

**JOINT INTEGRATED LOCAL DEVELOPMENT PROGRAMME  
ANNUAL PROGRAMME<sup>1</sup> NARRATIVE REPORT  
REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2014**

<p align="center"><b>Programme Title &amp; Project Number</b></p> <ul style="list-style-type: none"> <li>• Programme Title: Joint Integrated Local Development Programme / JILD</li> <li>• MPTF Office Project Reference Number:<sup>3</sup> 00085561</li> </ul>	<p align="center"><b>Country, Locality(s), Priority Area(s) / Strategic Results<sup>2</sup></b></p> <p>Republic of Moldova</p> <p>United Nations Partnership Framework Outcomes:</p> <p>1.1. Increased transparency, accountability and efficiency of central and local public authorities</p> <p>2.1. People have access to more sustainable regional development, economic opportunities – innovation and agriculture in particular – and decent work</p>
<p align="center"><b>Participating Organization(s)</b></p> <p>UNDP UN Women</p>	<p align="center"><b>Implementing Partners</b></p> <p>State Chancellery of the Government of Moldova</p>
<p align="center"><b>Programme/Project Cost (US\$)</b></p> <p>Total approved budget as per project document:</p> <p>MPTF /JP Contribution<sup>4</sup>:</p> <ul style="list-style-type: none"> <li>• UNDP 4,668,938</li> <li>• UN Women 597,177</li> </ul> <p>Agency Contribution</p> <ul style="list-style-type: none"> <li>• UNDP 211,145</li> </ul>	<p align="center"><b>Programme Duration</b></p> <p>Overall Duration 36 months</p> <p>Start Date<sup>5</sup> 01 January 2013</p> <p>Original End Date<sup>6</sup> 31 December 2015</p> <p>Current End date<sup>7</sup> 31 December 2015</p>
<p>Government Contribution (<i>if applicable</i>)</p> <p>Other Contributions (Denmark US\$ 5,319,461 Sweden US\$ 348,910)</p>	<p align="center"><b>Report Submitted By</b></p> <ul style="list-style-type: none"> <li>○ Name: Narine Sahakyan</li> <li>○ Title: Deputy Resident Representative</li> <li>○ Participating Organization (Lead): UNDP Moldova</li> <li>○ Email address: <a href="mailto:narine.sahakyan@undp.org">narine.sahakyan@undp.org</a></li> </ul>
<p><b>Programme Assessment/Review/Mid-Term Eval.</b></p> <p>Evaluation Completed</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Evaluation Report</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	

<sup>1</sup> The term “programme” is used for programmes, joint programmes and projects.

<sup>2</sup> Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

<sup>3</sup> The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as “Project ID” on the project’s factsheet page on the [MPTF Office GATEWAY](#).

<sup>4</sup> The MPTF/JP Contribution is the amount transferred to the Participating UN Organizations, which is available on the [MPTF Office GATEWAY](#).

<sup>5</sup> The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#).

<sup>6</sup> As per approval of the original project document by the relevant decision-making body/Steering Committee.

<sup>7</sup> If there has been an extension, then the revised, approved end date should be reflected here. If there has been no extension approved, then the current end date is the same as the original end date. The end date is the same as the operational closure date which is when all activities for which a Participating Organization is responsible under an approved MPTF / JP have been completed. As per the MOU, agencies are to notify the MPTF Office when a programme completes its operational activities.

## **ABBREVIATIONS**

APA	Academy of Public Administration
CALM	Congress of Local Authorities of Republic of Moldova
CPA	Central Public Administration
CDP	Capacity Development Plan
CSO	Civil Society Organization
GE	Gender Equality
GM	Gender Mainstreaming
GoM	Government of Moldova
HR	Human Rights
HRBA	Human Rights Based Approach
IMF	International Monetary Fund
IMC	Inter-municipal Cooperation
JILD	Joint Integrated Local Development Programme
LPA	Local Public Administration
LSED	Local socio-economic development strategies
MPTF	Multi-Partner Trust Fund
NGO	Non-Governmental Organization
PC	Parity Commission on Decentralization
RM	Republic of Moldova
SAA	Standard Administrative Arrangement
SC	State Chancellery
UN	United Nations
UNPF	United Nations Partnership Framework
UNDP	United Nations Development Programme
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WG	Working Group

## EXECUTIVE SUMMARY

This Consolidated Report on activities implemented under the Joint Integrated Local Development Programme (JILDP) covers the period from 1 January to 31 December 2014. This report is in fulfillment of the reporting requirements set out in the Standard Administrative Arrangement (SAA) concluded between the Administrative Agent (UNDP MPTF Office) and the Contributor. In line with the Memorandum of Understanding (MOU), the Report is consolidated based on information, data and financial statements submitted by Participating Organizations. The report provides the Steering Committee with a comprehensive overview of achievements and challenges associated with the Joint Programme.

The Joint Integrated Local Development Programme is implemented by the Government of the Republic of Moldova with the assistance of UNDP and UN Women and the financial support of the Governments of Denmark and Sweden. The JILDP is designed to improve the policy framework, as well as to support the administrative systems and procedures focused on efficient transfer of competencies to Local Public Administrations (LPAs), decentralization and promotion of LPAs' role in decision making.

