

Minutes of the Executive Committee's Meeting held on 11 March 2021

Present

From the Executive Committee:

Agi Csonka, Chair
 Bettina Bach
 Ibrahim Hakizimfura
 Juliane Marie Neiiendam
 Kim Simonsen
 Mette Fejfer
 Peter Kellermann Brandorff
 Sophie Rytter
 Jeton Kryezi, Observer, Chairperson of DFUNK

From the Secretariat:

Charlotte Slente, Secretary General
 Vibeke Bach Madsen, Committee Secretary
 Anne Mette Barfod, CFO, under item 2

The meeting was held virtually.

Agenda

	Items		Content
	Brief update from the field Video from Nigeria		
1)	Approval of the Agenda	Decision	Comments regarding the agenda.
2)	Financial update (Anne Mette Barfod, CFO)	Briefing	Attachment 2: Preliminary 2020 Result – Reading Guide Attachment 2.1: DRC Budgetary Follow-up DEC 2020-ExCom Attachment 2.2: DRC Integration report up to and including January 2021 – 28 February 2021 Budgetary Follow-up January – December 2020 and 2020 prognosis.
3)	FOCUS TOPIC 2025 Strategy (Anne Mette Barfod, CFO)	Decision	Attachment 3: 2025 Strategy – Cover note Attachment 3.1: 2025 Strategy – Draft ExCom to discuss and approve the first draft of the 2025 Strategy. On its approval, the field will be asked to submit its input to Result Goals and KPI's prior to its final approval in June.
4)	Approval of new external member of the Executive Committee	Decision	Attachment 4: Proposal regarding external member - CV

	Items		Content
	(Agi Csonka)		ExCom to be presented with a proposal regarding a new external member strong in international experience (cf. decision at the ExCom Seminar on 13-14 November 2020).
5)	Draft version of the agenda for the Council meeting to be held on 27 May (Agi Csonka)	Decision	Attachment 5: Draft Agenda for the Council meeting on 27 May 2021 ExCom is to approve the draft agenda, which will be distributed amongst the member organisations along with a summons to the meeting two months prior to the meeting being held at the latest.
6)	Proposals regarding changes to the articles of association (Agi Csonka)	Decision	Attachment 6: Cover sheet - change of DRC's Articles of Association Attachment 6.1: Revised DRC Articles of Association ExCom will be processing proposals for changes to the articles of association that spell out the fact that ExCom candidates must announce their candidacy in advance of the Board of Representatives' Meeting.
7)	Announcements from the Chair	Briefing	
8)	AOB		
	Meeting Recap		The Executive Committee's "own time", including the opportunity for subsequent evaluation and recap of the meeting.

Brief update from the field, Northeast Nigeria

The Executive Committee was introduced to a short video from Nigeria about the work that DRC has completed on behalf of young women with support from the United Danish Appeal for Funds, amongst others.

DRC has been in Northeast Nigeria since 2015, where it has supplied the crisis-ridden local communities with lifesaving activities. DRC has 26 national employees and 25 expats in the area with a project portfolio in the region of DKK 156 mil. in 2020.

The project in hand was tailored to assist and support young girls on their path to adulthood and to counteract some of the risks that they, in particular, face as a result of the conflict in the area: early/forced marriage, more and differing educational barriers, the local risk of abduction, gender-based violence, etc. Through mentoring provided by adults and peers, and the provision of life-skills and education, the aim of the project was to improve the well-being of 600 girls – for their own benefit and the benefit of their families and the local community.

Re. 1) Approval of the agenda

The agenda was approved as noted above.

Re. 2) Financial update

The *Preliminary 2020 Result Reading Guide* was distributed as attachment 2, the *DRC Budgetary Follow-up DEC 2020-ExCom* as attachment 2.1, and *DRC Integration report up to and including January 2021 – 28 February 2021* as attachment 2.2.

CFO Anne Mette Barfod ran through the preliminary result for 2020.

The figures mentioned have not been audited, and as such they can change in connection with the continued work on the annual accounts.

