



Ministerie van Buitenlandse Zaken

Annex 4.1 to the grant policy framework
FemFocus
Guide to the Model Budget

Guide to Model Budget for grant policy framework *FemFocus*

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1. Introduction

In the context of the grant policy framework *FemFocus*, the Model Budget described in the following chapters must be used to draw up the programme activity budget. Other layouts will NOT be accepted.

There are several advantages to having a standardised budget model (see Annex 4.2 to this Guide). Project budgets sometimes lead to discussions, particularly on which types of costs qualify for funding by the Dutch Ministry of Foreign Affairs (MFA). In addition, activities carried out by the same organisation cannot easily be compared when different formats and cost definitions are applied. The standard budget model resolves these issues by providing a uniform framework, thereby creating greater clarity for all parties involved.

2. Model Budget

The Model Budget consists of various cost categories and subcategories presented in Table i. When drawing up the activity budget for the application, Annex 4.2 to the grant policy framework *FemFocus* associated with this model must be completed and submitted along with the application.

Note: The Model Budget is intended to be used by the contract party for:

- the annual budgets submitted during the MFA-funded project period;
- the annual financial report (to be audited) in the context of approved MFA-funding. In this financial report, a narrative explanation must be added for deviations exceeding 10% within each cost category.

Table i – Model Budget with fixed cost categories and subcategories

Row	Identifier	Subject
1	A.	Programme costs of the applicant (also known as the Support Partner)
2	A.I.	Direct programme costs of the applicant
3	A.I.1.	Direct costs of the applicant explicitly related to Fund Management
		A.I.1.A. Staff costs for non-local personnel of the applicant explicitly related to fund management
		A.I.1.B. Staff costs for local personnel of the applicant explicitly related to fund management
		A.I.1.C. Other costs (including consultants and advisors) explicitly related to the fund management
4	Sum A.I.1.	Subtotal of A.I.1 Direct costs explicitly related to fund management (maximum 20% of row 14)
5	A.I.2.	Other direct programme costs of the applicant
		A.I.2.A Programme activity costs
		A.I.2.A.1 Capacity strengthening of in-country partners
		A.I.2.A.2 Networking & learning with and among in-country partners
		A.I.2.B. Activity-related travel costs
		A.I.2.C. Project office costs
		A.I.2.D. Activity-related equipment and investment costs
		A.I.2.E. External accountability and audit costs
		A.I.2.F Monitoring & Evaluation
6	Sum A.I.2.	Subtotal of other direct programme costs of the applicant
7	Sum A.I.	Subtotal direct programme costs – APPLICANT (Sum of rows 4 and 6)
8	A.II.	Indirect costs of the applicant (also known as the Support Partner) (based on the applicant's ICR)
		A.II.1 Fixed indirect cost rate (max. 15% of row 9)
9	Sum of A.	Subtotal of the applicant's direct and indirect costs (sum of rows 7 and 8)
10	B.	Programme costs of in-country partners
11	B.I	Direct programme costs of in-country partners
		B.I.1. Financing of project activities via service delivery (minimum 30% of row 12)
		B.I.2. Financing of project activities via non-service-delivery
12	Sum B.I.	Subtotal direct costs of in-country partners
13	B.II.	Indirect programme costs of in-country partners (based on in-country partner's ICR)
14	Sum of B.	Subtotal of direct and indirect costs of in-country partners (sum rows 12 and 13)
15	Sum of A+B	Subtotal of all direct and indirect programme costs (sum of rows 9 and 14)
16	C.	Contingencies (max. 2% of row 15)
		C.1. Optional percentage reserved for contingencies (maximum 2% of row 15)
17	Sum of A+B+C	Grand total of all (direct and indirect) programme cost and contingencies (sum row 9, 14 and 16)

3. Explanatory notes on individual cost types

The following section explains the various cost categories and the cost type within each category.

3.1. Direct costs

A.1.1. Direct costs of the applicant explicitly related to fund management

This category may include costs incurred by the applicant (i.e. the Support Partner) to allocate funds to in-country partners for the actual implementation of activities carried out by those in-country partners.

Note: The total costs under A.1.1 may not exceed 20% of the total costs of in-country partners (row 14 in Table i of this document).

Costs related to fund management may include the applicant's staff costs for tasks such as:

- Assessing proposals from in-country partners;
- Assessing in-country partners' internal control mechanisms and organisational capacity;
- Selecting and contracting in-country partners;
- Managing financial transactions to in-country partners;
- Monitoring and evaluation (M&E);
- Reporting to the Ministry of Foreign Affairs (MFA).

