## MINISTRY OF FOREIGN AFFAIRS OF DENMARK



# Partnering with Denmark for

Sustainable Growth, Trade and Welfare

Danish Authorities in International Cooperation

# Guidelines

SECTION 2: Procedures – Management and Decision Making Processes

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#### List of abbreviations

CRM system Customer Relationship Management

CSR Corporate Social Responsibility

DAC Development Assistance Committee

DPA the Danish public authority

FDI Foreign Direct Investment

GC Growth Counsellor

HR Department for Human Resources

KPIs Key Performance Indicators

KVA Department for Quality Assurance and Financial Management of Development

Cooperation

MoU Memorandum of Understanding

NGO None Governmental Organisation

ODA Official Development Assistance

OECD Organisation for Economic Cooperation and Development

SSC Strategic Sector Cooperation

TC Trade Council

#### 2. Procedures - Management and Decision Making Processes

#### 2.1 Introduction

Whereas section 1 provides an overall introduction to the Facility and its involved stakeholders, section 2 is a practical guide for Growth Counsellors, Danish public authorities and other stakeholders to the systems and procedures guiding the preparation and implementation of the activities under the Facility. Supporting tools and templates are annexed. This section provides guidance on:

- 2.2 Mapping, prioritisation and selection of focus countries and sectors
- 2.3. Growth Counsellors
- 2.4. Strategic Sector Cooperation
- 2.5. Results monitoring

#### 2.2 Mapping, prioritisation and selection of focus countries and sectors

**Mapping**. The Secretariat will prepare a matrix which maps possible countries and sectors to be targeted by the Facility. This will be based on inputs from the Danish public authorities and Danish Embassies in the eligible countries. The Secretariat updates the matrix based on input from Embassies and Danish public authorities.

The Embassies will present their priorities for choice of sectors, based on dialogue with partner country authorities and the Danish private sector. The Danish public authorities will present their priorities based on contacts to partner institutions, Danish strengths in the form of expertise and technology and commercial potential for Danish enterprises. The mapping will provide the framework for the selection of countries and sectors for GC and SSC projects.

#### Selection of specific sector and country for GC and SSC.

The Growth Counsellor and the Strategic Sector Cooperation are complementary and as such the selection of one will imply selection of the other. The choice of a Growth Counsellor position for a country/sector(s) will direct the sector focus of the SSC. Typically a GC and SSC is a pair focusing on one sector.

In some cases though, a Growth Counsellor can cover more sectors, and hence more than one SSC. Or multiple authorities can cooperate on a joint SSC supported by one GC.

**Application**: The Danish public authorities, in collaboration with the Embassies, will prepare applications for posting of the Growth Counsellor, which will also include a justification for potential SSCs.

The application for posting a GC will be submitted through the Secretariat to the Interministerial Working Group for assessment.

The application format is included in Annex 1.

**Selection**: The Inter-ministerial Working Group will assess, prioritise and recommend eligible proposals for specific GC positions to the Inter-ministerial Coordination Group for decision. Final approval is made by the responsible minister in the Danish Ministry of Foreign Affairs.

The selection of a GC (and implicitly the SSCs) will be based on three sets of criteria:

- 1. The quality of the proposals will be assessed according to set criteria (in annex 1)
- 2. Matching of interest expressed by the Danish Embassy and the Danish public authorities
- 3. Good coverage of GC's/SSC's between countries, sector and Danish public authorities.

#### 2.3 Growth Counsellors

#### **Employment of the Growth Counsellors**

The Growth Counsellor will be recruited by the HR department of the Danish Ministry of Foreign Affairs in close coordination with the relevant Danish public authority, the Danish Embassy and the Secretariat. Selection is made by consensus.

The employment and posting of the Growth Counsellor will take place according to standard Ministry of Foreign Affairs terms and procedures for postings abroad.

The Growth Counsellor will be an integral part of the Embassy staff and refers to the Ambassador.

#### Job description

The job description of the Growth Counsellor will be developed by the Danish Embassy in cooperation with the relevant Danish public authority. The job description must define tangible results which the Growth Counsellor should work towards, and describe how the GC will contribute to the work on improved policies and regulatory frameworks through the SSC and how s(he) will facilitate private sector engagement in relation to solving the identified development challenges. As a minimum the job description should contain:

- Scope of work
- Role in SSC
- Expected results and milestones, KPIs
- Time frame for assignment
- Planning and reporting.