Earnings are very close to those budgeted for 2020, which is impressive when seen through the light of the COVID-19 pandemic. Despite extremely difficult conditions, International Operations have been able to convert and complete activities. As expected, DRC Integration came in under budget, primarily due to earnings within the part of the operation it has been decided is to be dissolved.

With regards to *Expenses*, expenditure levels have been lower than expected, primarily due to lower levels of activity as a result of COVID-19 (and travel, in particular). In addition, investment-related expenditure levels have also been lower, as expenditure levels have been lower throughout the year than those budgeted with due to COVID-19 (travel and on-site training, in particular), just as one has held back in the second half of 2020, as agreed.

The result of exchange rate fluctuations will be available at the beginning of April at the earliest.

It is expected that the *Overall 2020 Result* will be negative.

With regards to *Liquidity*, it has been manageable throughout Q4 and into the New Year. The situation has been closely monitored and CFO has participated in weekly meetings and reports to the EMT (i.e. Executive Management Team). Both DRC Dynamics and various mechanisms for liquidity management and control are now in place, so that one can better handle the months in which liquidity typically comes under pressure, despite lower equity levels.

⇒ **Decision:** *The Executive Committee expressed its thanks for a good run-through and good overview of the preliminary 2020 result. It has been an exceptional and difficult year with an unpredictable pandemic, which has been handled impressively by all sections of the organisation without immediate large economic consequences. Added to this is DRC Integration, in which connection the process surrounding its adjustment has been found to be satisfactory, as one very rapidly became aware that the current business plan needed to be rethought following the Executive Committee's initial approval in January 2020, and it is acknowledged that one has been able to alleviate/parry aspects of the expenses by means of a more rapid decommissioning of some contracts.*

Satisfaction with the timely slowdown of investments in the second half of 2020 has also been noted, even though it is not assessed to comprise a durable long-term model, as needless to say the continued growth of investments is necessary.

However, there is widespread worry that there is a risk of a loss in 2020 on a par with that in 2019. That would press Equity levels under the desired levels and posit heightened demands that equity levels be restored as quickly as possible. It is critical that the 2021 Result is positive and that as such it sends a signal that the organisation is moving in the right direction. That a number of levers, i.e. Strategy, Business Model and Organisational Transformation are being worked with a view to ensuring a strong and sustainable organisation and can be expected to be implemented in 2021 is acknowledged.

Based on the above, the Executive Committee would like the Secretariat to present plans in June indicating how a balanced 2021 Result can be ensured.

DRC Integration, KPI follow-up

The Executive Committee is following the decommissioning of LærDansk and Tolkeservice along with the continued operations in DRC Integration, which comprises the following areas: Employment (i.e. Beskæftigelsesområdet), Children/ Families (i.e. Børne-/Familieområdet), Knowledge & Development (i.e. Viden & Udvikling) and Volunteer (i.e. Frivillig). The latter is achieved through ongoing follow-up of key figures.

The Executive Committee did not have any comments to the forwarded appendix 2.2.

The committee is still very pleased with the overview.

Re. 3) FOCUS TOPIC: 2025 Strategy

The 2025 Strategy – Cover note was distributed as attachment 3, and the *2025 Strategy draft version* was distributed as attachment 3.1.

Secretary General Charlotte Slente ran through the draft version of the 2025 Strategy with a view to the Executive Committee's approval thereof in advance of contributions from the organisation with regards to the more specific result and target figures.

At its meeting in December 2019, the Executive Committee approved the overall framework of the strategy along with the two breakthroughs that are to focus the global changes that DRC will be contributing to. The organisation has continued to work on clarifying and elaborating strategic priorities and organisational principles.

The structure of the finalised 2025 Strategy will present:

One vision that states why we are here

The current vision is hereby upheld: A dignified life for all displaced.

Two breakthroughs that make a significant impact in the world.

1) We protect the most marginalised:

Rights of People Affected by conflict or displacement are protected and upheld.

