



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

FRAMEWORK PARTNERSHIP AGREEMENT WITH HUMANITARIAN ORGANISATIONS

PREAMBLE

The European Community humanitarian action is embedded in the right of victims of natural disasters, wars and outbreaks of violence, or other comparable exceptional circumstances, to international humanitarian assistance when their own authorities prove unable to provide effective relief. It is based on and guided by the respect of international humanitarian law and the core humanitarian principles of humanity, impartiality, neutrality and independence.

The prime aim of the European Community humanitarian assistance is to save and preserve life, prevent or reduce suffering and safeguard the dignity of populations of third countries before, during and in the aftermath of such natural disasters and man-made crises and to facilitate and obtain freedom of access to victims as well as the free flow of such assistance.

The European Community allocates humanitarian funding solely according to the victims' needs on the basis of impartial needs assessments. Funding decisions are not to be guided by or subject to other considerations. The aid will be provided in a timely manner in response to the urgency of the needs and continued for the period of time necessary to meet the humanitarian requirements.

In accordance with article 3 of Council Regulation 1257/96 concerning humanitarian aid, Community funds may be used to finance the purchase and delivery of any product, equipment or service required for the implementation of humanitarian operations.

The European Community humanitarian assistance is delivered to the beneficiaries through Community funded programmes and projects that are designed and implemented by humanitarian international and non-governmental organisations. The assistance provided includes notably the provision of food, water and sanitation, shelter and health services, short-term rehabilitation and reconstruction work, actions to protect victims of fighting and operations to ensure preparedness for risks of natural calamities in disaster-prone areas.

The Humanitarian Aid Office, ECHO, is the Service of the European Commission responsible for managing the humanitarian assistance to third countries. ECHO's main mission is to fund the co-ordinated delivery of Community humanitarian assistance.

ECHO also works at promoting disaster preparedness -as part of an overall Commission Disaster Prevention and Preparedness approach- in order to reduce both vulnerability and exposure of people to risks and disasters as well as to reduce economic costs of such disasters.

Wherever and whenever possible, humanitarian assistance aims at facilitating together with other aid instruments, the subsequent return of affected populations to self-sufficiency paving the way for reconstruction and development activities.

Beyond the direct response to humanitarian needs in such situations, ECHO's policy also aims at contributing positively to the establishment at international level of a more integrated and sustainable approach to the solution of crises/problems of a complex nature.

ECHO's complementary mission aims at promoting and raising awareness of humanitarian issues on the part of decision-makers and the general public in order to ensure that these issues are properly publicised and dealt with in a way that fosters the overall effectiveness of humanitarian assistance.

With respect to the fulfilment of its mission, ECHO considers as its first duty towards the victims - its major stakeholders - to ensure that aid is delivered in the most relevant, effective and rapid manner acting in accordance with the provisions of Council Regulation 1257/96 on humanitarian aid.

ECHO is committed to transparency and accountability for the use of Community funds, not only for its own management but also for results of the operations funded. ECHO, as an active donor of humanitarian aid, intends to measure its own performance against the highest international standards.

ECHO will maintain a large and varied partnership based on the assessment of the different capabilities and the recognition of the specific and diverse mandates given by the international community to some of its partners. ECHO recognises the vital role and added value of non-governmental organisations in providing humanitarian assistance.

ECHO will ensure that the quality of its partners and of their operations meet high-level targets, in particular in terms of efficiency and accountability. In that sense, ECHO may support crosscutting activities that aim to improve the quality and effectiveness of the sector as a whole.

ECHO is committed to pursue the strengthening of its relationship with the partner humanitarian organisations in such a way that these are given the appropriate legal, administrative and strategic framework in order to deliver aid in a relevant, effective and rapid manner.

In addition, ECHO is committed to involving its partners in the programming and planning of humanitarian aid, and, when appropriate, to consulting with its partners regarding the implementation of the Framework Partnership Agreement and its procedures, as well as upon other issues of mutual interest.

The purpose of the Framework Partnership Agreement is to define the reciprocal roles and responsibilities of the partners in implementing humanitarian operations financed by the European Community with the aim of better achieving the objectives mentioned above.

The partnership, which is set up by the Framework Partnership Agreement, is based on trust and on respect for the objectives, principles, and values set out in this Preamble. The signatory Parties undertake to promote and consolidate their relationship and their co-operation by ensuring that each one knows and respects the mandates, charters or statutes of the other and by recognising the specificity of each other's contribution to the humanitarian action. Signatory Parties carry out their roles in the execution of operations funded by the European Community preserving their freedom and autonomy and assuming their responsibilities.

Where in the implementation of this Framework Partnership Agreement the Commission makes a financial contribution to an operation, programme or project implemented by a humanitarian organisation, the relevant grant agreement shall comply with the principles contained in the Framework Partnership Agreement.

PROVISIONS

Title I

Legal base and purpose of the Framework Partnership Agreement

Article 1 – Legal base of the Framework Partnership Agreement

The European Commission Framework Partnership Agreement (FPA) with Humanitarian Organisations for the financing of humanitarian aid operations is based on article 16.2 of Council Regulation (EC) No 1257/96 concerning humanitarian aid¹ (hereafter RHA). It follows the objectives and complies with the requirements of article 163 of Commission Regulation (EC, Euratom) No 2342/2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget², (hereafter IRFR).

Article 2 – Purpose of the Framework Partnership Agreement

- 2.1. The purpose of the FPA is to define the common principles of humanitarian aid operations financed by the European Community implemented by non-governmental organisations and the nature of the relation established between the Commission and signatory non-governmental organisations.
- 2.2. In accordance with the provisions of the RHA and the IRFR, the FPA establishes the procedures and rules that govern the execution of humanitarian aid operations. Equally, it sets up the criteria applied by the Humanitarian Aid Office of the European Commission (ECHO) for the selection of its partners and for awarding grants.

Article 3 - Objectives of the Framework Partnership Agreement

- 3.1 The FPA aims at establishing a long-term co-operation relationship between the Humanitarian Aid Office of the European Commission and the non-governmental organisations signatories of the FPA, in order to ensure that humanitarian aid is delivered to the beneficiaries in the most relevant, rapid, efficient and effective manner.

¹Council Regulation (EC) 1257/96 of 20 June 1996 concerning humanitarian aid, published in the OJ L 163 of 2 July 1996.

²Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget, published in the OJ L 357 of 31 December 2002.

3.2 The main objectives of the FPA are:

a) To optimise the implementation and the results of humanitarian aid operations. Humanitarian aid operations shall be implemented in accordance with the principles of economy, efficiency and effectiveness. Specific, measurable, achievable, relevant and timed objectives shall be set out for all operations. Performance indicators shall monitor the achievement of those objectives.

b) To promote the concept of quality partnership. The signature of the FPA is based on a selection procedure and on a commitment to improve the delivery of aid. The Commission will support capacity building initiatives and other activities that aim to improve the quality of its partners.

c) To simplify the procedures and clarify the rules that govern the relations between the Commission and its partners. The FPA implements the specific provisions for humanitarian aid included both in the Financial Regulation applicable to the general budget of the European Communities³ (hereafter FR) and the IRFR.

Article 4 - Principles of the Partnership

4.1 Partnership is based on trust and mutual respect between Partners. Signatory parties undertake to promote and consolidate their relationship and their co-operation by ensuring that each one knows and respects the mandate, charters or statutes of the other and by recognising the specificity of each other's contribution to the humanitarian action.

4.2 Ownership of the humanitarian aid operation is vested in the Humanitarian Organisation beneficiary of the Community contribution. It implements the operations funded by the European Community, preserving its freedom and independence, assuming its responsibilities.

Article 5 - Implementation of Partnership

5.1 Partners undertake to develop jointly a *quality partnership* based on:

a) transparency and accountability towards the stakeholders. To this end, and as a complement to legal and statutory provisions, Partners will support and adhere to voluntary codes of good practices or charters;

b) the formulation of strategies and the development of initiatives for humanitarian operations so as to make the humanitarian aid financed by the European Community more effective;

³ Council Regulation (EC,Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, published in the OJ L 248 of 16 September, 2002.

c) the provision of fair working conditions of humanitarian workers, volunteers or salaried, with special attention to their safety in the field and, to the extent possible, to their professional development;

d) the promotion of a learning culture based on the evaluation of humanitarian operations and in sharing and disseminating lessons learnt and best practices.

5.2 Signatory non-governmental humanitarian organisations commit to highlight the Community nature of the aid and to promote the understanding of humanitarian values, in particular in Europe and in third countries where the Community funds major humanitarian operations. In information, visibility and advertising activities, victims shall be presented as dignified human beings and not as objects of pity.

5.3 In compliance with the spirit of partnership, Partners commit themselves to a regular exchange of information both on a bilateral and on a collective basis.

ECHO shall be invited to participate in meetings for the exchange of information and co-ordination, organised at the initiative of signatory humanitarian organisations.

ECHO will maintain a regular strategy programming dialogue with the signatory organisations, both at field and at headquarters level, involving them in the identification of priorities.

5.4 Once a year ECHO will organise a Partners' conference to debate issues of mutual interest.

5.5 ECHO and a representation mandated by the signatories of the Framework Partnership Agreement agree to meet once a year to monitor the implementation of the FPA.

Title II

Selection procedure and annual assessment of Partners; suspension and loss of the condition of Partner

Article 6 - Eligibility of non-governmental humanitarian organisations to the signature of the Framework Partnership Agreement

6.1. The signature of the FPA is open to all humanitarian non-governmental organisations which adhere to the values, principles and objectives herein, after verification of their compliance with the eligibility and suitability criteria following the selection procedure enunciated in this Title.

6.2. The period for presenting application starts with the adoption of the FPA and remains open until six months before its expiry date in accordance with the provisions of article 25 hereof.

Article 7 - Eligibility criteria and exclusion situations

- 7.1 To be eligible for the signature of the FPA, non-governmental organisations must meet the following criteria:
- (a) Pursuant to article 7.1 of the RHA, organisations must:
- be non-profit-making autonomous organisations in a Member State of the Community under the laws in force in that Member State of the European Union,
- and
- have their main headquarters in a Member State of the European Union or in the third countries in receipt of the aid. This headquarters must be the effective decision-making centre for all operations financed by the Community. Exceptionally, the headquarters may be in a third donor country;
- (b) Pursuant to article 173.4 of the IRFR, organisations must produce certified audited financial statements covering the last two financial years. These must be carried out by professionals, which can be either firms or individuals, provided that they are fully independent from the organisation. Audit reports shall be conform to the standards most commonly used for NGOs.
- 7.2 To be eligible for partnership with ECHO, and in accordance with article 93 of the FR, non-governmental organisations must not be in any of the following exclusion situations:
- (a) be bankrupt, wound up, have their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, be the subject of proceedings concerning these matters or analogous situations ;
 - (b) be convicted for an offence concerning professional conduct by a judgement with force of *res judicata* ;
 - (c) be guilty of grave professional misconduct proven by any justifiable means ;
 - (d) be unfulfilling the obligations relating to payment of social security and taxes in all countries where these payments are due ;
 - (e) be subject of judgement with force of *res judicata* for fraud, corruption, involvement in criminal organisation or any other illegal activity ;
 - (f) be declared in serious breach of contract in other grant award procedures financed by the Community.
- 7.3. Pursuant to article 114.2 of the FR, organisations must provide written certification, either by means of sworn statement or with a recent extract from judicial record or equivalent document, that they are not in one of the situations listed in article 7.2.
- 7.4 In accordance with article 94 of the FR, when applying to sign the FPA or for support for individual operations, organisations shall not:
- (a) be subject of conflict of interest;

(b) be guilty of misrepresentation in supplying the information required by the Commission services or fail to supply this information upon request.

Article 8 – Assessment of the suitability

- 8.1 To determine an organisation's suitability to ECHO partnership, account shall be taken of the following factors:
- a) its administrative and financial management capacities;
 - b) its technical and logistical capacity ;
 - c) its experience in the field of humanitarian aid;
 - d) the results of previous operations carried out by the organisation concerned, and in particular those financed by the Community;
 - e) its readiness to take part in co-ordination system set up for humanitarian operations;
 - f) its ability and readiness to work with humanitarian actors and communities in third countries;
 - g) its impartiality in the implementation of humanitarian aid;
 - h) its previous experience in third countries.

Article 9 – Selection procedure

- 9.1 Applicant organisations shall undergo a pre-screening procedure, respond to a screening and capacity survey and submit a complete set of documents in support of their declarations.
- 9.2 The application procedure shall be completed within a limited timeframe that is notified to the applicant in advance.
- 9.3 Failure to present an application *en bonne et due forme*, with complete and veridical documentation, within the time allocated for that purpose, will result in the organisation being discarded from the FPA selection procedure for a period that may range from 1 to 2 years.
- 9.4 ECHO will proceed with the verification of both the eligibility and suitability criteria by any of the following means:
- analysis of the information provided by the applicant, with the possibility to request additional documentation;
 - request of confirmation of the information provided by the applicant and complementary information by the Member State's national authorities;
 - verification missions by Commission representatives on the premises of the organisation. The provision of article 23 hereof will apply, *mutatis mutandis*, to the verification missions.
- 9.5 The following minimum eligibility requirements will be compulsorily verified:
- Act of legal registration with the national authorities and copy of the statute/bylaws of the organisation;

- List of members of the board and organisation chart, with reference to the number of permanent full time employees, accompanied by a sworn declaration certifying that the organisation does not fall within any of the exclusion causes enumerated in article 7.2;
- Annual activity reports of the last two years proving a minimum three years of operational experience in humanitarian aid;
- Certified audited financial statements for the last two financial years and indication of repartition per sector of activities showing that at least 10% of total annual budget is devoted to humanitarian aid operations;
- Subscription of a voluntary code of conduct or charter stating the adhesion to the principles of impartiality, independence and neutrality in the delivery of humanitarian aid.

Article 10 – Consultation with the national authorities

- 10.1 In accordance with article 10 Treaty of the European Communities and pursuant to article 48.2 of the FR, the Member States shall support the Commission in the fulfilment of its tasks and co-operate with the Commission in the budget execution, so as to ensure that the appropriations are used in accordance with the principles of sound financial management.
- 10.2 To this end, the Commission consult with the relevant national authorities of the organisation's country of registration in order to acquire the following elements:
- (a) verification of legal registration in the Member State;
 - (b) where available, references on the operational performances as well as on the administrative and financial capacity of the organisation in managing national grants for humanitarian activities.
- 10.3 The national authorities consulted are those designated by each Member State to represent it in the Humanitarian Aid Committee established in article 17.1 of the RHA.

Article 11 – Annual assessment of Partners

Without prejudice to articles 21, 22 and 23 hereof, the Commission verifies annually that the signatory organisations continue to comply with the eligibility and suitability criteria enunciated in this Title. To this end, signatory organisations shall submit to ECHO a copy of their annual accounts with an audit statement by an external auditor, a copy of their annual activity report and, when requested, any other information judged pertinent by the Service.

The implementation of the humanitarian operations financed by the Community will also be part of the assessment.

