



# **City Hall of STRASENI Municipality**

## **Local Strategic Plan on Integrity and Anticorruption Actions of The City Hall of Straseni Municipality**

**2017-2020**

This Strategic Plan on Integrity and Anti-corruption Actions was developed by 'Promoting Integrity and Anti-corruption in Eastern Partnership Area: Georgia, Moldova and Ukraine' Project, implemented by UNDP Istanbul Regional Hub and MFA/RO-AID

Straseni, 2017

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## EXECUTIVE SUMMARY

The fight against corruption, if done properly, may become a leverage in achieving much more ambitious objectives, not only related to financial survival, but also to developing proper relations between citizens and local authorities. A sustainable strategy on corruption prevention refers to corrupted 'systems', and not (only) corrupted 'individuals'.<sup>1</sup>

The City Hall of Straseni municipality applied and has been selected to participate in 'Promoting Integrity and Anti-Corruption in Eastern Partnership Area: Georgia, Moldova and Ukraine' Project, implemented by the UNDP and assisted by the facilitators Diana Enachi and Valentin Lozovanu. The goal of this project is to promote an innovative method of curing and preventing the phenomenon of corruption at local public administration level in the Republic of Moldova and other participating countries. The methodology 'Islands of Integrity' was developed by Ana Vasilache and Ronald MacLean Abaroa (former mayor of La Paz city in Bolivia) to multiply their success story in curing and preventing corruption based on theoretic concepts of the professor Robert Klitgaard. The methodology has been successfully applied since 2008 in 12 countries and 30 City Halls in Central, Eastern and Southern-Eastern Europe, was included in books and manuals and translated into many languages and recognized internationally by the UN Public Service Award 2011.

Straseni municipality is the capital of the district with the same name, and is located 23 km from the Capital city of the country. Its population is about 22 thousand residents. Straseni is a developed urban center and is rich in natural resources and cultural activities. As of January 1, 2017, over 630 active businesses were registered in Straseni municipality, and a free economic sub-zone by extending FEZ Balti was established in 2015. The municipality has two industrial parks with huge development potential, which strive to become important job creation centers for the local population and Centre Development Region. The Straseni City Hall has 26 employees, a mayor and a deputy mayor. The municipal council Straseni consists of 27 municipal councilors.

During the period of September 2016 – June 2017, Straseni City Hall received support to develop a Strategic Plan to cure and prevent corruption, identified in the activity of local public administration authorities and subordinated entities that deliver public services (municipal enterprises). The applied methodology 'islands of integrity' is based on strategic and participatory approach.

**Strategic**, means that it focuses on changing corrupt organizational systems not (only) corrupt individuals; identifies with priority the most dangerous forms of corruption; goes through the strategic planning process steps, from diagnosis to solutions.

**Participatory** means that managers and staff, leaders and outside stakeholders, work together to analyze the vulnerability to corruption of their organization and elaborate solutions. Hence:

- *at the assessment/diagnosis phase*, all activities of local authorities were analyzed and the most vulnerable activities to corruption have been identified (*September – December 2016*);
- *at solution development phase*, solutions and strategies to cure vulnerabilities, and the strategic plan were developed (*January – June 2017*).

To identify the most vulnerable activities to corruption, the formula of Robert Klitgaard was used: **Corruption (C) = Monopoly (M) +Discretion (D) – Transparency/Accountability (A)**. Further, based on the same formula, the solutions included institutional changes:

- reduce monopoly in delivering public services and goods;
- limit discretion in the decision-making process;
- increase transparency and accountability towards the citizens.

The working process included the following phases:

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<sup>1</sup> *Corrupted cities: a practical guide to cure and prevention*, Robert Klitgaard, Ronald Maclean Abaroa, H. Lindsey Parris

1. **Sign the Memorandum between the UNDP and Straseni City Hall (Mayor);**
2. **Overall assessment/diagnosis of vulnerabilities to corruption** carried out in two phases: preliminary assessment (internal evaluation by filling in the evaluation questionnaire by the City Hall's staff) and extended assessment;
3. **Select the activities that are most vulnerable to corruption** (areas of intervention are included in the strategic plan);
4. **In-depth assessment of vulnerable activities;**
5. **Cause and effect analysis and solution development** to eliminate the causes that generate corruption in internal organizational and procedural system;
6. **Identify the perceptions of external stakeholders** towards the vulnerabilities to corruption and suggested solutions;
7. **Finalize the strategic plan:** vision, strategic objectives and actions, setting the responsible persons and deadline for implementation, as well as performance indicators.
8. **Validation and approval of the strategic plan by decision of local council;**

After adopting the Plan by the local council, the plan's actions will be monitored and evaluated periodically (annually, finally).

Overall assessment/diagnosis included:

- ✎ **Preliminary assessment**, carried out by filling in a vulnerability assessment questionnaire and by inviting 15 public officials and officials from a total of 26 to one day workshop 'Overall assessment: identification of vulnerabilities to corruption' (23 November 2016).
- ✎ **Extended assessment**, by assessing the level of vulnerabilities to corruption in a foreign environment. In this regard, a survey was carried out, consisting in interviewing 300 citizens of Straseni city. It was carried out on a representative sample considering the age, gender, level of education, occupation, and social-economic level (December 2016 – January 2017);

Participants assessed individually the level of monopoly, discretion and transparency of 33 activities and services provided by the City Hall. At the same time, the assessment included the evaluation of:

- *level of vulnerability to corruption;*
- *impact on lives of citizens, image of the City Hall, and future of the city, if the activities identified as vulnerable become corruptive;*

The level of vulnerability to corruption was assessed based on Robert Kitgaard's formula: **Corruption (C) = Monopoly (M) + Discretion (D) – Transparency/Accountability (A)**, every activity is assessed from 1 to 5 (1=very low, 5=very high). All activities/services that received 3 or more points were considered vulnerable to corruption. To identify the impact on citizen's life, the same scale from 1 to 5 was used for the vulnerable activities/services. According to the assessment results, 26 activities were identified as vulnerable to corruption (79%) registering 3.03 – 5.91 points, and one activity was identified as extremely vulnerable, registering 6.33 points.

Subsequently, 4 activities/services were selected as part of Strategic Plan:

- A1.** Public procurement;
- A2.** Issuance of town planning certificates and construction/demolition permits;
- A3.** Sanitation service management;
- A4.** Land fund management.

The assessment process continued with an in-depth assessment of each activity during the 'In-depth assessment of corruption' workshop of 10 March 2017, attended by 20 public officials of City Hall and councilors. The workshop validated the overall assessment results (preliminary and extended). For the in-depth assessment phase, individually for each of 4 activities, the attendants answered the

following questions: *What kind of corruption or lack of integrity could happen? Who can gain and what can be gained from these corruption acts? How and who can be affected by these? Why and what are the causes/conditions that favor the acts of corruption or lack of integrity?*

Working Groups were formed for each 4 activities, which consisted of public officials from the City Hall, entrepreneurs, representatives of civil society, a local public administration expert, as well as local councilors invited to participate in the process of enhancing the relation between the executive and legislative, including in curing and prevention actions at local level. By involving as many as possible local stakeholders, we have ensured a participatory process, which will enhance their involvement in the implementation of solutions developed and agreed together.

Further, the Working Groups met during 2 workshops (*19 May and 7 June*), assisted by the facilitators and public administration expert, to assess in details the causes and to develop real solutions and actions to remove/cure the vulnerabilities of the 4 high-risk activities.

During the strategic planning, the participants agreed on the vision, on 4 strategic objectives and many actions necessary to achieve the objectives, as well as responsibilities, implementation deadlines and performance indicators.

4 strategic objectives are:

- O1.** Efficient money spending by ensuring transparency, competition, and accountability in the public procurement process;
- O2.** Develop modern mechanisms to improve the process of issuing town planning certificates and construction/demolition permits;
- O3.** Improve the quality of sanitation service by enhancing transparency and efficiency of ME 'Communal household Straseni';
- O4.** Ensure efficiency and transparency in land fund management in Straseni municipality.

At the same time, the participants developed the vision, strategic objectives and actions, appointed responsible persons and set implementation deadlines and performance indicators.