2) We include the most excluded:

Equitable social and economic inclusion for people affected by conflict or displacement.

Three platforms that respond to distinct displacement situations

In this, we are building on the current 3 platforms in DRC's response framework:

- Emergency response - Solutions to displacement - addressing of root causes.

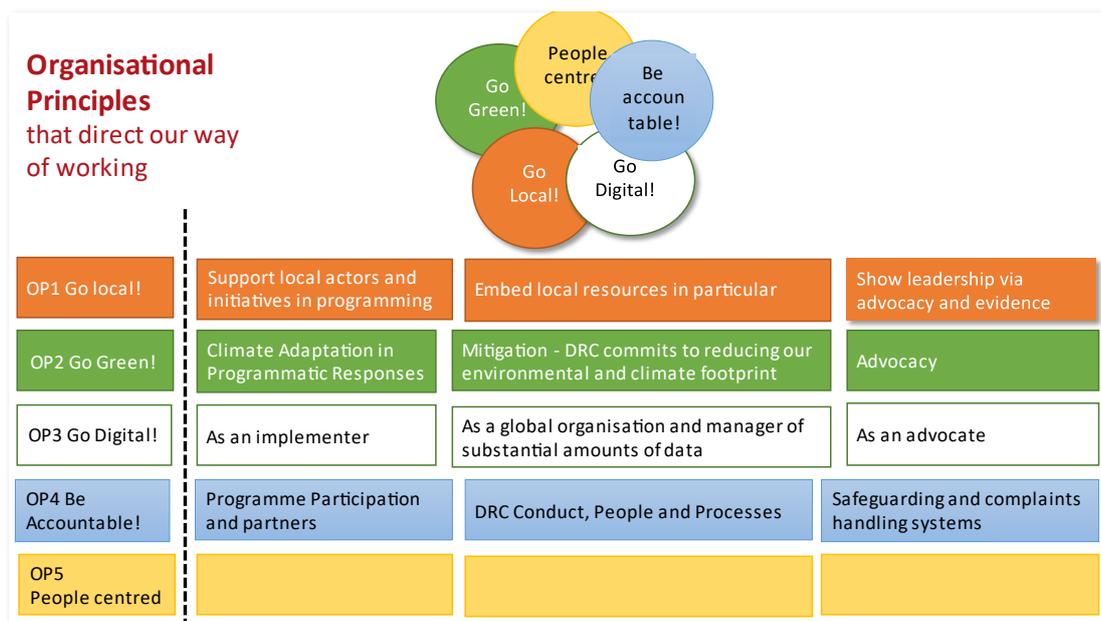
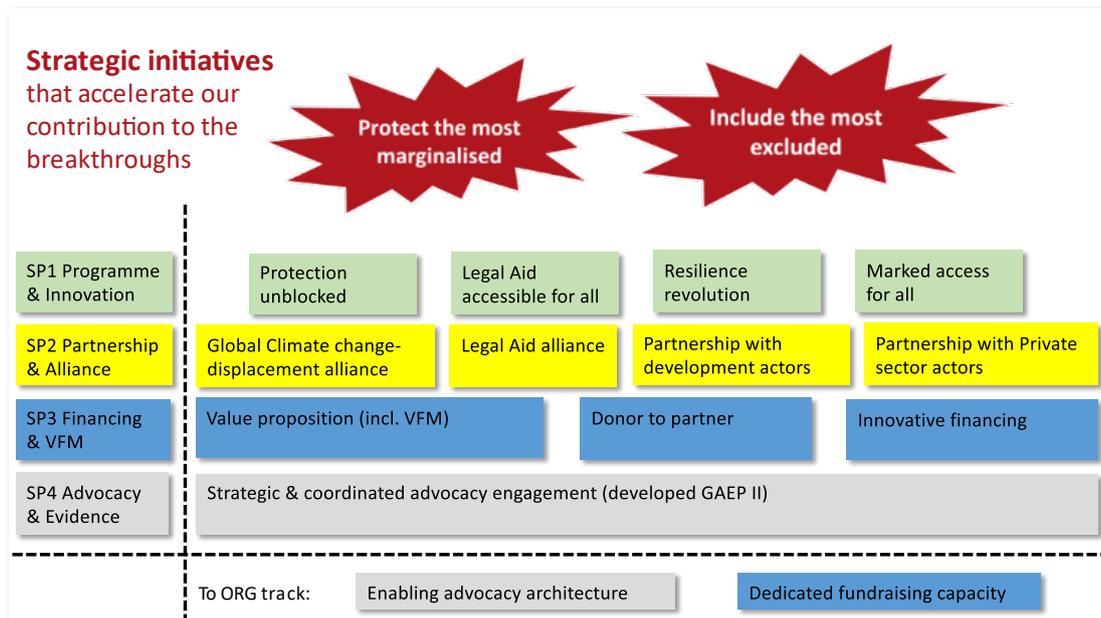
Four strategic priorities that accelerate our contribution to the breakthroughs.

