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**Local Government Support
Project in Moldova**

LOCAL GOVERNMENT SUPPORT PROJECT IN MOLDOVA

**YEAR 2 WORK PLAN, DRAFT
OCTOBER 1, 2012-SEPTEMBER 30, 2013**

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Acronyms

AEE	Agency for Energy Efficiency
AEER	Alliance for Energy Efficiency and Renewables
APA	Academy of Public Administration
CALM	Congress of Local Authorities from Moldova
EE	Energy Efficiency
EMM	Excellence in Municipal Management
EMMP	Environmental Mitigation and Monitoring Plan
ESD	Energy Services Directive
EU	European Union
GIZ	German Agency for International Cooperation
GoM	Government of Moldova
IDU	Institute for Urban Development
IEE	Initial Environmental Examination
IER	Intermediate expected result
IMC	Inter-municipal or inter-communal cooperation
IOF	Incentives and Opportunities Fund
IPMVP	International Performance Measurement & Verification Protocol
LEEAP	Local energy efficiency action plan
LEEP	Local energy efficiency program
LGSP	Local Government Support Project in Moldova
LPA	Local Public Authority
M&E	Monitoring and evaluation



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MoF	Ministry of Finance
MoU	Memorandum of Understanding
MPI	Municipal Performance Index
NDS	National Decentralization Strategy
PMEP	Performance Monitoring and Evaluation Plan
PPP	Public-private partnership
RDA	Regional development agency
RIA	Regulatory Impact Assessment
SIDA	Swedish International Development Cooperation Agency
UNDP	United Nations Development Program
USAID	United States Agency for International Development



Section 1: Overview

Introduction

USAID Moldova has created and funded the four-year, \$9.3 million Local Government Support Project (LGSP) to assist Moldovan local governments in their efforts to improve service to their citizenry, and by so doing, prepare themselves to provide, manage, and support the increased responsibilities intended for them under the decentralization initiatives due from the Government of the Republic of Moldova (GoM) in preparation for European Union (EU) accession.

The intent of LGSP is to:

“Improve the lives of people in Moldova through strengthening local government by mentoring, supporting, and increasing access to public services.”

LGSP project objectives are to:

1. **Improve municipal service delivery, including planning, service management and service quality and quantity.** The project will assist in strategic action planning that supports infrastructure improvements and the extension of more effective/efficient service delivery.
2. **Increase revenues available to local governments and improvements in financial management practices.** The project will strengthen municipal financial management capacities and optimize municipal revenue generation potential.
3. **Assist with the development and implementation of local energy efficiency plans and practices and support management of municipal energy efficiency projects.** The project will assist municipalities in the development of local energy efficiency plans, analyzing the feasibility of energy efficiency projects, and the realization of energy efficiency gains.

To measure and promote municipal improvement, LGSP is developing its Municipal Performance Index (MPI) tool. Through the annual collection of quantitative data and in-depth surveys of citizens and local leaders, the MPI will measure municipal performance across LGSP’s three components. MPI data will guide technical assistance delivery, instill competition for improvement, and provide an objective methodology for attribution of LGSP’s impact.

LGSP’s Excellence in Municipal Management (EMM) certification program will provide core training and technical assistance to towns, followed by tailored, demand-driven technical assistance. EMM is structured to provide towns with practical tools that yield tangible results. EMM graduates will also be eligible for small infrastructural support under an Incentives and Opportunities Fund (IOF). The IOF is small and therefore must be carefully restricted to ensure it is effective. The MPI



should provide insight into how and where it can be effectively used, as well as the possibility of co-financing in order to stretch the funds available.

Led by USAID’s implementing partner and prime contractor, Chemonics International, the LGSP team includes subcontractors VNG International, Encon Services International, the Institute for Urban Development (IDU), and Magenta Consulting. Other donors with whom LGSP intends to coordinate include UNDP, SIDA, and GIZ.

Results Framework



IER = Intermediate Expected Result



Project Context

There are several factors that impact the implementation of LGSP in Moldova. They individually describe some of the advantages and disadvantages facing the project.

1. **Demographics**: Moldova has an ageing and declining population, the result of emigration. However, there are trained, young professionals returning from abroad providing a valuable workforce to take advantage of economic development opportunities. The lack of population growth eases the pressure on public services, allowing quality to be improved without the pressure to increase quantity.
2. **Environmental**: A favorable geographic position favors current emphasis on policies of environmental protection. Strategy 2020 supports building a sustainable environment. Existing infrastructure is highly polluting, however, and there is poor enforcement of environmental laws. Although there are water resources and two rivers bordering the country, access to these resources is limited. There is insufficient public awareness of environmental issues and resistance among local authorities to consistent adherence to environmentally friendly policies.
3. **Economics**: Over the past five years, the Moldovan Government, assisted by different international partners, has pursued an ambitious reform program aimed at achieving sustainable private sector led economic growth. The main areas of interventions include: overhaul of the business registration system; streamlining of the regulatory regime through the Guillotine exercise for existing legislation; introduction of Regulatory Impact Assessment (RIA) for new legislation affecting business operations; and fiscal incentives for the enterprise sector. There are growing opportunities for development and increasing financial incentives to support private investment. However, the economy is stagnant, infrastructure is inadequate, the cost of doing business is high, and 26 percent of the population lives below the poverty level. Bureaucracy and corruption continue to restrict business development.
4. **Politics**: There is a stabilizing political environment. Pluralism in politics means that there continues to be an active opposition, with politicians hopeful for a win in the next election. There is much partisanship at the national level which extends to the local level, although there is evidence that local councils and mayors can frequently rise above it for the benefit of their communities. Different political visions, however, may result in resistance to efforts to increase ability of local authorities to expand and exercise power.
5. **Legal Framework**: Current legislation and regulation is inadequate for the effective operation of local authorities, but trends are positive. The situation is dynamic and changing positively. The aspiration to join the EU creates demand for legislation and regulation that meets EU standards. Included is



legislation which will implement the decentralization strategy and provide additional authority and responsibility to local authorities along with the sources of revenue to support them.

6. Donors: Moldova is collaborating increasingly with international institutions. Ample numbers of donor organizations with substantial funding are available, willing, and able to provide assistance to local authorities, either directly or through the national government. They often, however, fail to coordinate their activities at the risk of duplicating efforts, or working at cross purposes and confusing beneficiaries.

LGSP Work Plan and Performance Monitoring and Evaluation Plan

The LGSP Work Plan for Year 2 envisages the continuation and some adjustment of the Year 1 activities in order to best fit the partner towns' needs.

The Year 2 objectives are targeted towards the same main project goal: to enhance the capacities of local governments so that they become more capable and more efficient and improve their abilities to undertake new, decentralized responsibilities as they are delegated and manage decentralized resources to fund these responsibilities. This in turn will alleviate central authority concern over the ability of local authority to manage greater duties and resources and will establish a foundation for continued decentralization.

The late August 2012 work planning workshop, aimed at developing the Year 2 Work Plan, initiated and facilitated a group discussion which resulted in having a clear picture of where LGSP stands and helped set intermediate milestones and corresponding activities that should enable LGSP to achieve the expected results.

During Year 1, the first cohort of towns was selected and Memoranda of Understanding were signed with them. To accomplish the objectives set for the project within the resources identified within the four-year duration of the project, in Year 2 emphasis will be placed on training and technical assistance for Cohort 1 partner towns, focusing on Cohorts 2 and 3 later in the year. More specific information regarding training and technical assistance is described in the narrative part of the work plan under each component and intermediate expected result. Roundtables will be organized to encourage communication among all three partner town cohorts, creating an opportunity for the early cohort participants to assist the LGSP team in providing assistance to the next cohorts. Fruitful partnerships with other donors (GIZ, UNDP, SIDA, etc.) have been established and joint events organized. Meetings with the main stakeholders (AEE, CALM, SYNENERGY, etc.) have prepared the ground for joint activities in Year 2, especially with regard to the EMM training program, and technical assistance. Thus, LGSP will coordinate its activities in strategic planning with GIZ and UNDP; in the field of public services delivery and development of new arrangements LGSP will cooperate with Agency for Public Property Management; GZI and UNDP in the development and



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implementation of an IMC approach; EE activities plan under component 3 will be implemented in cooperation with EEA and our EnCon partner. More partnerships are to be created during Year 2 with the Regional Development Agencies, Ministry of Environment, and other donors in order to build connections that will further help fund service improvements.

Partnering with the E-Governance Center was the first step in improving transparency and accountability at the local level, seeking to improve service delivery through using modern technologies. As a result of the first introductory training in E-Government in August 2012, Cohort 1 partner towns showed increased interest in using IT technologies to make their work more efficient and improve transparency in the decision-making process. The partnership with the E-Governance Center will continue in Year 2 and specific trainings will be organized for the partner towns (based on their needs).

During Year 2, LGSP will continue to contribute to the objectives of USAID Moldova and the U.S. Embassy in Moldova to strengthen democratic governance at the local level and support the goal of the Government of the Republic of Moldova (GoM) to implement decentralization policy.

Communications and Public Engagement

One of the main project goals of LGSP is to increase transparency and accountability in the decision-making process, as well as to improve the communication skills of partner towns and motivate higher citizen engagement in community life. Each partner town from Cohort 1 has expressed interest in improving communication with citizens and other key stakeholders.

Some of the partner towns expressed difficulties in finding the right approach and using the right techniques in order to properly and correctly communicate to citizens the work processes, decisions, and activities at the local level.

As a result of meetings and discussions with partner town mayors and public relations specialists, the LGSP team has prepared a focused support agenda for the partner towns. It includes assistance to develop a Local Communications Guide, specialized training modules (part of the EMM program) targeted at public relations specialists, as well as follow-up technical assistance to help the towns implement the Communications Guide.

The Communications training is divided into two modules: the first module focuses on communication tools and techniques, as well as instructions on how to develop the Communications Guide, and the second module targets public participation and outreach. The modules will be developed and delivered by highly qualified international and local trainers and will include success stories and lessons learned contributed by local government public information specialists from neighboring



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countries' town halls, As a result of the two training modules, the partner towns will have enriched capacities, as well as fresh ideas and tools to better communicate their message to the population.

The Communication Guides will provide direction on methods and techniques to provide both effective outreach to citizens and meaningful input. Among those means of encouraging input, the guides will define methods of encouraging attendance at town hall meetings, strategic planning committees and other such efforts. They will assure participation of groups and individuals in plan development and therefore provide for plans determined by that participation.

With regard to Component 3, the LGSP team in partnership with EnCon has begun to develop an Energy Efficiency Guide. The guide will include content on increasing energy efficiency among the population (thus helping them to save money by using energy more efficiently) and planning and organizing local and national public information campaigns to increase awareness of energy efficiency. Additionally, the LGSP team will coordinate with the Agency for Energy Efficiency in planning and organizing a national awareness campaign on energy efficiency.

Cohort 1 launches/workshops held in July 2012 demonstrated a successful approach to involving citizens in the community life. Citizen stakeholders were offered the opportunity to inform the town government and LGSP of problems, issues, and needs that should be taken into consideration during project implementation. In Year 2, the LGSP team will organize launches/workshops in the remaining partner towns.

