



MOLDOVA SOCIAL INVESTMENT FUND

**PROGRESS REPORT ON THE IMPLEMENTATION OF KFW GRANT
FUNDED BY THE FEDERAL GERMAN GOVERNMENT**

**Presented by
Moldova Social Investment Fund
30 June, 2014**

Chisinau – 2014
ABBREVIATIONS AND ACRONYMS

BMZ	German Federal Ministry for Economic Cooperation and Development
CC	Community Contribution
CD	Community Development
DFID	Department for International Development
EC	Executive Committee
EU	European Union
FC	German Financial Contribution
IA	Implementing Agency
IDA	International Development Association
JSDF	Japan Social Development Fund
KfW	German government-owned development bank „Kreditanstalt für Wiederaufbau”
LPA	Local Public Administration
MSIF	Moldova Social Investment Fund
OM	Operational Manual
SIDA	Swedish International development Agency
SP	Subproject
RM	Republic of Moldova
UNICEF	United Nations Children’s Fund

CONTENTS

Introduction	4
KfW Project activities:	5
Capacity building	5
Subprojects in villages that work with MSIF for the first time (<i>“new” communities</i>)	6
Subprojects in villages and small towns that have already implemented one or more subprojects with MSIF (<i>“repeatedly come” communities</i>)	6
Partnership subprojects between communities in post-conflict region	7
Energy efficiency measures in public infrastructure	8
Brief summary	8
Procurement and financial activities	10
Best practices	11
Lessons learned	11
Challenges / risks and measures to prevent them	12
Annexes	13
<i>Annex 1. The cycle of subproject implementation: Step by step</i>	<i>13</i>
<i>Annex 2. Progress of subprojects implementation (“new” communities)</i>	<i>14</i>
<i>Annex 3. Progress of subprojects implementation (“repeatedly come” communities)</i>	<i>16</i>
<i>Annex 4. Progress of subprojects implementation in post-conflict region</i>	<i>18</i>
<i>Annex 5. Selective Project performance results</i>	<i>19</i>

Introduction

The Moldova Social Investment Fund (MSIF) is a project created with a financial support of the World Bank and donor countries. MSIF is a juridical, independent, non-commercial and non-profit unit.

Its purpose is to contribute by external funds to the implementation of the national strategies and programs through empowering local communities and their institutions in management of their primary development needs.

During its activity, MSIF has managed an amount of ~ 123 mln USD coming from the World Bank and offered by different donors (SIDA, DFID, JSDF, EU, KfW, UNICEF etc.), as those allocated from the State budget. Besides, MSIF has been also contracted by local and foreign organizations for consulting services in managing projects in the country and abroad supported by external donors.

In 2013 – 2014 MSIF has implemented infrastructure projects and programs supported by different donors, as follows:

- Infrastructure subprojects with the use of labor intensive construction methods, International Development Association;
- Community participation in the post-conflict regions, Japan Social Development Fund Grant;
- Promotion of sustainable development strategies in the renewable energy technologies sector through piloting of demonstration projects based on usage of solar energy and agricultural wastes, European Union Grant;
- Global Partnership for Education Project for improving the access to quality early education for preschool age children;
- Modeling of services for children under 3 years Program, UNICEF Grant;
- Social Infrastructure and Energy Efficiency Project, KfW Grant.

The actions within the above-mentioned projects contribute to the implementation of the national strategies and programs, such as the National Development Strategy, the National Program for Energy Efficiency, educational strategies etc.

By signing a new Financing and Project Agreement with respect to the extension of KfW's Financial Contribution amounting to 5 mln Euro as a non-repayable grant, as well as local communities' contribution, MSIF (project-executing agency) started the implementation of "Social Infrastructure and Energy Efficiency" Project (BMZ No.: 2009 66 440).

The Project concerns investments in municipal social infrastructure (sanitary and water supply, schools, kindergartens, roads etc.) of local communities of up to 20 000 inhabitants with a specific focus on the efficient use of energy and the use of alternative energy recourses.

The purpose of the Project is the sustainable use of improved municipal services, as well as a more efficient use of energy for or by the population of the Project region (ten northern raions of Moldova and post-conflict region). This is to contribute to improved social living conditions for the population as well as its income situation, an improved situation of the environment and to the development of good local governance.

