



**Danida Fellowship Centre**

**February 2021**

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

Projects in Danida priority countries (Window 1) and  
projects in growth and transition countries (Window 2)

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All appendices are accessible at [DFC's homepage](#)

## **Important alterations in edition February 2021**

### **Section 2. Agreements with partner institution(s):**

The section has been updated with a list of sections that could be included in a partnership agreement. This list of sections replaces the template for a partnership agreement.

### **Section 14. Audit and accounts, Appendix 6, 7, 8, and 9:**

The section has been updated.

The previous Appendix 7 has been divided into three separate instructions, and appendix 6 has also been slightly updated:

- Appendix 6: Management endorsement of accounts
- Appendix 7: Audit instruction for development research projects led by research institutions based in Denmark (the responsible institution)
- Appendix 8: Audit instruction for development research projects led by research institutions based in Ghana, Nepal or Tanzania (the responsible institution).
- Appendix 9: Audit instructions to partners outside Denmark

This clarifies who should pay attention to which instructions at what point in time during the project cycle. The goal is further to clarify that auditors are required to provide an auditor's report, including audit opinion.

With regard to appendix 6, management endorsement of accounts pertaining to Danish institutions, it has been clarified that the management declare the accounts to be accurate and without significant errors or omissions. It has further been clarified that the consolidated accounts rely on audit reports from outside Denmark.

With regard to appendices 7, 8 and 9, the text has been streamlined for each target group, to ensure that the requirements are clearer. The new appendices do not contain a predefined format for the management letter or audit report, but rather leave this up to the auditor, with reference to public standards for auditing (SOR 5 for Danish auditors, and ISA or similar standards for auditors outside Denmark).

### **Section 16. Knowledge exchange, networks and outreach:**

The section has been extended to include trainings and offers by DFC to strengthening the skills and ability of researchers to engage with stakeholders and communicate research-based knowledge and results in the public domain. It is compulsory for all project coordinators of projects granted in 2020 to take part in the DFC training in how to develop a communications and engagement plan during the first year of project implementation, and subsequently have a communication and engagement plan for the project.

## 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 Ministry of Foreign Affairs of Denmark (MFA).

The general conditions describe the requirements of the projects regarding budgeting, reporting, presentation of accounts, auditing, quality assurance, and communication. The conditions are in keeping with the Ministry of Foreign Affairs of Denmark's [guidelines for support through the funds for development aid](#) (only in Danish).

On behalf of the MFA, 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, Learning and Quality department in the MFA.

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

When a research grant is awarded, an agreement (the 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. Please note that 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;
- Work towards achieving 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.

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 research<sup>1</sup>, while Denmark's strategy for development cooperation and humanitarian action "The World 2030" provides the Danish strategic directions<sup>2</sup>.

### Anti-corruption Policy and Child Labour Clause

**The MFA anti-corruption policy** 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*

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

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

*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 Royal 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 institution(s)**

All projects must enter a partnership agreement (PA) between the responsible institution and the partner institution(s) within the first six months of the project period, and the PA must be submitted to Danida Fellowship Centre (DFC) by email to [research@dfcentre.dk](mailto:research@dfcentre.dk). Please note that the second disbursement of project funds is conditional on the submission of the PA.

Please note that DFC is not part of the PA.

It is the responsibility of the responsible institution to ensure that the agreement comply with the general conditions presented here, as well as with the rules and regulations of the institutions involved in the project. With detailed commitments and expectations from all partners, the PA will constitute a tool for the practical administration of the project. The responsible institution and the project coordinator must ensure that the involved partners administer the allocated funds in a responsible and adequate manner, and that the project implementation is through equal partnership between the research partners.