Article 12 – Suspension of the condition of Partner

- 12.1 The European Commission reserves its right to suspend the application of the FPA with a signatory organisation serving 45 days' written notice in the event of negative assessment of the compliance with the suitability criteria enunciated in article 8 hereof.

The signatory organisation shall have 30 days after receiving the written notice to submit its observations and take any necessary measure, proposing, where relevant, a plan of action. If the organisation still fails to do so or the European Commission does not accept these observations confirmed by giving written consent within 15 days of reception of the organisation's observations, the suspension procedure shall continue to run.

- 12.2 The provisions of the FPA will continue to apply during the period of suspension, to the extent necessary to permit an orderly liquidation of any grant agreement in force when the suspension takes effect.
- 12.3 Organisations having their FPA suspended will not be eligible for new Community funding for humanitarian operations during the period of suspension.
- 12.4 Organisations may have their active status reinstated as soon as they prove by any relevant mean having regained compliance with the suitability criteria.
- 12.5 The FPA of those organisations that have remained suspended for a year will be terminated. At this respect, the Commission shall follow the procedure established in article 13.1, second paragraph.

Article 13 – Loss of the condition of partner and termination of the FPA

- 13.1 Signatory organisations shall lose the condition of Partners in any of the following cases: non-compliance with one the requirements of article 7.1, falling under any of the exclusion causes of article 7.2 or under one of the cases enunciated in article 7.4, and being in the situation of article 12.5.

The Commission shall inform the organisation, by registered letter with advice of delivery or equivalent procedure, of the termination of the FPA and of the grounds that justify this decision. The organisation may request the Commission to re-examine this decision, submitting whatever arguments and supporting documents it judges pertinent within 15 days of receiving the Commission communication.

If the organisation fails to present any allegation, or the Commission does not accept these allegations confirmed by giving written consent within 15 days of receiving them, the termination will take full effect.

- 13.2 The European Commission reserves its right to terminate the FPA with a signatory organisation serving 45 days' written notice in the event of actions that constitute a breach of the values, principles and objectives of the FPA.

The signatory organisation shall have 15 days after receiving the written notice to submit its observations and take any necessary measure. If the organisation fails to do so, or the European Commission does not accept these observations

confirmed by giving written consent within 15 days of receiving the organisation's observations, the termination procedure shall continue to run.

- 13.3 The provisions of the FPA will continue to apply after the termination, to the extent necessary to permit an orderly liquidation of any grant agreement in force when the termination takes effect.

Article 14 – Suspension and termination of the FPA on the grounds of substantial irregularities

Without prejudice to Articles 12 and 13, the European Commission reserves the right to suspend or terminate the Framework Partnership Contract signed with a Humanitarian Organisation in the event of a substantial irregularity.

A substantial irregularity shall be any infringement of a provision of the Grant agreement or a regulation resulting from an act or an omission which causes or might cause a loss to the Community budget.

The procedures established in article 12, for suspension, and article 13, for termination shall apply.

Title III

The humanitarian aid operations

Article 15 - Objectives of humanitarian aid operations

The prime aim of humanitarian aid operations is to save and preserve life, prevent or reduce suffering and safeguard the dignity of populations of third countries before, during and in the aftermath of natural disasters and man-made crises and to facilitate and obtain freedom of access to victims as well as the free flow of such assistance.

Humanitarian aid operations financed with Community contributions shall fall within the objectives established in articles 2 and 4 of the RHA.

Operations are implemented for the time needed to meet the humanitarian requirements resulting from these situations.

The assistance provided to the victims includes notably the provision of food, water and sanitation, shelter and health services, short-term rehabilitation and reconstruction work, the protection of the civilian population and operations to ensure preparedness for risks of natural calamities in disaster-prone areas.

Article 16 –Principles of humanitarian aid operations

Humanitarian aid operations shall respect and promote the enforcement of international humanitarian law and humanitarian principles. The action of the signatory organisations must be guided and comply with the following fundamental humanitarian principles:

Humanity, meaning focusing on saving and preserving human lives and relieving suffering.

Impartiality, meaning the implementation of operations solely to respond to identified needs, without discrimination of any kind between or within affected populations.

Neutrality, meaning that humanitarian operations must not favour any side in a conflict wherever a humanitarian operation is carried out.

Independence, implies the autonomy of the humanitarian objectives with regard to political, economic, military or other objectives that motivate actors in the regions where a humanitarian aid operation is carried out.

Article 17 – Essential procedures for the implementation of humanitarian operations

Signatory organisations commit to implement humanitarian operations in accordance with the best practices in the sector and taking into account the particular operating environment, based on the concept of quality in aid.

Quality in humanitarian aid implies a clear focus on the beneficiaries. Priority shall be given to analysis of the beneficiaries' situation given the circumstances and context of intervention, including assessments of the different needs, capacities, and roles that might exist for men and women within the given situation and its cultural context.

To this end, signatory organisations will:

- a) allocate funds according to the needs and to needs assessment and promote the common objective of responding globally to humanitarian needs;
- b) promote the participation of beneficiaries in the formulation, implementation and evaluation of humanitarian aid operations;
- c) endeavour to base humanitarian aid operations on local capacities, respecting the culture, the structure and the customs of the communities and of the countries where the humanitarian aid operations are carried out, without prejudice to the fundamental rights of the person;
- d) establish the linkage between relief, rehabilitation and development to help the affected population regain a minimum level of self sufficiency, taking long term development objectives into account, whenever possible;
- e) co-operate to the strengthening of capacities of communities affected, in order to prevent, prepare for, reduce and respond to future humanitarian crises.

Article 18 – Initiation of humanitarian aid operations

- 18.1 Operations may be launched either at the initiative of the Commission, by means of a request to the humanitarian organisation to undertake an operation independently or in collaboration with other organisations, or at the initiative of the humanitarian organisation which presents a proposal and its related request for financing to the Commission.

- 18.2 Operation proposals and the related estimated budgets shall be presented on the standard forms annexed to the FPA, annexes I and II respectively.
- 18.3 The Commission may accept or refuse, in part or in full, a proposal made by a humanitarian organisation. In the event of refusal the Commission undertakes to inform the humanitarian organisation at the earliest opportunity and to give the grounds for its refusal.

Article 19 – Financing of humanitarian aid operations

- 19.1 Funds allocated by the European Community may finance an operation in part or in full. The Commission will notably take into account the urgency of the operation, any relevant circumstance and the availability of other donors when deciding the rate of financing for a specific operation.
- 19.2 In the event of co-financing, the humanitarian organisation shall include in the proposal the identity of the other donors invited to participate. When submitting final reports (narrative and financial), the humanitarian organisation shall inform the Commission of the identity of the other donors that have contributed to the financing, as well as of the amount of their respective contributions.
- 19.3 When the European Commission takes a financing decision, ECHO shall notify the humanitarian organisations identified as potential partners in writing, within fifteen days of the date of adoption of the funding decision.
- 19.4 The humanitarian organisation shall undertake to keep the same bank account number, preferably in EURO, for the administration of all grant agreements concluded with ECHO. It shall communicate the bank account number to ECHO upon signature of the Framework Partnership Contract.

Article 20 – Grant agreements for humanitarian aid operations

- 20.1 All operation proposals approved by the Commission will be confirmed by means of a grant agreement drafted by the Commission and signed by both Parties. The grant agreement will follow the standard Grant agreement with non-governmental organisations annexed to the FPA, (Annex III). Annex IV of the FPA establishes the General Conditions that will apply to the agreement.
- 20.2 Where the implementation of the operation requires the award of procurement contracts, the Humanitarian organisation shall award the contract in accordance with the rules and procedures established in Annex V of the FPA.

Article 21 – Visits

The signatory organisation shall co-operate and facilitate the visits to the location of the operation by representatives of the European Community or persons mandated by it. All EC staff involved should bear in mind the resources available and the capacity to handle these visits by the Humanitarian Organisation.

Article 22 – Evaluation

- 22.1 The Commission shall carry out evaluations of the humanitarian operations financed by the Community. These evaluations shall be carried out in accordance with article 8 of the General Conditions, Annex IV.
- 22.2 The humanitarian organisation shall undertake, where possible, both *ex ante* and *ex post* evaluations. The humanitarian organisation shall be able to include in its financing request the cost related to this evaluation providing in the proposal the terms of reference, the working method, the duration and any other relevant information. The humanitarian organisation undertakes to communicate to ECHO all the results of the evaluation.

Article 23 - Audit

- 23.1 The humanitarian organisation shall give Commission departments, any organisation mandated by the Commission, OLAF and the Court of Auditors, access to its accounts and those of its partner humanitarian organisations and/or contractors to verify any document, notably financial and accounting documents, relating to the operations financed and/or co-financed by the European Community.

In this context, the humanitarian organisation inspected shall enable the auditor to obtain any information necessary for the achievement of his tasks. This inspection shall be done at the headquarters of the humanitarian organisation and/or at the site of the operation.

The General Conditions shall set detailed provisions at this respect.

- 23.2 Signatory organisations shall use an internal control mechanism taking account of their size and shall have their accounts audited annually by an external auditor.

Article 24 Disputes

The Parties endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of the Framework Partnership Agreement and specific grant agreements, including their existence, validity or termination.

Disputes relating to the implementation or interpretation of the Framework Partnership Agreement and of Grant Agreements, which cannot be settled amicably, shall be brought before the Court of First Instance of the European Communities and, in case of appeal, before the Court of Justice of the European Communities.

The FPA shall be governed by Belgian law.

Article 25 - Duration of the Framework Partnership Agreement

The Framework Partnership Agreement shall remain valid until 31 December 2007. The FPA may be carried over tacitly for a further maximum period of one year, unless one of the Parties expresses a request to the contrary, informing the other by registered letter with advice of delivery at least one month before this date.

The Commission reserves the right to terminate the FPA prior to this date, notably in the event of changes in the legal base of humanitarian aid, serving 60 days advance notice.

A signatory organisation may renounce to its FPA at any moment by serving 30 days advance notice.



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GRANT AGREEMENT

SINGLE FORM FOR HUMANITARIAN AID OPERATIONS

1. GENERAL INFORMATION

- 1.1. Name of humanitarian organisation
- 1.2. FPA number (if applicable)
- 1.3. Purpose of the submission
- 1.3.1. Proposal
- | | | |
|-------------------|--------------------------|----------------|
| New proposal | <input type="checkbox"/> | date: dd-mm-yy |
| Revised proposal | <input type="checkbox"/> | date: dd-mm-yy |
| ECHO reference A/ | | date: dd-mm-yy |
- 1.3.2. Interim narrative report date: dd-mm-yy
- 1.3.3. Preliminary final report date: dd-mm-yy
- 1.3.4. Final report date: dd-mm-yy
- 1.4. Grant agreement number ECHO/
- 1.5. Implementing rules applicable to this agreement
- | | |
|-----------------------|--------------------------|
| Grant, 100% financing | <input type="checkbox"/> |
| Grant, co-financing | <input type="checkbox"/> |
- 1.6. Framework of this submission
- | | |
|----------------------------|--------------------------|
| Primary emergency decision | <input type="checkbox"/> |
| Emergency decision | <input type="checkbox"/> |
| Ad hoc decision | <input type="checkbox"/> |
| Global plan decision | <input type="checkbox"/> |
| DIPECHO | <input type="checkbox"/> |
| Other, please specify | <input type="checkbox"/> |
- 1.7. Executive summary of operation
- (4.1.) Title of the operation
- (4.2.) Country(ies) and location(s) of implementation
- (4.3.) Start date of the operation
- (4.4.) Duration in months
- (4.5.1.) Total number of direct beneficiaries
- (4.5.2.) Identify the status and give details of the beneficiaries
- (4.7.1.) Operation specific objective
- (4.7.2.) Indicators and sources of verification
- (4.8.1.) Expected result 1
- (4.8.n.) Expected result n
- (11.1.) Total budget of the operation: EUR
- (11.2.) Contribution requested from EC: EUR
- (11.5.) Eligibility date of expenditure

2. NEEDS ASSESSMENT

- 2.1. Date(s) of assessment
- 2.2. Methodology and sources of information used
- 2.3. Organisation/person(s) responsible for the assessment
- 2.4. Problem statement and stakeholder analysis
- 2.5. Findings of the assessment

3. HUMANITARIAN ORGANISATION'S STRATEGY

- 3.1. Partner's strategy in country and/or region(s) of operation
- 3.2. Link between operation, the findings of the assessment and the problem statement
- 3.3. Is/are there similar operation(s) in the country/region?
If yes, explain the measures foreseen to avoid overlap/duplication
- 3.4. Previous humanitarian operations with EC grants in the country/ region
- 3.5. Have you discussed this proposal with ECHO's technical assistance office in the country/region of operation?
Yes No

Comments:

4. OPERATIONAL FRAMEWORK

- 4.1. Title of operation
- 4.2. Exact location of the operation - Map
- 4.3. Start date of the activities in the field, (start date of the operation)
- 4.4. Duration in months
- 4.5. Beneficiaries
 - 4.5.1. Total number of direct beneficiaries
 - 4.5.2. Identify the status and give details of the beneficiaries:
 - 4.5.3. "Catchment" population
 - 4.5.4. What are the identification mechanisms and criteria?
 - 4.5.5. To what extent and how were the beneficiaries involved in the design of the operation?
 - 4.5.6. Sectors of activity
 - Sector 1:
 - Sector 2:
 - Sector n:
 - 4.5.7. Give the following information for each sector
 - Total number of direct beneficiaries
 - Types of beneficiaries and number of beneficiaries per type
 - Location
- 4.6. Principal objective
- 4.7. Operation specific objective
 - 4.7.1. Specific objective

- 4.7.2 Indicator(s) and source(s) of verification
- 4.8. Results and indicators
- 4.8.1. Result 1, relevant indicator(s) and source(s) of verification
- 4.8.2. Result 2, relevant indicator(s) and source(s) of verification
- 4.8.n. Result n, relevant indicator(s) and source(s) of verification
- 4.9. Activities
- 4.10. Work plan
- 4.11. Monitoring, evaluation and external audit
- 4.11.1. Monitoring
- 4.11.2. Evaluation
- Is an evaluation foreseen during the operation?
Yes No
 - Is an evaluation foreseen after the operation?
Yes No
- 4.11.3. External audit
- Is an audit foreseen during the operation?
Yes No
 - Is an audit foreseen after the operation?
Yes No

5. **RISKS AND ASSUMPTIONS**

- 5.1. Pre-conditions
- 5.2. Assumptions and risk assessment profile
- 5.3. Security
- 5.3.1. Situation in the field
- 5.3.2. Have you established a specific security protocol for this operation?
Yes No Standard procedures
If yes please elaborate:
- 5.3.3. Have you a specific plan for security-related and medical evacuations for this operation?
Yes No Standard procedures
If yes please elaborate:
- 5.3.4. Are your field staff and expatriates informed of and trained in these procedures?
Yes No

6. **RESOURCES REQUIRED**

- 6.1. Total budget (point 11.1.)
- 6.2. Human resources
- 6.2.1. Staff included in Title 1: "Goods and services delivered to the beneficiaries"
- Number of staff

