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QUARTERLY PROGRESS REPORT JULY – SEPTEMBER 2010

EGYPT WATER AND WASTEWATER SECTOR SUPPORT PROJECT

October 14, 2010

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Acronyms and Abbreviations

CIP	Capital Investment Planning
CMMS	Computerized Maintenance Management System (CMMS)
FaDWaSP	Fayoum Drinking Water and Sanitation Project
GIS	Geographic Information System
GOE	Government of Egypt
GTZ	Gesellschaft für Technische Zusammenarbeit
HCWW	Holding Company for Water and Wastewater
HR	Human Resources
HRD	Human Resources Development
ISSIP	Integrated Sanitation and Sewerage Infrastructure Project
IT	Information Technology
MARS	Monitoring and Analysis Reporting System
MHUUD	Ministry of Housing, Utilities, and Urban Development
MIS	Management Information System
NOPWASD	National Organization for Potable Water and Sanitary Drainage
O&M	Operations and Maintenance
OJT	On-the-job Training
OST	Observational Study Tour
PA	Public Awareness
PMP	Performance Monitoring Plan
PMU	Project Management Unit
PRiSM	Program Information System Management
QPR	Quarterly Progress Report
TOT	Training of Trainers
UAS	Unified Accounting System
UFW	Unaccounted-for Water
USAID	United States Agency for International Development
WPRR	Water Policy and Regulatory Reform Project
WWC	Water/Wastewater Company
WWSS	Water and Wastewater Sector Support Program
WTP	Water Treatment Plant
Y2WP	Year 2 Work Plan

Executive Summary

This Quarterly Progress Report (QPR) details activities of the USAID-funded Water and Wastewater Sector Support (WWSS) Program from July 1 to September 30, or months nine through eleven of program Year 2. Our activities during the period concentrated on: (1) replicating successful interventions initiated on a pilot basis during the preceding months, (2) evaluating the cumulative results and impacts of our work over the past two years, and (3) soliciting input from USAID, HCWW, and the operating subsidiaries ahead of our annual work planning exercise.

Quarter in Review

During this quarter, we wrapped up many of the tasks outlined in our Year 2 work plan, and made substantial progress toward planning our tasks for program Year 3, using our Year 2 results as a key input. An overview of the activities undertaken by WWSS during Year 2, including which functional activity was active in which governorate, is attached to this report as Annex D. Our annual program assessment, undertaken this quarter, allowed us to analyze the success of program activities while at the same time refining and adapting our approach for Year 3 activities. This assessment is described in detail in section PDC 3 below, and summarized results are provided in Annex C.

Over the course of Year 2, we “ring-fenced” program activities, compelling us to wrap-up certain low-impact and/or unsustainable activities, while at the same time committing an expanded share of program resources to demonstrated high-impact, high-return activities, such as our UFW/leak detection program, and plant level electricity rationalization and chemical optimization activities. These and other activities taken on by WWSS beyond our Year 2 work plan are described in Section 5 below. As the results described in the coming pages demonstrate, WWSS continues to be well-served by its emphasis on business planning and strategic HR development as key organizational tools, and a flexibility and prioritization of interventions allowing us to address urgent priorities as the sector evolves. Having identified a package of critical, high-impact interventions through our Year 2 experience, we will focus in Year 3 on expanding these activities in additional utilities and plants, and developing tools and capacity to sustain such activities into the future.

Accomplishments

The majority of our efforts this past quarter were focused on implementing previously initiated tasks in business planning, human resources development, and financial management, as well as on replicating O&M activities in the areas of energy use rationalization, chemical use optimization, unaccounted-for-water (water leak detection and related commercial loss minimization), along with systems to automate plant operation and maintenance management and improving plant-level maintenance and laboratory practices. As previously stated, our technical assistance approach emphasizes high impact/high return activities seeking to achieve technical gains (such as water loss reduction) and to instill in the sector the capacity to build upon those technical achievements in the future. Every promising intervention, or pilot activity, is complemented with reports and how-to manuals, advice on work organization and planning, additional hands-on training (including training-of-trainers), provision of tools and equipment, and regular, continued follow-up. This ensures that counterparts, especially at the subsidiary-level, are equipped with the necessary tools to carry out their daily tasks and address issues and emergencies as they arise.

Annual Subsidiary Assessment and Work Planning

In accordance with our project performance monitoring plan, and to inform our annual work planning process, we conducted an assessment at each subsidiary receiving WWSS assistance this quarter. The assessment was subsidiary-specific, designed to evaluate application of tools introduced by the project and the results of our activities to date. The assessment also served as a crucial baseline input to our Year 3 work planning process. Subsequent to the assessment, we conducted a joint HCWW-WWSS work planning exercise during which we discussed the assessment results and their implication for Year 3 work plan. Summarized results of the assessment are included as Annex C to this report.

Sections 1 through 5 of this report provide an overview of our activities, focusing on the institutional counterparts. In what follows, we present a summary of major accomplishments this quarter:

Utility business plans. Draft business plans have been completed in Menufiya, Assiut, Giza, Luxor, Sohag, Aswan and Qena. In September, Beni Suef held its final review workshop and we expect the plan to be completed in October. Matrouh and Minya's plans are expected in November. Our Year 3 work plan calls for ground-truthing and updating all 10 business plans starting in October, with a view of prioritizing programs and developing one-year action plans to be implemented by the utilities in cooperation with WWSS.

Human resource management and capacity building. This quarter, our team worked with six subsidiaries (Menufiya, Beni Suef, Sohag, Qena, Minya, and Matrouh) to put the finishing touches on their human resources development plans. Menufiya has completed its draft staffing plan, which is awaiting review and input from the Chairman. Several training courses in support of technical, management and financial administration tasks took place during the reporting period. The WWSS Program's advanced seminar series for utility executives, implemented in cooperation with the American University in Cairo, was officially launched in July. To date, two of the ten modules have been delivered.

Observational study tour. Following up on the success of the second Observational Study Tour (OST) for senior HCWW leadership to San Francisco CA, Washington DC, and Denver CO, the third OST was conducted this quarter. The group included senior leadership from HCWW and the Cairo Water Company, and was led by HCWW Deputy Chairman General Sayed Nasr. The trip concentrated on utilities and other water and wastewater related organizations in the New England region, and included visits to the Massachusetts Water Resources Authority, New England Water Works Association, the Narragansett Bay Commission and the Providence Water Supply Board in Rhode Island, and the Boston Water and Sewer Commission. The group returned to Egypt in early October.

Sector-wide IT master plan. The IT master planning activity is on track. Our subcontractor, ArabSoft, completed their assessment and due diligence visits in 22 subsidiaries. The upcoming agreed upon milestones include:

- Needs assessment report, 21 October, 2010
- Planning workshops, 15 November, 2010
- IT Master Plan, 15 March, 2011
- Implementation Plan (pending HCWW approvals of the Master Plan), May 15, 2011

Operator certification training development. We have completed first draft outlines for the Level D water treatment plant and the Level D wastewater treatment curricula, as well as a first draft of the Arabic glossary of terms. Coordination meetings with WPRR are ongoing, and we are presently trying to reschedule a presentation on this topic to the entire leadership of HCWW. Last August, we briefed HCWW Chairman, Dr. Khalifa, on the program, provided him with a copy of the materials (competencies, policy, decrees, etc.), and described our plan to develop the training courses. Dr. Khalifa agreed to have someone on board full time to manage this important initiative, and indicated that he would like to make a presentation of the certification program to subsidiary chairmen during one of the forthcoming Policy Committee meetings.

MARS. Changes agreed upon with the Holding Company are being incorporated into the current software version due for release in October. These include enhanced data control, improved capacity to generate reports and export data, additional financial indicators, and the modification of certain indicators. A system-wide upgrade and complete re-engineering of the MARS system will be completed with WWSS support by May 2011.

Public awareness and communications. We completed an outline of the subsidiary communication guidelines, due by the end of October. We plan on disseminating these to the subsidiaries in Year 3 through workshops, in cooperation with ongoing UNICEF training programs as appropriate.

Energy use rationalization. Most audits of energy use have been completed and our reports are posted on our website. In September, we purchased capacitor banks for the pilot plants audited, along with power factor analyzers for the subsidiaries and HCWW. The equipment will be distributed, and the capacitor panels installed, on a rolling basis during the first quarter of Year 3.

Chemical use optimization. Our chemical use methodology helps water treatment plants sustainably meet water quality standards by ensuring the appropriate dosage of chemical supplements for treated water. More often than not, this optimization process leads to a decrease in the amount of chemicals used and a decrease in costs. Our initial pilot results indicate the potential for annual savings of over LE 130,000 per plant. In view of the positive results, we have expanded our chemical optimization task to 10 governorates. This demonstrates the value of program flexibility—our ability to refocus program energies on high-impact, high-return activities. Chemical use optimization activities will continue to be core elements of our Year 3 program approach.

Rollout of our Computerized Maintenance Management System (MASTER). We have successfully released the beta version of the Maintenance through Systematic Tracking and Equipment Repair (MASTER) program, and drafted Arabic language user documentation. Along with the Dutch-funded Water and Sanitation Project in Fayoum (FaDWaSP), we have installed the program in seven governorates, and are gathering feedback and recommendations. We continue to receive requests to roll out MASTER in additional plants in additional governorates. In Year 3, we will release version 1.0 along with the user and administrator manuals, and continue installation, with the expectation of covering all utilities in our program.

Cairo Water Company financing study. At the request of HCWW, this study focused on the credit-worthiness and financing options for the Cairo Water Company (CWC). The key objective of the study was to identify and present the financing options available to water and sanitation companies in Egypt, and to provide them with the tools required to analyze and compare these options, using CWC as a case study. Despite significant improvements in the last few years, CWC still witnesses a weak financial position which is limiting CWC access to any sort of financing. The study reveals that if CWC maintains fixed tariffs, it is expected to face significant negative cash flow from operations. On the other hand, if tariffs are increased gradually on the basis of willingness to pay, positive cash flow from operations could be generated. The first draft of the study is now complete, and is being reviewed.

Standard operating procedures for water plants. The final version of the Kedwan, Minya SOPs were delivered to the plant staff in September, along with laminated poster-size operating instructions. Additional SOPs and posters are in production for three additional plants – two in Assiut and one in Minya.

Standard documents for subsidiary program/contract management. Volume III of the standard documents for construction contracting were delivered to HCWW for review in September. This volume covers the construction management process and includes responsibilities of construction management contractors, along with various forms and tools for use during the construction management life cycle. The second drafts of Volumes I and II were also submitted to and reviewed by USAID.

Provision of construction management contracting services for three companies. We signed an agreement with the Chairman of the Menufiya WWC outlining mutual roles and responsibilities in the upcoming construction management contract for the Adnan project in Sadat City. For the Sohag and Assiut projects, we are in discussions with USAID about the approach, which may involve ongoing USAID-funded FARA projects in these two governorates.

Equipment procurement and distribution. A substantial amount of equipment was distributed to subsidiaries in the past quarter. A list of equipment delivered this quarter is included as part of section PDC 5 below, and a summary of total procurement items delivered by WWSS to date, as well as the list of final equipment to be delivered during October, is included in Annex B.

Sinai. Members of our team visited the Sinai Water and Wastewater Company in September to ascertain the needs of this utility in anticipation of its eventual inclusion in the WWSS Program.

Introduction

The USAID-funded Water and Wastewater Sector Support (WWSS) program (2008 – 2012), implemented by Chemonics International, is strengthening the capacity of national and regional water and wastewater companies to deliver quality services in a cost-effective fashion. By providing technical support in utility management, the project team is assisting water and wastewater companies to implement recent Government of Egypt reforms aimed at improving operational performance and attracting private investments to the sector. To achieve these goals, the project has four key objectives:

- Increase financial and commercial viability of existing water and wastewater companies
- Establish new regional water and wastewater subsidiaries
- Develop and implement a capital investment planning and program/project monitoring and management mechanism, and
- Build the capacity of staff, increase managerial, technical and operational efficiency, improve the quality of services, and expand access to water and sanitation

The WWSS strategy to achieve these objectives is built on the following four pillars:

- Business planning as a central management and accountability tool
- Flexibility and prioritization of interventions: customer-driven, flexible, and responsive ability to address urgent priorities as the sector evolves
- Leveraging partners' expertise and the resources of other technical assistance providers
- Elevating human resource development and organizational change to strategic levels

This Quarterly Progress Report details activities and accomplishments of the USAID-funded WWSS Program from July 1 to September 30, or months nine through eleven of program Year 2. The report discusses progress achieved during the quarter against the tasks laid out in Year 2 Work Plan (Y2WP) as well as descriptions of additional activities undertaken by the WWSS team beyond our Y2WP. The report is organized around the following sections:

1. Assistance to the Holding Company
2. Cross-cutting activities targeting one or more subsidiary company in a particular functional area of operations
3. Subsidiary-specific activities relating to tasks undertaken with a particular utility, among the 12 mandated in our scope of work, namely: Aswan, Luxor, Qena, Assiut, Sohag, Minya, Beni Suef, Giza, Cairo, Matrouh, Menufiya, and Daqahliya
4. Program development and coordination efforts, and
5. Activities implemented beyond our work plan activities

For the purpose of facilitating monitoring and follow up, we have included, in Annex A, an Activity Tracker, summarizing the status of program activities against the work plan timeline. This tracker now includes activities taken on beyond our Y2WP. Additionally, the narrative includes every work plan task, with reference to the planned dates.

1. Component A: Assistance to the Holding Company for Water and Wastewater

HC 1 -- Establish and facilitate a Joint HCWW-WWSS Working Group (*Months 1-12*). The Joint HCWW-WWSS Working Group did not meet this quarter. Worth noting here, however, is our Program Year 3 planning retreat, held from September 14-16 at the Zamalek Residence, during which there was strong HCWW participation by multiple departments. During the retreat, we discussed the accomplishments and challenges encountered during program Year 2, and planned program Year 3 activities. Our planning process was greatly benefited by HCWW perspectives and involvement.

