

MINISTRY OF FOREIGN AFFAIRS OF DENMARK



Partnering with Denmark

for

Sustainable Growth, Trade and Welfare

Danish Authorities in International Cooperation

Guidelines

**SECTION 1: Purpose, Legal Basis, Concept
and Principles**

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These guidelines can be found at The Ministry of Foreign Affairs' Aid Management Guidelines webpage: <http://amg.um.dk/>

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List of abbreviations

CRM system	Customer Relationship Management
CSR	Corporate Social Responsibility
DAC	Development Assistance Committee
DPA	the Danish public authority
FDI	Foreign Direct Investment
GC	Growth Counsellor
HR	Department for Human Resources
KPIs	Key Performance Indicators
KVA	Department for Quality Assurance and Financial Management of Development Cooperation
MoU	Memorandum of Understanding
NGO	None Governmental Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
SSC	Strategic Sector Cooperation
TC	Trade Council

1. Objectives, Legal Basis, Concepts and Principles

1.1. Background

Denmark has an international reputation for having a conducive policy, planning and regulatory framework which promotes responsible and sustainable growth, employment and social welfare. There is a partnership between the public and private sector and civil society which is based on trust, flexibility and mutual respect for the contribution by each part to the development of the society and for maintaining Danish values of social inclusiveness, equality, and equal access to public services; good governance and corporate social responsibility, respect for the environment and development of green solutions.

The public sector has established a good enabling environment through policy and regulatory frameworks, research and technology development and by securing incentives for the private sector to provide state of the art solutions for public/private sector cooperation on broader sector initiatives. This partnership has provided advanced solutions in many sectors as e.g. within energy, education, environment, health, and food production. In order to comply with international demand for sharing these Danish competences and the unique Danish blend of state and market, the Danish Government has launched a new Facility which is available for a selected group of low and middle income countries with high economic growth during a pilot period of three years 2015-17.

Eligible partner countries:

Bangladesh	Indonesia	Nigeria
Brazil	Kenya	Pakistan
China	Malaysia	Philippines
Colombia	Mexico	Turkey
Ethiopia	Myanmar	Ukraine
Ghana	South Africa	Vietnam

The Facility will promote long-term bilateral relations between public authorities in Denmark and in partner countries and, by leveraging private sector solutions, contribute to a joint goal of sustainable growth and prosperity. The cooperation will be tailor-made to the specific country's circumstances, depending on the demand from the partners and the already existing Danish engagement in the country and sector, as well as the Danish public and private sector competencies within the sector.

The framework for the creation of the Facility is the overall Danish strategy for Development Cooperation "The Right to a Better Life" (May 2012) and the Danish Government's Strategy on Export Promotion and Economic Diplomacy (May 2014).

The **Facility is financed via funding from the Danish development cooperation** (Danida), and specific legal basis and budget allocations for the Growth Counsellors and the Strategic Sector Cooperation are provided in the Danish Finance Act of 2015:

§06.32.04.17 on Strategic Sector Cooperation states:

“...with the purpose of improving framework condition, regulation, policies etc. in sectors in the partner countries where Denmark has comparative strengths.... The long-term cooperation will be implemented with Danish Ministries and institutions...”

§06.32.04.16 on Growth Counsellors states:

“... Makes knowledge and expertise available for implementation of the Strategic Sector Cooperation...” “The focal areas for Growth Counsellors will in particular be to facilitate that Danish public authorities and Embassies in a partner country meet concrete demands from sector authorities for support to strengthen the sector’s framework conditions, regulations and policies; local development needs that are important for attracting investments and creating growths and jobs in the partner country must be addressed. The Growth Counsellors focus on sectors where Denmark is able to offer a high level of know-how and technology and at the same time benefit Danish private sectors’ export and globalization efforts.”

