


















Framework Programme on Strategic Sector Cooperation with The City of Copenhagen 2025-2028

<p>Key results:</p> <p>The Framework Programme objective is that citizens of partner cities become more resilient to climate change and improve their quality of life, and cities become cleaner and more efficient in their use of resources. This will be aimed at by working in thematic areas as requested by partner cities within (i) sustainable urban planning with focus on (a) climate adaptation, mainly green surface water management and (b) green mobility for pedestrians and bicycles and (ii) sustainable resource management; with subthemes: (a) Energy efficiency in buildings (b) wastewater (c) water supply and (d) waste management. Just transition and green jobs creation is relevant throughout the entire programme, while this constitutes a distinct thematic area in the Sao Paulo project.</p> <p>Justification for support:</p> <p>Through cooperation with four major cities (Sao Paulo, Bogota, Medellin and Johannesburg), the City of Copenhagen will make available its expertise within the thematic areas to facilitate a green transition with a strong focus on inclusiveness and establish the foundation for green jobs in the partner cities. The individual SSC projects have been developed in close consultation with partner institutions and also provide tools and models for realising their commitments to C40, of which they are all members. It is the intention that the good examples from partner cities are replicated by other cities and at national level, including through the C40 network.</p> <p>Major risks and challenges:</p> <p>The risks include that the bilateral relations with one or more SSC countries could evolve negatively or that national partner authorities' internal processes delay implementation. Furthermore, it is a risk that strengthening of the partner institutions is not sustained after project closure, which is mitigated through the partnership approach.</p>	File No.	23/31133					
	Country	Brazil, Colombia, South Africa					
	Responsible Unit	MYNSEK					
	Sector	43030 Urban Development and Management					
		<i>DKK million</i>	2025	2026	2027	2028	Total
	Commitment	13.65	13.90	16.60	15.55	59.7	
	Projected Disbursement	13.65	13.90	16.60	15.55	59.7	
	Duration	2025-2028					
	Finance Act code.	06.38.02.14					
	Head of unit	Anette Aarestrup					
	Desk officer	Ninna Katrine Holm Sanden					
	Reviewed by CFO	Hanne Fritzen					
	Relevant SDGs [<i>Maximum 5 – highlight with grey</i>]						
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation		
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption		
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals			

Objectives for stand-alone programme:

Citizens of partner cities become more resilient to climate change and improve their quality of life, and cities become cleaner and more efficient in their use of resources.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Bogota/Medellin	50%	50%	0	50%
Sao Paulo	50%	50%	0	50%
Johannesburg	50%	50%	0	50%
Total green budget (DKK million)	26.4	26.4	0	26.4

Justification for choice of partner:

As the country's capital, City of Copenhagen has the capacity and the competences to engage in the SSC, an active international strategy and commitment to the C40+ network, which is central for this Framework Programme.

Budget (engagement as defined in FMI):

SSC Projects: Bogota/Medellin, Sao Paulo and Johannesburg	52.8 DKK million
Monitoring, Communication Midterm Review	2.1 DKK million
Un-allocated funds, including the inception phases in new countries	4.8 DKK million
Total:	59.7 DKK million

Framework Programme
Strategic Sector Cooperation with the City of Copenhagen
2025-2028

Framework Programme Document

November 2024

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Abbreviations

AMG	Aid Management Guidelines
BIOFOS	Copenhagen wastewater utility
C40	Cities Climate Leadership Group
CAP	Climate Action Plan
COGTA	Cooperative Governance and Traditional Affairs, South Africa
DFC	Danida Fellowship Centre
DKK	Danish kroner
EAAB	Empresa de Acueducto y Alcantarillado de Bogota
EPM	Empresas Publicas de Medellin (EPM)
EU	European Union
FP	Framework Programme
GHG	Greenhouse gas
IPP	Independent Power Producer
HOFOR	Greater Copenhagen Utility
MFA	Ministry of Foreign Affairs
NERSA	National Energy Regulator of South Africa
NRW	Non-revenue water
PMG	Programme Management Group
PSC	Project Steering Committee
SSEG	Small-Scale Embedded Generation
SDG	Sustainable Development Goals
SMG	Strategic Management Group
SSC	Strategic Sector Cooperation
UN	United Nations
UNEP	United Nations Environment Programme

1. Introduction

This document outlines the Framework Programme (FP) implemented by the City of Copenhagen under the Strategic Sector Cooperation (SSC), an instrument launched in 2015 engaging Danish authorities in cooperation with partner authorities in developing countries to improve their institutional capacity and framework conditions for a green, inclusive transition and key development priorities.

Guided by the Danish Government's policies, *The World We Share* and the Action Plan for Economic Diplomacy, the Framework Programme outlines the strategic focus of the SSC projects implemented by the City of Copenhagen with their partners. The SSC projects address challenges that are defined by the local partners within thematic focus areas where the City of Copenhagen can contribute to address important international challenges in relation to sustainable urban development.

The FP covers the four-year period from January 2025 to December 2028, within a budget of DKK 59.7 million, and it replaces the single-project agreements between the City of Copenhagen and the Ministry of Foreign Affairs (MFA).

The City of Copenhagen is currently implementing SSC projects in three countries: Colombia (Phase 1), Brazil (Inception Phase) and South Africa (Inception Phase). During the four-year duration of this FP, a city in a fourth country may be included in the programme¹.

The FP document describes the thematic focus and expected results, the guiding considerations and the management mechanisms of the Framework Programme and will be the basis of an agreement between the MFA and the City of Copenhagen for the SSC-programme in a four-year period from January 2025.

What is a strategic sector cooperation?

- A peer-to-peer, long-term cooperation between a Danish sector authority or City and an authority in a developing country.
- Tackles selected capacity challenges where the Danish authorities' competences can further significant improvements – but may not tackle all partner capacity constraints to fundamental reform.
- Consists of 1) project-based technical cooperation between the two peer authorities, and 2) a Sector counsellor stationed at the Danish Embassy to facilitate the project and its linkages.
- Typically uses instruments like study tours, seminars, workshops, training courses, and direct engagement of experts for drafting regulations, policies, guidelines, or processes.
- Main inputs consist of Danish authorities' staff time, travels, consultancies, and expenses for workshop/seminars, studies, trainings.
- Projects run in phases and have an inception phase (DKK 1.5 million) for in-depth needs assessment and project design with the peer authority, followed by up to three 3-year phases

¹ The fourth country has not been determined, but Ukraine is a possibility.

2. Context, strategic considerations and justification

2.1 Global challenges

As the world is becoming increasingly urbanised, cities play a critical role in supporting socio-economic development and improving livelihoods. While around one-third of the global population lived in urban areas in 1950, more than half of the global population lives in cities today. According to the UN World Urbanization Prospects², this figure will increase to two-thirds by 2050. Cities and so-called megacities³ in the Global South experience high growth rates with wide migration of rural population to urban areas based on expectations of economic progress, improved livelihoods and opportunities, often with growing slums and vulnerable communities as a consequence. In the context of growing urban populations, city administrations are strained to deliver their responsibilities for primary service and fundamental infrastructure like energy, transport, and housing – as well as public services like education and health care; altogether with wide implications for delivering on the Sustainable Development Goals (SDG's).

The global challenges related to a green transition and sustainable development in a city context are often interrelated and interdependent. This calls for a systemic approach where ecological and societal issues are understood and addressed holistically through sustainable urban development. Key challenges of cities can be divided into four themes with relevance to the SSC programme of the City of Copenhagen, including 1) Climate change mitigation, 2) Climate change adaptation, 3) Environment and natural capital and 4) Social dimensions and just transition.

Cities-based climate action is key to realising the global temperature targets in alignment with the Paris Agreement. According to United Nations Environment Programme (UNEP)⁴, estimates show that about 75 percent of global greenhouse gas (GHG) emissions come from urban areas, with the transport and building sectors being amongst the largest contributors. In this context, cities must effectively and rapidly mitigate scope 1 and 2 GHG-emissions⁵ – and increasingly also address scope 3 emissions – if the global long-term temperature target of the Paris Agreement is to be realised⁶. This calls for an energy transition from fossil to climate-friendly energy sources and scaling up energy-efficient practices, arguably combined with a wider societal transition aligned with the objectives of a just and sustainable transition. In this context, some cities are already delivering climate actions and are recognised as frontrunners on the green agenda, which is illustrated by the fact that 75 percent of Cities Climate Leadership Group (C40) are reducing emissions faster than their respective national governments.

² Urbanization | Population Division (un.org).

³ Defined by C40 as cities with +3 million inhabitants.

⁴ Cities and climate change | UNEP - UN Environment Programme

⁵ Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by an organisation (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly impacts through e.g. procurement.

⁶ According to the Paris Agreement article 2.1(a), the long-term temperature target is to “hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change”.

Cities are at the frontline of climate change and must adapt accordingly. Cities experience wide consequences from climate change, including floods, droughts, water- and energy shortage with implications for citizens in general and especially vulnerable communities. Global South cities are in general more exposed and vulnerable to extreme weather events imposed by climate change, while there are also significant local differences on how various neighbourhoods and communities in a city can cope with such events. While national governments pledged to “increase the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development”⁷, this can only be realised with strong city-based leadership and action, as cities are at the frontline to the effects but also at the centre of developing, implementing, and scaling up adaptation projects to ensure civic safety and build resilience. In this regard, there is great potential in strategically integrating adaptation measures and nature-based solutions in the wider urban planning of the city.