- Status
 - Function
- 6.2.2. Staff included in Title 2: "Support costs"
- Number of staff
 - Status
 - Function
- 6.3. Material resources
- 6.3.1. Equipment needed. Describe the procedure to be followed for the procurement of equipment.
- 6.3.2. Goods to be purchased. Describe the procedure to be followed for the awarding of contracts.
- 6.3.3. If the operation requires the purchase of medicines and/or medical equipment: Do you have standard procedures for the purchase, handling and storage of these medicines/equipment?
- Yes No
- Please specify:
- Who certifies and validates the supplier and how is it done?
- 7. PERSPECTIVES OF THE HUMANITARIAN ORGANISATION IN TERMS OF LINKING RELIEF, REHABILITATION AND DEVELOPMENT**
- 7.1. This (or similar) operation is under way since
- 7.2. Describe the expected level of sustainability
- 7.3. Continuum strategy
- 8. MAINSTREAMING**
- 9. VISIBILITY PLAN AND COMMUNICATION STRATEGY**
- 10. FIELD COORDINATION AND LOCAL IMPLEMENTING PARTNERS**
- 10.1. National and local authorities
- 10.2. Field co-ordination fora
- 10.3. Implementing partner(s)
- 10.3.1. Name and address of implementing partner(s)
- 10.3.2. Role of implementing partner(s) in this operation
- 10.3.3. Type of relationship with implementing partner(s)
- 10.3.4. History of previous collaboration with implementing partner(s)
- 10.3.5. Name and title of the person(s) authorised to represent the implementing partner(s) with regard to this operation
- 10.4. Contractor(s) and procedure envisaged for the award of contracts
- 10.4.1. Name and address of contractor(s)
- 10.4.2. Role of contractor(s) in implementing this operation
- 10.4.3. Describe the procedure followed for the selection of contractor(s)

11. FINANCIAL INFORMATION

- 11.1. Total budget of the operation: €..
- 11.2. Contribution requested from European Community: €..
Percentage of the total amount: ... %
- 11.3. Co-financing:
- 11.3.1. Indicate your own contribution: €..
- 11.4.1. Contributions by other donors: €..
Name: €..
- 11.4. Pre-financing requested from European Community: €...
Percentage of the total EC contribution: ... %
- 11.5. Eligibility of expenditures, date :
- (4.3.) Start date of the operation :
- 11.5.1. If the operation has already started explain the reason that justifies that situation:
- Primary emergency operation
 - Emergency operation
 - Other
- Please elaborate:
- 11.5.2. If the eligibility date of expenditure precedes the start date of the operation please justify this request

12. ADMINISTRATIVE INFORMATION

- 12.1. Humanitarian organisation's official name, address, phone/fax n°
- 12.2. ECHO FPA number, (if applicable)
- 12.3. Name and title of legal representative
- 12.4. Name, telephone, fax and e-mail of desk officer at HQ
- 12.5. Name, telephone, fax and e-mail of the representative in the country of operation
- 12.6. Bank account
- Name of bank: [...]
 - Address of branch: [...]
 - Precise denomination of the account holder: [...]
 - Full account number (including bank codes): [...]
 - IBAN account code, (or BIC country code if the IBAN code does not apply): [...]

13. CONCLUSIONS AND PARTNER'S COMMENTS



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GRANT AGREEMENT

Name of the humanitarian organisation:

Title of the operation:

Grant agreement number:

Initial budget

Modified Budget

Date:

BUDGET SUMMARY and FINANCIAL PLAN			
A. ELIGIBLE EXPENDITURE		B. FINANCIAL PLAN	
01. Goods & services delivered to beneficiaries			
01.01. Food Security		* Total eligible costs:	€
01.02. Water and Sanitation			
01.03. Health		* Maximum EC contribution :	€
01.04. Nutrition		Percentage of total eligible costs	%
01.05. Shelter		Corresponding amount	€
01.06. Non food items			
01.07. Rehabilitation/continuum		* Contribution Organisation :	€
01.08. Disaster preparedness and mitigation			
01.09. Special mandates		* Contributions by other donors :	€
01.10. Specific actions		Percentage of total eligible costs	%
01.11. De-mining and awareness			
01.12. International transport		* Pre-financing payment :	€
01.13. Personnel		Percentage of EC contribution	%
02. Support costs			
02.01. Personnel			
02.02. Local logistic costs			
02.03. Durable equipment			
02.04. Security			
02.05. Feasibility, need assesment and other studies			
02.06. Specialised services			
02.07. Insurance costs			
02.08. Visibility and communication programmes			
02.09. Others: as specified in the proposal			
	Subtotal: direct costs		
03. Indirect costs			
04. Reserve (pro memoria)			
	Total Eligible Costs :		



Humanitarian Organisation:

Title of the Operation:

Grant agreement number :

BUDGET BREAKDOWN

Total estimated budget

Total direct costs of the Operation

Maximum EC contribution

Percentage of total eligible costs

Code	Heading	Initial	Modified	Actual Budget
01	Goods & services delivered to the beneficiaries			
01.01.	Food Security			
01.01.01.	Basic food security			
01.01.02.	Other food distribution			
01.01.03.	Food for work			
01.01.04.	School feeding			
01.01.05.	Public Canteens			
01.01.06.	Agricultural activities			
01.01.07.	Livestock			
01.01.08.	Fisheries			
01.01.80.	Training, local capacity building			
01.01.99.	Other food and security			
01.02.	Water and Sanitation			
01.02.01.	Waste disposal and latrines			
01.02.02.	Rural water sources			
01.02.03.	Urban and municipal supply system			
01.02.04.	Water treatment			
01.02.80.	Training, local capacity building			
01.02.99.	Other water and sanitation			
01.03.	Health			
01.03.01.	Primary health care			
01.03.02.	Secondary health care			
01.03.03.	General health care : primary and secondary			
01.03.04.	Emergency health care			
01.03.05.	Epidemics			
01.03.06.	Drugs supply			
01.03.07.	Routine vaccination			
01.03.08.	Support of specialised institutions			
01.03.09.	Disabled population			
01.03.10.	Health education and training			
01.03.11.	Family planning			
01.03.12.	AIDS and STD			
01.03.13.	Targeted control of endemic diseases			
01.03.14.	Psychosocial			
01.03.15.	Rehabilitation of medical facilities			
01.03.80.	Training, local capacity building			
01.03.99.	Other health			

Code	Heading	Initial	Modified	Actual Budget
01.04.	Nutrition			
01.04.01.	Therapeutic feeding			
01.04.02.	Supplementary feeding			
01.04.03.	Supplementary and Therapeutic feeding			
01.04.04.	Nutritional education			
01.04.05.	Surveys and monitoring			
01.04.80.	Training, local capacity building			
01.04.99.	Other nutrition			
01.05.	Shelter			
01.05.01.	Emergency shelter			
01.05.02.	Post emergency/semi-permanent shelter			
01.05.80.	Training, local capacity building			
01.05.99.	Other shelter			
01.06.	Non food items			
01.06.01.	Domestic items			
01.06.02.	Heating and cooking fuel			
01.06.03.	Survival items			
01.06.04.	Hygiene items			
01.06.05.	Educational items			
01.06.06.	Resettlement items			
01.06.80.	Training, local capacity building			
01.06.99.	Other non food items			
01.07.	Rehabilitation/continuum			
01.07.01.	Permanent shelter			
01.07.02.	Educational facilities			
01.07.03.	Social services			
01.07.04.	Self-sufficiency			
01.07.80.	Local capacity building/training			
01.07.99.	Other rehabilitation			
01.08.	Disaster preparedness and mitigation			
01.08.01.	Infrastructure support			
01.08.02.	Advocacy and public awareness raising			
01.08.03.	Mitigation works			
01.08.04.	Mapping and data computerization			
01.08.05.	Education			
01.08.06.	Early warning systems			
01.08.07.	Research and dissemination			
01.08.08.	Facilitation of co-ordination			
01.08.09.	Institutional strengthening			
01.08.80.	Local capacity building/training			
01.08.99.	Other DIPECHO			
01.09.	Special mandates			
01.09.01.	Protection			
01.09.02.	Facilitation of co-ordination			
01.09.03.	Info management and dissemination			
01.09.04.	Family reunification/tracing			
01.09.05.	Care and maintenance			
01.09.06.	Facilitation of return			
01.09.80.	Local capacity building/training			
01.09.99.	Other special mandates			
01.10.	Specific actions			
01.10.01.	Logistics			
01.10.02.	Security and protection			
01.10.03.	Emergency rehabilitation infrastructure			
01.10.04.	Capacity building (NGOs and other humanitarian actors)			
01.10.80.	Local capacity building/training			
01.10.99.	Other specific actions			

Code	Heading	Initial	Modified	Actual Budget
01.11.	<i>De-mining and awareness</i>			
01.11.01.	De-mining			
01.11.02.	Awareness			
01.11.80.	Local capacity building/training			
01.11.99.	Other de-mining			
01.12.	<i>International transport</i>			
01.12.01.	Maritime			
01.12.02.	Overland			
01.12.03.	Air			
01.13.	<i>Personnel</i>			
01.13.01.	Expatriate staff			
01.13.02.	Local staff			
02.	Support costs			
02 01.	<i>Personnel</i>			
02.01.01.	Expatriate staff			
02.01.02.	Local staff			
02 02.	<i>Local logistic costs</i>			
02.02.01.	Office expenses			
02.02.02.	Office consumable and supplies			
02.02.03.	Local contracted transport			
02.02.04.	Distribution, storage and daily labour			
02.02.05.	Running costs			
02.02.06.	Other			
02 03.	<i>Durable equipment</i>			
02.03.01.	Vehicles			
02.03.02.	Communication			
02.03.03.	Other			
02 04.	<i>Security</i>			
02 05.	<i>Feasibility, need assessment and other studies</i>			
02 06.	<i>Specialised services</i>			
02.06.01.	External quality and quantity controls			
02.06.02.	External evaluation			
02.06.03.	External audit			
02 07.	<i>Insurance costs</i>			
02 08.	<i>Visibility and communication programmes</i>			
02 09.	<i>Others to be specified in the proposal</i>			
03	Indirect costs			
04	Contingency reserve (pro memoria)			



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GRANT AGREEMENT

Humanitarian Organisation:

Title of the Operation:

Grant agreement number :

INTERIM FINANCIAL REPORT

Total estimated budget

Total direct costs of the Operation

Maximum EC contribution

Percentage of total eligible costs

Code	Heading	Initial	Modified	Actual Budget
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01	Goods & services delivered to the beneficiaries			
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01.01.	Food Security			
01.01.01.	Basic food security			
01.01.02.	Other food distribution			
01.01.03.	Food for work			
01.01.04.	School feeding			
01.01.05.	Public Canteens			
01.01.06.	Agricultural activities			
01.01.07.	Livestock			
01.01.08.	Fisheries			
01.01.80.	Training, local capacity building			
01.01.99.	Other food and security			

01.02.	Water and Sanitation			
01.02.01.	Waste disposal and latrines			
01.02.02.	Rural water sources			
01.02.03.	Urban and municipal supply system			
01.02.04.	Water treatment			
01.02.80.	Training, local capacity building			
01.02.99.	Other water and sanitation			

01.03.	Health			
01.03.01.	Primary health care			
01.03.02.	Secondary health care			
01.03.03.	General health care : primary and secondary			
01.03.04.	Emergency health care			
01.03.05.	Epidemics			
01.03.06.	Drugs supply			
01.03.07.	Routine vaccination			
01.03.08.	Support of specialised institutions			
01.03.09.	Disabled population			
01.03.10.	Health education and training			
01.03.11.	Family planning			
01.03.12.	AIDS and STD			
01.03.13.	Targeted control of endemic diseases			
01.03.14.	Psychosocial			
01.03.15.	Rehabilitation of medical facilities			
01.03.80.	Training, local capacity building			
01.03.99.	Other health			

Code	Heading	Initial	Modified	Actual Budget
01.04.	Nutrition			
01.04.01.	Therapeutic feeding			
01.04.02.	Supplementary feeding			
01.04.03.	Supplementary and Therapeutic feeding			
01.04.04.	Nutritional education			
01.04.05.	Surveys and monitoring			
01.04.80.	Training, local capacity building			
01.04.99.	Other nutrition			
01.05.	Shelter			
01.05.01.	Emergency shelter			
01.05.02.	Post emergency/semi-permanent shelter			
01.05.80.	Training, local capacity building			
01.05.99.	Other shelter			
01.06.	Non food items			
01.06.01.	Domestic items			
01.06.02.	Heating and cooking fuel			
01.06.03.	Survival items			
01.06.04.	Hygiene items			
01.06.05.	Educational items			
01.06.06.	Resettlement items			
01.06.80.	Training, local capacity building			
01.06.99.	Other non food items			
01.07.	Rehabilitation/continuum			
01.07.01.	Permanent shelter			
01.07.02.	Educational facilities			
01.07.03.	Social services			
01.07.04.	Self-sufficiency			
01.07.80.	Local capacity building/training			
01.07.99.	Other rehabilitation			
01.08.	Disaster preparedness and mitigation			
01.08.01.	Infrastructure support			
01.08.02.	Advocacy and public awareness raising			
01.08.03.	Mitigation works			
01.08.04.	Mapping and data computerization			
01.08.05.	Education			
01.08.06.	Early warning systems			
01.08.07.	Research and dissemination			
01.08.08.	Facilitation of co-ordination			
01.08.09.	Institutional strengthening			
01.08.80.	Local capacity building/training			
01.08.99.	Other DIPECHO			
01.09.	Special mandates			
01.09.01.	Protection			
01.09.02.	Facilitation of co-ordination			
01.09.03.	Info management and dissemination			
01.09.04.	Family reunification/tracing			
01.09.05.	Care and maintenance			
01.09.06.	Facilitation of return			
01.09.80.	Local capacity building/training			
01.09.99.	Other special mandates			
01.10.	Specific actions			
01.10.01.	Logistics			
01.10.02.	Security and protection			
01.10.03.	Emergency rehabilitation infrastructure			
01.10.04.	Capacity building (NGOs and other humanitarian actors)			
01.10.80.	Local capacity building/training			
01.10.99.	Other specific actions			

Code	Heading	Initial	Modified	Actual Budget
01.11.	<i>De-mining and awareness</i>			
01.11.01.	De-mining			
01.11.02.	Awareness			
01.11.80.	Local capacity building/training			
01.11.99.	Other de-mining			
01.12.	<i>International transport</i>			
01.12.01.	Maritime			
01.12.02.	Overland			
01.12.03.	Air			
01.13.	<i>Personnel</i>			
01.13.01.	Expatriate staff			
01.13.02.	Local staff			
02.	Support costs			
02 01.	<i>Personnel</i>			
02.01.01.	Expatriate staff			
02.01.02.	Local staff			
02 02.	<i>Local logistic costs</i>			
02.02.01.	Office expenses			
02.02.02.	Office consumable and supplies			
02.02.03.	Local contracted transport			
02.02.04.	Distribution, storage and daily labour			
02.02.05.	Running costs			
02.02.06.	Other			
02 03.	<i>Durable equipment</i>			
02.03.01.	Vehicles			
02.03.02.	Communication			
02.03.03.	Other			
02 04.	<i>Security</i>			
02 05.	<i>Feasibility, need assesment and other studies</i>			
02 06.	<i>Specialised services</i>			
02.06.01.	External quality and quantity controls			
02.06.02.	External evaluation			
02.06.03.	External audit			
02 07.	<i>Insurance costs</i>			
02 08.	<i>Visibility and communication programmes</i>			
02 09.	<i>Others to be specified in the proposal</i>			
03	Indirect costs			
04	Contingency reserve (pro memoria)			