Staff costs (applicant)

The direct staff costs permitted under this grant policy framework *FemFocus* are set out below.

Direct staff costs are the costs of hours worked that can be clearly attributed, either in full or in part, to MFA-funded activities. Such costs must be directly, clearly, and demonstrably related to MFA-funded activities.

A.1.1.A. Staff costs for non-local personnel (including seconded staff)

This category includes all costs for the applicant's non-local staff, both head office and expatriate seconded staff, that can be demonstrably attributed, either in full or in part, to a MFA-funded activity. Staff costs are calculated on the basis of actual costs incurred, using the P x Q formula described below.

Please note: In addition to the mandatory Model Budget in Excel (Annex 4.2 to the grant policy framework *FemFocus*), **applicants must also submit all P x Q calculations.**

The direct staff costs for positions directly attributable to a MFA-funded activity can be calculated in two ways:

1. A percentage of the monthly salary—clearly indicate the % per position and the monthly salary.
2. Hourly rate multiplied by the number of hours per year (Q).

If you use the hourly rate method, please include the calculation of the hourly rate for each staff member or function category.

Staff costs: P x Q

To calculate the applicant's total direct staff costs included in the activity budget, multiply the number of planned hours (Q – see 3 below) by the respective hourly rates (P – see 2 below) for all applicant staff who are fully or partly involved in the activities.

P-component

The following costs can qualify as direct staff costs :

- Gross salary, including holiday allowance, pension and social insurance contributions, insurance, and employer contributions that can be attributed to the activity.
- Costs relating to secondment, such as foreign posting allowances, rent allowances and relocation allowances; job-related allowances; market-related allowances; and deputisation allowances.
- Allowances for commuting to and from the workplace.

There are two ways to calculate the hourly rate per staff member:

A. Hourly rate based on **workable hours** :

If the organisation uses the number of workable hours, these exclude annual leave, average sickness absence, and public holidays that fall on a working day.

B. Hourly rate based on **productive hours**

If the organisation bases its hourly rate on the number of productive hours, the rate will generally be higher than one based on workable hours, as productive hours allow for training, travel during working time, etc. In that case, the hourly rate is an all-in rate, and no multiplication factor should be applied to staff costs, as there is a risk of paying more than 100% of the actual costs or of unauthorised overtime being paid.

Note: The applicant must explain how the hourly rates relate to the applicant's indirect costs:

1. State which approach (A or B) was selected for the hourly rates.
2. Provide the calculation of the hourly rate for each staff member.

Q-component

A number of hours per staff member can be planned for each activity and sub-activity in the activity budget. During implementation, hours are monitored and accounted for on the basis of actual time worked and recorded.

A.1.1.B. Staff costs for local personnel of the applicant

The salaries of the applicant's local staff must be in line with the local context. Organisations are expected to have guidelines for setting them.

As with the direct staff costs of head office staff and expatriate seconded staff (see A.1.1.A above), the P x Q calculation is generally used for the applicant's local staff costs. Therefore, a calculation is also required for each local staff member.

A.1.1.C Consultants and advisers related to fund management

The costs of external consultants and service providers (e.g. advisers) are charged on the basis of the contractually agreed hourly rate and number of hours, including office costs if applicable. Prior to the conclusion of a contract, bids must be assessed on the quoted hourly rates and number of hours. The maximum hourly rate applicable in 2025 is €225, excluding VAT.

All staff costs that cannot be allocated to the activity are classified as indirect staff costs, which form part of the indirect costs (see Chapter 3.2 for an explanation).

Under other **costs related to the financing of in-country partners**, the following costs can be included:

- Communication and outreach activities (e.g. events or materials aimed at attracting in-country partners);
- Fees for external service providers hired to conduct due diligence or organisational assessments of in-country partners.

A.1.2. Other direct programme costs (applicant)

Other direct programme costs are non-staff costs that can be readily allocated, in full or in part, to MFA-funded activities. These costs must be directly, clearly, and demonstrably related to the MFA-funded activities..

A.1.2.A. Programme activity costs

These are costs incurred to achieve the agreed objectives of the activity. They may include, for example:

A.1.2.A.1 Capacity strengthening of in-country partners

Costs under this subheading relate to activities aimed at strengthening the capacity of in-country partners. These may include:

- Training sessions or workshops delivered directly by the applicant;
- Capacity strengthening provided by third-party service providers contracted by the applicant.