Global South cities face a range of socio-economic challenges related to equality, safety, and health, while a just sustainable transition holds the potential to address these challenges and deliver tangible co-benefits. Poverty is a significant issue in many cities, often stemming from a lack of access to employment opportunities and education. It can be a widespread problem affecting the entire city or it may be concentrated in specific neighbourhoods. Inequality is another major challenge. It is manifested in the unequal access to goods, services, and opportunities. This disparity is often based on factors such as income, economic position, gender, and race. Such inequality can lead to social unrest and hinder the overall development of the city. Health challenges are predominantly related to environmental pollution. Traffic pollution contributes to poor air quality, leading to respiratory diseases and other health issues. Similarly, pollution of drinking water can lead to waterborne diseases, posing a serious public health risk. Safety issues are also a concern, with urban traffic accidents and extreme weather events posing significant threats. The lack of proper infrastructure and planning can exacerbate these safety challenges.

However, these challenges also present an opportunity for a just and sustainable transition. This involves the creation of green jobs and the promotion of up-skilling and education. Such initiatives can help alleviate poverty and reduce inequality by providing more equitable access to opportunities. Moreover, a sustainable transition can lead to reduced pollution, thereby addressing a better infrastructure for pedestrian and bicycling and the health challenges. Improved waste management and the promotion of renewable energy can further enhance the quality of life and livelihoods in these cities.

Cities in the Global South are confronted with significant institutional, financial, and political challenges that hinder their ability to effectively address the socio-economic and environmental issues they face. The institutional capacity of city administrations is often limited, restricting their ability to tackle these challenges effectively. This is compounded by a lack of knowledge and expertise in dealing with such complex issues. Financial constraints pose another major obstacle. Limited access to finance hampers the realisation of policies, projects, and plans aimed at mitigating these challenges. Political will and capabilities, both at the municipal and national levels, are crucial for effective action. However, these are often lacking in these cities. Without strong political commitment and effective governance, efforts

⁷ Paris Agreement article 2.1(b)

to address these challenges may not yield the desired results. Thus, enhancing institutional, financial, and political capacities is critical for the sustainable future of these cities.

As policy developing authorities and hands-on implementers close to the citizens, cities have the potential to deliver and take leadership on the green agenda, while also inspiring other cities and national governments to follow. As recognised by e.g., the EU Commission, a city is an organic entity with its own identity, capable of responding to the needs of its inhabitants and influencing its surrounding territory. City administrations are often the driving force behind urban development and progress, spearheading key infrastructure development, transportation systems, urban planning, and job creation. They also provide essential public services like education and healthcare.

In recent decades, cities have emerged as climate leaders, delivering tangible greenhouse gas mitigation and adapting to the effects of climate change. They bear the responsibility for ensuring citizens' security, including resilience to extreme weather events and the provision of non-polluted water. Cities also play a pivotal role in supporting economic and social development. This includes reducing poverty, ensuring the security of supply, creating jobs, and improving livelihoods. These responsibilities extend to various sectors, including mobility, buildings, public spaces, and supply chains. Moreover, while cities are responsible for implementing national laws, they often go beyond these mandates, increasing their ambition levels and inspiring national politics with well-tested solutions.

Cities face a range of interrelated environmental challenges and can limit pollution and utilise resources like energy, water, and waste much more effectively. For example, in relation to **drinking water**, some cities have up to 30% non-revenue water⁸, and most larger cities in the Global South use open dumpsites for both organic and inorganic waste. The inefficient management of resources, such as water and waste, coupled with pollution of water bodies and air, primarily from fossil-fuelled vehicles, exacerbates these issues. The environmental impact of cities is not confined to their geographical boundaries. Urban expansion, construction of roads, and other infrastructural developments have a local impact. At the same time, the import of resources and goods from other regions has a global environmental footprint. These activities have negative repercussions for nature and biodiversity, both locally and globally.

Given these challenges, there is an urgent need for cities to adopt **sustainable practices to waste- and resource management**. These practices should be aligned with the principles of the circular economy and the waste hierarchy, which emphasise reducing, reusing, and recycling resources. By doing so, cities can limit pollution, utilise resources more effectively, and contribute to a healthier and more sustainable future. This expanded approach will ensure the well-being of both the environment and the residents of these cities.

Another effective way for cities to limit pollution is to work with **sustainable mobility**. Sustainable mobility can bring major environmental, economic, urban and health-related benefits. Most importantly of all, it reduces air pollution and noise. Sustainable mobility also includes the important notion of access to mobility, regardless of income or location. Sustainable mobility includes equity in accessibility, with particular attention to more vulnerable groups of the population and geographical areas at risk of social exclusion.

⁸ [Non-Revenue Water: How Much Is Lost? | WaterWorld](#)

The rapid urbanisation entails considerable challenges for many cities in relation to their **water supply**, which in many larger cities is already under severe pressure from climate change related droughts and losses in the water system. The latter can reach a third of the water production and is due to both commercial and physical losses. Environmentally, socially, and economically it is much better to reduce the losses than to increase production.

Energy Efficiency. Public facilities, including those owned by the municipality, which can include administrative buildings, universities and schools, hospitals and clinics, orphanages, museums and other publicly owned facilities, are, collectively, the largest energy user in most countries. Available data suggest that the public sector typically accounts for 2–5 percent of a country’s total energy consumption. Because energy efficiency measures in public facilities are highly visible, they can demonstrate good energy-management practices and high-performance technologies. The inclusion of energy-efficient criteria for products purchased for public offices, for example, can stimulate manufacturers to seek the necessary certifications for their products to compete in public tenders. Reductions in the government’s energy costs can open up fiscal space for investments in other socioeconomic priorities.

Greening of Public Procurement is a powerful tool to deliver positive results, also across the thematic areas of this SSC programme. Traditional public procurement regimes have primarily prioritised the procurement process, rather than the “what” to buy. The selection of the winning bid has often focused on the initial purchasing price, which can fail to consider full life cycle costs. In recent years, there has been a significant shift in the approach to public procurement, which is increasingly viewed as a strategic tool to drive innovation, combat climate change, and promote environmental sustainability. The SDG 12 addresses the need to ensure sustainable consumption and production patterns through 11 and includes a target to promote public procurement practices that are sustainable, in accordance with national policies and priorities.

2.2 The evolving context in the partner cities

The FP includes SSC projects in Colombia (Bogota/Medellin), Brazil (Sao Paulo) and South Africa (Johannesburg). The four partner cities have been selected based on an extensive process in close collaboration between the City of Copenhagen and the Danish MFA. The main selection criteria aligned with the SSC scheme include 1) interest from the partner city and relevance 2) geographical location in a developing country; 3) Danish representation (Embassy or Consulate General) in the partner city/country; 4) Danish commercial interests in the partner city/country. In addition, City of Copenhagen has set C40 membership as a selection criterion, while emphasis has also been on the potentials for acquiring knowledge and inspiration from the partner city back to Copenhagen to ensure general long-term institutional support from relevant City of Copenhagen administrations.

Mutual learning on adapting to the increasing risks of cloudbursts

Copenhagen's cloudburst plans are becoming increasingly important as climate change intensifies weather events. Through the SSC project in São Paulo, technical experts from Copenhagen share contingency planning and prevention measures, while using the insights gained in São Paulo to inform future scenarios and planning efforts in Copenhagen.

All four cities are important national hubs for the economic growth of the country and experience a fast urbanization leading to a number of challenges. These include important issues of traffic congestion, inadequate water supply and poor waste management. Furthermore, several of these cities experience frequent problems with **flooding caused by heavy rains**, a phenomenon exacerbated by climate change. The City of Copenhagen can also learn from the often more extreme situations in partner cities (see box).

The cities experience heavy strain on the **water supply** and a concentration of poverty in informal settlements without running water. Poorer formal neighbourhoods in Bogota may have access to the city's water supply, but they often experience water shortages due to aging infrastructure and inadequate investment in maintenance. These shortages can be particularly severe during the dry season. Residents of poorer neighbourhoods are more likely to experience intermittent water service.

In relation to **wastewater**, the challenge is that urban runoff, industrial wastewater, and sewage overflows frequently pollute rivers and streams, leading to contamination of the cities' water sources. This contamination disproportionately affects low-income communities, who are more likely to live close to polluted water bodies and lack access to proper sanitation facilities.

Only a small part of **municipal waste** in these cities is recovered. So-called recyclers are responsible for most recovery. Recyclers are informal workers that collect waste from households and other containers throughout the city in small hand pushed carriers for a desperately small pay. A key challenge is that the recyclers are poorly organized, and their work methods are such that the reusable waste is not systematically collected. At the same time, in some of the cities, the public collection service by truck is not allowed to compete with the recyclers and are legally obliged to bring all their collected trash to landfill. A key priority for the City of Bogota is to fully integrate the recyclers into a formal system that prioritizes the reuse and recycling of both non-organic and organic waste and creating better working conditions for the recyclers. Bogota aims to reduce at least 20% of the waste currently ending up at Doña Juana landfilled. In the long term, the goal is an 80% reduction. Achieving this goal will require substantial coordination and technical expertise. Copenhagen Municipality, renowned for having abolished landfills and for its emphasis on recycling as a central pillar of urban sustainability, is a natural partner for Bogotá.

There are also challenges for several of the cities regarding **energy consumption in public buildings**, which revolves around climate mitigation, adapting to a changing climate, inefficient technical solutions, limited overview and decentralised organisation of the service and management. It results in an overconsumption of energy, including through overheating, cooling, lack of insulation, machinery malfunctioning etc. In the partnership, Copenhagen will share its experience with developing a centralised approach for more efficient energy consumption and together with partner cities seek to understand and develop ways the public buildings can lower energy consumption and be better adapted to a change in climate.

Green jobs and skills are key priorities for supporting a green and just transition, which must be addressed across the different topics of the SSC projects, especially for women and youth. Specifically, the City of Sao Paulo has a strategic focus on supporting green jobs creation, while at the same time, it is a relatively new topic still requiring development of precise definitions, methodology, data, approaches, and practices.

All four cities have an ambitious climate change agenda and they have developed Climate Action Plans to guide their priorities. The plans constitute an important planning framework for the priorities defined

under the SSC projects. The evolving context in the four cities is summarised for each SSC project in Annex 1.

