



**MINUTES no. 1**  
**Steering Committee**  
**of Millennium Challenge Account Moldova (MCA Moldova)**

*February 7, 2012; 1:00 pm*  
*Government of the Republic of Moldova; office 524*

**Steering Committee Members:**

1. Vladimir FILAT - Prime Minister of the Republic of Moldova, chair of the Steering Committee
2. Victor BODIU - Secretary General of the Government, deputy chair of the Steering Committee
3. Veaceslav NEGRUTA - Minister of Finance
4. Vasile BUMACOV - Minister of Agriculture and Food Industry
5. Anatolie SALARU - Minister of Transports and Road Infrastructure
6. Gheorghe SALARU - Minister of Environment
7. Alecu RENITA - Leader, Environmental Movement in Moldova
8. Alexandru SLUSARI - President, National Federation of Employers in Agriculture and Food Industry
9. Emilia MALAIRAU - Executive Director, Employers Association „American Chamber of Commerce in Moldova”
10. Dumitru URSU - President, Banks Association in Moldova
11. Vladimir FLOREA - President, Employers Association “Union of Transporters and Road Workers in the Republic of Moldova”

**Observers:**

1. Leslie J McCUAIG - Country Director for Moldova, Millennium Challenge Corporation
2. Valentina BADRAJAN - Executive Director, Millennium Challenge Account Moldova

**The meeting was attended by:**

**Members of the Steering Committee:**

1. Vladimir FILAT - Prime Minister of the Republic of Moldova, Chair of the Steering Committee
2. Victor BODIU - Secretary General of the Government, deputy chair of the Steering Committee
3. Veaceslav NEGRUTA - Minister of Finance

4. Dumitru GODOROJA - Deputy Minister of Agriculture and Food Industry, *representing the Minister of Agriculture and Food Industry*
5. Boris GHERASIM - Deputy Minister of Transports and Road Infrastructure, *representing the Minister of Transports and Road Infrastructure*
6. Gheorghe SALARU - Minister of Environment
7. Emilia MALAIRAU - Executive Director, Employers Association „American Chamber of Commerce in Moldova”
8. Albulesa Dumitru - Advisor to President, *representing Vladimir FLOREA, Employers Association “Union of Transporters and Road Workers in the Republic of Moldova”*
9. Dumitru URSU - President, Banks Association in Moldova

**Observers:**

1. Jeniffer Lappin - MCC Deputy Director, Resident Country Mission to Moldova
2. Valentina BADRAJAN - Executive Director, Millennium Challenge Account Moldova

**Secretary of the Steering Committee:**

- Ghenadie CATLABUGA - Legal Advisor of Millennium Challenge Account Moldova

**Invitees:**

- Elena Bodiu - MCA Moldova Finance and Administration Director  
 Ion Josan - MCA Moldova Procurement Director

**Agenda:**

1. Report on the MCA Moldova activities carried out in 2011 and approval of the MCA Moldova work plan for Compact implementation in 2012.
2. Report on the budget execution in 2011 and approval of the 2012 budget of the Compact implemented by the Millennium Challenge Account Moldova.
3. Report on the amendments made to MCC Procurement Guidelines transferring approval of specific procurement decisions from the Steering Committee to the Executive Committee.
4. Approval of amendments to the MCA Moldova Bylaws.
5. Report on the amendments to the procurement agent contract signed between MCA Moldova and Booz Allen Hamilton (USA) assigning the latter with temporary provision of Fiscal Agent services.
6. Report on the signing of the audit contract between MCA Moldova and Ernst & Young SRL on 16.01.2012.
7. Approval of „shopping” procurements made by MCA Moldova from September 2011 to January 2012.

*The meeting was chaired by Prime Minister Filat, chair of the Steering Committee.*

For job-related reasons the following members were not present at the meeting:

- Vasile Bumacov, Minister of Agriculture and Food Industry, represented by Dumitru Godoroja, Deputy Minister of Agriculture and Food Industry;
- Vladimir Florea, President, Employers Association “Union of Transporters and Road Workers in the Republic of Moldova”, represented by Albulesa Dumitru, Advisor to the President of the Union of Transporters and Road Workers in the Republic of Moldova.

Representation by Dumitru Godoroja and Albulesa Dumitru was approved by the Millennium Challenge Corporation (MCC) prior to the meeting as required by the MCA Moldova Bylaws.

