



Danida Fellowship Centre (DFC)

January 2018

**General Conditions for Grants to Research Collaboration Projects
Supported through
Denmark's International Development Cooperation**

**Projects in Danida Priority Countries (Window 1)
Projects in Growth and Transition Countries (Window 2)**

Content:

Introduction	3
1. Ethical and Other Approvals	4
2. Agreements with Partner Institutions	4
3. Grant	5
4. Administration of Study Stays in Denmark.....	7
5. Period of Grant	7
6. Disbursement.....	7
7. Interest and Exchange Rate Gains and Losses	8
8. Non-compliance and Revocation of the Grant	8
9. Terms and Conditions of Employment.....	9
10. Terms and Conditions for Salary.....	10
11. Purchases	10
12. Progress Reporting	11
13. Quality assurance	12
14. Accounts and Audit	12
15. Dissemination.....	16
16. DFC Supervision	18
17. Rights.....	19

Appendices:

- Appendix 1: First-Year Report Form
- Appendix 2: Midterm Report Form
- Appendix 3: Completion Report Form
- Appendix 4: Disbursement Request Form
- Appendix 5: Accounts Form
- Appendix 6: Template for Management Endorsement of Accounts
(if audited by the National Audit Office of Denmark)
- Appendix 7: Audit Instructions and appendices
- Appendix 8: Guidelines for DFC's Administration of Research Fellows from Developing Countries
- Appendix 9: Template for Standard Partnership Agreement between the Responsible Institution and the Partner Institution

Additional appendices for projects with responsible institution in the South (Window 1 only):

- Appendix 10: Guidelines for Project Administration and appendices
- Appendix 11: Template Accounting Manual and appendices

All appendices are accessible at link <http://dfcentre.com/research/general-conditions-and-forms-for-research-projects-2/>.

Important Alteration in edition January 2018 compared to the edition of February 2017-1

General alterations:

Conditions concerning research collaboration projects in growth and transition countries have been incorporated. Special reference is made to Window 1 projects (projects in Danida priority countries with Responsible Institution in either Denmark or in the South) when conditions apply specifically to this type of projects, while reference is made to Window 2 projects (projects in growth and transition countries) when conditions apply specifically to this type of projects. This includes mainly the reporting requirements and conditions concerning no-cost extensions.

Letter of Commitment has been renamed Letter of Grant.

Specific alterations:

Introduction:

- Reference is made to the SDGs and the Danish strategy “The World 2030”.
- Reference is made to the international Child Labour Clause.

Section 3:

- Overhead rate of up to 20% for partners of projects granted in 2017 and onwards inserted.
- Specification of the maximum amount to be used for audits.

Section 9:

- Approval of change of Project Coordinator must be attained from DFC, while replacement of other project researchers must be informed in the next reporting. Similarly, change of Responsible Institution and partner institutions requires approval from DFC and must be accompanied by a signed agreement between the involved institutions.

Section 10:

- Adjustment of per diem rules.

Section 11:

- Addition: VAT refund can be used for project activities within the same budget line, and it is thus not required to return VAT refund to DFC.

Section 12:

- Specification of reporting requirements for Window 1 and 2 projects, respectively. The progress and results conveyed in all three types of reports will be further assessed by the Consultative Research Committee for Development Research. All project coordinators will receive a response to the reports within 3 months after submission.

Section 15:

- If ongoing projects decide to co-organise workshops/conferences for broader outreach it is possible to apply to DFC for extra funding (supplement funds).
- Definition and description of good stories.

Appendices – updated.

Introduction

The General Conditions apply to the administration of ongoing grants to research collaboration projects in Danida priority countries, and in growth and transition countries funded by the Danish Ministry of Foreign Affairs.

Projects with responsible institutions in Tanzania and Vietnam are also subject to Framework Agreements, available at link <http://dfcentre.com/research/general-conditions-and-forms-for-research-projects-2/>.

The General Conditions describe the requirements of the projects regarding budgeting, reporting, presentation of accounts, auditing, and monitoring/evaluation. The Conditions include relevant Sections of the Danish Ministry of Foreign Affairs' "General Guidelines for Accounting and Auditing of Grants Channeled through Governmental, Parastatal and International Organisations". Link to Appendix 5: <http://dfcentre.com/wp-content/uploads/2014/03/2014-App-5-Generel-Guidelines-Government-2007.pdf>

Any deviation from the General Conditions is communicated separately in the Letter of Grant for each granted project.

On behalf of the Ministry of Foreign Affairs, Danida Fellowship Centre (DFC) is responsible for the management of research support including administration of grants. The responsibility for the political and strategic aspects of the support to development research rests with the Evaluation and Research Department in the Ministry of Foreign Affairs.

All correspondence and questions in connection with the administration of grants may be directed to DFC at e-mail research@dfcentre.dk. Reference should always be made to the DFC project file number.

When a research grant is awarded, an agreement (Letter of Grant) is entered between DFC, the Project Coordinator, and the Responsible Institution. The agreement takes effect with the Head of the Responsible Institution and the Project Coordinator's endorsement of the Letter of Grant. The grant is awarded to the Responsible Institution and not to the Project Coordinator.

The Letter of Grant and the approved application (including project LogFrame and appendices, and any adjustments in which the objectives, outcomes, outputs, and budget are defined) in addition to the General Conditions are hereinafter referred to as the Grant Framework. By endorsing the Letter of Grant, the Responsible Institution and the Project Coordinator pledge to:

- Implement the project as presented in the approved application;
- Achieve the overall and immediate objectives, outcomes and outputs of the project;
- Ensure that any conditions laid down in the Letter of Grant are fulfilled;
- Follow the applicable rules and regulations for administering the grant.