The C40 Network

All four cities have made important commitments of climate action in the C40 network. C40 Cities, established in 2005 by London's then-mayor Ken Livingstone, is a global network committed to confronting the climate crisis. The economy of the C40 cities constitute 22% of the global economy and the organisation aims to combat climate change through ambitious, collaborative, and urgent action. Its members, which include Copenhagen, the four cities under this FP and approximately 95 other cities focus on critical sectors such as mobility, energy, and climate change adaptation. Since 2017, the C40 Cities network has been driving transformative action through its knowledge sharing among experts, clear commitments and technical support. This diverse network of cities collaborates to address the urgent challenges posed by climate change, demonstrating that cities can lead the way towards a more sustainable and resilient future. By leaning up against the C40 network and its work of sharing experience and providing guidance to cities' climate actions, the SSC projects become part of a greater movement, driven by the partner cities themselves, where concrete and practical pilot implementation of C40 concepts can be developed further and tested in the local context with a potential for scaling.

C40 Cities are committed to using an inclusive, science-based and collaborative approach to cut their fair share of emissions in half by 2030, help the world limit global heating to 1.5°C, and build healthy, equitable and resilient communities. C40 supports mayors to do this by:

- Raising climate ambition through 1.5°C climate action plan, high-impact accelerators and fostering innovation.
- Building equitable and thriving communities via global and regional programmes.
- Building a global movement through robust international advocacy and diplomacy.
- Scaling up climate action and sharing best practices across high-impact sectors.
- Facilitating access to finance for investment in green jobs and projects that improve resilience in cities.

All four SSC partner cities are engaged members of C40. City of Bogota and City of Medellin are engaged in the network, and the previous mayor of Bogota has been member of C40 Steering Committee from 2020 to 2024. Bogota has signed the C40 Accelerators on Clean Air, Green & Healthy Streets and Urban Nature. The mayor of Medellin was elected member of the C40 Steering Committee in 2024. Medellin has signed the C40 Accelerators on Clean Air, Equity Pledge, Green & Healthy Street, Net Zero Carbon Buildings, and Urban Nature.

City of Johannesburg was one of the founding cities of the C40 in Africa and has been a member since 2006. Johannesburg has signed the C40 Accelerators on Clean Air, Net Zero Carbon Buildings, and Equity Pledge, and is part of multiple networks under C40, where the most notable of them (in relation to the SSC) are the Clean Energy Network, the Urban Flooding Network and the Water Security Network.

City of Sao Paulo has recently signed two of the C40 Accelerators, specifically on Water Safe Cities and Urban Nature, both of which Copenhagen has also signed and which relate to the cooperation on climate

adaptation and urban nature in the SSC partnership. Sao Paulo is also part of multiple networks under C40, where the most relevant to the SSC project includes the Sustainable Waste Systems Network, Urban Flooding Network, and Cool Cities Network.

Following the ratification of the Paris Agreement in 2016, Johannesburg, Sao Paulo and Bogota/Medellin committed to C40's Deadline 2020 Programme designed to support cities to deliver plans which translate the aspirations of the global climate accord into city-level action. This commitment translated into the cities Climate Action Plans (CAP).

In practice, using the C40 as a gateway to a deeper cooperation through the SSC modality has played out in different ways. It can be prompted for example by mutual political interests, which have germinated in the C40 network, or by the appearance of a good match on the technical side between the solutions needed and the experience and capacity of the City of Copenhagen.

In addition, the SSC projects' link to C40 under this FP will be further supported by the broader Danish cooperation with C40 and vice versa. The Danish MFA's support to C40 for 2025-2030 is currently being defined. The focus of the cooperation is expected to be Resilient Urban Futures: Strengthened climate resilience for Global South cities to the impacts of coastal and urban flooding, droughts and extreme heat, while promoting nature-based solutions, and as such has clear links to the sectors of the FP for the City of Copenhagen. While the specific cities of the broader C40 cooperation are still to be determined, a focus on African cities including Johannesburg is expected, which would offer a key area of collaboration and synergies to the SSC project. Based on this, the SSC projects of this FP will inform the design of the coming broader cooperation between C40 and the MFA. Regular interaction with the C40 African Regional representatives will facilitate that relevant knowledge and results from the SSC partnership with Johannesburg is shared among the 5 South African C40-cities and beyond e.g. all 13 African C40-cities. As a global network C40 will be an important facilitator of learnings and solutions between all three SSC partnerships and a large number of mega cities in the global south.

2.3 Danish policies and the role of the SSC

The City of Copenhagen adopted its current International Strategy in 2021. The strategy will be reconsidered in 2025. The strategy is highly in line with the SSC instrument priorities, and the SSC instrument is mentioned as a key part of Copenhagen's international engagement. The strategy is approved by the Copenhagen City Council; hence all seven City of Copenhagen administrations are committed to following and implementing the strategy and its guidelines for international relations and international commitment. The Lord Mayor's Administration/Finance Administration is responsible for reporting on the international strategy to the Finance Committee. Other administrations, such as the Technical and Environmental Administration, have, according to the international strategy, the liberty to decide their own "International Agendas", for implementation and management of international relations based on the international strategy. Key priorities in the strategy includes the following:

- Support sustainable urban development and combating climate crisis globally
- Contribute to the C40 network
- Support green city diplomacy
- Acquire new knowledge and experience to benefit the City of Copenhagen
- Support Danish and Copenhagen-based companies

Key priorities are primarily implemented through extensive participation in the C40 network and SSC-projects, but technical subject/field-specific international engagement in organisations, projects and networks is prevalent across all seven administrations. In 2021, participation in 27 international networks and organisations and 35 international projects were identified across all 7 administrations in the City of Copenhagen.

Thematic focus of City of Copenhagen's Framework Programme

There is an overall programme design consideration of not spreading over too many thematic focus areas within the SSC projects in order to have a better chance of achieving results, which often require incremental change over longer time within the same area and the same institutions. This consideration should be balanced with an interest in having the necessary flexibility to accommodate the partner institutions and work within the areas they prioritise. Also, successful sustainable urban development often depends on strong intersectoral coordination and synergies across interrelated urban issues. This calls for an integrated approach, where several topics are addressed through holistic sustainable urban development in contrast to a more silo-based approach.

The following thematic focus areas are included in existing and upcoming SSC projects, based on the City of Copenhagen's strengths and partners' demand:

- Energy efficiency in buildings (Johannesburg and Sao Paulo)
- Waste and resource management, including biowaste, plastic waste and citizen engagement (Bogota/Medellin and Sao Paulo)
- Wastewater treatment, including energy optimisation (Johannesburg and Bogota/Medellin)
- Drinking water/non-revenue water (NRW) (Bogota/Medellin and Johannesburg)
- Climate adaptation, including flooding/stormwater, heat islands, liveability, urban greenscape design (Sao Paulo and Johannesburg)
- Green mobility for pedestrians and bicycles (Bogota/Medellin)
- Green jobs and -skills (Sao Paulo)

Matching the City of Copenhagen's core competence areas and the thematic areas on the existing/upcoming SSC projects, the thematic focus areas under the Framework Programme going forward are:

1. **Sustainable urban planning**, with two sub-themes: (a) Sustainable mobility for pedestrians and bicycles contributing to liveable cities and (b) Surface water management, green surface solutions, etc. related to climate adaptation. Both of these could also contribute to green jobs.
2. **Resource management**; with sub-themes: (a) Energy efficiency in buildings (b) wastewater (c) water supply and (d) waste management. All of these could also contribute to green jobs.

A cross-cutting element in the FP, which is highly prioritised by the partner cities', is a just transition and social inclusion, which includes the city's work in addressing the green transition and the promotion of greener jobs in the private sector. The initiatives taken under the two thematic areas outlined above will be designed to consider social inclusion and job creation, which is further explained below.

Links to the Danish development strategy

The World We Share from January 2021 sets out the foundation and priorities for Denmark's development cooperation and has two overall priorities to (1) create hope and help more people better where it is hardest and (2) lead the fight to stop climate change and restore balance to the planet.

Danish development cooperation must fight poverty and inequality and promote democracy, sustainable development, peace and stability. In accordance with the approach of Denmark's international development cooperation, the FP will operate with a multidimensional poverty concept, which does not reduce poverty to a question of income. Poverty should be considered broader and include access to resources in a wider sense, such as education, health, natural resources (including water and land), energy, jobs, rights (including influence on decision-making processes), as well as personal security. Many groups are trapped in several dimensions of poverty, e.g. people with disabilities, indigenous peoples and vulnerable women and children. Urban planning, provision of basic services, management of resources and the sustainability of the large cities in middle-income and highly unequal countries are intrinsically connected to poverty and inequality. Addressing sustainability and environmental management through urban planning and development holds the potential to also address aspects of multidimensional poverty. The SSC projects will systematically have poor and vulnerable communities as a main target group for interventions, pilot projects and plans, as thereby seek to improve the local environmental and social conditions of citizens and areas in great need. In addition to addressing local challenges of poor and vulnerable areas, the SSC projects will also focus on strengthening capacity for improving city-wide and critical infrastructure, including water and energy. Poor and vulnerable citizens tend to be more exposed to shocks and crises, e.g. in case of droughts, which calls for a stable and resource-efficient supply of drinking water that also covers vulnerable areas. Issues related to gender inequality and youth will be targeted, where relevant. In the boxes below, there are two examples of how the SSC projects can deliver specific results on key aspects of multidimensional poverty in the cases of Sao Paulo and Johannesburg, especially in terms of access to natural resources and energy, while also delivering on dimensions like improved health, security, education, wellbeing, and jobs.