Further the Facility shall follow the OECD/DAC criteria for development aid. **OECD/DAC criteria for development aid.**

Official development assistance is defined as those flows to countries and territories on the DAC List of ODA Recipients (available at www.oecd.org/dac/stats/daclist) and to multilateral development institutions which are:

- i. provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. each transaction of which:
 - a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
 - b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).

1.2. Purpose of guidelines

The guidelines define the administration of the partnership between the public authorities in Denmark and in the partner country and serves as management guidelines for the Secretariat responsible for the Facility in the Danish Ministry of Foreign Affairs, the Danish public authority, the local partner and the Danish embassies. The guidelines should be used as a **catalogue**

that explains the actions needed at various steps in the preparation, implementation and exit phase, and with support from the templates and tools included in the annexes.

Contents

The guidelines consist of the following main sections:

- Section 1 - Introduction to the Facility, its rationale, main guiding principles and stakeholders
- Section 2 - A practical guide to the implementation of the activities of the Facility including posting of Growth Counsellors (GC) and funding and administration of Strategic Sector Cooperation projects (SSC)
- The Annexes provide a set of tools and templates for an application, monitoring and reporting.

It is important to study these guidelines before filling out the templates for application.

1.3. The Facility

Objectives and result areas

The Facility will offer support to improving the policy, regulatory, capacity development, planning and investment frameworks in the partner countries through assistance to development, implementation and enforcement of these frameworks. Hereby, it will assist and facilitate solutions to identified priority development challenges within a specific sector in a specific partner country. It will target sectors in which Denmark has public and private sector know-how, technologies and products of relevance to sector development. It is intended to exploit the comparative advantages of, and promote a synergy between, public and private sector capacities in delivering these solutions.

Thus it is the expectation that the cooperation will be of mutual benefit by bringing in Danish state-of-the art solutions to solving development challenges in a given partner country, and at the same time expanding Danish public and private sector presence in the country. The underlying assumption is that private sector development and investments are important drivers for responsible and sustainable growth, employment and social welfare when supported by appropriate public sector driven improvements in the enabling environment.

The key result areas are:

- a) To improve cooperation between Danish ministries for promotion of Denmark's international cooperation and global economic interest
- b) To achieve poverty oriented, inclusive and rights-based sustainable development results for the partner country through improved policies and regulatory frameworks and public/private sector cooperation.
- c) To improve the opportunities for the Danish private sector to expand its commercial engagement and investments in the partner country through increased network, knowledge, and cooperation, and hence facilitate the contribution by the private sector to development.

These results will be achieved in three ways:

- **Addressing the development challenges.** Danish public authorities will enter into strategic sector cooperation with counterpart public authorities in the partner countries. This cooperation will seek to address development challenges identified by the local partner within the targeted sector. The aim is to address binding constraints in the sector framework in order to improve the enabling environment, e.g. improve the policy and regulatory framework, improve incentive structures, establishment of better sector investment planning, or system development e.g. integration of wind energy in the power grid or monitoring and enforcement systems. This improved enabling environment will contribute to solving a specific development issue, as well as increase incentives for investments and create opportunities for private sector involvement within this specific (or broader) areas. (Box 1 includes an example)
- **Activation of Danish know-how, technology and investments.** A broader result of the cooperation will be the gathering of information, insights and a network of sector contacts between the public authorities in Denmark and the partner countries. This will benefit the partner country by making state-of-the-art solutions available within the sector as well as raise the quality and expand the variety of solutions for the partner country to choose from. For Danish companies it will provide opportunities to gain network, knowledge and insights into the partner country and sector which can lead to future well founded expansion of engagement and partnerships via trade and investment
- **Matching the two.** Prior to initiating strategic sector cooperation between Denmark and a given partner country, it is important to ensure that the partner country's demand for targeted assistance to a specific development challenge falls within an area where Denmark can offer a high level of know-how and technology – both within the public and the private sector or in combination. This **match-making** is crucial in order to secure mutual benefits. There is a need for a solid overview of the relevant Danish resource base and of the key issues in sectors. Annex 2.4 provides input to the establishment of a baseline.