During the project implementation, due consideration must be given to the Ministry of Foreign Affairs of Denmark's current development assistance policies. Danish development cooperation frameworks demand accountability of partners both in Denmark and all other countries. This applies to all aspects of the project cycle, including the phases of planning, implementation, and follow-up. Partners receiving funding are subject to strict ethical requirements as well as requirements in terms of governance and administration, social accountability, and regarding documentation of academic input and output.

The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 constitute an overall thematic framework for development cooperation and research¹, while Denmark's strategy for development cooperation and humanitarian action "The World 2030" provides the Danish strategic directions².

Anti-corruption Policy and Child Labour Clause

The Ministry of Foreign Affairs' anti-corruption policy (found at <http://um.dk/en/danida-en/about-danida/Danida-transparency/anti-corruption/>) must be complied with, and the following section must be respected as regards all agreements made: *No offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made, promised, sought, or accepted - neither directly nor indirectly - as an inducement or reward in relation to the project. Any such practice will be grounds for the immediate cancellation of the project and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the Danish Ministry of Foreign Affairs, a further consequence of any such practice can be the definite exclusion from any tendering for projects, funded by the Danish Ministry of Foreign Affairs.*

In addition, the international Child Labour Clause must equally be complied with, i.e. all participating institutions must abide by the local laws and by applicable international instruments, including the UN Convention on the Rights of the Child and International Labour Organisation conventions.

1. Ethical and Other Approvals

The Responsible Institution must obtain all relevant ethical approvals and other required permits *prior* to the initiation of the project activities requiring approval. The Responsible Institution must further ensure that the research is carried out in accordance with current international and national conventions and regulations. Compliance with these matters must appear in the first-year and midterm reports.

2. Agreements with Partner Institutions

All projects granted in 2013 and onwards must enter a Partnership Agreement between the Responsible Institution and the partner institution(s). The Partnership Agreement must be entered within the first half year of the project, and the second disbursement to the project is conditional on the submission of the Partnership Agreement to DFC. DFC is not part of the Agreement. A template for a standard partnership agreement is available as Appendix 9.

It is recommended that the Partnership Agreement as a minimum include a clear agreement regarding how

- The project is to be organized;
- The distribution of responsibility for budgeting and accounts is handled;
- The project is to be implemented including, among others, research communication and publication strategy;
- PhD supervision responsibilities are handled (Window 1 only);
- Disagreements between project partners are to be resolved;
- The project is going to be closed, including handing over of project equipment, refer to Section 12.

With detailed commitments and expectations from all partners, the Partnership Agreement will constitute a tool for the practical administration of the project.

¹ See: <https://sustainabledevelopment.un.org/sdgs>

² See: <http://amg.um.dk/en/policies-and-strategies/stategy-for-danish-development-cooperation/>

The Responsible Institution and the Project Coordinator must ensure that the partners involved administer the allocated funds in a responsible and adequate manner, and that the project is carried out in equal partnership between the research partners.

Partner organizations and others who receive part of the allocated funds must not be registered on either the UN or EU list of terrorist organizations.

3. Grant

The grant must be used exclusively for approved objectives, outputs, and budget items. It is not possible to receive additional funding, and overspending cannot be covered by Danida funds. All expenditure must be effected within the project period.

Reallocations between main budget lines within the approved total budget (as it appears from the Letter of Grant) can be made without prior approval by DFC by up to 10% of the lowest of the involved budget lines, on condition that the fulfilment of the project's objective will not change. Reallocations exceeding 10% must be justified and approved by DFC. This implies that in the final accounts, none of the budget lines must exceed a deviation of more than 10% (up or down) without documented approval from DFC. An application to DFC for such changes must describe and justify each deviation above 10% of the budget lines of the total budget (as it appears in the Letter of Grant). Reallocation between budget lines can only be made in accordance with the grant framework. Any reallocations between budget lines must subsequently be described and substantiated in the next annual accounts, as well as in the final accounts, with reference to the documented approval from DFC of changes above the 10% limit. DFC monitors the annual and final accounts by comparing the expenditures to the original total budget stated in the Letter of Grant.

The grant may be used to cover overheads that are costs not directly incurred from the research activity. Overheads are calculated as a fixed percentage of direct costs (please refer to Table 1 below for overhead rates). Direct costs means costs incurred as a direct result of the research activity.

For project grants administered by a government institution or a self-governing institution registered as having an account on the Appropriations Act, the Ministry of Finance's rules governing grant-financed research activity included in the Ministry of Finance's budget guidelines are to be followed. This implies that project support granted through a process of competition, the overhead as a maximum follow the rates below.

Table 1: Maximum overhead rates

Institution/enterprise type	Overhead
Danish institutions (including universities and government research institutes) which are subject to the rules regarding grant-funded research activities in the Danish Ministry of Finance's budget guidelines, and which are authorized to carry out grant-funded research activities	44 %
Danish Authorized Technological Service Institutes (GTS-institutter)	20 %
Danish institutions meeting all the following criteria: <ul style="list-style-type: none"> • Receive and are expected to continue receiving a fixed state subsidy of minimum 25 % (measured in relation to the total annual turnover) to cover operating costs; • Are non-profit institutions which do not seek to generate profit, and where any profit may not be distributed among the owners; • Carry out research as a central purpose. 	20 %
Public Danish hospitals	3.1 %
Danish state-recognised museums (cf. The Danish Museum Act)	3.1 %
All other Danish institutions and companies	0 %

Responsible and partner institutions in the South can charge an administration fee (overhead) to cover the direct expenses of the project administered as follows:

Institution/enterprise type	Overhead
Research institutions based in Danida priority countries, and in growth and transition countries, and other South institutions (non-profit institutions) of projects granted in 2017 and onwards (depending on local conditions)	20%
South-based research institutions of projects granted after 2014 and before 2017 (depending on local conditions)	12%
Responsible institutions in Ghana and Tanzania of projects granted before 2014	7%
Responsible and partner institutions in Vietnam of projects granted before 2014	3%

No overhead can be charged by the Danish institution for funds transferred to their partners.