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GRANT AGREEMENT

Humanitarian Organisation:

Title of operation:

Grant agreement number:

BREAKDOWN OF EXPENDITURE - FINAL FINANCIAL REPORT

Code	Heading	Quantity	Unit	Duration	Unit	Unit price in EUR	Total in EUR	Accounting reference number
01	TITLE : Goods and services delivered to the beneficiaries (direct costs)							
01.01	Food Security							
01.01.01.	<i>Basic Food security</i>							
01.01.02.	<i>Other food distribution</i>							
01.01.03.	<i>Food for work</i>							
01.01.04.	<i>School feeding</i>							
01.01.05.	<i>Public Canteens</i>							
01.01.06.	<i>Agricultural activities</i>							
01.01.07.	<i>Livestock</i>							
01.01.08.	<i>Fisheries</i>							
01.01.80.	<i>Training, local capacity building</i>							
01.01.99.	<i>Other food and security</i>							
01.02	Water and sanitation							
01.02.01.	<i>Waste disposal and latrines</i>							
01.02.02.	<i>Rural water sources</i>							
01.02.03.	<i>Urban and municipal supply system</i>							
01.02.04.	<i>Water treatment</i>							
01.02.80.	<i>Training, local capacity building</i>							
01.02.99.	<i>Other water and sanitation</i>							

Code	Heading	Quantity	Unit	Duration	Unit	Unit price in EUR	Total in EUR	Accounting reference number
01.03	Health							
01.03.01	Primary Health care							
01.03.02	Secondary health care							
01.03.04	Emergency health care							
01.03.05	Epidemics							
01.03.06	Drugs supply							
01.03.07	Routine vaccination							
01.03.08	Support of specialised institutions							
01.03.09	Disabled population							
01.03.10	Health education and training							
01.03.11	Family planning							
01.03.12	AIDS and STD							
01.03.13	Targeted control of endemic diseases							
01.03.14	Psychosocial							
01.03.15	Rehabilitation of medical facilities							
01.03.80	Training, local capacity building							
01.03.99	Other health							
01.04	Nutrition							
01.04.01	Therapeutic feeding							
01.04.02	Supplementary feeding							
01.04.03	Supplementary and therapeutic feeding							
01.04.04	Nutritional education							
01.04.05	Surveys and monitoring							
01.04.80	Training, local capacity building							
01.04.99	Other nutrition							
01.05.	Shelter							
01.05.01	Emergency shelter							
01.05.02	Post emergency/semi-permanent shelter							
01.05.80	Training, local capacity building							
01.05.99	Other shelter							

Code	Heading	Quantity	Unit	Duration	Unit	Unit price in EUR	Total in EUR	Accounting reference number
01.06	Non food items							
01.06.01.	Domestic items							
01.06.02.	Heating and cooking fuel							
01.06.03.	Survival items							
01.06.04.	Hygiene items							
01.06.05.	Educational items							
01.06.06.	Resettlement items							
01.06.80.	Training, local capacity building							
01.06.99.	Other non food items							
01.07	Rehabilitation / continuum							
01.07.01.	Permanent shelter							
01.07.02.	Educational facilities							
01.07.03.	Social services							
01.07.04.	Self-sufficiency							
01.07.80.	Local capacity building/training							
01.07.99.	Other rehabilitation							
01.08	Disaster preparedness and mitigation							
01.08.01.	Infrastructure support							
01.08.02.	Advocacy and public awareness raising							
01.08.03.	Mitigation works							
01.08.04.	Mapping and data computerization							
01.08.05.	Education							
01.08.06.	Early warning systems							
01.08.07.	Research and dissemination							
01.08.08.	Facilitation of co-ordination							
01.08.09.	Institutional strengthening							
01.08.80.	Local capacity building/training							
01.08.99.	Other DIPECHO							
01.09	Special mandates							
01.09.01.	Protection							
01.09.02.	Facilitation of co-ordination							
01.09.03.	Info management and dissemination							
01.09.04.	Family reunification/tracing							
01.09.05.	Care and maintenance							
01.09.06.	Facilitation of return							
01.09.80.	Local capacity building/training							
01.09.99.	Other special mandates							

Code	Heading	Quantity	Unit	Duration	Unit	Unit price in EUR	Total in EUR	Accounting reference number
01.10	Specific actions							
01.10.01.	Logistics							
01.10.02.	Security and protection							
01.10.03.	Emergency rehabilitation infrastructure							
01.10.04.	Capacity building of NGOs							
01.10.80.	Local capacity building/training							
01.10.99.	Other specific actions							
01.11	De-mining and awareness							
01.11.01.	De-mining							
01.11.02	Awareness							
01.11.80.	Local capacity building/training							
01.11.99.	Other de-mining							
01.12	International transport							
01.12.01.	Maritime							
01.12.02.	Overland							
01.12.03.	Air							
01.13	Personnel							
01.13.01.	Expatriate staff							
01.13.02.	Local staff							
2	TITLE : Support costs (direct costs)							
02.01.	Personnel							
02.01.01.	Expatriate staff							
02.01.02.	Local staff							
02.02.	Local logistic costs							
02.02.01.	Office expenses							
02.02.02.	Office consumable and supplies							
02.02.03.	Local contracted transport							
02.02.04	Distribution, storage and daily labour							
02.02.05.	Running costs							
02.02.06.	Other							
02.03.	Durable equipment							
02.03.01.	Vehicles							
02.03.02.	Communication							
02.03.03	Other							

Code	Heading	Quantity	Unit	Duration	Unit	Unit price in EUR	Total in EUR	Accounting reference number
02.04	Security							
02.05.	Feasibility, need assesment and other studies							
02.06.	Specialised services							
02.06.01.	<i>External quality and quantity controles</i>							
02.06.02.	<i>External evaluation</i>							
02.06.03.	<i>External audit</i>							
02.07.	Insurance costs							
02.08	Visibility and communication programmes							
02.09.	Others to be specified in the proposal							
Subtotal: direct costs								
EC contribution to direct costs in %								
EC contribution to direct costs in EUR								
3	TITLE : Indirect costs							
4	TITLE : Reserve (pro memoria)							
Total eligible costs:								
Prefinancing								
Final payment requested								



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GRANT AGREEMENT WITH HUMANITARIAN ORGANISATIONS

AGREEMENT NUMBER - [insert number]¹

The European Community (“the Community”), represented by the Commission of the European Communities (“the Commission”), itself represented for the purposes of signature of this agreement by [name, forename and function,], Humanitarian Aid Office, ECHO, of the one part,

and

[full official name], [acronym]

[full official address]

(“the Humanitarian Organisation”), represented for the purposes of signature of this agreement by [name, forename and function] of the other part,

hereafter referred to as “the Parties”,

HAVE AGREED

the following **General Conditions, Special Conditions** and **Annexes**:

Annex I Description of the operation²;

Annex II Summary of the estimated budget and financial plan of the operation;

which form an integral part of this grant agreement (“the agreement”).

The **General Conditions applicable to European Community grant agreements with Humanitarian organisations for humanitarian operations**, (“the General Conditions”), annexed to the European Commission Framework Partnership Agreement, which the Humanitarian Organisation declares to have read and accepted, shall apply.

The terms set out in the General Conditions shall take precedence over those in the Annexes.

The terms set out in the Special Conditions shall take precedence over those in the other parts of the agreement.

¹ [Plain text]: items to be filled in. Please note that the footnotes serve only to explanatory purposes and that will not be reproduced in the real agreements.

² This annex is chapter 1 of the last version of the proposal presented by the Humanitarian Organisation and accepted by ECHO.

SPECIAL CONDITIONS

ARTICLE 1 - PURPOSE

- 1.1 Subject to the conditions established in this agreement, which the Humanitarian Organisation declares to have read and accepted, the Commission will contribute to the eligible costs of the humanitarian aid operation entitled [...]³ (“the Operation”) implemented by the Humanitarian Organisation
- 1.2 The description of the operation is annexed to this agreement, Annex I. The Humanitarian Organisation shall ensure that the operation is carried out in accordance with the description of the operation and the related proposal submitted on [insert date] and registered at the Humanitarian Aid Office under reference [...]. The proposal can be completed or modified subsequently where appropriate in accordance with article 10 of the General conditions. The proposal and any possible additional information and modifications are an integral part of this agreement.
- 1.3. The Humanitarian Organisation accepts the financial contribution and undertakes to do everything in its power to carry out the operation, acting on its own responsibility.
- 1.4 The Humanitarian Organisation will implement the operation in accordance with the principles, provisions and procedures established in the European Commission Framework Partnership Agreement with Humanitarian Organisations for the financing of humanitarian aid operations.

ARTICLE 2 – ENTRY INTO FORCE AND IMPLEMENTATION PERIOD OF THE AGREEMENT

- 2.1 Subject to the conditions laid down in article 9 of the General Conditions, the agreement shall enter into force on the date of reception by the Commission of one of the originals of the grant agreement duly signed by both Parties.
- 2.2 The implementation period of the agreement shall run for [insert “round” number] months from [insert date] (“the start date of the operation”)⁴.

ARTICLE 3 – FINANCING THE OPERATION

- 3.1 The direct costs of the operation eligible for Community⁵ financing are estimated at EUR [...]. In accordance with article 15.5 of the General Conditions, a fix percentage of direct eligible costs, not exceeding 7%, shall be eligible as indirect costs. Accordingly, indirect costs are calculated at EUR [...]⁶. The total eligible costs of the operation are estimated at

³ Insert also the country of operation when not included in the title of the Operation.

⁴ The implementation period of the agreement usually should equal the implementation period of the operation. However, in some exceptional cases, (e.g. co-financing of large operations), the implementation period of the operation can be longer.

⁵ When the contribution agreement is financed out of the European Development Fund, the references to the Community must be replaced by “European Development Fund” whenever the text of the agreement deals with financial contributions.

⁶ Indirect costs cannot be higher than the amount of the Community contribution established in article 3.2 below.

EUR [...]⁷, as set out in the summary budget in Annex II.

- 3.2 The European Community undertakes to finance a maximum of EUR [...], equivalent to [...%] of the estimated total eligible costs specified in paragraph 1.
- 3.3 Subject to the conditions laid down in article 15 of the General Conditions, expenditure is eligible from [insert date]⁸.
- 3.4 The final amount of the European Community contribution shall be determined in accordance with article 18 of the General Conditions.

ARTICLE 4 – SUBMISSION OF REPORTS

4.1 Option 1⁹

The humanitarian organisation shall submit an interim report on the operation's implementation with a statement of the costs incurred and a financial report at least one month before the end of the implementation period established in article 2.2 hereof¹⁰.

The humanitarian organisation shall submit the final narrative and financial reports within six weeks after the end of the implementation period of the agreement.

Option 2¹¹

Within the first [...] months following the start date of the operation, the humanitarian organisation shall submit an interim report with a statement of the costs incurred and a financial report, covering the first [...] months of its implementation.

The humanitarian organisation shall submit a report on the operation's implementation, focussing, in particular, on the achievements and results, one month before the end of the implementation period established in article 2.2 hereof¹².

The humanitarian organisation shall submit the final narrative and financial reports within three months after the end of the implementation period of the agreement.

- 4.2 Subject to Article 2 of the General Conditions, reports shall be submitted in [two] paper copies, together with an electronic version.

⁷ The total eligible costs figure is the result of the addition of direct and indirect cost, and where applicable the contingency reserve.

⁸ As a rule, the date of eligibility of expenditure shall be equal to the starting date of the operation. For well-substantiated reasons, an earlier date can be established, but not before the date of submission of the proposal. However, in Primary emergency and Emergency operations, expenditure can be declared eligible even before the submission of a proposal from the date when the humanitarian crisis unfolds.

⁹ Whenever options are presented in the text, the person responsible for preparing the agreement will delete the option that is not applicable. Option 1 is for primary emergency operations, emergency operations and other operations up to six months of duration.

¹⁰ Where applicable, (in the cases of 100% grants), the humanitarian organisation will have to provide together with this report the information referred to in article 7.4 of the General Conditions.

¹¹ Option for all operations longer than six months. The interim report should be sent half way through the implementing period.

¹² Where applicable, (in the cases of 100% grants), the humanitarian organisation will have to provide together with this report the information referred to in article 7.4 of the General Conditions.

ARTICLE 5–PAYMENT ARRANGEMENTS

5.1 Pre-financing payments

In accordance with article 16.2 of the General Conditions, the Commission shall make a payment of pre-financing of EUR [...], representing [...%]¹³ of the amount specified in article 3.2 hereof.

Option¹⁴

On production of the interim narrative and financial reports, an additional payment of pre-financing of EUR [...], representing [...%] of the amount specified in article 3.2 hereof may be granted when 70% of the previous payment has been used up.

5.2 Payment of the balance

The request for payment of the balance shall be accompanied by the final narrative and financial implementation reports specified in article 2 of the General Conditions. The approval of the final reports will be done in accordance with the procedure established in article 16.4 of the General Conditions.

ARTICLE 6 – BANK ACCOUNT

Payments shall be made to the Organisation's bank account denominated in EURO indicated below:

Name of bank: [...]

Address of branch: [...]

Precise denomination of the account holder: [...]

Full account number (including bank codes): [...]

IBAN account code, (or BIC country code if the IBAN code does not apply): [...]

ARTICLE 7– CONTACT ADDRESSES

Any communication relating to this agreement shall be in writing, shall state the number of the agreement and title of the Operation, and shall be sent to the following addresses:

To the Commission:

European Commission

Humanitarian Aid Office

Mr/Mrs [...] Head of Unit ECHO [...]

B- 1049 Brussels

Belgium.

To the Organisation:

[Name of the Humanitarian organisation]

Mr/Mrs [...] [Function]

[Full official address]

¹³ From 50% up to 80%, to be established taking into account past record of the Organisation in particular as regards timely submission of reports and budget execution. The risk profile of the humanitarian organisation and the specific needs of the operation may also be taken into account to establish the rate of pre-financing.

¹⁴ A second pre-financing payment is an option, only include this paragraph when the first payment has been of 50%.

ARTICLE 8 – DATA PROTECTION

Any personal data included in the agreement will be processed in accordance with the requirements of Regulation (EC) 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movements of such data. The data will only be processed for the purposes of the performance, management and follow up of the agreement by the European Commission's Humanitarian Aid Office without prejudice to a possible transmission to the bodies in charge of a monitoring or inspection task in conformity with Community law. The data subject may, upon request, obtain the communication of his/hers data and rectify any inaccurate or incomplete personal data. Should the data subject have any queries concerning the processing of his/hers data, he/she shall address them to European Commission's Humanitarian Aid Office. As regards the processing of personal data, the data subject has a right of recourse at any time to the European Data Protection Supervisor.

