



## **ESRC-DFID Joint Fund for Poverty Alleviation Research Programme Follow-on Fund (Invitation only call)**

### **Costs incurred by non-UK institutions and partners**

#### **Supplementary advice for applicants**

The budget limits on grant proposals refer to the total cost of the research project - this is known as the **full economic costs (fEC)**.

For UK institutions the fEC cost is not the actual cash contribution paid by the ESRC. The actual cash contribution, known as the 'ESRC contribution', is 80% of the fEC. However, in recognition of the potential effect of the '80% rule' on non-UK organisations, the programme will support **in full (100%)** all the **direct costs** of the research incurred by non-UK institutions.

In addition, non-UK institutions and partners may charge **indirect costs** on staff salary and other staff-related costs (i.e. statutory contributions analogous to UK National Insurance or Superannuation contributions). Indirect costs cover the following category of costs:

- Building and premises costs
- Basic services and utilities
- Any clerical staff and equipment, maintenance or operational costs not already included under other staff headings
- Costs of the research organisation's administration such as personnel, finance, library and some departmental services.

Indirect costs may **not** be charged in relation to non-staff related direct costs, e.g. equipment, travel and subsistence, consultancies, conferences etc.

In proposals involving non-UK institutions, the following rates for indirect costs should be applied and entered under the 'Other Directly Incurred Costs' section of the Je-S form:

- For institutions from **developing countries**<sup>1</sup> up to 50% of staff salary and other staff-related costs.
- For institutions from **developed countries**<sup>2</sup> up to 20% of all staff salary and staff-related costs.

If a proposal is recommended for funding, ESRC may ask for evidence of the costing basis for all direct and indirect costs, and budgets may be reduced if costs are considered excessive.

## Completion of Je-S proposal

When completing the Je-S proposal it is essential that applicants make it clear which costs will be incurred by UK institutions and which will be incurred by non-UK institutions. This will ensure that, if your proposal is successful, the ESRC can identify any non-UK direct costs which should be funded at 100% fEC and the appropriate level of indirect costs, in line with the guidance above.

It is important to note that where non-UK costs are specified, these refer to the costs incurred by non-UK institutions, and **not** overseas travel and expenses incurred by members of UK institutions.

The following procedure has been agreed to allow applicants to identify costs relating to non-UK institutions. **All costs must be entered in pounds sterling (£).**

- For all proposals the full economic costs of the proposed research must be entered into the budget sections of the form as instructed in the Je-S helptext. The Je-S form was originally developed for proposals from UK research organisations and hence automatically calculates the 80% ESRC contribution. **To ensure that non-UK costs that should be paid at 100% are recorded correctly, you must follow the procedures set out below.**
- It is essential that the Je-S proposal names all institutions, known individuals and/or project roles involved in the bid, to ensure costs requested in the budget can be appropriately linked to these. The staff duties section of the Je-S form may be the most appropriate place to enter this information. Only including this information within attachments such as the Project Collaborators Template is insufficient for these purposes<sup>3</sup>.
- All project costs relating to non-UK institutions must be prefixed as '**non-UK**' and must be entered into the budget section of the Je-S form as follows:

<sup>1</sup> See the OECD DAC list of ODA recipients effective from 1 July 2019: [https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC\\_List\\_ODA\\_Recipients2018to2020\\_flows\\_En.pdf](https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC_List_ODA_Recipients2018to2020_flows_En.pdf)

For the purposes of this call 'developing countries' includes Least Developed Countries, Other Low Income Countries, Lower Middle Income Countries and Territories, and Upper Middle Income Countries and Territories.

<sup>2</sup> For the purposes of this call 'developed countries' refers to all countries not included within the OECD DAC list of ODA recipients effective from 1 July 2019 (see link above).

<sup>3</sup> Please note this does not mean that all partner institutions will need to be registered on Je-S: this requirement only applies to the institutions of the principal investigator (PI) or co-investigators (Co-Is).

- PIs and Co-Is must enter their time allocation under 'Directly Allocated' **but must enter the salary rate as zero.** Their salary and any other salary- related costs must then be entered under 'Other Directly Incurred Costs'
- All other non-UK staff salaries and related costs should be entered under 'Other Directly Incurred Costs'
- Any non-UK indirect costs should be entered under 'Other Directly Incurred Costs'
- Travel and subsistence costs directly incurred by non-UK institutions should be entered under 'Other Directly Incurred Costs'.

These costs **must be clearly identified on the form as non-UK costs in order to be funded at 100%.** In addition they **must be marked as 'Exceptions'** using the tick box: this will allow the Je-S form to correctly calculate the total cost of the project and an accurate figure will be shown. An itemised breakdown of all resources requested to undertake the research project must be included in the 'Resources' section of the Je-S form.

- Applicants must also state clearly in the 'Justification for resources' attachment which costs in the proposal relate to non-UK institutions and therefore attract the 100% direct cost rate. **Where sufficient justification is not provided for any item it may be cut from any successful award.** Please refer to appropriate Je-S helptext for further details.

## Contact

If you have further questions on any of the above, in the first instance please email: [DFID@esrc.ukri.org](mailto:DFID@esrc.ukri.org).

Alternatively, contact:

- Catherine Flynn [Catherine.flynn@esrc.ukri.org](mailto:Catherine.flynn@esrc.ukri.org)  
Telephone: +44 (0) 1793 413010