The chairman of the Steering Committee announced that, according to clause 32 of MCA Moldova Bylaws, the meeting was deemed deliberative when at least 6 voting members were present. Since 9 voting members out of 11 and 2 non-voting observers were present, the chairman of the session found that all the conditions for convening the meeting were met.

Prior to the meeting all the Steering Committee members had received the relevant materials on all the items on the agenda for review. The members of the Committee confirmed that they had received the materials beforehand and got familiar with them.

The chair of the Steering Committee introduced the agenda and proposed that it should be approved.

Having looked through the agenda, the Steering Committee members had no objections to it and, upon the proposal of the chair of the Steering Committee, approved it unanimously.

***Item 1. Report on the MCA Moldova activities carried out in 2011 and approval of the MCA Moldova work plan for Compact implementation in 2012.***

Valentina Badrajan, Executive Director of MCA Moldova, informed the Steering Committee about the activities carried out throughout 2011 and the MCA Moldova work plan for 2012 both in terms of the projects and Compact monitoring and administration as follows:

### **I. Road Rehabilitation Project**

The detailed design of the 93 km segment of the Sarateni-Sorooca road started in June 2010 and was expected to be ready in June 2011. Nathan Associates Inc., the American design company contracted by MCC completed the design works with a three-month delay, which was partially due to additional works that needed to be performed on a road segment with landslide and also to the design of the Sarateni grade separation.

Because of this delay the international bidding for selection of construction companies was launched in December 2011. Mrs. Badrajan added that besides the design works the company was to develop the tender documents. This, however, was done by MCA Moldova and State Road Administration (SRA).

The deadline for submission of bids is February 17, 2012. The bids are expected to be evaluated and the winning companies to be awarded 4 contracts in February - March 2012, depending on the number of bids submitted. The preliminary works on the construction site are expected to start in May-June 2012.

The bidding for supervision of construction works was also launched in December 2011. The deadline for submission of technical and financial proposals is February 10, 2012. The bids are expected to be evaluated and 2 winning companies awarded the contracts in February – March 2012. The 2 contracts are expected to be signed in April 2012, before the signing of the contracts with the construction companies.

To meet the MCC requirements on procurement of land for the project needs a resettlement action plan (RAP) was developed in 2011. All necessary arrangements were made for the development of the environment and social management plan needed to mitigate the potential negative impacts. Mrs. Badrajan informed the Steering Committee that the contract had an extension option for the implementation of this plan. The financial proposal of Kocks exceeded significantly the available budget for this activity. Therefore MCA Moldova did not agree to contract extension and announced bidding for selection of a RAP Implementation Consultant. The contract is expected to be signed with the winning company at the end of February 2012 and RAP to be implemented in March – July 2012.

The 2011 work plan contained activities related to the support for SRA in project implementation. MCA Moldova had to contract individual consultants (national and international in engineering and management, procurement and contract administration) and procure the necessary goods. These activities were carried out in part, in particular with regard to the recruitment of consultants, because of lack of qualified candidates or overestimated financial proposals.

In 2012 MCA Moldova plans to contract individual consultants in project management and contract administration. They will receive PCs and office furniture.

Regarding the pre-conditions, Mrs. Badrajan stressed that the precondition about the allocation of at least 80% of the total amount of excise tax on oil products into the 2012 Road Fund was met.

## **II. Transition to High Value Agriculture Project (THVA)**

With regard to the **Centralized Irrigation Systems Rehabilitation (CISRA)** Mrs. Badrajan said that in 2011 a company was selected through bidding to deliver the detailed design of 11 Centralized Irrigation Systems (CIS). Since October 2011 the company has been on site. Although at the beginning it was agreed that the company will develop and deliver to MCA Moldova the design documents for all 11 systems at the same time, later the systems were grouped into four lots and the company was required to deliver the design documents by groups in order to speed up the design and approval process. The design documents for the first lot of systems is expected to be approved in June 2012 while the construction permit and launch of the bidding for the rehabilitation of the first lot is scheduled for July 2012. Mobilization of the construction company for lots 1 and 2 is scheduled for November-December 2012.

All surveys and investigations needed for the detailed design of the irrigation systems are expected to be ready in January – August 2012. The surveys will be conducted for 4 lots of systems, one at a time, depending on the priorities for each system (topographic data, soil analysis, biological and water quality study, hydrological study etc.). Resettlement action plans are also expected to be developed under the THAVA CISRA activity.

Equipment for the National Water Quality and Quantity Monitoring Network will be procured and installed in April- September 2012. Equipment and office furniture for 7 Water Users Associations will be procured in June-November 2012. WUAs will receive the equipment and furniture gradually once they are ready to take over irrigation management.