Additionally, the LGSP team will encourage and promote youth engagement and is exploring the idea of creating an internship program for local pupils and students, will organize contests and competitions (such as drawing, best garden, etc.), and will mobilize citizens through organizing Open Doors Day, Community Day, Town Day, Ecological Day, No Cars Day/Bike Day, Energy Efficiency Day, Youth Day, etc.

As a result of these planned Year 2 activities, more than 35,000 people from Cohort 1 partner towns will be informed about energy efficiency, community engagement and civic commitment, the budgeting process, and financial information and resources. Additionally, the local population will be able to use the improved services delivery system (through E-Governance Center's cooperation).

During Year 2, additional promotional materials shall be developed based upon training and technical assistance needs and circumstances, such as brochures, billboards, and posters.

Section 2: Technical Activities



Town Selection and MPI

During Year 1, the LGSP team in partnership with local subcontractors Institute for Urban Development and Magenta Consulting produced an MPI inception index of raion center towns and the municipalities of Comrat, Balti, and Chisinau.

Using the MPI primary selection index results gathered in May 2012, the next 15 towns will be selected as prospective candidates for the Cohort 2. The LGSP team will interview the mayors, deputy mayors, and local council members in the 15 towns during field visits. After visiting all 15 town halls, LGSP will submit the list of proposed Cohort 2 partner towns for USAID approval.

Following USAID approval, LGSP will organize official launches followed by workshops with the participation of local government staff, service providers, and civil society representatives to identify the priorities of the town government in training and technical assistance that can be offered by LGSP.

In Year 2, LGSP will conduct the first MPI for the Cohort 1 partner towns. Using the MPI, LGSP will assess the performance of the partner towns as it relates to the functioning of local public authorities and delivery of public services. The information collected from the MPI will be used to create the baseline data against which LGSP's PMEP targets will be set.

The goal of the MPI is to assess the current situation in LGSP partner towns as well as the impact of technical assistance in order to monitor the performance of local governments and their ability to meet citizens' expectations concerning the following: i) improvement of municipal services, including through developing inter-municipal cooperation; ii) increase in revenue to the local public budget and improvement of municipal financial management; (iii) improvement of energy efficiency; (iv) applying sustainable development principles as well as modern environmental protection approaches and equal opportunities principles.

EMM Training Program

The EMM training and technical assistance program was developed during Year 1 and intends to set the structure and the approach for the implementation of Components 1, 2 and 3 for LGSP. The direct beneficiaries of the EMM program will be more than 300 participants from the Cohort 1 partner towns that will include elected local officials (e.g., mayor, deputy mayor, members of the town councils) and managers and employees of municipal enterprises.

The EMM program will be divided into three phases in each of the two components:

1. Phase 1 – Basic training program;
2. Phase 2 – Technical assistance program; and



3. Phase 3 –Advanced training program with technical assistance.

It is not necessary to complete all training before beginning technical assistance. Technical assistance may begin in some topics before, during, or after training. Some do not lend themselves well to training and may therefore be entirely technical assistance.,.

Phase 1 – Basic Training Program

The basic training program is designed to cover the core topics of importance to local governments in Moldova and will highlight European practices. The course will use a combination of U.S., EU, regional, and local expertise.

Phase 1 contains a series of toolkits and manuals that will be provided to the training participants representing “best practices” of other countries in becoming more efficient and effective in local government administration. They will be adapted as necessary directly to the Moldovan legal framework. The core topics include:

1. Communication and Public Participation;
2. Public Service Delivery;
3. PPP (Public Private Partnership) and IMC (Inter-Municipal Cooperation);
4. Urban Planning;
5. Asset Management;
6. Human Recourse Management;
7. Revenue Enhancement;
8. Budget Practice;
9. Funds and Grants Access Management; and
10. Public Procurement.

The EMM program is oriented to achieve the intermediate expected results for Components 1 and 2.

The EMM training program for Cohort 1 will begin in October 2012, with monthly seminars to be organized through June 2013 (see Annex C for the EMM Training Schedule). Upon completion of the EMM Program for Cohort 1, LGSP plans to organize the second EMM Summit in July 2013. The objectives of the Summit are to provide an incentive for EMM graduation, to celebrate achievements, publicly recognize local leaders, and build trust for further reforms. The LGSP project team will invite USAID, GoM officials, NGOs, other stakeholders, and media to recognize partner towns results —such as “top reformer” improvement in service delivery and financial management. Also, at this event, the successful completion of the training program for the city will be confirmed with a graduation Certificate in Excellence in Municipal Management for those successfully completing the program.

Following the selection of the Cohort 2 partner towns and signing of MoUs, the EMM program will be initiated in June 2013. In Year 2 three modules of EMM will be implemented for the Cohort 2 partner towns.



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Phase 2 – Advanced and Follow-on Training

Intensive advanced training will be designed to further supplement the skills and capacity of the town in the area of their choice. The content, extent, and participants in the training will be mutually agreed upon by LGSP and the partner town mayors.

LGSP is organizing a study tour in Romania for partner towns from Cohort 1 in October – November 2012 and for Cohort 2 September- October, 2013. The objective of the study tour will be to demonstrate the progress in decentralization made by the Romanian LPAs. . This activity will provide a context for the basic level training planned for the first and second cohorts and is intended to present the experience and ability of Romanian cities to undertake the responsibilities in the decentralization process. This is an appropriate model for the intended implementation in Moldova. The Romanian cities, included in the program, are examples of the successful exercise of decentralized powers related to the objectives of LGSP Moldova Project: planning and provision of services; revenue and financial management; capital investment; inter-municipal cooperation and PPP; energy efficiency; public participation and public information.

Component 1: Improve Municipal Service Delivery

During the last year, the Moldovan Government has attempted to align the country with European standards implying the growing importance of decentralization and the essential role of effective local authorities in a sound democracy. In April 2012, the Parliament adopted a National Decentralization Strategy (NDS), one of the priorities of which is to develop a mechanism to support and promote cooperative and effective delivery of public services. Despite these efforts, local governments from Moldova still face important challenges – e.g., the decentralization initiative was not followed by adequate funding. Instead of real decentralization of functions down to the local level, many public services were grouped in the raion center towns. Thus, instead of benefiting from the reform, citizens have to travel distances to the raion center in order to obtain a certificate or to benefit from social assistance. Further, much of the expenditures at the local level are for education – between 70 and 90 percent of local budgets. Thus, local governments do not have the basic financial resources to provide efficient municipal services.

There are other donors with projects whose objectives are similar to LGSP. It is clear that there is no unified information about all governmental, non-governmental, and donor programs and projects supporting local governance, while stakeholders (LPAs, NGO, private sector international partners) highlight a clear need for such a database that will include financial instruments and resources (local and international sources) for local development. To meet this need, the LGSP will prepare an analysis and make available to its partners an exhaustive database of the different international projects contributing to this area (the main goal of preparing such a database is to improve the ability of towns to access regional and donor funds).

The key projects providing support in the area of local governance are:
“Modernization of Local Public Services in the Republic of Moldova” Project



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implemented by the German Development Cooperation (GIZ), Joint Integrated Local Development Program implemented by the Government of Moldova with UNDP and UN Women support, and financial assistance from the Government of Sweden.

GIZ's project focuses on the modernization of public services in selected communities and will launch an effort to update Regional Development Strategies and Regional Development Plans. GIZ is also providing support in updating the strategies for two raion administrations (Cahul and Riscani) in the area of water supply and sanitation. Additionally, GIZ supports the collection of data on the energy efficiency of public buildings.

UNDP is implementing the Joint Integrated Local Development Program is assisting the Government of Moldova in the process of decentralization and strengthening of the local self-government. The program focuses on a human rights based approach and gender equity and, therefore, appeals to a wider participation, accountability, transparency, and nondiscrimination in all national and local development processes.

The LGSP project will maintain close coordination with all partners involved, ensure synergies, avoid overlaps in project implementation, collaborate with other donors working in the same area, and provide relevant information to the project. Regular project team meetings will be organized to discuss the activities planned.

Objective 1.1: Improve Local Capacity to Plan for and Manage Municipal Services

Our aim is to assist LGSP partner towns not just to establish or reinforce the foundations of strong planning (a fundamental necessity of successful services provision), but also to take concrete steps that will result in the improvement of their management of public service.

In Year 2, LGSP will assist partner towns to better plan and manage the provision of public services. Specifically, the LGSP team will work closely with partner towns to put in place a strategic framework and plan to manage public services, which will lead to improved services provision for the benefit of the communities they serve. Not all towns will be at the same stage of preparedness to implement their strategic plan. LGSP has made a preliminary assessment of the status of strategic planning in each Cohort 1 partner town. With the results, LGSP will devise a tailored package of training and technical assistance that will meet the individual strategic planning needs of each partner town (Tasks 1 and 9), meaning that some of the plans will be updated and some developed from scratch.

Technical assistance in strategic plan development. Specifically, the LGSP Municipal Planning and Service Adviser with support of an International Consultant and local consulting company will assist partner towns in updating/development of municipal strategic plans.



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The selected local consulting company in partnership with the international consultant will provide technical assistance, oversight and expertise to each of the towns (to review the plans) on what upgrades are necessary to make the plan current and in accordance with national and regional development strategies. To insure the correlation of local strategic plans with national and regional strategic plans, LGSP will invite to participate in the focus group and other workshops related to update/develop strategic plan the Regional Development Agency and their main partner in development and implementation of regional development policy GIZ and UN Women Program. Thus, LGSP will coordinate all the activities in the field of strategic planning with other international partners active in this field.

The LGSP assistance towards updating/development of the Strategic Plans will be based on an inclusive, participatory approach ensuring broad ownership of each strategic plan (through public hearings, roundtables, focus groups, etc.) The LGSP public engagement advisor will provide technical support to partner towns to organize public hearings, roundtables, focus groups related with development on strategic plans. The final draft will be developing with support of local and international al experts and will be presented to the local counsel for review and approval.

As part of the strategic planning process, each town will also create a service improvement plan that will comprise specific public services that LGSP will address. (Tasks 1, 4, and 5).

A technical assistance in development and implementation of integrated service improvement plan based on cost recovery approach will be one of main activities of LGSP in improving communal public service delivery.

Following the development of a service improvement plan as a part of the strategic plan, LGSP will continue to provide training and technical assistance to municipal companies which are the main communal service provider in the town.

Thus, LGSP will contract a local consulting company that will perform diagnostic analysis of the municipal company for the selected service. The diagnostic analysis will identify the current situation and main issues in the field of planning, administrative, financial and technical/engineering management, capital investment issues. The result of diagnostic analysis will be presented at the round table to the the services provider management team, town administration and members of the local council.

LGSP and the consulting company will draft a service improvement plan based on cost recovering principals and will be present it for discussion and approval to the municipal service provider company management and to the mayor and town administration. The plan will include suggestions for improving administrative management, increased payment rate for delivered services, reduced costs, extended numbers of beneficiaries and new investments. LGSP will provide a comprehensive training and technical assistance package to improve public service delivery and



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insure the implementation of solutions develop by consulting company and approved by partner town and service provider.