HC 2 -- Assist in ongoing development of the HCWW business plan (*Months 3-12*). This task has been taken on by GTZ now that the HCWW organization chart is completed. We will continue to play a supporting role, taking advantage of complementary program activities, including the development of a corporate communications strategy and an HR strategy to be integrated into the business plan. We also continue to link subsidiary business plans to HCWW strategic objectives, and we remain ready to assist should GTZ and/or the HCWW request assistance in the future.

HC 3 -- Develop a corporate communication strategy (*Months 3-5*). This task is complete, culminating in the June 2010 presentation of the final draft of the Strategy to Public Awareness and Public Relations unit representatives from all subsidiaries, the incorporation of their feedback, and the subsequent presentation of the Strategy to all subsidiary Chairmen during the June Chairmen's Forum held at HCWW. The Strategy is now being used both by HCWW in its ongoing activities, as well as by WWSS in our preparation of the subsidiary communication guidelines, discussed below in CC 6.

An example of the impact of the Strategy on HCWW and its subsidiaries can be found in the response of HCWW and Cairo Water during a major pipe burst in New Cairo. Taking into account the proactive approach laid out in the Strategy, HCWW and Cairo Water formed a task force as soon as the pipe burst was reported, assigned a press manager on site around the clock, and dealt with the burst in a transparent and responsive manner. While press coverage undoubtedly presented the negative consequences of the burst, HCWW and Cairo Water were portrayed in the press as capable and trustworthy managers of water resources.

HC 4 -- Provide ongoing support to the public awareness unit (*Months 1-12*). We held regular meetings with the HCWW public awareness (PA) unit and supported several activities, including:

- *Assistance for the July 2010 international conference.* Our communication staff actively participated in the design process for the July conference on Sustainable Water Supply and Sanitation, and worked closely with HCWW to produce and review designs for banners, booths, and print materials. WWSS staff presented six technical papers at the conference.
- *Customer service and public outreach module for Advanced Management Seminar Series for Senior Utility Executives.* WWSS communications staff is providing ongoing assistance in the preparation of the Customer Service and Public Outreach AUC course module. Kindly refer to CC 2 for additional details.
- *Work planning for WWSS program Year 3.* During this quarter, we coordinated with HCWW staff from the PA and Donor Assistance Coordination units to plan out communications-related activities during WWSS program Year 3. Among other meetings this quarter, HCWW PA unit manager Neveen Abdul-Rahman and donor assistance coordinator Noha Khodeir participated in WWSS's September 14-15 work planning retreat.

HC 5 -- Support the development of HCWW IT master plan (*Months 1-12*). After a four-month delay, the IT master planning activity was initiated in late July. To date, the ArabSoft team, an Alexandria-based information technology consultancy contracted to prepare the IT master plan, has visited 22 companies. Of these, 13 have submitted IT assessment reports (Alexandria Water, Alexandria Wastewater, Beheira, Cairo

Wastewater, Damietta, Giza, Kafr El Sheikh, Menufiya, Assiut, Sohag, Gharbiya, Sharqiya, and Daqahliya), and we are still waiting for assessment reports from 9 others (Cairo Water, Beni Suef, Minya, Matrouh, Fayoum, Sinai, Luxor, Qena, and Aswan).

The upcoming milestones, as agreed upon with HCWW and ArabSoft, include:

- Needs assessment to be completed by 21 October, 2010
- Planning workshops to be concluded by 15 November, 2010
- IT Master Plan to be drafted by 15 March, 2011
- Pending HCWW approvals, Implementation Plan to be drafted by May 15, 2011

HC 6 -- Develop a Human Resource Management and Development Strategy (*Months 6-9*).

During this quarter, WWSS provided assistance to the HR Sector to update the HR Strategy's Year 1 Action Plan, which they are using as a live document to track their activities. The Strategy and Action Plan were translated into Arabic this quarter and handed over to HCWW.

HC 7 -- Assist in development of HCWW position descriptions (*Months 3-5, 8, and 11*). As reported last quarter, this task is now being undertaken by GTZ. WWSS continues to support activities in this area through the development of the staff performance evaluation system.

HC 8 -- Procure and install a human resource management information system (*Months 3-12*).

Activities related to this task are ongoing. Please refer to section CC13 below for a discussion of the HR MIS in the context of the installation of the ADVAC accounting, payroll and human resources management software.

HC 9 -- Conduct study of financing options for implementation of the rural sanitation strategy

(*Months 4-5*). At the request of HCWW, this task was reformulated to focus on the credit-worthiness and financing options for the Cairo Water Company (CWC). The key objective of the financial study is to identify and present the financing options available to water and sanitation companies in Egypt, and to provide them with the tools required to analyze and compare these options, using CWC as a case study. Despite significant improvements in the last few years, CWC still witnesses a weak financial position which is limiting CWC access to external financing, without a sovereign guarantee. The study reveals that if CWC adopts the optimization plans, while maintaining fixed tariffs, it is expected to face negative cash flow from operation of around LE 12 billion and would require additional finance of LE 29 billion. On the other hand, if tariffs are increased gradually on the basis of WTP, positive cash flow from operation would amount to LE 22 billion and government would need only to support the company by LE 2.1 billion over the 15 year projection period. The first draft of the study is now complete, and is being reviewed. The document will be finalized in the upcoming quarter.

HC 10 -- Support the establishment of an HCWW PMU (*Months 1-12*).

Last quarter, a new counterpart for this task was appointed at HCWW: Dr. Salah Bayoumi, Head of the Construction Management Sector, who now supervises Dr. Hossam Kashef, Director General for Planning and Follow Up. During this quarter, we focused on transfer of WWSS-supported tools to Dr. Bayoumi to assist him in oversight of the sector's construction projects. We oriented Dr. Bayoumi to the proposed organizational chart for his unit and to the PRiSM system, using a live demo of the software program. Dr. Bayoumi is currently preparing to present the organizational chart and program to HCWW leadership, and we are providing support during this process. In addition, we provided Dr. Kashef with a PRiSM manual, and followed up with him on PRiSM related tasks as described in CC14. In addition, we followed up concerning the equipment allocated to the division as part of the WWSS procurement. Some of the software has been delivered, as has some of the hardware. All procurement is expected to be delivered in the upcoming quarter. PDC5 provides additional updates on the status of the WWSS procurement.

HC 11 -- Facilitate coordination among donor projects (*Months 1-12*). As reported in previous quarters, ongoing coordination with GTZ, Dutch cooperation, and the Swiss Embassy continued this quarter, as follows:

- *Maintenance management with the Dutch Fayoum Drinking Water and Sanitation Program (FaDWaSP).* After testing the WWSS designed computerized maintenance management system in Fayoum, we worked with the FaDWaSP team to install the program in five plants – one each in Minya, Beni Suef, Sohag, Assiut, and Qena. We continue to cooperate closely with the FaDWaSP team to ensure that the program is well established in each of the plants, and have agreed to hold an additional training program next quarter and to integrate the five plants in our Year 3 MASTER roll-out plan.
- *Concept paper development with the Swiss Embassy.* During this quarter, the Swiss Embassy reviewed the concept paper we developed in cooperation with their Egypt representative for a construction management effort in Sohag. The Embassy declined to fund it, as their priorities are for research efforts instead of implementation efforts.
- *Ongoing coordination with GTZ.* We continue to meet and correspond regularly with GTZ on a number of issues related to HCWW HR and Qena assistance. We initiated discussions this quarter on operator certification, as it relates to the career path planning that GTZ is developing with HCWW.

HC 12 -- Sponsor HCWW HR Management Diploma candidates (*Month 3*). This task is underway. Five Holding Company staff members are enrolled in the program. All candidates expected to complete their diploma course by December 31, 2010.

2. Component B: Cross-Cutting Activities

CC 1 -- Facilitate business plan exercises in WWSS-supported subsidiaries (*Months 1-12*).

Subsidiary engagement with business planning activities remains strong. Two more drafts were completed this quarter (Qena and Aswan), adding to the five already completed (Menufiya, Assiut, Giza, Luxor and Sohag) bringing the total number of completed business plans to seven. In addition, the business planning process is underway in three more governorates (Matrouh, Beni Suef, and Minya). The Matrouh business plan will be completed by the end of October. Exceeding work plan targets, the Minya and Beni Suef business plans were also initiated in Year 2, and will be complete by the end of November, 2010. We will initiate updates with WWSS-targeted companies during program Year 3. This past quarter, Qena and Aswan issued policies to establish business planning units to monitor and coordinate business planning activities. The business planning process in both of these governorates received considerable community support. For example, in Qena and Aswan, academic representatives and local government officials were invited to attend the business plan review/buy-in workshops. The following table summarizes progress of business planning activities thus far:

No.	Milestone	WWSS Business Planning Status									
		Menufiya	Assiut	Giza	Luxor	Sohag	Qena	Aswan	Matrouh	Beni Suef	Minya
1	Training Workshop	Jun-09	Jun-09	Jun-09	Jun-09	July-09	Feb-10	July-10	June-10	Sept-10	Nov-10
2	Write-up/ Technical Assistance	Dec-09	Dec-09	Feb-10	Feb-10	Mar-10	Apr-10	Aug-10	Sept 10	Sep-10	Nov-10
3	First Draft-Complete	Dec-09	Dec-09	Mar-10	Mar-10	May-10	May-10	Sept-10	Oct -10	Sep-10	Nov-10
4	Review/ Buy-in Workshop	Jan-09	Jan-09	Feb-10	Mar-10	May-10	June 10	Sept-10	Oct -10	Sep-10	Nov-10
5	Final Draft-Complete	May 10	May 10	May 10	May 10	June 10	June 10	Sept-10	Oct-10	Oct-10	Nov-10

CC 2 -- Design and implement an Advanced Management Seminar Series for Senior Utility Executives (*Months 6-12*).

Course material development is progressing, with approximately half of the course module materials completed to date. Implementation began in July, and the second module was delivered in August. Implementation will continue in October, with Module 3 on Business/Strategic Planning, and the first class of trainees will receive their graduation from AUC in the Spring of 2011. The accompanying box lays out the modules which make up the seminar series. 26 senior managers from 11 subsidiaries and HCWW are participating in the series.

Advanced Management Seminar Series for Senior Utility Executives: *Course Modules*

1. Legal and reg. framework of the W/WW sector
2. Organizational development and HR mgt.
3. Strategy development and corporate planning
4. Financial management and business analysis
5. Customer service and public outreach
6. Capital investment planning and program mgt.
7. Construction management and supervision
8. Operation and maintenance
9. Mgt. of information systems and technologies
10. Procurement and outsourcing

CC 3 -- Design and conduct monthly leadership forum (*Months 2-12*). No leadership fora took place this quarter. Since the beginning of this year, we have supported HCWW in the development and implementation of two leadership fora; the first held in Alexandria at the Palestine Hotel to discuss the legal framework of water and wastewater in Egypt held in March/April this year, and second held in June to present and discuss sector communications, AUC utility management certificate, and the role of subsidiaries in selecting the appropriate training candidates. It is not

expected that we will provide additional assistance on this task in Year 3.



Organizational development and HR management module of AUC Seminar Series, July/August 2010

CC 4 -- Implement two study tours to world-class water and wastewater institutions and international conferences (*Months 1-7*). During this quarter, WWSS undertook a variety of logistical preparations for the third observational study tour for a delegation of senior officials from HCWW and the Cairo Water Company to selected water and wastewater utilities in the New England area. The pre-departure orientation included a presentation on the technical program and planned activities, and provided participants with materials on the sites to be visited, along with contact, insurance and logistical information. Dr. Salah Bayoumi, head of the projects division of HCWW was unable to participate, as originally planned and was replaced by an alternate, from HCWW. The participants consisted of:

1. General El Sayed Nasr, Deputy Chairman for Technical Affairs, HCWW.
2. Eng. Ahmed Ragab, HCWW
3. Eng. Essam Soliman, Cairo Water Company
4. Eng. Gihan Mohamed, HCWW
5. Dr. Hossam El-Kashef, HCWW
6. Eng. Mohamed Adel (replacing Dr. Bayoumi), HCWW

Participants departed from Cairo on September 24, and returned October 3. Ms. Nancy Barnes and Eng. Ahmed Kandil of WWSS accompanied the delegation while in the U.S. After a second briefing in Boston, the group visited on September 27th the Massachusetts Water Resources Authority (MWRA) and toured MWRA's John Carroll WTP, which provides Boston its drinking water as well as 40% of Massachusetts. On the following day, they visited the Boston Water and Sewer Commission, responsible for the collection, distribution, billing and maintenance of the network. The next day the participants toured Deer Island wastewater treatment plant, which takes wastewater from over 60 communities and provides secondary treatment of sewage collected before transferring it to the ocean through a 9-mile outfall. On September 30, the group attended a presentation at the New England Water Works Association, during which they learned about the objectives of this professional organization, its educational activities and public outreach program aimed at protecting and improving potable water quality and enhancing utility operations. Later, the group visited the Providence Water Supply Board's water purification plant and water quality laboratory in Scituate, Rhode Island. This was followed on October 1st with a final visit to Narragansett Bay Commission in Rhode Island, where the participants were appraised about ongoing efforts to combat pollution and meet regulatory requirements. At the conclusion of the trip, the group participated in an evaluation session about the tour, discussed lessons learned, and explained how these could be applied in the Egypt context.

CC 5 -- Provide training to HR personnel (*Months 1-12*). The WWSS HR team provided ongoing technical assistance to staff from all WWSS-supported subsidiaries' HR personnel to develop and implement their companies' HR plans. Based on this assistance, some subsidiaries (Qena, Sohag, Beni Suef, Menufiya, and in the coming weeks Matrouh) have adjusted their HR plans and submitted them to HCWW. All WWSS supported subsidiaries are submitting their training plans annually to HCWW. A range of HR-related activities have been undertaken beyond our Year 2 Work Plan; additional details on these activities are provided in section Beyond 3 below.