A.1.2.A.2 Networking and learning with and among in-country partners

This includes costs for activities that facilitate mutual learning and exchange with and between in-country partners, such as:

- Costs to coordinate cooperation between the applicant and in-country partners. Coordination costs are actual costs arising from the implementation of the activity and can therefore be characterised as direct costs.
- Peer-to-peer workshops.
- Regional networking meetings initiated and organised by the Support Partner.

Important note:

Travel costs associated with these activities (for both organisers and participants) should not be included under II.A. They must be budgeted separately under II.B (Travel and accommodation costs).

A.1.2.B. Activity-related travel costs

Travel costs that may be claimed are determined by the applicant's travel expenses policy. Expenses are reimbursed on the basis of actual costs or, if a travel policy applies, on the basis of fixed daily allowances, with the exception of accommodation, which is reimbursed on the basis of actual costs. Daily Subsistence Allowance Rates should also be used for activity-related travel costs.¹ As a rule, costs of air travel are reimbursed on the basis of economy-class tickets.

A.1.2.C. Project office costs

Project office costs for the applicant are costs that are indispensable to implement the MFA-funded activities. The following costs are allowable:

- maintenance costs and office supplies needed to carry out the project in full or in part;
- IT equipment specifically for the project office, for which an inventory list must be kept.

All such costs are charged to the activity on the basis of actual costs. Project office costs under A.1.2.C apply only to the applicant. Any project office costs of in-country partners must be included under B.I. (see Section 3.1.3 of this document).

A.1.2.D. Activity-related equipment and investments costs

The costs of equipment directly related to the implementation of the project activities, such as:

- movable property (e.g. inventory);
- cars purchased, rented or leased for the project;

The purchase of movable property and equipment must be in accordance with the project proposal and directly necessary for the implementation of the grant activities. Purchases must be made in accordance with the applicant's procurement policy, as described in the ORIA (see the grant policy framework, paragraph 3.3). Only the purchase of new equipment is allowed. Depreciation and/or residual values are not eligible under direct costs. The amount reimbursed for project-related equipment and investment costs depends on whether equipment is purchased, rented or leased, and the reasons for the investment decision. A detailed inventory must be kept.

A.1.2.E. External accountability and audit costs

The costs of external monitoring and project audits are charged to the activity as direct costs and are reimbursed on the basis of actual costs, subject to the following conditions:

- Terms of Reference (ToR) have been drawn up.
- At least one quotation has been requested.
- The regularity and accuracy of expenditure and receipts have been determined by a project audit.
- Special investigations of an activity can be reimbursed only with the prior approval of the responsible MFA/BHO budget holder. Special investigations into suspected irregularities at the applicant's and in-country partners' level can include fraud, corruption, and SEAH incidents.

Note: When preparing the budget, take account of the requirement to draw up a report of factual findings as part of the audit.² This requirement stems from the latest audit protocol and entails higher costs than an audit without a report of factual findings.

¹ For this purpose DSA rates of the UN may be used. Reference to : <https://icsc.un.org> International Civil Service Commission (ICSC)

² <https://www.nba.nl/globalassets/themas/thema-controleprotocollen/ministeries/ministerie-van-buitenlandse-zaken/copro20044a4-buzamodelprotocol-activiteit-04022022-engels.docx>

A.1.2.F . Monitoring and Evaluation

- Monitoring and evaluation assess the extent to which the results budgeted before the start of the activity have been achieved.
- **A learning component is included, including investigations of the assumptions made in the programme's project proposal.** The increasing emphasis on learning is reflected in the change in terminology from monitoring and evaluation (M&E) to monitoring, evaluation, and learning (MEL).

3.1.3. Direct programme costs of in-country partners

B.1. Direct costs of in-country partners (and other third parties)

This section covers all direct programme costs incurred by in-country partners, as opposed to costs borne by the applicant organisation itself. These costs must be presented separately from the applicant's own direct programme costs.

B.1.1. Financing of project activities via service delivery

Costs related to the direct implementation of project activities by in-country partners that involve the provision of services to target groups or beneficiaries. Examples may include counselling, legal aid, and training. Refer to the Grant Policy Framework for a detailed definition of service-delivery activities.

Please note: At least 30% of the total direct costs of the in-country partners must be committed to service delivery activities.

