



ENPI - Neighbourhood - Mediterranean & Eastern Europe

**Support to the Implementation of the Pilot
Regional Development Programmes (PRDPs)**

Republic of Moldova

**Regional Planning and Project Pipelines for
Development Regions North, South, Centre in
the Republic of Moldova**

ENPI/2013/328-631

Implementation Report

Reporting Period:

January – December 2015

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Acronyms and abbreviations

APA	Academy of Public Administration
CALM	Congress of Local Authorities of Moldova
CCI	Chamber of Commerce and Industry
CPSS	Complementary Private Sector Support
DR	Development Region
DRC	Development Region Center
DRN	Development Region North
DRS	Development Region South
EC	European Commission
EE	Energy Efficiency
EaP	Eastern Partnership
ENP	European Neighbourhood Policy
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IFI	International Financial Institution
LPA	Local Public Administration
MLPS	Modernization of Local Public Services
MTRI	Ministry of Transport and Roads Infrastructure
MRDC	Ministry of Regional Development and Construction
NFRD	National Fund for Regional Development
PDP	Project Development Pathway
PPC	Possible Project Concept
PRDP	Pilot Regional Development Programme
PWG	Project Working Group
RBM	Results Based Monitoring
RD	Regional Development
RDA	Regional Development Agency
RDC	Regional Development Council
RDS	Regional Development Strategy
RLR	Regional and Local Roads
ROP	Regional Operational Plan
RPP	Regional Planning and Programming
RSP	Regional Sector Programme
RSWG	Regional Sector Working Group
SC	Steering Committee
SEDS	Socio-Economic Development Strategy
SRA	State Road Administration
SWM	Solid Waste Management
VPC	Viable Project Concept
WMZ	Waste management zone
WSS	Water Supply and Sanitation

1. Summary and context of the Action

1.1. Background of the project

In October 2013, GIZ and EU signed a Delegated Agreement No ENPI/2013/328-631, according to which the EU has delegated the implementation of the “*Regional Planning and Project Pipelines for Development Regions North, South, Centre in the Republic of Moldova*” to the project “Modernization of Local Public Services” (MLPS) that GIZ has managed in Moldova since 2010. The summary of the Action is presented in the table below.

Table 1: Project Summary¹

Title/Number	Pilot Regional Development Programmes (PRDPs) – Component 2 “Regional Planning and Project Pipelines for Development Regions North, South, Central in the Republic of Moldova”
Contribution	To the “Modernization of local public services in the Republic of Moldova” project
Overall objective	To support Moldova in advancing its economic, social and territorial cohesion with focus on the development of the policy, legal, institutional and developmental framework for an effective development policy for Moldova’s regions
Purpose	To facilitate a regional planning process leading to the development of a project pipeline relevant to specified areas and concerns of Moldovan RD and EU Cohesion Policy To develop capacities essential to sustaining the above objectives and support the wider regional development process
Expected results	Detailed regional sector programmes covering four thematic fields essential to the development of Moldova’s regions (water and sanitation, solid waste management, energy efficiency in public buildings, regional and local roads) of key importance and for each region (N, S, C) Complementary private sector support at the national and regional level Validated capacity among responsible bodies relevant to the above results, including capacity to continuously manage a project pipeline A pipeline of viable project concepts in the four thematic fields
Beneficiary	Ministry of Regional Development and Construction of the RM
Duration	The project is planned for 35 months
Budget	European Commission EUR 5 million
Implementing Agency	Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH

¹ As amended by Addendum 2 to the Delegation Agreement No ENPI/2013/328-631 that has been agreed and signed by the Contracting Authority on 11 March 2016.

Component II	Indirect centralized management
DAC-code	43010 Sector multi-sector aid
CRIS	ENPI/2012/023-418

The given project is implemented through indirect centralized management by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH within MLPS project and the assistance is channelled through Intervention Area 2 “Regional Planning and Programming”. In addition to GIZ, the Action is implemented by a consultancy consortium headed by GOPA which provides support in implementation of the MLPS component on Regional Planning and Programming in all sectors concerned. Also, Sequa GmbH - a development organisation which operates worldwide - offers specific support measures for Complementary Private Sector Support under the given Action. The list of cross-cutting activities that aims to increase the capacity development of local actors is delivered through the Academy of Public Administration.

The institutional counterpart and the main beneficiary of this component of MLPS project is the Ministry of Regional Development and Construction (MRDC), being responsible for the overall policy management of regional development in Moldova, while the main implementing bodies are the three Regional Development Agencies. The target groups are Local Public Authorities (LPAs) from I and II levels. In a broader sense, the project is expected to benefit the citizens of Moldova living in the three Development Regions and the country as a whole.

In addition, the following actors are continuously engaged in the project implementation:

At the national level (other than MRDC)

- Ministry of Environment
- Ministry of Economy
- Ministry of Transport and Roads Infrastructure (MTRI)
- Ministry of Education
- Ministry of Health
- Chamber of Commerce and Industry (CCI)
- State Chancellery
- Academy of Public Administration (APA)
- Donor community particularly those likely to finance projects to be developed
- and others, i.e. Congress of Local Authorities of Moldova (CALM).

At the regional/local level

- Regional Development Councils (RDCs)
- Regional Development Agencies (RDAs)
- Rayons
- Villages and towns (or LPAs) in the three regions
- Civil Society
- Business sector.

1.2. Overview of the project development actions

Since the start of the project implementation in October 2013, several actions and revisions have been required as a necessary response to the highly dynamic project development. The most important of them are exposed in chronological order as it follows.

- In March 2014, in accordance with the Special Conditions of the Delegation Agreement, GIZ submitted to the Delegation of the European Union in the Republic of Moldova an Inception Report², which sets the background for the implementation of the Action in the regional development area in the Republic of Moldova in accordance with the updated developments on the area. The findings of this report were presented to the counterparts and approved by the MLPS Steering Committee on 13 June, 2014.
- In March 2015, GIZ submitted the first Implementation Report for the period October 2013 - December 2014³; some adjustments to the report were done at the request of the Delegation of the European Union in May 2015.
- In October 2015, the Result Oriented Monitoring (ROM) review mission was carried out by an independent external consultant contracted by the European Commission.
- In December 2015, the parties agreed and signed the Addendum 1 to the current Delegation Agreement which provided a three months extension of the project's implementation. By signing this Addendum, GIZ expressed the need for revision of the targets⁴ as outlined in the Inception Report from March 2014 and presented at the MLPS Steering Committee Meeting on 13 June 2014. Additionally, these changes were reflected in the Implementation Report for the period October 2013 – December 2014. All these documents were endorsed by the Project's national counterparts and by the involved development partners.

The current Implementation Report covers the reporting period from January to December 2015 and is structured in accordance with the provisions of the Annex II, Article 2 of the General conditions to the European Union Delegation Agreement for indirect centralised method of implementation. The details on the progress achieved during the reporting period are laid down in the chapters presented below.

² The Inception Report can be accessed on:

<http://serviciulocale.md/doc.php?l=en&id=855&idc=69&t=/Progress-Reports/Inception-Report-Regional-Planning-and-Project-Pipelines-for-Development-Regions-North-South-Central-in-the-Republic-of-Moldova/>

³ The Implementation can be accessed on:

<http://serviciulocale.md/doc.php?l=en&idc=69&id=1129&t=/Progress-Reports/Regional-Planning-and-Project-Pipelines-for-Development-Regions-North-South-Central-in-the-Republic-of-Moldova-October-2013-December-2014>

⁴ See GIZ letter no 02-GIZ from 13.01.2016.

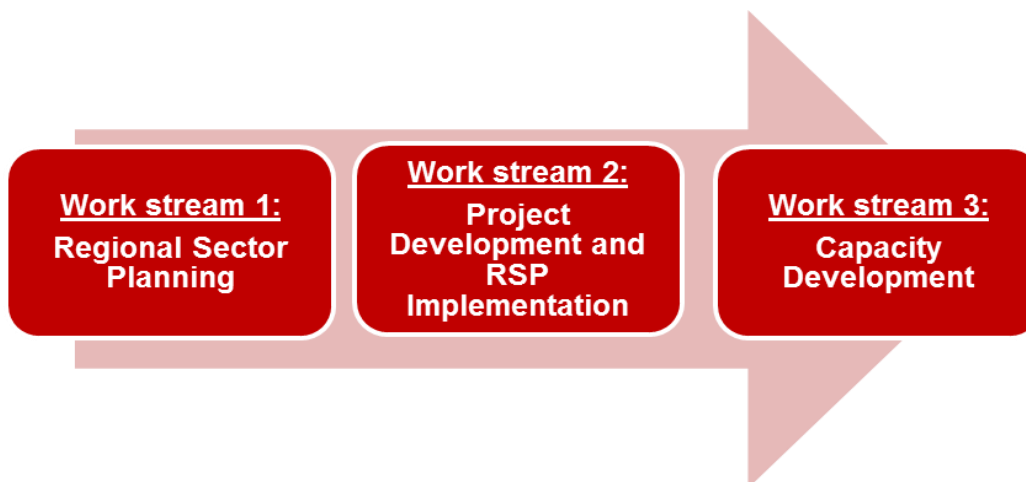
2. Summary of implemented activities under the Action during the reporting period

2.1. Progress achieved in the implementation of activities

In accordance with 2015 Annual Work Plan, this Action continued to focus on improving and linking the planning and programming at regional level with regard to four sectors - Solid Waste Management (SWM), Water Supply and Sanitation (WSS), Energy Efficiency in public buildings (EE), and Regional and Local Roads (RLR) - to project identification of “Possible Project Concepts” (PPCs) and further development of selected numbers of “Viable Project Concepts” (VPC) up to the pre-final stage. Also, the Action includes Complementary Private Sector Support (CPSS) measures and other cross-cutting capacity development activities.

The progress on the implementation of the main activities during the reporting period structured into three core work streams (see Figure 1) is presented below.

Figure 1: Work streams



Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

Work stream 1: Regional Sector Planning

In 2015, the planning stage for the Regional and Local Roads (RLR) sector was completed with the endorsement of three Regional Sector Programmes (RSPs) and their subsequent approval by the Regional Development Councils (one each for Development Regions North, Centre, and South).

From January to March 2015, the informal and formal public consultations (11 March in DR North, 13 March in DR Centre, and 17 March in DR South) were held in each Development Region, culminating in the approval of the RSPs in RLR on 26 March (DR South), 31 March (DR Centre), and 3 April (DR North). Thereafter, the MLPS experts focussed on responding to comments to the RSPs given during the formal consultation events and Council meetings. While most of the comments did not involve substantial

changes to the RSPs, two additional corridors were added in DR Centre, resulting in a total of 28 priority corridors.

With the approval of these final three RSPs in RLR, the overall MLPS IA 2 targets for regional sector planning has been fully achieved. To date, the development of 11 regional sector programmes was completed for the Development Regions North, Centre and South covered by this Action⁵.

In accomplishing this task GIZ applied its Capacity Work approach to the Project's Implementation by supporting multi-stakeholder participation and increased inter-institutional coordination via support in the creation of Regional Sector Working Groups, Inter-Ministerial Sector Commissions and assistance to the Regional Development Councils as relevant work areas. This puts very strong emphasis on the development of sustainable capacity as a process built directly into the design and implementation of all activities, the engagement of stakeholders at all stages of the Project and the importance of developing and mainstreaming lessons learned and good practice developed.

The final approved versions of the RSPs are available in both English and Romanian languages on the MLPS website: <http://serviciulocale.md/pageview.php?l=en&idc=35&id=1130&t=/Regional-Planning-and-Programming/Regional-Sector-Programs/> and RDAs/MRDC websites.

In relation to the Complementary Private Sector Support (CPSS), as mentioned in the previous reports, as well as agreed with the MRDC, no RSPs have been developed in this sector as per methodology applied in other sectors. However, based on initial discussions and assessment of needs, challenges, roles of counterparts and their contribution to the public tendering process in Moldova, a common planning, view and approach for the cooperation between all partners (at the national and regional levels), as well as agreement on capacity development actions in this areas has been achieved.

At the regional level, additional to the actions undertaken in the previous reporting period, three quarterly sessions of Regional Working Groups for reporting, evaluation and planning activities were conducted in 2015. As result, the three quarterly regional Action plans were discussed and approved by the representatives from RDAs, CCI branches, the National Confederation of Employers, the private sector representatives of Regional Development Councils, and GIZ / Sequa.

Moreover, six Cooperation Agreements between RDAs and CCI branches from Orhei, Hincesti, Soroca, Edinet, Balti and Cahul were concluded. These cooperation agreements shall contribute to the promotion of partnership cooperation and business development in the regions.

⁵ Two RSPs in SWM (DR Centre and DR North) as well as three RSPs in EE for all three development regions were completed and approved by the Regional Development Councils (RDCs) in February 2014. The RSPs for WSS for the 3 regions were completed in April 2014 and underwent consultation in May and June 2014 and were approved in June 2014 by RDCs. These activities were covered under by the German and Swedish funds. The development of the 3 RSPs in RLR are covered by the EU funds.

At the national level, two National Working Group sessions were organized in June and December 2015. At the National Working Group session from June, 11 representatives (4 women and 7 men) discussed and approved the National Action Plan for 2015. In December 2015 the joint Final Meeting with participation of 21 representatives (7 women and 14 men) from the National Working Group and the Regional Working Groups was organized. This event was focused on reporting on the carried out activities, evaluation of results and visions for the future.

In the framework of the final meeting, the following findings were identified by the participants:

- An intensive and constructive dialogue between private entrepreneurship and state authorities with new culture of communication was institutionalized. This dialogue should be continued in the future on a regular basis, maintaining and developing further the joint approaches by all parties involved.
- European practice in public procurement became a constituent part of topics in round tables and seminars. Furthermore the permanent transfer of international know-how about public procurement practice and the establishment of international tender associations has become more important. Therefore, public dialogue with European partners should be continued and widened.
- New approaches for cooperation with European partners have to be continued in the future on a regular basis. All partners should concentrate their activities on International exchange of experiences and should increase their presence at exhibitions and B2B (business-to-business) -forums.

