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## Overall Budget: Budget proposal – Fulfilling the requirement as referred to in paragraph 7 in Annex 3 of the Call for Proposal

Please note that all text below give explanations to budget tables already submitted in our original proposal. No budget numbers have changed.

### Overall budget for the CTC & N first year – Alternative One

Table 2 below provides the overall budget for hosting the CTC & N during the first year of operation given a total funding frame of USD 10 million. In this alternative, the estimated cost by DNV for hosting the CTC&N is **USD 2.7 million**. This cost includes salary for 6.5 full time staff, travelling expenses, meeting costs for 6 advisory board meetings, some profiling at conferences, establishment of Knowledge Management System as well as a 10% contingency.

Representative project-specific budget estimates are provided in Annex 7, Response to sample requests, submitted as part of our original proposal. Project-specific budgets, and the number of projects that could be financed, will of course depend heavily on yet-to-be-made decisions regarding CTC&N scope and operational modalities.

The remainder of the overall budget will be used for undertaking projects which meet the screening criteria. Assuming a portfolio of projects as follows:

Money Value of Projects (USD)	Number of Projects of this Size in the Portfolio
100,000	10
250,000	9
1,000,000	4

We believe that a staff of 6,5 would be able to manage this project portfolio. Work would include the initiation phase (identifying the projects), the tendering, as well as the implementation phase/follow-up and project evaluation.

Table 1 shows the costs of various staff levels required for hosting the Centre, while Table 2 and 3 shows the overall budget for hosting the Centre. Table 1 is used as a basis for both Table 2 and 3. All these tables have previously been submitted as part of our original proposal. The only difference is the line item in Table 2 and 3 called “Outsourced activities to the network or contractors”. This line item is only intended for clarifying how much of the USD10 million/USD30 million budget that will be used by the network or contractors.

Table 1: Cost of various staff levels (USD)

Cost of various staff categories							
	Secretary	Administration Officer	Cost controller	Junior Project Management	Legal Councillor	Senior Project Management/ Donor coordinator	Director
Salary Group							
Base Salary	66000	78500	98000	116000	134000	152000	240000
Car/transport allowance					2100	21300	28000
Holiday Allowance	1000	1200	1500	1700	2000	2300	3500
<b>Total SALARY COST</b>	<b>67000</b>	<b>79700</b>	<b>99500</b>	<b>117700</b>	<b>138100</b>	<b>175600</b>	<b>271500</b>
Pension	5300	6300	7800	9300	10700	12200	19200
National Insurance	10400	12400	15400	18300	21900	26400	40700
<b>Total SOCIAL COST</b>	<b>15700</b>	<b>18700</b>	<b>23200</b>	<b>27600</b>	<b>32600</b>	<b>38600</b>	<b>59900</b>
<b>Total Salary and Social costs</b>	<b>82700</b>	<b>98400</b>	<b>122700</b>	<b>145300</b>	<b>170700</b>	<b>214200</b>	<b>331400</b>
Office and common administration costs (in-kind contribution)	0	0	0	0	0	0	0
Communication expenses	2600	2600	2600	2600	4400	6000	6000
Corporate/company charges(5%)	4489	5316	6595	7784	9216	11589	17758
<b>Total cost</b>	<b>89789</b>	<b>106316</b>	<b>131895</b>	<b>155684</b>	<b>184316</b>	<b>231789</b>	<b>355158</b>

Table 2: Budget for hosting the CTC&N – USD 10 million alternative

Budget for hosting the CTC&N								Total
Headcount	0	0,5	0,5	0	0,5	4	1	<b>6,5</b>
Cost for Personnel -total	0	53157,89474	65947,36842	0	92157,89474	927157,8947	355157,8947	<b>1 493 579</b>
Travelling Expenses for CTC team								232 000
Meeting costs for 6 advisory board meetings								35 000
Profiling of CTC at conferences/web								178 000
Establishment of Knowledge Management System								500 000
Total costs excl. contingency								2 438 579
10% Contingency								243 858
Total operating costs for CTC&N								2 682 437
Outsourced activities to the network or contractors								7 317 563
<b>Total budget for CTC&amp;N first year</b>								<b>10 000 000</b>

Assumptions:

- First year at the headquarters at DNV in Norway.
- Any relocation of the centre during the first year will require a recalculation of the costs.
- The exchange rate used is 5.60 NOK/\$. In case of exchange rate fluctuations beyond 5% (decrease or increase) the budget shall be renegotiated.
- Expansion to regional hubs during year two is not calculated.