B.1.2. Financing of project activities via non-service-delivery

Costs for project activities implemented by in-country partners that do not constitute direct service provision but still contribute to programme objectives. These may include advocacy and policy engagement. Refer to the Grant Policy Framework for more detailed definitions and scopes of activities.

3.2. Indirect costs

Indirect costs are not directly linked to the activity; for example, indirect staff costs (such as secretarial costs), telephone charges, and heating costs.

An organisation funded by MFA may receive funding from several other donors and run multiple activities in parallel. Indirect costs can be allocated proportionately to the various donors and activities on a pro rata basis, or by means of allocation formulas.

The methodology used should be elaborated in the budget narrative (either pro-rata bases or by means of allocation formulas).

The following principles apply to this cost category:

- a) In all cases, the funds must to the greatest extent possible be used to achieve the intended changes that will benefit the target group. Indirect costs as defined in this document should therefore be kept to a minimum.

b) Indirect costs (A.II and B.II) are subject to a maximum of 15% of the sum of direct and indirect costs of both the applicant and in-country partners. This is referred to as the '15% rule' in this document.

c) The 15% rule does not apply as an annual limit, but applies to the entire duration of the MFA-funded activities. This approach offers sufficient flexibility and meets the practical needs of applicants and in-country partners if the indirect cost rate exceeds the 15% threshold annually due to unforeseen circumstances or is lower than originally calculated. The text box below explains the practical application of this rule.

What happens if indirect costs are higher than budgeted?

As a rule, all substantial budget variances (both positive and negative) must be reported and explained to MFA every year. This is especially true if indirect costs exceed the 15% threshold. This may occur occasionally, although MFA may always request an explanation of such an increase and indirect costs **must not in any case exceed 15% of the sum of direct and indirect costs.**

The following (fictitious) example illustrates the foregoing. Suppose the mapping process (see section 3.2.1 of this document) calculates an indirect cost rate of 14%, but indirect costs have risen to 14.8% by the end of the activity. In this scenario the policy department has to decide whether to permit this increase. The additional 0.8% can be deducted from direct costs (in other words at the expense of the project results) OR the organization itself can pay the difference from its own (non-MFA) funds, such that direct costs remain unchanged. If an audit is warranted due to the financial scale of the activity, it will also examine indirect costs. If no annual audit is to be performed, no additional examination of indirect costs will take place.

But what if the total indirect costs amount to 15.2% at the end of the project? **It is then the organization who must pay this from its own funds.**

3.2.1. Designating direct/indirect costs (applicant)

Indirect costs are based on the organisation's total actual indirect costs.

To designate costs as either direct or indirect, a mapping process is applied, based on the organisation's ledger accounts. This involves relating the total amount of indirect costs in the general ledger to the total costs in the general ledger. For this purpose, the definitions in Section 3.2.2 of this document must be used.

Concerning indirect costs, the following is important:

- The mapping process results in a fixed percentage for indirect costs, calculated relative to the applicant's total direct costs. This percentage is used when drawing up the budget for the costs under category A.II (see Table i in Section 2 of this document).
- Indirect costs require no further specification when submitting the application and activity budget. However, the percentage used for indirect costs is expressly subject to the audit carried out in relation to the subsidy's annual financial statement.

An example of how to determine the indirect cost percentage is provided in the table iii below.

Table iii - Fictitious calculation of the indirect cost percentage

An organisation wishes to submit a grant proposal to MFA and uses the Model Budget. The 'mapping' of all general ledger accounts, according to the definitions in Section 3.2.2 of this document, is used to allocate direct and indirect costs appropriately. The mapping process shows that, of the total in the general ledger of €100 million, €88 million can be allocated as direct costs and €12 million as indirect costs. The indirect cost percentage therefore amounts to 12% (= €12 million/€100 million). Since this meets the 15% rule, the 12% can be used when drawing up the activity budget.

If a general ledger account comprises both direct and indirect costs, a best estimate should be made of their pro rata allocation. In this example, €80 million can be posted as 100% direct costs, €12 million as 50% direct costs, and €8 million as indirect costs. Direct costs therefore amount to €86 million (= €80 million + 50% x €12 million) and indirect costs to €14 million (= €8 million + 50% x €12 million). In this case, the indirect cost percentage is 14% (= €14 million/€100 million).

