



**Progress Report No. 14**  
**on the implementation of the**  
**'Modernisation of Local Public Services**  
**in the Republic of Moldova' project**

**Reporting period**

**1 January – 30 June 2022**

**submitted by GIZ**

**5 September 2022**

**Chisinau, Republic of Moldova**

MLPS project co-financed by:



In cooperation with

**MINISTERUL INFRASTRUCTURII  
ȘI DEZVOLTĂRII REGIONALE**

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## Acronyms and abbreviations

AMAC	Moldovan Water Utilities Association
APA	Academy of Public Administration
ATU Gagauzia	Autonomous Territorial Unit Gagauzia
BMZ	German Ministry of Economic Cooperation and Development
CCI	Chamber of Commerce and Industry
COVID-19	SARS-CoV-2 (2019-nCoV) coronavirus
CSO	Civil Society Organisation
DR	Development Region
EE	Energy Efficiency
EEA	Energy Efficiency Agency
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
LCC	Local Citizens Committee
LPA	Local Public Administration
MARDE	(former) Ministry of Agriculture, Regional Development and Environment
MDL	Moldovan Leu
MIRD	Ministry of Infrastructure and Regional Development
MLPS	Modernisation of Local Public Services in the Republic of Moldova
NCCRD	National Coordination Council for Regional Development
NFRD	National Fund for Regional Development
NSRD	National Strategy for Regional Development
PSP	Public Service Project
RBM	Results-based monitoring
RD	Regional Development
RDA	Regional Development Agency
RDC	Regional Development Council
RDS	Regional Development Strategy
RLR	Regional and Local Roads
RSC	Regional Sector Commission
RSP	Regional Sector Programme
SWM	Solid Waste Management
TUM	Technical University of Moldova
WSS	Water Supply and Sanitation

## 1. Executive summary

Project title	Modernisation of Local Public Services in the Republic of Moldova
Project duration	March 2016 – June 2023
Reported period	1 <sup>st</sup> of January – 30 <sup>st</sup> of June 2022
Project objective	The framework conditions for a citizen-oriented implementation of Regional Development policy in priority sectors of local public service provision are improved
Outputs / specific objectives	MARDE (currently MIRD) <sup>1</sup> puts in place a coherent framework for the effective implementation of national regional development policy in priority sectors; The capacities of RDCs and partner LPAs to plan, coordinate and implement are improved; RDAs are capacitated to implement the public service projects developed within the regional sector programs; Representatives of rayon's, municipalities and local service providers benefit from demand-oriented trainings for the modernisation of local public services in the priority sectors; Civil society participates in public projects.
Project partners, stakeholders and target groups	The target group of the development measure is the population in selected LPAs from the four Development Regions North, Centre, South and ATU Gagauzia. Key partners of the project: MIRD, RDCs, RDAs and LPAs from the aforementioned regions, CSOs, APA, TUM, AMAC, EEA and CCI.
Key achievements for reported period	<ul style="list-style-type: none"> <li>• inventory of the projects under National Programme on Growth Poles and development of the related concept notes for six municipalities identified as growth poles</li> <li>• virtual study tour on good practices related to circular economy</li> <li>• assistance package to DRs in planning and coordinating actions in case of crisis and emergency situations (including relating to Ukraine refugees)</li> <li>• Ungheni Water Supply and Sanitation project finalized the construction works</li> <li>• Flamanzeni Energy Efficiency project finalized the construction works</li> <li>• The support for improving the operational capacities of the water operator in Comrat was granted</li> </ul>
Key challenges/ risks for reported period	<ul style="list-style-type: none"> <li>• The pandemic</li> <li>• the war in Ukraine and the inclusion of Belarus as a supplier country of the materials under sanctions</li> <li>• the increased prices for construction materials and equipment</li> <li>• the identified additional work volumes</li> <li>• in combination with low capacities of involved companies to implement construction works</li> </ul> <p>made an impact on implementation of construction works and led partly to extended construction timelines for the infrastructure projects funded by EU in Moldova.</p>

<sup>1</sup> Following the approval of the new Government in August 2021, a new Government structure was approved. In accordance with this, the main partner of the project, former Ministry of Agriculture, Regional Development and Environment (MARDE) was split into three-line ministries. The current political partner of the project is the Ministry of Infrastructure and Regional Development (MIRD).  
For the purpose of this report, the MIRD abbreviation is used.