According to Mrs. Badrajan the irrigation sector reform in 2011 focused on the establishment of WUAs, i.e. development of the reform implementation strategy, creation of initiative groups and WUA founding committees. In January – March 2012 the general assemblies of all the established associations will select their governing bodies and this process will end with their final registration at the Ministry of Justice.

In 2012 WUAs will receive technical support in the development of Irrigation Management Transfer Agreements (IMT) and signing of 7 IMT agreements.

The State Chancellery created a working group to develop the draft Government Decision and relevant Regulation in order to put in place an efficient and well-defined procedure for free-of-charge use and management of public goods by WUAs at 11 centralized irrigation systems to be rehabilitated with Compact funds.

In February – December 2012 WUAs will receive training to be able to take over the management of the centralized irrigation systems, after which WUAs will receive certificates. Additionally, WUA representatives will go on a trip to Portugal to learn about the experience of Portuguese WUAs.

Mrs. Badrajan added that MCA Moldova provided the Ministry of Justice and Apele Moldovei Agency assistance and support in the establishment of the WUA Monitoring and Supervision Unit, evaluated the institutional water monitoring capacities and provided support to the Ministry of Environment in promoting the Water Law. It will continue its support in the development of 4 regulations needed to enforce the Water Law.

Mrs. Badrajan informed the Steering Committee that the Access to Agricultural Finance Activity in 2011 focused on the development of its concept, policy and procedure manual; by the end of the year the participating financial institutions were selected and the Post- Harvest Credit Facility was launched.

In 2012 the review of the disbursement requests, drawdown of funds and provision of post-harvest infrastructure loans will continue under the THAVA Credit Facility.

The work plan also contains activities for monitoring and audit of the Credit Facility loans, and also amendment of the policy and procedure manual, Implementing Entity Agreement between MCA Moldova and Credit Line Directorate (CLD) and loan agreements signed with the Participating Financial Institutions.

Regarding the Growing High Value Agriculture Sales Activity Mrs. Badrajan said that although it is part of the THVA project, it is implemented by USAID according to the Compact Agreement and Implementing Entity Agreement. In order to ensure coordination of this activity, MCA Moldova developed together with USAID and MCC a memorandum of understanding which specifies the relations and responsibilities of the parties engaged in implementation.

The actions planned by MCA Moldova in 2012 will help develop and extend the market opportunities, include training to improve production and capacity to respond to the consumers' needs, improve the operation environment of agriculture sector and also launch of a training program for the staff of the national phyto-sanitary laboratory and procurement and installation of equipment for the sanitary and phyto-sanitary laboratory.

As for the preconditions, Mrs. Badrajan stressed that MCA Moldova signed implementing entity agreements with Apele Moldovei Agency and CLD, while the Credit Facility policy and procedure manual was approved as required.

The precondition for 2012 is to establish WUAs to start the rehabilitation of the centralized irrigation systems (deadline – March 2012).

### **III. Monitoring and Evaluation**

Mrs. Badrajan informed the members of the Steering Committee that the Compact Monitoring and Evaluation Plan included 3 surveys that will provide key data for the assessment of the program impact on beneficiaries. Since the initial data collection methodology was revised in 2011 and the decision was to conduct only one survey instead of three (Enterprises and Households Survey), the survey was transferred to early 2012. The negotiations of the contract with the winning company in bidding are drawing to its close now.

For efficient and real-time monitoring of Compact implementation, MCA Moldova needs to put in place an information management system (IMS). The design and deployment of the system entails development of the terms of reference, selection of the company and negotiation of the contract, software development, training for staff and maintenance of the system. The consultations revealed that it should be more appropriate if MCA Moldova designs the MIS on its own and, if need be, contracts additional consultants. Therefore by December 2011 MCA Moldova designed and deployed the first version of MIS, while the activities related to the contracting of consultancy for software development, training of users and MIS maintenance were suspended.

In 2012 two monitoring and evaluation trainings will be delivered in order to build the skills of MCA Moldova staff. Experience exchange and participation in international conferences, as well as ongoing development of MIS, are also planned for MCA Moldova staff.

Mrs. Badrajan stressed that MCC puts a special emphasis on the quality of the data collected by the surveys and local studies and requires the Compacts to monitor these data. Therefore MCA Moldova will contract a consultant that will check the quality of the data of the Enterprises and Households Survey. Additionally, informative materials will be developed on the progress and preliminary results of the Enterprises and Households Survey.

