

MINISTRY OF FOREIGN AFFAIRS OF DENMARK



**Partnering with Denmark
for
Sustainable Growth, Trade and Welfare
Danish Authorities in International Cooperation
Guidelines**

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These guidelines can be found at The Ministry of Foreign Affairs' Aid Management Guidelines webpage: <http://amg.um.dk/>

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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

1. SECTION 1

1.1. Background

Denmark has an international reputation for having a conducive policy, planning and regulatory framework which promotes responsible and sustainable growth, employment and social welfare. There is a partnership between the public and private sector and civil society which is based on trust, flexibility and mutual respect for the contribution by each part to the development of the society and for maintaining Danish values of social inclusiveness, equality, and equal access to public services; good governance and corporate social responsibility, respect for the environment and development of green solutions.

The public sector has established a good enabling environment through policy and regulatory frameworks, research and technology development and by securing incentives for the private sector to provide state of the art solutions for public/private sector cooperation on broader sector initiatives. This partnership has provided advanced solutions in many sectors as e.g. within energy, education, environment, health, and food production. In order to comply with international demand for sharing these Danish competences and the unique Danish blend of state and market, the Danish Government has launched a new Facility which is available for a selected group of low and middle income countries with high economic growth during a pilot period of three years 2015-17.

Eligible partner countries:

Bangladesh	Indonesia	Nigeria
Brazil	Kenya	Pakistan
China	Malaysia	Philippines
Colombia	Mexico	Turkey
Ethiopia	Myanmar	Ukraine
Ghana	South Africa	Vietnam

The Facility will promote long-term bilateral relations between public authorities in Denmark and in partner countries and, by leveraging private sector solutions, contribute to a joint goal of sustainable growth and prosperity. The cooperation will be tailor-made to the specific country's circumstances, depending on the demand from the partners and the already existing Danish engagement in the country and sector, as well as the Danish public and private sector competencies within the sector.

The framework for the creation of the Facility is the overall Danish strategy for Development Cooperation "The Right to a Better Life" (May 2012) and the Danish Government's Strategy on Export Promotion and Economic Diplomacy (May 2014).

The **Facility is financed via funding from the Danish development cooperation** (Danida), and specific legal basis and budget allocations for the Growth Counsellors and the Strategic Sector Cooperation are provided in the Danish Finance Act of 2015:

§06.32.04.17 on Strategic Sector Cooperation states:

“...with the purpose of improving framework condition, regulation, policies etc. in sectors in the partner countries where Denmark has comparative strengths.... The long-term cooperation will be implemented with Danish Ministries and institutions...”

§06.32.04.16 on Growth Counsellors states:

“... Makes knowledge and expertise available for implementation of the Strategic Sector Cooperation...” “The focal areas for Growth Counsellors will in particular be to facilitate that Danish public authorities and Embassies in a partner country meet concrete demands from sector authorities for support to strengthen the sector’s framework conditions, regulations and policies; local development needs that are important for attracting investments and creating growths and jobs in the partner country must be addressed. The Growth Counsellors focus on sectors where Denmark is able to offer a high level of know-how and technology and at the same time benefit Danish private sectors’ export and globalization efforts.”

Further the Facility shall follow the OECD/DAC criteria for development aid. **OECD/DAC criteria for development aid.**

Official development assistance is defined as those flows to countries and territories on the DAC List of ODA Recipients (available at www.oecd.org/dac/stats/daclist) and to multilateral development institutions which are:

- i. provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. each transaction of which:
 - a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
 - b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).

1.2. Purpose of guidelines

The guidelines define the administration of the partnership between the public authorities in Denmark and in the partner country and serves as management guidelines for the Secretariat responsible for the Facility in the Danish Ministry of Foreign Affairs, the Danish public authority, the local partner and the Danish embassies. The guidelines should be used as a **catalogue**

that explains the actions needed at various steps in the preparation, implementation and exit phase, and with support from the templates and tools included in the annexes.

Contents

The guidelines consist of the following main sections:

- Section 1 - Introduction to the Facility, its rationale, main guiding principles and stakeholders
- Section 2 - A practical guide to the implementation of the activities of the Facility including posting of Growth Counsellors (GC) and funding and administration of Strategic Sector Cooperation projects (SSC)
- The Annexes provide a set of tools and templates for an application, monitoring and reporting.

It is important to study these guidelines before filling out the templates for application.

1.3. The Facility

Objectives and result areas

The Facility will offer support to improving the policy, regulatory, capacity development, planning and investment frameworks in the partner countries through assistance to development, implementation and enforcement of these frameworks. Hereby, it will assist and facilitate solutions to identified priority development challenges within a specific sector in a specific partner country. It will target sectors in which Denmark has public and private sector know-how, technologies and products of relevance to sector development. It is intended to exploit the comparative advantages of, and promote a synergy between, public and private sector capacities in delivering these solutions.

Thus it is the expectation that the cooperation will be of mutual benefit by bringing in Danish state-of-the art solutions to solving development challenges in a given partner country, and at the same time expanding Danish public and private sector presence in the country. The underlying assumption is that private sector development and investments are important drivers for responsible and sustainable growth, employment and social welfare when supported by appropriate public sector driven improvements in the enabling environment.

The key result areas are:

- a) To improve cooperation between Danish ministries for promotion of Denmark's international cooperation and global economic interest
- b) To achieve poverty oriented, inclusive and rights-based sustainable development results for the partner country through improved policies and regulatory frameworks and public/private sector cooperation.
- c) To improve the opportunities for the Danish private sector to expand its commercial engagement and investments in the partner country through increased network, knowledge, and cooperation, and hence facilitate the contribution by the private sector to development.

These results will be achieved in three ways:

- **Addressing the development challenges.** Danish public authorities will enter into strategic sector cooperation with counterpart public authorities in the partner countries. This cooperation will seek to address development challenges identified by the local partner within the targeted sector. The aim is to address binding constraints in the sector framework in order to improve the enabling environment, e.g. improve the policy and regulatory framework, improve incentive structures, establishment of better sector investment planning, or system development e.g. integration of wind energy in the power grid or monitoring and enforcement systems. This improved enabling environment will contribute to solving a specific development issue, as well as increase incentives for investments and create opportunities for private sector involvement within this specific (or broader) areas. (Box 1 includes an example)
- **Activation of Danish know-how, technology and investments.** A broader result of the cooperation will be the gathering of information, insights and a network of sector contacts between the public authorities in Denmark and the partner countries. This will benefit the partner country by making state-of-the-art solutions available within the sector as well as raise the quality and expand the variety of solutions for the partner country to choose from. For Danish companies it will provide opportunities to gain network, knowledge and insights into the partner country and sector which can lead to future well founded expansion of engagement and partnerships via trade and investment
- **Matching the two.** Prior to initiating strategic sector cooperation between Denmark and a given partner country, it is important to ensure that the partner country's demand for targeted assistance to a specific development challenge falls within an area where Denmark can offer a high level of know-how and technology – both within the public and the private sector or in combination. This **match-making** is crucial in order to secure mutual benefits. There is a need for a solid overview of the relevant Danish resource base and of the key issues in sectors. Annex 2.4 provides input to the establishment of a baseline.

Measurement of results is further described in chapter 2.5.

Growth Counsellor and Strategic Sector Cooperation - two complementary instruments

The Facility introduces two instruments: the Growth Counsellors (GC) and Strategic Sector Cooperation (SSC). The SSC is a partnership between a Danish public authority and a counterpart institution for sustainable development (economic and social). The Danish public authorities (DPA) will support with expertise and lessons-learned and facilitate transfer of Danish know-how, experience and technology relevant and tailored to local priority issues, local conditions, and needs, as demanded by the partner authorities. The Growth Counsellors will facilitate and support the SSC and together with local partner institutions identify how Danish know-how, systems, experiences and technology from the public and private sectors can be of best use to address the development challenges identified in the countries. The intention is that the two instruments complement each other and stimulate joint cooperation.

It is expected that the combined insight into and network of contacts within the specific sector achieved by the GC and the SSC will facilitate increased Danish public and private cooperation with the partner country. It is the in-depth long-term cooperation with partner sector authorities

on the enabling environment and the focus on private/public sector solutions, which distinguish this Facility from the activities of the traditional Danish development project and trade counselor.