Project activities are the following:

- a) Implementation of subprojects of community development:
 - Subprojects in villages that work with MSIF for the first time ("new" communities),

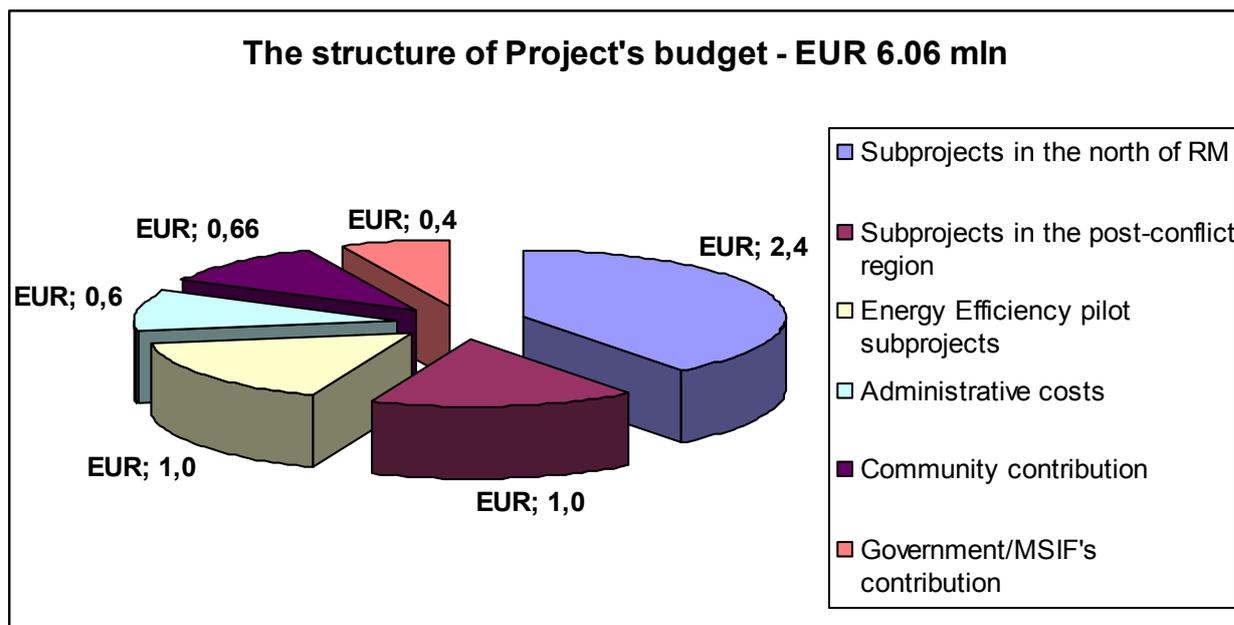
- Subprojects in villages and small towns that have already implemented one or more subprojects with MSIF (“repeatedly come” communities),
- Partnership subprojects, as above, between communities in post-conflict region;

The maximum financial size for subprojects in “new communities” amounts up to 75,000 USD, and for subprojects in “repeatedly come” communities – up to 200,000 USD.

b) Energy efficiency measures in public infrastructure.

The structure of the planned Project budget is illustrated below (see Figure 1).

Figure 1. The structure of Project’s budget



As Project-Executing Agency, MSIF supports the beneficiary communities in preparation and implementation of subprojects, according to the procedures laid out in its Operational Manual, which forms an integral part of the Separate Agreement under KfW Grant.

KfW Project activities

Capacity building

By its activity, MSIF represents a mechanism of financial resources management through Community Development approach. This approach is also applied within the implementation of KfW Grant. The beneficiary communities are encouraged to actively involve the population into community development and decision making process through:

- Identification of priority community issues (organization of focus groups, general meetings, referendums, open meetings of local councils, public audiences, etc.);
- Active community involvement in the process of subproject proposals preparation and their implementation (participative evaluation and monitoring, contribution collection, procurement of design and construction companies’ services, etc.);
- Creation on a voluntary basis of subprojects’ implementing agencies and community sustainability funds;

- Continuous training and technical assistance for initiative community groups (implementation agencies, beneficiaries' associations, local public administration representatives) at subprojects implementation and post-implementation stages;
- Ensuring the sustainability of investments/the objectives renewed with MSIF support;
- Development of the community ownership sense and responsibility of the community members for their future, etc.

The whole cycle of subproject implementation by MSIF is totally based on citizen participation approach (see Annex 1). In this context it is to mention that during Grant's implementation there have been trained ~ 1 810 persons, while in the process of community primary needs identification there have been included up to 50 % of communities' adult population through:

- over 497 focus groups with more than 6 760 participants,
- over 95 community general/representatives' meetings with more than 28 462 participants, inclusive ~ 17 622 women,
- 17 referendums with ~ 25 967 residents involved,
- 15 open sessions of town councils.

Subprojects in villages that work with MSIF for the first time (“new” communities)

Basing on Amendment 1 to the Separate Agreement, during the first year of Project implementation the access to the German financial contribution was open for northern rural communities, which haven't implemented any subprojects with MSIF's support before.

The concerned communities expressed interest to participate in the Project and identified their priority needs, namely:

- renovation of schools and kindergartens,
- re/construction of local roads,
- rehabilitation/construction of sewerage and water supply systems, etc.

Local public administrations together with Implementing Agencies set up at community general meetings developed subproject proposals and submitted them to MSIF. The proposals included the volumes of works necessary to be executed, including: reconstruction of roof, replacement of windows and doors, renovation of heating and electricity systems, thermal insulation of the building, provision with drinkable water public facilities and private households, mounting water towers, arrangement of sidewalks etc.