Five organisational principles that direct our way of working.

Strategic Priorities and Organisational Principles

In Q1, relevant experts within the organisation have formulated proposals for a limited number of prioritised strategic efforts within each of the strategic priorities that are to support the two set breakthroughs. Along with proposed focus areas within the organisational principles, these will constitute the framework for the draft version of the strategy.

The following depicts the focused and prioritised support of the two breakthroughs:



In the final phase of the strategy process, the organisation will work with its contributions in terms of more precise result and target figures for the various aspects of the strategy. The result of this will be gathered in a final draft version of the strategy and will be presented to the Executive Committee at its meeting in June. Subsequently, DRC's directors will finalise the strategy at their conference in June.

⇒ **Decisions:** *The Executive Committee expressed its gratitude for the presentation of and status regarding work on the 2025 Strategy. It is vital that DRC's coming strategy is focused and contains clear prioritisations. The changes that DRC is to contribute to in the world, must concurrently ensure and be managed by a sustainable organisation. Hence, one is pleased with the Secretariat's ongoing work regarding business model and organisational transformation, which together with the strategy are to ensure that DRC is strongly positioned on the global scene – and that the organisation makes it through current challenges in a*

favourable manner.

With these comments, the Executive Committee could approve the presented draft version of the strategy.

Ad 4) Approval of new external member of the Executive Committee

A Proposal regarding external member - CV was distributed as attachment 4.

Agi Csonka presented a proposal regarding external member of the Executive Committee.

Based on discussions regarding the Executive Committee's collective skills, as seen in relation to DRC's development and direction, it was decided in connection with the Seminar held in November 2020 to augment with a member who has a strong international experience base (cf. §12, 3 of the articles of association).

⇒ **Decisions:** *The Executive Committee found that the introduced candidate had a very strong international profile with ample appreciation of the humanitarian sector, development cooperation, democracy and civil society. Along with having collaborated with and understanding donors and solid experience with management and organisational development. Hence, it was approved that the Chair contact the candidate with a view to reaching a definite agreement regarding appointment to the Executive Committee. The Board of Representatives will be informed thereof at its meeting on 27 May.*

Ad 5) Draft version of the agenda for the Board of Representatives' meeting to be held on 27 May

The Draft version of the agenda for the Council meeting to be held on 27 May 2021 was distributed as attachment 5.

Agi Csonka presented the draft version of the agenda for the Board of Representatives' meeting to be held on 27 May 2021 in brief.

⇒ **Decisions:** *The Executive Committee approved the draft version of the agenda, noting that they would like to have an opening presentation regarding asylum reception centres outside Denmark and the issue of pushbacks in the Balkans.*

Ad 6) Proposals regarding changes to the articles of association

Cover sheet - change of DRC's Articles of Association was distributed as attachment 6, and Revised DRC Articles of Association were distributed as attachment 6.1.

Agi Csonka accounted for the proposals regarding changes to the Articles of Association.