Based on diagnostic analysis , the consultants will review the options to promote and implement inter-municipal cooperation (IMC) and attraction of private sector into the delivery of public communal services based on a PPP approach. Where PPP and IMC services agreements will be appropriate, LGSP will provide extensive training and technical assistance package.

As LGSP starts to work with partner towns, we will identify personnel and resource performance management gaps. In performing a practical analysis of operations, transportation, and equipment maintenance of public services, we will be able to help the partner towns to introduce practical improvements and efficiencies that can be implemented even before a comprehensive planning process has been completed (Task 4).

LGSP is developing EMM modules focusing on participatory local government planning, which will include training and hands-on technical assistance in the following areas:

- Engaging citizens, private sector, and civil society in planning and policy development;
- Integration of gender- and youth-sensitive practices in planning processes;
- Personnel and resource management in service providers;
- Using data for evidence-based decisions;
- Institutionalizing sound planning processes; and
- Long-term and sector-specific strategic planning.

During the selection of Cohort 1 towns, LGSP assessed all 33 partner towns to determine whether towns have an existing and current urban plan, which includes a land use plan. Most towns lack the financial resources and proper planning processes to develop and maintain an urban and land use plan. LGSP will discover the extent to which the existing land use plans are serviceable. Where they are not, LGSP will begin with basic urban planning training for those towns having no plan. The training will be available to all nine towns without plans without regard for which component they belong to. Technical assistance for towns with no plan, and towns in need of plan updating will follow. LGSP will identify -Moldovan urban planning expertise for this technical assistance. Towns will be expected to share in the cost of consulting services. Scopes of work for producing plans where there is no existing plan, and scopes of work for plans in need of update will be developed in coordination with the Moldovan planning subcontractor. (Tasks 2 and 4).

In implementing the above activities and laying the foundations for a successful initiation of partnership activities with partner towns, LGSP will work closely with



the partner towns themselves so that we develop a joint and mutually beneficial understanding of our cooperation (Task 3).

Objective 1.2: Establish New Municipal Service Arrangements

LGSP will work with partner towns to establish new municipal service arrangements that will increase the quality of service provision to the communities they serve. This may be through increasing the regularity of a service, introducing a new service to an area or neighborhood that previously did not receive such service, or introducing a new way in which a service is delivered, for instance through the establishment of public-private partnerships (PPPs), and/or through inter-municipal cooperation (IMC) (Task 4).

The proposed intervention is based on consultancy assistance provided to selected partner towns on development and implementation of projects based on a PPP approach. Possible applications are:

- Establishment of auto parking - developing of the Concept, roadmap for initiation, pre-feasibility study, identification of land, support local government to develop the contract and other bidding documents;
- Extension of public transport service (with possible involvement of private sector) - developing of the Concept, roadmap for initiation, pre-feasibility study, development of regulations, identification routes etc.).

Improving access to public administrative service will be one of main activities under Objective 1.2: Establish New Municipal Service Arrangements. Thus, LGSP will provide technical assistance and support in establishment of Information and Service Centers in selected towns. This will include developing the Concept of Information and Service Center (regulation, clear guidelines for operations; plans (roadmap) for implementation). To develop and implement these activities, LGSP will contract with a local consulting company that will be supported by international expert in this field. In the process of development international best practices will be taken into consideration. It is envisaged that LGSP may procure necessary equipment for establishment and proper functioning of the Information and Service Center. LGSP will start to pilot the creation of Information and Service Center in Ungheni

Information and Service Centers could enhance transparency and contribute to improved relations between the consumers of the service and providers of the service (local public administration). The establishment of Information and Service Centers is a way of ensuring enhanced accessibility, transparency and efficiency in providing public administrative services and minimizing the effort of the citizens. The basic idea of the ISC is that the citizen only has to be in contact with one single entry point to get information, obtain all necessary paperwork, make applications, etc., rather than having to go through a labyrinth of different Town Hall departments, offices. The citizens can get at the Information and Service Center information about required procedures and necessary documents, fill application forms, submit applications,



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received the required documentation. This has in many cases a positive effect on reducing corruption and in simplifying administrative procedure.

IMC has great potential to improve access to public services. However, the current legal framework is not adequate for the establishment and operation of formal IMC. We are hopeful that the legal environment governing this area will improve over the course of Year 2. In anticipation, LGSP will provide training to prepare our partner towns, to immediately take advantage of any favorable legal amendments that may be adopted/ implemented.

LGSP will participate in any efforts to promote the IMC concept through legislation which will provide clear authority for partner towns to cooperate.

In addition, LGSP will encourage the creation of informal agreements among local governments for sharing equipment, personnel and capabilities which do not require a doubtful legal status. LGSP in partnership with selected partner towns and suburban villages will organize local workshops on IMC as a follow-up activity of the First National Conference on inter-municipal cooperation (organized in June 2012). The main findings and solutions identified at the national conference will be presented and discussed with local governments, service providers, and civil society representatives. LGSP will provide information and consultative support for partner towns to identify the most appropriate partnership model with suburban villages using the IMC instrument in order to improve access to the public services.

LGSP is developing EMM modules focusing on service improvement, which will include training and hands-on technical assistance in the following areas (Tasks 4 and 9):

- Understanding alternative service delivery models;
- Establishing integrated service improvement plans with municipal action plans;
- Establishing service standards;
- Conducting service performance benchmarking and monitoring;
- Setting town council policy to support service priorities; and
- Service action planning with citizen participation.

Additionally, the EMM will include training on Public Private Partnerships and Inter-Municipal Cooperation since these are two of the most used and practical approaches of how improvements can be made:

- Using Inter-Municipal Cooperation (types of agreements, obstacles, and opportunities);
- Using Public Private Partnerships (types of partnerships, PPP and the use of outside funds, ensuring public support)



LGSP will assist in any efforts made by partner towns to share useful information and best practices achieved through the project implementation with neighboring communities and/or other local government administrations with which it maintains a working relationship in order to promote improvements in local government beyond the towns participating in LGSP.

Objective 1.3: Improve Ability of Municipalities to Access Regional and Donor Funds

Local government in Moldova is dependent on transfers from the central budget. The very limited resources available at the local level do not allow local governments to set up high quality standards in delivery of the local public service. This lack of financial resources also constrains local governments from introducing new, expanded, or higher quality public services. Thus, LGSP will focus in Year 2 on identifying prospective funding sources that local governments may apply to once they have projects in mind and proposals of how to implement the projects (these funds may be available at the National Fund for Regional Development, Energy Efficiency Fund, Social Investment Fund, and other donor funds).

Additionally, LGSP supports the development of LGSP partner towns action plans; we will also assist partner towns to develop strong, realistic, and viable proposals which will have a greater chance of being granted with sufficient funds (Tasks 1, 4, and 5).

LGSP will provide capacity development training (Task 9) to local public authorities in order to enable them to better identify and access funding opportunities to implement their strategic plans. It is also intended to provide helpful information on how to manage such funding. The training program will include, but will not be limited to:

- Identifying opportunities for local governments to access funds;
- Proper preparation of the proposals for funding, concept papers, writing grants, and projects;
- Managing the grant or project, administering grants and projects, project cycle management.

Objective 1.4: Enhance Transparency and Accountability in Planning and Decision-Making

In the process of working with the partner towns from Cohort 1, some deficiencies in the communication of the town hall with the citizens, mass media, etc. were observed. This lack of transparency is felt by citizens towards local government activity. Few partner towns have communication strategies in place.



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LGSP will work closely with the local administrations to institutionalize procedures for public outreach, initially by helping each administration to develop a communications guide that will help to guide the government in how and when to engage with their communities (including, but not limited to, developing their public consultation skills, focusing on building consensus with stakeholders groups, solving sensitive problems, learning about facilitation techniques, etc.).

LGSP will assist partner towns to develop Communication Guides/ Regulation that shall include techniques, methods, and approaches that are most suitable for their own town and local traditions. LGSP will explore the opportunities to help local administrations to utilize communication tools that rely on new technology that is more accessible to different groups of the town. LGSP will promote and encourage (through joint activities like contests, internship programs, etc.) youth engagement in community development and local government operations/planning/decision-making (Tasks 3 and 9).

LGSP team will provide technical assistance to each C1 Partner Town in implementing communication and citizen's involvement instruments included in the Communications Regulation develop as a result of training and technical assistance offered by LGSP. The partner towns will receive assistance in developing information bulletins, in organizing public hearings, debates, round table events, announcements for different local contests and events like Town day, energy efficiency day etc. Additionally each C1 Partner Town will receive assistance in improving their webpage by either migrating to the new template offered by E-Governance Center or upgrading/updating the existing one.

Constant consultation from the LGSP team will be provided to improve their communication and public engagement skills, by visiting Partner Towns and offering feedback on products they develop for increasing transparency and accountability as well as public engagement.

Assumptions for Successful Implementation of Component 1 Activities

Our overall assumptions under Component 1 include the following:

- Local administrations will be cooperative, will actively participate in the LGSP training programs, and will fully cooperate with LGSP on-site consulting services and technical assistance.
- Cohort 2 towns will be selected and MoUs signed in April-May 2013;
- Land use plans are in place or under development by the local authorities;
- The legal framework governing inter-municipal cooperation will change and create a more favorable climate;



- National and international funds for infrastructure development will be available to towns throughout the life of the LGSP project, thus enabling the project to train and support partner towns wishing to tap into these funds;
- LGSP partner towns have approved communication guides and make efforts to implement them.

Component 2: Increase Local Revenues and Improve Financial Management

The current financial legislation and regulations specific to local public finance issues such as local government revenues, expenditures and transfers, accounting rules, regulations, and local government budgeting process, supervision, and control are inadequate for the effective operation of local authorities, but trends are positive. The situation is dynamic; legislation which would positively impact local government is pending.

On July 12, 2012 the Parliament of Moldova passed the Public Finance and Fiscal Responsibility Law in the first reading. This law was drawn up as a part of measures aimed at reforming the public finance management system in order to consolidate fiscal discipline by identifying budget principles and rules for all components of the national public budget and make the public financial management system more transparent by adopting international best practices. The law also concerns proper regulation of the budgeting, unification of procedures of elaboration, approval, and administration of budgets at all levels and more efficient management of budget resources by establishing new rules to form and administer revenues collected by authorities and budget-paid institutions, including projects funded from external sources.

The law also stipulates the difference in the powers and responsibilities of budgeters. The measures provided by the law are designed to facilitate budget management and simplify budget decision making. Better budget administration rules and procedures, especially those concerning external financial aid, are expected to help attract foreign investment.

Local government finance in Moldova is characterized by:

- Low autonomous taxes and fees;
- Relatively low tax revenue redistribution and
- High transfers – the transfer/equalization system of financial resources is the core of the financing system of local government in Moldova.

Taking into account the European integration objective of the Republic of Moldova, strengthening of budgetary and fiscal discipline and increased transparency through implementation of international best practices are primary objectives to be accomplished with the assistance of LGSP.

Prior to the preparation of this work plan, the LGSP team met with several other donors and local government organizations interested in local government. That effort



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supported the LGSP team's understanding of the potential value of the project and its likely effectiveness.