The Action also benefited from the gained and shared EU experiences in Procurement Consulting Services, specifically:

- Nationwide and Comprehensive system of Consulting agencies, jointly run by Chambers of Commerce and Industry and Handicraft;
- Qualified system of company trainings on various items (tender issues, German and EU-funding);
- Data base for qualified companies regularly purchasing tenders;
- Pre-qualification services for companies;
- B2B (business-to-business) activities regular tender partners and associations;
- Joint activities (platforms, “come together”) with political, business and financial associations and bodies.

Work stream 2: Project Development and RSP implementation

During the reporting period, significant progress has been achieved in advancing the development of PPCs to VPCs in all 4 sectors – SWM, WSS, EE and RLR.

A key development in the progress of project development and functioning of the project pipeline was the establishment of Inter-ministerial Commissions for each sector/ Development Region in August 2014. Each Commission includes representatives from the MRDC, Ministry of Finance, line ministries (depending on the sector), State Chancellery, RDCs, RDAs, and MLPS (GIZ and GOPA representatives).

During the implementation period, the Project Development Pathway (PDP) was applied to underpin the project development processes in four sectors covered by the Action.

Based on the PDP methodology, the VPCs for which feasibility has been demonstrated, but for which financing has not yet been secured, can be termed VPCs at pre-final stage. At this stage feasibility studies covering institutional, technical, economic, social and financial aspects, Environmental Impact Assessment (if required by the legislation) and preliminary conceptual design (depending on sector particularities) are to be developed. Development of detailed designs and tender books, and obtaining of necessary authority approvals and/or permits are not to be done at this stage.

The status of VPCs per sector as of 31 December 2015 is presented in Annex 1. In total, 36 from 43 VPCs prioritised by Inter-Ministerial Commissions were developed up to the pre-final stage. The details are specified in Chapter 5.

By sector, the following activities were undertaken under the given work stream.

Solid waste management

In Solid Waste Management (SWM) sector, all project development work was based on the approved Regional Sector Programmes (RSP) – for Development Region North and Centre – and the approved waste management strategy for Development Region South. The project pipeline was developed in six waste management zones (WMZs), of which work continued in three WMZs that were priorities for development by the Inter-Ministerial Commission on 9 April 2015, which includes:

- DR South, WMZ 3: Cahul, Taraclia and Cantemir rayons;
- DR Centre, WMZ 2: Nisporeni, Ungheni and Calarasi rayons;
- DR North, WMZ 2: Briceni, Donduseni, Edinet and Ocnita rayons.

The stage of developments of each of these WMZs is described below, in the order presented above.

➤ Development Region South

The feasibility study and environmental impact analysis for WMZ 3 were completed, but work was significantly slowed by late decision (August 2015) on inclusion of part of UTA Gagauzia into the WMZ. This required complete revision of the feasibility study and conceptual designs. Two coordination/operational meetings were held with officials from UTA Gagauzia and their representatives were included in Project Working Groups (PWGs) and other meetings. Site visits to the additional localities included in the WMZ were also conducted in order to collect data on the current status of SWM in the service areas.

Activities in WMZ 3 DR South included the following:

- Regional landfill site selection;
- Three potential landfill site locations were examined at the recommendation of the PWG, with recommendation for the preferred location in Cahul. The findings of these investigations were summarised in a **landfill site selection report**;
- Landfill site approved by Cahul local council decision;
- Transfer stations locations were selected based on selection criteria and sites in Cania and Taraclia were recommended and further used in the evaluation;
- Second local council decision for approval of additional land for transfer station in Taraclia due to addition of rayons from UTA Gagauzia;
- Working meetings with officials from UTA Gagauzia to inform them about the SWM project, the proposed system, and the economic and environmental benefits of it. As a result, in August 2015, two rayons were added to the project (Ceadir-Lunga and Vulcanesti);
- Field visits to investigate the waste composition in the WMZ. This was summarised in a **report on waste composition**;
- All stages of work coordinated with Project Working Group and Regional Sector Working Group, thus ensuring participatory project development;
- **Possible project concept** presented to the Inter-Ministerial Commission on SWM on 9 April 2015 showing the development of the project up to that point. The Commission approved the continuation of development of the project;
- **Report on delineation of micro-zones.** The report recommends potential locations for transfer stations, based on preferred location of the regional landfill;
- **Feasibility study for WMZ 3 in DRS**, including two rayons of Gagauzia;
- Environmental Impact Assessment (EIA), with non-technical summary;
- EIA application (stage I) obtained prior assessment of planned activity Decision No. 29 of 19 June 2015;
- EIA program (stage II) produced Opinion No. 03 of 11 November 2015;
- Facilitated process of placing EIA information to public information;
- **EIA documentation** (stage III) submitted for consideration at the Ministry of Environment. Procedures to follow for public information, consultation and organization of debates on EIA documentation. The public consultation to be held in villages where waste management facilities are proposed (Cahul, Cantemir and Taraclia). Ministry of Environment needs to take on board suggestions and proposals from public consultation and, after adjustment of documentation, issue an environmental permit;

- Hydrogeological investigations and topographical surveys performed on the approved landfill site;
- **Conceptual designs of project sites:** Cahul landfill site and Taraclia and Cania transfer station sites;
- **Social and gender analysis** conducted in the WMZ, based on pilot focus group studies;
- **Documentation on land use change** prepared. The procedure for land use change should be monitored by the Ministry of Environment. Once the procedure is completed, the set of documents can be submitted (feasibility study, EIA, site approval) to obtain the Urbanism Certificate for the implementation of the integrated solid waste management system.
- Two meetings in DR South were held to clarify the SWM system to new public officials and coordinate work on the project. A meeting was also held with the State Chancellery to discuss institutional scenarios.

The SWM project for WMZ 3 DR South is completed up to the end of stage 3 (“VPC at pre-final stage”). Discussions with potential financing sources need to be intensified.

➤ *Development Region Centre*

In this region activities took place in two blocks:

- Block I – WMZ 2, including the rayons of Ungheni, Călărași and Nisporeni;
- Block II – WMZ 1, including the rayons of Hincesti, Anenii Noi, Criuleni, Dubăsari, Orhei, Straseni, and Ialoveni, as well as WMZ 3, including the rayons of Soldanesti, Orhei, Telenesti and Rezina.

For Block I, building on the approved RSP in SWM for DR Centre, activities focused on the further development of a prioritised VPC. Activities in WMZ 2 DRC included the following:

- Regional landfill site selection;
- 13 field visits to potential landfill site locations, of which 10 potential sites were identified, with recommendation for the preferred location in Todiresti. The findings of these investigations were summarised in a **landfill site selection report**;
- Two meetings organised with local councils to inform the Agronomovca and Floritoaia Veche localities with potential land for regional landfill on integrated solid waste management;
- Field visits to investigate the waste composition in the WMZ. This was summarised in a **report on waste composition**;
- Three Project Working Group meetings;
- Two Regional Sector Working Group meetings;

- **Possible project concept** presented to the Inter-Ministerial Commission on SWM on 9 April 2015 showing the development of the project up to that point. The Commission approved the continuation of development of the project and emphasized the need to approve a site for the regional landfill;
- **Report on delineation of micro-zones.** The report recommends potential locations for transfer stations, based on preferred location of the regional landfill;
- **Summary report on activities undertaken in WMZ 2 DR Centre**, including outline for feasibility study and environmental impact assessment.

For Block II, building on the approved RSP in SWM for DR Centre, activities focused on an assessment of solid waste management in WMZ 1 and 3. Activities in WMZ 1 and WMZ 3 DR Centre included the following:

- Field visits to assess the current state of solid waste management;
- **Report on current situation**, including information on technical arrangements, collection, transportation, treatment, and disposal of waste, as well as financial aspects and projects implemented in solid waste management;
- **Database** (in Excel) on operators and their equipment.

➤ *Development Region North*

In this region activities took place in two blocks:

- Block I – WMZ 2, including the rayons of Edinet, Briceni, Donduseni and Ocnita;
- Block II – WMZ 1, including the municipality of Balti, the rayons of Singerei, Riscani, Drochia, Soroca, Glodeni, Florești, and Falesti.

For Block I, building on the approved RSP in SWM for DR North, activities focused on the further development of a Viable Project Concept that was identified as part of the RSP. Activities in WMZ 2 DR North included the following:

- Regional landfill site selection;
- 16 field visits to potential landfill site locations, with recommendation for the preferred location in Edinet. The findings of these investigations were summarised in a **landfill site selection report**;
- Two meetings organised with local councils to inform the Hincăuți and Brătușeni localities with potential land for regional landfill on integrated solid waste management;
- Five field visits to investigate the waste composition in the WMZ. This was summarised in a **report on waste composition**;
- Three Project Working Group meetings;
- Two Regional Sector Working Group meetings;

- **Possible project concept** presented to the Inter-Ministerial Commission on SWM on 9 April 2015 showing the development of the project up to that point. The Commission approved the continuation of development of the project and emphasized the need to approve a site for the regional landfill;
- **Report on delineation of micro-zones.** The report recommends potential locations for transfer stations, based on preferred location of the regional landfill;
- **Summary report on activities undertaken in WMZ 2 DR North**, including outline for feasibility study and environmental impact assessment.

For Block II, building on the approved RSP in SWM for DR North, activities focused on an assessment of solid waste management in WMZ 1.

Activities in WMZ 1 DR North included the following:

- Seven field visits to assess the current state of solid waste management;
- **Report on current situation**, including information on technical arrangements, collection, transportation, treatment, and disposal of waste, as well as financial aspects and projects implemented in solid waste management;
- **Database** (in Excel) on operators and their equipment.

For both DR Centre and North, WMZs 2, it was not possible to complete the VPC up to the end of stage 3 (“VPC at pre-final stage”) due to the lack approved sites for the respective regional landfills. The local elections held on 14 June 2015 hampered the willingness of local politicians to take any binding decisions. Although one preliminary LPA decision (Todiresti, Ungheni rayon) on approval for the regional landfill site for DR Centre was obtained, the final approval was not granted, and in the end the landfill site was not available for further investigations. Therefore, given the delays in local approval of the recommended regional landfill sites, it was not possible to complete the feasibility studies and the environmental impact assessment in 2015. Once the recommended sites will be approved by the relevant local council decisions, activities in both WMZs can continue.

During the project implementation, **additional activities** were undertaken in Solid Waste Management sector in order to achieve the target:

- **Extensive landfill site identification activities** – despite the fact that the VPCs are suggested in the various strategic documents (national strategy on solid waste management 2013-2027, RSP, etc.), stakeholders made no provisions or were not prepared to provide support for the identification and approval of landfill sites.
- **Revision of feasibility study and conceptual designs for WMZ 3, DR South** – due to the late inclusion (August 2015) of two rayons of Gagauzia into the WMZ, the feasibility study and conceptual designs had to be revised. The expansion of the WMZ into part of the ATU Gagauzia was not foreseen in the task assignment and was the result of extensive consultation and advisory services. This process included various exchanges between central public institutions, the European Investment Bank and the Gagauz authorities supported by MLPS.

- **Guidelines for closure of non-compliant dumpsites** – a guide was developed to provide a framework for central public authorities and LPAs in developing a strategy for dumpsite closure and designation of enhanced transition sites. Such a guide is usually provided by the regulating ministry or body. This activity was needed in context of the development of the integrated solid waste management (ISWM) system and is based on the RSP work plan provisions, as well as on the requirements of the potential donor (EIB).
- Report on identification of the **enhanced transitional waste disposal sites** elaborated.
- **Extensive guidance on key procedures** – the national partners had to be guided through the land-use change and environmental impact assessment procedures;
- **Several coordinating meetings with stakeholders** – including MRDC, Ministry of Environment, and RDAs on technical and institutional issues – were held. Proposed solutions for institutional set-up of an integrated regional solid waste management system;
- Piloting of **social and gender analysis tools** – in WMZ 3 of DR South.

Water supply and sanitation

The process of identifying Possible Project Concepts (PPCs) in the WSS sector was based on the methodology developed in accordance with the contents and objectives of the RSPs, in agreement with the MRDC, Ministry of Environment, and Regional Sector Working Groups (RSWGs). Following this, the WSS team issued a formal request for potential projects from LPAs, operators, and other stakeholders, as a result of which 42 PPCs were received from the three development regions.

Of these 42 projects, according to the National Strategy for Water Supply and Sanitation and the RSPs, and in coordination with the MRDC, a shorter list of 31 projects was agreed upon. This was further reduced to 29 projects because two rayons (Causeni and Cantemir) withdrew from the process. MLPS experts made field visits to each of the 29 projects to discuss with stakeholders, collect data, and assess the situation (including GPS coordinates of facilities and networks, existing studies and projects, other available documentation, and completed projects) to verify and further develop the PPCs. These visits were conducted at the end of 2014.

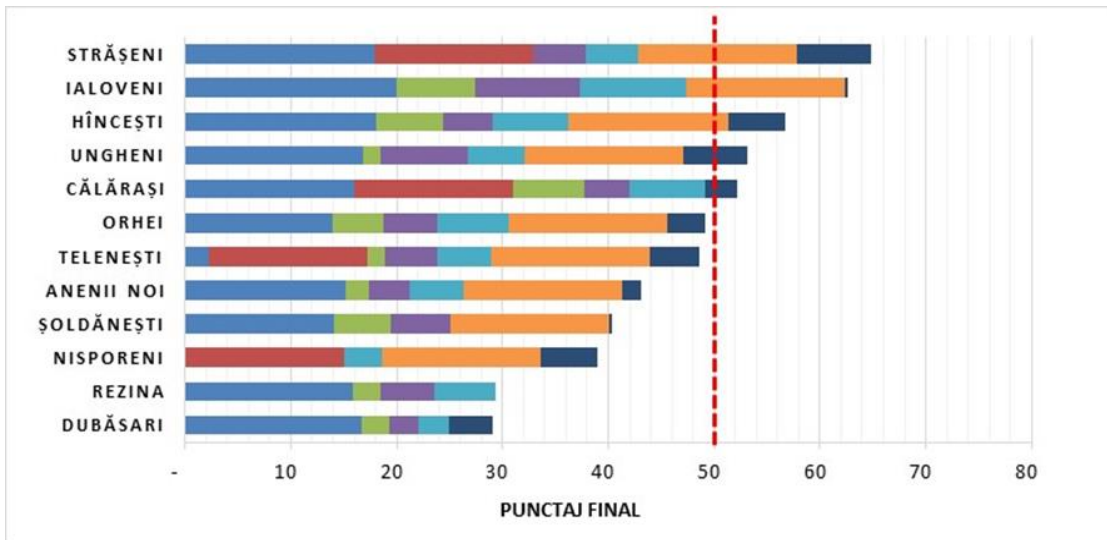
The criteria used for the prioritisation of the 29 CPPs for their further development into VPCs emerged as a joint effort of the working group and are based on the national Strategy for Water and Sanitation, respectively follow the development directions set by the Ministry of Environment. These criteria are complementary to the set already applied during previous stage as threshold criteria. The following criteria were applied for project prioritization:

- Economic efficiency (default value 0.2)
- Strategic infrastructure (default value 0.15)

- Social aspects (default value 0.1)
- Tariff affordability (default value 0.1)
- Sustainability of the operator (default value 0.1).
- Willingness to regionalize services (default value 0.15)
- New connections versus rehabilitation of existing assets (default value 0.2).

