

TECHNICAL ANNEX
EUROPEAN HUMANITARIAN RESPONSE CAPACITIES
FINANCIAL, ADMINISTRATIVE, AND OPERATIONAL INFORMATION

The provisions of the financing decision ECHO/WWD/BUD/2024/01000 and the General Conditions of the Agreement with the European Commission shall take precedence over the provisions in this document.

The activities proposed hereafter are subject to any terms and conditions that may be included in the related Humanitarian Implementation Plan (HIP).

1. CONTACTS

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2. FINANCIAL INFO

Indicative Allocation²: EUR 60 000 000.

As described in the HIP, the financial envelope will be used to continue developing and implementing the European Humanitarian response Capacity (EHRC), with the purpose of filling operational gaps in the humanitarian response to natural hazards and human-induced disasters.

Notably, the allocation will be used to:

- 1) Develop gap-filling capacities available to the humanitarian community.
- 2) Deploy the capacities to fill gaps in specific operations/scenarios.

Capacities	Estimated amount for development of capacity	Open for applications	Partners
Aviation services (HAB) – procurement of services	Capacity is established.	NO	Procurement
Aviation services (HAF)	Capacity is established. EU HAF agreement to be renewed.	YES	UNHAS
Warehousing, and road transportation, including cold chain	Up to EUR 6 000 000	YES	All partners
Accommodation and working spaces	Capacity is established	NO - only replenishment of ongoing actions	Partners selected in 2023
Expertise	Up to EUR 5 000 000	YES	All partners
Regional emergency stockpile of relief items	Capacity is established	NO – only replenishment/expansion of ongoing actions	Partners selected in 2023

² The Commission reserves the right not to award all or part of the funds made or to be made available under the HIP to which this Annex relates, or to allocate part of the funding to interventions with a regional or multi-country approach.

Use of/cooperation with the private sector for the provision of niche services.	Up to EUR 2 000 000	YES	All partners
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3. PROPOSAL ASSESSMENT

a) Co-financing:

Under the EU Financial Regulation, grants must involve co-financing; as a result, the resources necessary to carry out the action must not be provided entirely by the grant. An action may only be financed in full by the grant where this is essential for it to be carried out. In such a case, justification must be provided in the Single Form (section 10.4)³.

b) Financial support to third parties (implementing partners)

Pursuant to Art. 204 Financial Regulation, for the implementation of actions under direct management under this HIP, partners may provide financial support to third parties, e.g., implementing partners. This financial support can only exceed EUR 60 000 if the objectives of the action would otherwise be impossible or excessively difficult to achieve. In such cases, justification must be provided in the Single Form (section 10.6) based on the following grounds: a limited number of non-profit NGOs have the capacity, skills or expertise required; there are only a limited number of organisations in the country of operation, or in the region(s) where the action takes place; in a confederation, family or network context, the partner would rely on other members of the confederation, family or network to ensure geographical coverage, while minimising costs and avoiding duplication.

c) Alternative arrangements

In case of country or crisis-specific issues or unforeseeable circumstances, which arise during the implementation of the action, the Commission (DG ECHO) may issue specific ad-hoc instructions which partners must follow. Partners may also introduce via the Single Form duly justified requests for alternative arrangements to be agreed by the Commission (DG ECHO) in accordance with Annex 5 to the Grant Agreement.

d) Field office costs

³ Single form guidelines: <https://www.dgecho-partners-helpdesk.eu/ngo/action-proposal/fill-in-the-single-form>

Costs for use of the field office during the action are eligible and may be declared as unit cost according to usual cost accounting practices, if they fulfil the general eligibility conditions for such unit costs and the amount per unit is calculated:

- i. using the actual costs for the field office recorded in the beneficiary's accounts, attributed at the rate of office use, and excluding any cost which are ineligible or already included in other budget categories; the actual costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the costs, reasonable and correspond to objective and verifiable information.

and

- ii. according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

- e) Actions embedded in multi-annual strategies.