During the 1<sup>st</sup> phase of implementation (2010-2012) the JILDP facilitated the formulation of decentralization policies in key areas of the reform, including the National Decentralization Strategy (approved by the Moldovan Parliament), as well as the development of an adequate institutional framework that leads the decentralization process. At the local level JILDP provided a number of local public authorities with the necessary management tools to operate more effectively in preparation for the administrative and fiscal decentralization. Women and men from the JILDP pilot communities were mobilized and empowered to participate effectively in local development processes focused on community priorities jointly identified with LPAs.

In the 2<sup>nd</sup> phase of implementation (2013-2015) JILDP continues supporting sustainable local development, better and accessible service provision facilitated by the improved legal and institutional framework in line with the changes brought by the National Decentralization Strategy. The Programme framework comprises two inter-related components: (1) The Policy Support for the Implementation of the Decentralization Strategy, and (2) The Local Governance Development Component.

In 2014, financial resources for the Policy Framework Support component of JILDP were limited, with some interventions on specific topics being financed from the Government of Sweden, UNDP's and UN Women's TRAC funds, and with the active involvement of the JILDP team. At the same time, some activities like the assistance provided to the rayons piloting the new local public finance system and the elaboration of the sectoral decentralization strategies for communal services were financed from the Local Governance and Development Component of JILDP.

During 2014, JILDP contributed successfully to substantially improving the administrative performance of 30 rural local governments directing its assistance on deepening and upgrading the specialized knowledge and skills of mayoralties' staff, and improving procedures and internal regulations in their core areas of activities. Particular attention was given to strengthening the capacities of 74 pilot communities in local public finance management and local revenue enhancement, with the view to ensure the successful implementation of the new fiscal decentralization system in those pilot communities.

JILDP supported the establishment of demonstration models of inter-municipal cooperation (IMC) practices in Moldova. In this regard, 40 municipalities, bunched in 10 territorial clusters, have been assisted to build IMC platforms for joint local public service delivery and joint infrastructure development. As result, 40 LPAs from 10 territorial clusters unified their efforts. 120,000 inhabitants and 1,000 local businesses benefit from better living and business environment, inclusively access to previously inexistent public services such as of roads maintenance and snow removal, waste management, greening and public lighting.

The Joint Programme uses a combination of parallel funding coming from Regular Resources (UNDP and UN WOMEN) and pass-through funding modality for the Denmark contribution.

The Multi-Partner Trust Fund Office (MPTF Office) of the United Nations Development Programme (UNDP) serves as the Administrative Agent of the pass-through funded portion of the Joint Programme. The MPTF Office receives, administers and manages contributions from Contributor, and disburses these funds to the Participating UN Organizations in accordance with the decisions of the Steering Committee. The Administrative Agent receives and consolidates annual reports and submits to the Steering Committee.

This report is presented in two parts. Part I is the Narrative Annual Report and Part II is the Financial Report as of 31 December 2014 for the pass-through funded portion of the JP.

## **I. Purpose**

JILDIP builds on the priorities of the Government Programme ‘European Integration. Freedom, Democracy and Wellbeing’, as well as the National Decentralization Strategy (2013-2014) and UN-Republic of Moldova Partnership Framework (2013-2017), in which increase transparency, accountability and efficiency of central and local public authorities and ensure people access to more sustainable regional development, economic opportunities – innovation and agriculture in particular – and decent work are identified as major concerns.

**The JILDIP development objective** is to support better and equitable service provision and sustainable local development, facilitated by the improved legal and institutional framework resulting from the implementation of the National Decentralization Strategy.

**Immediate Objectives** of the programme are:

- To support the Government in improving the policy and legal framework as mandated by the National Decentralization Strategy to ensure local autonomy, availability of resources, and more effective local management for better and equitable service provision.
- To improve the capacity of LPAs to deliver efficient, equitable and accessible local public services, to facilitate sustainable development and foster social inclusion.

While the JILDIP applies a holistic approach to programming tackling the challenges at all levels of the governance, it puts the human rights and gender equality issues in the centre of all its activities. Thus, at the policy level the programme focused on ensuring transparent, non – discriminative, inclusive and evidence-based policy making. At the local level the programme’s key focus was on development of capacities of local authorities on rights based and gender responsive policy and budget planning and implementation.

The following **outputs** are planned for completion in the programme components:

- Policy and legal frameworks to support autonomous, efficient and financially-sustainable LPAs developed and implemented
- Capacities of LPAs and communities strengthened to deliver better services to citizens and create models of LPAs - in line with changes brought by the Decentralization Strategy

## **II. Results**

### **i) Narrative reporting on results:**

#### **Programme outcomes**

The main outcome of JILDIP’s assistance at the national level was the improvement of the policy and legal framework in decentralization. Provisions of the draft sectoral decentralization strategy were integrated in

the Education Code approved in July 2014 and the National Youth Strategy (2014-2020). A new system of local government finances was piloted in the three rayons and in the Capital City during 2014, and will be introduced from 2015 in the entire country. The new system changes radically the way local governments are funded, thus strongly improving the quality and sustainability of Moldovan democracy.