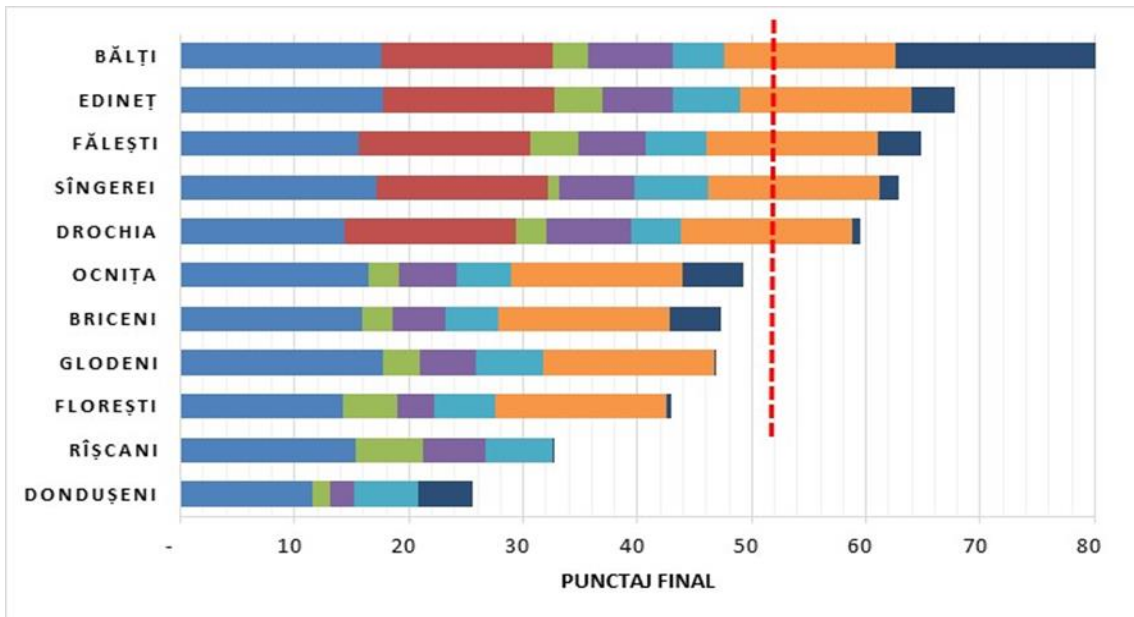
The results of the prioritization per Development Regions are shown in the next three figures (See Figures 2-4).

Figure 2: WSS prioritised projects in DR Centre



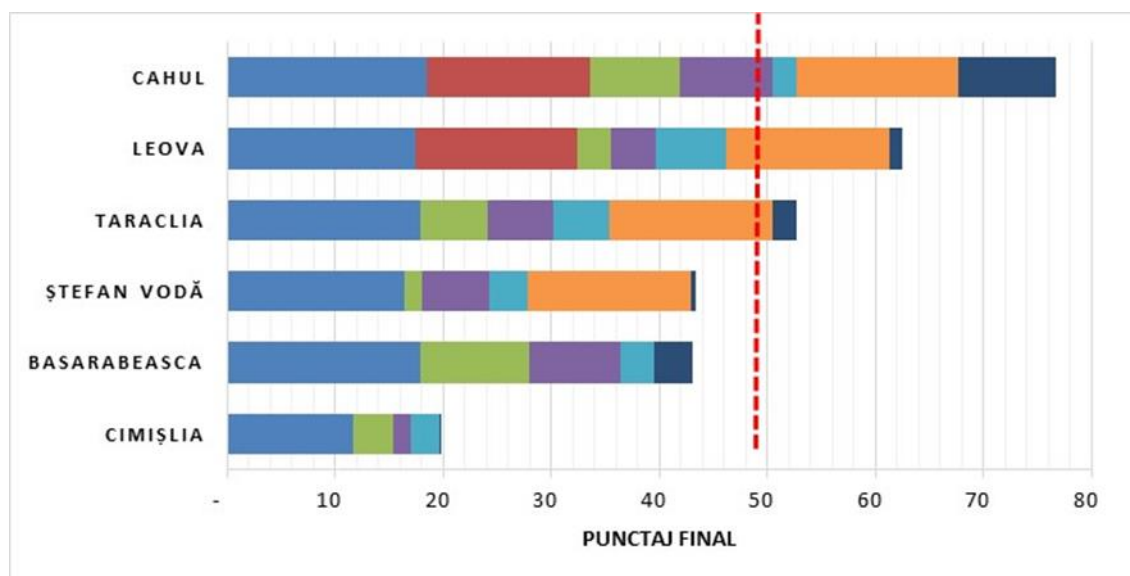
Source: GIZ Project "Modernization of Local Public Services in the Republic of Moldova"

Figure 3: WSS prioritised projects in DR North



Source: GIZ Project "Modernization of Local Public Services in the Republic of Moldova"

Figure 4: WSS prioritised projects in DR South



Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

Based on experts’ recommendations, an Inter-ministerial Commission in WSS sector evaluated the PPCs for further development as VPCs on 11 February 2015. As a result, the following VPCs were prioritised:

- DR Centre: Straseni, Ialoveni, Hinceşti, Ungheni, and Calarasi rayons;
- DR North: Balti, Edinet, Falesti, Singerei, and Drochia rayons;
- DR South: Leova and Cahul rayons.

In the WSS sector, the development of the projects towards the end of stage 3 (VPC at pre-final stage) involves the preparation of feasibility studies. The content of each feasibility study was adapted based on national regulations to include key aspects of project feasibility that are of concern to international donors and financing institutions. The feasibility studies’ content and outcomes of the Inter-ministerial Commission were presented at RSWGs held in March 2015. As result of these workshops work commenced on site visits to the VPCs, to collect information and begin the process of establishing the PWGs, their composition, regulation, manner of cooperation, work schedule and frequency of meetings. These site visits took place in March and April, 2015.

PWG meetings were held to present initial findings and to agree on the priority measures and on the phases for VPCs development. This was necessary since the total estimated value of all VPCs exceeded the target value of EUR 25 million by far. These PWG meetings took place between May and August 2015.

Each of the twelve priority VPCs were divided into two phases for a few reasons. First, the estimated investment volume for each VPC far exceeds the financial and organisation capacities of LPAs to implement over a period of one to two years. Second, by defining a more manageable, priority project for the first phase, the chances are increased that the financing will be found for the project. This is because donors in Moldova typically look to maximize the benefits of their investment interventions by spreading assistance over

several projects. Third, in many cases local authorities had not taken final decisions on future directions for development of WSS services.

Considering that the local authorities for the Ialoveni, Hincesti and Balti VPCs did not submit or were late in submitting the data required to complete the feasibility studies until October-November 2015, it was not possible to complete the feasibility studies by the end of December 2015. However, summary reports on implemented activities were prepared for these VPCs.

The next round of PWG meetings took place in October and November 2015. During these meetings, advanced results on the level of preparedness of feasibility studies were presented and additional data and/or clarifications were collected.

Considering that the local authorities for the Ialoveni, Hincesti and Balti VPCs did not submit or were late in submitting the requested data required to complete the feasibility studies until October-November 2015, it was not possible to complete the feasibility studies within the period allotted for the project (December 2015). Instead, summary reports were prepared for these VPCs.

The next round of PWG meetings took place in October and November 2015. During these meetings, advanced results were presented and additional data and/or clarifications were required and issued.

In October 2015, a meeting was held between MLPS and KfW representatives to discuss coordination of efforts on the Straseni, Calarasi, and Cahul VPCs. Recently, the procurement processes for these projects was completed and successful bidders have begun work on feasibility studies. For Straseni and Calarasi, it was agreed that the feasibility studies completed under MLPS would be shared with KfW. For these projects it was acknowledged that the scope of the feasibility studies under MLPS does not duplicate the scope of the study proposed by KfW. For Cahul, the successful bidders for the consultancy assignment "Water Supply and Sanitation in Southern Moldova - Consulting Services for Preparation of a Feasibility Study" were asked to consider, among others, the main scope of the Cahul VPC (water intake and pipeline to the water treatment plant).

Given the likelihood of KfW involvement in the financing of WSS investments in Cahul, it was determined that the best use of resources would be to prepare by the end of 2015 a technical report ("pre-feasibility" study) for the Cahul VPC.

Finally, RSWGs were held in December 2015 to review the outcomes of the development of RSPs and VPCs. The main work outputs comprise in preparation of:

- Feasibility studies (8) and preliminary conceptual designs for Straseni, Ungheni, Calarasi VPCs (RD Centre); Edinet, Falesti, Singerei and Drochia VPCs (RD North); Leova VPC (RD South) are available in Romanian and English;
- Summary reports (3) on implemented activities for Ialoveni, Hincesti and Balti VPCs; and
- Technical report (pre-feasibility study) for Cahul VPC.

Additionally, the project contributed in development of the following MLPS ongoing pilot projects in WSS sector:

- Improvement of water and sanitation services in Riscani rayon;
- Improvement of water services in Pelenei and Gavanoasa communities from Cahul raion and extention to Vulcanesti (Gagauzia) rayon;
- Improvement of water services in Iargara, Filipeni, Romanovca and Cupcui communities from Leova raioyn;
- Promotion of Inter-Municipal WSS Management and infrastructure development in the Criuleni-Dubasari Region.

The completion of the three VPCs (Ialoveni, Hincesti and Balti) can continue, but depends entirely on the receipt of data and the cooperation of local beneficiaries. The need for completion of the Cahul VPC is under consideration.

Energy efficiency in public buildings

Energy efficiency in public buildings was the first sector for which the methodology for development of RSPs and identification of projects was prepared and tested. As a result, at the time of RSP approval, project identification was already quite advanced. At that time, a list of 124 project ideas had already been screened and reduced in stages down to 33. In November 2014, the Inter - Ministerial Commission approved 13 priority projects for further development as VPCs.

Table 2: List of priority projects in EE

Development Region North	Development Region Centre	Development Region South
1. Gymnasium „Iurie Boghiu”, Flaminzeni village, Singerei rayon	1. High School „Mihai Eminescu”, Ungheni town	1. High School „Lev Tolstoi/ Constantin Spataru”, Leova town
2 „PMSI Falesti Rayon Hospital”, Falesti town	2. High School „Alexei Mateevici”, Soldanesti town	2. „PMSI Stefan Voda Rayon Hospital”, Stefan Voda town
3. High School „Dimitrie Cantemir”, Balti municipality	3. High School ”Holercani”, Holercani village, Dubasari rayon	3. High School „Matei Basarab”, Basarabeasca town
4. „PMSI Edinet Rayon Hospital”, Edinet town	4. High School „Ion Vatamanu”, Straseni town	
5. High School "Silvian Lucaci", Costesti village, Riscani rayon	5. “PMSI Calarasi Rayon Hospital”, Calarasi town	

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

The main objectives at VPC stage were to develop a comprehensive thermal refurbishment concept in order to substantially reduce the annual energy consumption and operating costs, increase thermal comfort, and contribute to the achievement of

nation-al and regional energy efficiency targets for public buildings. To achieve these objectives, a set of energy efficiency measures was accompanied by substantial capital repair measures.

Some operative meetings with the line ministries were also held, as follows:

- On 25 March 2015, a meeting with the Ministry of Education took place to present the achieved progress in the development of the VPCs in EE sector and to ensure the coordination of the actions with the budgetary support given by the World Bank for the renovation of primary and secondary education institutions;
- On 26 May 2015, a meeting with the Ministry of Health was held to coordinate the VPCs developed in the sector. The results of the VPCs evaluation and the project list were presented to the ministry's representatives.

In order to ensure the involvement of all interested stakeholders, the Regional Development Agencies issued the orders for the establishment of the Project Working Groups (PWGs) for each VPC. The PWGs included:

- Representative of the appropriate RDA;
- Energy manager of the rayon;
- Representative of the beneficiary institution;
- Representative of the owner of the building; and
- MLPS experts.

The activities of the PWGs included among others:

- Site visits;
- Data collection and analysis;
- Technical-economic analysis;
- Gender and social analysis;
- Preparation of reports;
- Photo documentation;
- Development of refurbishment concepts.

During the site visits, the following main shortcomings at the buildings were identified:

- Exterior walls (partly) soaked with water;
- Limited ventilation of classrooms, gym, event hall, etc.;
- Poor indoor air quality and comfort, rooms affected by mould due to high indoor humidity, low indoor temperature;
- Very poor technical condition of windows;
- Limited availability of domestic hot water and poor sanitary situation.

Therefore, in order to decrease the energy consumption of the buildings and increasing the level of comfort, an integrated refurbishment approach was prepared for each project.

All projects were developed according to a comprehensive methodology considering the following aspects:

- Refurbished buildings must fulfil energy performance building standards for low energy buildings (substantial reduction of calculated energy consumption);
- High quality building refurbishments that ensure long technical lifetime of the building (expected lifetime of the refurbishment measures of more than 20 years);
- Level of comfort for users and staff will be increased;
- Project must respect all relevant national standards, as well as western European standards and practices that are crucial for ensuring a sustainable building refurbishment project.