Project budget, including co-financing	The project budget amounts to 66,9 million Euro.		
	<b>Donor</b>	<b>Amount, EUR</b>	<b>Implementation timeframe</b>
	Government of Germany	10,951,890	Mar 2016 – Sept 2022
	Government of Sweden	3,530,778	Nov 2016 – Dec 2018
	Swiss Agency for Development and Cooperation	3,899,050	Mar 2016 – Dec 2019
	Government of Romania	179,637	Mar 2016 – Jun 2018
	<b>EU-funded Actions, implemented in synergy with MLPS:</b>		
	European Union	171,199	Mar 2016 – Sep 2017
	European Union, design stage	3,500,000	Sep 2017 – Dec 2019
	Construction of WSS and EE infrastructure	39,800,000	Dec 2017 – Sept 2022
	Citizens' Empowerment	4,900,000	Jan 2019 – Dec 2021

## 2. Project background

### 2.1. Project background

Since 2010, GIZ is implementing the project 'Modernisation of Local Public Services in the Republic of Moldova' (MLPS) under the commission of the German Ministry for Economic Cooperation and Development (BMZ). At the beginning of 2016, the implementation of the 2nd phase of the MLPS project commenced. The project builds on the results of the first phase and has as deadline for project implementation end of September 2022, with potential extension for 9 months.

The project's objective is the improvement of the framework conditions for a citizen-oriented implementation of regional development policy in priority sectors of local public service provision. The project works in three priority sectors: water supply and sanitation (WSS), energy efficiency in public buildings (EE) and solid waste management (SWM). The MLPS project is implemented in synergy with two EU-funded Actions: Construction of WSS and EE infrastructure and Citizen's Empowerment.

The project consistently applies a multi-level and multi-stakeholder approach to improve the framework conditions for the modernisation of local public services in the priority sectors. Measures to improve local service delivery are part of a comprehensive 5-pillar approach for capacity development in (i) establishing integrated local planning procedures, (ii) establishing inter-municipal cooperation structures, (iii) assisting in the institutionalisation of adapted trainings and education for service operators and local authorities, and (iv) implementation of awareness raising and mobilisation policies for citizens. The complementary funding of infrastructure projects via funds from the EU, Switzerland, Romania and the German Regional Development Fund represent the fifth element (v) of the approach. To implement the investment measures, partner systems are used as far as possible, thus avoiding the creation of parallel implementation structures.

The MLPS project is structured around five specific objectives:

- A. MIRD puts in place a coherent framework for the effective implementation of national regional development policy in priority sectors;
- B. The capacities of RDCs and partner LPAs to plan, coordinate and implement are improved;
- C. RDAs are capacitated to implement the public service projects developed within the regional sector programs;
- D. Representatives of rayons, municipalities and local service providers benefit from demand-oriented trainings for the modernisation of local public services in the priority sectors;
- E. Civil society participates in public projects.

The project's objective indicators 1 and 3 as well as specific objectives B, D and E were fully achieved by the end of 2021, respectively all related activities were finalized.

During the reporting period the basic emphasis was placed on further support in the promotion and implementation of the regional development policy and implementation of public service projects (PSPs). In this regard, joint efforts were made together with GIZ partners and beneficiaries to implement the priority measures according to the project's operational plan<sup>2</sup>, approved in February 2022.

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<sup>2</sup> [https://www.serviciilocale.md/wp-content/uploads/2022/07/2021\\_03\\_03\\_MLPS\\_Operational\\_Plan\\_2022\\_VG\\_EN\\_FINAL.pdf](https://www.serviciilocale.md/wp-content/uploads/2022/07/2021_03_03_MLPS_Operational_Plan_2022_VG_EN_FINAL.pdf)

## *2.2. Synergies with other projects and donors*

The project 'Modernisation of Local Public Services in the Republic of Moldova' is providing technical assistance in the area of Regional Development in the country and is collaborating with the newly established GIZ project on Strong Business and Communities as well with other projects and donors in the area to lever the results.

At this stage, the project is implemented in synergy with the EU-funded Action 'Construction of Water Supply and Sanitation infrastructure and Energy Efficiency in Public buildings', which contributes directly to the MLPS specific objective C.

## **3. Progress towards the project objectives**

### *3.1. Progress towards the project outcome*

The project's objective to improve the framework conditions for a citizen-oriented implementation of regional development policy in priority sectors of local public service provision remains attainable within the duration of the project.

