

**MUNICIPAL HEATING REFORM JOINT DONOR-GOU TASK FORCE  
SHORT-TERM CONSULTING ASSISTANCE  
July 2008  
Monthly Report  
PREPERED BY AGENCY FOR RATIONAL ENERGY USE AND ECOLOGY  
(ARENA-ECO)**

***PROJECT DESCRIPTION***

USAID and other interested donors (World Bank, EBRD, Nordic Environmental Finance Corp., European Commission, GTZ/KfW) have proposed the creation of a High-Level Task Force to be established between the donors and the GOU to coordinate the implementation reforms in municipal heating. A prospectus describing the donor community's interest in undertaking a coordinated assistance approach to supporting national and local government efforts in priority areas, including development of the High-Level Task Force, was signed by the U.S. Embassy, USAID, World Bank, EBRD, and NEFCO in August, 2007, and presented to Prime Minister Yanukovych and subsequently in December to Prime Minister Tymoshenko. The new Government has expressed interest in developing this Task Force and assigned the Ministry of Economy as the lead in responding to the donors.

Under this project, the proposed activity will help plan and establish the Task Force and help the Task Force develop and endorse a Strategic Action Plan to be used as a roadmap for municipal heating reforms.

***PROGRESS DURING REPORTING PERIOD***

The following tasks have been accomplished during the reporting period:

1. Recommendations on methods to be used by the Task Force for obtaining input from non-GOU stakeholders such as leading mayors, heat enterprises, energy efficiency experts and companies, and citizen groups including recommendations on methods, forms and strategies to be used by the Task Force to inform Ukrainian citizens about its work and reform progress were prepared.
2. Assistance the Battelle (contractor) to conduct meetings and discussions with the Government, the Parliament, donors/IFIs, as well as with other relevant parties on municipal district heating sector reforming was delivered.
3. Assistance the Battelle on transportation, translation and interpretation services as well as equipped office space with communication and secretary services was delivered.