In total, from 13 VPCs approved, 12 were completed as VPCs at pre-final stage, while one VPC (High School "Silvian Lucaci" from Costesti, Riscani rayon) remain at PPC level due to the fact that this project was already taken over by the Ministry of Education for development under a local schools programme to be financed by the World Bank.

The main work outputs for each VPC comprise:

- Technical - economic assessment and refurbishment concept of the project (equivalent to feasibility study), in English and Romanian, that includes: technical and economic calculations; financial analysis; social and gender assessment; project planning matrix; list of legal documents.
- Summary of the technical - economic assessment and refurbishment concept of the project.
- Conceptual design report that includes: technical drawings; photo documentation; preliminary technical tasks for design; and technical expertise report of the building.

Regional and local roads

During the development of the Regional Sector Programmes (RSP) in Regional and Local Roads sector, priority road corridors were identified in a participatory, repeatable and transparent process. This process was validated with the approval of the RSPs by the Regional Development Councils, as well as through discussions with the Ministry of Regional Development and Construction, the Ministry of Transportation and Road Infrastructure (MTRI), the State Roads Administration (SRA), and the local roads programme to be financed by a World Bank loan.

The RSP provides the methodology by which the country was divided into transportation cells, within which priority corridors could be identified. The following criteria were used for the identification of cells that form the framework in which regional and local road connectivity is to be developed:

- Cells should be bordered by the national roads and, in certain cases, by the state border;
- Larger cells are preferable as opposed to smaller ones to avoid fragmentation;

- Cells should have comparable sizes.

As a result, the territory of the Republic of Moldova was divided into 21 cells within which priority RLR corridors / PPCs were subsequently identified. To identify priority RLR corridors / PPCs within each cell, the following criteria were agreed with stakeholders at the meetings of the RSWGs:

- Provide connection to important locations (rayon centres and towns) and socio-economic infrastructure (public institutions, emergency services, economic and tourism infrastructure, etc.);
- Provide connection to national roads - start or end at a national road to extend the connectivity provided by the national road network;
- Provide connection to localities of two or more rayons or a minimum of four localities within one rayon – in accordance with the provision of the Road Law on the regional roads;
- Length of the corridor should be at least 10 km to diminish the risk of obtaining of a fragmented network with short road section;
- Substantially shorten existing travel journeys (new road sections only).

By applying these criteria, the RSWGs identified, in a participatory manner, 26 priority road corridors of regional importance and incorporated them in the respective RSPs as follows (two additional corridors were added as a result of public consultation of the RSPs): DR North – 9 PPCs, DR Centre – 12 PPCs, DR South – 7 PPCs.

During the process of corridor identification, jointly with the main development partners MRDC, MTRI and SRA, it was concluded and agreed not to limit the length of a corridor to 15 km (as initially considered in the development of the RSPs) because it did not reflect the real situation and needs of the sector. Therefore, in order to ensure feasibility of implemented measures, it was agreed with project partners to analyse each corridor in its entirety. As a result, the average length of a corridor is 40.25 km, while the total length of the 28 identified corridors is 1,126 km.

Aiming at providing a clear vision of investment needs and development perspectives in the RLR sector, the RSPs together with the list of identified road corridors served as a basis for dialog with potential development partners for financing of the investment projects. As a result of discussions and multiple coordination meetings, the World Bank has shown increased interest in the methodology and the participatory manner in which the respective projects were identified. Finally, four corridors with a total combined length of approximately 200 km, prioritised based on the criteria presented in the RSPs and agreed with the MRDC and MTRI, were included into the first implementation phase of the Local Road Improvement Project in Moldova financed by the World Bank (March 2015).

The next stage of project development involved the evaluation and prioritisation of the remaining 24 corridors. To this end, a transparent tool was developed based on Multi-Criteria Analysis (MCA) using a Gaussian distribution. It should be noted that for many low-volume roads, the level of traffic is often insufficient to justify any improvements using

conventional Cost-Benefit Analysis (CBA) due to the fact that the benefits of rural roads are socio-economic and developmental and hence difficult to quantify in monetary terms. Therefore, the most relevant tool that supports the decision-making process to prioritise low volume road investments is considered Multi-Criteria Analysis.

The MCA is a comparative assessment of alternative options on the basis of their performance against a set of predetermined criteria. This tool can be used to prioritise individual projects with non-technical criteria, such as socio-economic criteria. The main input data for the system are weighted criteria, including five main criteria and seven secondary criteria shown in the table below.

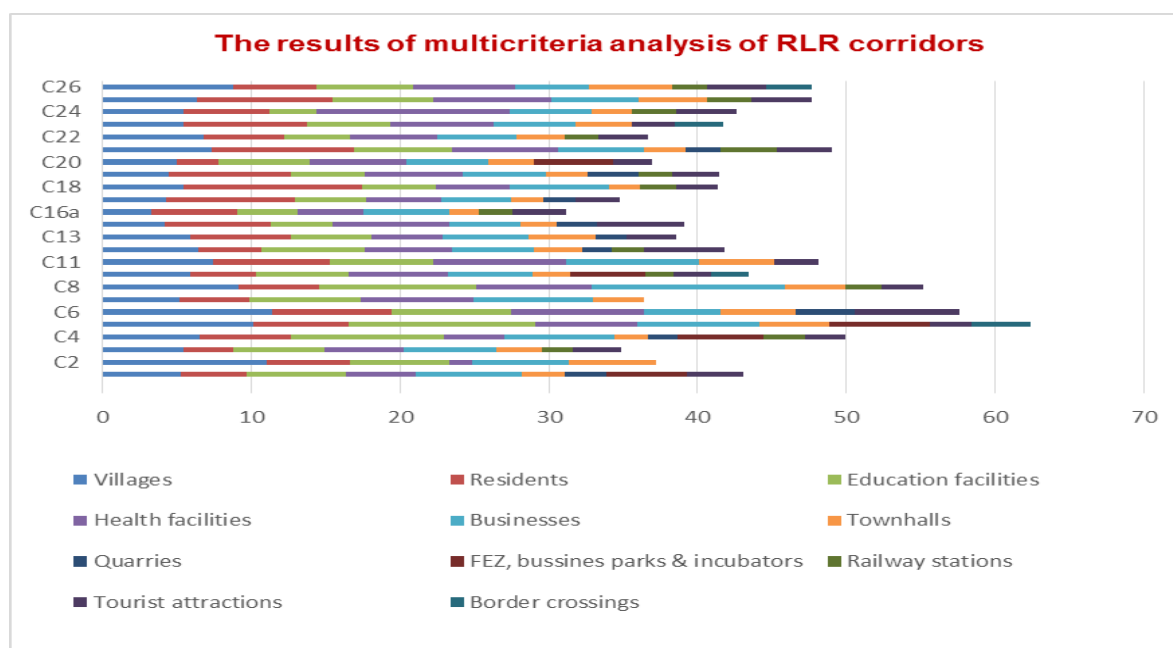
Table 3: Evaluation criteria and weighting in RLR sector

5 main criteria 65% of total or 65/100 points		65
No of villages located next to and served by a road / km	13	
No of residents living along a road / km	13	
No of health facilities established by a road / km	13	
No of education facilities established by a road / km	13	
No of business development established by a road /km	13	
7 secondary criteria 35% of total or 35/100 points		35
No of public administration facilities (town halls) / km	7	
No of quarries next to the road / km	4	
No of rail stations / km	4	
No of tourist attractions / km	5	
No of border crossings / km	4	
No of branches of Exceptional Emergency Services / km	4	
No of FEZ, business parks and business incubators / km	7	
Total criteria catalogue 100% or 100/100 points		100

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

The weighted points of each criterion were then summed up for each corridor resulting in the number of total points. Based on the total points, the corridors were prioritised in descending order. The results of the multi-criteria analysis, presented graphically for the 24 corridors, are illustrated in the Figure 5.

Figure 5: Results of multi-criteria analysis of RLR corridors



Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

Finally, 15 RLR corridors with a total length of 546 km were identified as candidate VPCs in order to conduct technical investigations for their further development. An Inter-Ministerial Commission was held on 17 November 2015 to approve the VPCs and to handover the reports to the MRDC/RDAs with a further handover to MTRI/SRA to be included in the World Bank - financed local roads project. The list of these 15 RLR corridors is shown in the Table 4.

Table 4: Ranking of 15 RLR corridors for 3 DRs

Corridor no.	Corridor name	DR	Length (km)	Total points	Rank
5	R13 – Ivanovca – Izvoare – Vantina – Ocolina – M2	North	35.32	61.39	1
6	R53 – Cobani – Branzeni – Petruseni – R7	North	12.68	56.84	2
9	R13 – Marculesti – Radoaia – R14 – Cozasti – Cislea – M14	North	47.87	55.16	3
11	M14 – Cucoaia Noua – Mindresti – R22 – Bănești – R14	Centre	23.86	54.62	4
8	M14 – Flaminzeni – Bursuceni – Bocani – Falestii Noi – R16	North	37.01	52.14	5
25	R26 – Mihailovca – Sadaclia – Iordanovca – R3	South	22.55	50.75	6
4	M14 – Chetrosica Veche – Frasin – Tirnova – Tarigrad – R7	North	47.16	50.57	7
24	R34 – Ciobalaccia – Tartaul – R56 – Baimaclia – Enichioi – R37	South	37.25	42.74	8
14a	R20 – Susleni - Oxentea – Molovata – Molovata Noua – Roghi – Cocieri	Centre	46.40	42.57	9
21	R26 – Mihailovca – Sagaidac – Ciuflești – Baimaclia – R26	South	42.50	41.02	10
26	R38 – Moscovei – Budai – Ciumai – Mirnoe – Ukrainian border	South	45.59	38.16	11

Corridor no.	Corridor name	DR	Length (km)	Total points	Rank
23	R30 – Ermoclia – Volontiri - Ukrainian border	South	29.40	37.76	12
12	R13 – Șestaci – Salcia – Japca – Sanatauca – R19 – Cot – Socola	Centre	50.80	34.78	13
16a	Oricova - R1 – Pirjolteni – R25 – Lozova – M1	Centre	39.57	30.07	14
17	R3 – Rusestii Noi – Vasieni – Horodca – M1	Centre	27.68	29.95	15
Total			545.65		

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

At this stage, the multi-criteria analysis only took into account socio-economic criteria. This is because no investment cost estimates were available other than assumed average costs per kilometre in each development region.

During the period of May – July 2015, the RLR team worked on the preparation of the documentation for the VPC stage. The activities under this stage were focused on detailed assessment of the 15 RLR corridors / potential VPCs, comprising the following:

- Road and structures inventory;
- Site visits / visual condition survey;
- Technical data collection and analysis;
- Establish the pavement and structures condition and their level of deterioration;
- Define technical remediation solutions;
- Bill of quantities;
- Cost estimate;
- Assessment of road traffic;
- Preliminary environmental and social consideration;
- Revision of socio-economic indicators;
- Checking and correlation of the technical data with the road testing data obtained using the mobile laboratory of the SRA;
- Comparison of costs and socio-economic data with the benchmarks established under the Local Road Improvement Project supported by the World Bank;
- Preparation of 15 road inventory and condition survey reports on potential VPCs.

After a review of a sample of priority road corridors, the expert engaged under the World Bank Local Road Improvement Project applied the Bank’s economic analysis model for low volume roads (RED) and recommended threshold values for assessment of economic effectiveness of local roads corridors in Moldova:

- For roads with less than 400 average daily traffic (ADT), in order to meet economic effectiveness criteria road improvement construction costs should not exceed USD 240,000 per km (2015 prices);
- In order to meet economic effectiveness criteria road improvement construction costs should not exceed USD 1,200 per person (2015 prices).

The comparison of costs and socio-economic data of surveyed corridors with the aforementioned benchmarks revealed that all 15 potential VPCs meet the requirements established under the World Bank Local Road Improvement Project.

After completion of the 15 road inventory and visual survey reports, all verified and updated data, as well as estimated investment costs for their rehabilitation were used in the next phase of the multi-criteria analysis. As a result, the 15 corridors were prioritised in a new list taking into account the updated scoring of the MCA process plus the expected costs for further development that were calculated based on the road inventory and visual survey reports. The list of 15 priority VPCs for which this evaluation was undertaken is provided in the Annex 1.

In conclusion, in Regional and Local Roads sector were reviewed a total of 28 PPCs, of which 15 were carried forward as VPCs. Of these, all 15 were completed to the end of stage 3 (VPC at pre-final stage), based on the fact that the projects were handed over to the MRDC and further to the MTRI for finalisation and implementation. Based on the approach adapted under the World Bank - financed Local Road Improvement Project, feasibility studies are not necessary for the local roads project.

The main work outputs for each VPC comprise:

- 28 project fiches (PPCs), as part of the RSPs;
- 15 VPC reports (road inventory and condition survey).

All projects were developed from the perspective of identification of the financing and demonstrating the demand for the investment. Following intensive dialogue with development partners (in particular the World Bank), ongoing since mid-2014, four RLR projects have been included into the first implementation phase of Local Road Improvement Project in Moldova financed by the World Bank (March 2015).

As a result of the dialog with the World Bank, in total 19 investment projects out of 28 priority RLR corridors, identified in the three development regions, were taken over to be considered for further development and financing under the Local Road Improvement Project, as shown in the following table.

Table 5: Investment projects taken over under the World Bank Local Road Improvement Project

DR North	5 investment projects (180 km) out of 9 amounting to EUR 32.4 million (only physical works). The prepared projects can contribute to the target by 2020 of Regional RLR Program with a share of about 40% of rehabilitated RLR roads in the region.
DR Centre	9 investment projects (391 km) out of 12 amounting to EUR 76 million (only physical works). The prepared projects can contribute to the target by 2020 of Regional RLR Program with a share of about 71% of rehabilitated RLR roads in the region.
DR South	5 investment projects (177 km) out of 7 amounting to EUR 33.4 million (only physical works). The prepared projects can contribute to the target by 2020 of Regional RLR Program with a share of about 70% of rehabilitated RLR roads in the region.

