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ANNEX

to the Commission Implementing Decision on the financing of the multiannual action plan on Education in favour of Greenland for years 2024-2025

Action Document for the EU-Greenland Education Partnership 2024-2025

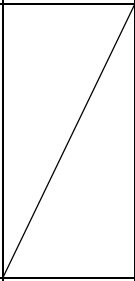
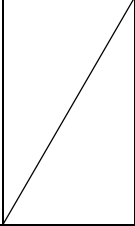
MULTIANNUAL MEASURE

This document constitutes the multiannual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation and article 82 of the Decision on the Overseas Association, including Greenland.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	EU-Greenland Education Partnership 2024-2025 OPSYS number: ACT-62246 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)/ Overseas Association Decision
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Greenland
4. Programming document	Multiannual Indicative Programme (MIP) for Greenland 2021-2027
5. Link with relevant MIP(s) objectives / expected results	Specific objective 1: <i>Increasing the quality of the Greenlandic education system to foster productive lives, wellbeing and resilience of the society.</i> Specific objective 2: <i>Reducing the inequality in the Greenlandic education system to boost cohesion of the society.</i> Specific objective 3: <i>Augmenting the efficiency in the Greenlandic education system</i>
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Education
7. Sustainable Development Goals (SDGs)	Main SDG: 4, Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all Other significant SDGs (up to 9) and where appropriate, targets: SDG 8, Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; SDG 5 Achieve gender equality and empower all women and girls; SDG 10, Reduce inequality within and among countries
8 a) DAC code(s)	N/A
8 b) Main Delivery Channel	1200 National Government

9. Targets	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective
Digitalisation @		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services		YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
Connectivity @		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
digital connectivity energy transport health		YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

	education and research			
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	<p>Budget line(s) (article, item): 14.050300</p> <p>Total estimated cost: EUR 71 250 000</p> <p>Total amount of EU budget contribution EUR 71 250 000 for budget support of which EUR 70 000 000 for budget support and EUR 1 250 000 for complementary support.</p> <p>The contribution is for an amount of EUR 30 000 000 from the general budget of the European Union for 2024 and for an amount of EUR 41 250 000 from the general budget of the European Union for 2025, subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.</p>			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	<p>Direct management through:</p> <ul style="list-style-type: none"> - Budget Support: Sector Reform Performance Contract - Procurement 			

1.2 Summary of the Action

This action will contribute to the sustainable and inclusive development of Greenland and the diversification of its economy by supporting the education sector. It will increase the collective welfare and well-being and enhance the skills of the youth and existing workforce, building on previous EU-Greenlandic cooperation in this area. An educated workforce is a pre-requisite to develop any new economic sectors, particularly those relevant to Green Growth and Global Gateway. Building on experience from previous programmes and the upcoming revised Greenlandic education strategy expected in 2023, this action will use budget support and technical assistance to support particularly technical education, re- and up-skilling, e-learning as well as mental health.

The Overall Objective (Impact) of this action is to contribute to the sustainable development and diversification of the Greenlandic economy.

1. Increase quality in the education system as well as learning outcomes and entrepreneurial and innovation skills, emphasising projected labour market demands.
2. Reduce inequality, improve wellbeing of students and boost cohesion and inclusiveness in society.
3. Increase efficiency in the education sector (including spending) and completion rates in upper secondary education and Vocational Education and Training (VET), as well as progression from lower secondary

2 RATIONALE

2.1 Context

The strategic role of Greenland is increasing (raw materials, climate change, Arctic matters, security, and connectivity), and is attracting attention of global players (such as the US and China), warranting a proactive EU. While firmly committed to its long-standing partnership with the EU, Greenland is increasingly looking to diversify its economic and political relations. The EU's partnership with Greenland comprises a sustainable fisheries agreement (since 1985; currently around EUR 21 million of financial compensation for Greenland annually) and

development cooperation since 2007, primarily focusing on education (currently around EUR 30 million annually) and recently complemented by Green Growth cooperation (energy, critical raw materials and environmental protection). Plans to set up a Commission office in Nuuk are advancing.

Greenland's government has a strong interest to broaden this relationship in order to diversify its economy, but crucially lacks investment and a skilled workforce. The EU has the opportunity to become a key partner in this endeavour. Greenland is seeking a more active role in foreign policy (within the constitutional limits of the self-rule act), having joined sanctions on Russia, aiming to diversify trade relations, and looking particularly to Canada and the US. The US opened a consulate in Nuuk two years ago and started engaging in development cooperation in Greenland (support to mineral resources, education, organising business fora to discuss opportunities for trade and investment with between the US and Greenland). Greenland has a stable macroeconomic outlook, which is underpinned by an annual block grant from the Danish government. While heavily reliant on fisheries and the public sector, Greenland's economy has shown sound growth rates in the past years.

The EU has been a reliable partner in support of the Greenlandic education sector since 2007 and expectations that it will continue to support education are high. This Action aims at consolidating gains achieved by EU investment in Greenlandic education to further reinforce the EU partnership with this Arctic Overseas Territory. It is also economically and socially warranted. Current plans of the government of Greenland to use the country's significant hydropower potential and mineral resources, as well as the tourism influx that is expected to result from the ongoing expansion of the airport infrastructure in three cities, will all require a steady and reliable increase in the availability of skilled workers to attract investment and then carry out work, if Greenland is not to rely heavily on immigration. Therefore, investing in green skills and increasing the number of Greenlanders with skills relevant for sustainable tourism other "green jobs", as well as extractive industries is key for sustainable growth.

Greenland has significantly relied on EU budget support for its education sector with a record for steady improvements and adequate absorption capacity of EU funds underpinned by a regularly executed, in-depth policy dialogue. With the support for the education sector, Greenland has, in particular, managed to increase the share of children in day-care, to create more diversified educational options (especially for young people), develop online provision of education (and educational guidance) to remote settlements, and not least increase recruitment to secondary and higher education and training despite an overall drop in youth population. Nevertheless, significant challenges still remain, notably with regard to drop-out and early leaving of pupils and students, matching (projected future) labour needs and availability of apprenticeships, technical education and re-/up-skilling, as well as factors external to the education system that impede learning success, such as socio-psychological issues.

2.2 Problem Analysis

Short problem analysis:

The lack of a skilled workforce is putting major limitations on Greenland's economic growth. While some progress has been made over the past years, completion rates as well as final grades are still too low. Greenland's education institutions across the system (pre-school to higher education) are suffering from a chronic lack of qualified teachers, which is especially pronounced in remote locations. Greenland's youth is facing comparatively high rates of socio-psychological problems.

Greenland is the world's biggest island but is very sparsely populated with some 56.500 inhabitants distributed on 5 major towns and approximately 60 smaller settlements. The economy is based mainly on fishery, which makes it vulnerable to fluctuations in world market prices, whereas other sectors – notably the exploitation of mineral resources as well as tourism – still only contribute a minor part of the GDP. However, the sources of revenue are not sufficient to balance the state budget, and therefore Greenland is dependent on an annual block grant from Denmark as a major contribution to its economy (see below in section 2.3.3).

In the efforts to develop a more robust, diversified, green and sustainable economy, the Government of Greenland (GoG) is investing heavily in education and training, as a well-educated workforce is a prerequisite for economic progress. For many years, education and training has accounted for over 25% of the state budget, which is one of the highest levels in the world (2022: 26.3% of overall GoG budget). However, Greenland's existing workforce is characterised by a low level of education, where a substantial amount – over 60% – of persons in the age bracket

16-74 only possess qualifications from lower secondary education or less. This situation is the result of endemic challenges in the Greenlandic education system, compounded by geographical, cultural and social factors (which are in particular challenging for the mental and emotional wellbeing of young students), resulting in high rates of early leaving as well as massive percentages of drop-out from upper secondary education and training (completion rates at 57% and 49% respectively in 2021) Where valuable years have been lost. The educational system is also affected – especially at pre-school and primary/lower secondary level – by a shortage of qualified teachers and other staff.

During the last few years (2017- 2021) a larger proportion of young people choose to start in gymnasium and the proportion of young people starting technical and VET is stable. In 2021, around 450 people completed VET. Since 2018 there has been a positive trend in the completion rate (2022 excluded). VET often includes traineeships. In 2021 there were approximately 813 students in VET with apprenticeships (out of 1034). The vast majority of these internships are located in the five municipal “capitals” (since 2012, the importance of 5 towns has increased significantly). VET is provided at specialised technical school¹ as well as through apprenticeships. The limited number of apprenticeships available by businesses is putting a limit on young Greenlanders starting VET. In addition, Majoriaq centres run by local authorities help unemployed people with academic and non-academic skill enhancement and labour market access, including helping young people back into the education sector.

