

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

**Presented by
Moldova Social Investment Fund
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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

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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 ~ 140 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 – 2015 MSIF has implemented infrastructure projects and programs supported by different donors, as follows:

- The Technical and Financial Assistance Program offered by the Government of Romania for preschool institutions of Republic of Moldova;
- 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;
- Integration of Children with Disabilities into Mainstream Schools Project, PHRD Grant.

By signing a 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 – at least 0,66 mln Euro, 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.

The above mentioned purpose corresponds to the purpose specified in the Financing and Project Agreement.

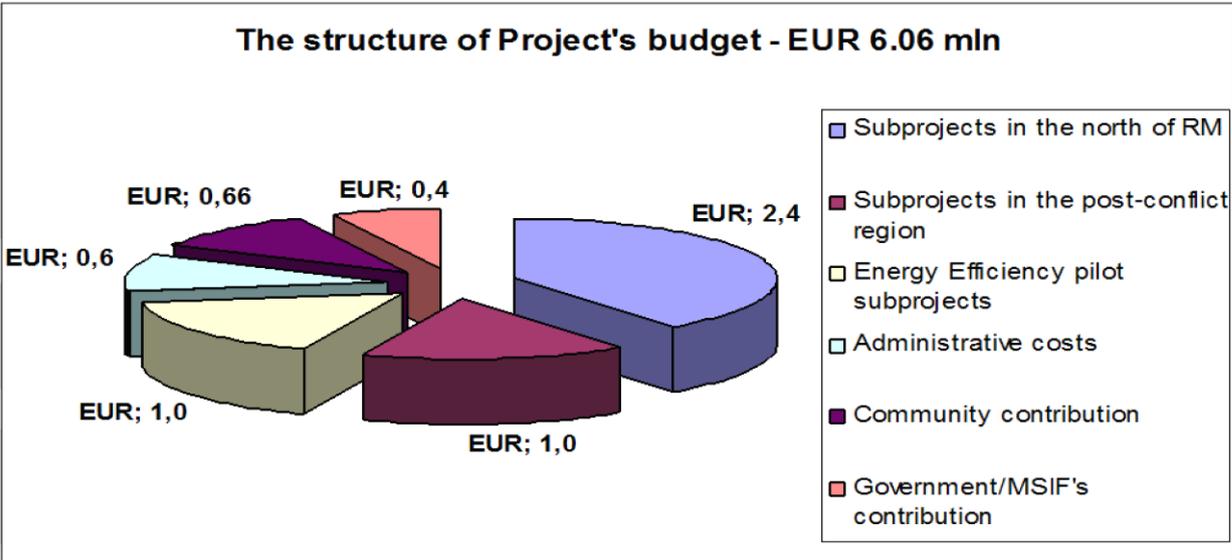
Project activities are the following:

- 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.
- b) Energy efficiency measures in public infrastructure.

The maximum financial size for subprojects in villages amounts up to 100,000 USD (75,000 USD in villages that work with MSIF for the first time), up to 150,000 USD in towns of up to 10,000 inhabitants and up to 200,000 USD in towns of up to 20,000 inhabitants. A minimum community contribution of 15% of the subproject costs is required from the beneficiary communities. In the case of villages and small towns that have already implemented one or more subprojects with MSIF is required 30%.

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 implementation progress

Capacity building

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 ~ 2020 persons, while in the process of community primary needs identification there have been included up to 50 % of communities' adult population through:

- over 516 focus groups with more than 7080 participants,
- over 98 community general/representatives' meetings with more than 33320 participants, inclusive ~ 20580 women,
- 19 referendums with ~ 28360 residents involved,
- 17 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, the majority of which are small with underdeveloped infrastructure, situated far from raion centres, expressed interest to participate in the Project and identified their priority needs (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 contributed to the implementation of their subprojects with minimum 15 % of their costs. The estimated community contribution (“new” communities) is about 288299 Euro.

In total, 33 subprojects identified by the “new” communities from the North of Moldova have been supported under the Project, including 1 subproject at the bidding stage in the report period. The progress of subprojects implementation (“new” communities) is registered in Annex 2.