In order to achieve this objective, at the beginning of Year 2 LGSP will launch the EMM training program for the 12 Cohort 1 partner towns. The major activity of Year 2 will include development and organization of EMM training programs, courses, and technical assistance that will be tailored to the individual needs and goals of the respective partner towns. With the aim of improving budgeting, financial reporting processes, and public financial management, the EMM modules will include topics, such as the following:

- The budget process: techniques, good practices, and Moldovan requirements
- Effective tax and fee collection
- Property/asset management
- Public procurement

Objective 2.1: Identify and Adopt Cost and Management Efficiencies

According to provisions of the current public finance law, LPAs shall develop and submit the draft annual budget for approval to the respective local councils by October 30. The local council shall review and approve the annual budget by December 10.

At the beginning of Year 2, the current situation regarding financial management and challenges will be assessed in each of the Cohort 1 partner towns, local governments, and service provider companies. The assessment will be developed and conducted by implementing LGSP partners IDU and Magenta Consulting (as part of the MPI). The results of this assessment will enable LGSP to monitor the budget process for the current budget year. Only once the LGSP team has a full and clear picture of the situation on the ground will we be able to deliver a practical and applicable training and technical assistance program for the partner towns.

During the LGSP launches in Cohort 1 partner towns, the participants were active in bilateral and multilateral discussions, sharing information about their practices specifically related to current problems with budgeting and financial reporting processes in Moldova and other issues in public financial management. The LGSP launches demonstrated that there is a need to organize a training and technical assistance program on the budget preparation process (developing annual budgets and budget proposals, internal budgeting regulations, special features of the capital investment planning) and on accounting principles and policies.

Among the major priorities of LPAs there is the performance of public assets management function, following the principles of efficiency, effectiveness, transparency, responsibility and accountability. Moreover, in the context of economic



crisis and deficit of public finances, the financial opportunities related to public assets management became more important and urgent.

In order to achieve this objective, LGSP financial management advisor in partnership with the international experts and short term local consultants and/or consulting companies with a proven experience in the field of public assets management reforms will provide technical assistance in our partner towns filed on Management of public property and assets. It will be shared information and learning to assess ways to improve LPAs asset management and estate planning in the following areas:

- Review the national legal framework regulating the public assets management at municipal level (competences, responsibilities, rights and constrains) the possibilities for improvement: the dual approach – how to settle the limitations in the short period and how to settle the problems in the medium run.
- Assess the problems and opportunities regarding the current partner-town policy and mechanisms of the public assets management.
- Assess the current status and mechanisms of public assets inventory.
- Review the municipal institutional organization of public assets management function (power of decision, responsibilities, competences and horizontal managerial interactions).
- Assess the capacities and competences of Division of Economy, Reforms and Property to coordinate the public assets activity (assess the managerial, human, regulatory, informational and financial needs and requirements).
- Elaborate a concept note conceptual ‘road-mapping’ of the requested improvements of the public assets management function within LPAs:
 - formulate the vision and performance indicators for an efficient and effective management of public assets at municipal level;
 - formulate the main directions of public assets (real estate) management function improvement (short, medium and long term);
 - design the performance indicators and benchmarks for the improvement of assets management function (short and medium term);
 - formulate the recommendations for the institutional organization of the public assets (real estate) management function within the municipal public administration;
 - problems, opportunities and development road map.

This change includes the process of optimizing the use and management of property assets (land and buildings) and will put pressure on essential services, such as major offices, schools, libraries, day centers, landfill sites, roads, waste and homecare as well as the long-term infrastructure development.

Concurrent with the above assessment and the exchange of information with the Cohort 1 partner towns, LGSP will focus on development of the EMM modules and will include these in the training and hands-on technical assistance in the following areas:

Asset Management Planning:

- Developing asset inventories, performance standards, and level of service targets;
- Measuring asset efficiencies;



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- Planning for asset replacement and upgrades;
- Efficient governance: mapping local government processes and improving administrative systems; and
- Performance management.

Asset Management Implementation:

- Resolving land disputes and auctioning public property;
- Methods of disposing of un-needed assets;
- Greenfield investments and working with investors; and
- Using e-governance solutions to enhance efficiencies.

Concurrent with the above activities, LGSP will focus on partner towns' capacity building in public procurement area, which will be delivered starting with Year 2. This will include training and hands-on technical assistance provided in partnership with the short term local consultants (or local consulting companies) and international experts with a proven experience in this field in the following areas:

- The regulatory framework for public procurement of goods, works and services.
- The purchasing procedures and techniques for LPAs and municipal companies activities: basic requirements to the procurement and auction procedures, disputes and other relevant aspects.
- Provide the procurement directives that support the LPAs core objectives of public procurement policy.
- Assist in the identification of policy that can be used to improve public procurement processes and outcomes.
- Pre-award process, the identification of potential suppliers:
 - prepare invitations to participate in pre-selection or in auctioning
 - elaborate tender documents
 - carry out examination
 - evaluation and comparison of bids submitted by the suppliers
- Award process, LPAs public works , public supply and public service contracts:
 - write reports on procurement procedures
 - sign procurement contracts with the supplies
 - manage the contracts
- Public procurement best practices across the European countries
- Code (guide) of conduct public procurement in the public sector and public service, as a complementing document to the legal framework to strengthen public confidence in the LPAs and subordinated institutions.

Public Procurement – the EMM curricula and training materials will be developed by LGSP in Year 2 or Year 3. The mentioned materials will be submitted for review and approval by USAID as they are developed so that training and technical assistance can be rolled-out in a timely manner (Tasks 1, 2, 3 and 5).



**Objective 2.2: Improve Collection Rates for Local Fees and Taxes &
Objective 2.3: Adopt Service Fees Based on Full Cost Recovery**

Currently, there are several factors that impact the implementation of these two LGSP objectives. Local governments in Moldova share a common problem: a lack of financial resources and fiscal autonomy. Local governments in Moldova depend on inter-governmental transfers. The capital investment system in most countries is programmatic in nature with national and local government co-financing, while in Moldova there is no permanent capital investment programming and financing framework. This affects the ability of local governments to deliver public services to citizens.

The draft law on public finances and budgetary and fiscal accountability pays special attention to the manner in which the budgetary authority/institution is formed and managed. The expenditures of funds shall be approved and reported as a single amount without regard for the sources of financing.

Through the attention in assistance provided by the project, services should be improved by introducing efficiencies and by increasing available revenues from existing and expanded revenue sources. LGSP will focus on the local governments' capability to improve collection of existing sources of revenue and identification of additional sources and will provide training and hands-on technical assistance in the following areas:

Revenue Generation

- Evaluating local revenue streams and potential;
- Tax benchmarking;
- Optimal organizational structure for local tax office;
- Costing and fee analysis for communal services;
- Improving billing and collections for services;
- Planning for new or anticipated public financial and tax legislation;
- Conducting ability-to-pay studies and pricing methodologies; and
- Developing debt inventory databases.

Also, under these two objectives, LGSP will provide local governments with a extensive technical assistance package for the municipal companies responsible for the public service delivery. As it was mention in the Objective 1.1 of the fist component, LGSP will develop a comprehensive solution package based on cost recover principals.

Additionally, cost benefit analysis approach will be applied in the development and implementations of cost recover mechanism. Thus, in order to keep control over the cost of services being performed by LPAs, LGSP will initiate a constant monitoring process needs to be instituted in our partner towns. Examples of services which can benefit from such effort include water, sanitation and virtually any other fee driven municipal service. Cost analysis becomes a diagnostic tool with which LPAs can seek



quality information and use it for the better management of their cities and organizations. It enhances the accounting system and allows managers the flexibility to make informed program modifications in mid-stream to account for changes in the community or fluctuations in revenue.

In order to achieve this objective, starting with October, 2012, LGSP will provide to the partner towns the methodology on cost benefit analysis and also will propose an outline of a cost analysis system that might be employed to gather information on a regular basis (Tasks 4, 7, 8 and 12).

Objective 2.4: Improve Budgeting and Reporting

Based on past assessments of the local budgeting process, LGSP will conduct an analysis and monitor the budgeting process of selected Cohort 1 partner towns to gather input regarding their 2013 town budgets. This period will be vital to LGSP's ability to gain an in-depth understanding of the budgeting practices and processes which may be unique to each town. Also, this will enable LGSP to establish tailored training and technical assistance packages which will be delivered in Year 2. Observation and analysis will also enable LGSP to identify appropriate interventions that can immediately improve budget formulation and implementation.

The Capital Investment Plan is part planning, part budgeting. It is a part of a Comprehensive Plan that includes the Strategic Plan and the Urban Land Use Plan. It is a budget which prioritizes and recommends for funding, infrastructure projects which are called for in the Strategic Plan and located by the Land Use Plan. It is a companion to the operating budget process because there must be a source of funds and there must be operating and maintenance funds provided by the budget. The Capital Investment Plan must therefore relate to the other plans and is dependent on them. Thus, it is necessary for them to be current. In Year 2, therefore, it should be possible to produce up to three CIPs by towns with adequate Strategic and Urban Land Use plans.

At the beginning of Year 2 (October, 25 2012), LGSP will deliver a tailored training in order to improve partner towns budgeting and reporting skills, aimed at assisting the participants in promoting best practices for improving their public financial management and draft annual budget for 2013 year. After the training LGSP financial management advisor in partnership with the short term local consultants, based on partner towns requests, will provide in the field technical assistance that will enable partner towns to identify appropriate interventions that can immediately improve budget elaboration and implementation for 2013 year.

Concurrent with the above activities, LGSP will focus on development of the EMM modules focusing on budgeting and reporting, which will be delivered in Year 2 and will include training and hands-on technical assistance in the following areas:

- Budget as a work plan;
- Important elements in budgeting;
- Budget preparation process;



- Budget documents;
- Implementation and review process;
- Using accounting and reporting software (possibly the Russian produced 1C software that is in current use by local administrations);
- Best practices for identifying budget needs and fiduciary oversight; and
- Citizen/private-sector financial reporting templates.
- Capital Investment budgeting and implementation.

These EMM materials will be submitted for review and approval by USAID as they are developed so that training and technical assistance can be rolled out in a timely manner (Tasks 9, and 12).

Accounting principles and policies

The legal framework for LPAs accounting and financial reporting is provided in the Accounting Law no 113 of April, 27, 2007, which directives accounting policies and methods for maintaining the books of accounts that are largely outdated. In addition to the Law mentioned above, several other pieces of legislation apply to accounting in Moldova: letters and orders of the Ministry for Finance and the State Tax Inspection elaborated on the basis of the existing law, National Accounting Standards, the Charts of Accounts.

National Accounting Standards (NAS) and financial reporting in Moldova's public sector are currently in a period of transition from providing for tax calculation and statistical needs to convergence with International Financial Reporting Standards (IFRS). The current level of compliance with international financial reporting is inadequate, and the quality of the financial reporting is low.

