



Government of the Republic of Moldova
Ministry of Infrastructure and Regional Development
P.I. National Office of Regional and Local Development

„Moldova Water Security and Sanitation Project”

SEMIANNUAL REPORT no. 1
for the period August 5, 2022 – February 5, 2023



ACRONYMS

ADA	Austrian Development Agency
ANRE	National Energy Regulatory Agency
ATU	Autonomous Territorial Unit
BoQ	Bill of Quantities
CCTV	Closed Circuit Television
CERC	Contingent Emergency Response Component
CWSC	Citizen Water and Sanitation Committees
DED	Detailed Engineering Design
EIA	Environmental Impact Assessment
ES	Environmental and Social
ESS	Environmental and Social Standards
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FM	Financial Manager
GD	Government Decision
GoM	Government of Moldova
GRM	Grievance Redress Mechanism
HBS	Household Budget Survey
HCF	Health Care Facility
HR	Human Resources
KPI	Key Performance Indicator
LPA	Local Public Administration
NWSSDP	National Water Supply and Sanitation Sector Development Plan
MER	Ministry of Education and Research
MH	Ministry of Health
M&E	Monitoring and Evaluation
MIRD	Ministry of Infrastructure and Regional Development
MIS	Management Information System
MWSSP	Moldova Water Security and Sanitation Project
NORLD	National Office of Regional and Local Development
NRW	Nonrevenue Water
NWSSDP	National Water Supply and Sanitation Sector Development Plan
PAD	Project Appraisal Document
PDO	Project Development Objective
PIA	Project Implementation Agreement
PIE	Project Implementing Entity

PIP	Performance Improvement Plan
PIU	Project Implementation Unit
POM	Project Operations Manual
RDA	Regional Development Agency
SEP	Stakeholder Engagement Plan
TA	Technical Assistance
ToR	Terms of Reference
VAT	Value Added Tax
WB	World Bank
WSS	Water Supply and Sanitation
WASH	Water, Sanitation and Hygiene
WWTP	Waste Water Treatment Plant

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1. INTRODUCTION

1.1 Project background

The Government of Moldova (GoM) is currently implementing a project supported by the World Bank (IDA) financing the **Moldova Water Security and Sanitation Project (MWSSP)**. The Moldova Water Security and Sanitation Project directly supports the Government's commitment to Sustainable Development Goal No.6: to achieve universal and equitable access to safe and affordable drinking water, sanitation, and hygiene by 2030 through its Action Program and the National Water Supply and Sanitation Strategy 2014-2028.

The World Bank's Water Security Diagnostic and Future Outlook¹ showed that there are several pressing challenges to Moldova's water security, such as (i) inequalities in access, inadequate quality of water supply in small towns and weak performance of service providers; (ii) poor environmental health and environmental pollution due to lack of sanitation and wastewater collection and treatment; (iii) weak institutions, fragmented financing streams and unresolved reform areas which hinder programmatic delivery of services.

Access in water supply and sanitation (WSS) is constrained by large coverage gaps in rural areas, compounded by income status. Compared to other countries in the Danube region, the share of population with access to basic water and sanitation services in Moldova is low. The gap between urban and rural remains one of the largest in Europe and is one of the key water security issues the country is facing. Based on JMP-data², gains were made in rural water supply access to drinking water services from piped networks, from 33 percent in 2000 to an estimate 40 percent in 2017, while urban piped service remained almost stable at 85 percent.

Household Budget Survey (HBS) (2018) data provides the picture on national access to a public piped water supply being 70 percent, with urban access at 92.4 percent and rural access at 52.2 percent. However, the water quality of rural piped system is often compromised and is below drinking water quality standard. Those not served by public centralized systems rely on so-called self-supply, through private shallow wells. Around one in three people rely on self-supply for their drinking water with 80 percent of wells not compliant with drinking water norms (e.g. nitrates, e-coli). The poorest quintile of the rural population faces the largest obstacles to get connected to a public system and is least able to invest in private piped supply by wells (9 percent), with 42.2 percent of the poorest households collecting water with buckets or carts. In 2018, out of a total of 1,220 centralized water systems, 1,168 were functional, although performance data is not systematically available.

In response to these challenges, the Project Development Objective (PDO) of the MWSSP is **to increase access to safely managed water supply and sanitation services in selected rural areas and towns, and to strengthen institutional capacities for water supply and sanitation service**

¹ <https://openknowledge.worldbank.org/handle/10986/34809>

² Joint Monitoring Program data is derived based on linear extrapolations using national survey data and JMP population estimates; discrepancies between nationally reported data can be found due to differences in estimation methods and definitions. See also: <https://washdata.org/data>

delivery. Strengthening institutional capacities for water supply and sanitation service delivery refers to both national level planning and sector development capacities, as well as to improved operational efficiency and delivery at utility level.

The Project has four components:

Component 1: Increasing access to safely managed WSS services in selected rural areas and towns This component will develop new and rehabilitate existing WSS infrastructure and WASH facilities in rural areas and towns, thus expanding access and quality of services for households, businesses, and public institutions and supporting resilience. Component 1 supports climate adaptation through (a) providing reliable centralized water supply protecting vulnerable households from drought and poor water quality; (b) improving wastewater systems, sanitation, and WASH facilities, reducing environmental exposure to pathogens exacerbated by flooding, particularly in towns facing frequent flooding; and (c) ensuring climate-resilient design of all infrastructure for robust functioning under extreme weather events. It consists of two subcomponents:

Subcomponent 1.1: Expanding access and quality of WSS services. This subcomponent will finance climate-resilient investments in towns and rural areas. This includes the following:

- (a) **Water supply investments:** Expansion and rehabilitation of the regional water systems for water supply production and distribution, and service connections for LPAs in selected districts, including the preparation of relevant technical studies and management documents; technical supervision; and citizen engagement activities. This refers to water supply infrastructure in two preliminarily identified subprojects, that is, regional water system expansion for LPAs in Cahul District and the ATU of Gagauzia and a regional water supply system with a surface water treatment plant in Riscani District. Many LPAs, particularly in the south (Cahul) as well as in the northern part along the Prut (Riscani), face shortages of water in the summer, with shallow wells/springs posing a challenge such as in the Prut cluster villages, in the Vulcanesti town, and other villages in Cahul District.
- (b) **Wastewater investments:** Expansion and rehabilitation of wastewater systems in selected towns, including the construction and rehabilitation of sewer networks and service connections, and the construction of new wastewater treatment plants, including the preparation of relevant technical studies and management documents; technical supervision; and citizen engagement activities. This refers to two preliminarily identified subprojects in Sorooca and Comrat towns. There are areas in the Comrat town that face frequent flooding, and the Sorooca town is also vulnerable directly on the right bank of the Dniester. The project will support the assessment of flood risk and impact at the household level and, in addition to ensuring resilient design of infrastructure, provide measures to reduce the impact of floods where possible.
- (c) **Pilot for on-site household sanitation:** selected rural or peri-urban villages, will benefit from the improvement of on-site household sanitation following a demand-led approach through the provision of technical assistance, the implementation of information campaigns, and the carrying

out of civil works. The pilot will be co-financed through the ADA grant. This pilot will demonstrate the use of climate-resilient low-cost technologies for rural sanitation.

Subcomponent 1.2: Improving resilient WASH facilities in public social institutions. This subcomponent will finance works, goods, consulting services, non-consulting services and training/workshops to realize climate-resilient WASH facilities in HCFs and education institutions and implement hygiene education and behavior change communication program.

