

Progress Report

Date:	14 th January 2016
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To:	Alena Šranková, UNDP
Subject:	Project Progress Report

Project Name:	Strengthening capacities of the Congress of Local Authorities of Moldova in the area of public finance	
Grantee Name:	Association of Towns and Communities of Slovakia	
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Project Value:	125 950 USD	
Project Start Date	26 rd September 2015	
Report Number:	2	

Project Progress Report:

A. Summary of Project Status.

Activity 1.2 has been completed and reported in the previous reporting period.

Activity 1.3 Preparation of service regulation

During October – November 2015 the team of experts from Congress of Local Authorities from Moldova (CALM) prepared strategic and operational documents for CALM Local Finance Service. The team of experts was composed from: Alexandru Osadci, Viorel Furdui, Viorel Rusu and Carolina Furdui. Thus within activity 1.3 two documents were developed:

- Strategic document on service provision's regulation (with current analysis and roadmap for achieving the established outcomes)
- Service regulation.

The Strategic document on service provision's regulation named "Strategic Paper on the organization, provision and regulation of the CALM services" contains current analysis and roadmap for achieving the established outcomes including: reference documents taken into consideration upon designing the Concept for CALM services, they represent CALM Regulations in different areas with the direct influence upon the Services provided to CALM members; CALM institutional context and role of the services; current state of play in the services delivery by CALM; General perspective for the Services organization; assuring of the services financing and sustainability and Structure and Content of the Regulation.

Based on the Strategic document was developed the Regulation of local finance service of Congress of Local Authorities from Moldova (CALM) that contains general provisions, tasks, objectives and specific of services, organization and functioning of CALM local finance service, financing services, final and transitional provisions.

The developed Strategic document on service provision's regulation and the Service regulation were consulted with CALM members and Slovak experts within the meetings on 22nd December 2015 in

Chisinau 2015 envisaged by Activity 2.1. Slovak experts (Eva Balážová and Maroš Valach) provided additional support based on documents elaborated within activity 1.2. ZMOS has shared with CALM the Code of Rules of the Association of Towns and Communities of Slovakia.

Activity 2.1 Setting up piloting services for members in local public finance

According to the activity's objective and namely strengthening institutional and staff capacities of CALM to become efficient and effective service provider to local public authorities in local public finance, within Activity 2.1 was developed a set of documents for setting up piloting services for CALM members in local public finance, were conducted consultations with CALM members and Slovak experts during the event on 22 December 2015 and was held a Training of Trainers for CALM experts on programme based budgeting on 21 December 2015.

During November – December 2015 CALM team of experts prepared documents for setting up piloting services for CALM members in local public finance. The team of experts was composed from Alexandru Osadci, Viorel Furdui, Viorel Rusu and Carolina Furdui. Thus within activity 2.1 following documents were developed:

- Guideline on implementation of service regulation (types of consulting services, financing mechanism, service pricing, sustainability mechanism for service provision)
- Proposal for new CALM organizational structure/department for service provision in local public finance, definition of roles and responsibilities
- Multi-annual budget for CALM service provision in the area of local public finance
- Database of experts divided by following categories: CALM internal experts – 10 persons; CALM external experts - 14 persons and CALM international experts – 17 persons.
- Design of a pilot program on provision of consulting services.

On 22 December 2015 in Chisinau was held the roundtable with CALM members in total number of 36 participants for setting up CALM piloting services for members in local public finance addressing mainly the following topics:

- Identification of consulting competences -and identification of financial sources provided for their provision,
- Prioritization of consulting services in local public finance, planning and budgeting
- Multi-annual budgeting of the CALM service
- Increase of information transparency for citizens and transparency of municipal finance
- Identification of experts and creation of experts' database (internal, external).

During the roundtable were presented and discussed the strategic and operational documents, policy papers and guidelines developed by CALM experts for setting up CALM piloting services for members in local public finance. Moderators of the roundtable were CALM experts Constantin Gudima and Octavii Ivanov.

ZMOS (Mr. Jozef Turčány) and AKE SR (Mrs. Eva Balážová) experts provided Slovak perspective and experience in organization of the services for the members.

On 21 December 2015 in Chisinau AKE SR (Mrs. Eva Balážová) and ZMOS (Mr. Jozef Turčány) experts consolidated and supported CALM capacities in services provision and organization of services for the members via conducting a Training of Trainers for CALM experts on programme based budgeting. The training duration was for one day from 10AM till 16PM. Total number of participants was 14 people consisting of CALM staff and experts in local finance.

The Agenda of the (interactive) training contained both theoretical and practical exercises covering the following aspects of programme based budgeting:

- The importance of introducing budget changes
- Genesis of program budget
- Programme based budgeting versus traditional budgeting
- The basic concepts of programme based budgeting
- Program Structure
- Monitoring and Evaluation
- Transparency
- Examples and exercises to prepare the budgets based on programs in municipalities from Moldova.

Link of event's article: <http://calm.md/libview.php?l=ro&idc=66&id=2609&t=/SERVICIUL-PRESA/Comunicate/CALM-II-CONSOLIDEAZA-CAPACITALE-IN-DOMENIUL-FINANELOR-PUBLIC>

B. Activities planned and completed in this reporting period and results achieved (please refer to the table on deliverables in Annex B and targets as per Annex C of the Grant Agreement- Performance Indicators).

1. Activities planned for activity 1.2 were completed and reported in the previous reporting period.
2. Outputs within the activity 1.3 (service regulation and strategic document on service regulation) were prepared by the CALM team of experts in cooperation with Slovak experts.
3. Outputs within the activity 2.1 (guideline on service regulation, draft of CALM organization structure, CALM multi-annual budget and pilot programme design) were prepared by the CALM team of experts in cooperation with Slovak experts and discussed during the workshop in December. The workshop was held on 21st and 22nd December 2015.

C. Activities planned but not completed in this reporting period and reasons for delay

1. All activities were completed within the reporting period without delays. Activity 1.2 was held and completed in the previous reporting period.

D. Activities planned to be completed in the next reporting period.

1. Main focus in the next reporting period is activity 3.2 Dissemination of knowledge, potentially with activities 2.3 and 3.1, Monitoring of implementation of pilot services and advocacy of policies, respectively.

E. Experience, lessons learnt and issues in this reporting period.

1. No issues were reported during this period.
2. Activities in this reporting period were a follow up of previous activities laying foundation of cooperation between Slovak and Moldovan municipalities in project specific area. Current activities deepened exchange of experience, provided the opportunity for personal interactions and created fundamental documents allowing for CALM future development.

F. List of supporting documentation attached to the report.

1. Strategic document on service provision's regulation (29 CALM strategic document on service regulation)
2. Service regulation (30 CALM service regulation)
3. Guideline on implementation of service regulation (31 guideline on service regulation)

4. Proposal for new CALM organizational structure/department for service provision in local public finance, definition of roles and responsibilities (32 CALM organizational structure)
5. Multi-annual budget for CALM service provision in the area of local public finance (33 CALM multi-annual budget + 34 multi-annual budget)
6. Database of external and internal experts (35 experts database)
7. Design of a pilot program on provision of consulting services (36 CALM pilot program)
8. Workshop agenda 21st December (37 agenda 21 December)
9. Workshop participants 21st December (38 participants 21 December)
10. Workshop agenda 22nd December (39 agenda 22 December)
11. Workshop participants 22nd December (40 participants 22 December)