In kind-contribution:

The direct in-kind contribution from DNV during the first year is related to the office and administration costs as the centre will be hosted in existing premises of DNV. We have estimated this to USD26,500 per staff member or a total of USD 172 250,- for 6,5 staff members. In addition to that, DNV offers the ability to have half-time people dedicated to the CTC at the outset.

## Overall budget for the CTC & N first year – Alternative Two

Table 3 below provides the overall budget for hosting the CTC & N during the first year of operation given a total funding frame of USD 30 million. In this alternative, the estimated cost hosting the CTC&N is **USD 3.8 million**. This cost includes the salary of 12 full time staff, travelling expenses, meeting costs for 6 advisory board meetings, some profiling at conferences, establishment of Knowledge Management System as well as a 10% contingency.

The remainder of the overall budget will be used for undertaking projects which meet the screening criteria. Assuming a portfolio of projects as follows:

Money Value of Projects (USD)	Number of Projects of this Size in the Portfolio
100,000	20
250,000	16
1,000,000	10
2,500,000	4

We believe a staff of 12 would be able to manage this portfolio. Work would include the initiation phase (identifying the projects), the tendering, as well as the implementation phase/follow-up and project evaluation.

As mentioned above, the only difference between the original Table 3 outlined in our proposal and Table 3 below is the line item called “Outsourced activities to the network or contractors”. This line item is only intended for clarifying how much of the USD30 million budget that will be used by the network or contractors.

Table 3: Budget for hosting the CTC&N – USD 30 million alternative

Budget for hosting the CTC&N									Total
Headcount	1	1	1	2	1	5	1		12
Cost for Personnel -total	89789,4737	106315,7895	131894,7368	311368,4211	184315,7895	1158947,368	355157,8947		2 337 789
Travelling Expenses for CTC team									364 000
Meeting costs for 6 advisory board meetings									35 000
Profiling of CTC at conferences/web									178 000
Establishment of Knowledge Management System									500 000
Total costs excl. contingency									3 414 789
10% Contingency									341 479
Total costs for CTC&N									3 756 268
Outsourced activities to the network or contractors									26 243 732
Total budget for CTC&N first year									30 000 000

### Assumptions:

- First year at the headquarters at DNV in Norway.
- Any relocation of the centre during the first year will require a recalculation of the costs.
- The exchange rate used is 5.60 NOK/\$. In case of exchange rate fluctuations beyond 5% (decrease or increase) the budget shall be renegotiated.
- Expansion to regional hubs during year two is not calculated.

In kind-contribution:

The direct in-kind contribution from DNV during the first year is related to the office and administration costs as the centre will be hosted in existing premises of DNV. We have estimated this to USD26,500 per staff member or a total of USD 318,000,- for 12 staff members. In addition to that, DNV offers the ability to have half-time people dedicated to the CTC at the outset.

### **Examples: Fulfilling the requirements as referred to in paragraph 8 in Annex 3 of the Call for Proposal**

Annex 3 Cost Sheet already provided in our original proposal includes budgets for the two example scenarios. A copy of the original Annex 3 is provided.

## ANNEX

### 3 COST SHEET

According to the CFP, estimated cost should be presented for a budget scenario of USD10 million per year and USD30 million per year. The approach taken by DNV is to budget the costs for key staff members for establishing the centre during the first year at the headquarters at DNV in Norway.

The tables below present anticipated costs for each staff category as mentioned in the organization chart in Annex 1 as well as the total cost picture for establishing the centre during the first year – one alternative for a budget of USD10 million and another alternative for a budget of USD 30 million.