#### Annual work plan

The GC will prepare a specific annual work plan for his/her work within the first two months of the posting. The work plan should be agreed upon in an annual meeting or when otherwise required by changing conditions, between the Growth Counsellor, the Ambassador and the relevant Danish public authority.

The linkages between the work of the Growth Counsellor and partner institutions will differ from country to country, and it will vary how the GC will be involved in the specific SSC.

#### 2.4 Strategic Sector Cooperation (SSC)

Sector cooperation will vary in advancement in different countries and in different sectors. In some countries, the SSC will build on previous cooperation, while in others the cooperation will be at an initial stage and requires a thorough preparation phase before a full SSC can be initiated.

In order to meet the different requirements, two different types of support are available for the Strategic Sector Cooperation:

- A SSC preparation project with a budget of up to 1 million DKK
- A full SSC project with average budget of 5 million DKK (max. 10 million DKK)

It is expected that a SSC preparation project will be needed in most cases and will have a duration of maximum one year. Even where a previous cooperation has taken place, some effort will be needed to prepare and agree on the SSC project with the partner institution. The preparation phase allows the Danish public authority to allocate personnel and as needed contract local and international consultants to assist in preparing a SSC project according to the template included in annex 2. The Danish Ministry of Foreign Affairs cannot apply for a SSC.

It is only expected that very few SSC projects will be able to use a budget of 10 million DKK. A very good justification is needed for a project of this size. The average SSC project is expected to have a budget of 5 million DKK.

#### 2.4.1 The Strategic Sector Cooperation - Preparation

#### Objective of the preparation phase

The objective of the preparation phase is to prepare the full Strategic Sector Cooperation project and, if relevant, to implement early actions. The full Strategic Sector Cooperation project should at the end of the preparation phase be presented in the format in annex 3.1 and jointly signed by the two parties.

The preparation phase should enable the Danish public authority and the partner institution to specify and agree on the content of their future collaboration, including purpose, approach, division of labour, responsibilities, time frame, budget and expected results. This includes identifying the partner institution, the demand for cooperation with Denmark, the specific topic to cooperate on as well as the contribution from the Danish public authority and wider Danish know-how and technology.

The preparation phase takes place after the GC position for a specific country is selected. In case the GC has taken up his/her position, the preparation should be supported by the Growth Counsellor. In case, the preparations take place before the GC is posted, the Danish public authority will undertake the preparations with support from the Embassy.

#### The SSC preparation project

The Danish public authority will prepare a SSC preparation project according to the relevant templates in annex 2.

The SSC preparation project could take different forms, depending on the level of previous contacts and cooperation between the Danish authority and the partner institution. And it will depend on whether the Growth Counsellor is present etc. Most often, the preparation project will cover a number of steps and activities to first finally identify the partner and broad focus of the future cooperation and subsequently together with the partner undertake the activities needed to jointly formulate the future SSC cooperation project and fill in the application form in annex 3.1. This could include problem identification, undertaking background analyses, establishing partnership, assessment of potential for private sector involvement (matchmaking), constructing a baseline and workshops where staff from the Danish and partner authority jointly formulate the SSC project. In a more advanced partnership, with comprehensive contact and maybe even previous cooperation, a more limited SSC preparation project may be needed. In this case the main focus would be on defining details of the partnership, the baseline and formulating the full SSC project.

If relevant and feasible, it would be possible to include concrete early actions in the preparation project to address a specific and well defined issue. This could be a study trip, capacity development or specific technical expert advice on specific issue requested by the partner institution.

The SSC preparation project should cover the resources needed for the full preparation process, including the formulation of the expected SSC project, and only **one** SSC preparation project application should be submitted.

#### Time frame and Budget

A SSC preparation project should have a maximum duration of 1 year. A budget up to 1 million DKK can be approved.

Costs for in-house personnel<sup>1</sup>, travel, seminars and early actions such as study tours, training, limited technical support can be covered by the SSC preparation project. Cost for personnel will be calculated based on cost prices. In-house personnel includes staff of the Danish ministry, its agencies and based on a specific assessment other affiliated institutions, depending on how much control the Danish ministry has over the institution and depending on whether the institution's activities are mainly performed for the Danish ministry. If the relationship between the affiliated institution and the Danish ministry does not fulfill these requirements, the affiliated institution will be considered consultant. For further details see Danida's guidelines for "the EU Directive on procurement and NGO agreements"

To a limited extent (maximum 40% of total budget) it will be possible to include consultants to provide e.g. local knowledge and/or specific technical expertise. This is provided that the knowledge is not accessible within the Danish public authority.