Measurement of results is further described in chapter 2.5.

Growth Counsellor and Strategic Sector Cooperation - two complementary instruments

The Facility introduces two instruments: the Growth Counsellors (GC) and Strategic Sector Cooperation (SSC). The SSC is a partnership between a Danish public authority and a counterpart institution for sustainable development (economic and social). The Danish public authorities (DPA) will support with expertise and lessons-learned and facilitate transfer of Danish know-how, experience and technology relevant and tailored to local priority issues, local conditions, and needs, as demanded by the partner authorities. The Growth Counsellors will facilitate and support the SSC and together with local partner institutions identify how Danish know-how, systems, experiences and technology from the public and private sectors can be of best use to address the development challenges identified in the countries. The intention is that the two instruments complement each other and stimulate joint cooperation.

It is expected that the combined insight into and network of contacts within the specific sector achieved by the GC and the SSC will facilitate increased Danish public and private cooperation with the partner country. It is the in-depth long-term cooperation with partner sector authorities

on the enabling environment and the focus on private/public sector solutions, which distinguish this Facility from the activities of the traditional Danish development project and trade counselor.

The SSC will be defined around a particular development challenge, and it is expected that the SSCs will be fairly technical partnerships. The GC should have sufficient substance matter insight to facilitate the cooperation. S/he should also be able to link to the technologies and know-how, which can be provided by the private sector. Both the SSC and the GC would facilitate private sector engagement in the sector. The combination of the technical collaboration under the SSCs between public authorities and the facilitation of available commercial technologies and know-how by the GC would help bring in new and more efficient solutions to the development challenges identified. Achieving these synergies in addressing the development challenges is the combined mission of the GC and the SSCs. Below some of the main responsibilities are indicated.

Growth Counsellor (Embassy)	SSC (Danish public authority)
<ul style="list-style-type: none"> • Builds up broad networks, opens doors and facilitates contacts • Facilitates and supports identification and development of SSC projects • Facilitates and takes part in implementation of SSC projects • Facilitates involvement of Danish businesses as integral part of the Danish Embassy through information on contact points and opportunities, match-making etc. • Develops annual GC work plan • Country progress reporting • Coordinates and manages PR and media relations 	<ul style="list-style-type: none"> • Builds relationships with partner authorities and other relevant stakeholders • Identifies development challenges together with partners and develops SSC projects • Management and administration of the SSC implementation • Provides expertise for implementation of SSC projects by use of own staff • Knowledge and network sharing with Danish businesses • Financial management and audits • SSC progress reporting • Input to policy/international cooperation dialogue related to the sector

The activities in the respective countries will vary significantly. It will often not be possible to distinguish precisely between activities of the GC and the Danish public authority supporting the specific SSC project, and activities supporting the broader political, development and commercial agenda of the Danish Government related to the sector. As a guiding principle it is expected that both the GC and the staff from the Danish public authority working on the SSC will spend 80% of their time on specific, narrow SSC project related matters and 20% of their time to place the SSC in the broader Danish foreign policy/development/commercial agenda related to the sector with the aim of benefitting both the development of the partner country and Denmark.

Box 1: Support to development of standards for air pollution – a constructed example of a SSC

The Ministry of Environment engages in a partnership with the environmental authorities in a partner country to address the growing challenges of air pollution. The project focuses on introduction of minimum standards for industrial air pollution and contains elements of: analysing the challenges, presenting good practices, stakeholder consultations, drafting of standards, implementation and enforcement.

The Danish contribution to the project would be know-how on development of implementable standards. The Danish Ministry could provide a mix of internal and external experts, which through long and short term inputs provide know-how to the development of the standard, including examples of good practices. The experts work closely with the staff of the counterpart institution. Depending on the profile of the Growth Counsellor he/she contributes with specific technical inputs and facilitates the cooperation between the Danish Ministry and partner institution. It will be a key task of the Growth Counsellor to maintain a continuous dialogue with the partner institution, inform on Danish-state-of-the-art solutions and about opportunities within other Danish development and business programmes

Improved enabling environment - an immediate result of the cooperation. Implementation of the new air pollution standards for reduction of air pollution requires polluters to invest in know-how and technology in order to comply with the standards. This would in the medium to longer term open market opportunities for Danish companies, to on a commercial basis provide state-of-the-art solution to the benefit of the partner country. This could be in partnership with a local company.