The Project Objective indicator 1, namely that 75 % of the beneficiaries (partner LPAs, represented by the local councils) and 75% of involved stakeholders (members of the RDCs and RDAs) are satisfied with the processes of planning and implementation of the infrastructure investment measures in priority sectors of local public service provision was achieved in 2021.

The indicator 2 of the project objective stating that the RDCs confirmed, in coordination with relevant sector ministries, the implementation of 18 infrastructure projects in a participatory and gender sensitive way established infrastructure investment measures, which are in line with the RSPs as well as the RDSs, is largely on track: The implementation of the infrastructure measures is ongoing, with 9 projects having the construction works completed. Still, the overall achievement of the indicator, through RDC confirmation is subject to the finalisation of procedures relating to the transfer of assets to the beneficiary LPAs.

As for indicator 3, regarding the NCCRD confirmed financing of investment measures for improved service provision in the priority sectors, granted by national funds and the international donors, has increased by 465%, the respective indicator has been achieved in 2020.

### *3.2. Achievements of the project specific objectives*

During the second phase of the implementation period of the project, GIZ together with its partners achieved the following results and progress towards its five specific objectives. An overall information on the current status of indicators is available in Annex 1.

#### *3.2.1. Specific objective A*

Specific objective A envisages for MIRD to put in place a coherent framework for the effective implementation of the national regional development policy in the priority sectors. In achieving this objective, further efforts were put by the project and included primarily:

*Indicator A.1* refers to the participatory preparation of two national regional development strategies (NSRDs) and their endorsement by the NCCRD. This indicator was achieved in 2021.

*Indicator A.2* measures the harmonisation of legal and regulatory elements of the regional development architecture with the EU AA:

- 3 regulations in the field of specific waste stream management (on end-of-life vehicles, used tires and used oils) were drafted, publicly consulted and are being prepared for approval by the Government. Supporting guidelines for implementation of the regulations were also drafted.

*Indicator A.3* includes an impact monitoring system adopted by the national and regional development councils to guide the implementation of regional development strategies. This indicator was achieved in 2021.

### 3.2.2. Specific objective B

Specific objective B ensures that the capacities of RDCs and partner LPAs to plan, coordinate and implement are improved.

*Indicator B.1* measures the annual reporting of the Regional Sector Commissions (RSCs) to the Regional Development Councils (RDCs) on the sector-specific implementation of the regional development strategies in at least two sectors (WSS and SWM). This indicator was achieved in 2021.

*Indicator B.2* focuses on the development of three project proposals based on the regional sector programmes for the WSS, EE and local/regional roads (RLR) sectors for the ATU Gagauzia development region. This indicator was achieved in 2021.

*Indicator B.3* measures the number of local, participatory development plans prepared by 25 partner municipalities and counties that reflect the priorities of the regional development strategies in at least one sector (WSS or EE). The indicator has been achieved in 2019.

### 3.2.3. Specific objective C

Specific objective C ensures that RDAs are capacitated to implement Public Service Projects (PSPs) developed within the Regional Sector Programmes.

*Indicator C.1* measures the transparent implementation of 18 public infrastructure measures in WSS and EE in the North, Central and South RDAs. As of reporting date:

- 9 projects (S Leova, WS Leova rayon Cluster, WS Drochia, WS Falesti, EE Flamanzeni, WSS Ungheni) have the construction works completed. Nevertheless, the achievement of the indicator is subject to the finalisation of procedures relating to the transfer and registration of assets to the beneficiary LPAs.

*Indicator C.2* refers to the transparent implementation of seven pilot projects in the areas of WSS, EE and SWM in the North, Central and South RDAs with a combined investment volume of approximately €13.4 million from Switzerland, Romania and Germany. This indicator has been achieved in 2019.

### 3.2.4. Specific objective D

Specific Objective D ensures that representatives of rayons, municipal and local service providers benefit from demand-oriented training modules of governmental and non-governmental organisations for modernisation of local public services in the priority sectors.

*Indicator D.1* shows that governmental and non-governmental training organisations include 21 training modules on the modernisation of municipal services in their programmes according to the requirements of the respective competent institution. This indicator was achieved in 2021.

*Indicator D.2* refers to the participants' evaluation of the training modules offered. The aim is for at least 80% of participants to rate the training modules as useful in their work context. This indicator was achieved in 2021.

*Indicator D.3* measures the implementation of a quality management system for the delivery of training in two training institutions, APA and the TUM. This indicator was achieved in 2021.

### **3.2.5. Specific objective E**

The overall objective to empower citizens through constructive participation of CSOs in local, regional, and national decision-making processes.