The SSC will be defined around a particular development challenge, and it is expected that the SSCs will be fairly technical partnerships. The GC should have sufficient substance matter insight to facilitate the cooperation. S/he should also be able to link to the technologies and know-how, which can be provided by the private sector. Both the SSC and the GC would facilitate private sector engagement in the sector. The combination of the technical collaboration under the SSCs between public authorities and the facilitation of available commercial technologies and know-how by the GC would help bring in new and more efficient solutions to the development challenges identified. Achieving these synergies in addressing the development challenges is the combined mission of the GC and the SSCs. Below some of the main responsibilities are indicated.

Growth Counsellor (Embassy)	SSC (Danish public authority)
<ul style="list-style-type: none"> • Builds up broad networks, opens doors and facilitates contacts • Facilitates and supports identification and development of SSC projects • Facilitates and takes part in implementation of SSC projects • Facilitates involvement of Danish businesses as integral part of the Danish Embassy through information on contact points and opportunities, match-making etc. • Develops annual GC work plan • Country progress reporting • Coordinates and manages PR and media relations 	<ul style="list-style-type: none"> • Builds relationships with partner authorities and other relevant stakeholders • Identifies development challenges together with partners and develops SSC projects • Management and administration of the SSC implementation • Provides expertise for implementation of SSC projects by use of own staff • Knowledge and network sharing with Danish businesses • Financial management and audits • SSC progress reporting • Input to policy/international cooperation dialogue related to the sector

The activities in the respective countries will vary significantly. It will often not be possible to distinguish precisely between activities of the GC and the Danish public authority supporting the specific SSC project, and activities supporting the broader political, development and commercial agenda of the Danish Government related to the sector. As a guiding principle it is expected that both the GC and the staff from the Danish public authority working on the SSC will spend 80% of their time on specific, narrow SSC project related matters and 20% of their time to place the SSC in the broader Danish foreign policy/development/commercial agenda related to the sector with the aim of benefitting both the development of the partner country and Denmark.

Box 1: Support to development of standards for air pollution – a constructed example of a SSC

The Ministry of Environment engages in a partnership with the environmental authorities in a partner country to address the growing challenges of air pollution. The project focuses on introduction of minimum standards for industrial air pollution and contains elements of: analysing the challenges, presenting good practices, stakeholder consultations, drafting of standards, implementation and enforcement.

The Danish contribution to the project would be know-how on development of implementable standards. The Danish Ministry could provide a mix of internal and external experts, which through long and short term inputs provide know-how to the development of the standard, including examples of good practices. The experts work closely with the staff of the counterpart institution. Depending on the profile of the Growth Counsellor he/she contributes with specific technical inputs and facilitates the cooperation between the Danish Ministry and partner institution. It will be a key task of the Growth Counsellor to maintain a continuous dialogue with the partner institution, inform on Danish-state-of-the-art solutions and about opportunities within other Danish development and business programmes

Improved enabling environment - an immediate result of the cooperation. Implementation of the new air pollution standards for reduction of air pollution requires polluters to invest in know-how and technology in order to comply with the standards. This would in the medium to longer term open market opportunities for Danish companies, to on a commercial basis provide state-of-the-art solution to the benefit of the partner country. This could be in partnership with a local company.

Tools for the SSC: Different tools could be included in the cooperation. 1. **Study tours** to Denmark for demonstration of how similar standards are being developed, implemented and enforced in Denmark. This could include demonstration of private/public sector cooperation, of monitoring and enforcement systems and demonstration of Danish know-how and technology to implement air pollution standards. Wider environmental know-how and technologies on promotion of greener growth could be introduced. 2. **Seminars and capacity building** could be used for concept development and introduction of state of the art solutions. Relevant Danish public and private know-how and technology providers should be included in the seminars. Capacity development could include on the job training, external courses or relevant training within Danish public and private institutions and introduction of technology. Capacity development could address individual capacities as well as institutional capacities. 3. **Demonstration projects** could be used to demonstrate state-of-the-art solutions, to build awareness, as training facility and, as relevant, provide examples of public/private partnerships/interactions.

Short to long term result of the SSC and GC – The Danish public authority and the Growth Counsellor will through the SSC build up comprehensive knowledge/insight to developments in the broader sector, establish a broad network of private and public contacts and an understanding of how Danish know-how and technology can contribute to greener solutions in the partner country. Relevant Danish know-how and technology could be introduced to the partner, and Danish providers could be informed about opportunities for environmental/green investments and potential private sector partners. This would both in the short and longer term provide opportunities for matching Danish state-of-the-art solution to development issue in the country to the mutual benefit. Such opportunities could open for longer term cooperation on green growth.

The GC and the Danish public authority would on a continuous basis feed information on sector developments to the Danish embassy and promote synergies with other initiatives.

Strategic Sector Cooperation (SSC)

The Danish public authorities will establish SSC projects with sector authorities in the partner country. A SSC will have a duration of 3-5 years and an average budget of 5 million DKK , with the maximum budget being DKK 10 million. Building of institutional cooperation and achieving results take time and impact can only be expected in the longer term (3-7 years).

Development of a SSC project will most often take place through an iterative process. In the beginning, the process will focus on establishing and fine-tuning the match between partner country development challenges and relevant Danish core competences, systems and technologies in the public and private sector. A key element in this is to identify the right partner for the cooperation, who has the formal mandate, power, personnel and resources to work on the development challenge and ownership to the idea of entering into a partnership with the Danish authority in doing so. Subsequently, the SSC project will be defined jointly between the partner authority and the Danish public authority. This includes reaching agreement on the purpose, approach, division of labour, responsibilities, time line and expected results of the cooperation and building a partnership based on mutual respect and commitment. After reaching this agreement, implementation of the activities to address the development challenge through improving the regulatory framework etc. will start.

The project will be a joint effort to find a solution to a defined development challenge. The Danish public authority will supply expertise from Denmark, and the partner institution will allocate relevant staff and make facilities available. For the SSC to be successful it is critical that the inputs and commitments from both public institutions are made clear and written down and approved at a high level.

The need for SSC projects is due to the fact that SSC will contain a specialised know-how and technical insight that cannot be supplied by the Danish embassies, but will require technical advisory capacity from the public authorities based in Denmark. This will ensure that Denmark can assist the partner country in improving the framework conditions for a chosen sector. The SSC will therefore be undertaken by Danish public authorities that possess relevant specialised skills and experiences and are willing to actively participate in the transfer of Danish knowledge and experience to partner countries. Furthermore, the SSC project can attract the private sector and facilitate their engagement in solving of the development challenge and hence make available the full package of Danish expertise to resolve the development challenges identified by the partner country. The SSC and involvement of the private sector on a commercial basis will be supported by the Growth Counsellor.

Typically the Danish public authority responsible for a SSC project will provide its own staff to the cooperation. Participating staff will be expected to spend a number of longer periods of time (2-4 weeks or more) in the partner country to work closely with counterpart staff. To a limited extent, it will be possible to supplement own staff by hiring consultants with specific skills for specific inputs that are not available in-house. This could be international expertise with specific knowledge or local expertise with a good understanding of local conditions.

Growth Counsellors

The Danish Government will create 17-18 GC positions. The GCs will be posted at the Danish embassies and will be an integral part of the embassy under the authority of the Ambassador.

The profile of the GC will depend on the demand in the given country for a matching sector expertise in Denmark. The GC will typically cover one sector (SSC). However depending on the specific demand in a country the GC could cover several related sectors. Care should be taken not to spread the efforts of the GC too thinly. The risk would be to dilute the sector insights and network, and thereby weaken the comparative advantage of the initiative.

In order to achieve the full benefit of the combined efforts of the SSC and the GC, it is important that the GC has extensive knowledge of the Danish public and private sector strongholds in regulation, policies, technologies, know-how and products. The GC will contribute to sector analysis and through close cooperation with the partner country authorities proactively help to identify and address specific development challenges, where the Danish public authorities and private sector can provide solutions to the identified development challenge.