According to an estimate by the Greenland Business Association from 2021, businesses currently have between 600 and 1 000 posts they cannot fill (relative to a workforce of approximately 28.000). The plans by the government to develop the raw materials sector, to attract investment in off-take industries for extended hydropower as well as the projected increase of tourism after the completion of the airport extensions will put additional demands on the labour market, which the GoG is hoping to fulfil as much as possible through the domestic workforce. This will necessitate not only improved output of the education system to have a higher-skilled workforce in the mid- and long-term, but also re- and upskilling to the degree possible of the existing workforce.

An investment in education thus has a transversal impact and is the foundation of future actions in other sectors. The action is interlinked with the MIP's other priority area on Green Growth in that support to Greenland's economic diversification will give a push to new economic sectors such as renewable energy, environmentally friendly mining and sustainable tourism, which will make staying in education more attractive to Greenland's youth.

Greenland's population has a high incidence of socio-psychological issues, manifested in a suicide rate more than seven times the EU average. Youth aged 15 to 24 years have the highest rates across all age groups while young men have the highest rates overall². Important contributors to these issues are the high rate of domestic issues: About half of 15-34-year-olds in Greenland have experienced problems with alcohol in the home, 30-40% have grown up with violence. In 2013 the Greenlandic government published that 62,4% of girls and women over the age of 17 have experienced violence or severe threats of violence once or more during their lives³. The offender was either a present or former partner in 65,2% of the cases 40% of women and girls experienced sexual violence before the age of 18⁴.

While a considerable problem in itself, this negatively impacts learning outcomes and success, and further impedes the efficiency of Greenland's educational sector. A new law on social guidance has set quotas for the number of social workers per school and a strategy for improved coordination in social guidance provision is under development (supported through the ongoing EU budget support programme).

¹ Namely Niuernermik Ilinniarfik Greenland Business School in Nuuk; The Greenland Maritime Centre in Paamiut and Nuuk; Campus Kujalleq in Qaqortoq (specialised in tourism); INULI Food College Greenland in Narsaq; KTI Building & Construction School in Sisimiut; KTI Iron & Metal School in Nuuk; Perorsaanermik Ilinniarfik Social Educational College in Ilulissat; Peqqissaanermik Ilinniarfik Centre for Health Science in Nuuk.

² Seidler, I.K., Tolstrup, J.S., Bjerregaard, P. et al. Time trends and geographical patterns in suicide among Greenland Inuit. *BMC Psychiatry* 23, 187 (2023). <https://doi.org/10.1186/s12888-023-04675-2>

³ KJÆRGAARD, S.F. (2023). *Examining Gender Equality in Greenland in the Last Thirty Years: An Investigation through the Lens of the CEDAW Convention's Examinations*. *Siberica* Vol. 22, No. 1, Spring 2023: 82–108

⁴ Ottendahl, C. B., Bjerregaard, P., Svarta, D. L., Sørensen, I., Olesen, I., Nielsen, M. S., & Larsen, C. V. L. (2021). Mental sundhed og helbred blandt 15-34 årige i Grønland: Betydningen af opvækstvilkår, beskyttende faktorer og risikofaktorer. (2021 udg.) Syddansk Universitet. Statens Institut for Folkesundhed.

Overall, more women graduate with a completed education than men⁵, so action on gender equality must have a specific focus on strengthening support also for boys and young men. Fixed gender patterns exist regarding which fields of education men and women chose. GoG points out that men lean toward natural sciences and ‘other fields of education traditionally oriented toward men’, while women seek healthcare or service professions. To date there are no visible outcomes to limit this division.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The Ministry of Education of Greenland is the main implementing partner of the action. Additional key duty bearers are the five Greenlandic municipalities since they have the responsibility for implementing pre-school provisions and primary and lower secondary education. For vocational education and training, trade unions and employers’ associations are important interlocutors. The Greenland Business Association has for instance been consulted for the development of curricula targeting entrepreneurship and innovative skills, and the present action will pick up on this by proposing formalised consultation structures with employers’ and workers’ organisations to make the output of the education sector more relevant for Greenland’s labour market needs. Moreover, parents are crucial rightsholders to instil a culture of lifelong learning. The ultimate beneficiaries are the Greenlandic women and girls, boys and men constituting the territory’s youth and the entire society.

Municipalities have recently been included in the regular EU-Greenland policy dialogue linked to the budget support operation, building on the establishment of a common forum for coordination in education – a key deliverable of the 2021 budget support programme. In addition, coordination with other actors active in the sector, such as philanthropic foundations (mostly from Denmark) or the US government can be envisaged.

2.3 Additional Areas of Assessment

2.3.1 Public Policy

The Government of Greenland has re-affirmed the goal of raising education levels through an inclusive and coherent educational system from pre-school to higher education. The current Greenland Education Programme II (GEP) covers the period until 2024. A new education strategy is being developed and is expected to be adopted in the second half of 2023. The Government of Greenland’s continuous commitment towards the sector is reflected in an increase in the national budget for education from an average of 25% in the previous years to 26.3%. The upcoming education strategy will likely reform the apprenticeship system, which has a shortage of positions within enterprises. The anti-bullying and suicide prevention strategies of the government will be the entry point of an increased focus on students’ well-being.

The new education policy has been under development for the last three years, facing several delays. The new strategy will describe the government’s visions for the educational sector towards 2030. A seminar on the topic of education was held in the beginning of 2022. Actors related to the educational system from all over Greenland were invited to discuss how to develop flexible solutions that support a more sustainable educational system. Following this seminar, the government has decided to focus on improving cooperation between actors in the educational sector and improving educational standards across Greenland with a special emphasis vocational education and training. This is in line with the GoG’s ambition to increase availability of an educated workforce to support its policy goals in other sectors.

Policy relevance

The ongoing policy (Greenland Education Programme II) has the following key objectives:

- Quality: increased quality of teaching in the primary/lower secondary educational sector and increased provision of qualified staff in day care and primary/lower secondary educational institutions; increased range of educational options;
- Equality: increased percentages of children attending (public) day-care; more inclusive programmes.
- Efficiency: more seamless transition between lower secondary education and upper secondary education and training; reduction in numbers of young people not in education, training or employment (NEETs); reduction in

⁵ CEDAW/C/DEN/Q/6/Add.1 para 35–39, CEDAW/C/DEN/7 p. 88 & Annex to State party report for the eighth periodic review p. 6.

drop-out rates in upper secondary education and training and higher education; increased rates of students/apprentices completing their formal educational trajectory within the stipulated duration.

In addition to these overall objectives, also derived objectives of both a quantitative and qualitative nature are formulated, e.g., in relation to guidance provision, IT, student accommodation etc.

While the policy is in need of an update in light of recent data (targets have proven to be too ambitious) and lessons learnt, the main goals remain relevant, pending the adoption of the new strategy. The GoG has recognised the need to focus more on increasing the skills levels in the population and this will likely constitute a major focus of the policy expected to be adopted in 2023.

This action will also support other policies that are complementary to Greenland's education policy, such as on mental health (anti-bullying, anti-suicide strategy) or on prevention of gender-based violence.. The 2023 ongoing budget support operation has process targets that aim at improving the provision of social guidance, the use of IT as well as the development of entrepreneurial and innovative curricula in coordination with the private sector, which prepare further progress under this action.

Policy credibility

The education sector is a priority for the Government of Greenland, as shown by the increase in the education budget from 2005 to 2022, from 14.8% to 26.3% of total government expenditure. The EU allocation of about EUR 30 million yearly in budget support represents about 9% of the total education budget. The EU budget support is therefore coupled with a stable domestic funding to address several priority objectives within the education sector.

Progress in policy implementation can be in particular reported regarding the construction of infrastructure (such as educational buildings and dormitories), staffing, monitoring and developmental projects. Despite the apparent generous national budget in terms of percentage earmarked for education, the amounts are still relatively modest in absolute terms, given that many expenses (e.g., the development of specific educational material) are largely unaffected by the size of the sector (number of students, schools), and that the small, dispersed population prevents the exploitation of economies of scale. The budget support of the EU therefore makes a palpable difference; a fact which is recognised by the Government of Greenland in its education policy.

The process indicators set out in the in 2023 ongoing budget support programme have all been reached in 2022, showing that the GoG delivers on commitments.