In the budgets, the overhead is calculated of the total budgets, while in the accounts the overhead is allocated according to the actual spending.

The following general administration costs are considered to be covered by the overhead:

- Management involvement in the co-operation and coordination of the project
- Recurrent office and office set-up expenses (office furniture, rent, cleaning, stationery, transport, electricity and water, support staff, and other general recurrent expenses)
- operating expenses);
- Expenses related to staff that are carrying out general administrative tasks as budget and accounting tasks.

Additional funds cannot be allocated to these types of expenses over and above the overhead.

Administration fees cannot be included for international partner institutions and institutions outside the Danida priority/partner countries; as such institutions can only be supported for their direct services to the project activities. In addition, no overhead can be included of expenses relating to stays of PhD students in Denmark, refer to Section 5.

The maximum amount to be used for audits is DKK 30,000 per year and 50,000 DKK for the final audit. The funds for audit are earmarked. Additional expenses will not be accepted, but must be borne by the institution's overhead. The audit is not subject to OH.

If funding for items covered by the budget is granted from sources which are not specified in the grant framework, the Responsible Institution must inform DFC of this funding without delay. The Ministry of Foreign Affairs reserves the right to reduce the grant by a corresponding amount.

Window 1: Double or multiple PhD degrees, i.e. a PhD degree from a Danish university in addition to a degree from a home country university or the university in the region, can be awarded provided that the requirements of the Danish Ministry of Education, Executive Order no 1039 of 27/08/2013 are fulfilled, and that the possible payment of taximeter fee at the Danish university at maximum is set according to the period of stay at the university.

4. Administration of Study Stays in Denmark

The guidelines for Danida Fellowships apply to stays in Denmark of PhD students (Window 1 only) from South institutions, refer to Appendix 8.

DFC must be advised minimum three months prior to initiation of the study period. The Project Coordinator is requested to coordinate the practical arrangements with DFC. DFC will annually deduct the actual expenses (travel, accommodation, allowances etc. included in the budget line 8) directly from the grant, informing the project by the end of the year.

DFC's administrative services for stays in Denmark of senior researchers (including postdocs) are optional. If DFC administers the stay in Denmark of senior researchers, the notification requirements above and the guidelines in Appendix 8 apply.

Should the stays be longer than planned and budgeted for in the approved budget, it is important to contact DFC for possible reallocation of funds, as it must be ensured that sufficient project funds are available at DFC for study stays (budget line 8).

5. Period of Grant

The project must be completed within the grant framework's approved timeframe, including the finalization of possible PhD and MSc studies,

In cases of delays in delivering the approved outputs, the Project Coordinator may no later than one month prior to the closing date for the project, submit a request to DFC for a no-cost extension of the project period. The request must indicate the new closing date for the project. The extension must be well justified, and it must be explained why the extension is necessary in order to complete the project and meet the goals. The extension must be used to complete the originally approved objectives and outputs. An application to DFC for a no-cost extension should not include a revised budget, as DFC monitors the annual and final accounts by comparing the expenditures to the original total budget stated in the Letter of Grant.

A no-cost extension normally implies submission of an extra Midterm report to be submitted on July 1 in the year of the originally approved project end date. DFC will consider on an individual project basis whether an extra Midterm report may be requested in case of a no-cost extension. See more concerning reporting in Section 13.

In the case a no-cost extension implies that a project is extended by more than three months into a new calendar year, an extra annual audit is required for the previous calendar year. With an extension of less than three months, the audit of the annual accounts can be included in the final audit. The costs of additional audits must be covered within the approved budget for audit, i.e. the budget line for audit cannot be exceeded. See more concerning audit in Section 14.

As a general rule, a Window 1 project cannot be extended more than twice, and by more than two years altogether, while a Window 2 project cannot be extended more than once, and for maximum one year.

6. Disbursement

Institutions in Denmark and in priority/partner countries must establish a separate finance account/activity for the grant in order to distinguish the funds from other grants.

The annual installments are disbursed on the basis of a Disbursement Request from the Project Coordinator using the Disbursement Request Form (Appendix 4). The Request must cover the whole fiscal year and exclude expenses on the stay of the PhD students administered by DFC (Window 1 only: budget line 8), as these are covered directly by the project account at DFC. For projects which cover several fiscal years, the Disbursement Request must be submitted immediately prior to the next fiscal year.

In projects with Responsible Institution in the South disbursements to the Danish partner institution(s) are made by DFC directly upon written request from, and signed by, the Project Coordinator in the South. In the projects with Responsible Institution in Denmark the transfer of funds to the South partners are carried out by the Danish Responsible Institution.

The first transfer can be made in the first quarter, normally with an on-account amount of 50 % of the requested disbursement, and the second transfer can be made in the third quarter with the remaining amount, deducted unexpended funds at the end of the year as outlined in the previous year's accounts. Disbursement of the second installment is conditional upon DFC's receipt and approval of the annual accounts. Annual disbursements \leq DKK 250,000 will be transferred in one installment.