Tools for the SSC: Different tools could be included in the cooperation. 1. **Study tours** to Denmark for demonstration of how similar standards are being developed, implemented and enforced in Denmark. This could include demonstration of private/public sector cooperation, of monitoring and enforcement systems and demonstration of Danish know-how and technology to implement air pollution standards. Wider environmental know-how and technologies on promotion of greener growth could be introduced. 2. **Seminars and capacity building** could be used for concept development and introduction of state of the art solutions. Relevant Danish public and private know-how and technology providers should be included in the seminars. Capacity development could include on the job training, external courses or relevant training within Danish public and private institutions and introduction of technology. Capacity development could address individual capacities as well as institutional capacities. 3. **Demonstration projects** could be used to demonstrate state-of-the-art solutions, to build awareness, as training facility and, as relevant, provide examples of public/private partnerships/interactions.

Short to long term result of the SSC and GC – The Danish public authority and the Growth Counsellor will through the SSC build up comprehensive knowledge/insight to developments in the broader sector, establish a broad network of private and public contacts and an understanding of how Danish know-how and technology can contribute to greener solutions in the partner country. Relevant Danish know-how and technology could be introduced to the partner, and Danish providers could be informed about opportunities for environmental/green investments and potential private sector partners. This would both in the short and longer term provide opportunities for matching Danish state-of-the-art solution to development issue in the country to the mutual benefit. Such opportunities could open for longer term cooperation on green growth.

The GC and the Danish public authority would on a continuous basis feed information on sector developments to the Danish embassy and promote synergies with other initiatives.

Strategic Sector Cooperation (SSC)

The Danish public authorities will establish SSC projects with sector authorities in the partner country. A SSC will have a duration of 3-5 years and an average budget of 5 million DKK , with the maximum budget being DKK 10 million. Building of institutional cooperation and achieving results take time and impact can only be expected in the longer term (3-7 years).

Development of a SSC project will most often take place through an iterative process. In the beginning, the process will focus on establishing and fine-tuning the match between partner country development challenges and relevant Danish core competences, systems and technologies in the public and private sector. A key element in this is to identify the right partner for the cooperation, who has the formal mandate, power, personnel and resources to work on the development challenge and ownership to the idea of entering into a partnership with the Danish authority in doing so. Subsequently, the SSC project will be defined jointly between the partner authority and the Danish public authority. This includes reaching agreement on the purpose, approach, division of labour, responsibilities, time line and expected results of the cooperation and building a partnership based on mutual respect and commitment. After reaching this agreement, implementation of the activities to address the development challenge through improving the regulatory framework etc. will start.

The project will be a joint effort to find a solution to a defined development challenge. The Danish public authority will supply expertise from Denmark, and the partner institution will allocate relevant staff and make facilities available. For the SSC to be successful it is critical that the inputs and commitments from both public institutions are made clear and written down and approved at a high level.

The need for SSC projects is due to the fact that SSC will contain a specialised know-how and technical insight that cannot be supplied by the Danish embassies, but will require technical advisory capacity from the public authorities based in Denmark. This will ensure that Denmark can assist the partner country in improving the framework conditions for a chosen sector. The SSC will therefore be undertaken by Danish public authorities that possess relevant specialised skills and experiences and are willing to actively participate in the transfer of Danish knowledge and experience to partner countries. Furthermore, the SSC project can attract the private sector and facilitate their engagement in solving of the development challenge and hence make available the full package of Danish expertise to resolve the development challenges identified by the partner country. The SSC and involvement of the private sector on a commercial basis will be supported by the Growth Counsellor.

