action plan on preventing and responding to sexual harassment \(SH\) and sexual exploitation and abuse \(SEA\)](#), and allocated resources for implementing the action plan through appointing Protection from Sexual Exploitation and Abuse (PSEA) focal points in the majority of its country offices. Tracking progress on PSEA remains a challenge, but efforts have been made to improve this particularly through revision of UNDP's Social and Environmental Standards. The UNDP Executive Board follows the PSEA work closely and requests regular updates.

4. Priority areas and results to be achieved

The following priority areas have been selected for Denmark's partnership and dialogue with UNDP, based on the linkages between Denmark's and UNDP's strategic priorities as well as lessons learned. While Denmark stays fully committed to UNDP's Strategic Plan as a whole, including its integrated approach, the priority areas are selected to highlight the most important priorities relating to both core and non-core contributions.

With a particular focus on these areas and with the Danish human rights-based approach and focus on working across the HDP nexus, Denmark will hold UNDP accountable for delivering on its stated commitments and mandate. Denmark will put an emphasis on mainstreaming a gender perspective in all aspects of UNDP's activities. In consultation with UNDP and its partners, Denmark will advocate for further strengthening and prioritisation of the below listed areas. This will be done in alignment with UNDP's own Strategic Plan and utilizing its accompanying Integrated Results and Resources Framework (IRRF) (Annex 1).

The four priority areas for Danish support spanning both earmarked and core contributions to UNDP during the period 2022-2025 are:

1. Governance
2. Resilience
3. Nature, climate and energy
4. Organisational effectiveness contributing to UN reform, curbing corruption and leveraging innovation

Priority Area 1: Governance

Inclusive, accountable, democratic and effective governance systems and processes are crucial to sustainable development and forms the foundation for leaving no one behind, and is reflected in UNDP second signature solution. It enables the management of risks and contributes to building the resilience necessary to tackle complex development crises and help prevent conflict.

Denmark will support UNDP's critical work on delivering its signature solution to build inclusive, effective and accountable institutions and mechanisms for the peaceful resolution of conflict and for advancing social cohesion. This should be rooted in a human-rights based approach with gender mainstreamed throughout.

The second signature solution of UNDP's Strategic Plan on governance builds on UNDP's comparative advantages and long track record in governance work. In line with the Strategic Plan, UNDP will also work towards strengthening anticipatory and preventive measures, considering how to 'future-proof' governance systems, building on lessons learned from the pandemic response. Furthermore, as articulated in the plan, UNDP's work across all six signature solutions are fundamentally rooted in supporting country governance systems and ensuring human rights, therefore UNDP will mainstream principles of accountability, inclusion and effectiveness across all signature solutions.

This priority areas aligns with the objectives outlined in Denmark's Strategy for Development Cooperation and the objective of supporting good governance and democratic, transparent institutions as fundamental for delivering social services and broad-based economic development, anti-corruption and protection of rights. Denmark expects UNDP to tailor its support in this domain to reflect needs on the ground. Some development contexts may require support for inclusive institutions and processes, core governance functions, electoral cycle and civic engagement local governance and service provision, rule of law, anti-corruption, and access to justice, support for improved regulatory capacities, enhanced legal frameworks, strengthened local governance capacities, digital governance. In crisis contexts, support may be requested for re-establishing core governance functions to support long-term preventive solutions that address root causes of conflict and disasters. Denmark expects UNDP to deliver on its signature solution to build inclusive, effective and accountable democratic institutions and mechanisms for the peaceful resolution of conflict and for advancing social cohesion. UNDP's engagements should be based on thorough conflict analysis and understanding of drivers of conflict. This requires ensuring the inclusion of women, youth, people with disabilities and other groups at risk of marginalisation, working in partnership with agencies such as UNICEF, the High Commissioner for Human Rights, UN Women and others.