Subprojects implementation is mostly determined by communities' involvement and activism due to the principle “First come – first served” (referring to development of technical design and collection of local contribution). The “new” beneficiary communities contribute to the implementation of their subprojects with minimum 15 % of their costs.

MSIF's team had to work intensively in order to “wake up” the deprived and passive communities, the majority of which are small with underdeveloped infrastructure, situated far from raion centres and haven't benefited by any external support before.

In total, 33 “new” communities from the North of Moldova have been supported under the Project. The list of subprojects implemented/under implementation in “new” communities is registered in Annex 2.

Subprojects in villages and small towns that have already implemented one or more subprojects with MSIF (“repeatedly come” communities)

Following the Agreement, in October 2012 the access to the German Financial Contribution was open to the communities from the northern part of Moldova that have already implemented one or more subprojects with the MSIF (“repeatedly come” communities).

Though it is easier to attract and organize the experienced and active communities, which have already gained benefits and taste in solving community problems through implementing projects with external financial support, the speed of implementing subprojects in “repeatedly come” communities is not so high. One of the main reasons is the necessity to collect at least 30 % of local contribution for subproject implementation that requires 4-6 months.

Still the “repeatedly come” communities are both interested and experienced in raising additional funds through different ways in order to assure their community development.

In total, 20 “repeatedly come” communities from the North of Moldova have been supported under the Project. The list of subprojects implemented/under implementation in “repeatedly come” communities is registered in Annex 3.

The distribution of FC funds among the northern communities is nearing completion. There are two more subproject proposals to be approved for funding/implementation.

Partnership subprojects between communities in post-conflict region

With the support of KfW Grant MSIF continues its activity of establishing partnership and confidence building between the communities in post-conflict region through the implementation of social infrastructure/community development subprojects.

Due to the specific “status” of the separatist Transnistrian region, the process of subprojects implementation has required more time, discreetness and care. The region remains to be a closed space, with lack of the necessary legal field for investments etc.

From the very beginning of Project’s operation MSIF started an information campaign and consultations with region’s leadership of different levels regarding the availability of an external financial support. On behalf of the region, the Commission of Humanitarian and Technical Aid has been mostly involved in the process of negotiation and preparation of Grant’s arrival to Transnistrian communities. In order to facilitate the process of Grant implementation, there was employed a community development consultant from the region. Meanwhile there were identified the best options of Grant implementation, as well as examined the eventual risks of the implementation process. The launch of KfW Grant in Transnistria was preliminary assigned and then postponed for several times.

Though it took a lot of efforts and time to face the unpredictable disposition of the region, it was still possible to implement a number of subprojects in the post-conflict region. The German Financial Contribution was further open for the communities from Camenca and Grigoriopol raions. All the concerned communities from those two raions decided to renovate their educational facilities: educational complexes, schools and kindergartens. During the period of reference, 11 subprojects were approved for funding/implementation. Moreover, the respective communities managed to organize eligible tenders – according to MSIF’s procedures – for selecting construction companies to execute the required repair works.

Even so, it is worth mentioning that the separatist authorities continue to challenge MSIF’s procedures at every stage of subprojects implementation that definitely delays the rhythm of subprojects implementation: The opportunity of a community to benefit by external funds is determined by the Transnistrian Commission on Humanitarian and Technical Aid in an exceptional way that requires time; The separatist authorities tend to condition the activity of the construction companies contracted to execute civil/repair works, especially those from the right side of Nistru, continuously addressing more and more new requirements to the contractors regarding the legalization of their activity in the region (registration, license, transportation/export of building materials etc. – that leads to more expenditures for the contractors and enforce them to withdraw from the contracts); Although the administration of those two raions has initially declared about the availability of specially identified financial sources to provide their communities with the necessary

contribution for subprojects implementation, the real financial capacity happens to be different at the right moment, the left-side contractors being warned by the separatist authorities not to wait for the promised money...

Nevertheless, MSIF continues to work, step by step, on the implementation of the Project in the post-conflict region. The progress of subprojects implementation is registered in Annex 4.

Energy efficiency measures in public infrastructure

The modalities of implementation and scope of measures to improve energy efficiency were prepared with assistance of an expert mission. Friedrichsdorfer Institut zur Nachhaltigkeit (IzN) from Germany was involved in planning Project activities, having supported MSIF through a theoretical support (trainings) and site visits in Moldova, as well as the organization of a study visit of MSIF's staff to Germany.

The participants of the study tour learned and drew from lessons, experiences and good practices of Germany's energy efficiency and alternative energy production technologies and their application, particularly bio-fuel production and Passive House technology. Consequently, MSIF applies some elements of energy efficient technologies through its whole activity of implementing repair works at schools, kindergartens, social and health care services centers from the Republic of Moldova, irrespective of the financial sources.