Combatting poverty and inequality in the Guavirituba favelas

For the SSC project in Sao Paulo, the Guavirituba area has been chosen as the main project area. Guavirituba is the home of poor communities and favelas with insufficient resource access and management (waste, energy), high unemployment rates, and informal settlements posed with high risk of flooding due to the location by the shore of the vastly polluted Guavirituba watershed. At the same time, the watershed is of great importance to the city's water supply. By prioritising interventions and planning in Guavirituba, the SSC project will target poor, vulnerable citizens while also allow for better coordination and synergies across the different work streams by applying a holistic approach to urban planning. For example, by considering how improved solid waste management can create cleaner neighbourhoods and green jobs, while at the same time reducing the issue of blocked pipes and drainage systems, which is a prerequisite for effective cloudburst management to reduce the risk of flooding. Thereby, synergies across the work streams can benefit vulnerable citizens by delivering on liveability, jobs creation, security, and natural resource management.

Urban planning and socio-economic dynamics in Johannesburg

Despite the city's large economic contribution towards both the provincial and national economy, the city is a stellar example of how South African cities are still very unequal. The Gini co-efficient for Johannesburg is 0.62 making it one of the most unequal cities in the world which accords with the lack of equality in South Africa and the lingering legacy of Apartheid. Furthermore, 32.5 % are living below the lower bound poverty line of 810 ZAR per person per month – classifying them as “extremely poor” (COGTA, 2020: 5).

As of December 2023, formal unemployment stood at a conservative estimate of 36.6 %¹ and the cost of living has been rising steadily as the City struggles with the impact of Covid-19 and frequent interruptions in the power supply due to load shedding. The City has seen a rapid increase in the number of structures proliferating in informal settlements, which have the lowest provision of social facilities, the longest travelling times and the highest population density.

The city's dysfunctional spatial form contributes to polarised socio-economic inequality and segregation which also affects access to water and sanitation services. Across South Africa's largest cities and conurbations, a statistically significant relationship exists between physical proximity to jobs and local unemployment rates. A disproportionately white middle-class lives in the City of Johannesburg's better resourced nodes within each of Johannesburg's seven regions with prime access to economic activities and business opportunities.

Meanwhile, black South Africans are disproportionately confined to urban peripheries out of the city in dense and poorly serviced settlements. Examples of notable, informal settlements/townships are Ivory Park and Diepsloot in the Northern part, Orange Farm in the Southern part and Soweto in the Eastern part (COGTA, 2020: 9-10).

The City is currently unsustainable in its reliance on increasingly scarce and costly resource inputs. Moving forward, an inclusive economic development requires a radically different growth path that involves new and former marginalized economy actors. By linking communities to economic opportunities, the effect of spatially unbalanced growth is mitigated by supporting all parts of society, ensuring a more equitable distribution of growth return to all partakers in the economy.

The SSC projects can only contribute to very narrow aspects of these challenges of poverty and inequality, but it is important that the interventions are defined on the basis of the broader analysis, as well as knowledge of the stakeholders and the political economy aspects that are at play. This analysis is done through a background study undertaken before each SSC project is formulated and updated when a new phase is prepared. The background studies (for which ToR exist in the overall SSC guidelines) should include a gender-specific analysis of the issues, thereby providing the basis for targeting specific activities which can have a positive influence on gender equality and target women and youth in specific activities, including capacity development. Drinking water is a good example of an issue that has an important gender dimension, but also improved mobility for pedestrian and bicycles and recycling of waste have important gender dimensions. The background studies should be discussed in the Programme Management Group.

The projects under the FP will systematically focus on results in relation to vulnerable and poor segments of the urban population through the initial analysis of the issues to address in the SSC project with a given city and through a systematic dialogue with partner cities regarding potential poverty impact and by monitoring efforts in this regard during project implementation.

In terms of increasing the efficiency of urban services delivery as part of the SSC projects, a focus on poor and vulnerable groups will be important. Strain on urban water resources, for example, may result in urban informal settlements not having access to running water. Furthermore, the poorest areas in the partner cities may have access to the city's water supply but will often experience shortages due to poor infrastructure and lack of maintenance. Such shortages can be particularly severe during the dry season. Residents of poorer neighbourhoods are more likely to experience intermittent water service. Even when water is available, it may not have sufficient pressure to reach all parts of people's living quarters.

Citizens have legitimate claims to services provided by cities, which are based on rights in national legislation as well as international conventions. Furthermore, with its focus on green job creation, the FP should observe and promote international labour standards, which are aimed at promoting opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and dignity. For example, in many big cities in the Global South, recyclers play an important role in recycling plastic and other recyclable waste fractions. Often, they are not sufficiently organised and not able to ensure jobs of a decent quality in accordance with the ILO definition of decent work⁹. The cooperation with Bogota will aim at improving their efficiency and their business model for a higher rate of recycling and a decent living wage.

Improved mobility is an important aspect of increased access to resources and opportunities for the poor and vulnerable. The FP includes a thematic focus on improving planning and implementation of the infrastructure framework for some of the cheapest means of transport, cycling and walking. Safety is an important concern which is included here. Bogotá hopes to increase the number of female cyclists through a variety of programmes seeking to improve safety and infrastructure.

Improved water supply, less pollution from solid waste and better air quality not only make cities more liveable. More importantly, such preventive measures can improve the health status of all citizens, but especially of the poor who have least access to health services and can least afford out-of-pocket curative health care.

The FP will provide solutions for abating the effects of flooding and cloudburst events that tend to affect poor and vulnerable groups disproportionately. A large number of the population in cities of developing countries live in informal settlements characterized by lack of infrastructure facilities and services. Informal settlements are often located in risk areas such as low-lying lands and riverbanks whereby climatic threats associated with flooding are common.

2.4 Results and lessons from on-going and previous phases of support

In 2020, the independent Evaluation of the Strategic Sector Cooperation confirmed that the SSC delivers relevant and effective results, although the long-term effects and outcomes are still to be verified. The programme has in a short time succeeded to mobilise Danish public sector expertise, which would not have been accessible on commercial terms or otherwise and initiated relevant contributions to the SDGs.

⁹ [Decent work indicators \(ilo.org\)](https://www.ilo.org/gateway/topics/decent-work/indicators)

Based on the preliminary results, the evaluation considered the programme in many ways to have a considerable impact, compared to the resources invested. The evaluation also found that the SSC programme contributes to stronger bilateral relations and cooperation between Denmark and SSC partner countries.

The SSC projects have raised the awareness of, and interest in, Danish green solutions and the private sector’s potential contribution to the SDGs. The general experience from SSC projects in other sectors provides the following experience:

- Establishing relations takes time and requires close cooperation with the embassy and presence in the country,
- The wider impact of the SSC project largely depends on cooperation with bigger partners sharing the same agendas,
- Local partners can request support in many different areas, but to ensure results it is important that the SSC projects remain focused on selected intervention areas,
- There can be difficulties in engaging other national partners than the main partner,
- Frequent administrative challenges due to slow partner procedures and high employee turnover at partner authority.

Although the City of Copenhagen’s experience with cooperation with the current cities of the FP is at an early stage, together with earlier experience from finalised SSCs in Beijing and Buenos Aires it largely confirms the general experience with the SSC. The Strategic Sector Cooperation is a relevant tool that has substantial potential to contribute to several SDGs in the partner countries and at the same time strengthen Danish diplomacy and engage the private sector. Some of the examples from City of Copenhagen’s SSC projects are included in the textbox.

The SSC experience shows that working with cities requires an action-oriented approach. Cities do often not wait for national policies but influence these through concrete actions and examples. This has been very clear in Beijing, for example, where the cooperation was centred around concrete actions, rather than directly addressing policies. Cities can create tangible outcomes very fast. This

Examples of interim results of the City of Copenhagen’s SSC projects

Water resources:

- Revised Buenos Aires water plan,
- Improved management of surface water, sponge city demonstration in Beijing,
- Plan for development of the Buenos Aires coastline,
- Public awareness and involvement in water issues (Buenos Aires),
- Piloting anaerobic digestion/energy production and process optimization of municipal wastewater treatment (Buenos Aires).
- Feasibility study on wastewater treatment plant with focus on energy efficiency (Beijing)

Energy efficiency:

- Pilots to monitor and improve energy consumption in buildings (Buenos Aires and Beijing)
- National standard for heating regulation in buildings based on successful pilot (China)
- Examples of building reports and business cases for energy improvements (Buenos Aires).

Urban planning:

- Standards for Walking and Biking (Beijing),
- Integrated climate adaptation plan and resilience to water related disasters, (Buenos Aires)
- Participatory and sustainable human settlement (people-centred planning), (Buenos Aires)
- Joint development of a Climate Adaptation Plan (Buenos Aires.)
- Large scale climate adaptation project “Green Valley” implemented and appointed “national demonstration project”

may also be an advantage when working with the private sector. This experience has been integrated in the design of the SSC projects by focusing on concrete activities, testing new solutions/proof of concept, that may often be of a pilot nature, to accelerate the green transformation.

The experience of the City of Copenhagen confirms that ownership and local appropriation both at political and at technical level of the specific topics for the cooperation is a pre-requisite for ensuring engagement and fostering sustainable institutional improvements. The initial dialogue around potential topics in the inception phase is therefore crucial for the later effects of the programme. The local ownership and demand-driven nature of the programme has been an important aspect in the inception phase of the three new SSC projects under the FP.

For disseminating ideas, knowledge and results among larger audiences, C40 and other international organisations are valuable partners. The SSC partner cities are all members of the C40 network and the thematic alignment between SSC and C40 should continue to be explored. Linkages to the C40 network are very important for leveraging initiatives within the SSC framework, and they further the replication and wider effects of the SSC. C40 can drive an agenda, and the SSC projects can develop concrete examples and demonstration projects, which show the way also for other members in the C40 network. Through the so-called accelerators and technical networks, C40 cities engage in peer-to-peer sharing on specific, technical topics addressing the climate crisis. Only cities that are members of C40 and have a declared intention to move forward on the green agenda, as expressed in the Climate Action Plans, have been considered for partnership under the FP.

