

SSC MANUAL FOR ADMINISTRATION

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1.0 Introduction

In alignment with the Ministry of Foreign Affairs' (MFA) approach on "[Doing Development Differently](#)" the aim of the SSC Guiding Principles and the SSC Manual¹, is to promote a more holistic approach to and use of SSC, including stronger collaboration between Danish authorities and embassies, the private sector, investment institutions and research institutions. Furthermore, the aim is to establish a more flexible and adaptive approach for SSC stakeholders, which enhances focus on results, learning and effective use of available resources.

MFA strategies and guidelines for Danish development assistance provide the guiding frame for all SSC activities.

In preparing and implementing the Framework including the individual SSC projects, Danish authorities will follow MFA [Aid Management Guidelines](#) in particular "[Guidelines for Country Strategic Frameworks, Programmes & Projects](#)", "[MFA General Guidelines for Financial Management](#)" and the Annex to Danida Guidelines for Financial Management regarding the financial implications of a Danish Authority engaging in Danish officially financed Development Assistance.

2.0 The Framework Agreement

For the Danish national Authority to be able to manage a Framework Agreement it is expected that:

- The SSC engagement is aligned with the Authority's international strategy and make use of the Authority's 3-4 areas of core competences;

¹ This Manual is attached to the SSC Guiding Principles from October, 2021. Together with the Guiding Principles, they constitute the Management Frame for SSC.

- The Authority can enter into a strategic policy dialogue on its international engagement and has the capacity and resources to participate in programme management, reporting and dialogues with MFA; and
- The Authority has the capacity to develop and manage specific SSC projects;

2.1 The Agreement

The four-year Framework Agreement, covering all three outcomes of the Global Results Frameworks, should be a maximum of 12 pages (excluding annexes) and address the following:

- A brief narrative on how the SSC will support the international strategy, incl.
 - o A presentation of SSC relevant core competencies and capacities of the Danish authorities to be employed;
 - o A narrative on proposed Theory of Change for the Framework (TOC) (aligned with the SSC Global TOC) with reference to the selection of countries, partners and project focus within the areas of core competences;
 - o An overview of proposed SSC projects with information on project focus, main objectives, expected results along with description of entry phase (e.g. feasibility assessment and design, inception, implementation and/or completion phase);
- In cooperation with the Embassy, a brief context analysis of countries of cooperation, incl.
 - o A brief summary of sector specific challenges and development problems to be addressed by the SSC projects;
 - o A brief presentation of past results and lessons learned;
 - o A brief presentation of selected or anticipated partners and partners' priorities and capacities (brief overview of core strengths and capacity gaps);
 - o Reference to any commercial or other cooperation with private partners in the countries of cooperation;
 - o A brief presentation of agreed inputs and support from the Danish embassies in the selected countries.
- A Results Framework (aligned with the Global Results Framework) including objectives, outcomes and key expected outputs (targets) supported by verifiable indicators (aligned with the SSC global indicators); an overview of critical assumptions and a Risk Management Framework, incl.
 - o A four year output-based budget incl. funding from SSC/MFA, potentially own funding (funds, human resources, etc.) and potentially other funding sources;

- A presentation of the governance and management of the Framework Agreement including financial management and a basic Monitoring, Evaluation and Adaptive Learning (MEAL) framework² along with brief considerations for the closure and exit.
- An annex with all individual SSC projects in the Framework Agreement, incl. ToC, Results Framework, workplan and budgets for the individual projects and, if possible, an assessment of needed Danida Fellowship Centre facilitated capacity development.

Danish authorities can request technical support from MFA for the preparation of the Framework Agreement.

Overall, the SSC projects must adhere to the overall OECD definitions of Official Development Assistance (ODA) and the OECD/DAC [Quality Criteria](#) on relevance, efficiency, effectiveness, coherence, impact and sustainability.

2.2 SSC Projects

For all individual SSC projects, a Project Document shall be prepared including a Theory of Change, Results Framework, budget and Work Plan. General guidance can be found in AMG, "[Guidelines for Country Strategic Frameworks, Programmes & Projects](#)". A SSC project can have a maximum duration of three years and the number of outcomes should be limited to a maximum of 3 per SSC project. New or additional phases of a SSC project will be subject to approval by the Strategic Management Group (see 3.0 below).

