



10 October 2025
J. no. 2022-51167

Standard terms for receiving funding to carry out pesticide research projects, cf. section 36(3) of the Chemical Substances Act, cf. Consolidation Act no. 1200 of 25. September 2025.

Para. 1. General obligations

- (1) Funding is granted on the condition that the recipient of funding has investigated all the aspects relevant for the project. However, it is not required that the recipient of funding has completed investigations which, under the circumstances, would be unusual or involve costs which are clearly disproportionate to the size of the project,
- (2) With the limitations pursuant to subpara. (1), it is required that
 - a) the recipient of funding has completed thorough investigations and calculations of all relevant aspects which, on the basis of an expert assessment, are likely to be, or could become significant for completion of the project, including project costs,
 - b) the description of the project in the application includes all the elements, including consulting services, planning, supplies and work, which are likely to be involved in completion of the project pursuant to an expert assessment on the basis of thorough investigations and calculations,
 - c) the description of the project in the application and/or the planning are technically correct,
 - d) the budget in the application includes all the costs which are likely to be incurred in completion of the project according to the description by the applicant pursuant to an expert assessment on the basis of thorough investigations and calculations, and
 - f) the costs of the individual elements have been included in the budget at amounts which do not exceed prices which are competitive and which can be obtained through procurement on normal commercial terms at the time of submission of the application,
- (3) If the budget includes funding from another party or other joint financing for the project, the recipient of funding shall be responsible for realisation of the joint financing. If the recipient of funding subsequently obtains funding from other public funding schemes, including fund-

ing schemes under the EU, or other joint financing for the project, the Danish EPA shall be notified about this immediately, cf. para. 10 (1).

- (4) The recipient of funding is responsible for ensuring that public licences etc. which are required for completion of the project have been issued before the project commences,
- (5) The recipient of funding is responsible for third-party participation in the project, cf. para. 2 (4),
- (6) If several persons jointly receive funding, these persons are jointly liable with regard to the funding,
- (7) Provision of funding on the basis of the application from the recipient of funding does not limit the responsibility of the recipient of funding for the correctness and completeness of the information in the application.
- (8) Subsequent processing by the Danish EPA of reports etc. from the recipient of funding does not limit the responsibility of the recipient of funding for completion of the project.

Para. 2. Completion of the project

- (1) The recipient of funding shall complete the project (a) in a technically correct manner, (b) in accordance with the description in the application with any changes and additions stated in the funding commitment, (c) within the timetable and budget, and (d) otherwise in accordance with the terms for the funding, unless otherwise agreed with the Danish EPA,
- (2) The recipient of funding shall notify the Danish EPA immediately, in writing, of any delays, problems, changes in the project conditions, or shelving of the project. In the event of delays, the recipient of funding shall submit a revised timetable to the Danish EPA for approval. On request from the Danish EPA, the recipient of funding shall submit proposals for solutions to any problems,
- (3) Changes in the project, including in the timetable and the budget, may only be with written approval from the Danish EPA, cf. however, para. 4(2),
- (4) The recipient of funding is obligated to comply with all statutory provisions and other public regulation, including the terms for licences mentioned in para. 1(4) which are relevant for completion of the project,
- (5) The recipient of funding may utilise services from third parties in connection with completion of the project, provided this is stated in the application, or approved in writing by the Danish EPA. The recipient of funding is responsible for establishing the necessary contracts with the third party. Contracts with third parties shall be established on commercial terms, including prices, guarantees, claims and liability, which under the circumstances are normal and advisa-

ble on the basis of an expert assessment. The recipient of funding is responsible for other conditions pertaining to third parties, including supervision of services as well as invoicing and payment. Invoices from third parties shall be documented with time records for any time consumption and vouchers for any expenses.

Para. 3. Expenses eligible for funding

- (1) Funding may only be utilised to cover expenses eligible for funding. Expenses are only eligible for funding if they are included in the budget and incurred in connection with the project in accordance with the provisions in para. 3,
- (2) A condition for funding is that the part of the project eligible for funding is not commenced until the commitment of funding has been issued,
- (3) Expenses are only eligible for funding for the actual amount within the framework of the individual budget items, cf. however para. 4(2). Expenditure on allowable input VAT is not eligible for funding, cf. para. 11(3). Input VAT incurred by municipalities and regions is eligible for funding, notwithstanding access to repayment of VAT,
- (4) Expenditure on remuneration or salaries is eligible for funding at the hourly rates stated in the budget. Time consumption shall be documented in the time-registration forms with name, activity, duration and date/time of time consumption. The hourly rates stated in the budget are presumed to cover all costs of a service which are not stated as individual items in the budget. Costs of fees or salaries during absenteeism due to vacation, leave or sickness are not eligible for funding,
- (5) If the budget contains costs of transport, meals and accommodation, these will be reimbursed in accordance with the government regulations on travel, cf. Circular from the Danish Ministry of Finance of 30 June 2000 on the travel agreement.