Statistical and monitoring system

The Government has established a permanent internal, technical and financial monitoring and evaluation (M&E) capacity for the elaboration of regular (annual) progress reports related to the implementation of the GEP. Concretely, a monitoring and evaluation system is established and Annual Work Plans (AWPs) and Annual Implementation Reports (AIRs) of the GEP are produced and presented to the Parliament of Greenland (in Greenlandic) and to the European Union (in English).

Additional data sources on the performance of the Greenland Education Programme are "Statistics Greenland", and budgetary documents such as the Fiscal Act.

Further details on the M&E set-up related to the GEP are provided in section 5.1 Monitoring and Reporting below.

In conclusion, the policy is sufficiently relevant and credible for budget support contract objectives to be largely achieved. Therefore, the policy can be supported by the Commission with the proposed budget support contract.

2.3.2 Macroeconomic Policy

Macroeconomic indicators

The economy of Greenland is marked by a large public sector, employing around 40% of the work force. Also, public consumption is comparatively high (constituting around 44 per cent of GDP) compared to private

consumption (35 per cent of GDP), cf. table on Greenland national accounts below. When compared to other countries (Nordic and EU) this characteristic makes Greenland a special case.

Table on trends in key Greenland national accounts indicators, including GDP. Annual (real) growth rates (in per cent). 2017-2023

	Share of GDP in 2019	2017	2018	2019	2020	2021	2022	2023
							GEC forecast	
Household consumption expenditure	35.0	0.9	1.5	-0.1	1.6	1.5	0.2	0.3
Government consumption expenditure	43.8	1.7	3.0	4.4	-2.1	1.0	0.4	0.4
Gross investments (fixed capital formation)	33.3	-4.1	-6.9	53.3	5.9	3.3	5.2	-4.4
Export of goods and services	41.1	-3.8	3.6	-10.4	-6.2	1.5	2.0	2.0
Final demand	151.2	-1.4	1.7	6.8	-0.7	1.7	1.8	0.5
Import of goods and services	51.1	-3.5	2.4	14.5	-2.8	2.8	2.2	-2.9
Gross domestic product	100.0	0.1	0.6	2.3	0.4	1.2	1.6	0.8*

Note: 2017-2018 are final figures; 2019-21 are provisional figures; 2022-23 are forecast estimates made by the Economic Council.

Sources: Greenland Economic Council, Annual Report 2022, Autumn 2022. *GEC Report 1st half year 2023.

Of the total population of 56,735 (April 2023), the proportion of the working population relative to the total population is 67% (the employment rate). Greenland has a high rate of employment compared with the Inuit-majority Canadian territory of Nunavut (and Canada generally) and is on par with the EU. The employment rate constitutes one indicator out of eighteen performance indicators that GoG applies to monitor progress⁶ in achieving overarching policy goals on sustainability and to tackle underlying structural socioeconomic problems.

Employment in 2022 was in progress as judged by the number of registered jobseekers reaching its lowest level ever. Unemployment has fallen throughout the country for a number of years to 5% of the labour force (18-65 years of age) in 2022. There is a shortage of skilled labour, and the pressure on the labour market is very significant, especially in Nuuk and in larger cities to the north, where the need for foreign labour is increasing. According to population statistics for 2022, there were 1,928 foreign nationals living in Greenland, which is a doubling since 2008. In particular the number of nationals from Thailand and the Philippines has increased.

According to the Greenland Economic Council (GEC), the low unemployment rates indicate a particular need to attract foreign labour to avoid an overheating of the labour market. Structurally, the main challenge is the large differences in the population's connection to the labour market, which are inextricably linked to education and vocational skills. Unemployment among people without education after primary school was 8.4 per cent in 2019 against 2.5 per cent for persons with vocational education and 0.4 per cent for persons with a higher education. GoG declared that women are no longer over-represented in unemployment statistics, however, there is occupational gender segregation, with more than 60% of women in public administration and public service, while

⁶ The GoG reports progress in these 18 performance indicators in the annual *Political Economic Report* and the indicators relate to the Growth and Sustainability Plan (2016).

only 25% of men are in such jobs. Men are overrepresented especially in fishing and construction, but also in trade, industry and transport⁷.

The objectives of the Greenland Education Programme, which aim at raising the education seeking behaviour for the young population groups finalising primary school and efforts to reduce dependency of imported high skilled labour, therefore still holds high relevance. According to the GEC, Greenland's economy has managed comparatively well through the crises of recent years. The observed trend is expected to continue in 2023 with GEC forecasts on 0.8% growth in real GDP, cf. table above, in line with the forecasted EU average growth rate on 0.8% for 2023⁸.

The economy grew by 1.2% in 2021 with economic progress continuing in 2022, due mainly to the construction activity related to the large airports construction projects in the cities of Nuuk and Ilulissat, complemented by contribution from the fishery sector. After some difficult years during the COVID pandemic, tourism also rebounded strongly in 2022. The number of cruise ships visiting Greenland have increased significantly in 2022.

The construction sector constitutes a significant indicator for the business cycle of the Greenlandic economy. Measured by number of jobs and production value, the construction sector is 3-4 times larger than the tourism industry.

In addition to the two main components, construction and consumption, the fisheries sector also contributed to economic growth. The export value for 2022 increased to DKK 5.927 million (EUR 794.278) from DKK 5.059 million (EUR 677.906) in 2021 (an increase of 17.2%). Exports of fish and fish products make up the bulk of revenue from abroad and are worth over DKK 5 billion (EUR 0.7 billion), equivalent to roughly 91% of total goods exported. This makes the economy very vulnerable to fluctuations in the fisheries sector, for example, with regard to prices and quota sizes.

Inflationary pressure has been modest as compared to other countries. In July 2022, consumer prices were 2.2% higher than the previous year. In particular energy prices have risen far less than in the rest of the world. The publicly owned company Polaroil also has obligation to supply oil and diesel products to Greenland via a service contract. Before Russia's war against Ukraine, price protection agreements were concluded for the period 2021 to 2023. The fixed prices for oil products have so far shielded the Greenland economy from price increases on energy products and accordingly the price protection agreements contribute to the modest inflation.

GEC expects inflation just over 5% in 2023, the highest inflation rate observed since 2008-2009. Inflation in Greenland is mainly related to international developments. With the expiry of the Polaroil price protection agreement on oil products at the end of 2023, GEC foresees uncertainty for the development of consumer prices in 2024.

Assessment of macroeconomic policies

Greenland's economy has shown sound growth rates before the COVID-19 pandemic with 2.3% in 2019 and the economy also seem to be coping well with the challenges related to the disruptions in global economy related to Russia's war against Ukraine, in particular global high inflation, thanks to specifics and structural characteristics attached to the Greenland economy. For instance, fisheries have been affected only marginally by changes in global economic conditions where uncertainty is primarily related to the price development of seafood. Finally, the large public sector and the Danish block grant, constituting more than half of public revenues (approximately 55%), provides a significant stabiliser against the Greenland economy's vulnerability to and dependence on international economic conditions.

The long-term political goal of the Government of Greenland is to establish a more independent economy based on its own resources and with a greater integration into the global economy. Currently the Greenlandic public finances are still strongly dependent on the block grant from Denmark, which amounts to approximately DKK 3.9 billion

⁷ Annex to State party report for the eighth periodic review p. 8–9 & CEDAW/C/DNK/9 para. 248.

⁸ Cf. https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/winter-2023-economic-forecast-eu-economy-set-avoid-recession-headwinds-persist_en

(EUR 525.6 million) in 2021, accounting for around 55 per cent of the Government of Greenland budgeted total revenues. A gradual reduction of the Danish block grant as percentage GDP has been identified as one of the GoG policy indicators towards the achievement of a sustainable economy. The share of the Danish block grant as percentage of GDP has been reduced from constituting 30 per cent in 2003 to 19.4 % in 2020 indicating progress in this sustainability indicator⁹. The main risks relate to inflation depending on the future trend of international prices on the domestic economy. Higher energy and producer prices will eventually be passed on to consumers, but the timing depends on many factors, including price protection agreements, etc.

Due to a pause in exploration permits during the pandemic, the activity within raw material exploration and extraction has also been influenced by the global economic development. In 2020, investments in mineral exploration amounted to DKK 85.5 million (EUR 11.4 million), which is so far the lowest level in the past 10-year period. Activity related to mineral exploration in 2022 is expected to be in the order of DKK 200 million (EUR 26.6 million) on par with pre-pandemic levels. As of September 2022, there were nine advanced mineral projects, of which two were in operation and one project in an initial construction phase. Global price fluctuations as well as the increasing focus on European self-sufficiency is a strong contributing factor to the interest in sustainable raw material exploration. GEC therefore emphasises the need for GoG to provide transparent and stable framework conditions for resource exploration and mining.