## **PART I: Background**

### **1.1 Approach**

Due to the ways of expression and negative effects that it generates, corruption affects tremendously the fulfillment of public function, image and authority of public administration; it decreases institutional capacity, society's trust in the political-administrative and judicial system, rule of law, economic development, promotion of foreign investment and European community integration. Hence, curing and prevention of corruption risks should be one of the most important areas of attention of public administration authorities.

The manner in which public services are delivered and the integrity of public officials who interact with beneficiaries should be a constant concern of public authorities. These require services based on clear rules and procedures provided by honest, correct and competent public officials.

National Integrity and Anti-corruption Strategy for 2017-2020 (approved by Decision of Parliament No.56 of 30 March 2017) describes also the need for some strategic, organizational and practical measures to reduce corruption at all administrative levels and to enhance the confidence of the citizen in public sector. Reiterating the negative socio-economic consequences of corruption, the Strategy qualifies the recovery of proceeds obtained from corruption-, ethics- and integrity-related offences in public, private and non-governmental sectors, protection of corruption victims, ensure

transparency of public institutions, as well as education of society and civil officials as priority actions.

A novelty in the strategy is global trends in approaching the phenomenon of corruption and changing the paradigm: from anti-corruption to enhancing the society's integrity environment; the most relevant in this regard are Sustainable Development Goals set by the UN.

In this regard, one of the findings shows the need to initiate an efficient mechanism for strategic planning in curing and prevention of corruption risks in local public administration authorities (LPAs). This planning consists in developing the *Strategic Plan for curing and preventing corruption risks (SP)*, which is also an instrument to prioritize the activities of local public authorities, in this context, planning and monitoring, identifying needs and building institutional capacity to reach policy objectives laid down in sector, national, and regional policy documents.

## 1.2 Methodology 'Islands of Integrity'

Methodology 'Islands of Integrity' was developed by Ana Vasilache and Ronald MacLean Abaroa (former mayor of La Paz city in Bolivia) to multiply their successful experience in curing and preventing corruption based on theoretical concepts of Professor Robert Klitgaard. The methodology has been successfully applied since 2008 in 12 countries and 30 City Halls so far in Central, Eastern and South-Eastern Europe, and were included in books and manuals translated in many languages and recognized internationally by the UN Public Service Award 2011.

To identify the most vulnerable activities to corruption, the formula of Robert Klitgaard was applied:

$$\text{Corruption} = \text{Monopoly} + \text{Discretion} - \text{Transparency/Accountability}$$

According to this formula, the activities are vulnerable to corruption when there is a **monopoly** in their delivery, **discretion** in decision-making and those who make decisions lack **transparency and accountability**.

Participants have assessed every activity according to the level of vulnerability on a scale from 1 to 5 (1=very little up to 5=highly probable).

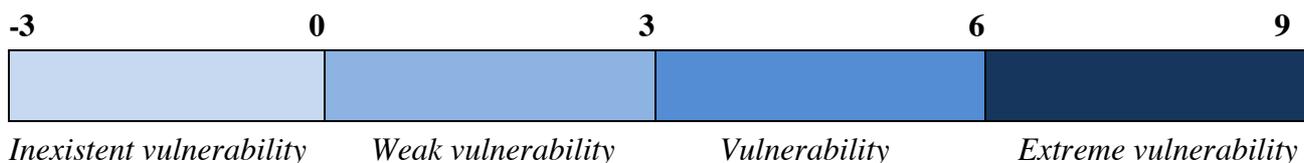
- **level of monopoly:** extent to which this activity is a monopoly of local public administration (there is no competition in fulfilling this duty).
- **level of discretion:** extent to which during the fulfillment of these activities, decisions are made discretionally (there are no clear regulations and procedures to guide decision-making or on the contrary, there are too many regulations, some even contradictory, and those who make the decision may prefer a rule that suits them better)
- **level of transparency:** extent to which the decisions are made transparently (there are information or easy access to information on the manner how the decisions are made within the respective activities)

The **impact indicators** are calculated by assessing the selected activities using a 1 to 5 scale (1 = there is no negative impact up to 5 = extremely serious negative impact) of the impact of possible corruption on the quality of the life of citizens, future and image of City Hall.

For each activity, the average of monopoly, discretion and transparency is calculated. Respectively, based on this average, the **indicator of vulnerability to corruption using the formula Monopoly + Discretion – Transparency** was calculated.

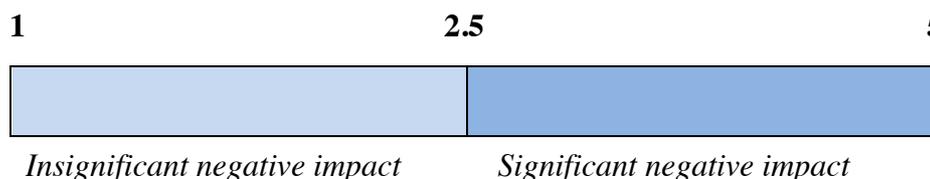
The value of this indicator may vary from -3 (situation when there is no vulnerability: Monopoly minimal = 1 + minimal Discretion = 1 – maximum Transparency = 5) to 9 (situation when vulnerability is maximal: maximal Monopoly = 5 + maximum Discretion = 5 – minimal Transparency = 1).

These values are set at four intervals of indicator of vulnerability to corruption, coded by the following colors:



Hence, the score of the indicator of vulnerability of each activity is calculated. All activities which average indicator exceeds the value of 2.5 are considered vulnerable to corruption.

To identify the level of impact of some possible corruption acts that would appear in the assessed activities, there are two value intervals, 1 is minimum and 5 is maximum:



After identifying the activities and services vulnerable to corruption (average values equal or higher than 3), the level of negative impact of corruption in these activities on the life of citizens, future and image of City Hall is estimated.

Further, the issues were assessed by using the method of *problem tree analysis*, by addressing also the causality of vulnerabilities of activities and their effects, identifying solutions to cure and prevent corruption.

## PART II: Process and involved stakeholders

### 2.1 Phases of the working process

Working process included the following phases:

1. **Sign the Memorandum between the UNDP and Strasenji City Hall** to establish clear responsibilities, determine working process, stakeholders and expected results;
2. **Overall assessment/dignosis of vulnerabilities to corruption** in two phases: preliminary assessment (internal assessment by filling in the assessment questionnaire by 15 employees) and extended assessment (external assessment by carrying out a survey with 300 residents of the city);
3. **Select most vulnerable activities to corruption** (intervention area included in the strategic plan);
4. **In-depth assessment of vulnerable activities;**
5. **Cause-effect analysis and solution development** to eliminate the causes that generate corruption found in the organizational system and internal procedures;
6. **Identify the perception of external stakeholders** regarding the vulnerabilities to corruption included in the plan and suggested solutions;
7. **Finalize the Strategic Plan:** vision, strategic objectives and actions, determining responsible persons and setting implementation deadlines, as well as performance indicators.

Next step is to **validate and approve the Strategic Plan** by decision of local council. Objectives and actions included in the plan will be subject to ongoing **evaluation and monitoring** (annual and final).

### 2.2 Local and foreign stakeholders

Stakeholders involved in the assessment and solution development phase included not only public officials and City Hall's management but also businessmen, representatives of civil society, expert

in local public administration, as well as local councilors invited to participate in this process to enhance the relation between the legislative and executive, including establishing actions to cure and prevent corruption at local level. By engaging more local stakeholders, a participatory process was ensured, which will enhance their implication in the implementation process of developed solutions.

- ✎ **Process coordinator** on behalf of City Hall, Mayor, Valentina Casian.
- ✎ **Contact persons** on behalf of City Hall, responsible for organizing the working group/groups and communication with the facilitators - Zinaida Verhovețchi, Investment Attraction Specialist and Arcadie Romanciuc, Public Relations Specialist.
- ✎ **Facilitators/consultants**, Diana Enachi and Valentin Lozovanu, responsible for design and working process facilitation, organization of workshops and support and expertise in areas of intervention.
- ✎ **General working group**, including the Mayor and about 15 officials from the City Hall who participated actively in the entire process.
- ✎ **Working groups** in 4 selected areas of interventions included in the plan consisting of 5-7 persons each, of which the majority are also part of general Working Group + 2 local councilors, businessmen, and representatives of civil society.
- ✎ **External counterparts** – 300 participants in the survey to identify the perception of external stakeholders with regard to the most vulnerable activities/services to corruption and compare it with the local stakeholders (employees and mayor). Other 6 businessmen participated in the in-depth assessments to understand the vision and perception of the private sector on vulnerable activities. Representatives of private sector (6 businessmen) and civil society (3 representatives) participated in workshops organized to identify the vulnerabilities and to develop solutions.

