

Minutes from meeting in the Council for Development Policy 11 September 2019

Present:

- Members: Professor Emeritus Georg Sørensen, University of Aarhus (Chair)
International Director Gunvor Bjerglund Thomsen, The Danish Youth Council (Vice Chair)
Head of Projects Tine Bork, SMEdenmark
Director Thomas Bustrup, Confederation of Danish Industries
Senior Researcher Lars Engberg-Pedersen, Danish Institute for International Studies
Associate Professor Michael Wendelboe Hansen, Copenhagen Business School
Partner Marina Buch Kristensen, Nordic Consulting Group
General Secretary Rasmus Stuhr Jakobsen, CARE Danmark
General Secretary Birgitte Qvist-Sørensen, DanChurchAid (except agenda item 1-2)
Director Mads Bugge Madsen, The LO/FTF Council (except agenda item 7-8)
- MFA: Under-Secretary for Development Policy Stephan Schönemann
Head of Department Mikael Hemniti Winther, Technical Quality Support
Head of Department Lotte Machon, Africa, Policy and Development
Adviser Mette Brink Madsen, Department for Technical Quality Support
- Agenda item 2 & 3: Ambassador Winnie Estrup Petersen, Deputy Head of Mission Refika Hayta and Special Adviser Mads Mayerhofer, Embassy Dhaka
Head of Department Thomas Lehmann and Head of Section Pernille Dueholm, Department for Asia, Oceania and Latin America
- Agenda item 4: Ambassador John Nielsen, Deputy Head of Mission Hanne Carus and Special Adviser Mads Hovøre Andersen, Embassy Yangon
Head of Department Thomas Lehmann and Head of Section Tea Marie Nielsen, Department for Asia, Oceania and Latin America
- Agenda item 5: Head of Department Ole Thonke and Chief Adviser Frode Neergaard, Department for Sustainable Growth and Employment
- Agenda item 6: Head of Department Henriette Ellermann-Kingombe and Chief Adviser Tobias von Platen-Hallermund, Department for Multilateral Cooperation and Climate Change
- Agenda item 7: Henrik Bramsen Hahn and Anna Cecilie Friis Bach, Embassy Washington
- MCEU: Head of Department Tania Schimmel, The Ministry of Climate, Energy and Utilities (agenda item 6)
- DEA: Head of Department Elsebeth Søndergaard Krone and Chief Adviser Mette Cramer Buch, Danish Energy Agency (agenda item 6)

Agenda item no. 3: Denmark's Country Policy Paper for Bangladesh 2019 – 2021

For discussion and recommendation to the Minister

(Embassy Dhaka & Department for Asia, Oceania and Latin America, ALO)

Summary:

The new country policy paper for Bangladesh outlines Denmark's overall engagement with Bangladesh for the remaining period of the current country programme 2019-2021. In line with Denmark's strategic interest in Bangladesh, the policy paper has four strategic objectives: 1) Contribute to inclusive and sustainable growth; 2) Enhance resilience of selected vulnerable and marginalised groups, including Rohingya refugees and affected host communities as well as groups prone to irregular migration; 3) Promote shared values in terms of democracy, good governance, human rights and gender equality; 4) Expand and diversify economic and commercial relations between Denmark and Bangladesh.

The Council for Development Policy recommended the policy paper for approval by the Minister for Foreign Affairs and the Minister for Development Cooperation.

The ALO Department informed the Council that the discussion on the country policy paper had been postponed from May 2019 - due to the Danish parliamentary election process - and explained that the purpose of the paper was to align the timing of the strategic framework with the existing Country Programme. Hence, the paper was covering the period until 2021 only.

The Council noted the high economic growth rate in Bangladesh, but was surprised that Bangladesh was in a process of graduating from the LDC group when taking into account the many challenges the country was still facing. The Council asked how the increasing inequality was being handled.

The Council noted the link to the SDGs but missed a more detailed connection to the various indicators, e.g. the link to the SDGs under priority area one could be expanded to include 2, 12 and 15. The focus of the Danish engagement in Bangladesh was to shift from Aid-to-Trade in the medium to long-term perspective, and several of the comments given aimed to feed into the formulation of the coming country strategy from 2021.