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

Work stream 3: Capacity Development

Project development and cross-cutting issues

The RSPs and project development process have always been accompanied by a series of capacity development activities for the directly involved stakeholders. The institutionalisation of regional sector planning continued during the reporting period. Significantly, the Regional Development Agencies continue to express their intention to use the regional planning approach in order to design RSPs in other sectors in the future, which are not covered by the MLPS project.

In 2015, the **main activities** under the capacity development work stream were as follows:

- Project development pathway:
 - The project pathway document that presents the methodology was finalised;
 - 1 workshop on project pipeline development conducted. The workshop was held on 26 June 2015 aiming to inform the partners on results and challenges of the process of project development; to define the further roles and the roadmap for each stakeholder; to discuss the further implementation of the RSP, as well as to promote the funding of project pipeline;
- Regional Sector Planning and Programming paper summary updated:
 - The summary on the regional sector planning process is updated taking into account the progress tracked in the project;
- Knowledge products:
 - A project development pathway knowledge product was produced according to the information provided in the project development pathway document that was finalized;
- 1 information leaflet on the RSP process prepared and the information was introduced to the APA curricula on strategic planning;
- Tools for social and gender mainstreaming for the SWM and WSS sectors piloted. The methodology for mainstreaming gender and social assessment into the project preparation process was rolled out in the WSS sector. In May 2015, focus group meetings were held in Centre Development Region in Straseni where key infrastructure will be located. This methodology was rolled out into SWM sector as well, and will be done for the other projects as they enter the VPC stage;
- Report on consolidation of domestic financing sources prepared. The report includes recommendations on the integration of the project pipeline into current financing schemes.

In addition, a test version of a project pipeline database was developed. This database is designed to track all PPCs and VPCs and to present the summary project information by sectors and by development regions in a clear manner. The database can serve as a tool for project pipeline promotion for potential donors.

Capacity development has been provided for members of the RSWG at workshops and during PWG meetings. The attendees have been working together with the technical team at the elaboration of the regional sector programmes and project identification and were learning by doing how to write a planning document. At the end of each workshop of the RSWG, participants were asked to fill in an evaluation form in order to have their feedback and allow them to express their satisfaction related to the quality of trainers and presented materials, the relevance of the workshop for their involvement in further regional planning activities.

During the reporting period were organized a series of events, to support and coordinate development processes of projects, as follows:

- 20 coordination meetings and workshops with MRDC and RDAs;
- 18 coordination meetings with other line ministries (Ministry of Environment, Ministry of Education, Ministry of Health, Ministry of Transport and Road Infrastructure);
- 18 coordination meetings with regional and local stakeholders;
- 10 coordination meeting with potential donors;
- 10 meetings of RSWGs, 44 meetings of PWGs and 88 site visits.

The full List of meetings and events held during January - December 2015 is presented in Annex 2.

Gender and social mainstreaming within the project cycle is a basic requirement of the main MLPS project donors. Due to the fact that the MLPS work plan sets out clear targets, milestones, tasks and processes and identifies certain “common” tasks relevant to all sectors, a strategy and tools for social assessment and gender mainstreaming was developed in 2014, within the broader Project Development Pathway approach. According to this study, specific tools for each sector were enhanced. So far, the tools in SWM were piloted and in the first half of 2015 the tools for other two sectors were piloted and applied. The pilot helps the project team to better understand the environment for the implementation of different types of projects, the patterns of the Moldovan population and to identify the project impact on different groups of the population, both men and women and vulnerable groups.

The gender and social aspects were also discussed at the workshops of RSWGs for the RLR sector, as part of a special session dedicated to these aspects, where specific exercises were developed in order to see if men and women have different roles in sector activities. The importance of gender equity was commonly recognised by the working groups and, consequently, in the RSPs these issues were taken into account and a subchapter was developed specifically to gender mainstreaming.

Furthermore, in the implementation of the RSPs in all four technical sectors, gender and social aspects are included at all levels (from PPCs to VPCs). Thus, the activities to be carried at each project stage to mainstream gender and social issues and the checklist for gender and social aspects was approved and already rolled out for four sectors.

In the EE sector, the questionnaires for data collection were revised in December 2014 and indicators for social and gender assessment for the sector were developed and added in order to reflect these aspects. The questionnaires were sent to the public institutions for which VPCs are developed in order to be completed. Based on this, the social and gender assessment expert analysed the social and gender data from one health institutions (Stefan Voda hospital) in order to replicate the practice to the other projects. The analysis was based on questionnaires results, but also on literature review and statistical data interpretation and was included as a chapter for the feasibility study of the project. Having this analysis as an example, chapters for the feasibility studies were elaborated for all the other selected VPCs.

More activities were undertaken in WSS in order to embed social and gender mainstreaming in the project preparation process. Thus, a study was elaborated in order to assess the social and gender dimensions of a project in Straseni town, Centre Development Region. The main tools used to produce the document were: interviews with the key stakeholders (mayor of the town, director of the municipal enterprise, director of the hospital, representative of the ecological inspectorate, a business person) and focus groups (six) with beneficiaries (gender disaggregated).

In order to enhance the capacities and to transfer the knowledge to the staff of Regional Development Agencies, 3 workshops (one per each Development Region) were organized in October 2015 with the topic “Current status of implementation of the EU-funded Pilot Regional Development Programmes (PRDPs) – Component 2 “Regional Planning and Project Pipelines for Development Regions North, South, Centre in the Republic of Moldova””.

In December 2015, the joint workshops (3) of the Regional Sector Working Groups on presentation of MLPS project outcomes in the implementation of the Regional Sector Programmes and development of the project pipeline in all four sectors were organized in each Development Region.

Complementary Private Sector Support (CPSS)

In 2015 representatives from the private sector active in the four priority sectors benefited from further capacity development activities and were continually advised in order to improve and develop their capabilities in relation to their participation in public acquisition processes.

In this context, the 2nd module of training for the private sector representatives was organized in the second quarter of 2015. The event was held in 3 development regions (Hincesti, Orhei, Ungheni, Edinet, Soroca, Balti and Cahul) with the participation of 185 persons: 97 women and 88 men. The main purpose of this activity was:

- to increase access to information regarding public procurement;
- to develop the capacities of the private sector representatives from the regions and
- to enable them to participate in public acquisition and tender procedures.

According to this objective, the seminar topics were focused on the rights and obligations of contracting authorities and of economic operators, evaluation procedure, contract award procedure, and the related challenges of the private sector, including practical exercises based on case studies proposed by RDAs.

In the third quarter of 2015, the 3rd module of training sessions dedicated to the private sector was organised in 9 towns: Hincesti, Cimislia, Balti, Edinet, Soroca, Telenesti, Criuleni, Ungheni, Ceadir-Lunga, which were focused on the aspects related to the new provisions of the legal public procurement framework and the realities and perspectives of regional infrastructure projects, implemented by the RDAs. The seminar was attended by 159 women and 120 men.

Two training of trainers modules were conducted in February and August 2015 for the representatives of CCI branches, RDAs, which will be later involved in the consultancy and training activities in the regions. The training was focused on the Public Procurement System in Moldova with practical guidelines for participants, and namely:

- Contract management, sanctioning of business operators, procurement of works, goods/services, complaints, preparation of standard documents for goods/services/works;
- Risks associated with contract management, terms of contract amending, additional agreements, association of economic operators and contracting authorities.

Upon completion of the session, certificates were awarded to 22 participants (11 women, 11 men). 90% of participants were very satisfied with the organization of the seminars, the quality of the information materials, the level of professionalism of the lecturers, the relevance of the case studies related to the performance of the tender documentation. 86% of participants consider themselves ready to offer consultations to the private sector in public procurement procedures.

A study tour to Poland was organized in November 2014 (which was not reflected in the previous implementation report) for the partners in the field of integrated public procurement procedures and approaches. The goals of this study tour were to provide the participants with a coherent picture of the whole public procurement system in:

- the division of tasks and responsibilities of the public procurement authorities and the public procurement consultancy companies;
- improved knowledge of the challenges and experiences of the new European Union member states in the area of public procurement (legislation and practices) and adjusting of the system to the EU requirements.

10 representatives of MRDC, RDAs, the Public Procurement Agency and the Ministry of Finance (3 women and 7 men) participated in this visit.

A study visit to Leipzig, Germany was organized in the first quarter of 2015, where 4 women and 6 men participated in the International Forum for environmental and energy technologies "Green Ventures", incl. visiting of ENERTEC and TerraTec exhibitions and energy efficiency German model city Delitzsch. The participants (representatives of GIZ,

CCI, EEA, private sector *Construct SRL, Magda SRL, Corna SRL, FERMOD PLAST S.R.L*) had the opportunity to learn from the experiences and best practices in environmental and energy efficiency technologies and to participate in B2B (business-to-business) events and to establish relationships with companies in the mentioned field, which might be useful for future associations or joint ventures.

A round table on the energy efficiency sector was organized in May 2015. The event focused on:

- sustainable procurement issues;
- regulations on energy performance of buildings;
- requirements of European law in procurement;
- quality control of efficient buildings;
- case study of RDA Centre on public procurement in an energy efficiency,

with the participation of 18 women and 46 men, representatives of CCI, EEA, PPA, project energy managers of the LPAs as well as companies from the energy efficiency sector.



3 regional seminars for the private sector with the involvement of foreign experts took place in Ialoveni, Balti and Cimislia with participation of representatives from 82 small and medium-sized enterprises (33 women, 49 men). The goal of these seminars was to increase knowledge and understanding on Moldovan and European legislation in the area of the public procurement and

associations, as well as dissemination of best practices in this field. The subjects of discussions were:

- successful results achieved in procurements by companies' optimization;
- relations between individual enterprises and associations while jointly applying for public procurement tender;
- local regulatory aspects of association.

In Cooperation with German - Moldovan Business Association, the Round Table for 26 members (10 women, 16 men) of the Association was organized in September 2015 with the purpose to inform on:

- the challenges and perspectives of public procurements in Moldova;
- the regional development projects;
- the CCI support on public procurement;

- the needs and possibilities of association with local companies.

Within CPSS component, a guide on public procurement was developed and delivered to the private sector and other actors of Public Procurement System: Ministry of Finance, Public Procurement Agency, MRDC, RDAs, CCI branches. It was presented and discussed during the regional and national workshops.

During the implementation period 3 National Working Groups and 6 Regional Working Group sessions in North, Centre, South Development Regions were organized as platform for monitoring of activities, discussions, planning and approval of quarterly action plans.

In December 2015 the joint Final Meeting with participation of 21 representatives (7 women and 14 men) from National and Regional Working Groups was organized. This meeting was focused on the reporting of performed activities, evaluation of results and future perspectives.

On the basis of the carried out activities, the experience of cooperation with project partners as well as on EU-experience in public procurement, the following advices and recommendations for preparing and enabling the private sector for public procurement tenders can be given:

- It will be of high importance to establish, maintain and develop a permanent and qualified consulting system by Moldovan Business Associations. Important topics for the future might be capacity development and pre-qualification of Small and Medium-sized Enterprises (SMEs).
- A permanent system for exchanging views and information between economic operators and tender authorities should be maintained on a regular basis (Round tables, B2B-platforms).
- Due to the poor financial basis of SMEs in Moldova, a state policy supporting the SME-sector is of high importance. The same applies to the creation of a system of financial support (credits, funding etc.) for SMEs by state authorities and commercial banks.
- There is a need for further support for Public Procurement System in Moldova to become more transparent and resistant against corruption. Therefore, guaranteeing the independent and transparent work of a controlling system in public procurement (tender monitoring, appealing and courts) in order to minimize the scope for misuse of public funds and to overcome corruption in public procurement will remain of high importance.

Support to the Academy of Public Administration (APA)

In 2015, as it was in the past, the MLPS project continued to provide support and to strengthen the capacity of APA. These were achieved by increasing educational capacities of civil servants in regional planning and programming through inserting information from knowledge products which is to be added to the course.

The developed materials for “Leadership development in public administration” which were produced in the previous year training course was included into the APA curricula. For this training course five trainers have been certified, of which 4 women and 1 man from APA. In 2015, APA delivered three training courses on “Leadership development in public administration” offered to LPAs I and II levels. 60 representatives (52% women and 48% men) of level I and II LPAs from the three development regions of Moldova, participated in the training programs. The geographical breakdown of the participants was: 18 % - from the DR North, 17% - from DR South and 65% - from DR Centre.

In the reporting period, APA delivered two training courses on “Regional and local planning and programming” offered to LPAs I and II (module I: 16-20 February 2015 and 09-13 March 2015; module II: 16-20 March 2015 and 30 March – 03 April 2015). About 100 representatives (59% women and 41% men) of LPAs I and II levels from three development regions of Moldova, participated in the training programmes. The geographical breakdown of the participants was: 15 % from DR North, 21% - from DR South and 64% - from DR Centre.

In January 2015, two training courses on regional development were organized with the participation of 48 representatives of LPA I and II levels (30 women and 18 men). From DR North attended 13 persons, from DR Centre - 16 persons, from DR South - 8 persons and 11 persons from Chisinau.

In June 2015, a model course for APA on “Financing Regional Development measures” – using the open Call for Proposals (CfP) under the Eastern Partnership Territorial Cooperation (EaPTC) Programme was designed and implemented. 31 representatives (20 women; 11 men) of LPAs I and II levels from three development regions of Moldova, including Chisinau municipality, participated in the training programmes. Out of total participants, 9 were from the DR North, 5 were from DR South, 14 were from DR Centre and 3 were from Chisinau. After this training course, 13 project proposals were submitted by the participants under the EaPTC Moldova – Ukraine Programme.

2.2. Information on expenditures actually committed and incurred

As foreseen in the Delegation Agreement, the total budget of the Action (PRDP Component 2 – Regional Planning and Project Pipelines for Development Regions North, South and Centre) constitutes EUR 5 million. In addition to the EU resources, the MLPS project is also co-financed by the Government of Sweden and the Government of Germany. The synergy between the Swedish, German and EU funding/support is shown in the Table 6.

The detailed costing underpinning this agreement indicate that GIZ shall provide certain elements of financial resources to common administrative support to the entire “Modernization of Local Public Services in the Republic of Moldova” – from which PRDP – Component 2 activities substantially benefits, and that in the absence of this support, a higher level of administrative and back-office management costs would necessarily have had to be attributed to the PRDP Component 2 budget.

