Joint EC-UNDP Thematic Workshop on Sustainability in Electoral Administration: Adequate Resourcing for Credible Elections

How to diminish election procurement costs?

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Agenda

- Electoral Procurement
 - Environment and Challenges
- Costs in Procurement and how can we save / reduce them?
 - Process
 - Object
 - Long term / short term considerations
- Few illustrative examples





Electoral procurement: Environment and Challenges

HIGH VISIBILITY AND HIGH SOCIAL, POLITICAL AND REPUTATIONAL RISKS

 HIGH OPERATIONAL RISK: SHORT TIMES, NEED FOR QUALITY, LARGE QUANTITIES MULTIPLE PARTIES INVOLVED, EMB, Donor community, UNDP – Purchaser, Contractor/s, Sub-contractors
NORMALLY NOT A CONTINUED ACTIVITY/PROCESS AT NATIONAL LEVEL
INCREASING ATTENTION TO COSTS AND SUSTAINABILITY

Political decisions
National priorities
Roles and responsibilities
(who can do what)
Budget

- Resources available
 - Preparedness
 - **Operational capacity**
- **Requirements**
- Sustainability of solutions

PROCUREMENT AND CONTRACTING



Costs in Procurement

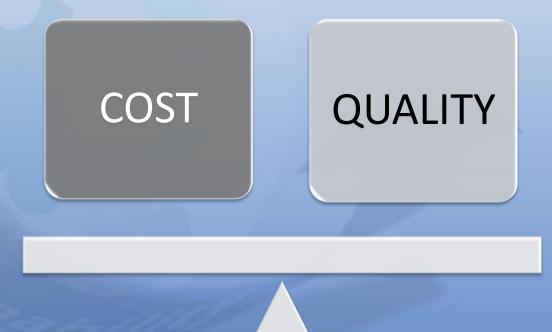
• Three main factors interacting in Procurement





Preliminary consideration:

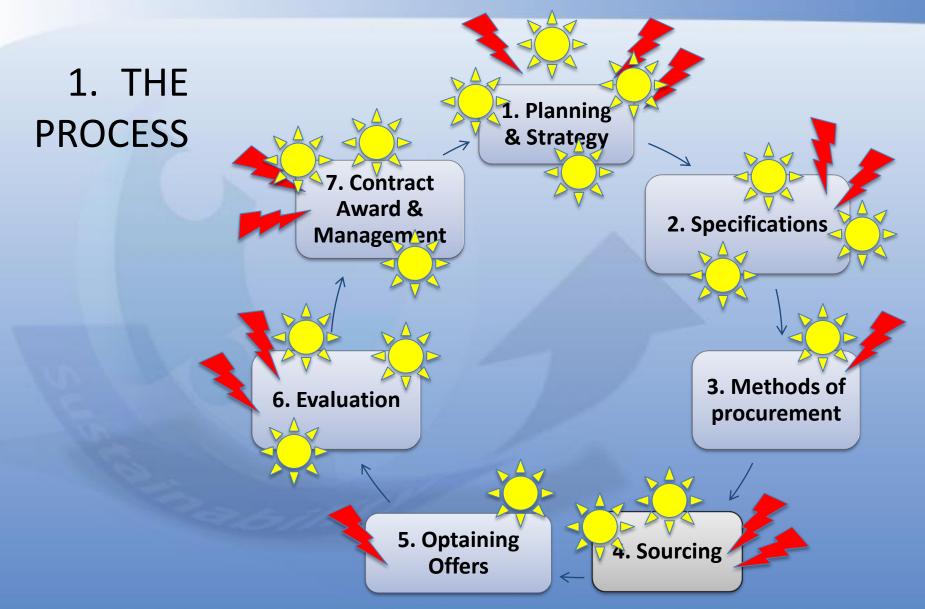
• Do not compromise quality or results!