In that context, LGSP in partnership with the short term local consultants (individual accounting and auditing professionals) during the Year 2 (tentative data: January 17, 2013) will organize a roundtable workshop to improve the capacity and hands-on application of our partner towns for enforcing accounting standards and financial reporting requirements, in particular, methods of advanced accounting topics tailored to the LGSP partner towns' needs (Task 6):

- Institutional Framework
- Accounting Standards as Designed and as Practiced
- Perceptions on the Quality of Financing Reporting
- Findings and Policy Recommendations
- How to apply advanced accounting principles and policies in practice
- The administrative and financial management aspects of the accountancy practice
- Identify the main differences between national accounting standards and new International Financial Reporting Standard (IFRS)
- IFRS: recent and prospect developments



- Case studies and tests on the application of IFRS

Objective 2.5: Increase Citizens' Access to Information on Available Financial Resources

Increased budget and fiscal transparency is another main objective of LGSP. Thus, among the requirements for publishing legislative and regulatory acts, the transparency principle also requires clear establishment of rules and procedures. It requires publication of comprehensive budget and financial resources information in a publicly accessible manner.

As with all LGSP training and technical assistance activities, we will integrate activities and initiatives to encourage improved access for citizens to local government plans and operations.

In order to support the local governments in implementing a public awareness campaign, in Year 1 LGSP started to collect baseline data (through the MPI) on identifying the current level of citizen access to financial information and resources. In Year 2, LGSP will continue this activity by developing action plans for technical assistance which includes assisting local governments with improving transparency of financial information and resources (Tasks 10 and 11).

LGSP team will assist Partner Towns in elaborating and implementing several tools for improving access for citizens to local government plans and operations as well as financial information, budgets and other public financial information. The Communications Guide for each Partner Town consists of several instruments: public hearings, information campaign, report cards and other tools that are possible to use for increasing citizen's access to information on financial resources. LGSP team will help each partner town implement several tools presented in the guide based on each town's needs and possibilities.

Assumptions for Successful Implementation of Component 2 Activities

Overall assumptions under Component 2 include the following:

- Sufficient information will be available from the local governments and service providers to allow for sustainable assessment.
- The new Law on Public Finance and Fiscal Responsibility, which introduces new accounting standards and practices at the local level, will be approved and implemented.

Component 3: Improve Municipal Energy Efficiency



The energy efficiency sector has been identified by the GoM as a priority because 94 percent of all energy consumed is imported. As a member of the EU's Energy Community Treaty, Moldova passed the Law on Energy Efficiency in 2010, which requires conformity with the EU Energy Services Directive (ESD). The Law requires the raion councils to hire energy managers to perform energy management within their territory; develop Local Energy Efficiency Programs (LEEPs) every three years; draft Municipal (local) Energy Efficiency Action Plans (LEEAPs) annually; and, based on the LEEAPs, prepare Energy Efficiency progress reports.

The National Program on Energy Efficiency was approved in 2011 and contains the basic tasks and indicators to be achieved by 2020, including a 25 percent reduction in CO₂ gas emissions. The GoM established the Agency for Energy Efficiency (AEE) to facilitate the implementation of this national program. A National Fund on Energy Efficiency was also created to finance projects in the energy efficiency field in line with the national program.

The majority of donor organizations active in Moldova are heavily involved in energy efficiency efforts, including:

- SIDA, which acts as the leading donor in the energy efficiency sector, concentrating its efforts on adapting energy efficiency legislation to European standards and to the development of a National Energy Efficiency Action Plan;
- GIZ, which is providing support to Regional Development Agencies to update regional development strategies with energy efficiency components and develop operational plans at the regional level (North, Center, and South), including training for the Regional Development Agencies staff in energy efficiency;
- UNDP, which is implementing a biogas component in its energy efficiency program; and
- EU, which is providing budgetary support for the development of the National Energy Efficiency Action Plan.

The SYNENERGY project financed by USAID is currently in the final phase of implementation, with several important activities being undertaken in the energy efficiency sector. The project provides assistance to raion administrations to develop raion-wide energy planning, including training of the energy efficiency managers in the development of local energy efficiency action plans, development of monitoring and evaluation software, and development of an operations manual for the National Energy Efficiency Fund.

Under Component 3, LGSP will work with local partner, Tanya Lujanskaya, a leading energy efficiency expert in Moldova, as well as subcontractor EnCon Services International.



Objective 3.1: Develop and Implement Energy Efficiency Programs and Action Plans

Under the relatively new (2010) Law on Energy Efficiency, towns are required to create LEEPs. LGSP will work with Cohort 1 partner towns to develop these three-year LEEPs, as well as one-year action plans (LEEAPs).

These planning processes will be initiated after AEE issues/approves the template of the LEEP/AP. The development of training programs based on the program and materials already being undertaken by the SYNENERGY project, which is focused on raion level energy efficiency efforts.

The training and technical assistance program LGSP will develop for partner towns will include EMM modules such as the following:

- Planning and prioritizing energy efficiency investment;
- Setting energy baselines and targets;
- Energy efficiency manager certification;
- Utilizing energy efficiency auditors;
- Calculating the payback period of energy efficiency investment; and
- Setting town council policy to encourage energy conservation.

These EMM materials will be submitted for review and approval by USAID and coordinated with the Agency for Energy Efficiency.

Prior to launching the LEEP and LEEAP process, LGSP will focus on building the capacity of local level energy efficiency managers. As the SYNENERGY and GIZ projects will work with newly appointed energy efficiency managers at the raion level and in the RDAs, LGSP is providing support to partner towns in appointing energy efficiency managers or designating an existing town official with responsibility for energy efficiency policy and measures. The EE managers will cooperate with raion authorities and LGSP in the development of LEEPs/APs.

As of August 2012, only 8 of 35 raion EE managers were actually in place. As such, SYNENERGY decided to conduct training only for the specialists from the AEE. LGSP will be present at this SYNENERGY training event on September 24-28, 2012 and will review the training materials and compile them in an EMM tool.

In Year 2, LGSP, in collaboration with the AEE, Tanya Lujanskaya (because the SYNENERGY Project will be completed by the end of 2012), and EnCon, will provide EMM training in national energy strategies and energy budgeting, including attracting EE funds and development of LEEPs/APs, for Cohorts 1 and 2 partner town mayors, energy efficiency managers, and other relevant staff (Tasks 1 and 2). EMM training will also include all relevant information about the development of Feasibility Studies and Energy Audits, which are necessary for accessing the national EE fund.



LGSP will provide training and technical assistance for the EE managers from selected partner towns to develop LEEPs/APs. The EE managers will have to complete the first draft of the documents after the training sessions. Two weeks later, local and international consultants will visit each of the partner towns in order to complete the development of the LEEPs/APs. Also, LGSP will provide support to present and approve the LEEPs/APs by local council. After the LEEPs/APs have been developed, LGSP and the EE managers will select at least one priority activity from the LEEAP to implement with funds that LGSP will assist the partner towns to access from the EE Fund (Tasks 3 and 4)

Objective 3.2: Establish and Utilize Energy Efficiency M&E Plans and Systems

Activities under this objective are aimed at equipping Cohort 1 partner towns with the tools and skills necessary to utilize energy efficiency monitoring and evaluation (M&E) plans and systems. This will be a key initial step to a meaningful LEEP and LEEAP planning processes, which will be launched in Year 2 of LGSP.

The SYNENERGY project in partnership with AEE has developed energy efficiency M&E software. The EE software was presented to AEE for approval with the recommendation that it be implemented at the local level. Currently, AEE is evaluating the software. When it is approved by the AEE, LGSP can request official approval from AEE to introduce the use of this software in selected partner towns. However, AEE has some serious objections to the software developed by SYNENERGY based on the Microsoft Office platform and it is looking to concentrate on development of M&E software based on a GIS platform, which would make the database accessible online. This AEE decision has delayed LGSP's plans to promote the software elaborated by SYNENERGY. LGSP will await the final AEE decision and then analyze the possibility of developing the new M&E software under the AEE concept.

The training and technical assistance program will include EMM modules such as the following:

- Establishing and using M&E tools with International Performance Measurement and Verification Protocol (IPMVP) principles;
- Using energy efficiency monitoring software;
- Calculating indicators needed for donor and GoM investments; and
- Training civil society and private sector on energy efficiency to partner with and oversee town actions. (Tasks 4, 5, and 6)

Objective 3.3: Improve Citizen Understanding of Energy Efficiency

In order to support the local governments in their public awareness campaigns, in August 2012, LGSP launched the process of development of an Energy Efficiency



Guide for the local population. The Guide will be composed of ready communication and information modules to be used by the local governments and mass media.

To ensure AEE ownership of the EE Guide, AEE must participate in the process of EE Guide development and approval. LGSP, in partnership with EnCon, will organize a roundtable with the participation of AEE at the end of October to present the first draft of EE Guide in English. The Guide will later be translated into Romanian and Russian.

In addition to the EE Guide, LGSP will support AEE in finalizing its EE web portal with the technical assistance of EnCon. This will allow local governments to access EE information online.

LGSP, in cooperation with AEE, will assist partner towns in performing their EE public awareness campaign using the EE Guide. LGSP will work with local governments to organize “Energy Efficiency days” and inform the local population about the benefits of energy efficiency (Task 5).

The training and technical assistance program will include EMM modules such as the following:

- Setting town council policy to encourage energy conservation; and
- Training civil society and the private sector on energy efficiency to partner with and oversee town actions.

LGSP team in partnership with EnCon will offer technical assistance, through hiring an expert to finalize the EE web portal and start promoting its benefits for local citizens. This will allow Local Governments to access online different information in the domain of EE.

As a follow up activity of Communications Training (Module II), LGSP team will assist Partner Towns in including Energy Efficiency component in the Communications Regulation, including specific tools for improving citizens understanding of Energy Efficiency’s importance and usefulness.

Additional LGSP team will assist partner towns in planning, developing and organizing Public Awareness Campaigns, Energy Efficiency Days, etc., to promote Energy Efficiency in regions. The Public Awareness Campaign is an important tool to be used national in order to inform local population about the benefits of Energy Efficiency.

Assumptions for Successful Implementation of Component 3 Activities

Our overall assumptions under Component 3 include the following:

- The template of LEEP/AP is approved by the AEE and there is “no objection” to start the elaboration of LEEPs/APs for the partner towns;
- The training materials will be obtained from SYNENERGY and the curricula approved by AEE;



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- The M&E software elaborated by SYNENERGY will be approved by the AEE and there will be “no objection” to use the software by the local governments;
- The EE Guide under development by EnCon will be accepted by AEE as an information and communication tool.

Incentives and Opportunities Fund and Direct Procurements

LGSP will support the partner towns in pursuing proposed improvements under each component through the provision of direct procurements made on behalf of partner towns. These procurements will come either as complementary equipment necessary for improving delivery of a specific service under a larger financing project from national and international donor funds, direct interventions with equipment deemed necessary as a result of a needs assessment and service delivery improvement plan for the partner towns.

Such direct procurements could consist of buying GPS tracking systems for garbage collection trucks in order to improve the efficiency of the service, procurement of IT equipment for contracts and billing management systems for the service provision company, procurement of a new water pump to replace one that cannot be repaired, IT equipment for a municipal one-stop-shop service.

LGSP envisions making direct procurements for partner towns starting with the first quarter of Year 2 and strictly related to proposed qualitative and quantitative improvements in service delivery, town financial and administrative management, and improved access to public information and transparency in the decision-making process.

These procurements will contribute to the achievement of objectives under Component 1 (1.2 and 1.4); Component 2 (2.1, 2.2, 2.3, 2.4, and 2.5), and Component 3(3.2).

