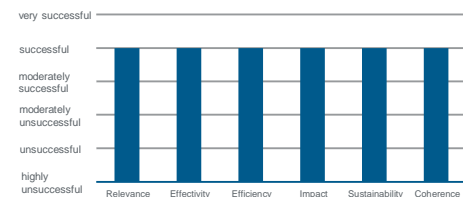


# Ex-post evaluation

## Social infrastructure and energy efficiency II, Republic of Moldova

<b>Title</b>	Social infrastructure and energy efficiency II		
<b>Sector and CRS code</b>	16050 Multisector aid for basic social services, 11120 Education facilities and training		
<b>Project number</b>	2014 68 719		
<b>Commissioned by</b>	Federal Ministry for Economic Cooperation and Development (BMZ)		
<b>Recipient/Project-executing agency</b>	Moldova Social Investment Fund (MSIF)		
<b>Project volume/ Financing instrument</b>	2.0 million budget funds (grant)		
<b>Project duration</b>	02/2018 – 04/2020		
<b>Year of report</b>	2023	<b>Year of random sample</b>	2023

Overall rating:  
**successful**



### Objectives and project outline

The objective at outcome level was the sustainable use of improved municipal services and more efficient use of energy by the population in the programme regions.

At impact level, the objective was to contribute to improving the social living conditions for the population as well as their economic situation, environmental conditions and the development of good governance.

The project was implemented by the Moldova Social Investment Fund.

### Key findings

The project demonstrated development effectiveness, the sustainability of which is secured at the level of the project communities. The project has been rated “successful” for the following reasons:

- The most important reason for the successful evaluation is the participative approach to the selection of individual projects. The participation of all population groups at community level ensured the needs-oriented implementation of relevant infrastructure measures and ensured a high level of ownership.
- The projects were ranked after approval of the complete project applications on the date of receipt of the municipalities’ own contributions (“first come, first served”). The approved applications with the fastest payment of the municipalities’ own contributions were therefore the first beneficiaries. This transparent competition process was perceived as fair by the communities, as it enabled the most motivated and engaged municipalities to implement their projects. This was also reflected in the communities’ own contributions themselves, which were usually higher than required.
- The sustainability of the project was already taken into account in the design of the individual projects in the communities. This was done by developing binding operating and maintenance concepts (including budgets) before the actual application process for financing. As a result, the project strengthened local capacities for designing and implementing projects to improve social infrastructure, so that the municipalities were able to successfully implement further projects after the end of the project using funds from other donors.

### Conclusions

- Simple project applications that were easy for the communities to understand led to high participation in the project competition.
- MSIF’s active support and advice for the municipalities during the implementation of the projects was an important success factor.
- The application of World Bank standards in the award of contracts and the execution of construction contracts helped to implement them with a high degree of technical quality and to prevent misuse of funds.
- Due to the dissolution of MSIF as an implementation organisation, the continuation of the “first come, first served” approach is not ensured. However, the concept as such appears to be transferable and advisable.

## Ex post evaluation – rating according to OECD-DAC criteria

### General conditions and classification of the project

The project was implemented via the Moldova Social Investment Fund (MSIF) as the executing agency. The MSIF was established in 1997 with the support of the World Bank to support the priority development needs of the poorer communities in the Republic of Moldova. To achieve this objective, the MSIF supported the implementation of demand-oriented micro-projects to rehabilitate social and economic infrastructure by providing grants. The FC project was implemented as an open programme, i.e. the municipalities in Moldova were able to select the individual measures suitable for them from a basic pool of decentralised and thus selectable project types. After the end of the project, the MSIF was restructured for political reasons. At the time of the ex-post evaluation, the successor organisation National Organisation for Regional and Local Development (NORLD) is implementing various micro-projects to improve the social infrastructure within the framework of the European Village Programme with the support of the neighbouring country Romania and the World Bank.

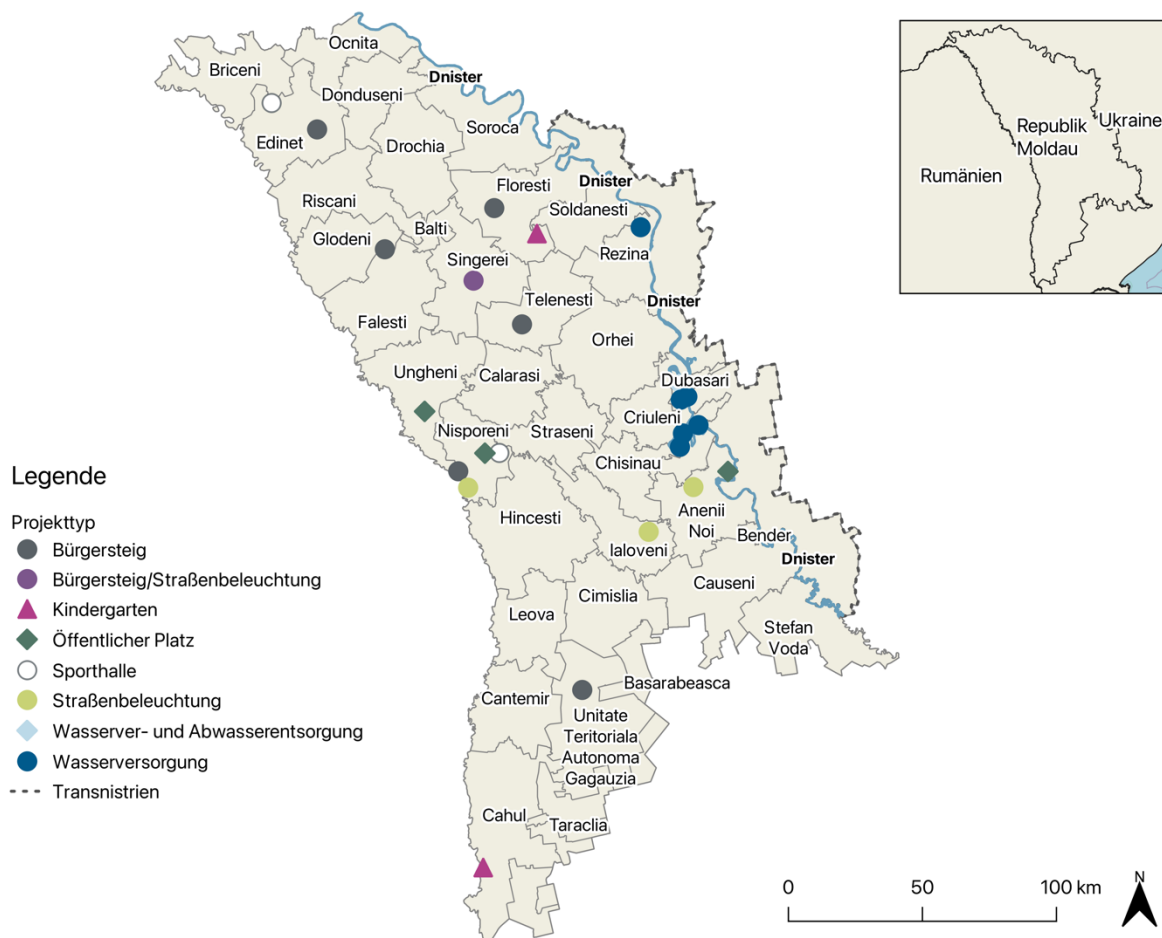
### Brief description of the project

The evaluated project was based on the already completed predecessor project “Moldova Social Investment Fund” (BMZ No. 2004 65 211) in the southern part of the Republic of Moldova and “Promotion of Social Infrastructure” (BMZ No. 2009 66 440) in the northern part of the country. Both projects served to develop municipal infrastructure with a focus on intensive target group participation.

The project considered here represents the follow-up phase of the “Promotion of Social Infrastructure” project. This promoted the development of social infrastructure in Moldovan communities nationwide without regional restrictions (Component 1: 18 micro-projects). Half of the Component 1 projects used renewables and energy-efficient technologies. The energy efficiency component of the evaluated project was less extensive than in the previous phase due to the low financing contribution. In addition, in Component 2, six projects known as partnership projects were jointly implemented by municipalities in the Russian-managed region of Transnistria and municipalities in the rest of Moldova. This was intended to contribute to reconnecting the municipalities from the two parts of the country. The 24 micro-projects supported in total concerned water supply and sanitation (seven projects), kindergartens (two projects), sports halls (two projects) and public spaces (two projects). In addition, the improvement of street lighting (four projects) and roads/pavements (six projects) was financed; both were implemented in a micro-project (one project).

The target group was the municipal population in the project communities, mainly villages and small towns with up to 20,000 inhabitants.

### Map/satellite image of the project country including project areas



Quelle: Humanitarian Data Exchange OCHA (administrative Einheiten), Geofabrik (Dnister), Projektdokumentation (Projektstandorte)

### Breakdown of total costs

		Inv. (planned)	Inv. (actual)
<b>Investment costs (total)</b>	<b>EUR million</b>	<b>2.49</b>	<b>2.94</b>
Counterpart contribution	EUR million	0.49	0.94
Debt financing	EUR million	2.00	2.00
<i>Of which budget funds</i>	<i>EUR million</i>	<i>2.00</i>	<i>2.00</i>

## Rating according to OECD-DAC criteria

### Relevance

#### *Policy and priority focus*

Development cooperation between the Republic of Moldova and the Federal Republic of Germany has existed since 1993. The DC programme is congruent with the priorities of the Association Agreement (AA) between the Republic of Moldova and the EU signed in 2014. Regional development and decentralisation were identified as key areas of action with the aim of improving services for citizens. The DC programme is based on sector strategies relevant to the service sectors. These primarily concern the areas of (1) sustainable economic development, training and employment and (2) climate and energy.

At the time of the programme appraisal (2009), the focus was on improving good governance at municipal level. The promotion of good governance as a central cross-cutting theme in all development policy projects aims to support the Republic of Moldova as a transitional state in its democratic reform processes, anti-corruption and the strengthening of state institutions.

In 2012, the Parliament of the Republic of Moldova adopted the National Decentralisation Strategy and the Action Plan aimed at transferring competences and financial resources from central to local authorities. The five main areas of the decentralisation strategy were:

1) decentralisation of competencies and services, 2) decentralisation of finances, 3) decentralisation of property and local development, 4) administrative capacity of local authorities, 5) democracy, ethics, human rights and gender equality.

The DC programme was oriented towards the further implementation of the reform agenda as part of the national decentralisation strategy with the aim of clarifying and reorganising competencies, the financial constitution and the territorial structure. Also relevant was the public administration reform strategy (2016–2020), which aimed to create the conditions for the implementation of further reform projects by building efficient, effective and accountable public administration at the various institutional levels. In addition, the DC programme was closely aligned with the major sector strategies relevant to the service sectors. This includes the National Strategy for Water and Waste Water (2014–2028), the National Strategy for Waste Management (2013–2027) and the National Energy Efficiency Programme (2011–2020).

The “Moldova 2030” national development strategy focuses on access to safe sources of energy and water, wastewater systems, road infrastructure and IT infrastructure. The Republic of Moldova recognises the improvement of quality of life as a priority area of development and focuses on the rehabilitation of social and socio-economic infrastructure. The intent is to improve the living conditions of the population, including vulnerable groups such as the rural population. The project was in line with the national interests of the partner country and was generally suitable for contributing to economic and social development in the communities.