Component 2: Strengthening institutional capacity at national and local levels for WSS service delivery. This component focusses on institutional capacities of national and subnational entities and WSS operators for management, planning, regulation and reform implementation, and performance improvement of service providers for green, resilience, and inclusive service delivery. At the national level, development of plans, policies, and regulatory documents will support climate adaptation through climate-resilient planning, and at the local level, performance improvements will deliver climate benefits through reduction of NRW and improvement of energy efficiency. It consists of two subcomponents:

Subcomponent 2.1: Building national institutional capacity for WSS. This subcomponent aims to strengthen critical functions of facilitating and implementing WSS sector reform, investment planning and monitoring, and sector modernization and build capacities to this end of the assigned lead unit/entity within MIRD's structure. It finances goods, non-consulting services, consulting services, and training/workshops for activities that strengthen institutional capacities for planning, financing, economic regulation, performance monitoring, professional development, and the revision and development of new policies and normative documents.

Subcomponent 2.2: Improving performance of WSS service providers Subcomponent 2.2 will finance works, goods, consulting services, non-consulting services, and training to support the implementation of a prioritized rolling multiyear PIP of selected WSS operators involved under Subcomponent 1.1. WSS operators will carry out annual assessments on PIP implementation and KPIs, including publication of results and feedback rounds with customers. The financing for selected WSS operators will be allocated based on results. Investments and TA activities identified in the PIPs are based on utility diagnostics and include, but are not limited to, the following: improving technical and commercial operations, improving financial management (FM), HR management, and organization and strategy aspects, including improving asset management systems and inventories, energy efficiency, NRW reduction programs, water metering practices and equipment to improve climate resilience, water safety, and business continuity, and enhancing responsiveness to customers.

Component 3: Project management and coordination. This component will finance operational costs, consulting services, non-consulting services, goods, and training to finance the overall project management cost, including the project team at the Project Implementation Unit (PIU), implementation support consultants at the regional level within MIRD's RDAs for environmental and social standards implementation, and, at the national level, MIRD as the project implementing entity (PIE). It will finance training costs, including for capacity building in procurement, environmental,

and social standards, specialized short-term implementation support consultants, financial audits, project communication and citizen consultations, and monitoring and evaluation (M&E).

Component 4: Contingent emergency response component (CERC). A provisional zero-amount component is included, which will allow for rapid reallocation of credit/loan proceeds from other components during an emergency under streamlined procurement and disbursement procedures. This component allows the Government to request the World Bank to recategorize and reallocate financing from other project components to cover emergency response and recovery costs.

1.2 Project objectives

The Project Development Objective (PDO) is:

- (i) to increase access to safely managed water supply and sanitation services in selected rural areas and towns, and to strengthen national and local institutional capacity for water supply and sanitation service delivery;
- (ii) in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

2. SUMMARY OF PROJECT ACTIVITIES DURING THE REPORTING PERIOD

2.1 General activities

2.1.1 Implementation arrangements

National WSS reform. As part of project preparation, a review of the legislative and regulatory aspects of the WSS sector was carried out to identify areas for reform. While Moldova has defined targets for the regionalization of operators, the sector has not yet reached the targets established.

In order to ensure the achievement of the reform in the field of WSS, the implementation of the following steps are planned:

1. The establishment of a specialized subdivision within the Ministry of Infrastructure and Regional Development (Department of Policies in the Field of Water Supply and Sanitation);
2. Revision of the provisions of *Law no. 303/2013 regarding the public water supply and sewerage service*, the changes being oriented towards reforming the process of: (i) establishment of WSS operators excluding the direct management model and establishing performance criteria regardless of whether the operators are licensed or no, (ii) modifying the licensing conditions and including mandatory provisions to ensure the gradual and mandatory licensing of all operators; (iii) the development of effective conditions that would contribute to the regionalization of operators, especially with the integration of rural localities.

Thus, in order to accomplish this task, the Project Implementation Unit has developed the Terms of Reference necessary for contracting a National Consultant. It will develop the draft Law on the amendment and completion of the Law no. 303/2013 regarding the public service of water supply and sewerage under the coordination of the Ministry of Infrastructure and Regional Development

and the Working Group in the field of water supply and sanitation created by the Decision of the Parliament of the Republic of Moldova.

The terms of reference were approved by the World Bank experts on 20.01.2022 and the procedure for contracting the expert was launched on 10.02.2023. The deadline for drafting the law and the start for promoting it for approval is planned for April 2023.

Project Implementation Agreement (PIA). The PIA has been signed by the MIRD and NORLD/PIU on August 2, 2022. It includes the responsibilities of each institution in the implementation of the project, the PIU's commitments to implement the project in accordance with this agreement, the Environment and Social Standards, the Environment and Social Commitment Plan, the Anti-Corruption Guidelines, the Procurement Regulations, and the Project Operations Manual (POM), as applicable.

Project Institutional Arrangements

a. Project Coordination Group (PCG). The PCG was established by MIRD via a Ministerial Decree issued on December 14, 2022, with structure and functions as per the POM prepared by PIU and approved by the Bank team, with the objective of coordinating the implementation of the Project and endorsing its annual implementation plans.

The first meeting of the Project Coordination Group is planned for the end of March, 2023.

b. Lead Water Supply and Sanitation Unit. With the reorganization of the Government structure in August 2021, the Department of Policies in the Field of Water Supply and Sanitation under the MIRD is responsible for water supply and sanitation policies and provides an opportunity to be established as the Lead WSS Unit with adequate staffing, training, and capacity development. According to the Financing Agreement, that the GoM / MIRD, no later than six months after Project effectiveness, and for purposes of implementing Part 2.1.a. of the Project, shall provide evidence that the WSS Lead Agency under the MIRD's structure, has been established, trained, and has the capacity to lead the development and implementation of the National Water Supply and Sanitation Sector Development Plan (NWSSDP).

For the implementation of this action, during the reporting period, the following actions were carried out:

- The Department of Policies in the Field of Water Supply and Sanitation was constituted according to the provisions of the Government Decision no. 852/2022;
- The Personnel States, were approved by the Minister of Infrastructure and Regional Development on January 17, 2023, and by the State Chancellery at January 20;
- At the end of the first semester of the project implementation, in the Department 2 people were employed.
- The delegation of the Department of Policies in the Field of Water Supply and Sanitation, as the Lead WSS Unit is planned to be achieved by the end of February, 2023.

Also, taking into consideration that according to the Financing Agreement, MIDR have to present evidence that the new created department is well-capacitated lead unit for the facilitation and monitoring of the implementation of WSS sectoral reforms, the MIRD / NORLD will prepare the ToR for building the capacity of the Lead WSS Unit and its staff by September 30, 2022, and establish the capacitated Lead WSS Unit by January 31, 2023.

- c. Project Implementation Unit.** According to the Project Appraisal Document and the Project Operations Manual, the PIU is planned to be staffed with the following positions: (i) project manager, (ii) procurement specialist, (iii) procurement assistant, (iv) FM specialist, (v) environmental specialist, (vi) social specialist, (vii) chief WSS engineer, (viii) communications specialist, (ix) citizen engagement/gender specialist, (x) monitoring and evaluation (M&E) specialist, (xi) administrative assistant, and (xii) WSS engineer. In addition, several consultants need to be hired, including WASH facility engineer/coordinator, WSS engineer(s), institutional development specialist, legal specialist, and short-term consultants for specific technical inputs. Also, for each RDA, one technical WSS consultant will be hired, and part-time environmental and social consultant support will be provided during project implementation. At the national level, a WSS sector specialist will be hired to support the MIRD in coordinating its activity with other ministries and institutions.

While six positions (project manager, procurement specialist, FM specialist, environmental specialist, social specialist, and the chief WSS engineer) have been hired for meeting the effectiveness condition, two other specialists (communications specialist and WSS engineer (to support the chief WSS engineer)) were hired in January 2023. Also, With the approval by the Bank, the responsibilities for the Gender Specialist tasks were delegated to the PIU's social specialist and the citizen engagement responsibilities were delegated to the PIU's environmental specialist. The remaining positions are planned to be hired according the attached „Hiring Schedule” (Annex 1).