CC 6 -- Develop communications planning guide (*Month 12*). This activity is currently underway, and WWSS Communications staff held a series of meetings this quarter with our HCWW counterparts to plan and outline the guide. The guide will build on the foundation of the Communications Strategy, presented to subsidiary public awareness and public relations department heads and to subsidiary chairmen in June, as described in HC 3 and in QPR 6. Valuable feedback, which was collected from divisional staff during these and other interactions with HCWW and subsidiaries, is being incorporated into the guidelines. We will finalize the guidelines in October, and will roll them out to WWSS supported utilities through training in Year 3, in cooperation with UNICEF training programs where appropriate.

CC 7 -- Reengineer/upgrade MARS and provide ongoing support (*Months 1-12*). WWSS continued to provide day-to-day support to subsidiaries on the MARS system. A system-wide upgrade and complete re-engineering of the MARS system was delayed and will be completed with WWSS support by May 2011. In the interim period, we agreed upon and proceeded with a number of changes to the system, including:

- Increased protocols regarding data control
- Quarterly entering of budget figures
- Tools for generating reports
- Improved Excel export functionality
- Additional financial indicators and certain modifications to other indicators
- Improved integration between data and indicators
- Enhanced quality control module; enhanced integration with the technical monitoring module
- Enhanced technical monitoring module, to: include O&M cost and budget comparisons, develop work orders for repairs, produce comprehensive reporting about O&M by utility unit, and integrate with MASTER
- Additional modules related to: 1) collections on a branch and customer class level; 2) summary of complaints received from the 125 hotline; and 3) unified HR data at the employee level

The WWSS MARS/MIS Specialist has nearly completed these modifications, which are on schedule for deployment centrally by HCWW in October, as agreed with Eng. Khaled Gomaa at HCWW. In addition, to increase the speed and functionality of MARS, we delivered and installed two blade servers and a router this quarter at the HCWW. One server will be used as the web/application server; the second blade server will be used as the database server.

CC 8 -- Conduct O&M planning and budgeting workshops (*Months 1-5; 7, 8, and 11*). The Y2WP planned this activity for Sohag and Assiut, and to date we have completed the plans/budgets for Sohag, Giza, and Menufiya. Preparations are also underway in Luxor and Assiut. We will discontinue the current approach in Year 3 as we have learned that despite the accuracy and potential uses of the document, they are not being fully utilized in the field. A joint WWSS-HCWW task force is currently evaluating the entire subsidiary budgeting process with a view of simplifying it and standardizing the reporting formats.

CC 9 -- Conduct field visit to Alexandria Water Company's laboratory (*Month 7*). This task has been suspended as GTZ is conducting intensive training of lab technicians across the country. Our efforts have concentrated on QA/QC in utility laboratories and on courses aimed at filling in knowledge gaps.

CC 10 -- Conduct network management workshops (*Months 4, 7, 11*). This activity has been incorporated into other project training activities, including water leak detection programs (Year 2 and 3), the forthcoming training of trainers (Year 3), and the AUC Seminar Series (Year 2 and 3).

CC 11 -- Develop and deliver financial accounting and cost accounting manuals (*Months 1-4, 6-7, 10-11*). After an external review, these manuals have been re-designed. Volume I will be completed in October, with others to follow in Year 3.

CC 12 -- Conduct Unified Accounting System (UAS) training program (*Months 2-3, 6-7, 10-11*).

This training has been ongoing throughout Year 2, and is expected to continue in the upcoming quarter in conjunction with ADVAC activities. Additional training will take place following the finalization of the manuals described in CC 11.

CC 13 -- Support installation of ADVAC system at select subsidiaries (*Months 1-9*). We continued to support the Luxor, Assiut, Matrouh and Giza companies, who received all three phases of ADVAC assistance (installation, operation, integration) last quarter. We also completed installation at the Sohag and Daqahliya companies (see also Beyond Y2WP 2), and agreed to provide, in the coming quarters, an additional IT-related training module to ensure proper IT support for the system at each company, and to integrate this module into the three-phased ADVAC assistance methodology moving forward. At the same time, as agreed upon with HCWW and ADVAC to provide five additional ADVAC licenses for Alexandria Water, Red Sea, North and South Sinai, and Qalubiyah. To support the ADVAC HR module, during this quarter we facilitated a visit from the ADVAC HR representative to Matrouh based on the Matrouh Chairman's request, which resulted in the production of September payroll using ADVAC. We will work with HCWW in the next work plan year to roll ADVAC out to additional companies of their choosing. In addition, additional activities related to ADVAC installation and support beyond our Y2WP are underway, as described later in Section 5 below, Beyond 2.

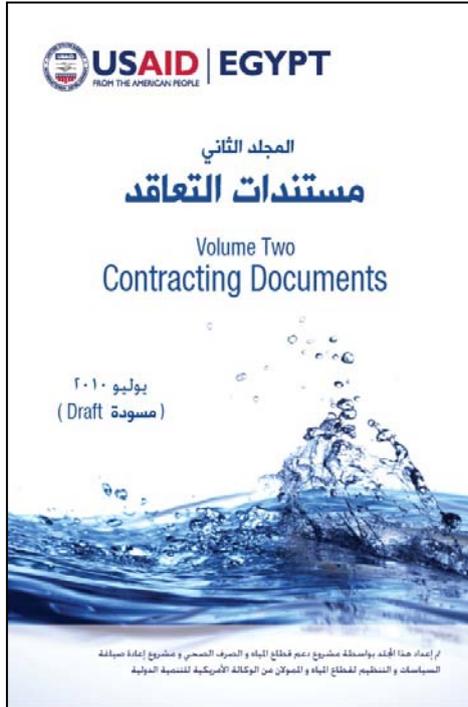
CC 14 -- Provide ongoing PRiSM support (*Months 1-12*). We provided a technical paper on PRiSM during the July HCWW conference, followed up with WPRR to enhance PRiSM features, and provided continuous follow-up related to reports and updates for subsidiaries. In addition, our team continued to attend the weekly meeting at MHUUD related to PRiSM to monitor performance at subsidiary companies on data updates. The level of updating remains over 90%. In addition, we provided a presentation to Dr. Salah Bayoumi at HCWW on PRiSM, the newly appointed head of HCWW's Construction Management sector, as described under HC10, and followed up with Dr. Hossam Kashef, HCWW's Director General for Planning and Follow Up, by providing him with a step-by-step manual and FAQ on PRiSM functionality.

CC 15 -- Develop capital investment planning and budgeting manual, and provide orientation (*Months 1-5*). The draft volume, completed last quarter, is currently under final review. Based on these reviews, the WWSS CIP team will enhance the existing content and develop additional sections. The manual now covers: new assets, rehabilitation and replacement, and capital improvement projects. The manual refers to using hydraulic modeling, GIS, and master plan reports as tools for preparing the CIP plans. It is currently being reviewed internally and by an outside expert, Eng. Mahmoud Sarnegawy, former head of NOPWASD, and will be finalized by the end of October.

CC 16 -- Develop and disseminate standard key documents for projects life cycle (*Months 1-6*). WWSS, in cooperation with WPRR, is producing a series of documents based on international best practices on the construction management project life cycle. These documents will be used by MHUUD and all organizations under the Ministry, including HCWW and its subsidiaries, to improve their ability to manage the life cycle of activities related to construction management. These documents will standardize procedures across MHUUD agencies, thus ensuring greater process transparency, reduced procurement time, increased reliability of contracting, and reduced contract related disputes.

This quarter, the WWSS Program Management team, in cooperation with their counterparts at WPRR, submitted second drafts of Volumes I and II to USAID and HCWW, incorporating preliminary feedback, and will finalize these in the coming quarter. Additionally, the two projects jointly submitted the first draft of Volume III to HCWW and USAID. The contents of the various volumes are as follows:

- *Volume I: Contracting Documents.* This volume includes templates and examples of procurement documents for use in contracting design, studies, construction and construction management services. It includes the following sections: Project life cycle; Pre-qualification of Consultants; Invitation to Provide Consulting Services; Request for Proposals for Construction Management; Pre-Qualification of Contractors; Elements of Construction Documents; and Guidelines to General and Special Conditions of Contract.



- *Volume II: Contracting Policies and Procedures Manual.* This volume provides guidelines on procurement ethics based on practices adopted by both CH2M HILL and Chemonics International, and the various steps of tendering procedures from advertisement through award. It consists of the following sections: Project Chartering; Procurement Ethics; Tendering Policies and Procedures; Procedures for establishing a “Dispute Review Board;” Meaningful Indicators for the Construction Industry; and an Outline for O&M manuals.

- *Volume III: Managing Construction Work.* This volume covers the construction management process and includes responsibilities of construction management services (CMS) and various forms and tools for use during the construction management life cycle.

CC 17 -- Develop site identification and acquisition procedures (Months 6-8). At the request of the Holding Company, this task has been cancelled. Site identification and acquisition procedures are not a pressing need, since sites for projects are allocated directly to the companies from the local or central government.

CC 18 -- Conduct planning and scheduling training program (Month 5). This task was completed in February, 2010.

CC 19 -- Coordinate with the WPRR Program on implementing the Operator Certification Program (Months 6-8). Pursuant to the request of the Ministry of Housing, the task has now expanded to cover water and wastewater treatment plant operators, as well as laboratory analysts in both the water and sanitation sectors. The WWSS team developed scopes of work for operator certification training course development and identified the lead consultant through our partner, Chemonics Egypt. We developed a first draft of the Water Treatment curriculum outline as well as the English/Arabic Glossary of Terms, which will be completed next quarter in addition to the materials for the first course - Water Treatment, level D. We will present the program to the HCWW in October, to provide an overview of progress and to identify the HCWW counterpart for this task.

CC 20 -- Training of customer service and billing center staff (Months 3-8). As part of the ongoing UFW reduction programs in Luxor, Assiut, Sohag, and Aswan, the WWSS team provided on-the-job training on billing and customer service systems. As a complementary activity, the WWSS team has provided equipment, including printers and computers, via our general procurement activity to the Assiut WWC customer service and billing center, and will provide additional equipment to Assiut, Sohag, Giza and Menufiya as part of the ongoing WWSS procurement. Kindly refer to PDC 5 below for the status of procurement activities.

3. Component C: Subsidiary-Specific Activities

Sohag Water and Wastewater Company

SOH 1 (See CC 1) -- Assist in the ongoing development of the Sohag WWC business plan (*Months 1-5*). This task is completed, as reported on in QPR 6. Additional details are provided in CC 1.

SOH 2 (See CC 5) -- Launch Sohag WWC human resources department (*Months 1-5*). This task is completed, as described in QPR 6. Ongoing support is being provided as described in section CC 5, as well as the Beyond Y2WP section, Section 5, later in this report.

SOH 3 -- Develop Sohag WWC staffing plan (*Months 2-5*). The Sohag staffing plan will be developed during Year 3.

SOH 4 (See CC 11, 12, 13) -- Strengthen Sohag WWC finance department (*Months 1-12*). During this quarter, we worked with the Sohag Finance Department by providing on-the-job training on the preparation of a cost accounting chart, to be used for creating cost centers within the ADVAC system, helped with entry procedures for expenses, and provided technical assistance in the production of cost statements and financial statements. In addition, the Sohag WWC participated in the ADVAC training described in CC 13.

SOH 5 -- Support Sohag WWC warehouse and procurement unit (*Months 2-6*). This activity has been suspended, as we focus project resources on other priorities with higher expected return. In Year 3, we will consider installing the ADVAC warehouse and procurement module, which is currently under pilot testing at the Cairo Water and Gharbiya Water and Wastewater companies.

SOH 6 (See CC 20) -- Establish a billing and customer service center (*Months 4-6*). These activities will continue in Year 3 as part of ongoing UFW programs in Sohag and Assiut.

SOH 7 -- Assist in development of O&M plan and budget (*Months 6-9*). During the quarter, the WWSS O&M team continued to provide on-the-job training and follow-up to review and encourage progress in developing the O&M plan and budget. The plan and budget in Sohag is now complete and will be published next quarter. O&M planning capabilities are currently being used by the utility in auditing existing data related to governorate population, and water and wastewater plants and networks, and establishing priorities for maintenance projects. As noted in CC 8, we will be simplifying and standardizing the reporting formats used.

SOH 8 -- Enhance utilization of laboratory (*Months 7-9, 11-12*). The WWSS team's support to the Sohag company's central lab this quarter included the development of sample SOPs for physical and chemical analysis and the delivery of a course on quality assurance and quality control of lab activities (also in attendance were laboratory staff from Beni Suef and Minya). In addition, the Sohag lab benefited from work undertaken by WWSS in chemical optimization, described in "Beyond 8" below. The utility indicated an increase in lab professionalism and procedure standardization as a result of WWSS assistance.



QA/QC training for Sohag Laboratory, July 2010

SOH 9 -- Provide technical and on-the-job training for Sohag GIS unit (*Months 7-12*). This quarter, WWSS installed the ArcGIS software, and provided OJT on the ArcGIS program to 11 engineers from the Sohag GIS and IT departments. They have used the software to generate maps as part of ongoing UFW activities.

SOH 10 -- Support the establishment of the Sohag WWC PMU (See also tasks CC 14, 15, 16, and 17). (*Months 6-8*). Sohag's PMU is established and operational, and equipped with WWSS-provided tools including guidance on the unit's organizational design as well as software and hardware. WWSS work on this task is now complete. In addition, from July 18-21, the WWSS team carried out a four-day training program on WaterCAD, including problem solving techniques, for five utilities, including Sohag. We will remain engaged with the PMU in Year 3 in ongoing capacity building, and in providing the PMU with the remaining procurement items.

Assiut Water and Wastewater Company

AST 1 (See CC 1) -- Assist in the ongoing development of the Assiut WWC business plan (*Months 1-5*). The draft plan is completed, as reported in QPR 6. Additional details on the overall business planning process are contained in CC 1.