*Indicator E.1* implies that 5,000 citizens implement projects to improve municipal services in the WSV, EE and SWM sectors or activities to promote environmental and climate protection. This indicator was achieved in 2021.

*Indicator E.2* aims to show that 18 Local Citizens Committees (LCCs) monitor the procurement, construction, and implementation of 18 EU-funded infrastructure measures to improve local public services, mentioned above. This indicator was achieved in 2021.

## **4. Key activities of the reporting period**

### **4.1. Specific objective A:**

Specific objective A envisages for MIRD to put in place a coherent framework for the effective implementation of the national regional development policy in the priority sectors.

During the reported period, GIZ supported MIRD to make an inventory of the projects under National Programme on Growth Poles. At the same time, the Ministry and RDAs from North, Center, South and Gagauzia were supported in developing the related concept notes for six municipalities identified as growth poles - Ungheni, Orhei, Edinet, Soroca, Comrat and Cahul. Project concepts were also consulted with the stakeholders, and after their approval were submitted to the Call for Proposal within the National Programme for local development launched by MIRD in March 2022.

Additionally, as by MIRD and RDA North request, the support is provided in development of the Programme for accelerating the development of Balti municipality.

GIZ continued its support in developing legal and normative documents in the field of waste management based on the financing agreement signed with the Environment Project Implementation Unit (EPIU) of the Ministry of Environment in 2021. The three regulations on specific waste stream management developed earlier – regulations on end-of-life vehicles, on used oils, and on used tires – went through public consultations in April and are currently at the Government for approval. Additionally, the corresponding guides for the implementation of the regulations were developed. To ensure wider public information and awareness raising on specific waste stream management and the draft regulations, three media organisations were awarded with grants, covering North, Centre and South regions.

Within this finance agreement, as by Ministry of Environment request, EPIU also initiated the development of the law on waste management. To ensure the proper implementation of the actions

and achievement of the planned results, the financing agreement was extended up to end of July 2022.

In cooperation with GIZ Regional Office West, the project supported an exchange program for the development in the country of institutions and infrastructures related to circular economy. A virtual study tour was organised during 11-13 April<sup>3</sup> to provide networking opportunities and exchange on good practices related to circular economy to representatives of relevant public and private institutions, as well as civil society organisations.

Within this support, cooperation between Wuppertal Institute in Germany and Environmental PIU was set. Workshops related to creation of waste management association between peers from Moldova and Germany were organised on 3 and 22 June.

Also, in May, Wuppertal Institute together with Circular Valley (an accelerator and unique hotspot in the field of circular economy in Wuppertal, Germany) organised a competition for start-ups on circular economy. During the month of June 5 selected start-ups participated in a support programme with 5 workshops, focused on further developing the start-ups' business idea to be able to finish by presenting their idea in a 5-minute pitch presentation. The final pitches were recorded virtually and then sent to relevant German actors in the field of circular economy to receive feedback.

Starting with 24 February 2022, due to the war in Ukraine, the Republic of Moldova is facing a big wave of Ukrainian refugees and thus facing a humanitarian crisis. To face the current and future crisis situations, GIZ proposed a new assistance package for development regions and communities of Moldova. The overall objective of the support allocated by the German Government is to increase the capacity of North, Centre, South and ATU Gagauzia regions, RDCs and RDAs respectively, in planning, adapting to reality and coordinating actions in case of crisis and emergency situations in the territory, to provide immediate assistance to those affected by the crisis, as well as to plan prevention and reduce the impact of the crises in their communities, through initiatives from regional development perspective.

#### *4.2. Specific objective C*

Specific objective C ensures that RDAs are capacitated to implement Public Service Projects developed within the Regional Sector Programmes.

As Contracting Authorities, the RDAs have at the reporting date construction and supervision contracts for 18 PSPs under implementation (10 WSS, 8 EE). At the end of the reporting period, the degree of implementation of works amounts to ~85%. The range is between 60% and 100%.

The reporting period was characterized mostly by the Ukrainian conflict. The logistic chain was affected and the timely progress of works of the EE and WSS projects were delayed.

Especially the school rehabilitation projects faced many unforeseen constructions work positions and related contract amendments. In some cases, it was necessary to intervene in the structure of the buildings, in order to consolidate them for continuing the works.

Apart from the previously reported completion of construction works for 7 projects, in the current reporting period 2 projects (WSS Ungheni, EE Flamanzeni) have completed the construction works. For the respective projects, the procedures relating to the transfer of assets to the beneficiary LPAs are ongoing.