## **PART III: Assessment/Diagnosis**

### **3.1 Overall assessment/diagnosis**

The overall assessment was carried out in two phases:

- ✎ **Preliminary assessment**, carried out with the assistance of 15 officials and public officials of the City Hall of a total of 26 during the one day workshop: ‘Overall assessment: identify vulnerabilities to corruption’ - 23 November 2016.
- ✎ **Extended assessment**, by assessing the vulnerabilities to corruption in an external environment. In this regard, a survey was carried out among 300 citizens of Straseni city. The survey was carried out on a representative sample considering age, education, occupation, and socio-economic level (*December 2016 - January 2017*).

During the preliminary overall assessment phase, the officials assessed independently the level of monopoly, discretion and transparency of 33 activities carried out and services delivered by the City Hall. The assessment included the evaluation of two aspects of these activities/services:

- **Vulnerability to corruption;**
- **Level of Impact** on the life of citizens, image of City Hall and future of the city, when corruption shows in the activities identified as vulnerable;

Vulnerability to corruption was assessed based on the formula of Robert Kitgaard: **Corruption (C) = Monopoly (M) + Discretion (D) – Transparency/Accountability (T)**, each activity being evaluated on a scale from 1 to 5 scale (1=to a very little extent up to 5=to a great extent). All activities/services that scored 3 points or more were considered vulnerable to corruption. To identify the level of impact on the lives of citizens, same scale was used for those vulnerable activities/services.

A total number of 15 questionnaires was filled in, of which 12 (80%) were validated, the rest being incomplete or incorrect and respectively, was not taken into account.

As for the level of vulnerability, according to the assessment results, 79% of activities were identified as vulnerable to corruption (26) registering a score between 3.03 – 5.91, and one activity was identified as extremely vulnerable with a score of 6.33. As for the level of impact on the life of citizens and future of the city in case of showing any corruption acts in vulnerable activities, in 23 out of 27 vulnerable and extremely vulnerable activities, the impact would be significant registering a score between 2.83 and 4.17.

No.	Activity/service	Vulnerability score	Impact score
1	Sanitation service and waste management	6.33	4.17
2	Municipal utility service management	5.91	2.25
3	Public lighting	5.83	4.00
4	Public water and sewerage service	5.67	4.17
5	Hiring personnel	5.57	3.55
6	Staff motivation and promotion	5.23	3.62
7	Social assistance management	5.15	3.30
8	Approve territory development projects	5.08	2.35
9	Assign and change the destination of land, public property	4.92	3.50
10	Audit and inspection of economic activities	4.90	2.90
11	Information and participation of staff in trainings, development including abroad	4.80	3.12
12	Support and stimulate the initiatives of city's economic development	4.75	2.98
13	Record-keeping of public and private property	4.58	3.08
14	Control and monitoring of public procurement contracts	4.33	3.00
15	Putting into administration, concession, rental or leasing of public services	4.17	3.75
16	Approve tariffs for paid services	4.08	3.50
17	Capital and current renovations of existing infrastructure	3.83	2.35
18	Plan and implement city's budget	3.83	3.07
19	Management of projects with internal and/or external grant financing	3.63	2.33
20	Rent, use or possess the land	3.35	3.03
21	Rent, concession, sale of goods from private and public property of the city	3.25	3.50
22	Public transport	3.25	3.83
23	Other types of authorizations and certificates	3.17	3.00
24	Awarding public procurement contracts	3.16	3.00
25	Public property management	3.15	3.25
26	Change the destination of agricultural land	3.12	2.83
27	Organize and run tenders and auctions regarding land sale and purchase	3.03	3.12

The extended assessment represents the evaluation of the level of vulnerability to **corruption by external** stakeholders. In this regard, a survey interviewing 300 citizens of Strasen city was carried out on a representative sample considering the age, gender, education, occupation, socio-economic level in December 2016 – January 2017.

According to the results of external assessment, the most non-transparent and vulnerable to corruption activities are:

- Land fund administration
- Human resources management;
- Audit and inspection of economic activities;
- Issuance of certificates and permits;
- Organize and handle public procurement;

Other findings include:

- Mayor/City Hall (local executive entity) enjoys higher confidence of the citizens than the municipal council (local legislative body) – 75.2% versus 33.7%;
- 29.1% of respondents consider themselves informed about the decisions made at local public administration level;
- About 1/3 is not content with the way the city is evolving, and 40% - relatively content;
- 26.2% of respondents consider that the activity of City Hall and its officials is not transparent;

As for perspectives, the respondents offered some proposals:

- Implement drastic actions to prevent and fight corruption;
- Reduce public services fees;
- Better relation and communication with citizens;
- Amend the legal framework and move to electronic services to reduce current bureaucracy;
- Reports on City Hall's activity in front of the citizens through different means;

The workshop of 10 March presented and validated the results of external assessment together with the City Hall's management and its officials, local councilors, representatives of private environment and civil society. As a result of discussions, analysis and comparing the results of internal and external assessment, the attendees decided to include the following activities in the Strategic Plan:

**A1. Public procurement;**

**A2. Issuance of town development certificates and construction/demolition permits;**

**A3. Sanitation service management;**

**A4. Land fund management.**

### **3.2 In-depth assessment and cause-effect analysis**

The process continued with the in-depth assessment of each activity during the workshop 'In-depth assessment of corruption' of 10 March 2017, attended by 20 officials and councilors of the City Hall. The workshop validated the results of overall assessment (preliminary and extended). For the in-depth assessment, the attendees answered individually the following questions for each of 4 activities:

- *WHAT corruption actions or lack of integrity may take place?*
- *WHO can gain and WHAT can be gained from corruption?*
- *HOW and WHO can be affected by such actions?*
- *WHY and WHAT are the causes/conditions that favor these corruption acts or lack of integrity?*

After processing and analyzing the questionnaires, 6 in-depth interviews with the responsible persons in 4 areas were organized to analyze in detail each aspect and the existing problems with their cause at each phase (4 April 2017).

Further, small Working Groups were formed for each 4 activities, which involved officials of the City Hall, businessmen, representatives of civil society, an expert in local public administration, as well as local councilors, invited to participate in this process to consolidate the relation between the legislative and executive, including to develop actions to cure and prevent corruption at local level. By involving more local stakeholders, a participatory process was ensured, which will enhance their involvement in the implementation process of solutions commonly developed and agreed.

The Working Group met in 2 workshops (*19 May and 7 June*) and with the support of facilitators and expert in public administration an in-depth assessment of activities was conducted (see Annexes 2-5), possible corruption acts that might happen and the cause-effect analysis.

The cause-effect analysis was based on problem tree analysis for each activity in part (see Annexes 6-9).

For all activities, the causes of vulnerabilities to corruption turned out a combination of issues that are found in the organizational system of public administration, internal institutional issues and organizational culture, including: lack of motivation of the personnel and respectively, high turnover of human resources and low professionalism, lack of efficient data registration systems, processing, exchange/transfer and publication, low transparency, imperfect/incomplete legal framework, non-functional internal control mechanisms and insufficient financial resources.

Finally, based on the cause-effect analysis, solutions and an Action Plan to prevent/cure the vulnerabilities of the 4 vulnerable activities were developed (see Action Plan).