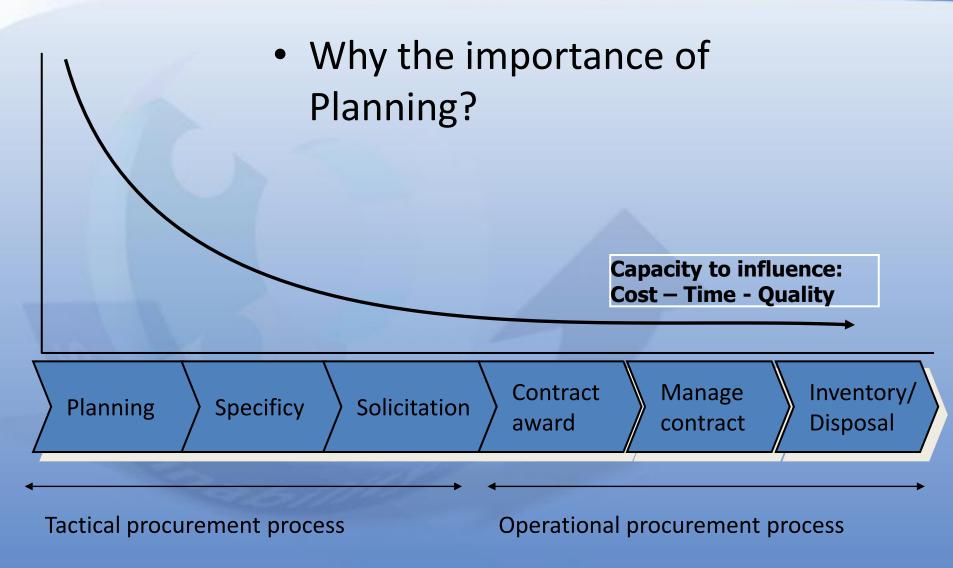


Costs in Procurement













...and start with a good PLANNING







 Knowledge, decide based on technical aspects, reduce uncertainties

Mitigate risks in the Process

- INCREASE BARGAINING POWER
- Longer term view and Consolidate demand
- RELEVANT SUPPLIERS AND EFFECTIVE COMPETITION
- Expertise, qualifications, local/international, avoid Vendor Lock
- MATCH COMPLEXITY AND NEEDS
- Simplicity, compatibilities, environment





Use of a Central Procurement Entity

Dedicated resources, immediate availability, preparedness, tools,...

Institutional knowledge, capacity building

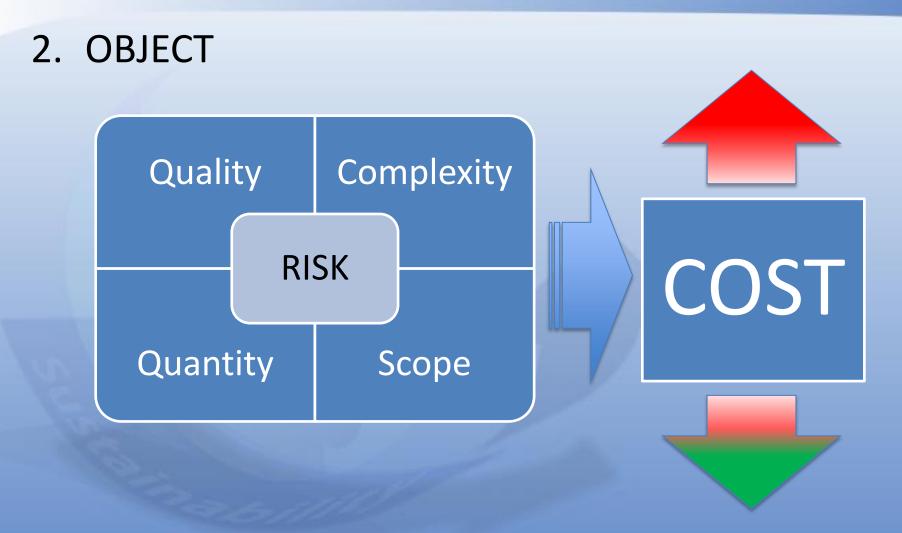
Consolidation of Demand, stronger liaison/bargaining power.

<u>Synergies</u> (Inter-departament,...), re-usability, versatility and maintenance of one-time investments.





Costs in Procurement





Costs of Procurement

• The parts of the object and its costs from a procurement perspective

Purchase Price

Internal staff costs

Installation costs

Operating and Maintenance costs

Refurbishment costs

Residual value or disposal cost





2. OBJECT

Ensuring QUALITY and adequate SCOPE of the Object: Requirements adjusted and relevant to objectives

Integrate solutions

Contract management

Build capacity through contract implementation

Balance responsibilities: User & Supplier

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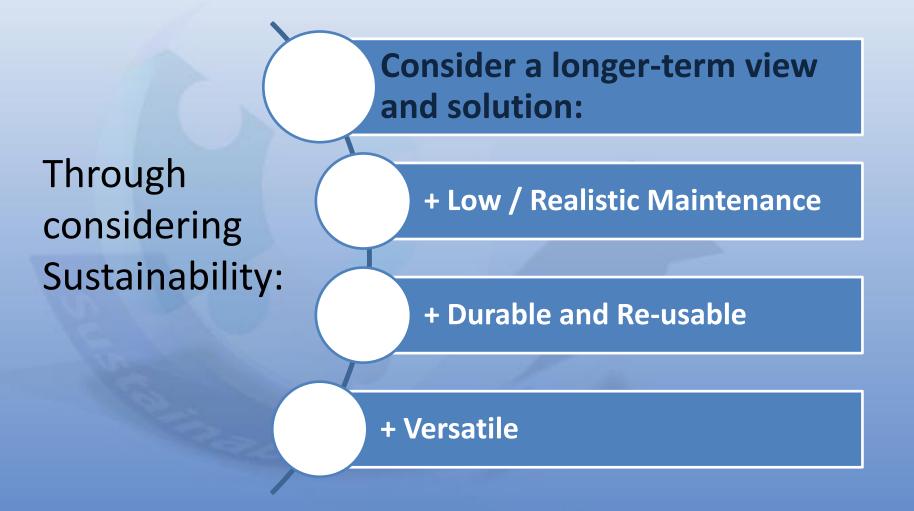
Costs of Procurement

3. Long term / short term considerations











Thank You

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