Funding under this HIP may be used to finance actions implemented in the framework of multi-annual strategies, as and when provided for in the HIP.

- f) Regional and multi-country actions.

Regional/multi-country actions can be supported under this HIP (and where relevant in conjunction with other HIPs⁴), where they are proven more suitable/effective than country-based interventions to respond to identified needs, taking into account the operating context, the strategy and the priorities set out in the HIP (or respective HIPs), the operational guidelines provided in section 4.1.2. of this Annex, as well as the applicant organisation's capacities. The proposals should specify the breakdown between the different country allocations.

⁴ For multi country actions falling under more than one HIP, partners are requested to submit only one proposal in APPEL. The single form should refer to the HIP that covers the majority of targeted countries.

4. ADMINISTRATIVE INFO

Allocation round 1 – Humanitarian Aid Flights

- a) Indicative amount: up to EUR 10 000 000
- b) Description of the humanitarian aid interventions relating to this assessment round: To provide regular passenger and cargo transportation solution to humanitarian organizations, with a focus on regions where many EU funded projects are implemented, on deep field destinations, or on acute emergencies which require increased aerial support.
- c) Costs will be eligible from 1 January 2024
- d) The initial duration for the Action may be up to 24 months or more⁵ provided that the added value of a multi-annual duration is demonstrated by the partner⁶. Follow-up actions, which continue/extend ongoing operations financed under a previous Humanitarian Implementation Plan, can be submitted as modification requests to extend the overall duration to a maximum of 48 months. Actions that are extended further to modification requests can be funded under a maximum of three successive Humanitarian Implementation Plans.
- e) Potential partners⁷: WFP due to its combination of humanitarian expertise and technical competence and high degree of specialization, as WFP Aviation:
 - possesses extensive knowledge, experience and capacity in the management of humanitarian air services;
 - has direct access to many air operators on short notice or through existing framework agreements;
 - has already set up or being able to set up at short notice operational bases in the regions or countries where need exists for humanitarian air transport services from which they can operate;
 - has a web-based booking system and IT tools able to provide statistics on flight performance, cargo and passengers;
 - ensures aircraft operators meet very high standards in terms of aviation safety, security and quality enabling the services to be provided in challenging humanitarian contexts. As a minimum, the partner will have to perform HQ and field bases audit of the aircraft operator safety, security and quality management in line with the relevant requirements set out by the International Civil Aviation Organization (ICAO) and UNAVSTADS rules and requirements.
- f) Information to be provided: Single Form or Modifications requests of on-going actions⁸.

⁵ Maximum duration of an action is 48 months.

⁶ See the factsheet on EU Humanitarian Aid Multi-Year Funding (November 2022) available on the DG ECHO Website ([DGEcho WebSite \(dgecho-partners-helpdesk.eu\)](https://dgecho-partners-helpdesk.eu))

⁷ Unless otherwise specified potential NGO partners refer to certified partner organisations.

⁸ Single Forms will be submitted to DG ECHO using APPEL.

- g) Indicative date for receipt of the above requested information: from 1 January 2024 onwards.

Allocation round 1 - Warehousing, road transportation, including cold chain **and** expertise **and** use of/cooperation with the private sector for the provision of niche services.

- a) Indicative amount: up to EUR 13 000 000
- b) Description of the humanitarian aid interventions relating to this assessment round: a) provision of common transport services, warehousing, cold chain services and small-scale rehabilitations for critical infrastructures b) mobilisation of several skillsets of expertise, in various sectors (i.e. WASH, Health sectors, etc.) and in partnership with different Commission services, European Union agencies and Member States, to support humanitarian partners DG ECHO field offices, emergency responders and c) engaging with principled private companies to explore opportunities of potential future collaboration for the provision of pro bono initiatives, donations schemes and other type of niche services.
- c) Costs will be eligible from 1 January 2024.
- d) The initial duration for the Action may be up to 24 months or more⁹ provided that the added value of a multi-annual duration is demonstrated by the partner¹⁰. For Disaster Preparedness, justification is needed only for particularly volatile contexts. Follow-up actions, which continue/extend ongoing operations financed under a previous Humanitarian Implementation Plan, can be submitted as modification requests to extend the overall duration to a maximum of 48 months. Actions that are extended further to modification requests can be funded under a maximum of three successive Humanitarian Implementation Plans.
- e) Potential partners¹¹: All DG ECHO Partners.
- f) Information to be provided: Single Form or Modifications requests of on-going actions¹².
- g) Indicative date for receipt of the above requested information: from 13 March 2024 onwards.