Gender equality

A gender-wage gap exists in Greenland. In 2021, women in Greenland had an average gross income of DKK 240,000 (EUR 32,000), while men had DKK 295,000 (EUR 39,330). Thus, men's average income level is 23% higher than women's¹⁰. The country acceded the ILO C100 Convention on Equal Pay for Men and Women, there is also a national act ensuring equal pay (Act no. 32 of 4 February 1976). However, equality within the work sphere is questionable. Women are underrepresented in management positions, especially in the top ones. Gender segregation by occupation was mentioned above and the issue continues over women's retirement, facing greater vulnerability, having fewer opportunities regarding a pension.

GoG liquidity and debt

The total net interest-bearing debt - where the debt in the GoG companies is included - is expected to decrease from DKK 5.9 billion (EUR 0.78 billion) in 2023 to DKK 5.1 billion (EUR 0.68 billion) in 2025. However, in the projection of the GoG debt, the loans for the implementation of major hydropower investments have not been included.

As there has been great uncertainty associated with the extent of the COVID-19 crisis, there has also been great uncertainty about the implied draw on the liquidity reserves and buffers. However, the crisis has - so far - been less profound than expected and accordingly the draw on liquidity reserves has been smaller than anticipated. At the end of March 2022, the Greenland Government Authorities' residual debt amounted to DKK 83.2 million, with liquidity of approximately DKK 1.3 billion (EUR 158.4 million). Since liquidity outweighed debt, the Greenland Government Authorities had net assets of approximately DKK 1.1 billion (EUR 147.3 million).

Climate change

Climate change is expected to directly affect the fisheries and hunting sectors in Greenland, where traditional ways of fishing and hunting are already challenged due to the increasingly unpredictable weather patterns and the loss of sea ice cover. An active climate policy is pursued by the Government. Around 70% of the publicly produced electricity comes from renewable energy sources (mainly hydroelectric power) and possible new sites for hydroelectric plants have been identified. Further resources are allocated to research and development of renewable energy resources and energy efficiency, including operation of energy facilities requiring technical expertise and skills training in order to supply the sector with a domestically based workforce.

GoG declared that the Paris Agreement ratified by Denmark does not apply to Greenland. However, after the 2021

⁹ Political Economic Report, 2022. The Ministry of Finance, Government of Greenland.

¹⁰ Statistics Greenland 2021, Greenland in Numbers, May 2023.

parliament elections the GoG is now considering abolishing this reservation. Implications for entering into the Paris Agreement are currently being reviewed by the GoG. According to an independent review¹¹ by Kammeradvokaten, a possible solution will be that GoG in cooperation with the Danish government develops a separate climate plan for Greenland in addition to the nationally determined contribution (NDC that Denmark already has communicated via the EU). This solution will allow Greenland to uphold preferred exceptions e.g., reduction obligations related to raw mineral exploitation and the shipping sector.

Social inequality

Income inequality - as measured by the Gini-coefficient¹² on disposable income (2020) - is greater in Greenland (35%) than the average for all Nordic countries, including Denmark (27%)¹³. After a declining trend in income inequality from 2005 -2009, the trend in the following years has shown an increasing tendency except for the latest available year of calculation (2020) showing a slight decline¹⁴.

Future fiscal sustainability challenges

Even though the Government of Greenland has pursued a balanced fiscal policy in recent years up to the COVID-19 crisis, Greenland's economy will face an important future challenge due to demographic changes from a combination of increase in the share of the older population (65+ years) relative to groups at working age (20-64 years) and shrinking income sources in the coming 25 year period¹⁵.

On the expenditure side, increasing demand for public consumption is picking up, with more elderly citizens in particular towards 2035 influencing demand in the social and health sector. The continued increase in numbers of public-sector employees puts also pressure on public finances and limits the possibilities of developing the private sector going forward. On the income side, it is particularly the development in the block grant that is the cause of the downward trend in income as a share of GDP. Seen from a longer-term perspective, Greenlandic economic growth is slightly higher than Danish growth. This implies that nominal GDP grows slightly more than the Danish price and wage regulation of the block grant, and that the block grant is thus slowly diminished as a share of GDP.

This trend will put increasing pressure on the public finances, resulting in a deficit on the public balance. The deficit will be around 3 per cent of GDP from around 2035, when the share of elderly people in relation to the population are highest. This corresponds to an annual gap in funding of approx. DKK 1 billion/EUR 133 million (calculated at 2020 level), if the course of public finances is to be sustainable in the long term. According to the recent report from the GEC¹⁶, this development reconfirms all previous calculations of the sustainability problem and shows the pressing need for reform for the public economy. The forthcoming GoG *Growth and Sustainability Plan* (2023) is expected to address these sustainability issues.

In conclusion, the authorities are pursuing a stability-oriented macroeconomic policy and the eligibility criterion is met.

2.3.3 Public Financial Management

Since 2014 the GoG reporting has been based on implementing the Public Finance Management (PFM) reform action plan defined and based on the second Public Expenditure and Financial Accountability (PEFA) assessment (2014). The action plan has been regularly updated according to results achieved and other dynamics related to the PFM reform.

¹¹ As stated in an independent assessment of consequences and policy options for the GoG on accessing the Paris agreement, *Notat om konsekvenserne for Grønland ved tiltrædelse af Parisaftalen*, Kammeradvokat "Poul Schmidt", January 2023. Cf. https://naalakkersuisut.gl/-/media/horinger/2023/02/0602_parisaftale/da-bilag-2--notat-om-konsekvenserne-for-grnland-ved-tiltrdelse-af-parisaftalen-poul-schmith-kammerad.pdf

¹² A Gini coefficient with the value 0 represents a perfectly equal distribution, while the value 100 represents a perfectly unequal distribution.

¹³ Statistics Greenland 2023, *Greenland in Numbers*, May 2023.

¹⁴ Statistics Greenland, *Income Statistics*. October 2021.

¹⁵ Source: Report Greenland Economic Council 2017 and GEC Annual Report 2022.

¹⁶ *GEC Annual Report 2022: Business cycle, Economic Policy Assessment and Sustainability, Autumn 2022*. September 2022.

The EU budget support modality has been a key reform driver in the Greenland public finance management system, well acknowledged by the Government of Greenland with the PFM reform monitored and evaluated in the annual PFM progress reports according to the multi-annual PFM Action Plan. Based upon a recommendation by the external auditor the Audit Committee of Inatsisartut (Parliament) has since 2018 received the annual PFM Progress Report prepared for the European Commission.

The last PEFA assessment 2021/2022 confirmed the previous PEFA assessment from 2014 that the Greenland PFM system is functioning to good quality standards. Overall, comparison of 2020/2021 performance with in the PEFA of 2014 shows that 10 indicators have improved, 5 declined, and 13 stayed the same signifying commendable performance.

However, despite the observed progress, the PEFA assessment 2021/2022 also identified some weaknesses, which are being addressed in the PFM Action Plan. The 2022-2024 PFM Action Plan provides a structured approach to address the identified weaknesses and monitor continued reform progress over time. Based on the Greenland 2021/2022 Agile PEFA assessment the following six main areas have been included in the PFM Action Plan 2022-2024:

- Presentation format of the draft fiscal bill and the fiscal bill (PI-05)
- Sector planning, sector budgeting and monitoring (PI-08)
- Fiscal risk reporting (PI-10)
- Procurement (PI-24)
- Internal Audit (PI-26)
- Cross-cutting improvements in enterprise resource planning (ERP) underpinning of the PFM system

Given its formulation with indicators and specific (semi-) annual targets, the on-going PFM Action Plan provides a structured approach to monitor reform progress over time according to the following framework:

- Follow-up is done informally on a regular basis by the implementing entities and in the form of presentations at the bi-annual Policy Dialogue meetings with the Commission, and formally through the annual progress reporting;
- The PFM Action Plan has political buy-in, and it is well-understood among politicians (and also within the administration) that satisfactory progress in developing PFM. The MoF and its underlying agencies are all supportive of the PFM reform process.

The GoG has established a PFM Reform Steering Committee and a working group to prepare and manage a detailed masterplan following the outline of the PFM reform document. As per most recent PFM progress update (May 2022) the following eight targets under the six areas of the PFM Action Plan 2022-2024 were met, cf. table on targets and achievements below. A total of 4 out 8 targets were met making a 50% achievement as per May 2022.

