

Frequently Asked Questions – FPA application procedure

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1. What is humanitarian aid? (Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid (HAR))

Pursuant to Article 214(1) of the Treaty on the Functioning of the European Union and Article 1 of Council Regulation (EC) No 1257/96 concerning humanitarian aid, the European Union's (EU) operations in the field of humanitarian aid are intended to provide assistance, relief and protection on a non-discriminatory basis to help people in third countries, particularly the most vulnerable among them, and as a priority those in developing countries, victims of natural disasters, man-made crises, such as wars and outbreaks of fighting, or exceptional situations or circumstances comparable to natural or man-made disasters. Such aid also comprises operations to prepare for risks or prevent disasters or comparable exceptional circumstances.

The areas of intervention of actions funded by the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) include, among others, provision of food assistance, shelter, health, water and sanitation and protection of victims of fighting, to cope with the consequences of population movements and carry out short-term rehabilitation and reconstruction. DG ECHO also finances disaster preparedness actions (DIPECHO) to ensure preparedness for risks of natural disasters and promote the use of early-warning systems.

All humanitarian aid operations must be conducted in compliance with the principles of humanity, independence, neutrality and impartiality.

2. What is the difference between humanitarian and development aid?

Humanitarian aid operations of the European Union intend to provide ad hoc assistance and relief and protection for people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these different situations (Article 214 TFEU). Within the European Commission, the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) is responsible for coordinating this assistance. Detailed provisions and regulations for the provision of humanitarian aid, including its financing instruments, are laid out in the Humanitarian Aid Council Regulation (EC) No 1257/96 of 20 June 1996, whereas the overall policy framework for humanitarian assistance is outlined in the 'European Consensus on Humanitarian Aid', signed by the Commission, the European Parliament and the Council on 18 December 2007. Thus, European Union (EU) humanitarian aid is to provide a needs-based emergency response aimed at preserving life, preventing and alleviating human suffering and maintaining human dignity wherever the need arises and if governments and local actors are overwhelmed, unable

or unwilling to act. EU humanitarian aid encompasses assistance, relief and protection operations to save and preserve life in humanitarian crisis or their immediate aftermath, but also operations aimed at facilitating or obtaining access to people in need and the free flow of assistance. It may require that actions be implemented on an urgent basis. In order to ensure neutrality and impartiality in the delivery of EU humanitarian aid, aid is not granted to national authorities.

The European Union development and cooperation policy has as its primary objective the reduction and, in the long term, the eradication of poverty (Article 208 TFEU). Within the European Commission, the Development and Cooperation Directorate-General (DG DEVCO) is the Directorate-General responsible for formulating EU development policy and defining sectorial policies in the field of external aid, in order to reduce poverty in the world, to ensure sustainable development and to promote democracy, peace and security. It is specifically aimed at promoting good governance, human and economic development and tackling universal issues, such as fighting hunger and preserving natural resources. Development aid focuses on structural interventions, including budget support and capacity building of national authorities.

3. Which are the fundamental humanitarian principles?

The fundamental humanitarian principles, which the European Union (EU) is firmly committed to uphold and promote, are the principles of humanity, neutrality, impartiality and independence. These principles are essential to the ability of humanitarian actors to operate on the ground in often complex political and security contexts and subsequently to the assessment and acceptance by the EU of humanitarian aid operations carried out by humanitarian actors.

- The principle of **humanity** means that human suffering must be addressed wherever it is found, with particular attention to the most vulnerable in the population. The dignity of all victims must be respected and protected.
- **Neutrality** means that humanitarian aid must not favour any side in an armed conflict or other dispute.
- **Impartiality** denotes that humanitarian aid must be provided solely on the basis of need, without discrimination between or within affected populations.
- Respect for **independence** means the autonomy of humanitarian objectives from political, economic, military or other objectives, and serves to ensure that the sole purpose of humanitarian aid remains to relieve and prevent the suffering of victims of humanitarian crises.

4. Do projects for education fall under the scope of Council Regulation (EC) No 1257/96 concerning humanitarian aid of 20 June 1996 (HAR)?

