**Annex 1: Context Analysis**

**[Instruction: once filled in, the highlighted text should be deleted.]**

The purpose of this annex is to provide guidance on the situation and background analysis to be carried out during the identification phase and to be updated during the formulation phase. This annex provides a template for documenting the conclusions of the analysis and their implications for the strategic choices to be made when programming the Danish cooperation with the country / region / organization and to be presented in the Country Policy Paper (country programmes only), Programme Concept Note, and the Programme Document.

The analysis should to the extent possible draw on already existing international, joint and Danish research and analysis, e.g. the United Nations Universal Periodic Review, other development partners’ analyses of the economic development, World Bank and IMF documents, OECD States of Fragility reports, etc.

When filling in the template, focus should be on the conclusions and implications of the analysis within each topic for the proposed programme, identifying the opportunities, challenges and risks that should inform the choices of objectives, partners and modalities proposed in the Programme Concept Note. The template should not contain the full analysis.

For each specific programme and the engagements envisaged the choices regarding the individual analysis must be carefully considered. In keeping with the Human Rights Based Approach to Danish development cooperation and the high priority given to promoting gender equality – part 3 – and the strong emphasis on sustainable inclusive growth and the commitment to the Paris Climate agreement – part 4 - an analysis of these aspects applies as a general rule. In cases where these specific topic areas are left out a thorough explanation for the choices made must be provided in the template.

For each topic area the template is divided into three sections:

* Key conclusions and implications for the programme of the analysis,
* List of documentation and sources used (existing as well as own work),
* Listing of further analytic work required during formulation or implementation.

The template should be used for all types of programmes above DKK 37 million. When used for regional programmes or thematic programmes with a multi-country scope, the programme context to be analysed will be the relevant broader context.

Note: the template should be updated with new and/or additional information emerging during the formulation phase and the updated annex shall be submitted as annex 1 to the programme document.

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| 1. Overall development challenges, opportunities and risks |
| *Briefly summarise the key conclusions from the analyses consulted and their implications for the programme regarding each of the following points:* |
| * General development challenges including poverty, equality/inequality, national development plan/poverty reduction strategy, humanitarian assessment. |
| * Development in key economic indicators: GDP, economic growth, employment, domestic resource mobilisation, etc. |
| * Status and progress in relation to SDGs, in particular those that are special priorities for Denmark. |
| * Political economy, including drivers of change (political, institutional, economic) (e.g. political will, CSO space, role of opposition, level of donor funding to government expenses, level of corruption, foreign investment, remittances, role of diaspora, youth, gender, discovery of natural resources or impact of climate change etc.) |
| *List the key documentation and sources used for the analysis:*  Relevant documents may include:  National development strategies and progress reports; WB and other development partners’ country analyses and diagnostics; national poverty assessments; IMF Article-4 and other country reports; national and UN SDG progress reports; UNDP Human Development Index; independent political-economy analyses. |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. |

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| 1. Fragility, conflict, migration and resilience |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:* |
| * Situation with regards to peace and stability based on conflict analysis and fragility assessments highlighting key drivers of conflict and fragility, protection and resilience, organised transnational crime and illicit money flows and how conflict and fragility affect inclusive private sector development and women and youth |
| * Identifying on-going stabilisation/development and resilience efforts and the potential for establishing partnerships and alliances with national, regional and other international partners in order to maximise effects of the engagements. |
| - Issues and concerns of relevance to Danish interest in the area of security and migration. |
| - Identify where Denmark has comparative advantages that may lead to more effective and efficient programming and better results including where Denmark may contribute with deployment of specific expertise and capacities. |
| - Considerations regarding the humanitarian situation, migration, refugee and displacement issues, including the need to integrate humanitarian-development linkages and long term strategies; |
| * Relevant issues and considerations related to radicalisation and violent extremism and the potential for Danish engagement to prevent and counter violent extremism (P/CVE) |
| *List the key documentation and sources used for the analysis:*  Relevant references and guidance may include [forløbige idéer]:  International Dialogue for Peace and State Building – New Deal: <https://www.pbsbdialogue.org/en/>  DAC International Network on Conflict and Fragility (INCAF): <http://www.oecd.org/dac/governance-peace/conflictfragilityandresilience/>  World Bank - Fragility, Conflict and Violence: <http://www.worldbank.org/en/topic/fragilityconflictviolence>  Global Initiative Against Transnational Organised Crime: <http://globalinitiative.net/>  Global Witness: <https://www.globalwitness.org/en-gb/>  UK-Stabilisation Unit: <https://www.gov.uk/government/organisations/stabilisation-unit>  Solution Alliance (humanitarian-development nexus) : http://www.solutionsalliance.org/  DCAF Security Sector Governance/Reform: <http://www.dcaf.ch/>  EU. Crisis and fragility management: <http://ec.europa.eu/europeaid/policies/fragility-and-crisis-management_en>  UN Peace Building; Un Peace Building Commission: http://www.un.org/en/peacebuilding/and the UN Peace Building Fund http://www.unpbf.org/  UNOCHA sitrep’s  Global Peace Index ([www.economicsandpeace.org](http://www.economicsandpeace.org))  Failed State Index ([www.fundforpeace.org](http://www.fundforpeace.org))  International Crisis Group country reports ([www.crisisgroup.org](http://www.crisisgroup.org))  <http://data.worldbank.org>  <http://reliefweb.int/countries>  UNSCR 1325  International and regional human rights and HRBA principles and HRBA Guidance Note of 2013  International humanitarian law, humanitarian principles and Good Humanitarian Donorship  Agenda for humanity (<http://www.agendaforhumanity.org>)  Making the SDGs work for Humanitarian Needs (<http://unsdsn.org/wp-content/uploads/2016/05/WHS-background-paper.pdf>)  The solution alliance (a network to tackle protracted displacement - http://www.solutionsalliance.org/library) |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. |