At the local level the main outcome of JILDIP activity was strengthening the capacity of 30 target communities to become ‘champions of change’ and model local governments. To boost the technical performance of the local governments, the staff of local governments were schooled in their main areas of activities during 4 comprehensive institutional development programs (in human resource management, public procurement, public property management, and public finance management), and coached to improve internal regulations and procedures in the same areas. Small grants were offered to all 30 target mayoralities to meet their needs according to their institutional development plans, which aim for better systems and procedures within the local governments, thus making them more efficient, transparent and accountable to the citizens. For the successful implementation of the fiscal decentralization reform, the capacity building activities were extended to cover all 74 localities that piloted the new system of local public finance in 2014. Training in local public finance management and developing plans for local revenue capitalization, along with assistance in organizing public debates were the main interventions of the JILDIP in pilot communities.

The piloting of inter-municipal cooperation was initiated in 10 JILDIP target communities and more than 30 neighboring villages with the purpose of setting up joint communal services operators, joint waste management enterprises, common building and exploration of road infrastructure and joint emergency units. All these to reach the ultimate goal of the decentralization reform – more efficient and accessible local public services for the citizens.

The gender mainstreaming and human rights-based approach continued to be the cross-cutting issue in both the elaboration and promotion of the decentralization policies and in the implementation of local development initiatives. Empowered women and men representing vulnerable groups created community-based organizations, which increased social inclusion of vulnerable and marginalized groups and their meaningful involvement in development processes and participation in local decision making, thus ensuring that all benefit equitably from the new policies promoted and improved services provided at the local level. This contributes to accountable and good local governance as well as to an equitable and sustainable local development.

### **Programme Outputs and Results:**

In 2014, financial resources for the Policy Framework Support component of JILDIP were limited, except for some interventions on specific topics that were financed from Government of Sweden, UNDP’s and UN Women’s TRAC funds, and with the active involvement of the JILDIP team. At the same time, some activities like the assistance provided to the rayons piloting the new local public finance system and the elaboration of the sectoral decentralization strategies for communal services were financed from the Local Governance and Development Component of JILDIP. In this context, the main results are presented as part of the Policy Framework Support component.

#### ***Output 1. Policy and legal frameworks to support autonomous, efficient and financially-sustainable LPAs developed and implemented***

In 2014, JILDIP has participated in the elaboration of the **Decentralization Strategy Implementation Monitoring and Evaluation Report**. A quantitative analysis of the degree of implementation of the National Decentralization Strategy shows that 67 of the 90 planned actions, or 70% of all actions, were to be completed by the end of 2013. In fact, over 2012 and 2013, only 42% of the planned actions were implemented. It was estimated that the degree of implementation of planned actions will reach over 50% by the end of 2014.

With the financial support of JILDP, the working group of the Ministry of Environment has developed **strategies for decentralization of services in water and sanitation, waste management and natural resources management**. These strategies were discussed and vetted in three public debates with over 100 stakeholders, representatives from both CPAs and LPAs. The draft government decisions regarding decentralization of the above mentioned environmental services, developed based on these public discussions, are in approval process.

The **study of local revenues and proposals on increasing the local revenue base**, developed by Slovak experts with JILDP logistic support, has been discussed within the fiscal decentralization working group. The task force group created by order of the Minister of Finance has synthesized the conclusions of the study and presented proposals for legal framework amendments. Additionally, the task force group representatives participated in a **study visit to Slovakia for sharing experience on consolidation of the local taxes base**.

The State Chancellery and the Ministry of Finance, with JILDP logistical support, have organized three **meetings with the representatives of the pilot LPAs** (two territorial and one common meeting) in order to analyze the preliminary impact of implementing the fiscal decentralization system, and have noted positive **feedback of the new system** with a comprehensive analysis report of the piloting exercise to be presented in 2015. Going forward, JILDP provided **technical assistance to all pilot communities through a package of interventions** that includes trainings, consultations, and support in implementing the new financing system for pilot LPAs, at the request of the State Chancellery. In this context, two consultancy companies, hired within the programme, have offered assistance to pilot communities in **the tax base analysis and development of plans for revenue capitalization, local budgeting and organization of budget public hearings**.

JILDP supported the **Parity Commission for discussing in an extended format the Decentralization Reform Implementation Monitoring and Evaluation Report**. As a result, PC's decisions on advancing the decentralization reform have been approved.

**Human rights and gender mainstreaming recommendations** have been provided on the first drafts of youth and culture decentralization strategies. The provisions of the draft strategy were included in the National Youth Strategy. Additionally, human rights and gender mainstreaming recommendations were offered for the first drafts of the social assistance decentralization strategy.

CALM Women's Network was continuously **supported in finalizing its Plan of Actions for 2014-2017** and identifying priority directions for development. CALM Women's Network was encouraged to develop and submit a project concept for activities to be carried out in 2014. As a result, JILDP has assisted CALM Women's Network in developing a database of women secretaries in LPAs, and in organizing 5 round tables for women secretaries of local councils (at least 120 participants) for identification of capacity building needs, leadership and women empowerment in local governance. This contributed to strengthening the LPA's institutional and leadership capacities.

## ***Output 2. Capacities of LPAs and communities strengthened to deliver better services to citizens and create models of LPAs - in line with changes brought by the Decentralization Strategy***

***Result 1: Local self-governance and public management performance in 20 target communes to better respond to the needs of women and men strengthened***

Working toward achieving its objectives of building models of local governments, in 2014 JILDP placed a strong focus on strengthening the capacity of 30 target mayoralties as a prerequisite for better local public service provision. JILDP's multilayered and comprehensive capacity building interventions were designed to and contributed to improving performance and efficiency, increasing transparency and accountability of its 30 target local governments.