The PA could include sections concerning the following:

- Project management incl. project details and the grant framework, research performance, procedures and results
- Budget management issues, e.g. transfer of funds, salaries, emoluments and other project staff payments
- Division of responsibilities and deadlines regarding financial and narrative reporting
- Research communication and publication strategy
- PhD supervision responsibilities (Window 1 only)
- Arbitration in case of disagreements / disputes between project partners
- Closure of the project
- Amendments and termination
- Intellectual property rights
- Marketing
- Confidentiality
- Breach
- Liability
- Force majeure
- Transfer of personal data
- Amendments, severability and renegotiation.

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. The 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. An application to DFC for changes exceeding the 10% limit should thus not include a revised budget.

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).

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**

<b>Institution/enterprise type</b>	<b>Overhead</b>
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"> <li>• 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;</li> <li>• Are non-profit institutions which do not seek to generate profit, and where any profit may not be distributed among the owners;</li> <li>• Carry out research as a central purpose.</li> </ul>	20 %
Public Danish hospitals	3.1 %
Danish state-recognised museums (cf. The Danish Museum Act)	3.1 %
All other Danish institutions and companies	0 %

The rates for overhead for responsible and partner institutions in the South are given below. No overhead can be charged by the Danish institution for funds transferred to their partners.

<b>Institution/enterprise type</b>	<b>Overhead</b>
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 in 2014, 2015 and 2016 (depending on local conditions)	12%
Responsible and partner institutions in Ghana, Nepal and Tanzania of projects granted before 2014	7%
Responsible and partner institutions in Vietnam of projects granted before 2014	3%

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)
- Expenses related to staff that are carrying out general administrative tasks such as budget and accounting tasks.

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

Overhead cannot be included for international partner institutions, private partners, public authorities, and institutions in third countries, i.e. outside the Danida priority/partner countries, as such institutions can only be supported for their direct input to the project activities. For institutions not eligible to charge overhead of direct costs, a gross salary rate must be used and follow the appropriate rate of the institution. In addition, no overhead can be included of expenses relating to stays of PhD students in Denmark, refer to Section 5.

For projects granted before 2020, the maximum total amount to be used for audits is DKK 30,000 per year plus an extra DKK 20,000 for the final audit, i.e. maximum DKK 50,000 for final audits covering all partners' accounts.

For projects granted in 2020 onwards, the maximum amount to be used for audits is DKK 15,000 per year per primary partner for whom audit is required, and DKK 20,000 for the final audit for the responsible institution and each primary partner. The funds for audit are earmarked for this particular purpose and project funds can neither be allocated to nor from this budget line after approval of the budget. Additional expenses will thus not be accepted but must be borne by the institution's overhead. The audit expenses are not subject to overhead.

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 MFA reserves the right to reduce the grant by a corresponding amount.

#### **4. PhDs and stays in Denmark**

The educational grants for PhD students must follow the relevant rules and regulations. The grant is placed at the disposal of the enrolling institution and is intended to cover expenses incurred in connection with the grant, i.e. supervision, courses, brief trips, study periods at other institutions.

Payment of full tuition fees at a Danish university for PhD students from a partner institution enrolled in their own country will not be accepted. Also in relation to 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, the possible payment of taximeter fee at the Danish university must be set according to the period of stay at the university. Double or multiple PhD degrees must follow the requirements of the Danish Ministry of Education, Executive Order no 1039 of 27/08/2013.

The stay in Denmark for PhD students from the South must be supported and administered according to the DFC terms. This includes an allowance, but not a PhD salary paid in Denmark. The allowance only covers the stays in Denmark, while in the home country a local PhD salary can be paid. The current guidelines for Research Fellows are to be applied for study periods in Denmark for PhD students from the South, refer to Appendix 10. This also includes the use of DFC administrative services in arranging the practical details of the stay.

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 10 apply.

Should the stay 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). If the administration of the stay exceeds the available project funds at DFC by end of project, the responsible institution will receive an invoice covering the expenses of the stay.

## **5. Period of grant**

The official starting date of the project must be in the same calendar year the letter of grant is issued.