In addition, 2 projects (WSS Calarasi and EE Straseni) are in the final phase of construction.

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<sup>3</sup> <https://www.serviciilocale.md/en/make-moldovan-waste-management-circular/>

It is worthwhile to mention that most of the water supply and sanitation projects are described by a straightforward implementation and faced only some issues related to bad weather conditions during the winter period when the works could not be executed and had few additional volumes. For WSS Calarasi project due to some design errors works were needed for the additional rehabilitation of roads, and for WSS Ungheni some volumes of the rehabilitation of the roads were excluded, due to that the LPA planned for 2022-2023 to renovate streets from their budget, which were affected by construction works within the WSS project.

Energy Efficiency projects faced numerous technical changes and additional volumes of unforeseen works. All of these had a direct impact to additional implementation time. Some of the technical challenges identified during the implementation of these projects were reinforcement of the buildings, interior rehabilitation, heating supply, and ventilation solutions, electrical connection to the main power source, and obtaining permissions for the connections of the PV plant, from the National Agency in Energy Regulation, and others.

With regard to the current challenges in implementation of the construction works for EE Soldanesti at least 4 months extension appears needed, and the works could continue until the end of December 2022.

For EE Balti due to the low progress of execution of works by the Contractor, the term for finalisation of works was extended for several times. However, notwithstanding all efforts made by the Contracting Authority and LPA, there is a big risk that the construction works will not be executed in time and this issue can affect the beginning of the educational process in this lyceum.

Based on previous experience, the targeted community groups – local citizens committees and parents' associations were advised to continue to be engaged in monitoring the procurement and construction progress of the EU-funded infrastructure projects to improve local public services. They have participated in the meetings of the local steering committee, procurement working groups for approval of additional construction works, and monitoring visits.

Complementary to the infrastructure measures implemented under EU Action, the German funds were used on support to Water Operators in Ungheni, Edinet, Drochia and Calarasi, and necessary manuals with versions in Romanian and Russian for use of the water quality testing equipment procured earlier in 2021 were provided.

In addition, within the GIZ support to water operator in Comrat, ATU Gagauzia, the integrated expert continued his mission until end of May 2022. The task of the expert was standing advice for improving the quality of the water supply and sanitation services, support and consultation in the process of expanding the services of the sewage system, and in the process of the design and construction of wastewater treatment plant in Comrat.

As result of the needs identified by the integrated expert, in 2022 GIZ procured equipment for the autonomous operation of pumping system, but also IT equipment and a set of equipment for the emergency unit of 'Su-Canal Comrat' – pressure cleaner, hole punchers, electric welding units, hand tool set, industrial vacuum cleaner, leak detector etc. The value of the equipment procured and donated is over 280,000 MDL.

With guidance from the integrated expert, during 16-20 May 2022, a study visit to Germany on the construction and operation of wastewater treatment plants was organised. Eight participants, including Mayor of Comrat municipality, representatives of Comrat and Ciadir-Lunga water operators had the opportunity to exchange of experience and learn from German peers. This also contributed to the networking and cooperation between Moldovan and German water operators.<sup>4</sup>

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<sup>4</sup> <https://www.serviciilocale.md/en/real-contribution-improving-living-conditions-moldova/>

To discuss the results of cooperation to date but also further needs of the region and opportunities within new GIZ projects, the management of GIZ Country office in Moldova and MLPS team carried out a working visit to Comrat municipality and met with partners on 31 May carried out a working visit to Comrat municipality and met with partners.<sup>5</sup>

## 5. Ensuring the sustainability of measures/interventions

To ensure the sustainability of measures and interventions, the project followed throughout the reporting period that its objective and expected outputs continued to be aligned with national, regional and local needs and sector-specific requirements.

In view of the MLPS project's end in 2021, GIZ is supporting its implementation partners on developing activities to ensure sustainability, which would address the institutional stability, continuous operation and maintenance of project facilities and continued community participation. This will ensure that the project measures will remain consistent as priorities of partners.

The envisage is to ensure that all project beneficiaries work on development of the sustainability concepts for the PSPs. The concepts aim at instructing the operators on relevant aspects regarding a sustainable operation of the built infrastructures and possibilities to trigger the multiple aspects of sustainability in an optimal way.