Results of in-depth assessment can be found in the table below:

**Table 1. Results of in-depth assessment**

<b>PUBLIC PROCUREMENT</b>			
<i>WHAT</i> are the corruptive acts or behaviors lacking integrity that might happen?	<i>WHO</i> has to gain <b>and</b> <i>WHAT</i> can be gained from this corruption acts/behavior lacking integrity?	<i>WHO</i> would be affected by such corruption acts and <i>HOW</i> ?	<i>WHY</i> these corruption acts/behavior lacking integrity exhibit? <i>WHAT</i> are causes/conditions that favor the appearance of these corruption acts or behavior lacking integrity?
<b>Phase 1. Plan procurement and develop eligibility papers</b>			
<p>Failure to publish the tender notice on procurements planned for the following year and disclosure of information to a certain company;</p> <p>Intentional failure to publish the information on procedure description;</p> <p>Divide the procurements to avoid the organization of open tenders and practicing direct contracting;</p> <p>Power abuse by</p>	<p>Officials involved in developing specifications seeking to hire a specific company;</p> <p>The company that fixed up the contract with the official;</p>	<p>Other bidders whose right to free competition is violated and are discriminated during procedures;</p> <p>Honest and correct public officials that are part of the system;</p>	<ul style="list-style-type: none"> <li>• Legislation: <ul style="list-style-type: none"> <li>- frequent amendments of legal and secondary normative framework in the field;</li> <li>- insufficient secondary legal framework to develop qualitative technical specifications in specific fields (constructions, food, etc.)</li> </ul> </li> <li>• Organization of internal activities: <ul style="list-style-type: none"> <li>- high discretion in establishing the eligibility criteria by public authority;</li> <li>- high discretion in establishing the format, quantum and other general condition of bid guarantee;</li> <li>- lack of market and needs assessment analysis skills in the field of procurement planning process;</li> <li>- lack of transparency at planning phase by failure to publish the tender notices;</li> <li>- insufficient internal control;</li> <li>- lack of training in public procurement field;</li> <li>- no sanctions are applied and members of the working group, who admit violation of the legislation, procedure or</li> </ul> </li> </ul>

<p>developing technical specifications that favor a certain company and limit the competition</p>			<p>who promote personal interests in selecting the winner, are not held liable;</p> <ul style="list-style-type: none"> <li>- lack of financial motivation of the personnel</li> <li>• Mentality of officials/citizens who do not understand the relation between taxes and fees paid into the local budget, public procurement and quality of public services.</li> </ul>
<p><b>Phase 2. Launch the call for proposals and submit offers/bids</b></p>			
<p>Acting outside the scope of responsibilities by disclosing confidential information to a certain company;</p> <p>Limit the competition and general access of companies to procurement procedures;</p> <p>Illegal agreements between the bidders with the purpose to increase the cost of procurement without any justification (market division, submitting offers with intentionally increased</p>	<p>The winner of the contract without actual competitors;</p> <p>Officials involved in development of technical specifications interested in a specific company to win;</p> <p>Some members of working group on public procurement or selection committee;</p>	<p>Honest and fair public officials that are part of this system;</p> <p>Other bidders whose right to free competition is violated and are discriminated during the procurement procedures;</p> <p>Local budget through procurements at highly ungrounded prices that usually are higher than the market price of the procured object;</p>	<ul style="list-style-type: none"> <li>• Legislation <ul style="list-style-type: none"> <li>- loose provisions regarding the manner of publishing the announcements in different information sources;</li> <li>- incomplete legislation because of the failure to regulate the participation in procurement procedures of patent holders who do not own stamps and hence, cannot issue invoices.</li> </ul> </li> <li>• Organization of internal activities: <ul style="list-style-type: none"> <li>- occasional publication of calls for proposals on the webpage;</li> <li>- insufficient internal control;</li> <li>- little knowledge of legal framework by the members of working group on procurement;</li> <li>- lack of training in public procurement field;</li> <li>- insufficient human resources for public procurement volume within authorities;</li> <li>- lack of financial motivation of the staff</li> </ul> </li> <li>• Distrust of private environment in the integrity of</li> </ul>

price to further increase exaggeratedly the value of the contract);			public procurement system and consequently, lack/insufficiency of bids submitted, which determines the cancelation of some procedures
<b>Phase 3. Evaluate the offers/bids and select the winner (signing the contract)</b>			
<p>Ungrounded disqualification of competitors;</p> <p>Exceed duties or abuse of power by awarding the winner without meeting the selection criteria stipulated in the call for proposals;</p> <p>Include independent experts as members of working group, who develop technical specifications so they meet the offer of a specific company;</p>	<p>Persons involved in developing technical specifications who are interested in a certain company getting the contract</p> <p>Some members of the working group on public procurement or selection commission;</p>	<p>Honest and correct officials who are part of this system;</p> <p>Other companies that submitted offers in accordance with the requirements but are eliminated intentionally;</p> <p>City Hall/administration who has a negative image;</p>	<ul style="list-style-type: none"> <li>• Legislation <ul style="list-style-type: none"> <li>- incomplete secondary legislation that lacks a methodology of bid evaluation based on assignment criterion that implies the most advantageous offer from the technical and economical point of view guides the specialists.</li> <li>- incoherent legislation regarding lodging appeals by bidders who consider that irregularities were committed in the process of assigning, which delays the procurement</li> </ul> </li> <li>• Organization of internal activities: <ul style="list-style-type: none"> <li>- lack of transparency because of the failure to publish the results of the procurement contract winner selection process;</li> <li>- high discretion in setting the contractual clauses (format, quantum and other conditions of contract guarantee, delivery terms, penalty system, etc.)</li> <li>- lack of skills to qualitatively evaluate the offers, especially in using the criteria for the selection of the best offer;</li> <li>- lack of training on proper evaluation of offers based on the two set forth legal criteria;</li> <li>- Lack of financial motivation of the staff</li> </ul> </li> </ul>
<b>Phase 4. Execute contract and finalize the procurement</b>			

<p>Illegal payments to accept some goods/services/works that do not meet the quality criteria specified in the contract;</p> <p>Public funds embezzlements by means of illegal agreements between an official and a company;</p> <p>Falsified public acts, falsified receipt and acceptance documents that show that the goods were delivered, works were finished correspondingly, or within the period mentioned in the contract without actual delivery.</p>	<p>Officials/members of working group who accept/request illegal payments to accept goods that do not meet the stipulated quality/quantity;</p> <p>Contractor who collects the contract's value but delivers goods of a lower quality or quantity than specified.</p>	<p>City Hall and other public entities that do not receive products/services/works of a quality corresponding to the paid price;</p> <p>Local budget – by the need to allocate some additional amounts for reparations and expenditures to maintain poorly done works</p> <p>Entire society that has no access to quality public services;</p> <p>Beneficiaries (contracting authorities, budgetary institutions and citizens) of poorly done works;</p> <p>Future of children who eat food of poor quality;</p> <p>Reduce investments and</p>	<ul style="list-style-type: none"> <li>• Legislation <ul style="list-style-type: none"> <li>- incomplete legislation regarding the obligation of the authorities to apply penalties to contractors who do not fulfill contractual obligations accordingly;</li> </ul> </li> </ul> <p>Organization of internal activities:</p> <ul style="list-style-type: none"> <li>- lack of transparency at the execution phase of the contract and failure to publish quarterly/midterm reports of ongoing contracts on the webpage of the City Hall, in accordance with the legislation in force.</li> <li>- insufficient internal control at the receipt and acceptance phase of procured goods and verification of their quality.</li> <li>- lack of capacities and human resources to monitor all contracts during the entire execution period.</li> <li>- members of working group who admit violations are not liable.</li> <li>- lack of financial motivation for the personnel.</li> <li>- soft sanctions for responsible persons within authorities who do not sanction the contractors who failed to fulfill properly contractual obligations</li> </ul> <ul style="list-style-type: none"> <li>• Failure to involve civil society in monitoring the manner of using public resources;</li> <li>• Reduced involvement of the local council in controlling and monitoring public procurement procedures and contracts.</li> </ul>
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		stopping socio-economic development of the city.	<ul style="list-style-type: none"> <li>Mentality of officials/citizens who do not understand the relation between the fees and taxes paid into the local budget, public procurement and quality of public services.</li> </ul>
<b>OBTAINING TOWN DEVELOPMENT CERTIFICATES AND CONSTRUCTION/DEMOLITION PERMITS</b>			
<i><b>WHAT</b> are the corruptive acts or behaviors lacking integrity that might happen?</i>	<i><b>WHO</b> has to gain and <b>WHAT</b> can be gained from this corruption acts /behavior lacking integrity?</i>	<i><b>WHO</b> would be affected by such corruption acts and <b>HOW</b>?</i>	<i><b>WHY</b> these corruption acts/behavior lacking integrity exhibit? <b>WHAT</b> are causes/conditions that favor the appearance of these corruption acts or behavior lacking integrity?</i>
<p>Accept the application for certificates/permits:</p> <ul style="list-style-type: none"> <li>When the set of documents is incomplete and is missing necessary opinions</li> <li>Without verifying the legality of opinions, project documentation.</li> </ul> <p>Admit errors in documents or forged documents.</p> <p>Refusal to issue a permit without justification.</p> <p>Issue town development certificates without the authenticated agreement of co-</p>	<p>The official who:</p> <ul style="list-style-type: none"> <li>issues certificates/permits without observing the legal framework</li> <li>does not verify the legality of submitted documents</li> <li>accepts forged documents or illegal payments</li> </ul> <p>Citizen, company that pays a bribe to the official to obtain certificates in violation of legal</p>	<p>Co-owners, neighbors whose interests may be affected directly during the construction works as well as when using the completed object</p> <p>Appearance/image of the city as a result of constructions that are not included in the Urban Plan</p> <p>Historical art, and architecture monuments of Straseni city by demolition or</p>	<ul style="list-style-type: none"> <li>Legislative provisions that are not sufficiently detailed and leave room for interpretation;</li> <li>Contradictory provisions in different laws and secondary normative acts that regulate same fields;</li> <li>Lack of clear/interpreted local regulations regarding the procedure and content of the file necessary to submit to obtain certificates and permits</li> <li>Organization of internal activities: <ul style="list-style-type: none"> <li>although there is an internal regulation on the One-Stop-Shop operation that issues certificates and permits, however, it is not updated in accordance with the new legislative provisions in the field.</li> <li>lack of transparency in obtaining certificates/permits (failure to publish the procedure to request, necessary documents and application</li> </ul> </li> </ul>