The initial experience in the three countries from the SSC projects of the City of Copenhagen indicate that there are opportunities for leveraging the Danish political dialogue through the SSC projects not only in the C40 network but also bilaterally at the level of the cities and at national level. This is not least brought about by the sector knowledge and increased technical capacity at the embassies due to the experience of the sector counsellors. For example, are Denmark and Brazil preparing an overall strategic cooperation agreement, where the SSC projects play an important role. From federal level in Brazil, there is strong support to the climate ambitions of the five cities members of the C40 network. In Colombia, the SSC city cooperation has leveraged an MoU with sector ministries on environment, transport and energy and Bogota and Medellin are considered national examples to follow in relation to their agenda on climate-related initiatives. The recent Conference of Parties to the Biodiversity Convention, which was held in Colombia, allowed the Danish embassy to provide relevant technical inputs. In South Africa there is good alignment between the SSC under this FP and the FP under Aarhus Municipality as well as SSC projects at national level on energy and water.

The project preparation in Colombia was affected by the local elections in the second half of 2023 and the change of administration from January 2024. Such interruptions are also likely to take place when municipal elections are to be held in Sao Paulo (2024) and in Johannesburg (2026). For all projects, frequent staff rotations in the partner administrations remain a challenge.

The SSC projects of the City of Copenhagen with Buenos Aires and Beijing have both been terminated after the first phase. In Buenos Aires, the Danish embassy was closed, which made Argentina ineligible for SSC projects. In Beijing, despite good initial prospects, the implementation was made difficult due to Covid-19 and an important Danish partner (BIOFOS) had to withdraw from the cooperation.

A lesson learned is that political support is an essential prerequisite for advancing the green agenda, and the political support is important for the SSC projects to move forward. Furthermore, coordination with other relevant SSC projects in the country could to a larger extent leverage national impact, for example in countries where the Danish Energy Agency has a cooperation. Moreover, coordination and lessons learned from the SSC project in Kenya led by the Danish Ministry of Environment and Gender Equality on circular economy and sustainable waste management could be beneficial.

DFC has been offering training courses in relation to urban planning, environmental and climate issues, and staff from partner country authorities under the SSCs with the City of Copenhagen have participated in these courses in Denmark. The DFC courses are considered very valuable, especially early in the cooperation where they can provide an opportunity for creating a common understanding of the focus issues of the cooperation. The courses are often too broad to provide the technical knowledge needed but are in most cases supplemented by visits to relevant institutions and City of Copenhagen follow-up with participants. During DFC training courses, the participants design projects they should implement in their own organisation, which is generally sought to be relevant for the SSC project. The example in textbox from the SSC project in Colombia illustrates the cooperation with the DFC.

Collaboration with DFC in the SSC of Bogota/Medellin

In the cooperation with Bogota and Medellin, Copenhagen systematically uses the DFC courses. During 2023 and 2024, 57 SSC partners have participated in a DFC course. A number of approaches are used to create synergy between the DFC activities and the SSC project, including:

- Colombian applicants are selected based on their qualifications as well as their importance to the SSC project.
- The sector counsellor is in direct contact with all participants to ensure the connection to the contents of the SSC project.
- In relation to each course, Colombian participants are encouraged to develop action plans that support the work within the SSC project.
- In connection to about half of the courses, the City of Copenhagen organises three extra days with the relevant partner (HOFOR, BIOFOS or the Technical and Environmental Administration) introducing the Colombians to the Copenhagen solutions and to work on the SSC action plans.
- A special DFC learning activity is organised in Bogota on the development of a shared geo-data platform for all local public and private entities engaged in physical planning (inspired by an example from Copenhagen).
- A short documentary on waste handling in Bogota has been filmed with the responsible for DFC communication in relation to a course on Solid Waste Management.

3. Framework Programme Theory of Change and Objectives

3.1 Theory of Change

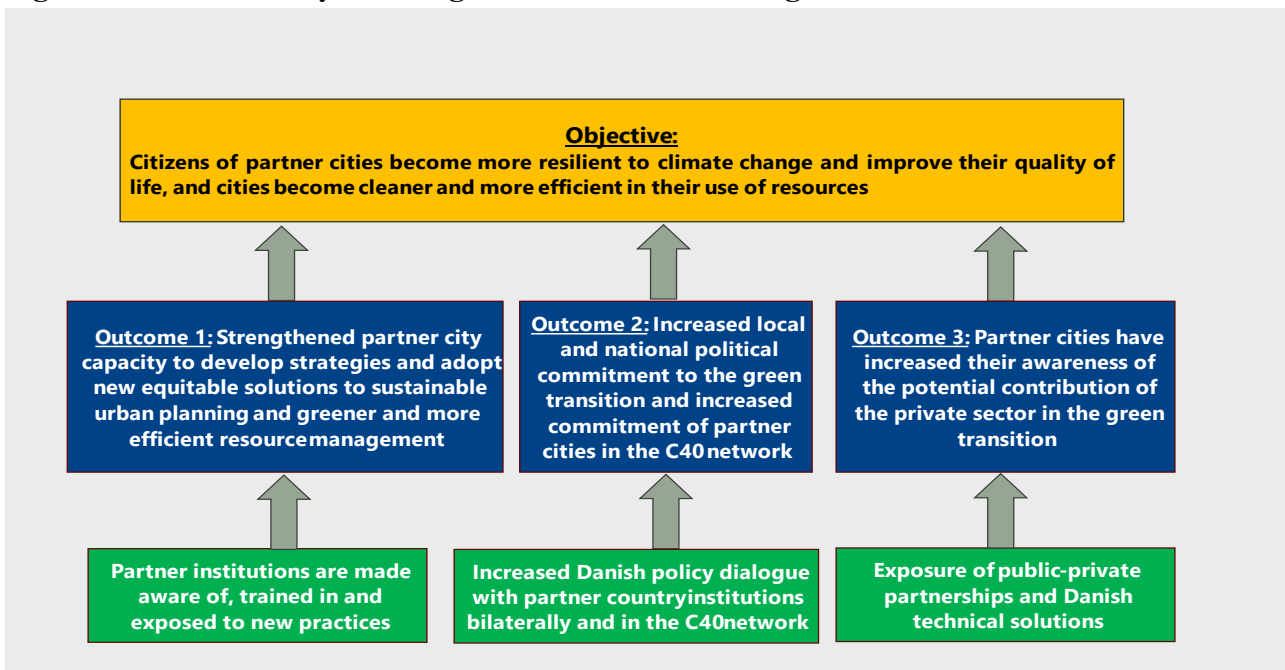
The theory of change describes how the activities and outputs of the SSC projects are expected to contribute to programme outcomes and objective. It should be noted that the outputs and outcomes at the FP level are more general and at a higher level than the outputs and outcomes for the individual SSC projects. The SSC projects contribute to the FP-level outputs and outcomes (see also the section on

reporting below). The outputs and outcomes of the SSC projects are determined in close collaboration with the partner institutions, and the results of the SSC projects are the results of the partner institutions to which the SSC projects have contributed, sometimes significantly and sometimes only partly.

The overall theory of change for the City of Copenhagen’s Framework Programme is illustrated in Figure 1. It indicates that **if** management and staff of partner institutions are made aware of, trained in and exposed to new practices through the SSC projects, **then** this will strengthen partner city capacity to develop strategies and adopt new equitable solutions to sustainable urban planning, greener and more efficient resource management and promotion of green jobs (outcome 1), **which in turn will** improve climate change resilience, quality of life for its citizens and lead to more sustainable use of resources.

Furthermore, **if** there is an increased Danish policy dialogue with partner country institutions, **then** this will contribute to increased engagement of partner cities in the C40 network and increased political commitment to the green transition (outcome 2). Finally, **if** partner cities are more exposed to public-private partnership models and technical solutions provided by the private sector, **then** they have increased their awareness of the potential contribution of the private sector in the green transition (outcome 3). Together, these three outcomes contribute to the framework programme objective, but outcome 1 is the main focus of the FP.

Figure 1: Overall Theory of Change of the Framework Programme



The overall assumptions for the continued partnership include that bilateral relations with SSC countries and cities are maintained in a way that supports a technical cooperation. Specifically, related to the SSC projects, and hence the Framework Programme, the assumptions are,

- a) that the SSC projects are formulated and prepared in close collaboration with the partner institutions and thereby focus on issues which are a priority for the partner institutions and maintain a priority despite possible changes in political leadership,

- b) that there is commitment and participation from relevant partner institution stakeholders (high-level management, other authorities, private sector), despite of political changes and changes in staff and leadership.
- c) that partner country institutions are able to maintain the capacity and knowledge gained through the cooperation with City of Copenhagen and Denmark and
- d) that the private sector responds to the potential opportunities of engagement
- e) that partner cities mobilise sufficient funding (internally or externally) to scale up the solutions identified and tested through the FP.

It is furthermore assumed on the Danish side of the cooperation

- f) that key staff of the City of Copenhagen and Danish utility companies involved are available for engaging pro-actively in project management and implementation throughout the programme duration and
- g) that the sector counsellor positions are filled and that the counsellors maintain good relations with partner institutions.

3.2 Framework Programme objective and outcomes

The programme objective and the outcomes of the FP should be identified within the overall objectives and outcomes for the SSC, and they should reflect how the City of Copenhagen contributes to sustainable development and the green transition. The long-term objective for the global SSC programme is *to promote a socially just green transition and contribute to sustainable growth and resilient development for people in partner countries through Strategic Sector Cooperation.*

The SSC projects aim at developing capacity to improve the sector framework conditions, which includes policies, legislation, regulation and their implementation. This is reflected in the global intermediate objective of the SSC, which is *to contribute to conducive framework conditions in partner countries focusing on the green and inclusive transition and selected development priorities through contributions from the strategic sector cooperation.* Defining relevant framework conditions and the capacity gaps for effective administration of these is therefore a priority in the formulation of the SSC-projects. However, cities are generally not responsible for introducing or for changing the framework conditions, which are in many cases determined at a national level. The implementation of elements related to the framework conditions therefore becomes the focus of the SSC projects of the City of Copenhagen. The solutions developed through the FP in partner cities can be used for inspiration at national level and in other cities and replicated through national institutions and the C40 network.