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| 1. Assessment of human rights situation (HRBA) and gender[[1]](#footnote-1) |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:*  The HRBA Guidance Note may provide further guidance, or hrbaportal.org |
| Human Right Standards (international, regional and national legislation)   * Identify the level of achievement of key human rights standards for the context you are working in. * Identify the most binding constraints on the intended target group in terms of human rights. * Given the analysis of achievement of human right standards, establish what Denmark should prioritise in the proposed outcomes of the programme. |
| Universal Periodic Review   * List recommendations from Council for Development Policy (UPR) relevant for the thematic programmes and from any treaty bodies, special procedures, INGOs, Human rights institutions etc. that require follow up by partners in the programme. |
| Identify key rights holders in the programme |
| Identify key duty bearers in the programme |
| Human Rights Principles (PANT)  Participation   * Identify barriers for participation, inclusion and empowerment of rights holders. * List key support elements included to promote participation and inclusion.   Accountability   * Identify accountability mechanisms in the relevant area – both horizontal and vertical. * List any key support elements included to promote accountability   Non-discrimination   * Identify groups among rights-holders excluded from access and influence in the thematic programme areas identified. * List key support elements included to promote Non-discrimination. * Are disaggregated data available on most vulnerable groups?   Transparency   * Assess the extent to which information is accessible to rights holders including marginalised groups. * If relevant, ensure that information is available in other than official languages. * List key support elements included to promote Transparency. |
| Gender   * Identify key challenges and opportunities for gender equality. * Identify assessments on gender, such as CEDAW-reporting, SDG National Action Plans, UPR, and other relevant gender analysis. * Identify opportunities/constraints for addressing gender equality issues. * Describe key strategic interventions to promote gender equality within each thematic programme. * Identify gender equality indicators aligned with national targets on gender, if possible. |
| Youth   * Identify key challenges and opportunities for engagement of youth following the principle of programming not only for, but also with youth. * Identify opportunities/constraints for addressing youth issues. * Describe key strategic interventions to promote youth within each thematic programme. * If interventions are programmed for the direct benefit of youth, identify relevant indicators and consider age-disaggregation. |
| *List the key documentation and sources used for the analysis:*  Relevant references and guidance may include:   * Universal Period Review (UPR) processes and analysis (http://www.ohchr.org/EN/HRBodies/UPR/Pages/Documentation.aspx) * OHCHR country reports (www.ohchr.org) * EU Human Rights Strategies * Human Rights periodic reporting and Treaty Bodies monitoring of human rights in member states (www.ohchr.org/EN/HRBodies/Pages/TreatyBodies.aspx) <http://tbinternet.ohchr.org/_layouts/TreatyBodyExternal/MasterCalendar.aspx?Type=Session&Lang=En> * International and regional human rights and HRBA principles and HRBA Guidance Note of 2013 * Danish Institute of Human Rights (DIHR) Guide to understand the interlinkages between human rights and the SDGs (http://sdg.humanrights.dk) |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. |