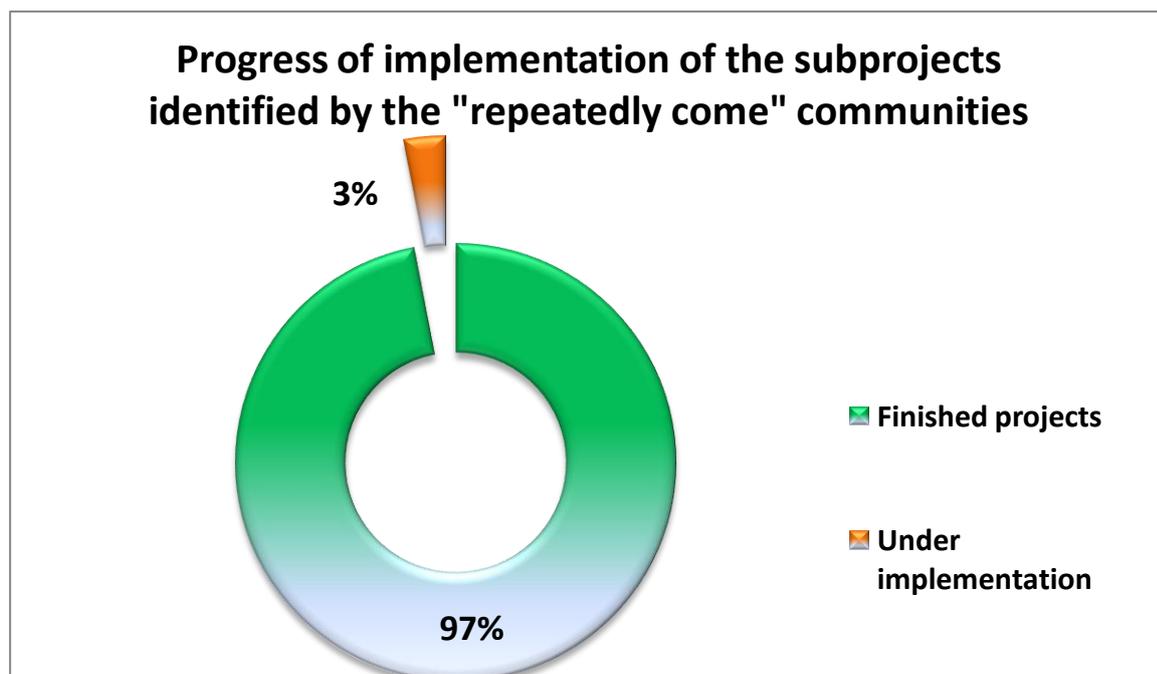
Subprojects in villages and small towns that have already implemented one or more subprojects with MSIF (“repeatedly come” communities)

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.

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 these communities are both interested and experienced in raising additional funds in order to assure their community development. The estimated community contribution (“repeatedly come” communities) is about 648011 Euro.

In total, 29 subprojects identified by the “repeatedly come” communities from the North of Moldova have been supported under the Project, including 4 subprojects finished and 1 subproject under implementation in the report period. The progress of subprojects implementation (“repeatedly come” communities) is registered in Annex 3.



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 post-conflict region, the process of subprojects implementation has required more time, discretion and care. The region remains to be a closed space, with lack of the necessary legal field for investments, etc.