## 6. Overview of key activities/milestones for the next reporting period, per POs

Out-puts	Main <b>activities</b> for the upcoming reporting period (July – December 2022)	Timeframe / <b>milestones</b>
A.2.	Support to North RDA in developing the Programme for accelerating the development of the municipality of Balti as a development pole Support to the development regions in response to emergency crisis	Q3, 2022 Q4, 2022
C.1.	Construction works for 8 projects (EE Holercani, EE Ungheni, EE Straseni, WS Calarasi, EE Leova, EE Basarabasca, EE Balti, WS Edinet) completed (final reception) and endorsed by GIZ Construction Department 16 constructed objects (EE Holercani, EE Ungheni, EE Straseni, WS Ungheni, WS Calarasi, EE Leova, EE Basarabasca, S Leova, WS Leova cluster, EE Flamanzeni, WS Drochia, WS Falesti, ES Edinet) transferred and accepted by LPAs via Council Decision (including registration on balance sheet) 5 Sustainability concepts agreed by the LPAs beneficiaries Training/ workshop for the RDAs staff on the procedure and documents necessary for the completion of infrastructure projects	Q3- Q4, 2022 Q3-Q4, 2022 Q4, 2022 Q3, 2022

<sup>5</sup> <https://www.serviciilocale.md/en/giz-team-working-visit-comrat-partners-atu-gagauzia/>

## 7. Challenges and risks

The pandemic, the war in Ukraine and the inclusion of Belarus as a supplier country of the materials under sanctions, the increased prices for construction materials and equipment, and foremost additional work volumes made an impact on implementation of construction works and led partly to extended construction timelines for the infrastructure projects funded by EU in Moldova. As a result, many of the implementation schedules were shifted in some cases from 3 to 6 months and not all the projects can be finalised in time.

Other factors that have contributed to the above-mentioned delays can be attributed to the fact that during the construction works the involved partners faced a lot of challenges, especially for the EE projects, because all the buildings are old and, in the reconstruction process, many design errors or additional work volumes were identified which could only be discovered when the construction started. In this regard, the following additional volumes of works could be observed: renovation of roof structure, additional works on the foundation, consolidation of the buildings due to discovered cracks, interior finishing after the installation of heating system, ventilation and replacement of electrical wiring, removing of old plastering from the facade, additional works on sewerage and water supply systems and many other works. The need of additional volumes is confirmed, and the execution is closely monitored by the Construction Department of GIZ.

Another important delay factor is the regional security crisis and the war which started in Ukraine on 24 of February 2022 and the declared state of emergency in Moldova valid until now. This situation is causing problems with delivery of ordered equipment from Ukraine and will continue with some materials which are produced in Ukraine and were eligible for the infrastructure action (such as ventilation equipment, mineral wool, metal, wood, et al.). In the EE Ungheni project for example, the contractor made an order and 100% prepayment for the ventilation equipment produced in Kharkiv, Ukraine. It is already clear that this equipment will not be delivered in time and the contractor is searching for alternatives. Suppliers are already searching for other logistic solutions, but the prices of available materials on the market increased significantly. Mitigation of this risk is not fully possible at this moment, because of the uncertain geopolitical circumstances.

The MDL-EUR exchange rate may also challenge the implementation and the support budget in EUR lose a lower MDL purchase power. This aspect might lead to not have enough financial means to cover the additional required construction cost.

At this stage, the most prominent risks are with the following projects: these are EE Soldanesti and EE Balti, as currently the works are slowly implemented due to needed identification of technical solutions for appeared problems and additional volumes. EE Soldanesti project needs major reinforcement measures of all the building, because several big cracks from the roof to the basement were discovered during the implementation of construction works. Other additional works related to heating and ventilation, interior finishing, architectural compartment were identified also and need appropriate solutions and agreement from all the involved parties. There were also some disputes regarding the acceptance of the unjustified offer of the company to perform these works, the resolution of which lasted a long time. In the implementation process of EE Balti, it appeared an issue with bad performance of the contracted company, which is conditioning the performance of the works with the request for adjustment of the offer prices, by appealing to the court.

As a mitigation measure, GIZ is in direct contact with all the involved parties to identify proper solutions and speed up the processes.

Given the above-described circumstances, it is already obvious that despite the efforts made, not all projects will be completed and transferred by September 2022. Therefore, the request for 9-month extension at zero cost of the implementation period was addressed to EU Delegation in Moldova

and to German Ministry for Economic Development and Cooperation (BMZ). This extension should ensure the closure of all ongoing EU infrastructure projects, including the handing over to the project beneficiaries and other related procedures.