ARTICLE 9¹⁵ – SPECIFIC CONDITIONS APPLYING TO THE OPERATION

9.1 *The following shall supplement the General Conditions:*

9.1.1 [.....]

9.2 *The following derogations from the General Conditions shall apply:*

9.2.1 *By derogation from article [.....]*

SIGNATURES

Done in two originals in the English language, one for the Commission and one for the Organisation.

For the Organisation

For the Commission

[name / forename / function]

[name / forename / function]

Signature

Signature

Done at [place], [date]

Done at [place], [date]

ENCLOSURES

Annex I Description of the Operation;

Annex II Summary of the estimated budget and financial plan of the Operation.

¹⁵ Article 9 is optional, delete if not applicable.



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)

GENERAL CONDITIONS GRANT AGREEMENT

GENERAL CONDITIONS APPLICABLE TO EUROPEAN COMMUNITY GRANT AGREEMENTS WITH NON- GOVERNMENTAL ORGANISATIONS FOR HUMANITARIAN AID OPERATIONS

General and administrative provisions

- Article 1 – General obligations
- Article 2 – Obligations regarding information and financial and narrative reports
- Article 3 – Liability
- Article 4 – Conflict of interests
- Article 5 – Confidentiality
- Article 6 – Visibility
- Article 7 – Ownership and use of results and assets
- Article 8 – Evaluation of the Operation
- Article 9 – Signature of Agreements
- Article 10 – Amendment of Agreements
- Article 11 – Contracting and procurement
- Article 12 – Implementation period of Agreements, suspension and *force majeure* or equivalent circumstances
- Article 13 – Termination of Agreements
- Article 14 – Settlement of disputes

Financial provisions

- Article 15 – Eligible costs
- Article 16 – Payments
- Article 17 – Accounts and technical and financial checks
- Article 18 – Final amount of Community financing
- Article 19 – Recovery

GENERAL AND ADMINISTRATIVE PROVISIONS

Article 1 **General obligations**

- 1.1 The Humanitarian Organisation shall ensure that the Operation is carried out in accordance with the description of the Operation annexed to the grant agreement and the related Operation proposal, as assented by the Commission, and it is responsible for achieving the objectives set out therein.

The Humanitarian Organisation shall present all operation proposals and its related budgets on the standard forms annexed to the General Conditions, Annexes I and II respectively.

- 1.2 The Humanitarian Organisation shall implement the Operation with the requisite degree of care, efficiency, transparency and diligence, as required by best practice in the field concerned, and in compliance with the grant agreement.

The Humanitarian Organisation shall make every effort to mobilise all the financial, human and material resources required for full implementation of the Operation, as specified in the description of the Operation and the related Operation proposal, endeavouring to use local human and material resources.

- 1.3 The Humanitarian Organisation may act either alone or in partnership with other humanitarian organisations mentioned in the Operation proposal. It may also contract parts of the Operation, in accordance with Article 11 hereof.

The Humanitarian Organisation is fully responsible for the co-ordination and execution of all contracted activities. The Community recognises no contractual link between itself and the Humanitarian Organisation's partner(s) or contractor(s).

- 1.4 The Humanitarian Organisation undertakes to ensure that the conditions imposed upon it under articles 1, 3, 4, 5, 6, 7, 15, 17 and 18 of the General Conditions also apply to all partners and contractors involved.

If any of the Humanitarian Organisation's partners, contractors or agents indulges in corrupt practices in connection with this or any other Operation financed by the Commission, the latter may terminate the agreement in accordance with article 13.4(e) of the General Conditions.

- 1.5 Without prejudice to articles 1.3 and 11 hereof, the grant agreement and the payments attached to it may not be transferred to another body or assigned to a third party, in any manner whatsoever, without the prior written consent of the European Commission.

- 1.6 The Framework Partnership Agreement for humanitarian aid operations is an integral part of the grant agreements concluded with Humanitarian Organisations.

Article 2 - Obligations regarding information and financial and narrative reports

- 2.1 The Humanitarian Organisation shall provide the European Commission with full information on the implementation of the Operation. It shall report on the indicators of achievement specified in the proposal.
- 2.2 To that end, and in accordance with article 4 of the Special Conditions of the grant agreement, the Humanitarian Organisation shall submit interim and final, narrative and financial reports. Reports shall be presented on standard forms, (Annexes I and II of the General Conditions) in the same language as the grant agreement.
- 2.3 Reports shall allow comparison of the objective(s), the means envisaged and/or employed (in particular all expenses actually incurred), the results expected and/or obtained. Every report shall provide a complete account of all aspects of implementation for the period covered. Reporting, narrative as well as financial, shall cover the whole of the Operation, regardless of whether the Operation is wholly financed or co-financed by the European Commission.
- 2.4 Reports shall be submitted in Euro. They may be drawn from financial statements denominated in other currencies as per the Humanitarian Organisation's legislative requirements. Where necessary, actual expenditure will be converted into Euro using the rate of exchange at which the European Community's contribution was recorded in the Humanitarian Organisation's accounts.
- 2.5 The Commission may request additional information at any time. Such information shall be supplied within 30 days of the request.
- 2.6 If the Humanitarian Organisation fails to produce a due report, interim or final, within the set deadline and fails to furnish an acceptable written explanation of the reasons why it is unable to comply with this obligation, the Commission may, in accordance with Article 13.2, terminate the grant agreement.

In this event the procedure envisaged in Article 13.7 shall apply.

Notwithstanding the termination of the grant agreement, reiterative failure by the Organisation to produce reports will be considered a serious breach of the Framework Partnership Agreement and may be considered sufficient reason for its suspension and, ultimately, its termination.

- 2.7 In addition to the above mentioned reports, the Humanitarian Organisation shall ensure that progress and situation reports, publications, press releases and updates, relevant to the grant agreement, are communicated to the European Commission as and when they are issued.
- 2.8 In any event, the Humanitarian Organisation shall inform the Commission immediately of any circumstances likely to hamper or delay the implementation of the Operation.

Article 3 - Liability

- 3.1 The Humanitarian Organisation shall have sole responsibility for complying with any legal obligations incumbent on it.
- 3.2 Under no circumstances or for no reason whatsoever the European Community can be held liable in case of a claim under the agreement relating to any damage caused during the Operation's execution. Consequently, the Commission will not entertain any request for indemnity or reimbursement accompanying any such a claim.
- 3.3 The Humanitarian Organisation shall assume sole liability towards third Parties, including liability for damage or injury of any kind sustained by them while the Operation is being carried out. The Humanitarian Organisation shall discharge the European Community of all liability associated with any claim or action brought as a result of an infringement of rules or regulations by the Organisation or the Organisation's employees or individuals for whom those employees are responsible, or as a result of violation of a third party's rights.

Article 4 - Conflict of Interests

The Humanitarian Organisation shall take all precautions necessary to avoid conflict of interests and shall inform the European Commission without delay of any situation constituting or likely to lead to a conflict of interests.

There is a conflict of interests where the impartial and objective exercise of the functions of any person under this agreement is compromised for reasons involving economic interests, political or national affinities, family or emotional ties, or any other shared interests with another party.

Article 5 – Confidentiality

Without prejudice to the provisions of article 17 hereof, the Parties undertake to preserve the confidentiality of reports referred in article 2 above and any document, information or other material directly related to the subject of the agreement and duly classified as confidential, for a minimum of five years after the end date specified in article 13.9 of the General Conditions.

Article 6 – Visibility

- 6.1 The Humanitarian Organisation shall contribute to the visibility of the humanitarian Operations financed by the European Community, provided that this does not harm Organisation's mandate or the safety of its staff.
- 6.2 During each operation, the Humanitarian Organisation shall endeavour to bring the support and financing given by the European Community to the attention of the beneficiaries, the general public and the media. In keeping with this objective, the Organisation should present a visibility plan within the framework of the Operation proposal.

Evidence of implementation of activities undertaken in this article will be provided in the final narrative report.

- 6.3 In cases where equipment or vehicles and major supplies have been purchased using funds provided by the Commission and provided that this does not harm Organisation's mandate or the safety of its staff, the Humanitarian Organisation shall include appropriate acknowledgement on such vehicles, equipment and major supplies, including display of the European logo (twelve yellow stars on a blue background).
- 6.4 Communications or publications by the Humanitarian Organisation about the Operation, including at a conference or seminar, shall indicate that the Operation has received funding from the Community and shall display the European Union logo in an appropriate way.

Publications by the Humanitarian Organisation pertaining to operations that have received funding from the Commission, in whatever form and whatever medium, including the Internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance of the European Community. The views expressed herein should not be taken, in any way, to reflect the official opinion of the European Community."

- 6.5 Publicity pertaining to the European Community contributions shall quote these contributions in Euro, between brackets if necessary. The Organisation's publications and reports prepared in response to, and in accordance with, its legislative directives are excluded from this provision.
- 6.6 The Humanitarian Organisation authorises the Commission to publish the following information in any form and medium, including via the Internet:
- the Humanitarian Organisation's name and official address;
 - the purpose of the grant agreement;
 - the amount granted and the proportion of the Operation's total cost covered by the funding.

Upon a duly substantiated request by the Humanitarian Organisation, the European Commission may agree to forgo such publicity if disclosure of the above information would risk threatening the Organisation's safety or harming its interests.

Article 7 – Ownership and Use of Results and assets

- 7.1 Unless stipulated otherwise in the Special Conditions, ownership, title and intellectual property rights in the results of the Operation and the reports and other documents relating to it shall be vested in the Humanitarian Organisation, as the case may be together with third parties.
- 7.2 Notwithstanding the provisions of the first paragraph and subject to article 5 hereof, the Organisation shall grant the European Commission the right to use freely and as it sees fit all documents deriving from the Operation, whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

- 7.3. Unless otherwise specified in the Special Conditions, the equipment, vehicles and supplies purchased in the framework of an Operation co-financed by the European Community shall be transferred to local authorities or partners (excluding commercial contractors) of the Humanitarian Organisation or to the final recipients of the Operation by the end of the implementing period of the agreement.
- 7.4 When the European Community finances the totality of the eligible costs of the Operation, the Humanitarian Organisation shall submit one month before the end of the implementation period, or in the event of suspension of the implementation of the Operation, an inventory of the remaining supplies, vehicles and equipment with a proposal concerning the use of these stocks and equipment. The European Commission shall inform the Organisation in writing, within fifteen days of receiving such a proposal, refusing or confirming its acceptance and propounding, when necessary, an amendment to the grant agreement in accordance with the dispositions of article 10.5 hereof.
- 7.5 The Humanitarian Organisation shall give an account in its final narrative and financial reports of the actual destination of these stocks and equipment. Documentary proof of any transfer of property shall be kept for verification along with the documents mentioned in article 17.3 hereof.
- 7.6 In the event of failure to comply with the above provisions the relevant costs shall not be eligible for Community funding.

Article 8 – Evaluation of the Operation

- 8.1 Representatives of the European Commission shall be invited to participate in the main monitoring and in the evaluation missions relating to the performance of the Operation undertaken by the Humanitarian Organisation. The results of such missions shall be reported to the European Commission.
- 8.2 This is without prejudice to any evaluation mission that the European Commission as a donor may wish to perform. In order to facilitate the co-ordination between the Humanitarian Organisation and European Commission evaluation, submissions of proposals will outline the evaluation plan of the relevant Operation.

Evaluation missions by representatives of the European Commission shall be the object of mutual discussions in order to ensure the quality of the independent evaluations to be carried out. These missions are to be planned and completed in a collaborative manner between the Organisation's staff and the European Commission's representatives.

The Humanitarian Organisation undertakes to make available to the Commission representatives all information liable, by its nature, to permit the evaluation to be successfully completed and to give them the rights of access specified in article 17.5 hereof.

The European Commission will make a draft of its report available to the Humanitarian Organisation for comments before final issuance. If agreed with the

Humanitarian Organisation and if provided within a reasonable deadline, the European Commission will annex the Humanitarian organisation's comments to the final report.

Article 9 – Signature of Agreements

- 9.1 The European Commission shall draft the agreement according to the standard format of grant agreement for humanitarian aid operations and in conformity with the Operation proposal agreed by the Parties. The Commission shall sign the grant agreement in the first place and send two originals by registered letter with advice of delivery or equivalent for signature to the Humanitarian Organisation. The Organisation shall notify in writing its acceptance within 15 days of receipt.
- 9.2 The Humanitarian Organisation may not, under any circumstances or procedures, introduce changes in the agreement transmitted for signature.
- 9.3 In case of non-respect of these procedures, the European Commission reserves its right to declare null and void the agreement.
- 9.4 Without prejudice to paragraph 3 of this article, grant agreements shall be considered concluded and shall enter into force on the date of reception by the European Commission of one original of the grant agreement duly signed by both Parties. At this respect, a signed original will be sent to the Commission by registered letter with advice of delivery or equivalent.

Article 10 – Amendment of Agreements

- 10.1 Any modification of an agreement, including the annexes thereto, shall be set out in writing in an amendment.

If the request for an amendment comes from the Humanitarian Organisation, it shall submit the request to the Commission in good time before it is due to take effect and at all events one month before the end of the implementation period of the agreement, except in cases which are duly substantiated by the Organisation and accepted by the Commission.

- 10.2 By way of exception, the Humanitarian Organisation may apply the modification and shall inform the Commission accordingly in writing when the modification does not affect a basic element of the Operation and the financial impact is limited to a transfer within a single budget Title, or a transfer between budget Titles involving a variation (as the case may be in cumulative terms) of 15 % or less of the amount originally entered of total direct costs, with independence of the use of the contingency reserve.

Changes of address may simply be notified.

- 10.3 Prior to proceed with modifications of the grant agreement, (other than those contemplated in article 10.2 above), such as the change of the bank account and the use of the contingency reserve, the Humanitarian Organisation shall present a duly substantiated request. In case of acceptance, the European Commission shall inform

the Humanitarian Organisation in writing, within fifteen days following the receipt of such request.

- 10.4 Where the European Community contribution is expressed as the lower of an absolute amount and a percentage of foreseen total eligible expenditures, and such percentage is likely to change, the Humanitarian Organisation will consult the Commission without delay so as to agree on appropriate measures, such as increasing the percentage of eligible expenditures following the procedure established in paragraph 5 of this article.
- 10.5 Any amendment to articles 2 and 3 of the Special Conditions of the grant agreement shall be the subject of a supplementary agreement concluded between the Parties. The supplementary agreement may not have as its purpose or effect to modify the original object of the agreement.