Area	Focus areas for improvement	Targets Met/Total #
PI-05	Macroeconomic and macro fiscal-context in the draft to the Finance Act	1/1
PI-08	Sector planning, sector budgeting and monitoring	0/1
PI-10	Fiscal risk reporting	0/1
PI-24	Procurement management	2/2
PI-26	Internal Audit	1/2
Overall	Cross-cutting improvements in the ERP system	1/1
Result in total		4/8 = 50%

Domestic revenue mobilisation

After a number of years with GoG Fiscal Act (the GoG budget) in surplus previously, there has been a marked shift to a significant deficit in 2020 and 2021.

The Fiscal Act for 2023 operates with an aggregated surplus of DKK 16.2 million (EUR 2.2 million) for the entire period budget 2023-2026. The Fiscal Act thus fulfils the Budget Law requirement that the budget must - *on average* - balance or be in surplus over a mid-term 4-year horizon (including the fiscal year and the three projected budget years). Formally, this requirement of the Budget Act was suspended until 31 December 2021 due to extraordinary situation of the COVID-19 pandemic.

The GEC also points to a significant and increasing risk exposure for the Treasury from the GoG owned companies, which must be included in the assessment of the degrees of freedom for the future GoG economic policy. A negative economic development in one or more of these companies can have major consequences for the Treasury. Activities carried out by fully or partly GoG owned companies are often systemic and of crucial importance to society, such as airports and air transport, and these companies therefore cannot be shut down in the event of financial challenges putting the financial risk on the GoG.

A recent analysis of the Danish National Bank indicates that the tax base is relatively narrow, with a strong emphasis on the taxation of earned income, taxes on imported goods and the economic rent tax on fish and shellfish. Income taxation is characterised by an imbalance between high taxation of earned income and very lenient taxation of income from capital. Homes are not subject to regular taxation via, for example, a value tax or a tax on the right to use of land. Land is common property in Greenland, but the right of use can be transferred to a private user. The lack of housing taxation increases inequality in society, as homes are typically owned by families with higher-than-average incomes.

Taxes are levied on a number of goods, in particular imports. However, taxes on imported oil and diesel products are remarkably low, which helps make the consumption of fossil fuels inexpensive. About 82 per cent of Greenland's total energy consumption is still covered by fossil fuels despite increasing use of hydroelectric power and waste heating. Compared to other countries, the taxation of fossil fuels and thus greenhouse gases are lenient in Greenland.

GoG has announced the initiation of a tax reform. The GEC¹⁷ has pointed to a number of problems in the current tax system also with the interplay between the tax system, the social benefits system and the housing policy. GEC recommends that a forthcoming tax reform should be aligned with a green reform agenda e.g., by introducing taxation on CO2 emissions.

In conclusion, the public finance management reform strategy is sufficiently relevant and credible, including on domestic revenue mobilisation, and the eligibility criterion is met.

2.3.4 Transparency and Oversight of the Budget

The annual Finance Law process starts with the preparation of the political-economic report, which describes the economic situation and priorities in the upcoming Finance Bill. The report is written at the beginning of the year and will be discussed at the Parliament/Inatsisartut's spring collection. During the spring, the Ministry of Finance will prepare a so-called basic budget, adjusting for expected revenue and expenditure, which is followed by negotiations. Once GoG/Naalakkersuisut has approved the final financial bill, it is presented to the public in mid-August, where it is also submitted to Parliament.

Government must present to Parliament the annual accounts and the audit report at the latest at its Autumn Session, which in practical terms means by early September of the following year. However, both documents are generally submitted to Parliament during the Spring Session (year N+1) where they undergo a first reading and are then referred to the Audit Committee. The 'entry point' remains met as Naalakkersuisut's the Finance Act proposal 2023 was

¹⁷ Greenland Economic Council (GEC): *Annual Report 2022: Business cycle, Economic Policy Assessment and Sustainability, Autumn 2022*. September 2022.

published in August 2022, with the 2023 Finance Act passed and published on 14 November 2022.

In conclusion, the relevant budget documentation has been published and the eligibility criterion is met.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to contribute to the sustainable development and diversification of the Greenlandic economy.

The Specific Objectives (Outcomes) of this action are to:

1. Increase quality in the education system as well as learning outcomes and entrepreneurial and innovation skills, emphasising projected labour market demands.
2. Reduce inequality, improve wellbeing of students and boost cohesion and inclusiveness in the society.
3. Increase efficiency in the education sector (including spending) and completion rates in upper secondary education and VET, as well as progression from lower secondary.

The Induced Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Specific Objective 1:

- 1.1 Improved quality and accessibility of primary/lower secondary schools;
- 1.2 Enhanced access to apprenticeships, technical education as well as re- and up-skilling;
- 1.3 Improved initiatives for entrepreneurial and innovative skills.

Contributing to Specific Objective 2:

- 2.1 Increased provision of quality and accessible distance learning and e-learning including support for pupils / students with disabilities;
- 2.2 Improved access to support for youth's mental health and social counselling for students' wellbeing;
- 2.3 Improved re-integration of youth in education and reduction of number of youths not in education, employment or training, with a particular focus on gender, disability.

Contributing to Specific Objective 3:

- 3.1 Increased opportunities for completion of upper secondary education and VET, as well as transition from lower secondary;
- 3.2 Better coordination with municipalities and social partners, including employers, in shaping and implementing education policy.
- 3.3 Improved management and oversight of public finances in the education sector

The Direct Outputs are:

1. Increased fiscal space and predictability of funds to support education sector policy reforms;
2. Improved strategic policy dialogue and coordination;
3. Strengthened capacities of target stakeholders on policy performance assessment and monitoring.
4. Enhanced capacities of national stakeholders on conducting studies, and analyses, as well as drafting and implementing policy

3.2 Indicative Activities

Activities relating to Output 1.1

- Develop and implement incentive structures to attract and retain qualified staff to remote settlements.

Activities relating to Output 1.2

- Additional "on the school training" programmes
- Drafting a strategy with Majoriaq centres, technical schools, and social partners for re- and up-skilling

Activities relating to Output 1.3

- Implementation of the roadmap for more innovative and entrepreneurial skills in the curriculum of lower secondary education (folkeskolen, trin 3), including green growth topics

Activities relating to Output 2.1

- Continued improvement of eLearning techniques and programmes, implementation of the Action plan for IT in primary and lower secondary education
- Increase the oversight of the obligatory employment/education plans for pupils in classes for pupils in special education

Activities relating to Output 2.2

- Implementation of the new action plan for guidance efforts
- Support and early detection programmes for student wellbeing and youth affected by mental health issues, coordinated with municipalities
- Data collection programme and response plan for detection and prevention of adverse childhood experiences

Activities relating to Output 2.3

- Developing bridge building programmes for re-integration of NEETs in education and training
- Boosting current provisions of educational programmes with an inclusion dimension (gender, disability, and cultural diversity);

Activities relating to Output 3.1

- Increased provision of retention guidance in educational institutions

Activities relating to Output 3.2

- Increased provision of retention guidance in educational institutions

Activities relating to Output 3.3

- Formalised coordination with social partners to guide reform and provision of VET in accordance with Greenland's economic development and green growth strategy

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

In 2021, the Committee on the Elimination of Discrimination Against Women (the CEDAW Committee) examined

Greenland's fulfilment of the rights stipulated in the Convention on the Elimination of All Forms of Discrimination against Women (the CEDAW Convention)¹⁸. The key reason for focusing on women's rights in Greenland is the intersectional identity of most Greenlandic women as being indigenous (Inuit) and living in sparsely populated territory. Therefore, the majority of Greenlandic women could be categorised as indigenous and rural¹⁹. The CEDAW Committee has repeatedly expressed its concerns regarding lacking adequate information and disaggregated data on gender equality, including on violence, wages, occupational segregation, and the high suicide rate²⁰. That is why this action shall partially address this outstanding issue and collect a basic set of data on women and girls through the action's indicators and targets as outlined in the Document's Logframe.

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that this action is addressing gender inequalities in education, particularly as they relate to educational outcome through improved guidance (with the aim to close the gap gender segregation gap in education as described above) as well as to prevent gender-based violence through its proposed activities on adverse childhood experiences. OCTs are part of the territory of the Member States and are subject to the respective national legislations which include a progressive application of the European legislation in this matter even though OCTs are not bound by the Community acquis.

The action will be gender mainstreamed and aligned with (while not directly applying) the goals of the EU Gender Action Plan III (GAP III),²¹ namely to the thematic area of engagement: '*Promoting economic and social rights and empowering girls and women*', Specific Thematic Objective 6 – '*Reduction in gender disparities in enrolment, progression and retention at all levels of education and lifelong learning for women, men, girls and boys*'.

