

## (FPA) Watch Group meeting MINUTES

Monday, November 15<sup>th</sup>, 2021  
10 am to 1 pm  
*Virtual*

### Welcome

- General updates on VOICE's work: *see slides*
- New VOICE Team: Marion, Funding and Advocacy Assistant since May and Maria recently appointed as new Director. Soon VOICE will hire a new person taking over the responsibility for the Watch Group (WG) and the Task Force (TF)
- The group should be renamed to reflect the new name of the Humanitarian Partnership agreement: new name: "Humanitarian Partnership (HP) Watch Group and Task Force"
- As per the current ToR, the WG will soon be renewed, and the TF reelected. After this renewal process, the WG should meet more often (e. g. twice a year with DG ECHO and additional two times per year online for internal discussions) in order to strengthen the exchange and collaboration.

### Internal brainstorming: Updates from the (FPA) Task Force and breakout rooms.

*Objective: identify collectively the key questions to be asked to DG ECHO.*

- **Staff costs:** As one of the main changes introduced by the new Model Grant Agreement (MGA), the TF had many follow-up meetings with DG ECHO. In October, DG ECHO published a very welcomed authorising decision on staff costs, introducing a new option to calculate HR costs. Hence, as of now, there are two options to calculate them: 1/ using the organisation's current accounting practices, 2/ using the 215' days rule. Further clarification on the calculation in consortia is still needed. However, DG ECHO already confirmed that in a consortium, co-partners are not obliged to choose the same option. More information should also be published in the AGA.
- **Provisional Annotated Annex 5:** The document released end of October by DG ECHO – which is not the AGA itself – contains DG ECHO specific rules.
- **Partnership 2021 Webinar:** In the morning, DG ECHO will organise an overarching discussion around the new Humanitarian Partnership, to draw a 'State of play', and to identify key challenges and solutions. This meeting will be structured around 2 main sessions: 1/ on the Partnership Cycle (addressing topics such as the certification, audits, etc.); 2/ on the Project Cycle (addressing topics such as the MGA, the Single Form, etc.). Each session will be followed by a Q&A between partners and DG ECHO. Two parallel sessions will take place in the afternoon: 1/ on the lessons learned from the Pilot Programmatic Partnership (PPP); 2/ on the new environmental requirements. The TF exchanged closely with DG ECHO about the agenda for the Partnership Webinar.

- **European Humanitarian Forum (EHF):** Currently, several parallel processes are ongoing: consultations at field level (coordinated with ICVA's support) and 3 other upcoming "warm-up" webinars on: climate resilience (together with VOICE), International Humanitarian Law, and extending the donor's base. The program is already drafted except for the Humanitarian Talks.
- **AOB:** concerns regarding the increased administrative burden were raised, as well as on the audits, negative interest rate, the exchange rate and data protection. Members also highlighted the increased number of questions at proposal' stage.

// 45-minute breakout rooms on the above-mentioned topics//

### **Exchange with DG ECHO.**

*Minutes approved by DG ECHO*

#### **1. Staff costs**

**Watch Group:** How far can we apply our own accounting practices? How will it be assessed during audits? What about leaves? Do we have to submit an amendment request (general amendment, amendments for each project? When?). In addition, the Watch Group would welcome further reassurance ahead of audits for projects rolled out during the transition period so that it would be taken into account that some clarification was missing due to the missing AGA.

**DG ECHO:** Amendments' requests are not necessary, as the filling of the relevant column in the budget at final reporting stage will be sufficient.

The staff costs authorising decision is retroactive (1<sup>st</sup> January 2021). All this information will be available in writing in the Q&A.

**Watch Group:** For example, in case one organisation, as per its internal accounting practices, includes in its monthly rate: rental costs, school fees for international staff, travel allowances: does that supersede over DG ECHO's budget guidance?

**DG ECHO:** Travel costs can't be included in staff costs, as they need to be budgeted in another category. Otherwise, the ability to include a certain type of HR cost will depend on the organisation's remuneration policy. For example, if it is common practice to include rental costs in staff costs, then it can be included in the rate.

#### **2. Provisional Annotated Annex 5**

**Watch Group:** Does the information provided by the provisional Annotated Annex 5 will feed the helpdesk? Would it be possible to get further guidance on the "exceptional extreme operational conditions"? On counterterrorism measures, could DG ECHO confirm that the Annex 5 provides the sufficient exemption regarding the screening of final beneficiaries? Does it apply for both people and organisations? What is the level of screening required for Implementing Partners? In addition, regarding safeguarding, the Watch Group would like to highlight that further guidance on the reporting of sensitive cases in the Annex 5 would have been welcomed.