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| 1. Inclusive sustainable growth, climate change and environment |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:* |
| * Assess the overall risks and challenges to inclusive sustainable growth and development from the impact of climate change and environmental degradation; Assess the status of policies and strategies in the country / thematic area / organisation to ensure that development is inclusive and sustainable, avoid harmful environmental and social impacts and respond to climate change; and assess the political will and the institutional and human capacity to implement these policies and strategies. |
| * Identify opportunities for mainstreaming support to inclusive green growth and transformation to a low-carbon and climate resilient economies in the programme thematic areas and DEDs. |
| * Identify potential risk and negative impacts related to environment and climate change from the proposed thematic areas and DEDs and consider how these may be mitigated in the design of the programme and the relevant DEDs. |
| * Identify if EIA (Environmental impact assessment) or similar should be carried, including legal requirements in partner countries / organisations. |
| * Consider rights and access to key natural resources: land, water, energy, food and agriculture, including impacts on employment for youth, women and indigenous peoples, etc. |
| *List the key documentation and sources used for the analysis:*  Relevant references and guidance may include:   * Climate change: Intended Nationally Determined Contributions, national climate change or disaster risk management policies or strategies, NAMA or low carbon development plans, national adaptation planning (NAPAs, NAPs), etc. * Environment and sustainable development: green growth strategies / actions plans, National Environmental Action Plans, State of the Environment Reporting, relevant sector studies and Strategic Environmental Assessments. * Other development partners’ climate change or environmental assessments and country profiles |
| *If this initial assessment shows that further work will be needed during the formulation phase, please list how and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.  List required EIAs or similar studies to be carried during the formulation or implementation face. |

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| 1. Capacity of public sector, public financial management and corruption |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:* |
| * Capacity of the public sector for policy making, enforcement and service delivery. |
| * Quality and capacity of PFM, including budget credibility, comprehensiveness and transparency as well as control and external scrutiny / audit in all phases of the budget process as well as participation of citizens / CSOs in monitoring public budgets and corruption; |
| * The corruption situation and relevant anti-corruption measures and reforms. |
| *List the key documentation and sources used for the analysis:*  Relevant references and guidance may include:  National and development-partner documents on public-sector reforms; PFM reform-related documents; PEFA assessments; development-partner assessments of procurement quality, etc.; WB CPIA assessments; Transparency International and local corruption assessments (corruption diagnostics and barometer reports, etc.) |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. |

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| 1. Matching with Danish strengths and interests, engaging Danish actors, seeking synergy | |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:* | |
| Identify:   * where we have the most at stake – interests and values, * where we can (have) influence through strategic use of positions of strength, expertise and experience, and * where we see that Denmark can play a role through active partnerships for a common aim/agenda or see the need for Denmark to take lead in pushing an agenda forward. |  |
| * Brief mapping of areas where there is potential for increased commercial engagement, trade relations and investment as well as involvement of Danish local and central authorities, civil society organisations and academia. |  |
| * Assessment of the donor landscape and coordination, and opportunities for Denmark to deliver results through partners including through multilaterals and EU; |  |
| *List the key documentation and sources used for the analysis:* | |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. | |

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| 1. Stakeholder analysis |
| *Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:* |
| * Who are the stakeholders that may be interested in or affected by the program, including donors? |
| * Who are the key stakeholders and what are their main interests, capacity and contributions? |
| * How do the stakeholders (in this programme context) communicate, coordinate, and cooperate? |
| * Who is the lead stakeholder and is it a homogenous group or are there divisions within the group? |
| * How have key stakeholders been involved during the preparation and formulation process? |
| * Which stakeholders are likely to support the programme and who, if any, are likely to hinder the program? (Who stands to gain and who stands to loose?) |
| * What are potential strategies (approaches, methods, etc.) for engaging key stakeholders? |
| * Which stakeholders offer the best overall prospects in terms of possible partnerships and why? |
| *List the key documentation and sources used for the analysis:*  Relevant references and guidance may include:  Joint EU programming documents; sector studies and analyses, national aid management coordination documents, etc. |
| *Are additional studies / analytic work needed? How and when will it be done?*  List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors. |

1. The purpose of the analysis is to facilitate and strengthen the application of the Human Rights Based Approach, and integrate gender in Danish development cooperation. The analysis should identify the main human rights issues in respect of social and economic rights, cultural rights, and civil and political rights. Gender is an integral part of all three categories. [↑](#footnote-ref-1)