Basing on the comprehensive analyses: modern technology and developed countries' experience in the field, the available budget, local background, including the capacity and availability of human resources and construction materials etc., it was decided to pilot construction of an energy efficient kindergarten for 100 children. The kindergarten shall be built in Calarasi town which needs to include a greater number of preschool kinds into the educational process. Calarasi is situated in the center of the country that shall allow promoting of the new applied technologies.

A local design company called "Axis Mundy" Ltd was contracted to develop the appropriate technical design with an essential assistance of Rongen Architekten GmbH – a German design company experienced in Passive House technology and energy efficient constructions. The relevant technical design was developed in time (spring 2014), however it took more time to obtain the necessary approval of the State Services for verification and expertise of projects/designs and constructions. The execution of construction works will take place in the second half of 2014.

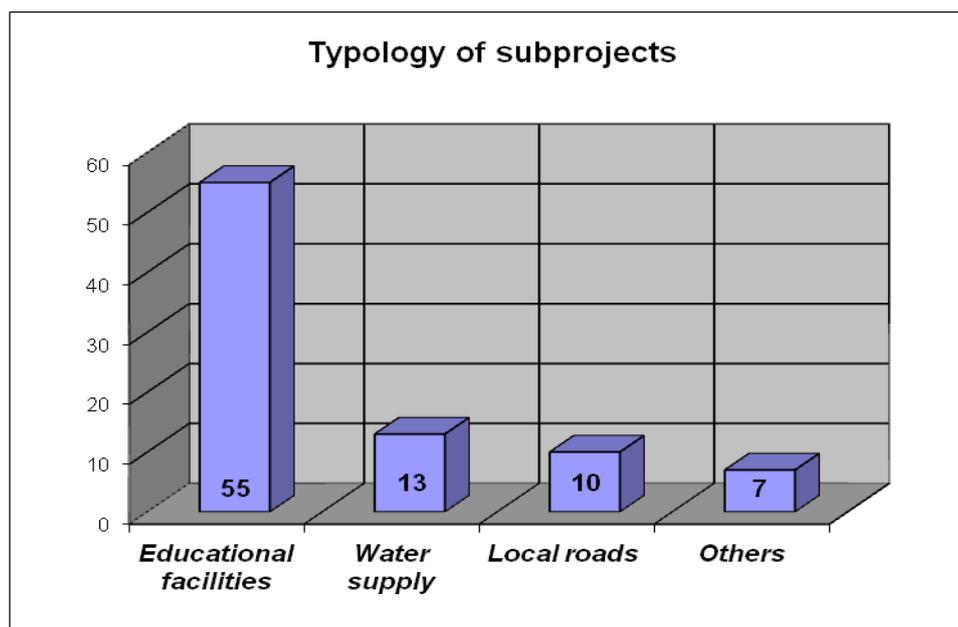
It worth mentioning, that within the subprojects of social facilities/buildings under KfW Grant MSIF has applied different elements of energy efficiency (thermal insulation, biomass boilers for space heating, solar collectors for water heating etc.). One of the successful subprojects in the context of energy efficiency and use of renewable energies is that of the Perinatal Centre of Orhei hospital.

Brief summary

In total, to date under KfW Grant there are 85 subprojects approved for funding, including 50 fully completed and 35 under implementation (selective Project performance results see in Annex 5). On the preparation for implementation there are also 5 subproject proposals.

The typology of those 85 subprojects is illustrated in Figure 2.

Figure 2. Subprojects by typology



As a result of infrastructure subprojects implementation the following achievements have been registered to date:

a. Renovation of educational facilities (schools, kindergartens, educational complexes):

- 17 081 m² of roof reconstructed,
- 6 197 m² of windows and doors replaced,
- 5 506 m² of floors repaired,
- 16 987 m² of walls and ceilings renovated,
- 4 boiler rooms with 6 boilers (solid fuel - biomass) arranged,
- 6 heating networks installed,
- 3 920 m² of façade insulated,
- 34 sanitary blocks (inclusive provision of water and sewage) rehabilitated.

b. Renovation / construction of water and sewerage systems:

- 53 329 m of water conduits constructed,
- 11 water reservoirs mounted,
- 9 artesian wells rehabilitated,
- 12 protection areas of water sources arranged.

c. Re/construction of local roads and paving sidewalks:

- 7 051 m² of local roads/sidewalks renovated,
- 6 274 m of kerbstones installed;

d. Heating water (solar collectors):

- 32 panels of solar collectors (each of 30 vacuum tubes) and 10 storage tanks mounted.

Over 1 490 temporary workplaces were created during the subprojects implementation with duration of 2 - 8 months each.

Over 42 000 people under those 50 subprojects implemented in the beneficiary communities gained a better access to quality and improved infrastructure services. The beneficiaries assure sustainability of the rehabilitated facilities according to the appropriately developed action plans.