#### *Focus on needs and capacities of participants and stakeholders*

Decentralised responsibilities in the Republic of Moldova are divided into two levels of administration. The total of 32 rayons (county districts, second administrative level) allocate state resources and transfer services to the municipalities (first administrative level) and participate in the development and implementation of local policies. There are a total of 898 municipalities, including 844 in rural areas. Most public services are delegated to first-level local authorities. Their responsibilities include urban planning, building and local roads and administration of public lighting, administration of pre-school facilities, cultural, sports and youth activities, as well as water supply, wastewater treatment and disposal and waste management.

However, the framework for fiscal decentralisation is not yet sufficiently developed, contrary to the number of responsibilities with which they are entrusted. The amount of the transfers from the central to the decentralised level has not yet been adjusted to the extent of the tasks they have taken on. In addition, the decentralised levels do not have the authority to levy and use sufficient local taxes of their own. Also, numerous national funding options for investment measures to improve services are not yet sufficiently harmonised. Lack of legal and institutional framework conditions further restrict the capacity of public institutions to act. This results in financial and personnel bottlenecks for the local administrations. A necessary comprehensive (fiscal) decentralisation and

territorial reform has not yet been implemented due to political resistance. In addition, there is a lack of clear framework conditions, sufficient experience and implementation capacities for the provision of inter-municipal services. Furthermore, citizens have limited opportunities to influence the use of public funds according to their needs (due to insufficient information and participation mechanisms).

From today's perspective, the core problem was correctly identified at the time of the project appraisal. As a rule, rural municipalities did not have the necessary funds to fully fulfil their tasks in the area of public/social infrastructure. This applies in particular to the cost-intensive expansion of these up to the time of the evaluation. In addition, there was a lack of sufficient capacity at municipal level to plan the necessary investments and monitor their implementation. As part of the evaluation mission, discussions with the mayors of the beneficiary communities made it clear that the planned investments would not have been implemented without the FC funds due to the limited municipal budget. The support of the communities during implementation by MSIF was intended to support the local implementation capacities and strengthened the ownership of the communities. From the perspective at the time and today, the project was suitable to adequately address the core problem.

The intent of selecting MSIF as the executing agency was to ensure that the FC-financed measures were needs-oriented. According to the MSIF structure in place at the time (application principle, budget provision for ongoing maintenance pre-committed by the municipalities, self-contribution), proposals for financing the micro-projects at local level were always to be made by the municipalities themselves in order to ensure demand-oriented selection and implementation. The individual measures, with the exception of the Transnistrian area, were to be selected by an MSIF jury through an ideas competition open to all communities in the project area. In Transnistria, the executing agency worked with GIZ to select the water supply systems, which were then rehabilitated or expanded. In addition, the plan included participation of community and stakeholder representatives in the project implementation (e.g. through financial contributions and voluntary cooperation). This approach was intended to promote local ownership and thus contribute to the successful implementation of the individual measures.

The selection of measures with gender impact potential depended on the individual needs of the communities. However, some typical measures in the field of assistance for social infrastructure have a high benefit for vulnerable groups and gender effectiveness (e.g. improvement of access to and expansion of kindergartens, expansion of street lighting and thus safe walkways, especially for women at night).

Appropriate provisions were made to strengthen the capacities of the parties involved and for long-term operation and maintenance of the infrastructure. For Component 1 in the project competition, the executing agency MSIF requested the submission of a convincing concept for the operation and maintenance of the planned infrastructure in advance, including a budget (Component 1: multi-sectoral municipal infrastructure projects in villages and small rural towns). In Component 2 (individual measures in the area of water supply and sewage disposal in locations along the Dniester River), the operating and maintenance concepts were developed as part of the TC project.

### ***Appropriateness of design***

The project was intended to contribute to the improvement and sustainable use of municipal services using a participatory approach. In addition, more efficient use of energy for or by the population in the programme regions was to be promoted. Due to the limited funds, only 50% of the measures planned for Component 1 were to be implemented with energy-efficient technologies. As these are simple technologies, a contribution to raising awareness of the topic among the communities was expected. The project's outcomes were intended to contribute to improving the social living conditions for the population, their economic situation, environmental conditions and the development of good governance (impact objective). In order to achieve the impact objective, two complementary results logics were adopted during the programme appraisal, which are presented below.

Results chain 1: The built and rehabilitated social infrastructure improves the accessibility and use of kindergartens, schools, gymnasiums and healthcare providers in the municipalities. This improves the educational opportunities and health situation of the target group. Both have a positive long-term effect on the beneficiaries' available income, improving living conditions and economic situations.

Results chain 2: Energy-efficient buildings and infrastructure (e.g. street lighting) contribute to reducing harmful emissions and thus to improving environmental conditions.

The participatory approach was appropriate to ensure needs-based implementation and to strengthen the local population's trust in the municipal administration structures. In this respect, the approach was fundamentally suitable to contribute to decentralisation and good governance. The underlying impact chains are also plausible overall from today's perspective, so this ex-post evaluation will not include any adjustment of the target system.

### *Response to changes/adaptability*

During the implementation of the project, there were no significant changes to the framework conditions, so it was possible to implement the individual components as planned. The local circumstances only changed after the end of the construction period (mid-2020). The Republic of Moldova was particularly affected by the collapse of the economy during the coronavirus pandemic, the effects of the energy crisis and the consequences of the war between Russia and Ukraine (especially refugee flows). The funded measures to expand social infrastructure therefore retain their high relevance for the beneficiary population. Against the backdrop of sharply rising energy prices, this applies in particular to measures with an energy efficiency component.

### *Summary of the rating:*

The project corresponded to the partner country's national priorities and is still relevant from today's perspective.

**Relevance: 2**

## **Coherence**

### *Internal coherence*

The project was part of the DC programme "Modernisation of Local Public Services in the Republic of Moldova", through which public institutions, which are increasingly acting in accordance with the principles of good governance, are to ensure improved access to decentralised public services in the priority sectors. The DC programme is oriented towards the further implementation of the reform agenda as part of the national decentralisation strategy with the aim of clarifying and reorganising competencies, the financial constitution and the territorial structure. Also relevant is the Public Administration Reform Strategy (2016–2020), which aims to create the conditions for implementing further reform projects by building efficient, effective and accountable public administration at the various institutional levels. In addition, the DC programme is integrated into the major sector strategies with relevance for the corresponding service sectors. This includes the National Strategy for Water and Waste Water (2014–2028), the National Strategy for Waste Management (2013–2027) and the National Energy Efficiency Programme (2011–2020).

Within the TC measures "Modernisation of municipal services" and "Funds for regional development", significant progress was made in establishing a systematic, transparent and participatory planning mechanism for harmonising local priorities with national sector policy objectives on regional development. In addition, the technical advice and financial support of concrete measures has led to improved access to services for citizens in 40 municipalities in the DC programme's priority sectors. In order to further strengthen the regional development architecture, support will be continued through further TC modules.

During the implementation of the project, a cooperation agreement was concluded with the TC project "Inter-municipal water management along the Dniester". This TC project was based on the results of a feasibility study and supported the long-term implementation of a change process for the regional water supply and waste water disposal. It strengthened trust through inter-municipal cooperation in water management, the performance of public operators for improved water supply and waste water disposal at municipal level and supported the development of investment packages for expansion of the water supply and waste water disposal. Here, GIZ identified municipal infrastructure projects in the water sector, and three of them were included in the evaluated FC module, financed and implemented. As already mentioned under "Relevance", the operating and maintenance concepts of the financed measures were also developed with the support of GIZ. The division of labour within German DC therefore contributed positively to the internal coherence of the evaluated project.

Through the energy efficiency component, the DC programme contributes to achieving the goals of the Paris Agreement. In the evaluated project, the promotion of energy efficiency in kindergartens and sports halls was realised by insulating façades and windows and replacing the system technology with more efficient equipment.



This can reduce greenhouse gas emissions in the building sector. In addition, the use of energy-efficient LED street lighting reduces energy consumption, which has saved climate-damaging greenhouse gas emissions.

### **External coherence**

The selection of a project-executing agency with many years of experience in the promotion of social infrastructure made it possible to use established systems and structures that had already proven themselves in the previous phases of the evaluated project. MSIF acted on the basis of a manual of procedures that complied with the World Bank's internationally recognised guidelines. As a result, the project-executing agency's work was characterised by high transparency and efficiency in the long term. The participatory approach pursued by MSIF in the context of focus group discussions and the involvement of the municipal councils during project selection is being continued in the visited project communities.

The municipalities' direct involvement in the selection and implementation of MSIF projects minimised the risk of financing useless and redundant measures. During the evaluation mission, the synergies between the complementary financing from various donors became clear, as these complementary infrastructure measures were financed in all the municipalities visited. Initial successful financing increased the municipalities' attractiveness to other donors, allowing the municipalities to initiate the implementation of larger projects. A positive example from the evaluated project is the financing of pedestrian paths in a previously overgrown green area. Following the financing from FC funds, the municipality mobilised further funds, so it was possible to visit a fully equipped park during the evaluation trip. The park has enough streetlamps with safety cameras as well as two special benches with a solar panel seat where mobile phones can be charged. The initial investment was made from FC funds, while expansion investments were made from funds from other donors who contributed to the MSIF.

The United Nations Development Programme (UNDP) has been active in the area of good governance with interruptions since 2007 and has in the past supported the Moldovan Government in the preparation and partial implementation of the national decentralisation strategy. The United States Agency for International Development (USAID) has been active in the area of municipal support in the past. A municipal project is currently being prepared, which also focuses on improving services at the municipal level.

Other MSIF projects were financed by the World Bank (e.g. programme for refurbishing and expanding school buildings into central schools) and the Romanian government (e.g. programme for refurbishing kindergartens). In addition, the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) are involved in extensive infrastructure improvement programmes in the Republic of Moldova. Sweden, Austria and Switzerland in particular support smaller rural projects.

### **Summary of the rating:**

Overall, the evaluated project is characterised by good internal and external coherence.

**Coherence: 2**

### **Effectiveness**

The original objective at outcome level adopted as part of the EPE is the sustainable use of improved municipal services and more efficient use of energy for and by the population in the programme regions.

The achievement of this target at outcome level is summarised in the table below:

Indicator	Status at PA (2014)	Target value PA/EPE	Actual value at final inspection (2020)	Actual value at EPE (2023)
(1) At least 80% of the implemented infrastructure measures are of good quality and are used as intended	N/A	≥ 80%	N/A	Achieved (based on the grab sample of visited project sites).
(2) At least 80% of the infrastructure is adequately maintained according to the operation and maintenance plans	N/A	≥ 80%	N/A	Achieved (based on the grab sample of visited project sites).
(3) The proportion of individual projects that contain an energy efficiency component (50% of Component 1) is used as intended	N/A	≥ 50 %	Achieved.	Achieved (based on the grab sample of visited project sites).

### ***Contribution to achieving targets***

As part of the project, the implemented measures were mainly selected by the municipalities from the priority list of the strategic plan for the socio-economic development of the municipality or proposed after discussions in focus groups with the municipal population. The proposed measures had to comply with the MSIF criteria for eligible projects.<sup>1</sup> The community's own contribution came from the municipality's budget as well as contributions collected in the form of cash directly from the municipality's residents and contributions from local companies.<sup>2</sup> In all the municipalities visited, it was positive that they had a high level of local participation and thus ownership.