A 7 % overhead of the total budget can be included in the application for administration in the Danish public authority. When preparing the budget, the overhead is calculated from the total budget, while it is based on the actual expenditures when preparing the final accounts.

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<sup>&</sup>lt;sup>1</sup> Terms of reference shall be prepared for inputs from experts from Danish public authority and external consultant

The overhead budget will typically cover administration related to office expenses, expenses related to staff that carry out general administrative assignments, such as budget and accounting tasks, reporting task, and attendance of meetings with Ministry of Foreign Affairs.

**Budgeting**: As part of the preparation project the Danish public authority will prepare a budget according to the templates included in annex 2.2. Up to 10 % of the total budget can be transferred between the budget lines. If larger reallocations between budget lines are needed, this requires approval from the Secretariat, Ministry of Foreign Affairs.

**Extension of project budget:** The budget for the preparation phase can be increased up to 50% above the approved budget, but may not exceed the maximum of 1 million DKK. A request for extension must be sent to the Secretariat. The request should include a justification for the increase and a revised activity plan and budget for finalisation of the preparation project. The revised budget should clearly reflect the new or additional activities to be funded from the budget increase.

#### Responsibilities

The Danish public authority and the partner institution will be responsible for implementation of the SSC preparation project.

The Growth Counsellor (if in place) will work closely with the Danish public authority and the partner during the preparation process and will provide assistance in order to execute the SSC preparation project.

The inputs from the Growth Counsellor will be integrated into the work plan of the preparatory SSC, which will be the core of the first work plan developed for the GC.

#### **Application**

The Danish public authority will apply for the SSC preparation project.

The application will be based on the templates provided in annex 2.1 and 2.3 and sent to the Secretariat.

On demand, the Secretariat will provide feed-back to the Danish public authority prior to the submission of the application.

#### Approval of application

The SSC preparation project will be approved by the Ministry of Foreign Affairs. Projects can be approved on a continuous basis. The Ministry of Foreign Affairs will forward a confirmation letter to the respective Authority, which will formalise the approval.

#### Output and reporting

The main output of the preparation phase will be a SSC project proposal, jointly agreed by the two parties, including an implementation plan and a baseline according to annex 2.4.

If a project is not found feasible it should be explained why the SSC cannot be developed and if relevant, which other partners and SSC projects are recommended as replacement.

#### Financial management

Transfer of funds from the Danish Ministry of Foreign Affairs to the Danish public authority: The Danish public authority will submit a request for funds to the Secretariat, the Ministry of Foreign Affairs. The request will include the amount of funds requested and information of the bank account the funds should be transferred to. In case the SSC is a cooperation between several Danish public authorities, the funds will be transferred to the lead authority, which is responsible for subcontracting other ministries and authorities. The lead ministry is responsible for forwarding the final account.

The approved budget will be transferred in one tranche.

Funds cannot be transferred to counterpart institutions. All expenditures will be the responsibility of the applicant Danish public authority

**Accounting:** The Danish Public Authority responsible for the SSC will also be responsible for an annual accounting for the use of funds according to annex 2.3.

The Secretariat, Danish Ministry of Foreign Affairs will, upon receipt of the annual report and accounts, control whether funds are used according to the approved budget.

**Audits:** Accounts will be audited annually. Auditing is the responsibility of the Danish public authority and will take place as part of the Danish public authority's ordinary auditing procedures.

**Procurement:** Contracting of local and international consultants shall follow existing rules of the Danish public authority. The same is the case for procurement of other goods and services. This will take place within the EU Directive for procurement and NGO agreement.

Completion of project: At the termination of the SSC preparation project, the Danish public authority will submit a brief completion report stating the main results and a financial report. The financial report must report on each of the budget lines included in the approved budget (template for financial report is provided in annex 2.3). Unspent funds should be returned to the Danish Ministry of Foreign Affairs.

#### 2.4.2 The Strategic Sector Cooperation project, the full SSC.

#### **Objective**

The objective is to meet a demand for targeting a well-defined development challenge in the partner country. This will be done by combining public sector knowledge on policies and framework conditions, with private know-how and technology from Denmark and from the partner country. With this point of departure the aim is to secure a broader public/private sector cooperation. In practical terms, this will be done through implementation of the SSC project, supported by the Growth Counsellor.