Priority Area 2: Resilience

Environmental and human crises are becoming ever more interlinked and pose the risk of undermining and reversing existing development gains and preventing future progress. A deeper understanding of systemic, multidimensional risk can inform resilient societies and ensure human security. With 'resilience' as a signature solution, UNDP supports countries and communities in building resilience to a wide range of shocks and crises, including conflict, climate change, disasters and epidemics.

Denmark expects UNDP to deliver on this signature solution by harnessing UNDP's developmental approach and expertise and by mainstreaming a gender perspective across the issues of conflict prevention, peacebuilding, disaster risk reduction, climate change adaptation and mitigation, and crisis response and recovery. The solution is thus well aligned with the objectives of Denmark's Strategy for Development Cooperation, focusing on activities that contribute to addressing root causes of and focusing efforts to prevent conflict, fragility and instability leading to forced displacement and irregular migration. The solution is also well aligned with Denmark's focus on enhancing a coherent crisis approach for UN agencies and partners working in the HDP nexus. Denmark expects UNDP to facilitate collective outcomes that build resilience in fragile and conflict-affected settings by ensuring greater collaboration across work related to conflict prevention, governance, disaster risk reduction and climate change adaptation.

Priority Area 3: Nature, climate and energy

Climate change and biodiversity loss are among the greatest challenges of our time, undermining development gains, threatening the lives and livelihoods of millions, driving displacement and exacerbating risks of conflict. Furthermore, ensuring access to renewable energy for the 759 million people who currently lack access to electricity is a precondition for poverty reduction, economic growth and employment as well as education, gender equality and health. UNDP has the largest portfolio on nature, climate and energy in the UN system. With a strong comparative advantage in governance and poverty reduction and a demonstrated ability to work in complex multi-stakeholder partnerships, UNDP plays an important role in accelerating nature, climate and energy policy areas.

Nature, climate and energy will therefore be a key priority in Denmark's collaboration with UNDP, with particular focus on UNDP's work to support countries in the implementation of their climate commitments, accelerating the expansion of access to renewable energy, and strengthening climate adaptation efforts and resilience.

UNDP's interventions on climate cut across its six signature solutions, and aim to put the environment at the heart of national economies and development and fiscal planning. It includes UNDP's signature solution on energy, under which it aims to increase access to clean and affordable energy for 500 million people. UNDP's Climate Promise is an example of one of their integrated solutions and exemplifies the aim to shift to a portfolio approach for programming. Governance is a core element of the Climate Promise, which is the largest offer of support to countries on their Nationally Determined Contributions (NDC) under the Paris Agreement. The priority areas align with the objectives of Denmark's Strategy for Development Cooperation, 'The World We Share', on climate action and renewable energy access. Firstly, strengthening action to support climate adaptation and resilience contributes to reducing poverty and inequality, and promotes sustainable green economies and jobs, thereby increasing social cohesion and addressing root causes of migration. Secondly, ensuring access to renewable energy is a precondition for poverty reduction, economic growth and employment as well as education, gender equality and health, and contributes to achieving climate targets.

Priority Area 4: Continuously enhance organisational effectiveness contributing to UN reform, curbing corruption and leveraging innovation

As the Danish expectations relating to *Reporting and Audit; Monitoring & Evaluation; and Fraud, Corruption-related mismanagement and Counter-Terrorism* will be outlined in the Strategic Partnership Agreement between Denmark and UNDP, this section will focus on other efforts aimed at enhanced organisational effectiveness and efficiency.²

Denmark expects UNDP to continuously enhance organisational effectiveness; engage in joint actions spanning analysis, planning and delivery; curbing all forms of corruption; strengthening results-based monitoring system; and leveraging the potential of innovation; ensure continued, constructive engagement in the implementation of UNDS reform and that the UN System continuously reforms to be fit for purpose and to reflect emerging challenges.