The Council acknowledged the barriers for doing business in Bangladesh. The Embassy was encouraged to use the experience and knowledge of Danish companies active in Bangladesh to analyse how the challenges, including the fight against corruption, could be addressed. The Council found that sector cooperation and trade instruments were very relevant in a country like Bangladesh. The Council asked how the Danish engagement in the future could contribute further to the creation of decent jobs and the role of labour market organisations and recommended an analysis of the labour market including the role of labour market organisations.

The Council noted that the focus under priority one, inclusive growth, had shifted from the very poor farmers to market linkage and questioned how the poverty reduction would be maintained in the future. Evaluations had concluded that The Farmer Field Schools had had impressive

results, which it would be important to keep in mind. However, the value-chain and market linkage approach was a good opportunity to bring together the farmers and SMEs. Referring to increased levels of youth unemployment and a decline in job creation, the Council asked how youth could be further integrated into the programme. In that regard, reference was made to the 'Youth in Development' toolbox for inspiration. The Council further recommended increased focus on enhancing skills as this was crucial with regard to investments.

The Council expressed concerns over the recent development in the political situation including human rights and freedom of speech and asked how Denmark could engage with Bangladesh on these difficult subjects including the role of civil society organisations.

The Council commented on the difficult situation related to the Rohingya crisis and asked for a description of the perspectives for the cooperation with Myanmar. A focus on the humanitarian-development nexus was necessary, however, a description of how institutional barriers would affect the nexus approach was recommended.

Finally, the Council asked how the trust-building and credibility between Denmark and Bangladesh could be ensured in the future, also based on the unfortunate corruption case with CRRIP.

In response, the Embassy reminded that the document was covering a transition period and was describing ongoing activities. The options for making changes were limited as the time span was short and there was no additional funding. The Embassy welcomed the useful and constructive forward-looking comments, as they would provide a good basis for drafting the next country strategy 2021-2026.

The Embassy took note of the suggestion for an analysis of labour market and informed the Council that it had already initiated a number of analyses prior to the process of formulating the new country strategy, e.g. analyses of civil society organisations, the Chittagong Hill Tracts as well as a mapping of Danish interests after 2026.

The Embassy explained that the Bangladeshi government had a strong focus on creating growth and that this had unfortunately happened at the expense of several areas, including the environment and human rights. The Embassy underlined that Bangladesh was a young country and had been seen as a basket case only three decades ago.

Regarding the human right situation, the Embassy mentioned that Denmark tried to identify areas of common interest as a platform for an open dialogue also in other areas. The rights of women was one good example of such an area. Both countries were members of the Human Rights Council, which should be utilised to create a dialogue within these areas. The fact that Denmark had had strong partnership with Bangladesh, since the country became independent in 1971, and the fact that the Bangladeshi government was inspired by 'The Nordic Model', created a good base for dialogue and cooperation.

Regarding the Farmer Field School engagement, the Embassy agreed that the long-standing cooperation in this area had obtained good results. Therefore, the coming engagement with IFAD

would build on lessons learned in this respect in order to ensure inclusive growth. Regarding youth, the Embassy was already supporting an engagement with the NGO BRAC, which focused on youth and skills. However, the possibilities of strengthening skills further would be explored before going into the next programme period.

Summing up, the Chairman noted that the Council had undertaken a discussion on the broader perspectives regarding e.g. efficient access for Danish companies to the Bangladeshi market, democracy, labour market and climate providing a good basis for the further process in drafting the upcoming country strategy from 2021. Furthermore, there was no doubt that Bangladesh was facing many complex challenges. It was a case of fragmented development, where some progress was combined with several problems in relation to democracy, corruption, inequality and refugees. Several other developing countries were in a similar situation. The recommendations had focused on analysing how the problems could be addressed. The Chair concluded that the Council found that the policy paper could be recommended for approval by the Ministers.