AST 2 (See CC 5) -- Launch Assiut WWC human resources department (*Months 1-5*). This task is completed. Additional activities undertaken are summarized in Section 5, "Beyond 3." In Assiut, the department was launched; however its effectiveness has been limited by the subsequent departure from the organization of the head of the division as well as the head of the training department. Once replacements are identified, we will resume work on this task.

AST 3 -- Develop Assiut WWC staffing plan (*Months 2-4*). During this quarter, we worked with the Chairman and the Head of the Technical Division, Eng. Tadros, assigned by the Chairman to lead this task. We launched the activity at a workshop, where senior level company staff discussed the concept of the staffing plan and agreed upon the requirements of each department. Following the workshop, we conducted several field visits to support the process and to draft the staffing plan. As of the end of this quarter, the WWC has agreed upon performance indicators for each sector, defined all company branches and water and wastewater plants, and agreed upon the appropriate number of staff in each sector and department unit. In addition, the existing staff levels were compared against these planned levels. It is expected that the plan will be discussed and finalized with HCWW in the upcoming quarter.

AST 4 -- Establish Assiut WWC training center (*Months 5-9*). Due to the lack of support from the company, we have decided to move this task to Sohag. The training center at Sohag will be completed as part of WWSS Year 3 activities.

AST 5 (See CC 11, 12, 13) -- Strengthen Assiut WWC finance department (*Months 1-12*). The Assiut Financial Division has been provided with both the UAS (manual system) and ADVAC (computerized system) and is now capable of producing financial statements with both. WWSS is assisting them with inputting data in both systems, and comparing the results of each. The June 2010 financial and cost statements were created using ADVAC. Pending the Central Accounting Office endorsement of the ADVAC system, the company will phase out the manual system and use ADVAC exclusively. In addition, we assisted the WWC in the preparation of a cost accounting chart, to be used for creating cost centers within the ADVAC system, helped with entry procedures for expenses, and provided TA in the production of cost statements and financial statements. In addition, the Assiut WWC participated in the ADVAC training described in CC 13.

AST 6 -- Support Assiut WWC warehouse and procurement unit (*Months 2-6*). This activity has been suspended to refocus project resources on other priorities with higher expected return. In Year 3, we will consider installing the ADVAC warehouse and procurement module, which is currently under pilot testing at the Cairo Water and Gharbiya Water and Wastewater companies.

AST 7 -- Establish a meter repair workshop (*Months 1-8, 11-12*). The renovation of the building is underway, and the WWSS-purchased calibration equipment to be used for it has just arrived in Egypt. When the building is ready, the equipment will be installed, which is expected to take place in the upcoming quarter. Meter repair training and activities will follow as part of the UFW program.

AST 8 -- Establish a billing and collections center (*Months 1-7*). The center is finished, staffed and operational. We are coordinating with the center as part of our UFW operations in Assiut, particularly in measuring the quantity of sold water. In addition, we are using billing center data to compare against our emerging data from the UFW pilot area, comparing data including: meter service levels, customer name and identification number, water pipeline size, number of connections, number units in each building, etc., with data in the GIS database. When there are differences, we reconcile the data in the billing center, using the more accurate field data. Later in October, the center will receive IT equipment for the billing and collections

center from our procurement. These activities will continue in Year 3 until the conclusion of the ongoing UFW programs in Sohag and Assiut.

AST 9 -- Provide technical and on-the-job training for Assiut GIS unit (Months 1-5). After last quarter's installation of the ArcGIS software, the WWSS GIS Specialist provided on-the-job training this quarter to eight engineers from the Assiut GIS and IT departments. They have used the software to generate maps as part of ongoing UFW activities.

AST 10 -- Assist in development of O&M plan and budget (Months 7-10). During the quarter, the WWSS O&M team continued to provide on-the-job training and follow-up to review and encourage progress in developing the plan and budget. In Assiut, the plan, including the budget, is 85% complete, and is expected to be completed in the upcoming month. In Assiut, the activity will not continue during Year 3, as we have learned, despite the accuracy and potential uses of the document, that it is not being utilized in the field. A joint WWSS-HCWW task force is currently redesigning the budgeting system to simplify it and standardize reporting among all utilities.

SOPs for the Al Gamma WTP in Assiut

AST 11 -- Replicate JICA-developed SOPs in two plants (Months 8-12). This task is complete. WWSS Water Plant Specialist has developed SOPs for three plants in Assiut, including the Nazlet Abdallah water treatment plant (as reported on QPR6), the Artesian well at El Hawatka, and the Al Gamma compact unit. We are supplementing the SOPs with graphic, poster-size instructions for day-to-day use in the plants. In Year 3, we plan to produce a manual on the development of operating instructions and conduct related workshops to enable WWCs to produce similar posters for their other water and wastewater treatment plants.

AST 12 -- Procure equipment for newly established Assiut WWC PMU (Months 3-5). We have delivered the locally procured software and hardware to the PMU, and will deliver the remaining items in October. See PDC 5 for more details on the status of procurement.

AST 13 (See CC 14, 15, 16, 17) -- Support the establishment of the Assiut WWC PMU (Months 6-8). This task is now complete, as Assiut's PMU is established and operational. This quarter, we provided software and hardware, an organizational chart, and additional support as necessary. Assiut PMU members also participated in a four-day training on WaterCAD, including problem solving techniques, in late July. We will continue to support the PMU in Year 3 with capacity building activities, including providing the PMU with the agreed-upon equipment, contracting documents, and associated training.

AST 14 -- Perform project management responsibilities (Months 3-12). As described above in CC 14, WWSS is providing ongoing hands-on support on the use of PRiSM to manage ongoing projects. Drawing upon the data in PRiSM, the WWSS team continued to provide a monthly report for the utility showing the status of projects within the governorate.

AST 15 -- Provide technical assistance in managing one construction project (Months 6, 8, 11). In cooperation with the Assiut WWC, we have selected a potential project for WWSS involvement. We are currently reviewing the approach with USAID, and will move forward pending USAID approval of one of the two approaches identified.

Luxor Water and Wastewater Company

LUX 1 -- Develop and implement unaccounted-for water (UFW) pilot program (*Months 3-11*). As reported in previous quarters, we have completed the program in the pilot area, and our team is now involved supporting the methodology's application in other areas around the city, replicating what we did in the pilot area. However, progress is slow. Final reports on the WWSS UFW methodology piloted in Luxor are available via the WWSS website (www.egyptwwss.org, password wwss4all).

Key Steps in UFW Reduction Process

1. *Data baseline*. Data gathering and baseline analysis
2. *Collections*. Increasing rates of collection
3. *Leakage*. Identifying and addressing system leakage
4. *Meters*. installing, fixing and calibrating meters
5. *Meter reading*. Improving systemic ability to derive accurate meter data
6. *Billing*. Improving the billing process.

LUX 2 (See CC 1) -- Assist in the ongoing development of the Luxor WWC business plan (*Months 1-5*). This task is completed, as reported in QPR 6. Additional details on WWSS business planning activities are provided in section CC 1.

LUX 3 -- Develop Luxor WWC staffing plan (*Months 2-5*). In Luxor, the WWC updated their staffing plan as part of the business planning process, so we will not proceed with the development of a staffing plan as a stand-alone activity.

LUX 4 (See CC 11, 12, 13) -- Strengthen Luxor WWC finance department (*Months 1-12*). During this quarter, we worked with the Luxor Finance Department by providing OJT on cost accounting, budgeting, financial register systems, and managing the financial documents cycle. The WWC completed the three stages of ADVAC training and ongoing training was provided to staff in finance, cost accounting, and payroll systems. Integration between payroll and financial and cost accounts has been completed. The final financial results for the year 2009-10 were generated using ADVAC, and were submitted to USAID and HCWW. In addition, the Luxor WWC participated in the ADVAC training described in CC 13.

LUX 5 -- Update USAID-supported O&M management system (*Months 3-6*). This task is complete, as reported in QPR 6.

LUX 6 -- Provide technical and on-the-job training for Luxor GIS unit (*Months 1-4*). This activity is complete. This quarter, we provided software and training, as well as ongoing support to the GIS department in Luxor. We continue to provide OJT for new engineers working on the UFW rollout.

LUX 7 -- Procure equipment for newly established Luxor WWC PMU (*Months 3-5*). We have delivered the locally procured software and hardware, and expect to deliver the internationally procured hardware in the upcoming quarter. Kindly refer to PDC 5 for more details on the status of the WWSS procurement.

LUX 8 (See CC 14, 15, 16, 17) -- Support the establishment of the Luxor WWC PMU (*Months 6-8*). WWSS engagement with this task is now complete as Luxor's PMU is established and operational. This quarter, we provided software and hardware, an organizational chart, and additional support as necessary. We will continue supporting the PMU in Year 3 with ongoing capacity building support, including equipment, contracting documents, and associated training.

Giza Water and Wastewater Company

GIZ 1 (See CC 1) -- Assist in ongoing development of Giza WWC business plan (Months 1-5).

The first draft of Giza's business plan was completed in February 2010. Additional details on the overall business planning process are contained in CC1.

GIZ 2 -- Finalize Giza WWC staffing plan (Months 1-2). This activity was completed and reported on in QPR 4, October – December, 2009.

GIZ 3 (See CC 11, 12, 13) -- Strengthen WWC finance department (Months 2-12). WWSS assistance this quarter concentrated on ensuring utilization of the ADVAC system, after completing the three-phased installation process last quarter. The Finance Division has entered the necessary data and is making comparisons between the manual and ADVAC systems. However, they are not yet generating financial statements using ADVAC because of data entry mistakes. Additionally, the Finance Division does not have sufficient space and equipment in order to make full use of ADVAC, and the WWSS team has made recommendations to company leadership to address this issue. WWSS will continue to support the Giza WWC in Year 3 to address these issues and fully utilize the ADVAC system.

GIZ 4 -- Establish circuit rider program for Giza WWC (Months 2-9). This activity has been cancelled. HCWW advised us late last year that they will procure the equipment and manage the program themselves.

GIZ 5 -- Conduct audit of electricity and chemical use of Giza WWC (Months 8-9). This task is complete, as reported on in QPR 6. The demonstrated success of WWSS's chemical and energy use methodologies have resulted in ongoing requests for this assistance in additional governorates, and these will remain core elements of WWSS activity during program Year 3. At the Gezirat al-Dahab plant, fines related to the power factor amounted to over LE250,000 last year. After WWSS support, the power factor now ranges between 90-95%, which would avoid the majority of this fine.

GIZ 6 and 7 -- Establish a meter repair workshop for Giza WWC (Months 1-8; 11-12), and Assist Giza WWC with customer service center establishment (Months 1-5). This task is suspended, as reported on in QPR 6. Moving forward, tasks related to meter repair and customer service will be confined to UFW programs. In Giza, these activities will be reconsidered in the context of future UFW programs, possibly in Year 3.

GIZ 8 -- Provide technical and on-the-job training for Giza GIS unit (Months 3-7). This activity is complete. The ArcGIS software was installed, and OJT training was provided on the ArcGIS program to 14 engineers from the Giza GIS and IT departments. They have used the software to generate maps which will be used as part of upcoming UFW activities.

GIZ 9 -- Procure equipment for newly established Giza WWC PMU (Months 3-5). The locally procured software and hardware has been provided, and the U.S.-procured hardware is expected to be delivered in the upcoming quarter. Kindly refer to PDC 5 for more details on the status of the WWSS procurement.

GIZ 10 (See CC 14, 15, 16, 17) -- Support the establishment of the Giza WWC PMU (Months 5, 6, 8). Giza's PMU is established and operational. This quarter, we provided software and hardware, an organizational chart, and additional support as necessary. WWSS engagement with this task is now complete. We remain engaged with the PMU in ongoing capacity building support, including providing the PMU with the remaining procurement items, contracting documents, and associated training. WWSS will continue its capacity building support for the PMU as part of its Year 3 work plan. In addition, from July 18-21, the WWSS team carried out a four-day training on WaterCAD, including problem solving techniques, for five utilities, including Giza.

GIZ 11 -- Perform project management responsibilities (*Months 3-12*). As described above in CC 14, WWSS is providing ongoing hands-on support on the use of PRiSM to manage ongoing projects. Drawing upon the data in PRiSM, the WWSS team continued to provide a monthly report for the utility showing the status of projects within the governorate. In addition, our team visited the Giza WWC this quarter to provide technical assistance on the use of the MS Project software which they received recently from our project.

Menufiya Water and Wastewater Company

MEN 1 (See CC 1) -- Assist in ongoing development of the Menufiya WWC business plan (*Months 2-5*). The Menufiya WWC draft business plan was completed in December 2009. Additional details on the overall business planning process are contained in CC 1.

MEN 2 (See CC 5) -- Launch Menufiya WWC human resources department. (*Months 2-4*). This task is completed; kindly refer to CC 5 for additional details.

MEN 3 -- Finalize Menufiya WWC staffing plan (*Month 9*). The plan is drafted; finalization depends on meeting with the Chairman to discuss issues related to plan details, including number of employees at company headquarters, number of employees in the administration and commercial sectors, and the current overlap between the O&M and technical support sectors. The plan will be finalized in the upcoming quarter.

MEN 4 (See CC 11, 12, 13) -- Strengthen WWC finance department (*Months 2-12*). There were no activities this quarter related to this task.

MEN 5 -- Implement warehouse management pilot program at Menufiya WWC (*Months 1-12*). This task has been suspended, but may be reconsidered in the context of the ADVAC inventory management automation program. Cairo Water Company and Gharbiya WWC are privately testing this program, and the Menufiya IT unit is also testing an Oracle-based system.

MEN 6 -- Establish a meter repair workshop for Menufiya WWC (*Months 1-8, 11-12*). This task has been suspended as we focus program activities on high-return, high-priority activities. Tasks related to meter repair and customer service will be confined to UFW programs. In Menufiya, these activities will be reconsidered in the context of future UFW programs, possibly in Year 3.