Para. 4. Budget overruns

- (1) Budget overruns, including those due to price and pay increases, additional working hours or prolonging the project, are not eligible for funding,
- (2) Amounts may only be transferred between individual budget items after written agreement between the parties. Requests for budgetary changes shall be send to hefbr@mst.dk .

Para. 5. Payment of funding

- (1) Grants are always settled in DKK, and any fees related to currency exchange and money transfers will be covered by the recipient of funding.

- (2) For projects with a duration of less than one quarter, payment of funding is done after receipt of the deliverance and approved project accounts.
- (3) For projects of longer duration, payment by the Danish EPA to the recipient of funding may be based on on-account payments, however not more often than quarterly in arrears. The payment requests from the recipient of funding shall contain specifications of time consumed, hourly rates applied, as well as expenses incurred analysed by the respective cost items, cf. annexes of the funding commitment. If the services etc. paid for by the recipient of funding are subject to VAT, then costs (excl. VAT) shall be included in the recipient's VAT return, unless the voucher for the cost has been issued to the Danish EPA.
- (4) The recipient of funding shall submit a completed and signed status form for the project with each payment request (except the final request). The status form shall be completed using the format for status forms from the Danish EPA, cf. annex to the commitment letter,
- (5) The deadline for payment is 30 days from receipt by the Danish EPA of the payment request and completed status form. Payment of the final request will not be until the project has been completed with deliverables from the recipient of funding as described in the description of the project and para. 6, and when the Danish EPA has approved the financial statements, cf. para. 9. In case of quarterly payments based on status forms, the Danish EPA will withhold 10% of the granted funding until the deliverance and final accounts are approved by the Danish EPA.

Para. 6. Project report and evaluation etc.

- (1) At the end of the project, the recipient of funding shall submit a project report in Danish or English. If the report is in English, the report must include a summary in Danish.
- (2) The recipient of funding shall prepare the project report according to the guidelines from the Danish EPA on the format and lay-out of the report, and using the templates from the Danish EPA. The guidelines are available from www.mst.dk, (<https://mst.dk/service/om-miljoestyrelsen/designguide-og-publikation/>).
- (3) Preparations for printing shall also be according to the guidelines in the design guide from the Danish EPA, see www.mst.dk.
- (4) The project report shall be submitted after proofreading and without changes in the template codes.
- (5) After written agreement, the final report may be in form of an extended summary together with a series of peer reviewed papers published 'open access' in other journals. It is important that the extended summary include a complete description of the project in relation to the original purpose, aims, and generated results.

- (5) Furthermore, at the end of the project, in addition to the project report, the recipient of funding shall be in a position to supply the collected and quality-assured data with associated documentation, cf. the funding commitment. The data and associated documentation shall be submitted electronically in accordance with the guidelines stipulated in the funding commitment.
- (6) If the project report is not submitted in accordance with the requirements, the Danish EPA is entitled to bring it up to the required standard at the cost of the recipient of funding. The Danish EPA shall notify the recipient of funding about this. The recipient of funding is not entitled to resubmit after the date for submission which has been agreed in the funding commitment or other places,
- (7) As part of finalisation of the project, in accordance with the instructions from the Danish EPA, the recipient of funding shall provide complete information about the results of the project, the effect of the project and other aspects which may assist in assessment of whether the requirements for funding have been met. A revised and signed project accounts shall be enclosed with the final request for payment,
- (8) The recipient of funding is obliged to contribute to any external evaluation as well as provide information about the project and its results, including allowing third parties to inspect installations etc. to a reasonable extent which does not disrupt operation of the activities of the recipient of funding.

Para. 7. Project equipment etc.

- (1) Equipment wholly or partly procured with the funding is the property of the recipient of funding, cf. however, para. 10(2), unless otherwise stated in the application or the funding commitment,
- (2) The recipient of funding shall keep a list of equipment wholly or partly procured with the funding. The list shall be enclosed with the final payment request,
- (3) During the project, the equipment which has been wholly or partly procured with the funding shall be available for the project and it may not be used for purposes which are not part of the project, unless otherwise stated in the application or approved in writing by the Danish EPA. The recipient of funding shall ensure that equipment wholly or partly procured with the funding is secured appropriately during the project, including with appropriate insurance cover.