Delivering against the Strategic Plan over the coming years will require a streamlined, adaptable and professional organisation and fit-for-purpose processes, which includes results-based management around the design and delivery of country programmes and for the documentation and evaluation of programmes. To achieve this Denmark expects UNDP to be able to attract, retain and deploy qualified staff under the auspices of a capable, dynamic and professionally growing leadership at all levels of the organisation. Partnerships play a key role in ensuring the effective delivery of UNDP's interventions and realization of development goals. In line with UN development system reform, Denmark expects UNDP to continue to work closely with UN partners and other actors including governments (national and local), civil society organisations, other development partners, the international financial institutions, and the private sector to achieve its objectives, including through joint humanitarian and sustainable development cooperation framework plans. Denmark expects UNDP to deliver on its ambition to build partnerships that generate shared value, transform systems, empower local actors and leverage digital platforms.

Denmark has been supporting UNDP's Innovation Facility since 2014 as the main financial supporter. In 2019, Denmark and UNDP agreed to transition UNDP's Innovation Facility towards a focus on 'deep system transformation' following five years of focusing on rapid, small-scale experimentations. This entails building a supply of new policy offers and capabilities in UNDP based on a system transformation logic, while maintaining interest and engagement from governments and donors to invest.

² According to the Ministry of Foreign Affairs' internal Guidelines for Management of Danish Core (including Soft Earmarked) Support to Multilateral and International Organisations all Organisation Strategies must include a priority area that addresses the organisation's effectiveness, including institutional reform processes, adaptive management, efforts to combat corruption and misuse of funds and sexual exploitation and abuse.

The Innovation Facility thus supports UNDP Country Offices to go beyond siloed interventions and deploy a system transformation logic to better understand and more coherently intervene in complex development issues facing the countries: from trust in institutions to transitions towards circular economies. UNDP's Strategic Plan also identifies strategic innovation as one of three key crosscutting enablers to accelerate and scale results across signature solutions.

Denmark expects UNDP to stand firm on its principle of zero tolerance towards sexual exploitation and abuse and sexual harassment and to implement the required institutional and cultural changes in a coherent and system-wide approach. As part of this, Denmark expects UNDP to have appropriate mechanisms and procedures in place to allow for complaints, reporting and investigation and to ensure support and protection for victims.

Denmark will support UNDP's continued efforts to keep its organisation effective, efficient and adaptable so that it can deliver on its mandate in the best possible way, and will work to promote accountability and transparency in UNDP's operations.

5. Budget

Denmark remains a committed partner of UNDP and will continue to provide reliable and predictable funding for its activities and programmes. The Organisation Strategy covers Denmark's core and soft-earmarked contributions to UNDP as well as personnel support provided. Denmark's total contribution to UNDP in 2022 is DKK 370 million of which the core contribution is planned for DKK 150 million. In terms of soft-earmarked funding, Denmark contributes through the thematic funding window on *Governance, Peacebuilding, Crisis and Resilience* to the G5 Sahel countries (Burkina Faso, Chad, Mali, Mauritania, and Niger), Horn of Africa, Syria and Iraq or Afghanistan that are planned to receive DKK 185 million. The Innovation Facility is projected to receive DKK 15 million. Additionally, Denmark provided DKK 20 million in funding for human resources, which includes the secondment of technical experts (e.g. JPOs and Senior Advisors) at both HQ and field level to support development activities of UNDP in line with priority areas of work agreed between UNDP and Denmark.

Danish core (incl. soft earmarked) contributions to UNDP 2022-2025*

Funding as stipulated in the Danish draft Finance Act for 2023 (DKK million)	Finance Act code	2022	Planned 2023*	Planned 2024*	Planned 2025*
Total core incl. soft earmarked funding hereof:	§06.36.01.10				
Core funding	§06.36.01.10	150	150	150	150
Soft earmarked: Thematic funding window on Governance, Peacebuilding, Crisis and Resilience	§06.36.01.10	185	185	185	185
Soft earmarked: Thematic funding window on Nature, Climate and Energy	§06.36.01.10	**			
Soft earmarked: Innovation Facility	§06.36.01.10	15	15	15	15
Personnel support	§06.36.06.16	20	20	20	20
Total contribution (core, soft earmarked and personnel support)		370	370	370	370

* Subject to annual parliamentary approval. Core incl. soft earmarked contributions follow multilateral guidelines.