When transferring funds from DFC to institutions in Denmark, no other confirmation of the transfer will be provided than the quoted reference in the disbursement request. When transferring funds from DFC to institutions in the South, a bank transfer statement will be forwarded to the Project Coordinator when the disbursement has been processed.

7. Interest and Exchange Rate Gains and Losses

Interest gained cannot be used to finance grant-funded research activities, but must be specified separately in the final accounts and returned to DFC. Calculating accounts kept in foreign currency must be at the weighted average exchange rate calculated on basis of the C/F amount and the transfers in the fiscal year, so that artificial currency exchange rate gains and losses are avoided.

8. Non-compliance and Revocation of the Grant

Non-compliance is deemed to occur if the project is not fulfilling the conditions of the grant framework. Among these:

- Non-fulfilment of the terms and conditions in the grant framework;
- Delayed commencement of the project. If the project is not initiated within six months after the anticipated project start date specified in the grant framework (or date of local official approval for projects with responsible institution in the South), the grant will be discontinued, unless the Project Coordinator and Responsible Institution forward a justifying request considered acceptable by DFC;
- Other delays not approved by DFC;
- Lack of satisfactory progress towards the planned activities and achievement of the approved outputs;
- Missing or unsatisfactory submission of reports and accounts;
- Lack of obtainment of the necessary ethical and other approvals and authorizations;
- Significant non-approved changes in the project in relation to the grant framework, including changes of main researchers and institutions, refer to Section 9;
- Other irresponsible administration of grant funding, including the violation of the conditions presented here.

In the event of non-compliance, DFC and the Ministry of Foreign Affairs is entitled to take appropriate action with a view to limiting the consequences of the violation, and may issue a written reprimand requesting the violation to be remedied within a given grace time, initiation of consultant or auditor investigations of the project administration, suspension of further disbursements, or phasing out or closing down of the project. If the Responsible Institution fails to remedy the non-compliance by the specified deadline, the Ministry of Foreign Affairs may discontinue funding, revoke any residual funding and claim repayment of amounts already disbursed.

During the course of a project, it is the responsibility of the Project Coordinator to report immediately to DFC noticeable deteriorations in the conditions for completing the project as approved, including significant problems in the project's or its staff's relations to the host country's authorities, partner institutions, or project staff. This responsibility also applies if the Project Coordinator finds any suspicion of or actual cases of theft, fraud, corruption, misuse of funds, breach of contracts, court cases involving a larger amount of money, loss or possible loss of funds, qualifications in audit reports and other instances or misuse of funds. Such information should be reported immediately in writing, along with information on how the Responsible Institution intends to resolve and follow up on the difficulties or irregularities reported, among other things with regard to the Ministry of Foreign Affairs' duty to report to the National Audit Office of Denmark (Rigsrevisionen).

Should Danish support to a country be terminated as a result of a political decision, the support to research projects in the particular country may also be discontinued, by decision from the Ministry of Foreign Affairs.

A project agreement may be disconnected in writing by both parties (i.e. the Responsible Institution and DFC) with three months' notice. However, in the event of gross violation, the Ministry of Foreign Affairs is entitled to terminate the agreement with immediate effect. Before a possible termination, all parties are obliged to seek to resolve conflicts through negotiation. Unresolved conflicts cannot be brought before a court, but must be resolved through arbitration.

The Ministry of Foreign Affairs may make the processing of new applications by the Project Coordinator conditional on compliance with the terms and conditions of previous grants, including the total time allocation for a researcher on several projects exceeding what is considered feasible.

9. Terms and Conditions of Employment

The responsibility for employment conditions (announcement, leave, salary, etc.) for staff engaged by the project and whose salaries are covered by the grant rests with the institution at which the individual staff is employed.

If the Project Coordinator's employment comes to an end, the Responsible Institution must ensure that the project is continued with a suitable new Project Coordinator. The Responsible Institution must inform DFC in due time and ensure that the change of Project Coordinator will not detract from the fulfilment of the project's objective. Approval of change of Project Coordinator must be attained from DFC. A request must be submitted to DFC in due time and include the CV of the new coordinator.

Replacement of other project researchers must be informed in the next reporting to DFC with CV of the new researcher(s) attached/uploaded with the report.

Equally, change of Responsible Institution and partner institutions requires approval from DFC, and a request must be accompanied by a signed agreement between the involved institutions endorsing the transfer of responsibilities with regards to the grant.

Should it be impossible to continue the project in a way that ensures that the objectives can be met, the responsibility to end the project showing the greatest possible consideration for the partners involved, especially ensuring that PhD students (when applicable) can finalize their study programmes, rests with the Responsible Institution.

10. Terms and Conditions for Salary

Salaries for staff and PhD stipends (Window 1 only), disbursed through the grant, must follow the appropriate tariffs applying to the local institution in question. It is not accepted that staff is paid allowances on top of the salaries already received from the institution. Salaries are either compensation/replacement salary paid to the institution for the time the staff allocates to the project, or compensation payment for over-time, either hourly or performance based. In the case of over-time payment, a written agreement must be entered between the institution and the researcher. Double salaries and payment of consultancy fees will not be accepted.

Payment of salary or remuneration to individuals must be declared in full to the tax authorities, and tax deductions must be made according to the appropriate local rules.

