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I. Single Form:

1. Where is the final version of the new Single Form (SF 2008) available? (20/12/2007)

ANSWER: The content of the final version is available on http://ec.europa.eu/echo/partners/fpa_en.htm.

2. Do Partners who started to work on a funding request for 2008 have to present it in the new SF 2008 format? (19/11/2007)

ANSWER: Yes. As the Single Form has been thoroughly modified, geographical desks and field experts should encourage all partners to use the new Single Form for funding requests which will lead to grant agreements in 2008.

3. Are there any exceptions to using Single Form 2008 for projects starting in 2008? (19/11/2007)

ANSWER: For reasons of consistency, efficiency and legal certainty, it is strongly advised to use the SF 2008. There might, however, be exceptional situations which should be analysed and agreed, together with DG ECHO B2, on case by case basis.

The following example may be given:

In cases where the use of the new SF 2008 would significantly delay the signature of the grant agreement (e.g. primary emergency cases), and where the funding request has already been submitted and negotiated in the old SF. The size and available resources of the organisation should be also taken into account.

The Partner would, in any case, have to present the Intermediate Report in the new SF 2008.

In cases where the old SF is used for grant agreements signed in January 2008, the Partner must be informed of the necessity to submit the Intermediate Report in the new format of the SF. The rules applicable and the format of the Agreement will be those of the FPA 2008.

4. Is it possible to use SF 2008 for the grant agreements still to be signed in 2007 under the old FPA (FPA 2003)? (19/11/2007)

ANSWER: Yes, it is possible to use SF 2008 for such grant agreements, but only at the initiative of the Partner who requests and accepts it voluntarily. DG ECHO should not impose it. The rules applicable and the format of the Agreement will be those of the FPA 2003 as long as the agreement was not transferred to the FPA 2008 (see next question).

5. When will the guidelines on the new Single Form 2008 and Financial Reporting be available? (19/12/2007)

ANSWER: The guidelines on the new Single Form and Financial Reporting in a version agreed at the level of DG ECHO/B-2 are available:

http://ec.europa.eu/echo/partners/fpa_en.htm. The guidelines will be completed with feedback and comments from Partners and Desks during the first months of 2008, and a final version

issued by May/June 2008. The fact sheets will also be revised to ensure coherence with the new FPA (a first draft is also available on the website).

6. *Is it possible for a Partner to use their own presentation of costs in section 11 of the SF 2008? What is the meaning of Footnote 10 in the new SF 2008? (29/11/2007)*

ANSWER: One of the novelties of the new FPA 2008 is that the presentation of costs is as close as possible to the Partner's normal practice. The headings in the front column of table 11 (eligible costs of action) can be chosen in line with the Partner own financial reporting. These headings should constitute the different chapters of the final financial report.

Footnote 10 of the new SF 2008 states that: "The partner can use another representation of costs in line with the current practice in its organisation. These headings will become the chapters of the final financial reporting. In case personnel costs and the costs on information, communication and visibility are not explicitly available in section 4.3.2, these have to be explicitly mentioned in this table ". In cases where the costs related to personnel and communication, visibility and information cannot be clearly identified in section 4.3.2 of the Single Form, they should be separately mentioned in this list (see also guidelines Single Form).

The Partner must be aware that its financial reporting at the end of the project must correspond to the presentation used in the SF.

7. *Does the SF 2008 still require filling in the financial budget documents as it was the case previously? (20/12/2007)*

ANSWER: With the new Single Form the financial overview of the action (section 11) needs to be filled in. Another representation of costs in line with the current practice in the Partner's organisation is possible (see footnote 10 of the SF). It is not necessary anymore to fill in the financial budget documents under the FPA 2003 for agreements to be signed as from 1 January 2008. The Partner is free to use the documents he wants, in line with Footnote 10 of the SF. In case if the Partner continues with the current practice, he can enter the relevant headings in the first column of section 11 of the new SF.

The Partner must be aware that its financial reporting at the end of the project must correspond to the presentation used in the SF.

8. *Are there any guidelines to outline what should be included as 'eligible cost' categories within the new financial overview section of the Single Form? For example explaining what is meant by 'low value equipment allowance' and 'partially charged costs' and 'fully charged costs'. (20/12/2007)*

ANSWER: There are no mandatory guidelines to outline what should be included as 'eligible cost' categories in section 11 of the Single Form. However there are guidelines on the SF and final financial reporting, the draft versions of which are available in DG ECHO's internet website.

