



## **FPA Watch Group**

Minutes of the meeting 3<sup>rd</sup> March 2011, Brussels

### **PARTICIPANTS**



20110303 FPA WG  
FINAL PARTICIPANT

#### **1. Introduction**

Participants were welcomed to the meeting.  
The agenda was approved.  
Minutes of the last meeting were approved.

#### **2. Update from VOICE**

One of VOICE's top advocacy priorities is currently the next EU multi-annual financial framework (MFF). Key concerns are to preserve a separate budgetline for humanitarian aid in the next MFF and to ensure sufficient funding for humanitarian aid (at least 1 billion euro per year).

VOICE will also prioritise the potential opening of the Humanitarian Aid Regulation.

#### **3. Update from Task Force**

An overview of FPA Watch Group (WG) participation showed that in 2010 32 organisations attended WG meetings, the group met 3 times, with an average of 21 attendees. According to figures for 2009, 263 million euros of ECHO funding in that year was via FPA Watch Group members, which represented 67% of all ECHO NGO funding in 2009.

The Task Force had a useful meeting with Mr Mosselmans in January before his departure from former Unit B2, which included an exchange on ways of work in 2010. The TF took the opportunity to stress the importance of good information flow, and the problems posed by apparent reversals of policy, or introduction of changes without prior communications. The TF underlined the importance of predictability in partnership, not least in order to support effective implementation.

ECHO agreed that there had been some internal constraints to communications, and emphasized the desire to interact with FPA WG not only focused on details of text amendments, but to ensure wider discussion of associated FPA issues as well.

*The WG reconfirmed that work invested in text precision for guidelines and supporting documents is important to ensure clarity of rules and procedures for practitioners, while recognising the unique role of the WG (including via TF) to share understanding with ECHO of NGO views and constraints on FPA topics..*

The TF also had a useful introductory meeting with Mr Buisseret, new Head of Unit C3. Mr Buisseret presented his role as one of stabilisation and simplification following last year's introduction of several FPA innovations.

#### **4. Workplan 2011**

The WG approved the workplan for 2011. The workplan will be updated through the year by the Task Force.

In discussing the workplan, the WG agreed that it is important in particular to assess innovations introduced over the last year as they relate to the FPA: this includes HIPs, e-tools, and the use of consortia. 'Stop the clock' letters also seem to be increasing, and information requirements and delays at liquidation stage remain a key concern.

The Task Force will draft questions to get feedback from the WG working with HIPs and new system of funding decisions. An overview of comments and potentially recommendations for improvement can then be shared with ECHO prior to development of the next round of HIPs.

## **5. Meeting with ECHO C3 (Legal, Finance and Partner support)**

The Watch Group met with ECHO C3, in the persons of Mr Jean-Pierre Buisseret (Head of Unit) and Anne Simon.

Mr Buisseret introduced his role as new Head of C3 as one of stabilizing and simplifying systems where possible. Simplification could include via HIPS, and with reference to improving to e-single form functioning etc. Mr Buisseret is interested to look at how to improve partnership and communication with the Watch Group.

HQ costs - a paper defining eligible HQ direct costs is still under discussion in ECHO. One of the proposals is to accept up to 3% of direct HQ costs without extended verification at liquidation stage, which would be subject to justification at audit stage. The paper from the WG of May 2010 has been used in considering this issue.

*WG Comments: inclusion of direct HQ costs representing 3% of proposed budget as guidance could be a good idea, but requesting more in particular cases should also be possible. Bearing in mind the varying management structures of NGOs, it should be clear whether costs such as regional offices are eligible.*

*Post-meeting note* – An internal communication from ECHO on HQ costs has been received and response is under preparation.

ECHO internal document on assessing performance – a generalized internal document on assessing performance was prepared, and subject to much discussion in ECHO, including with desks. It is not yet agreed. Partners are encouraged to be as clear as possible in interim and final reporting in order to explain potential / actual failure to achieving anticipated results. This message will be shared via the regular newsletter.

*The WG shared its concern that previously issued guidance might be applied by desks to reduce contribution at liquidation stage. In cases of reduced final contribution, it can be unclear where the decision comes from.*

ECHO unit C3 looks at cases where Desks propose a reduction in direct cost contribution, including looking at original indicators set to determine target results.

Proposal Assessment Working Group inside ECHO - 2 meetings have been held to date, including geographical desks to streamline and simplify criteria and process for assessing proposals. Some internal support documents may be developed, but no adaptation of guidelines for partners is envisaged.

Partner assessment phase I : only half of partners sent in full documentation. Phase II will cover maximum 60 partners: one third automatically selected, and 20 who have asked to be assessed (mostly those who had changed from P to A in previous assessment), or from internal request from auditors or desks. The launch of phase II is scheduled for the end of March.

Evaluation of HIPs Initial feedback on use of HIPs seems positive so far. A first draft report for HAC will be made in May, without technical details but with a position on the continuing use of HIPs. In June we will discuss further the format of HIPs before starting work on next year's strategy.

Responding to a question on consultative meetings prior to a HIP being issued, ECHO clarified that there is no obligation to have such a meeting, normally the Desk decides, and an invitation is sent through APPEL to all partners. In-country meetings might not be held where there are few partners for a particular situation.

*The WG noted that the 2 week timeframe between issuing of some HIPs and deadline for proposals was very short and made it difficult to give quality proposals. The move towards all partners being eligible for a HIP (as opposed to previous potential partner list in funding decision) was generally positively received, but noted that practice in the field still had to catch up with this in some countries. The close timing of HIPs all together also presented problems for some partners.*

ECHO Annual Partners Conference will take place 18-19 October. ECHO are open to contributions and suggestions.

*WG members noted that, regarding the FPA, last year's conference presented some significant issues and changes (consortia/coordinated approach, e-tools, new funding decision mechanism) but without sufficient room for discussion and reaction. An advance understanding of issues to be covered and more time for discussion would improve the opportunity for interaction.*

Consortia : Input from the Watch Group on issues to address in a FactSheet or FAQ regarding operating consortia under the FPA will also inform ongoing ECHO internal discussion. Currently approaches to consortia vary between desks. More internal discussion will seek to understand the contexts in which consortia are requested and what advantages this brings.

*The WG highlighted the main problem posed by NGOs feeling 'obliged' to form consortia for proposals, in addition to the extra coordination and management costs involved. A consolidation of questions regarding running consortia under the current FPA will be drawn up for input to development of ECHO's FAQ.*

E-Single Form – The system seems to be working well with 300 proposals received by end of February via the e-tools system. The IT team is constantly addressing technical problems. For the finance unit the system will be very helpful to have access to all the proposals at one time, and it will be useful for analytical purposes in the longterm.

*The WG expressed appreciation for the IT team, which has been very responsive in seeking solutions to problems arising. However, NGOs note that so far the system represents an additional burden of administration, intensified by the slow speed of the system and the bugs encountered. The difference between the word version and e-version of the Single Form has presented some problems and there have been some delays in contract approvals indicated in the system.*

ECHO confirmed that Desks would be asked to accept 'old' format Single Forms until the new e-SF format is available (planned for March). It is now also possible to submit Letters of Intent within the system – 'compulsory' fields have been suppressed to make this possible.

## **DATE OF THE NEXT MEETING**

- The next meeting will be **20 June 2011**.