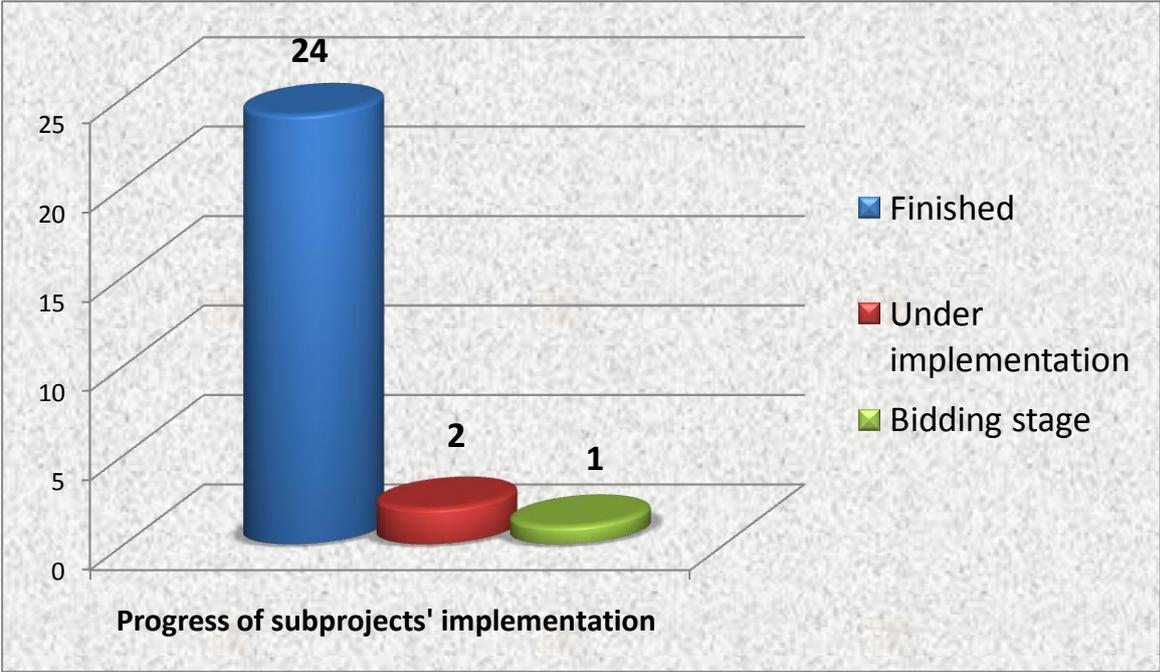
From the very beginning of Project’s operation MSIF started an information campaign and consultations with region’s leadership of different levels regarding the availability of an external financial support. On behalf of the region, the Commission of Humanitarian and Technical Aid has been mostly involved 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 Transnistrian region was preliminary assigned and then postponed for several times.

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 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 of building materials, etc. – that leads to more expenditures for the contractors and enforce them to withdraw from the contracts), etc. Nevertheless, MSIF continues to work, step by step, on the implementation of the Project in the post-conflict region.

The estimated community contribution (in post-conflict region) is about 199345 Euro.

In total, 27 subprojects identified by the communities from the post-conflict region have been supported under the Project, including 9 subprojects finished, 2 subprojects under implementation, 1 subproject at the bidding stage in the report period. The progress of subprojects implementation in post-conflict region 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 "Axis Mundy" Ltd was contracted to develop the appropriate technical design with an essential assistance of Rongen Architekten GmbH. The relevant technical design was developed and the necessary approval of the State Services for verification and expertise of designs and constructions was obtained in the report period. The execution of construction works will begin in the second half of 2015.

Brief summary

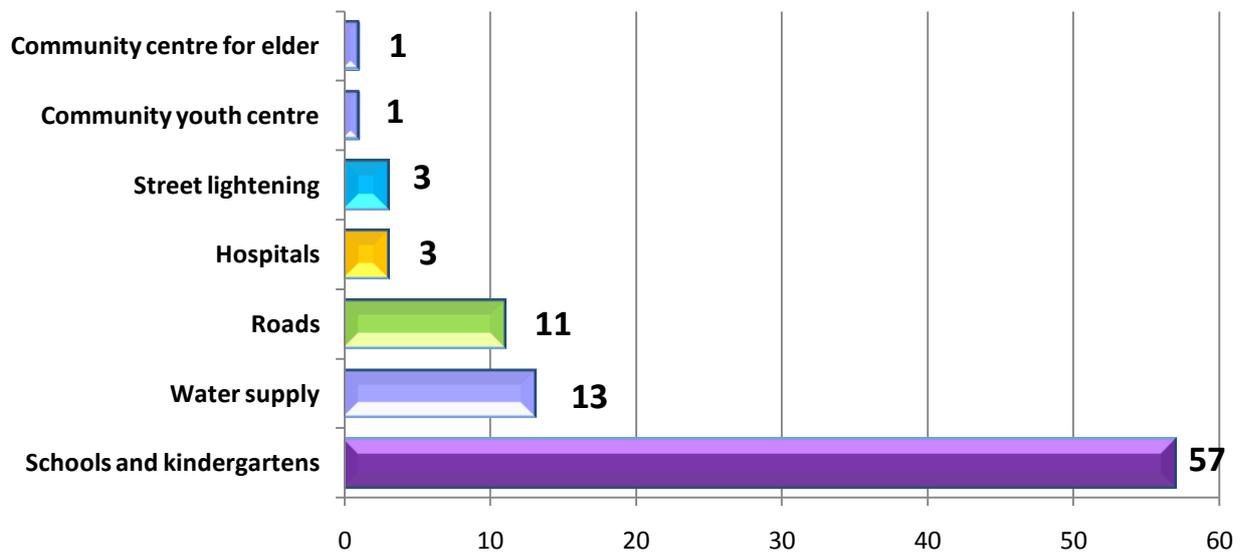
It is important to note the synergy between different financial sources managed by MSIF. Thus KfW's Financial Contribution was complimented with about 125900 Euro from the Technical and Financial Assistance Program offered by the Government of Romania for preschool institutions of Republic of Moldova (see Annex 5).