The Incentives and Opportunities Fund (IOF) is a tool that LGSP will use to stimulate partner towns in their development goals. Partner towns will become eligible to access the IOF once they have successfully graduated from the EMM program.

The IOF will be used primarily in two ways:

- To provide funding for preparing strong, realistic, and viable proposals; and
- To offer technical assistance in priority areas as identified by the partner towns.

The IOF will be used to offer both technical assistance and financial support with the aim of assisting partner towns to prepare project proposals to be submitted to national and international development funds (e.g., the National Fund for Regional Development, National Environmental Fund, and Energy Efficiency Fund). For example, the IOF could assist the partner towns in developing feasibility studies,



technical design for infrastructure improvements, environmental impact assessments, etc.

The IOF may also be used to offer technical assistance in areas that have been identified as priorities by the partner towns and those that need project assistance in order to make qualitative changes. For example, the IOF could help in developing billing software for service providers, procuring accounting software for partner towns and training them on its use, developing budget planning and monitoring software for partner towns, offering technical assistance in merging several municipal services under one municipal enterprise to streamline costs, offering technical assistance in creating a new municipal service arrangement or municipal enterprise, developing a business plan for an identified service in need of improvement.

The IOF will become operational starting with the third quarter of Year 2. It will be an important contribution to the achievement of objectives 1.1, 1.2, 1.3, and 1.4 under Component 1; 2.1, 2.2, 2.3, 2.4, and 2.5 under Component 2; and 3.2 and 3.3 under Component 3.

LGSP will develop concepts for the IOF and direct procurements fund, and an IOF grants manual and submit them to USAID for review and approval.

Cross-cutting Gender and Youth Considerations

Consistent with the approach outlined in our technical proposal and the new USAID Gender Strategy, Year 2 project activities will be conducted with the objective of gender and youth mainstreaming in mind. The LGSP team will encourage, promote, and motivate gender integration, youth, and social group mainstreaming in all planned activities including public hearings, round tables, trainings, youth contests, LPA open door days, school events, and cultural events. The MPI will collect and gauge information regarding the number of women and youth involved not only in local government, but also as active participants in planning and decision-making in their communities. LGSP will disaggregate other collected MPI data by gender where possible. To ensure measurement of project impact and results in gender mainstreaming, the PMEP data will also be disaggregated by gender where possible.

Many LPAs mentioned the need to involve youth in the daily work and activities related to public engagement and community mobilization. Moreover, the mayors mentioned that their youth are leaving the town, are very passive, and are uninterested in working locally.

LGSP proposes to initiate an internship program for young students from Moldova. Internships are part of every undergraduate student curriculum in Moldovan universities. Often students have difficulty finding suitable and practical places for internship that fit the school program, especially those from the Public Administration and related faculties, as public institutions are unwilling to offer such opportunities. The internship program would create opportunities for students to work locally in their hometowns. This would have a double-advantage – first, there would be no



transportation, lodging or food expenses as they would be at home, and second, this could spark their interest in contributing to activities in and development of their own communities. LGSP will partner with higher education institutions from Chisinau and other regions to select students eligible for the program.

The internship program will be a great asset to the partner towns as they will have the chance to promote local employment, youth engagement, and civic empowerment as well as use the creative and innovative ideas of the younger generation. The students will have the chance to see in practice what it means to run a town, what problems and difficulties this kind of job implies, and what needs to be done to improve local government work. Through this program, LGSP will increase, accountability, and community involvement as each partner town will have to assume responsibility in working with the students.

Gender integration is a feature of every LGSP activity. The Launch/Workshop events in each partner town carefully sought gender balance and sought out groups likely to provide a gender sensitive input to the process of creating and activity plan for town and project to follow. Surveys on service levels, planning, and finance have been designed with gender sensitivity. In Year 2, the strategic planning and urban planning training and technical assistance will similarly assure that the differing needs and aspirations of both genders are considered. Budgeting will insure that priorities which consider gender are incorporated. Service improvements which result in part from the budgeting process will therefore reflect that emphasis. As the decentralization process alters the scope of authority exercised by towns, each new responsibility will be considered for its gender impact.

Environment Mitigation and Monitoring

All three project components include activities which will have environmental implications: under Component 1, strategic planning, service improvement plans, and land use plans; under Component 2, capital investment plans; and under Component 3, energy efficiency improvement through feasibility studies and training. While all activities to take place in Year 2 are deemed categorical exclusion and therefore require no official mitigation by USAID, LGSP is still conscious of the impact a long-term plan or the training content can have on the environment based on how each take into account environmental concerns.

Based on the Initial Environmental Examination (IEE) included in the contract, LGSP will develop an Environmental Mitigation and Monitoring Plan to detail how we will comply with USAID environmental regulations and to integrate environmental mitigation and monitoring into project activities that may have environmental implications.

While many of the activities labeled as negative determination in the IEE are no longer applicable to the project, LGSP recognizes that there are still some components with negative determination and even those labeled as categorical exclusion may have an indirect environmental impact. For those with negative determination, an



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Environmental Determination Review Checklist will be completed and counterparts will be required to complete specific actions to offset the environmental impact of the work. For those with categorical exclusion, we will take steps to ensure that environmental concerns are integrated into the activity as noted above. For example, as the EMM curriculum is developed, training modules will explicitly address environmental concerns associated with the content of each (e.g., land use, service delivery), and will include steps to ensure long-term municipal environmental compliance. Information regarding actions taken to address environmental issues will be included in project quarterly and annual performance reports, and mitigation steps will be monitored to gauge their effectiveness.



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Project in Moldova**

ANNEX A. Detailed implementation plan

Objective 1: Municipal Service Delivery Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Responsible	Key Stakeholders	Milestones	
IER 1.1: Local capacity to plan for and manage municipal services improved																	
Assist local government to better plan and manage public services	Review, update/create municipal strategic plans, as well as land use and capital investment plans	X	X	X	X	X	X	X	X	X	X	X	X	Municipal Coordinators	Municipal Planning Advisor, Financial Management Advisor, IDU, local governments, civil society, private sector	1. 10 municipal strategic plans reviewed 2. 10 plans updated	
	Select and contract local company/consultants to develop the strategies					X	X							Municipal Coordinators	Procurement Manager	Local company/consultants contracted	
	Support in organizing public hearings, focus groups to update strategic plans as necessary	X	X	X	X	X	X	X	X	X	X	X	X	Public Engagement Advisor	Municipal Planning Advisor, Financial Management Advisor, local governments, Communications/M&E Specialist	1. 8 focus group working sessions organized (2 per partner town)	
	Organize study tours for the mayors of partner towns	X											X	Capacity Building Specialist	Municipal Coordinator, Municipal Planning advisor	1-2 study tours organized	
	Develop solution packages for LGs	X	X	X	X									Municipal Coordinators	Municipal Planning Advisor, VNG, Capacity Building Specialist	12 Solutions package drafted	
	Implement solution packages for LGs					X	X	X	X	X	X	X	X	Municipal Coordinators	Municipal Planning Advisor, VNG, Capacity Building Specialist	12 Solutions package implemented	
	Establish service improvement plans			X	X	X	X	X	X	X	X			Municipal Coordinators	Local governments, Service Providers	10 plans established	
	Assist in the creation of pilot one-stop shop info center	X	X	X	X	X	X	X	X	X	X				Municipal Coordinators	Local Governments, E-Governance, Public Engagement advisor	1-2 pilot one-stop shop created
	Monitor solutions' implementation										X	X	X	X	Communications/M&E Specialist	Capacity Building Specialist, Municipal Planning advisor	Reports on implementation
EMM Training Program for LG	Develop SoW for experts in Public Service Delivery					X								Municipal Planning advisor	Capacity Building Specialist, VNG, Municipal Coordinator	SoW developed	
	Develop the materials for the training Program in Public Service Delivery					X	X	X						Municipal Planning advisor,	Capacity Building Specialist, VNG,	training materials developed and adjusted to Moldova LPA' needs	

Objective 1: Municipal Service Delivery Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Provide Training to Cohort 1 towns							X						Municipal Planning advisor,	Capacity Building Specialist, VNG,	1. Training schedule established for all Cohort 1 partner towns 2. More than 45 LPAs staff trained
	Develop SoW for experts in Urban Planning						X	X	X					Municipal Planning advisor	Capacity Building Specialist, VNG, Municipal Coordinator	SoW developed
	Develop materials for the training Program in Urban Planning							X	X					Municipal Planning advisor,	Capacity Building Specialist, VNG,	1. Training materials developed and adjusted to Moldova LPA' needs
	Provide Training to Cohort 1										X			Capacity Building Specialist	Municipal Planning advisor ,VNG, Municipal Coordinators	1. Training schedule established for all Cohort 1 partner towns 2.. More than 45 LPAs staff trained
	Develop SoW for experts in Human Resource Management		X	X										Municipal Planning advisor	Capacity Building Specialist, VNG, Municipal Coordinator	SoW developed
	Develop the material for training Program in Human Resource Management			X	X									Municipal Planning advisor,	Capacity Building Specialist, VNG, Municipal Coordinator	training materials developed and adjusted to Moldova LPA' needs
	Provide Training to Cohort 1				X									Municipal Planning advisor,	Capacity Building Specialist, VNG,	1. Training schedule established for all Cohort 1 partner towns 2. More than 45 LPAs staff trained
	Evaluate trainings				X	X	X	X	X	X	X	X	X	Communications/M&E Specialist	Capacity Building Specialist	# of questionnaires with feedback from participants
IER 1.2: New municipal service arrangements established																
EMM Training LG	Develop SoW for experts in PPP & IMC	X												Financial advisor	Capacity Building Specialist, VNG	SoW developed
	Develop the material for PPP & IMC training Program		X	X										Capacity Building Specialists	VNG, Financial advisor	EMM Core curriculum materials developed and adjusted to Moldova LPA's needs
	Provide Training to Cohort 1			X										Capacity Building Specialist	Financial advisor, Municipal Coordinator, VNG, CALM	1. Training Schedule established for LPA and more than 45 LPAs staff trained

Objective 1: Municipal Service Delivery Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Evaluate training			X										Communications/M&E Specialist	Capacity Building Specialist	# of questionnaires with feedback from participants
Conduct research, investigation and preparation for potential new or revised municipal service arrangements	Identify the priority service to be created or improved					X	X	X						Municipal Planning advisor	Local Governments, Service providers, Capacity building Specialist	1 service improved
	Organize local workshops on inter-municipal cooperation (IMC) (based on town's priorities)					X	X							Capacity Building Specialist, Municipal Coordinators	Local governments including neighboring villages of partner towns, service providers	At least 4 local workshops will be organized (one per partner town)
	Facilitate IMC implementation					X	X	X	X	X	X	X	X	Capacity Building Specialist	VNG, Municipal Planning advisor	1 IMCs established
	Assist in PPPs					X	X	X	X	X	X	X	X	Municipal Coordinator	Capacity Building Specialist, VNG, Municipal Planning advisor , International & local experts	2 PPPs created
	Organize round tables to present success stories									X	X	X		Municipal Coordinator	Capacity Building Specialist, Municipal Planning advisor	round tables organized
	Monitor and evaluate the results						X	X	X	X	X	X	X	Communications/M&E Specialist	Capacity Building Specialist	# of questionnaires with feedback from participants
IER 1.3: Ability of municipalities to access regional and donor funds improved																
Conduct research, investigation and preparation for potential regional and/or donor resources, private companies	Provide information to selected partner towns regarding the opportunities for financing infrastructure development	X	X	X	X	X	X	X	X	X	X	X	X	Grants and Procurement Specialist	Other local organizations, Financial advisor	1. Information compiled into packages 2. Information packages delivered to Cohort 1 partner towns
	Organize a training/workshop on proposal writing, priority identification and implementation process (how to successfully implement a funded project)									X				Grants and Procurement Specialist	Other local organizations	1. Workshop/training organized and more than 45 LPAs staff trained

