



**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**

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# Presentation

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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

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### 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**

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## **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

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



# FAFA tensions

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



# DEX/NEX

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



# Difficulty 1 : lack of communication

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- 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**

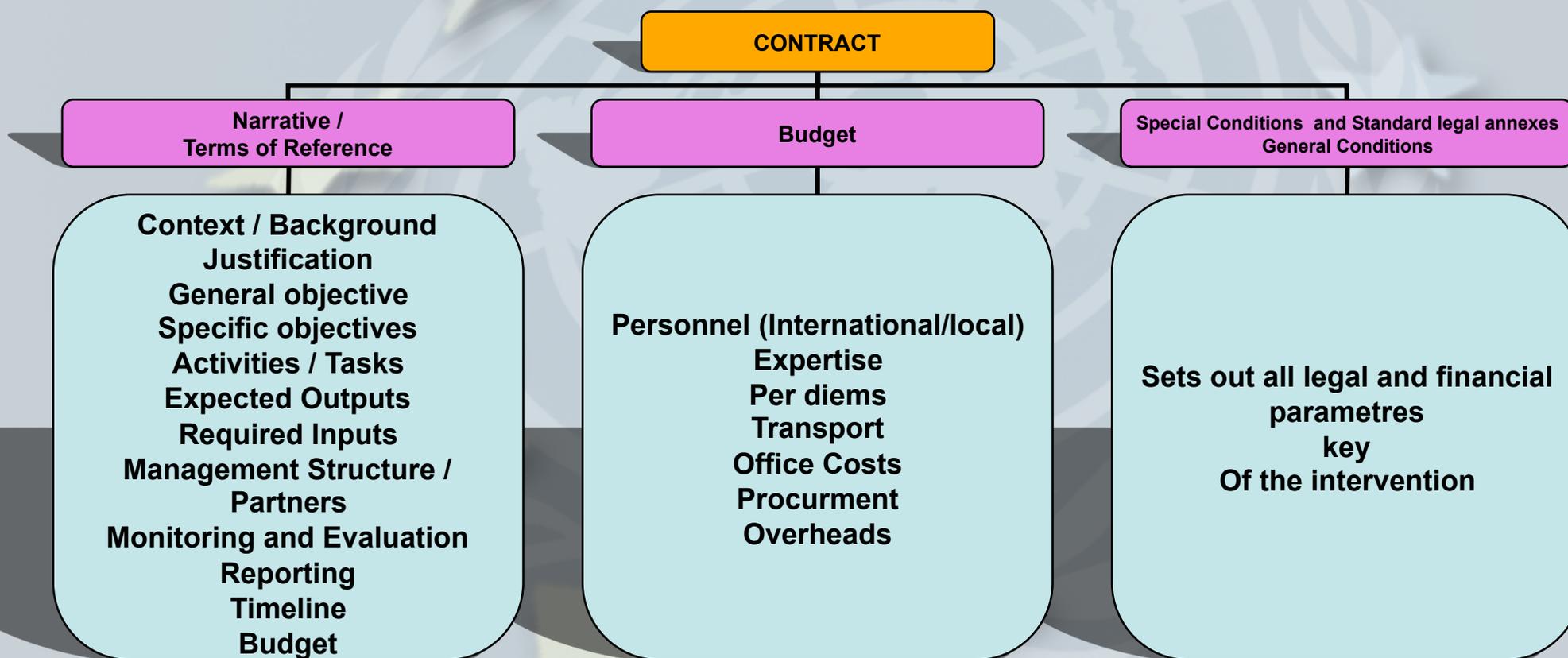


# Difficulties : 10 Reporting

- 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**

