



**MINUTES no. 2**  
**Steering Committee**  
**of the Millennium Challenge Account Moldova (MCA Moldova)**

*May 27, 2014; 3:00 pm*  
*Government of the Republic of Moldova, of. 524*

**Members of the Steering Committee:**

1. Iurie LEANCĂ - 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. Anatol ARAPU - Minister of Finance
4. Vasile BUMACOV - Minister of Agriculture and Food Industry
5. Vasile BOTNARI - Minister of Transport and Road Infrastructure
6. Gheorghe ȘALARU - Minister of Environment
7. Alecu RENIȚĂ - Leader, Environmental Movement in Moldova
8. Alexandru SLUSARI - President, National Federation of Employers in Agriculture and Food Industry
9. Emilia MALAIRĂU - 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 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. Iurie LEANCĂ - 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. Maria CĂRĂUȘ - Representative of Mr. ARAPU, Minister of Finance
4. Vasile BUMACOV - Minister of Agriculture and Food Industry
5. Vasile BOTNARI - Minister of Transport and Road Infrastructure

- 6. Gheorghe ȘALARU - Minister of Environment
- 7. Alecu RENIȚĂ - Leader, Environmental Movement in Moldova
- 8. Alina GHELEȚCHI - Representative of Mr. SLUSARI, President, National Federation of Employers in Agriculture and Food Industry
- 9. Elena BUZU - Representative of Mrs. MALAIRĂU, Executive Director, Employers' Association „American Chamber of Commerce in Moldova”
- 10. Dumitru URȘU - President, Banks' Association in Moldova
- 11. Vladimir FLOREA - President, Employers' Association “Union of Transporters and Road Workers in the Republic of Moldova”

**Observers:**

- 3. Leslie McCUAIG - Country Director for Moldova, Millennium Challenge Corporation
- 4. Valentina BADRAJAN - Executive Director, Millennium Challenge Account Moldova

**Secretary of the Steering Committee:**

- Ion BORȘ - Legal Advisor of the Millennium Challenge Account Moldova

**Invitees:**

- Valentin BOZU - Deputy Executive Director of MCA Moldova
- Igor PERJAN - Deputy Executive Director of MCA Moldova
- Leonid MAZILU - Procurement Director of MCA Moldova
- Elena BODIU - Finance and Administrative Director of MCA Moldova
- Inga BURLACU - Communication and Documentation Director of MCA Moldova
- Sergiu IUNCU - Director of Transition to High Value Agriculture Project of MCA Moldova
- Anatol USATÎI - Road Rehabilitation Project Director of MCA Moldova
- Andrei BĂȚ - Monitoring and Evaluation Director of MCA Moldova
- Corneliu BUSUIOC - Social and Environmental Director of MCA Moldova
- Dumitru UDREA - Transition to High Value Agriculture Consultant, MCA Moldova

**Agenda:**

- 1. Report on and preliminary approval of the Program Closure Plan**
- 2. Approval of conditional donation to entities that implement the common platform for environmental authorization of special water use (PC1)**
- 3. Approval of the MCA Moldova's Procurement Plan for the period of June 2014 - July 2015**

4. **Approval of Amendment no.6 to the contract with the MCA Moldova's Procurement Agent - Booz Allen Hamilton**
5. **Report on the „shopping” procurements made by MCA Moldova from December 2013 to May 2014**

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

The Steering Committee members had no objections to the agenda of the meeting and, upon the proposal of the chair of the session, approved it unanimously.

#### **Item 1. Report on and preliminary approval of the Program Closure Plan**

Valentina Badrajan, the Executive Director of MCA Moldova, explained to the Steering Committee members what the MCC's general requirements for the Compact closeout period are.

According to her, any country that has received Compact assistance must ensure the appropriate closeout of the Compact, according to the Compact Implementing Agreement. MCA Moldova has, therefore, developed the Program Closure Plan that requires the preliminary approval by the Steering Committee and further approval by MCC by June 1, 2014.

Mr. Bozu, the Deputy Executive Director of MCA Moldova, reported on the Donor's technical requirements to the closeout of all the Compact activities and the actions to be taken in 120 days from the Program completion date (by December 30, 2015).

He made an overview of the Plan as follows:

**Chapter I: MCA Moldova.** From September to December 2015 all the accounts shall be closed, all the Compact assets shall be transferred to the partnering institutions etc. This chapter also describes issues related to the staff, assets and the website of MCA Moldova.