Typically the Danish public authority responsible for a SSC project will provide its own staff to the cooperation. Participating staff will be expected to spend a number of longer periods of time (2-4 weeks or more) in the partner country to work closely with counterpart staff. To a limited extent, it will be possible to supplement own staff by hiring consultants with specific skills for specific inputs that are not available in-house. This could be international expertise with specific knowledge or local expertise with a good understanding of local conditions.

Growth Counsellors

The Danish Government will create 17-18 GC positions. The GCs will be posted at the Danish embassies and will be an integral part of the embassy under the authority of the Ambassador.

The profile of the GC will depend on the demand in the given country for a matching sector expertise in Denmark. The GC will typically cover one sector (SSC). However depending on the specific demand in a country the GC could cover several related sectors. Care should be taken not to spread the efforts of the GC too thinly. The risk would be to dilute the sector insights and network, and thereby weaken the comparative advantage of the initiative.

In order to achieve the full benefit of the combined efforts of the SSC and the GC, it is important that the GC has extensive knowledge of the Danish public and private sector strongholds in regulation, policies, technologies, know-how and products. The GC will contribute to sector analysis and through close cooperation with the partner country authorities proactively help to identify and address specific development challenges, where the Danish public authorities and private sector can provide solutions to the identified development challenge.

A phased approach

It requires time and resources to identify and develop trust between the partners, jointly identify the specific development challenges and develop the SSC project to address the identified challenges. The Facility offers two distinct windows of SSC funding:

- a. SSC preparation project - The Facility offers funding for the activities needed to identify partners, obtain background information and analysis and decide on areas of cooperation, and to the joint formulation of the SSC project proposal by the Danish and partner authority. Hence, the preparation project will allow the partners to meet, collect information and analyse challenges, develop a solid partnership and formulate the SSC project together.
- b. SSC project - The Facility offers funding for implementation of the SSC projects.

Section 2 provides further details on procedures.

1.4. Governance

The implementation of the activities under the Facility involves a number of partners with different roles and responsibilities.

The responsible minister in the Danish Ministry of Foreign Affairs: Overall accountable for development cooperation funds and results.

Secretariat: Heads the Inter-ministerial working group. Overall responsible for the activities and results of the Facility. Responsible for annual results reporting for the Facility, specific studies and mid-term reviews. Responsible for preparing and executing the inter-ministerial meetings, takes part in recruitment process of the GCs, prepares modalities and guidelines, supports the Danish public authorities and their partners in developing SSC documentation by commenting on documents before their presentation to the Ministry of Foreign Affairs internal grant committee etc. Supports the Danish public authorities in the implementation of the SSCs. Ensures that progress and lessons from the Facility are shared with the Danish private sector, and other stakeholders.

Inter-ministerial working group: Responsible for a coordinated approach between the involved Danish public authorities in developing and implementing the modalities and activities of the Facility. Screens incoming suggestions for posting of GCs/SSC cooperation; prioritises, selects and recommends the distribution of GC between countries and sectors to the Inter-ministerial coordination group. Each group member is responsible for institutionalising the knowledge, experiences and decisions made by the Group in his/her own organisation.

The Group acts as a consultative forum for discussion of experiences and assists the Secretariat in dealing with matters as they arise and provide recommendations. As such, the Group is a key target group for lessons learnt, assessment of progress and the midterm review. Also, the Group is expected to actively share knowledge with other Danish public authorities based on lessons learnt.

Inter-ministerial coordination group: Coordinates and supervises the implementation of the initiatives covered by the Danish Government Strategy on Export Promotion and Economic Diplomacy. For this particular Facility, the Inter-ministerial coordination group will assess the recommendations from the Inter-ministerial working group on selection of sector and country distribution of GCs and recommend the final distribution of GCs on sectors and countries to the responsible minister in the Danish Ministry of Foreign Affairs.

