

**PROSPECTS FOR THE ESTABLISHMENT OF AN ELECTORAL
ASSISTANCE FUND**

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Background

The Assembly of Heads of State and Government of the Organization of African Unity (OAU), at its 38th Ordinary Session held in Durban, South Africa, on the eve of the launching of the African Union (AU), on 8th July 2002, approved Declaration on the Principles Governing Democratic Elections in Africa. The Declaration underlined the need to strengthen the Organization's efforts in advancing the democratization process in Africa in view of its ever-growing role in the monitoring and observation of elections.

Among other things, the Declaration also focused on the need for adequate resourcing of elections. Thus African leaders mandated the Interim Commission of the African Union to mobilize extra-budgetary funds to augment the resource base and to undertake a feasibility study on the establishment of a Democratization and Electoral Assistance Fund to facilitate a successful implementation of this Declaration.

This mandate relates the need for adequate technical and financial support to the demand for credible, free and fair elections on the continent. It directs attention at how resource scarcity often constrains the process of capacity building in this field, including training, activities and procedures and mechanism for monitoring elections. More significantly, it stresses the need for caution in comparison with what obtains elsewhere in the developed world and asserts the imperative of efficient use of scarce resources among countries in the region.

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This feasibility study on the prospects for the establishment an Electoral Assistance Fund is informed by these key requirements. It aligns the need for mobilization of extra-budgetary funds to implement the activities set out in the Durban Declaration with the requirements for its effective sourcing and utilization. .

1. Regional needs for electoral assistance

The analysis of the potential scope of an Electoral Assistance fund might begin with a brief review of the regional needs for electoral assistance. Some of the more frequent instances are related to the following issues:

- a) Some countries find it difficult to completely fund their electoral processes and require external financial support.
- b) Some countries with limited electoral experience might find it difficult to prepare accurate budgets and to prepare funding request to be submitted to external sources. In some cases it is useful to conduct an in-depth needs-assessment for a better design of the support to be provided.
- c) Some countries do not have much electoral experience and need external technical support to organize their electoral processes. In some cases, even if the country has had previous elections, that experience is not available to a new Commission.
- d) Some countries want to introduce changes in their systems and would like to have the benefit of the experience of other countries.
- e) Capacity-building -a common need of the region (sharing experiences, training, study tours, etc.)
- f) It is important to strengthen the role of regional organizations in the practice of electoral observation, particularly by setting in place procedures and mechanisms for observing and monitoring elections. This practice will result the development of guidelines and best practices, and in the gradual building up *or* consensus concerning the characteristics of free and fair elections. Professionally conducted observation will add to the legitimacy of election processes, thus contributing to stability. Furthermore, it will contribute to regional capacity building, as competent observer teams can make useful suggestions for the improvement of electoral systems and procedures.
- g) Efficient use of resources: development and coordination of mechanisms for sharing resources (human or physical) between countries of the region.
- h) Development and/or adaptation of electoral knowledge, better understanding of new technologies (like the use of voting machines), etc.

2. Problems in the delivery of technical assistance

The provision of technical and financial support related to some of the needs described above faces some common limitations, that should be taken into account in the operational design of a Trust Fund aiming at facilitating the provision of such support.

First and foremost, the time required for the mobilization of resources is too long if compared with the urgent nature of most support requests. In most cases, the support is required in matter of days or weeks, while the submission of requests to donors or other interested parties, their approval by the appropriate authorities and the delivery of resources might take months. The existence of a Trust Fund provides the possibility of a fast initial answer to the requests, while the mobilization is proceeding.

Second, the fact that in most cases there might be several donors and interested parties contributing to the funding of a single election creates problems in the allocation and coordination of funding. Some activities take precedence or receive a larger allocation of funds not because they are a priority, but on account of donors' preferences. A Trust Fund might bring together untied funding from different sources and allocate and coordinate it according to the priorities of the electoral process.

Third, the limited involvement of regional organizations in the provision of electoral support results in a limited use of regional technical resources. If this trend can be reversed, there will be two beneficial impacts: a) the greater the use of regional resources the greater the contribution to overall capacity building; b) there might be significant improvements in the quality of delivery, as there is frequently a better understanding of specific regional issues by regional experts.

Last, there is a limited and non-systematic knowledge of available regional resources. It is very important to advance in the identification of regional resources, ranging from a complete and updated roster of experts to inventories of existing equipment that might be loaned to other electoral organizations (for instance, cameras).

