



## INNOVATIVE PRACTICES

### PPB Helps Pensioners in Dnipropetrovsk Save Money

*The Municipal Budget Reform in Ukraine Project makes it possible to effectively use limited budget resources for the direct benefit of citizens.*



Vira Tkachenko and her favorite cat Alisa celebrate the free installation of meters.

It is not an easy life for pensioners in Ukraine today. One's modest pension has to pay for meals, clothing, utilities and to save for presents for the grandchildren. Vira Tkachenko, a pensioner who lives in Dnipropetrovsk, is familiar with this situation very well. She knows firsthand that current water and heating rates are not in line with actual costs and people like herself have to pay extra for the services used. Therefore, it is much more advantageous to use meters; however, the installation is not free and pensioner's modest budgets are always lacking costs for such expenditures.

The Dnipropetrovsk municipal government is trying to help citizens like Vira Tkachenko. In 2006, thanks to cooperation with the Municipal Budget Reform (MBR) project, the city passed a municipal budget in the Performance Program Budgeting (PPB) format, allowing the city to invest resources into the priority area of energy-saving. As a result, the program "Energy-Saving Activities in the City of Dnipropetrovsk for the Years 2007-2009" was adopted and, among other things, provided for the installation of utility meters for pensioners free of charge.

Vira Tkachenko was lucky to be one of the first to have a meter installed. "Now, I only pay for the heat and water which I have actually used. Given my pension, this provides significant savings and with the money saved I can buy something tasty for my grandchildren and my favorite cat Alissa," she said smiling.

The residents of Dnipropetrovsk believe that implementation of this type of program not only helps to make life easier for pensioners, but also contributes significantly to resolving the problem of energy-saving in Ukraine in general. Indeed, energy problems have become critical for Ukraine in recent years. Installation of meters in people's homes helps consumers to balance their energy use and save money while the municipal utilities are able to control and analyze energy use in a timely and efficient manner.