In total, to date under KfW Grant there are 89 subprojects approved for funding, including 84 sp fully completed (13 subprojects completed in the report period), 3 subprojects under implementation and 2 subprojects at the bidding stage. The community contribution collected up to the report period is about 1,025 mln Euro, which exceeds Financing and Project Agreement provisions about 0,66 mln Euro local communities' contribution (selective Project performance results see in Annex 6). The typology of subprojects is illustrated in the Table below.

Subprojects by typology:

Renovation works at schools and kindergartens	57
Renovation works of water supply	13
Renovation works of roads	11
Renovation works at hospitals	3
Renovation of street lighting (EE)	3
Renovation works at community youth centre	1
Renovation works at community centre for elders	1

TYOLOGY OF THE SUBPROJECTS



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

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

- 20576 m² of roof reconstructed,
- 8785 m² of windows and doors replaced,
- 7463 m² of floors repaired,
- 27278 m² of walls and ceilings renovated,
- 4 boiler rooms with 6 boilers (solid fuel - biomass) arranged,
- 6 heating networks installed,
- 8275 m² of façade insulated,
- 51 sanitary blocks (inclusive provision of water and sewage) rehabilitated.

b. Renovation / construction of water and sewerage systems:

- 64783 m of water conduits constructed,
- 12 water reservoirs mounted,
- 10 artesian wells rehabilitated,
- 13 protection areas of water sources arranged.

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

- 29466 m² of local roads/sidewalks renovated,
- 17645 m of kerbstones installed.

d. Heating water (solar collectors):

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

e. Street lighting network:

- 16800 m of electrical networks on new and existing pillars installed,
- 316 LED installed.

It worth mentioning, that within the subprojects of social facilities under KfW Grant MSIF has applied different elements of energy efficiency (thermal insulation, biomass boilers for space heating, solar collectors for water heating etc.).

Over 2178 temporary workplaces, were created during the subprojects implementation with duration of 2 - 8 months each.

Over 62586 people in the beneficiary communities, including 16120 people in the report period, 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.

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 250 persons attended the trainings regarding the selection of the design company, construction company and technical supervisor.

MSIF provided technical assistance to 97 communities in publishing the announcements in the Official Gazette (Monitorul official), local mass media and MSIF's website.

A total number of 90 tenders were organized to employ construction firms and 33 tenders to select local supervisors. All the tenders were valid and resulted in 92 civil works contracts and 31 contracts signed with the local supervisors selected by communities.

A total number of 449 bidders participated in the tenders organized for selecting the construction company (on average 5 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 3.180.126,85 from the FC funds.

The community contribution collected by now is 1,025 mln Euro that overcomes the expected value of at least 0,66 mln Euro according p.3 Total Cost and Financing from Separate Agreement to the Financing and Project Agreement.

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:

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

Lessons learned

- ✚ 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.
- ✚ 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.
- ✚ Participative involvement enhances the objectivity in evaluating the sustainability of subprojects implemented with MSIF support.
- ✚ 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.
- ✚ 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.
- ✚ 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.
- ✚ 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.

- ✚ 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.

