



**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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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





**Thanks for your Attention.
Good Luck**