Increasing technical knowledge through **specialized comprehensive trainings** for all local governments' staff was one of the key elements for improving performance of local governments. Hence, about 95% of local governments' staff (354 participants – mayors, vice-mayors, chief accountants and accountants, tax and land management specialists, local councils' secretaries etc.) benefited from 4 intensive professional development trainings in their main areas of activity. These were comprehensive professional development programs in human resource management and public procurement (4 training days for each program), public property management and tax collection (3 days each program) and local public finance management (9 days training program), that were further transferred to the Academy of Public Administration in order to improve training programmes, hence ensuring their sustainability. Members of local communities and mayoralities were also additionally trained in writing and developing regional development projects.

At the same time, the 30 JILDP target mayoralities made a progress toward **improving their operation, by updating and improving their operational documents and internal regulations** regarding their core areas of activities - public procurement, public property management, human resource management, and public finance management. The mayorality staff was coached and mentored in organizing public hearings, applying the provisions of the new public finance system, and it developed internal guidelines for the new employees and reviewed job descriptions, revised procurement plans, and other internal regulations.

Also in 2014, the 30 target mayoralities **increased their administrative capacity through implementing projects tailored to meet their institutional development needs**. By means of small scale grants up to \$5,000, the local governments managed to create adequate facilities for community gatherings and local council meetings in 14 local governments' buildings, improved communication with the community through information boards and newsletters (in 12 communities), online broadcasting of local council's meetings, local radio (in three mayoralities), and social media (8 local governments). 3 local governments use public relations bureau/front desks, 7 local governments installed access ramps and another 3 opened representative offices in the villages in their communes, to facilitate access to local services and serve the population better. The 30 target local governments can now perform their functions more efficiently, by using modern equipment and software, while 4 local governments improved work conditions in the mayoralities by renovating their heating systems and windows. The mayors shared their experience in implementing institutional development projects, within the mini-exhibition organized during the second quarterly meeting of mayors.

**Sharing knowledge and experience** through regular mayors meetings and study visits was an efficient tool applied by JILDP in 2014 in fostering networking, innovating and learning useful means of improving local governments. During the four quarterly meetings the mayors of the 30 JILDP target localities discussed issues related to the decentralization policies, the new fiscal decentralization system, e-government opportunities, fundraising, local economic development, cultural and youth activities at local level etc. Four in-country study visits for 66 participants, mayors and local governments' staff completed the quarterly meetings with practical and first-hand information on how to improve transparency in local government, implement effective cultural and youth policies in rural areas, attract regional development funds and foster local business development. The study visits created a propitious environment for networking and peer challenging, where mayors exchanged experience and made contacts, shared knowledge and best practices.

In 2014, JILDP efforts focused on **increasing transparency and accountability at local level** as well. Benefiting from continuous support from the local facilitators, local governments were guided and are now better equipped and skilled in writing and implementing local development projects, to meet the local priorities as identified in the local social-economic strategies, improving transparency and access to information, advancing institutional development, organizing public events and community meetings, communicating with and including local community in the local decision-making process. As a result of 360 coaching and assistance field visits (including 85 trainings and coaching sessions on transparency and access to information), that involved circa 3175 persons (2007 women and 1168 men), all 30 target local governments updated internal regulations regarding transparency and access to information, organized public hearings and debates, prioritized local development needs and wrote project proposals to different donors, in a participatory manner.

A comprehensive **baseline survey in all 30 communities** showed the level of information and participation of communities in the local decision-making process, their satisfaction with local governments' performance and public services. According to the study results, over 50% of the respondents were satisfied with local public services and consider they are provided fast and efficiently. The study also indicated citizen's readiness to use IT tools and e-services in order to communicate with the local governments and access local services, but also local governments' capacity and willingness for **e-transformation**. About 50% of local population has access to computers, which means that there is significant potential for using local e-services. The assessment also offered information for further programmatic activities on e-governance development, at local level during 2015.

In the same line of activity, by using innovative tools like **design thinking**, the JILDLP started the exercise of local public service re-engineering in one of its communities. The exercise was done in cooperation with the E-governance Center and MiLab/UNDP. Based on the piloting results, JILDLP will explore the possibility of re-engineering other local services. Two blog posts were published about these activities on the UNDP regional webpage.

The Programme also continues to support the empowerment of community groups in becoming dialogue partners of LPAs. As a result, **18 community-based organizations** (11 of them have women leaders) have been created by representatives of vulnerable groups, and registered by the LPAs. Thus, **20 human rights and gender mainstreamed project proposals were approved** and grants up to \$5,000 were given in November and December 2014. Additionally, two grants were approved for the **empowerment of Roma women and vulnerable groups** from JILDLP target communities with considerable Roma population. The projects range from improved sports facilities, renovated kitchen and dining spaces in educational institutions, improved accessibility to local service-providers, to creation of community information centers, laundry services, services for women and vulnerable groups for access to education, healthcare and social services, as well as inclusion and capacity building. In December 2014, JILDLP provided trainings to the staff of these projects on financial management and accounting (around 60 participants, of whom 50% were women). As a result of capacity building activities for the community mobilizers and representatives of vulnerable groups from target localities, 15 community groups have identified local issues and needs and implemented 15 micro-projects with own resources.