Framework Programme objective:

Citizens of partner cities become more resilient to climate change and improve their quality of life, and cities become cleaner and more efficient in their use of resources.

All SSC projects formulated under this four-year Framework Programme should contribute to this objective, which focuses on the citizens and the broader liveability of cities and includes both a social dimension, the climate adaptation aspects related to urban planning and water management (both wastewater and drinking water), climate mitigation aspects related to energy efficiency (wastewater, buildings) and environmental aspects related to less pollution, i.e., less air pollution from traffic with improved

planning for cycling and pedestrians and less pollution from improved waste management and increased recycling. Solutions benefitting poor citizens and those most at risk of climate change will be an important element of the cooperation.

Framework Programme Outcomes:

As indicated in the theory of change Figure 1 above, there are three outcomes of the FP, reflecting the three global outcomes of the SSC. All three outcomes should contribute to the FP objective, although most activities in the SSC projects will be directly related to Outcome 1. Programme activities in pursuit of Outcomes 2 and 3 must always have the realisation of Outcome 1 as the prime objective.

Outcome 1:

Strengthened partner city capacity to develop strategies and adopt new equitable solutions to sustainable urban planning, greener and more efficient resource management and promotion of green jobs.

The emphasis is on the increased capability of partner city administrations to prepare strategies and introduce and implement new solutions within the specified thematic areas: sustainable urban planning and greener and more efficient resource management. The solutions promoted by the SSC projects should be equitable, in the sense that they will be based on a multi-dimensional poverty analysis and address the needs of the poor and most vulnerable citizens as reflected in Section 2.3 above. The FP does not aim to establish new framework conditions, since these are often defined at national level, but it is expected that the SSC projects through innovative examples of greener solutions may influence the national regulation.

Outcome 2:

Increased local and national political commitment to the green transition and increased commitment of partner cities in the C40 network.

The outcome formulation expresses the expectation to see changes in the level of engagement of the partner city in the C40 network as well as enhanced political commitment in relation to the FP thematic focus areas. The SSC projects will contribute to this outcome, which in turn will contribute to the overall social and environmental objective of the FP. The SSC partnership is an entry point for enhancing the bilateral engagement at political level both directly in the margin of the SSC activities and in the context of C40. As described above, this will be furthered by aligning SSC project focus areas to the partner cities' own commitments reflected in their C40 commitments. The technical working groups of the C40 network will constitute important vehicles for dissemination and replication of the cities' experiences in the green transition, including those initiatives supported through the SSC.

Outcome 3:

Partner cities have increased their awareness of the potential contribution of the private sector in the green transition through exposure of public-private partnerships and technical solutions.

The outcome focuses on the awareness of partners brought about by the SSC projects and the exposure both to innovative models for public-private partnerships and to specific solutions practices in the City of Copenhagen and know-how related to the thematic focus areas.

As indicated above, outcome 1 is the main outcome and the SSC projects will primarily be formulated to contribute to outcome 1, whereas important contributions to outcomes 2 and 3 will also come from diplomacy and trade cooperation undertaken by the embassy/the MFA and by the City of Copenhagen,

e.g. through the C40 network. To better illustrate the SSC project interventions “on the ground”, the table below indicates typical project level outputs under the thematic focus areas, which are all contributing to outcome 1. This should be considered a “long-list” of outputs that the SSC project will pick from and adapt, depending on the cooperation focus areas established with partner institutions.

Table 1: SSC project level outputs by thematic focus area

FP thematic focus area	SSC Project-level outputs
Focus area 1: Sustainable urban planning	
1.A: Green mobility for pedestrians and bicycles	Improved sustainable infrastructure planning for pedestrians and bicycles
	Technical solutions demonstrated for infrastructure planning for pedestrians and bicycles
1.B: Surface water management (including flooding) and green surface solutions related to climate adaptation	Increased integration of climate adaptation solutions in urban planning and development
	Urban climate adaptation planning includes nature-based solutions and liveability aspects
Focus area 2: Resource management	
2.A: Energy efficiency in buildings	Improved energy monitoring and energy management of public buildings
	Strengthened awareness of business cases for energy efficiency improvements
2.B: Wastewater treatment, including energy optimisation	Increased capacity of utility companies to introduce more effective wastewater treatment processes
	Increased capacity of utility companies to improved energy efficiency in wastewater treatment
	Increased capacity of utility companies to enhance energy production from wastewater sludge
2.C: Water supply	Increased capacity to reduce drinking water loss
	Increased capacity to improve stability of water supply
2.D: Waste management, including bio-waste and plastic waste	Increased capacity to re-use and recycle solid waste with a focus on biowaste and plastic waste
	Increased capacity to strengthen energy production from biowaste
	Increased tools and knowledge of aligning citizen and businesses behaviour to improved waste re-use and recycling models

Capacity strengthening is always the primary aspect of the SSC projects. This is achieved in various ways, but always respecting the overall approach to capacity development as described within the good practice principles, including:

- Capacity development should strengthen the ownership, engagement and effectiveness of the partner institutions' capability to define, plan and achieve their own sector development objectives on a cross-sectoral, holistic, inclusive and sustainable basis
- Capacity development is addressed at three different levels, namely the enabling environment, the organisational level and the individual level. Interventions at each level are often mutually supportive.
- Capacity development is always undertaken with due respect to the national context, priorities and the resources available for the FP. Capacity development is often undertaken with the involvement of both public and private sector, both in Denmark and partner countries.

The utility companies BIOFOS and HOFOR play an important role as partners in the peer-to-peer capacity strengthening of the programme.

BIOFOS is the largest wastewater utility company in Denmark treating wastewater from 1.2 million people living in Greater Copenhagen Area. As one of the world's first wastewater utility companies BIOFOS was able to achieve a positive energy balance in 2014. The City of Copenhagen is the major shareholder, and several other municipalities in the Copenhagen metropolitan area hold minor stakes in the company.

HOFOR is the largest utility company in Denmark and has the responsibility for distributing drinking water for one million people in the greater Copenhagen area. HOFOR has about 7% non-revenue-water, which is one of the lowest in the world for a capital city. The City of Copenhagen holds a majority ownership stake in HOFOR.

4. Results framework

Monitoring and reporting of the FP will be based on the results framework below, which should inform the results frameworks of future SSC-projects. The outputs of the SSC-projects are diverse and may not all be captured in the FP results framework, but all SSC-projects should contribute to the FP-level output and outcome indicators. City of Copenhagen and MFA/Embassies are jointly responsible for results especially related to outcomes 2 and 3.

Table 2: Results framework for the Framework Programme

Project/Programme Objective		<i>Citizens of partner cities become more resilient to climate change and improve their quality of life, and cities become cleaner and more efficient in their use of resources</i>	
Outcome (1)		Strengthened partner city capacity to develop strategies and adopt new equitable solutions to sustainable urban planning and greener and more efficient resource management.	
Outcome indicator		Number of solutions continued by the partner cities after test or demonstration under the SSC projects.	
Baseline	Year	2024	0
Target	Year	2028	6 (two for each SSC project)
Outcome (2)		Increased local and national political commitment to the green transition and increased commitment of partner cities in the C40 network.	
Outcome indicator		a. Number of national and partner institutions' public declarations of new initiatives and targets in topics related to the SSC projects	

		b. Number of city level commitments to C40 accelerators/declarations in relation to topics related to the SSC projects	
Baseline	Year	2024	To be determined
Target	Year	2028	a. 12 (additional – one yearly for each SSC project) b. 12 (additional – one yearly for each SSC project)
Outcome (3)		Partner cities have increased their awareness of the potential contribution of the private sector in the green transition through exposure of public-private partnerships and technical solutions.	
Outcome indicator		Number of PPP models and green technologies introduced in partner countries in relation to the SSC projects.	
Baseline	Year	2024	0
Target	Year	2028	6 (two for each SSC project)
Output 1		Partner institutions are made aware of, trained in and exposed to new practices.	
Output 1 indicator		Number of solutions or practises to sustainable urban planning and greener and more efficient resource management tested or demonstrated under the SSC projects (annually)	
Baseline	Year	2024	0
Target	Year	2025	2
Target	Year	2026	4
Target	Year	2027	6
Target	Year	2028	10
Output 2		Increased Danish policy dialogue with partner country institutions bilaterally and in the C40 network.	
Output 2 indicator		a. Number of high-level meetings between the Danish MFA/the embassy/the City of Copenhagen and partner country institutions where international or national initiatives or targets linked to the FP work are on the agenda (annually). b. Number of meetings and events in C40 (annually)	
Baseline	Year	2024	a. 0 b. 0
Target	Year	2025	a. 3 b. 3
Target	Year	2026	a. 3 b. 3
Target	Year	2027	a. 3 b. 3
Target	Year	2028	a. 3 b. 3
Output 3		Exposure of public-private partnerships and Danish technical solutions.	
Output 3 indicator		Number of examples of new public-private partnerships and relevant private sector technical solutions to the green transition demonstrated under the SSC projects (annually).	
Baseline	Year	2024	0
Target	Year	2025	2
Target	Year	2026	6
Target	Year	2027	9
Target	Year	2028	9

5. Emerging project portfolio: Context and design features

In line with the SSC Guiding Principles, the FP enables the City of Copenhagen to develop and manage a portfolio of projects over four years, based on agreed objectives, outcomes, outputs and overall budget. The FP is established on the basis of the existing SSC projects and includes new project phases, which are not yet fully defined.

The three countries and four partner cities have been selected based on an extensive selection process in close collaboration between City of Copenhagen, the Danish MFA and C40. Expansion of the number of partner cities is not currently foreseen, however, opportunities, models, and potentials for new partnerships are continuously explored by the City of Copenhagen and the Danish MFA. A budget line for unallocated funds has been included to allow for a new partnership city to be included should the opportunity arise.