Objective 1: Municipal Service Delivery Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Responsible	Key Stakeholders	Milestones
EMM Training LG	Develop SoW for experts in Accessing Funds and Grants							X						Grants and Procurement Specialist	Capacity Building Specialist, VNG	SoW developed
	Develop training materials for Accessing Funds and Management							X	X					Capacity Building Specialist	Municipal Planning advisor, VNG, Grants and Procurement Specialist, Municipal Coordinators	1. Training schedule established for all Cohort 1 partner towns 2. # of improvements to the EMM training materials
	Provide Training to Cohort 1								X					Communications/M&E Specialist	Capacity Building Specialist	1. # of positive feedbacks from participants 2. More than 45 LPAs staff trained
	Evaluate training								X	X				Communications/M&E Specialist	Capacity Building Specialist	# of questionnaires with feedback from participants
IER 1.4: Transparency and accountability of local government planning and decision-making enhanced																
Establish institutional procedures for public outreach	Launch projects in regions Cohort 2								X	X				Municipal Coordinators	COP, DCOP, USAID, Public Engagement Advisor, local governments, Communications/M&E Specialist	10-12 official kick-off events held in the regions
	Support in developing communication's guides for partner towns	X	X	X						X	X	X	X	Public Engagement Advisor, Communications/M&E Specialist	Capacity Building advisor	12 communication guides finalized for cohort 1 and 10 communication guides drafted for cohort 2
	Monitor the implementation of the communications guide in the partner towns				X	X	X	X	X	X	X	X	X	Communications/M&E Specialist	Public Engagement Advisor, Municipal Coordinators	Reports on implementation
	Develop SoW for experts on Communication and Citizen Involvement	X							X					Communications/M&E Specialist, Public Engagement advisor	Municipal Planning advisor, VNG, Municipal Coordinators	1. Training schedule established for all Cohort 1 & 2 partner towns

Objective 1: Municipal Service Delivery Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Responsible	Key Stakeholders	Milestones
EMM Training LG	Develop training materials on Communication and Citizen Involvement	x	x											VNG, Communications/M&E, Public Engagement advisor	Capacity Building Specialist, Public Engagement advisor, Municipal Coordinator	Training materials developed and adjusted to Moldova LPA' needs
	Implement EMM training to Partner towns on Communication and Citizen Involvement	x	x							x				VNG, Communications/M&E, Public Engagement advisor, Capacity Building Specialist	VNG, Public Engagement advisor, Municipal Coordinator	1. More than 60 LPAs staff from cohort 1 & 2 trained
	Evaluate training	x	x											Communications/M&E Specialist	Capacity Building Specialist	# of questionnaires with feedback from participants
Establish partnerships with other donors	Establish partnership with current projects, and other donor organizations	x	x	x	x	x	x	x	x	x	x	x	x	COP	DCOP, Public Engagement Advisor	1. Action/cooperation plan designed in collaboration with other projects
Assist Partner Towns in promoting public engagement/community mobilization	Organize in cooperation with Partner Towns Community day (EE day, Town Anniversary Day, Open Doors day, Contest for school pupils, etc.)		x	x	x	x	x	x	x	x	x	x	x	Public Engagement advisor	Local Governments, Municipal Coordinator	1-2 events per town organized
Integrate monitoring and evaluation systems into strategic planning	Provide baseline data to each partner town and work with the towns to plan how to integrate M&E into planning process		x	x	x	x	x	x	x	x	x	x	x	Communications /M&E Specialist	DCOP, Public Engagement Advisor, Municipal Coordinator	1. Cohort 1 towns receive baseline data 2. Cohort 1 partner towns integrate M&E into their strategic planning process.

Objective 2: Local government revenues increased and financial management practices improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
IER 2.1: Cost and management efficiencies identified and adopted																
Develop public property/ asset management training and technical assistance through EMM program	Develop SoW for experts in public property/ asset Management for Local Governance		X											Financial Advisor	Capacity Building Specialist, VNG	1. SoW developed
	Develop the materials for training program on Municipal Property/Asset Management for LPA		X	X										Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM Core Curriculum training materials developed
	Provide training program to assist LPA on Municipal Property/Asset Management improvement for Cohort 1				X	X								Capacity Building Specialist	Financial Advisor, Municipal Coordinators, VNG, Local experts, LPA Financial specialists and those from municipal enterprises, Local Councilors, CALM	1. Training schedule established for LPA 2. More than 35 LPAs staff trained 3. Graduation evaluation criteria and grid developed
	Evaluate training					X								Communications/M&E Specialist	Capacity Building Specialist	1. # of positive feedbacks from participants 2. # of improvements to the EMM training materials
	Develop toolkits based on training program on Municipal Property/Asset Management for LPA					X	X							Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM training toolkits & manuals developed and approved
	Assist on applying some of public property/ asset management training on a specific area of concern for LPA							X	X	X	X	X	X		Financial Advisor	VNG, Financial specialists for the city and those from municipal enterprises
Develop Public Procurement training and technical assistance through EMM program	Develop SoW for experts in Public Procurement for Local Governance					X	X							Financial Advisor	Capacity Building Specialist, VNG	1. SoW developed
	Develop the materials for training program on Public Procurement for LPA				X	X	X	X						Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM Core Curriculum training materials developed
	Provide training program to assist LPA on Public Procurement for LPA for Cohort 1								X					Capacity Building Specialist	Financial Advisor, Municipal Coordinators, VNG, Local experts, LPA Financial specialists and those from municipal enterprises, Local Councilors, CALM	1. Training schedule established for LPA 2. Training session for 35 LPA staff performed 3. Graduation evaluation criteria and grid developed
	Evaluate training								X					Communications/M&E Specialist	Capacity Building Specialist	1. # of positive feedbacks from participants 2. # of improvements to the EMM training materials

Objective 2: Local government revenues increased and financial management practices improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Develop toolkits based on training program on Public Procurement for LPA for LPA								X	X	X	X		Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM training toolkits & manuals developed and approved
Facilitate the establishment of the Public Private Partnerships (PPP) and Inter-Municipal Cooperation (IMC) as Management Tools	Assist LPA on financial arrangements for PPP and IMC establishment				X	X	X	X	X	X				Financial Advisor	VNG, Financial specialists for the city and those from municipal enterprises	1. Report on provided assistance to min 3 partner towns
IER 2.2: Collection rates for local fees and taxes improved																
Assist LPA in improving the local fees and taxes collection through EMM program	Develop SoW for experts in Revenue Enhancement: Effective Tax and Fee Collection for Local Governance		X											Financial Advisor	Capacity Building Specialist, VNG	1. SoW developed
	Develop the materials for LPA on Revenue Enhancement: Effective Tax and Fee Collection		X	X										Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM Core Curriculum training materials developed
	Provide training program for LPA on Revenue Enhancement: Effective Tax and Fee Collection						X				X	X		Capacity Building Specialist	Financial Advisor, Municipal Coordinators, VNG, Local experts, LPA Financial specialists and those from municipal enterprises, Local Councilors, CALM	1. Training schedule established for LPA 2. Training session for 45 LPA staff performed (Cohort 1&2) 3. Graduation evaluation criteria and grid developed
	Evaluate training						X					X		Communications/M&E Specialist	Capacity Building Specialist	1. # of positive feedbacks from participants 2. # of improvements to the EMM training materials
	Develop toolkits based on training program on Revenue Enhancement: Effective Tax and Fee Collection for LPA						X	X	X					Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM training toolkits & manuals developed and approved
	Assist LPA on developing the mechanism and basis for the solutions to be employed on Revenue Enhancement: Effective Tax and Fee Collection									X	X	X	X	X	Financial Advisor	VNG, Financial specialists for the city and those from municipal enterprises
IER 2.3: Service fees based on full cost recovery adopted																

Objective 2: Local government revenues increased and financial management practices improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
Support on service fees improvements	Provide the methodology on cost benefit analysis		X	X	X	X	X							Financial Advisor	Municipal Coordinators, VNG, Local experts, LPA, Financial specialists for municipal enterprises, Local Councilors	1. Report on analysis of LPA service taxes/fees
	Propose an adjustment of service fees based on cost benefit analysis					X	X	X	X	X	X	X	X	Financial Advisor	Municipal Coordinators, Local experts, Financial specialists for municipal enterprises	1. Report on cost recovery and pricing strategy
IER 2.4: Budgeting and reporting improved																
Conduct assessment of current situation regarding financial management (LG and service providers) - part of MPI	Conduct data analysis	X	X	X										Financial Management Advisor	IDU, STTA, VNG	1. Current financial management situation in Cohort 1 towns analyzed
	Identify performance need				X	X								Financial Management Advisor	IDU, STTA, VNG	1. Current performance need for Cohort 1 analyzed
	Monitor budget process for current budget year				X	X								Financial Management Advisor	IDU, STTA, VNG	1. Budget process was monitored for Cohort 1
Assist in budgeting and reporting process improvement for Local Governance through EMM program	Develop SoW for experts in Budgeting and reporting process for Local Governance		X											Financial Advisor	Capacity Building Specialist, VNG	1. SoW developed
	Develop the materials for LPA on Budget Process: Techniques, good practices and Moldovan Requirements					X	X	X						Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM Core Curriculum training materials developed
	Provide training program for LPA on Budget Process: Techniques, good practices and Moldovan Requirements							X				X		Capacity Building Specialist	Financial Advisor, Municipal Coordinators, VNG, Local experts, LPA Financial specialists and those from municipal enterprises, Local Councilors, CALM	1. Training schedule established for LPA 2. Training session for 45 LPA staff performed 3. Graduation evaluation criteria and grid developed
	Evaluate training							X			X			Communications/M&E Specialist	Capacity Building Specialist	1. # of positive feedbacks from participants 2. # of improvements to the EMM training materials