<p>owners of property/land whose interests are directly affected by construction works, as well as during the exploitation of used object.</p> <p>Issue town development certificates by violating General Town Development Plan, town (local town development regulation) and territory development documentation</p> <p>Traffic of influence, misuse of power and promotion of personal interests or of third persons to the detriment of general public interest.</p> <p>Receive (request, accept) some additional payments or other (illegal) benefits for certificates issued without submitting the entire set of documents or in a shorter period of time.</p> <p>Preferential/discriminatory behavior compared to certificate applicants.</p>	<p>provisions</p>	<p>deterioration as a result of illegal permits issuance.</p> <p>Image of public authority and in the end, of the entire city as a result of inefficient use of public spaces and inadequate development of city's infrastructure</p> <p>Other applicants (citizens, companies) who observe legal procedure but are forced to wait longer for certificates</p> <p>Local budget by missing budget payments</p>	<p>template, data on applications and issued certificates).</p> <ul style="list-style-type: none"> <li>- lack of electronic recording of issued certificates/permits, or pending ones,</li> <li>- lack of control mechanism that verifies periodically the compliance of the permits/certificates with the provisions of town development documentation</li> <li>- lack of an appeal, complaint mechanism for applicants who have been denied the documents without any justification.</li> <li>- low salaries and lack of financial motivation for staff</li> <li>- monopoly specific to this field of activity</li> </ul> <ul style="list-style-type: none"> <li>• Citizens' indifference when they do not inform the competent bodies of legal violations</li> <li>• Mentality of officials/citizens in general (pursuing personal interests to the detriment of general public interest).</li> </ul>
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<p>Issue permits in conditions that may affect public order or may damage third persons (neighbors, co-owners).</p> <p>Begin construction works without informing the City Hall and State Inspection in Constructions.</p>			
<b>SANITATION SERVICE MANAGEMENT</b>			
<p><i><b>WHAT</b> are the corruptive acts or behaviors lacking integrity that might happen?</i></p>	<p><i><b>WHO</b> has to gain <b>and WHAT</b> can be gained from this corruption acts /behavior lacking integrity?</i></p>	<p><i><b>WHO</b> would be affected by such corruption acts and <b>HOW</b>?</i></p>	<p><i><b>WHY</b> these corruption acts/behavior lacking integrity exhibit? <b>WHAT</b> are causes/conditions that favor the appearance of these corruption acts or behavior lacking integrity?</i></p>
<p><b>Phase 1. Regulation of sanitation service management</b></p>			

<p>Abusive interviews in the activity of public service</p> <p>Traffic of influence and interference in the organization and operation of the service</p>	<p>City Hall management,</p> <p>State institutions with oversight and control duties</p> <p>Favored companies</p>	<p>Company and its employees, beneficiaries of public service</p>	<ul style="list-style-type: none"> <li>• Lack of regulations on relations between companies and founder, especially with regard to setting labor relations of the Administrator</li> <li>• Lack of contract to delegate public service that would regulate expressly the object, subjects, duration, rights and obligations of the company, responsibilities, clauses of force majeure</li> </ul>
<p><b>Phase 2. Ensure the service operation</b></p>			
<p>Abusive intervention and Traffic of influence in public service</p> <p>Embezzlement of public funds, fraudulent use of public goods through deficient company's assets management (property, technical assets, etc.) and use of company's means and human resources in other activities</p>	<p>City Hall management, municipal councilors</p> <p>Company's management; Decision-makers; LPAs</p>	<p>Company and its employees, beneficiaries of public service</p> <p>Company and its employees, beneficiaries of public service</p> <p>Company's/local budget which will suffer from embezzlement of public patrimony</p>	<ul style="list-style-type: none"> <li>• Lack of Regulation on providing service that would set the operational programme, tariffs, value of service, contractual liability;</li> <li>• Lack of specifications on providing a service that would set labor force involved, technical means, quality indicators, utility infrastructure used in rendering the service;</li> <li>• Lack of inventory of movable and immovable property related to service provision</li> <li>• Lack of receipt and acceptance document of public property goods to provide the service;</li> <li>• Failure to observe the requirements for company's property and assets inventory;</li> <li>• Failure to register or deficient registration of property, ownership right over company's assets and goods;</li> <li>• Inadequate record-keeping of capital increase</li> </ul>

			(losses and arrears); <ul style="list-style-type: none"> <li>• Lack of clarity in responsibilities of personnel authorized with management of company's assets</li> </ul>
<b>Phase 3. Public service delivery</b>			
<p>Negligence in performing the duties or exceeding duties.</p> <p>Approved local fees that do not cover the costs for provided services. Close consultation and information on operated amendments.</p> <p>Fixing the technical specifications for certain works (repairs and maintenance) that favor certain economic agents (Traffic of influence).</p> <p>Demand informal payments for waste disposal. Unauthorized storage of waste</p> <p>Fraudulent use of public property/demand informal payments by using human</p>	<p>Company's management, some employees of the company</p> <p>Municipal councilors</p> <p>Officials involved in its development (in-house or outsourced).</p> <p>Citizens</p> <p>Companies (that transfer the sanitation service /order maintenance costs to be covered from the public budget).</p> <p>Officials responsible for environment matters (control</p>	<p>Beneficiaries of public service, Company's budget Image of locality</p> <p>Citizens, private sector, local budget prejudiced</p> <p>City Hall. Company's budget. Citizens who do not benefit of quality services.</p> <p>MEs</p> <p>City Hall, Citizens</p> <p>MEs (budget), Entire community</p>	<ul style="list-style-type: none"> <li>• Lack of Action Plan and inadequate planning of the activities, including lack of performance indicators and activity's control mechanism</li> <li>• Lack of regulation of current operations (responsible persons, competence, communication, decision-making process, allocation of means and resources)</li> <li>• Lack of regulations on human resources management (employment, promotion, job description, performance assessment).</li> <li>• Inadequate financial management (accounting, reporting, liquidity control system).</li> <li>• Conflict of interests</li> <li>• Misuse of power, etc.</li> <li>• Insufficient transparency and lack of efficient procedures of consultation and information. Populism and political opportunism (that maintain tariffs lower than the real cost of service).</li> <li>• No knowledge of the legislation. <ul style="list-style-type: none"> <li>• Failure to observe the procedures.</li> </ul> </li> </ul>