Further, the City of Copenhagen is engaged in a cooperation with Kyiv funded under the Danish Ukraine Fund. The current cooperation includes climate adaptation, rehabilitation of war veterans and visually impaired persons. Depending on how the cooperation and the situation in Ukraine evolves, this partnership project may be re-calibrated as an SSC project during the FP.

The main selection criteria applied for the selection of the existing cities, which will also be used when deciding if and whether to include a fifth city, include:

- interest and demand from the partner city and relevance of the competences and solutions provided by the City of Copenhagen
- capacity of the partner city to engage in the partnership and potentially adopt the solutions that the City of Copenhagen can demonstrate from own experience
- capacity of the City of Copenhagen to establish a longer lasting SSC project with an additional city and the prospects for posting an SSC counsellor in the country
- geographical location in a developing country
- Danish representation (Embassy or Consulate General) in the partner city/country
- Danish commercial interests in the partner city/country.

In addition, City of Copenhagen has set C40 membership as a selection criterion, while emphasis has also been on the potentials for acquiring knowledge and inspiration from the partner city back to Copenhagen to ensure general long-term institutional support from City of Copenhagen administrations. The involvement of C40 in the selection process has helped guide the best match between Copenhagen expertise and the needs and priorities of the selected cities.

The procedure for selecting and approving new countries/cities in the SSC programme have been described by the MFA. It includes an initial preliminary assessment of interest in a cooperation from the partner country involving the embassy, followed by the Danish authorities' expression of interest in the specific country. Subsequently Danish commercial interests are considered.

The FP builds on a portfolio of three individually tailored projects that will evolve over the FP period, as new phases develop. The projects will share certain features with respect to contexts and designs, and

all draw on several of City of Copenhagen core competencies as relevant and demanded by the partner authorities to address critical challenges related to sustainable urban development and the climate crisis.

The FP is aligned to the national partners' plans, or more ambitious, and will work closely with the Danish embassies and other development partners to ensure a harmonized approach. This with an aim to lift potential impact, enhance ownership, and minimize transaction costs.

All three partner countries can be characterized as regional leaders with relatively high influence on regional and global commitments to combating the climate crisis and promoting sustainable development. E.g. in 2024 and throughout the FP period, the partner countries are hosting key international events regarding climate action and sustainable development, including G20/U20 in Brazil (2024) and South Africa (2025), CBD COP16 in Colombia (2024), and UNFCCC COP30 in Brazil (2025), which the SSC projects can feed into with specific results be utilised from the bilateral collaboration driven by the Danish representations.

The partner countries have a proportionally high amount of C40 cities, specifically five in Brazil (Sao Paulo, Rio de Janeiro, Curitiba, Salvador, Fortaleza), five in South Africa (Johannesburg, Tshwane, Ekurhuleni, Durban/eThekweni and Cape Town) and two in Colombia (Bogotá and Medellín). This offers a great potential for dissemination of results and solution from the SSC partnerships across key cities in the countries and beyond, through C40. In addition, working with climate ambitious cities also hold a potential for influencing national level by showcasing solutions combined with strong relations and overlapping interests between city- and national level administrations.

While the partner cities are economic centres in emerging and medium income countries, the inequality is substantial both a national and city level. Rapid urbanization and concentration of resource use is taking place in an expanding number of their urban settlements. This reflects pressing socio-economic and environmental challenges in the partner cities faced by vulnerable and poor citizens and communities, which is a cross-cutting focus of this FP and its projects, e.g. as reflected in the Sao Paulo project on the significant focus on improving the social and environmental conditions in the Guavirituba favelas in the South of the city.

Experience from other SSC projects, e.g. the Copenhagen project with Buenos Aires, has shown that SSC projects can be a driver for consolidating and strengthening focus of the administration and political leaders on challenges addressed by the partnership, thereby furthering the political and financial support for improving conditions for vulnerable and poor groups through the various project activities. At the same time, for capacity development driven by experts and solutions from City of Copenhagen to be successful, it requires a sufficient level of knowledge, staff capacity, political focus in the partner cities, which is the case for all the SSC projects.

To bring results and lessons learnt to a higher level, the programme will engage with C40, national administrations and other relevant programs and organizations in the three partner countries and beyond to help ensure dissemination and replication of results and approaches.

Table 3: Project phases in SSC City of Copenhagen Framework Programme 2025 – 2028

Country and phase	Time period	Status	Thematic Focus	Partner Authority
Colombia, Phase I	May 2024 – Dec. 2026	Current	Wastewater Drinking water Solid waste Urban planning - green mobility	City of Bogota City of Medellin
Colombia Phase II	Jan. 2027 –	Future	Wastewater Drinking water Solid waste Urban planning - green mobility	City of Bogota City of Medellin
Sao Paulo Phase I	Jan. 2025 – Dec. 2027	Future	Urban planning - climate adaptation, Waste management, Energy efficiency, Green jobs and -skills.	City of Sao Paulo
Sao Paulo Phase II	Jan. 2028 –	Future	Urban planning - climate adaptation, Waste management, Energy efficiency, Green jobs and -skills.	City of Sao Paulo
Johannesburg Phase I	Jan. 2025 – Dec. 2027	Future	Urban planning - climate adaptation, Drinking water Wastewater treatment Energy Efficiency	City of Johannesburg
Johannesburg Phase II	Jan. 2028 –	Future	Urban planning - climate adaptation, Drinking water Wastewater treatment Energy Efficiency	City of Johannesburg

Note: It is assumed that the transition to the Framework Programme financial management will take place 1 January 2025. Inception phases in Sao Paulo and Johannesburg that are expected to be concluded in December 2024 are not included.

6. Budget

Figures in the indicative budget below are preliminary and subject to Parliamentary approval. This budget overview reflects the expected support as indicated in the 2024 Finance Act. The SSC projects primarily include funding of activities under Outcome 1, as the prime objective, and in some cases also support the realisation of Outcome 2 and 3.

At the level of each SSC project, the budget and the annual financial reporting is output-based. The outputs and outcomes of the new SSC project phases will be aligned to the outputs and outcomes of this FP.

It should be noted that FP funds are disbursed to and managed by the City of Copenhagen. The partner institutions cover their own time and cost for in-country work and no SSC-funds are managed by partner institutions.

Table 4: Disbursement budget for SSC Framework Programme 1.1.2025 – 31.12.2028 (DKK)

	2025	2026	2027	2028	Total 2024-2028
Colombia, Phase I	5,500,000	5,300,000			10,800,000
Colombia, Phase II			5,000,000	5,000,000	10,000,000
Sao Paulo, Phase I	4,000,000	4,000,000	4,000,000		12,000,000
Sao Paulo, Phase II				4,000,000	4,000,000
Johannesburg, Phase I	4,000,000	4,000,000	4,000,000		12,000,000
Johannesburg, Phase II				4,000,000	4,000,000
Projects, total					52,800,000
Communication	150,000	100,000	100,000	150,000	500,000
Results monitoring, learning and preparatory studies		500,000	500,000		1,000,000
Mid-term review			600,000		600,000
Unallocated funds			2,400,000	2,400,000	4,800,000
Total	13,650,000	13,900,000	16,600,000	15,550,000	59,700,000

DKK 4,8 million is set aside in the FP budget as unallocated funds. In new SSC project phases and new projects, the entire budget must be allocated to specific outputs. No funds can be set aside as unallocated, since this is done at the level of the FP.

These funds are reserved for expansion of future, planned phases or for initiating an SSC project in a new country agreed between the MFA and the City of Copenhagen. The allocation of un-allocated funds is approved in the Strategic Management Group as per below. The objective for the use of unallocated funds should follow the objectives and overall theory of change of the FP.

The budget reflects a match between demands from partner cities on key sustainable development priorities and the expertise and capacity in City of Copenhagen, and an overall substantial interest and commitment from partner cities at technical, senior management, and political level. For Sao Paulo and Johannesburg, this has resulted in four work tracks per city, requiring a project budget exceeding the normal

maximum of DKK 10 million, in order to have sufficient volume to deliver high quality across the different tracks. For the SSC project with Bogotá and Medellín, the larger budget is a clear result of partnering with two cities.

7. Governance and management arrangements

The FP, which covers so far three countries, is an arrangement between the MFA and the City of Copenhagen. The FP enables overall strategic management of the portfolio on the Danish side. The City of Copenhagen is overall responsible for implementing the FP and the SSC projects, working closely with the partners and the MFA, including the relevant Danish embassies.

The International Team in the Department for Business, Growth and International Relations; Lord Mayor's Administration is focal point for the management of current SSC-projects, and will also be focal point for management of the FP.

The FP will follow the SSC Guiding Principles management arrangements, Administrative Manual and Financial Annex, relevant Danish Government policies/strategies and MFA's Aid Management Guidelines.

The governance of the SSC projects at national level is undertaken through the Project Steering Committees, which include the partner authorities, whereby they are directly engaged in project-level monitoring and decisions.

The Project Steering Committees (PSC) for each SSC project is composed of a high-level representatives of the partner organisation, the City of Copenhagen and the relevant Danish Embassy, including the Sector Counsellor as Secretary. The PSC is co-chaired by the Danish Ambassador/Deputy Ambassador and a high-level partner representative. National non-public stakeholders may participate as relevant in PSC meetings. The PSC is a key forum for equal partnership in decision-making related to the specific SSC-project. PSC meetings are conducted once or twice a year. Additional meetings can be agreed upon on an ad hoc basis. In addition to PSC meetings, the City of Copenhagen and the Sector Counsellor have ad-hoc meetings at technical level with partners for planning the implementation of each SSC project. These meetings also include a level of learning from previous, joint experience between the partners.

