

Monthly Report to IRG and USAID
MUNICIPAL HEATING REFORM JOINT DONOR-GOU TASK FORCE
June 2008

Work Accomplished

- Battelle prepared a draft Charter for the Task Force and the Technical Working Groups; ARENA-ECO translated this for the Ministry of Residential and Communal Services.
- Meredydd Evans traveled to Ukraine to participate in the first Task Force meeting and work with the Government on the structure of the Task Force and the strategy for the reforms. She met with a range of organizations including the Ministry of Residential and Communal Services, the Ministry of Labor and Social Protection, the Ministry of Fuel and Energy, the National Electricity Regulatory Commission, the National Agency for Efficient Use of Energy Resources, the World Bank, EBRD and the German technical assistance organization GTZ.
- ARENA-ECO also prepared a resume of the reforms and an Assessment of the New Government's Interest in Municipal Heating.
- Battelle prepared a briefing paper for USAID in preparation for the first Task Force meeting.
- Battelle also prepared a background paper and talking points for a meeting between Ambassador Taylor and the Minister of Labor and Social Protection.

Highlights of Results in the Reform Process

- The Government of Ukraine held its first Task Force meeting on June 23, 2008. The Chair of the Task Force adopted several Protocols on establishing principals behind the reforms and creating technical sub groups.

Work Planned for July 2008

- Recommendations with regard to arranging necessary secretariat support and technical inputs from lower-level technical groups, governmental and non-governmental agencies, and other entities.
- Continued discussions with the GOU on its reform strategy.
- Responding to specific GOU requests on information regarding similar reforms elsewhere.
- We would like to have Tom Secrest travel to Kyiv in July, but unless the final funding tranche is approved quickly, we will likely need to delay his travel.

Deliverables Completed

- Charter for the Task Force and the Technical Working Groups.
- Assessment of the Government interests in municipal heating (by ARENA-ECO).

Difficulties Encountered and Remedial Actions

- The GOU organized the first Task Force meeting very quickly, which meant that the meeting faced some organizational challenges. In particular, several donors were not able to attend because they either heard about the meeting too late or were not included in the list of attendees allowed to enter the Cabinet of Minister's building.
 - We emphasized to the Ministry of Residential and Communal Services the need to organize such meetings well in advance to allow proper time for planning. The next meeting is tentatively scheduled for late September and will address the draft reform Strategy. Ensuring that invitations and agendas go out early is very important.
- We encountered a stop work for about a week in early June as we did not have confirmation that our staff could charge to the project and we faced in delay in getting the third tranche of funding. This delayed preparation of deliverables.