*Table 1: Anticipated cost of various staff levels (USD)*

Cost of various staff categories							
	Secretary	Administration Officer	Cost controller	Junior Project Management	Legal Councillor	Senior Project Management/ Donor coordinator	Director
Salary Group							
Base Salary	66000	78500	98000	116000	134000	152000	240000
Car/transport allowance					2100	21300	28000
Holiday Allowance	1000	1200	1500	1700	2000	2300	3500
<b>Total SALARY COST</b>	<b>67000</b>	<b>79700</b>	<b>99500</b>	<b>117700</b>	<b>138100</b>	<b>175600</b>	<b>271500</b>
Pension	5300	6300	7800	9300	10700	12200	19200
National Insurance	10400	12400	15400	18300	21900	26400	40700
<b>Total SOCIAL COST</b>	<b>15700</b>	<b>18700</b>	<b>23200</b>	<b>27600</b>	<b>32600</b>	<b>38600</b>	<b>59900</b>
<b>Total Salary and Social costs</b>	<b>82700</b>	<b>98400</b>	<b>122700</b>	<b>145300</b>	<b>170700</b>	<b>214200</b>	<b>331400</b>
Office and common administration costs (in-kind contribution)	0	0	0	0	0	0	0
Communication expenses	2600	2600	2600	2600	4400	6000	6000
Corporate/company charges(5%)	4489	5316	6595	7784	9216	11589	17758
<b>Total cost</b>	<b>89789</b>	<b>106316</b>	<b>131895</b>	<b>155684</b>	<b>184316</b>	<b>231789</b>	<b>355158</b>

*Table 2: Anticipated total costs for the CTC&N – First year – USD 10 million in total budget*

Cost estimates for CTC team and direct costs								Total
Headcount	0	0,5	0,5	0	0,5	4	1	<b>6,5</b>
Cost for Personnel -total	0	53157,89474	65947,36842	0	92157,89474	927157,8947	355157,8947	<b>1493579</b>
Travelling Expenses for CTC team								232000
Meeting costs for 6 advisory board meetings								35000
Profiling of CTC at conferences/web								178000
Establishment of Knowledge Management System								500000
Total costs excl. contingency								2438579
10% Contingency								243858
<b>Total costs for CTC&amp;N</b>								<b>2682437</b>

As can be seen from Table 2, anticipated total costs for the Centre amount to approximately **USD 2.7 million**. Included in this amount is: cost of 6.5 full time staff, travelling expenses, meeting costs for 6 advisory board meetings, some profiling at conferences, establishment of Knowledge Management System as well as a 10% contingency.

Table 3: Anticipated total costs for the CTC&N – First year – USD30 million in total budget

Cost estimates for CTC team and direct costs								Total
Headcount	1	1	1	2	1	5	1	12
Cost for Personnel -total	89789,4737	106315,7895	131894,7368	311368,4211	184315,7895	1158947,368	355157,8947	2337789
Travelling Expenses for CTC team								364000
Meeting costs for 6 advisory board meetings								35000
Profiling of CTC at conferences/web								178000
Establishment of Knowledge Management System								500000
Total costs excl. contingency								3414789
10% Contingency								341479
<b>Total costs for CTC&amp;N</b>								<b>3756268</b>

As can be seen from Table 3, anticipated total costs for the Centre amount to approximately **USD 3.8 million**. Included in this amount is: cost of 12 full time staff, travelling expenses, meeting costs for 6 advisory board meetings, some profiling at conferences, establishment of Knowledge Management System as well as a 10% contingency.

Assumptions:

- Any relocation of the centre during the first year will require a recalculation of the costs.
- The exchange rate used is 5.60 NOK/\$. In case of exchange rate fluctuations beyond 5% (decrease or increase) the budget shall be renegotiated.
- The direct in-kind contribution from DNV during the first year is related to the office and administration costs as the centre will be hosted in existing premises of DNV. In addition to that, DNV offers the ability to have half-time people dedicated to the CTC at the outset.
- Expansion to regional hubs during year two is not calculated.

The expansion to regional hubs can easily be done in year two by using existing offices of DNV in India, Brazil, and South Africa. DNV’s existing staff at these offices could initially act as CTC&N hub leaders.