

Task 5.3: Training of EECCA Local Government Experts in Financial Management for Environmental Infrastructure

Objective

To build local capacity in sound financial management systems for environmental infrastructure.

Background

In the 2001-2002 EAP TF program on strengthening investment capacity of local governments, two pilot cities (one in Russia, one in Ukraine) have developed multiyear investment programs (MYIP) with support of UK, Denmark and Norway. MYIP is a rational rule based approach to investment planning by local governments, supported by financial planning software, and integrated into local law. A critical mass of local expertise in municipal financial management is needed to maintain and update existing pilot MYIPs and manage their implementation. Therefore, formal training sessions for a certified program are proposed. It would enhance sustainability of the municipal finance and investment projects, since local experts will be more accessible and more affordable to EECCA municipalities.

Activities

- The training course will last for 4-5 days and will accommodate about 30 participants. Opportunities for organising the session at one of the Regional Environment Centres will be explored. Eligible trainees will take a final exam conducted jointly by local experts representing municipalities, and experts recommended by the EAP Task Force Secretariat (OECD) and IFIs. Curriculum of the training, trainers, questions and certification criteria will be developed in consultation with these institutions. The scope of the exam will draw from the best examples of comparable exams organised in the CEE countries, and will involve practical exercises demonstrating the ability of the trainee to solve practical problems. Successful trainees will be awarded a certificate co-signed by the representatives of all involved institutions.
- Training materials will be developed with a local training company and training will be delivered mainly by local trainers on the basis of experience of MYIPs developed so far in Russia and Ukraine. OECD experts will supervise the training. The participants will be local experts from city administration staff and independent consultants. Training will be focused on practical skills and exercises, based on the experience accumulated during the pilot MYIP projects in Russia and Ukraine.

Outputs

- Delivery of training materials and handouts for the workshops;
- Development of case studies with software applications tailored to participants' needs;
- Conducting a four-day training in co-operation with local presenters and public finance experts with a final certification.

Benefits/Outcomes

It is expected that the training will support the process of strengthening of local finance expertise and stimulate further reforms in municipal investment planning. Skills and practice in development of multi-year investment plans would strengthen the investment and borrowing capacity of selected EECCA municipalities. It is expected that other cities in the EECCA region will be interested in applying the MYIP tool and modernise their financial management systems. A critical mass of local expertise in municipal financial management is needed to maintain and update existing pilot MYIPs and manage their implementation. It would enhance sustainability of the municipal finance and investment projects, since local experts trained in OECD workshops will be more accessible and more affordable to EECCA municipalities.

