



European Commission United Nations Development Programme International IDEA

***Joint Training on
Effective Electoral Assistance***

EC-UNDP Contractual Arrangements Avoiding the Traps

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DAY 3

Maputo, 23-27 June 2008



Presentation

- ☐ **EC–UNDP partnership in electoral assistance : the context.**
- ☐ **10 major difficulties encountered in the implementation phase.**
- ☐ **How to put together a Contribution Agreement ?**
- ☐ **EUEOM**



EC and UNDP

different corporate cultures

- ☐ **Mutual limited knowledge**
- ☐ **Economic background / Developmental background (romantic...)**
- ☐ **European Organisation / International Organisation**
- ☐ **Round table / Square table**
- ☐ **New rich / Old lord (clash of personalities)**



Context : EC and UNDP

different corporate cultures

□ But ... complementarities



The image of UNDP in the EC

☐ **BAD...**

☐ **poor reporting, slow, tricky, costly, heavy administrative procedures**



The image of UNDP in the EC

- ☐ But...close to beneficiary governments
- ☐ But...neutral partner in politically sensitive situations
- ☐ But...long experience (electoral assistance) and managerial capacity
- ☐ But...ability to pool resources (Multi-donor actions) administrative capacity
- ☐ But...long experience and mandate for donor coordination



The image of the EC in UNDP

☐ **BAD...**

☐ **Bureaucratic, obsessed by visibility, micro management, cumbersome, high maintenance**



The image of the EC in UNDP

- ☐ **But ...common objectives / same values**
- ☐ **But...serious and reliable partner**
- ☐ **But...financial means**



European Parliament

- ☐ **Visibility**
- ☐ **Accountability**
- ☐ **Transparency**



FAFA tensions

- ☐ **Audit / Verification**
- ☐ **Publication of the Beneficiaries**



DEX/NEX

- ☐ **Modality of Execution**
- ☐ **DEX**
- ☐ **NEX**



Difficulty 1 : lack of communication

- ☐ **Absence or lack of communication between the ECD and the UNDP CO.**
- ☐ **Suspicion and paranoia.**
- ☐ **"Ego"**

- ☐ **Joint Formulation Mission**
- ☐ **Role of JTF**
- ☐ **Exchange of document**
- ☐ **Informal communication**



Difficulty 2 : Switch from Contractor to Partner

- ☐ **sometimes difficult for the ECD to consider UNDP as a partner and not as a contractor**
- ☐ **sometimes difficult for UNDP to consider the EC as a partner and not as a banker**
- ☐ **Greater involvement of the EC in the preparatory phase... "Joint Project" but not Joint Management**
- ☐ **Mutual respect**



Difficulty 3 : contradictions between EC-UNDP project documents.

- ☐ existence of discrepancies /contradiction
between EC and UNDP official project documents
(Project Identification Fiche, Financing Proposal,
Prodoc, annex I of the Contribution agreement)**
- ☐ Exchange of documents**
- ☐ Draft contribution agreement aligned with UNDP
Prodoc and based on recommendations of the
Operational guidelines**



Difficulty 4 : Time constrain

- ❑ UNDP often makes the mistake of working too sequentially leading to time compression issues (hiring experts)**
- ❑ no retroactivity with EC financing**
- ❑ UNDP financial and technical input for preparatory activities (UNDP contribution , not reimbursable)**
- ❑ UNDP advance of funds from the day of the signature of the contract (reimbursable)**



Difficulty 5 : endless discussions **on 7% of indirect costs/GMS.**

- ☐ **UNDP's Executive Board decision (2007) to adopt a rate of 7% GMS**
- ☐ **FAFA ...up to 7 %**
- ☐ **Unless exceptionally high amount...7%.**



Difficulty 6 : EU visibility

- ☐ **EU limited visibility in multi-donor actions**
- ☐ **Need for UNDP to accommodate the visibility requirements of other donors.**

- ☐ **EC's participation in the steering and technical committees**
- ☐ **Joint Visibility Guidelines for EC-UN Actions in the field.**
- ☐ **Specific Visibility Plan**



Difficulty 7 : Selection of Expertise

- ☐ EC's desire to participate to the selection of the electoral assistance experts
- ☐ UNDP rules and procedures for the selection of experts.

☐ **consensus**



Difficulty 8 : Audit / Verification

- ☐ ECD wants to programme an audit at the end of the project.
- ☐ UNDP rules and procedures : selection of the projects to be audited is the prerogative of the auditors (DEX)
- ☐ **No reference to specific audit in the annex I of the contract or in the special conditions.**
- ☐ **Possibility for the EC to send a Verification Mission.**



Difficulty 9 : Earmarking of funds

- ☐ ECD wants to earmark funds for specific activities in a multi-donor action.
- ☐ **By nature No earmarking in a multi-donor action**