Para. 8. Rights to the results etc. of the project

- (1) The Danish EPA is entitled to publish reports etc. without charge, cf. para. 6, in any media, including in book, booklet, article and electronic form (including diskettes, CD-roms, internet, programs and multimedia products), television and radio and in all languages, and to produce

copies of these for use by third parties. At the request of the recipient of funding, before publication or production of copies, the Danish EPA may exclude information to the extent this is permitted according to statutory regulations on access to documents etc.,

- (2) If the recipient of funding believes that a patentable invention has been created in connection with the project, the recipient of funding shall inform the Danish EPA immediately, including the content of the invention. If the recipient of funding promotes submission of a patent application without undue delay, the Danish EPA will keep the invention secret to the extent this is permitted according to statutory regulations on access to documents etc.,
- (3) The recipient of funding has the rights to patentable inventions created in connection with the project, including the right to take out a patent. Unless otherwise agreed with the Danish EPA, the recipient of funding shall allow an invention to be exploited in Denmark on terms which take into account the commercial interests of the recipient of funding and the interests of society in exploitation of the invention, and as agreed between the recipient of funding and the Danish EPA,
- (4) The recipient of funding shall ensure that the rights mentioned in subparas. (1) and (3) do not violate copyrights or other exclusive rights of third parties, and the recipient of funding shall indemnify the Danish EPA for any claim or any cost in this respect.

Para. 9. Financial statements and audit

- (1) The recipient of funding shall submit the revised financial statement of the project duly signed after project completion,
- (2) The financial statements may only cover expenses eligible for funding, cf. para. 3. The financial statements shall show the total funding of the project, including the recipient of funding's own funding and funding from other parties,
- (3) The financial statements shall state all costs and revenues in the form of detailed accounts which are in accordance with the format of the budget. Costs of fees or salaries shall be broken down into number of hours and hourly rate for each person. The financial statements shall also be prepared in accordance with other instructions from the Danish EPA,
- (4) For funding of DKK 100,000 and above, the financial statements shall be certified by the project manager and the relevant management of the recipient of funding as well as a registered or state-authorised public accountant or the municipal auditors in accordance with instructions from the Danish EPA. For government institutions subject to audit by the Auditor General's Office, and funding of less than DKK 100,000, the financial statements shall be certified by the project manager and the relevant management of the recipient of funding. The audit shall be performed on the basis of the instructions for auditors in annex 1.
To the extent that non-Danish Universities are subjected to auditing institutions that are members of the International Organization of Supreme Auditing Institutions (INTOSAI), the finan-

cial statements may be signed by the project manager and the relevant management of the recipient of funding of the university only, and a signed statement by a registered or state-authorized public accountant can be omitted. It is the responsibility of the university to document that the auditing institution it is subjected to is a member of INTOSAI. (See INTOSAI member list here: <http://www.intosai.org/about-us/organisation/membership-list.html>).

- (5) The Danish EPA may demand that all accounting vouchers, including time-registration forms, be submitted for inspection.

Para. 10. Reduction, cancellation and repayment of funding

- (1) The Danish EPA is entitled to (a) reduce the funding, (b) decide to cancel the funding commitment and/or (c) demand full or part repayment of funding paid, with interest, if (i) the recipient of funding has submitted incorrect or misleading information or withheld information of significance for the application, (ii) the conditions and circumstances for making the commitment no longer exist, (iii) performance of the project deviates from the description of the project, including the timetable, (iv) the recipient of funding ignores the terms for the funding, (v) the project is shelved, (vi) the recipient of funding is no longer capable of completing the project and/or (vii) funding from another party exceeds the amount estimated when granting the funding, if this is significant,
- (2) If the activities or supporting assets of the recipient of funding are transferred or leased out within five years of payment of funding, or if supporting assets are transferred within five years to other purposes than stated in the commitment of the funding, full or part repayment of the funding may be demanded. The amount of the funding that can be demanded repaid will, however, be reduced by 1/5 for each year after payment of the funding. The recipient of funding shall notify the Danish EPA in writing about circumstances relating to the activities or the supporting assets which may lead to a demand for repayment.

Para. 11. Tax and VAT information regarding the funding

- (1) The funding is taxable for the recipient of funding and the funding shall be included in the taxable income of the recipient of funding,
- (2) The funding is exempt from VAT, as the project is initiated by the recipient of funding on the basis of the application and as the recipient of funding therefore is not to supply specific consideration for the funding, cf. relevant Danish VAT (moms) practice (Mn. 961 and Mn. 962). Therefore, the recipient of funding shall not calculate output VAT on the funding,
- (3) It is presumed that recipients of funding registered for VAT will deduct input VAT on costs covered by the funding, cf. para. 3(3),

- (4) Note that queries regarding tax and VAT will be dealt with by the Central Customs and Tax Administration (SKAT). Therefore, the Danish EPA makes the reservation that, after a specific assessment, these authorities may make decisions regarding tax and VAT which deviate from the information in subparas. (1) and (2).

