

**HOUSING AND URBAN  
DEVELOPMENT  
ASSISTANCE IN CENTRAL  
AND EASTERN EUROPE**

**WORKPLAN**

**OCTOBER 1999 -  
SEPTEMBER 2000**

Prepared for

Prepared by

Renée Hendley

East European Regional Housing Sector Assistance Project  
Project 180-0034  
U.S. Agency for International Development, ENI/EEUD/UDH  
Contract No. EPE-C-00-95-001100-00, RFS No. 001



**THE URBAN INSTITUTE**  
2100 M Street, NW  
Washington, DC 20037  
(202) 833-7200  
[www.urban.org](http://www.urban.org)

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**HOUSING AND URBAN DEVELOPMENT  
ASSISTANCE IN  
CENTRAL AND EASTERN EUROPE**

**WORKPLAN - ALBANIA  
OCTOBER 1999 - SEPTEMBER 2000**

**WORK PLAN CALBANIA**  
**OCTOBER 1999 - SEPTEMBER 2000**  
**HOUSING AND URBAN DEVELOPMENT ASSISTANCE**  
**IN CENTRAL AND EASTERN EUROPE**  
**CONTRACT No. EPE-C-00-95-00110-00 (Formerly EPE-0034-C-00-5110-00)**

**STRATEGIC OBJECTIVE 2.3: LOCAL GOVERNMENT IS EFFECTIVE, RESPONSIVE, AND ACCOUNTABLE**

Intermediate Result 2.3.1 Central Government Transfers Responsibility and Authority to Local Government Intermediate Result 2.3.2 Local Government Capable in Budgeting, Managing, Planning, Implementing and Reporting Intermediate Result 2.3.3 Local Government Provides Improved Services Intermediate Result 2.3.5 Local Government Support for Economic Development						
Life of Activity Results and Indicators	Requests for Service					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	No.	Description	Start Date	End Date	Output	
	103	Urban Infrastructure and Local Government Autonomy. Provide Albanian counterparts assistance in establishing the policy, legal, and regulatory framework to promote urban service improvements through private participation.	3/1/96	9/30/2000	Creation of a public regulatory body for Albanian public utilities; developed utility rate structures that accommodate future land development; capital land development plan; privatized solid waste collection in Albanian secondary cities; redrafted laws on local government; develop short-term plans for advisory field visits.	U.S. STTA: 758 p-d CCN STTA: 2.055 p-d
	113	Assistance in Municipal Finance Reform for Albania. Organize and conduct a series of workshops to develop a shared reform agenda.	12/1/97	3/31/2000	Series of workshops and working group meetings geared to promoting a dialogue initiated with members of the Reform Task Force from national and local governments. Workshops will address local government spending authority, revenues and budgeting, and legislative reform consensus. The working group meetings, composed of representatives from national and local governments and NGOs will analyze and recommend possible reforms to expand local fiscal autonomy.	U.S. STTA: 298 p-d CCN STTA: 301 p-d
	116	Regulatory Training Group. This RFS is designed to help the Government of Albania establish a regulatory commission to regulate the price and quality of water and waste water utilities services. The regulatory structure would be established prior to the privatization of any utility.	3/1/98	12/31/99	Regulatory commission personnel trained in the areas of administration, economic analysis, and legal/institutional procedures.	U.S. STTA: 95.13 p-d CCN STTA: 0 p-d
	117	Assistance in Short-Term Investment Plan for Tirana and Durres. The purpose of this RFS is to provide technical assistance to help Tirana, Durres, and other cities develop an investment plan with projects that could be eligible for donor financing.	3/1/98	1/31/2000	Restoring and developing governance and supporting civil society. Designing and implementing sound economic and social policies. Reviving economic activity.	U.S. STTA: 217.5 p-d CCN STTA: 40 p-d

**Intermediate Result 2.3.1 Central Government Transfers Responsibility and Authority to Local Government**  
**Intermediate Result 2.3.2 Local Government Capable in Budgeting, Managing, Planning, Implementing and Reporting**  
**Intermediate Result 2.3.3 Local Government Provides Improved Services**  
**Intermediate Result 2.3.5 Local Government Support for Economic Development**

Life of Activity Results and Indicators	Requests for Service					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	No.	Description	Start Date	End Date	Output	
	121	Increasing Local Responsiveness in Service Delivery in Albania. The objective of this RFS is to address the Albanian citizenry's perception of local government responsibilities.	9/1/99	9/30/2000	Conduct a cross-city customer survey which links performance to service delivery. Information gathered through the survey will be used to produce a model citizen brochure for cities to use in communicating the mandates and responses to citizenry's concerns.	U.S. STTA: 142 p-d CCN STTA: 198 p-d
	122	Assistance to Durres Water Utility(DWU). The objective of this RFS is to provide technical assistance to the DWU and the large investments already made by the World Bank.	9/1/99	4/30/2000	Achieve a working operation ratio of 80%; increasing water meter connections to 12,000; increasing collection to billing ratio; improving accounts receivable delays; and making accounts payable current.	U.S. STTA: 70 p-d CCN STTA: 80 p-d