** These additional funds are pending the finalisation of the Finance Act 2022 and onwards.

6. Risks and assumptions

UNDP has identified several risks based on lessons learned from implementation of previous Strategic Plan that may negatively affect the implementation of the new Strategic Plan and the realization of its ambition. The below risks pertain specifically to the Danish priorities specified above[, and are complemented by key risks identified in the mid-term review of the previous organisation strategy conducted by the MFA]:

- While UNDP has adapted well to UNDS reform, challenges persist in repositioning, particularly with regard to the HDP-nexus.
- Results-based management, monitoring, evaluation and reporting remain areas for improvement.
- Lack of human and financial resources to fully realize transformative results on promoting gender equality and women's empowerment.
- Insufficient adaption of rules and procedures to fully leverage partnerships and financing opportunities.
- Internal challenges, including risk aversion, financial resources, flexibility in rules and regulation, and knowledge management limit scalability of innovation.
- Risks remain with regards to the misuse of funds. The Annual report of the Office of Audit and Investigations on internal audits and investigations activities 2020 reports an increasing number of procurement frauds.
- Risks regarding political obstacles for UNDP's work, its impartiality and adherence to the UN Charter remain, and are to be expected as UNDP maintains an extensive country presence, including in fragile and conflict-affected countries. Increasing investments in areas such as conflict prevention, and direct engagement with a range of state and non-state actors are often politically sensitive or perceived as contentious.

The lessons learned, six areas of investment and three enablers outlined in the Strategic Plan represent the first line of defence in mitigating the above risks. These activities are elaborated on in chapter 2 on lessons learned, strategic challenges and opportunities. A key overall assumption underpinning the plan is the availability of funding to effectively implement activities across all signature solutions.

7. Danish approach to engagement with the organisation

Based on the priorities specified above, Denmark will continue to pursue an open and constructive dialogue with UNDP through its Permanent Mission in New York informed by an internal MFA Contact Group, which serves as forum for discussing and strategizing around the partnership, and in the context of the Annual High-Level Consultations between Denmark and UNDP. These consultations will be used to follow-up on the cooperation over the past year and discuss the way ahead. Denmark will rely on UNDP's own reporting, monitoring and evaluation systems for follow-up on priority areas including the annual reporting, reports on thematic funding windows as well as UNDP's mid-term review of their Strategic Plan, this will be further outlined in the Strategic Partnership Agreement between Denmark and UNDP.

Another platform for dialogue is the UNDP Executive Board meetings, where Denmark engages actively, even in years when Denmark is not a formal member. Denmark will continue to cooperate closely with Nordic and other like-minded countries, including via WEOG, regarding issues related to UNDP, through regular coordination meetings prior to important discussions and decision-making. The engagement through dialogues with UNDP extends to the regional and country level (including the UNDP Nordic Office in Copenhagen), where Danish representations and MFA departments engage UNDP in discussions around its programming as well as its advocacy work. Efforts are made to facilitate information sharing among the different layers at which the MFA is engaging with UNDP (New York, Copenhagen and Danish representations at country-level), a.o. through the internal MFA UNDP Contact Group, which meets regularly to discuss issues pertaining to Denmark's collaboration with UNDP. Denmark will also actively work with UNDP to pursue strategic opportunities through secondments.

Annex 1: Danish priorities and monitoring

In full alignment with UNDP's Integrated Results and Resources Framework (IRRF), Denmark will pay particular attention to the delivery of the results listed in the table below. These results are organised under the four UNDP signature solutions prioritised by Denmark with indicators under each of these as well as one priority area related to organisational effectiveness and efficiency. UNDP's role in the wider UN system and its mandate to mobilize other actors to maximize collective impact, performance reports of the multilateral system as a collective under the Quadrennial Comprehensive Policy Reform (QCPR) will also be looked at as a source of information on progress on UN Development System reform and performance by the UN system as a collective.