2.3 Cooperation with the Embassy

The agreed inputs and support from the Danish Embassy should be included in the overall Framework Agreement and work plans for the SSC projects and will include:

- Draft Terms of Reference for the Sector Counsellor and clear reporting lines between the Sector Counsellor and other embassy units;
- Cooperation and synergy effects between the Embassy units e.g. Political and Trade sections, the Sector Counsellor(s) and the Danish Partner Authority and other Danish partners;
- Regular liaison with the Danish Authority about broader policy and sector strategic issues;
- Ambassador or deputy participation in and co-chairing of the SSC project Steering Committee with a high-level representative of the Partner Country Authority;
- Engagement in bilateral relations and green diplomacy required to support a successful implementation of the SSC;
- Coordination and synergy of SSC activities with other Danish and international donor supported programmes.

² Danish partners are encouraged to use tools such as outcome mapping and outcome harvesting to ensure focus at the outcome level. See also MFA Adaptive Management Guidance Note or visit Danida Fellowship Centre. DFC is a resource centre for methods and approaches to outcome-based monitoring, reporting and learning.

2.4 Private sector engagement

In cooperation with the Danish Embassy, the Danish Authority will be responsible for the incorporation of private sector engagement in SSC projects. The overall Framework Agreement and work plans for the SSC projects shall address the following:

- During the preparation of the SSC project, a thorough dialogue with groups of Danish companies, investors, financial institutions, business organisations and others interested in the sector/area of cooperation prior to finalizing the Inception Phase of the SSC project conducted by the Embassy;
- During implementation of the SSC project, awareness and activities to promote solutions within Danish strongholds conducted by the Authority and the SSC Counsellor in close coordination with Danish Trade Council³;
- Close contact to investors and financial institutions such as IFU and EKF to promote sustainability and follow up of the transformation obtained during the SSC project;

A virtual "Best Practice, Inspiration and Approaches to enhance engagement of the Private Sector in SSC" is launched simultaneously with this manual.

2.5 Agreement with Country Partner Authority

To ensure full commitment to the peer-to-peer collaboration, Partner Country Authorities and the Danish Public Authority will sign an overarching agreement in the form of a Memorandum of Understanding or other legal document prior to commencement of the cooperation. The agreement should include an overall work-plan with roles and responsibilities along with expected outcomes of the collaboration.

Partner authorities will support the implementation through in-kind contributions.

Further, joint annual work plans for the SSC project, incl. assessment of needed Danida Fellowship Centre facilitated capacity development should be prepared, and discussed and endorsed by the Steering Committee.

3.0 Framework Agreement Management between Danish Authorities and Ministry of Foreign Affairs (MFA)

The Danish Authority is responsible for preparing and implementing the SSC projects and the Framework Agreement in close collaboration with Danish embassies and the MFA and under the guidance of MFA policies and strategies. The MFA will engage with the Danish Authority at both strategic and programme management levels. For this purpose, a two-pronged approach is taken:

The Strategic Management Group (SMG) will meet annually at a high-level to discuss relevant sector specific developments and trends relative to the overall vision and objectives of the SSC

³ SSC can promote private sector interest in growth and development markets. In this way, SSC can facilitate or sometimes even generate opportunities for Trade Council (TC). However, SSC cannot work one-on-one for companies with export and investment promotion services. This is the prerogative of TC and are services for payments.

Framework Agreement along with other strategic issues of relevance (incl. the use of unallocated funds in the Framework Agreement). The SMG will constitute a forum for strategic discussions and advice in order to maximize the impact of Denmark's international engagement (bi- and multilateral) in the specific sector - and other related matters. The SMG will be responsible for agreeing on the strategic direction of the SSC and ensure that all stakeholders are adequately informed and directed.

A Programme Management Group (PMG) will meet bi-annually on programme management level to discuss programme progress and specific SSC project outputs, results and outcomes.