Article 11 – Award of Contracts

- 11.1 When the implementation of the Operation involves the conclusion of contracts by the Humanitarian Organisation, the contracting arrangements and potential contractors will be as specified in the Operation's proposal. The Organisation will also inform the Commission, with as much prior notice as possible, of changes in these arrangements. In any case, the Humanitarian Organisation will provide detailed information at this respect in the final report.
- 11.2 The procurement of any goods, works or services by the Humanitarian Organisation in the context of the Operation shall be carried out in accordance with the rules on procurement in humanitarian operations adopted by the European Commission established in Annex V of the Framework Partnership Agreement.
- 11.3 In the event of failure to comply with the above provisions the relevant costs shall not be eligible for Community funding.

Article 12 – Implementation period of Agreements, Suspension and force majeure or equivalent circumstances

- 12.1 The implementation period of the grant agreement shall be as set out in article 2.2 of the Special Conditions.
- 12.2 The Humanitarian Organisation may suspend the implementation of the Operation if circumstances make it impossible or excessively difficult to continue, and notably in the event of *force majeure*, serious threat to the safety of humanitarian workers on the site or incompatibility between continuation of the Operation and the observance of humanitarian principles.

It shall inform the Commission immediately, giving all the necessary reasons for the suspension, details of the expenses to be incurred during the suspension period and the foreseeable date of resumption.

- 12.3 The European Commission may require the Humanitarian Organisation to suspend the implementation of an Operation in the event of *force majeure*, serious threat to

the safety of humanitarian workers on the site or incompatibility between continuation of the Operation and the observance of humanitarian principles.

- 12.4 The suspension can last for up to a third of the implementing period of the grant agreement. The Humanitarian Organisation shall resume the implementation of the Operation once circumstances allow it and shall inform the Commission accordingly. In case of a suspension for a longer period, the agreement may be terminated in accordance with article 13.4(a) hereof.
- 12.5 The duration of the Operation shall be extended by a period equivalent to the length of the suspension. In accordance with article 10.5, a supplementary written agreement shall be concluded to extend the implementing period and to make any amendments that may be necessary to adapt the Operation to the new implementing conditions.
- 12.6 Neither of the Parties shall be held liable for breach of its obligations under the agreement if it has been prevented from performing them by *force majeure* or equivalent circumstances. Without prejudice to articles 12.2 and 12.3 above, the Party invoking *force majeure*, or equivalent circumstances, shall take the necessary measures to reduce damage to a minimum.

Article 13 – Termination of Agreements

13.1 Termination by the Humanitarian Organisation with advance notice

Provided a reasoned decision is given, the Humanitarian Organisation may terminate a particular agreement at any time by serving 45 days' written notice stating the grounds, without being required to provide any indemnity on this account.

If no motives are given, or if the European Commission reasonably rejects the motives given, the Organisation shall be deemed to have terminated the agreement improperly, with the consequences set out in paragraph 6 of this article.

13.2 Termination by the European Commission with advance notice

The Commission may terminate the agreement at any time by giving 45 days' written notice stating the grounds, without any indemnity on its part, in the following circumstances:

- (a) in the event of a legal, financial, technical or organisational change in the Humanitarian Organisation's situation that is liable to affect the agreement substantially or to call the award decision into question;
- (b) if the Organisation fails to fulfil its obligations under the terms of the agreement, including its Annexes and the General Conditions;

The Humanitarian Organisation shall have 15 days after receiving the written notice referred to in paragraph 3 of this article to submit its observations and take any measures necessary to ensure that the fulfilment of its obligations under the

particular agreement continues. If the Organisation still fails to do so or the Commission does not accept these observations confirmed by giving written consent within 15 days of receiving the Humanitarian Organisation's observations, the termination procedure shall continue to run.

13.3 Termination arrangements with advance notice

The termination procedure is initiated by registered letter with advice of delivery or equivalent.

Termination shall take effect when the period of notice runs out, starting on the date when the letter of termination is received.

13.4 Termination by the European Commission with immediate effect

By way of exception, the Commission may terminate the agreement at any time with immediate effect by written notice stating the grounds, without any indemnity on its part, in the following circumstances:

- (a) in the cases referred to in article 12.4 of the General Conditions;
- (b) if the Humanitarian Organisation is declared bankrupt, being wound up or is the subject of any other similar proceedings;
- (c) if the Humanitarian Organisation is guilty of grave professional misconduct proven by any justified means;
- (d) if the Humanitarian Organisation intentionally makes false declarations, is guilty of misrepresentation or submits reports inconsistent with reality;
- (e) if the Humanitarian Organisation has, intentionally or by negligence, committed a substantial irregularity in performance of the agreement and, more generally, in the event of fraud, corruption or any other illegal activity detrimental to the Communities' financial interests on the part of the Humanitarian Organisation.

A substantial irregularity shall be any infringement of a provision of the contribution agreement or a regulation resulting from an act or an omission which causes or might cause a loss to the Community budget.

Termination shall take effect from the day following the date when the letter of termination is received.

13.5 Without prejudice to paragraph 6 below, in the event of termination the Humanitarian Organisation shall be entitled to payment only for the part of the Operation carried out, and to reimbursement of commitments entered into by the Organisation for the implementation of the Operation, which the Organisation cannot reasonably terminate on legal grounds.

13.6 In case of improper termination by the Humanitarian Organisation or termination by the Commission on the grounds set out in paragraph 4, indents b), c), d), e) of this article, the Commission may require the partial or total reimbursement of sums

already paid under the agreement after allowing the Humanitarian Organisation to submit its observations.

- 13.7 The Humanitarian Organisation shall have 60 days from the termination date notified by the Commission in order to produce a request for final payment in accordance with article 16.4 hereof. If no request is made within this time limit, the Commission shall not reimburse the expenditure incurred by the Humanitarian Organisation until the date of termination and shall recover any amount if its use is not substantiated by the narrative and financial implementation reports submitted to the European Commission.
- 13.8 Agreements shall be automatically terminated if they have not given rise to a payment within eighteen months of their signature.
- 13.9 Unless earlier terminated pursuant to the present article, the payment obligations of the European Community hereunder shall end eighteen months after the end of the implementation period as defined in article 2.2 of the Special Conditions.
- The European Commission notifies the Organisation of any postponement of the end date.
- 13.10 The provisions of the Special Conditions and the General Conditions will continue to apply after the termination, to the extent necessary to permit an orderly liquidation of any grant agreement in force when the termination takes effect.

Article 14 – Settlement of disputes

- 14.1 The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of the agreement, including its existence, validity or termination.
- To this end, the Parties shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request. A Party must reply to a request for an amicable settlement within 30 days. Once that this period has expired, or if the attempt to reach an amicable settlement has not produced agreement within 90 days of the first request, each Party may notify the other that it considers the procedure to have failed.
- 14.2 Grant agreements are governed by the law of Belgium.
- 14.3 Any dispute between the parties arising from the interpretation or application of the provisions of the agreement that cannot be settled amicably shall be brought before the Court of First Instance of the European Communities and, in case of appeal, before the Court of Justice of the European Communities.

FINANCIAL PROVISIONS

Article 15 – Eligible Costs

- 15.1 To be considered eligible as direct costs of the Operation, costs must satisfy the following general criteria:
- be necessary for carrying out the Operation, be provided for specifically in the grant agreement and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
 - have actually been incurred during the period running from the date of eligibility of expenditure established in article 3.3 of the Special Conditions to the end of the implementation period, whatever the time of actual disbursement by the Humanitarian Organisation;
 - be recorded in the Humanitarian Organisation's or Organisation's partners' accounts, be identifiable, backed by originals of supporting evidence, and verifiable pursuant to the provisions of article 17.3 hereof.
- 15.2 Notwithstanding the provisions of paragraph 1, second indent, of this article, expenditure related to the constitution of stocks by the Humanitarian Organisation for use in connection with the Operation object of the agreement shall be also eligible when incurred before the date of submission of the project proposal.
- 15.3 Subject to the above, and without prejudice to articles 7.6 and 11.3, the following direct costs may, in particular, be eligible:
- costs of staff assigned to the Operation, corresponding to actual salaries plus social security charges and other remuneration-related costs. Identifiable personnel costs at headquarters level arising as a direct consequence of the Operation may be included. Salaries and costs will not exceed those normally borne by the Humanitarian Organisation;
 - travel and subsistence costs for staff taking part in the Operation, provided they do not exceed those normally borne by the Humanitarian Organisation;
 - purchase costs for equipment (new or used) which are attributable to the Operation.
 - purchase costs for goods and services (transport, storage and distribution, rent of equipment, etc.) which are directly attributable to the Operation;
 - costs directly arising out of, or related to, accepting or distributing contributions in kind;
 - costs of consumables and supplies directly attributable to the Operation;
 - expenditure on contracting or expenditure incurred by the Humanitarian Organisation's partners directly attributable to the Operation;
 - the proportion of field office costs that corresponds to the amount of activity directly attributable to the Operation or to the proportion of European Community funding;

- costs deriving directly from the requirements of the agreement (dissemination of information, specific evaluation of the Operation, specific reporting for European Commission needs, translation, reproduction, insurance, targeted training for those involved in the Operation, etc.) including financial service costs (in particular bank fees for transfers).
- 15.4 The following costs shall not be considered eligible:
- debts and provisions for possible future losses or debts;
 - interest owed by the Humanitarian Organisation to any third party;
 - items already financed from other sources;
 - purchases of land or buildings;
 - currency exchange losses;
 - taxes, duties and charges (unless the Humanitarian Organisation is not able to reclaim them and if allowed by the applicable regulatory provisions).
- 15.5 A fixed percentage of direct eligible costs, not exceeding 7 %, shall be eligible as indirect costs.
- For comparable Operations and Operations where there is more than one donor, the amount recovered shall not, in percentage terms, be higher or lower than for other comparable contributions.
- Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of the agreement.
- Indirect costs shall not be eligible where the grant agreement concerns the financing of an Operation conducted by a body which is already receiving a running cost grant from the European Commission during the period in question.
- 15.6 A contingency reserve may be exceptionally included in the budget of the Operation to cover any adjustment necessary in the light of changed circumstances on the ground. The contingency reserve shall not be higher than 5% of the direct eligible costs and can only be used in accordance with the procedure established by article 10.3 hereof.
- 15.7 In the case of co-financing, contributions in kind made by the Humanitarian Organisation may not be considered as co-financing nor as eligible costs.

Article 16 – Payments

- 16.1 Payments shall be made in Euro and in accordance with articles 5 and 6 of the Special Conditions of the grant agreement.
- 16.2 Pre-financing

The European Commission will provide a payment of pre-financing of from 50% up to 80% of the sum referred to in Article 3(2) of the Special Conditions less

contingencies within 45 days of receiving the agreement duly signed by the Organisation.

The level of pre-financing referred to above shall be set at a level of between 50% and 80% in 5% increments taking into account the past record of the Humanitarian Organisation as regards timely submission of final report, budget execution rate and risk profile.

16.3 Bank interests

The Humanitarian Organisation shall inform the Commission of the amount of any interest or equivalent benefits yielded by the pre-financing payment received from the Commission. Interest earned by the Organisation shall be identified as such and reflected in reports to the Commission. If the interests in question represent a significant amount, they shall be reimbursed to the Commission once a year.

The interests shall not be treated as a receipt for the Operation.

16.4 Payment of the balance

Reports shall be presented in accordance with the stipulations of article 2.4 of the General Conditions, accompanied by a request for payment.

The Commission will pay the balance within 45 days of approving the final narrative and financial reports.

Final reports shall be deemed approved 45 days after receipt, if the European Commission has not reacted.

If the European Commission does not intend to approve the final narrative report, as submitted, it shall revert to the Humanitarian Organisation with a request specifying the additional information it requires within the 45-day period. The deadline for approving the report shall be suspended pending the receipt of the requested information.

If the Commission deems that a payment request cannot be met, it shall revert to the Organisation with a request specifying the additional information it requires within a second 45-day period. The payment period shall be suspended pending the registration of a properly formulated payment request.

In case of renewed rejection, the European Commission reserves the right to terminate the agreement by invoking article 13.2 (b) hereof.

Approval of the final reports does not imply recognition of the regularity, authenticity, completeness and correctness of the declarations and information contained therein.

16.5 The Commission shall notify the Humanitarian Organisation of the final amount of the European Community's contribution and the balance to be paid or recovered pursuant to article 18 hereof. The Organisation shall have two months from the date of notification, or in the absence of such notification from the date on which

payment of the balance is received, for making a written request for clarification, setting out any arguments for contesting the final amount calculated by the Commission. Requests reaching the Commission after expiry of the period of two months shall not be admissible. The Commission undertakes to provide such clarification in writing providing the grounds for its calculation within two months of receipt of admissible requests. This procedure is without prejudice to the Organisation's right to refer the matter to the Court of First Instance of the European Communities in accordance with the provisions of article 14.3.

- 16.6 On expiry of the period for payment specified in paragraph 4 of this article, the Humanitarian Organisation may, within two months of receiving a late payment, demand interest at the rate applied by the European Central Bank for its main refinancing operations, as published in the C series of the Official Journal of the European Union on the first day of the month in which the payment was due, increased by three and a half percentage points.

Interest on late payment shall cover the period from the final date for payment, exclusive, up to the date of payment, inclusive. The interest shall not be treated as a receipt for the Action for the purposes of determining the final amount of Community financing within the meaning of article 18 hereof. The suspension of payment by the Commission may not be considered as late payment.

- 16.7 The European Commission shall make payments in EUR into the bank account referred to in article 6 of the Special Conditions of the grant agreement.
- 16.8 Where feasible, the funds paid by the European Commission shall be maintained in Euro denominated bank account. They may be pooled together with contributions from other donors. They may be exchanged for other currencies in order to facilitate their disbursement.

Article 17 – Accounts and technical and financial checks

- 17.1 The Humanitarian Organisation shall keep accurate and regular records and accounts of the implementation of Operations. Separate accounts shall be kept for each Operation and shall detail all income and expenditure. The accounting practice used by the Humanitarian Organisation must be consistent over the various accounting periods.

The Humanitarian Organisation's procedures of accountancy and internal control have to allow direct reconciliation of the costs and income declared under the operation with the accounting states and the corresponding supporting documents.

- 17.2 The Humanitarian Organisation undertakes to provide any detailed information requested by the European Commission or by any other qualified outside body chosen by the Commission for the purposes of checking that the Operation and the provisions of the grant agreement are being properly implemented.

- 17.3 The Humanitarian Organisation shall keep at the Commission's disposal all original documents, especially accounting and tax records, or, in exceptional and duly

justified cases, certified copies of original documents relating to the grant agreement for a period of 5 years from the date specified in article 13.9.

- 17.4 The Humanitarian Organisation agrees that the Commission may have an audit of the use made of the grant carried out either directly by its own staff or by any other qualified outside body of its choice. Such audits may be carried out throughout the lifetime of the agreement and for a period of 5 years from the date specified in article 13.9. Where appropriate, the audit findings may lead to recovery decisions by the Commission.
- 17.5 The humanitarian organisation undertakes to allow Commission staff and outside personnel authorised by the Commission the appropriate right of access to sites and premises where the action is carried out and to all the information, including information in electronic format, needed in order to conduct such audits. Where appropriate, and in accordance with article 1.4 hereof, the Humanitarian Organisation partners and contractors shall grant access to verify any document, notably financial and accounting documents, relating to the Operation.
- 17.6 The European Court of Auditors and the European Anti-Fraud Office (OLAF) shall enjoy the same rights, especially of access, as the Commission for the purposes of checks and audits.