<p>resources and other works than those of City Hall</p> <p>Demand illegal payments based on erroneous estimations of volumes of works and their costs</p> <p>Forging public acts by signing fictive receipt and acceptance documents</p> <p>Sign repots with exaggerated volumes of works</p>	<p>function)</p> <p>Companies and citizens who benefit of poor taxation of service.</p> <p>Decision-makers at the City Hall</p>		<ul style="list-style-type: none"> <li>• Frequent staff turnover.</li> <li>• Unattractive salaries.</li> <li>• Lack of control and strict sanction for unauthorized waste collection, informal payments, etc.), which weakens the revenues and capacities of the ME.</li> <li>• High level of discretion of decision-makers, responsible workers.</li> <li>• Low transparency (growing risk of undocumented services or abusive use of company's means and labor force).</li> <li>• Lack of culture to keep the public space clean and understanding the need for such service by the citizens.</li> <li>• Lack of service contracts with natural persons, companies, public institutions.</li> <li>• Insufficient control mechanisms.</li> <li>• Unclear mechanisms to solve petitions/complaints</li> </ul>
<p><b>Phase 4. Public service development</b></p>			
<p>Interference and Traffic of influence in public service development</p> <p>Fraudulent management of public money</p>	<p>City Hall management, Municipal councilors</p> <p>Decision-makers of the company</p>	<p>Beneficiaries of public service (natural and legal persons)</p> <p>Budget of enterprise, local budget</p>	<ul style="list-style-type: none"> <li>• Lack of service development and extension plan.</li> <li>• Limited level and lack of transparency in service development.</li> <li>• Lack of transparency in managing investments in service development.</li> </ul>

Embezzlement of goods and deficient management of assets			<ul style="list-style-type: none"> <li>• Lack of control mechanisms in implementing the service development plan</li> </ul>
<b>LAND FUND MANAGEMENT</b>			
<i><b>WHAT</b> are the corruptive acts or behaviors lacking integrity that might happen?</i>	<i><b>WHO</b> has to gain <b>and WHAT</b> can be gained from this corruption acts/behavior lacking integrity?</i>	<i><b>WHO</b> would be affected by such corruption acts and <b>HOW</b>?</i>	<i><b>WHY</b> these corruption acts/behavior lacking integrity exhibit? <b>WHAT</b> are causes/conditions that favor the appearance of these corruption acts or behavior lacking integrity?</i>

<p>Traffic of influence by offering false/erroneous documents or registration of data without having the possibility of objective, precise verification of measurements/estimations.</p> <p>Embezzlement of public goods by selling through arranged tenders to possible beneficiaries of public land at a lower price than the market price.</p> <p>Persistence of errors in land registration that facilitates illegal payments, embezzlement and Traffic of influence</p>	<p>Officials who issue certificates/documents and assess the property.</p> <p>Persons interested in obtaining earnings generated from erroneous estimations.</p> <p>Tender commissions, employees, manager, municipal councilors.</p> <p>Officials responsible for land registration</p> <p>Interested natural persons, companies</p>	<p>City Hall, Public property</p>	<ul style="list-style-type: none"> <li>• Lack of detailed ongoing monitoring and evaluation</li> <li>• Lack of strict sanctions</li> <li>• Lack of trained, motivated staff</li> <li>• Low salaries</li> <li>• Lack or/and data disparity in the cadastral system</li> <li>• Access to/possibility to generate precise data (measurements of areas) due to lack of necessary software in City Hall and high costs associated to measuring services (design institutions)</li> <li>• Low transparency</li> <li>• Failure to apply severe sanctions</li> <li>• Personal interests of potential beneficiaries (companies) and of persons who can influence the decision (responsible public officials).</li> <li>• Failure to include all goods in inventory acts</li> <li>• Under-evaluation of goods</li> </ul>
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<p>Embezzlement of public goods through fraudulent management of leased land</p> <p>Intentional delays in examining draft decisions on the lease/extend the leasing of the land</p>		<p>Citizens who may be prejudiced or deprived of a land plot by disposing of it.</p> <p>Local budget</p> <p>Entire community</p>	<ul style="list-style-type: none"> <li>• Errors in rental contracts</li> </ul>
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### 3.3 Perception of external stakeholders

Individual in-depth interviews with local entrepreneurs were organized to find out the opinions of external stakeholders.

*Table 2. Survey description/design (profile of interviewed entrepreneurs)*

No.	Field of activity	Experience
1	Trade	6 years
2	Services	10 years
3	Trade	14 years
4	Manufacture, trade, services	6 years
5	Trade	3 years
6	Trade	17 years

The qualitative research method was used to identify major issues faced by entrepreneurs, vulnerabilities in their activities as well as solutions suggested to eliminate them. It should be mentioned that the results obtained by this method are not statistically representative and cannot be generalized as the opinion of the majority of the city, but they provide a perspective for a clearer understanding of causes that generate these perceptions and opinions.

Among the aspects discussed with the interviewed entrepreneurs were: the relation of businessmen with local public authority, level of transparency in the activity and services provided to entrepreneurs by the City Hall, most vulnerable fields to corruption and operation of one-stop-shop in the City Hall.

Main conclusions that may be extracted from the qualitative research are:

- There is a perception that the access to information is ensured by every entrepreneur, citizen. It was mentioned that the advertisements are placed at the City Hall, and the information on tenders is published in the Official Gazette;
- All the respondents know that the City Hall has to ensure transparency on its webpage by posting the meetings of local council, decisions made as well as necessary acts to obtain certain certificates or permits;
- A major issue is low quality of city sanitation service, which does not meet the tariffs paid by citizens;
- One of the complaints of entrepreneurs refers to the local tax they pay, which are 2-3 times higher compared to other cities;
- As for the operation of the one-stop-shop, only one person out of all respondents knew about its activity; the person used its services and was content with the quality both from the point of view of procedure and necessary time;
- No interviewed entrepreneurs had difficulties with obtaining the permit for company's activity;

- Generally, there is an openness and promptness on behalf of the City Hall regarding the requests of entrepreneurs to extend and/or diversify their businesses;
- A good collaboration with the City Hall in setting local taxes by organizing public consultations and discussions regarding the conditions of applying and quantum of local taxes;
- In the opinion of the respondents, the most vulnerable fields to corruption are: tenders and auctions for land sale and purchase, infrastructure services and organization of public procurement, especially of food products for educational institutions.

As for the perspectives, the entrepreneurs have some suggestions to eliminate the issues in vulnerable fields. These include the need for more intense communication between public authority and business environment by organizing some monthly or quarterly meetings to discuss both challenges faced by entrepreneurs and city's issues and perspectives in eliminating the challenges.

## **PART IV: Strategic Plan**

### **4.1. Vision, principles and strategic objectives**

Strategic objectives, actions, and performance indicators were formulated and responsible persons were appointed based on solutions generated by 4 working groups during the workshops of 19 May and 7 June.

**Expected impact** of long-term corruption risk cure and prevention plans implementation is to:

1. Ensure efficient, transparent and integral local public administration;
2. Deliver high quality public services to citizens;
3. Transparent and efficient use of public resources;
4. Enhance the image of public administration and enhance the trust of the society;
5. Ensure institutional conditions for a sustainable development process.

**The vision** of the City Hall of Straseni municipality regarding curing and preventing corruption risks in the following 3 years is:

**City Hall of Straseni municipality is a model of integrity and efficiency in local public administration that acts transparently and in the interest of community in all adopted decisions, delivered public services and carried out activities.**

The vision will be implemented by establishing and agreeing on a set of principles to guide internal (management, officials, and local councilors) and external stakeholders (private sector, civil society) in their activity.

The persons responsible for the implementation of the Plan and carrying out corruption prevention and cure actions will follow a **set of principles**:

- **Transparency** – all carried out actions from planning phase to decision making and evaluation of results will be communicated both internally and externally to ensure a participatory process and to engage all stakeholders.
- **Professionalism** – the skills of every person within the authorities to assume reasonability in carried out actions in accordance with his/her professional background, abilities and skills.
- **Accountability** – assumption of responsibility by every responsible person regarding proper implementation of actions included in the plan under agreed terms and conditions.
- **Cooperation** – ongoing consultation of all stakeholders by organizing joint meetings, creating working groups, partnerships, which ensure decision making and implementation of actions jointly with the entire community.
- **Efficiency** – all planned activities will be carried out by applying the method that registers the best results with available resources and efforts made.
- **Inclusion** – ensure access to information and participation to all groups of citizens in action development and implementation process.