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 01 July 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 signed/endorsed by the project coordinator using the disbursement request forms for first and second annual disbursement, respectively (Appendix 4a and 4b). Each request must cover half of the 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.

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 signature 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 of the year can be made in the first quarter, normally with an on-account amount of 50% of the annual budget, 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. Please note that the disbursement of the second installment is conditional upon DFC's approval of the annual accounts and receipt of the second disbursement request form (Appendix 4b) which can be submitted upon approval of the annual accounts of the previous year.

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. Examples of weighted average exchange rates are available at DFC's homepage.

## **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 project coordinator and institutions without documented approval from DFC, 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 MFA are 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 period, 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 MFA 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 MFA 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 MFA.

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 MFA 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 MFA may make the processing of new applications by the project coordinator conditional on the compliance with the terms and conditions of previous grants, including the total time allocation for a researcher on several projects exceeding what is considered acceptable, and when the final reporting of a previous grant is outstanding for more than 6 months after the project end date with no documented approval from DFC.

## **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 obtained from DFC. A request must be submitted to DFC in due time and include the CV of the new coordinator.

DFC must also be consulted if the principal researcher of a partner institution is to be replaced and in cases of several replacements of key researchers in a project. Approval must be obtained if the change influences the number of key researchers and/or partner team composition. Replacement of project participants must always be informed in the consecutive reporting to DFC with CV of the new researcher(s) 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 regard 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 rests with the responsible institution, showing the greatest possible consideration for the partners involved, especially ensuring that the PhD students included in the project can finalize their study programmes.

## **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. This agreement must take into account feasibility of time allocation on the project on top of other work engagements. As a general rule, the maximum over-time workload accepted is 25% (3 months) per calendar year. Double salaries and payment of consultancy fees will not be accepted.

The responsible institution must also ensure that current tariffs for remuneration at all partner institutions are applied and that salaries are based on gross salaries. 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.

It is the responsibility of the responsible institution to ensure that the budget for salaries includes any additional allowances, holiday allowances, labor market pension schemes, pension contributions, salary increases triggered by labor market agreements and seniority, etc. The participating institutions are responsible for insurance of project personnel (including during travels). Thus, DFC and the MFA cannot be held responsible for injuries and accidents occurred in connection with implementing the project.

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 2021 (per diems<sup>3</sup> for meals, plus reimbursement of documented reasonable accommodation expenses), the Danish rules must be applied. The cheapest fare should be applied and frequent flyer points earned on these

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<sup>3</sup> Please observe special rates per day depending on country. Per diem rates for 2021 can be found [here](#).

flights cannot be used for private purposes. Budgeted travel must be justified and directly related to project activities.

No additional funding can be provided in connection with illness and parental leave, but no-cost extensions are possible according to the rules in force, refer to Section 5.

## 11. Purchases

All purchases as per approved budget 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.

Projects administered by a Danish government institution must apply the rules of state self-insurance and, outside Denmark, otherwise ensure the insurance of equipment. 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 must be used.

## 12. Progress and completion reporting

It is the responsibility of the project coordinator to report in a timely manner 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 thereby indicate that the report is mutually agreed upon 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).

### Reporting formats

All reports must be submitted by using the electronic format found at DFC's webpage [found here](#).

Window 2 projects report annually; and the *formats to be used for the first-year and midterm* report are identical, but cover more or less the same aspects as the reporting formats for first-year and midterm reports for Window 1 projects.

*Window 1: The first-year report* 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.

*Window 1: The midterm report* 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).

Window 1 projects granted in 2017 through 2019 may have set aside funds for a midterm review. The midterm review is optional. It can be used by projects half way through project implementation to have an external reviewer/expert within the field assess progress and achievements, as well as recommend possible adjustments. The results of a (possible) midterm review must be reflected in the midterm reporting.

*Window 1 and 2: 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. The completion reporting must include a publication and dissemination list with links to their availability (listed in Appendix 3c). It must also include a policy brief to present the findings and recommendations of the project (instruction for policy brief is available in Appendix 3b).*

All reports' submission must include reporting according to the approved LogFrame.