The selection process based on the "first come, first served" principle is an internal project factor that was decisive for achieving the intended objectives of the measure. Community representatives found this procedure fair, as it rewarded prompt preparation and commitment. This resulted in municipalities with engaged and motivated community representatives or members. This is also made clear by the fact that much higher local contributions were made for Component 1 than originally required. The participatory approach to project selection therefore helped to improve municipal services geared towards meeting demand and thus achieving the project's intended objective. The participation of all population groups in the focus group discussions that were part of the selection process for the projects is also of note.

The needs-based approach adopted by the MSIF promoted the infrastructure most urgently needed in the communities. During project implementation, micro-projects were inspected annually by KfW. The status of the micro-projects was rated as good both during the annual visits and at the time of the local final inspection. As part of the ex post evaluation, ten of a total of 24 project sites were visited. The rehabilitated infrastructure was in operation at all locations and exhibited good to very good quality (Indicator 1, achieved). The pavements were constructed sensibly along the road sections that lead past important infrastructure such as schools. The FC-financed pavements only exhibited isolated damage (e.g. potholes) at one of the visited locations. As a rule, all citizens of the municipality and the population of neighbouring municipalities benefit from the financed measures. Renovated sports halls and parks in particular are also used by citizens of neighbouring municipalities for large-scale events.

<sup>1</sup> According to the MSIF criteria, eligible sub-projects had the intent of improving access to social services (e.g. renovation of schools and kindergartens, creation of municipal service centres) and socio-economic services (e.g. renovation of roads, bridges, water and gas supply systems). Sub-projects in the area of environmental protection were also eligible for promotion (e.g. renovation of wastewater systems, energy-saving measures, installation of landfill sites).

<sup>2</sup> Source: Impact Study Report 2020



Access to the financed infrastructure is generally guaranteed for all population groups. One visited sports hall does not have barrier-free access, making it difficult for older or physically disabled people to access.

The municipalities themselves are responsible for the operation, maintenance and upkeep of the measures and carry out their tasks in this regard. Every year, all visited project communities reserve an estimated maintenance budget for the financed infrastructure at the start of the project (Indicator 2, achieved). As this is technically simple infrastructure (mainly street lighting and pavements), there were no major expenses for repair up to the time of the evaluation. The municipalities engage local companies or community members to carry out maintenance work and maintain the infrastructure (e.g. weed removal on pavements). At one site, the mayor himself performed maintenance of the street lighting every two weeks (e.g. timer adjustment). During the on-site evaluation mission, an FC-financed well was also visited, which is checked daily by a member of the municipality and subjected to a comprehensive water analysis once a year to check water quality.

The implementation of extensive energy efficiency projects in the evaluated project was not possible due to the limited funds (EUR 2 million). Instead, energy-saving techniques were used for half of the individual measures of Component 1 (Indicator 3, achieved). For example, energy-efficient LED lights were used in the measures to improve street lighting. During the rehabilitation of sports halls and kindergartens, insulation measures were implemented on building façades and windows in particular. The electrical interior fittings in the buildings were also modernised to some extent, for example by installing LED projectors in a kindergarten. The energy-efficient infrastructure at the visited project sites is generally used. The street lighting functions properly at all visited FC locations with a timer that is regularly adjusted. A sports hall visited as part of the evaluation mission, in which the insulation was improved and the heating system rehabilitated, is used for training and competitions around four times a week in both summer and winter.

A survey of the mayors of the beneficiary municipalities from 2020 shows that the financed measures made a positive contribution to increasing energy efficiency. In the survey, 67% of respondents stated that the measures had contributed to better insulation, lower heating costs during the cold season and a higher average temperature in the heated rooms. In addition, the cost of street lighting was reduced by the energy efficiency component (according to 33% of respondents).<sup>3</sup> Thus, it can be assumed that the use of energy- and heat-efficient technologies and materials contributed to long-term savings in energy and heat costs, as well as to a reduction in heat losses in the buildings. However, the evaluation mission found that there are often no quantifiable comparative values. In some municipalities, there was no street lighting before the FC project, so a before/after comparison was not possible. In the municipalities with comparison values, the mayors stated that the old street lighting (without LEDs) would have consumed 4 to 10 times as much electricity as the newly installed lighting.

Former MSIF representatives characterised cooperation with the separatist authorities of Transnistria as difficult. In close cooperation with TC, the MSIF initiated a dialogue between the project-executing agency and the Transnistrian authorities, which ultimately contributed to the successful implementation of Component 2. However, due to the current security situation in the region of Transnistria, it was not possible to visit the partnership projects as part of the evaluation mission. Unfortunately, it is therefore not possible to assess the current status of a total of six micro-projects for the rehabilitation and expansion of water supply and waste water disposal. According to the reporting and final inspection dated 20 August 2020, the outputs were delivered as planned. The limited access to the project communities also prevents a conclusive assessment of the extent to which the projects contributed to the rapprochement of the Transnistrian communities and the communities in the rest of Moldova.

### ***Quality of implementation***

The quality of implementation by the project-executing agency MSIF was highlighted positively by all respondents during the evaluation mission (mainly mayors, municipal representatives, GIZ). The key success factors are 1) the participative approach to project selection through focus group discussions and subsequent coordination in the municipal council, 2) the “first come – first served” principle when applications are submitted by the municipalities, 3) transparent tendering and implementation modalities and monitoring in accordance with the World Bank guidelines, and 4) the support of the municipalities in project planning and implementation by the project-executing agency MSIF.

According to the guidelines for applicants developed by MSIF and distributed to the communities, an informal group of leaders, known as the Implementing Agency (IA), was responsible for supporting the community in all

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<sup>3</sup> Source: Impact Study Report 2020

phases of the micro-project's implementation. The IAs consisted of, among others, educators/teachers, parental representatives, consultants and representatives of the local public administration. These IA members were proposed by municipal councils, the participants of the focus group discussions or the mayors. The election of the IA members was confirmed at a municipal council meeting. The group then elected a chair to coordinate the activities. The chair was responsible for the documents to be submitted to the MSIF (e.g. construction company cost estimate) in cooperation with the municipal administration. The selection of the work areas to be included in the cost estimate was mainly based on the actual needs of the municipality, the available funds and technical documents. Depending on the size of the community, the grant limit for Component 1 sub-projects was EUR 75,000 (rural municipalities), EUR 150,000 (small towns with up to 10,000 inhabitants) or EUR 200,000 (towns with up to 20,000 inhabitants).

Awarding contracts for planning and building work was done in accordance with the MSIF's funding guidelines on public tenders. The results of the competitive bidding were reviewed by MSIF, after which MSIF's approval for the award of the contract was initiated. The building orders were awarded to local construction companies by local competitive bidding through the municipalities and supervised by independent qualified local engineers. From today's perspective, this approach seems appropriate to ensure the most transparent and efficient implementation possible.

Local administrations received the necessary technical support from the MSIF throughout the implementation period of the individual measures, including information in the form of forms, guidelines, brochures, etc. The results of a survey commissioned by KfW show that all administrations were very satisfied with the support provided by MSIF.<sup>4</sup> The micro-projects improved the municipalities' capacity to design and implement local infrastructure measures and also made them aware of the advantages of energy-efficient technologies. The lessons learned from the micro-projects and the technologies of the FC-financed projects could be used to implement further projects.

#### *Unintended consequences (positive or negative)*

No unintended positive or negative consequences are known to date. With regard to environmental, social, health and safety risks, the development of checklists in the communities was ensured at an early stage. The checklists included measures on occupational safety, risks of air pollution and its prevention, noise protection measures, protection of water quality, waste management, handling of hazardous and toxic waste as well as traffic and pedestrian safety near the construction sites. In addition, measures were taken for each sub-project to inform the communities about possible risks during the construction work and to prevent them. A project-related complaints mechanism has been developed to reduce the potential for conflict during the execution of the construction work. According to the project-executing agency's reporting, there were no complaints or (work) accidents during the implementation period.

#### *Summary of the rating:*

Due to the successful implementation structure via MSIF and the needs-oriented selection of measures as well as the qualitatively and quantitatively satisfactory delivery of outputs, the project's effectiveness is rated as good. Municipal services and energy-efficient energy use in the beneficiary communities were sustainably improved.

#### **Effectiveness: 2**

### **Efficiency**

#### *Production efficiency*

The project start, originally planned for 2015, was postponed to February 2018 due to the political conditions and the difficult negotiations. The construction measures were already completed after 26 months (24 months were planned). The total costs expected at the time of the financing proposal were EUR 2.0 million plus a counterpart contribution of EUR 0.94 million. The actual total costs amounted to EUR 2.94 million and with regard to their

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<sup>4</sup> Source: Impact Study Report 2020

financing consisted of EUR 2.0 million FC funds (68%), a contribution from the Moldovan government amounting to EUR 0.16 million (5%) and counterpart contributions from the communities of EUR 0.78 million (26%).

The Moldovan government's contribution of EUR 0.16 million was used as planned to co-finance MSIF administrative costs. At around EUR 0.24 million (around 12% of FC financing), FC funds covered the remaining MSIF administrative costs. These totalled EUR 0.41 million and thus accounted for around 14% of the total costs of the evaluated project (EUR 2.94 million). The administrative cost share of a similar project in the region with a participatory approach was slightly lower at up to 12% of the total costs.<sup>5</sup> Participatory involvement of the target group in an FC project generally requires a high level of staffing and financial capacity. A less target-oriented implementation of the project would probably have been associated with lower administrative expenses for the executing agency. The FC funds made available as a result could theoretically have been used for the promotion of additional infrastructure measures. However, the measures would have been less geared towards meeting demand, so the municipalities would probably also have had less ownership. From today's perspective, MSIF administrative costs are therefore assessed as appropriate.

According to the project sheets of the individual projects provided by the MSIF, the improvement of footpaths on average was EUR 26.91/m<sup>2</sup> and EUR 49.32 per beneficiary. The average cost of expanding public spaces was EUR 20.60/m<sup>2</sup> and EUR 32.50 per beneficiary. The rehabilitation of kindergartens was proportionately the most cost-intensive at an average of EUR 387.50 per beneficiary, followed by the micro-projects for the rehabilitation of sports halls at approx. EUR 81.50 per beneficiary. The lowest cost per beneficiary is for the street lighting projects (EUR 27.83). At EUR 38.29 per beneficiary, the costs for water supply and waste water disposal were in the middle of the range in comparison.<sup>6</sup> The risk of a significant cost increase in the micro-projects as a result of the strong inflation in the construction sector identified during the programme appraisal did not occur in the evaluated project. Instead, all population groups in rural communities benefit from the implemented measures. Accordingly, both unit costs and per capita costs are also considered appropriate from today's perspective. The ongoing cost savings for the communities resulting from the energy-efficient measures are to be assessed as positive against the backdrop of the energy crisis.

The tax savings for the local companies involved in the FC measures are also positive. Thanks to the special status granted to MSIF by the tax code of the Republic of Moldova, it was exempted from VAT in the amount of 20%.