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**WORKPLAN - BULGARIA  
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**WORKPLAN B BULGARIA  
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**STRATEGIC OBJECTIVE 2.3: LOCAL GOVERNMENTS [THAT] ARE MAKING RESPONSIVE CHOICES AND ACTING ON THEM EFFECTIVELY AND ACCOUNTABLY.**

Result 2.3.1. National legal framework provides local governments with the authority to match the responsibilities devolved by the state and delegated by the citizens. Result 2.3.2. Local governments are developing the financial tools, resources, and practices to fulfill their responsibilities and improve the local economic base.						
Life of Activity Results and Indicators	Requests for Service					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	No.	Description	Start Date	End Date	Output	
To be determined by USAID/Bulgaria	<b>More effective, responsive, and accountable local governments</b>					
	221	Bulgaria Municipal Credit and Finance Reform. The objective of this RFS is to provide a study which assesses the entire existing legal and policy framework as it affects the ability of local governments to access credit markets in order to finance capital investments.	8/1/99	4/30/2000	The desired end result of the study is agreement on, and implementation of, reforms to the legal and policy framework affecting the municipal finance and credit system in Bulgaria	U.S. STTA: 177 p-d CCN STTA: 110 p-d

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**STRATEGIC OBJECTIVE 2.3: LOCAL GOVERNMENT IS EFFECTIVE, RESPONSIVE, AND ACCOUNTABLE**

Life of Activity Results and Indicators	Requests for Services					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants	
	No.	Description	Start Date	End Date	Output		
<p>Strategic Objective 1. Reintegration of refugees, DPs, and other war-affected populations</p> <p>Strategic Objective 2. More competitive market responsive private financial sector</p> <p>Strategic Objective 3. Increased, better informed citizens- participation in public decision making</p>	310	Develop and implement a new Local Government Program to build capacity of local governments in the war-affected area to create a suitable environment for the return of displaced persons and a voice in the decision making process at the local level.	8/1/98	2/28/2000	Promotion of the reintegration of local governments in the war-affected areas of Croatia; active participation of citizens in the decision making process; and increased capacity of local governments to provide services.	U.S. STTA: CCN STTA:	716 p-d 395.50 p-d

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**WORKPLAN - CZECH REPUBLIC  
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**STRATEGIC OBJECTIVE 2.3: MORE EFFECTIVE, RESPONSIBLE, AND ACCOUNTABLE LOCAL GOVERNMENT**

Life of Activity Results and Indicators	Requests for Services					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants	
	ID	Description	Start Date	End Date	Output		
Management and delivery of services at the municipal level improved, more cost-effective, and more responsive to local citizen needs and desires.	402	Assistance to MUFIS in HG Borrowing. This RFS provides assistance to the Municipal Finance Company (MUFIS) to facilitate the borrowing of a second tranche of funds through the Housing Guaranty (HG) Loan program and to strengthen the institutional capacity of MUFIS to gain access to capital markets.	6/1/96	13/15/2000	Strengthen the institutional capacity of MUFIS in on-lending through commercial banks to support local government credit needs, borrowing capital funds through a HG loan, and gaining access to domestic and international capital markets	U.S. STTA: CCN STTA:	96.5 p-d 164 p-d
	404	Municipal Credit Market. This RFS will help implement the Municipal Credit Market Development Strategy USAID has approved for the Czech Republic.	1/1/97	6/30/2000	1) training on municipal financial disclosure standards and the role of independent credit rating systems in supporting a self-sustaining municipal credit system; 2) preparation of a conference on institutional alternatives to meet small municipalities- credit needs; 3) TA to analyze the economic costs associated with the division of large Czech cities into numerous quasi-independent sub-districts for purposes of administration; 4) training session for major banks and others in the local government credit market of the Czech Republic; 5) examination of the current auditing procedures used by Czech government in auditing municipal financial accounts; 6) intensive training seminar in municipal credit analysis to officials of CSOB; 7) institutionalization within Czech organizations the capacity for continuing training seminars in municipal credit analysis; 8) preparation and pilot testing of training seminar in credit analysis and borrowing capacity; and 9) design and presentation of a final policy seminar or conference on future development of municipal credit market	U.S. STTA: CCN STTA:	370.5 p-d 394 p-d
	406	Local Management and Administration Office. The purpose of this RFS is to provide field management and administrative services needed to support all substantive work being managed by the Urban Institute in the Czech Republic on behalf of USAID under this contract.	10/1/97	9/30/2000	Management and administrative support at the local level.	U.S. STTA: CCN STTA:	0 p-d 114 p-d
	408	Municipal Financial Performance Indicators. Activities under this RFS should show the value of using indicators to analyze the financial condition and debt position of municipalities on a national scale, and will identify an organization in the Czech Republic that will	4/13/98	6/30/2000	1. The results of the analysis of financial performance indicators for all municipalities in the Czech Republic for the years 1995, 1996, and 1997. The results will apply to different classes of	U.S. STTA: CCN STTA:	155 p-d 100 p-d