Priority Area 1: Effectively delivering Signature solution 2: Governance		
Key output indicators selected from UNDP's Integrated Results and Resources Framework		
UNDP result area-level outputs	Indicators	Baselines and goal targets ³
2.1 Open, agile, accountable and future-ready governance systems <u>in place</u> to co-create and deliver solutions to accelerate SDG achievement	2.1.1 Number of measures to strengthen accountability (including social accountability), prevent and mitigate corruption risks, and integrate anti-corruption in the management of public funds, service delivery and other sectors at: <ul style="list-style-type: none"> ▪ Regional level ▪ National level ▪ Sub-national level ▪ Sectoral level 	
2.2 Civic space and access to justice <u>expanded</u>, racism and discrimination <u>addressed</u>, and rule of law, human rights and equity <u>strengthened</u>	2.2.1 Number of countries with institutions, systems, or stakeholders with capacities to support fulfilment of nationally and internationally ratified human rights obligations: <ul style="list-style-type: none"> ▪ Rule of law and justice ▪ Human rights ▪ Private sector, including publicly owned companies 2.2.2 Number of countries that have targeted systems with strengthened capacities to: <ul style="list-style-type: none"> • address discrimination • address racism • expand civic space 	
2.3 Responsive governance systems and local governance <u>strengthened</u> for socio economic opportunity, inclusive basic service delivery, community security, and peacebuilding	2.3.1 Number of national institutions with strengthened public administration and core government functions for: <ul style="list-style-type: none"> • Improved service delivery • Community security • Prevention 	
2.4 Democratic institutions and processes <u>strengthened</u> for an inclusive and open public sphere with expanded public engagement	2.4.1 Number of countries with: <ul style="list-style-type: none"> • constitution making processes with mechanisms for civic engagement • Electoral Management Bodies with strengthened capacity to conduct inclusive, peaceful and credible elections 	

³ Baseline and goal targets will be presented at the Annual Session 2022 and updated in the Organisation Strategy accordingly.

	<ul style="list-style-type: none"> parliaments with improved capacities to undertake inclusive, effective, and accountable law-making, oversight and representation 	
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Priority Area 2: Effectively delivering Signature solution 3: Resilience

Key output indicators selected from UNDP's Integrated Results and Resources Framework

UNDP result area-level outputs	Indicators	Baselines and goal targets
<p>3.1 Institutional systems to manage multi-dimensional risks and shocks strengthened at regional, national and sub-national levels</p> <p><i>(Relevant to priority area 4: on nature, climate and energy)</i></p>	<p>3.1.1 Number of risk-informed development strategies and plans in place at:</p> <ul style="list-style-type: none"> regional level national level sub-national level sectoral level <p>3.1.2 Number of countries with early warning and preparedness measures in place to manage impact of conflicts, disasters, pandemics and other shocks</p> <p>3.1.3 Number of gender-responsive conflict sensitive development policies, cross-border initiatives, plans, or institutions in place to:</p> <ul style="list-style-type: none"> address conflict drivers strengthen social cohesion prevent risk of conflict, including climate security 	
<p>3.2 Capacities for conflict prevention and peacebuilding strengthened at regional, national and sub-national levels and across borders</p> <p><i>(Relevant to priority area 4 on Nature, Climate and Energy)</i></p>	<p>3.2.1 Number of cross-border, regional, national, and sub-national policies, strategies, and action plans for conflict prevention and peacebuilding:</p> <ul style="list-style-type: none"> Prevention of violent extremism Reconciliation Reintegration Climate change <p>3.2.2 Number of cross-border, regional, national, sub-national and community-based organizations with capacities for:</p> <ul style="list-style-type: none"> Mediation Dialogue and consensus building Social cohesion Conflict prevention and peacebuilding Community resilience to address psychosocial support, hate speech and information pollution 	
<p>3.3 Risk informed and gender-responsive recovery solutions, including stabilization efforts and mine action, implemented at regional, national and sub-national levels</p>	<p>3.3.1 Number of people benefitting from jobs and improved livelihoods in crisis or post-crisis settings:</p> <ul style="list-style-type: none"> Female Male 	