Danish public authority: Participates in the Inter-ministerial working and coordination groups. Works closely with the Danish embassies on all aspects of the preparation for the GC and SSCs, including: preparation of background information for selection of countries and sectors; elaboration of the job profile of the GC, employment process for GC, preparation of SSC project and application for SSC funding. The Danish public authority is responsible for implementation of the SSC in cooperation with the GC and the counterpart authority. It is also responsible for the results of the SSC and for results monitoring and reporting on the SSC as well as financial reports and audits. Finally, the Danish public authority provides information and input to the Embassy in order to achieve a coordinated Danish Government approach and to increase the knowledge and networks on the sector of relevance to the Danish private sector.

Danish Embassy: Takes part in the preparations for the GC and SSC together with the Danish public authority. The Danish Embassy is responsible for the activities of the GC. Takes part in the annual planning process with the GC and SSC, responsible for reporting on the combined efforts of the GC and SSC at country level.

Growth Counsellor: Responsible for facilitating/taking part in the SSC, ensure in-depth knowledge on development/opportunities in the sector, provides input to different departments of the Embassy, facilitates information on private sector competences and solutions.

Partner institution: Responsible for implementation of the SSC in collaboration with the Danish public authority. During the SSC preparatory project, the partner institution will contribute to the specification of the development challenge, identifying the potential match with Danish competences and will contribute to the design of the SSC project and the preparation of the SSC application together with its Danish partner.

Ministry of Foreign Affairs, Internal grant committee: Approval of SSC grants.

Ministry of Foreign Affairs, Department Head: Approval of SSC preparation projects.

In-country Management and Coordination:

Management within the countries will take place at two levels: 1. Between the Embassy/GC and Danish public authority and 2. Between Partner authority, Danish public authority and the GC/Embassy.

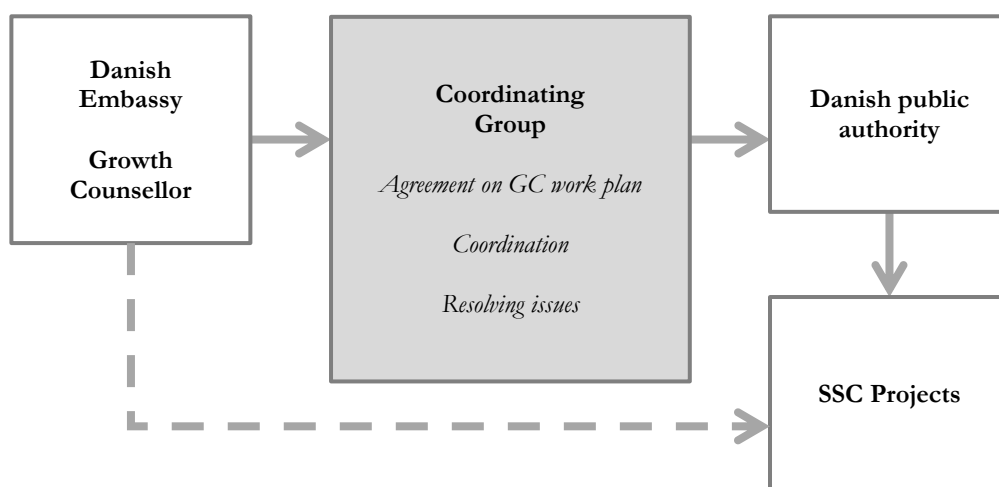
Level 1: Management between Embassy/GC and Danish public authority

The implementation of the SSC will take place in a co-operation between the Growth Counsellor, the Danish public authority and the partner authority.

Whereas the Growth Counsellor refers to the Danish Ambassador, the Danish public authority is responsible for the implementation of the SSC, together with its partner.

To ensure a coordinated effort, a SSC Coordination Group will be established between the Danish Embassy, GC and the Danish public authority. If more Danish public authorities participate in the SSC or in a case where the GC supports several Danish public authorities, the set-up should be adjusted accordingly.