Human Rights

This action aims to improve the access to education, learning and participation as a human right across Greenland.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that improving access of pupils and students with disabilities is a goal of this action, among other things by the support for pupils / students with disabilities in using eLearning solutions and improving the integration of graduates with disabilities in the labour market.

Reduction of inequalities

Inequality in the education sector in Greenland has a strong regional dimension, with fewer qualified pedagogues and teachers in pre-school and primary/lower secondary education, fewer opportunities for apprenticeships and difficult access to upper secondary and higher education in remote areas. The relatively high-income inequality also affects the learning opportunities of children and social issues have an adverse effect on educational outcome. Child poverty in Greenland remains relatively high and the Committee on the Rights of the Child (2021) reported that certain towns in Greenland suffered from significant food shortages, particularly impacting children from low-income families²². This action addresses these issues by aiming to improve the number of qualified teaching staff including in remote areas, improving the access to quality education through eLearning, as well as countering the differences in starting conditions of children improving access to pre-schools and improving well-being and guidance efforts.

Democracy

This action supports the effort of the education sector to enable Greenlandic students to be able to fully participate in their society.

Conflict sensitivity, peace and resilience

¹⁸ The examination covered also Denmark and the Faroe Islands

¹⁹ KJÆRGAARD, S.F. (2023). *Examining Gender Equality in Greenland in the Last Thirty Years: An Investigation through the Lens of the CEDAW Convention's Examinations* Siberica Vol. 22, No. 1, Spring 2023: 82–108

²⁰ Ibid.

²¹ GAP III is not directly applicable in Greenland, as it is a territory linked to a member state and cooperation falls under the provisions of the DOAG.

²² Human Rights Council Working Group on the Universal Periodic Review Thirty-eighth session 3–14 May 2021.

This programme aims at contributing to the resilience of the Greenlandic society through improving the education level of its population.

Disaster Risk Reduction

This programme does not have a disaster risk reduction dimension.

Other considerations if relevant

N/A

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
3	Government capacity to implement reforms	Medium	High	Technical assistance
3	Education a lesser priority for Greenland's government	Low	High	Policy dialogue
3	Continued lack of qualified teachers	High	Medium	Incentives and improved work conditions
	Willingness of population to engage in re- and up-skilling	Medium	Medium	Policy dialogue Information campaigns
	Availability and attractiveness of apprenticeships	Medium	Medium	Dialogue with and incentives for employers Improved apprenticeship conditions
	A gender-blind, neutral, or negative context and problem analysis could reinforce existing gender inequalities and non-realization of human rights in the sector, and hinder the efficiency and sustainability of the action.	Medium	Medium	Knowledge and tools of gender mainstreaming are available. Gender-sensitive monitoring, use of sex disaggregated data, and gender-sensitive indicators. Gender mainstreaming is applied in all phases of the support services.

Lessons Learnt:

The Greenlandic Education Plan II was passed by the Naalakkersuisut (Parliament) in 2015 and runs for 10 years until 2024. Even though the visions and targets remain the same, it is nevertheless necessary to undertake

incremental changes in the GEP from year to year in order to respond to developments in the real world. 2020 was extraordinary in this respect due to the pandemic and the challenges this posed to educational activities as well as in society as a whole. But as of 2021, the situation is again approaching the status quo of the time prior to the outbreak of COVID-19. The following section lists some of the main lessons learned during the period that the Education Plan II became functional and until the present.

1. **No real change is possible without having all the key stakeholders on board.** This is especially true for pre-school and primary/lower secondary education, where the GoG holds the overall responsibility for development, inspection and support, but where it is the municipalities that are in charge of implementation. As part of the ongoing budget support, a coordination forum has been set up for the education sector, including municipalities and other stakeholders.
2. **Many of the challenges of the Greenlandic educational system are of a very complex nature, and need to be tackled using a holistic approach,** rather than trying to address them one at a time and exclusively within the confines of the system. Issues like the vast geographical expanse, the limited infrastructure, the small, dispersed population, problems related to social issues and health, economy, as well as linguistic challenges all combine in relation to problems of e.g., drop-out and early leaving. Solving these requires a concerted strategy that takes all these factors into account and involves all the relevant actors and stakeholders.
3. **Transition periods can be particularly problematic, especially from lower secondary education to upper secondary education and training.** Over 60% of the Greenlandic population in the age bracket from 16-74 never progressed beyond lower secondary school, and at the time of writing only 1 out of 7 pupils from lower secondary education progress to upper secondary education and training immediately after having completed their leaving exam. Guidance is a key factor here, and in particular the role of the municipal guidance and upskilling centres – Majoriaq – is pivotal, as these follow pupils immediately after they have left school and also, through outreach guidance, try to rope in those that do not progress after leaving lower secondary school. Transition guidance is also a key area in the lower secondary schools themselves, and the efforts of these two actors need to be coordinated, so that no one is allowed to slip under the radar and left to their own devices. This action will tackle improved coordination in this sector.
4. **The chronic shortage of qualified teachers requires innovative thinking.** At present, there are more than 250 positions as teachers in primary/lower secondary education that cannot be filled by qualified staff – especially for remote settlements, where only little more than 50% of those engaged in teaching actually possess a qualification according to international standards. This has consequences for the quality of education offered. One way of addressing this is to develop on-line e-learning and distance learning as integral features of the system. The ongoing budget support has initiated an evaluation of 2018 IT strategy, which was started in 2022. At the same time, the GoG continues its efforts to increase the supply of teachers and qualified staff available in both pre-school and primary/lower secondary education.
5. **More inclusive educational programmes are required in order to ensure higher figures of enrolment in education and training.** Many Greenlandic students are – in particular due to social and psychological problems – not robust enough or otherwise challenged to follow mainstream education and training programmes. For this target group of young people with fewer opportunities, it is necessary to create new opportunities within the educational system that allow them to progress. In upper secondary general education, two initiatives have been launched in recent years to enable this target group to engage. The GUX-S and the GUX-P are versions of upper secondary general education (GUX) that have been adapted to specific target groups with special needs, whereas eGUX makes it possible to complete the curriculum entirely through distance learning, enabling the participation of persons from remote locations who for a variety of reasons (e.g., family obligations) are not mobile. In the area of vocational education and training, various initiatives have been set up at local/municipal level that allow young people to get an introduction to a number of trades and acquire basic skills in this respect, that will enable them either to enter the labour market as semi-skilled workers or motivate them to engage in formal VET. An example is the TNI-Flex programme in the field of trade, commerce and administration, which was introduced in 2015.

3.5 The Intervention Logic

As the current budget support will end in 2023, follow-up through a successor action in early 2024 will allow to consolidate reform gains from previous support programmes, essentially in equitable access to and quality of basic and secondary education but with a stronger emphasis on VET. This action will keep on strengthening those aspects and will, for the first time, be complemented by an increased use of technical assistance. This will improve the capacity of the education system. Acquiring a formal education has traditionally not always been a priority for parts of the Greenlandic population and widespread mental health issues are an additional obstacle to educational attainment. In line with the upcoming new education strategy of the Government of Greenland, a particular attention will be given to students' well-being and mental health, including issues such as prevention of gender-based violence. In the framework of an educational continuum, the budget support will provide increased fiscal space and predictability of funds. This will allow the government in the education sector to take measures in order to improve quality and accessibility across the sector. Taking into account the demand for educated workers in the mid- and long-term, as lack of qualified employees is putting major limitations to Greenland's economic development, enhanced access to apprenticeships and technical education make it easier for youths to train of the jobs that are needed in the green transition. It will also continue the previous programme's focus on better coordination in the sector to improve efficiency and on improved curricula and innovative skills in order to improve relevant learning outcomes. More students moving from lower secondary to upper secondary will allow for a potential increase in the number of students completing a qualifying education and joining the skilled workforce.

To support Green Growth and Global Gateway goals, technical and vocational education will be a special focus of this action. The government has made it a priority that as many of the new jobs in new sectors as possible should be filled by locals. Therefore, necessary re-skilling and upskilling will be supported by the action.

Lastly, in the spirit of Global Gateway's digitalisation goal, the lack of qualified teachers in remote locations will be addressed through further development of e-learning solutions.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g., including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

BUDGET SUPPORT MODALITY as reflected by the national/sector public policy supported (4 levels of results / indicators / Baselines / Targets / Source of Data - no activities)

Caveat: the indicators used in the LFM refer to the budget support intervention logic. They help monitoring the implementation of the programme in view of its objectives and later evaluate its contribution to country policy's achievements. The list of indicators below should not be understood as the list of indicators informing the disbursement of variable tranches and spelled out in the relevant part of the financing agreement signed with the partner country, although some indicators may be used for both purposes and will be marked accordingly (in bold).