MEN 7 -- Provide technical and on-the-job training for Menufiya GIS unit (*Months 2-6*). This activity is complete. Additional support was provided this quarter: ArcGIS software was installed, and OJT training was provided on the ArcGIS program to 9 engineers from the Menufiya GIS and IT departments.

MEN 8 -- Conduct audit of electricity and chemical use of Menufiya WWC (*Months 5-6*). This task is complete, as reported on in QPR 6. The complete reports from the electricity rationalization and chemical optimization activities are available for download on the program website (www.egyptwwss.org, password wwss4all).

MEN 9 -- Procure equipment for newly established Menufiya WWC PMU (*Months 3-5*). The Menufiya PMU has received some of its allocated software and hardware. The locally procured software and hardware has been provided, and the internationally procured hardware is expected to be delivered in the upcoming quarter. Kindly refer to PDC 5 for more details on the status of the WWSS procurement.

MEN 10 (See CC 14, 15, 16, 17) -- Support the establishment of the Menufiya WWC PMU (*Months 5, 6, 9*). Menufiya's PMU is established and operational. This quarter, we provided software and hardware, an organizational chart, and additional support as necessary. WWSS engagement with this task is now complete. We remain engaged with the PMU in ongoing capacity building support, including providing the PMU with the remaining items from the WWSS procurement, providing templates of contracting documents, and providing associated training. WWSS will continue its capacity building support for the PMU as part of its Year 3 work plan. In addition, from July 18-21, the WWSS team carried out a 4-day training on WaterCAD, including problem solving techniques, for five utilities, including Menufiya. In addition, this quarter the WWSS team visited the Menufiya WWC to provide technical assistance on the use of the MS Project software which they received recently from our project.

Beni Suef Water and Wastewater Company

BEN 1 -- Propose a new organizational structure for the HR sector (Month 5). The task is now complete, as reported on in QPR 6. Additional support was provided to the HR sector this quarter, as detailed in Section 5 below (“Beyond 3”). Ongoing assistance has also been provided in developing the HR plan (see CC 5).

BEN 2 -- Develop inventory management procedures (Months 6-8). This task has been suspended and we are re-programming its resources to other higher-yielding activities. We remain available to assist the WWC with inventory management on an as-needed basis.



QA/QC training for the Beni Suef lab

BEN 3 -- Improve utilization of central laboratory (Months 1-6). This task is complete, as reported on in QPR 6. Ongoing support is provided to the Beni Suef central lab, as required. This quarter, for example, Beni Suef lab staff participated in WWSS training on quality assurance and quality control of lab activities. As a result of WWSS support, the central lab has standardized measuring and sampling techniques across utility labs, but the ability of the lab system to acquire the chemicals necessary to sustain the system is questionable.

Minya Water and Wastewater Company

MIN 1 -- Propose a new organizational structure for the HRD section (Month 6). This task is complete, as reported on in QPR 6. Ongoing support is being provided, as detailed in Section 5 below (Beyond 3).

MIN 2 -- Develop inventory management procedures (Months 6-8). This task has been suspended and we are re-programming its resources to other, higher-yielding activities. We remain available to assist the WWC with inventory management on an as-needed basis.

MIN 3 -- Conduct an audit of chemical and electricity use (Months 2-3). Both the chemical and energy studies are complete, as reported on in QPR 6. Activity reports were published and are available for download on the program website; see PDC 4 for logon details. WWSS recommended changes regarding chemical dosage used in plants in Minya would result in estimated annual savings of over LE100,000. Similarly, annual savings from the implementation of WWSS energy use recommendations are estimated to be LE47,000. The cost of the capacitor, required to realize this savings related to energy use, would be covered by energy savings in less than one year.

MIN 4 -- Replicate implementation of JICA-developed standard operating procedures (SOPs) (Months 3-7).

This task is complete; SOPs were developed for Kedwan, as reported on in QPR 6, as well as for the slow sand filter treatment

شركة المنيا لمياه الشرب والصرف الصحي
ارشادات التشغيل لمحطة مياه كدوان

المروقات القديمة | النسخة رقم ٣ | الأعمال المطلوبة:

- الفتح محبس دخول المياه العكرة لتصل الى القلاب السريع المعتمد على الحركة الهيدروليكية للمياه لخلط محلول الكلور - واخرج محلول الشبة مع المياه العكرة.
- راقب تحرك المياه العكرة في المسارات المتعرجة (الزجاج) وتكوين الندف وظهور ريم على سطح المسارات المتعرجة.
- اكتشط الريم المتكون بواسطة شبكة سلك رفيعة.
- بمجرد وصول المياه العكرة لبداية المروق المستعمل تظهر الندف الخفيفة على سطح الماء على هيئة نقط بيضاء سمرعان ما تختفي وتسطح في القاع.
- تأكد من أن درجة لون المياه المروقة تتغير للأزرق الخفيف الصافي دليلاً على خلوها من العكارة وأنها تتجه الى أنصاف المواسير المثقبة لتجميع المياه المروقة ثم تتجه إلى المرشحات الرملية.
- على العمل التأكد من سلامة عملية الترويق وقياس عكارة المياه المروقة الخارجة من المروق والكلور المتبقى بها واختيار المحطة بالنتائج للتصحيح.

مدير الوحدة / م. سمير شوقي ناشد



SOPs for the Kedwan WTP in Minya

plant at Sultana. During program Year 3, we plan to produce a manual on the development of operating instructions and conduct related workshops to enable WWCs to produce similar posters for their other water and wastewater treatment plants. SOPs are currently being developed at an additional plant, Abu Korkas WWTP, to be completed in the upcoming quarter.

MIN 5 -- Improve utilization of central laboratory (*Months 1-6*). This task is complete, as reported on in QPR 6. Ongoing support was provided to the Minya central lab, as required. This quarter, for example, Minya lab staff participated in WWSS training on quality assurance and quality control of lab activities. As part of the WWSS Annual Assessment, the WWC indicated that as a result of WWSS assistance, utility lab procedures have been standardized.

Aswan Water and Wastewater Company

ASW 1 -- Provide recommendations for Aswan WWC Planning Unit and PMU on integration (*Months 1-2*). This task has been completed, as reported on in QPR 5.

ASW 2 (See CC 14) -- Establish Aswan WWC PMU (*Months 2-12*). Aswan's PMU is established and operational. This quarter, we provided software and hardware, an organizational chart, and additional support as necessary. WWSS engagement with this task is now complete. We remain engaged with the PMU in ongoing capacity building support, including providing the PMU with the remaining items from the WWSS procurement, providing contracting documents, and associated training. WWSS will continue its capacity building support for the PMU as part of its Year 3 work plan.

Qena Water and Wastewater Company

QEN 1 (See CC 1) -- Develop the business plan (*Months 6-12*). The Qena WWC's draft business plan was completed in May, and reported on in QPR 6, in close cooperation with the GTZ team there. Additional details on the business planning process are contained in CC 1.

QEN 2 (See CC 14, 15, 16, 17) -- Provide training and technical assistance in project management (*Months 4, 6-8*). Qena utility staff participated in the PRiSM support and OJT activities described in CC 14. No other activities were active this quarter related to this activity.

QEN 3 -- Perform program management responsibilities (*Months 3-12*). As described above in CC 14, WWSS is providing ongoing hands-on support on the use of PRiSM to manage ongoing projects. Drawing upon the data in PRiSM, the WWSS team continued to provide a monthly report for the utility showing the status of projects within the governorate.

Matrouh Water and Wastewater Company

MAT 1 (See CC 1) -- Develop the business plan (*Months 7-12*). Business planning activities were initiated at a June kickoff workshop, which was attended by representatives from the Luxor and Giza business planning units. Progress toward plan completion was slow this quarter on account of competing demands on subsidiary attention. Ongoing progress is being made on the plan, however, and we expect the draft business plan will be completed in October 2010. The management review/buy-in workshop is planned for October 26. Additional details on the overall business planning process are contained in CC 1.

MAT 2 -- Revitalize USAID-supported asset management IT system (*Months 5-8*). This activity is complete. The asset management department was established, following the Matrouh Chairman's decree, and staff were hired. The WWSS MIS Specialist worked closely with these staff members to install the USAID-

supported asset management system and OJT was provided for three members of the unit. Unfortunately, two of these officials left their posts following the training. We have asked the Chairman to replace them.

MAT 3 (See CC 14, 15, 16, 17) -- Provide technical assistance to project management staff (*Months 3-9*). Matrouh utility staff participated in the PRiSM support and OJT activities described in CC 14, and reviewed and updated the PRiSM manual. In addition, from July 18-21, the WWSS team carried out a four-day training on WaterCAD, including problem solving techniques, for 5 utilities, including officials from Matrouh. This activity is now complete, but WWSS support will continue during program Year 3.

MAT 4 -- Provide technical assistance in managing one construction project (*Months 3, 4, 6, 8, 11*). This task was canceled, as we were unable to find a suitable location. It has been replaced with the construction management project in Menufiya (see Section 5 below, Beyond 6).

MAT 5 -- Assist in implementation of procured hand-held units (*Month 3*). This subsidiary-led activity did not require the anticipated input from the WWSS team. The Company has procured the equipment and is implementing the program independently.

MAT 6 -- Provide OJT in implementation of procured O&M management software (*Months 3-4*). It was decided to provide the Matrouh WWC with the CMMS system developed by WWSS. This system has now been installed, training was provided, and the system is operational. Kindly refer to section "Beyond 5" below for additional details.

Cairo Water Company

CAI 1 -- Identify optimal computerized inventory control and management system (*Months 2-5, 10*). The Company is presently testing the ADVAC inventory management module and requires no assistance from us at the present time.

CAI 2 -- Assist in implementation of procured O&M management software (*Months 8-10*). CMMS will be installed during program Year 3.

CAI 3 -- Involve CWC personnel in cross-cutting activities (*Months 2-12*). CWC participated in ongoing WWSS-supported cross-cutting activities, including ADVAC installation and training described in CC 13, and the participation of Eng. Essam Soliman in the OST described in CC 4. TA was also provided to CWC staff in the development of their HR plan. As a result, they modified their organizational chart and initiated their HR plan. During Year 3, we will support CWC in the finalization of their HR plan.

Daqahliya Water and Wastewater Company

DAQ 1 -- Using a local qualified firm, perform construction management services for one project (*Months 6, 8, 11*). This task was canceled, as we were unable to find a suitable location for a project. It has been replaced with a construction management project in Sohag (See Section 5 below, Beyond 6).

DAQ 2 -- Roll out cross-cutting capital investment planning and program management activities (*Months 6-12*). No activity related to this task was carried out at the Daqahliya WWC in the past quarter.

4. Component D: Program Development and Coordination Activities

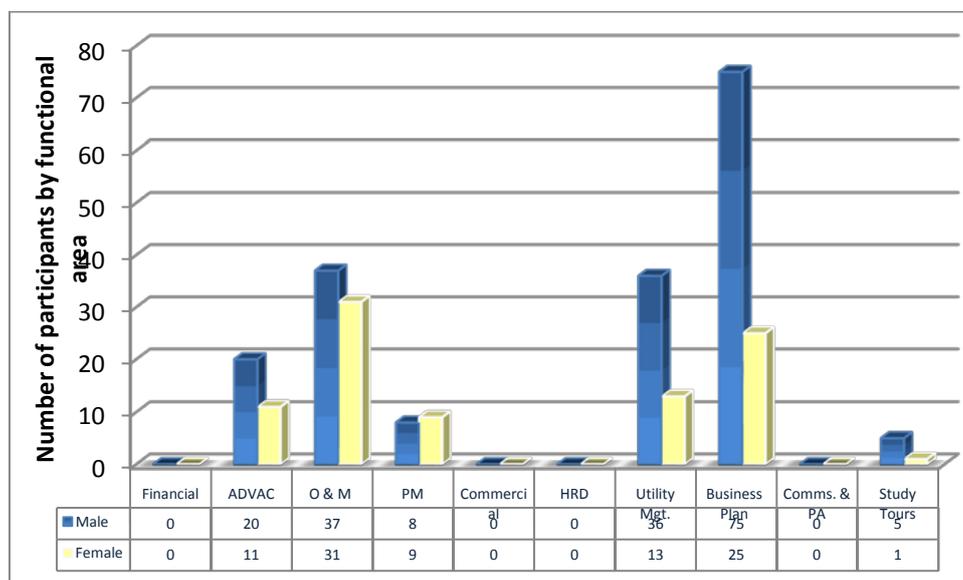
PDC 1 -- Plan and coordinate field trips and trip reporting (*Months 1-12*). This activity is ongoing, closely coordinated with HCWW and its subsidiaries. Latest field trip reports and schedules are regularly updated on the WSS website.

PDC 2 -- Plan, monitor, and report training activities (*Months 1-12*). WSS refines its training plan on a monthly basis in parallel with our monthly field trip schedule, taking into account program requirements and recently identified needs. Our approach to training planning, management, and evaluation is standard – course materials for each course are developed including presentations and trainee materials, and standardized attendance and evaluation forms are used for monitoring purposes. The following tables show the number of trainees trained by WSS according to subsidiary, and by functional area, during this quarter. Cumulative training data for WSS training provided so far this work plan year is provided in Annex E.

WWSS Provided Training by Governorate, July to September 2010.

Subsidiary	Number of Participants		
	Male	Female	Total
HCWW	20	6	26
Assiut	9	17	26
Sohag	43	17	60
Luxor	2	0	2
Giza	6	2	8
Menufiya	4	2	6
Minya	4	0	4
Beni Suef	26	27	53
Cairo	1	0	1
Aswan	54	12	66
Matrouh	7	0	7
Daqahliya	0	0	0
Qena	2	6	8
Others	3	1	4
TOTAL	181	90	271

WWSS Provided Training by Functional Area, July to September 2010.