**Strategic objectives** to achieve the vision:

- O1.** Streamline public spending through transparency, competition and accountability in public procurement procedures;
- O2.** Develop modern mechanisms to streamline the process of obtaining certificates and construction/demolition permits;
- O3.** Improve the quality of sanitation service by increasing the transparency and efficiency of ME ‘Communal household Straseni’;
- O4.** Ensure efficiency and transparency in land fund management in Straseni municipality.

#### 4.2. Action Plan

Action Plan to implement strategies for curing and preventing corruption in LPAs

<b>Strategic objective 1. Streamline public spending through transparency, competition and accountability in public procurement procedures</b>					
<i>Action</i>	<i>Implementation period</i>	<i>Estimated costs</i>	<i>Responsible persons</i>	<i>Partners/funding sources</i>	<i>Performance indicators</i>
1.1 Publish all notices (of intention, participation and awarding/results of procurement) in different sources of information: webpage of City Hall, information desk, local sources of mass-media,	2017- 2021; Periodically in accordance with the provisions of law on public procurement (No. 131 of 03.07.15)	-	Public Procurement Expert of City Hall; Public Relations Expert	-	100% of tender notices, notices on participation, awarding/results are published in various information sources (including on the webpage of the City Hall);
1.2 Publish awarding documentation of the webpage of City Hall	2017-2021 for each procedure	-	Public Procurement Expert of City Hall; Public Relations Expert	-	Awarding documentation is published on 100% of launched public procurement procedures
1.3 Develop a modern electronic registry of public procurement with modern search tools and filter (available on the webpage of City Hall)	2018-2019	-	Management of City Hall, Public Procurement Expert, Public Relations Expert	Local budget; external financing sources (grants)	Electronic ledger developed and accessible on the webpage of the City Hall

1.4 Organize trainings for the working group, public procurement experts of the City Hall, municipal enterprises, budgetary institutions, as well as companies on how to implement electronic procurement and use new electronic public procurement system - Mtender; procurement procedures, develop awarding documentation, criteria of contract award, monitoring contract implementation, etc.	2018	MDL 5,000	Management of City Hall	Management of municipal enterprises, budgetary institutions and other contracted authorities in the municipality; Local budget, grants	2 training sessions organized and carried in 2018; At least 40 persons trained
1.5 Engage Municipal Council in monitoring the procurement procedures and contracts by creating a special commission within MC responsible for ongoing monitoring	2017-2018	-	Management of City Hall, Municipal Council	Local NGOs	Special commission responsible for ongoing monitoring created within MC
1.6 Draft monitoring reports on public procurement contract implementation by the working group on public procurement and publish these on the webpage of the City Hall	Quarterly/ biannually/ annually	-	Members of Working Group on Public Procurement of the City Hall; Public Relations Expert	Local NGOs	Reports on public procurement contract implementation monitoring are published quarterly/ biannually or annually on the webpage of the City Hall
1.7 Include representatives of civil society as members of working group on public procurement	2017-2021 For each procurement procedure	-	Public Procurement Expert of the City Hall; Public Relations Expert	Local NGOs, associations, civic activists, citizens	At least 5 NGOs are active in the working group on procurements

<b>Strategic objective 2. Develop modern mechanisms to streamline the process of obtaining certificates and permits</b>					
<i>Action</i>	<i>Implementation period</i>	<i>Estimated costs</i>	<i>Responsible persons</i>	<i>Partners/funding sources</i>	<i>Performance indicators</i>
2.1 Implement electronic registry of electronic certificates/permits issued, validity period, rejected applications, etc.	2019	-	Management of City Hall; Design Office	Local budget; external financing sources (grants)	Electronic registry of electronic certificates/permits operational and available on the webpage of the City Hall
2.2 Implement internal document management system within the City Hall	2020	-	Management of City Hall; Local Council	Local budget; external financing sources (grants)	Internal document management system developed and operational
2.3 Publish Town Development Plan after obtaining general notice (on the webpage of City Hall, information board within the City Hall)	Within one week from obtaining general notice	-	Design Office; Architect; Public Relations Expert	-	Town Development Plan published on the webpage of the City Hall
2.4 Connect to the automated information system of handling and issuing permissive acts, notices and construction permits through one-stop-shop for authorizing construction works (since December 2017)	2017	-	Management of City Hall; Design Office;	-	City Hall is connected to information system by the end of 2017

2.5 Initiate an awareness and promotion campaign on the importance of urban plan and impact of failure to observe its provisions on city appearance and citizens	2018	?	Design Office; Public Relations Expert	Local NGOs, parents associations, educational institutions, citizens	Awareness and promotion campaign organized in 2018; At least 5 articles in local newspaper; 5 meetings with citizens, 1 publicity sport broadcasted on local TV and radio; 10 information boards; etc.
2.6 Develop a new section on the webpage of the City Hall ' <i>report an unauthorized construction</i> ', which would facilitate reporting of unauthorized constructions by citizens and would contribute to the prevention of such practice. Create a volunteer group to become 'eyes and ears' of the City Hall and report periodically on the situation with illegal constructions. Members will be trained in legislation and how to discover illegal constructions.	2017	-	Management of City Hall Design Office; Public Relations Expert	Local Council; Local NGOs	Section ' <i>report an unauthorized construction</i> ' on the webpage of the City Hall operational; 2/3 groups of volunteers created; 20 persons trained about legislation and how to discover illegal constructions.
2.7 Amend the internal Activity Regulation of the One-Stop-Shop that issue certificates and permits with the new legal provisions in the field	2017-2018	-	Management of City Hall Design Office;	Local Council	Internal Regulation on the activity of the One- Stop-Shop amended and updated in accordance with new legal provisions
<b>Strategic objective 3. Improve the quality of sanitation service by increasing the transparency and efficiency of ME 'Communal household Straseni'</b>					

<i>Action</i>	<i>Implementation period</i>	<i>Estimated costs</i>	<i>Responsible persons</i>	<i>Partners/funding sources</i>	<i>Performance indicators</i>
3.1 Amend, adjust and supplement the Statute of the enterprise to clarify all aspects in the relation with the Municipal Council and City Hall of Straseni Municipality	2017	-	Management of ME, City Hall of Straseni	-	Statute amended in accordance with the legal requirements and needs of the municipality
3.2 develop and approve the Regulation on sanitation public service	2017	-	Management of ME, City Hall of Straseni, MC	-	Set exact hours of the service, tariffs, manner of delivering the service, contractual liability of local authorities and enterprise
3.3 Develop and approve technical specifications of sanitation service delivery	2017	-	Management of ME, City Hall Straseni, MC	-	Clarify aspects of technical parameters of service delivery, engaged labor force, technical means, quality indicators, utility infrastructure
3.4 Define, add and approve the inventory of movable and immovable assets of the service and the Receipt and Acceptance Act of assets by the enterprise	2017	-	Management of ME, City Hall Straseni, CM	-	Inventory of all assets of enterprises finalized. Ownership right over all public assets registered. Proper registration of property. Personnel empowered with duties and skills to manage the determined property.

3.5 Create the webpage of ME or create a sub- webpage on that of the City Hall of Straseni	2017	Should be estimated at the webpage development phase by IT company	Management of ME, City Hall of Straseni	External financing sources (grants)	Webpage created, updated and operational
3.6 Publish annual activity report of ME, including on webpage	Within 4 months from the end of every financial year	-	Management of ME, Public Relations Expert	City Hall of Straseni, Local Council	Activity report of ME published annually on developed webpage
3.7 Publish the Statute of ME, internal regulations, auditor's report, annual public procurement plan, managers' CVs on the webpage	2017-2018	-	Management of ME, Public Relations Expert within ME	City Hall of Straseni, Local Council	Statute of ME, internal regulations, auditor's report, annual public procurement plan, managers' CVs published on designed webpage
3.8 Develop, approve and publish the contract on delegating service management	2017	-	Management of ME	City Hall of Straseni	Contract developed, approved, published on webpage
3.9 Develop and publish annual Action Plan of the service, technical specifications, by setting performance indicators, tasks and competences of director and personnel of ME	2018	-	Management of ME; City Hall of Straseni, Local Council	-	Technical specifications developed and published on the newly designed webpage
3.10 Develop and approve regulations on current operations at the enterprise	2017-2018	-	Management of ME; City Hall of	-	Clear Regulations regarding human resources management,