Objective 2: Local government revenues increased and financial management practices improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Assist LPA on developing a basis for the solutions to be employed on Budget Process: Techniques, good practices						X	X	X	X	X	X	X	Capacity Building Specialist	VNG, Local experts, Financial Advisor	1. EMM training toolkits & manuals developed and approved
IER 2.5: Citizens' access to information on available financial resources increased																
Assess citizens' access to financial information	Identify current level of citizen access to financial information and resources	X	X	X	X									Public Engagement Advisor	Financial Advisor, VNG, local governments, e-Government project	1. Assessments completed in Cohort 1 partner towns
	Identify instruments for increasing financial and fiscal transparency		X	X	X									Public Engagement Advisor	Financial Advisor, VNG, local governments, e-Government project, STTA	1. Report on identified instruments for increasing financial and fiscal transparency
	Plan improvement interventions			X	X									Public Engagement Advisor	Financial Advisor, VNG, local governments, e-Government project, STTA	1. Plan improvement completed in LPA town
	Assist on improving transparency of the financial information and resources		X	X	X	X								Financial Advisor	Public Engagement Advisor, VNG, local governments, e-Government project, STTA	1. Report on plan improvement completed in min 4 LPA partner towns

Objective 3: Municipal Energy Efficiency Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
IER 3.1: Energy efficiency programs and action plans developed and implemented																
Contribute to build capacity of EE managers and responsible at the raion and town level	Collaborate with AEE, USAID SYNENERGY Project and GIZ to support/augment its activities	X	X	X	X	X	X	X	X	X	X	X	X	EE Advisor	Agency for EE, SYNENERGY Project, GIZ	1. Collaboration with AEE, USAID SYNENERGY and GIZ established and project action plans coordinated
	Assist mayors to establish cooperation with energy managers at the raion level (e.g. draft Tore), and define the EE responsible at the town level	X	X					X	X					EE Advisor	Local governments, Municipal Coordinators, Municipal Councils, Agency for EE, EnCon	1. Energy efficiency responsible person identified in Cohort 1 and 2 partner towns
	Facilitate and support the training activities in national energy strategies, energy budgeting – attracting EE funds (accessing National EE fund, explanation of the EE auditing, etc.) in partnership with AEE and USAID SYNENERGY Project	X	X	X	X										Capacity Building Specialist	EE Advisor, Local Governments, Agency EE, SYNENERGY Project, EnCon
Assist town in Local EE Programs and Action Plans elaboration and implementation (EMM curriculum)	Facilitate and assist LG in LEEP (3 years) development (approve the form of LEEP with AEE)	X	X	X	X	X	X	X	X	X	X	X	X	EE Advisor	Capacity building specialist, Municipal Coordinator, Local Governments, Agency EE, SYNENERGY Project, EnCon, STTA	1. Cohort 1 & 2 partner town mayors establish LEEP working groups 2. LEEP training sessions delivered to 60 participants (cohort 1 & 2) 3. LEEP for 10 partner towns are drafted (only cohort 1)
	Facilitate Local Energy Efficiency Action Plan (LEEAP) development (1 year)	X	X	X	X	X	X	X	X	X	X	X	X	EE Advisor	Local Governments, Agency EE, SYNENERGY Project, EnCon, STTA	1. Cohort 1 & 2 partner town mayors establish LEEAP working groups 2. LEEAP training sessions delivered for 60 participants (cohort 1&2) 3. LEEAPs for 10 partner towns develop (only cohort 1)
	Assist towns with selection, development, attracting the funds and implementation of at least one priority action in the LEEAP			X	X	X	X	X	X	X				EE Advisor	STTA, EnCon, Agency EE, SYNENERGY Project	1. Cohort 1 partner town select a priority activity in accordance to LEEAP 2. Financial support to implement the selected activities obtained form the national EE fund

Objective 3: Municipal Energy Efficiency Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Monitor implementation and results of LEEAP			X	X	X	X	X	X					Communications/M&E Specialist	EE Advisor, Municipal Coordinators, STTA	1. Monitoring of project implementation provided
IER 3.2: Energy efficiency monitoring and evaluation plans and systems established and utilized																
Prepare and provide monitoring and reporting of EE	Adapt existing software and tools to meet project needs	X	X											EE Advisor	EnCon, Agency EE, SYNENERGY Project	1. Existing M&E software assessed based on LG's EE monitoring needs 2. To define the support for the AEE if the existing M&E software will not be approved
	Disseminate analysis tools (software) and manuals to Cohort 1 partner town EE managers; train EE managers in use of these tools	X	X	X	X	X	X	X						Capacity Building Specialist	EE Advisor, Municipal Coordinators, Agency EE, SYNENERGY	1. Cohort 1 partner town EE managers trained to use EE M&E software
IER 3.3: Citizen understanding of energy efficiency and its benefits improved																
Assist partner towns to develop public information and EE communication programs	Research EE best practices reports and manuals and compile in a communication tool	X	X	X										EE Advisor	STTA, Chemonics HO, SYNENERGY Project, Agency EE, EnCon	1. EE communication tool developed (EE Guide)
	Coordinate with the AEE to develop an EE public awareness campaign	X	X	X	X	X	X	X	X	X	X	X	X	EE Advisor	Communications/M&E Specialist, Agency EE, SYNENERGY Project	1. EE public awareness campaign concept developed in partnership with AEE 2. Public awareness campaign developed 3. Public awareness campaign launched and more than 35 thousand citizens were inform about EE 4. EE portal developed in the frame of AEE web site

Objective 3: Municipal Energy Efficiency Improved

Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Responsible	Key Stakeholders	Milestones
	Include EE information in communication plans of partner towns	X	X	X	X	X	X	X						Public Engagement Advisor	EE Advisor, Communications/M&E Specialist, Local Governments, Agency EE, SYNERGY Project	<ol style="list-style-type: none"> EE information disseminated to Cohort 1 partner towns for inclusion in their communication plans Cohort 1 partner town communications plans drafted/updated with EE information included "EE days" organized by the partner towns
Train LG	Design EMM program for LGs	X	X	X	X	X								Capacity Building Specialist	VNG	<ol style="list-style-type: none"> EMM Core Curriculum program designed and training modules are identified; Graduation evaluation criteria and grid develop.
	Develop materials	X	X	X	X									Capacity Building Specialist	COP, DCOP, VNG	<ol style="list-style-type: none"> EMM Core Curriculum training materials developed for Component 3
	Vet with USAID			X										COP	USAID	<ol style="list-style-type: none"> USAID approval received
	Implement training to Cohort 1				X	X	X	X	X					Capacity Building Specialist	Municipal Coordinators, STTA	<ol style="list-style-type: none"> Training schedule established for all Cohort 1 partner towns Training session for partner town performed and more than 30 participants attended the training
	Evaluate training				X	X	X	X	X					Communications/M&E Specialist	Capacity Building Specialist	<ol style="list-style-type: none"> # of positive feedbacks from participants # of improvements to the EMM training materials

Project Management and Administration

Project Management Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Responsible	Key Stakeholders/Approvals
Operations																
	Conduct annual FACT (field accounting compliance team) review, Establish accounting; grants; and subcontracts management systems							X							Chemonics HO	Operations manager, Bookkeeper
Evaluation of staff performance	Conduct annual performance evaluation of LGSP staff					X	X								COP, DCOP	LGPS staff
Communications																
Implement communications plan	Develop external and internal communications plan	X													Communications/M&E Specialist	Public Engagement Advisor, Grants & procurement Manager
	Vet with USAID	X													COP	USAID
	Implement Communication Plan	X	X	X	X	X	X	X	X	X	X	X	X	X	Communications/M&E Specialist	Public Engagement Advisor, Grants & procurement Manager
Study Visit																
	Prepare the study visit to Romania with the 1st cohort of partner towns	X													COP	Local Governments, Partners
	Make necessary arrangements, logistics for the study visit	X													Capacity building specialist, Municipal Coordinators	Local Governments
	Conduct study tour visit to Romania with the 1st cohort of partner towns	X													Capacity building specialist, Municipal Coordinators	Chemonics HO
Incentives and Opportunities Fund																
	Research financial instruments and resources (local and international sources) for local development	X	X	X	X										Grants & Procurement Manager	Local Governments
	Develop IOF concept	X													Grants & Procurement Manager	Chemonics HO
	Submit to USAID for approval	X	X												COP	USAID
	Develop and distribute a guide for LG on available financial instruments and resources for local development	X	X												Grants & Procurement Manager	Local Governments
	Develop IOF operational manual; including guidelines and criteria for IOF		X	X	X										Grants & Procurement Manager; Operations Manager	Chemonics HO
Direct procurement Fund																
	Develop Direct procurement Fund Concept	X	X	X											Operations Manager; Grants & Procurement Manager	Chemonics HO

Project Management and Administration

Project Management Activities	Tasks	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Responsible	Key Stakeholders/Approvals
	Submit to USAID for approval			X											COP	Chemonics HO
Cohort 2 & 3 Towns Selection																
Town Selection	Conduct interview with potential candidates for the Cohort 2&3 partner towns					X				X					COP, DCOP	USAID
	Submit list for 2nd and 3rd cohorts to USAID for approval						X				X				COP	DCOP; Municipal Coordinators
	Make final selection/obtain USAID approval						X				X				COP	USAID
	Sign MoUs							X	X			X	X		COP	DCOP; Municipal Coordinators
Launch Project																
Hold project launch ceremony	Hold regional project launches in the 2nd and 3rd cohort towns							X	X			X	X		DCOP, Municipal Coordinators	Communications/M&E Specialist, Capacity building specialist
	Sign MoUs							X	X			X	X		COP, DCOP	Municipal Coordinators, Communications/M&E Specialist, Capacity building specialist
MPI																
	Conduct In depth citizen survey for 1st cohort (MPI)	X	X												DCOP, Municipal Coordinator	Magenta; IDU
	Conduct In depth citizen survey for 2nd cohort (MPI)									X	X	X			DCOP, Municipal Coordinator	Magenta; IDU
	Conduct In depth citizen survey for 3rd cohort (MPI)												X	X	DCOP, Municipal Coordinator	Magenta; IDU
EMM Summit																
	2nd EMM Summit (Cohort 1 EMM graduation)										X				COP, DCOP, Capacity Building Specialist	Municipal Coordinators, Communications/M&E Specialist



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Local Government Support Project in Moldova

ANNEX B. Monthly budget forecast summary



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Local Government Support Project in Moldova

ANNEX C. EMM Training Schedule *

Training Program	2012			2013									2014				
	Oct	Nov	Dec	Jan	Feb.	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Communications and Public Participation																	
Cohort 1	7- 13																
Cohort 2-3									3- 7								
Public Service Delivery																	
Cohort 1							1- 15										
Cohort 2-3															TBD		
Pub- Pri Partner./Inter-Municipal Coop.																	
Cohort 1			9- 20														
Cohort 2-3													16- 25				
Urban Planning																	
Cohort 1									3- 17								
Cohort 2-3														5- 19			
Asset Management																	
Cohort 1			26- 7														
Cohort 2-3													2- 15				
Human Resources Management																	
Cohort 1				14- 31													
Cohort 2-3																	TBD
Revenue Enhancement																	
Cohort 1					4- 20												
Cohort 2-3									17- 3								
Budget Practice																	
Cohort 1						1- 22											
Cohort 2-3										8- 26							
Funds and Grants - Access and Mgt																	
Cohort 1								20- 31									
Cohort 2-3															TBD		
Public Procurement																	
Cohort 1							15- 26										
Cohort 2-3																TBD	
STUDY TOUR TO ROMANIA		10/13- 11/26											9/1- 10/ 2				

*The above schedules include preparation time both at home and on site and the actual presentation time necessary for the delivery of the program as outlined in the EMM document