***Result 2: Management, access and quality of municipal service provision in 20 communes and 10 clusters of communities improved***

The Government of Moldova has been supported to **upgrade the national local service delivery regulatory framework**, by allowing the IMC schemes in organizing and operating legal units for communal services. In this regard, the regulatory changes offered to the LPAs the right to establish joint municipal enterprises – operators with several LPAs-founders (the Government Decision from 03.07.2014 on adjusting the Regulation on municipal enterprises).

**10 pilot and demonstrative projects on inter-municipal cooperation (IMC) have been operationalized.** In this regard, 40 municipalities, grouped in 10 territorial clusters, have been assisted with comprehensive methodological guidance (professional legal, economical and technical expertise), as well as granted with a \$100,000 funding (per each cluster) for technical endowment. The granted assistance resulted in setting up of 10 Inter-Municipal Cooperation Associations (pioneering initiatives in Moldova) for joint communal service provision: there were settled up 10 joint communal operators, established joint regulatory framework, and a single tariff system. To be mentioned that, for the first time in Moldova, – **4 communal operators have been founded as “joint public institution”** – “municipal enterprises with several LPAs-founders”. Another 6 communal operators have been established by reorganizing, restructuring and revitalizing the existing communal operators, also extending them from “municipal” to “inter-municipal” activity approach. The 10 new IMC operators have a multi-functional approach, covering the whole range of communal activities in targeted communities: water and sanitation, roads maintenance and snow removal, waste management and greening, public lighting.

The targeted communal operators have been endowed with new specialized multi-functional tractors and accessories (waste bins, electro tools etc.) and their operational capacity was strengthened. Within the capacity building measures, **all targeted mayors and operators' managers learned from the most advanced national experience in organizing communal services**, in Telenesti and Ungheni.

**20 community development projects** to improve the service delivery at local level were fully implemented. The project targeted the improvement of the following services: rehabilitation of public lighting in 4 communities, extending water supply in 1 community, setting up of communal services operators in 4 communities, reconstruction of education and youth infrastructure in 5 communities, modernization of agro-markets in 2 communities, development of social assistance infrastructure in 1 community, rehabilitation of road and public space infrastructure – 3 communities (provided grants up to \$15,000 for each initiative plus local contributions of minimum 20%). The project implementation was based on HRBA principles, following the inclusiveness and transparency principles.

Consequently, over **120,000 inhabitants and 1,000 local businesses benefit from better living and business environment**, inclusively access to previously inexistent public services.

***Result 2: Enabling environment for rural business development, creation of economic opportunities and diversification of rural economies supported.***

235 people from rural areas (including 45% women) were enabled to open/develop small businesses; 114 of them (including 45% women) developed business plans for their ongoing or new businesses, thus **increasing employability potential** at local level. These results were achieved through a series of business trainings focused, but not limited to opening, expanding, and managing innovative rural enterprises. Based on the assessment of general business management skills acquired after the trainings, almost half of the applicants were supported to draft business plans. It is worth mentioning that due to a great number of requests, the total number of trained participants **doubled**.

The training programs were preceded by **capacity building activities for local governments** from 20 communities, which have afterwards assessed local economic potential and have identified potential businesses to receive support for enlargement and potential entrepreneurs. JILDP has committed to assist, by the end of 2015, at least 35 local businesses through a **grant programme**.

More than 30 representatives of local public authorities have participated to one local **study visit showcasing best practices in local economic development**, which generated excellent feedback from the participants. The LPAs representatives have improved their skills in encouraging local entrepreneurship and attracting foreign investment. As such, the participants have increased their capacity to stimulate local entrepreneurship and promote their communities.

**30 LPAs were supported to identify feasible instruments within the LPA to support local economic development.** In partnership with other development partners (USAID Local Government Support Project) and E-Government Center, JILDP provided to target communities a web site template, which would include information on local investment opportunities and investment guides. The template will be available for further use by any LPA from Moldova. During 2015, JILDP target communities will be assisted in efficient application and use of this template.

### **Describe any delays in implementation, challenges, lessons learned & best practices**

The main lessons learned during the JILDP implementation are highlighted below:

**Difficult political context hindered the advancement of the decentralization reform** (parliamentary elections in November 2014, local elections in 2015). The Government of the Republic of Moldova expressed its commitment and political will to pursue the decentralization reform, as reflected in the key

Government priorities. The advancement of the decentralization reform was therefore reflected in the Government action plan. Despite the fact that the team in charge for Decentralization policies in the State Chancellery is small, the results achieved are notable.

**Piloting of the new system of local public finance positively influenced the advancement of the decentralization reform.** Despite the fact that the new public finance system was piloted in a small number of LPAs (less than 8% of total numbers of LPAs), it covered a large number of inhabitants - over 30%. Piloting the new system made the fiscal decentralization reform irreversible, facilitated the establishment of new procedures and prepared the ground for implementing fiscal decentralization in the entire country.

**Insufficient human and financial resources impeded the implementation of sectoral decentralization strategies.** Despite the fact that main ministries have elaborated the sectoral decentralization strategies, their approval is pending because there are not enough human and financial resources for supporting the implementation of Strategies' action plans. Sectoral decentralization strategies have to be linked to / integrated into the general sectoral development strategies (e.g. the Education Strategy and the Education Code include decentralization provisions), which in their turn should be rights-based and gender-mainstreamed.

