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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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
Visibility
Accountability
Transparency
FAFA tensions

- Audit / Verification
- Publication of the Beneficiaries
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
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?

- Narrative / Terms of Reference
  - Context / Background
    - Justification
    - General objective
    - Specific objectives
    - Activities / Tasks
    - Expected Outputs
    - Required Inputs
    - Management Structure / Partners
    - Monitoring and Evaluation
    - Reporting
    - Timeline
    - Budget
  - Personnel (International/local)
    - Expertise
    - Per diems
    - Transport
    - Office Costs
    - Procurement
    - Overheads
  - Budget
- Special Conditions and Standard legal annexes
  - General Conditions
  - Sets out all legal and financial parameters key
    - Of the intervention
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 😊