Project Support Agreement

- a. Implementation Support Agreements.** The RDAs, which have comparative advantage and experience in the implementation of WSS infrastructure as well as local presence, will be the employers of major civil works under the project. The Bank Team provided comments on the draft Support Agreement developed by the NORLD/PIU, between MIRD, NORLD / PIU and the RDAs North, South and Gagauzia. The agreements provide details on: (i) the roles and responsibilities for the implementation of sub-component 1.1 of the Project, (ii) cooperation mechanism between the parties, and (iii) RDA's commitment to implement its relevant part of the Project. The agreements also specify the agreed local government contributions towards the civil works, which will be transferred by the LPAs in the PIU Account, and the responsibilities of all parties at each stage of the project implementation process. The draft agreements are under review by the Bank team.
- b. Decisions of the Local Councils.** The PIU developed the draft decisions of the LPA levels 1 and 2, which were approved by the Bank team. The decisions address the participation, collaboration,

roles and responsibilities, including delegation of contracts to the operator, citizen engagement activities and consultations at the local level, establishing and maintaining operational grievance redress mechanism, and transferring the financial contribution of 3% of the project implementation cost of the LPAs as per the Financing Agreement of the Project. The established contribution of 3% will be calculated upfront as a share of the bid amount and adjusted after the civil works contracts are signed. This share will be further revised and agreed upon after each amendment of the initial contract. The LPA contribution will be transferred in one or two installments to a special account opened by the PIU/NORLD in the State Treasury.

The Decisions have been approved by the Local and the Rayon Councils in all the project districts (Riscani, Cahul, Soroca and Comrat), except the Local Council from Varatic (Riscani). The Varatic LPA would like to continue with its local operator. The WB mission discussed the need to convince the Varatic Local Council to participate in the project, including:

(a) organizing meetings with communities to inform them about the opportunity to be connected to the new scheme for better quality, safe, and assured water supply;

(b) the option to the LPA of buying bulk water from the project operator, sourced through surface water supply, compared to the groundwater currently being used and associated bacteriological contamination.

c. Cooperation agreement for WSS systems. The draft cooperation agreement between NORLD, RDAs and LPAs has been prepared by the PIU with the main objective to establish a sustainable and effective partnership on assuring increasing access to safely managed water supply and sanitation services in the project localities and to strengthen national and local institutional capacity for the provision of WSS services. The WB mission clarified (as per PAD) that the RDAs will act as the Employer who will sign the civil works contracts together with the Contractor, given that contracts define roles for two parties only. The PIU/NORLD (as Payer) and the LPA (as Beneficiary) may co-sign the contracts, although no roles will be defined for them in these contracts. Their roles will be established as part of the Cooperation Agreements. The agreements specify the agreed local government contributions towards the civil works, which will be transferred by the LPAs in the PIU Operating Account in the State Treasury. The established contribution of 3% will be calculated as a share of the bid amount, which will be adjusted after the civil works contracts are signed. This share must be revised and agreed upon after each amendment of the initial contract. While the contribution may be transferred in installments, the full amount of contribution should be available before initiation of the bidding process as per PAD. In the Scheme 1, below are presented the agreed cash flow arrangements that are part of the Cooperation Agreements. During the WB mission, all issues have been discussed and clarified. , The draft agreement has been approved by the Bank.

d. WSS operator and Performance Improvement Plan (PIP). The WSS operators will be responsible for developing, implementing, and annually updating the PIPs, including carrying out citizen consultations and engagement. The WSS operators will be the employer for works contracts

in support of the PIP implementation program. The WSS operators will also develop customer contracts when connecting with new households. The licensed WSS operators will sign delegation contracts with LPAs for the newly constructed assets.

Taking into consideration that PIPs for the WSS operator will be developed according to the ANRE regulations on the list of the identified Key Performance Indicators (KPI), this activity is planned to be realized after the development and approval of the next documents:

- The draft law for the amendment of the Law no. 303/2013 regarding the public service of water supply and sewerage;
- The ANRE „Regulation regarding the performance initiators of the WSS service”.

2.1.2 Financial Management

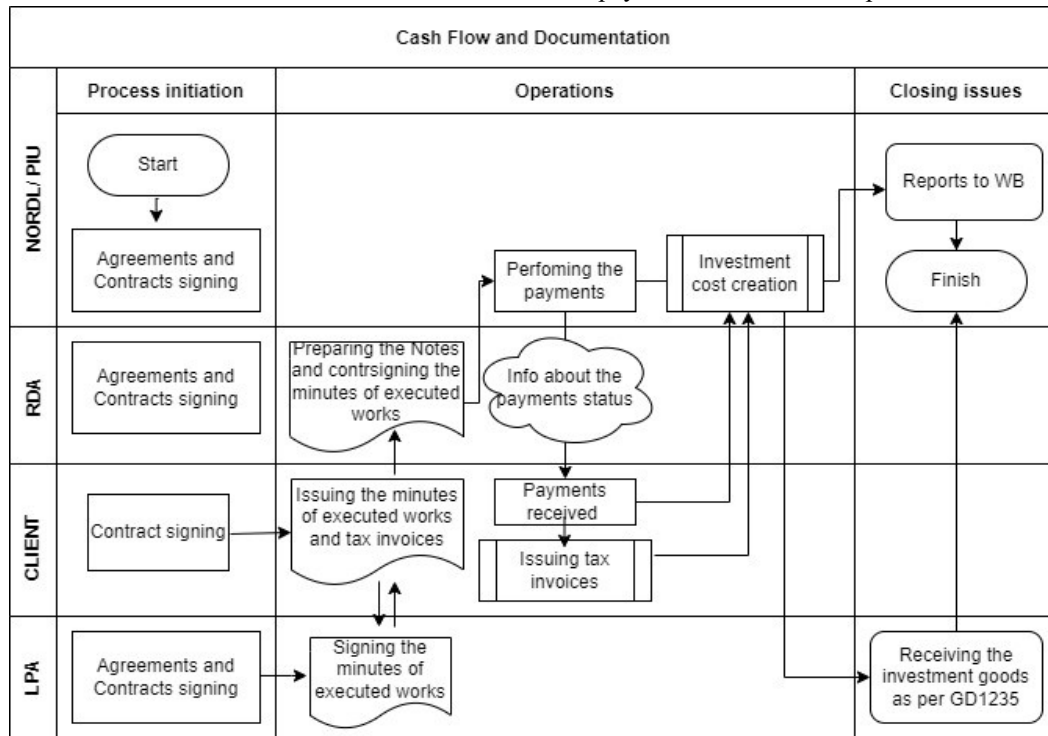
Disbursement status. For the WSSP implementation, PIU/NORDL has opened the designated account in the National Bank of Moldova administrated by the State Treasury. The first disbursement of Euro 150,000 was performed on October 17, 2022. In 4 months of the 2022 and 2023 years, we succeed to spend Euro 76,974.72 for consulting services. These expenditures are salaries for the sixth employed staff as operating costs. As of February 05th, 2022, the designated account balance was Euro 63,025.28.

Since the first disbursement occurred in the last quarter of the year, the UIP/NORLD has asked the WB for an exception for the FY2022 audit. For this, a request to combine FY2022 and FY2023 audit periods was sent on January 25th, 2023 to the World Bank team. The approval for a cumulative first audit period for the project (October 14, 2023 - December 31, 2023) was received on February 6th, 2023. The due date for submission of the first audit report is on June 30, 2024.

Approved project budget in the annual budget. The project budget for FY2023 has been approved for EUR 6.2 million that is sufficient for financing the works, goods and services foreseen for named fiscal year.