The primary change has to do with the Executive Committee's desire for an even closer collaboration with the member organisations regarding the announcing of candidates to the Executive Committee. i.e. the desire to ensure that the Board of Representatives can choose candidates that as far as possible have the necessary skills that management of an organisation such as DRC requires, both in terms of its size and complexity.

Up to now, it has been customary to allow candidates who would like to announce themselves in connection with the Board of Representatives' meeting to do so, even if it is not in keeping with the articles of association.

⇒ **Decisions:** *The Executive Committee approved that it is to be ensured, as far as this is possible, that candidacies are to be announced by written motivation in advance. Hence, one is only to be able to announce one's candidacy in connection with the Board of Representatives' Meeting itself, in the event that*

there are not enough candidates. The aim of this being to ensure that the Board of Representatives has a better chance of assessing the candidates' skills in relation to the task within the Executive Committee.

Ad 7) Announcements from the Chair

- Peter Kellermann Brandorff has announced that he will be stopping as a member of the Executive Committee in connection with the 2021 Board of Representatives' Meeting. Nominated by Oxfam/Ibis, Peter has been a member of the Executive Committee for the last 9 years, and as such an experienced member, with great insight regarding DRC and the committee's work, whose presence the Executive Committee will miss.
Peter's seat will be available for a 1-year by-election.
- **Nykredit guarantee**
At its meeting on 4 March 2021, the Chairmanship approved a liability of up to DKK 450,000 annually from 2021-2026 to cover potential liability of the guarantor during the DRC-Nykredit-partnership project, known as the Kismayo Water Project in Somalia, in the event that no other donor funds can cover the liabilities. The project is part of DRC's work with innovative forms of financing. Local collaborators will pay back the amount over a number of years, and it is expected that donors will take over and provide the guarantee.
- **Management Information, KPI and key figures for the Executive Committee**
In the capacity of a sub-committee under the Executive Committee, Peter Kellermann Brandorff and Mette Fejfer have met with the Secretariat to discuss wishes regarding management information.
Based on a fine proposal from the Secretariat, a format has now been established that will be tested in connection with the upcoming meeting in May. On that occasion, the Executive Committee will get the opportunity to assess the format with a view to further adjustment, if necessary.
- **DRC's contribution to development policy strategy and Danish membership within the Security Council.**
In February, the Minister for Development Cooperation Flemming Møller Mortensen hosted a virtual thematic meeting on Denmark's development policy strategy. Charlotte Slente was invited to participate along with other development policy experts and professionals.
Charlotte Slente has furthermore participated in a closed virtual roundtable discussion with the Danish Prime Minister, Minister for Foreign Affairs and Minister of Defence and a few other invited guests, including researchers and Secretary General of the Danish Red Cross Anders Ladekarl to discuss "Where does multilateralism stand today?"
The aim of the roundtable event was to reflect on how Denmark can contribute to endeavours aimed at a stronger and more efficient/well-functioning UN. The Prime Minister stated in a press conference following the roundtable discussion that former Vice-chairman in Venstre – The Liberal Party in Denmark, Kristian Jensen, will be working to secure a seat for Denmark in the UN's Security Council in 2025 and 2026.
- **DRC's COVID-19 appeal**
A recap of the result of the appeal DRC announced in the Spring of 2020 in connection with COVID-19. An impressive result, whereby DRC has been able to attract 54 mil. USD out of the requested 75 mil. USD. This is the equivalent of 72%, which is very high for this type of appeal. Added to this is the conversion of efforts to COVID-19 responses to an amount of 25 mil. USD.
DRC has reached 4.8 million displaced persons with efforts that specifically address the secondary effects of the global pandemic.

Ad 8) AOB

There was nothing to report under AOB.

ExCom meetings in 2021

ExCom/2	06 May from 3 – 6:30 PM
ExCom /3	27 May from 3:30 – 6:30 PM
ExCom 4	08 June from 3 – 6:30 PM
ExCom /5	14 September from 3 – 6:30 PM
ExCom /6	18 November from 6 PM – 19 November 6 PM
ExCom /7	07 December from 3 – 6:30 PM