It must be stated in the reporting how the dissemination is/has been carried out. The first-year/midterm and final report must include link to web-based information about the project.

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.

Refer to Section 15 for information concerning reporting and outreach.

### **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 whether 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.

Secondly, 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 approximately 3 months after submission.

### **14. Accounts and audit**

A diagram with rules for audit can be found [here](#).

#### **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 activities.

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 and possible subcontractors 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.

Please refer to appendix 7 for further instructions regarding audit requirements for responsible institution in Denmark and partners in Denmark. Refer to Appendix 9 for further instructions pertaining to partners outside Denmark.

#### **14.1.1 Annual accounts and audit**

The fiscal year is 1 January – 31 December. The accounts must be submitted by e-mail to DFC, [research@dfcentre.dk](mailto:research@dfcentre.dk) and the *deadline for submission of the annual accounts is 01 July*.

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 outside Denmark, as agreed with the National Audit Office of Denmark, be audited by an external auditor as per audit instruction presented in Appendix 9. 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 9 as well as international standards for auditing practice. Any reservations must be included in the statement of endorsement.

- 3) For partners in Denmark, specifications in appendix 7 apply.

**Danish institutions where the audit responsibility does not rest with the National Audit Office of Denmark:**

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](mailto: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.

**Danish institutions where the audit responsibility does not rest with the National Audit Office of Denmark:**

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 Ghana, Nepal or Tanzania (Window 1 only)**

It is the responsibility of the responsible institution in Ghana, Nepal or Tanzania 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 responsible 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 procedures for the project and setting up the accounting system. A template accounting manual is available to the projects as Appendix 13 to these conditions. The accounting manual must be approved and signed by the external auditor of the project and submitted to DFC no later than six months after project start date. The second disbursement to the project is conditional on the submission of the signed accounting manual. The accounting 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 and accounts – 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.

Please refer to appendix 8 for further instructions regarding audit requirements for responsible institution in Ghana, Nepal or Tanzania and partners in Denmark. Refer to Appendix 9 for further instructions pertaining to partners outside of Denmark.

### **14.2.1 Annual accounts and audit**

The fiscal year is 1 January – 31 December.

The annual accounts must be submitted by e-mail to DFC, [research@dfcentre.dk](mailto:research@dfcentre.dk), and the *deadline for submission of the annual accounts is 01 July*.

The annual accounts must be submitted 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 and the responsible accounting officer from the institution.
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 i) the annual accounts are true and accurate, ii) the total amount transferred by DFC is entered as income,

and iii) the 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 8. All South partners must have their accounts audited annually, and the audit of the accounts of the responsible institution in Ghana, Nepal or Tanzania must include the work of the auditors for the partners outside Denmark. 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 8) as well as International Standards on Auditing (ISA) or similar international standards (issued by IFAC and/or INTOSAI). 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(s) 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 6); or
- b. audited accounts as per audit instruction Appendix 8, if the responsibility for the audit does not rest with the National Audit Office of Denmark.

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 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](mailto: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 institution in Ghana, Nepal or Tanzania 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:

- 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.

- 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 8.
- The final accounts must be audited by an external auditor as per audit instruction, Appendix 8 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 and returned to DFC.

## 15. Dissemination

In all public communication, including publications resulting from the grant and all contact with the press, it must clearly be stated that the grant is awarded by the MFA. In project publications, the Vancouver Protocol must be adhered to, and only publications mentioning the funder will count as a publication under the project.

It is the wish of the MFA that the funded research should be readily accessible to the public. 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 strongly encouraged.

### Project communication

Even though the research results are independent, and the views and opinions expressed by project partners based on the research findings do not necessarily reflect those of the MFA, 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](#). The use of the official MFA logo is applicable when such is possible and relevant.