Article 18 – Final amount of Community financing

- 18.1 Without prejudice to article 17.4 of the General Conditions, the European Commission shall adopt the amount of the final payment to be made to the Humanitarian Organisation on the basis of the documents referred to in article 16.4 hereof that it has approved.
- 18.2 The total amount to be paid by the European Commission to the Humanitarian Organisation may not exceed the maximum contribution established by article 3(2) of the Special Conditions, even if the overall actual expenditure exceeds the estimated total budget set out in Annex II of the grant agreement.
- 18.3 Where Article 3(2) of the Special Conditions sets out a maximum percentage of estimated total eligible cost to be financed by the European Community, and if the eligible costs at the end of the Operation are less than the estimated total cost specified in Article 3(1) of the Special Conditions, the contribution of the European Community may be limited to the amount produced by multiplying the actual expenditure by the percentage laid down in Article 3(2) of the Special Conditions.
- 18.4 The Humanitarian Organisation accepts that the financial contribution of the European Community shall be limited to the amount required to balance income and expenditure for the Operation and that it may not in any circumstances result in a profit for the Organisation.

Profit shall mean any surplus of all actual receipts attributable to the Operation, whether duly established or confirmed in the case of other outside funding, or whether determined by applying the principles laid down in paragraphs 2 and 3 of this article to the total actual costs of the Operation. For the purposes of this article,

only actual costs falling within the categories set out in the estimated budget contained in Annex II of the agreement shall be taken into account; non-eligible costs shall always be covered by non-Community resources.

Any profit determined in this way shall result in a corresponding reduction in the amount of the Community's financial contribution.

- 18.5 Without prejudice to article 13 hereof, where the Operation is not completed within the implementation period of the agreement, the funds that remain unexpended after all liabilities incurred in this period have been satisfied, including interest earned, will be reimbursed to the European Community.
- 18.6 Where the Operation is not carried out at all, or is not carried out properly, in full or on time and without prejudice to its right to terminate the grant agreement pursuant to article 13.2 (b) hereof, the European Commission may, after allowing the Organisation to submit its observations, reduce the grant pro rata in relation to the actual implementation of the Operation on the terms laid down in the grant agreement.

Article 19 – Recovery

- 19.1 Where recovery is justified, the Organisation undertakes to repay to the European Community any amounts paid in excess of the final amount due within 45 days of receiving a request from the European Commission.
- 19.2 If the Organisation fails to pay by the date set by the European Commission, the sum due shall bear interest at the rate indicated in article 16.6. Interest on late payment shall be payable for the period elapsing from the day following expiry of the time limit for payment up to the day of payment. Any partial payment shall first cover the interest.
- 19.3 Amounts to be repaid to the European Community may be offset against amounts of any kind due to the Humanitarian Organisation, after informing it accordingly. The Humanitarian Organisation's prior consent is not required. This shall not affect the Parties' option to agree on payment in instalments.
- 19.4 Bank charges occasioned by the recovery of the sums owed to the European Community shall be borne solely by the Humanitarian Organisation.



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)
FRAMEWORK PARTNERSHIP AGREEMENT
Annex V

RULES AND PROCEDURES

APPLICABLE TO PROPERTY, SUPPLY, WORKS AND SERVICE
CONTRACTS FINANCED BY THE

GENERAL BUDGET OF THE EUROPEAN COMMUNITIES IN THE
COURSE OF

HUMANITARIAN AID OPERATIONS

INTRODUCTION

The Financial Regulation applicable to the general budget of the European Communities¹, (hereafter referred as the Financial Regulation), establishes that when the implementation of a grant agreement requires the award of contracts, irrespective of whether the action is financed in whole or in part from a contribution of the European Community, the award procedure must comply with the principles of:

- *Transparency* in the procurement process;
- *Proportionality* between the procedures followed for awarding contracts and the value of the contracts;
- *Equal treatment* of potential contractors;
- *Non-discrimination* among donors.

The present document, Annex V of the European Commission Framework Partnership Agreement with Humanitarian Organisations for the financing of humanitarian aid operations, establishes the rules and procedures that humanitarian organisations are required to observe when awarding property, supply, works and service contracts².

Procurement in the framework of humanitarian operations shares the objectives of economy and efficiency with other types of interventions. On these grounds, humanitarian organisations must award the contract to the tender offering the best value for money, that is to say, the best price-quality ratio. Moreover, the procurement procedure must be free of any interference due to a situation of conflict of interests³.

Other considerations linked to the nature of humanitarian aid and to the context in which the operations take place, impose supplementary obligations and, on the other hand, justify more flexible procedures.

Relevant factors in establishing these rules and procedures are the importance of timely delivery of the aid and the eligibility of stocks⁴; the security constraints and the safety of humanitarian workers in the field; the control of quality and the compliance with international standards; the specificity of humanitarian supplies and the role of humanitarian procurement centres; the integration of procurement as one of the tools of the humanitarian intervention; and the guarantee of the highest ethical standards.

Recognising these particular requirements, the implementing rules of the Financial Regulation, (hereafter Implementing Rules), in article 238, paragraphs 2 and 3, provide for

¹ C.f. Articles 89.1 and 120.1 of Council Regulation (EC,Euratom) N° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, hereafter referred in the footnotes as FR.

² C.f. Article 184.2 of Commission Regulation (EC,Euratom) N° 2342/2002 of 23 December 2003 laying down detailed rules for the implementation of Council Regulation (EC,Euratom) N° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, hereafter referred in the footnotes as IRFR.

³ C.f. Article 184.1 IRFR.

⁴ C.f. Article 171 (a) IRFR.

the adoption by the Commission of dedicated provisions establishing the procedures to follow for awarding contracts in the framework of humanitarian operations.

This document is divided into chapters (one digit), sections (two digits) and paragraphs (three or four digits). The document employs the numbering of paragraphs in order to facilitate the identification of the provisions.

The structure of Annex V of the Framework Partnership Agreement is the following:

Chapter 1 defines the scope of application of these rules and procedures and states the general principles.

Chapter 2 establishes the eligibility criteria and the causes for ineligibility and exclusion from tender procedures.

Chapter 3 sets up the rules common to all procedures.

Chapter 4 defines the different procurement procedures and presents the procedures to be followed for each type of contract.

Chapter 5 defines the special rules applicable in cases of emergency and primary emergency operations, the constitution of stocks, property contracts, framework contracts, procurement centres, co-financing and Community exports of foodstuffs.

1. DEFINITIONS , SCOPE OF THESE RULES AND GENERAL PRINCIPLES

1.1. For the purposes of these rules the following definitions shall be used:

- 1.1.1. The term contract refers to contracts for pecuniary interest concluded in writing by a contracting authority in the context of a humanitarian operation, in order to obtain, against a payment of a price paid in whole or in part from a contribution from the Community budget, (and where applicable, from the European Development Fund), the supply of assets, the execution of works or the provision of services.
- 1.1.2. Property contracts cover the rental of land, existing buildings or other real estate. The Community contribution to a humanitarian operation cannot finance the purchase of immovable assets.
- 1.1.3. Supply contracts cover the purchase, leasing, rental or hire purchase, with or without option to buy, of products. The delivery of products may in addition include siting, installation and maintenance.
- 1.1.4. Works contracts cover either the execution, or both the execution and design of works or the realisation, by whatever means, of a work corresponding to the requirements specified by the contracting authority. By 'work' we intend the outcome of building or civil engineering works taken as a whole that is sufficient by itself to fulfil an economic or technical function.
- 1.1.5. Service contracts cover all intellectual and non-intellectual services other than those covered by supply contracts, works contracts and property contracts. Service contracts equally comprise study and technical assistance contracts.

A study contract is a contract concluded which includes studies for the identification and preparation of projects, feasibility studies, technical studies and audits.

A technical assistance contract is a contract where the contractor is called on to play an advisory role, to manage or supervise a project or to provide the consultants specified in the contract.

- 1.1.6. A contract covering both products and services shall be considered a service contract whenever the value of the services in question exceeds that of the products included in the contract. The same principle shall apply to define the procurement procedure to be followed in other hybrid contracts.
- 1.1.7. Contracting authority refers to the humanitarian organisation awarding contracts in the framework of a humanitarian aid operation with a financial contribution from the Community budget, (see point 1.2 below). In the present text, the terms contracting authority and humanitarian organisation are used interchangeably.
- 1.1.8. The terms supplier, contractor and service provider refer to three categories of economic operator, natural or legal persons, who supply products, execute works and provide services respectively. Economic operators who have

submitted a tender offer are referred to as tenderers. Those who have asked to be allowed to take part in a restricted or negotiated procedure are referred to as candidates.

- 1.1.9. The term contract notice refers to the publication by which the contracting authorities, in the framework of a restricted procedure, make known their intention to launch a procurement procedure. Tender notice refers to the notice published in the framework of an open procurement procedure for the same purpose. Award notice is the publication of the outcome of the award procedure.
- 1.1.10. Taking into account the type of operation and its implementing context, goods can be classified as “dedicated supplies” and “non-dedicated commodities”. In general terms, supplies related to the implementation of health, nutrition and water and sanitation activities and/or subject to international quality standards can be considered as dedicated supplies. Other products not available in the country of operation may be exceptionally considered dedicated supplies. In any case, the humanitarian organisation shall agree with the Commission on the products to be considered dedicated supplies in a given operation. Other supplies shall be considered non-dedicated commodities.
- 1.1.11. A framework contract for supplies is a contract concluded between a contracting authority and an economic operator for the purpose of laying down the essential terms governing a series of specific contracts to be awarded during a given period, in particular as regards the duration, subject, prices, conditions of performance and the quantities envisaged.
- 1.1.12. Humanitarian procurement centres are non-profit making, autonomous and professional structures, specialised in the technical and commercial management of supplies necessary for the implementation of humanitarian operations. They provide technical assistance in procurement to humanitarian organisations, putting at their disposal pre-established stocks, purchasing and logistics capacity.
- 1.1.13. Primary Emergency operations are those humanitarian operations funded by a Primary Emergency Decision adopted by the Commission under the procedure established under Commission Decision SEC (2001) 873.

Emergency operations are those humanitarian operations funded by a Commission Decision adopted in accordance with the procedure laid down in article 13 of the 1257/96 Regulation on humanitarian aid.

1.2. Scope and applicability of these rules.

On the basis of the Regulation on Humanitarian Aid, the Community may finance humanitarian operations implemented by the Commission itself, specialised agencies

of the Member States, international organisations and non-governmental organisations⁵.

- 1.2.1. In case of direct implementation by the Commission of a humanitarian operation, Chapter 2 of Title V of the First Part of the Financial Regulation and the related provisions of the Implementing Rules establish the procedures applicable to contracts awarded by the Community institutions on their own account.
- 1.2.2. Whenever the humanitarian aid operation is implemented by an International Organisation, the latter may apply its own procedures for awarding contracts, if those procedures provide guarantees equivalent to internationally accepted standards.

If that is not the case or in specific instances, the Commission and the International Organisation shall agree on the procedures to be followed. In that event, such rules shall be included in the contribution agreement.

The International Organisation's rules on nationality and origin will apply in case of Joint Management⁶ (or Multi-donor actions⁷). In other operations, financed in whole or co-financed by the European Community, the rules on nationality and origin set up in chapter 2 hereof shall apply.

- 1.2.3. Where the grant beneficiary is a specialised body of the Member States the Community Directives applicable to public procurement shall apply.
- 1.2.4. Where the operation is implemented by a non-governmental organisation the provisions of this Annex shall apply.

These rules and procedures are an integral part of the grant agreements signed with the Commission for the financing of humanitarian operations. Therefore, in case of non-compliance, expenditure related to the irregular contracts for the operations in question will not be eligible for Community financing.

The Commission will carry out ex post checks on the contracting authorities' compliance with the rules established hereof. In accordance with Article 120.2 of the Financial Regulation, grant agreements expressly enable the Commission, including the European Anti-Fraud Office (OLAF), and the Court of Auditors to exercise their powers of control, on documents and on the spot, over all contractors and sub-contractors who have received Community funds.

⁵ C.f. articles 7,8 and 9 of Council Regulation (EC, Euratom) No 1257/96 of 20 June 1996 concerning humanitarian aid, OJ L 163, of 2 July 1996.

⁶ Article 53 of the Financial Regulation.

⁷ According to the terminology used in the Financial and Administrative Framework Agreement between the European Community, represented by the Commission of the European Communities, and the United Nations, (FAFA), signed on 29 April 2003.

1.3. General principles.

- 1.3.1. Whenever the implementation of a Community financed or co-financed operation requires the humanitarian organisation to award procurement contracts, the contract shall be awarded to the tender offering the best value for money, that is to say, the best price-quality ratio, in compliance with the principles of transparency and equal treatment for potential contractors, care being taken to avoid any conflict of interests⁸.
- 1.3.2. The Commission requires that contracting authorities, tenderers and candidates observe the highest ethical standard during the procurement and execution of contracts.
- 1.3.2.1. Contracting authorities shall reject any proposal put forward by tenderers or candidates, or, where applicable, terminate their contract, if it is determined that they have engaged in corrupt, fraudulent, collusive or coercive practices. To this end, contracting authorities are responsible to introduce the necessary provisions in the bidding and contractual documents. Administrative or financial penalties imposed shall be in proportion to the importance of the contract and the seriousness of the misconduct.
- 1.3.2.2. The humanitarian organisation must inform immediately the Commission in the event of being confronted by these practices, providing all the relevant information.
- 1.3.2.3. In accordance with article 13.4 (e) of the General Conditions applicable to European Community agreements for humanitarian aid operations, whenever it is established that the humanitarian organisation, intentionally or by negligence, has caused a loss to the Community budget, the Commission shall terminate with immediate effect the grant agreement with the humanitarian organisation.
- 1.3.2.4. Without prejudice to the application of penalties laid down in the grant agreement, the Commission may apply the relevant provisions of article 133 of the Implementing Rules.
- 1.3.3. The contracting authority shall satisfy itself with regard to the non-exploitation of child labour and the respect of basic social rights and working conditions by candidates and tenderers.
- 1.3.4. The humanitarian organisation shall establish standard procedures on procurement and guidelines for tender documents. Those procedures shall comply with the general principles enunciated in this section 1.3. Tender documents must be drafted in accordance with the best international practice. Guidelines for tender documents must provide for the evaluation of proposals on the basis of exclusion, selection and award criteria announced in advance. The assessment of tender proposals shall be based on the

⁸ C.f. Article 184.1 IRFR.

necessary technical and administrative expertise. In accordance with the value of the contract, a committee may assess tenders.

The Commission reserves the right to exercise its powers of control, on documents and on the spot, over all contractors and sub-contractors who have received Community funds, in order to verify the conformity of the humanitarian organisation's rules and procedures on procurement and its implementation.

