# GENERAL CONDITIONS FOR SUPPORT UNDER DANIDA INNOVATION & BUSINESS EXPLORER

1. **INTRODUCTION**

The terms and conditions in this document apply to all grants for financial support given by the Ministry of Foreign Affairs of Denmark (Danida) under the Danida Innovation & Business Explorer scheme.

This document supplements the application for support, letters of approval and any possible amendments, and any other correspondence related to a specific approval for financial support.

The Danish company is obliged to perform all of the obligations set forth in the approval for financial support. Any inconsistency with the approved financial support, and the basic assumptions, constitutes a breach, cf. clause 7.

1. **THE DANISH COMPANY**

These General Conditions for support apply to the Danish company who has been granted and/or have received support from the Ministry of Foreign Affairs (Danida).

The Danish company declares that they enter into this agreement of their own free will, are acquainted with and agree to follow the guidelines and conditions for support issued by Danida. The Danish company agrees that it is their responsibility that associated partners and consultants abide by these General Conditions.

Danida sets out general criteria, which the partners must meet to be eligible for support.

Fulfilment of these requirements, however, does not in itself entitle companies to receive financial support. The company must also be able to meet an individual Danida assessment taking into consideration e.g. such issues as company capability, development aspects, project feasibility and compliance with the Danida efforts in the recipient country. The assessment of whether or not a project is eligible for Danida support is a sovereign decision by Danida.

1. **STATUS OF DANIDA**

Danida is not a contractual party to any agreement between the Danish companies and other parties. Danida shall not be liable to the Danish company for the acts of any authorities, banks or external consultants who may be involved in the activities of the Danish company. The Danish company shall ensure that their contracting counterparts do not consider Danida as liable to the project.

Danida shall not be held liable for any consequential loss, and loss of profits or other indirect losses.

No claims of any kind can be raised against Danida because of a suspension of payments to the Danish company and/or withdrawal of support to the Danish company.

Danida does not assume any liability whatsoever on behalf of the Danish company in the cooperation to any third party, even though Danida may have facilitated financing for the said third party.

Should any dispute arise between any or all of the partners, Danida reserves its position, and Danida has no obligations to the partners or any third party to intervene in any such dispute.

1. **THE COMPANY’S DUTY TO INFORM**

The Danish company shall, without any delay and on a current basis, inform Danida of any matter that may affect the conditions on which the support to the Danish company has been granted, and of any matter that may affect the viability and sustainability of the approved activities.

The Danish company shall, without any delay and on a current basis, inform Danida about any situation arisen as a result of events that have occurred after the date of the granting of support by Danida, which makes it unlikely that the activities can be carried out or approved by Danida.

The Danish company shall, without any delay and on a current basis, inform Danida of any matter that may adversely affect the financial conditions of the Danish company.

Danida shall on request be entitled to receive any information and documentation relating to the implementation of the activities of the cooperating partners and shall, at any time after having given due notice, have full access to project documents related to such activities in order to inspect progress, use of funds from Danida, etc.

Upon termination of Danida’s support, Danida may carry out an evaluation of the supported activities and shall in this context enjoy the same right to information as mentioned above.

Danida may at any time at its own expense appoint an independent auditor to examine all relevant documents at the Danish company’s premises.

Negligence by the Danish company to inform Danida about the above mentioned constitutes a breach, cf. clause 7.

1. **FOLLOW UP ON THE REQUIREMENTS**

To follow-up on the requirements for sustainability of the approved activities, the Danish company agrees that for a period of up to 3 years after the end of Danida’s support it will allow inspections and cooperate with Danida regarding any investigation or evaluation that Danida may require.

1. **GENERAL STANDARDS, FUNDAMENTAL PRINCIPLES AND RIGHTS OF WORK**

By receiving financial support from Danida the Danish company commits itself to carry out business in accordance with general development standards as laid out by Danida. In case of gross negligence of this obligation Danida has the right upon due notice to claim refund of the financial support.

The cooperation must be carried out in accordance with local laws and regulations. Financial support from Danida does not in itself give the Danish company and/or any of the partners any right to tax or duty exemptions or any other privileges.

The Danish company must as a minimum comply with national work environment regulations and comply with UN Global Compact, the UN Guiding Principles on Business and Human Rights, the ILO’s decent Work Agenda, the OECD Guidelines for Multinational Enterprises and ISO 26000.

1. **BREACH OF CONDITIONS FOR SUPPORT**

Breach by the Danish company concerning one or more of the provisions in these General Conditions or the Particular Conditions for the activities approved by Danida entitles Danida to immediately suspend any payment and/or withdraw the approval of the support and claim the reimbursement/repayment of the financial support already paid with interest, on the conditions given below.

Breach includes, but is not limited to:

* in case any of the provisions of these General Conditions have not been complied with,
* there is reason to suspect that the company does not observe the terms and conditions for the use of the support,
* misuse by the Danish company of support granted,
* offers, payment, consideration, or benefit of any kind, which constitute illegal or corrupt practices either directly or indirectly, including bribery of foreign public officials, as an inducement to facilitate the approval and execution of a project. In accordance with Danida Anti-corruption Code of Conduct, the notion “zero tolerance” is the governing principle with regard to corruption within the Danish aid delivery system, which partners are indispensably obliged to enforce in their handling of aid funds,
* failure by Danish company to deliver material and/or services of a proper quality and/or within approved time limits,
* failure to deliver reports on time,
* suspicion of illegal activities of any kind, including fraud, participation in a criminal organization or money laundering,
* any action taken for the dissolution, disestablishment or suspension of the Danish company,
* suspension of payments or bankruptcy according to the law in any country, lack of liquid assets or any other adverse financial position of Danish company so as to, in the opinion of the Danida, materially and adversely affect the ability of the Danish company to perform any of the obligations,
* the Danish company ceasing to exist in the same legal form as that prevailing at of the date of the granting of support by Danida, or
* in the opinion of Danida, any change in the legal character, ownership or control of the Danish company from that prevailing at the date of the granting of support by the Danida so as to materially and adversely affect the ability of the Danish company to perform any of the obligations.

1. **GOVERNING LAW AND DISPUTES**

Any dispute that may arise between Danida and Danish company regarding the support and the conditions under which the support has been granted shall be finally settled by arbitration in accordance with the rules of Procedure of the Danish Institute of Arbitration (Det Danske Voldgiftsinstitut) in Copenhagen pursuant to Danish law, however excluding choice of law provisions and the International Conditions on the Sale of Goods (CISG). The Arbitral Tribunal shall be composed of one or three arbitrators all appointed by the Institute.

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