A challenge for implementation efficiency in some municipalities resulted from the need to later change the cost estimate for the work to be carried out under the project. The reason for this was the confrontation with unforeseen additional work areas during project implementation. If the community in question was not able to provide the necessary additional financial contribution, some work areas had to be prioritised and other, less necessary areas had to be removed from the project. In addition, the technical documentation had to be revised in some cases during implementation. Adverse weather conditions were the second most common challenge during the implementation of the micro-projects in a survey of mayors and implementing agencies.<sup>7</sup>

### ***Allocation efficiency***

It is unlikely that the positive effects could have been increased by an alternatively designed measure. The involvement of the target group in particular (participatory approach) contributed to a significantly higher personal contribution than originally planned (over 15%). Failure to involve the target group in project selection would probably have reduced the impact and also reduced the sustainability of the measures.

The improvement of municipal services could also have been achieved without the use of energy-efficient technologies for the implementation of Component 1. However, the project would then have had little relevance to energy efficiency. Accordingly, only part of the impacts at outcome level could have been achieved in this way. During the on-site discussions, it was also found that awareness of this issue had been raised in the municipalities even through simple measures promoting energy efficiency (e.g. street lighting). This learning effect contributed to the municipalities implementing further projects with similar technologies. In addition, energy efficiency

<sup>5</sup> See ex post evaluation of Ukrainian social investment fund: [https://www.kfw-entwicklungsbank.de/PDF/Evaluierung/Ergebnisse-und-Publikationen/PDF-Dokumente-R-Z\\_EN/Ukraine\\_USIF\\_2016\\_E.pdf](https://www.kfw-entwicklungsbank.de/PDF/Evaluierung/Ergebnisse-und-Publikationen/PDF-Dokumente-R-Z_EN/Ukraine_USIF_2016_E.pdf) (last accessed on 25 August 2023)

<sup>6</sup> Source: Individual Project Sheets (MSIF). For each individual project, the data sheets included the area and unit costs as well as the costs per beneficiary. In the evaluation, the arithmetic mean of the costs by project type was calculated.

<sup>7</sup> Source: Impact Study Report 2020

reduced operating costs and thus increased the long-term sustainability of the measures. Some mayors explicitly mentioned that the operation of the street lighting with the old technology (no LED technology) had already exceeded the municipality's financial capacity.

The implemented measures are relatively simple in technical terms and require little maintenance. Alternative and more cost-effective solutions are difficult to imagine.

**Summary of the rating:**

From today's perspective, the project's production and allocation efficiency are rated as good.

**Efficiency: 2**

**Impact**

**Overarching developmental changes (intended)**

The original impact objective adopted as part of the EPE was to contribute to improving the social living conditions of the population, their economic situation, environmental conditions and the development of good governance.

Target achievement at the impact level can be summarised as follows:

Indicator	Status PA (2014)	Target value at PA	Actual value at final inspection (2020)	Actual value at EPE (2023)
(1) The measure increases the satisfaction of the population with their living conditions*	N/A	N/A	N/A	Achieved (based on the grab sample of visited project sites).

\*The value allocation of the indicator was qualitatively based on the discussions conducted on-site with municipal representatives. The impressions gained were also supplemented with the results of the Impact Study Report carried out in 2020 (triangulation).

**Contribution to overarching developmental changes (intended)**

The **living conditions** of the population have improved qualitatively through the creation and improvement of access to goods and socio-economic services (e.g. the possibility of bringing children safely to kindergarten directly in the beneficiaries' residential areas; access to running water in the house). The infrastructure is also partly used by neighbouring communities (e.g. rehabilitated parks and sports halls). During the evaluation trip, all respondents stated that the FC-financed infrastructure was an enrichment for the community and improved local living conditions.

The project's contribution to improving the economic situation of the population could not be quantified in monetary terms as part of this evaluation. However, due to the creation of temporary and permanent jobs, it can be assumed that the project had a positive impact on the incomes of the rural population. Temporary jobs were created by construction companies that were involved in executing the construction work. New municipal companies were also founded and technical staff were hired to repair the new facilities. In addition, new groups were opened for children in the existing kindergartens and additional teachers and assistants were hired.<sup>8</sup>

Another positive effect is the improved **safety situation** on heavily trafficked roads and pavements thanks to the FC-financed street lighting projects. Their implementation helped to improve the visibility of motor vehicles, bicycles and pedestrians, thus reducing the risk of traffic accidents at night. The safety situation for pedestrians has

<sup>8</sup> Source: Impact Study Report 2020

also improved due to the expansion of pavements in the municipalities. The evaluation mission visited several municipalities where the FC-financed walkways ensured a safe path to schools, kindergartens and playgrounds.

The financed measures had the potential to have positive **health effects** at municipal level. It can be assumed that the insulation measures in sports halls and kindergartens helped to reduce the risk of illness due to low temperatures during the winter months. In addition, the expansion of water supply systems contributed to improved access to clean drinking water, so that the risk of suffering from water-induced diseases can be reduced in the long term.

One of the problems during the implementation of municipal projects in the Republic of Moldova concerns the general public's distrust of the local public administration and its actions due to a lack of communication and transparency. The evaluated project promoted the development of **good governance** through the strong involvement of the target group in project selection and aimed for a high level of transparency during implementation. The perceived transparency of the project by the target group can be regarded as a proxy indicator for the successful development of good governance. In a representative survey of the beneficiary municipalities in 2020, the respondents found the transparency of the evaluated project and the municipality representatives involved to be particularly high. On a scale of 0 to 5 points (0 = absolutely non-transparent and 5 = very transparent), the degree of transparency of the project implementation process was on average 4.8 and thus almost reached the highest value on the evaluation scale.<sup>9</sup> In addition, the mayors in the visited communities continue to consult the population when designing projects to expand public infrastructure and have improved their capacities (particularly know-how) to implement measures. Accordingly, after the end of the project, public services and resources were provided in a transparent, effective and needs-based manner. **Environmental quality** has improved through the use of environmentally friendly materials and their role model effect. Although the energy-saving lamps (LEDs) used are more complex in production, they consume much less power during use than conventional halogen bulbs. Power generation in power plants produces large amounts of climate-damaging exhaust gases and toxic waste, and thus has a negative impact on soil and bodies of water. Energy-efficient technology therefore contributes positively to environmental quality through lower power consumption and reduced contamination.

#### ***Contribution to (unintended) overarching developmental changes***

No overarching (unintended) developmental changes are known to date.

#### ***Summary of the rating:***

The overarching developmental impacts of the project are rated as good from an evaluation perspective.

**Impact: 2**

## **Sustainability**

### ***Capacities of participants and stakeholders***

In the Republic of Moldova, the municipalities' revenues consist of grants from the state budget, local taxes and fees, as well as grants from external donors, among other things. Between 2008 and 2013, most of the local investment expenditures (around 80%) were financed by budget transfers from the central government.<sup>10</sup> The national budget allocated to the communities is currently limited, particularly due to the war-related energy crisis, so that the municipalities are still heavily dependent on the grants from external donors to make further investments (e.g. expansion of FC-financed infrastructure).

The respective maintenance expenditures for the micro-projects were estimated at the start of the project and entered in the municipal budget in the annual budget of the administrative districts after completion. The responsibility for maintenance and operation lies with the respective municipalities. During the final inspection, the mayors in four selected municipalities were able to verify the plausibility of the fact that the operating costs were already taken into account in the project design and included in the budget. However, there is still a low residual

<sup>9</sup> Source: Impact Study Report 2020

<sup>10</sup> Source: European Committee of the Regions: <https://portal.cor.europa.eu/divisionpowers/Pages/Moldova-Fiscal-Powers.aspx> (last accessed on 25 August 2023)

risk of the insufficient financial capacity of the local administrations. In 2020, data was collected showing that all communities mobilise funds annually from the municipal budget as well as from personal contributions from individuals for the maintenance of the facilities.<sup>11</sup> During the evaluation mission, the discussions with the mayors also gave the impression that there are clear responsibilities and sufficient funds available for regular maintenance. Last but not least, the cost savings through energy-efficient technologies (e.g. street lighting) in some municipalities enable additional budget funds to be used for maintenance purposes, for example.

### ***Contribution to supporting sustainable capacities***

The issue of ensuring sustainability was addressed by MSIF in all phases of implementation for the respective individual measures. This started with the submission of the grant application, which had to be accompanied by a concept paper as a mandatory element, describing the future measures to ensure sustainability in the operational phase of the institution. In addition, MSIF, together with the implementing agencies and the mayor of each beneficiary community, signed an agreement to guarantee the sustainability of the individual measure. In this agreement, the community assumes certain responsibilities with respect to the maintenance, management and further development of the renovated or newly built facility. At the time of the evaluation, this proved to be suitable and sufficient to ensure sustainability.

### ***Durability of impacts over time***

Communities' attractiveness for foreign donors has improved significantly due to the experience gained in implementing projects. The evaluation mission found that some communities have already implemented other similar projects since the end of the evaluated project or have further expanded the new infrastructure with funds from other donors. This indicates a high level of ownership among the communities and the will to maintain the positive effects in the long term.

As MSIF was restructured after the completion of the evaluated project for political reasons, many communities are currently implementing **new projects** via the "European Village" programme of the successor organisation NORLD. Cooperation with NORLD was rated as overwhelmingly positive in discussions with the local mayors. A central point of criticism was the extensive application process at NORLD, which, according to the mayors, is much more bureaucratic than at MSIF. In addition, some of the key success factors of the evaluated project were not transferred to the structures and procedures of NORLD. The communities are no longer asked for a financial counterpart contribution, and compulsory citizen participation in deciding what is to be proposed for financing at local level has been almost completely abolished. It is up to the mayor's initiative to include the opinions of the citizens, which some have done.

During the government consultations in 2021, new possible project financing between the German and Moldovan governments was discussed (EUR 8.0 million). However, as part of an extensive executing agency analysis, their implementation via NORLD was abandoned. The general difference between MSIF and NORLD is that MSIF had full decision-making autonomy, whereas NORLD does not have this competence. Although NORLD is formally autonomous in its administration, the organisation is almost entirely under the Moldovan Ministry of Infrastructure and Regional Development. The legal form and the foundational documents do not clearly legitimise NORLD for the tasks under the proposed FC project, as there is no independence. In particular, NORLD is not able to monitor awarding of contracts or make disbursements.

The Russian war of aggression on Ukraine poses an unforeseen additional risk to the sustainability of the financed measures.

### ***Summary of the rating:***

From today's perspective, the sustainability of the project is still considered good, as the individual measures financed via MSIF are proven to be largely well maintained in the project communities. New individual measures financed via NORLD (not FC-supported) may exhibit lower sustainability, as they were only selected to be needs-based to a limited extent (see above).

### **Sustainability: 2**

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<sup>11</sup> Source: Impact Study Report 2020



## Overall rating: 2

The project was highly relevant and was implemented as part of a coherent development cooperation programme. Implementation via the project-executing agency MSIF proved to be a key success factor for the effectiveness of the project and ensured consistently high quality of management and implementation. The individual projects were awarded to the most committed municipalities in a needs-based manner using the “first come, first served” principle. The application of World Bank standards in the award of contracts and the execution of construction contracts contributed positively to the transparency and efficiency of the individual projects. KfW’s progress reviews have already documented the high level of community satisfaction with the quality of the outputs and the resulting improved living conditions of the local population. These impressions were confirmed during the visits to the project locations and through interviews with the target group. At the time of the evaluation, the condition of the created or expanded infrastructure was predominantly good; only a few slight deficiencies were found. The municipalities’ finances continue to depend heavily on the grants from the central government and the contributions from external donors. From the evaluation team’s point of view, the sustainability of the measures supported by FC funds is still good, as maintenance at municipal level was already taken into consideration during project planning and the municipalities continue to have a high level of ownership. Overall, the project is rated as successful.