Article 1 of Council Regulation (EC) No 1257/96 concerning humanitarian aid of 20 June 1996 (HAR) states: "The Community's humanitarian aid shall comprise assistance, relief and protection operations on a non-discriminatory basis to help people in third countries, particularly the most vulnerable among them, and as a priority those in developing countries, victims of natural disasters, man-made crises, such as wars and outbreaks of fighting, or exceptional situations or circumstances comparable to natural or man-made disasters. Such aid shall also comprise operations to prepare for risks or prevent disasters or comparable exceptional circumstances." Therefore, projects for education could potentially fall under the HAR.

DG ECHO identified the following main sectors of intervention: food assistance, short term food security and livelihood support; water, sanitation and hygiene promotion; health; nutrition; shelter and non-food items (NFIs); disaster risk reduction/disaster preparedness; protection; child protection; gender; coordination such as coordination in humanitarian crisis, public awareness and advocacy; support to special operations such as logistics, security, capacity building, emergency infrastructure; and mine action. Education is thus not treated as a separate sector of intervention, but it does, however, represent a sub-component of several humanitarian aid sectors, *e.g.* the sector of child protection.

For further guidance consult the documents on DG ECHO's sectorial policy concerning Children in Emergency & Crisis Situations available on DG ECHO's website: http://ec.europa.eu/echo/policies/sectoral/children_en.html

You may also examine Commission Implementing Decision C(2012) 8903 of 28.11.2012 on the financing humanitarian actions from the 2012 general budget of the European Union for children affected by conflicts http://ec.europa.eu/echo/files/funding/decisions/2012/children_conflicts_en.pdf

5. Do projects for animal welfare fall under the Council Regulation (EC) No 1257/96 concerning humanitarian aid of 20 June 1996 (HAR)?

Article 1 of Council Regulation (EC) No 1257/96 of 20 June 1996 states: "The Community's humanitarian aid shall comprise assistance, relief and protection operations on a non-discriminatory basis to help people in third countries, particularly the most vulnerable among them, and as a priority those in developing countries, victims of natural disasters, man-made

crises, such as wars and outbreaks of fighting, or exceptional situations or circumstances comparable to natural or man-made disasters." Hence, the objective of DG ECHO funded humanitarian aid under this Regulation is to help people, victims of natural disasters or man-made crises. Animal related activities could therefore only be considered in support of/relating to human well-being (e.g. DG ECHO funded several projects on emergency veterinary relief to livestock owners and agro-pastoralist communities in war affected areas).

6. How does the assistance of Directorate-General Humanitarian Aid and Civil Protection (DG ECHO) work?

DG ECHO operates by funding humanitarian aid projects implemented by International Organisations (IOs), Specialized Agencies of European Union Member States (MSSAs) or non-profit-making autonomous Non-Governmental Organisations (NGOs) registered in a Member State of the European Union and specialised in the humanitarian field.

To be financed, applicant NGOs are to pass a selection procedure that may lead to the signature of a Framework Partnership Agreement (FPA) with DG ECHO. The selection criteria are based on Article 7 of Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid and on the Financial Regulation (Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget. The applicant has to complete a questionnaire, on, among others, its experience in the field of humanitarian aid, organisational set-up and its finances, and submit the questionnaire to DG ECHO along with supporting documents. If the assessment of the application is positive, the NGO will sign the FPA. The NGO may subsequently receive funding on the basis of specific project proposals presented to and accepted by DG ECHO. Therefore, the signature of the FPA does not in itself guarantee funding.

7. What is the Framework Partnership Agreement (FPA)?

The Directorate-General Humanitarian for Aid and Civil Protection (DG ECHO) does not intervene directly on the ground. The implementation of humanitarian aid actions is the responsibility of the humanitarian organisations with which the European Commission, or more specifically DG ECHO, enters into a partnership:

- Non-Governmental Organisations (NGOs) and Red Cross National Societies can conclude an FPA for NGOs;
- International Organisations (IOs) other than the United Nations can conclude an FPA for IOs;

- United Nations (UN) agencies can join the Financial and Administrative Framework Agreement (FAFA) concluded between the UN and the Commission; and
- Specialized Agencies of European Union Member States (MSSAs) sign up to respecting the General Conditions applicable to humanitarian aid actions when implementing DG ECHO-funded projects.

Each partnership agreement sets out the principles of partnership between DG ECHO and the humanitarian organisations, including the definition of respective roles, rights and obligations, and it contains the legal provisions applicable to the humanitarian actions financed by DG ECHO.