	<ul style="list-style-type: none"> • Sex-disaggregated data unavailable • Youth • Persons with disabilities • Internally displaced populations • Refugees <p>3.3.3 Number of institutions with gender-responsive resilient recovery strategies or plans in crisis and post-crisis settings, including stabilization and mine action, informed by joint assessments:</p> <ul style="list-style-type: none"> • Cross-border institutions • Regional institutions • National governments • Sub-national governments • Private sector • CSO/NGOs 	
<p>3.4 Integrated development solutions implemented to address the drivers of irregular and forced migration, enhance the resilience of migrants, forcibly displaced and host communities, and expand the benefits of human mobility</p>	<p>3.4.1 Number of institutions that have mainstreamed human mobility into their development policies and plans:</p> <ul style="list-style-type: none"> ▪ Cross-border institutions ▪ Regional institutions ▪ National governments ▪ Sub-national governments ▪ Private sector 	

Priority Area 3: Nature, climate and energy		
Key output indicators selected from UNDP's Integrated Results and Resources Framework linked to signature solution 4 and 5 on environment and energy		
UNDP result area-level outputs	Indicators	Baselines and goal targets
Signature Solution 4: Environment		
<p>4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions</p>	<p>4.2.1 Number of people directly benefitting from mechanisms for biodiversity, water, oceans, and climate solutions funded by public and/or private sector resources:</p> <ul style="list-style-type: none"> • Public sector resources <ul style="list-style-type: none"> ○ Female ○ Male ○ Sex-disaggregated data unavailable • Private sector resources <ul style="list-style-type: none"> ○ Female ○ Male ○ Sex-disaggregated data unavailable <p>4.2.2 Number of people with enhanced resilience of health, food, and water security, and/or livelihoods due to public and/or private resources</p>	
Signature Solution 5: Energy		
<p>5.1 Energy gap closed</p>	<p>5.1.1 Number of people, who gained access to clean, affordable and sustainable energy:</p> <ul style="list-style-type: none"> • Female • Male • Sex-disaggregated data unavailable 	

	<ul style="list-style-type: none"> • In urban area • In rural area <p>5.1.2 Number of people, who benefitted from services from clean, affordable and sustainable energy:</p> <ul style="list-style-type: none"> • Female • Male • Sex-disaggregated data unavailable • In urban area • In rural area 	
5.2 Transition to renewable energy accelerated capitalizing on technological gains, clean energy innovations and new financing mechanisms to support green recovery	<p>5.2.1 Increase (in megawatt) in installed renewable energy capacity per technology:</p> <ul style="list-style-type: none"> ▪ Solar ▪ Wind ▪ Biomass ▪ Hydro ▪ Geothermal <p>5.2.3 Volume of investment leveraged to support green recovery (in US dollars)</p>	
Operational Excellence		
6.5 UNDP become green, sustainable and just by reducing Greenhouse Gas (GHG) emissions	6.5.1 Percentage reduction in GHG emissions ⁴	