Cash flow for project component 1. During the reporting period, following the negotiations, all the partners involved in the implementation of the project agreed on the method of payment of the contracts for the implementation of the measures provided in component 1 of the project (see the scheme below).

Scheme 1. Cash Flow and documentation for payments under the Component 1



The scheme is a part of the agreed cooperation agreements with MIDR, RDAs, LPA and PIU/NORDL.

LPAs contribution. The established contribution of LPAs in 3% will be calculated as a share of the bid amount, which will be adjusted after the civil works contracts are signed. This share must be revised and agreed upon after each amendment of the initial contract. The LPA contribution should be transferred in one (two) installment(s) to a special account opened by the PIU/NORDL in the State Treasury.

Operating costs for RDAs. The PAD envisages a certain budget of operating costs for each RDA involved in project implementation activities. PIU/NORLND intends to allocate it proportionally on quarterly basis and will monitor its execution. Currently, the POM does not describe the mechanism of how the operating costs are to be allocated to the RDAs. This and other changes are going to be introduced by the PIU/NORLND in the POM once the Cooperation Agreements are signed. Any amendments to the POM will be coordinated and agreed with the World Bank.

VAT exemption. The decision approval process is still in the ongoing. The non-adoption of the decision regarding the VAT exemption did not allow the planned expenses to be carried out for the reporting period. Nevertheless, the Law no. 376/2022 on tax and custom facilities for import and/or services intended for the implementation of the project "Security of water supply and sanitation in Moldova" was approved by the Parliament on December 29, 2022, which explicitly provides the exemption from VAT and customs duties of all project activities. As of date of reporting, the draft Regulation on how to apply fiscal and customs facilities to the import and/or deliveries of goods and/or services intended for the implementation of the project "Security of water supply and sanitation in

Moldova" has been drafted. This expects to speed up the process of provision of VAT and customs duties exemption on project works, goods, and services.

2.1.3 Procurement aspects

9 consulting services contracts have been signed with Individual Consultants (Project Manager, Financial Specialist, Procurement Specialist, Environmental Specialist, Social Specialist, Chief WSS engineer, WSS Engineer, Communication Specialist, Driver vehicles/Logistics Specialist) and the total contracted/committed amount is about to 1,200,000 USD.

The Bank's No Objection had been received for hiring the following individual consultants: Strategic planning consultant to provide support to MIRD in the implementation of the Subcomponent 2.1.; Technical consultant to provide support to the MIRD in the implementation of the Subcomponent 1.1.; Technical consultant for the development of a technical market study regarding on-site sanitation systems (septic tanks); Legal consultant for the elaboration of the required amendments for Law no. 303/2013 regarding the public water supply and sewerage service; Legal consultant for the elaboration of the draft Government Decision regarding approval of criteria for authorization, construction, registration, control, operation and maintenance of appropriate individual wastewater collection and treatment systems; M&E Specialist an Administrative assistant with approximative budget of 356,000 USD.

In February 2023 it is planned to sign a contract for office rent and to procure the office ICT equipment.

2.1.4 Environmental aspect

As provided in ESMF E&S screening of the activities to be financed under MWSS Project has been conducted in order to identify the appropriate environmental instrument to be applied within each sub-project implementation process. The screening has been conducted following both the World Bank and National procedure as described in ESMF document.

The screening based on WB standards resulted into the conclusion that all sub-projects fall into the category of Significant ES risks and a Site-specific Environmental and Social Impact Assessment and - as integral part of the ESIA - Environmental and Social Management Plan should be developed.

In this respect the Terms of Reference to hire a consulting company to develop ESIA / ESMP have been prepared, sent to and received the Bank's No Objections.

The national screening procedure was launched in line with the Law 86 / 2014 on Environment Impact Assessment as well as the Law 851 / 1996 on Environmental Expertise.

Two packages of documents describing the preliminary estimated environmental impact of Riscani and Soroca sub-projects have been submitted for official environmental screening to the Moldovan Environmental Agency. The PIU seeks the EA's decision on either: a) to conduct a full Environmental Impact Assessment of above mentioned sub-projects or b) conduct the simplest procedure of Environmental Expertise of the Detailed Design Package.

No decision has been taken so far by the EA for the reasons of:

a) *Sorooca* - not finished local bureaucratic procedure of changing the land destination process (the terrain identified to build the Waste Water Treatment Plant should have been transferred from forest land to the municipality of Sorooca).

b) *Riscani* – the PIU's late submission of the documentation on Riscani sub-project due to the fact that no Agreements has been signed with all the Riscani's beneficiary localities. At the same time, this delay will not affect in any case the schedule of ES activities planned since the ESIA according to the WB standards should be undertaken even though the national screening process is late.

The next 6 months of ES safeguards implementation activities will be mainly dedicated to the following:

- To obtain the decision from the Environmental Agency on the necessity to conduct the EIA study in Riscani and Sorooca in line with the screening procedure of the national Law no 86 / 2014 on Environmental Impact Assessment.
- To contribute to successful preparation, launching and conducting the procurement to hire the Consultant to develop the ESIA and ESMP documents for Cahul and Riscani sub-projects.
- In close cooperation with the PIU engineers and the consulting companies hired to up-date the Detailed Design Documentation to make sure the ES aspects are fully integrated in the Bidding Package for Works Procurement.
- To monitor and evaluate the progresses made on the above mentioned ESIA/ESMP consultancy implementation.
- Undertake visits in Cahul and Riscani rayons' villages in order to better understand the general and local environmental context of sub-project implementation as well as make some on-site context up-date in terms of possible environmental and social risks related to just mention sub-project implementation.
- Work on Public Consultation Preparation in both Cahul and Riscani raions' villages. .

2.1.5 Social Aspects

Citizen engagement aspects. The Regulation of Citizen Water and Sanitation Committees was developed. This document provides information on how Citizen Water and Sanitation Committees (CWSC) will be created, what will be the composition of CWSC (5 members: representatives of LPA, an employee of the water service operator/service provider (if any); a representative of a public institution (education, health) or social worker in the community; a consumer representative; a member of civil society representing vulnerable/marginalized groups, at least 2 members of CWSC to be women). The CWSC will be the local focal point for citizen engagement and will also have the role to receive and analyze of complaints at the local level. Following the same principles, the Local Committee for the WASH component will be set up and function, but it will have 3 representatives, only (a representative of the beneficiary institution (medical or educational); a representative of the LPA; a member of civil society, community).

A screening of stakeholders in the localities was carried out, especially those where certain social risks are anticipated (Riscani and Sorooca).

In order to discuss and to finalize the draft agreements with RDAs and LPAs, WSS operators several meetings (online and in person) were held with the involvement of the MIRD and WB representatives.

Grievance Redress Mechanism. The Grievance Redress Mechanism was established on national level MIRD and PIU. Was developed the GRM framework with all interested parties of the project, the responsibilities for the management and operation of the GRM. After the signed of the agreements with RDAs and APL, the GRM will become operational at local and regional level, principles and responsibilities are described in the document developed for the GRM. Also is described the procedure of submission of a complaint through GRM and methods/ channels (online (email, site), by phone, by mail, physically at the headquarters/offices). The complaint submission form is available in 3 languages: Romanian, Russian and English.

A complaint registration form has been developed, based on it the information will be collected for the GRM log, regardless of the method by which the complaint was sent/received. The basic indicators for the GRM log have been established, they will be included at each level and then centralized at PIU level.

Gender Action Plan. Was conducted a desk review on Gender issues, examining the project documents, also the Moldova Country Gender Action Plan (2022) and other relevant documents. The Project Gender Action Plan will be in line with national strategies on gender issues.