Figure 1 – Coordination Group



The Coordination Group will agree on how the Embassy, the GC and the Danish public authority will cooperate on the implementation of the annual work-plan and define roles and responsibilities of each. This will be based on the work-plan agreed with the Partner authority on the implementation of the SSC. To follow-up on the work-plan implementation, regular video conferences and/or meetings will take place bi-annually between the partners organised by the GC.

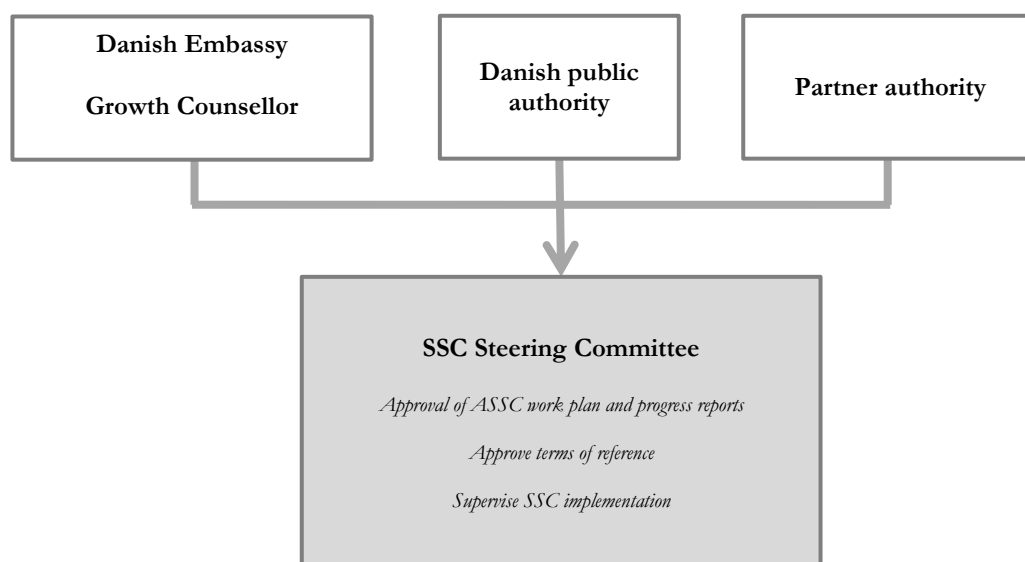
Level 2: Management set-up for a SSC between Partner authority, Danish public authority and GC/Embassy

A SSC Steering Committee will be set up between the GC/Embassy, the Partner authority and the Danish public authority. Initially the Steering Committee will have semi-annual meetings (video conferences) to approve annual work plans and progress reports for the SSC implementa-

tion and decide on adjustments, as needed. Terms of Reference for inputs by experts from the Danish public authority and consultants will be agreed at these meetings if not agreed during the annual meeting. The annual work plans will also include the input of the GC to the SSC. The GC is responsible for organising the meetings. Written procedures or extraordinary meeting could be called in case of a need to make decisions between meetings.

Sharing of information, networks and knowledge with the private sector. In order to mobilise and benefit from Danish private sector competences and solutions, the Embassy, the Danish public authorities and the Danish Ministry of Foreign Affairs will actively seek advice from and share knowledge with the private sector and its organisations. In some countries, the Embassies will establish “Growth councils” with the participation of Danish companies represented in the countries and the relevant Danish public authorities. In other countries, the contact will take place in a less formalised manner.

Figure 2 – Management of SSC



1.5. Guiding principles for the activities of the Facility

Considerable lessons learned from Authority-to-Authority cooperation, twinning arrangements etc. exist internationally. The lessons learned from these examples are unambiguous and transform into the following guiding principles for the Facility to ensure quality and results.