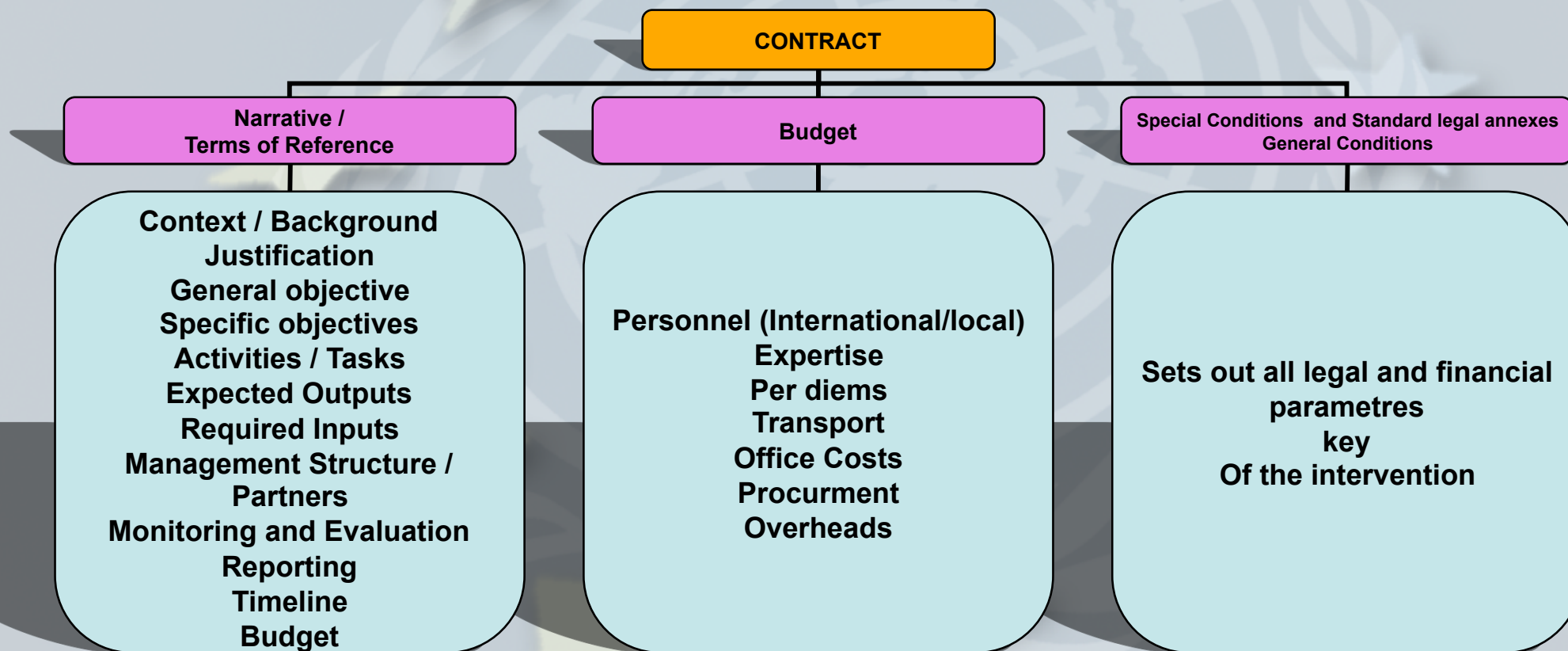


Difficulties : 10 Reporting

- ☐ **Reporting : deadline not respected**
- ☐ **Exchange losses claimed by UNDP**
- ☐ **Publication of the " Beneficiaries"**
- ☐ **Respecting the reporting deadlines of the contract are essential when working with the EC. The financial report must follow the format of the original budget, not Atlas**
- ☐ **Exchange losses : UNDP.**



How to put together a Contribution Agreement ?





How to put Together a Contribution Agreement ? 4 Steps

- ☐ Joint Formulation Mission : Agreement on Annex I and Budget**
- ☐ Draft Contribution Agreement prepared by the ECD (Special Conditions and 5 annexes)**
- ☐ Clearance of the draft by UNDP Brussels : FAFA compliance and UNDP rules and regulations compliance**
- ☐ Signature**



UNDP Logistical Support to EU EOM Characteristics

- Not a partnership : independent mission**
- No political or visible role for UNDP.**
- Pure logistical support (and damages control..)**
- High EU priority**



UNDP Logistical Support to EU EOM Characteristics

Difficulties encountered:

- Short timing**
- Significant pre-financing required**
- Further administrative burden on the Country Offices**
- Difficult missions to close**
- Often clash of characters due to high pressure situations**
- Difficult contracts to clear in UNDP HQ**



UNDP Logistical Support to EU EOM

Why?

Why do them?:

- For the democratic cause**
- For the good of the global EC-UNDP partnership**
- Entry point with the EC Delegation and delivery.**
- For the overheads? Not really**





UNDP Logistical Support to EU EOM Characteristics



The improved relationship:

- Greater corporate experience and lessons learned**
- Permanent small team of experts ready for deployment**
- Better understanding between EC and UNDP on mutual constraints and expectations**
- Better cooperation between EC and UNDP on how to handle the Core Team**



**Thanks for your Attention.
Good Luck**