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 Centre:

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

The web-based project information (website, Facebook, etc.) 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 web-based information is available up to five years after the completion of the project.

Information about the grant, project, project coordinator, and the involved institutions will be published in the [Danida Research Portal](#) and is subject to the rules in the DFC Privacy Policy (See Section 18). Updates will be carried out by DFC, including the summaries stated in the reports.

## **16. Knowledge exchange, networks and outreach**

To improve the conditions for uptake of research results, DFC offers training and support platforms for researchers to engage with stakeholders and communicate research-based knowledge and results in the public domain.

### **Research communication, engagement and advocacy training**

Communicating research results to policy makers, practitioners and other stakeholders in the right format, at the right time, and through the right channels requires planning, skills, and contacts. Therefore, DFC offers the following support to research collaboration projects:

- Training in how to develop a communications and engagement plan
- Science for the public – training in how to communicate research to the general public and collaborate and work with the media
- Bridging the gap – seminars for researchers and journalists in Danida priority/the Strategic Sector Corporation partner countries to break down barriers between academia and media
- Engagement and advocacy training, including how to write a good policy brief

It is compulsory for all project coordinators of projects granted in 2020 or later to take part in the DFC training in how to develop a communications and engagement plan during the first year of project implementation, and subsequently to have a communication and engagement plan for the project. The additional training offers are voluntary, but it is encouraged to dedicate at least one researcher from ongoing projects to take part.

### **Platforms for learning, network and knowledge exchange**

To promote collaboration and exchange across individual research projects, and across sectors, disciplines and borders, DFC provides platforms for partners contributing to and benefitting from our work to come together to discuss, share and create new knowledge. DFC supports activities that promote:

- Knowledge exchange between researchers, Danida alumni, and other relevant stakeholders
- Networks and collaborations within and across academia, policy makers and practitioners
- Dissemination and outreach of research results for uptake and use.

DFC encourages ongoing projects to organize policy dialogues and other thematic events to promote knowledge exchange and disseminate research results. It could be South-South exchange between research projects within the same topic, co-organizing of workshops and conferences targeting a broader group of stakeholders, possibly with a regional focus, or other relevant events.

These training and support measures are gathered under the Knowledge in Action Initiative, see more at [the DFC website](#).

### **DFCs communication**

In addition to the above, DFC makes an effort to disseminate, promote and amplify the research results and stories of interest that are part of or related to the Danida supported research projects. To promote and tell the good stories of the research projects supported by the MFA and administered by DFC we encourage the following:

- Project coordinators must inform DFC ahead of or at the time that the project appears in the mass media in Denmark and in partner countries. DFC will further promote the good stories and research results via DFC's communication platforms. Please always tag DFC when you post on social media.
- The project coordinator is encouraged to contact DFC, if/when there is a story to tell from the project

or he/she needs advice concerning mass media related communications. DFC has numerous experiences in assisting projects and partners with PR and media efforts and offers a helping hand in preparing PR material.

- Project coordinators should forward newsletters, and relevant articles, video, and photo material from the projects to [research@dfcentre.dk](mailto:research@dfcentre.dk). DFC 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.
- Research partners may expect that DFC contacts them in regard to outreach and dissemination.

We use photo materials and mass media links to promote the research projects on DFC's online platforms such as quarterly newsletters, DFC's website, Facebook, LinkedIn, Twitter and Instagram

Any good or particular story from a project during the reporting period can be included in the first year/midterm or final reporting. A list of references with links to where the project has appeared in the mass media over the reporting period must be included in first year/midterm and final reporting.

## **17. DFC supervision**

The MFA, 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 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, by agreement with the institutions, the supervision can 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 management team.
- 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.

## **18. Rights**

The MFA 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 MFA will not demand repayment of the grant, neither in part nor in full.

The DFC policy on handling of personal data is available at [DFC's homepage](#). Projects must refer to their own institutional guidelines for handling of personal data.