PDC 3 -- Monitor, evaluate, and report program progress (*Months 1-12*). Following last quarter's approval of the PMP, this quarter we launched our program M&E activities. We collected baseline and, in some cases, follow-on M&E data on project indicators to include in our Year 3 work plan. A summarized list of WWSS program active during Year 2, including location and functional area, is attached as Annex D. Additionally, we implemented the annual subsidiary assessment to inform our work plan and collect input for project reports and communications, as outlined in the PMP. The assessment was subsidiary-specific, based on the work plan, and designed to evaluate 1) application, and 2) results of project activities to date. For every system, tool, or training provided by WWSS, we inquired whether the tool/skills are being put to use, how they are being used, and what impact they are having on the subsidiary. The assessment team was made up of 12 WWSS advisors, with interdisciplinary teams visiting each subsidiary. To maximize consistency and minimize bias in the completion of the questionnaires, we translated the form to Arabic, held an orientation in the WWSS office for the assessment team, and assigned assessment takers to companies outside of their normal regions of work. Immediately following the data collection and entry, the results were tabulated and analyzed as an input to the work planning process. A summary of assessment results is included in Annex C.

On the communications side, we continued to update the WWSS website with project training materials, trip schedules, and technical deliverables (www.egyptwwss.org, password: wwss4all). Additionally, WWSS team members attended the International Sustainable Water and Wastewater Services Conference, presented five papers based on project activities (see box), and distributed our project highlights brochure (available via the WWSS website). Additionally, in late July, we presented a program overview and achievements to date to USAID at the WPRR office; this presentation is available for download on the aforementioned website. Finally, at the request of the HCWW Vice Chairman, Eng. Mamdouh Raslan, we began delivering monthly updates to the HCWW, to facilitate joint monitoring and open communications on project activities.

WWSS Presentations at the International Sustainable Water and Wastewater Services Conference

Cairo, Egypt – July 25-27

- Optimizing Use of Chemicals in Water Treatment
- Enabling Preventative Maintenance in Egyptian Water Utilities
- Rationalizing Use of Energy to Reduce Treatment Costs
- Reducing Unaccounted for Water in Egyptian Water Utilities
- Program Management Information System (PRISM)

PDC 4 -- Design and launch a WWSS program intranet site (*Months 1-4*).

The program website has been operational since early 2010, and now serves as an ongoing resource for program activities. Secure access has been given to all counterparts at HCWW and to cooperating donor projects (USAID WPRR, GTZ, FaDWaSP, and UNICEF). All deliverables to date have been uploaded, and other regularly updated content includes field trip schedules, success stories, and subsidiary fact sheets. The site will continue to be used as a communication tool between key program partners for sharing up-to-date project information. Kindly view all recent updates at www.egyptwwss.org (password: wwss4all).

PDC 5 -- Finalize and implement WWSS Phase I procurement plan (*Months 1-2*). The procurement plan was finalized and all equipment was purchased in Year 2. Distribution of equipment was delayed to make sure that subsidiaries were ready to receive it and that agreed-upon pre-conditions were met. All equipment purchased to date will be distributed by the end of October, the last month of the work plan year. The remaining procurement budget will be utilized as needs arise in the future. The following table shows the delivered items during this quarter: July-September 2010. In addition, Annex B contains a list of items procured to date as part of the WWSS procurement, as well as a list of items to be delivered by the end of October, the final month of program Year 2.

WWSS procurement items delivered this quarter

No.	Type	Property	Subsidiary	Delivery Date
1	SW (software)	Two (2) ArcGIS ArcInfo 9.3.1	Matrouh	6.7.2010
2	Printer	One (1) Printer HP Laser Jet 3015D	Aswan	15.07.2010
3	SW	Two (2) MS Office Project 2007	Assiut	29.07.2010
4	SW	One (1) AutoCAD LT 2011	Assiut	29.07.2010
5	SW	One (1) AutoCAD LT 2011	Menufiya	02.08.2010

6	SW	One (1) MS Office Project	Menufiya	02.08.2010
7	SW	One (1) AutoCAD LT 2011	Giza	02.08.2010
8	SW	One (1) MS Office Project	Giza	02.08.2010
9	SW	One (1) AutoCAD LT 2011	Matrouh	02.08.2010
10	SW	One (1) MS Office Project	Matrouh	02.08.2010
11	SW	One (1) AutoCAD LT 2011	Luxor	12.08.2010
12	SW	Two (2) MS Office Project 2007	Luxor	12.08.2010
13	SW	One (1) MS Office Project	Minya	19.08.2010
14	SW	One (1) AutoCAD LT 2011	Sohag	19.08.2010
15	SW	Two (2) MS Office Project 2007	Sohag	19.08.2010
16	Enclosure	Dell PowerEdge M1000e	HCWW	25.08.2010
17	Server	Two (2) Blade Server Dell PowerEdge M610	HCWW	25.08.2010
18	Rack	Smart Rack Premium Enclosure, 42" Depth	HCWW	25.08.2010
19	UPS	Server UPS Eaton 5130 3000	HCWW	25.08.2010
20	Laptop	Two (2) Tablet laptops HP Elitebook 2740P	HCWW	19.09.2010
21	Router	Cisco router 2801	HCWW	19.09.2010
22	PC	Nine (9) PCs	Matrouh	23.09.2010
23	Monitors	Nine (9) Monitors	Matrouh	23.09.2010
24	PC	Nine (9) PC UPS	Matrouh	23.09.2010
25	Scanner	One (1) Scanner	Matrouh	23.09.2010
26	PC	Twenty (20) PCs	Menufiya	27.09.2010
27	Monitors	Twenty (20) Monitors	Menufiya	27.09.2010
28	PC	Twenty-four (24) UPS PC	Menufiya	27.09.2010
29	Scanner	One (1) Scanner	Menufiya	27.09.2010
30	Projector	One (1) Data projector	Menufiya	27.09.2010
31	Hard Disk	One (1) External hard Disk	Menufiya	27.09.2010
32	PC	Four (2) Workstations	Menufiya	27.09.2010
33	PC	Four (4) Monitors	Menufiya	27.09.2010
34	Printer	One (1) Canon JX 210P Printer/Fax	Menufiya	27.09.2010
35	PC	Twenty-Two(22) PCs	Giza	29.09.2010
36	Monitors	Twenty-Two(22) Monitors	Giza	29.09.2010
37	UPS	Twenty-Six(26) UPS PC	Giza	29.09.2010
38	Printer	One A0 plotter HP DesignJet 4020 large format printer	Giza	29.09.2010
39	SW	Eight (8) Trend micro pro 2010, 3 user	Giza	29.09.2010
40	PC	Four (4) Workstations	Giza	29.09.2010
41	Monitors	Four (4) Monitors	Giza	29.09.2010

5. Activities Implemented Beyond the Year 2 Work Plan

Our emphasis on high-impact/high-return activities, in some cases, has led us to take on activities beyond those laid out in our Y2WP. In QPR 6, we described the prioritization guidelines that we use to gauge the potential impact/return of proposed activities, including replicability of interventions, management buy-in, service delivery impact, cost reduction and productivity impact, and supporting systems and organizational structures. In light of this framework, high-impact/high-return activities that WWSS is taking on beyond our second year plan include the following. We have added these tasks at the end of the WWSS Year 2 Activity Tracker, attached as an Annex A to this document.

Beyond Y2WP 1 -- Business planning (see CC 1):

- *1.1 -- Business planning in additional subsidiaries.* In addition to the seven business plans underway according to the work plan, WWSS is planning to complete business plans in three additional governorates: Beni Suef, Aswan, and Minya. Business planning activities are underway in all three utilities, and the draft business plan in Aswan was completed this quarter. Draft plans for Minya and Beni Suef are expected to be complete in the upcoming quarter.



Business planning workshops in Beni Suef (left, Sept. 2010) and Aswan (right, July 2010).

- *1.2 -- Establishing business planning units within subsidiaries.* As reported last quarter, we have submitted a recommendation to the HCWW to establish business planning units in all subsidiaries. We are awaiting feedback on this request, but the HCWW has signaled their intention to initiate this activity in the near future. So far, decrees have been issued to establish a business planning unit in: Qena, Matrouh, Menufiya, Aswan and Sohag. We expect similar decrees to be issued in all other WWSS supported subsidiaries by next quarter.
- *1.3 -- Ongoing support and follow up on draft plans.* WWSS remains engaged supporting governorates with completed draft business plans. This quarter, for example, we supported business planning networking among our selected subsidiaries. Business planning coordinators from various governorates participated in training workshops in other governorates to exchange expertise with their peers. For example, with WWSS support, the Menufiya business planning coordinator participated in the Qena training workshop, and the Qena business planning coordinator participated in the Aswan training workshop. Similarly, the Menufiya and Sohag business planning coordinators participated in the Beni Suef training workshop. In addition, this quarter we incorporated business planning materials that were developed by GTZ and WWSS into the upcoming AUC advanced seminars series. During the assessment survey that

Status of activities proposed in business plans			
Company	Proposed	Initiated	Completed
Menufiya	82	35	25
Giza	80	80	-
Assiut	37	30	-
Luxor	75	46	
Sohag	57	37	3
Qena	56	50	-
Aswan	34	-	-
Total	421	278	28

WWSS conducted in preparation for our Year 3 work plan, the subsidiaries that completed their business plans indicated the progress to date in initiating and completing activities proposed in the business plan. The results are shown in the accompanying table.

Beyond Y2WP 2 -- ADVAC installation and training (see CC 13). In addition to installing ADVAC and providing training in five WWSS-targeted subsidiaries, we are undertaking the below activities related to ADVAC. As a number of these activities involve subsidiaries outside of the scope of the WWSS program, we are working closely with HCWW to ensure familiarity with the ADVAC methodology to sustain the program in the future.

- *2.1 – TA in ADVAC installation and operation in Daqahliya:* In the Daqahliya WWC, we have completed installation of ADVAC. Ongoing activities were handed over to HCWW, with WWSS providing ongoing support.
- *2.2 – ADVAC support in additional governorates.* For the ADVAC system at Alexandria Water, Red Sea, North and South Sinai, and Qalubiya governorates, which are not included in the WWSS scope of work, we have put these companies in touch with ADVAC directly, and HCWW is overseeing ADVAC installation at these companies. WWSS will provide additional support to the ADVAC installation process in Sinai. Based on a request from the Sinai WWC Chairman and HCWW Vice Chairman Eng. Mamdouh Raslan, we agreed in principle to support the installation of ADVAC during program Year 3 in Sinai, pending approval of USAID. A WWSS staff member went to assess the readiness of the WWC to receive the system based on factors including infrastructure, staff, and equipment. Based on this assessment, we requested the WWC to acquire certain additional IT equipment, and to select company officials to participate in the process. Sinai staff have followed through with these requests, and their supportive team will be ready to begin WWSS-supported ADVAC activities by the end of October.
- *2.3 – Additional modules for WWSS-supported companies.* As described in CC 13, we have purchased the full ADVAC package for five WWSS-supported companies (Sohag, Luxor, Assiut, Matrouh, and Giza). In addition, for the other WWSS-supported companies (Cairo, Menufiya, Minya, Qena and Aswan), we are purchasing HR and payroll licenses to complement ADVAC modules previously acquired independently of the program. In Qena, additional training is required in order to enable the utility to fully utilize the HR and payroll components. This quarter, we installed the HR and payroll modules for these five utilities (Sohag, Luxor, Assiut, Matrouh, and Giza) and provided the WWSS three-phase training program. Training is ongoing, expected to be completed in the upcoming quarter. A special note about Cairo: several field visits were conducted to the CWC to prepare for ADVAC installation. The CWC Chairman assigned his technical office director to coordinate this task, in cooperation with the head of the HR sector. We agreed upon the staff members and equipment to be dedicated to this task, the number of computers required, and we drafted an action plan for implementation.
- *2.4 – IT support for ADVAC sustainability.* To ensure the security and sustainability of the newly-installed ADVAC system, we provided capacity building support activities for the IT departments of the WWSS-supported subsidiaries that are using ADVAC. In addition, a meeting was held with the head of the ADVAC company to discuss all issues related to ADVAC, during which it was agreed to provide a separate training to build the capabilities of ADVAC-related staff from the IT departments of subsidiaries using ADVAC, as well as prepare a manual to be used by administrators. WWSS will conduct this training in Cairo for IT staff from all companies that have already installed and are operating ADVAC. This training will take place in the upcoming quarter. For upcoming ADVAC installation, this additional module will be included in regular training activities.

Beyond Y2WP 3 -- Support for subsidiary HR departments (see CC 5, SOH 2, AST 2, 3, LUX 3, GIZ 2, MEN 2 and 3, BEN 1, MIN 1). Our Year 2 work plan called for support for subsidiaries in launching HR departments, and in developing subsidiary HR plans. These activities are nearing completion, but WWSS continues to be involved with subsidiary HR departments as HR plans are launched, and as HR departments

begin to play an integrated role in the ongoing activities of subsidiaries. Below we highlight HR activities ongoing within WWSS beyond our Y2WP:

- *3.1 -- Establish HR departments in additional governorates.* We supported the creation of HR departments in four subsidiaries beyond our Y2WP: Luxor, Beni Suef, Minya and Giza. These units have been established, and are receiving ongoing WWSS support.
- *3.2 – Developing HR plans in additional governorates.* In addition to developing HR plans in Sohag, Assiut, Luxor, Giza, and Menufiya, as outlined in our Y2WP, WWSS has supported the subsidiaries in Qena, Aswan, Matrouh, Cairo, Beni Suef and Minya in developing their HR plans. These plans include divisional organizational charts, functional descriptions, and job descriptions. Plans are complete in Beni Suef, Qena, Sohag and Menufiya. The remainder will be completed, with WWSS support, during program Year 3. Kindly refer to CC 5 for additional details on this activity.
- *3.3 – Assist the Assiut WWC in developing an organizational chart.* This task is complete. Based on a request from the new Assiut WWC Chairman, WWSS developed a proposed organizational chart for the company. The WWC has adopted the chart, and submitted it for approval to HCWW.