#### Responsibilities

The implementation of the SSC project will be a shared responsibility between the Danish public authority and the Partner institution.

The GC will be in place and work closely with the Danish public authority and the partner institution during the implementation of the SSC and will together with the Danish public authority pay attention to opportunities for private sector solutions to identified development challenges.

The input from the GC will be integrated in the yearly work plan of the SSC, and will be agreed upon between the Danish public authority and the Ambassador.

The SSC shall address the objectives described above. The SSC project has to be elaborated in accordance with the principles and criteria included in Section I of these guidelines and follow the templates included in annex 3.1, 3.2 and 3.4.

Typically a SSC will include one Danish public authority. However, a SSC project can be shared between up to three related Danish public authorities. If more Danish public authorities work together on the implementation of one SSC project, the partners will agree on one lead Ministry who will be responsible for the SSC project. This includes submission of the application, receive funding, overall project management, final accounting and SSC progress reporting. The specific division of labour and sharing of resources will be agreed upon between the involved public authorities.

#### Time frame and budget

The SSC will have an average budget of 5 million DKK, but could in specific cases have a maximum budget of 10 million DKK (excluding cost of SSC preparation) and a maximum duration of 5 years (2015-19).

**Budgeting**: As part of the preparation project the Danish public authority will prepare a budget as outlined in annex 2.2. Up to 10 % of the total budget can be transferred between the budget lines. If larger reallocation is needed, a prior approval by the Secretariat is required.

**Contingencies:** 10 % of the total budget can be included as contingencies. Contingencies can be used for unforeseen expenditures within the approved budget lines.

**Unallocated funds**: 10 % of the budget can be included as unallocated funds. Unallocated funds can be used for unexpected activities not covered by approved budget lines.

Cost for in-house personnel<sup>2</sup>(max 2/3 of the total budget of a full SSC) from the Danish public authority (cost price), local/international consultants, seminars, study tours and training can be covered by the project. Also investment cost as e.g. technical equipment for demonstration projects may be included. In-house personnel includes staff of the Danish ministry, its agencies and based on a specific assessment other affiliated institutions, depending on how much control the Danish ministry has over the institution and depending on whether the institution's activities are mainly performed for the Danish ministry. If the relationship between the affiliated institution and the Danish ministry does not fulfil these requirements, the affiliated institution will be considered consultant. For further details see Danida's guidelines for "the EU Directive on procurement and NGO agreements"

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<sup>&</sup>lt;sup>2</sup> Terms of reference shall be prepared for inputs from experts from Danish public authority and for external consultant.

The Danish public authority, responsible for the SSC, can charge a 7% overhead of the total budget for administration. The overhead budget will typically cover administration related to office expenses, expenses related to staff that carry out general administrative assignments, such as budget and account tasks, reporting task, attendance of meeting with Ministry of Foreign Affairs.

Should private companies have an interest in participating in SSC projects (e.g. demonstration projects), they will be expected to contribute on commercial terms.

Consultants can to a limited extent (maximum 30% of total budget) be contracted to cover specific areas of expertise, which are not available within the Danish public authority e.g. local insights and knowledge, capacity development and specific technical knowledge.

Salaries, per diems, and other operational costs for the partner institution will not be covered by the SSC project budget. The cost should be covered by the partner institutions and constitutes a critical signal of commitment.

#### **Application**

The Danish public authority will apply for the SSC project. The SSC project shall be agreed to by the Danish public authority and the partner institution as a joint effort between the two parties. A MoU should be signed among the parties with the SSC project proposals attached. If the SSC is a cooperation between several Danish public authorities, each authority should sign a MoU with their respective counterpart.