A phased approach

It requires time and resources to identify and develop trust between the partners, jointly identify the specific development challenges and develop the SSC project to address the identified challenges. The Facility offers two distinct windows of SSC funding:

- a. SSC preparation project - The Facility offers funding for the activities needed to identify partners, obtain background information and analysis and decide on areas of cooperation, and to the joint formulation of the SSC project proposal by the Danish and partner authority. Hence, the preparation project will allow the partners to meet, collect information and analyse challenges, develop a solid partnership and formulate the SSC project together.
- b. SSC project - The Facility offers funding for implementation of the SSC projects.

Section 2 provides further details on procedures.

1.4. Governance

The implementation of the activities under the Facility involves a number of partners with different roles and responsibilities.

The responsible minister in the Danish Ministry of Foreign Affairs: Overall accountable for development cooperation funds and results.

Secretariat: Heads the Inter-ministerial working group. Overall responsible for the activities and results of the Facility. Responsible for annual results reporting for the Facility, specific studies and mid-term reviews. Responsible for preparation and executing the inter-ministerial meetings, takes part in recruitment process of the GCs, prepares modalities and guidelines, supports the Danish public authorities and their partners in developing SSC documentation by commenting on documents before their presentation to the Ministry of Foreign Affairs internal grant committee etc. Supports the Danish public authorities in the implementation of the SSCs. Ensures that progress and lessons from the Facility are shared with the Danish private sector, and other stakeholders.

Inter-ministerial working group: Responsible for a coordinated approach between the involved Danish public authorities in developing and implementing the modalities and activities of the Facility. Screens incoming suggestions for posting of GCs/SSC cooperation; prioritises, selects and recommends the distribution of GC between countries and sectors to the Inter-ministerial coordination group. Each group member is responsible for institutionalising the knowledge, experiences and decisions made by the Group in his/her own organisation.

The Group acts as a consultative forum for discussion of experiences and assists the Secretariat in dealing with matters as they arise and provide recommendations. As such, the Group is a key target group for lessons learnt, assessment of progress and the midterm review. Also, the Group is expected to actively share knowledge with other Danish public authorities based on lessons learnt.

Inter-ministerial coordination group: Coordinates and supervises the implementation of the initiatives covered by the Danish Government Strategy on Export Promotion and Economic Diplomacy. For this particular Facility, the Inter-ministerial coordination group will assess the recommendations from the Inter-ministerial working group on selection of sector and country distribution of GCs and recommend the final distribution of GCs on sectors and countries to the responsible minister in the Danish Ministry of Foreign Affairs.

Danish public authority: Participates in the Inter-ministerial working and coordination groups. Works closely with the Danish embassies on all aspects of the preparation for the GC and SSCs, including: preparation of background information for selection of countries and sectors; elaboration of the job profile of the GC, employment process for GC, preparation of SSC project and application for SSC funding. The Danish public authority is responsible for implementation of the SSC in cooperation with the GC and the counterpart authority. It is also responsible for the results of the SSC and for results monitoring and reporting on the SSC as well as financial reports and audits. Finally, the Danish public authority provides information and input to the Embassy in order to achieve a coordinated Danish Government approach and to increase the knowledge and networks on the sector of relevance to the Danish private sector.

Danish Embassy: Takes part in the preparations for the GC and SSC together with the Danish public authority. The Danish Embassy is responsible for the activities of the GC. Takes part in the annual planning process with the GC and SSC, responsible for reporting on the combined efforts of the GC and SSC at country level.

Growth Counsellor: Responsible for facilitating/taking part in the SSC, ensure in-depth knowledge on development/opportunities in the sector, provides input to different departments of the Embassy, facilitates information on private sector competences and solutions.

Partner institution: Responsible for implementation of the SSC in collaboration with the Danish public authority. During the SSC preparatory project, the partner institution will contribute to the specification of the development challenge, identifying the potential match with Danish competences and will contribute to the design of the SSC project and the preparation of the SSC application together with its Danish partner.

Ministry of Foreign Affairs, Internal grant committee: Approval of SSC grants

Ministry of Foreign Affairs, Department Head: Approval of SSC preparation projects.

In-country Management and Coordination:

Management within the countries will take place at two levels: 1. Between the Embassy/GC and Danish public authority and 2. Between Partner authority, Danish public authority and the GC/Embassy.

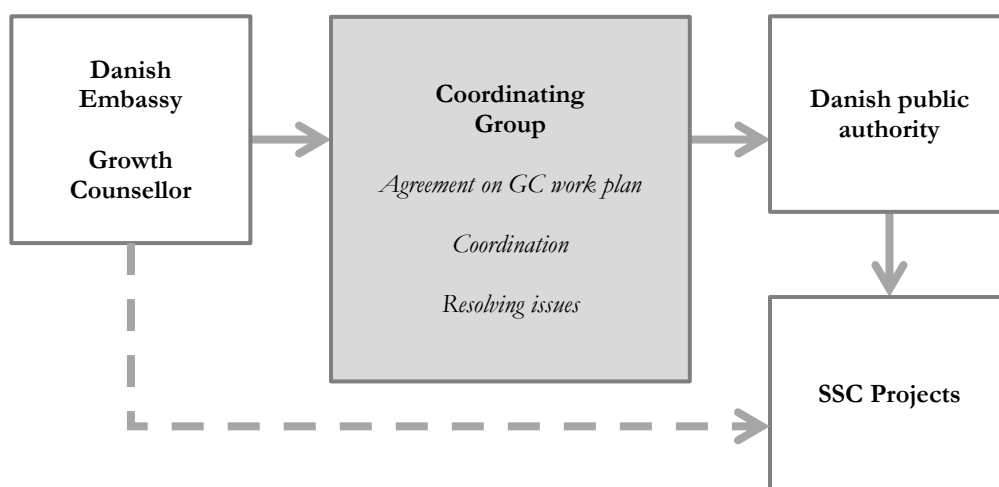
Level 1: Management between Embassy/GC and Danish public authority

The implementation of the SSC will take place in a co-operation between the Growth Counsellor, the Danish public authority and the partner authority.

Whereas the Growth Counsellor refers to the Danish Ambassador, the Danish public authority is responsible for the implementation of the SSC, together with its partner.

To ensure a coordinated effort, a SSC Coordination Group will be established between the Danish Embassy, GC and the Danish public authority. If more Danish public authorities participate in the SSC or in a case where the GC supports several Danish public authorities, the set-up should be adjusted accordingly.

Figure 1 – Coordination Group



The Coordination Group will agree on how the Embassy, the GC and the Danish public authority will cooperate on the implementation of the annual work-plan and define roles and responsibilities of each. This will be based on the work-plan agreed with the Partner authority on the implementation of the SSC. To follow-up on the work-plan implementation, regular video conferences and/or meetings will take place bi-annually between the partners organised by the GC.

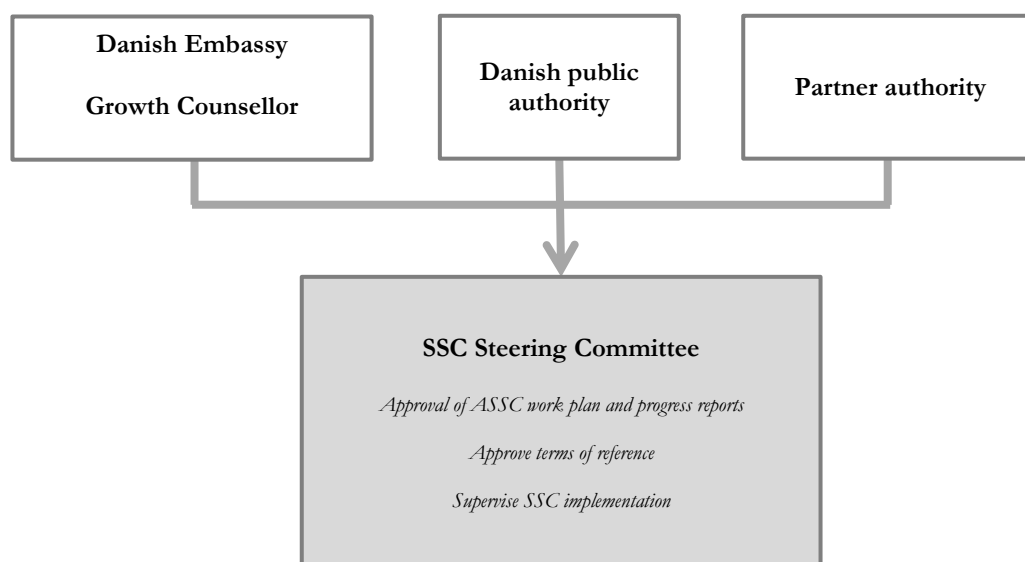
Level 2: Management set-up for a SSC between Partner authority, Danish public authority and GC/Embassy

A SSC Steering Committee will be set up between the GC/Embassy, the Partner authority and the Danish public authority. Initially the Steering Committee will have semi-annual meetings (video conferences) to approve annual work plans and progress reports for the SSC implementa-

tion and decide on adjustments, as needed. Terms of Reference for inputs by experts from the Danish public authority and consultants will be agreed at these meetings if not agreed during the annual meeting. The annual work plans will also include the input of the GC to the SSC. The GC is responsible for organising the meetings. Written procedures or extraordinary meeting could be called in case of a need to make decisions between meetings.