Beyond Y2WP 4 -- UFW program expansion (See LUX 1): Building on the Luxor UFW pilot experience, we are currently supporting the expansion of the program in Luxor, and replicating it elsewhere. To further promote and sustain this activity, we are currently developing manuals and TOT materials for future roll-out of similar activities.

- *4.1 -- Rollout of UFW activities in Luxor City.* Expansion of the Luxor activities beyond the pilot area is proceeding; however, progress is slow. The task does not seem to be a priority for the WWC. An August decree issued by the Chairman allocating staff, equipment, and other resources for the task may help to develop momentum behind this activity.
- *4.2 -- UFW Replication in Assiut, Sohag and Aswan.* In Assiut and Sohag, teams were formed for both commercial and technical loss reduction, and they have initiated their activities according to the WWSS UFW methodology developed in Luxor, including meter replacement, reducing illegal connections, and detecting and addressing physical leaks. During this quarter, we developed the GIS-enabled database map for customers, developed the commercial database for the pilot area, collected data related to produced and sold water for the pilot area and for the surrounding area, which will be used as control data to monitor progress in the pilot area. This task in both governorates will be completed by November.

In Aswan, the pilot area for the program was defined, and the Chairman issued decrees to form the necessary teams responsible for driving forward the activity locally. With WWSS support, training was conducted on the use of leak detection equipment, and commercial and technical loss reduction activities are ongoing. WWC staff are currently creating the database map for the pilot area, and OJT has been provided to the GIS department in accomplishing this task. Following the training, these trained individuals will work on the maps to be used as part of the UFW activity.

Beyond Y2WP 5 -- CMMS roll-out in additional treatment plants. Work continues on rolling out the WWSS-developed Computerized Maintenance Management System (CMMS)—now rebranded as the Maintenance through Systematic Tracking and Equipment Repair (MASTER) system. Following intensive tests of this WWSS-developed software at the Gezirat el-Dahab (Giza) and Sennoures (Fayoum) plants, we, in cooperation with the Dutch-funded project in Fayoum, installed the system in five additional governorates (Beni Suef, Minya, Assiut, Qena and Sohag) and trained engineers on its use. In August, local teams in each of the five governorates worked on the necessary



data collection and entry activities before launching use of the program, while the WWSS team continued to follow-up and troubleshoot the program in its seven current installations. Work orders have been issued in Fayoum, Giza and Minya. Based on the results, Giza has asked us to replicate the program in an additional six WTPs, where we have installed MASTER and trained local engineers on its use. Further, we have received requests from various other companies and plants for program installation, and are developing a roll-out plan for program Year 3 (starting October 2010) for all WWSS subsidiaries. An updated version of MASTER will be released in March 2011.

Beyond Y2WP 6 -- Construction management projects in additional utilities (See AST 15, DAQ 1, MAT 4). Our Y2WP called for assistance with construction management support activities in Assiut (AST 15) and Daqahliya (DAQ 1). The program in Assiut is moving forward; however, we were unable to identify a suitable location in Daqahliya, and this task has been moved to Sohag. Similarly, we have been unable to identify a suitable location in Matrouh, and this task has been moved to Menufiya.

- *6.1 -- Sohag construction management project.* We have replaced the activity intended for Daqahliya in the Y2WP with an equivalent project in Sohag. We are currently discussing an alternate approach for this activity with USAID, which will be pursued once USAID approval is received.
- *6.2 -- Menufiya construction management project.* With agreement from our counterparts at the Menufiya WWC, we have selected a project in the Adnan village in Sadat City, and have signed an agreement with the Chairman agreeing on roles and responsibilities.

Beyond Y2WP 7 -- Energy rationalization in additional governorates. In addition to Minya and Menufiya, included in our Y2WP, we added Qena, Luxor, Giza, Aswan, Assiut, Beni Suef, Sohag, and Matrouh to our ongoing energy rationalization activity, for a total of 10 governorates. Audits of energy use were completed in 8 governorates (Menufiya, Aswan, Giza, Matrouh, Assiut, Beni Suef, Minya and Sohag) in June, and all reports were published on the WWSS website by August. We have purchased 12 analyzers to be distributed among the companies, in addition to 9 power correction panels that will be used in Menufiya, Beni Suef, Minya, Assiut (2), Qena, Luxor, Aswan and Sohag. The installation of the panels will begin in October, to be completed by December. This program will expand in program Year 3 to include all WWSS-supported companies by mid-November. In addition, we are cooperating with HCWW on establishing a control unit trained on how to analyze the power factor, to aid in future replication of this activity, and equip them with analyzers. We are developing a manual and TOT materials to support this process.

Beyond Y2WP 8 -- Chemical optimization in additional governorates. Our Y2WP called for chemical optimization activities in Menufiya, Giza, and Minya. In these governorates, results indicate the potential for annual savings of over LE 130,000 per plant. In view of the positive results, we have expanded our task to include Sohag, Assiut, Beni Suef, Aswan Matrouh, Qena and Luxor for a total of 10 governorates. To date, studies have been completed and published for Menufiya, Giza, Minya, Assiut, and Sohag, and those for Beni Suef, Matrouh, and Aswan are in production. In Qena and Luxor, chemical optimization activities will be completed by October. In anticipation of a renewed emphasis on chemical optimization activities during program Year 3, we are preparing TOT material, and plan on training local staff who will in turn deliver the course and technical assistance to laboratory technicians at water treatment plants. Our activities in both chemical and energy rationalization are accompanied by TOT modules to ensure program sustainability.

Beyond Y2WP 9 -- Activating cost accounting departments in select subsidiaries. At the request of HCWW, we are working to activate cost accounting departments in select subsidiaries. After a joint planning meeting with HCWW, the WWSS team initiated activities in Matrouh, Sohag Assiut, and Luxor. The departments in Matrouh and Luxor are activated, and they are generating reports using either the manual system (UAS) or ADVAC. The departments in Assiut and Sohag are in the process of activation, in each utility the departments have now opened their registers, and have started to distribute expenditures according to cost centers laid out in the chart we provided to them. These departments will be fully activated in the coming quarter. For each company, assistance includes:

- Establishing the cost accounting units within the company along with position descriptions
- Developing cost accounting ledgers and workflow procedures

- Defining the relationship between the cost accounting department and the other departments
- Providing training on cost accounting procedures for the Cost Accounting, Inventory Control, and Human Resources (Payroll) departments
- Implementing automated general ledger, cost accounting, HR, and inventory control systems, and training users on the automated system

Beyond Y2WP 10 – Development of standard documents for O&M and indefinite quantity contracting. In addition to the standard contracting documents listed in our contract and Y2WP, HCWW has requested similar assistance in two additional areas: O&M contracting and indefinite quantity contracting (IQC). These documents were drafted and submitted to HCWW for review in June. At the request of HCWW, we distributed the material to the subsidiaries, received feedback from NOPWASD, and scheduled a workshop on October 13 to present the documents, solicit feedback, and decide on next steps.

Beyond Y2WP 11 (see CC 8) – Development of O&M plans and budget in additional subsidiaries. In addition to the O&M planning and budgeting in Sohag and Assiut called for in our Y2WP, we are working closely with WWCs in Giza, Luxor, and Menufiya to develop O&M plans in these utilities. The plans are now complete in Giza, Menufiya and Sohag, 85% complete in Assiut, and 65% complete in Luxor. In Luxor and Assiut, this activity will not continue in program Year 3 as we have learned, despite the accuracy and potential uses of the document, it is not being utilized in the field. A joint WWSS-HCWW task force is currently redesigning the budgeting system to simplify it and standardize reporting among all utilities.

Beyond Y2WP 12 – Hydraulic Study for New Cairo Raw Water Pipeline. WWSS recently completed a draft report summarizing the results of a surge and operational hydraulics analysis for the New Cairo Raw Water conveyance system currently under construction. This analysis stemmed from a recommendation developed by CH2M HILL associated with an overall review of the New Cairo Raw Water System design and construction phases. This system will ultimately consist of 8 implementation phases with each phase conveying approximately 24m³ per second or an ultimate pumping rate of 192m³ per second. The system achieves this by drawing water through an intake and three subsequent booster pump stations until ultimately arriving at the water treatment plant approximately 30km from and 400 meters above the Nile River.

The purposes of this study were to: 1) review the proposed system to ensure the surge control mechanism is adequate to protect the raw water facilities, 2) analyze proposed facility operational schemes and facility sizing for normal operations, and 3) provide recommendations based on results. Specifically, the surge analysis looked at whether the proposed bladder style surge tanks are the proper solution for the first phase and sequenced for the first four phases. The hydraulic analysis consisted of extended period simulations to predict discharge pressures and booster pump station forebay levels for a variety of operating conditions. The primary purpose of this analysis was to determine if the booster pump station forebays are adequately sized for the fourth phase and to see if the pumps would start and stop excessively. Preliminary results suggest that modifications to the proposed surge control system are required, as well as the proposed operation control scheme.

ANNEX A: YEAR TWO WORK PLAN ACTIVITY TRACKER

WWSS Year Two Activity Tracker		QPR 4		QPR 5			QPR 6			QPR 7				Notes	
Tasks and Sub-tasks	Resp.	1	2	3	4	5	6	7	8	9	10	11	12		
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct		
		Actual Activity						Planned Activity			Completed Activity				
Component A: Assistance to the Holding Company for Water and Wastewater															
HC 1. Establish and facilitate a joint working group	GN/MH	■	■	■	■	■	■	■	■	■	■	■	■	■	HCWW participation in WWSS Year 3 Planning Retreat.
HC 2. Assist in the ongoing development of the HCWW business plan	GA			■	■	■	■	■	■	■	■	■	■	■	Task suspended. HCWW Business Plan to be completed by GTZ.
HC 3. Develop a corporate communication strategy	JH								■						Task complete. Strategy finalized, contributing toward sub communications guidelines, CC6.
HC 4. Provide ongoing support to the public awareness unit	KS	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing regular activity.
HC 5. Support the development of the HCWW IT master plan	KS	■	■	■	■	■	■	■	■	■	■	■	■	■	Assessment ongoing, report to be completed by May 2011.
HC 6. Develop a comprehensive Human Resource Management and Development Strategy	MA														Draft complete. Finalization pending forthcoming presentation to HCWW Chairman.
HC 7. Assist in development of HCWW position descriptions	MA			■	■	■	■	■	■	■	■	■	■	■	GTZ to implement this task.
HC 8. Procure and install a Human Resource Management Information System (HRMIS)	MA			■	■	■	■	■	■	■	■	■	■	■	ADVAC system selected, installation and training ongoing.
HC 9. Conduct study of financing options for implementation of the rural sanitation strategy	GN			■	■	■	■	■	■	■	■	■	■	■	Change of scope; refocus on CWC financing options; study draft complete, currently under review.
HC 10. Support the establishment of an HCWW PMU	AK	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing assistance.
HC 11. Facilitate coordination between donor projects in the sector	KS	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing activity.
HC 12. Sponsor HCWW human resources management diploma candidates	MA			■	■	■	■	■	■	■	■	■	■	■	Five candidates currently enrolled in the program; all candidates expected to complete diploma by Q1 of Year 3.
Component B: Cross-Cutting Activities															
CC 1. Facilitate business planning activities in all WWSS-supported subsidiaries	GA	■	■	■	■	■	■	■	■	■	■	■	■	■	Expanded to 10 subsidiaries; 7 plans completed.
CC 2. Design and implement an Advanced Management Seminar Series for Senior Utility Executives	MA			■	■	■	■	■	■	■	■	■	■	■	Ongoing activity, training began in July, ahead of schedule. First class or trainees to complete course by June 2011.
CC 3. Design and conduct monthly leadership forum	MA			■	■	■	■	■	■	■	■	■	■	■	Supported 2 fora: one each in Alexandria and Cairo. No further assistance expected this year.
CC 4. Implement two study tours to world class water and wastewater institutions and international conferences	MA			■	■	■	■	■	■	■	■	■	■	■	OST 2, to Denver, SF and DC, completed 2/10. OST 3 to Boston area, returned early October.
CC 5. Provide training to HR personnel	MA			■	■	■	■	■	■	■	■	■	■	■	HR plans and org. charts for original Y2WP subs complete. Ongoing support provided, also see Beyond 3 below.
CC 6. Develop communications planning guide	JH														Ongoing, to be finalized in October; this task draws upon the Communications Strategy developed under HC3.
CC 7. Reengineer/upgrade MARS and provide ongoing support	AFS	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing support provided. Modifications completed, additional equipment installed at HCWW.
CC 8. Conduct O&M planning and budgeting workshops	AA	■	■	■	■	■	■	■	■	■	■	■	■	■	Workshops were conducted; see additional information in the Sohag, Assiut and Beyond 11 sections.
CC 9. Conduct a field visit to Alexandria Water's lab	AA														Task suspended, not a sector priority. GTZ is providing complementary lab technician training in many utilities.
CC 10. Conduct network management workshops	SHM/AA														Incorporated into other program training activities.
CC 11. Develop and deliver financial accounting and cost accounting manuals	MB	■	■	■	■	■	■	■	■	■	■	■	■	■	Manuals completed, undergoing review.
CC 12. Conduct Unified Accounting System training program	MB														Ongoing activity.
CC 13. Support installation of ADVAC system	MB/MA	■	■	■	■	■	■	■	■	■	■	■	■	■	ADVAC installation nearly complete in original 5 WWSS gov's. Ongoing additional activities described below in Beyond 2.
CC 14. Provide ongoing PRISM support	AK	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing activity; updates levels remain over 90%.
CC 15. Develop capital investment planning and budgeting manual, and provide orientation	AK	■	■	■	■	■	■	■	■	■	■	■	■	■	Manuals completed and under review, to be published next quarter.
CC 16. Develop and disseminate standard key documents for projects life cycle	AK	■	■	■	■	■	■	■	■	■	■	■	■	■	Volumes 1 and 2 drafts prepared and submitted; Vol. 3 under preparation. All 3 to be finalized in the upcoming quarter.
CC 17. Develop site identification and acquisition procedures	AK														Suspended, as this is not a priority for HCWW.
CC 18. Conduct planning and scheduling training program	AK														Completed Feb. 2010.
CC 19. Coordinate with the WPRR project on implementation of the Operator Certification Program	GA														Ongoing coordination.
CC 20. Training of customer service and billing center staff	AFS														OJT provided; additional support ongoing as part of UFW activities.
Component C: Subsidiary Specific Activities															
Assistance to the Sohag W/WW Company															
SOH 1. (See CC 1.) Assist in the ongoing development of the Sohag WWC business plan	GA	■	■	■	■	■	■	■	■	■	■	■	■	■	Final draft completed.
SOH 2. (See CC 5.) Launch Sohag WWC human resources department	MA	■	■	■	■	■	■	■	■	■	■	■	■	■	Activity completed, ongoing support through Beyond Y2WP 3
SOH 3. Develop Sohag WWC Staffing Plan	MA														Postponed to program year 3.
SOH 4. (See CC 11., 12., 13.) Strengthen Sohag WWC Finance Department	MB	■	■	■	■	■	■	■	■	■	■	■	■	■	Ongoing activity.
SOH 5. Support Sohag WWC Warehouse and Procurement Unit	MB														Suspended, not a priority, high-return activity.
SOH 6. Establish a billing and customer service center	AFS														To be continued in Year 3 as part of ongoing UFW programs.
SOH 7. (See CC 8.) Assist in the development of O&M plan and budget	AA														Plan and budget complete.
SOH 8. Enhance utilization of laboratory	AA														Ongoing activity.
SOH 9. Provide training and OJT for Sohag GIS unit	AFS														Ongoing activity.
SOH 10. (See CC 14., 15., 16., 17.) Support the establishment of the Sohag WWC PMU	AK														Activity complete. Ongoing support provided underway, to be continued in Year 3.