## 8. Lessons learnt and recommendations

The lessons learnt and recommendations described in the Progress Report nr. 13 for the 2021 implementation period remain valid as well for the current reporting period. Other developments are observed and will be reported in the annual report for 2022.

## 9. Communication and visibility

To better promote the progress and showcase the results of activities achieved under the MLPS project and related EU-funded actions, GIZ posted news on webpage [www.serviciilocale.md](http://www.serviciilocale.md). Posts on the GIZ Moldova Facebook account were accompanied by hashtags to identify the action scope and increase Project and donors' visibility, e.g., #GermanCooperation, #StrongerTogether, #TeamEurope, #EU4Moldova, #MLPS, #RegionalDevelopment, #EuropeDay2022.

To contribute to the Europe Day 2022 activities and messages, to increase the visibility of German and EU support to Moldovan communities, GIZ participated in the dedicated events and activities in Chisinau (14 May), Ungheni (15 May) and Edinet (21 May) with:

- Projection of short videos and cartoons related to the project and its partners' activities and results
- Presentation of water testing equipment by Edinet and Ungheni representatives of the water operators
- Interactive discussion with citizens
- Awareness cartoons on saving water and energy and protection of nature for children, drawing activities for children
- Distribution of promo materials - table calendars, tote bags, water bottles and colour pencils.

All visuals used at the events – video clips, cartoons, infographics etc. – highlighted the EU and German Cooperation logos.

These events were very well publicised, gathering community members and high-level representatives of the Moldovan Government, European Union Delegation, EU members states Embassies, local public authorities, CSO representatives, mass media, and citizens. As a result, people were informed about the benefits different communities will enjoy upon the completion of the EU-funded projects.

The websites [www.serviciilocale.md](http://www.serviciilocale.md) and [www.eu4civilsociety.md](http://www.eu4civilsociety.md)<sup>6</sup> are still being populated with and offer a wide range of publications, guides and visibility materials which can be used by different stakeholders – citizens and CSOs, public authorities and service providers.

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<sup>6</sup> Since March 2022 transferred for management to the EU-funded project "Strategic Communication and Support to Mass-Media in the Republic of Moldova" (StratCom)

Annex 1 – Current status of indicators (30.06.2022)

	Success indicator	Baseline value	Target value	Current value <sup>7</sup>	Target value description	Comments on current value/status
<b>Outcome 1</b>	75 % of the beneficiaries (partner local public authorities, represented by the local councils) and 75% of involved stakeholders (members of the Regional Development Councils and Regional Development Agencies) are satisfied with the processes of planning and implementation of the infrastructure investment measures in priority sectors of local public service provision (water supply and sanitation (WSS), solid waste management (SWM), energy efficiency of public buildings (EE), regional and local roads (RLR))	0	75%	86,9%	<i>of the representatives of 52 benefitting LPAs express a level of 4 or more on a six-level scale with 1 = strongly dissatisfied and 6 = very satisfied</i>	Indicator achieved.
		0	75%	85,1%	<i>of the representatives of 8 involved stakeholder institutions express a level of 4 or more on a six-level scale with 1 = strongly dissatisfied and 6 = very satisfied</i>	
<b>Outcome 2</b>	Regional Development Councils (RDCs) confirmed, in coordination with relevant sector ministries, the implementation of 18 in a participatory and gender sensitive way established infrastructure investment measures, which are in line with the regional sector programmes as well as the regional development strategies.	0	18		<i>infrastructure projects are confirmed by the RDCs to be ready for operation.</i>	Indicator is on track and partially achieved: - the technical design documentation for 18 infrastructure projects accepted by LPAs; - 9 projects, have the construction works completed and the projects inauguration events took place. The overall achievement of the indicator, through RDC confirmation is subject to the finalisation of procedures relating to the transfer of assets to the beneficiary LPAs.
<b>Outcome 3</b>	The National Coordination Council for Regional Development (NCCRD) confirmed that financing of investment measures for improved service provision in the priority sectors, granted by national funds and the international donors, has increased by 465%.	28,3	132,7	150	<i>million EUR</i>	Indicator achieved.
		100%	465%	528,5%	<i>% increase of baseline value</i>	

<sup>7</sup> In case of empty cells, the indicator cannot be intermediately assessed, even though its activities are on track. Please see the comments column for current status.