The results of extension of the German Financial Contribution have been seen by the donors:

- the Perinatal Centre from Orhei was visited by a delegation led by the German Federal Minister for Economic Cooperation and Development Dirk Niebel in May, 2012;
- five pilot subprojects supported by KfW Grant in the post-conflict region, which are functional and exploited in compliance with their destination, were visited by the German delegation in November, 2012;
- 25 % of subprojects implemented by “new” communities – beneficiary of the Grant were visited by KfW monitoring mission in September, 2013;
- kindergarten nr. 1 from Pelinia village – a “repeatedly come” beneficiary community from the North of Moldova was visited by a delegation led by the German Federal Minister for Economic Cooperation and Development Gerd Müller in June, 2014.

Procurement and financial activities

In accordance with the Financing and Project Agreement, all the contracts for works, goods and services financed from the KfW Grant are awarded pursuant to the regulations for procurement described in the MSIF’s Operational Manual.

The procurement activity within MSIF is based on organizing the procurement of works, goods and services as well as on monitoring the purchases made by the investments beneficiary communities, the main objective being a high degree of efficiency, transparency and savings.

All the procurement related to the subprojects (selection of design company, construction company and technical supervisor) are decentralized and the responsibility to conduct the tenders is delegated to the communities. A Tender Evaluation Commission has been created at community level, the members of the commission being the representatives of local public administration and Implementing Agencies.

MSIF procurement team assists and trains the beneficiary communities at each procurement stage: (i) selection of the design company; (ii) publication of announcements; (iii) preparation of tender documents; (iv) evaluation of tender results; (v) negotiation of the contract. A total number of 242 persons attended the trainings regarding the selection of the design company, construction company and technical supervisor.

MSIF provided technical assistance to 78 communities in publishing the announcements in the Official Gazette (Monitorul oficial), local mass media and MSIF’s website.

A total number of 72 tenders were organized to employ construction firms and 26 tenders to select local supervisors. All the tenders were valid and resulted in 74 civil works contracts and 26 contracts signed with the local supervisors selected by communities.

As a result of the competition for selecting construction companies, there were obtained savings, because the offers of the bidders were of ~ 260 000 EUR lower than those estimated.

A total number of 381 bidders participated in the tenders organized for selecting the construction company (on average 6 bidders per tender).

No serious problems were encountered in the process of tender organization, communities respecting in general the procurement rules provided in the Operational Manual. No complaints were registered from tender participants within the period of the report.

To date MSIF disbursed EUR 1 790 223.51 from the FC funds.

The community contribution collected by now is of ~ EUR 0.97 that overcomes the expected/planned value (due to the greater number of “repeatedly come” communities whose contribution is at least 30 % of subproject’s cost).

The financial statements of the KfW Grant have been audited by an independent auditor – Sos-Audit Ltd (Armenia), selected on competitive basis from World Bank’s list of eligible auditors. The independent auditor’s reports were presented to KfW for each fiscal year.

Best practices

During the implementation of KfW Grant, MSIF has accumulated an imposing experience and managed to promote a range of good practices which are replicated by different governmental institutions and nongovernmental organizations in the relevant fields.

The main of them are the following:

1. Identification of community priority needs and problems by the population;
2. Participatory identification of different resources, including funds necessary for community needs;
3. Involvement of population and local actors into the decision making process, strengthening efforts and funds, monitoring and evaluation etc. regarding community problems solving;
4. Management/administration of local and external funds;
5. Development of intra/inter partnerships by the communities;
6. Community meetings;
7. Development of the associative sector, support in establishment and development of public associations and their activities;
8. Piloting new construction materials and technologies;
9. Modification of the standards in the fields of construction, education and energy;
10. Piloting alternative energy resources.

Lessons learned

1. Trainings conducted in cooperation: foreign experts – local experts have a great impact on the efficiency of introduction new energy efficiency technologies under MSIF Project. Thus, local experts study work methods practiced by international experts that contribute to the development of capabilities and new employment perspectives in the future.
2. The implementation of innovative technologies requires an intensive collaboration with relevant ministries, organizations and institutions to coordinate activities, sustain a constant exchange of information and learned lessons, as well as adoption of positive experiences. The combined effort of various organizations (financial, human resources, etc) in implementing projects leads to the development of new, innovative and efficient technologies with an important impact on the communities.
3. Participative involvement enhances the objectivity in evaluating the sustainability of subprojects implemented with MSIF support.
4. The evaluation of the current state of the facilities renovated with MSIF assistance contributes to an increased sense of community ownership and responsibility of the local agents and residents for their maintenance and expansion.
5. Community contribution (funds donated by local residents and local public authorities, economic agents etc.) is an efficient mechanism of assuring sustainability of the rehabilitated objects/facilities.

6. The involvement of community agents/local residents in MSIF investment impact evaluation contributes to the development of capabilities in evaluating local-level actions and encourages communities to be proactive.
7. The implementation of subprojects with a high degree of transparency with the major involvement of population in managing local and external financial means and delegating various functions to communities facilitates and ensures a sustainable community development.
8. Consolidation of community agents and local residents' efforts in solving priority community problems, solicited by MSIF procedures, was confirmed to be an efficient mechanism to ensure community development even in times of economic, social and political crisis.

