

## **Delivering humanitarian aid programmes if there's no Brexit deal**

### **Summary**

The UK government's offer to UK humanitarian aid organisations in response to EU no deal planning.

### **Detail**

Find out how the UK government will help UK humanitarian aid organisations to continue to bid for European Civil Protection and Humanitarian Aid Operations (ECHO) programmes prior to the UK's withdrawal.

A scenario in which the UK leaves the EU without agreement (a 'no deal' scenario) remains unlikely given the mutual interests of the UK and the EU in securing a negotiated outcome.

Negotiations are progressing well and both we and the EU continue to work hard to seek a positive deal. However, it's our duty as a responsible government to prepare for all eventualities, including 'no deal', until we can be certain of the outcome of those negotiations.

For two years, the government has been implementing a significant programme of work to ensure the UK will be ready from day 1 in all scenarios, including a potential 'no deal' outcome in March 2019.

It has always been the case that as we get nearer to March 2019, preparations for a no deal scenario would have to be accelerated. Such an acceleration does not reflect an increased likelihood of a 'no deal' outcome. Rather it is about ensuring our plans are in place in the unlikely scenario that they need to be relied upon.

This series of technical notices sets out information to allow businesses and citizens to understand what they would need to do in a 'no deal' scenario, so they can make informed plans and preparations.

This guidance is part of that series.

Also included is an [overarching framing notice](#) explaining the government's overarching approach to preparing the UK for this outcome in order to minimise disruption and ensure a smooth and orderly exit in all scenarios.

We are working with the devolved administrations on technical notices and we will continue to do so as plans develop.

## Purpose

This notice is to set out our offer to UK humanitarian aid organisations, which will allow them to continue bidding for funding from the core budget of the European Civil Protection and Humanitarian Aid Operations (ECHO) without undertaking unmanageable financial and programmatic risk.

## Before 29 March 2019

Article 7 (1)(b) of the Humanitarian Aid Regulation (Council Regulation (EC) No 1257/96) sets out that eligible non-governmental organisations (NGOs) must:

- be non-profit-making autonomous organisations in a member state under the laws in force in that member state
- have their main headquarters in a member state or in the recipient third country. This headquarters must be the effective decision-making centre for all operations financed under the regulation. Exceptionally, the headquarters may be in a third donor country

This should not exclude UK organisations prior to the UK's withdrawal, given that we remain an EU country until 29 March 2019. In addition, the Joint Report, published last December, recognises the eligibility of UK entities to participate in current EU programmes will be unaffected by the UK's withdrawal from the EU until programme closure.

UK-based organisations and individuals should be able to:

- bid for funding
  - participate in and lead consortia
- until programme closure, and otherwise implement as normal all EU development programmes which are approved before December 2020.

Despite this, European Commission contingency planning has had the effect of discouraging UK organisations from bidding for ECHO funding. ECHO appears to require UK organisations bidding for funds to undertake, in a 'no deal' scenario, the delivery of all programme outputs beyond March 2019 without ECHO funding, should they not decide or not be required to leave the programme. In addition, ECHO has inserted the below clause in their grant *agreements with UK organisations*:

*"For British applicants (non-governmental organisations): Please be aware that you must comply with the requirement of establishment in an EU member state for the entire duration of the grants awarded under this Humanitarian Implementation Plan (HIP). If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to*

*receive EU funding or be required to leave the project on the basis of Article 15 of the grant agreement.”*

This is discouraging UK organisations from bidding and in some cases EU delegations are encouraging them to step down. We are keen to resolve this issue as soon as possible, given that it sets an unwelcome precedent for the UK to make future contributions through ECHO.

### **After 29 March 2019 if there's no deal**

If the UK leaves the EU in March 2019 with no agreement in place, ECHO could therefore either require UK organisations to leave their projects or even terminate funding to UK organisations but nevertheless expect them to implement the ECHO project in full. Neither of these outcomes would be acceptable to the UK government.

### **Implications**

The termination of funding by ECHO would leave organisations with existing grants with no other option but to either terminate projects early and abruptly, with high extraction costs and negative programmatic consequences, or to finance the remainder of the programme themselves.

This risk is discouraging organisations from bidding entirely, and has had a significant impact on UK organisations' access to ECHO funding for several months. They are losing access both to new grants, and grants which they have been successfully implementing for years.

### **UK government offer**

To facilitate continued applications by UK organisations to ECHO, and to avoid early termination of programmes, the government commits to funding the post-March 2019 outputs of any programme funded from ECHO's core budget, where a UK organisation is the lead consortium partner or sole implementer. This will apply only in a no deal scenario when ECHO terminates funding based on the clause quoted above at the time of the UK's exit from the European Union.

This commitment is subject to the following principles:

Applicable funding:

- this commitment only applies to new applications for ECHO funding between the date of this notice and 29 March 2019
- the UK government will not reimburse any programme activity that was undertaken prior to 30 March 2019

- this commitment is only applicable to programmes financed by core ECHO funding
- this commitment applies only to programme outputs delivered by UK-based NGOs

Requirements for receiving funding assurance:

- organisations must provide evidence for their status as a UK-based entity by submitting their registration number and address
- organisations must notify DFID on the date on which it applies for the ECHO grant in question and again on the date on which ECHO awards the grant
- at that time the organisation must provide a breakdown of expected amount, profile and timeline of spend agreed with ECHO, clearly indicating all chargeable work up to 29 March 2019
- organisations must give DFID sight of draft grant agreements prior to signing

DFID will reimburse only UK-based organisations that are either:

- consortium lead for the programme in question
- the sole implementer
- sub-contractors forming part of UK-led consortia

Any project components sub-contracted to non UK-based sub-contractors forming part of UK-led consortia are ineligible for reimbursement under this commitment

Requirements for receiving funding:

- organisations must have successfully undergone DFID due diligence and must comply with all standard DFID Accountable Grant clauses
- organisations must provide evidence for the funding disbursements already received from ECHO prior to 30 March 2019 and confirmation that all chargeable work under the grant to this date has been paid for by ECHO
- the government reserves the right to apply the same delivery, safeguarding and fiduciary requirements and expectations as set out by ECHO, and to terminate or withhold funding if these are not met

### **Further information**

UK organisations wishing to receive financial reassurance under this commitment as part of their ECHO funding applications should send the information requested in the bullets above under 'Requirements to receive funding assurance' to [DFIDContingencyPlanning@dfid.gov.uk](mailto:DFIDContingencyPlanning@dfid.gov.uk).

Further detail of the operational aspects of this commitment will be released later, in the unlikely scenario that it is deemed necessary to do so.

This notice is meant for guidance only. You should consider whether you need separate professional advice before making specific preparations.

It is part of the government's ongoing programme of planning for all possible outcomes. We expect to negotiate a successful deal with the EU.