Sharing of information, networks and knowledge with the private sector. In order to mobilise and benefit from Danish private sector competences and solutions, the Embassy, the Danish public authorities and the Danish Ministry of Foreign Affairs will actively seek advice from and share knowledge with the private sector and its organisations. In some countries, the Embassies will establish “Growth councils” with the participation of Danish companies represented in the countries and the relevant Danish public authorities. In other countries, the contact will take place in a less formalised manner.

Figure 2 – Management of SSC



1.5. Guiding principles for the activities of the Facility

Considerable lessons learned from Authority-to-Authority cooperation, twinning arrangements etc. exist internationally. The lessons learned from these examples are unambiguous and transform into the following guiding principles for the Facility to ensure quality and results.

Key principles comprise:

- 1. The project must address a well-defined development challenge, which is identified by the partner country.** In order for the cooperation to achieve results the development challenge must be well-defined and with clear indicators of expected results. It should respond clearly to a development need identified by the partner. Generic formulations such as “support to sector reform”, or “support to building the sector capacity” etc. should be avoided as they 1) tend to diffuse responsibilities, 2) often indicate low demand and lack of sense of urgency from the counterparts, and 3) make it difficult to define the intervention/cooperation.

2. **There is a need for a strong ownership of the project in the partner country.** All experiences from development cooperation clearly show that strong ownership is a prerequisite of success. It also matters who has ownership to the project. As an example it is often not enough that e.g. a Ministry of Environment or an individual within a Ministry has ownership, it would be important to look for commitment from other players such as the Ministry of Finance or Prime Minister's Office which has a say across the government, e.g. on the national budget and/or plan.
3. **The Danish and international partners must jointly agree on the purpose, approach, division of labour and responsibilities.** As the project should be a joint intervention with obligations and inputs from both partners, it is critical that there is a mutual understanding of the content and approach of the cooperation, the time line and the inputs to be provided by all partners. Experience shows that time used during preparation for developing a shared understanding of the project pays off during implementation.
4. **Building successful partnerships takes time – projects must be conceived with well-defined objectives and with a longer term time perspective.** Partnerships build on common goals, trust and mutual understanding at institutional and individual level. This takes time to accomplish at institutional as well as individual level. Thus time is a constraint considering the presently planned duration of the institutional cooperation of 3-5 years. Therefore cooperation should be well-defined and achievable, but should also be developed with a longer time frame in mind. However, individual interventions should be sufficient in length and frequency to achieve trustful cooperation and common results.
5. **The project must be anchored at a high level in the Danish and partner country authority, ideally also politically, to ensure progress and that the project can access the necessary resources in the two organisations.** It is critical that top management and often also the political level signals importance to the project and establish the right incentive system for the organisation to provide the needed resources. Management should be clearly informed about the staff needed, both in terms of length and frequency of engagement, and both in the Danish and in the partner organisation. To achieve this is a joint effort of all partners, including the Embassies and the Ministry of Foreign Affairs.
6. **Systematic involvement of multiple organisations is a prerequisite for successfully tackling complex issues.** Often reforms involve several stakeholders e.g. local authorities, private sector and civil society, which are thus critical for its success. These actors should be involved already at the preparation stage. This is critical for designing a sound reform and for the buying-in to the implementation of the reform.

Quality criteria

Regardless of the characteristics of the development engagement, the objectives of the overall Danish development cooperation or the choice of modalities and partners, Danish development cooperation maintains its high quality standards. There is no blueprint for what is the best programme design suitable for all circumstances. There is, however, a universal requirement for quality as represented by OECD/DAC's criteria of: relevance, effectiveness, efficiency, impact and sustainability.

OECD-DAC Quality Criteria for Development Cooperation

RELEVANCE: This refers to the extent to which the strategic objective of the project is consistent with global priorities, partners' and Danida's policies, beneficiaries' requirements and country needs. Overall relevance is related to whether we are doing the right thing.

EFFECTIVENESS: Effectiveness denotes the usefulness of the outputs expected to be produced by the project, as means of achieving the intended results. Effectiveness also relates to whether the proposed project design is considered to be the most effective in terms of meeting strategic objectives.

EFFICIENCY: Efficiency relates to whether the project is considered to be the most efficient in terms of applying the least costly resources (including human resources) as productively as possible in attaining the outputs of the project. This may include comparing alternative approaches to achieving the same outputs.

IMPACT: Impact refers to positive and negative changes produced by a project, intended or unintended. This will include, at the national level, an assessment of the expected impact on social, economic, environmental and other relevant development indicators.

SUSTAINABILITY: Sustainability concerns the lasting effects of the project – more specifically the institutional, social, environmental and economic sustainability. Ensuring sustainability means ensuring that results of the project in terms of improved capacity lead to lasting improvements of the performance of partners concerned, continued delivery of services and social progress and enhancing any opportunities for synergy effects.

2. SECTION 2

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 focussing 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 Inter-ministerial 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 personnel¹, 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.

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 trans-

¹ Terms of reference shall be prepared for inputs from experts from Danish public authority and external consultant.

ferred 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 personnel²(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 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"

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.

² Terms of reference shall be prepared for inputs from experts from Danish public authority and for external consultant.

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 plan³. 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 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.

³ Terms of reference shall be prepared for inputs from experts from Danish public authority or external consultant.

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. Interministerial 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.

Annexes

Annex 1 – Selection criteria and decision basis

The following criteria for the selection of countries/sectors for Growth Counsellors and Strategic Sector Cooperation Projects have been approved by the Inter-ministerial Coordination Group for Export and Economic Diplomacy with regard to selection of countries and sectors. Two levels of selection criteria are being used:

- 1) A general level of the total distribution of growth counsellors on countries/sectors across countries and ministries
- 2) A country/sector level, where the basis for prioritizing and recommending a growth counsellor position in a specific sector(s) in a given country is established through filling out the form below.

GENERAL LEVEL: TOTAL DISTRIBUTION ON COUNTRIES AND MINISTRIES

- 1) Does the country selection ensure that the implementation of Measure 2 of the Danish Government's Strategy for Export Promotion and Economic Diplomacy meets the ambition to bolster Danish economic interests globally?
- 2) Does the selection of sectors/ministries ensure that the implementation of Measure 2 of the Danish Government's Strategy for Export Promotion and Economic Diplomacy meets the ambition for all Government organisations to work jointly and diligently to cultivate strong international relations abroad?
- 3) Does the selection of sectors/fields ensure that the implementation of Measure 2 of the Danish Government's Strategy for Export Promotion and Economic Diplomacy meets the ambition to bring selected Danish core strengths into play?
- 4) Does the selection of sector/country ensure that the implementation of Measure 2 of the Danish Government's Strategy for Export Promotion and Economic Diplomacy bolsters a greater long-term focus on Danish commercial interests in selected markets, and will the efforts contribute to securing more long-term results relating to the internationalization of Danish businesses?
- 5) Does the selection ensure good governance when spending development funds, and does it create additional and relevant results that would otherwise not occur?

COUNTRY/SECTOR LEVEL:

Decision basis when selecting a growth counsellor position

(In your response you are kindly asked to remove the sub-questions before filling in the form. 5 pages max)

I. On which detailed information are we building our assessment that Danish positions of strength are in demand **in the specific country** within the proposed area and **are** relevant **in order to address** local development challenges?