Challenges / risks and measures to prevent them

1. Instable situation in the post-conflict region, which can also affect the rhythm of civil works execution by the construction companies selected/hired on the basis of the tenders, organized in compliance with MSIF's procedures.

Inasmuch as MSIF has obtained No Objection of the separatist authorities to act in the region according to its procedures, MSIF will continue applying the approach of permanent negotiation and discussions regarding each step/stage of subprojects implementation in order to assure a full compliance with Operational Manual provisions.

2. Local construction companies have little experience in the field of Passive House technologies.

Before starting construction works execution, the winner company will benefit by a special training in quality assurance provided by the German experts also involved into designing now. The experts will periodically monitor the process of construction too.

3. The available budget for the implementation of the pilot subproject regarding the construction of an energy-efficient kindergarten can be insufficient.

In case it is established that the funds reserved for the pilot subproject are insufficient, the necessary additional amount will be covered from the other expenditure items of the Project.

4. The high estimated cost of the pilot subproject on energy efficiency can require more time for implementation/civil works execution. Along with the first challenge from the list (instable situation in the post-conflict region), it can cause a delay in the completion of the Financing and Project Agreement in time.

Based on the progress of subprojects implementation, when required, MSIF will preliminarily initiate the procedure of extension of the Agreement term.

Annexes

Annex 1. The Cycle of Subproject Implementation: Step by Step

Step 1. Launching the German Grant

Publishing announcements in governmental edition and MSIF's website, meeting with raions' leadership.

Step 2. Promotion, identification and development of subproject proposals

- Promotional workshops at raion and local levels;
- Focus-groups and community general meetings, identifying community primary problems, setting up Agencies of Subproject Implementation;
- Development of subproject proposals and their submission to MSIF.

Step 3. Subprojects appraisal and approval

- Assessment of SP proposals camerally and on the site with participation of local and raion authorities and citizens (social/institutional, technical and financial feasibility);
- Development of the necessary technical documentation, identification of community contribution, development of action plans regarding assurance of investments' sustainability;
- Community's justification of the identified volumes of works needed to be funded within the meetings of MSIF Executive Committee.

Step 4. Procurement

Communities follow MSIF procedures when purchasing services of construction company and technical supervision, while MSIF releases its No-Objection.

Step 5. Civil works, guarantee period and handover of the object

- Monitoring the quality of works, building materials, validity of guarantee certificates;
- Processing payments by MSIF to contractors referring to the volumes of work accepted by the community;
- Removal of eventual shortcomings.

Step 6. Post implementation and subprojects sustainability

According to the action plans developed by Subproject Implementing Agencies and approved by the Local Councils.

The beneficiary communities are supported by MSIF at each stage through appropriate trainings, informational consulting and technical assistance.

Annex 2. Progress of subprojects implementation (“new” communities)

#	Community	SP	Estimated budget (EUR)	Final cost (EUR)	KfW FC (EUR)	CC (EUR)	Stage
1	Balasinesti (r. Briceni)	Repair works in gymnasium	59 522	50 636	41 708	8 928	F i n i s h e d
2	Birnova, (r. Ocnita)	Repair works in kindergarten and gymnasium	58 998	58 492	49 642	8 850	
3	Bobulesti (r. Floresti)	Repair works in kindergarten	47 479	37 394	30 272	7 122	
4	Bulboaca (r. Briceni)	Repair works in kindergarten and gymnasium	58 191	57 127	48 398	8 729	
5	Casunca (r. Floresti)	Construction of a portion of aqueduct	57 591	45 833	37 194	8 639	F i n i s h e d
6	Dominteni (Drochia)	Repair works in gymnasium	57 668	46 199	37 549	8 650	
7	Fintina Alba (r. Edniet)	Renovation of water supply system	60 464	45 935	36 865	9 070	
8	s. Gordinesti (r. Edinet)	Repair works in lyceum	55 129	46 725	38 456	8 269	
9	Gvozdova (r. Floresti)	Construction of a portion of aqueduct	41 434	31 579	25 365	6 214	F i n i s h e d
10	Malaiesti (r. Riscani)	Renovation of a portion of aqueduct	16 493	13 934	11 460	2 474	
11	Marcauti (r. Briceni)	Repair works in gymnasium	57 228	45 310	36 726	8 584	
12	Mihalaseni (r. Ocnita)	Repair works in the educational complex	69 591	69 176	58 737	10 439	
13	Ocolina (r. Soroaca)	Repair works in kindergarten	49 457	42 990	35 571	7 419	F i n i s h e d
14	Parcova (r. Edinet)	Repair works in gymnasium	58 112	48 661	39 944	8 717	
15	Petreni (r. Drochia)	Repair works in kindergarten	25 424	23 558	19 744	3 814	
16	Pirjota (r. Riscani)	Repair works in kindergarten and gymnasium	62 177	59 381	36 689	22 692	
17	Putinesti (r. Floresti)	Construction of a road portion	58 311	53 903	45 156	8 747	F i n i s h e d
18	Ramazan (r. Riscani)	Renovation of water supply system	58 310	53 077	37 530	15 547	
19	Sarata Veche (r. Floresti)	Repair works in lyceum	57 228	45 539	36 955	8 584	
20	Slobozia-Cremene (r. Soroaca)	Repair works in kindergarten	55 433	43 849	35 534	8 315	