**Chapter II: Closeout of Projects.** Most of the Compact activities are expected to complete by August 2015. The major procurements will be completed in the first quarter of 2015. This chapter also identifies the potential completion and sustainability risks and the appropriate mitigants.

In spite of the scenarios in which specific works and services, in particular in relation to the rehabilitation of CIS, are not completed in time, considered in the Plan, their likelihood seems to be low to medium. On the other hand, appropriate actions will be taken to prevent such scenarios from happening.

The Plan contains closeout strategies for the other Compact components. A particular focus is on the Access to Agricultural Financing Activity and the MCA Moldova's successor that will manage the revolving fund, the transfer of financial assets by the Compact closeout date and sustainability issues.

**Chapter III: Environment Protection.** This chapter focuses on the closeout actions related to the environmental, social and health issues, as well as the occupational safety issues.

**Chapter IV: Procurements.** This section stresses the procurement processes related to the Program closeout, the tools for recordkeeping and quick response made available for the parties to plan and monitor efficiently the procurement and contract management processes, and actions to address the associated risks.

**Chapter V: Financial Management.** According to the Donor's Guidelines, the schedule of activities is well defined and only rare exceptions are allowed with the prior approval by Donor. The plan makes a detailed description of all the financial processes related to the closeout of activities, such as the detailed closure budget, administration of accounts and their closeout procedures, eligibility of payments in this period, the role of the fiscal agent and financial reporting issues.

**Chapter VI: Monitoring and Evaluation.** This chapter provides information about the major reporting issues, monitoring and evaluation in the last Compact year, monitoring and evaluation after the Compact closeout and the national institution delegated to perform these task 5 years after the Compact completion.

**Chapter VII: Communication.** According to the MCC requirements the communication plan aims to ensure the outreach about the Compact achievements, promotion of the good practices and success stories.

**Chapter VIII: Legal Issues.** This chapter identifies the agreements signed under the Compact that require amendment to make them compliant with the Compact closeout principles and requirements.

**Chapter IX and X: Government's Responsibilities, Reporting and Audit.** These sections identify the person that will represent the Government for the post-Compact activities.

**Chapter XI: Storage of Records.** This chapter identifies the institution that will be responsible for the storage/archiving of Compact documents for a 5 year term.

Mr. Bozu stressed that once this Plan is approved by MCC, it will become the basic document that will guide all the further actions related to Compact implementation.

Mrs. McCuaig reiterated that the Compact closeout period is difficult and will include both completion of construction works and Program closeout activities. Mrs. McCuaig expressed gratitude to the entire team of the MCA Moldova managed by Mrs. Badrajan for drafting the Program Closure Plan in due time.

She stressed that the deadline for the implementation of the Compact activities is September 1, 2015 and it cannot be extended.

Mr. Bozu further asked the Steering Committee members to approve the preliminary draft of the Program Closure Plan.

The members of the Steering Committee unanimously approved the preliminary draft of the Program Closure Plan.

The chair of the meeting suggested proceeding to the second item on the agenda.

***Item 2. Approval of conditional donation to entities that implement the common platform for environmental authorization of special water use***

Ion Bors, the Legal Advisor of MCA Moldova, communicated that, according to the Government Decision no.894 on the one stop shop for environmental authorization of special water use the latter (PC1) was launched on April 1, 2014.

This platform was designed under the Compact's Irrigation Sector Reform Activity, implemented by MCA Moldova in cooperation with the Ministry of Environment of Moldova and other state institutions involved in the authorization process.

To deliver on its commitments MCA Moldova signed the contract for procurement of special equipment (82 PCs, printers, digital cameras, GPS and other) for PC 1 amounting to

180178 USD in December 2013 and all these goods were delivered to the implementing entities in March 2014.

MCC approved the donation of PC 1 to the implementing entities, provided that donation agreements to state the obligations of the beneficiaries to use the equipment for Compact purposes only are signed with every entity and that MCA Moldova will monitor the use of equipment till the end of the Compact.

Mr. Bors asked the Steering Committee to accept the conditional donation of equipment based on a donation agreement coordinated with MCC.

The members of the Steering Committee approved the conditional donation of equipment for the Common Platform of environmental authorization of special water use based on a donation agreement coordinated with MCC.

The chair of the meeting suggested proceeding to the third item on the agenda.