The PMG meets in spring (February-March) to address the annual progress reporting and the annual financial expenditure report, incl. deviations and challenges encountered during the implementation of the individual SSC projects under the Framework.

In autumn (October-November) the PMG will meet to address the coming years' programme and budget planning, incl. capacity and contributions of all involved stakeholders. The PMG will endorse programme and project changes and ensure that all stakeholders are informed and in compliance with all requirements.

Preparation, facilitation of meetings and follow-up of the SMG and PMG will be the responsibility of the Danish Authority. The Chairmanship of the SMG will circulate between the Danish Authority and MFA while the Chair of the PMG will be the Danish Authority. Meeting documentation will be circulated by the Danish Authority 14 days in advance of the meeting and summary of meetings will be circulated within one week and finalised within two weeks from the meeting held.

The SSC projects will be implemented in various phases starting with⁴:

- Inception phase: The Danish Authority will prepare an SSC Inception Project Document with a maximum duration of one year and maximum budget of 1.5 million DKK. *The main outcome* of the Inception Phase is a full SSC Project Proposal that will include the finalized SSC project formulation with agreed work plans, budgets and Steering Committee, a Memorandum of Understanding or similar document, and an agreed MEAL system along with a baseline for the SSC project.
- Phase 1: Comprises of the commencement of capacity development activities, bilateral relations and dialogues and engagement of private sector. *The main outcome* of Phase 1 is capacity development of partner authorities and other stakeholders to plan for and develop new or improved framework conditions; bilateral discussions linking technical SSC engagements with sustainability and/or green policy and/or Nationally Determined Contributions⁵ (NDC) ambitions with partner country authorities; exposures of the partner country to resource efficient and high-quality Danish private sector solutions, pre-feasibility assessment of investment opportunities, along with an exit strategy or new definition of a new phase as relevant.
- Phase 2: Based on lessons learned and outcomes of Phase 1, consolidation and further implementation of capacity development (sector policies, plans, etc.), bilateral relations, dialogues, private sector engagement, engagement of potential investors etc. The main

⁴ The full list of outcome targets can be found the Global Result Framework in Annex 2.

⁵ NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change. The Paris Agreement (Article 4, paragraph 2) requires each Party to prepare, communicate and maintain successive nationally determined contributions (NDCs) that it intends to achieve.

outcome of Phase 2 is development, endorsement and initial implementation of new or improved framework conditions; strengthened bilateral discussions, continued exposure to Danish solutions along with assessments of investment opportunities. Finally, an exit strategy or new definition of a new phase as relevant.

- Phase 3: This phase will focus on consolidation of the transformation initiated with the SSC project. *Main outcomes* of Phase 3 will include implementation and enforcement of new or improved framework conditions; a strong bilateral relationship with the partner country as demonstrated in a MOU or similar legal document with partner country authorities⁶ and exposure to Danish solutions institutionalised and independent of SSC along with documentation of feasible investment prospects.

Phase 1-3 are each expected to have a maximum duration of three years and a budget of max. DKK 10 million. All phases are concluded individually. To move from one phase to the next requires separate argumentation and is a decision to be taken by the SMG.

All SSC projects are expected to be completed no later than after Phase 3 (corresponding to 10 years) including the inception phase, but can be ended after any phase if assessed and decided by the SMG. The SMG will decide if a Phase 4 exceptionally can be justified and endorsed depending on the results expected from a Phase 4.

The Danish authority will provide written annual status reports for the PMG meetings. The PMG will prepare a brief status report prior to the annual SMG meeting.

The Framework budget is based on the individual SSC projects planned. The budgets will be presented as annual output budgets with rolling plans for four years. All annual budget approvals will be subject to provision of funding under the Finance Act.

The provision of annual output-based budgets with rolling plans for four years will allow for SSC projects to be initiated under one Framework Agreement and be completed under a subsequent Framework Agreement. During the implementation of a four-year framework agreement, new SSC projects or SSC projects moving from one phase to the next (1-3) can be endorsed by the SMG using the unallocated funds in the Framework Agreement and based on available funding.