21	Solcani (r. Soroca)	Repair works in gymnasium	57 906	49 045	40 359	8 686	F i n i s h e d
22	Surii Noi (r. Drochia)	Repair works in kindergarten	49 889	43 417	35 932	7 485	
23	Sverdiac (r. Riscani)	Renovation of water supply system	58 310	43 945	35 198	8 747	
24	Temeleuti (r. Floresti)	Repair works in gymnasium	57 611	44 601	35 959	8 642	
25	Unchitesti (r. Floresti)	Repair works in kindergarten	50 848	37 575	26 221	11 354	
26	Usurei (r. Riscani)	Construction of mainline aqueduct	31 620	23 706	18 963	4 743	
27	Vadeni (r. Soroca)	Repair works in gymnasium	59 844	50 392	41 415	8 977	
28	Varvareuca (r. Floresti)	Repair works in gymnasium	58 428	47 024	38 260	8 764	
29	Volodeni (r. Edinet)	Extension of repair works in kindergarten and gymnasium	55 667	47 489	39 139	8 350	
30	Cenusa (r. Floresti)	Repair works in kindergarten and gymnasium	54 572		46 386	8 186	Im ple men ting
31	Climauti (r. Donduseni)	Construction of a road portion	54 358		46 204	8 154	
32	Septelici (r. Soroca)	Construction of a road portion	54 354		46 201	8 153	
33	Tirgul Vertiujeni (r. Floresti)	Construction of a road portion	55 035		46 780	8 255	Ten der
	In total:	29 SPs – implemented 3 SPs – under implementation 1 SP – bidding	1 704 372	1 306 492	1 236 674	222 202	

Annex 3. Progress of subprojects implementation (“repeatedly come” communities)

3.1. Villages

#	Community	SP	Estimated budget (EUR)	Final cost (EUR)	KfW FC (EUR)	CC (EUR)	Stage
1	Ciutulesti (r. Floresti)	Construction of a portion of aqueduct	44 407	32 682	19 360	13 322	F i n i s h e d
2	Cosauti (r. Soroca)	Repair works in kindergarten	72 194	60 543	30 494	30 049	
3	Gura Cainarului (r. Floresti)	Construction of a portion of aqueduct	51 894	39 558	23 989	15 569	
4	Izvoare (r. Falesti)	Construction of a portion of aqueduct connecting social objects	55 472	41 719	24 487	17 232	
5	Lunga (r. Floresti)	Paving sidewalks	56 608	41 795	24 813	16 982	F i n i s h e d
6	Recea (r. Riscani)	Paving sidewalks in the centre of the village	58 336	43 222	25 721	17 501	
7	Sturzovca (r. Glodeni)	Repair works in kindergarten nr. 2	60 734	36 463	18 243	18 220	
8	Tirnova (r. Donduseni)	Construction of a portion of aqueduct	45 638	35 731	22 039	13 692	
9	Balanul Nou (r. Riscani)	Construction of a portion of aqueduct	58 843		41 190	17 653	I m p l e m e n t i n g
10	Balatina (r. Glodeni)	Repair works in kindergarten nr. 2	55 480		38 836	16 644	
11	Cuhurestii Jos (r. Floresti)	Repair works in kindergarten	71 286		60 593	10 693	
12	Gura Camencii (r. Floresti)	Repair works in gymnasium	62 474		38 830	23 644	
13	Hasnasenii Mari (r. Drochia)	Repair of a portion of road	54 912		38 438	16 474	
14	Navirnet (r. Falesti)	Extension of aqueduct	30 810		21 567	9 243	
15	Pelinia (r. Drochia)	Interior repair works in kindergarten nr. 1	49 266		34 454	14 780	
16	Popestii de Sus (r. Drochia)	Repair works in lyceum	56 173		39 321	16 852	
17	Prajila (r. Floresti)	Repair works in gymnasium	59 216		38 136	21 081	
18	Zgurita	Repair of some portions of road and sidewalks	55 140		38 598	16 542	
19	Calarasovca (r. Ocnita)	Repair works in gymnasium	55 381		38 767	16 614	Ten

20	Grinauti-Moldova (r. Ocnia)	Repair works in gymnasium	55 414		38 790	16 624	der
	In total:	8 SPs – implemented 10 SPs – under implementation 2 SPs – bidding	1 109 678	331 713	656 666	274 321	