## Contributions to the 2030 Agenda

The implemented measures made a direct contribution to the implementation of the United Nations Sustainable Development Goals. Participatory promotion of community development contributed in particular to achieving SDG 16.6 (Develop effective, accountable and transparent institutions at all levels), SDG 16.7 (Ensure responsive, inclusive, participatory and representative decision-making at all levels) and SDG 16.10 (Ensure public access to information). In addition, the chosen types of infrastructure contributed to SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean energy) and SDG 11 (Sustainable cities and communities). Last but not least, the jobs created contributed to SDG 1 (No poverty) at municipal level.

## Project-specific strengths and weaknesses as well as cross-project conclusions and lessons learned

### The project had the following strengths and weaknesses in particular:

- The participatory approach using citizens’ committees for project selection has proven to be successful and ensured strong ownership in the communities.
- MSIF proved to be a strong FC implementation partner, which contributed significantly to the success of the project through its intensive support of the communities in the implementation.
- Due to the dissolution of MSIF as an implementation organisation, the continuation or transferability of the approach in Moldova is not ensured. However, the concept as such appears transferable and advisable: The requirements for sustainable operation are already included in the selection criteria, helping to secure sustainability.

### Conclusions and lessons learned

- Simple project applications that were understandable for the communities reduced the hurdle for the municipalities to apply for the competition for the FC-financed projects. This led to a high level of participation in the selection procedure for the individual measures.
- The application of clear World Bank standards that were understandable to the communities when awarding contracts and executing construction contracts contributed to technically appropriate and time-efficient implementation and helped to prevent misuse of funds.

- MSIF's active support and advice for the municipalities in the implementation of the projects was an important success factor and ensured the long-term development of local capacities.

## Evaluation approach and methods

### Methodology of the ex post evaluation

The ex post evaluation follows the methodology of a rapid appraisal, which is a data-supported qualitative contribution analysis and constitutes an expert judgement. This approach ascribes impacts to the project through plausibility considerations which are based on a careful analysis of documents, data, facts and impressions. This also includes – when possible – the use of digital data sources and the use of modern technologies (e.g. satellite data, online surveys, geocoding). The reasons for any contradicting information are investigated and attempts are made to clarify such issues and base the evaluation on statements that can be confirmed by several sources of information wherever possible (triangulation).

#### Documents:

internal project documents, strategy papers, comparable evaluations.

#### Data sources and analysis tools:

on-site data collection, monitoring data from the partner, project-related surveys, GPS data and their representation with the QGIS analysis tool.

#### Interview partners:

former project-executing agency officers, target group, operational department of KfW, GIZ.

The analysis of impacts is based on assumed causal relationships, documented in the results matrix developed during the project appraisal and, if necessary, updated during the ex post evaluation. The evaluation report sets out arguments as to why the influencing factors in question were identified for the experienced effects and why the project under investigation was likely to make the contribution that it did (contribution analysis). The context of the development measure and its influence on results is taken into account. The conclusions are reported in relation to the availability and quality of the data. An evaluation concept is the frame of reference for the evaluation.

On average, the methods offer a balanced cost-benefit ratio for project evaluations that maintains a balance between the knowledge gained and the evaluation costs, and allows an assessment of the effectiveness of FC projects across all project evaluations. The individual ex post evaluation therefore does not meet the requirements of a scientific assessment in line with a clear causal analysis.

The following aspects limit the evaluation:

**At the time of the evaluation, the dissolution of the project-executing agency made it more difficult to request further project-related data and general reports on the project-executing agency's activities.** The annual reports with information on the total financing of MSIF during the project period were not available at the time of the evaluation, meaning that it was not possible to classify the FC contribution compared to the contributions of other donors.

## Methods used to evaluate project success

A six-point scale is used to evaluate the project according to OECD DAC criteria. The scale is as follows:

- Level 1** very successful: result that clearly exceeds expectations
- Level 2** successful: fully in line with expectations and without any significant shortcomings
- Level 3** moderately successful: project falls short of expectations but the positive results dominate
- Level 4** moderately unsuccessful: significantly below expectations, with negative results dominating despite discernible positive results
- Level 5** unsuccessful: despite some positive partial results, the negative results clearly dominate
- Level 6** highly unsuccessful: the project has no impact or the situation has actually deteriorated

The overall rating on the six-point scale is compiled from a weighting of all six individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("impact") and the sustainability are rated at least "moderately successful" (level 3).

## Publication details

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**List of annexes:**

Target system and indicators annex

Risk analysis annex

Project measures and results annex

Recommendations for operation annex

Evaluation questions in line with OECD DAC criteria/ex post evaluation matrix annex

## Target system and indicators annex

Project objective at outcome level		Rating of appropriateness (former and current view)			
During project appraisal: Sustainable use of the improved municipal services and more efficient energy use for or by the population in the programme regions.		Appropriate, as this objective contributes to the achievement of the overarching development objective in all three required target dimensions (improvement of municipal services, their sustainable use and more efficient energy use).			
During EPE (if target modified)					
Indicator	Rating of appropriateness	PA target level Optional: EPE target level	PA status (2014)	Status at final inspection (2020)	Optional: Status at EPE (2023)
Indicator 1 (PA): Improved municipal infrastructure facilities are used by the planned target group	<p>The use of improved/new infrastructure or services by the population of the project communities appears to be appropriate in principle, including with regard to the impact level. One thing that is unclear is the subsequent determination of the proportion of the population (&gt;90% in the PP, then 33% in the reporting and project completion report) and the actual measurement of the proportion after commissioning.</p> <p>Due to methodological uncertainties, the indicator is <b>not appropriate</b> for impact measurement at outcome level and is therefore <b>not used as part of the EPE</b>.</p>	≥ 90 %	0%	88%	/
Indicator 2 (PA) The participation of the population in the design and implementation of infrastructure projects	The indicator is fundamentally aimed at measuring good governance. However, it does not provide any information about the composition of the municipal committees, i.e. whether all population groups were involved. The measurement of the target value	Approving share of members of relevant municipal committees (≥ 60%)	n/a	100%	/



<p>has improved in the long term</p>	<p>merely indicates whether the measures were selected on the basis of a majority decision.</p> <p>In addition, the formulation of the indicator in the reporting and project completion report changed: "Proportion of individual measures based on participatory planning and decision-making processes" (target value 100%). This is only an output indicator and a snapshot at the time of project implementation.</p> <p>The indicator is <b>not appropriate</b> for impact measurement at outcome level and is therefore not used as part of the evaluation.</p>				
<p>Indicator 3: (PA) a useful indicator for measuring the target achievement of the energy efficiency component is selected by the time of the initial report</p> <p>Then: Percentage of individual projects that contain an energy efficiency component (<b>≥ 50%</b>) and are used</p>	<p>Assumed target level not clearly understandable. Although the concrete energy savings are clear and comprehensible from the documents, the relevance of the actual energy savings for the entire energy consumption of the target communities appears unclear. Presumably, the measures should have an exemplary character.</p> <p>This is a measurement of the outputs. <b>The indicator is added for the EPE (usage component) and is then appropriate for impact measurement at outcome level.</b></p>	n/a	n/a	50% for Component 1	Achieved (see main section).
<p>NEW Indicator 4 (EPE): At least 80% of the implemented infrastructure measures are of good quality and are used as intended</p>	<p>The indicator is <b>appropriate</b> at outcome level as it records the status of the outputs created since the end of the project. It provides information on whether the infrastructure is still generally in a usable state.</p>	≥ 80%	N/A	N/A	Achieved (see main section).
<p>NEW Indicator 5 (EPE): At least 80% of the infrastructure is adequately</p>	<p>The indicator is <b>appropriate</b> for impact measurement at outcome level. It provides information on the extent of the actively maintained and serviced</p>	≥ 80%	N/A	N/A	Achieved (see main section).

maintained according to the operation and maintenance plans	infrastructure as well as the existence of the necessary structures and capacities on site.				
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Project objective at impact level		Rating of appropriateness (former and current view)			
During project appraisal: to contribute to improving social living conditions for the population and their economic situation, environmental conditions and the development of good governance.		Goal formulation also appropriate from today's perspective.			
At EPE: no need to modify the objective					
Indicator	Rating of appropriateness	Target level PA / EPE (new)	PA status (2014)	Status at final inspection (2020)	Status at EPE (2023)
No specific impact indicators were defined during the project appraisal	/	/	/	/	/
NEW Indicator 1 (EPE): The project increases the population's satisfaction with their living conditions.	<p>The indicator is qualitatively assigned based on on-site interviews and supplemented by the results of the 2020 Impact Study Report.</p> <p>It is <b>appropriate</b> for impact measurement at impact level, as it provides a project-specific picture of the living conditions of the population in the partner country.</p>	Respondents indicate greater satisfaction with their living conditions due to the individual measures of the project	N/A	N/A	At the level of the beneficiary municipalities, the project clearly contributed to improving social living conditions and the economic situation at individual level. The intensive use of the micro-projects shows that the communities positively received the created infrastructure. The infrastructure is also partly used by neighbouring communities (e.g. rehabilitated parks and sports halls). In addition, all respondents during the on-site

					evaluation trip stated that the infrastructure was an enrichment for the community.
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## Risk analysis annex

All risks should be included in the following table as described above:

Risk	Relevant OECD-DAC criterion
Difficult political framework conditions (especially between the government in Chisinau and the region of Transnistria)	Effectiveness
Change in the framework conditions in the energy sector decreases incentives for energy efficiency measures	Relevance and effectiveness
Non-sustainable operation of the created and/or renovated social infrastructure	Sustainability
Significant cost increase for the micro-projects	Efficiency
The consequences of the war between Russia and Ukraine (identified ex post)	Sustainability

None of the risks assumed during the appraisal occurred at the time of the evaluation.

## Project measures and their results annex

A brief summary of the project measures is already provided in the main section in the “Brief description of the project” section. The evaluation of quality can be seen in the main part of the “Effectiveness” section.