Please consider the questions below when filling out this section:

- i) What is the level and extent of information that we have on the development challenge in the country within the proposed area?
- ii) What is the level and extent of information suggesting that positions of strength within Danish authorities and Danish business community can help solve the specific development challenge in the country and create results?
- iii) Which authority, professional association or other in the country has requested cooperation with Denmark in the field? Do we have specific indications of a demand that can be nursed through the facility?
- iv) To what extent is the authority, professional association or other in the country familiar with the Danish positions of strength which we intend to make available? How detailed is the information in the country on the Danish positions of strength?
- v) In which form and way will we make the Danish positions of strength available – do we have to adapt Danish systems, technologies, products to local demand in order to obtain results?

II. What is the depth of existing contacts and cooperation with local authorities within the sector in the country in question?

Please consider the questions below when filling out this section:

i) Has any direct contact occurred between the local responsible authority(ies)/the sector and the responsible Danish authority(ies), be it with central government authorities or at low administrative level?

ii) Has the contact between the local and the Danish authority resulted in a Memorandum of Understanding or similar agreement, how old is the agreement, who is responsible for the agreement within the Danish and the local authority, what is the status of the implementation of the agreement?

iii) If an agreement is present, has it crystallized in an activity plan with objectives, results, time frame, division of labour, etc.?

iv) To what extent and at what level (political and/or civil), has the contact occurred? What is the documentation of a strong and /or general desire in the organization for a close cooperation with Denmark? What knowledge do we have of the organization's capacity to take part in a cooperation and to create the sought-after results? What evidence do we have that the organization is willing to contribute to this cooperation with its own resources?

v) To what extent and in what shape does contact exist between the Danish business community and the local authorities, and to what extent are Danish companies within the sector /industry inclined to strengthen the contact between Danish and local authorities?

III. What is the decision basis for assessing the possibility of the Danish authority allocating the necessary resources to enter into a long-term cooperation within the sector while in parallel to the posting of a growth counsellor?

Please consider the questions below when filling out this form/section:

- i) Has the Ministry specifically considered to which extent and in which way the Ministry and its agencies will provide resources for the cooperation with the country in question on a three-year time frame?
- ii) How does the Ministry intend to consolidate the results and the standard of the Danish Governmental Relations? Does the Ministry expect its own employees to apply for the position of growth counsellor, and /or does the Ministry expect to concentrate on the strategic sector cooperation? iii) Is there among relevant staff in the Ministry a wish for being instrumental in a strong international commitment, including by repeated stays of several weeks in the country in question?
- iv) Does the Ministry expect to cooperate with other Danish ministries, regions or municipalities or with Danish trade associations, marketing consortia, etc. on implementing the cooperation with the local partner? What is the expected distribution of roles, given that the Ministry will be responsible for the results and quality?

IV. What is the decision basis for estimating that Danish business community will either be present in the relevant sector in the country in question or will prioritize building market shares in the sector within the next 1-5 years?

Please consider the questions below when filling out this form:

- i) How many Danish companies are currently present in the sector in the country in question either through trade, office/subsidiary, subcontractors, investment or other?
- ii) What is the current Danish market share, and what information do we have stating that Danish companies have the requested desire, capacity and resources to expand their activities in this country in particular within the next 1-5 years?
- iii) Does the Danish business community have a broad strategic interest in ensuring that the contact between Danish authorities and the authorities in the relevant developing country is being activated and improved over the next 3 years?
- iv) What knowledge do we have about the barriers the Danish business community experience and which keep them from expanding their involvement in the country in question?

V. What is the decision basis for assessing what may be the development results and results for the Danish business community when deploying a growth counsellor and entering into a strategic sector cooperation within the specific area in the country in question?

Please consider the questions below when filling out this section:

- i) What type of development results is the cooperation expected to lead to: to what extent, in what form, in what time-frame, and how will the results be documented?
- ii) What type of results for the Danish business community is the cooperation expected to lead to: to what extent, in what form, in what time-frame, and how will the results be documented?

Annex 2 – Preparation Project Templates

General information	
Project Title	
Partner Country	
Responsible Danish public authority	<i>e.g. KEBMIN</i>
(Potential) partner institution	<i>e.g. Vietnamese Ministry of Housing or if in early phase: Mention the options</i>
Project duration	<i>e.g. from January 2015 to December 2015</i>
Total budget (DKK)	<i>Max of 1 million DKK</i>
Thematic focus	<i>e.g. Energy Efficiency or if in early phase to be identified or just Energy</i>
Growth Advisor	<i>Has the growth advisor been selected and in place?</i>
Danish public authority Contact Person	
Head of Representation	<i>The Danish Ambassador</i>
Summary of the preparation project	<i>Overall summary of the focus, expected result, partners and background for the preparation project</i> (Maximum 15 lines)
Background (maximum 1 page)	<u>Describe:</u> <ul style="list-style-type: none"> • <i>The main issues in the sector in the partner country</i> • <i>Potential partner sector authority(ties) (Danish and partner country)</i> • <i>Nature of previous and/ or -ongoing contacts between public authorities in Denmark and partner countries</i>

<p>Justification of initiating a SSC</p>	<p><u>Describe:</u></p> <ul style="list-style-type: none"> • <i>The potential development challenge(s) to be addressed</i> • <i>How it is tentatively envisaged that a SSC with focus on policies and the regulatory environment will contribute to solving the identified development challenge.</i> • <i>How it is tentatively envisaged that Danish private and public sector know how and technology can contribute to solving the development issues and be engaged in the country beyond the SSC</i> <p><i>Additionality – why has the challenge/ can the challenge not be solved by the national government without the SSC?</i></p>
<p>Relevance of the cooperation</p>	<p><u>Indicate:</u></p> <ul style="list-style-type: none"> • <i>Relevant Danish public authority – strength and relevance in relation to problem/ opportunity area</i> • <i>Strength and relevance of Danish private sector know-how and technology in relation to the problems/ opportunities in the sector and presence of Danish private sector in the country</i> • <i>Potential for increasing the engagement of Danish public and private sector know how and technology in the sector in the short and long term</i> • <i>Is economic volume of the sector and growth potential sufficient?</i> • <i>Indicated interest from the Danish private sector</i>

Project description - 3 pages max	
Outputs	
<p><i>The main output of the preparation phase will be formulation of a full SSC project according to the template in annex 3.1. This means the preparation project will contain all activities needed for taking the cooperation from the situation today to the situation where an application, covering all information in annex 3.1, has been jointly prepared together with the partner authority.</i></p> <p><i>Another output will be a simple baseline for the SSC in accordance with annex 2.4.</i></p> <p><i>In some cases a SSC Project Preparation Proposal includes early actions/ small projects. If such activities are initiated a clear expected output from these should also be formulated</i></p>	
Output 1	<i>e.g. A full SSC project developed and agreed with partner and presented as SSC project application re. annex 3.1</i>
Output 2	<i>e.g. early action implemented</i>
Output 3	<i>e.g. a baseline according to annex 2.4</i>
Activities	<p>Examples of activities</p> <p>1. Formulation of a full SSC project:</p> <p><i>Finalisation of background analysis</i></p> <ul style="list-style-type: none"> • <i>Mapping of development problems and matching with Danish competences</i> • <i>Final identification of partner authority and assessment of its mandate, power and institutional capacity to address the development problem with and without Danish support (including with support from other donors)</i> • <i>Implementation of studies e.g. analysis of role of regulatory environment in creating the development problems, economic volume of the sector, growth and job potential etc. The studies should inform the SSC project design</i> • <i>Analysis of potential environmental and social impacts and opportunities for strengthening good governance through the cooperation.</i> <p><i>Reaching agreements with partner institution</i></p> <ul style="list-style-type: none"> • <i>Joint activities to map and understand the problem to be addressed, the</i>