3. The potential contributions of a Trust Fund for Electoral Assistance

Within the United Nations system there are two types of Trust Funds that are used for different purposes, according to the specific circumstances of each case. The United Nations Development Programme (UNDP) often establishes a Trust Fund in support of the electoral process in countries requesting such type of facility, with the purpose of channeling some donor contributions to the electoral process in that country. Some donors then choose to channel their funding by making financial contributions to the Trust Fund, which then disburses available funds according to the priorities defined by the electoral organization. Typically, although decision-making power stays with the electoral organization, the practical administration of the Fund is entrusted to the UNDP. The amount of funds mobilized through this type of Trust Funds is typically very large -usually several million dollars. It obviously requires a significant administrative set-up in order to provide proper accountability in the use of funds.

On the other hand, the Trust Fund can be conceived as a facilitating instrument, concentrating in cases (b) through (g). This is the way in which the Electoral Assistance Trust Fund of the UN/EAD in New York functions -although it is global in scope. The UN/EAD Trust Fund frequently provides the resources needed to fund the initial steps of a larger operation, to organize needs-assessment missions or to provide required technical expertise. The amounts involved are significantly smaller and its administration does not require a complex administrative set-up.

Although the use of UNDP type of Trust Funds is efficient and flexible, its use by the future AU Electoral Assistance Unit in its initial stages of operation should be carefully evaluated. First, The approach is particularly feasible when there is a prolonged history of joint work by donors and the administering organization, as it is the case of the UNDP. Even in cases where the Trust Fund was implemented for first elections, the UNDP had a long experience of working together with certain donors. Second, it is essential to have an experienced organization in charge of the administration of the fund at the field level, which the UNDP has in almost every country in the region. UNDP can further count on facilities for international procurement in case it is necessary. These characteristics will not be initially present in the case of the proposed AU unit, although they can be developed

¹ There are many countries that rarely use the Trust Fund mechanism and prefer to make specific grants to the electoral organization. In some cases the resources are provided in kind, in others their administration is entrusted to specialized donor countries' organization. Thus, for instance, the US channels most of its support to electoral processes through the International Foundation for Electoral Systems, the National Democratic Institute or the International Republican Institute. On the other hand, many Nordic countries tend to opt for the use of the Trust Fund facilities.

through time. In that sense, this expanded role of the Trust Fund should probably be reserved for a second phase.

On the other hand, as will be discussed in the following section, a focus in facilitating regional assistance activities and solving the practical problems faced by observation or technical assistance missions will make a significant contribution, build up the prestige of the AU Electoral Unit, paving the way for more embracive future undertakings.

4. Operational approach

The operational approach might be better illustrated through examples of the kind of projects and activities that the AU Electoral Unit might undertake with the support of an Electoral Trust Fund:

- Needs-assessment mission to contribute to the final formulation of an electoral budget, the identification of resources to be requested from external sources and the preparation of formal requests to the donor community or other interested parties.
- Organization of observation missions, at the request of a member country, using expertise provided by the electoral organizations of the regions. While the full funding of an observation mission might require specific funding and normally will not be provided by the anticipated AU Electoral Trust Fund, the Fund might advance the funds required for initial evaluation missions, while the mobilization of funds for the main mission is taking place.
- The Fund might provide the resources necessary to coordinate the activities of observation missions sponsored by other countries and/or organizations in the region or it might provide support to the training of local monitoring organizations.
- The Fund might fund one or more advisors to provide support to a new electoral commission in the process of organizing elections. It is normally difficult to obtain funding for small-scale projects, which are better funded through a global facility.
- The Fund might provide seed money for regional projects, ranging from the organization of, study tours, the organization of training programmes for electoral officers of the region; sponsoring conferences on relevant electoral subjects, etc.
- Development pf manuals and guidelines on relevant electoral subjects and/or adaptation to the characteristics of the region of existing materials.

- Compilation and publication of comparative electoral statistics for the region.

The above examples do not pretend to exhaust the activities that the AU electoral Assistance Unit might be undertaking. They only describe examples where the existence of a Trust Fund will be essential to the development of the activity.

5. Some advisable restrictions

There are a few restrictions that the Trust Fund should place upon itself, particularly concerning the funding of certain salaries, to avoid potential conflict of interest.

First, and as in the case of the UN/EAD Electoral Trust Fund, the proposed AU Electoral Trust Fund will be managed by the Electoral Assistance Unit to be created within the Department of Political Affairs of the African Union. It is suggested that the salaries of the Unit personnel should be funded by the African Union or by other separate source of funding. It would not be convenient to fund such personnel with resources of the Trust Fund, as it would introduce problems of accountability.

Second, it should be expected that - in the case of short-term secondments² - the salaries of the personnel provided by the electoral organizations of the region for the conduct of AU missions will be paid by the organizations seconding the personnel. The contributions of the Trust Fund would be limited to subsistence allowances, travel costs and other complementary expenditures.