**Table 1: Project locations and project type**

<b>Komponente I</b>		
<b>Kleinstädte</b>	<b>Projekttyp</b>	<b>Energieeffizienz ja/nein</b>
1. Cupcini, Edinet Rayon	Bürgersteig	nein
2. Telenesti, Telenesti Rayon	Bürgersteig	nein
3. Comrat, Gagauza	Bürgersteig	nein
4. Nisporeni, Nisporeni Rayon	Bürgersteig	nein
5. Marculesti, Floresti Rayon	Straßenbeleuchtung	nein
6. Singerei, Singerei Rayon	Bürgersteig + Straßenbeleuchtung	ja
<b>Dörfer</b>		
<b>Projekttyp</b>		
7. Iurceni, Nisporeni Rayon	Sporthalle	ja
8. Timova, Edinet Rayon	Sporthalle	ja
9. Serpeni, Anenii Noi Rayon	Öffentlicher Platz	nein
10. Tipala, Ialoveni Rayon	Straßenbeleuchtung	ja
11. Fundurii Vechi, Glodeni Rayon	Bürgersteig	nein
12. Mateuti, Rezina Rayon	Wasserversorgung	nein
13. Barboeni, Nisporeni Rayon	Bürgersteig	nein
14. Colibasi, Cahul Rayon	Kindergarten	ja
15. Cetireni, Ungheni Rayon	Öffentlicher Platz	ja
16. Domulgeni, Floresti Rayon	Kindergarten	ja
17. Cobusca Veche, Anenii Noi Rayon	Straßenbeleuchtung	ja
18. Zberoaia, Nisporeni Rayon	Straßenbeleuchtung	ja
<b>Komponente III</b>		
19. Cosnita, Dubusari Rayon	Erweiterung Wasserversorgung	nein
20. Cocieri, Dubusari Rayon	Abwasserpumpstation und Abwasserdruckleitung	nein
21. Dubusari town, Transnistria	Wasserversorgungsnetz	nein
22. Ustia village, Dubusari Rayon	Wasserreservoir und Transportleitung	nein
23. Dorotcaia village, Dubusari Rayon	Wasserreservoir und Steuerungssystem	nein
24. Piritia village, Dubusari Rayon	Neuer Brunnen	nein

Source: PCR

**Table 2: Number of beneficiaries (Component I)**

No.	Project number	Rayon	Community	Locality	Direct beneficiaries <sup>1</sup>		Indirect beneficiaries <sup>2</sup>	Percentage of direct and indirect beneficiaries of the entire community population (in %)
					Total	Percentage of children		
1.	4201	Edinet	Village of Cupcini	Village of Cupcini	3,450	315	12,160	100%
2.	4202	Telenesti	City of Telenesti	City of Telenesti	4,144	682	7227	100%

3.	4203	Autonomous Territorial Unit of Gagauzia	City of Comrat	City of Comrat	2,866	532	20,113	100%
4.	4205	Floresti	City of Marculesti	City of Marculesti	980	153	2,253	100%
5.	4206	Sîngerei	City of Sîngerei	City of Sîngerei	4,861	830	12,846	100%
6.	4219	Nisporeni	Town of Nisporeni	Town of Nisporeni	12,092	2,029	9,000	100%
7.	4207	Nisporeni	Iurceni	Iurceni	350	130	3,906	100%
8.	4208	Edinet	Tirnova	Tirnova	215	170	4,080	5%
9.	4209	Anenii Noi	Serpeni	Serpeni	3,585	732	3,100	100%
10.	4210	Ialoveni	Tipala	Tipala	1,974	486	3,865	100%
11.	4211	Glodeni	Fundurii Vechi	Fundurii Vechi	1,004	397	3,370	100%
12.	4212	Rezina	Mateuti	Mateuti	1,394	389	2,535	100%
13.	4213	Nisporeni	Barboeni	Barboeni	266	103	910	100%
14.	4214	Cahul	Colibasi	Colibasi	733	239	557	22%
15.	4215	Ungheni	Cetireni	Cetireni	2,084	443	6,615	100%
16.	4216	Floresti	Domulgeni	Domulgeni	217	67	96	22%
17.	4217	Anenii Noi	Cobusca Veche	Cobusca Veche	1,895	298	2,354	100%
18.	4218	Nisporeni	Zberoaia	Zberoaia	969	199	2,354	100%
<b>Total</b>					43,079	8,194	97,341	<b>ø 86%</b>

Source: Reporting by the project-executing agency to KfW (2020)

**Table 3: Number of beneficiaries (Component II)**

No.	Project number	Rayon	Community	Locality	Direct beneficiaries		Indirect beneficiaries	Percentage of direct and indirect beneficiaries of the entire community population (in %)
					Total	Percentage of children		
1.	4223	Dubasari	Cosnita	Cosnita	2,008	565	5,542	100%
2.	4224	Dubasari	Cocieri	Cocieri	3,140	626	4,100	100%
3.	4225	Dubasari	City of Dubasari	City of Dubasari	1,168	123	10,875	11%
4.	4226	Dubasari	Pirita	Pirita	4,090	1041	4,664	100%
5.	4227	Dubasari	Dorotcaia	Dorotcaia	2,236	780	3,518	100%
6.	4228	Dubasari	Ustia	Ustia	2,700	480	3506	100%
<b>Total</b>					15,342	3,615	32,205	<b>ø 87%</b>

Source: Reporting by the project-executing agency to KfW (2020)



## **Recommendations for operation annex**

In view of the fact that MSIF no longer exists and the German Federal Ministry for Economic Cooperation and Development (BMZ) does not cooperate with the successor organisation (NORLD), this annex is omitted.

Evaluation questions in line with OECD-DAC criteria/ex post evaluation matrix annex

## Relevance

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting ( - / o / + )	Reason for weighting
Evaluation dimension: Policy and priority focus			2	o	/
Are the objectives of the programme aligned with the (global, regional and country-specific) policies and priorities, in particular those of the (development policy) partners involved and affected and the BMZ?	<p>How important or how significant is the project's contribution to Moldova's state growth and poverty alleviation policy (in addition to analogue contributions from TC, the World Bank, SIDA, DFID)?</p> <p>Are the measures suitable for making a significant contribution to economic and social development in the project communities?</p> <p>What is the strategic reference framework in German DC?</p>	<ul style="list-style-type: none"> <li>- Project appraisal</li> <li>- PP (also predecessor projects 2009 66 440, 2004 65 211)</li> <li>- Final report</li> <li>- 2021 Development Policy Report – Moldova</li> <li>- National Development Strategy, Moldova – 2030</li> </ul>			
Do the objectives of the programme take into account the relevant political and institutional framework conditions (e.g. legislation, administrative capacity, actual power structures (including those related to ethnicity, gender, etc.))?	<p>Are the objectives of the measures institutionally anchored in the Republic of Moldova? What are the legal foundations for decentralisation in Moldova? Decentralisation of which sectors/competencies/support with finance? What income do the communities have and can they achieve their goals?</p>	Project appraisal			
Evaluation dimension: Focus on needs and capacities of participants and stakeholders			2	o	/
Are the programme objectives focused on the developmental needs	Are the objectives of the measure aimed at the development policy needs and	<ul style="list-style-type: none"> <li>- Project appraisal</li> </ul>			

<p>and capacities of the target group? Was the core problem identified correctly?</p>	<p>capacities of the total population in Moldova (approx. 3.6 million people), but primarily at the residents of the project communities?</p> <p>What are the most urgent needs for combating poverty and supporting social development?</p> <p>How was it ensured that the project selection was needs-based?</p> <p>How was it ensured that the selected projects were sustainable? (Available and trained personnel and budget for maintenance/servicing; clear responsibilities)</p>	<ul style="list-style-type: none"> <li>- Final Implementation Report (MSIF), 2017</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>			
<p>Were the needs and capacities of particularly disadvantaged or vulnerable parts of the target group taken into account (possible differentiation according to age, income, gender, ethnicity, etc.)? How was the target group selected?</p>	<p>Were the measures suitable for reaching disadvantaged population groups (poor) in particular?</p> <p>How was the target group selected? Were there certain selection criteria to ensure the involvement of particularly vulnerable population groups?</p> <p>To what extent was the promotion of the participation of women in the “ideas” competition intended for the selection of individual projects?</p>	<ul style="list-style-type: none"> <li>- Project appraisal</li> <li>- Final Implementation Report (MSIF), 2017</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>			
<p>Would the programme (from an ex post perspective) have had other significant gender impact potentials if the concept had been designed differently? (FC-E-specific question)</p>	<p>Did the measures have a specific impact related to gender?</p> <p>To what extent could the potential impact related to gender within the scope of the project have been better exploited through an alternative concept?</p>	<ul style="list-style-type: none"> <li>- Project appraisal</li> <li>- Final report</li> </ul>			
<p>Evaluation dimension: Appropriateness of design</p>			2	o	/

<p>Was the design of the programme appropriate and realistic (technically, organisationally and financially) and in principle suitable for contributing to solving the core problem?</p>	<p>Was the project appropriate to alleviate poverty, increase political and social participation and improve energy use?</p> <p>What was the situation of the municipalities (capacities, responsibilities for which sectors, finances) and to what extent was the design of the measure appropriate to improve it?</p> <p>Was the selection of the project-executing agency generally appropriate? To what extent was there a trusting relationship between MSIF and the beneficiary communities?</p>	<ul style="list-style-type: none"> <li>- On-site meetings with experienced employees</li> <li>- Impact Study Report (MSIF), 2020</li> </ul> <p>Plausibility considerations based on the project documentation (especially PP and PCR)</p>
<p>Is the programme design sufficiently precise and plausible (transparency and verifiability of the target system and the underlying impact assumptions)?</p>	<p>Are the target system and the underlying impact assumptions comprehensible and verifiable?</p> <p>To what extent are the measures suitable for addressing/contributing to the solution of the core problem?</p>	<p>Plausibility considerations based on the project documentation (especially PP and PCR)</p>
<p>Please describe the results chain, incl. complementary measures, if necessary in the form of a graphical representation. Is this plausible? As well as specifying the original and, if necessary, adjusted target system, taking into account the impact levels (outcome and impact). The (adjusted) target system can also be displayed graphically. (FC-E-specific question)</p>	<p><u>Results chain 1: Poverty:</u> Better social infrastructure -&gt; better educational opportunities and improved health situation -&gt; higher disposable income</p> <p><u>Results chain 2: Governance</u> Not described</p> <p><u>Results chain 3: Energy efficiency /environment</u> Energy-efficient buildings and infrastructure reduced emissions -&gt; improved environmental conditions</p> <p>Partially incomplete and only briefly described.</p>	<ul style="list-style-type: none"> <li>- Project appraisal (results chain is described in the module proposal for 2009 66 440)</li> </ul> <p>Impact Study Report (MSIF), 2020</p>

<p>To what extent is the design of the programme based on a holistic approach to sustainable development (interplay of the social, environmental and economic dimensions of sustainability)?</p>	<p>What was the selection mechanism for the communities and their projects, and which criteria were used to decide to include a project in MSIF? To what extent did these criteria take into account the interplay of the social, ecological and economic dimensions of sustainability (especially Just Transition)?</p> <p>To what extent was the intent to make a contribution to the achievement of the United Nations Sustainable Development Goals (2030 Agenda)?</p>	<ul style="list-style-type: none"> <li>- Project appraisal (results chain is described in the module proposal for 2009 66 440)</li> <li>- Impact Study Report (MSIF), 2020</li> <li>- German Federal Ministry for Economic Cooperation and Development website (German only): <a href="https://www.bmz.de/de/laender/mol-dau/kernthema-klima-und-energie-107206">https://www.bmz.de/de/laender/mol-dau/kernthema-klima-und-energie-107206</a></li> </ul> <p><a href="https://www.bmz.de/de/themen/klimawandel-und-entwicklung/just-transition">https://www.bmz.de/de/themen/klimawandel-und-entwicklung/just-transition</a></p>			
<p>For projects within the scope of DC programmes: is the programme, based on its design, suitable for achieving the objectives of the DC programme? To what extent is the impact level of the FC module meaningfully linked to the DC programme (e.g. outcome impact or output outcome)? (FC-E-specific question)</p>	<p>According to its design, was the project suitable for making a contribution to improving social living conditions for the population as well as its economic situation, environmental conditions and the development of good governance?</p>	<p>Plausibility considerations based on the project documentation</p>			
<p>Evaluation dimension: Response to changes/adaptability</p>			2	o	/
<p>Has the programme been adapted in the course of its implementation due to changed framework conditions (risks and potential)?</p>	<p>The financed measures included a variety of social infrastructure. Were there also restrictions on what the communities could propose for financing?</p> <p>Did the financing from other donors (e.g. EIB, World Bank, SIDA) influence the selection of the proposed measures or the participating communities?</p> <p>Have there been any circumstances since the final inspection that would lead</p>	<ul style="list-style-type: none"> <li>- Project appraisal</li> <li>- Final Implementation Report (MSIF), 2017</li> </ul> <p>Impact Study Report (MSIF), 2020</p>			