### ***Item 3. Approval of the MCA Moldova's Procurement Plan for the period of June 2014 - July 2015***

Mr. Mazilu, the Procurement Director, communicated that according to the MCC's Procurement Directives, any procurement activities must be included in the Procurement Plan and duly approved by the MCA Moldova's senior management body – the Steering Committee, and further by MCC.

The Procurement Plan covers the period from June 1, 2014 to July 31, 2015. Mr. Mazilu made a short description of every activity included in the Procurement Plan to be approved:

#### **1. Consultancy services for final evaluation of the Compact**

According to the MCC's Monitoring and Evaluation Policies and the MCA Moldova's Monitoring and Evaluation Plan the Compact must be subjected to independent evaluation in the final stage of its implementation.

The results of the evaluation will be used to develop the Program Closure Report requested by MCC.

#### **2. Consultancy services for conducting an anti-human trafficking awareness-raising campaign**

To raise the awareness of the people living in the area of the CIS rehabilitation project on trafficking in persons and compliance with the MCC policies on zero-tolerance to this scourge, consultancy needs to be procured.

#### **3. Production of outreach materials**

To ensure the visibility of the Compact activities and results in the irrigation and road sectors, MCA Moldova will produce and install plaques on the premises of the pump stations and along the M2 road.

#### **4. Road safety campaign**

MCA Moldova is going to conduct an education and outreach road safety campaign for road users (pedestrians and drivers) to reduce the number of road accidents. This campaign is expected to last 90 days and will include actions both at national level and actions focused on the localities crossed by the road rehabilitated with Compact funds.

#### **5. Consultancy for monitoring the implementation of the Resettlement Action Plan under the Transition to High Value Agriculture**

For the efficient implementation of the Resettlement Action Plan MCC requested on May 20, this year that MCA Moldova should employ a resettlement consultant

Mr. Mazilu asked the Steering Committee to approve the MCA Moldova's Procurement Plan for the period of June 2014 – July 2015.

The members of the Steering Committee approved the MCA Moldova's Procurement Plan for the period of June 2014 – July 2015.

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

**Item 4. Approval of Amendment no.6 to the contract with the MCA Moldova's Procurement Agent - Booz Allen Hamilton**

Mr. Mazilu reported that with the approval by the Steering Committee dating February 12, this year, MCA Moldova negotiated with Booz Allen Hamilton the extension of the full assistance from the Procurement Agent till August 31, 2015.

According to the MCC instructions the negotiations were completed on April 30 and the draft Amendment no.6 was approved by MCC on May 23, 2014.

Therefore, Mr. Mazilu asked the Steering Committee to approve the signing of the Amendment no.6 to the contract no. QCBS/02 with the MCA Moldova's Procurement Agent - Booz Allen Hamilton, and the extension of the services with no changes in staff till September 1, 2015.

The members of the Steering Committee unanimously approved the draft Amendment no.6.

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

**Item 5. Report on the „shopping” procurements made by MCA Moldova from December 2013 to May 2014**

Mr. Mazilu reported on the procurements made through the „shopping” procedure (at least three offers).

The members of the Steering Committee received a list of the procurements made from December 2013 to May 2014.

Having listened to the reports, **the Steering Committee DECIDES TO:**

1. Approve the draft Program Closure Plan (*according to Annex no. 1*);
2. Approve the conditional donation of equipment to the entities implementing the Common Platform for water use authorization;
3. Approve the MCA Moldova's Procurement Plan for the period of June 2014 – July 2015 (*according to Annex no. 2*);
4. Approve the Amendment no. 6 to the contract with Booz Allen Hamilton, the MCA Moldova's Procurement Agent (*according to Annex no. 3*);
5. Take note of the report on the „shopping” procurements made by MCA Moldova from December 2013 to May 2014.

**Iurie LEANCĂ**

Prime Minister of Moldova,

Chair of the Steering Committee

\_\_\_\_\_ (signature) \_\_\_\_\_

**Victor BODIU**

Secretary General of the Government,

deputy chair of the Steering Committee

\_\_\_\_\_ ( signature) \_\_\_\_\_

**Valentina BADRAJAN**

Executive Director of MCA Moldova

\_\_\_\_\_ ( signature) \_\_\_\_\_

**Ion BORȘ**

Legal Advisor of MCA Moldova,

Secretary of the Steering Committee of MCA  
Moldova

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