



## Romanian Municipality Plan Capital Investments



Photo: Cornelia Bucur

Constantin Toma, Vice-Mayor of Giurgiu, is a strong supporter of the capital improvement plan.

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A vital financial management tool and means of communicating with the public, a capital improvement plan links physical and economic planning by matching investment projects with funding sources and community priorities. But multi-year planning and budgeting for investment projects has not been a common practice among Romanian local governments. While conducting in-depth analyses and surveys, USAID found that none of the 79 local governments it worked with engaged in capital improvement planning—a major factor that has contributed to the continued deterioration of public infrastructure and basic services.

USAID supported the creation of a capital improvement plan for Giurgiu—the first of its kind in a Romanian municipality. The project began with training those who are directly involved in projecting investments in all departments and levels of the Local Council. They then made investment proposals for 2004–08, prioritized these proposals based on importance and community needs, and scheduled investment activities for each year through 2008. Giurgiu Vice Mayor Constantin Toma said that USAID “helped train those who are directly involved in drafting investment proposals, pushing and encouraging them to perform a difficult activity.... [USAID] experts proved to be not only highly trained and knowledgeable, but also persistent and dedicated. Most importantly, they taught us to be competitive in everything we do.”

Giurgiu was one of the first towns in Romania to draft medium- and long-term sustainable development strategies, extending 15–20 years. The capital improvement plan will supplement the strategies and priorities based on public debate and internationally accepted standards.

First Person