#### Assessment and approval of application

The Ministry of Foreign Affairs Internal Grants Committee will be the approving body. The Danish public authority can submit a draft application to the Secretariat for quality assurance and optional feed-back. Subsequently, the Danish public authority will send the final application to the Secretariat, who will coordinate the submission to the Internal Grants Committee. The Internal Grants Committee meets approximately 7 times a year, and applications will be considered accordingly. The Danish public authority will present the application to the Internal Grants Committee at the Grants Committee Meeting and answer questions by Committee members. Based on the discussions with the Internal Grants Committee, the Chairman concludes whether the grant proposal is to be either:

- a) Recommended for approval by the responsible Minister in the Ministry of Foreign Affairs
- b) Rejected in order to be re-submitted later after adjustments, or
- c) Rejected (for entire re-doing)

The title of the agenda item must be identical with the title of the grant proposal. The Quality Assurance Department in the Danish Ministry of Foreign Affairs (KVA) will publish the final agenda and the proposal on the Danida Transparency web-site

For proposals to the Internal Grants Committee, the total length must not exceed 7 pages plus the cover page and annexes. Grant proposals must be written in English. Proposals must be understandable to outsiders, i.e. easy to read as well as without unnecessary technical details or abbreviations.

Once the SSC project is approved by the Internal Grants Committee, the Danish public authority will receive a letter of appropriation from the Ministry of Foreign Affairs.

Table 3 provides an overview of the Timeline for presentations to the Internal Grants Committee.

Table 3 Timeline for presentations to the Internal Grants Committee

Deadline	Action	Responsible
8 weeks prior to meeting	The Danish public authority confirms requests for being included on the agenda.	Danish public authority and Secretariat
15 working days prior to the meeting	Agenda is circulated to the Danish public authority	Internal Grant Committee Secretariat – KVA
13 working days prior to the meeting	Submission of SSC project proposal	Danish public authority and Secretariat
1 working day after the Internal Grants Committee meeting	Input to the summary is sent to the Internal Grant Committee Secretariat –KVA	Danish public authority and Secretariat

#### Management set-up

A SSC Steering Committee will be set up between the GC, the Partner authority and the Danish public authority as presented in Section 1 above.

#### Planning and reporting

The SSC project will include a results framework outlining expected results, indicators and an outline implementation plan/Gant chart.

Based on the result framework, the responsible Danish public authority will in cooperation with the partner institution prepare an annual work plan<sup>3</sup>. The plan will include milestones/targets, major activities, and a plan for technical input and budget for the expected activities (Templates are provided in annex 3.4). Further the plan will integrate the input to be provided by the Growth Counsellor.

The Danish public authority will produce an annual SSC progress report including a financial report, which will describe progress compared to plans, status of budget and discuss how to

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<sup>&</sup>lt;sup>3</sup> Terms of reference shall be prepared for inputs from experts from Danish public authority or external consultant.

overcome possible barriers for progress and opportunities to pursue. The financial report should report on the budget lines included in the approved budget (see annex 3.3 and 3.5).

The SSC progress report is submitted to the Embassy, who is tasked to accumulate the reporting at country level and submit a country progress report to the Secretariat. Results will also be discussed in the SPR process. A copy of the SSC progress report is submitted to the Secretariat. The Secretariat will control whether the expenditures are within the budget and budget rules.

#### Financial management

Transfer of funds from the Danish Ministry of Foreign Affairs to the Danish public authority: The Danish public authority will submit a request for funds to the Secretariat, the Ministry of Foreign Affairs. The request will include the full amount approved for the SSC and information on the bank account the funds should be transferred to. In case the SSC is a cooperation between several Danish public authorities, the funds will be transferred to the lead authority.

The approved budget will be transferred in one tranche.

**Accounting:** The Danish public authority responsible for the SSC will be responsible for accounting for the use of funds.

The Ministry of Foreign Affairs will upon receipt of the annual report control whether the funds are used according to the approved budget

In cases, where it would be relevant for the Danish public authority to delegate responsibility of funds to the GC/Embassy e.g. for a demonstration project, for implementation of a seminar or for hiring local consultants, this shall only take place based on clear instructions from the Danish public authority, for a limited and well defined activity with a clear budget. The Embassy would be obliged to forward a full account for the funds to the Danish public authority. Still the overall accounting responsibility would be at the Danish public authority, as would the responsibility for the activity.

**Audits**: Accounts will be audited annually. Auditing is always the responsibility of the Danish public authority and will take place as part of the Danish public authority's ordinary auditing procedures.

**Procurement**: Contracting of local and international consultants shall follow existing rules of the Danish public authority. The same is the case for procurement of other goods and services. This will take place within the EU Directive for procurement and NGO agreement.

**Extension of projects:** A no cost extension of the project can be applied for through the Secretariat. The request should include a justification for the extension and a revised plan for finalisation of the project.