Life of Activity Results and Indicators	Requests for Services					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	ID	Description	Start Date	End Date	Output	
		be responsible for continuing the analysis of municipal financial performance indicators in the future.			municipalities by size and region. 2. The transfer to an organization in the Czech Republic of the methodology used in the analysis of the lessons learned from the two test cases. The organization will assume responsibility for continuing the analysis of municipal financial performance indicators in future years.	
	451	Fiscal Decentralization in Northern Tier Countries of Central Europe. Region wide comparative study on lessons learned on municipal finance and credit market analysis from experiences in Hungary, Poland, Czech Republic, and possibly Slovakia.	12/9/98	12/31/1999	Report on several country experiences in municipal finance and credit market analysis.	U.S. STTA: 167 p-d CCN STTA: 30 p-d
	452	Courses on Intergovernmental Fiscal Relation and Local Financial Management The objective of this course is to provide broader understanding of policies and problems in fiscal relations, decentralization and municipal credit.	1/1/2000	5/30/2000	35 participants from the Stability Pact countries (Macedonia, Albania, Bulgaria, Romania, Bosnia, Croatia, and Hungary) receive training and are capable of using this information in a sustainable manner through policy research, advisory services or repackaging and recycling the course for a variety of audiences.	U.S. STTA: 50.5 p-d CCN STTA: 0 p-d

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**STRATEGIC OBJECTIVE 2.3: LOCAL GOVERNMENT IS EFFECTIVE, RESPONSIVE, AND ACCOUNTABLE**

Intermediate Result 2.2 More Revenue Available to Local Government						
Life of Activity Results and Indicators	Requests for Service					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	No.	Description	Start Date	End Date	Output	
To be determined by USAID/Macedonia	<b>Component 2. Assistance to Municipalities</b>					
	907	Local Government Reform Workshops	5/1/99	12/20/99	Assist a core group of national and local government officials convened by the Ministry of Local Government in Macedonia to propose specific legal reforms to increase local authority in the areas of local public services and urban land management.	U.S. STTA:113 CCN STTA: 205

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**STRATEGIC OBJECTIVE (SO 1.4): A COMPETITIVE, MARKET-ORIENTED PRIVATE FINANCIAL SECTOR IS DEVELOPED.  
STRATEGIC OBJECTIVE (SO 2.3): LOCAL GOVERNMENT IS EFFECTIVE, RESPONSIBLE, AND ACCOUNTABLE**

<i>IR 3.0 - Increased Capacity to Deliver Services and Manage Local Resources Efficiently</i>						
<i>IR A: Increased Confidence in the Financial Sector</i>						
<i>IR B: Improved Efficiency of Financial Markets</i>						
<i>IR C: Increased Availability of Financial Services and Products</i>						
<i>IR D: Improved Policy and Legal Framework Supports Local Government Functions</i>						
Life of Activity Results and Indicators	Requests for Services*					Direct Productive Labor: Level of Effort in Person Days (PDs) and local subcontracts/grants
	No.	Description	Start Date	End Date	Output	
	630	Urban Institute Consortium Housing Finance Project Management	5/1/97	3/17/2000	Design, budget and coordinate Housing Finance Project	U.S. LTTA: 62 p-d CCN STTA: 55 p-d
	648	A Preliminary Assessment of Policies and Strategies for Public Sector Housing Finance	6/10/98	2/28/2000	Report on public sector housing strategies for Poland	U.S. LTTA: 91 p-d CCN STTA: 53 p-d
	657	Technical Assistance to Municipal Debt Securitization Pilot. The purpose of this pilot effort is to test the viability of securitized municipal debt instruments with a view toward establishing a market for longer term capital.	6/1/99	5/15/2000	Create the technical capacity available to the banking sector in Poland needed to develop and place this type of security.	

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Intermediate Result 2.2 More Revenue Available to Local Government						
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	811	Local Credit Finance Reform Program.	5/24/99	12/31/99	Advice on potential changes to the Law on Local Public Finance; Completion of the legislative and regulatory framework for local government and local government finance; initial efforts on the supply side of local credit; improvement of financial management and credit access locally; methodologies for training and information dissemination; and input to other donor programs which affect credit and the decentralization of finance.	U.S. STTA: 301 p-d CCN STTA: 287 p-d
	812	Study of Romania Housing Finance. Provide USAID with an update of the financial aspects of the real estate sector.	8/15/99	11/30/99	Ability for USAID to assess potential for mortgage lending and whether or not they should provide technical assistance in housing finance.	U.S. STTA: 55 p-d CCN STTA: 70 p-d
	813	District Heating Concession Financing.	10/20/99	4/30/2000	Ability for the city of Constanta to facilitate the rehabilitation and financing of the district heating network in order to reduce significantly the district heating network-s energy losses, increase the efficiency of the system, and improve district heating service levels and save the city money.	U.S. STTA: 154 p-d CCN STTA: 278 p-d