**A successful inter-municipal cooperation does not require mandatory "institutionalized" organizations** (joint legal entities). The inter-municipal expanding of the existing communal operators (e.g. garbage collection) is a reasonable solution for promoting IMC in the Moldovan context. **A preliminary feasibility study is a must for initiating an inter-municipal cooperation project**, in order to clarify the costs and responsibilities for all partner municipalities from the very beginning.

**Greater impact of program activities can be achieved when "hard" interventions are accompanied by "soft" activities.** This approach is effective when targeting institutional development of local governments, but also when working toward improving service provision at local level. Small-scale granting and comprehensive training and specialized coaching for local governments proved to be an efficient mix of interventions in building understanding of the importance of efficient institutional management as a key element for better public service provision. Following the same philosophy, public service provision improvement should not be limited to technical consolidation, but should be linked to real local needs, involve all community stakeholders, and should be supported by a continuous learning and upgrading process.

**Capacity building of local governments is particularly necessary when vast and complex national reforms are envisaged.** Interventions targeting professional development and coaching in using the new analytical and practical tools were particularly timely for the pilot local governments to ensure their smooth transition and acceptance of the new local public finance system.

**Enhanced communication, cooperation and partnership between LPAs and communities** should continue to be fostered for an integrated development. The decisions of the LPAs should respond to the needs the community members and respond to the community problems. To know the perspectives of all of the groups and to know how to respond to the needs of those groups LPAs should invest more in communication with the representatives of all groups in the community. By inviting the stakeholders to be involved and participate in community activities, by learning the others' perspectives, the project will ensure the ownership of the activities that could be extended towards all the members of the community. This will also contribute to the sustainability of the activities undertaken in those communities.

**Synergies amongst communities should be encouraged** through study visits and exchange of best practices. People as well as LPAs learn better if they have a clear example of what was done and how was done. During the study visits, organized nationally and internationally, the participants get more ideas what could work in their own communities, learn lessons from their peers and may decide to replicate a certain model or avoid certain mistakes, steps have proved to be effective. Additionally, this contributes to a healthy networking.

After 20 years of international assistance, **Moldovan LPAs built up an ample first-rate in-house know-how.** Consequently, the peer reviews (municipality-to-municipality) could be explored as an excellent opportunity to exchange information on successful and promising practices, approaches, organizational structures and tools used in the delivery of local public services.

**Innovation and thinking out of the box should be encouraged.** Each LPA is a living body with its own profile, processes and specificities. What works in one community does not necessarily work in another, therefore, if replicating an approach, system or product, the communities should take into account own specificities and adopt an individualized approach.

### **Qualitative assessment**

JILDIP is a programme of the Government of Moldova, implemented in partnership with UNDP and UN Women, coordinated by the State Chancellery, with the financial support from the Governments of Sweden and Denmark.

The new system of local government finance enjoyed broad acceptance of the main central and local level stakeholders. The new system increases transparency and equity, as well as accountability to the people by removing the dependence on the rayon authorities and political influences.

The sectoral decentralization strategies are elaborated by working groups bringing together all stakeholders, using a HRBA/GE approach and providing direct input into the Sectoral development strategies and the new laws. The draft sectoral decentralization strategy for education provides a positive example of provisions being included in the Education Code law draft, which helps clarify the provision of Education services at the local level and improves efficiency and effectiveness.

There are two underlying reasons for the broad acceptance, and many times consensus, of the reforms: a) the mutual trust built between the government (central and local) staff and the JILDIP team and their experts, and b) the gradual strengthening of local governments' capacity and improvement of local services, as well as c) concerted communication efforts. Close cooperation and joint initiatives with other development partners, like USAID, GIZ, Council of Europe, and IMF on policy development and local interventions contributed to advancing the reform.

Joint implementation of the program by the two agencies – UNDP and UN Women – each with its specific set of expertise and knowledge is a key factor for ensuring the comprehensiveness and sustainability of the provided technical assistance and support, in line with the normative basis of the UN.

“One UN” coordination at all levels – from the highest to technical levels – brought the necessary synergy and mutual complementarity to the program implementation.