**DG ECHO:** DG ECHO is currently working on the Q&A. In general, it will become an important reference for partners.

On the publication of the [AGA](#), DG ECHO is advocating towards the central service for the first batch (i. e. the first 6 articles) to be published as soon as possible. Meanwhile, organisations are invited to contact the Punto Sud helpdesk to ask their questions. DG ECHO highlights that they are very cautious not to contradict whatever will be published in the AGA. Hence, the final Annotated Annex 5 won't be very much different from the provisional document.

On [restrictive measures](#), DG ECHO confirms that final beneficiaries are not to be vetted. This applies to "natural" persons, not to organisations.

On [safeguarding](#), the second version of the draft SEAH yearly reporting template has been shared with the (FPA) Task Force, for them to share their comments. After that, DG ECHO will share the template with all its partners. A webinar will be organised to launch the document. For the first year of application, as DG ECHO recognizes that NGOs will need time to adapt their system, there will be flexibility as to the amount of information shared in the template. After the first year of implementation, DG ECHO will remain open to revise the document if needs be. On another note, it is difficult to provide a definition of sensitive cases. This must be "common sense": cases that could appear in the press, that could raise questions from the parliament, that could put at risk the reputation of both NGOs and DG ECHO. On the contrary, if the case is insulated, that the organisation has not identified any systemic component, nor any negligence, then a real time reporting to DG ECHO is not necessary. The case will only be part of the aggregated information provided in the yearly reporting template.

On the "[exceptional extreme operational conditions](#)": See the list of the specific constraints that should be identified in the [Provisional Annotated Annex 5](#) (Section: "Specific rules for carrying out the action", sub-section 8).

The [record-keeping](#) applies to all the information collected in relation to the grant, not only financial records, but also operational issues, allegations... This information can be asked in case of an evaluation.

### **3. Partners' Day & European Humanitarian Forum (EHF).**

**Watch Group:** The Watch Group would have welcomed more transparency with regards to the field consultations. How will they be linked to the EHF? Will the "outcome papers" be available publicly and will the rapporteurs of each consultation's strand will be speaking at the EHF? About the Humanitarian Talks, partners got the information on how to submit a concept note far too late – and mostly informally. Thus, the Watch Group would like to know whether it is possible to extend the 20<sup>th</sup> of November's deadline. In addition, is it still possible to feed into the panels that will take place during the EHF?

**DG ECHO:** The timeline has been extremely challenging. It is not DG ECHO's intention not to disseminate the information regarding the EHF preparation. As DG ECHO organises this event for the first time, a lesson learned exercise, together with partners, after the EHF would be very welcomed.

For the Partnership 2021 Webinar, dedicated to certified partners, DG ECHO is trying to enhance its linkages with the Forum, to ensure operational and policy issues are bridged.

Regarding the field consultations, they were not organised at HQ level, but by DG ECHO's regional offices. However, the point is well taken that further communication would have been needed. The consultations' outcomes format is still under discussion, trying to ensure the most digestible document as possible, that could potentially feed the opening session.

On the panels and humanitarian talks, DG ECHO is currently harvesting suggestions for topics and concepts. For the Talks in particular, partners are invited to use the template that was shared to develop proposals. A specific mailbox for submissions is available. The deadline might be extended to end of November.

In the margin of the Forum, a discussion between Commissioner Lenarčič will be organised (tentative duration: 1h30). The exact slot and concept are still to be determined. DG ECHO would very much welcome VOICE members' inputs to shape the session.

The Humanitarian Talks are an accompanying element, providing partners and Member States a platform where non-scripted discussions can happen.

#### **4. AOB**

**Watch Group:** DG ECHO has updated its internal audit strategy for the period 2021-2024. The Watch Group would welcome further information on it.

**DG ECHO** agrees to provide partners with an informational note.

#### **Wrap up and internal exchange.**

As the provisional Annotated Annex 5 states that the screening exemption only applies for "natural" persons, and not to organisations, the WG agrees to share further feedback regarding the implications of screening of organisations. The objective is to gather evidence as well to gather further understanding on the level of screening that is expected. For example: do organisations need to screen organisations that have no "formal" administrative structure?

The Task Force and Secretariat should further follow up on audits, building on the concerns shared during the breakout sessions.

Written information on staff costs, validated by DG ECHO will be shared, as well as further guidance ahead of the EHF.

VOICE thanks DG ECHO, the Watch Group and Task Force for this interesting and important exchange.