Activities planned for the next 6 months:

- To conduct information meetings with project focal points on local level – CWSC, LPA and WSS services providers/ operators. We will have meetings with CWSC members to inform and discuss with them their roles in citizen engagement activities and GRM.
- To update SEP and GRM after the agreements with LPAs and RDAs will be signed.
- To ensure GRM is functional at all 3 levels: local, regional and national.
- To provide support in closed cooperation with the Project Communication Specialist to CWSC/ LPAs and RDAs in the process of community engagement and managing grievances.
- Undertake visits in Cahul and Riscani rayons' villages in order better understand the general and local social context of sub-project to manage and to mitigate potential social risks.
- To organize a training for PIU staff on gender challenges and present the Gender Action Plan.
- To incorporate ESS relevant aspects and specifications of the procurement documents to ensure that the ES aspects are fully integrated.

2.1.6 Communication and Project Promotion

The Moldova Water Security and Sanitation Project aims to improve access to safe drinking water and sanitation for people living in selected rural and urban areas of Moldova. In order to achieve its goals, the project is carrying out various activities, including the development of a communication strategy and the implementation of communication activities.

Activities Carried Out:

- The project logo has been developed and it will be used in all project-related materials to help create a brand identity for the project.
- A Facebook page, which will serve as a platform to share information about the most important activities and progress made within the project was also created. The Facebook page will allow stakeholders and beneficiaries to stay informed and engaged with the project's activities.

Planned Activities:

- Until the end of March, 2023, is planned to develop the Project Communication Strategy and the Action Plan to guide the implementation of communication activities;
- Until the end of April, an electronic newsletter will also be developed to keep stakeholders and beneficiaries informed about the project's progress and achievements. The newsletter will be published twice a year and will provide updates on the most recent activities and results.
- Also, the information about the project will be available on the website of the P.I. National Office for Regional and Local Development. This will help to increase the visibility of the project and make information easily accessible to stakeholders and beneficiaries.
- Press releases about the project's events and activities will also be placed on the same website.

2.2 Part 1 „Increasing access to safely management water supply and sanitation services in selected Rural Areas and Towns”

2.2.1 Subcomponent 1.1 „Supporting the expansion of the access and quality of WSS”

Soroca sanitation subproject. The Soroca subproject establish construction of the Waste Water Treatment Plant and the expansion or construction of the wastewater network in Soroca town. Currently untreated wastewater directly pollutes the Dniester River, the main source of water for downstream settlements and is identified as a national priority for prevention of waterway pollution.

In order to realize all the planned activities for the implementation of the Soroca sanitation subproject, during the reporting period, the following actions were carried out:

- Analysis of the Feasibility Study;
- Defining the segments of the sewerage network to be rehabilitated and extended (the final layout of the network to be rehabilitated and extended will be developed after the completion of the bidding for the Wastewater Treatment Plant and Main Pressure Pipeline, expertise of works and CCTV);
- Elaboration of the cost estimates for Detailed Design and Construction Works;
- Elaboration of the conceptual design based on the detailed analysis of the Feasibility Study and the proposed technical solutions;
- Phasing of the project implementation based on the available budget, the technical solutions and the preliminary sizing of the Wastewater Treatment Plant;

- Elaboration of the general layout for the Wastewater Treatment Plant based on the preliminary sizing;
- Elaboration of the preliminary technical drawings of the technological processes for the Wastewater Treatment Plant that will be annexed to the Terms of Reference;
- Preliminary drawing of the main pressure pipeline;
- Analysis of the technical solutions for two Wastewater Pumping Stations (Centre and South);
- Analysis of the options to be implemented according to the results of the cost estimates;
- Analysis of the procedures for procuring the Detailed Design and Construction Works;
- Starting the development of the Terms of Reference for the Detailed Design and Construction Works.

During the next period are planned the following actions:

- Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs;
- Participation, together with Soroca water utility, in elaboration of the technical conditions for connecting the Wastewater Treatment Plant to the water supply (connection point to the existing water supply system);
- Technical conditions for electric power supply of the Wastewater Treatment Plant and two Wastewater Pumping Stations;
- Ordering of the expertise of the existing buildings of the Wastewater Pumping Stations;
- Ordering of the topographic and geological surveys for the Wastewater Treatment Plant as well as geological survey for Wastewater Pumping Stations;
- Development of the Terms of Reference including technical specifications, preliminary concept design, and cost estimates based on the approved procurement procedures;
- Updating cost estimates for electric power and water supply connections according to the technical conditions;
- Carrying out procurement and contracting procedures of the design and construction company;
- Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator;
- Creation of the Citizen Water and Sanitation Committee.

Riscani water supply subproject. The Riscani water supply subproject represent a construction of a new regional water system in Riscani District taking water from the Prut for Costesti LPA and villages in additional LPAs. The beneficiaries of the mentioned subproject are the following localities: (i) Costeti town (including villages which are part of the town: Duruitoarea, Proscureni, Pascauti and Damascani), (ii) Duruitoarea nouă village (including Dumeni village), (iii) Văratice village, (iv) Horodiște village and (v) Petruseni village with a total number of 9518 beneficiaries.

During the reporting period, the following action were carried out:

- Developed draft of the local Council decisions;
- Developed ToR for DED & BoQ adjustment, cleared by the WB experts;
- Developed and approved ToR for ESIA & ESMP, cleared by the WB experts;

- Screening of the designed water supply network for the examination of the risks of crossing private owned lands;
- Prepared so called Preliminary Environment Impact Assessment to seek the decision of Environmental Agency about the necessity to conduct full scale EIA (yes/no);
- Developed the draft Cooperation Agreement to be signed by the P.I. NORLD, RDA and LPAs;
- Approved Riscani Rayonal Council decision;
- Approved 5 (1 cons and 4 pro) local decisions (Cons – Varatic, Pro – Costesti, Horodiste, Duruitoarea, Petruseni).

During the next period are planned the following actions:

- Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs;
- Direct contracting for the Designing Company for the adjustment of the DED and BoQ;
- Carrying out procurement and contracting procedures of the company that will prepare the ESIA & ESMP for the sub-project;
- Review of the adjusted DED and BoQ;
- Support for the creation and licensing of the new regional operator in the field of WSS in Riscani District;
- Developing the ToR for the construction company, according to the adjusted DED and BoQ;
- Developing the ToR for the technical supervision company;
- Initiation of the procurement procedures of the works;
- Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator;
- Creation of the Citizen Water and Sanitation Committee.

The implementation of this subproject also includes a implementation risk, due to a negative decision of the Varatic Local Council from the Riscani District to participate in the project. Therefore, according to what was agreed during the mission of the World Bank experts, carried out during January 2023, the PIU team will continue together with the representatives of the District Council and the MIRD, the dialogue with the representatives of LPA Varatic to ensure the participation of the locality in the implementation of the project, as it was conceptualized in the Project Appraisal Document.

Cahul-Vulcanesti water supply subproject. The Cahul water supply subproject represents a construction for the expansion of the water supply system in Cahul District (using Prut water) to connect villages in several LPAs in Cahul District as well as Vulcanesti town (ATU Gagauzia). Villages and towns identified face significant water supply access and quality challenges. Water supply in Vulcanesti town and other villages in the south suffers from frequent shortages due to droughts, and deep groundwater is polluted and not compliant with drinking water norms ('technical water'). The beneficiaries of the mentioned subproject are the following localities: (i) Pelinei village (including Satuc village), (ii) Gavanoasa village (including Vladimirovca and Nicolaevca villages), (iii) Alexanderfeld village, (iv) Alexandru Ioan Cuza village and (v) Vulcanesti Town with a total number of 24674 beneficiaries.

During the reporting period, the following actions were carried out:

- Developed draft of the local Council decisions;
- Developed ToR for DED & BoQ adjustment, cleared by the WB experts;
- Developed and approved ToR for ESIA & ESMP, cleared by the WB experts;
- Screening of the designed water supply network for the examination of the risks of crossing private owned lands;
- Developed the draft Cooperation Agreement to be signed by the P.I. NORLD, RDA and LPAs;
- Approved Cahul Rayonal Council decision;
- Approved 5 local decisions.