⁹ Maximum duration of an action is 48 months.

¹⁰ See the factsheet on EU Humanitarian Aid Multi-Year Funding (November 2022) available on the DG ECHO Website ([DGEcho WebSite \(dgecho-partners-helpdesk.eu\)](https://dgecho-partners-helpdesk.eu))

¹¹ Unless otherwise specified potential NGO partners refer to certified partner organisations.

¹² Single Forms will be submitted to DG ECHO using APPEL.

4.1. Operational requirements:

4.1.1. Assessment criteria:

1) Relevance

- How relevant is the proposed intervention; is it compliant with the objectives of the HIP?
- Has a joint needs assessment been used for the proposed intervention (if existing)? How have the local partners been included in the needs assessment efforts? Have other recent and comprehensive needs assessments been used?
- Has the proposed intervention been coordinated with other humanitarian actors and local and national actors?

2) Capacity and expertise (including in support to the localisation approach)

- Does the partner, with its implementing partners, have sufficient expertise (country / region and / or technical)?
- How does the partner contribute to developing/strengthening local capacity?

3) Methodology and feasibility

- Quality of the proposed response strategy, including intervention logic / logframe, output & outcome indicators, risks, and challenges.
- Feasibility, including security and access constraints.
- Quality of the monitoring arrangements.
- Quality of the proposed localisation approach, and measures taken to minimise the transfer of risks.

4) Coordination and relevant post-intervention elements

- Extent to which the proposed intervention is building on ongoing local response and in coordination with other humanitarian actors and actions (including, where relevant, the use of single interoperable registries of beneficiaries).
- Extent to which the proposed intervention contributes to resilience and sustainability, including the sustainability of locally driven responses.

5) Cost-effectiveness/efficiency/transparency

- Does the proposed intervention display an appropriate relationship between the resources to employed, the activities to be undertaken and the objectives to be achieved?

- Is the breakdown of costs sufficiently documented/explained, including the information on percentage of funding to be implemented by local actors and the share of overhead costs transferred to them?¹³

In case of actions ongoing in the field, where DG ECHO is requested to fund the continuation thereof, a field visit may be conducted by DG ECHO field expert (TA) to determine the feasibility and quality of the follow-up action proposed.

No award will be made to NGO partner organisations which have not complied with their obligations concerning the submission of audited financial statements (i.e., which would not have submitted those in due time to the Commission without a proper justification) or which would appear not to offer sufficient guarantee as to their financial capacity to implement the proposed actions (in light of their liquidity and independency ratios as appearing from their latest available annual statutory accounts certified by an approved external auditor).

All awards made using EU Funds must respect the Conditionality Measures¹⁴ issued under any Council Implementing Decision adopted in accordance with Article 6 of EU Regulation 2020/2092 on a general regime of conditionality for the protection of the Union budget¹⁵ (“Conditionality Decision”).

The Commission hereby notifies applicants under this HIP/TA of the following Conditionality Decision (valid at the date of publication of this HIP/TA):

- **Council Implementing Decision (EU) 2022/2506 of 15 December 2022 on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary¹⁶.**

This Conditionality Decision, in particular its Article 2.2, prohibits legal commitments under direct and indirect management with any public interest trust established by Hungarian Act IX of 2021¹⁷, including those entities listed in Annex I to Hungarian Act IX of 2021¹⁸ and other affiliated entities maintained by them (“Concerned Entities”). The Commission will further notify when the above-mentioned Conditionality Measures are lifted.