#### **IV. Program Administration**

In relation to program administration MCA Moldova carried out audit and outreach activities, which entailed establishment of the Consultative Group (CG), development of the MCA Moldova website, media coverage of Compact implementation, publishing of brochures and leaflets and public events.

All the actions were fully implemented, except for the website development that was only partially performed because of the small number of bids received from IT companies. The selection and negotiation with the winning company are already over and the company is expected to start soon work on the website development.

As for the audit, Mrs. Badrajan informed the Steering Committee that MCA Moldova announced bidding for procurement of audit services in June 2011. The evaluation panel selected the winning company, but at the final stage of contract negotiations the company refused to sign the contract for subjective reasons. Therefore, MCA Moldova had to announce a new bidding and the audit will be performed in 2012. The audit will be performed by an international company, selected through competition. The audit of the MCC funds for 2009-2011 is expected to be conducted in January-March 2012.

One of the key principles governing the MCC efforts is transparency in the decision making, communication and outreach about Compact implementation and its impact on beneficiaries. These principles are applied through the MCA Moldova Bylaws, MCC requirements, internal policy and efforts made by the management and governing bodies of MCA Moldova. Therefore, the most important and stringent problems faced by MCA Moldova are addressed by the Consultative Group, which besides being an advisory body is also a tool for ensuring transparency and dissemination of information. Therefore the 2012 work plan includes CG meetings and trips to the regions covered by the Compact in order to familiarize the CG members with the Compact implementation.

Various articles, reportages and interviews will be published both in the local and nationwide media in order to inform the people about the Compact achievements and challenges. The focus will be on promoting successful experiences of the Compact beneficiaries in order to facilitate the replication of good practices across Moldova. MCA Moldova will hold public events from time to time to draw the attention of the public opinion to specific activities or achievements.

Informative materials will be published, in particular the monthly and quarterly newsletters, brochures and leaflets targeting beneficiaries and other stakeholders.

Mrs. Badrajan added that to ensure transparency of Compact implementation and MCA Moldova activities a new website will be launched in 2012. It will provide quick and easy access to public information about the Compact implementation. According to the MCA Moldova Bylaws and MCC requirements specific documents of strategic and operational importance must be posted on the website of MCA Moldova in order to inform the people about the key principles governing the activities of MCA Moldova. The new MCA Moldova website will contain the statutory documents of the entity, Compact documents, MCC guidelines and directives, MCA Moldova internal policy manuals, minutes of the MCA Moldova Steering Committee, and other documents of public interest.

Mrs. Badrajan concluded by reminding that the detailed information about the MCA Moldova activities in 2011 can be found in the memos the members of the Steering Committee received before the meeting and asked for the approval of the MCA Moldova 2012 Compact implementation work plan.

Having reviewed the materials, the voting members of the Steering Committee present at the meeting took note of the information about the activities carried out by MCA Moldova in 2011 and approved unanimously the MCA Moldova work plan for 2012.

The chairman of the session suggested proceeding to the next item on the agenda.

**Item 2.** *Report on the budget execution in 2011 and approval of the 2012 budget of the Compact implemented by the Millennium Challenge Account Moldova.*

Elena Bodiu, MCA Moldova Finance and Administration Director, reported that although most of the activities planned in 2011 were carried out, the low budget execution was due to the fact that all the estimations were based on the Financial Multiannual Plan received from MCC that was also used to develop the Compact Agreement. Also, none of the major Compact contractors was contracted at the budget planning stage. That is why the amounts included in the budget were estimated based on the experience of other countries implementing Compacts. As a result of the competition-based selection of contractors for Compact implementation the amounts estimated for activities decreased.

Mrs. Bodiu mentioned the costs estimated for 2012 for Compact implementation by projects and activities:

- Road Rehabilitation Project;
- Transition to High Value Agriculture Project;
- Monitoring and Evaluation;
- Program Management and Supervision.

Mrs. Bodiu informed the members of the Steering Committee that the detailed description of expenditures by each of the budget line for Compact implemented by MCA Moldova in 2011 and 2012 is in the memos the members of the Steering Committee received before the meeting and asked for the approval of the Compact budget for 2012.

Having reviewed the materials the voting members of the Steering Committee present at the meeting took note of the information about budget execution in 2011 and approved unanimously the Compact budget for 2012.

The chair of the session suggested proceeding to the third item.