Para. 12. Inspection

- (1) During and after completion of the project, the recipient of funding shall allow the Danish EPA and its representatives access to inspect the funded project.

Para. 13. Disputes

- (1) The recipient of funding and the Danish EPA shall seek to resolve any disputes on the funding and completion of the project amicably,
- (2) In the absence of an amicable solution, each of the parties may bring the dispute to arbitration. Regulations applying to the Danish Institute of Arbitration (Copenhagen Arbitration) shall apply. Each party shall appoint an arbitrator, while the chairman of the court of arbitration (tribunal) shall be appointed by the Institute. If, within 30 days after having submitted or received notification of the petition for arbitration, a party fails to appoint an arbitrator, such arbitrator shall also be appointed by the Institute in accordance with the regulations mentioned above,
- (3) Notwithstanding subpara. (2), the Danish EPA is entitled to bring a claim for repayment before the ordinary courts,
- (4) Any disputes between the recipient of funding and the Danish EPA shall be determined according to Danish law.



Model instructions for auditors of project funding

These instructions are issued on the authority in Act.....

1.-(1) The audit shall be performed by a state-authorised public accountant or a registered public accountant, by the Local Government Denmark audit department (*Kommunernes Revisionsafdeling*), by the City of Copenhagen audit department (*Revisionsdirektoratet for Københavns Kommune*) or other municipal auditing bodies.

(2) In the event of a change of auditors in the period of the project, the incoming auditor shall contact the outgoing auditor, who has a duty to inform about the reasons for the resignation.

2.-(1) The audit shall be performed in accordance with good public auditing practice, as this term is described in section 3 of the Act on auditing government financial statements etc. (Consolidating Act no. 3 of 7 January 1997) and as described in more detail in subsection (2) and sections 3-7.

(2) The audit shall ascertain whether the project financial statements are correct and whether the transactions covered by the financial statements are in accordance with the funding granted, legislation and other rules and regulations as well as agreements and common practice. Furthermore there shall be an assessment of whether due financial consideration has been taken in management of the funds covered by the project financial statements.

3. The scope of the audit depends on the administrative structure and procedures of the recipient of funding, including internal control and other procedures of significance for submission of the financial statements. Furthermore, the size of the funding (commitment) is also significant for the scope of the audit.

4.-(1) During the audit, the auditor shall ascertain:

1. Whether the project financial statements are correct, i.e. without material errors or omissions
2. Whether the terms for funding have been met, including the provisions in the instructions on administration and financial statements from the ministry (Statutory Order no.)
3. Whether the funding has been applied for the purpose
4. Whether the recipient of funding has demonstrated financial thrift
5. Whether the information submitted by the recipient of funding to the funding provider on compliance with the performance requirements has been documented
6. Whether the management of the recipient of funding has prepared productivity and efficiency analyses/statements of activities required by the funding provider, as well as whether the data on which these are based are reliable

(2) The audit shall be performed as sample investigations.

5. The recipient of funding shall provide the auditor with the information deemed to be of significance for evaluation of the project financial statements as well as for the auditor's assessment of the administration, including goals and results achieved. The recipient of funding shall allow the auditor access to carry out investigations the auditor finds necessary and shall ensure that the auditor receives the information and assistance the auditor considers necessary to conduct the audit.

6.-(1) If the auditor becomes aware of material breaches of law or disregard of instructions of significance with regard to management of the funds, the auditor shall immediately notify the recipient of funding and ensure that the management of the recipient of funding notify the provider of the funding within three weeks. If this does not occur, the auditor shall inform the provider of funding. The observations of the auditor shall be submitted with the notification.

(2) The same shall apply if, during the audit or in some other way, it comes to the attention of the auditor that completion of the project is uncertain for financial or other reasons.

7.-(1) The revised project financial statements shall be furnished with an endorsement stating that the financial statements have been audited in accordance with the regulations in these instructions. Reservations shall be noted in the endorsement.

(2) The auditor shall issue an audit report with the audit opinion and conclusion regarding the audit, cf. section 4. The report may be issued at the end of the endorsement or in an audit book.

(3) A copy of the audit report shall be submitted by the recipient of funding to the provider of funding with the endorsed project financial statements.

8. These instructions shall enter into force on with effect for At the same time the instructions of shall be repealed.