



REVIEW OF THE FINANCIAL REGULATION PUBLIC CONSULTATION

The **European Patients' Forum (EPF)** was founded in 2003 to become the collective patients' voice at EU level, manifesting the solidarity, power and unity of the EU patients' movement. EPF currently represents 41 member organisations - which are chronic disease specific patient organisations working at European level, and national coalitions of patients organisations. EPF therefore reflects the voice of an estimated 150 million patients affected by various diseases in the European Union.

EPF's vision for the future is high quality, patient-centred, equitable healthcare throughout the European Union.

This response is was prepared by the European Patients' Forum with input from its members (see <http://www.eu-patient.eu/membership/index.php>) and is also endorsed by EPF's sister organisation at global level, the International Alliance of Patient Organizations (IAPO)

Question 1: Are you sufficiently informed about upcoming calls for proposals in a timely manner? What improvements would you suggest?

In general, yes.

To facilitate planning, it would help if each DG could produce a forecast of call publications and deadlines for the following year in October of the previous year when NGOs are usually preparing their work plan for the following year.

NGOs should also be encouraged to tie in their strategic plans with programming periods and priorities to enhance synergy.

Umbrella organisations and platforms could be used more effectively to transmit information about funding to their members and allies. This could be one of the tasks linked to operational grants.

The lack of uptake of structural fund monies and research monies in particular areas for health, should be explored in detail and the Commission should work with umbrella NGOs in order to provide comprehensive guidance on how to apply and how to become a partner.

Question 2: should the rules be more flexible on co-financing requirements taking into account the type of actions and project managers? How could in-kind contributions best be dealt with, while adhering to the non-profit principle?

This is a major issue for many NGOs, particularly smaller NGOs as they do not have the direct resources for co-financing.

In kind contributions could be dealt with by attributing an agreed market 'value' to volunteers time, linked to the person days estimated to achieve a particular deliverable or output.

Moreover, if an NGO has no permanent staff, it should be allowed to still take part in projects by contracting self-employed workers whom they supervise.

In general, the 'accountability' should be focused more on what the project has achieved in tangible terms rather than the process itself.

Finally, the Commission should avoid late payments (the delays are often greater than 90 days). This puts the contractors and partners at a considerable financial risk.

Question 3: Should the use of lump sums, flat rates become the norm rather than the exception? Should the rules allow for costs to be covered on the basis of expected outputs? If yes, can you provide concrete examples?

This would simplify greatly procedures for small scale national and European NGOs.

Question 4: Should the rules strictly adhere to the non-profit principle or should there be room for some flexibility in this matter? Do you have examples of good practices from other public authorities?

For clarity, the rules should strictly adhere to the non-profit principle.

Question 5: What, in your view, would be the appropriate amount for low and very low value grants?

Low grants should be classified as grants ranging between 20,000 and 50,000 EUR. Very low grants should be classified as ranging between 5,000 and 20,000.

These small grants are absolutely vital to enable small NGOs with innovative project concepts of real European added value to participate in EU funding processes effectively.

Question 6: How could the rules on operating grants be more flexible? In which way?

What are your views on the duration of framework partnership agreements?

Operating grants are really critical to NGOs to enable them to play their role as civil dialogue partners.

No ceiling % should be linked to eligibility for funds from organisations that receive corporate funding, to demonstrate independence. An example is the call for operating grants under the current Public Health Programme (2008-2013) where last year organisations that received more than 20% of funding from industry were ineligible to apply. This year the percentage is raised to 40%. This arbitrary ruling undermines the entire principle of independence and the importance of diversity of funding sources.

Applicants should be required to demonstrate their independence and transparency through different mechanisms (for example Codes of ethics, Funding frameworks, Declaration of interests, transparent information on their accounts posted on the website, etc)

Regarding the duration of operational grants, a three year agreement would facilitate planning and delivery for many NGOs.

Regarding framework partnership agreements , 5 years should be the norm.

Question 7: Can you give concrete examples and types of actions where the strict limitation on cascading grants became an obstacle for achieving the goal of your action?

Not applicable

Question 8: From your experience, what alternative solutions could be proposed for pre-financing payments while safeguarding tax payers' money?

See below

Question 9: What mechanism, other than pre-financing guarantee, could be explored while ensuring adequate protection of community funds?

For larger NGOs, the pre-financing guarantee is workable, if time-consuming and bureaucratic.

More flexibility should be given to smaller NGOs applying for smaller grants and a proper evaluation of the project application in relation to financial management and budget, and effective (but not burdensome) reporting during the project period should be deemed to suffice.

Question 10: Based on your experience, do you think current thresholds are still adequate or should they be increased, and why?

Not applicable

Question 11: How could the application procedure for both grants and contracts be further improved?

The approach of a 'label' system as described in the consultation document discriminates against new applicants and would not be acceptable.

From the perspective of small NGOs, the application procedure needs to be both streamlined and simplified.

Within each funding programme, a specific funding strand should be created to respond to the needs of organisations with less organisational capacity and which require smaller grants for an innovative project.

The mandate and capacity of bodies/offices in Member States delegated by the EC to be contact points for specific funding programmes should be reinforced so as to enable them to provide more efficiently guidance and information to NGOs. At the moment the level of support provided varies greatly across Member States, thus penalising some countries and organisations. This is particularly crucial in new Member States.

Also, applicants need longer time to prepare the application and to form a solid and competent consortium. The current time-frames have an influence on the quality of applications where often not enough time can be dedicated to assess carefully the content.

Administrative procedures for certain Calls (FPT, CIP) are extremely complicated even for organisations with high capacity. A simplification of these procedures would be welcomed.

Electronic and on-line templates and instruments that applicants have to use sometimes present technical problems. This is a cause of stress and extra work. A better pre-testing of these instruments would be helpful.

EPF together with other partners has produced a series of tools that supports patient organisations and project promoters to involve patients meaningfully in EU health funded projects. They include is important advice and guidance on managing funding procedures. Please go to <http://www.eu-patient.eu/projects/valueplus/index.php>