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)	Estimated KfW FC (EUR)	Disbursed KfW (EUR)	Estimated CC (EUR)	Stage
1	Balasinesti (r. Briceni)	Repair works in gymnasium	59 522	50 594	40902	8 928	F i n i s h e d
2	Birnova, (r. Ocnita)	Repair works in kindergarten and gymnasium	58 998	50 148	47506	8 850	
3	Bobulesti (r. Floresti)	Repair works in kindergarten	47 479	40 357	27625	7 122	
4	Bulboaca (r. Briceni)	Repair works in kindergarten and gymnasium	58 191	49 462	44984	8 729	
5	Casunca (r. Floresti)	Construction of a portion of aqueduct	57 591	48 952	36983	8 639	F i n i s h e d
6	Dominteni (Drochia)	Repair works in gymnasium	57 668	49 018	35450	8 650	
7	Fintina Alba (r. Edniet)	Renovation of water supply system	60 464	51 394	23937	9 070	
8	Gordinesti (r. Edinet)	Repair works in lyceum	55 129	46 860	34118	8 269	
9	Gvozdova (r. Floresti)	Construction of a portion of aqueduct	41 434	35 220	15814	6 214	F i n i s h e d
10	Malaiesti (r. Riscani)	Renovation of a portion of aqueduct	16 493	14 019	11210	2 474	
11	Marcauti (r. Briceni)	Repair works in gymnasium	57 228	48 644	29860	8 584	
12	Mihalaseni (r. Ocnita)	Repair works in educational complex	69 591	59 152	49980	10 439	
13	Ocolina (r. Soroca)	Repair works in kindergarten	49 457	42 038	35243	7 419	F i n i s h e d
14	Parcova (r. Edinet)	Repair works in gymnasium	58 112	49 395	30102	8 717	
15	Petreni (r. Drochia)	Repair works in kindergarten	25 424	21 610	18647	3 814	
16	Pirjota (r. Riscani)	Repair works in kindergarten and gymnasium	62 177	39 485	34736	22 692	
17	Putinesti (r. Floresti)	Construction of a road portion	58 311	49 564	44256	8 747	F i n i
18	Ramazan (r. Riscani)	Renovation of water supply system	58 310	42 763	37526	15 547	

19	Sarata Veche (r. Floresti)	Repair works in lyceum	57 228	48 644	36063	8 584	s h e d	
20	Slobozia-Cremene (r. Soroca)	Repair works in kindergarten	55 433	47 118	35168	8 315		
21	Solcani (r. Soroca)	Repair works in gymnasium	57 906	49 220	31585	8 686		
22	Surii Noi (r. Drochia)	Repair works in kindergarten	49 889	42 404	34330	7 485		
23	Sverdiac (r. Riscani)	Renovation of water supply system	58 310	49 563	35192	8 747		
24	Temeleuti (r. Floresti)	Repair works in gymnasium	57 611	48 969	30808	8 642		
25	Unchitesti (r. Floresti)	Repair works in kindergarten	50 848	39 494	9397	11 354		F i n i s h e d
26	Usurei (r. Riscani)	Construction of mainline aqueduct	31 620	26 877	18014	4 743		
27	Vadeni (r. Soroca)	Repair works in gymnasium	59 844	50 867	39485	8 977		
28	Varvareuca (r. Floresti)	Repair works in gymnasium	58 428	49 664	32875	8 764		
29	Volodeni (r. Edinet)	Extension of repair works in kindergarten and gymnasium	55 667	47 317	35568	8 350		
30	Cenusa (r. Floresti)	Repair works in kindergarten and gymnasium	54 572	46 386	33246	8 186		
31	Climauti (Donduseni)	Construction of a road portion	54 358	46 204	44900	8 154		
32	Septelici (r. Soroca)	Construction of a road portion	54 354	46 201	43712	8 153		
33	Tirgul Vertiujeni (r. Floresti)	Construction of a road portion	55 035	46 780		8 255	bidding	
	In total:	32 SPs – implemented, 1 SP – bidding	1 762 682	1 474 383	1059224	288 299		

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

3.1. Villages

#	Community	SP	Estimated budget (EUR)	Estimated KfW FC (EUR)	Disbursed KfW (EUR)	Estimated CC (EUR)	Stage
1	Ciutulesti (r. Floresti)	Construction of a portion of aqueduct	44 407	31 085	18203	13 322	F i n i s h e d
2	Cosauti (r. Sorooca)	Repair works in kindergarten	72 194	42 145	22544	30 049	
3	Gura Cainarului (r. Floresti)	Construction of a portion of aqueduct	51 894	36 325	22827	15 569	
4	Izvoare (r. Falesti)	Construction of a portion of aqueduct connecting social objects	55 472	38 240	24228	17 232	
5	Lunga (r. Floresti)	Paving sidewalks	56 608	39 626	22415	16 982	
6	Recea (r. Riscani)	Paving sidewalks in the centre of the village	58 336	40 835	23013	17 501	
7	Sturzovca (r. Glodeni)	Repair works in kindergarten nr. 2	60 734	42 514	32738	18 220	
8	Tirnova (Donduseni)	Construction of a portion of aqueduct	45 638	31 946	19909	13 692	
9	Balanul Nou (r. Riscani)	Construction of a portion of aqueduct	58 843	41 190	25446	17 653	
10	Gura Camencii (r. Floresti)	Repair works in gymnasium	62 474	38 830	26937	23 644	
11	Hasnasenii Mari (r. Drochia)	Repair of a portion of road	54 912	38 438	39321	16 474	
12	Navirnet (r. Falesti)	Extension of aqueduct	30 810	21 567	12622	9 243	
13	Pelinia (r. Drochia)	Interior repair works in kindergarten nr. 1	49 266	34 486	32636	14 780	
14	Popestii de Sus (r. Drochia)	Repair works in lyceum	56 173	39 321	37177	16 852	
15	Prajila (r. Floresti)	Repair works in gymnasium	59 216	38 135	23340	21 081	
16	Zgurita (r. Drochia)	Repair of some portions of road and sidewalks	55 140	38 598	32575	16 542	