	<p><i>strength and weaknesses of the partner institution and the wider institutional set-up in the country to address the problem and what the Danish partner institution and the wider Danish public and private sector can offer of relevance to solve the problem.</i></p> <ul style="list-style-type: none"> • <i>Joint definition of the future cooperation on the SSC project, this includes reaching agreement on the purpose, approach, division of labour, responsibilities, time line and expected results of the cooperation etc. (re. annex 3.1)</i> • <i>Role of the Growth Counsellor if he/she is in place?</i> <p><i>Preparation of a baseline in relation to development problem, sector economic volume and of Danish private/public experience and capacity according to annex 2.4.</i></p> <p><i>Mobilising private sector stakeholders</i></p> <ul style="list-style-type: none"> • <i>How will Danish private sector and partner country private sector be consulted?</i> • <i>Identification of drivers and barriers for private sector participation</i> <p>2. Activities early action/small projects – examples of activities</p> <ul style="list-style-type: none"> • <i>Training workshops carried out</i> • <i>Initiation of studies</i> • <i>Study tours</i> • <i>Provision of early input to revision of legal framework</i>
<p>Input and budget</p>	<p>Indicate budget with following points:</p> <ol style="list-style-type: none"> 1. <i>Personnel from Danish public authority (max 2/3 of total budget)</i> 2. <i>Consultancies – (max 40% of total budget)</i> 3. <i>Travel costs</i> 4. <i>Seminars, study tours and training</i> 5. <i>Early action/ small projects</i> 6. <i>7 % overheads</i> <p>The number of man-months committed by the Danish public authority and consultant should be detailed according to annex 2.2. The expected input from the Growth Counsellor in terms of time</p>

	<p>should be indicated. The overhead are calculated from the total budget. Based on request to and subject to approval by the Ministry of Foreign Affairs, the budget can be increased up to 50%, but may not exceed the maximum amount of 1 mill DKK.</p>
<p>Contribution of Danish public authority for a SSC project</p>	<p>Describe:</p> <ul style="list-style-type: none"> • <i>What is the strengths of the Danish public authority, and what can it potentially provide of input related to knowledge, technology, experience, solution etc. of relevance for the development needs of the sector</i> • <i>How has the ministry indicated commitment to make available the institution's resources to a future cooperation at highest level</i>
<p>Management and Organization</p>	<p>Describe in brief:</p> <ul style="list-style-type: none"> • <i>How will the preparation project be managed and by whom?</i> • <i>If more Danish authorities are involved, who is the lead and has the responsibility for the management and administration of the project?</i> • <i>What are the main risks to successful implementation, and how will these be managed and mitigated?</i>

Annex 2.2**SSC Preparation Project – Budget Template**

The budget for the preparation project should be prepared according to the budget format below and attached to the application template (annex 2.1)

SSC Project Preparation - Budget Overview

	DKK
Personnel – Danish Authority	240.000
Consultancies (max. 20% of total budget)	40.000
Reimbursable costs	34.400
Early actions	160.000
Sub total	474.400
Overhead 7%	33.208
Total	507.608

The final account should be attached to the brief completion report

SSC Project Preparation - Final Account Overview

	Approved Budget DKK	Realised Budget DKK	Divergence (%)
Personnel – Danish Authority	240.000	210.000	-13%
Consultancies (max. 20% of total budget)	40.000	40.000	0%
Reimbursable costs	41.400	35.700	-14%
Early actions	160.000	285.000	78%
Sub total	481.400	570.700	
Overhead 7%	33.698	39.949	
Total	515.098	610.649	19%

Notice: when it becomes clear during project implementation that the budget is too limited for implementation of activities, a request for an extension of the budget should be sent to the Danish Ministry of Foreign Affairs prior to initiating the activities. Cost exceeding the budget cannot be approved after the activities have been implemented or at the termination of the project if no prior approval has been obtained.

Annex 2.4 Development of a Baseline

Annex 3.5 provides a template for a SSC project results matrix. The SSC results matrix will be developed during the SSC preparation phase and will form the basis for monitoring and reporting on the achievements of the SSC project in terms of development results.

The DPA will, in cooperation with the GC/Embassy, develop a simple baseline/background information for the country/sector. This will provide a snapshot of the situation in year 1.

The baseline/background information serves two purposes:

1. It serves as a **basis for tracking progress** in achieving the dual purpose of creating development results for the country and facilitating a larger involvement of Danish knowhow, technologies and investments. As such the baselines also provides a basis for tracking the involvement of the Danish private sector. Which data is relevant will differ depending on the nature of the individual SSC project and the country context. Below are provided a few generic categories of information that could be included in the baseline
2. It maps the knowhow, systems and technologies of the relevant Danish private and public sector stakeholders as well as parastatals The information achieved from this **mapping also facilitate a successful matching** of public and private sector Danish knowhow and technologies with the development challenges and demand from the partner country.

It is not expected that a comprehensive baseline will be prepared and it is clear that some information are not easily available. A pragmatic and realistic approach should be taken to data collection, seeking to establish sufficient knowledge for matchmaking and simple monitoring of results. Information included in the baseline/background information could comprise the following:

Baseline - development challenges

- Indicators/indications of the specific challenges/problems caused by the present status and quality of the regulatory framework in the sector, which guides the decision on the purpose and design of the SSC project, including if available data and statistics. The more S.M.A.R.T (specific, measurable, accurate, realistic and time-bound) information can be included in the baseline, the better results measurement subsequently
- Strategies, reform plans and status of regulatory framework of relevance for the SSC
- Key stakeholders/institutions promoting or blocking progress, including brief capacity assessment if relevant
- Key issues in the wider sector context

Baseline – Private and public sector

- The structure of the Danish business sector of relevance for the SSC project
- The 20 most important enterprises and depth of engagement
- Export orientation/Share of export and FDI - is there a critical mass?
- Small or large enterprises
- Danish parastatals of relevance for the sector ((e.g. Energinet, municipal water & waste utilities and DONG) (production, export/international activities, no. employees etc.))
- Size of the sector (production, trade, export/import, no. employees etc.)
- Presence of the relevant Danish companies in the country (as possible number of companies, nature of presence, activity level etc.)
- Current economic volume of Danish companies engagement in the sector
- Current intensity of the Embassy's engagement with Danish companies
- Major know how and experiences of the Danish Public Sector Authority

Based on the baseline and the final design of the SSC, a set of indicators should be developed as outlined in annex 3.1 and 3.3, which can be tracked continuously and document progress.

Some examples of indicators on the involvement of the Danish private sector are provided below for inspiration:

- Number of Danish companies active in the sector in the respective country
- No of companies involved in study tours and seminars
- No of information meetings held with Danish companies (and with local authorities)
- No of introduction/linking companies to local authorities and broader network
- No of tender opportunities informed to Danish companies
- No of opportunities and entrance point for Danish know how and technology identified
- Number of engagements funded through Danish business instruments.

The baseline and indicators defined will function as a reference point for annual monitoring, for reviews and studies. If feasible, indicators and monitoring should be coordinated with and draw on the CRM system.

Annex 3 – Project Templates

General information	
Project Title	
Partner Country	
Responsible Danish public authority	<i>e.g. KEBMIN</i>
Partner Institution	<i>e.g. Vietnamese Ministry of Housing</i>
Project duration	<i>e.g. from January 2015 to December 2018</i>
Total budget (DKK)	<i>Up to 10 million DKK</i>
Thematic focus	<i>e.g. Energy Efficiency</i>
Growth Advisor	<i>Profile? Cover 1 or more SSC's</i>
Danish public authority Contact person and contact details	
Head of Representation	<i>Danish Ambassador</i>
Partner country institution contact person and contact details	
Summary of the preparation project	<p><i>Overall summary of the focus, expected result, partners and background for the preparation project</i></p> <p><i>(Maximum 15 lines)</i></p>
Background <i>(maximum 1 page)</i>	<p><u>Describe:</u></p> <ul style="list-style-type: none"> • <i>The main issues in the sector in the partner country</i> • <i>Economic volume of the sector and growth potential</i> • <i>Investment and reform needs in the sector</i> • <i>Partner sector institutions</i> • <i>Nature of previous and/or ongoing contacts during preparation phase</i>