Main tasks of the programme and project governance committees

Project Steering Committee (PSC) for each SSC:

- Approval of project document for phase 1 and subsequent phase
- Approval of annual workplan and budget
- Approval of annual report
- Monitor and update risk management matrix
- Discuss possible project adjustments
- Discuss DFC courses

Programme Management Group

- Assessment of new project phases
- Approval of FP annual workplan and budget
- Approval of FP annual report
- Monitor and update risk management matrix at programme level
- Discuss overall MEAL system and learning opportunities

The PSC will review and approve the final SSC Project Document and annual work plans. It will monitor progress in delivering on agreed work plans, project outputs and outcomes. The PSC will furthermore discuss and suggest changes to the work plan relative to changes in context, risks and identified critical assumptions. The PSC will discuss opportunities for incorporation of DFC learning programmes and research projects, as well as other relevant development initiatives.

Strategic Management Group

- Approval of new country under the Framework Programme
- Decisions regarding possible phasing out of existing countries/cities
- Approval of new project phases
- Approval of the use of unallocated funds based on recommendation from the PMG

The City of Copenhagen and the MFA will engage at two additional levels in the governance and management of the FP:

The Programme Management Group (PMG) is responsible for overseeing overall FP implementation and progress, review project progress with respect to results, compliance, and challenges in implementation. The PMG will assess new projects, new project phases, and phasing out of projects, based on guidance from the SMG and in accordance with this FP. The PMG will also approve an annual work plan and budget for the FP, as well as endorse annual reports, including financial reporting. New phases and new projects will be assessed and decided based on the focus and considerations defined in this FP document (based on project documents formulated in accordance with AMG). The PMG is composed of City of Copenhagen (Chair) and MFA senior staff from the MYNSEK Secretariat. The PMG meets bi-annually, as follows: In February/March, to review the annual progress report and financial expenditure report, and address deviations and challenges in implementation of individual projects; in October/November, to review and approve next years' programme planning and budget and to review the capacity and contributions of all involved stakeholders. The Terms of Reference for the PMG will be developed in collaboration between the City of Copenhagen and the MFA.

The Strategic Management Group (SMG), with a mandate to guide the FP's strategic direction, address sector developments, and issues emerging regarding the overall objectives, and approve use of unallocated funds (subject to Aid Management Guidelines (AMG) procedure). The SMG will also guide and advise to maximise the impact of Denmark's international engagement (bi- and multilateral) in relation to the FP and ensure all stakeholders are adequately informed and guided. The SMG is composed of high-level representatives from the City of Copenhagen and the MFA, with a rotating Chair. The SMG will meet annually in April/May. The TORs for the SMG will be developed in collaboration between the City of Copenhagen and the MFA.

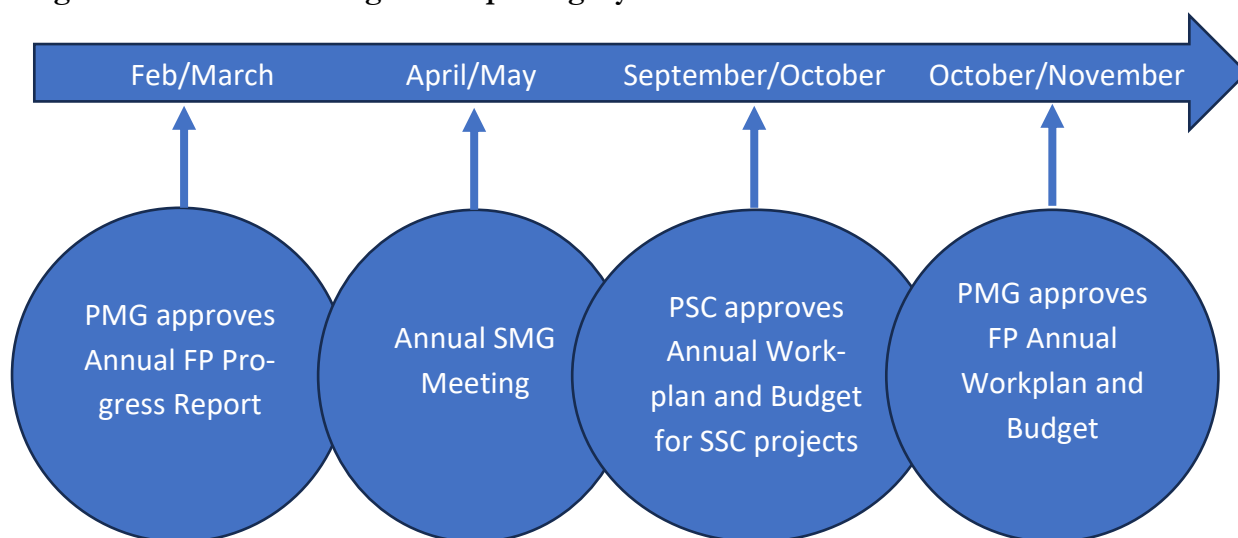
The City of Copenhagen will organise and facilitate all meetings and follow-up of the SMG and the PMG. Meeting documentation will be circulated by the City of Copenhagen 14 days in advance of the meeting and summary of meetings will be circulated within one week and finalised within 2 weeks from the meeting.

The selection of new countries and new project phases in existing countries should be approved in the SMG. Proposals for new phases must be agreed upon in the Project Steering Committee and submitted for initial screening, discussion, and recommendations for approval from the PMG. New and adjusted outcomes will be discussed with partners and the partners are actively involved in preparing new project

documents and work-plans thereby guaranteeing that the partnership is equal and that there is ownership in the partner country. The new phases or new projects must be described in project documents aligned with the requirements in the AMG and the SSC guidelines.

The PMG will establish processes for systematic sharing of knowledge and lessons between the City of Copenhagen, the MFA and the embassies. Generally during implementation, the City of Copenhagen will facilitate relevant opportunities for Embassies to engage at high-level with partner authorities; and in connection with Danish high-level visits to the countries, the MFA/Embassies will engage with the City of Copenhagen early-on regarding relevant opportunities in connection with such visits; all will explore opportunities through the DFC to enhance learning outcomes.

Figure 2: Annual Planning and Reporting Cycle



8. Financial management, planning and reporting

The City of Copenhagen will provide an Annual Progress Report, including a financial report, that assesses the FP’s progress, developments, risks and lessons in relation to the FP Results Framework and Theory of Change.

The City of Copenhagen will follow the MFA MYNSAM 2.0 Guidelines for Strategic Sector Cooperation, which also includes the Financial Annex.

The outputs and outcomes of the new SSC project phases will be aligned to the outputs and outcomes of this FP, which will allow results-based financial reporting. Disbursements are subject to approval by the granting authority in the fiscal year in which the payment is made.

The City of Copenhagen must follow the guidelines in the Financial Annex, when submitting the annual account for the FP to the MFA. The annual accounts should include a management statement as indicated in the guidelines. An audit report is not needed for the annual financial statement from municipalities, but it is needed for the final accounts for the whole FP period. The annual audited financial report

of the City of Copenhagen must reflect the FP funding received as income as well as the expenses recorded on the FP.

The MFA has established a joint anti-corruption policy, which covers all of the foreign services' areas of responsibilities. The City of Copenhagen must live up to the principles of this policy. The City of Copenhagen will report immediately to the MFA in case of critical incidences or if irregularities are observed during the implementation.

9. Monitoring, learning, and risk management

The City of Copenhagen is responsible for monitoring of the projects under the FP based on the three FP outcomes, the project specific results frameworks, risks matrix, and guided overall by Danida Aid Management Guidelines (AMG). For each SSC project under the FP, clear indicators at output and outcome level should be established in close cooperation with the partner institutions. It is important to keep focus on this learning process regarding the development issues and how they play out related to their specific technical fields and the thematic focus areas of the FP. Qualitative aspects, including in relation to women and youth, should be included in the monitoring and learning activities.

MFA will commission a mid-term review of the FP in 2027 with focus on results progress, lessons learned, organisational management capacity (incl. financial management) of the City of Copenhagen and partner authorities, lessons on cooperation and dialogue with main relevant private sector actors, implementation of programme monitoring and learning system and operationalisation of poverty reduction in the capacity development efforts, including in relation to women and youth. The mid-term review will also revisit the results framework and targets.

The programme risks and mitigating measures have been described in Annex 3. The City of Copenhagen will annually review and update the risk assessment for discussion in the PMG and SMG meetings if needed. Risks at the level of the individual projects will be identified and monitored based on the project documents.

10. Closure and exit

The process for closure and exit and/or transition to other forms of partnerships will follow the procedures defined in the SSC guidelines and Danida's AMG. One year before the termination of the FP, the PMG and the SMG should assess and agree on the possible next phase of FP. All SSC projects are likely to end at the end of a third phase, corresponding to approximately 10 years, but can be extended if agreed between the MFA, the City of Copenhagen and the partners. Any project entering phase 3 should include, as part of the project documentation for approval, an outline strategy for transition that ensures sustainability of main project results after project completion.

There are so far few examples of SSC projects transitioning into other forms of cooperation after the last phase of support. A transition strategy should include considerations as to whether there is room for identifying investments under Danida Sustainable Infrastructure Programme (of the partner country is

eligible) or through Danida partnership programmes, such as Danida Green Business Programme. Furthermore, it should be considered how the linkages to partner institutions will be maintained after project closure with the view of extending the good relations established during the SSC. Institutions that should be considered to potentially play a role in a post-SSC situation include the Danish authority (i.e. the City of Copenhagen and utility companies engaged), the MFA/embassy, private companies, lobby organisations and international organisations. In particular, the C40 network is an important player in relation to this FP.

Annexes:

Annex 1: Project contexts and summaries

Annex 2: Partner Assessment

Annex 3: Risk Management

Annex 4: Plan for Communication of Results

Annex 5: Process Action Plan for Preparation

Annex 6: Member of Programme and Project Governance Committees

Annex 7: Appraisal recommendations and follow-up