6. Access to the Fund, administration of resources and allocation of funds

The resources in the fund should be reserved to the specific needs of electoral organizations. The fund should not be providing funding to NGOs whether they are involved in the provision of technical assistance or in the observation of elections. Two minor exceptions might be introduced. First, it might be considered useful to use Fund resources to support the training of local observers, provided it is conducted on a non-discriminatory basis. Second, NGOs might be contracted as suppliers of technical assistance in specific cases, provided the allocation is conducted following the overall procurement rules of the AU.

The AU must discuss and decide on whether the Electoral Assistance Unit should be able to receive and decide upon requests formulated by the

² Obviously, in the case of long-term secondments, special arrangements should be made in each case.

electoral organizations themselves, or that it would only receive requests which are endorsed by the governments, as is the case of the UN/EAD. It is a complex subject, as governments either do not like or, in some cases; have strict rules forbidding direct requests by agencies. On the other hand, the need for formal government support of a request might introduce unnecessary delays. One potential compromise is to accept direct requests from electoral authorities when the overall amount of the request does not exceed a certain amount, and requiring the formal authorization of governments in the remaining cases. In all cases, the Fund resources should be disbursed directly to the recipient electoral organization. In some cases this might introduce problems as a number of governments do not like -or accept -the direct disbursement of funds to a government agency and insist on the centralized handling of external support. This should be avoided as it might create problems in the administration of the Fund.

The experience of the UN/EAD and the characteristics of the work to be performed by the proposed AU Democratization and Electoral Assistance Unit suggest the need for a rather special structure. The need for seniority and expertise -essential for the successful conduct of missions -require a larger than usual number of officers at P5 and P4 level, compensated by a much smaller number of officers in the lower categories and support personnel. The overall size of the Unit should be rather small -probably around 10 officers -as there will be a significant reliance on a selected network of experts. This slim structure allows for fast and effective answers, and avoids the creation of unnecessary bureaucracies. While the financial administration of the Trust Fund should be in the hands of the administrative structure of the African Union, the responsibility for initiating activities should be fully in the hands of the Unit. Given the usually urgent nature of the request the overall decision-making chain should be kept as short is possible.

7 The sources of income of the Trust Fund

It is essential to keep a clear distinction between the resources available to the AU Electoral Unit for the conduct of its activities, and .the sources of income of the Trust Fund~ For instance, a needs-assessment mission might comprise an officer from the Unit, funded from the operational budget of the African Union, one specialist seconded by a regional electoral organization whose salaries are paid by that organization, another specialist might be occasionally, supplied by a specialized international organization (like the EAD or IDEA). Each of the involved organizations might cover their respective cost of communications and other administrative expenditures related to the mission. The recipient country will be able, at least in certain cases, to provide a contribution to the local functioning of the mission -

office support and space in most cases, occasionally in-country transportation. However, the Trust Fund should be prepared to cover those expenditures where necessary, The AU Secretariat might prepare and print the final report of the mission. Typically, a Trust Fund would cover the per diem, the cost of travel of the delegation and other minor expenditures.

The above example makes clear the limitations in the ability to provide resources of both the AU and the regional electoral organization as well as the "essential complementary nature of a Trust Fund. It should not be difficult for the African Union to include in its organizational chart an Electoral Unit with a limited number of posts. Although the Unit might be allocated some funds for travel and missions, in most cases the amounts would be insufficient. The regional electoral organizations should have no difficulty in seconding experts and professional staff at no cost in the periods between elections. As in the case of the AU, some may be able to make some contributions to cover the cost of per diem and travel, but only in limited amounts. The recipient organization would rarely be able to contribute to the cost of a mission, with minor exceptions. However, unless there is funding to cover travel and other miscellaneous cash expenditures, the mission would not take place, even if such costs are only a fraction of the total cost.

A second characteristic that can be derived from the example is that the Trust Fund is essentially a cash mechanism. Though it would be theoretically possible to have contributions in kind to the Trust Fund -for instance, an offer of a number of expert/weeks made by an electoral organization -it would create unnecessary complications.

As a consequence, it might be expected that the bulk of contributions to the future Trust Fund will come from the donor community. The main argument to be used by the AU when mobilizing contributions to the Trust Fund has been already outlined in the previous paragraphs. Limited amounts of untied funds of flexible use should make an important contribution to the release of the significant underutilized resources that are available within the region. The resulting increase in the use of regional resources will make a substantial contribution to electoral capacity-building in the region.

There might be concerns related to an excessive reliance of the Trust Fund from donors' funding -issues of ownership, credibility, independence. However, -these concerns should not be exaggerated. The "visible face" of the operations to be undertaken by the new Democratization and Electoral Assistance Unit will be the regional experts staffing the missions, and the fact that travel costs and per diem have been covered by a Trust funded by external donors will not even be noticed. If adequate care is taken during the fund raising process, ensuring that there are no inappropriate