Project description - 3 pages max	
Purpose, results, outputs & indicators	<p>The purpose or objective of the SSC cannot be changed after the project has been approved. Achievement of this objective will guide all subsequent activities and during and after project completion it should be clear how achieved results contribute to achievement of the objective. It can, however, be difficult to describe activities in year three of a project in detail prior to commencement of the project, hence the results framework can be adjusted, if needed. It is expected that new result areas and outputs will be defined during project implementation.</p> <p><i>Outputs and Results could be defined related to:</i></p> <ul style="list-style-type: none"> • <i>Improved enabling environment (policy, regulation, standards, finance, capacity building etc.),</i> • <i>Establishment of public/private partnerships, and as a indirect result of the SSC</i> • <i>Improved private sector engagement on commercial terms</i>
Result	<i>Example - Energy Efficiency standard under implementation and energy efficiency improved</i>
Result indicator	<ul style="list-style-type: none"> - Gazetting of standard/regulation - Yearly report from implementing authorities
Output 1	<i>Example - Capacity built within XX for YY</i>
Output 1 indicator	<i>Examples - Number of people trained, guidelines developed</i>
Etc.	
Output 2	<i>Demonstration facility established</i>
Output 2 indicator	<i>Examples – Demonstration facility designed and constructed, awareness of demonstration facility created</i>
Etc.	
Activities	<p><i>Describe key activities (examples provided below):</i></p> <p>E.g. seminars, technical advice, training and capacity development, cooperation on policies, legal frameworks, preparation of standards, devel-</p>

	<p>opment of systems, study tours, studies etc.</p> <p>The application should include a year one work plan as outlined in annex 3.4.</p>
<p>Management set-up</p>	<p><i>Describe the management set-up</i></p> <p>A SSC Steering Committee will be set up between the Embassy/GC, the Partner authority and the Danish public authority. The Steering Committee will at annual meetings approve the yearly work plan and progress reports for the SSC project</p> <p>The Steering Committee will have quarterly meetings to follow progress in the SSC implementation and decide on adjustments, as needed.</p> <p>Terms of Reference for experts from the Danish public authority and consultants will be agreed on these meeting if not agreed during the annual meeting. Meetings could be in the form of Video Conferences</p>
<p>Input and budget</p>	<p>The following cost items can be covered (See annex 3.2):</p> <ul style="list-style-type: none"> • Personnel. Danish public authority (max 2/3 of total SSC budget) • Local/international consultants (max 30% of total budget) • Travel (international and local) • Capacity Building such as – seminars, study tours and training • Demonstration projects illustrating sector-wide Danish competences or broad Danish competences along a value chain • Unallocated funds (max 10%) • Contingencies/budget margin (max 10%) • Overhead costs 7% of budget <p>Operational cost for counterpart institution and for counterpart staff and for cars, office equipment etc. cannot be included. In few cases (the poorest of the partner countries), exceptions may be provided for operational costs, office equipment etc.</p> <p>Funds cannot be transferred to counterpart institution.</p> <p>The number of man-months committed by the Danish public authority should be indicated, as should the expected input from the Growth Counsellor in terms of time. The agreed input from the partner public authority in the form of e.g. personnel, office space etc. should be indicated.</p>

	See Annex 3.2 for budget template.
Contribution of the partner organisations	<p>Describe:</p> <ul style="list-style-type: none"> • What is the mandate, role and strengths of the partner public authority and what can it provide of input related to knowledge, technology, experience, solution etc. of relevance for the development needs of the sector? • How has the partner public authority committed the needed resources to the cooperation? At what level is the commitment made?
Justification of proposed methodology, activities and input in relation to expected results (simple theory of change)	<p>Describe in brief:</p> <ul style="list-style-type: none"> • How will the chosen design of cooperation, methodology, partners, the activities of the project and the inputs lead to the expected results? • What are the major assumptions for the success of the SSC? • What are the main risks to achieving the results and how will the risks be managed and mitigated? (To read more about risk and to find the risk matrix, please study: <p>http://amg.um.dk/en/~media/amg/Documents/Technical%20Guidelines/Guidelines%20for%20Risk%20Management/Guideline%20to%20Risk%20Management%20and%20list%201-0FINAL%20aug2013.pdf</p>
Environmental, gender and social impacts – and improvements to good governance	<p>Describe in brief:</p> <ul style="list-style-type: none"> • Will the SSC have any positive or unintended negative social and environmental impacts? • How will potential social and environmental impacts from changing policies, laws and regulations be assessed as part of their preparation? Will the SSC have any positive or unintended negative impact on gender equality? • Will the SSC promote good governance, including transparency and anti-corruption? • Will the SSC promote corporate social responsibility? • How will potential negative impacts be mitigated and addressed by the cooperation?

Authorised Signature: Danish public authority

Partner Authority

SSC Project Preparation - Budget Template

	DKK
Personnel – Danish Authority (max 2/3 of total budget)	240.000
Local and international consultancies (max. 30% of total budget)	40.000
Reimbursable costs	34.400
Capacity development (study tours, seminars, training courses or on the job)	100.000
Demonstration projects	160.000
Unallocated funds (max 10% of total budget)	50.000
Contingencies/budget margin (max 10% of total budget)	50.000
Sub total	674.400
Overhead 7%	47.208
Total	721.608

Annex 3.3 SSC Project – Template for Annual/Final Accounting

	Approved Budget DKK	Realised Budget DKK	Divergence (%)
Personnel – Danish Authority (max 2/3 of total budget)	240.000	210.000	-13%
Local and international consultancies (max. 30% of total budget)	40.000	40.000	0%
Reimbursable costs	34.400	35.700	4%
Capacity development (study tours, seminars, training courses or on the job)	100.000	70.000	-30%
Demonstration projects	160.000	150.000	-6%
Unallocated funds (max 10% of total budget)	50.000	40.000	-20%
Contingencies/budget margin (max 10% of total budget)	50.000	52.000	4%
Sub total	414.400	355.700	
Overhead 7%	29.008	24.899	
Total	443.408	380.599	-14%

Overall Result: <i>Example - Energy Efficiency standard under implementation and energy efficiency improved</i>				
	Activities / Narrative	Expert input⁴	Yearly Target	Responsible
	Output 1 – <i>Capacity built within XX for YY</i>			
	Study tour			
	- XX			
	- YY			
	On the job training			
	Output 2 – <i>Demonstration facility established</i>			
	Construction			
	Awareness			
	Output 3 – <i>Enabling environment for introduction of Danish technology improved</i>			

⁴ Inputs from Danish public authority, consultant and growth counsellor

Matchmaking				
Output 4 – <i>Standard developed</i>				
Information				
Gap analysis				
Drafting of standard				
Output 5 – <i>Danish private sector able to exploit opportunities</i>				
Information/network				
Commercial partnerships				
Output 6 – <i>Policy dialogue on Green Climate Fund and COP</i>				

Annex 3.5

SSC project – Template for Annual Results Matrix

Overall Result: <i>Example - Energy Efficiency standard under implementation and energy efficiency improved</i>						
	Yearly Target	Realised	Expert input planned	Realised	Comments	Proposed actions
Output 1 - <i>Capacity built within XX for YY</i>						
Study tour						
On the job training						
Output 2 – <i>Demonstration facility established</i>						
Construction						
Awareness						
Output 3 – <i>Enabling environment improved</i>						
Matchmaking						
Information						
Output 4 – <i>Standard developed</i>						

Gap analysis						
Enforcement capacity						
Drafting of standard	Standard drafted					
Output 5 – Danish private sector aware of opportunities for providing commercial solutions						
Information/network						
Commercial partnerships						
Output 5 – Output 6- Policy dialogue on Green Climate Fund and COP						

**Expert, GC and consultancy input should be integrated into the respective outputs.*

*** Target is understood as the yearly planned achievement towards the end output*

Annex 3.6 Template for Terms of Reference for Experts from the Danish Public Authority and Consultants to the SSC

Background

Short description of the background for the mission (relate to project description and progress so far)

Objective of the mission

Describe the objective of the mission (relate to the expected results of the SSC, progress and tasks in the work plan)

Output

Describe the concrete outputs and deliverables expected from the mission such as reports, guiding notes, technical results (formulation of standards etc.).

Methodology

If relevant, describe the approach and methodology expected and how cooperation will be with the counterpart and the GC.

Scope of work

Describe the activities expected to be covered by the mission (relate to the agreed work plan for the SSC)

Timeframe

Describe the agreed timeframe for the mission (timing of visits).

Indicate when the briefings and debriefings will take place with the GC/the Danish Embassy.