During the next period are planned the following actions:

- Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs;
- Direct contracting for the Designing Company for the adjustment of the DED and BoQ;
- Carrying out procurement and contracting procedures of the company that will prepare the ESIA & ESMP for the sub-project;
- Review of the adjusted DED and BoQ;
- Developing the ToR for the construction company, according to the adjusted DED and BoQ;
- Developing the ToR for the technical supervision company;
- Initiation of the procurement procedures of the works;
- Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator;
- Creation of the Citizen Water and Sanitation Committee.

Comrat water supply subproject. The Comrat subproject establish construction of the Waste Water Treatment Plant and the expansion or construction of the wastewater network in Comrat town expansion of wastewater network and new WWTPs, where untreated wastewater directly pollutes the Ialpug River, Comrat lake, and downstream Congaz lake, affecting the Danube River downstream. Existing wastewater collectors are in dire need of rehabilitation, and expansion of sewer network is required. The old treatment plant is obsolete. Frequent flooding exacerbates the environmental health impact.

In order to realize all the planned activities for the implementation of the Soroca sanitation subproject, during the reporting period, the following actions were carried out:

- Analysis of the documentation and the project concept for the regionalization and development of the water supply and wastewater infrastructure for the Gagauzia development region, elaborated by GIZ;
- Analysis of the existent situation related to the water supply and health infrastructure (maps, schemes);
- Elaboration of Terms of Reference for the Feasibility Study;
- Field visits and analysis of the current situation related to the existing Wastewater Treatment Plant;

- Analysis of geological and topographic data with identifying problems that may arise at the Terms of Reference's elaboration stage.

During the next period are planned the following actions:

- Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs;
- Starting procurement procedures for contracting the Consulting company for the elaboration of the Feasibility study.

On-site sanitation pilot project. The LPA(s) with rural villages or peri-urban areas below 2,000 persons will be selected based on criteria identified in the POM. These households will sign an “On-site Sanitation Household Agreement” with the PIU and LPA to consent to the conditions of the support scheme, for which appropriate processes and plans will be developed by the PIU. Participating households will be responsible for contributing to the small works contracts, covering the on-site treatment and disposal facility, in a differentiated way depending on socioeconomic status, with the LPA facilitating the collection of household contributions and depositing this in the Project's Operating Account.

For the implementation of *On-site sanitation pilot project* , the following actions were implemented:

- developed terms of reference for conducting a market study analysis;
- developed terms of reference for the elaboration of the Government Decision regarding approval of the criteria for authorization, construction, registration, control, operation and maintenance of appropriate individual wastewater collection and treatment systems;
- developed draft Regulation regarding the selection of the beneficiary locality of the pilot project.

Thus, the “On-site Sanitation Household Agreement” with the beneficiary locality and the households' representatives will be signed after the selection of the locality, June, 2023.

2.2.2 Subcomponent 1.2 „Improving WASH facilities in selected Health Care facilities and Selected Educational Institutions”

According to the Financing Agreement and the Project Appraisal Document, the Wash, Sanitation and Hygiene (WASH) component will be oriented for improvement of handwashing and hygiene facilities in social institutions, taking in consideration, where appropriate, low carbon emission technologies, and also the design of WASH facilities has to respond to girls'/women's needs (privacy, menstrual hygiene management (MHM) facilities) and be accessible for people with disabilities. In this regard, the implementation of this component depends on the list of institutions which has to be provided by the Ministry of Health (MH) and Ministry of Education and Research (MER). The planned indicator for the present component is to improve WASH facilities in 100 schools and 25 Health Care Facilities (HCF). These above mentioned lists have to be approved by the Ministries and presented for the screening and implementation by the Project implementation Unit.

For the implementation of the WASH component, during the reporting period, the PIU has carried out the following actions:

- Organized 3 meetings with MER in order to discuss the objective of the WASH component and the proposed options;
- 2 meetings with MH in order to discuss the objective of the WASH component;
- Support the MER to complete a data base information regarding 1004 institutions;
- Updating information (screening) of the first draft list presented by the MH for 36 previously selected institutions;
- Support for the health and educational institutions in preparing the needed information;

In order to speed up the preparation of the presented list, apart from the planned meetings, the PIU sent 3 letters/requests for the list of institutions to the MH address and 4 requests to the MER address. The final requested date for the presentation of the lists of institutions was January 20, 2023, but in the requested terms, even at the last date of the reporting period, only the list of medical institutions was received from the MH., The list of educational institutions that will be benefit from this sub-component has not yet been provided by MER. Also, in order to start all the technical activities for the implementation of the WASH component, in February-March, 2023 is planned to develop the ToR in order to hire a WASH engineer which will be responsible for: (i) the screening of the presented institutions, (ii) development of the ToR for the designing company and (iii) monitoring of all the activities for the implementation of the designed works.

2.3 Part 2 „Strengthening institutional capacity at national and local levels of WSS service delivery”

2.3.1 Subcomponent 2.1 „ Strengthening the Recipient’s institutional capacity for planning, financing, economic regulation, performance monitoring, professional development and the revision and development of new policies and normative documents for WSS service delivery”

Sector planning and financing for programmatic delivery. For the implementation of these activities of the project, are planned the following actions:

- *Development of the National Water Supply and Sanitation Sector Development Plan. Investment program and Financing Strategy.*

The realized activities for the development of the NWSSDP:

- ✓ Analysis of the GD no. 715/2022 for the approval of the Regulation on the framework content, methodological principles for the development and updating, approval and approval of the National Spatial Development Plan;
- ✓ Analysis of the Instruction on the elaboration of the specialized section “Water supply and sanitation” of the Plan of National Territorial Development, approved by the Minister Order no. 128.2020;

- ✓ Analysis of the documents developed by the project team during the preparation within the ECAPDEV project.

For the development of the above mentioned activities, are planned the following actions:

- ✓ Development of the Road Map, necessary for the elaboration of the NWSSDP;
- ✓ Development of the ToR to contract de Consulting Company;
- ✓ Development of the ToR to contract the company for Strategic Environmental Assessment.

- *Capacity Development of the Lead WSS Unit.*

Taking in consideration that the final documents for the new created Department of Water Supply and Sanitation Policies were approved at the end of January, 2023, during the WB experts mission in January 2023, was decided that the MIRD and P.I. NORLD will prepare the ToR for building the capacity of the Lead WSS Unit and its staff by September 30, 2022.

Legislative and design reform. The preparation of amendments and/or new legislation (for example, Law 303 and requirements for licensing), policies and normative documents (on regulatory method and social tariffs), and design and construction norms for sanitation (updating outdated norms) and related capacity building, as per the NWSSDP.

In order to ensure the initiation of the proposed reforms in the field of WSS according to the Project Appraisal Document, the PIU realized the following actions:

- Organized 2 meetings with representatives of the Ministry of Infrastructure and Regional Development;
- Organized 2 meeting with representatives of the National Energy Regulatory Agency;
- Developed the ToR to contract a legal consultant for the elaboration of the required amendments for Law no. 303/2013 regarding the public water supply and sewerage service;
- Developed the ToR to contract a Consulting company for the elaboration of the Moldavan Construction Normative "External sewerage networks and installations";
- Developed the ToR to contract a legal consultant for the elaboration of the draft Government Decision regarding approval of the criteria for authorization, construction, registration, control, operation and maintenance of appropriate individual wastewater collection and treatment systems;
- Developed ToR for contracting a strategic planning consultant to provide support to the Ministry of Infrastructure and Regional Development in the implementation of the Subcomponent 2.1, especially to support the development of the National Water Supply and Sanitation Sector Development Plan and also to support in the planned sector reforms.