Priority Area 4: Continuously enhance organisational effectiveness contributing to UN reform, curbing corruption and leveraging innovation		
Key output indicators selected from UNDP's Integrated Results and Resources Framework		
UNDP result area-level outputs	Indicators	Baselines and goals targets
1.2 Intergovernmentally-agreed principles integrated in programming and policies	1.2.2 Percentage of expenditures with a significant gender component and with gender as a principal objective ⁵	
2.2 Diverse and engaged workforce valued and empowered to perform at their highest potential	2.2.1 Staff Engagement Index	
2.3 Inclusive working culture that is free from discrimination and exploitation and/or abuse <u>continued to be built</u>	<p>2.3.1 Percentage of offices that have a sexual harassment and sexual exploitation and abuse action plan in place</p> <p>2.3.2 Percentage of country offices that have a system in place to prevent and respond to sexual exploitation and abuse</p>	
4.1 Proactive and effective approaches to risk management embedded in UNDP's decision-making and business model	<p>4.1.2 Percentage of business units managing and monitoring risks at:</p> <ul style="list-style-type: none"> • programme level⁶ • project level⁷ 	

⁴ UNDP is committed to be green, sustainable, and just. The [Moonshot](#) initiative aims to reduce UNDP's Greenhouse Gas emissions by 25 percent by 2025 and 50 percent by 2030 against the level of 2018.

⁵ Indicator from the QCPR framework.

⁶ Percentage of business units updating their risk log in the Integrated Work Plan at least twice a year (Q1-Q2 and Q3-Q4)

⁷ Percentage of business units monitoring project risks in the Project Risk Dashboard at least quarterly (Q1, Q2, Q3 and Q4)

<p>5.1 Flexible and predictable funding secured for agile response to country needs and support longer term results</p>	<p>5.1.1 Size (in millions of dollars) in funding disaggregated by funding stream:</p> <ul style="list-style-type: none"> ▪ Total ▪ Regular resources ▪ Other resources <ul style="list-style-type: none"> - Government cost-sharing - Third party cost-sharing - Vertical funds - Funding windows - UN pooled funding <p>5.1.3 Percentage of flexible funding resources to total programme resources:</p> <ul style="list-style-type: none"> ▪ Regular resources ▪ UN pooled funding ▪ Funding Windows 	
<p>7.1 Transformative change tracked and evaluated over longer time spans</p>	<p>7.1.1 Percentage of impact, thematic, programme, outcome and portfolio evaluations out of total evaluations⁸</p>	
<p>8.1 UNDS reform implementation and country teams' efforts to implement the 2030 Agenda supported through coherent actions</p>	<p>8.1.1 Compliance rate with management accountability framework (MAF) provisions at country level</p>	
<p>E.2 Innovation capabilities built, and approaches adopted to expand policy options at global, regional, national and sub-national levels</p>	<p>E.2.2 Number of innovative solutions adopted by programme partners, which expanded policy and development options:</p> <ul style="list-style-type: none"> - Artificial Intelligence - Behavioural insights - Blockchain - Foresight - Crowd funding - Crowd sourcing - Micronarratives - New and emerging data - Positive deviance - Real-time information systems - Remote sensing - Other 	
<p>E.3 Public and private financing for the achievement of the SDGs expanded at global, regional, and national levels</p>	<p>E.3.1 Amount (in US dollars) of public and private finance leveraged for the SDGs:</p> <ul style="list-style-type: none"> • Global level (Global capital markets) • Regional level <ul style="list-style-type: none"> - Public - Private • National level <ul style="list-style-type: none"> - Public - Private 	

⁸ This indicator measures only decentralized evaluations.

Key strategic outcomes drawn from Quadrennial Comprehensive Policy Reform (QCPR)		
Outcome	Output	Indicator
A tailored whole of system response (OP16) anchored in the SDGs, relevant programme of actions (OP10-11), and greater cooperation across humanitarian, development and peacebuilding action enables moving beyond short-term assistance to longer term development gains (OP16, 36) especially in the most vulnerable countries.	Joint risk-informed analysis, planning and action.	Percentage of UN Country Teams that undertook: <ul style="list-style-type: none"> i. jointly developed multidimensional risk-informed analysis ii. complementary and joined up planning iii. coherent and complementary joined-up programming jointly with humanitarian actors (as appropriate) with the aim of reducing need, vulnerability and risk over time.