Input

Describe who provides which input – including counterpart input

Annex 4 – Reporting at Facility level

Annex 4

Reporting at Facility Level

The Secretariat will prepare a Facility level report which will capture overall achievements within the three results areas:

- a) To improve cooperation between Danish ministries for promotion of Denmark's international cooperation and global economic interest
- b) To achieve poverty oriented, inclusive and rights-based sustainable development results for the partner country through improved policies and regulatory frameworks and public/private sector cooperation.
- c) To improve the opportunities for the Danish private sector to expand its commercial engagement and investments in the partner country through increased network, knowledge, and cooperation, and hence facilitate the contribution by the private sector to development.

The report will be based on the below sources of information:

- Annual country reports with SSC reports annexed
- Systematic tracking of the activities of the Secretariat (events, newsletters etc.)
- Input from Trade Council, developments in Danish policies and priorities etc.
- The Secretariat's own information (number of countries, sectors, status of budgets etc.)
- Reviews/studies/assessments (generally initiated by the Secretariat).
- Cases from Country and SSC reporting

The report will comprise the following main sections:

1. Status of inter-ministerial cooperation. Based on following indicators:

- Number of SSC partnerships established
- Country distribution of SSC's
- Sectors distribution of SSC's
- Number, sector and country distribution of Growth Counsellor
- Number of SSC project shared between Danish public authorities (e.g. Vietnam).
- Number of cross-sectorial joint implementation activities e.g. *digitalisation of the health sector in Brazil (SUM, EVM), or study tours to DK jointly between KEBMIN, MIM and UFM*
- Number of Danish authorities involved in SSC's

2. The report will provide an overview of the focus of the SSC's e.g. according to the table below:

Theme areas Danish priority areas	Policy and Regulation	Systems Development	Technology Transfer	Capacity Development	Enforcement	Etc.
Human Rights and Democracy	No. labour market regulations Main contents	No. of anticorruption/digitalization SSCs Main contents			e.g labour market inspections at factories	
Green Growth	e.g. no of agriculture SSCs and main contents of changes in standards		e.g. no of climate SSCs and main technology transfer contents	e.g. no of environment SSCs and capacity development contents		
Social Progress	e.g. no of health SSCs and main contents of changes to regulations			e.g. no of education SSCs and capacity development contents		
Stability and Protection						

3 Description of the portfolio and achievements

This section would be based on description in the SSC and country reports on **achievements in relation to development as defined in the SSC projects**. It will not be possible to aggregate the development results at Facility level, as the Facility is composed of a number of small and quite different initiatives (SSCs). Instead the report will highlight selected key results for the year from individual SSC's and present good cases.

4 Improved opportunities for engagement of Danish knowhow, technology and investments.

The Facility level reporting will draw on two sources of information relating to the facilitation of opportunities for engagement of Danish knowhow, technology and investments.

SSC and Country report cases

Both the SSC and Country reporting is expected to provide cases and success-stories related to development challenges as well as facilitation of opportunities for involving the Danish private sector. These cases can be extracted and included in the Facility level reporting.

Case studies

In addition to the annual report the Secretariat will through the mid-term review and through in depth studies assess and seek to provide evidence for results and impacts of the efforts across countries and SSC's. The studies across sectors and/or countries could analyse results more in depth in selected cases and provide some learning cases.

Finally, the Secretariat could initiate tracer studies on satisfaction level (with Facility and/or performance of Secretariat) among different stakeholders e.g. DPA's, Danish Private Sector, Partner institutions.

Annex 5 – Reporting at country level

Annex 5

Reporting at Country Level (maximum 5 pages)

The GC will prepare an annual country report which will be forwarded to the Secretariat. The report will be based on the GC activities and SSC annual reports, but would also document wider Embassy activities of relevance to the Facility. At this point in time it is not considered realistic for the Embassy to prepare a specific results framework at country level.

The report will address 4 major areas:

- a) Development results for partner country based on the SSC progress report and the GC activities.
- b) Synergy effects in relation to:
 - development programmes and
 - business instruments under the development frame, and
 - other Embassy and private sector activities.
- c) Reporting on improved opportunities for engagement of Danish knowhow, technology and investments. (Inputs to be provided from the SSC, GC and from CRM etc.)
- d) Possible contributions to policy dialogue between partner country and Embassy on e.g. CSR, sector relevant international negotiations etc.

**in case there are several SSCs in one country, it can be considered to develop one joint country report.*

Annex 6 – Support Tools – Fee and Reimbursable

Annex 6.1

SSC Project Preparation Proposal – Calculation of Fee Budget

Project title: _____
 Partner Country: _____
 File No.: _____

Personnel Danish Authority

Position on the Team	Name	Organisation	Rate (hour)	Total Hours	Total Fee (DKK)
Lead expert	Ib Ibsen	XX	500	360	180.000,00
Technical specialist XX	Hanne Hansen	YY	500	120	60.000,00
					-
					-
					-
					-
					-
					-
					-
					-
Sub-total Personnel Danish Authority					240.000,00

Consultancies

Position on the Team	Name	Organisation	Rate (hour)	Total Hours	Total Fee (DKK)
Technical specialist XX	Peter Jensen	External	800	50	40.000,00
					-
					-
					-
					-
					-
					-
					-
					-
					-
Sub-total Consultancies					40.000,00

Grand total				530	280.000,00
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** The numbers filled into the table are for illustration purposes only*

Working Week: 40 Hours
 Max. 8 hours per onward and return
Onwards & return travel: travel
Rate: Rate is based on cost price

Annex 6.2

SSC Project Preparation Proposal – Calculation of Reimbursable Budget

Project title: _____
 Partner Country: _____
 File No.: _____

Subsistence Allowance			International Travel			Local Travel			Project related expenses				TOTAL DKK
No. of Days	Rate DKK	Total DKK	No. of Travels	Rate DKK	Total DKK	Unit	Rate DKK	Total DKK	Item	Unit	Rate DKK	Total DKK	
10	1.700	17.000	1	10.000	10.000	10	200	2.000	Translation	1	3.000	3.000	32.000
		-			-			-	Insurance	10	110	1.100	1.100
		-			-			-	Visa	1	300	300	300
		-			-			-	Communication	1	500	500	500
		-			-			-	Reproduction	1	500	500	500
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
		-			-			-				-	-
Total		17.000	Total		10.000	Total		2.000	Total			5.400	34.400

* The numbers filled into the table are for illustration purposes only

Subsistence allowance: It is recommended to use EU standards

Rates available on: http://ec.europa.eu/europeaid/applicable-rates-diems-framework-ec-funded-external-aid-contracts-05072013_en

International travel: Maximum airfare by economy class

Annex 6.3 Preparation Proposal – Final Account Fee

Project title: _____
 Partner Country: _____
 File No.: _____

Personnel Danish Authority

Position on the Team	Name	Budget	Approved Change	Realised Hours	Rate (hour)	Realised DKK
Lead expert	Ib Ibsen	80.000		300	500	150.000
Technical specialist XX	Hanne Hansen	60.000		120	500	60.000
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
Sub-total Personnel Danish Authority						210.000

Consultancies

Position on the Team	Name	Budget	Approved Change	Realised Hours	Rate (hour)	Realised DKK
Technical specialist XX	Peter Jensen	40.000		50	800	40.000
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-
Sub-total Consultancies						40.000

Total	250.000
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** The numbers filled into the table are for illustration purposes only*

Annex 6.4

SSC Project Preparation Proposal – Final Account Reimbursable

Project title: _____

Partner Country: _____

File No.: _____

Subsistence Allowance				International Travel				Local Travel				Project related expenses				
Budget	Approved Change	Realised units	Realised expense	Budget	Approved Change	Realised units	Realised expense	Budget	Approved Change	Realised units	Realised expense	Item	Budget	Approved Change	Realised units	Realised expense
17,000	3,000	9,0	15,300	10,000		1	10,000	2,000	2,000	20	4,000	Transl.	3,000	2,000	1,5	4,500
-			-	-			-	-			-	Insurance	1,000		10	1,100
-			-	-			-	-			-	Visa	300		1,0	300
-			-	-			-	-			-	Comm.	500		1,0	500
-			-	-			-	-			-	Reprod.	500		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
-			-	-			-	-			-	-	-		-	-
Total			15,000	Total			10,000	Total			4,000	Total				6,400

Grand total	35,700
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* The numbers filled into the table are for illustration purposes only