¹³ In accordance with the relevant section of the Single Form guidelines (section10)

¹⁴ Conditionality Measures against a Concerned Entity, may, for example, include, amongst others, the requirement to: suspend payments or the implementation of the legal commitment to/with the Concerned Entity; and/or terminate the legal commitment with the Concerned Entity; and/or prohibit entering into new legal commitments with the Concerned Entity. Conditionality Decisions and Measures issued under Council Implementing Decisions may impact the implementation of grants, contributions and procurement contracts awarded, as the Commission is required to ensure the application of these Conditionality Decisions and Measures in the implementation of the EU budget via both direct and indirect management.

¹⁵ Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget OJ L 433I, 22.12.2020, p. 1–10

¹⁶ OJ L 325, 20.12.2022, p. 94–109

¹⁷ Act IX of 2021 on public interest trust foundations with a public service mission (entry into force 01/01/2023).

¹⁸ Available (in Hungarian) at: <https://njt.hu/jogszabaly/2021-9-00-00>

4.1.2. Specific operational guidelines and operational assessment criteria:

This section outlines the specific operational guidelines that DG ECHO partners need to consider in the design of humanitarian operations supported by DG ECHO. It also lists and explains the assessment criteria – based on those outlined in section 4.1.1 - that DG ECHO will apply in the specific context of the HIP to which this Technical Annex relates when assessing proposals submitted in response to the related HIP.

In line with the DG ECHO guidance on localisation¹⁹, and unless duly justified, DG ECHO will expect that proposals are based on partnerships with local actors, including through the participation and leadership of local and national actors in the project cycle, giving them space in the governance process, allocating an appropriate share of funding to local partners. In case of proposals of similar quality and focus, DG ECHO will give priority to proposals where at least 25% of DG ECHO's contribution will be spent on activities implemented by local and national actors. DG ECHO also expects partners to provide an adequate share of overhead cost to their local implementing partners. In addition, DG ECHO will prioritise proposals where the locally led action constitutes a central element and which are designed bottom up, and where DG ECHO partners provide relevant support to local partners' response (technical training, institutional support, peer learning).

Environmental considerations

All partners are expected to include context-specific measures to reduce the environmental footprint of the proposed actions, while preserving their effectiveness, in compliance with the minimum environmental requirements set out in DG ECHO's Guidance on the operationalisation of the Minimum Environmental Requirements and Recommendations for EU-funded humanitarian aid operations²⁰.

The minimum environmental requirements should be applied through a 'mainstreaming' approach with environmental impacts mitigated across sectors, projects and programmes with the aim to consider the environment holistically when designing and implementing actions. The requirements will apply to all sectors with special attention on mitigating the negative environmental impacts in protracted, chronic situations.

The visibility and communication requirements for European Humanitarian Response Capacity operations follow the same principles as the guidance given to humanitarian aid partner organisations receiving EU funding.

DG ECHO Partners and their implementing partners (if any) contributing to the development or deployment of capacities under the EHRC are bound by the standard visibility obligations, as described in the e-Single Form. In their communication activities, these capacities will be referred to as "EU capacities".

¹⁹ Preference should be given to procurement, distribution, and use of environmentally sustainable items, reducing and optimising secondary and tertiary packaging, avoiding procuring single-use items, and favouring products with greater durability and high recycled content.

²⁰ https://civil-protection-humanitarian-aid.ec.europa.eu/what/humanitarian-aid/climate-change-and-environment_en

Entities benefitting from EHRC operations (humanitarian organisations, Member States, destination countries and others) are encouraged to support DG ECHO in raising public awareness on the EHRC and the use of the EU budget.