	<p>to the assumption that a different selection of measures would be made today (e.g. war in Ukraine)?</p> <p>Would the (positive) impact of the measures already implemented lead to the selection of other measures today?</p>	
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## Coherence

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting (- / 0 / +)	Reason for weighting
Evaluation dimension: Internal coherence (division of tasks and synergies within German development cooperation)			2	0	/
To what extent is the programme designed in a complementary and collaborative manner within the German development cooperation (e.g. integration into DC programme, country/sector strategy)?	<p>To what extent did the project build on the completed previous programmes “Moldova Social Investment Fund” (BMZ no. 2004 65 211) and “Promotion of Social Infrastructure” (BMZ no. 2009 66 440)?</p> <p>To what extent did the project fit into the German Federal Ministry for Economic Cooperation and Development’s (BMZ) country and sector strategy?</p>	<ul style="list-style-type: none"> <li>- Project appraisal</li> <li>- 2021 Development Policy Report – Moldova</li> <li>- Cooperation with GIZ projects</li> <li>- Plausibility considerations based on the project documentation of predecessor projects</li> </ul>			
Do the instruments of the German development cooperation dovetail in a conceptually meaningful way, and are synergies put to use?	<p>To what extent did German TC support the selection and preparation of the individual measures from Component 3? Is this procedure also appropriate from today’s perspective?</p> <p>To what extent did synergies arise with other FC projects carried out in parallel in the partner country?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>			

<p>Is the programme consistent with international norms and standards to which the German development cooperation is committed (e.g. human rights, Paris Climate Agreement, etc.)?</p>	<p>To what extent did the project contribute to achieving the goals of the Paris Agreement (e.g. reducing greenhouse gas emissions through the use of energy-efficient technologies)?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>						
<p>Evaluation dimension: External coherence (complementarity and coordination with actors external to German DC)</p>					<table border="1"> <tr> <td data-bbox="1563 387 1653 539">2</td> <td data-bbox="1653 387 1787 539">0</td> <td data-bbox="1787 387 2045 539">/</td> </tr> </table>	2	0	/
2	0	/						
<p>To what extent does the programme complement and support the partner's own efforts (subsidiarity principle)?</p>	<p>To what extent was the MSIF selection mechanism appropriate in terms of the contributions from those affected and ownership?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>						
<p>Is the design of the programme and its implementation coordinated with the activities of other donors?</p>	<p>To what extent was it ensured that the financed individual measures complemented the activities of other donors? Were there overlaps or duplications?</p> <p>What was the coordination mechanism for coordination between KfW and other donors? What role did the executing agency (MSIF) play in this?</p> <p>Are other donors' impact measurements (e.g. evaluations) available?</p>	<ul style="list-style-type: none"> <li>- Discussions with the other donors on site</li> <li>- Ask the operational department (contacts at other donors)</li> </ul>						
<p>Was the programme designed to use the existing systems and structures (of partners/other donors/international organisations) for the implementation of its activities and to what extent are these used?</p>	<p>To what extent were existing systems and structures used to implement the evaluated project (e.g. systems/structures established as part of the two predecessor programmes)?</p> <p>Did the project contribute to the development of new systems and</p>	<ul style="list-style-type: none"> <li>- Discussions with community representatives</li> </ul>						



	structures? If so, are they still being used at the time of the evaluation?	
Are common systems (of partners/other donors/international organisations) used for monitoring/evaluation, learning and accountability?	Are impact studies with follow-up results, surveys, etc. also available for similar projects implemented by the WB, EIB and other donors, similar to the reports submitted to KfW in 2017 and 2020?	<ul style="list-style-type: none"> <li>- Final Implementation Report (MSIF), 2017</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>

## Effectiveness

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting ( - / o / + )	Reason for weighting
<b>Evaluation dimension: Achievement of (intended) targets</b>			2	o	/
Were the (if necessary, adjusted) objectives of the programme (incl. capacity development measures) achieved? Table of indicators: Comparison of actual/target	Indicators: 1: The percentage of individual projects that contain an energy efficiency component (50%) is used as intended  2: At least 80% of the implemented infrastructure measures are of good quality and are used as intended  3: At least 80% of the infrastructure is adequately maintained according to the operation and maintenance plans	<ul style="list-style-type: none"> <li>- Site visits</li> </ul>			
<b>Evaluation dimension: Contribution to achieving objectives:</b>			2	o	/
To what extent were the outputs of the programme delivered as	Was the expansion of schools, child-care centres, citizens' homes with care	<ul style="list-style-type: none"> <li>- Final report Impact Study Report (MSIF), 2020</li> </ul>			

<p>planned (or adapted to new developments)? (<i>Learning/help question</i>)</p>	<p>facilities for the elderly, water and waste water disposal and, to a lesser extent, road construction supported as planned? (Component 1)</p> <p>Was a partial amount used as planned for partnership projects jointly implemented by communities in the region of Transnistria and in the rest of Moldova (Component 3)?</p>	
<p>Are the outputs provided and the capacities created used?</p>	<p>Is the infrastructure financed under the micro-projects still being used as intended?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> <li>Site visits</li> </ul>
<p>To what extent is equal access to the outputs provided and the capacities created guaranteed (e.g. non-discriminatory, physically accessible, financially affordable, qualitatively, socially and culturally acceptable)?</p>	<p>Are the financed outputs (especially childcare centres, sports halls, public spaces, and water supply) generally accessible to all user groups (e.g. for disabled people)?</p> <p>Are there user groups in the communities for whom access may be difficult (e.g. ethnic minorities)?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> <li>Site visits</li> </ul>
<p>To what extent did the programme contribute to achieving the objectives?</p>	<p>To what extent did the project contribute to ensuring the sustainable use of the improved municipal services?</p> <p>To what extent did the project contribute to ensuring more efficient energy use for or by the population in the programme regions?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>
<p>To what extent did the programme contribute to achieving the objectives at the level of the intended beneficiaries?</p>	<p>To what extent did the municipal population in the project communities (target group) benefit from the financed individual measures?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>

<p>Did the programme contribute to the achievement of objectives at the level of the particularly disadvantaged or vulnerable groups involved and affected (potential differentiation according to age, income, gender, ethnicity, etc.)?</p>	<p>To what extent do particularly vulnerable parts of the municipal population in the project communities (e.g. people with disabilities) actually have access to the financed infrastructure?</p> <p>To what extent were the individual measures of Component 3 implemented in a way that was sensitive to conflicts?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>			
<p>Were there measures that specifically addressed gender impact potential (e.g. through the involvement of women in project committees, water committees, use of social workers for women, etc.)? (FC-E-specific question)</p>	<p>To what extent did women participate in the ideas competition for selecting individual projects?</p> <p>As part of the participatory approach, were measures to promote women's participation also envisaged (e.g. in project development) and to what extent were these implemented?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report (MSIF), 2020</li> <li>- MSIF operational manual</li> </ul>			
<p>Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended objectives of the programme? (<i>Learning/help question</i>)</p>	<p>To what extent did the participative approach to project selection contribute to achieving the intended objectives of the project?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Communication with MSIF</li> <li>- Impact Study Report (MSIF), 2020</li> </ul>			
<p>Which external factors were decisive for the achievement or non-achievement of the intended objectives of the programme (also taking into account the risks anticipated beforehand)? (<i>Learning/help question</i>)</p>	<p>To what extent did the country's political situation (especially in the region of Transnistria) play a role in achieving or not achieving the objectives?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>			
<p>Evaluation dimension: Quality of implementation</p>			2	o	/

<p>How is the quality of the management and implementation of the programme to be evaluated with regard to the achievement of objectives?</p>	<p>To what extent did the selection of the executing agency contribute to achieving the intended objectives? To what extent have lessons learned from already completed projects been used?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Communication with MSIF</li> </ul>
<p>How is the quality of the management, implementation and participation in the programme by the partners/sponsors evaluated?</p>	<p>How should MSIF's administrative capacity be assessed? Was there compliance with the specifications for project guidance defined in the operational manual?</p> <p>How did the competitive bidding, award of contracts and implementation of the planning and construction work for the public infrastructure investments take place?</p> <p>Was there compliance with the grant limits for individual measures in accordance with the PP? Were these grant limits appropriate for preventing local capacities from being overwhelmed?</p> <p>Did the executing agency fully comply with environmental and social standards during project implementation?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Communication with MSIF</li> </ul>
<p>Were gender results and relevant risks in/through the project (gender-based violence, e.g. in the context of infrastructure or empowerment projects) regularly monitored or otherwise taken into account during implementation? Have corresponding measures (e.g. as part of a CM) been implemented in a timely manner? (FC-E-specific question)</p>	<p>To what extent did MSIF envisage follow-up with regard to gender outcomes and risks?</p>	<ul style="list-style-type: none"> <li>- Project-executing agency reports</li> </ul>

Evaluation dimension: Unintended consequences (positive or negative)			2	o	/
Can unintended positive/negative direct impacts (social, economic, ecological and, where applicable, those affecting vulnerable groups) be seen (or are they foreseeable)?	<p>To what extent did project-related conflicts arise within the target group (e.g. distribution conflicts between the Transnistrian population and the population in the rest of Moldova) or between the target group and other actors (e.g. beneficiary communities and project-executing agencies)?</p> <p>To what extent did the project contribute to unintended positive impacts (e.g. improvement of the supply of basic services in communities that received a particularly large number of refugees in the course of the war between Russia and Ukraine)?</p>	- Discussions with the target group and impressions from the on-site visits			
What potential/risks arise from the positive/negative unintended effects and how should they be evaluated?	Were complaint mechanisms provided to record and address potential project-related conflicts?	- Executing agency progress report			
How did the programme respond to the potential/risks of the positive/negative unintended effects?	To what extent were conflict-mitigating measures implemented as part of the project?	- Executing agency progress report			

## Efficiency

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting ( - / o / + )	Reason for weighting
Evaluation dimension: Production efficiency			2	o	/
How are the inputs (financial and material resources) of the	How are the inputs of the measure distributed by sector, and is this division	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Final reports (if available)</li> </ul>			