All Framework Agreements will set aside funding for a Mid-term review in accordance with the Guiding Principles.

4.0 SSC Project Administration between Danish Authority and Partner Country

Administration and Governance of the individual SSC project in partner countries is the responsibility of the Danish Authority. To govern the SSC Project a Steering Committee will be established⁷. Members of the Steering Committee will, in addition to the Danish Authority, be comprised of a representative of the Danish Embassy and a high-level representative of the partner authority along with the Sector Counsellor acting as secretary to the Steering

⁶ Green Strategic Alliance; Energy Compact; as examples.

⁷ If need be more than one Steering Committee can be established.

Committee. The Danish Ambassador or his/her deputy will co-chair⁸ the Steering Committee together with a high-level representative of the Partner Country.

The Steering Committee will review and approve the final SSC Project Document and work plan. It will monitor progress in delivering on agreed work plan and outputs. Discuss and suggest changes to the work plan relative to changes in context, risks and identified critical assumptions. The Steering Committee will discuss opportunities for incorporation of DFC learning programmes and research projects under Window 2 as well as other relevant development initiatives. The Steering Committee will approve annual work plans.

Additionally, the Steering Committee can include high level strategic discussions and dialogues on sector specific development, green transition and inclusive growth and sustainable development.

The Danish Authority will ensure that the SSC project is fully aligned with The Framework Agreement with MFA and is compliant with the MFA AMG and other guidelines.

5.0 Sector Counsellors

The role of the Sector Counsellor is described in the [Danish Finance Act §06.38.02.13](#)

The Sector Counsellor is responsible for:

- Facilitating and supporting the Danish Authority in the identification, development and implementation of SSC projects, incl. regular dialogue and coordination with the Danish Authority and the partner authority;
- Developing broad networks and facilitating contacts, building knowledge about the sector, incl. in-depth knowledge about the framework conditions in the partner country and sharing this knowledge with colleagues at the Embassy and with the Danish Authority;
- Taking part in implementation as relevant and agreed in the Work Plan, incl. acting as secretary to the Steering Committee and be called upon for particular PMG agenda issues;
- Promoting wider strategic sector partnerships in close collaboration with the political/development/trade sections at the Embassy;
- Developing country progress reporting in cooperation with the Danish Authority;
- Contributing to identification of scholarship opportunities and research partnerships in coordination with the Danish Authority and the Danida Fellowship Centre (DFC).

As a rule of thumb, the Sector Counsellor will spend 80% of the time on specific SSC project related matters. The remaining 20% of time may be used on other sector relevant activities including green diplomacy and Government Public Affairs (GPA).

The Embassy is responsible for determining the best position of the Sector Counsellor in the local organigram. In close dialogue with the Danish Authority, the Embassy is responsible for the development of specific Terms of References for the Sector Counsellor and to ensure a written understanding with the Counsellor on the roles and responsibilities of the Counsellor.

⁸ Exceptions might be made after consultations with the Embassy and MFA.

The Sector Counsellor will officially report to the Danish Ambassador, and will liaise and coordinate SSC activities directly with the Danish Authority.

The Embassy finances the Sector Counsellors' travels to DK through its own budget.

5.1 Recruitment

The Sector Counsellor is an employee of the Danish MFA on a time-limited contract. The employment and posting of the Sector Counsellor will take place according to standard MFA terms and conditions for temporary staff members.

The recruitment will take place in close coordination with the relevant Danish Authority, the Danish Embassy and the relevant section of MFA.

The Sector Counsellor should preferably have in-house experience from the relevant Danish Authority and sufficient sector experience to facilitate the SSC project implementation as well as extensive knowledge of the Danish public and private sector strongholds in regulation, policies, technologies and sustainable solutions.

The temporary contract of the Sector Counsellor may be extended based on objective reasons e.g. if the contract terminates before finalisation of the SSC project. In other cases, an open recruitment process will be initiated. In close consultation with the Authorities, it is the responsibility of the Embassy to either request for an extension or for recruitment of a new Sector Counsellor.