Key principles comprise:

1. **The project must address a well-defined development challenge, which is identified by the partner country.** In order for the cooperation to achieve results the development challenge must be well-defined and with clear indicators of expected results. It should respond clearly to a development need identified by the partner. Generic formulations such as “support to sector reform”, or “support to building the sector capacity” etc. should be avoided as they 1) tend to diffuse responsibilities, 2) often indicate low demand and lack of sense of urgency from the counterparts, and 3) make it difficult to define the intervention/cooperation.

2. **There is a need for a strong ownership of the project in the partner country.** All experiences from development cooperation clearly show that strong ownership is a prerequisite of success. It also matters who has ownership to the project. As an example it is often not enough that e.g. a Ministry of Environment or an individual within a Ministry has ownership, it would be important to look for commitment from other players such as the Ministry of Finance or Prime Minister's Office which has a say across the government, e.g. on the national budget and/or plan.
3. **The Danish and international partners must jointly agree on the purpose, approach, division of labour and responsibilities.** As the project should be a joint intervention with obligations and inputs from both partners, it is critical that there is a mutual understanding of the content and approach of the cooperation, the time line and the inputs to be provided by all partners. Experience shows that time used during preparation for developing a shared understanding of the project pays off during implementation.
4. **Building successful partnerships takes time – projects must be conceived with well-defined objectives and with a longer term time perspective.** Partnerships build on common goals, trust and mutual understanding at institutional and individual level. This takes time to accomplish at institutional as well as individual level. Thus time is a constraint considering the presently planned duration of the institutional cooperation of 3-5 years. Therefore cooperation should be well-defined and achievable, but should also be developed with a longer time frame in mind. However, individual interventions should be sufficient in length and frequency to achieve trustful cooperation and common results.
5. **The project must be anchored at a high level in the Danish and partner country authority, ideally also politically, to ensure progress and that the project can access the necessary resources in the two organisations.** It is critical that top management and often also the political level signals importance to the project and establish the right incentive system for the organisation to provide the needed resources. Management should be clearly informed about the staff needed, both in terms of length and frequency of engagement, and both in the Danish and in the partner organisation. To achieve this is a joint effort of all partners, including the Embassies and the Ministry of Foreign Affairs.
6. **Systematic involvement of multiple organisations is a prerequisite for successfully tackling complex issues.** Often reforms involve several stakeholders e.g. local authorities, private sector and civil society, which are thus critical for its success. These actors should be involved already at the preparation stage. This is critical for designing a sound reform and for the buying-in to the implementation of the reform.

Quality criteria

Regardless of the characteristics of the development engagement, the objectives of the overall Danish development cooperation or the choice of modalities and partners, Danish development cooperation maintains its high quality standards. There is no blueprint for what is the best programme design suitable for all circumstances. There is, however, a universal requirement for quality as represented by OECD/DAC's criteria of: relevance, effectiveness, efficiency, impact and sustainability.

OECD-DAC Quality Criteria for Development Cooperation

RELEVANCE: This refers to the extent to which the strategic objective of the project is consistent with global priorities, partners' and Danida's policies, beneficiaries' requirements and country needs. Overall relevance is related to whether we are doing the right thing.

EFFECTIVENESS: Effectiveness denotes the usefulness of the outputs expected to be produced by the project, as means of achieving the intended results. Effectiveness also relates to whether the proposed project design is considered to be the most effective in terms of meeting strategic objectives.

EFFICIENCY: Efficiency relates to whether the project is considered to be the most efficient in terms of applying the least costly resources (including human resources) as productively as possible in attaining the outputs of the project. This may include comparing alternative approaches to achieving the same outputs.

IMPACT: Impact refers to positive and negative changes produced by a project, intended or unintended. This will include, at the national level, an assessment of the expected impact on social, economic, environmental and other relevant development indicators.

SUSTAINABILITY: Sustainability concerns the lasting effects of the project – more specifically the institutional, social, environmental and economic sustainability. Ensuring sustainability means ensuring that results of the project in terms of improved capacity lead to lasting improvements of the performance of partners concerned, continued delivery of services and social progress and enhancing any opportunities for synergy effects.