	<b>Success indicator</b>	<b>Baseline value</b>	<b>Target value</b>	<b>Current value<sup>7</sup></b>	<b>Target value description</b>	<b>Comments on current value/status</b>
<b>Output A1</b>	2 National Strategies for Regional Development (NSRD), which were elaborated in a participatory way (1 for the phase 2016-2020, 1 for the phase 2022-2028), are confirmed by the NCCRD.	0	2	2	<i>strategies</i>	Indicator achieved.
<b>Output A2</b>	7 (existing) legislative and normative documents regarding the regulation of regional development and involved institutions (e. g. the decrees on the National Fund for Regional Development, the Law on Regional Development, procedure manuals) were reviewed and if needed adjusted by the responsible state bodies regarding their accordance with the requirements of the EU AA.	0	7	4	<i>reviewed and adjusted legislative and normative documents</i>	Indicator on track: - Law on RD is approved by Government; - National Programme on growth poles is approved by Government; - Call for proposal and Operational Manual of the NFRD are revised and approved by NCCRD/MARDE - New paradigm on RD  3 regulations (on end-of-life vehicles, used tires and used oils) were drafted publicly consulted with subsequent approval by the Government, and are expected to be approved in the next reporting period.
<b>Output A3</b>	A results-based monitoring system for steering the RDSs is approved by national and regional development councils (NDC, RDC).	0	1	1	<i>RBM system</i>	Indicator achieved.
<b>Output B1</b>	Regional sector commissions, consisting of representatives of various government levels, civil society and sector specialists, reported annually on the sector-specific implementation of RDSs in at least 2 sectors (WSS, SWM) to the respective responsible RDCs	0	8	2018: 8 2019: 0 2020: 0 2021: 8	<i>Annual reports (1 report per sector per development region)</i>	Indicator was achieved in 2018 and 2021.
<b>Output B2</b>	3 project proposals exist for the newly established Gagauzia Development Region, based on the regional sector programmes (for WSS, EE and RLR) and corresponding project pipelines.	0	3	3	<i>project proposals</i>	Indicator achieved.
<b>Output B3</b>	Local Development Plans of 25 partner LPAs (I and II), elaborated in a participatory way, reflect the priorities of RDSs in at least 1 sector (WSS or EE).	0	25	25	<i>local development plans</i>	Indicator achieved.

	<b>Success indicator</b>	<b>Baseline value</b>	<b>Target value</b>	<b>Current value<sup>7</sup></b>	<b>Target value description</b>	<b>Comments on current value/status</b>
<b>Output C1</b>	18 public service projects in the field of water supply and sanitation and energy efficiency in public buildings are implemented in a transparent way by the RDAs North, Centre and South.	0	18		<i>projects with an investment volume of approx. EUR 35 million are implemented</i>	Indicator on track: - Technical documentation prepared, approved and transferred to beneficiaries; - 9 projects (S Leova, WS Leova rayon Cluster, WS Drochia and WS Falesti, WSS Ungheni, EE Flamanzeni), have the construction works completed; Intermediate indicator value will be marked as achieved after the finalisation of procedures relating to the transfer of assts to the beneficiary LPAs;
<b>Output C2</b>	7 pilot projects in the field of water supply and sanitation, energy efficiency in public buildings and solid waste management are fully implemented in a transparent way by the RDAs North, Centre and South by the year 2019.	1	7	7	<i>projects with an investment volume of EUR 13.4 million implemented</i>	Indicator achieved.
<b>Output D1</b>	Both governmental and non-governmental organisations include 21 training modules into their programmes, in accordance with the requirements of the respective competent institution on the modernisation of local public services in priority areas.	2	21	21	<i>training modules implemented by the Academy of Public Administration and the Technical University</i>	Indicator achieved.
<b>Output D2</b>	80% of participants consider the offered training courses as useful for their work.	0	80%	96.2%	<i>participants of 21 training modules.</i>	Indicator achieved.
<b>Output D3</b>	2 training institutions introduced a quality management system for the provision of the trainings.	0	2	2	<i>institutions</i>	Indicator achieved.
<b>Output E1</b>	5,000 citizens implement projects to improve local public services in the water supply, sanitation, solid waste management and energy efficiency sectors or activities to promote environment and climate protection.	0	5000	13956	<i>citizens</i>	Indicator achieved.
<b>Output E2</b>	18 Local Citizens' Committees are established and monitor the procurement, construction and implementation of 18 infrastructure projects for improving local public services.	0	18	18	<i>LCCs monitor the procurement, construction and implementation of 18 projects</i>	Indicator achieved.