2. NATIONALITY RULE AND RULES OF ORIGIN. CAUSES FOR INELIGIBILITY AND EXCLUSION FROM TENDER PROCEDURES.

2.1. Nationality rule⁹.

Participation in tendering procedures shall be open on equal terms to all persons coming within the scope of the Treaties and, in accordance with the specific provisions in the basic instruments governing the funding of humanitarian aid, to all such natural and legal persons who are nationals of the beneficiary third countries or any other third country expressly mentioned in those instruments. The basic instruments governing the funding of humanitarian aid operations are the Regulation on humanitarian aid¹⁰ and the Cotonou Agreement¹¹.

2.1.1. Whenever an agreement on widening the market for procurement of goods or services to which the Community is party applies, the contracts for procurement are also open to third-country nationals other than those referred to in paragraph 2.1, under the conditions laid down in that agreement.

2.1.2. The nationality rule does not apply to the personnel of contractors taking part in an operation financed by the Community.

2.2. Rule of origin.

All supplies purchased under a supply contract must originate in the Community or in an eligible country as defined in point 2.1 herein.

This rule applies to supplies and equipment purchased by a contractor for works or service contracts financed out of the Community contribution if the supplies and equipment are to become the property of the beneficiaries of the project or transferred to a local humanitarian organisation once the contract is completed.

⁹ C.f. Article 168 of the Financial Regulation.

¹⁰ Op.cit. footnote 5.

¹¹ Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000.

2.3. Derogations from the rules of nationality and origin.

Any departure from the rules of nationality and origin set out above is subject to prior written approval from the European Commission, which shall deal expeditiously with any request accompanied with proper justification.

Derogations from those rules shall be funded on technical and quality reasons, shortfall or unavailability on the markets of the aforementioned countries, costs or delays due to transport or on the grounds of legislation in the country of operation.

2.4. Ineligibility criteria.

The contracting authority shall exclude from participation in a procurement procedure candidates or tenderers falling into any of the following cases:

- (a) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) They have been convicted of an offence concerning their professional conduct by a judgement that has the force of *res judicata*;
- (c) They have been guilty of grave professional misconduct proven by any means that the contracting authority can justify;
- (d) They have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- (e) They have been the subject of a judgement that has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) Following another procurement procedure or grant award procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.

Candidates or tenderers must certify by any relevant means that they are not in one of the situations listed above.

2.5. Exclusion causes.

Contracts shall not be awarded to candidates or tenderers who, during the procurement procedure:

- (a) Are subject to a conflict of interest;
- (b) Are guilty of misrepresentation in supplying the information required by the humanitarian organisation as a condition of participation in the contract procedure or fail to supply this information.

3. RULES COMMON TO ALL TENDER PROCEDURES

- 3.1.** In order to determine the tenderer offering the best value for money, that is to say, the best price-quality ratio, humanitarian organisations will take always into account at least the following criteria: price, quality, compliance with international norms and delay for delivery.
- 3.2.** The humanitarian organisation has the sole responsibility for complying with any contractual obligation incumbent on it. The respective rights and obligations of the humanitarian organisation and the contractors are governed by the tender documents and the contracts signed by the humanitarian organisation with those contractors. The Commission is not bound by these contracts and recognises no contractual link between itself and the humanitarian organisation's contractors.
- 3.3.** If the humanitarian organisation wishes to refer to the European Community in the tender documents, the following clause shall be included:

“(Name of the humanitarian organisation) has received a grant from the European Commission (or in appropriate cases, has presented a funding request to the European Commission) for the implementation of the humanitarian aid operation entitled (name of the operation) and intends to apply a portion of that grant to payments under this contract. The European Commission will establish the final amount of the grant and will liquidate it to (name of the humanitarian organisation) on completion of the operation on the basis of the expenses presented and declared eligible. No party other than (name of the humanitarian organisation) shall derive any rights from the grant or have any claim to its proceeds. Under no circumstances or for no reason whatsoever will the Commission entertain any request for indemnity or payment directly submitted by the humanitarian organisation's contractors.”

- 3.4.** Contracts signed by the humanitarian organisation with contractors shall include provisions guaranteeing the Commission, the European Anti-Fraud Office and the Court of Auditors, appropriate right of access to the contractors' financial and accounting documents for the purposes of checks and audits.
- 3.5.** The estimated value of a contract may not be determined with a view to evading the requirements laid down in these rules, nor may a contract be split up for that purpose.

Where the subject of a contract is subdivided into several lots, each one the subject of an individual contract, the value of each lot must be taken into account for the overall evaluation of the applicable threshold.

- 3.6.** Without prejudice to the specific prior publication requirements established in chapter 4 below, publication and advertising of invitations to tender and tender notices must be sufficient and appropriate to ensure genuine competition. Care should be taken to ensure adequate advance publication and reasonable time for the presentation of tenders.

When feasible, advertising in technical magazines and trade publications shall be envisaged. Tender notices and contract notices must also be advertised in specialised electronic portals with free access and published in the humanitarian organisations' Web site.

3.6.1. When the present rules prescribe international publication, the contracting authority shall advertise the tender notice or the contract notice in the country of operation, by any relevant means available, and in a specialised periodical published in the European Union

3.6.2. When the present rules prescribe local publication, the contracting authority shall advertise the tender notice or the contract notice in the country of operation, by any relevant means available.

- 3.7.** With independence on the award procedure followed¹², humanitarian organisations shall publish in their Web site the award notice of any contract related to the implementation of an operation financed in whole or in part from a contribution of the European Community, indicating that the operation has received funding from the Community.

- 3.8.** Upon a duly substantiated request by the humanitarian organisation, the European Commission may agree to forego such publicity¹³ if disclosure of the above information would endanger the organisation's safety or harm its interests.

4. PROCUREMENT PROCEDURES TO BE FOLLOWED ACCORDING TO THE TYPE OF CONTRACT

- 4.1.** Procurement procedures shall take one of the following forms:

4.1.1. Open procedure.

Tender procedures are open whenever all interested economic operators may submit a tender after publication of an tender notice. The tender notice shall specify at least the rules governing the lodging/submission and presentation of tenders, the exclusion, selection and award criteria and set out the technical specifications.

¹² See section 4.1. Contracts can be awarded by open, restricted and negotiated procedures and by single bid.

¹³ Ex ante and ex post publication.

The scope of the publication of the tender notice shall be established taking into account the value and type of the contract.

4.1.2. **Restricted procedure.**

Tender procedures are restricted whenever, after publication of a contract notice, all economic operators may ask to participate to an invitation to tender, but only those candidates satisfying the selection criteria and invited simultaneously by the contracting authority may submit a tender.

The contract notice shall specify at least the rules governing the lodging/submission of candidacies, the exclusion, selection and award criteria and set out the essential technical specifications.

The selection phase may be repeated for each individual contract or may involve the drawing up of a list of potential candidates following a call for expressions of interest.

The number of candidates invited to submit a tender may not be less than four, provided that a sufficient number of candidates satisfy the selection criteria. In any event, the number of candidates invited shall be sufficient to ensure genuine competition.

The scope of the publication of the contract notice shall be established taking into account the value and type of the contract.

4.1.3. **Negotiated procedure.**

The contracting authorities invite simultaneously and in writing the tenderers of their choice to negotiate the terms of the contract. The written communication shall be the means by which the contracting authorities make known their intention to launch procurement procedures.

In negotiated procedures the number of candidates invited to negotiate shall not be less than four. In any event, the number of candidates invited shall be sufficient to ensure genuine competition.

4.1.4. Exceptionally, contracting authorities may place the order on the basis of a **single quote** in the following cases:

(a) In primary emergency and emergency operations;

(b) Whenever no tenderers or no suitable tenders have been submitted in response to an open, restricted or negotiated procedure after the initial procedure has been completed, provided that the original terms of the contract are not substantially altered;

(c) Whenever, for technical reasons or for reasons connected with the protection of exclusive rights, the contract can be awarded only to a particular economic operator;

(d) For additional contracts consisting in the repetition/renewal of services, works or supplies entrusted to a contractor awarded an earlier contract in a similar humanitarian operation in the same region, provided that the terms of

the original contract are not substantially altered and that the first contract was awarded under the open procedure. The period elapsed from the award of the first contract shall not be longer than one year;

(e) For additional works and services not included in the initial contract which, due to unforeseen circumstances, have become necessary for the performance of the contract, provided that the aggregate amount of additional works or services does not exceed 50% of the value of the principal contract;

(f) For property contracts (renting of property only), after prospecting the local market;

(g) Whenever orders are placed with a humanitarian procurement centre;

(i) For contracts of a value below EUR 5000.

4.1.5. In any event, the works, services or goods supplied on the basis of a single quote must comply with the following requirements:

(a) Satisfactory quality;

(b) Timely delivery or completion;

(c) The price corresponds to market prices and does not affect adversely the economy and efficiency of the operation.

4.2. Works contracts.

4.2.1. Works contracts worth **EUR 5 000 000 or more** must be awarded by means of an open tender procedure following the international publication of the tender notice.

4.2.2. Works contracts worth **from EUR 300 000 and up to EUR 4 999 999** shall be awarded by means of an open tender procedure published locally. A local open tender procedure must provide other eligible contractors with the same opportunities as local firms.

4.2.3. Works contracts worth **from EUR 5 000 up to EUR 299 999** shall be awarded by means of a negotiated procedure.

4.3. Service contracts.

4.3.1. Service contracts worth **EUR 200 000 or more** shall be awarded by means of a restricted tender procedure following the international publication of a contract notice.

4.3.2. Service contracts worth **from EUR 5 000 and up to EUR 199 999** shall be awarded by means of a negotiated procedure.

4.4. Supply contracts.

4.4.1. Specific requirements for the procurement of pharmaceutical products and medical devices:

(a) Humanitarian organisations shall abide by international norms for the procurement of pharmaceutical products and respect patents and national drug regulations in the individual countries.

(b) The purchase of medicines shall be based on the pre-qualification of pharmaceutical manufacturers who comply with the World Health Organisation Good Manufacturing Practice Guidelines.

(c) The award criteria shall give priority to suppliers of medical devices that comply with ISO certification 9001/EN46001 or ISO 9002/EN46002. In respect to Medical equipment, the award criteria shall give priority to suppliers that comply with essential requirements described in the Council Directive 93/42/EEC of 14 June 1993, concerning medical devices¹⁴.

This enumeration of international standards is neither exhaustive, nor definitive. Humanitarian organisations shall take as a reference any internationally recognised standard that may be set and the updates and revisions of the standards mentioned hereof.

4.4.2. Supply contracts worth **EUR 150 000 or more** must be awarded by means of an open tender procedure following the international publication of the tender notice.

4.4.3. Supply contracts of “**non-dedicated commodities**” from **EUR 30 000 and up to EUR 149 999** are awarded by means of an open tender procedure published locally. A local open tender procedure must provide other eligible suppliers with the same opportunities as local firms.

Supply contracts of “**dedicated supplies**” from **EUR 30 000 and up to EUR 149 999** may be awarded by means of a restricted tender procedure following the international publication of a contract notice.

4.4.4. Supply contracts of “**non-dedicated commodities**” worth **from EUR 5 000 and up to EUR 29 999** must be awarded by means of a negotiated procedure.

4.4.5. For “**dedicated supplies**” worth **up to EUR 29 999** the humanitarian organisation may place orders on the basis of a single quote.

¹⁴ OJ L 169, 12/07/1993.

5. SPECIAL RULES

5.1. Emergency and primary emergency operations.

In the framework of emergency and primary emergency operations, and in accordance with point 4.1.4 (a), humanitarian organisations may place their orders on the basis of a single quote. In this case, the humanitarian organisation must be able to present the reasons that prevented a larger consultation.

5.2. Stocks: constitution and use.

Expenditure incurred by the humanitarian organisation before the date of submission of the project proposal and related to the constitution of stocks of goods and equipment for use in connection with the operation for which the grant is awarded is eligible for Community financing¹⁵.

To this end, the procedures followed by the humanitarian organisation for the constitution of those stocks shall guarantee the compliance with the general principles set out in section 1.3.

In addition, those stocks shall conform to the requirements established in point 4.1.5.

5.3. Property contracts (Renting of property only)

In accordance with point 4.1.4 (f), property contracts may be awarded on the basis of a single quote after prospecting the local market.

5.4. Framework contracts for supplies.

5.4.1. Framework contracts for supplies shall be awarded by means of a restricted tender procedure following the international publication of a contract notice. The contract notice shall state the number of candidates who will be invited to submit tenders. This will be within a range of four to eight candidates.

Only candidates satisfying the published selection criteria and invited in writing by the humanitarian organisation may submit a tender.

5.4.2. The duration of such framework contracts may not exceed four years. Framework contracts may not be used in such a way as to prevent, restrict or distort competition.

5.4.3. Specific contracts based on a framework contract shall be awarded in accordance with the terms laid down in the framework contract they relate to. In any case, specific contracts shall comply with the requirements established in point 4.1.5.

5.5. Humanitarian procurement centres.

5.5.1. Humanitarian procurement centres shall guarantee equal treatment of suppliers and among humanitarian organisations, high standards for integrity, transparency, price, performance and quality.

¹⁵ C.f. Articles 171 IRFR and 15.2 of the General Conditions.

- 5.5.2. Humanitarian procurement centres shall grant the Commission, the European Anti-Fraud Office and the Court of Auditors, appropriate right of access to the contractors financial and accounting documents for the purposes of checks and audits.
- 5.5.3. Whenever a contracting authority places its orders with a humanitarian procurement centre on the basis of a single bid, the latter shall comply with the relevant rules and procedures established herein. Where needed, the procurement centre shall be responsible, for launching the required tender procedure.

Stocks of goods and equipment supplied by the procurement centre shall comply with the requirements established in section 5.2.

Whenever an order is placed with a humanitarian procurement centre by a single bid procedure, the Community may contribute to the indirect costs of the procurement center on the basis of the cost of goods, equipment and services within that order. To this end, contractual arrangements between the humanitarian organisation and the procurement centre shall include the necessary provisions. In accordance with section 3.2, the humanitarian organisation is the sole responsible for transferring this contribution to the procurement centre.

5.6. Procedures applicable to co-financed operations.

Where the operation is co-financed by several donors and the European Community is not the largest single contributor, the contracting authority may apply different procedures to award contracts from those established herein on condition that they guarantee equal treatment to all donors and having informed the Commission in the project proposal of the concrete procedures that it will follow. In any event, the general principles established in section 1.3 shall be respected.

5.7. Procedures applicable to the export of Community foodstuffs in the framework of a humanitarian operation.

- 5.7.1. When the product can benefit from an export refund it has to be clearly indicated that the financed operation shall be considered as “international food aid” and fulfils the conditions of the applicable regulation of the WTO.
- 5.7.2. When the product is subject for its export to the presentation of a certificate, the supplier has to submit the request for the export licence specifying that it is a certificate “WTO – food aid ” in accordance with the legislation in force.
- 5.7.3. The payment to the supplier is subordinated to presentation of the copy of the export licence. The price will be the net price after deduction of the applicable export refund.