17	Calarasovca (r. Ocnita)	Repair works in gymnasium	55 381	38 767	32632	16 614	F i n i s h e d
18	Grinauti- Moldova (r. Ocnia)	Repair works in gymnasium	55 414	38 790	34570	16 624	
19	Floresti (r. Floresti)	Construction of a road portion	189021	132315	123240	56706	
20	Girbova (r.Ocnita)	Renovation of the street lighting network	35244	24671	23535	10573	
21	Balatina (r. Glodeni)	Repair works in kindergarten nr.2	55 480	38 836	28456	16 644	
22	Mihaileni (r. Riscani)	Renovation works at community centre for elders	113337	60604	26983	52 733	impl
	In total:	21 SPs – implemented 1 SP – under implementation	1 375 994	927 264	667143	448 730	

3.2. Small towns

#	Community	SP	Estimated budget (EUR)	Estimated KfW FC (EUR)	Disbursed KfW (EUR)	Estimated CC (EUR)	Stage
1	Briceni (r. Briceni)	Repair works in the music school	95 015	55 153	40011	39 862	F i n i s h e d
2	Drochia (r. Drochia)	Paving sidewalks	168 566	117 996	80490	50 570	
3	Ocnita (r. Ocnita)	Renovation of the street lighting network	75 429	52 800	51908	22 629	
4		Repair works in the department of Pediatrics and Rehabilitation for children (district hospital)	49 620	34 734	33833	14 886	
5	Riscani (r. Riscani)	Repair works in gymnasium “Gh. Riscanu”	87 621	61 335	63062	26 286	F i n i s h e d
6	Lipcani (r. Briceni)	Renovation of some sectors of the street lighting network	28 303	19 812	83214	8 491	
7	Lipcani	Paving	121 857	85 300		36 557	

	(r. Briceni)	sidewalks					
	In total:	<i>7SPs – implemented</i>	626 411	427 130	352520	199 281	

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

#	Community	SP	Estimated budget (EUR)	Estimated KfW FC (EUR)	Disbursed KfW (EUR)	Estimated CC (EUR)	Stage
1	Cioburciu (r. Slobozia)	Repair works in the sports school	48 721	41 413	30979	7 308	F i n i s h e d
2	Cocieri (r. Dubasari)	Roof replacement at the community cultural centre	32 433	27 568	24976	4 865	
3	Cocieri (r. Dubasari)	Mounting solar collectors at kindergarten	4 642	3 946	2745	696	
4	Cosnita (r. Dubasari)	Repair works in kindergarten nr. 2	33 080	28 118	19479	4 962	F i n i s h e d
5	Dorotcaia (r. Dubăsari)	Reconstruction of roof at the kindergarten	19 961	13 973	10084	5 988	
6	Dorotcaia (r. Dubăsari)	Mounting solar collectors at the kindergarten	3 966	3 371	2745	595	
7	Molovata Noua (r. Dubasari)	Mounting solar collectors at the kindergarten	4 774	4 058	3870	716	F i n i s h e d
8	t.Pervomaisc (r. Slobozia)	Replacement of external doors and windows in the kindergarten	49 460	42 041	46679	7 419	
9	t.Pervomaisc (r. Slobozia)	Replacement of external doors and windows in the medical centre	12 687	10 784	11794	1 903	
10	t.Pervomaisc (r. Slobozia)	Reconstruction of roof at the medical centre	26 986	22 938	21471	4 048	F i n i s h e d
11	Pirita (r. Dubasari)	Mounting solar collectors at the kindergarten	2 862	2 432	2388	430	
12	t. Slobozia (r. Slobozia)	Repair works in the kindergarten "Ivushka"	137 681	117 029	111642	20 652	
13	Colosova (Grigoriopol)	Repair works in kindergarten	25 215	21 433	19262	3 782	F i n i s h e d
14	Speia (Grigoriopol)	Repair works in school	64 572	54 887	48775	9 685	
15	Podoima (r. Camenca)	Repair works in school	53 943	45 851	29307	8 092	
16	Hlinaia (Grigoriopol)	Repair works in kindergarten	55 078	46 816	44329	8 262	F i n
17	Maiac	Repair works in	54 773	46 557	39045	8 216	