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data
Impact	To contribute to the sustainable development and diversification of the Greenlandic economy.	Development in levels of the population (age 35-39 years) with qualifications above lower secondary education as the highest educational achievement – population defined as inhabitants born in Greenland (extended definition ²³) in order to track Greenland's self-production of education	1. (2021) 54.2%	1. (2025) 55.5%	1. Annual Implementation Report
Outcome 1	1. Increase quality in the education system as well as learning outcomes and entrepreneurial and innovation skills, emphasising projected labour market demands.	1.1. Percentage of the pupils participating in the lower secondary education's leaving examinations that obtain satisfactory marks (minimum E/2, in three selected written exams (Danish, Greenlandic and Math), disaggregated by sex, age and persons with disabilities	1.1. (2021) 86.8% (Greenlandic) and 58.9% (Danish) and 57.3% (Math)	1.1. (2025) 89% (Greenlandic) and 62% (Danish) and 60% (Math)	1.1. Annual Implementation Report
		1.2. Numbers of people who have benefited from institution or workplace-based VET/skills development interventions supported by the EU: (a) all VET/skills development, disaggregated by sex, age and persons with disabilities <i>(Aligned with GEF 2.14)</i>	1.2. 0 (2024)	1.2. TBD (2025)	1.2. Annual Implementation Report

²³ Extended definition of population defined as inhabitants born in Greenland including inhabitants born outside Greenland with at least one parent born in Greenland. This definition illuminates Greenland's self-production of education to a high degree of certainty (in year 2020 97.8% of all persons who received education support from Greenland fit that definition).

Outcome 2	2. Reduce inequality, improve wellbeing of students and boost cohesion and inclusiveness in the society.	2.1. Percentage of children in pre-school institutions, disaggregated by location (urban-rural), sex, age and persons with disabilities	2.1. (2021) 76%	2.1. (2025) 79%	2.1. Annual Implementation Report
		2.2. Share of 10th grade population cohort that participate in the lower secondary education's leaving examinations (based on three selected written exams and the population register ²⁴)	2.2. (2021) 86%	2.2. (2025) 90%	2.2. Annual Implementation Report
		2.3. Percentage of young people in the age bracket 16-18 years in education or training, disaggregated by sex, age and persons with disabilities	2.3. 40.7% (2021)	2.3. 42% (2025)	2.3. Annual Implementation Report

²⁴ The cohort denominator is defined as inhabitants of age 14 in the previous calendar year (population register), pupils under age 16 who complete boarding school (efterskole) in Denmark/Greenland with the support of Greenland are taken into account as pupils who participate in the leaving examinations.

Outcome 3	3. Increase efficiency in the education sector (including spending), and education completion in upper secondary education and VET, as well as progression from lower secondary.	<p>3.1. Completion rate in upper secondary general education within stipulated duration, disaggregated by sex, age and persons with disabilities</p> <p><i>(Aligned with MIP ER 2)</i></p> <p>3.2. Completion rate in VET within stipulated duration, disaggregated by sex, age and disability status</p> <p><i>(Aligned with MIP ER 2)</i></p> <p>3.3 Indicative allocation for education in the overall budget</p>	<p>3.1. (2021) 43.2%</p> <p>3.2. (2021) 45.5%</p> <p>3.3 (2022) 26.3%</p>	<p>3.1. (2025) 45%</p> <p>3.2. (2025) 47%</p> <p>3.3 (2025) Similar levels</p>	<p>3.1. Annual Implementation Report</p> <p>3.2. Annual Implementation Report</p> <p>3.3 Annual Implementation Report</p>
		<p>3.4 Share of 18-year-olds having completed their education or still active in education (including boarding schools), disaggregated by sex, age and persons with disabilities</p> <p><i>(Aligned with MIP ER 3 Indicator)</i></p>	<p>3.4 36.9% (2021)</p>	<p>3.4 39% (2025)</p>	<p>3.4 Annual Implementation Report</p>

Output 1 related to Outcome 1	1.1 Improved quality and accessibility of primary/lower secondary schools;	1.1.1. Percentage of qualified teachers and pre-school staff with diplomas according to international standards disaggregated by sex and disability status 1.1.2. Gender parity in school enrolment and secondary completion rate (SDG 4.5.1. and GAP III indicator)	1.1.1. 84.1% (primary and lower secondary) and 46% (pre-school) (2021) 1.1.2 TBD (2023)	1.1.1. 85.1% (primary and lower secondary) and 49.1% (pre-school) (2025) 1.1.2 TBD (2025)	1.1.1. Annual Implementation Report 1.1.2 Annual Implementation Report
		1.1.2. Number of students enrolled in education with EU support: (a) primary education, (b) secondary education (including vocational education and training), disaggregated by sex, age and persons with disabilities (Aligned with GERF 2.36)	1.1.2. (2021) 1193	1.1.2. (2025) 1400	1.1.2. Annual Implementation Report
Output 2 related to Outcome 1	1.2 Improved access to apprenticeships, technical education as well as re- and up-skilling;	1.2.1. Numbers of apprenticeships and training opportunities available for youth 1.2.2. Status of strategy with Majoriaq centres, technical schools and social partners for re- and up-skilling	1.2.1. (2021) 813 1.2.2. (2023) No strategy	1.2.1. (2025) 900 1.2.2. (2025) Strategy adopted	1.2.1. Annual Implementation Report 1.2.2. Annual Implementation Report

Output 3 related to Outcome 1	1.3 Improved initiatives for entrepreneurial and innovative skills.	1.3.1. Status of initiative to boost entrepreneurial and innovation skills	1.3.1. (2023) No initiative	1.3.1. (2025) Initiative developed and integrated in curricula	1.3.1. Annual Implementation Report
Output 1 related to Outcome 2	2.1 Increased provision of quality and accessible distance learning and e-learning including support for pupils/students with disabilities.	2.1.1. Level of implementation of the action plan for IT, e-learning and distance learning in Greenlandic schools	2.1.1. (2023) Action plan developed	2.1.1. (2025) Implementation report published	2.1.1. Annual Implementation Report
Output 2 related to Outcome 2	2.2 Improved access to support for youth's mental health and social counselling for students' wellbeing.	2.2a2.1. Status of data collection programme and response plan for detection and prevention of adverse childhood experiences	2.2.1. (2023) Limited data availability, no coordinated response plan	2.2.1. (2025) Data collection established; response plan developed in coordination with municipalities	2.2.1. Annual Implementation Report
Output 3 related to Outcome 2	2.3 Improved re-integration of youth in education and reduction of number of youths not in education, employment or training, with a particular focus on gender, disability.	2.3.1 Number of participants in re- and upskilling programmes disaggregated by sex and disability status not previously in education or training	2.3.1 (2023) TBD	2.3.1. (2025) TBD	2.3.1. Annual Implementation Report
Output 1 related to Outcome 3	3.1 Increased opportunities for completion rates in upper secondary education and TVET, as well as transition from lower secondary.	3.1.1. Completion rates in upper secondary education and vocational education and training within 5 years from starting	3.1.1. (2021) VET: 49.3% Upper secondary: 57%	3.1.1 (2025) VET: 52% Upper secondary: 59%	3.1.1. Annual Implementation Report

Output 2 related to Outcome 3	3.2 Better coordination with municipalities and social partners, including employers, in shaping and implementing education policy.	3.2.1. Number of VET and skills development curricula jointly revised or drafted by education regulators, VET institutions and social partners (employers and workers organisations) that are adopted (out of all VET and skills development curricula used), disaggregated by economic sector	3.3.1. (2023) TBD	3.3.1. (2025) TBD	3.3.1. Annual Implementation Report
		3.2.2. Status of coordination with social partners to guide reform and provision of VET in accordance with Greenland's economic development	3.3.2. (2023) No formalised coordination	3.3.2. (2025) Formal forum established	3.3.2. Minutes of meetings
Output 3 related to Outcome 3	3.3 Improved management and oversight of public finances in the education sector.	3.3.1 Status of Public Expenditure Review (PER)	3.3.1 (2023) PER not undertaken	3.3.1 (2025) PER completed and results published	3.3.1 PER report

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the territory.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 36 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support Component

4.3.1 Rationale for the Amounts Allocated to Budget Support

The amount allocated for the budget support component is EUR 70 000 000, and for complementary support is EUR 1 250 000.