The participating institutions are responsible for settlement of duty travel etc., and this must follow the relevant regulations of the institution in question. All staff engaged by a Danida granted research project can only receive per diem and other reimbursable costs according to their institution's rules, regulations and cost-norms. However, should local per diem rules exceed the applicable rates according to Danish rules for 2017 (DKK 487³ per day for meals, plus reimbursement of documented reasonable accommodation expenses), the Danish rules must be applied. The participating institutions are responsible for insurance of project personnel. Thus, DFC and the Ministry of Foreign Affairs cannot be held responsible for injuries and accidents occurred in connection with implementing the project.

No additional funding can be provided in connection with illness and parental leave, but time extensions are possible according to the rules in force, refer to Section 6.

11. Purchases

All purchases must be made in accordance with international and/or national procurement regulations.

Project expenses must not include VAT, in case it is possible for the South/Danish institution to receive VAT refund. VAT refund can be used for project activities within the same budget line, and it is thus not required to return VAT refund to DFC.

All purchased equipment must be appropriately insured and kept in good working order. Prior to the completion of the final accounts, vehicles (if any) and all equipment of a value exceeding the taxable rate for small purchases must be sold off for the best possible price or handed over to partners (partner institutions in Danida priority country/growth and transition country/Responsible Institution in South). . The profit for sold items must be entered into the final accounts. If handing over items to partners, the accounts must indicate that the institution has a signed hand-over document. To document a handing-over of equipment, if any, to the partners, a signed document must be included in the project completion reporting, and for this purpose the template Appendix 3d to Completion Report has to be used.

³ Please observe special rates per day for the following countries:

Bangladesh: DKK 370 - Bolivia: DKK 279 - Bhutan: DKK 203 - Colombia: DKK 370 - Egypt: DKK 373 - India: DKK 269 - Malaysia: DKK 274 - Mozambique: DKK 325 - Nepal: DKK 227 - Pakistan: DKK 231 - South Africa: DKK 269 - Thailand: DKK 334 - Zambia: DKK 370 - Zimbabwe: DKK 279.

12. Progress and Completion Reporting

It is the responsibility of the Project Coordinator to report timely to DFC:

- *The deadline is 1 July for the first-year and midterm report.*
- *The deadline for submission of the completion report is six months after the approved completion date.*

First-year and midterm reports must be signed by the Project Coordinator and the Responsible Institution who hereby indicate that the report is mutually agreed among all project partners, is true and accurate, and is complying with the conditions presented here. The completion report must, in addition, be signed by all partner institutions involved (Coordinator/principal researcher from each).

Window 2: As the project durations are between 1.5-3 years, the first-year report must be submitted 1 July in the first year of implementation. The midterm report must be submitted 1 July in the second year, and completion report either together with the midterm report for projects of 1.5 year's duration or six months after the approved completion date for projects of 2-3 years' duration.

Reporting formats

All reports must be submitted by using the electronic format (e-fond) found at DFC's webpage as Appendix 1, 2, or 3. The DFC webpage for appendices to be uploaded with the reports is found here:

<http://dfcentre.com/research/general-conditions-and-forms-for-research-projects-2/>.

The first-year report (covers one year of implementation for ow 1 and 2) format must be used by projects that have completed the first year of implementation. The reporting covers start-up activities of the project in terms of management set-up, partnership, methods and plans for outreach to stakeholders/users of the project results.

The midterm report (covers three years of project implementation for Window 1, and two years for Window 2) format must be used by projects that are half way through the project. The reporting covers the progress in project implementation, including the status of the partnership, research capacity building and processes, and the communication and outreach activities (listed in Appendix 2c). It is required that the projects prior to submission of the midterm report have the progress and results assessed by an external reviewer/expert within the field. The midterm review report must be submitted with the midterm report. Cost for the midterm review can be included in the budget.

The completion report (covers all years of project implementation) format must be used by projects that have finalized implementation of the project. The reporting covers the results of the project including research results, the partnership experiences, the impact of the research activities and the dissemination of results and publications (listed in Appendix 3c). It must include a Policy Brief to present the findings and recommendations of the project (instruction for Policy Brief is available in Appendix 3a).

All reports' submission must include reporting in the LogFrame matrix provided. For projects granted in 2016 a new format has been provided directly to the project holders as the same matrix must be used throughout the project period.

In addition, the telling of a "good story" from the project has been introduced as part of the reporting. See Section 15 for details.

The date of completion of the project is the end date which is stated in the Letter of Grant or other end date which appears in later written approval by DFC of a no cost extension.

If specific conditions were attached to the approval of the previous reporting, the project may be asked to submit a revised/extra first-year or midterm report within a DFC defined deadline or the following year.

Window 1: In Ghana and Tanzania thematic meetings are held annually to share experience and discuss topics of common interest for the research projects in these countries. The progress and completion reports are no longer the basis for the reporting at the annual meetings but it is expected that the projects share experiences, progress and results during the meeting.

13. Quality assurance

All first-year, midterm, and completion reports from projects with responsible institution in Denmark and South, respectively, will be going through a quality assurance process. Firstly the reports are subject to an assessment by DFC of formal requirements to the reporting, the management and partnership of the project, and if the reporting (including the LogFrame) is sufficiently detailed to assess the quality of the progress towards or fulfillment of the approved objectives, outcomes and outputs. DFC may ask Project Coordinators for additional information or details.

The progress and results conveyed in all three types of reports will be further assessed by the Consultative Research Committee for Development Research. All project coordinators will receive a response to the reports within 3 months after submission.