	(Grigoriopol)	school					i s h e d F i n i s h e d
18	Malaiesti (Grigoriopol)	Repair works in school	54 908	46 671	38468	8 237	
19	Slobozia-Rascov (r. Camenca)	Repair works in the educational centre (school and kindergarten)	54 076	45 964	36804	8 112	
20	Teiu (Grigoriopol)	Repair works in school	54 561	46 377	40025	8 184	
21	t. Camenca (r. Camenca)	Repair works in school nr.1	79 164	67 289	56774	11 875	
22	Caterinovca (r. Camenca)	Repair works in kindergarten	54 148	46 026	42577	8 122	
23	Rascov (r. Camenca)	Repair works in the educational centre (school / kindergarten)	55617	47 275	44788	8 342	
24	t. Dnestrovsc	Repair works in kindergarten nr. 1	50857	43 228	39629	7 629	
25	Carmanova (Grigoriopol)	Repair works in school	64 170	54 544	137	9 626	impl
26	Chitcani (r. Slobozia)	Repair works in school nr.2	68253	55 496	37	12 757	impl
27	t. Camenca (r. Camenca)	Extension of the repair works in school nr. 1	125612	106770		18842	bidding
	<i>In total:</i>	<i>24 SPs – implemented 2 SPs – under implementation 1 SP - bidding</i>	1 292 200	1 092 855	768807	199345	

**Annex 5. Subprojects implemented or under implementation
with KfW and Government of Romania financial contribution**

“New” communities

#	Community	SP	Estimated KfW FC (EUR)	Government of Romania FC (EUR)
1	Bulboaca (r. Briceni)	Repair works in kindergarten	49 462	14712
2	Mihalaseni (r. Ocnita)	Repair works in educational complex	59 152	20073
3	Ocolina (r. Soroca)	Repair works in kindergarten	42 038	9267
4	Petreni (r.Drochia)	Repair works in kindergarten	21 610	32172
5	Pirjota (r. Riscani)	Repair works in kindergarten	39 485	4990
6	Volodeni (r. Edinet)	Extension of repair works in kindergarten	47 317	23425
Total			259064	104639

“Repeatedly come” communities

#	Community	SP	Estimated KfW FC (EUR)	Government of Romania FC (EUR)
1	Balatina (r. Glodeni)	Repair works in kindergarten nr. 2	38 836	21261
Total			38 836	21261

Annex 6. Selective Project performance results

#	Activity	Cumulatively per Grant	Reference period (01.01-30.06.2015)
1. Public involvement in community development	Identification of community priority needs:		
	<i>Focus groups</i>	516	0
	<i>Community general/representatives meetings, referendums and open local sessions</i>	134	0
	<i>People involved</i>	68760	0
	Training of community leaders and beneficiaries	2022	60
2. Procurement activity	Tenders to select construction companies and local supervisors	123	8
	Bidders	449	20
	Concluded contracts	123	6
3. Financial activity (EUR mln)	Committed total	5,7	0,047
	FC disbursed, including	3,18	0,3
	“new” communities	1.059.224	
	“repeatedly come” communities (villages and small towns)	1.019.663	
	Post-conflict region	768.807	
	passive house	25.793	
	MSIF admin cost	306.638	
4. Community contribution collected (EUR mln)		1,025	
	CC disbursed	0,86	0,18
5. Implementation of infrastructure subprojects	Implemented subprojects	84	13
	Temporary workplaces	2178	118
6. Beneficiaries of a better access to the improved infrastructure services		62586	16120