Table 6: Description of work streams within funding sources

Work streams/ Sector	Regional Sector Planning and Programming (1)		Project Development and RSP Implementation (2)			Capacity Development, including cross-cutting areas (3)		
	Swedish Government	German Government	Swedish Government	German Government	EU – PRDP-C2	Swedish Government	German Government	EU – PRDP-C2
Water Supply and Sanitation	Swedish Government	German Government	Swedish Government	German Government	EU – PRDP-C2	Swedish Government	German Government	EU – PRDP-C2
Solid Waste Management	Swedish Government	German Government	Swedish Government	German Government	EU – PRDP-C2	Swedish Government	German Government	EU – PRDP-C2
Energy Efficiency in public buildings	Swedish Government	German Government	Swedish Government	German Government	EU – PRDP-C2	Swedish Government	German Government	EU – PRDP-C2
Regional and Local Roads	EU-PRDP-C2		EU-PRDP-C2			EU-PRDP-C2		
Complementary private sector support	N/A		N/A			EU-PRDP-C2		

Source: The revised Annex I to the Delegation Agreement no ENPI/2013/328-631

The point of transition from Swedish to EU financing in Solid Waste Management, Water Supply and Sanitation and Energy Efficiency in public building sectors is the endorsement of the Regional Sector Programmes. Regional and Local Roads sector and Complementary private sector support measures are covered entirely by EU financing.

A summary of the expenditures incurred during the project implementation period is presented in the table below.

Table 7: Summary of expenditures incurred until 31.12.2015

Budget line	Total budget (in EUR)	Disbursements		Expenditures incurred		Outstanding amount as of 31 Dec 2015
		1 st Tranche	2 nd Tranche	Total spent up to 31.12.2015	During the reporting period	
Human resources	4,153,000.00	1,908,200.00	2,199,800.00	3,577,946.90	1,909,258.85	575,053.1
Other expenses	847,000.00	397,329.00	441,281.00	657,698.56	243,367.77	189,301.44
Total	5,000,000.00	2,305,529.00	2.641.081.00	4,235,645.46	2,152,626.62	764,354.54

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

In 2015, the expenditures incurred were in the amount of EUR 2,152,626.62. As per provisions of the Delegated Agreement, the total amount of expenditures incurred during the project implementation period as of 31 December 2015 is EUR 4,235,645.46 which constitutes 84.7% of the total budget. The outstanding amount is EUR 764,354.54. The overall financial statement is presented in the Annex 3. It should also be noted that there is an unpaid invoice for consulting services in an amount of EUR 544,464.24.

During the reporting period, one budget amendment was reported to the EU Delegation under the provisions of the Article 9.4 of the General Conditions: the transfer of the amount of EUR 12,000 from the Budget Heading 3 “Equipment and Materials” to Budget Heading 5 “Other Direct Costs”. The need for amendment was required in order to cover the additional costs related to production, in close cooperation with the Ministry of Regional Development and Construction, of a number of TV-spots to increase the knowledge and awareness of the Moldovan public regarding the advantages and processes of regional development in the country.

3. Difficulties encountered and measures taken to overcome problems

The risks and difficulties related to the implementation of the Action as a whole, with some issues overlapping with risks specific to the particular sectors are presented in the Table 8.

Table 8: Summary of overall project risks – national, regional, and local level

Risk type	Risk	Main impact	Mitigation measures
Political	Parliamentary elections held November 2014; June 2015 local elections	The elections and frequent upheavals in the government produced changes in the central state authorities (ministries, departments etc.), as well as local and regional authorities, including RDCs. Instability in the government led to significant delays in project implementation due to delays in agreeing on key policy decisions.	Completed knowledge products and agreed methodologies. Maintained close coordination with beneficiaries. Assisted RDCs and MRDC to monitor implementation of sectoral action plans.

Risk type	Risk	Main impact	Mitigation measures
National level	Financial crisis at national level	<p>The financial crisis at the national level caused, among others, by the banking scandal, posed a serious threat to infrastructure investments in Moldova. National financing sources available for project financing (Ecological Fund, Energy Efficiency Fund, State Roads Fund, etc.) were reduced. Problems occurred with payment of salaries of public employees.</p> <p>For a time, the World Bank and European Union both suspended budget support programmes. In late 2015, discussions with the European Union commenced on the financing of EE and WSS projects from the pipeline. Discussions on the World Bank local roads programme also continued during the last part of 2015.</p>	Assisted MRDC and Government of Moldova to present a unified message to donors on what is needed to achieve sectoral targets.
	Delay in approval of national policies in SWM and WSS sectors, as well as in RLR (unclear definitions of regional roads)	<p>Delays in approval of RSPs and development of projects.</p> <p>In SWM, the inclusion of part of UTA Gagauzia into WMZ 3 in DR South occurred in the third quarter of 2015, although decisions on this had been pending for about one year.</p> <p>This meant that key elements of the waste management system had to be redesigned (in particular, transfer station in Taraclia). The landfill site should still remain viable.</p>	<p>Supported approval of national sectoral policies.</p> <p>Monitor implementation of sectoral action plans from RSPs.</p>
Low institutional capacity	Lack of inter-ministerial communication and consensus at national and regional levels on implementation of Regional Sector Programmes	Impeded decision-making process including project development and implementation (identification of priority VPCs in SWM and WSS sectors). Also affected process of identification of the site location in SWM zones – which directly depend on CPA and LPA coordinated efforts (plus RD institutions – RDAs and RDCs – in secondary role).	<p>Supported the development of inter-ministerial municipal cooperation. Institutionalisation of the RSWGs in all three DRs.</p> <p>Conducted coordination meeting with the line ministries, informal consultation of the Programmes.</p> <p>Monitor and support implementation of RSP action plans.</p>

Risk type	Risk	Main impact	Mitigation measures
	Low financial absorption capacity of state institutions	Limited number and value of projects that can be implemented in a given year.	Supported the development of improved project preparation processes. Supported the development by MRDC and Government of Moldova on specific policies for consolidating national financing and approaching donors.
Implementation of RSPs	Lack of or insufficient experience of LPAs in sectoral planning and programming and development of projects in all sectors	As demonstrated in 1st and 2nd call for proposals in MRDC, best practices in development of projects in all sectors are lacking; inter-municipal cooperation needed.	Assisted MRDC in capacitating RDAs and LPAs in project development and management.
	Difficulties in understanding the project pipeline process	Approach in project development in all sectors is based on RSP criteria and rely on TA and expertise. LPAs still have difficulties to align to the planning and programming process which can lead to a lack of interest of all stakeholders in the project pipeline.	Promoted project pipeline as a knowledge product and assist MRDC. Perpetual involvement of the main stakeholders through RSWGs, WGs and coordination meetings.
Project implementation capacity	Low or non-existent resources and institutional capacity of beneficiaries in project implementation	Increased involvement of consultant is required, which, in turn, has limited the number of projects that can be developed.	Supported capacity development of MRDC and RDAs.
	Lack of expressed commitment from donors regarding financing of priority projects. Donor inactivity or passivity	Projects from pipeline will not be implemented, or in a diminished scope or reduced number. This could lead to a lack of interest in the project pipeline. Projects cannot advance to final ready-to-go stage without financing commitment. In late 2015, interest in project pipeline increased from the side of EUD, World Bank, KfW, and EIB. This was too late to finalise projects to the ready-to-go stage.	Increased and coordinated donor communication efforts. Assisted MRDC with structure dialogue with donors and in taking initiative. Supported and promoted donor conference hosted by MRDC.

Risk type	Risk	Main impact	Mitigation measures
	Outdated construction standards of materials and technologies applied for design and project implementation	Applies to all sectors. May result in poor quality of results, for example in lower energy class of buildings. Limits ability of employers to require higher standards and use quality criteria in public procurement.	Supported MRDC efforts to update standards and support use of higher standards in projects financed from the pipeline.
	Procurement: Impossibility of direct procurement (directly contracting of service providers)	May generate delays on preparation of projects for ready to procure stage.	Supported reforms in public procurement. Monitor implementation of sectoral action plans from RSPs.

Source: GIZ Project "Modernization of Local Public Services in the Republic of Moldova"

4. Changes introduced in implementation

In December 2015, the parties agreed and signed the Addendum 1 to the Delegation Agreement which stipulated a three months extension of the project's implementation. By signing this Addendum, GIZ expressed the need for revision of the targets as it were outlined in the Inception Report from March 2014, presented at the MLPS Steering Committee Meeting on 13 June 2014 and reflected in the Implementation Report for the period October 2013 – December 2014.

The proposed revision of the targets was substantiated by the following:

- GIZ works within partner systems which explain the complexity of the Action, its innovative character and its participatory approach. GIZ also operates with this approach at the sub-national level in order to develop sustainable capacity. On the other hand, GIZ supports reforms in existing systems in order to increase the sustainability of assistance it provides. This approach necessitated adaptation to meet the needs, demands and capacities of the partners. The methodologies and tools applied were agreed with the partners;
- The implementation reality of the EU Action/MLPS project revealed a lack of capacity at the local level to develop qualitative public investment projects and to ensure their effective implementation. In the project design, it was assumed that local contribution would be provided in the form of existing detailed designs and available studies, and that they could be used to finalise project preparation. In reality, existing materials were often either outdated or unsuitable for our approach;
- The implementation of EU Action/MLPS revealed that additional activities were necessary, beyond those contained in the Delegated Agreement, to achieve the

proposed modified targets. Some key aspects of sector policy and governance were missing, which required additional tasks that could not have been foreseen in the original project proposal under this Action;

- The budget support for regional development, which was initially assumed to be a key financing source for the implementation of individual projects, did not materialize and was not available during the implementation period of the Action. As in common development practice, projects are not “finalized” – i.e. to include final technical design and tender book – unless and until a financing source has been identified and agreed. Otherwise, design documents may quickly lose validity and relevance. In addition, the available financial resources could not cover the overall needs for preparation of a pipeline of public investment projects of such complexity, which according to the general international practice would assume a budget of about 10% of the total investment value.

These arguments may serve as a basis for initiating of a new no-cost extension of the project, including an updated Description of the Action and the revision of the budget.

5. Achievements/results by using the indicators included in the Agreement

In accordance to the revised targets, the Action entails the achievement of the following results:

- Detailed regional sector programmes covering four thematic fields essential to the development of Moldova’s regions (water and sanitation, solid waste management, energy efficiency in public buildings, regional and local roads) of key importance and for each region (N, S, C);
- Complementary private sector support at the national and regional level;
- Validated capacity among responsible bodies relevant to the above results, including capacity to continuously manage a project pipeline;
- A pipeline of viable project concepts in the four thematic fields.

From the experience gained, it is well recognized by the Project’s national counterparts and by the involved development partners that the achievement of the targets depends mainly on following key factors:

- Commitment of local public authorities and operators – access to relevant information and data necessary to complete pre-feasibility/feasibility studies;
- Local council decision on access to land – for solid waste management: local council decisions on allocation of site for regional landfill and other waste management facilities were pending due to the local elections; if the landfill site is not approved, a pre-feasibility study cannot be delivered;

- Endorsement of national partners – Ministry of Regional Development and Construction and relevant line ministries, institutions, and special bodies;
- Needs for implementation of additional actions/activities that were not foreseen at the initial stage;
- Lack of expressed commitment from donors regarding financing of priority projects.

5.1 Main achievements

As described in Chapter 2, during the project implementation, a highly participatory approach with the project partners was applied. The participatory process of developing regional sector programmes has introduced new methods of project identification, prioritisation, and development in the Republic of Moldova. At the same time, the work of GIZ/MLPS has brought to the forefront the need to identify potential national and international financing sources for the project pipeline that is emerging.

The status of the Regional Sector Programmes (RSPs), Possible Project Concepts (PPCs) and Viable Project Concepts (VPCs) is summarised in the table below.

Table 9: Status of RSPs, PPCs and VPCs as of 31 December 2015

Sector	RSPs Approval	Number of PPCs Prepared (1 st phase/ 2 nd phase)	Inter-ministerial Commissions meetings	Prioritised concepts for development at VPC stage
Energy efficiency in public buildings (EE)	February 2014	124/33	November 2014	13
Solid waste management (SWM)	February 2014	6/6	April 2015	3
Water supply and sanitation (WSS)	June 2014	45/29	February 2015	12
Regional and local roads (RLR)	March/April 2015	28/28	November 2015	15
Total number of projects		198/96		43

Source: GIZ Project “Modernization of Local Public Services in the Republic of Moldova”

The GIZ/MLPS project has achieved significant progress during the reporting period. As mentioned in previous sections, the development of the 11 RSPs in the 4 thematic areas is completed. All RSPs were approved by the Regional Development Councils.

Simultaneously, the pipeline of projects was identified and further developed according to the Pathway development methodology. Based on methodology agreed with development partners, the VPCs for which feasibility has been demonstrated, but for which financing has not yet been secured, are to be developed up to the pre-final stage. This involves developing of the following documentation per sectors:

- Energy Efficiency in public buildings – technical and economic assessment and refurbishment concept (equivalent to feasibility study) and conceptual design of the project;

- Solid Waste Management – feasibility study and environmental impact assessment;
- Water Supply and Sanitation – feasibility study;
- Regional and Local Roads – inventory and condition survey report (equivalent to feasibility study).

The next table provides an update of targets, status of project preparedness and the indicative investment value of the projects.

Table 10: Project Development - Targets vs current status as of 31 December 2015

Sector	The revised targets		Status of preparedness (number of VPCs)		Estimated investment value, M€	
	Number of VPCs at pre-final stage	M€ (indicative)	Completed	To be completed	Capital cost of works only	Total cost, including technical assistance
Energy Efficiency in public buildings	13	11.8	12	1 ⁶	16.6	19.0
Solid Waste Management	3	26.1	1	2	14.7	17.6
Water Supply and Sanitation	12	25.0	8	4	17.1	23.7
Regional and Local Roads	12	40.0	15	-	101.2	125.7
All 4 sectors	40	102.9	36	7	149.6	186.0

Source: GIZ Project "Modernization of Local Public Services in the Republic of Moldova"

As it was foreseen in the Description of the Action, the main indicator will be financial indicator, size and number of projects is for estimation only.