3.2. Small towns

#	Community	SP	Estimated budget (EUR)	Final cost (EUR)	KfW FC (EUR)	CC (EUR)	Stage
1	Briceni (r. Briceni)	Repair works in the music school	95 015		55 153	39 862	Im ple men ting
2	Drochia (r. Drochia)	Paving sidewalks	168 566		117 996	50 570	
3	Riscani (r. Riscani)	Repair works in gymnasium “Gh. Riscanu”	87 621		61 335	26 286	
4	Ocnita (r. Ocnita)	Renovation of the street lighting network	75 429		52 800	22 629	
5		Repair works in the department of Pediatrics and Rehabilitation for children (district hospital)	49 620		34 734	14 886	T e n d e r
6	Lipcani (r. Briceni)	Paving sidewalks	121 857		85 300	36 557	
7		Renovation of some sectors of the street lighting network	28 303		19 812	8 491	
	In total:	4 SPs – under implementation 3 SPs – bidding	626 411		427 130	199 281	

Annex 4. Progress of subprojects implementation in post-conflict region

#	Community	SP	Estimated budget (EUR)	Final cost (EUR)	KfW FC (EUR)	CC (EUR)	Stage
1	Cioburciu (r. Slobozia)	Repair works in the sports school	48 721	47 718	40 410	7 308	F i n i s h e d
2	Cocieri (r. Dubasari)	Roof replacement at the community cultural centre	32 433	32471	27 606	4 865	
3	Cocieri (r. Dubasari)	Mounting solar collectors at kindergarten	4 642	4 642	3 946	696	
4	Cosnita (r. Dubasari)	Repair works in kindergarten nr. 2	33 080	28 462	23 500	4 962	
5	Dorotcaia (r. Dubăsari)	Reconstruction of roof at the kindergarten	19 961	16 276	10 288	5 988	
6	Dorotcaia (r. Dubăsari)	Mounting solar collectors at the kindergarten	3 966	3 966	3 371	595	
7	Molovata Noua (r. Dubasari)	Mounting solar collectors at the kindergarten	4 774	4 774	4 058	7 16	
8	t. Pervomaisc (r. Slobozia)	Replacement of external doors and windows in the kindergarten	49 460	42 174	34 755	7 419	
9	t. Pervomaisc (r. Slobozia)	Replacement of external doors and windows in the medical centre	12 687	10 661	8 758	1 903	
10	t. Pervomaisc (r. Slobozia)	Reconstruction of roof at the medical centre	26 986	24 343	20 295	4 048	
11	Pirita* (r. Dubasari)	Mounting solar collectors at the kindergarten	2 862	2 862	2 432	430	
12	t. Slobozia (r. Slobozia)	Repair works in the kindergarten “Ivushka”	137 681	137 190	116 538	20 652	
13	Carmanova (r. Grigoriopol)	Repair works in school	64 170		54 544	9 626	
14	Colosova (r. Grigoriopol)	Repair works in kindergarten	25 215		21 433	3 782	
15	Hlinaia (r. Grigoriopol)	Repair works in kindergarten	55 078		46 816	8 262	
16	Maiac (r. Grigoriopol)	Repair works in school	54 773		46 557	8 216	
17	Malaiesti (r. Grigoriopol)	Repair works in school	54 908		46 671	8 237	
18	Podoima (r. Camenca)	Repair works in school	53 943		45 851	8 092	
19	Slobozia-Rascov (r. Camenca)	Repair works in the educational centre (school and kindergarten)	54 076		45 964	8 112	
20	Speia (r. Grigoriopol)	Repair works in school	64 572		54 887	9 685	
21	Teiu (r. Grigoriopol)	Repair works in school	54 561		46 377	8 184	I m p l e m e n t i n g

22	t. Camenca (r. Camenca)	Repair works in school nr. 1	79 164		67 289	11 875	Tender
23	Caterinovca (r. Camenca)	Repair works in kindergarten	54 148		46 026	8 122	
	<i>In total:</i>	<i>12 SPs – implemented 9 SPs – under implementation 2 SPs – bidding</i>	991 861	355 539	818 372	136 332	

Annex 5. Selective Project performance results

#	Activity	Cumulatively per Grant	Reference period (01.01-30.06.2014)
1.	Public involvement in community development		
	Identification of community priority needs:		
	<i>Focus groups</i>	497	67
	<i>Community general/representatives meetings, referendums and open local sessions</i>	129	14
	<i>People involved</i>	60 905	4 729
	Training of community leaders and beneficiaries	1 810	735
2.	Procurement activity		
	Tenders to select construction companies and local supervisors	98	23
	Bidders	381	99
	Concluded contracts	100	25
3.	Financial activity (EUR mln)		
	Committed total	5.6	3.0
	FC disbursed	1.79	0.42
	CC disbursed	0.40	0.16
4.	Community contribution collected (EUR mln)	0.97 (at least 15 % of subprojects' cost)	
5.	Implementation of infrastructure subprojects		
	Implemented subprojects	50	16
	Temporary workplaces	1 495	505
6.	Beneficiaries of a better access to the improved infrastructure services	42 407	12 407