**Item 3.** *Report on the amendments to MCC Procurement Guidelines transferring approval of specific procurement decisions from the Steering Committee to the Executive Committee.*

The reporter Ion Josan, MCA Moldova Procurement Director, reminded that according to the MCC practice in the countries with similar investment projects, approval of all the procurement decisions by the top governing body of MCA is not very efficient and it was decided that some of procurement decisions should be delegated to the Executive Committee that will have to approve procurements and/or procurement plans with small amounts.

Since these amendments proved to be efficient in other countries, MCC decided to make similar amendments for MCA Moldova.

The reassignment of the duties of the Steering Committee and Executive Committee was approved by MCC on October 4, 2011. Mr. Josan said that MCA Moldova Executive Committee was informed about these amendments on October 26, 2011. The reporter told the members of the Steering Committee what decisions (the list of decisions is part of the MCC Procurement Guidelines) must be approved by the Executive and Steering Committees (list attached).

Mr. Josan stressed that his report was for the information of the Steering Committee and does not need to be approved. Having reviewed the materials, the voting members of the Steering Committee present at the meeting took note of the amendments to the MCC Procurement Guidelines on the procurement decisions to be approved by the Steering and Executive Committees.

The chairman of the session suggested proceeding to the fourth item.

**Item 4.** *Approval of amendments to the MCA Moldova Bylaws.*

Ghenadie Catlabuga, MCA Moldova Legal Advisor, informed the Steering Committee that MCA Moldova Bylaws need to be revised in order to align it to the requirements of the donors and activities of MCA Moldova. He also said that MCA Moldova's efforts are governed both by MCA Moldova Bylaws and MCC guidelines and policies. In case of any conflicts between the Bylaws and the MCC guidelines, the latter prevail.

Since the establishment of MCA Moldova some of the MCC procurement and financial and organizational procedures have been revised and updated by MCC. Additionally, Mr. Catlabuga said that the internal procedures of MCA Moldova require revision. Consequently amendments to MCA Moldova Bylaws were developed. The Steering Committee was informed about the major ones, i.e.:

- In emergency cases the Steering Committee will be allowed to provide approvals in writing without convening a meeting. In such cases the decisions will be approved with the votes of two thirds of the Steering Committee members. This solution is also recommended by the MCC Guidelines for Implementing Entities that was used to develop the Bylaws.
- The Executive Committee will be assigned with approval of specific procurements under the latest amendments to the MCC Procurement Guidelines.
- The Consultative Group members will be allowed to delegate representatives to take part in meetings in cases of urgent need. This amendment aims at facilitating the meetings of the Consultative Group, the members of which are not allowed now to delegate representatives. The delegates require prior MCC approval.

Mr. Catlabuga reminded that the detailed description of all amendments to the MCA Moldova Bylaws could be found in the memo they had received before the meeting and that all those amendments had been consulted with the Legal Division of the State Chancellery and MCC. The latter gave its formal approval on the form and essence of the amendments. Mr. Catlabuga

asked for the Steering Committee approval of the amendments to the Bylaws according to the attachment for their further submission to the Government for review.

Having reviewed the materials the voting members of the Steering Committee present at the meeting approved unanimously the amendments to the MCA Moldova Bylaws which will further be recommended to Government.

The chairman of the session suggested proceeding to the next item.

**Item 5.** *Report on the amendments to the procurement agent contract signed between MCA Moldova and Booz Allen Hamilton (USA) assigning the latter with temporary provision of Fiscal Agent services.*

Elena Bodiu, the MCA Moldova Finance and Administration Director, reported to the Steering Committee that according to the MCC transparency and fiscal accountability requirements MCA Moldova must contract a Fiscal Agent, whose role is to ensure transparency of the entire financial management process, make payments, keep records, develop financial reports. One of the key tasks of the Fiscal Agent is to act as an exclusive signatory for the documents of drawdown of funds from bank accounts on behalf of MCA Moldova.

Mrs. Bodiu added that to this end in 2009 Louis Berger SAS was selected in a competitive procurement process to deliver Fiscal Agent services. According to the MCC regulations on evaluation of contractors' performances, all the contractors must be subjected regularly to evaluations the results of which are stored in the MCC database and used to make relevant decisions or terminate the contractual relations. The evaluation of the abovementioned company for one year and a half found that its performance was weak and in spite of the MCA Moldova requests to take corrective actions the company did not comply fully with them.

Mrs. Bodiu said that in spite of the March - September 2011 procurement plan which contained a new procurement of Fiscal Agent services, MCC insisted that Louis Berger SAS was given one more chance to improve performance. However, the company did not manage to improve performance and on November 16, 2011 MCA Moldova terminated the contractual relations with it and announced a new tender for procurement of Fiscal Agent services.