The content of the Tables 9 and 10 summarise that:

- Overall, targets for development of Regional Sector Programmes and capacity of Regional Development Agencies were met in full;
- The overall target on indicative investments is exceeded;
- All targets set for the EE and RLR sectors – both in terms of number of projects, as well as total investment value – were met or exceeded;
- In SWM, neither the targets for the number of projects, nor for the investment value of the projects were met. The reasons for this are described in detail in Section 2.1 (Work stream 2); essentially, however, they are related to the lack of local council approval for a regional landfill site;

⁶ One VPC (High School "Silvian Lucaci" from Costesti, Riscani rayon) remain at PPC level due to the fact that this project was already taken over by the Ministry of Education for development under a local schools programme to be financed by the World Bank.

- In WSS, the target for the number of projects was not met, whilst the total investment value was exceeded. The reasons for this are described in detail in Section 2.1 (Work stream 2);
- Two VPCs in SWM and 4 VPCs in WSS sectors are to be completed by the end of project implementation (end of September 2015, considering the extension period). The estimated investment value of those VPCs is not included in the Table 10.

With reference to the capacity development and complementary private sector support measures, see the description of implemented activities in the Section 2.1 (Work stream 3).

On 7 December 2015 and on 16 December 2015, the official letters were submitted to the Ministry of Regional Development and Construction about the results achieved during the project implementation in Region and Local Roads, respectively, in Energy Efficiency in public buildings with the reference and access to the reports and studies done in the sectors with MLPS assistance. The similar report for Solid Waste Management sector was submitted on 6 January 2016. The outcomes from the Water Supply and Sanitation Sector were communicated at the beginning of February 2016.

5.2 Key lessons learned and recommendations

During the development of sectoral projects, a number of key lessons were revealed that need to be taken into consideration in any current and future endeavours to identify and develop priority investment projects, as well as support in their implementation.

The main lessons and recommendations are highlighted below:

- In all sectors, **inter-ministerial communication and cooperation requires strengthening** in order both to improve projects and to communicate the priorities in Moldova to national and international financing institutions. Despite support in establishment of supporting structures to share sectoral activities between ministries, overlapping responsibilities in various ministries can lead to duplication of effort, conflicting activities, or dilution of responsibility such that no decisions are taken.
- Projects identified for development have to be based on a clear commitment reflected in the appropriate planning and programming documents at the local and regional levels in order to ensure policy support for and priority of the projects.
- Financial commitment needs to be obtained much earlier in the project development process.
- **National financing mechanisms need to be harmonised and aligned.** For example, in the EE sector projects were developed according to the approved Regional Sector Programmes. The project selection criteria of the Energy Efficiency Fund, on the other hand, are not consistent with and only weakly contribute to the achievement of sectoral objectives set out in the RSPs.
- **Capacities of local government** to develop and promote proposals for funding major regional projects need to be strengthened.

- In SWM and WSS, **tailor-made inter-municipal cooperation mechanisms need to be strengthened and more practical**. Institutional structures for managing an integrated solid waste management system need to be introduced.
- For the success of investment projects, **public information activities need to be implemented**, in particular in the WSS and SWM sectors.
- **Enforcement of environmental protection regulations needs to be strengthened** as a pre-condition for the implementation of an integrated solid waste management system, so that illegal dumping is prevented and discouraged.
- **Technical standards need to be updated** (WSS and EE sectors), including to allow the use of new technologies and materials. Technical standards for full detailed design need to be adapted for appropriate level of detail used in other countries (RLR sector).

6. Visibility

The German Development Cooperation through GIZ recognizes the potential of the entire 'Modernization of local public services in the Republic of Moldova' (MLPS) project and its European Union (EU) co-financed Regional Planning and Programming Area of Intervention to promote the visibility of the actions of the EU and its member states in support of the reform and EU integration process of the Republic of Moldova. The EU supported Action intervenes at a critical moment in Moldova's relationship with the EU, as well as to its wider neighbours. GIZ is committed to exploring synergies with wider EU communications approaches beyond the strict requirements of the Delegated Agreement.

GIZ adheres to the European Commission (EC) visibility guidelines as laid down in the EC regulation and in Article VII "Visibility and ex-post publication" of the General Conditions to the Delegation Agreement and the Communication and Visibility Manual for EU External Actions from April 2008.

Thus, one of the main activities of the last year related to visibility aspect was the National Communications Campaign on Regional Development awareness 'Building the future at home'. The Campaign was launched by Ministry of Regional Development and Construction (MRDC) and lasted two months (April – May 2015). The activity was carried out with the support of the German Government and the EU, provided through the MPLS, implemented by GIZ.

During 2 months (April – May 2015), 4 TV channels – *Canal Regional*, *Pro TV Chisinau*, *Jurnal TV* and public media broadcaster *TV Moldova 1* – and 2 radio channels – public media broadcaster *Radio Chisinau* and *Radio Plai* – broadcasted 3 video, as well as 3 audio spots reporting on how regional development (RD) projects have succeed to improve the quality of life. Spots relied on dialogue between characters – ordinary people – as well as images of real regional development projects with tangible results: creation of

sanitation services, construction of water pipes and drinking water supply, rehabilitation of sites with touristic potential, etc.⁷

The spots of the campaign also were disseminated via the institutional websites of MRDC, <http://mdrc.gov.md/campanie/>, North, Centre and South Regional Development Agencies (RDA), www.adrnord.md, www.adrcentru.md, www.adrsud.md, and MLPS online platform, www.serviciilocale.md; as well as via the most popular national online media outlets, such as www.unimedia.md, www.agora.md, www.stirilocale.md.

Besides the above-mentioned TV spots, 3 banners were developed which summarized the achievements in regional development, by development region – North, Centre and South –, and main RD priorities, such as:

1. Rehabilitation of physical infrastructure: water and sanitation, roads;
2. Improving environment and tourist attraction;
3. Diversifying the economy and support for private sector development: business incubators, free economic zones, industrial parks.

Also, a general banner was developed, which graphically presented the achievements on regional development at the country level. All banners were distributed to MRDC, RDAs, LPAs and posted on institutional websites and also on other important media platforms, as well as shared via social networks. The recognition of the EU contribution to the event was mentioned on all products, including on the dedicated landing page of the Campaign <http://goo.gl/2gOnNz>, as well as in the press-releases and news pieces written or broadcasted by national media outlets (see Annex 4 for media clippings in relation to the 'Building the future at home' campaign).



A High Level Discussion on Regional Development in the Republic of Moldova took place on 8 October 2015. The event was organised under the aegis of the Ministry of Regional Development and Construction (MRDC), in the Conference Room of Radisson/Leograd hotel (see Annex 4 for media clippings in relation to the event). It was attended by 55 participants, including the representatives of the Government and

Parliament of Republic of Moldova, European Union Delegation to the Republic of Moldova, World Bank, diplomatic missions, local public authorities, as well as members of civil society and mass media.

As MRDC is currently concluding the development of the draft of the new National Strategy for Regional Development (NSRD) 2016-2020, the event was perceived as an adequate platform for exchange of views. It was based on the inter-sectoral approach and on ensuring synergy between different national and external funds. In this context and

⁷ The landing page with all developed products within the 'Building Future at Home' Campaign is available at <http://goo.gl/2gOnNz>.

aiming for facilitation of further cooperation, MRDC finds it opportune to present and discuss with development partners about the achieved results, challenges in the implementation of the NSRD, as well as potential support in the regional development.

Present at the event, H.E. Pirkka Tapiola, head of EU Delegation to the Republic of Moldova, mentioned about the importance of the regional development as an essential element for a prosperous country and stated the fact that Moldovan authorities should greater involve the civil society and the private sector in regional development process. On the other hand, Minister of Regional Development and Construction, Vasile Bitca, thanked the development partners for their support in promoting regional development policy.



All MLPS materials (website www.serviciilocale.md, leaflets, print and web banners) are being regularly updated with recognition of the EU co-financing. The MSPL/GIZ project activities were reflected and promoted via www.serviciilocale.md, online platforms of MRDC and RDAs and social networks. The contribution of the EU was mentioned and highlighted in events that were organized within the MSPL/GIZ project (meetings with donors and Moldovan officials, meetings with the MRDC and RDAs' representatives, project steering committees' meetings, conferences and seminars etc.). Also, the EU banner is posted on MLPS/GIZ website.

The support of EU for this project within the wider 'Modernization of Local Public Services' project is and will continue to be clearly communicated to stakeholders and the wider public.

7. Information on the Action monitoring, control and audit measures to which the Delegatee body itself has been subjected

The implementation of the Action has been continuously monitored during the reporting period in accordance with the GIZ rules and procedures on Results-based Monitoring and Evaluation. The progress achieved, challenges faced and the recommendations for the necessary changes were presented at three steering committee meetings held during the reporting period. The MLPS progress reports are available on www.serviciilocale.md.

In October 2015, the Result Oriented Monitoring (ROM) review mission was carried out by an independent external consultant contracted by the European Commission.

8. Overall financial statement providing an account of the use of the funds transferred to the Delegatee body

The overall financial statement is presented in Annex 3, attached in the separate file.

9. Work plan for January – September 2016

The activities to be implemented during the next period from January to September 2016 are limited to the extension periods and to the outstanding financial resources.

The request for an extension is justified by the needs for finalization of the activities that could not be concluded due to the challenges encountered during the project implementation. The main activities are related to the need of completion of two feasibility studies in Solid Waste Management sector and four feasibility studies in Water Supply and Sanitation sector as it was mentioned in the Section 5.1. Only some support activities that can contribute to the project development will be implemented.

The most challenged issue is to obtain the local council decisions on landfill allocations for the solid waste management integrated system, without which the feasibility study cannot be developed.

The work plan for the period January – September 2016 is presented in Annex 5.

Annexes

Annex 1. Status of VPCs per sector as of 31 December 2015

WSS projects

Rayon	Document	Language	Pre-final status
DEVELOPMENT REGION NORTH			
Drochia	Feasibility study for the project "Improving water supply and wastewater services in the town of Drochia"	EN/RO	Completed
Edinet	Feasibility study for the project "Optimisation of operation and maintenance costs for water supply and wastewater services in the town of Edinet and town of Cupcini"	EN/RO	Completed
Falesti	Feasibility study for the project "Improving water supply and wastewater services in Falesti rayon (town of Falesti, locality of Falestii Noi and locality of Calugar)"	EN/RO	Completed
Singerei	Feasibility study for the project "Extension of wastewater collection system in the town of Singerei"	EN/RO	Completed
Bălți	Summary report on implemented activities for the project "Improvement of water and sewage in residential district Slobozia and Elizaveta village, Balti municipality	RO	Not completed
DEVELOPMENT REGION CENTRE			
Calarasi	Feasibility study for the project "Improving water supply and wastewater services in the rayon of Calarasi (town of Calarasi, villages of Novaci, Niscani, Paulesti)	EN/RO	Completed
Straseni	Feasibility study for the project "Improving and extension of water supply and sanitation services in the town of Straseni"	EN/RO	Completed
Ungheni	Feasibility study for the project "Improving water supply and wastewater services in the town of Ungheni, localities of Zagarancea, Semeni and Petresti"	EN/RO	Completed
Hîncești	Summary report on implemented activities for the project "Reconstruction and modernization of the sewage system in Hincesti rayon"	RO	Not completed
Ialoveni	Summary Report on implemented activities for the project "Improvement of water supply services in Ialoveni rayon"	RO	Not completed
DEVELOPMENT REGION SOUTH			
Leova	Feasibility study for the project "Improving wastewater	EN/RO	Completed

Rayon	Document	Language	Pre-final status
	collection services in the town of Leova”		
Cahul	Technical Report on ”Feasibility study for the project „Improving water supply and sanitation services in the rayon of Cahul (town of Cahul, villages of Cotihana, Crihana Veche, Manta and Pascani”	EN/RO	Not completed

EE projects

Rayon	Document	Language	Pre-final status
DEVELOPMENT REGION NORTH			
Falesti	<ul style="list-style-type: none"> • Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of PMSI Rayonal Hospital Falesti from Falesti city • EE Conceptual Design Report Increasing energy efficiency of PMSI Rayonal Hospital Falesti from Falesti city 	EN/RO EN	Completed
Singerei	<ul style="list-style-type: none"> • Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Iurie Boghiu' Gymnasium from Flaminzeni village • EE Conceptual Design Report Increasing energy efficiency of 'Iurie Boghiu' Gymnasium from Flaminzeni village 	EN/RO EN	Completed
Balti	<ul style="list-style-type: none"> • Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Dimitrie Cantemir' Lyceum from Balti municipality • EE Conceptual Design Report Increasing energy efficiency of 'Dimitrie Cantemir' Lyceum from Balti municipality 	EN/RO EN	Completed
Edinet	<ul style="list-style-type: none"> • Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of PMSI Rayonal Hospital Edinet from Edinet city • EE Conceptual Design Report Increasing energy efficiency of PMSI Rayonal Hospital Edinet from Edinet city 	EN/RO EN	Completed
Riscani	<ul style="list-style-type: none"> • Energy Review Report: 2_28_1_Riscani 	EN/RO	Handed-over to MoE for implementation under World Bank-

Rayon	Document	Language	Pre-final status
			financed programme
DEVELOPMENT REGION CENTRE			
Soldanesti	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Alexei Mateevici' Lyceum from Soldanesti city EE Conceptual Design Report Increasing energy efficiency of 'Alexei Mateevici' Lyceum from Soldanesti city 	EN/RO EN	Completed
Straseni	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Ion Vatamanu' Lyceum from Straseni city EE Conceptual Design Report Increasing energy efficiency of 'Ion Vatamanu' Lyceum from Straseni city 	EN/RO EN	Completed
Ungheni	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Mihai Eminescu' Lyceum from Ungheni city EE Conceptual Design Report Increasing energy efficiency of 'Mihai Eminescu' Lyceum from Ungheni city 	EN/RO EN	Completed
Calarasi	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of PMSI Rayonal Hospital Calarasi from Calarasi city EE Conceptual Design Report Increasing energy efficiency of PMSI Rayonal Hospital Calarasi from Calarasi city 	EN/RO EN	Completed
Dubasari	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Holercani' Lyceum from Holercani village EE Conceptual Design Report Increasing energy efficiency of 'Holercani' Lyceum from Holercani village 	EN/RO EN	Completed
DEVELOPMENT REGION SOUTH			
Leova	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Constantin Spataru' Lyceum from Leova city EE Conceptual Design Report Increasing energy 	EN/RO	Completed

