**Budget Justification**

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| 1. Direct Costs  Please prepare the budget truthfully following the relevant requirements of the *Instructions of Budget Preparation for NSFC Projects*on the principle of policy consistency, target relevance and economic rationality. Each item should be explained with basic calculations based on its intended use in relation to the research tasks.  1.1 Equipment expenses (refer to the cost of purchase or trial-production of special instruments and equipment, the upgrading and modification of existing instruments and equipment, and the rental costs of instruments and equipment from other institutes during the implementation of the project. Computing instruments and software tools can be included in the equipment expenses. For equipment expenses, the necessity of each equipment purchase and the rationale behind the cost estimation should be explained in terms of equipment purchase costs, trial production and modification costs, and rental costs. For any single equipment costing no less than 500,000 yuan, the justification must also include details on the equipment’s key performance indicators, main technical parameters, etc.)  1.2 Experimental and operating expenses (includesub-categories such as the purchase, transportation, handling and arranging of low-value consumables for instance materials and auxiliary materials consumed during the implementation of the project, test and processing costs, fuel and power costs, publication/documentation/dissemination/IPR services costs, conference/travel/ international cooperation and exchange costs, and other related expenses. When filling out the form, basic calculation explanations should be provided according to the sub-categories of expenditure.)  1.3 Labor Costs (refer to the labor allowances paid to graduate students, postdoctoral fellows, visiting scholars, researchers and research assistants employed for the project, as well as the consulting fees paid to the experts hired on a temporary basis during the implementation of the project. Labor costs should be comprehensively considered with regard to factors such as the necessity of the research tasks to be paid, the working hours, and the rationality of the cost standards, etc., and basic calculation explanations according to personnel type should be provided. Expert consulting fees should be calculated in accordance with relevant national regulations.)  2. Funds transferred to collaborative research institutions in the Direct Costs  For this category, necessary explanations should be provided regarding the research tasks undertaken by the collaborative research institutions. Explanation should be provided for the transfer of equipment expenses, experimental and operating expenses, labor costs, respectively, after an agreement is reached through consultation. If multiple collaborative institutions are involved, transfersto each individual institution should be explained respectively.  3. Self-Raised Funds  For self-raised funds, a brief explanation of the funding sources and the specific uses of the funds should be provided. |