**Annex 5 – Budget details**

Under the bilateral support, three cases exist that require distinct budget formats: Single-partner projects; programmes (thematic, regional); and bilateral development programmes linked to a country strategic framework:

1) Single-partner projects, including projects under a regional, thematic, and bilateral development programme

The single-partner project budget presentation must have the following:

* A budget showing the Danish contributions to a summarized partner budget;
* The summarized partner budget should show allocations per outcome, or other main spending area, and funding sources with the respective amounts (detailed partner budgets will normally exist as basis for the summary budget)
* If there is no distinct partner budget documentation, or if it is inadequate, show an elaborated project budget in outcomes and outputs, and state the process for finally detailing and approving the budget during implementation (in this case, during the inception phase the implementing partner shall prepare a detailed output-based budget for each project in line with the Danish Financial Management Guidelines).
* Allocation of the Danish contribution by outcome, or by other main programme area;
* Breakdown in annual allocations of Danish contributions, total and by outcome, as relevant;
* In the presentation of the Danish contribution, show the funding modality (earmarked or core funding), by either showing Danish funds as allocated to specific components of the partner budget or to the partner budget as a whole;
* The Danish contribution budget must be in DKK as the authoritative figure; the partner budget may be in the relevant currency, and in that budget the Danish contribution may be converted to the same currency to better enable comparison. It should be noted that currency risks are to be borne by the implementing partner.

Normally, it will not be necessary to present the Danish (or the partner’s) budget at output-level, since partners typically have outcome/programmatic-level budgets that are sufficient for indicating the strategic prioritization behind the Danish contributions. But this is a matter of judgement in each case.

There is flexibility as to the exact budget format, apart from the requirements above. Normally, it will be necessary to tailor the Danish contribution budget somewhat to the structure and levels in the partner’s programme or institutional budget, which typically vary depending on distinct programme or partner institution. Some partners may have separate budget lines for programmatic and management/administrative/overhead costs. The main requirement is to show as clearly as possible how the Danish funding contributes to the partner budget.

The formats suggested below meet the requirements above and can be used or modified to work in most cases (the partner budget and Danish contribution can also be shown in one shared budget-table as long as each is clearly distinguished):

**Partner budget (summary) [foreign currency]**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| [Partner name] | Year 1 | Year 2 | Year 3 | … | **Total** **(foreign currency****)** | **Total****(DKK)** |
| Partner programme/outcome area 1(1) |  |  |  |  |  |  |
| Partner programme/outcome area 2 |  |  |  |  |  |  |
| Partner programme/outcome area 3 |  |  |  |  |  |  |
| … |  |  |  |  |  |  |
| [Corporate/management budget, if separate] |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Total** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Revenues (or main funding sources)(2) |  |  |  |  | **Total** |  |
| Partner’s own revenue |  |  |  |  |  |  |
| Donor/funder 1 |  |  |  |  |  |  |
| Donor/funder 2 |  |  |  |  |  |  |
| Donor/funder … |  |  |  |  |  |  |
| **Total** |  |  |  |  |  |  |

(1)Partners may use different keys to structure their programmes and budgets, but many have programmatic i.e. results-oriented budgets. (2)The level of detail should depend on an assessment of relevance and data availability, but only headline figures are needed.

**Danish contribution [DKK]**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Year 1 | Year 2 | Year 3 | … | **Total** |
| Outcome area 1(3) (4) |  |  |  |  |  |
| Outcome area 2 |  |  |  |  |  |
| Outcome area 3 |  |  |  |  |  |
| … |  |  |  |  |  |
| Reviews and monitoring |  |  |  |  |  |
| [Technical assistance] |  |  |  |  |  |
| Unallocated funds (5) |  |  |  |  |  |
| [Contingencies max 10%] |  |  |  |  |  |
| **Total** |  |  |  |  |  |

(3)Outcomes as defined in the Danish project document and with linkages clearly indicated to partner programme- and budget areas and results framework. (4)For core contributions it normally makes best sense to present the Danish funding as total annual allocations, not by outcomes. Earmarked contributions must be shown as allocations to relevant outcomes. (5) Only if relevant

2) Programme budgets, incl. regional/thematic programmes (not linked to country strategic frameworks)

This will be a summary budget at programme level. The underlying specified project-level budgets should be included with the respective project documents and should be developed based on 1) above.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Project 1: [“Title”]** | **Year 1** | **Year 2** | **Year 3** | **…** | **Total (DKK)** |
| Partner: [“Partner name”]  |  |  |  |  |  |
| Project contribution  |  |  |  |  |  |
| Reviews, monitoring |  |  |  |  |  |
| [Technical assistance] |  |  |  |  |  |
| 7[Contingencies max 10%] |  |  |  |  |  |
| [Unallocated] |  |  |  |  |  |
| **Total** |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Project 2: [“Title”]** |  |  |  |  |  |
| Partner: [“Partner name”]  |  |  |  |  |  |
| Project contribution  |  |  |  |  |  |
| Reviews, monitoring |  |  |  |  |  |
| [Technical assistance] |  |  |  |  |  |
| [Contingencies max 10%] |  |  |  |  |  |
| [Unallocated] |  |  |  |  |  |
| **Total** |  |  |  |  |  |
|  |  |  |  |  |  |
| **Project 3: [“Title”]** |  |  |  |  |  |
| Partner: [“Partner name”]  |  |  |  |  |  |
| Project contribution  |  |  |  |  |  |
| Reviews, monitoring |  |  |  |  |  |
| [Technical assistance] |  |  |  |  |  |
| [Contingencies max 10%] |  |  |  |  |  |
| [Unallocated] |  |  |  |  |  |
| **Total** |  |  |  |  |  |
| … |  |  |  |  |  |
|  |  |  |  |  |  |
| **Programme [“Title”]** |  |  |  |  |  |
| Contribution (total programme)  |  |  |  |  |  |
| Reviews, monitoring |  |  |  |  |  |
| [Technical assistance] |  |  |  |  |  |
| [Contingencies max 10%] |  |  |  |  |  |
| [Unallocated] |  |  |  |  |  |
| **Grand total** |  |  |  |  |  |

3) Bilateral development programme-budgets

The budget for a bilateral development programme will initially be defined in the country strategic framework. This will be at outcome level based on the template for the CSF.

The further allocation to projects and partners based on the outcomes takes place during the formulation stage. This should be presented based on the budget format contained in the “summary document for bilateral development programme”.