<p>programme distributed (e.g. by instruments, sectors, sub-measures, also taking into account the cost contributions of the partners/executing agency/other participants and affected parties, etc.)? (Learning and help question)</p>	<p>also appropriate from today's perspective?</p> <p>How does the FC contribution to MSIF compare with the promotion from other donors (e.g. World Bank)?</p>	
<p>To what extent were the inputs of the programme used sparingly in relation to the outputs produced (products, capital goods and services) (if possible in a comparison with data from other evaluations of a region, sector, etc.)? For example, comparison of specific costs.</p>	<p>Are the construction costs comparable between communities (for comparable infrastructure, e.g. street lighting), and are they assessed as appropriate?</p> <p>Are the (specific) construction costs comparable to those of neighbouring countries (e.g. Ukraine, pre-war)?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Feel free to also ask the Technical Expert and see the final inspection / EPE of adjacent projects (QUER, transparency portal)</li> <li>- "Individual Project Sheets updated 15.07.2020" document</li> </ul>
<p>If necessary, as a complementary perspective: To what extent could the outputs of the programme have been increased by an alternative use of inputs (if possible in a comparison with data from other evaluations of a region, sector, etc.)?</p>	<p>To what extent could outputs have been increased by alternative use of the inputs?</p>	<ul style="list-style-type: none"> <li>- Plausibility considerations</li> </ul>
<p>Were the outputs produced on time and within the planned period?</p>	<p>Was the actual implementation period in line with the original intended time schedule?</p> <p>To what extent did the slight delay in project completion influence the target group?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>
<p>Were the coordination and management costs reasonable (e.g. implementation consultant's cost component)? (FC-E-specific question)</p>	<p>Are MSIF's high administrative expenses also appropriate from today's perspective? → This question must be assessed against the background of the participatory approach, in particular</p>	<ul style="list-style-type: none"> <li>- Plausibility considerations based on comparison with other (similar) projects</li> </ul>

Evaluation dimension: Allocation efficiency		2	0	/	
In what other ways and at what costs could the effects achieved (outcome/impact) have been attained? ( <i>Learning/help question</i> )	<p>In what other ways could a contribution have been made to improving municipal services and more efficient energy use for or by the target group? (Outcome)</p> <p>In what other ways could a contribution have been made to improving the social living conditions for the population, their economic situation, environmental conditions and the development of good governance? (Impact)</p>	<ul style="list-style-type: none"> <li>- Plausibility considerations</li> <li>- Results of similar evaluations or evaluations of other donors</li> </ul>			
To what extent could the effects achieved have been attained in a more cost-effective manner, compared with an alternatively designed programme?	To what extent would it have been possible to realise the achieved impacts more cost-effectively (e.g. by selecting other individual measures/technologies)?	<ul style="list-style-type: none"> <li>- Plausibility considerations</li> <li>- Results of similar evaluations or evaluations of other donors</li> </ul>			
If necessary, as a complementary perspective: To what extent could the positive effects have been increased with the resources available, compared to an alternatively designed programme?	To what extent would there have been an opportunity to increase the positive effects with the available resources?	<ul style="list-style-type: none"> <li>- Plausibility considerations</li> <li>- Results of similar evaluations or evaluations of other donors</li> </ul>			

## Impact

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting ( - / o / + )	Reason for weighting
Evaluation dimension: Overarching developmental changes (intended)			2	0	/
Is it possible to identify overarching developmental changes to which the programme should contribute?	Since the end of the project, to what extent has there been a change for the Moldovan population with regard to their living	<ul style="list-style-type: none"> <li>- 2021 Development Policy Report – Moldova</li> </ul>			



<p>(Or if foreseeable, please be as specific as possible in terms of time.)</p>	<p>conditions, economic situation, environmental conditions and the development of good governance? → Impact indicator</p>	<ul style="list-style-type: none"> <li>- World Bank, UN, including international data sources on the economic and social development of the Republic of Moldova</li> </ul>			
<p>Is it possible to identify overarching developmental changes (social, economic, environmental and their interactions) at the level of the intended beneficiaries? (Or if foreseeable, please be as specific as possible in terms of time)</p>	<p>To what extent have the living conditions of the project target group fundamentally changed since the end of the project?</p>	<ul style="list-style-type: none"> <li>- 2021 Development Policy Report – Moldova</li> <li>- World Bank, UN, including international data sources on the economic and social development of the Republic of Moldova</li> </ul>			
<p>To what extent can overarching developmental changes be identified at the level of particularly disadvantaged or vulnerable parts of the target group to which the programme should contribute? (Or, if foreseeable, please be as specific as possible in terms of time)</p>	<p>To what extent have the living conditions of particularly vulnerable parts of the target group fundamentally changed since the end of the project?</p>	<ul style="list-style-type: none"> <li>- See one line above.</li> </ul>			
<p>Evaluation dimension: Contribution to overarching developmental changes (intended)</p>			2	0	/
<p>To what extent did the programme actually contribute to the identified or foreseeable overarching developmental changes (also taking into account the political stability) to which the programme should contribute?</p>	<p>To what extent did the project contribute to improving living conditions, economic situation, environmental conditions and the development of good governance (at target group level)?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>			
<p>To what extent did the programme achieve its intended (possibly adjusted) developmental objectives? In other words, are the project</p>	<p>To what extent can the impacts at impact level be quantified by indicators?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report, 2020</li> </ul>			

<p>impacts sufficiently tangible not only at outcome level, but at impact level? (e.g. drinking water supply/health effects)</p>	<p>→ Are there economic key figures that reflect positive development in the project communities?</p> <p>→ Are there survey results that indicate greater satisfaction with the quality of life in the communities?</p>	
<p>Did the programme contribute to achieving its (possibly adjusted) developmental objectives at the level of the intended beneficiaries?</p>	<p>The question is already covered one line above.</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- Impact Study Report, 2020</li> </ul>
<p>Has the programme contributed to overarching developmental changes or changes in life situations at the level of particularly disadvantaged or vulnerable parts of the target group (potential differentiation according to age, income, gender, ethnicity, etc.) to which the programme was intended to contribute?</p>	<p>To what extent are there differences between population groups with regard to the achievement of the impact target?</p> <p>→ To what extent are there vulnerable population groups whose living conditions could not be improved or could only be improved in part by the project?</p>	<ul style="list-style-type: none"> <li>- Impressions from interviews with the target group as well as observations on site</li> </ul>
<p>Which project-internal factors (technical, organisational or financial) were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)</p>	<p>Which internal project factors were decisive for improving the social living conditions of the target group, their economic situation, environmental conditions and the development of good governance?</p>	<ul style="list-style-type: none"> <li>- Final report</li> <li>- On-site interviews with community leaders and the population</li> </ul>
<p>Which external factors were decisive for the achievement or non-achievement of the intended developmental objectives of the programme? (<i>Learning/help question</i>)</p>	<p>What role did the political environment play in achieving the project's intended development policy objectives?</p>	<ul style="list-style-type: none"> <li>- Final report</li> </ul>

<p>Does the project have a broad-based impact?</p> <ul style="list-style-type: none"> <li>- To what extent has the programme led to structural or institutional changes (e.g. in organisations, systems and regulations)? (Structure formation)</li> <li>- Was the programme exemplary and/or broadly effective and is it reproducible? (Model character)</li> </ul>	<p>Have the positive economic and social developments continued and can they also be observed in other project communities?</p> <p>Were individual measures also copied by other (non-project) communities, e.g. energy-efficient construction measures?</p>	<ul style="list-style-type: none"> <li>- Impressions from visiting the local communities</li> </ul>			
<p>How would the development have gone without the programme (developmental additionality)?</p>	<p>Could the communities have also financed the measures financed by KfW from their own funds?</p>	<ul style="list-style-type: none"> <li>- Impressions from interviews with the local beneficiaries</li> </ul>			
<p>Evaluation dimension: Contribution to (unintended) overarching developmental changes</p>			2	-	<p>No unintended effects were observed. In principle, access to improved infrastructure has been improved for all population groups, so refugees also benefit from it. The evaluation team was not able to identify any distribution conflicts between host communities and refugees during the on-site visits.</p>
<p>To what extent can unintended overarching developmental changes (also taking into account</p>	<p>To what extent did the project contribute to unintended positive effects (e.g. reduction of the conflict potential between Moldovan host communities and Ukrainian refugees)?</p>	<ul style="list-style-type: none"> <li>- EIU reports on Moldova, survey of the Country Officer</li> <li>- Interviews with local beneficiary communities</li> </ul>			

political stability) be identified (or, if foreseeable, please be as specific as possible in terms of time)?		
Did the programme noticeably or foreseeably contribute to unintended (positive and/or negative) overarching developmental impacts?	Have the measures increased the resilience of the communities, e.g. to receive Ukrainian refugees?	Interviews with local beneficiary communities
Did the programme noticeably (or foreseeably) contribute to unintended (positive or negative) overarching developmental changes at the level of particularly disadvantaged or vulnerable groups (within or outside the target group) (do no harm, e.g. no strengthening of inequality (gender/ethnicity))?	/	The question is already covered two lines above.

## Sustainability

Evaluation question	Specification of the question for the present project	Data source (or rationale if the question is not relevant/applicable)	Rating	Weighting ( - / o / + )	Reason for weighting
<b>Evaluation dimension: Capacities of participants and stakeholders</b>			3	o	/
Are the target group, executing agencies and partners institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time (after the end of the promotion)?	Is the financing and implementation of operation and maintenance of the measures financed by the project still fully provided by all beneficiary municipalities today?	- Final report			

<p>To what extent do the target group, executing agencies and partners demonstrate resilience to future risks that could jeopardise the impact of the programme?</p>	<p>Has the income situation of the communities improved?</p> <p>Can the communities now also better operate and maintain other municipal infrastructure?</p>	<p>- Impressions from interviews and on-site visits to local communities</p>			
<p>Evaluation dimension: Contribution to supporting sustainable capacities:</p>			2	o	/
<p>Did the programme contribute to the target group, executing agencies and partners being institutionally, personally and financially able and willing (ownership) to maintain the positive effects of the programme over time and, where necessary, to curb negative effects?</p>	<p>To what extent did the project contribute to strengthening local capacities for the operation and maintenance of the supported measures?</p> <p>Was the participative approach successfully used in the project also used after the end of the project?</p> <p>Were the communities also able to successfully solicit projects from other donors?</p> <p>Were the contract awarding and implementation procedures used in the project subsequently used again (by other project-executing agencies or by the communities)?</p>	<p>- Impressions from interviews and on-site visits to local communities</p>			
<p>Did the programme contribute to strengthening the resilience of the target group, executing agencies and partners to risks that could jeopardise the effects of the programme?</p>	/	Difference from the questions in the previous evaluation dimension unclear			
<p>Did the programme contribute to strengthening the resilience of particularly disadvantaged groups to</p>	/	Difference from the questions in the previous evaluation dimension unclear			

risks that could jeopardise the effects of the programme?				
Evaluation dimension: Durability of impacts over time			2	0 /
How stable is the context of the programme (e.g. social justice, economic performance, political stability, environmental balance)? <i>(Learning/help question)</i>	Do the positive (or negative) changes observed after the project was completed still exist today or have they even increased?	- Impressions from interviews and on-site visits to local communities		
To what extent is the durability of the positive effects of the programme influenced by the context? <i>(Learning/help question)</i>	To what extent is the sustainability of the positive effects of the project affected by the fact that MSIF no longer exists?  To what extent does the current political situation in Moldova result in risks for the sustainability of the measure's positive effects (e.g. destruction of infrastructure due to Russian warfare)?	- Plausibility considerations based on interviews with the operational department and former MSIF employees		
To what extent are the positive and, where applicable, the negative effects of the programme likely to be long-lasting?	If the financing of operations and maintenance is continued successfully in the future, will the previous positive (or negative) impacts continue to exist?	- Impressions from interviews and on-site visits to local communities		