Rayon	Document	Language	Pre-final status
	efficiency of 'Constantin Spataru' Lyceum from Leova city	EN	
Stefan Voda	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of PMSI Rayonal Hospital Stefan Voda from Stefan Voda city EE Conceptual Design Report Increasing energy efficiency of PMSI Rayonal Hospital Stefan Voda from Stefan Voda city 	EN/RO EN	Completed
Basarabeasca	<ul style="list-style-type: none"> Technical - economic assessment and refurbishment concept of the project: Increasing energy efficiency of 'Matei Basarab' Lyceum from Basarabeasca city EE Conceptual Design Report Increasing energy efficiency of 'Matei Basarab' Lyceum from Basarabeasca city 	EN/RO EN	Completed

SWM projects

Rayon	Document	Language	Pre-final status
DEVELOPMENT REGION NORTH			
Solid waste management zone 2: Edineț, Dondușeni, Ocnita, Briceni	<ul style="list-style-type: none"> Report on delineation of micro waste management zones Report on status of Feasibility Study / Environmental Impact Assessment for WMZ 2 of DRN, with Annexes Report on the current situation in waste management for WMZ 2 of DRN Report on analysis of waste in urban and rural areas Project fiche (RO) Report on landfill site selection for WMZ 2 of DRN 	EN/RO RO EN/RO EN/RO EN/RO EN/RO	Not completed
DEVELOPMENT REGION CENTRE			
Solid waste management zone 2: Călărași, Ungheni, Nisporeni	<ul style="list-style-type: none"> Report on delineation of micro waste management zones Report on status of Feasibility Study / Environmental Impact Assessment for WMZ 2 of DRC, with Annexes Report on the current situation in waste management for WMZ 2 of DRC Report on analysis of waste in urban and rural areas 	EN/RO RO EN/RO EN/RO	Not completed

Rayon	Document	Language	Pre-final status
	<ul style="list-style-type: none"> Project fiche (RO) Report on landfill site selection for WMZ 2 of DRC 	EN/RO EN/RO	
DEVELOPMENT REGION SOUTH			
Solid waste management zone 3: Cahul, Cantemir, Taraclia, Vulcanesti, Ceadir-Lunga	<ul style="list-style-type: none"> Feasibility study with technical and financial annexes (including conceptual design) Environmental impact assessment, with accompanying documentation Report on land use change for landfill and transfer station sites 	EN RO RO	Completed

RLR projects

Rayon	Document	Language	Pre-final status
DEVELOPMENT REGION NORTH			
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 4: M14 – Chetroșica Veche – Frasin – Timnova – Tarigrad – R7 	EN/RO	Completed: input into World Bank-financed local roads programme
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 5: R13 – Ivanovca – Izvoare – Vantina – Ocolina – M2 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 6: R53 – Cobani – Branzeni – Petruseni – R7 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 8: M14 – Flamînzei – Bursuceni – Bocani – Falestii Noi – R16 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 9: R13 – Marculesti – Radoaia – R14 – Cozasti – Cislea – M14 	EN/RO	
DEVELOPMENT REGION CENTRE			
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 11: M14 – Cucoaia Noua – Mindresti – R22 – Banesti – R14 	EN/RO	Completed: input into World Bank-financed local roads programme
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 12: R13 – Sestaci – Salcia – Japca – Sanatauca – R19 – Cot – Socola 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 14a: R20 – Susleni - Oxentea – Molovata – Molovata Noua – 	EN/RO	

Rayon	Document	Language	Pre-final status
	Roghi – Cocieri		
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 16a: Oricova - R1 – Pirjolteni – R25 – Lozova – M1 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 17: R3 – Rusestii Noi – Vasieni – Horodca – M1 	EN/RO	
DEVELOPMENT REGION SOUTH			
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 21: R26 – Mihailovca – Sagaidac – Ciuflesti – Baimaclia – R26 	EN/RO	Completed: input into World Bank-financed local roads programme
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 23: R30 – Ermoclia – Volontiri - Ukrainian border 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 24: R34 – Ciobalaccia – Tartaul – R56 – Baimaclia – Enichioi – R37 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 25: R26 – Mihailovca – Sadaclia – Iordanovca – R3 	EN/RO	
	<ul style="list-style-type: none"> Inventory and condition survey of the road corridor no. 26: R38 – Moscovei – Budai – Ciumai – Mirnoe – Ukrainian border 	EN/RO	

Annex 2. List of the meetings and events held during the reporting period (January-December 2015)

Type of meeting	Number of meetings	Main issues covered / remarks
Significant coordination meetings and workshops with MRDC and RDAs	20	<ul style="list-style-type: none"> • Proposals and objections of MRDC regarding the draft of RSP in RLR • Elaboration of the FS and EIA in SWM projects • Achieved progress according to the milestones and work plan • Coordinate the institutional options on integrated waste management in the RM • Presentation of the report on prioritisation of PPCs based on eligible corridors (PPC) from RSPs • Coordination of 6 corridors for field visits (three in the DR North and three in the DR South) • Present findings of inventory and visual condition surveys of 6 RLR priority corridors • Inter-ministerial commission in RLR • Elaboration of the FS and EIA in SWM projects • M&E: achieved progress according to the milestones and work plan • Working meetings on SWM
Significant coordination meetings with other line ministries	18	<ul style="list-style-type: none"> • Topics submitted by the EIB in a letter to the MoEnv regarding the situation on SWM in Gagauzia, Balti and Chisinau municipalities • Proposals on integration of localities in integrated waste management system • Technical discussions on how Gagauzia can be split regionally and included in the DRS • Regional landfill site selection • Discussions on solutions identification for ventilation systems in educational institutions subjects of projects included in the pipeline • Discussions over the Institutional options regarding integrated management system of the Republic of Moldova and the activities and of site selection for the regional landfill location in Centre and North DR • Discussions and setting up of methodological approach on the elaboration of the FS and EIA • Preparation for inter-ministerial commission in RLR sector • Hand-over of VPCs in RLR sector • Proposals on integration of localities in integrated waste

Type of meeting	Number of meetings	Main issues covered / remarks
		<p>management system</p> <ul style="list-style-type: none"> Regional landfill site approvals
Significant coordination meetings with regional and local stakeholders	18	<ul style="list-style-type: none"> Regional landfill site selection in DR Centre, WMZ 2 and informing the local council and representatives of public institutions in Floritoaia Veche commune about this To inform the Local Council Bratuseni about planned waste management system in the WMZ RDN-2, the possibility of using land in Bratuseni for construction of the regional landfill Public consultation meetings of the RSPs in RLR RDCs meetings and approval of the RSPs Landfill siting issues RD Center and RD North - SWM Workshops with RDA
Significant coordination meetings with donors	10	<ul style="list-style-type: none"> Donor meetings with the European Investment Bank (to evaluate the activities undertaken for the development of feasibility studies, the identified locations for regional landfills and transfer stations in South sub-regions) World Bank, EBRD, KfW, EUD, Czech Development Agency
Site visits	88	<ul style="list-style-type: none"> Collection of additional data Updating of final documentation for tendering process for 2 GIS projects (Nisporeni and Calarasi) Investigations of Floritoaia-veche potential landfill Site investigations Technical expertise of the buildings Discuss financial situation and statistics for 2013 and 2014 Status of SWM in Gagauzia Coordination with GIZ on Calarasi project Investigations of potential landfill sites in RDA Center
PWG and RSWG meetings	RSWG – 10 PWG - 44	<ul style="list-style-type: none"> Presentation of the VPC preliminary reports Current situation regarding the elaboration of the feasibility study and EIA Identification of funding sources and dialogue with donors Establishment of PWGs and the frequency of meeting FS content 10 – EE; 10 WSS; 1 SWM; 1 SWM with Gagauzia

Type of meeting	Number of meetings	Main issues covered / remarks
		<ul style="list-style-type: none"> • Presentation of MLPS project outcomes • Working meetings and project status
Other meetings	Workshops: SWM, EE, RLR, WSS RDAs - 6 Internal meetings ± 55 Site visits – SWM – 15 RLR – 19 EE – 26 WSS – 30	<ul style="list-style-type: none"> • Project Pipeline Development • Energy management systems • Technical expertise of buildings • Selection of location for regional landfill in WMZ2 in DR Centre • SGA report on SWM in WMZone • RDA – workshop on project status • RDA – workshop for employees on social and gender assessment and mainstreaming into project development and implementation • Exchange of information and views between MLPS experts in WSS on identified key strategic issues related to WSS sector and challenges faced during the implementation of related MLPS activities/measures • Discussions and agreements on common approach in WSS project development and implementation (5 pillar model approach), provide recommendations for follow-up actions in the WSS area in AI1 and AI2

Annex 3: Overall financial statement (attached in the separate file)

Annex 4. List of the media clippings

A. Awareness Campaign 'Building Future at Home'

1. Ministry of Regional Development and Constructions (MDRC) – Campaign landing page: <http://mdrc.gov.md/pageview.php?l=ro&idc=221&t=/bCONSTRUIM-VIITORUL-ACASAb/Despre-campanie>
2. MRDC: <http://mdrc.gov.md/libview.php?l=ro&idc=27&id=3002&t=/Serviciul-de-presa/Noutati/Construim-viitorul-acasa-este-sloganul-primei-campanii-nationale-de-comunicare-despre-dezvoltarea-regionala>
3. RDA North: <http://adrnord.md/libview.php?l=ro&idc=195&id=2332>
4. RDA South: <http://adrsud.md/libview.php?l=ro&idc=340&id=2523>
5. RDA Centre: <http://www.adrcentru.md/libview.php?l=ro&idc=340&id=2449&t=%2FNoutati%2FConstruim-viitorul-acasa-este-sloganul-primei-campanii-nationale-de-comunicare-despre-dezvoltarea-regionala>
6. RDA South: <http://adrsud.md/libview.php?l=ro&idc=340&id=2525>
7. RDA North: <http://adrnord.md/libview.php?l=ro&idc=195&id=2335>
8. Agora.md: <http://agora.md/stiri/7287/video--ministerul-constructiei-lanseaza-campania-construim-viitorul-acasa>
9. Euro TV: <http://www.eurotv.md/stire-indemn-de-la-stat-construim-viitorul-acasa>
10. Civic.md: <http://www.civic.md/stiri-ong/27859-construim-viitorul-acasa-este-sloganul-primei-campanii-nationale-de-comunicare-despre-dezvoltarea-regionala.html>
11. Privesc.eu – Live streaming from the event launching: <https://www.privesc.eu/widget/live/61111>
12. Stiri.md: <http://www.stiri.md/ro/article/569174/construim-viitorul-acas-este-sloganul-primei-campanii-naionale-de-comunicare-despre-dezvoltarea-regional/>
13. Adevarul: http://m.adevarul.ro/moldova/actualitate/europenii-investit-milioane-leiin-dezvoltarea-regionala-republicii-moldova-1_551c04af448e03c0fd1e9a6f/index.html
14. Moldpress News Agency: <http://www.moldpres.md/news/2015/04/01/15002161>
15. Radio National FM: <http://nationalfm.md/autoritatile-moldovei-vor-sa-construiasca-viitorul-acasa-cu-sprijinul-ue/>
16. TV Moldova 1: <http://www.trm.md/ro/social/a-fost-lansata-prima-campanie-de-comunicare-despre-dezvoltarea-regionala/>
17. Noi.md: http://www.noi.md/md/news_id/58897
18. Radio Chisinau: http://www.radiochisinau.md/campania_construim_viitorul_acasa-21543

B. High Level Discussion on the Regional Development in the Republic of Moldova

1. Ministry of Regional Development and Constructions: <http://mdrc.gov.md/libview.php?l=ro&idc=27&id=3135&t=/Serviciul-de-presa/Noutati/Partenerii-de-dezvoltare-ai-Republicii-Moldova-au-discutat-perspectivete-dezvoltarii-regionale-in-tara-noastra>
2. RDA Center: <http://adrcentru.md/libview.php?l=ro&idc=340&id=2568&t=/Noutati/A-avut-loc-a-doua-edinta-din-anul-2015-a-Comitetului-Director-al-proiectului-Modernizare-serviciilor-publice-locale-din-Republica-Moldova>

Annex 5. Work plan for the period January – September 2016

No.	Work Plan	Jan 2016	Feb 2016	March 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016
	Project development and capacity development									
1.	Finalization of the summary VPCs reports in SWM and WSS Sectors									
2.	Submission of the results achieved by sectors to the main partners									
3.	Presentation of the list of VPCs per sectors for the endorsement by Regional Development Councils									
4.	Handover of feasibility studies and reports to the MRDC, RDAs and LPAs									
6.	Revision of the initial project proposal; submission of proposal for Addendum 2 to the EUD									
7.	Preparatory works for completion of 4 feasibility studies in WSS Sector									
8.	Upon request, support for RDAs and LPAs in taking decisions on allocation of the lands for SWM integrated system									
9.	Upon request, support for RDA South and LPAs in further development of WMZ 3									
10.	Development of 4 feasibility studies in WSS Sector									
11.	Development of 2 feasibility and environmental impact assessment studies in WMZs 2 of the									

No.	Work Plan	Jan 2016	Feb 2016	March 2016	Apr 2016	May 2016	June 2016	July 2016	Aug 2016	Sept 2016
	Development Regions Centre and North									
12.	Support for RDAs and LPAs within the 4 Project Working Groups in WSS and 2 in SWM sectors									
12.	Ad hoc, demand driven training and capacity development support to regional development process and actors									
13.	Development of the project pipeline database									
14.	Support to the partners in promotion of the project pipeline and consultation with donors on financing possibilities									
	Project exit phase									
1.	Preparation of the draft final report, focusing on lessons learnt with application to future related activities									
2.	Dissemination of the results and lessons learnt through appropriate workshops and a final conference									
3.	Close project operation									