Concerning the **use of the stockpiles**, the criteria to consider last mile delivery and distribution partners will be:

- Partner located as close as possible to beneficiaries (preferably not requiring an intermediary) with on the ground presence and established network.
- Partner with an ongoing grant/contribution agreement, in the target geographical area, and implementing a compatible action.
- Additionally, if possible, already implementing the ALERT or other funding triggered by the disaster. For these cases, specific standard clauses to the funding agreement should be included to specify how the EHRC stock would be used and reported upon.
- Possibility to apply crisis modifiers due to ongoing projects in the country.

The pre-identified distributing partner(s) in the country of operation will be contacted by the ECHO field team, to confirm their capacity to deliver the last-mile transportation and distribution. The partner(s) will present ECHO with an estimated informal proposal for the local transportation and distribution operations. The assessment of the informal proposal will be done conjointly by ECHO A2, ECHO country office, and ECHO geographical unit. At this stage, the most appropriate funding solution will be identified among the following possible options:

- If the partner has an ongoing contract where a Crisis Modifier is present, this could be activated according to the established procedures related to the Crisis Modifier.
- In absence of a Crisis Modifier, the partner will be able to use the flexibility offered by the existing budget. A modification request should be processed in absence of a result that could be directly linked to the distribution activity. An indicator and an activity under the relevant result are to be added. The standard indicator to be used is “number of EHRC items distributed/used for emergency response, with a breakdown per location”.
- Costs related to the reception, local warehousing and distribution will be eligible under the above-mentioned grant.
- The transfer of stocks with the partner organization will be recorded in the grant agreement/HACA, mentioned above. This in-kind contribution will be recorded as contribution “from a third party”. The value of the stock will not contribute to the overall cost of the action, nor it will be reflected in the cost of the result.

To ensure **accountability**, partners will have to apply the same monitoring and reporting requirements as for the rest of the ECHO-funded activities. A specific informal report should be shared within one month from the last distribution date.

The HIP Policy Annex should be consulted in parallel.

STRENGTHENING EARLY RESPONSE CAPACITY

(1) Emergency/Rapid Response Mechanisms (ERM/RRM) as standalone actions

Emergency/Rapid Response Mechanisms (ERMs/RRMs) are stand-alone actions pooling capacities of different partners for improved and more coordinated preparedness and early response, guided by early warning and contingency plans. ERMs/RRMs are designed to provide initial lifesaving multipurpose assistance when other response mechanisms are not yet in place. ERMs/RRMs are mostly used for rapid onset crises. For slow onset crises, objective indicators with thresholds for engagement / disengagement should be defined in coordination with other stakeholders including the State Authorities.

(2) Flexibility embedded into the actions

Whenever relevant, partners should introduce flexibility to mobilise resources from on-going actions and swiftly respond to and/or act in advance of any new emerging shocks occurring and/or forecasted in the area of their operations (a crisis within a crisis). Flexibility measures can be triggered to provide initial lifesaving multipurpose response in the aftermath of a rapid onset crisis, as well as to act in advance of an imminent shock; the three main scenarios are: i) to fill the time gap while waiting for additional resources; ii) to respond to small scale humanitarian needs which would otherwise remain unattended; iii) to provide assistance in advance of an imminent shock to prevent or reduce its acute humanitarian impact, according to a pre-agreed plan with defined triggers and actions.

The application of flexibility measures should be based on a multi-risk analysis and the development of worst and most likely scenarios. Partners should develop a detailed plan considering prepositioning of stocks, surge staff, triggers, and sectors of intervention.

ERM/RRM and flexibility measures are complementary and do not exclude each-other; flexibility measures enable to act in advance and to bridge the time gap between the shock and the time needed to mobilize ad-hoc resources through the ERM/RRM or additional funding. Timeliness of response is a key element for effectiveness of both flexibility measures and ERM/RRM. Partners should adopt indicators to measure the time required to deliver the first assistance (e.g., lifesaving response for xxx persons, and/or need assessment within xxx days from the displacement/disaster/alert/exceeded triggers).]