## ii) Indicator Based Performance Assessment

	Achieved Indicator Targets	Reasons for Variance with Planned Target (if any)	Source of Verification
<b>Outcome:</b> To support better and equitable service provision and sustainable local development, facilitated by improved legal and institutional framework resulting from the implementation of the National Decentralization Strategy			
<b>Output 1:</b> Policy and legal frameworks to support autonomous, efficient and financially-sustainable LPAs developed and implemented			
<p><b>Indicator 1.1.</b> A system of local public finance that ensures local governments' fiscal autonomy in place</p> <p><b>Baseline:</b> Lack of a local public finance system in line with the Decentralization strategy. Policy options for fiscal decentralization elaborated</p> <p><b>Planned Target:</b> Rules and procedures for fiscal option implementation for the Ministry of Finance drafted</p>	<ul style="list-style-type: none"> <li>•New system of local government finances approved for implementation from 2015, while three rayons and the Capital City piloted the system during 2014.</li> </ul>		<ul style="list-style-type: none"> <li>•Law nr.267 from 1.11.2013, <a href="http://lex.justice.md/md/350367">http://lex.justice.md/md/350367</a></li> </ul>
<p><b>Indicator 1.2</b> Sectoral decentralization strategies designed and implemented in a gender-mainstreamed manner</p> <p><b>Baseline:</b> Draft sectoral decentralization strategies for education, social services and property</p> <p><b>Planned Target:</b> At least 3 sectoral decentralization strategies developed and 3 sectoral strategies implemented</p>	<ul style="list-style-type: none"> <li>• Monitoring and Evaluation Report of the implementation of the National Decentralization Strategy in 2013 was developed</li> <li>• Provisions of the draft sectoral decentralization strategy were integrated in the Education Code approved in July 2014 <b>and National Youth Strategy (2014-2020)</b>.</li> <li>• Sectoral Strategies for decentralization of services in water and sanitation, waste management and natural resources management developed.</li> </ul>		<ul style="list-style-type: none"> <li>• Monitoring and Evaluation Report</li> <li>• Education Code 2014</li> <li>• Draft of sectoral strategies for decentralization of services in water and sanitation, waste management and natural resources</li> <li>• Minutes from public debates</li> </ul>
<p><b>Indicator 1.3</b> Legislation amended, # of proposals for amending the legal framework in main decentralization areas</p> <p><b>Baseline:</b> Draft proposals for legislative framework amendment</p>	<ul style="list-style-type: none"> <li>• National local service delivery regulatory framework related to IMC in organizing and operating legal units for communal services was amended.</li> </ul>		<ul style="list-style-type: none"> <li>•Government Decision from 03.07.2014 on adjusting the Regulation on municipal enterprises</li> </ul>

	<b>Achieved Indicator Targets</b>	<b>Reasons for Variance with Planned Target (if any)</b>	<b>Source of Verification</b>
submitted to Parliamentary Commission on Decentralization (as of 2012) <b>Planned Target:</b> Legislation amended. Amendments provided to the relevant normative acts			
<b>Indicator 1.4</b> Training programs designed and embedded into Academy of Public Administration curricula <b>Baseline:</b> Introduction training on decentralization issues piloted <b>Planned Target:</b> Elaboration of 3 training modules for the APA initiated	<ul style="list-style-type: none"> <li>• 4 Training programs elaborated on public property, public procurement, public finance management and tax collection, and human resource management in cooperation with APA; training of APA trainers organized for three of them and the training materials transferred to the Academy to be further used in their regular curriculum.</li> </ul>		<ul style="list-style-type: none"> <li>• Training programs on public property, public procurement, public finance management and tax collection, and human resource management</li> </ul>
<b>Indicator 1.5</b> # of Governmental officials, LPA representatives, CSOs trained in specific decentralization areas including gender equality aspects <b>Baseline:</b> Limited number of Governmental officials, LPA representatives, CSOs trained in specific decentralization areas including on HRBA and GE <b>Planned Target:</b> At least 70 Governmental officials, LPA representatives trained in implementation mechanisms of specific decentralization areas	<ul style="list-style-type: none"> <li>• 113 Mayors and accountants from 74 pilot localities improved their knowledge in public finance management.</li> </ul>		<ul style="list-style-type: none"> <li>• Agenda of seminars, workshops</li> <li>• Presentation materials for seminars and workshops, evaluation forms, list of participants</li> </ul>
<b>Indicator 1.6</b> Functional technical committees within CALM to provide services to its members. Functional and strengthened CALM Women's Network <b>Baseline:</b> No functional technical committees within CALM. CALM Women's Network created in 2011. <b>Planned Target:</b> Functional	<ul style="list-style-type: none"> <li>• 5 round tables for creation of professional network and capacity building of secretaries of LPAs in 2014</li> </ul>		<ul style="list-style-type: none"> <li>• Agendas, lists of participants from 5 round tables</li> <li>• Final report on round tables</li> </ul>

	<b>Achieved Indicator Targets</b>	<b>Reasons for Variance with Planned Target (if any)</b>	<b>Source of Verification</b>
technical committees within CALM to provide services to its members. Functional Network of Women mayors within CALM			
<b>Output 2:</b> Capacities of LPAs and communities strengthened to deliver better services to citizens and create models of LPAs - in line with changes brought by the Decentralization Strategy			
<p><b>Indicator 2.1</b> # of LPAs with public management improved</p> <p><b>Baseline:</b> 0 LPAs with improved public management performance at local level</p> <p><b>Planned Target:</b> Selection of target communes based on a set of criteria. Baseline set up</p>	<ul style="list-style-type: none"> <li>• 30 target rural communities were selected and approved by JILDIP board.</li> <li>• Out of the selected target communities, 10 are cluster centers for IMC projects, and 20 are beneficiaries of concentrated capacity building support.</li> </ul>	Accomplished in 2013	<ul style="list-style-type: none"> <li>• Selection criteria concept paper</li> <li>• JILDIP Board minutes as of 21 March 2013</li> </ul>
<p><b>Indicator 2.2</b> Systems and procedures applied to improve LPAs operations in the areas of gender-responsive and rights-based planning and financial management, tax collection, property, procurement, human resource management</p> <p><b>Baseline:</b> Low public management performance and poor internal regulations and operations in the key areas of LPAs activity</p> <p><b>Planned Target:</b> Systems and procedures in planning and financial management, tax collection, property, procurement, human resource management applied in 15 LPAs</p>	<ul style="list-style-type: none"> <li>• 30 target local governments benefited from on-the-job qualified assistance to improve operations and procedures in the area of human resources management, public finance management and procurement.</li> </ul>		<ul style="list-style-type: none"> <li>• Field trip reports</li> <li>• Activity reports</li> </ul>
<p><b>Indicator 2.3</b> % of local officials (public servants/elected officials) from target communes trained</p> <p><b>Baseline:</b> Very limited number of public servants benefited from</p>	<ul style="list-style-type: none"> <li>• Circa 95% of public servants from 30 target communities (354 public servants, including 222 women and 132 men) improved their knowledge and management skills in their core areas of</li> </ul>		<ul style="list-style-type: none"> <li>• Agendas</li> <li>• List of participants</li> <li>• Training materials</li> <li>• Activity reports</li> <li>• LPA capacity assessment</li> </ul>