14. Accounts and Audit

14.1 Projects with Responsible Institution in Denmark

It is the responsibility of the Danish institution to ensure that adequate accounts are kept of the awarded research funds. Care must be taken to ensure that the adequate financial procedures are in place with proper internal control and in accordance with good bookkeeping and accounting practice. The Danish institution must keep the accounting records and materials in accordance with the Danish Bookkeeping Act's requirements, and keep them for a period of 5 years after the completion of the project activity.

It is the responsibility of the Project Coordinator to ensure that sub-statements – annual financial statements as well as final financial statements – from the partner institutions comply with the requirements for financial statements and auditing set out in this Section. In the event of misuse of funds, any loss must be borne by the Responsible Institution.

The audit process tests whether the project accounts in all essence have been drawn up in accordance with these guidelines and the Danida rules for presentation of accounts, and whether the transactions and use of the funds covered in the project accounts are in accordance with the grant framework, legislation and other regulations as well as concluded agreements and standard practice. In addition, an assessment is made of whether due financial consideration is shown in respect to the administration of the grant.

14.1.1 Annual accounts and audit

The fiscal year is January 1 – December 31. The accounts must be submitted by e-mail to DFC, research@dfcentre.dk and the *deadline for submission of the annual accounts is July 1.*

The annual accounts must be submitted electronically and include both the Danish institution's and all partner institutions' part of the budget. It must contain a scanned signature by the Project Coordinator and the Responsible Institution's relevant accounting officer. With his/her signature, the Responsible Institution's accounting officer endorses that the annual accounts are true and accurate, that the total amount transferred by DFC is entered as income, that expenses are distributed according to entries in the

approved budget and with the same level of detail, and in compliance with the conditions presented here. In addition, the two signatures constitute the confirmation by the Responsible Institution that the grant has been used in accordance with the grant framework and agreement.

Sub-statements, auditors' statements concerning such sub-statements, bank statements and possible original vouchers from the partner institutions/enterprises are *not* to be submitted to DFC.

When presenting accounts, the accounts form in Appendix 5 must be used. The accounts must contain a report on the amount of unused funds at the end of the year.

It is the responsibility of the Responsible Institution to ensure that all accounts and the auditor statement, if any, are submitted in due time.

Danish institutions where the audit responsibility rests with the National Audit Office of Denmark

The annual accounts of the grants must:

- 1) for the Danish Responsible Institution be signed by the Project Coordinator and endorsed by an employee duly authorised by the Head of the Responsible Institution. In addition, the Responsible Institution shall sign a Management Endorsement (refer to Appendix 6), which must include confirmation of receipt of the partner institutions' audited accounts, and that the auditor's endorsement is without qualifications.
- 2) for the partner institutions, as agreed with the National Audit Office of Denmark, be audited by an external auditor as per audit instruction presented in Appendix 7. The audit must take special care to adhere to the revised regulations for payment of compensation salaries. The accounts must be accompanied by a statement of endorsement declaring that the audit has been carried out in accordance with the conditions presented in Appendix 7, as well as good public sector auditing practice. Any reservations must be included in the statement of endorsement.

Other Danish institutions

The annual accounts of the grants for the Danish institution's and partner institution(s)'s accounts must be audited by an external auditor as per audit instruction presented in Appendix 7. The accounts must be accompanied by a statement of endorsement declaring that the audit has been carried out in accordance with the conditions presented in Appendix 7, and good public sector auditing practice. Any reservations must be included in the statement of endorsement.

14.1.2 Final accounts and audit

The accounts must be submitted by e-mail to DFC, research@dfcentre.dk and the *deadline for submission of the final audited set of project accounts is six months after the approved completion date of the project.*

Any deviations on individual budget lines exceeding 10% between the total approved budget and the final accounts must be explained, and the approval by DFC must be quoted.

Any interest earned must be declared separately in the final accounts, as this must be returned to DFC.

Danish institutions where the audit responsibility rests with the National Audit Office of Denmark

The following is agreed with the National Audit Office of Denmark:

- 1a) For the Danish Responsible Institution for which the actual audit is directly carried out by personnel of the National Audit Office, the full set of final accounts must be signed by the Project Coordinator and endorsed by an employee duly authorised by the head of the Responsible Institution. In addition, the Responsible Institution shall sign a Management Endorsement (refer to Appendix 6), which must include confirmation of receipt of the partner institutions' audited accounts, and that the auditor's endorsement is without qualifications.
- 1b) For the Danish Responsible Institution for which the actual audit is carried out by an external auditor designated to do so by the National Audit Office the full set of final accounts must be audited by an external auditor as per audit instruction, Appendix 7. The accounts must be accompanied by a statement of endorsement declaring that the audit has been carried out in accordance with the conditions presented in Appendix 7, as well as good public sector auditing practice. Any reservations must be included in the statement of endorsement.
- 2) For the partner institutions, the final accounts and audit must follow the regulations described in Section 14.1.1 Annual accounts and audit.

Other Danish institutions

The final accounts and audit must follow the regulations described in Section 14.1.1 Annual accounts and audit.

14.2 Projects with Responsible Institution in South (Window 1 only)

It is the responsibility of the South institution to ensure that adequate accounts are kept of the awarded research funds. Care must be taken to ensure that the adequate financial procedures are in place with proper internal control, and in accordance with good bookkeeping and accounting practice. The South institution must keep the accounting records and materials in accordance with country regulations, and keep them for a period of 5 years after the completion of the project activity.

An *accounting manual* must be prepared at project initiation as an integral part of the process of establishing the accounts Section and setting up the accounting system. A template accounting manual is available to the projects as Appendix 11 to these conditions. The manual must be approved by the external auditor of the project and submitted to DFC as early as possible after project initiation and at the latest before the second disbursement to the project. The manual must be updated yearly based on recommendations from the annual audit.