The partner does not need to split programme costs by the 3 categories 'Low value equipment allowance', 'partially charged costs' and 'fully charged costs' at the proposal stage (please refer to the final version of the SF in DG ECHO's internet website). These categories are to be specified at the final financial reporting stage only, as explained in the guidelines for final financial reporting (see section 5.2 and following).

II. Eligibility of Partners to sign new FPA 2008

1 Which Partners have been invited to sign the new FPA 2008? (20/12/2007)

ANSWER: ECHO tried to assess the compliance with the eligibility and suitability criteria of the new FPA on the basis of information available already in DG ECHO, be it through APPEL, implemented projects, the annual assessment 2005-2006 or audits carried out by DG ECHO.

The Partners for which DG ECHO considered that the available information is not sufficiently up-to-date to allow this compliance assessment, were not proposed for a signature of the new FPA 2008. They can sign the new FPA after the analysis of additionally provided information. For simplicity reasons this analysis will be organised in the same way as for new partners, but the process may be more time efficient as we had already a partnership relation. These partners have been informed by letter, signed by Mr. Cavaco, that their FPA will end on 31.12.07, and that they are invited to submit their application for the new FPA as from January 2008 if they wish to apply for the new FPA.

III. A & P control mechanism:

1. How were the Partners informed about their A or P - control mechanism? (20/12/2007)

ANSWER: Partners were informed about the proposed control mechanism A or P by email on 6th December 2007 and subsequently these letters were sent out by registered post. Each partner has also received an explanation of the different criteria used and DG ECHO's appraisal. Partners who consider that DG ECHO did not have correct or complete information available will have a possibility to react on their status before the end of 2007 and DG ECHO will then re-assess the applicable control mechanism.

2. How can the A and P control mechanisms be changed? (19/11/2007)

ANSWER: There are two possibilities to change the applicable A or P control mechanism:

- As a result of the annual assessment exercise carried out by DG ECHO;
- At the request of a Partner and after providing additional information.

3. What is the difference between the A and P control mechanisms? (19/11/2007)

ANSWER: The FPA 2008 introduced the following two control mechanisms for Actions:

- The A – control mechanism (A standing for Action related monitoring): this mechanism does not require the same level of ex ante assurance with respect to the financial, internal control and procurement procedures of the Partner. Under the A-control mechanism, the Partner will have to comply with the detailed procurement procedures of Annex IV, applicable to the award of grant agreements exceeding EUR 60.000. Actions will be subject to detailed reporting requirements and to intensified monitoring and controls during the implementation and liquidation stage. Ex-post verifications will be focused on the eligibility aspects of the Actions rather than on the Partner's procedures. Actions under this mechanism will be subject to a maximum funding ceiling or to additional supervision, on a case-by-case basis
- The P – control mechanism (P standing for Prior assessment and own Procedures): this mechanism is applicable to those humanitarian actions where the Humanitarian Organisation's financial, internal control and procurement procedures are recognised as equivalent to internationally accepted standards. This recognition implies a prior assessment of the Partner's internal procedures. The recognition of equivalence will be translated in practice into greater flexibility in managing the humanitarian aid action, for instance by enabling the Partner to apply their own procurement procedures. The sound implementation and respect of the Partner's procedures will be confirmed through regular monitoring during the Action and through ex-post verifications. The humanitarian aid actions will not be subject to contractual limits on funding.

4. What criteria have been used for deciding whether a Partners' control mechanism is to be A or P? (19/11/2007)

ANSWER: DG ECHO used the following three criteria to decide on the applicable control mechanism:

- the partner's financial strength (e.g. annual turnover, dependency on DG ECHO or Commission funds, management of accounting system, and the like);
- the partner's internal control and risk management (audit trail, adequate segregation of duties, accountability procedures, risk appraisal and the like);
- the partner's procurement rules (the availability of written procedures, applicable thresholds, respect of mandatory principles of Annex IV, and the like).

5. What is the ceiling foreseen for grant agreements with "A" control mechanism agreements? (19/11/2007)

ANSWER: The ceiling foreseen for grant agreements with "A" control mechanism agreements is fixed for each partner in function of their financial capacity and the assessed criteria. This ceiling is notified to the partner at the same time as the notification on classification for the A-control mechanism. The Partner has the possibility to react to this notification of the control mechanism and its ceiling. It is understood that actions above this

ceiling are possible, but will require additional monitoring measures by DG ECHO, to be decided on a case-by-case basis.

6. *Partners using the P control mechanism are allowed to use own procurement procedures. Can they still use the single quote in urgent operations although this is not in their own guidelines? Or is it only for partners with an A-control mechanism? (20/12/2007)*

ANSWER: Chapter 2 and 4 of Annex IV, FPA 2008 are applicable to all partners. The derogation for urgent actions in Chapter 4 means that all partners (A and P-control mechanism) can use the ECHO-derogation for single quote, even when it is not in their own procurement procedures.