Since 2007, the EU has been supporting the education sector in Greenland, with an allocation of EUR 60 million in 2022-2023, EUR 217.8 million for 2014-2020 and around EUR 194 million for the period 2007-2013 mainly through budget support²⁵. No other ODA donors have supported the education sector, but large private foundations, mostly based in Denmark, have supported projects in the Greenlandic educational sectors over the years with significant amounts; notably the Velux Foundations, the A.P. Møller foundation, the Hempel Foundation and the Oak Foundation.

The Government of Greenland has proven absorption capacity and the public financing system, as outlined above, is operating at a high standard.

Government capacity is a limiting factor in Greenland, including in the education sector (lack of local skilled staff, high turnover of Danish staff). This will be addressed both by that is putting the GoG in a position to mobilise external contributions (studies, expertise) themselves; as well as technical assistance. The sizeable technical assistance component of this action will contribute to formulating policy, assessing and monitoring needs and progress, as well as building capacity.

The following disbursement calendar and profile proposed for the action is indicative. The actual disbursement calendar and profile will be set out in the financing agreement and may remain subject to change.

Second semester of 2024: Fixed tranche

Second semester of 2025: Variable and fixed tranche

Second semester of 2026: Variable tranche

4.3.2 Criteria for Disbursement of Budget Support

a) Conditions.

The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the education policy and continued credibility and relevance thereof or of the subsequent policy.
- Maintenance of a credible and relevant stability-oriented macroeconomic policy or progress made towards restoring key balances.
- Satisfactory progress in the implementation of reforms to improve public financial management, including domestic revenue mobilisation, and continued relevance and credibility of the reform

²⁵ Action Document, 2018.

- programme.
- Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information.

The specific conditions as well as the tranches to which they apply are as follows: No specific conditions for individual tranches.

b) The performance indicators for disbursement to be used for variable tranches may focus on the following policy priorities: Improved efficiency, improved output, improved provision of technical education, improved provision of socio-psychological support and guidance. The indicators will be a mix of process, input, output, outcome and impact indicators; they will be detailed in the Financing Agreement and its technical and administrative provisions (TAP) are indicatively detailed in the appendix for budget support of the action document.

c) Modifications.

The chosen performance indicators and targets to be used for the disbursement of variable tranches will apply for the duration of the action. However, in duly justified cases, the partner country and the Commission may agree on changes to indicators or on upward/downward revisions of targets. Such changes shall be authorised in writing ex-ante, at the latest at the beginning of the period under review applicable to the indicators and targets.

In exceptional and/or duly justified cases, for instance where unexpected events, external shocks or changing circumstances have made the indicator or the target irrelevant and could not be anticipated, a variable tranche indicator may be waived. In these cases, the related amount could either be reallocated to the other indicators of the variable tranche the same year or be transferred to the next variable tranche the following year (in accordance with the original weighting of the indicators). It could also be decided to re-assess an indicator the following year against the original target, if there was a positive trend and the authorities did not reach the target because of factors beyond their control. The use of this provision shall be requested by the partner country and approved in writing by the Commission.

d) Fundamental values

In case of a significant deterioration of fundamental values, budget support disbursements may be suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

4.3.3 Budget Support Details

Budget support is provided as direct untargeted budget support to the national treasury. The crediting of the euro transfers disbursed into Danish kroner will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.4.1 Direct Management (Procurement)

Technical assistance to support the goals of the action, such as expertise, studies and measures to support the Public Finance Management reform effort, such as a Public Expenditure Review, will be implemented through procurement.

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the

relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation and -Article 28(8), applicable also to the OCTs by virtue of DOAG-Article 79.

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Budget support - cf. section 4.3	70 000 000
Procurement – total envelope under section 4.4.1	1 100 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	150 000
Totals	71 250 000

4.7 Organisational Set-up and Responsibilities

Implementation modality

The foreseen implementation modality is budget support. Joined up approaches in the Team Europe spirit will be explored with Denmark (the only EU Member State present, which is also an important education partner for Greenland, e.g., as a destination for higher education studies).

Organisational set-up and responsibilities

The Ministry of Education, Culture, Sport and the Church is responsible for the day-to-day implementation of this European Union assistance programme. The budget support provided is part of the ministry's operational budget under the GoG financial Act ("*Finansloven*" – the Government budget). The Ministry also conducts the regular reporting to the Commission, cf. sections 5.1 Monitoring and Reporting for further details on the GoG monitoring, evaluation and reporting organisational set-up.

Policy dialogue arrangements

Since 2006 the Government of Greenland and the Commission have been regularly engaged in policy dialogue via bi-annual meetings. During these dialogue meetings recent developments in specific cooperation areas are presented by the Government of Greenland as well as bi-lateral discussions are facilitated based on the Government updates on performance of the GEP, the Greenland's macro-economic situation and reform of the public finance management system. An Aide Memoire is reached through these dialogue meetings on the Government reform priorities and progress achieved as well as actions required for meeting the conditions for the disbursement of EU budget support. Since 2017, the municipalities have been invited to take part in the bi-annual policy dialogue meeting between the Commission and the GoG which is indicative of the key role played by the municipalities. Also, the Government of Denmark is invited to attend these meetings. The policy dialogue arrangements are embedded in the domestic setup and process, avoiding ad hoc structures and rather strengthening existing ones. By including the Municipalities in the policy dialogue, inclusive processes and increased internal coordination are being enhanced. For further details on the Policy dialogue framework, see sections 3.4 *Risks and Lessons Learnt* and 4.3.1. *Rationale for the Amounts Allocated to Budget Support* above.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews). Monitoring and reporting will assess gender equality results and the implementation of the human rights-based approach working principles (applying all human rights for all; meaningful and inclusive participation and access to decision-making; non-discrimination and equality; accountability and rule of law for all; and transparency and access to information supported by disaggregated data). Monitoring and reporting will be based on indicators that are disaggregated by sex, age and disability when applicable and possible. In order to monitor development and equal access, data/indicators will be disaggregated even further when applicable and possible.

Roles and responsibilities for data collection, analysis and monitoring:

The Ministry of Education, Culture, Sport and the Church is responsible for the day-to-day implementation of this European Union assistance programme. The budget support provided is part of the ministry's operational budget under the GoG financial Act ("*Finansloven*" – the Government budget). The Ministry also conducts the regular reporting to the Commission.

The main data source of the performance data for the Greenland Education Programme is Statistics Greenland, and the Fiscal Act. The education statistics are provided by Statistics Greenland no later than by May each year, in accordance with the contract between Ministry of Education, Culture and the Church and Statistics Greenland. The remaining education data is provided by the Ministry and its subordinate institutions as well as consultants working on fixed contracts for update reporting. The action will support development and collection of disaggregated data.

As the Fiscal Act is adopted before the start of the fiscal year, these figures are also available from Q1. Accounts from the previous fiscal year are expected released at the beginning of March. In order to measure results and outcomes of the Greenland Education Programme phase 2, a performance assessment framework (PAF) has been developed by the Government of Greenland in consultation with the Commission. A complete overview of the data sources, definitions, and counting dates is contained in the PAF.

The technical and financial monitoring of the implementation of the GEP is a continuous process and part of the Government of Greenland's responsibilities. For this purpose, the Government has established a permanent internal, technical and financial M&E system including elaboration of regular (annual) progress reports. Concretely, Annual Work Plans (AWPs) and Annual Implementation Reports (AIRs) are being produced by the Government of Greenland for reporting and assessment on progress of the GEP to the Parliament of Greenland (in Greenlandic) and to the European Union (in English). The AWPs and the AIRs can be accessed

by the public from the official Government website.

The statistical and monitoring systems as well as the quality of official data in the policy field covered have been assessed. This assessment has fed into the design of the action as follows: Technical assistance can be mobilised to improve the statistical and monitoring systems of the GoG when deemed appropriate. Reporting cycles and quality will continue to figure prominently in policy dialogues.

5.2 Evaluation

Having regard to the nature of the action, a final evaluation may be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that this action is part of the long-term cooperation in the sector and has a specific focus on technical education and mental health.

The Commission shall inform the implementing partner at least two months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. All evaluations shall assess to what extent the action is considering the human rights-based and disability mainstreaming approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e., audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as (tick one of the 4 following options);

Action level (i.e., Budget Support, blending)		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level (i.e., top-up cases, different phases of a single programme)		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
Contract level		
<input type="checkbox"/>	Single Contract 1	
<input type="checkbox"/>	Single Contract 2	
	(...)	
Group of contracts level (i.e., series of programme estimates, cases in which an Action includes for example four contracts and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other)		
<input type="checkbox"/>	Group of contracts 1	