In order to realize the above mentioned activities, the following actions are planned for the next period:

- Contracting the consultant who will work together with MIRD representatives and the Parliamentary Working Group in order to develop the draft Law, to support in promoting and public consultation of the draft Law;
- Contracting the Consulting company for the elaboration of the Moldavan Construction Normative "External sewerage networks and installations";
- Contracting the consultant for the elaboration of the draft Government Decision regarding approval of the criteria for authorization, construction, registration, control, operation and maintenance of appropriate individual wastewater collection and treatment systems.
- Contracting the strategic planning consultant to provide support to the Ministry of Infrastructure and Regional Development in the implementation of the Subcomponent 2.1, especially to support the development of the National Water Supply and Sanitation Sector Development Plan and also to support in the planned sector reforms.

Monitoring and benchmarking of operators. The development and rollout of a national WSS management information system (MIS) for WSS operators including definition of KPIs benchmarking.

During the reporting period, 2 meetings were organized with National Energy Regulatory Agency (ANRE), were was discussed the planned in order to develop the Management Information System, and to introduce the definition of the KPIs benchmarking. Thus, during our discussions, was established ANRE already has approved a *Decision no. 356/2019 regarding the approval of the Framework Regulation regarding the performance indicators of the public water supply and sewerage service*. Therefore, in order to initiate the procedures for developing the MIS, the PIU will draw up the ToR for the development of the Concept of the Information System, in accordance with the provisions of *Law no. 467/2003 regarding computerization and state information resources* and which has to be coordinated with the E-Governance Agency and approved by Government Decision. Later, after the approval of the Concept of the Information System, the terms of reference for the development of the Information System are elaborated, with the subsequent development of the MIS.

Also, during the next period, is planned to be signed the Inter - Institutional Cooperation Agreement and to develop the needed ToR for the development of the Concept of the Information System.

Support for regulatory strengthening. TA to ANRE, WSS operators, and LPAs to accelerate tariff review and approval in line with updated regulations for licensed operators.

During the reporting period, 2 meetings were organized with ANRE, during which topics relevant to the project were discussed, including activities aimed at reducing the time of examination/re-examination and approval of tariffs. Other related actions will be implemented during the next period.

Human capital development. The implementation of a professional development program, in collaboration with AMAC and TUM and WSS operators, to increase qualifications and advance careers of existing staff and attract people, specifically women, for employment in the sector.

For the implementation of the present activity, 2 working meetings were held with the representatives of the Technical University of Moldova (TUM) and AMAC, in which the objectives of the project were discussed. At the same time, during the discussions, the technical aspects of the tasks that need to be implemented were addressed. During the reporting period, with the support of AMAC, the lists of people with higher education, employee of the water supply and sewerage operators were identified, who are to benefit from qualification studies (18 months) and requalification studies (12 months).

At the proposal of the parties, taking into account that neither the Financing Agreement nor the Project Appraisal Document establish the mechanisms for the collaboration of the parties involved (P.I. NORLD, TUM and AMAC), a Cooperation Agreement was drawn up, in which the responsibilities of each party are described.

In the next period, the following actions are planned to be implemented:

- Request for „No objection” for the developed Cooperation Agreement, and subsequently ensuring its signature;
- Approval of the list of 50 persons with higher education from WSS operators, for qualification and requalification studies;
- Signing the Contract for the provision of services with the Technical University of Moldova;
- Support in ensuring the accreditation by the Ministry of Education and Research of qualification and requalification studies for people with college technical studies;
- Support for TUM in requesting 20 places financed from the state budget to request the reopening of a specialized Group in the field of water supply and sewage, in accordance with the provisions of the Project Appraisal Document.

2.3.2 Subcomponent 2.2: Development and implementation of a Performance Improvement Plan of Selected WSS operators

During the reporting period, no actions were carried out. All actions are planned for the period after the signing of the Cooperation Agreements for the implementation of the sub-projects under Part 1.1 of the Project and the proper initiation of the implementation of the sub-projects.

3. REPORTING, MONITORING AND EVALUATION

According to the Financing Agreement, the Recipient shall furnish to the Association each Project Report not later than forty-five days after the end of the calendar semester, covering the calendar semester.

Taking into account the above mentioned aspects, we present the information regarding the date of presentation of the Semiannual reports, and the date of approval:

No.	Reports	Reporting period	Intended submission date	Submission date
1.	Semiannual report no. 1	August 5, 2022 - February 5, 2023	March 5, 2023	March 5, 2023

Intermediate Results Indicators by Components

Indicator Name	Baseline	Intermediate Targets, Year 1	Frequency	Evaluation Status
Subcomponent 1.1: Expanding access and quality of WSS services				
Number of households with a functional connection to a safely managed water supply service (Number)	0.00	0.00	Annual	0.00
Number of households with increased resilience to droughts resulting from a functional connection to a safely managed water supply service (Number)	0.00	0.00	Annual	0.00
Number of households with a functional sewer connection to a safely managed sanitation service (Number)	0.00	0.00	Annual	0.00
Number of households contributing to reduction in GHG emissions resulting from a functional sewer connection to a safely managed sanitation service (Number)	0.00	0.00	Annual	0.00
Wastewater and septage treated in selected small towns as per national discharge standards (Cubic meters/year)	0.00	0.00	Annual	0.00
Number of households gaining access to safely managed sanitation through the on-site household sanitation pilot (Number)	0.00	100.00	Annual	0.00
Number of poor and vulnerable households gaining access to safely managed sanitation services (Number)	0.00	0.00	Annual	0.00
Subcomponent 1.2: Improving WASH facilities in public institutions				
Number of schools with functional safely managed drinking water supply, and basic sanitation and hygiene facilities (Number)	0.00	0.00	Annual	0.00
Number of health care facilities with functional safely managed drinking water supply, basic sanitation and hygiene facilities (Number)	0.00	0.00	Annual	0.00
Number of people in schools participating in hygiene education and communication programs (Number)	0.00	0.00	Annual	0.00

Indicator Name	Baseline	Intermediate Targets, Year 1	Frequency	Evaluation Status
Subcomponent 2.1.: Building national institutional capacity for WSS				
Number of legislative and/or normative documents developed in support of sector modernization (Number)	0.00	0.00	Annual	0.00
National Management Information System (MIS) for WSS service providers developed and operational (Text)	No national system exists; KPIs are not yet agreed	KPIs defined and approved by ANRE	Annual	0.00
Number of participants that have successfully completed accredited professional development program and that advance or gain employment in technical positions in WSS utility sector (Number)	0.00	0.00	Annual	0.00
Number of female participants successfully completing the accredited professional development program and that advance or gain employment in technical positions within the WSS utility sector (Number)	0.00	0.00	Annual	0.00
Number of people benefitting from training and workshops related to regulatory framework, policy implementation and the use sector MIS (Number)	0.00	0.00	Annual	0.00
Subcomponent 2.2: Improving performance of WSS service providers				
Average relative reduction of Non Revenue Water (expressed in m3/km network per year) for participating utilities compared to baseline value (Percentage)	0.00	0.00	Annual	0.00
Average relative increase of Total Cost Coverage ratio for participating utilities over the baseline value (Percentage)	0.00	0.00	Annual	0.00
Share of beneficiaries who report that the project has established effective engagement processes (Percentage)	0.00	75.00	Annual	0.00
Share of female beneficiaries who report that the project has established effective engagement processes (Percentage)	0.00	75.00	Annual	0.00

