European Commission
United Nations Development Programme
International IDEA

In collaboration with

International Organization for Migration
Canadian International Development Agency
Organization of American States

Joint Training on Effective Electoral Assistance

Electoral Procurement
Anne-Sofie Holm/UNDP PSO (JTF)

Accra, 29 June -3 July 2009
Objectives

- To explain Electoral Procurement as an integrated part of strategic and operational planning

- To clarify the scope of Electoral Procurement in the Electoral Cycle

- To create awareness around the multiple challenges in Electoral Procurement

- To provide examples of Electoral Procurement activities in Electoral Assistance projects, and highlight some lessons learned
Planning Phase

- Strategic Planning

- Operational Planning
  - Procurement Planning

  - The procurement cycle is an integrated part of the electoral cycle, as procurement activities will define deliverables/outcomes.

  - Procurement is no longer perceived as a back-office function, but rather a mission-critical and strategic function in ensuring development results.
Approach

- Programmatic Channel
  - CSO/NGOs as implementing partners
  (Project Cooperation Agreement with ProDoc attached)

- Procurement Channel
  - CSO/NGO/private companies as contractors
  (typically Contract for Professional Services)
Procurement within an Electoral Cycle

HOW? - Focus on what is core

Access Expertise
- Access best practice and skills
- Flexible based upon needs
- Pay as you use
- Reduce fixed cost of UNDP
- Consistent approach
- Provides quality assurance

Core to UNDP
- Allows UNDP to focus efforts
- Improve service delivery
- Utilise specialist skills and expertise
- Strengthen comparative advantage

Work with UN agencies
- Increase government capacity
- Develops local ownership
- Allow exit strategy

Core to their mandate
- Utilise skills and expertise
- Increase joint working
- Retain ‘not for profit’ benefits
- Provides international coverage
- Reduce fixed cost to UNDP
Election-related Procurement

**Election Administration**
- Equipment and refurbishment of buildings, hardware and software equipment, vehicles, communication tools, printing services, staff training (e.g. BRIDGE), hiring experts

**Civic & Voter Education, Training**
- Technical equipment, material for Call Center, development of Website, design and printing of posters, leaflets, banners etc., production of TV spot, radio jingles, conferences, CSO trainings...

**Voter Registration & Data Center**
- Hardware & software equipment, printing and distribution of registration forms, voter cards, data processing, Data Entry Center, materials training, technical assistance, logistics and distribution, integration of services, venue (rent or rehabilitate) hiring experts

**Election Day activities**
- Ballot boxes & seals, voting screens, polling kits, indelible or invisible ink, tamper-proof materials, material for alternative polling station structures, means for printing and distribution of ballot papers, polling forms, procedural manuals, electoral lists, candidate lists, training of polling staff, logistics, distribution, storage and security.

**Results Tabulation**
- software, results and media centre hardware and other communication equipment.
Procurement Chain

1. Identify Needs
2. Write Specifications TOR and SOW
3. Choose a Procurement Method
4. Prepare Solicitation Documents
5. Seek, Clarify and Close Offers
6. Evaluate Offers & potential Validation Test
7. Manage the Contract
8. Negotiate the Contract
9. Award Contract
10. Evaluation

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In collaboration with: CIDA, IOM, OAS
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Elections Procurement – Risks and Challenges

The most commonly experienced risks in electoral procurement are:

**Structural Arrangements in place**
- Independent EMB?
- Permanent EMB?
- Human Resources in EMB and UNDP (bodies or technical experts)
- Procurement Structure in EMB and UNDP

**Supply Market Distortion**
- Political lobbying lead to prejudicial outcome of the tender process.
- Some commodities are very simple but limited specialized suppliers.
- Affects cost, affects technical solutions

**Insufficient Budget**
- Lead to sub-optimal goods and services being purchased
- Several ad hoc procurement exercise as patch work solution
**Elections Procurement – Risks and Challenges**

**Inflexible deadlines**
- Often use by critical stakeholders as a tool to exert pressure on the procurement agent
- Cause serious value for money predicaments i.e. need to airfreight, create artificial single source situation
- Cause severe pressure on logistics and distribution

**Incomplete or Late Technical Specifications and ToR/Request for assistance**
- Creates margin for error. Remedy action limited
- Creates ambiguity, a situation suppliers can manipulate and difficult for procurement agent to disqualify. Too few technical experts, to develop solid specs.
- Standards are not applied
- Testing is not applied

**National ownership, capacity and infrastructure**
- EMB may be not created yet or simply lack capacity (High turnover of EMB staff)
- Capacity is not just one-off training
- Technical Solution or Technical Transfer
- Checks and balances in place
- Some developing countries are challenged logistically
Elections Procurement – Risks and Challenges

Reputational risk
- To EMB, UNDP and the donor community
- The media and certain stakeholders may misrepresent the procurement actions (perception vs. reality)

Unrealistic Expectations
- By stakeholders on the Procurement Rules & Regulations to deliver
- Ill-informed of the market response time and structure

Cost of high-tech solutions and sustainability
- Over-focus on highly advanced technology w/o in infrastructure to support it
- Cost of VR without logistics factored in could go up to several mill of US$
- Could be a one time event with little synergies into a wider institutional plan
- Full understanding of total costs:
  Total cost of acquisition
  Total cost of operation
  Total cost of maintenance (between post and pre electoral periods, e.g. storage and refurbishment costs).
Best Value for Money
What is the actual cost?

Principles of UNDP Procurement

Purchase Price
Acquisition
Installation
Maintenance
Disposal
Formulation of the Support to the 2008-2011 Strategic Plan of the National Election Commission in Rwanda

2008 Total Budget: US$ 19 million equal to 34% of overall 2008-2011 budget

Procurement related activities: US$ 11.7 equal to 61% of total 2008 expenditure

(here of 36% for procurement of electoral material and logistics, remaining for services - training, civic education, EMB core running costs such as communication services, stationary, maintenance, car rental etc.)
Formulation of the Support to the Zambian Electoral Cycle 2009-2012

Total Budget: US$ 19 million

Currently allocated procurement activities: US$ 14 million equal to 73% of total expenditure

(these 73% primarily covers procurement replace of polaroid solution w. ECZ, digitisation of DNR, Communication System linking HQ w. the field, hiring of legal, ICT expertise etc. but excluding E-Day material and logistics, EMB core running costs etc.)
Recommendations

Seek advice early
- Technical Advisory is available
- Observe Standards developed in relevant domain
- Examine the full implications of costs, operations and maintenance. Focus on sustainability and make informed decisions
- Do Pilot projects/ validation testing

Integrate procurement into project formulation
- Include procurement input into project formulation
- Create a role for Procurement Officer in the PMU

Procurement tools
- Procurement plans to establish realistic timeline
- Long Term Agreement (LTA) to create efficient procurement, expedite delivery, control unrealistic price/build economy of scale, quality assurance

Be realistic with the budget
- Many budgets may be established (overall running costs, specific VR, only procurement of goods and services) make sure to align them