3.2.2. Definitions of (allowed) indirect costs (applicant)

A. Costs of support staff and indirect staff costs

Costs of support staff and indirect staff are part of indirect costs and cannot be attributed directly to activities funded by MFA. This category mainly concerns:

- salary costs of management, finance, HR, IT, administration, and other support staff;
- travel expenses that, unlike those described in Section 3.1.2 (A.I.2.B.) of this document, cannot be attributed to MFA-funded activities. In that case, they may be charged as indirect costs in accordance with the organisation's applicable policy.

B. Administrative costs not related to the activity

Insurance

All types of insurance required for the applicant's normal business operations that cannot be attributed to specific MFA-funded activities, such as:

- directors' liability insurance;
- liability insurance;
- buildings insurance (if applicable);
- legally required insurance for vehicles;
- insurance relating to the employer's statutory obligations to employees;
- travel insurance;
- measures to mitigate financial risks, such as foreign exchange risks—policies and procedures must be in place to prevent speculative transactions.

Accountant and notary costs

All accountant and notary costs related to the applicant's normal operations that cannot be attributed to specific activities.

Consultancy and legal costs and other general costs

All other consultancy and legal costs related to the organisation's normal operations that cannot be attributed to specific activities.

One-off legal costs (relating, for example, to a reorganisation or legal proceedings due to the dismissal of a staff member) are not considered indirect costs and are therefore not eligible for reimbursement.

Subscriptions, contributions, and membership fees

Subscriptions, contributions, and membership fees are considered indirect costs only if they relate to the organisation's normal development-cooperation operations.

C. Other non-activity related costs

Office costs

All costs necessary to provide a good, clean, and safe working environment consistent with the standards an employer should reasonably satisfy.

These costs include (in so far as they are not already covered under direct costs):

- rent;
- general costs and in-house emergency personnel costs;
- utilities;
- maintenance of the premises;
- cleaning and security;
- communication/telecommunications costs;
- office supplies;
- other organisational costs.

IT licences and systems

The cost of regular maintenance of ERP systems (such as SAP or Oracle) and systems needed for the conduct of normal operations (including accounting systems) that cannot be attributed to specific activities.

Translation costs

Translation costs that relate to the organisation's normal operations. The costs of large one-off translation projects, in the context of a reorganisation for example, are not considered indirect costs and are not eligible for reimbursement.

Depreciation

Depreciation costs reflect decreases in the value of:

- premises;
- ICT equipment and systems;
- other fixed assets.

Depreciation can be included in the calculation of indirect costs if the depreciated assets:

- are used not only for MFA-funded activities but also for the conduct of normal operations; and/or
- are used only for a certain period while the activities are being carried out and still have a residual value thereafter.

The depreciation periods may vary according to the asset type.

If depreciation costs are charged, the organisation must adopt a consistent approach. This will be examined as part of the audit of the annual accounts.

Integrity policy and implementation

Any organisation that receives MFA funding to carry out activities is required to have procedures and a policy relating to integrity, including the appointment of at least one confidential adviser and rules protecting whistleblowers. The cost of setting up and implementing this system is considered to be an indirect cost. **Please note that costs related to externally investigating an incident involving the applicant organisation or one of the in-country partners should be captured under A.I.2.E.**

3.2.3. Indirect costs of in-country partners

As with direct programme costs, indirect costs of in-country partners must also be presented (under B.II) separately from the applicant's indirect costs.

The 15% rule also applies to in-country partners. As with the applicant, fixed indirect cost rates for in-country partners may not be set arbitrarily; they must be based on the ledger accounts of the respective local partner(s). However, these rates do not have to be entered in the Model Budget. Instead, they should, as far as possible, be included in the underlying P x Q calculations of the in-country partners.

The percentage used by in-country partners for their indirect costs is also subject to the audit carried out in relation to the grant's annual financial statement.

3.3. Non-allowable expenses

General costs for items that are not linked to the activities carried out for MFA are NOT eligible for reimbursement and cannot therefore be included in the Model Budget. They include:

- costs associated with developing or submitting a funding application and other costs incurred before receipt of a grant award decision;
- VAT (and income tax) that can be offset by the applicant and in-country partners;
- costs due to inflation that exceed 5% of the total eligible costs;
- investment costs and depreciation that are not directly related to the activities for which MFA/BHO grants have been awarded;
- profit margins on expenditure such as salaries;
- PR and marketing, other than communication/events to reach in-country partners;
- Research and Development;
- costs of registering and maintaining intellectual property rights;
- any portion of total indirect costs that exceeds the permitted maximum of 15% of the sum of direct and indirect costs is ineligible. This applies to both the applicant and in-country partners.