4. UPDATED LIST OF ACTIVITIES

Activity	Action	Start Date
General activities		
Development of the Draft Law for the amendment of the Law no. 303/2013 regarding the public water supply and sewerage service	Contracting the Consultant	March 10, 2023
Project Institutional Arrangements	Planning the first meeting of the Project Coordination Group	March 15, 2023
	Delegation of the Department of Policies in the Field of Water Supply and Sanitation, as the Lead WSS Unit	March 10, 2023
	Developing ToR for building the capacity of the Lead WSS Unit	September 29, 2023
	Hiring the remaining Staff of the PIU, according to the Hiring schedule presented to the WB experts	Until June, 2023
Project Support Agreements (RDA)	Signing the Implementation Support Agreements with RDA South	March 10, 2023
	Signing the Implementation Support Agreements with RDA North	March 15, 2023
	Signing the Implementation Support Agreements with RDA Gagauzia	March 15, 2023
Cooperation agreement for WSS System (LPA)	Signing the Cooperation agreement for WSS System for the Cahul Subproject	March 20, 2023
	Signing the Cooperation agreement for WSS System for the Comrat Subproject	March 20, 2023
	Signing the Cooperation agreement for WSS System for the Riscani Subproject	March 30, 2023
	Signing the Cooperation agreement for WSS System for the Soroca Subproject	March 30, 2023
Financial management	Approval of the GD regarding the VAT exemptions	February 28, 2023
Social aspects	Finalization and making functional the Grievance Redress Mechanism	April 28, 2023
	Development of the Gender Action Plan	March 31, 2023
Subcomponent 1.1		
Soroca Waste Water Services Subproject	Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs	March 30, 2023
	Development of the Terms of Reference including technical specifications, preliminary concept design, and cost estimates based on the approved procurement procedures	February 1, 2023
	Carrying out procurement and contracting procedures of the design and construction company	December 15, 2023

Activity	Action	Start Date
	Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator	May 31, 2023
	Creation of the Citizen Water and Sanitation Committee	April 28, 2023
Riscani Water Supply Subproject	Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs	March 30, 2023
	Direct contracting for the Designing Company for the adjustment of the DED and BoQ	March 15, 2023
	Carrying out procurement and contracting procedures of the company that will prepare the ESIA & ESMP for the sub-project	March 15, 2023
	Support for the creation and licencing of the new regional operator in the field of WSS in Riscani District	April 1, 2023
	Developing the ToR and bidding documents for the construction company, according to the adjusted DED and BoQ	November 1, 2023
	Developing the ToR for the technical supervision company	September 1, 2023
	Initiation of the procurement procedures of the works	December 1, 2023
	Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator	May 31, 2023
	Creation of the Citizen Water and Sanitation Committee	April 1, 2023
Cahul – Vulcanesti Water Supply Scheme	Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs	March 20, 2023
	Direct contracting for the Designing Company for the adjustment of the DED and BoQ	March 15, 2023
	Carrying out procurement and contracting procedures of the company that will prepare the ESIA & ESMP for the sub-project	March 15, 2023
	Developing the ToR for the construction company, according to the adjusted DED and BoQ	November 1, 2023
	Developing the ToR for the technical supervision company	September 1, 2023
	Initiation of the procurement procedures of the works	December 1, 2023
	Support for the drafting and signing of contracts for the delegation of WSS services to the licensed operator	April 15, 2023
	Creation of the Citizen Water and Sanitation Committee	April 1, 2023
Comrat Waste Water Services	Signing the Cooperation Agreement by the P.I. NORLD, RDA and LPAs	March 20, 2023

Activity	Action	Start Date
	Starting procurement procedures for contracting the Consulting company for the elaboration of the Feasibility study	April 15, 2023
On site sanitation program	Develop the Market Study	April 30, 2023
	Develop and approve the GD	May 31, 2023
	Select the beneficiary locality	May 31, 2023
	Hire the designing company	October 31, 2023
	Develop the DED and BoQ	March 31, 2024
Subcomponent 1.2		
Improving WASH facilities in selected Health Care facilities and Selected Educational Institutions	Approve lists of institutions provided by MoH and MoER	February 28, 2023
	Hire the WASH Engineer	March 31, 2023
	Prepare ToR on technical aspect for the designing company	September 30, 2023
	Hire the design company	January 31, 2024
	Start works execution	January 31, 2025
Subcomponent 2.1		
Sector planning and financing for programmatic delivery	Development of the Road Map, necessary for the elaboration of the NWSSDP	March 30, 2023
	Development of the ToR to contract de Consulting Company to develop the NWSSDP	April 30, 2023
	Development of the ToR to contract the company for Strategic Environmental Assessment for the NWSSDP	February 29, 2023
	Development Capacity Development Program for Lead WSS Unit	April 30, 2023
	Development of the ToR for building the capacity of the Lead WSS Unit	September 30, 2023
Legislative and design reform	Contracting the consultant who will work together with MIRD representatives and the Parliamentary Working Group in order to develop the draft Law, to support in promoting and public consultation of the draft Law	March 10, 2023
	Contracting the Consulting company for the elaboration of the Moldavan Construction Normative "External sewerage networks and installations"	April 1, 2023
	Contracting the consultant for the elaboration of the draft Government Decision regarding approval of the criteria for authorization, construction, registration, control, operation and maintenance of appropriate individual wastewater collection and treatment systems	March 10, 2023
	Contracting the strategic planning consultant to provide support to the Ministry of Infrastructure and Regional Development in the implementation	March 10, 2023

Activity	Action	Start Date
	of the Subcomponent 2.1, especially to support the development of the National Water Supply and Sanitation Sector Development Plan and also to support in the planned sector reforms	
	Modification of the GD 950/2013 for the approval of the Regulation regarding the requirements for the collection, purification and discharge of waste water into the sewage system and/or in the emission for urban and rural localities	April 1, 2023
Monitoring and benchmarking of operators	Signing the Inter-Institutional Cooperation Agreement	April 1, 2023
	Develop the ToR for ANRE Regulation with economic KPIs	April 1, 2023
	Develop ToR to contract a Consultant to develop the draft GD	August 1, 2023
	Starting procurement procedures for contracting the consultant for who will develop the GD and ToR for the consulting company for developing MIS	November 1, 2024
	Starting procurement procedures for contracting company for developing MIS	April 1, 2024
Human capital development	Development and Request for „No objection” for the developed Cooperation Agreement, and subsequently ensuring its signature	March 15, 2023
	Approval of the list of 50 persons with higher education from WSS operators, for qualification and requalification studies	April 10, 2023
	Signing the Contract for the provision of services with the Technical University of Moldova	May 30, 2023
	Support in ensuring the accreditation by the Ministry of Education and Research of qualification and requalification studies for people with college technical studies	May 30, 2023
	Support for TUM in requesting 20 places financed from the state budget to request the reopening of a specialized Group in the field of water supply and sewage, in accordance with the provisions of the Project Appraisal Document	April 10, 2023

5. ANNEXES

Annex 1. Hiring Schedule

Schedule for hiring the remaining PIU staff												
Position name	2022					2023						
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July
Project Manager												
Financial Specialist												
Social Specialist												
Environmental Specialist												
Chief WSS Engineer												
Procurement Specialist												
Communication specialist												
Gender and citizen engagement specialist*												
M&E specialist												
Administrative assistant												
WSS engineer (to support the chief WSS engineer)												
Energy efficiency specialist 2.2												
Institutional and utility development expert for Component 2												
Rural Sanitation Engineer (on-site sanitation)												
Legal consultant												
RDAs social, citizen engagement and environmental consultants												
RDAs technical support (from NFRLD)												
Technical Consultant to provide support to MIRD for Subcomp. 1.1												
WASH engineer/coordination												
Consultant for MIRD for subcomponent 2.1												

Note:

*Gender tasks had been delegated to the Social Specialist and Citizen Engagement tasks had been delegated to the Environmental Specialist. No Objection had been received on November 23, 2022. Amendments to the contracts with Mrs. N. Vladicescu and Mr. C. Busuioc had been signed on December 1, 2022