To ensure continuity of the financial management services from contract termination with Louis Berger SAS till the entry into effect of the contract with the new Fiscal Agent, MCC suggested and approved the transfer of these services to Booz Allen Hamilton which provides Procurement Agent services for MCA Moldova.

Additionally Mrs. Bodiu informed that the new Fiscal Agent will have been selected by the end of this month. The contract with it is expected to be signed at the beginning of March 2012.

The report on the signing of the amendment to the procurement agent contract signed between MCA Moldova and Booz Allen Hamilton on the temporary provision of Fiscal Agent services was delivered for the information of the Steering Committee.

Having reviewed the memo, the members of the Steering Committee took note of the signing of the amendment to the procurement agent contract signed between MCA Moldova and Booz Allen Hamilton on the temporary provision of Fiscal Agent services.

The chairman of the session suggested proceeding to the next issue.

**Item 6.** *Report on the signing of the audit contract between MCA Moldova and Ernst & Young SRL on 16.01.2012.*

Mrs. Elena Bodi, the MCA Moldova Finance and Administration Director, informed the Steering Committee that MCA Moldova contracted a company to conduct the audit of funds committed and spent from October 2009 to December 2011.

Mrs. Bodi mentioned that according to the provisions of the Compact Agreement all the disbursements made from MCC funding must be subjected to the financial audit at least once in half a year. As part of its commitments, the Government must make sure that the audit is conducted by an independent auditor approved by MCC and the Office of Inspector General (OIG) and selected according to the „Guidelines for Financial Audits contracted by MCA”.

2 biddings were announced in order to select the audit company. The winning company was Ernst and Young. It submitted the lowest bid for the audit services. After the negotiations with this company in December 2011, on January 16 MCA Moldova signed the audit contract with it.

The period to be subjected to audit is October 2009 – December 2011. The Contract was signed for other two optional periods – January 2012 – June 2012 and July 2012- December 2012. The total amount of the contract is 69500 USA dollars including optional periods.

The final audit report, after its approval by MCC, will be posted on the MCA Moldova website for transparency purposes and will be delivered for the information of the Steering Committee members.

Having reviewed the memo, the members of the Steering committee present at the meeting took note of the signing of the audit contract between MCA Moldova and Ernst & Young SRL on January 16, 2012.

The chairman suggested proceeding to the last issue.

**Item 7. Approval of „shopping” procurements made by MCA Moldova from September 2011 to January 2012.**

Mr. Ion Josan, MCA Moldova Procurement Director, informed the Steering Committee that according to the MCC Procurement Guidelines, all the procurements made through the „shopping” procedure (at least three proposals) must be submitted to the MCA Moldova governing body for approval.

On April 20, 2011 MCC approved a new procedure for approval of „shopping” procurements, according to which these procurements must be submitted for approval to the Executive Committee, and those that exceed 25 000 USD will be submitted to the Steering Committee for information at its next meeting.

Mr. Josan informed the Steering Committee about the „shopping” procurements exceeding 25 000 USD made in September 2011-January 2012.

Having looked through the relevant materials, the Steering Committee members present at the meeting approved the procurements made by MCA Moldova through the shopping procedure in the period of September 2011 – January 2011.

Having examined the information provided, **the Steering Committee DECIDED to:**

1. Take note of the information about the MCA Moldova activities in 2011 and approve the MCA Moldova 2012 Compact implementation work plan.
2. Take note of the information about budget execution in 2011 and approve the 2012 budget of the Compact implemented by MCA Moldova.

3. Take note of the amendments to MCC Procurement Guidelines on the procurements to be approved by the Steering and Executive Committees.
4. Approve the amendments to the MCA Moldova Bylaws for their further submission to Government as recommendation.
5. Take note of the signing of the amendment to the procurement agent contract signed between MCA Moldova and Booz Allen Hamilton assigning the latter with temporary provision of Fiscal Agent services.
6. Take note of the signing of the audit contract between MCA Moldova and Ernst & Young SRL on January 16, 2012.
7. Approve the „shopping” procurements made by MCA Moldova from September 2011 to January 2012.

**Vladimir FILAT**

Prime Minister of the Republic of  
Moldova

Chairman of the Steering Committee

---

**Valentina BADRAJAN**

MCA Moldova Executive Director

---

**Ghenadie CATLABUGA**

Legal Advisor,

Secretary of the MCA Moldova  
Steering Committee

---