	<b>Achieved Indicator Targets</b>	<b>Reasons for Variance with Planned Target (if any)</b>	<b>Source of Verification</b>
<p>professional development trainings (only cca 30% of public servants from target LPAs in the last three years)</p> <p><b>Planned Target:</b> 50% of local officials trained (public servants/elected officials)</p>	<p>activity during comprehensive professional development trainings programs in human resource management and public procurement (4 training days each program), public finance management (9 days training program); tax collection and public property management (3 training days each program).</p>		<p>questionnaire</p>
<p><b>Indicator 2.4</b> # of local public services created/extended/improved disaggregated by:</p> <p>a) # of models of local public services (disaggregated by types) created</p> <p>b) # of model Inter-municipal projects implemented to be replicated nation-wide</p> <p><b>Baseline:</b> a) limited number of public services created/developed and provided by LPAs at local level; b) no national experience in IMC projects implementation</p> <p><b>Planned Target:</b> Model local public services implemented: in 15 communes and IMC projects in 7 clusters of communities</p>	<p>• 20 projects to develop model local public services in 20 target communes, and 10 IMC pilot projects for 40 communities grouped in 10 clusters have been implemented.</p> <p>a) Projects for the reconstruction of education and youth infrastructure in 5 communities, modernization of agro-markets in 2 communities, development of social assistance infrastructure in 1 community, rehabilitation of public lighting in 4 communities, extending water supply in 1 community, setting up of communal services operators in 4 communities, rehabilitation of road and public space infrastructure – 3 communities.</p> <p>b) Implemented 10 IMC projects for 10 clusters: setting up of 3 joint waste management enterprises, setting up of 6 joint communal services operators, and a joint re-construction and further maintenance of an inter-community pedestrian road.</p>		<ul style="list-style-type: none"> <li>• Minutes of the projects' evaluation committee</li> <li>• Project documents and contracts</li> <li>• Draft feasibility studies</li> <li>• Endorsed IMC agreements</li> </ul>
<p><b>Indicator 1.1.2</b> More equitable access of women and men in target communities to improved local public services and infrastructure in 20 communes and 10 clusters of municipalities</p> <p><b>Baseline:</b> Limited access of</p>	<p>• Over 120,000 inhabitants, out of which about 50% of women and 1,000 local businesses benefit from better living and business environment, inclusively access to previously inexistent public services.</p>		<ul style="list-style-type: none"> <li>• Project documents and contracts</li> <li>• Draft feasibility studies</li> <li>• Endorsed IMC agreements</li> <li>• Community Profiles</li> </ul>

	<b>Achieved Indicator Targets</b>	<b>Reasons for Variance with Planned Target (if any)</b>	<b>Source of Verification</b>
women, men and vulnerable groups to public services at local level <b>Planned Target:</b> At least 80,000 local stakeholders (50% of total number - women) benefiting from improved local public services and infrastructure			
<b>Indicator 2.5</b> # of LPAs with regional development project proposals developed and submitted for financing <b>Baseline:</b> Limited number of LPAs that have accessed regional development funds and have developed regional development project proposal <b>Planned Target:</b> 15 LPAs with regional development project proposals developed	<ul style="list-style-type: none"> <li>• Feasibility studies elaborated for 10 regional projects (IMC framework)</li> <li>• 15 local governments developed project proposals with regional impact and submitted for funding.</li> </ul>		<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Draft feasibility studies</li> <li>• Endorsed IMC agreements</li> <li>• Project proposals</li> </ul>
<b>Indicator 2.6</b> # of local businesses created, % of them women-owned (with equal involvement of women and men) <b>Baseline:</b> Almost no or very few employment opportunities at local level, particularly in the private sector; no tools for attracting investment and economic development at local level <b>Planned Target:</b> 10 new businesses initiated (with at least 40 women and men employed), 4 of them owned by women	<ul style="list-style-type: none"> <li>• 235 people from rural areas (including 45% women) were enabled to open/develop small businesses; 114 of them (including 45% women) developed business plans for their ongoing or new businesses, thus increasing employability potential at local level.</li> </ul>	Due to a great number of requests, the total number of trained participants was double as planned initially.	<ul style="list-style-type: none"> <li>• Agendas</li> <li>• List of participants</li> <li>• Training materials</li> <li>• Training reports</li> </ul>