



“One year after the 2008 FPA”

***Study implemented by the FPA Watch Group and
presented to DG ECHO Unit B2***

Brussels, 15 July 2009

Voluntary Organisations in Cooperation in Emergencies (VOICE)
43 Avenue Louise, 1050 Brussels, Belgium
Tel: +32(0)2 5411360 Fax: +32(0)2 5349953 E-mail:
information@ngovoice.org
Website: www.ngovoice.org

The FPA Watch Group bringing together 31 ECHO NGO partners, is widely recognised as being the relevant body to represent the views of ECHO NGO partners in matters related to the FPA.

Following its mandate, the FPA Watch Group monitors the implementation of the FPA and raises NGO concerns with DG ECHO in order to improve the operations in the field.

In 2008, DG ECHO launched its new FPA introducing the new status of A and P partners (with different control mechanisms). The FPA Watch Group has been very involved in the process of preparation of the new FPA but also in relation to its implementation (notably in the development of guidelines).

Following a request from DG ECHO Unit B2 to provide a broad feedback on the new agreement, the FPA Watch Group below presents the results and conclusions of the study developed in June.

The study has been sent to all members of the Watch Group and to VOICE members. Out of the 86 NGOs that received the questionnaire, 53 provided an answer.

CONCLUSIONS of the STUDY:

About the FPA in general... (Questions 1 to 4)

Overall the new FPA is positively perceived (90% of the respondents consider the new FPA as satisfactory or good). During the transitional phase, the communication between ECHO and its partners was good. The reasons and main objectives to simplify the FPA have been widely understood and accepted.

Suggestions for improvement:

- The new FPA would be further appreciated if the requirements in terms of financial reporting were also simplified.
- DG ECHO should consider improving the internal knowledge about this FPA in order to avoid different interpretations.
- Although 67% of the respondents thought the assignments of A and P were clear and reasonably applied, it is significant that even among P partners (those who one would assume would be satisfied with the process) there are concerns about the transparency of the process. Therefore, the Watch Group suggests the publication of the criteria used to appoint 'A' and 'P' status on DG ECHO's website .

About the Guidelines and Factsheets... (Questions 5 to 6)

The guidelines and fact sheets are considered very useful and properly done. They are widely used (only 2% declared not using them at all).

Suggestions for improvement:

Many respondents are unhappy about the time it took to develop the guidelines as they were running projects with systems not necessarily set up to satisfy the requirements of the guidelines. (In fact, the procurement guidelines are still not ready, one and a half year after the launch of this FPA!)

- The financial guidelines should be revised and simplified

- The guidelines should have more explanations, clearer language and adopt a more user-friendly format.
- The guidelines should be easily visible/accessible on ECHO's website
- DG ECHO should consider longer FPAs (e.g.6 years). The guidelines should be valid for the entire duration of the relevant FPA.

About the Helpdesk and the Trainings... (Questions 7 to 8)

The Helpdesk and the trainings are generally seen as useful resources by users.

Suggestions for improvement:

- DG ECHO should better promote the helpdesk since it remains a relatively unknown resource (47% of respondents never used it).
- To further improve the level of satisfaction of the Helpdesk users, DG ECHO needs to ensure shorter response time to questions, clear and detailed responses (a copy of the guidelines is not bringing any additional value). Finally the Watch Group requests DG ECHO to officially recognise the answers from the helpdesk.
- Increasing the number of places available in the FPA trainings (both in Brussels and in the field) should be the most important action to be taken in order to ensure a wider participation.
- The NGOs suggests that trainings are available from Day 1 of the next FPA.

About the Transition Period and ECHO staff... (Questions 9 to 11)

The transition phase was considered as complex for the NGOs. Shifting from the 2004 FPA format to the new one was a difficult exercise for the on-going grants. ECHO staff both at HQ and field level is perceived to be helpful by two third of the respondents.

Suggestions for improvement

- Many comments raise the issue of inconsistencies in the interpretation of the new FPA by the Desks in Brussels and by the TAs in the field. As mentioned previously, DG ECHO should improve its internal trainings / capacity building regarding the implementation of this new FPA in order to avoid discrepancies in answers.
- As for the trainings, NGOs suggest that ECHO staff is already fully aware of the rules of the next FPA when it is launched in order to be in position to help partners.

About the Single Form... (Questions 12 to 17)

The general perception of the new Single Form is quite balanced: 47% of respondents considering the new SF easier and 53% finding it as difficult or even more than the previous SF.

Suggestions for improvement:

- While some NGOs recognise that it is a good practice to define the "Amount per Results", it remains difficult for the NGOs to put it into practice. The Watch Group suggests DG ECHO to clarify the level of details requested in the section 'Means and related costs' (SF 4.3.2), including the allocation of general costs.
- According to 86% of the NGOs, the level of information required by the new single Form is at least as demanding as before. Therefore DG ECHO should decrease its expectations in order to be consistent with the main objective of this FPA.

About Procurement... (Questions 18-20)

The new rules on procurement seem to be the most satisfying aspect to NGOs. 93% of the respondents consider this new system as an improvement.

Suggestions for improvement:

- Developing procurement guidelines in order for 'A' partners to better understand what is expected from them.
- Clarifying the audit procedures in order for 'P' partners to better understand what will be the running of audits now that they apply their own procurement procedures.

On Reporting... (Questions 21-25)

In terms of reporting NGOs have different opinions: while 24% judge the reporting requirements easier than before, 29% consider them as 'normal' and 47% estimate the new FPA as being more complicated in this regard.

The abolition of the pre-final report is a satisfactory measure for NGOs but the time saved is used for other reports (especially final).

Suggestions for improvement:

- In order to improve the financial reporting, DG ECHO should reconsider its requests and reduce the number of annexes and the levels of details to be provided at final stage.
- DG ECHO should make sure that 'A' partners understand what is expected from them in terms of reporting.

About Communication and Visibility... (Question 26)

Communication and visibility do not seem to be major issues for NGOs at the time of the study given the opportunities the new visibility guidelines might give.

Suggestions for improvement:

- DG ECHO should ensure all its NGO partners have a clear understanding of the new rules set up in the Communication and Visibility guidelines.

Key areas for improvement

Based on the first conclusions of the present study and the work done by the FPA Watch Group in previous months, suggests in a first step to:

- Revise the Financial Reporting and Financial guidelines in order for them to reflect the spirit of partnerships of the new FPA.
- Develop some Procurement Guidelines (with the same consultation process as for the previous ones) and make them accessible to all ECHO partners.
- Re-ensure internal capacity of ECHO staff (both in the field and at HQ levels) to avoid inconsistency in interpretation of the 2008 FPA.
- To specifically address the A partners and make sure they all know what is ECHO expected from them in term of grant management (and especially reporting).