**Completion of project**: At the termination of the SSC, the Danish public authority will submit a brief completion report including the main results of the cooperation and a final financial report. The financial report should report on each of the budget lines included in the approved budget. The completion report shall be sent to the Secretariat no later than 3 months after completion of the SSC. Unspent funds should be returned to the Danish Ministry of Foreign Affairs.

#### 2.5 Results Measurement

The performance of the Facility will be measured based on its achievements of the three results areas outlined in section 1.3. Focus will be on: i) its contribution to cooperation between Danish Ministries; ii) its contribution to creating development results in the partner country, and iii) its facilitation of Danish public and private sectors involvement in development in the specific sector and country.

Reporting will take place at three levels, the overall facility level, the country level (the GC and the SSC combined) and the level of the SSC project itself. The overall performance monitoring and reporting of the Facility will be structured according to the general results by synthesizing the reports from the country and SSC projects...

Monitoring will be important for demonstrating results and value for money, but also for learning. Within the given time frame of 3-5 years (and budget frame), it will not be possible to measure impacts, which is why focus in yearly reports will be on activity and output indicators. This will be complemented with qualitative assessment of results in specific studies and reviews. The monitoring system should be simple and SMART: Specific, Measurable, Achievable, Relevant and Time-bound. The baseline will be an important tool for the subsequent measuring of changes and results (annex 2.4 for details)

#### Facility/Secretariat report:

The Secretariat will be responsible for the preparation of a consolidated report on the progress of the activities under the Facility to the Danish Government, the Parliament and the Public. The report will provide an overall status on progress of the Facility and more specifically achievements within the three results areas: 1. Inter-ministerial cooperation, 2. Development in the partner country and 3. Engagement of Danish know-how, technology and investments. The reporting will be based on the framework and tools included in annex 4.

#### **Country report:**

The Embassy/GC will on an annual basis report on overall progress at country level.

No independent results framework will be elaborated at the country level. The report will be based on SSC progress reports received from the respective SSC projects. It will include additional information from e.g. the GC work plan and relevant related activities of the commercial, development and political departments of the embassy. Information from the Trade Council's CRM Statistic and customer satisfactory surveys etc. will be used to the extent possible. However these systems are only able to capture some elements of the embassies' engagement with the private sector and can in its current form not be used for measuring the GC and SSC engagement with the private sector.

The country report will furthermore capture broader progress and tendencies relating to solving the identified development challenges, describe the involvement of Danish enterprises in solving the development challenges, and developments in the broader involvement of the Danish companies in the sector. Please refer to annex 5.

#### SSC report:

The Danish public authority and its cooperation partner will submit annual SSC reports on progress made. The reports will provide a status on achievements with regard to activities carried out and the expected development outputs for the partner country and outputs relating to the involvement of Danish private sector. The report will be prepared according to the level outlined in annex 3.5.

The three reports will supplement each other. The SSC report will feed into the country report and both will feed into the facility report. The reporting should be closely coordinated to ensure that each level collects relevant information, and overlap is avoided. The proposed reporting and results framework is focusing on the initial years of implementation of the Facility, and priority has been given to annual monitoring of activity and output indicators. The development of a specific results framework and a baseline shall be prepared as part of the preparation of the SSCs.

In some cases quantitative SSC specific results can be measured. Still, results will mainly be measured through qualitative assessments in specific studies and through mid-term review.

The Secretariat will initiate a mid-term review of the Facility by the end of 2016 and will assess the lessons learned globally and across sectors in order to report on overall progress across the operations of the Facility and propose relevant adjustments to the Facility. Furthermore, it will focus on further development of monitoring of results with a particular focus on longer term results and impacts of the Facility.

The Secretariat will also undertake specific country and/or sector studies to assess the results of the support. Here the aim will be: 1) to improve performance of the instruments by assessing achievements and constraints and feed lessons learnt back to the Inter-ministerial working group, and 2) to assess and substantiate the direct and indirect results of the Danish interventions in terms of documenting the results of regulatory changes, knowledge transfer etc.

#### **OECD/DAC** reporting:

Use of funds will be reported to the OECD/DAC as part of Denmark's yearly reporting on development cooperation. Hence funds spent should fulfil the DAC criteria namely "Is administered with the promotion of the economic development and welfare of developing countries as the main objective" and funding has to flow to countries and territories on the DAC list of ODA recipients.