It is the responsibility of the Project Coordinator to ensure that sub-statements – annual financial statements as well as final financial statements – from the partner institutions comply with the requirements for financial statements and auditing set out in this Section, and to obtain the same sub-statements from all partner institutions, so that the Project Coordinator has the basis for drawing up and submitting financial statements covering the entire grant. In the event of misuse of funds, any loss must be borne by the Responsible Institution.

The audit process tests whether the project accounts in all essence have been drawn up in accordance with these guidelines and the Danida rules for presentation of accounts and whether the transactions and use of the funds covered in the project accounts are in accordance with the grant framework, legislation and other regulations as well as concluded agreements and standard.

14.2.1 Annual accounts and audit

The fiscal year is January 1 – December 31.

The accounts must be submitted by e-mail to DFC, research@dfcentre.dk, and the *deadline for submission of the annual accounts is July 1*.

The annual accounts must be submitted electronically to DFC including:

1. Joint/combined annual accounts (covering the Responsible Institution and Danish and South partners' part of the budget) signed by the Project Coordinator.
2. Annual accounts of the Responsible Institution covering the Responsible Institution's part and any South partners' part of the budget signed by the Project Coordinator and the Responsible Institution's relevant accounting officer. With his/her signature, the accounting officer endorses that the annual accounts are true and accurate, that the total amount transferred by DFC is entered as income, that expenses are distributed according to entries in the approved budget and with the same level of detail, and in compliance with the conditions presented here. In addition, the two signatures constitute the confirmation by the Responsible Institution that the grant has been used in accordance with the grant framework and agreement.

The annual accounts of the Responsible Institution must be audited by an external auditor as per audit instruction, Appendix 7. All South partners must have their accounts audited annually, and the audit of the accounts of the Responsible South Institution must include the work of the South partners' auditors. The audit must take special care to adhere to the regulations for payment of compensation salaries. The accounts must be accompanied by a statement of endorsement declaring that the audit has been carried out in accordance with the conditions presented here (refer to Appendix 7) as well as good public sector auditing practice. Any reservations must be included in the statement of endorsement. In addition, an assessment is made of whether due financial consideration is shown in respect to the administration of the grant.

3. Annual accounts of the Danish partner covering the Danish partner's part of the budget signed by the Danish main researcher and the Danish institution's relevant accounting officer. With his/her signature, the accounting officer endorses that the annual accounts are true and accurate, that the total amount transferred by DFC is entered as income and that expenses are distributed according to entries in the approved budget and with the same level of detail.

The annual accounts of the Danish partner must be accompanied by either

- a. an endorsement by an employee duly authorised by the head of the Danish institution, if the responsibility for the audit rests with the National Audit Office of Denmark (refer to Appendix 4); or
- b. an auditor statement as per audit instruction Appendix 7, if the responsibility for the audit does not rest with the National Audit Office of Denmark.

When presenting accounts, the accounts form in Appendix 3 must be used. The accounts must contain a report on the amount of unused funds at the end of the year.

It is the responsibility of the Responsible Institution to ensure that all accounts and the auditor statement are submitted in due time.

14.2.2 Final accounts and audit

The accounts must be submitted by e-mail to DFC, research@dfcentre.dk and the *deadline for submission of the final audited set of project accounts (including all project partners' accounts) is six months after the approved completion date of the project.*

The full set of final accounts (accounts of the Responsible South Institution including any South partner institutions) must be audited by an independent certified accountant and, as agreed upon with the National Audit Office of Denmark, include the Danish partner institution's accounts as follows:

1. With the responsibility resting with the National Audit Office of Denmark, and the actual audit is carried out by personnel of the National Audit Office, the final accounts must be signed by the Danish Main Researcher (Coordinator on the Danish side) and endorsed by an employee duly authorised by the head of the Danish partner institution.
2. With the responsibility resting with the National Audit Office of Denmark and the actual audit carried out by an external auditor designated to do so by the National Audit Office, the final accounts must be audited by an external auditor as per audit instruction, Appendix 7.
3. The final accounts must be audited by an external auditor as per audit instruction, Appendix 7, if the responsibility for the audit does not rest with the National Audit Office of Denmark.

The final accounts and audit must follow the regulations described in Section 14.2.1 Annual accounts and audit.

Any deviations on individual items exceeding 10% between the total approved budget and the final accounts must be explained, and the approval by DFC must be quoted.

Any interest earned must be declared separately in the final accounts, as this must be returned to DFC.

15. Dissemination

It is the wish of the Ministry of Foreign Affairs that the funded research should be readily accessible to the public. In all public communication, including publications resulting from the grant and all contacts with the press, it must be stated clearly that the grant is awarded by the Danish Ministry of Foreign Affairs.

It is imperative that the supported research is useful, accessible, actively disseminated, and communicated in appropriate forms to the various stakeholders, i.e. in a way that enables potential users to engage and make use of the research information. Publication of research results in open access journals is encouraged. Policy Briefs with key recommendations to policy makers and other stakeholders must be produced as part of the completion report.

Project communication

It must be clearly stated that the grant is awarded by the Ministry of Foreign Affairs of Denmark.

The English and Danish designations are:
Ministry of Foreign Affairs of Denmark
Udenrigsministeriet

When the Ministry of Foreign Affairs of Denmark is mentioned on the website, in publications, presentations, brochures, etc. please use the official logo: Download the logos here: <https://um.papirfly.com/portal>

Acknowledgement in PowerPoints and other forms of documentation:

This work is partly funded by the Ministry of Foreign Affairs of Denmark and administered by Danida Fellowship Centre.