8. What are the objectives of the Framework Partnership Agreement (FPA) with NGOs?

The main objectives of the FPA are:

- a) to establish a stable and long-term cooperation mechanism between the Parties, based on mutual trust, respect for the mandate and specificity of each other's contribution to humanitarian aid, and on simplified procedures;
- b) to define the general rights and obligations of the Parties in implementing their partnership, and to lay down the rules governing Union-funded actions;
- c) to promote the concept of quality partnership, through selection criteria for the signature of this Framework Partnership Agreement based on professionalism, diversity, capacity to respond to humanitarian needs, adherence to agreed rules and standards, and a commitment to improve the delivery of humanitarian aid; and
- d) to promote the quality, efficiency and effectiveness of aid so as to ensure that Union-funded humanitarian aid actions are implemented in the most appropriate, rapid, efficient and effective manner, and that they attain their set results.

9. Which Non-Governmental Organisations (NGOs) can sign a Framework Partnership Agreement with Directorate-General Humanitarian Aid and Civil Protection (DG ECHO)?

The eligibility and suitability criteria for the signature of the FPA are based on Article 7 of Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid and on the Financial Regulation (Regulation (EU, Euratom) No 966/2012 of the European Parliament

and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union.

Based on these, NGOs must be non-profit-making autonomous organisations set up in a Member State of the European Union (EU) and must have their main headquarters in a Member State of the EU or in the third countries in receipt of EU aid. They also must be specialised in the field of humanitarian aid, which amounts to three years of proven relevant experience in the humanitarian field. Further criteria that are examined are administrative capacity, finance management capacity, technical and logistical capacity, adherence to the humanitarian principles, local partnership and experience in operational contexts, and readiness to take part in coordination activities established for overall operational effectiveness. Further on, the European Consensus on Humanitarian Aid has reaffirmed EU's commitment towards the fundamental humanitarian principles of humanity, neutrality, impartiality and independence. Accordingly, DG ECHO will only implement humanitarian aid with organisations that commit to respect these fundamental principles.

10. What are “niche” organisations?

The Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) defines niche organisations based on Article 186 of the Rules of Application of the EU Financial Regulation as organisations providing support and capacity-building activities necessary for the implementation of a programme or an action. In the context of humanitarian aid this may entail providing support services such as map-making, mine clearance, telecommunication, training or organisations specialised in transport.

11. Only Non-Governmental Organisations (NGOs) registered in a Member State of the European Union can sign the Framework Partnership Agreement (FPA)?

Based on the European Economic Area (EEA) Agreement, NGOs registered in Iceland, Liechtenstein and Norway are to be considered on an equal footing with NGOs registered in the EU for the purposes of Article 7(1) of Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid.

Furthermore, on the basis of Article 2(1) of the European Convention on the Recognition of the Legal personality of International Non-Governmental Organisations adopted by the Council of Europe on 24 April 1986 (Convention 124), the legal personality and capacity as acquired by an NGO in one of the signatory States of the Convention "*shall be recognised as of right*" in the other State Parties. This means that the legal personality of an NGO which satisfies the conditions foreseen in Convention 124 is recognised as such in all countries where Convention 124 entered into force. Thus, NGOs registered in a non-EU Member State

have the possibility to start the procedure for the signature of the FPA with the European Commission as soon as their legal personality is recognised in one of the Member States of the European Union that is a State Party to the Convention 124. A proof of the above mentioned recognition is requested by DG ECHO and must be submitted by the applicant organisation during the application process for the signature of a Framework Partnership Agreement.

12. What kind of an experience is required for a Non-Governmental Organisation (NGO) to sign a Framework Partnership Agreement (FPA) with the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO)?

In order to be able to implement humanitarian aid actions, potential partners of DG ECHO must demonstrate that they have sufficient experience in the field of humanitarian aid, which is understood as the applicant having been active for each of the past 3 years in humanitarian aid as defined in Articles 1 and 2 of Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid (HAR). In principle, the average project amount for humanitarian aid projects for each of the past 3 years should be above EUR 200 000 for non-niche organisations, and above EUR 15.000 for niche organisations.

When determining the level of operational experience of the applicant organisation, DG ECHO only takes into account the projects directly implemented, alone or in collaboration with local implementing partners, by the legal entity applying for the signature of the FPA. Mere funding of projects, implemented in totality by another organisation, even if it shares the name, statutes, codes of conduct and the like. with the applicant organisation, is not considered by DG ECHO to constitute experience for the applicant organisation in the humanitarian aid field.