			Straseni		financial management, and accounting, decision-making process and resources and means allocation process. Marketing plan of the enterprise
3.11 Launch an awareness campaign in the community on negative impact of unauthorized landfills on the environment and city's appearance	2018	-	Management of ME; City Hall of Straseni	Local NGOs, educational institutions, citizens  Local budget; external financing sources (grants)	Campaign organized and implemented in 2018; At least 5 articles in local newspaper; 5 meetings with citizens, 1 publicity sport broadcasted at local TV and radio; 10 information boards; 10 civic education lessons discussing waste, etc.
3.12 Develop and implement an internal document management system for data management (including accounting) and internal documentation at the ME	2018	To be determined	Management of ME; City Hall of Straseni	Local budget; external financing sources (grants)	internal document management system developed and operational by the end of 2018
3.13 Develop and implement an itinerary, location, working time and waste evacuation management software for the garbage trucks	2018	To be determined	Management of ME, City Hall of Straseni	Local budget; external financing sources (grants)	Software developed and operational for all garbage trucks and monitoring system installed at ME by the end of 2018
3.14 Training of responsible personnel in using the software and data programmes	2019	5 000 lei	Management of ME, City Hall of	Local NGOs; ME budget,	At least 25 persons trained in using the

			Straseni	local budget	software
3.15 Develop, approve and publish Service development and extension plan	2018	20000	Subcontracted company	External funds	Transparency in service development and extension  Service sustainability conditions.  Control mechanism clearly defined in service development
3.16 Client satisfaction assessment on quality, accessibility, and transparency of sanitation service (extension of the contract will be based on the assessment results)	Annually?	?	City Hall, subcontracted company for evaluation	Local budget, External funds	Sociological research on the level of satisfaction of the citizens with the quality, accessibility, and transparency of sanitation service;  Extended contract
<b>Strategic objective 4. Ensure efficiency and transparency in land management in Straseni municipality</b>					
<i>Action</i>	<i>Implementation period</i>	<i>Estimated costs</i>	<i>Responsible persons</i>	<i>Partners/funding sources</i>	<i>Performance indicators</i>
4.1 Define and register all land plots – public property of Straseni Municipality	2019	-	Management of City Hall; Officials responsible for land regulation	Local budget; external financing sources (grants)	100% of plots – public property defined and registered

4.2 Implement land management software (define, change the destination, register the land – public property)	2019	-	Management of City Hall; Local Council	Local budget; external financing sources (grants)	Land management software functional
4.3 Organize training for responsible officials (public property management, software use, legal aspects, land delimitation/registration procedure)	2019	-	Management of City Hall	Local NGOs; Local budget; external financing sources	At least 10 persons trained
4.4 Create the Registry, including an electronic database, of land owners	2019	-	Management of City Hall, Officials responsible for land regulations	Local budget	Registry including electronic database developed and functional
4.5 Conclude partnership agreements with the municipalities of other states (such as Portugal) and organize exchange of experience and good practices, jointly apply for projects	2017 - 2021	-	Management of City Hall	Local NGOs; CALM	At least 6 agreements concluded; At least 4 grants received; At least 5 officials from the City Hall benefited of study visits, work visits and good practices transfer

## **PART V: Implementation, monitoring and reporting**

### **5.1. Institutional framework**

The implementation and monitoring of actions included in the strategic plan is conditioned by the responsible attitude and active involvement of all decision makers and officials of the City Hall, local council and external stakeholders. Only by combining the efforts of as many stakeholders as possible in implementing the actions of the Plan, the achieved results will be in line with the efforts and expectations of the administration and community. The abovementioned stakeholders are:

- ✎ Local public administration (management and administrative team, local Council) and local public service providers (municipal enterprise);
- ✎ Local public associations, NGOs and other civic groups;
- ✎ Business community;
- ✎ Residents of the city;
- ✎ External structures (National Anticorruption Centre, Government, international organizations).
- ✎ Other national organizations (Congress of Local Authorities of Moldova)

The implementation and monitoring of the Plan includes the following phases:

#### **1. *Adoption of the Strategic Plan***

The strategic plan will be subject to debates during sessions of local Council. After adjusting the Plan in line with the proposals received from councilors, it will be submitted for approval. After approving the Plan by decision of local Council, together with the executive body, it will coordinate midterm and annual action plans on the implementation of Strategic Plan in accordance with the Action Plan.

#### **2. *Implementation of the Strategic Plan***

The implementation of the plan will take place by implementing the actions, goals and objectives. For each action an implementation timeframe will be set, a person responsible for implementation and performance indicators. At the same time, the estimated costs will be provided as well as the financing sources of projects to be implemented.

#### **3. *Monitoring the Strategic Plan***

The implementation of strategies, actions and projects shall be monitored by means of progress indicators set in the Action Plan, which will show the implementation level and impact of strategic objectives. The monitoring process will include the assessment of actions, relation between implemented actions and formulated objectives, as well as to what extent the addressed policies produce expected results.

The structure and persons responsible for the implementation of the Action Plan will be set by decision of the local Council and at the same time, it is recommended to delegate the management and control duty to the executive body, in the person of the Mayor. The institutional framework will include the following:

- **A special commission within local Council**, responsible for monitoring the implementation of the Strategic Plan will consist of members appointed by decision of local Council;
- **Persons responsible** for the implementation of real actions and projects proposed for implementation.

The monitoring of actions and project implementation will be made based on **performance indicators** set in the Action Plan. The evaluation of the level of implementation of actions and strategies will be assessed annually. The Table in Annex 11 can be used as monitoring tool.

Every half a year, the persons responsible for the implementation will submit midterm (annual) reports on project/action implementation to the special commission. At the end of project implementation period, the monitors will submit final (annual) reports on monitoring. Further, the special commission responsible for monitoring the plan implementation will report on progress registered in implementing the actions, projects to local Council.

Based on the evaluation results and conclusions of the special Commission, the City Hall and local Council will update the Strategic Plan. The plan will be updated or amended based on evaluation results, amendments during the year, as well as the need to prioritize the projects depending on current needs of administration or community.

The evaluation and monitoring instruments used may include the cost-benefit analysis, midterm and final (annual) reports carried out by persons responsible to implement the actions as well as by consulting the opinion of beneficiaries/citizens.

## 5.2. Risk management

Any action or project initiated implies risks, which, if not managed properly, may affect the achievement of objectives and implementation of actions. Hence, taking into account the type of risk, probability and impact on achievement of strategic objectives, certain risk prevention or elimination actions are required.

Table 3. Risk assessment

<b>Risk</b>	<b>Prevention/elimination action</b>
<i>Internal</i>	
Formal achievement of actions and project activities by responsible persons	Accountability of people who implement the project's activities by setting clear duties, ongoing communication and result assessment
Insufficient financial resources to implement priority projects	Participate in project competition to attract grants; develop new partnerships with other authorities, with local NGOs; engage citizens, business community that can contribute financially; initiate discussions with the donor
Indifference and failure to involve the community to support actions and implement projects	Inform about all carried out actions and projects planned the external stakeholders, community and organize meetings with citizens to inform them about the need and benefits of actions included in the plan
Weak cooperation between	Setting responsibilities and create a special commission to engage actively the local councilors in assuming the

City Hall and local Council	responsibility and monitoring Plan implementation.
Insufficient human resources to properly implement the activities in due time	Engage many stakeholders in the implementation of actions and clear definition of responsibilities: officials of the City Hall, councilors, officials from the municipal enterprise, members of civil society and business community; motivation of officials and organization of training on project implementation
Low transparency and communication of activities and results	Appoint a person responsible for communication and ensure transparency regarding the implementation of activities, results; diversification of information sources
<b><i>External</i></b>	
Political instability	Cooperation and engagement of all stakeholders irrespective of political affiliation invoking the impact of the project on the welfare of the entire community; cooperation with all local councilors irrespective of the party they represent
Contradiction and frequency of legal amendments	Adjust the strategic plan in accordance with the new legal provisions; submit proposals to amend legislative and normative acts that are contradictory
Lack of Plan's sustainability due to changes in public administration after the local elections in 2019	Intensive promotion of the need and the impact of such plan on the society, which further may exercise pressure to stop or delay the implementation of actions