Everyone can use the following text about the Danida Fellowship Center:

Danida Fellowship Centre administers Denmark's support to development research and research capacity building on behalf of Ministry of Foreign Affairs of Denmark.

It must be stated in the reporting how the dissemination is/has been carried out. The annual reports must include link to the website of the project, which all projects must set up. The project website must as a minimum include the basic project information as given in the application, updated descriptions of the achievements of the project, and links to publications and other public presentations of the project results produced, proceedings of meetings, etc. The Responsible Institution must, as far as possible, ensure that access to the project website is available up to five years after the completion of the project. The completion reporting must include a publication and dissemination list with links to their availability.

Information about the grant, project, Project Coordinator and the involved institutions will be published in the Danida Research Portal (<http://drp.dfcentre.com/>), subject to the rules in the Danish Act on Processing of Personal Data (Act No 429 of 31 May 2000). Annual updates will be carried out by including the summaries stated in the annual reports.

DFC would like to contribute to disseminate, promote and amplify the research results and stories of interest that are part of or related to the Danida supported research projects.

We use the following communications platforms:

- The Danida Fellowship Centre website
- Quarterly newsletter disseminated to about 2500 recipient in Denmark and abroad including DFC's many folded stakeholders among them Ministry of Foreign Affairs, universities and media
- Facebook
- LinkedIn
- Twitter

DFC has positive experiences in assisting projects and partners with PR and media efforts and offers a helping hand to projects and partners that need assistance in preparing PR material.

DFC also collaborates with specialized publications and universities and research institution's communication departments to share relevant content, and DFC makes an effort to promote development research of general public interest to the media. Therefore all Project Coordinators should forward newsletters, and relevant articles, video, and photo material from the projects to research@dfcentre.dk

In addition, telling a "good story" and attaching at least five "good photos" from the project is part of the annual reporting.

The story should be brief (max 2,000 key strokes) and written in a popular scientific manner. It may be a story from your research partnership, an achievement and/or impact of the project, successful outreach to stakeholders (users, policy makers, private sector, others), a workshop or a conference, or a field trip. An example of a good story from a project is shown in the box below.

Rural Urban Transformation

One of the great achievements of the Rural Urban Transformation (RUT) project is the organization of a practitioners-academics workshop (August 2016). The workshops' ambition was to reach a better understanding of the institutional framework in Tanzania dealing with rural-urban transformation and identify practices and challenges of national, regional and local governance environments. The workshop clearly showed a sincere interest among planners and academics dealing with land use changes and rural-urban development to address small town development. In exploring this, the project focuses on emerging urban centres characterized as increasingly populated commercial centres, legally understood as townships. Interestingly, many townships are in the process of becoming fully consolidated and acknowledged administratively (and politically). These processes and their implications for stimulating small town development were intensely examined. It was emphasized rural and urban development is organized through by-laws unique to the regions/districts, meaning that there is no universal governance practice. This situation can be explained by complex and often non-aligned policy reforms on rural and urban planning since Tanzania's independence. However, recent government efforts are explicitly addressing detailed planning for village and trade centres (Special Programme of Ministry of Land, Housing and Human Settlements', 2015 to 2021). While the dialogue on how to attune Tanzania's planning continues, the MLHH programme in particular has been identified as a possible starting point where RUT researchers and planners can work together and exchange knowledge for further exploration. The workshop fostered a strategic partnership between RUT project and national, regional and district planning institutions and resulted in actual collaboration on how RUT researchers can contribute with data and insights on legal, planning and governance challenges.

It is also encouraged that ongoing projects within the same research theme co-organise workshops and conferences targeting a broader group of stakeholders, possible with a regional focus. It is possible to apply to DFC for extra funding (supplement funds) to organize such events. An application for such funds must include a Terms of Reference for the event and budget details.

16. DFC Supervision

The Ministry of Foreign Affairs, DFC, the National Audit Office of Denmark (Rigsrevisionen), and the Public Accounts Committee (Statsrevisorerne) have the right at any time to request all relevant information from the project. The project staff must provide assistance and full access to the project inspection, document review, accounts analysis, equipment inspection, etc.

Throughout the project period, as well as the 5-year archiving period, DFC and their accountant must have the access to carry out investigations of the material serving as the basis for the grant accounts, as and when DFC deems it necessary.

In addition, the supervision can, by agreement with the institutions, include several other measures on the part of DFC in order to ensure insight and follow up of the organisation's administration of the grant. These measures can be as follows:

- Visits to the South/Danish Responsible Institution's administration with a view to inspecting the finance function's and the project management's procedures as well as the projects' procedures and organisational aspects.
- Spot-check inspections of the projects' activities in the form of visits from DFC Research Unit.
- Joint meetings for the Project Coordinator and their institution.
- Implementation of reviews and evaluations of the research activities receiving support. Likewise, independent reviews of the projects may be implemented geographically or according to topic.

17. Rights

The Ministry of Foreign Affairs retains the right to use reports and forwarded research results free of charge without offering further remuneration to the authors other than already allocated via the research grant.

Should the grant recipient's utilization of patent rights, sale of know-how and their own production generate income, the Ministry of Foreign Affairs will not demand repayment of the grant, neither in part nor in full.

The Danish Act on Processing of Personal Data gives you a number of rights when information is processed electronically, such as the right upon request to access and, if relevant, to correct information that is processed electronically.