Experience as implementing partner on DG ECHO-funded projects will be considered as an added value.

13. Why does the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) ask for at least 3 full-time equivalent staff for non-niche organisations?

The existence of full-time remunerated staff, whose rights and obligations towards the organisation are clearly defined in a document producing legal effects (such as an employment contract or any equivalent act), is considered by DG ECHO to constitute a minimum guarantee of the organisation's ability to operate and manage funds without there being too high of a risk of disruption in the conduct of the organisation's business, which could adversely affect the sound management of Union funds.

14. Which are the exclusion criteria referred to in the application procedure for the signature of the Framework Partnership Agreement (FPA)?

The exclusion criteria are established in Articles 106 and 107 of the Financial Regulation (Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002). With reference to a legal entity, paragraphs a) to f) below are applicable, and with reference to the natural persons with power of representation, decision-making or control over the above-mentioned legal entity (covering the company directors, members of the management or supervisory bodies, and cases where one natural person holds a majority of shares), the paragraphs b), e), g), and h) below are applicable. Thus an applicant organisation will not be able to sign an FPA and/or a grant agreement if:

1. is bankrupt or being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
2. has been convicted of an offence concerning professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
3. has been guilty of grave professional misconduct proven by any means which the contracting authorities can justify including by decisions of the European Investment Bank and international organisations;
4. is not in compliance with all its obligations relating to the payment of social security contributions and the payment of taxes in accordance with the legal provisions of the country in which it is established, with those of the country of the contracting authority and those of the country where the contract is to be performed;
5. has been the subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such activity is detrimental to the Union's financial interests;
6. is a subject of an administrative penalty for being guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in a procurement procedure or failing to supply this information, or having been declared to be in serious breach of its obligations under contracts covered by the Union's budget;

7. it is in a conflict of interest in connection with the Framework Partnership Agreement (FPA); a conflict of interest could arise in particular as a result of economic interests, political or national affinity, family, emotional life or any other shared interest;

8. has granted or will grant, has sought or will seek, has attempted or will attempt to obtain, or has accepted or will accept any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to signature of the Framework Partnership Agreement.

15. Why are annual activity reports requested?

An annual activity report is a document that provides an overview of the key results and achievements of an organisation in the previous year. The requirement to provide annual activity reports is based on Article 7(2)(b), (c) and (d) of Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid. As such it concerns the technical and logistical capacity, and the experience in the domain of humanitarian aid and the results of previous operational activities of the applicant organisation. The yearly-published activity reports are requested by the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) for the three years prior to the application for a signature of the Framework Partnership Agreement as they represent a basic source of information concerning the operational features/strengths of the applicant organisations.

17. What are the annual statutory accounts?

The annual statutory accounts are defined in accordance with Articles 144 and 145 of the Financial Regulation (Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union. Annual statutory accounts shall present information, including information on accounting policies, in a manner that ensures it is relevant, reliable, comparable and understandable. They consist of:

- (a) the balance sheet and the statement of financial performance, which represent all assets and liabilities, the financial situation and the economic result of the preceding year; they shall be presented in accordance with the accounting rules based on internationally accepted accounting standards;
- (b) the cash-flow statement showing amounts collected and disbursed during the year and the final treasury position;

(c) the statement of changes in net assets presenting an overview of the movements during the year in reserves and accumulated results.

The notes to the annual statutory accounts supplement and comment on the information presented in annual statutory accounts and supply all the additional information prescribed by internationally accepted accounting practice where such information is relevant to the activities of the Union. Specifically, they are to contain at least the following information:

- (a) accounting principles, rules and methods; and
- (b) explanatory notes, supplying additional information not contained in the body of the annual statutory accounts which is necessary for a true and fair view of the information contained in the annual statutory accounts.

Audit certification corresponds to a statutory audit (full scope audit), having due regard to the International Standards on Auditing (ISAs) and International Auditing Practice Statements (IAPSS) set under the auspices of the International Federation of Accountants (IFAC), which outlines the basic requirements to which auditors should adhere.

18. What is an "approved external auditor"?

An approved external auditor, referred to in Article 196(3) of the Rules of Application of the Financial Regulation is a certified auditor which is not appointed by or affiliated with the applicant organisation and is thus not accountable to the latter. He/she is to act totally independently of the applicant organisation in the performance of his/her duties, i.e. when verifying the proper operation of budgetary implementation systems and procedures.