3.4 Contingencies

Unexpected circumstances, such as extreme weather events, can result in additional costs for MFA-funded activities that are not covered by the activity budget. The item 'contingencies' is intended to cover these costs.

A percentage to cover contingencies (on the accumulated costs of the applicant and in-country partners) can be included in the activity budget. The percentage will depend on the expected uncertainty stemming from the nature of the policy area and the organisation's operational context. **A maximum of 2% of the sum of the accumulated direct and indirect costs applies in the MFA Model Budget.**

The item 'contingencies' cannot be used while the activities are being carried out without the prior approval of the MFA budget holder.

3.5 Inflation

In recent years, inflation has dramatically increased costs. This section describes how to incorporate inflation into a budget for future activities:

- a) It is possible and sensible to incorporate future inflation in the cost structure when preparing a multi-year budget for newly started activities. The maximum percentage to be used for this purpose is 5% per year. For example, if hourly rates are €100 in 2025, they may be set to a maximum of €105 for 2026, etc. for the years thereafter.
- b) If, during implementation, it turns out that the inflation rate exceeds the rate budgeted under (a), the applicant must discuss with the MFA budget holder how to deal with this. The budget holder has the discretion to decline a higher rate.
- c) Should the budget holder wish to work towards a solution with the applicant, this will mainly involve adjusting downwards pre-agreed activities and results.
- d) Under no circumstances is it permitted to include inflation rates, in any form or at any stage of implementation, under 'Contingencies' (see Section 3.4 of this document).
- e) Nor is it permitted to hide inflation adjustments under 'indirect costs'. This is also practically impossible, since for grants MFA works with a mandatory Model Budget with a maximum percentage of indirect costs of 15%. The percentage that applies to a particular organisation is not arbitrary (see Section 3.2 of this document) but is based entirely on a mapping process of that organisation's general ledger accounts.

If the applicant has not taken inflation into account in the initial budget (and has kept the costs for the entire duration at the level of the starting year of the project), steps (b) to (e) above must be followed if a request is made to process inflation during the project.

Annex – Activity budget to be included with the grant application

The activity budget consists of three overviews:

1. Budget by year
2. Budget by result
3. Budget by country and result

Key points before filling out the Excel version of the Model Budget

- In line with the MFA Grant Decree,³ a narrative explanation must be added to the budget by year (Sheet 1: Budget by year), providing insight into how all figures on Sheet 1 were developed
- The applicant must also submit separate sheets for results (Sheet 2) and for all countries (Sheet 3). The Excel format must be used, but the content (activities; results) can be adjusted.
- In Sheet 1 (Budget by year), the applicant must enter expenses during the inception phase. Although the inception phase is primarily intended to further develop partnerships with local organisations, activities by in-country partners may already be undertaken during this phase. Therefore, costs for both activity types may be entered in the Inception phase column.
- As explained in Sections 3.1 and 3.2.3 of this document, the applicant must also submit all underlying P x Q calculations for Sheet 1 (Budget by year).
- Sheet 1 (Budget by year)—in addition to expenses—must provide insight into annual income related to the MOFA-funded activities. At the bottom of the sheet, various income sources are included, which the applicant may choose from. If the MOFA-funded activities generate income, please:
 - Enter the amount per source per year in the correct rows/columns in Sheet 1 (Budget by year);
 - Add an explanation of the sources and amounts of income to the narrative accompanying Sheet 1 (Budget by year). The explanation should describe, for example, the origin and identity of the source and assurance of income.
- If MFA needs clarification of the financial information submitted with the application, further explanation may be requested from the applicant at any time during the assessment process, with due regard to Article 7, third paragraph, of the MFA Grant Decree.⁴
- The indirect cost rate is explained in section 3.2 of this document.
- In light of the activities' progress and new circumstances, adjustments within budgets may be made not only during the inception phase but also annually thereafter, provided MFA's explicit permission has been obtained. The proposal to adjust the budget must be compatible with MFA's intended results and acceptable in light of the activity's circumstances.

³ <https://wetten.overheid.nl/BWBR0018039/2013-07-01> : Article 27, Ministry of Foreign Affairs Grant Decree: "The budget gives insight in income, including contributions of third parties, and expenses related to the intended activities for the next twelve months of the period for which the grant is requested. The budget includes an explanation per budget item."

⁴ If Article 4:5 of the General Administrative Law Act has been applied, application of the first and second paragraph implies that the date receipt of the grant application shall be the date the grant application was supplemented.