IV. Rules applicable to the transition from FPA 2003 to FPA 2008

1. *How will agreements signed under the FPA 2003 be amended to deal with the rules of the FPA 2008? (19/11/2007)*

ANSWER: The format of such amendments is currently still under discussion. DG ECHO B2 intends to propose the possibility of issuing supplementary agreement, indicating that the rules of the FPA 2008 will apply retrospectively for the whole period of implementation of the Action. At the time of such an amendment, additional information necessary for the sound monitoring and liquidation by DG ECHO will be attached. As the new FPA 2008 is more favourable to Partners than the FPA 2003, this should not cause additional constraints for the Partners neither for DG ECHO.

2. *What is the situation with regard to grant agreements concluded before 1st January 2008 and for which the operation ends after September 2008? (19/11/2007)*

ANSWER: The grant agreements concluded before 1st January 2008 and for which the operation ends after September 2008 will have to be amended in order to switch to the new FPA. The format of such amendments is currently under discussion (see Q IV.1). It should be noted that Partner will have the possibility to request such amendments for agreements between April and September 2008.

3. *How the transition to the new SF 2008 for the agreements signed in 2007 can be managed in practice? (20/12/2007)*

ANSWER: As the FPA 2008 takes only effect in 2008, all agreements signed in 2007 have to refer to the current FPA 2003. An amendment in 2008 will permit to apply retro-actively the conditions of the new FPA 2008.

As some partners already opted to use the new formats, some data from the old SF is not anymore presented in the same way in the SF 2008 and cannot be entered in HOPE. The informatics team does its utmost effort to get the most urgent changes ready before the year-end.

In the meantime, it is proposed to enter the available data to the extent possible and to keep the other information to the strict minimum in HOPE (e.g. global amount under 1 budget heading). If necessary, they will have to be completed when the new formats are available.

Also, for agreements concluded in 2007 with the new SF 2008, it is proposed:

- to add section 4.3.1 of the Single Form as annex 1 to the agreement
- to add section 11 of the Single Form as annex 2 to the agreement
- derogation for 2008 P-control mechanisms can be added as well in order to permit them to use their own procedures: "Article 9.2. As the control mechanism for agreements under the new FPA will be P, the Commission agrees that the Partner uses for the implementation of this agreement its own procurement procedures, which have to be in line with chapter 1 of Annex V of the current Framework Partnership Agreement, and to waive the rules established in the other chapters of that Annex."
- the cover letter should have a paragraph indicating that: "The new Framework Partnership Agreement will enter into force on 1st January 2008. As the present agreement is concluded in 2007, reference is still made to the rules of the 2003 FPA. In the first quarter of 2008, DG ECHO will send you an amendment to adjust the agreement to the 2008 FPA".

4. To what extent the new FPA 2008 affects the framework agreements with IOs and UN? (20/12/2007)

ANSWER: IOs (ICRC, IFRC, IOM) will sign an amendment to their FPA (as no end date foreseen for the FPA IO) in which current annex 1 and 2 are replaced by the new Single Form, current Annex 3 is replaced by the new Annex 2 (see further for the contribution agreement) and current Annex V is replaced by the new Annex IV. This enters into effect on 1st January 2008. In the first quarter a second amendment for the FPA (with its preamble) and the General Conditions is planned.

UN-agencies work in line with the FAPA and DG ECHO specifies the implementing tools. ECHO informed UN that they have to apply from 1/1/08 the SF 2008, new contribution agreement (see further) and the new procurement rules. Also for UN agencies a revision of the General Conditions is planned for the first quarter of 2008 (will be the same as for IO).

As the contribution agreement has to refer to the current General Conditions, a transition version has been created and is available on the website (for UN http://ec.europa.eu/echo/partners/un_en.htm , for IO http://ec.europa.eu/echo/partners/fpa_en.htm).

It is also possible to refer to the amendment 2008 by integrating in the cover letter a paragraph stating: "New General Conditions are under preparation. In the first quarter of 2008, DG ECHO will send you an amendment to adjust the agreement to the new general conditions".

Finally, the FPA for the non-EU IOs will probably be ended as they are not anymore in line with the new definitions in the Financial Regulation. In case an agreement has to be made with these Organisations, they will be treated in the same way as Specialised Agencies of Member States and will have to sign the General Conditions and the Contribution Agreement for each agreement.