Assistance to the Assiut W/WW Company							
AST 1. (See CC 1.) Assist in the ongoing development of the Assiut WWC business plan	GA						Final draft business plan completed.
AST 2. (See CC 5.) Launch Assiut WWC human resources department	MA						Activity completed, ongoing support underway, see Beyond Y2WP 3 below.
AST 3. Develop Assiut WWC staffing plan	MA						Ongoing activity.
AST 4. Establish Assiut WWC training center	MA						Due to lack of support from WWC, we have moved this task to Sohag, to be completed during program Year 3.
AST 5. (See CC 11., 12., 13.) Strengthen Assiut WWC finance department	MB						Ongoing activity
AST 6. Support Assiut WWC warehouse and procurement unit	MB						Activities suspended; not a priority, high-return activity. May add ADVAC warehouse and procurement module in Year 3.
AST 7. Establish a meter repair workshop	AFS						Ongoing, to be finalized in the upcoming quarter.
AST 8. Establish a billing and collections center	AFS						Ongoing, to continue as part of Year 3 UFW program.
AST 9. Provide training and OJT for Assiut GIS unit	AFS						Ongoing activity.
AST 10. (See CC 8.) Assist in the development of an O&M plan and budget	AA						Ongoing activity, plan is currently 85% complete.
AST 11. Replicate JICA-developed SOPs in two plants	AA						Task complete. SOPs developed for 3 plants.
AST 12. Procure equipment for newly established Assiut PMU	AK						Some equipment delivered; rest in upcoming quarter.
AST 13. (See CC 14., 15., 16., 17.) Support the establishment of the Assiut WWC PMU	AK						Activity complete. Ongoing support provided underway, to be continued in Year 3.
AST 14. Perform project management responsibilities	AK						Ongoing activity.
AST 15. Provide technical assistance in managing one construction project	AK						Project selected. Revised approach under discussion with USAID.
Assistance to the Luxor W/WW Company							
LUX 1. Develop and Implement UFW Pilot Program	AFS						Pilot complete; ongoing rollout in Luxor City, Sohag, Luxor.
LUX 2. (See CC 1.) Assist in the ongoing development of the Luxor WWC business plan	GA						Final draft business plan completed.
LUX 3. Develop Luxor WWC staffing plan	MA						Staffing plan updated as part of the business plan process.
LUX 4. (See CC 11., 12., 13.) Strengthen Luxor WWC finance department	MB						Ongoing activity.
LUX 5. Update USAID-supported O&M management system	AA						Task completed.
LUX 6. Provide technical and OJT for GIS Unit	AFS						Activity complete. Ongoing support to be continued in Year 3 as part of UFW rollout.
LUX 7. Procure equipment for newly established PMU	AK						Some equipment delivered; rest in upcoming quarter.
LUX 8. (See CC 14., 15., 16., 17.) Support the establishment of the Luxor WWC PMU	AK						Activity complete. Ongoing support being provided, to be continued in Year 3.
Assistance to the Giza W/WW Company							
GIZ 1. (See CC 1.) Assist in the ongoing development of the Giza WWC business plan	GA						Final draft business plan completed.
GIZ 2. Finalize Giza WWC staffing plan	MA						Task completed.
GIZ 3. (See CC 11., 12., 13.) Strengthen Giza WWC finance department	MB						Ongoing activity.
GIZ 4. Establish circuit-rider program for Giza WWC	AA						Procurement cancelled. HCWW to purchase trucks.
GIZ 5. Conduct audit of electricity and chemical use of Giza WWC	AA						Task complete, ahead of schedule.
GIZ 6. Establish a meter repair workshop	AFS						Suspended, to be reconsidered with future UFW work.
GIZ 7. Assist Giza WWC with customer service center establishment	AFS						Suspended.
GIZ 8. Provide technical and OJT for GIS Unit	AFS						Activity complete. Ongoing support provided underway, to be continued in Year 3.
GIZ 9. Procure equipment for newly established Giza PMU	AK						Some equipment delivered; rest in upcoming quarter.
GIZ 10. (See CC 14., 15., 16., 17.) Support the establishment of the Giza PMU	AK						Activity complete. Ongoing support provided underway, to be continued in Year 3.
GIZ 11. Perform project management responsibilities	AK						Ongoing activity.
Assistance to the Menufiya W/WW Company							
MEN 1. (See CC 1.) Assist in the on-going development of the Menufiya WWC Business Plan (draft)	GA						Final draft business plan completed.
MEN 2. (See CC 5.) Launch human resources department	MA						Task completed, ongoing assistance provided.
MEN 3. Finalize Menufiya WWC staffing plan	MA						Activities underway, expected to be complete in upcoming quarter.
MEN 4. (See CC 11., 12., 13.) Strengthen Menufiya WWC finance department	MB						Ongoing activity, no activities this quarter.
MEN 5. Implement warehouse management pilot program with Menufiya WWC	MB						Activities suspended; not a priority, high-return activity. May add ADVAC warehouse and procurement module in Year 3.
MEN 6. Establish a meter repair workshop for Menufiya WWC	AFS						Suspended, to be reconsidered with future UFW work
MEN 7. Provide technical and OJT for GIS Unit	AFS						Activity complete. Ongoing support to be continued in Year 3 as part of UFW rollout.
MEN 8. Conduct audit of electricity and chemical use of Menufiya WWC	AA						Task complete.
MEN 9. Procure equipment for newly established Menufiya PMU	AK						Some equipment delivered; rest in upcoming quarter.
MEN 10. (See CC 14., 15., 16., 17.) Support the establishment of the Menufiya PMU	AK						Activity complete. Ongoing support provided underway, to be continued in Year 3.
Assistance to the Beni Suez W/WW Company							
BEN 1. Propose new organizational structure for HRD section	MA						Activity completed, ongoing support through Beyond Y2WP 3.
BEN 2. Develop inventory management procedures	MB						Suspended; not a priority, high-return activity.
BEN 3. Improve utilization of central lab	AA						Task complete.

Assistance to the Minya W/WW Company										
MIN 1. Propose new organizational structure for HRD section	MA									Activity completed, ongoing support through Beyond Y2WP 3.
MIN 2. Develop inventory management procedures	MB									Suspended; not a priority, high-return activity.
MIN 3. Conduct an audit of chemical and electrical use	AA									Task complete.
MIN 4. Replicate implementation of JICA-developed SOPs in two plants	AA									Task complete. SOPs developed for Kedwan and Sultana WTPs, ongoing for Abo Korkas WWTP.
MIN 5. Improve utilization of central lab	AA									Task complete; ongoing assistance to be provided.
Assistance to the Aswan W/WW Company										
ASW 1. Provide written recommendations on integration of planning and program management	AK									Task completed.
ASW 2. (See CC 14.) Establish and equip a PMU	AK									Activity complete. Ongoing support provided underway, to be continued in Year 3.
Assistance to the Qena W/WW Company										
QEN 1. (See CC 1.) Develop business plan	GA									Final draft business plan complete, ahead of schedule.
QEN 2. (See CC 14., 15., 16., 17.) Provide training and technical assistance in project management	AK									Ongoing activity.
QEN 3. Perform project management responsibilities	AK									Ongoing activity.
Assistance to the Matrouh W/WW Company										
MAT 1. (See CC 1.) Develop business plan	GA									Expected to be complete in October.
MAT 2. Revitalize USAID-supported asset management IT system	SM									Activity complete. May need to train new unit staff.
MAT 3. (See CC 14., 15., 16., 17.) Provide training and technical assistance in project management	AK									Activity complete. Ongoing support provided underway, to be continued in Year 3.
MAT 4. Provide technical assistance in managing one construction project	AK									Cancelled, unable to find suitable location. Replaced by construction management project in Menufiya.
MAT 5. Assist in implementation of procured hand-held units	AA									Suspended; WWC to undertake themselves.
MAT 6. Provide OJT in implementation of procured O&M management software	AA									Task complete; CMMS installed.
Assistance to the Cairo Water Company										
CAI 1. Identify optimal computerized inventory control and management system	MB									CWC testing ADVAC-based inventory management system.
CAI 2. Assist in implementation of procured O&M management software	AA									CMMS to be installed.
CAI 3. Involve Cairo Water Company in cross-cutting activities										Ongoing participation, i.e. ADVAC rollout and installation (CC13) and OST 3 (CC4).
Assistance to the Daqahliya W/WW Company										
DAQ 1. Provide construction management services for one project	AK									Cancelled, unable to find suitable location. Replaced by construction management project in Sohag.
DAQ 2. (See CC 14., 15., 16., 17.) Roll-out cross-cutting capital investment planning and perf. mgt activities	AK									Ongoing activity.
Component D: Project Development and Coordination Activities										
PDC 1. Plan and coordinate field trips and trip reporting	MH									Field trips planned, approved, and summarized. Field trip reports published regularly and posted on project website.
PDC 2. Plan, monitor, and report training activities	MA									Ongoing activity.
PDC 3. Monitor, evaluate, and report project progress	KS									Ongoing activity.
PDC 4. Design and launch a WWSS project intranet site	KS									Site launched; continual updates.
PDC 5. Finalize and launch WWSS Phase I Procurement Plan	NM									Delayed, but proceeding; expected to be finalized by October.
Beyond Y2WP Tasks										
Beyond 1: Business planning	GA									Business planning in 10 subsidiaries ongoing; also BP units at subs being established.
Beyond 2: ADVAC installation and training	MB/MA									ADVAC installation ongoing in WWSS and other governorates.
Beyond 3: Support for subsidiary HR departments	MA									HR plans complete; ongoing support provided to WWSS governorates.
Beyond 4: UFW program expansion	AFS									Pilot complete; ongoing rollout in Luxor City, Sohag, Luxor.
Beyond 5: CMMS rollout in additional WTPs	AFS									Ongoing rollout in additional WTPs.
Beyond 6: Construction management projects in additional utilities	AK									Ongoing activities in Sohag, Assiut and Menufiya.
Beyond 7: Energy rationalization in additional governorates	AA									8 governorates now completed; TOT materials being developed
Beyond 8: Chemical optimization in additional governorates	AA									8 governorates now completed; TOT materials being developed
Beyond 9: Activating cost accounting departments in select subsidiaries	MB									In Matrouh, Sohag and Assiut; soon in Luxor.
Beyond 10: Develop standard documents for O&M and indefinite quantity contracting	MH									Drafts complete and submitted to the HCWW for review.
Beyond 11: Complete O&M plans and budgets in additional subsidiaries	AA									Plans complete in Giza, Menufiya and Sohag, 88% complete in Assiut, and 65% complete in Luxor
Beyond 12: Hydraulic Study for New Cairo Raw Water Pipeline	GN									Draft report completed.

ANNEX B: WWSS PROCUREMENT STATUS

WWSS Procurement Delivered Up-to 4 October 2010

	Type	Property	Subsidiary Companies	Date
1	NB	Laptop	HCWW	No date
2	SW	ARC View (GIS) 9.3.1	Menufiya	11.11.2009
3	SW	Two ARC View (GIS) 9.3.1	Sohag	3.8.2009
4	SW	ARC View (GIS) 9.3.1	Assiut	1.6.2009
5	SW	ARC View (GIS) 9.3.1	Luxor	25.6.2009
6	PC	One PC with accessories	Menufiya	22.2.2010
7	SW	MS Office Project 2007	Menufiya	22.2.2010
8	PC	One PC with accessories	Giza	23.2.2010
9	SW	MS Office Project 2007	Giza	23.2.2010
10	PC	One PC with accessories	Giza-Gezirat el Dahab	23.2.2010
11	PhC	One Xerox photocopier 5638	HCWW	11.3.2010
12	SW	MS Office Project 2007	Daqahliya	22.3.2010
13	SW	ARC View (GIS) 9.3.1	Giza	24.3.2010
14	PhC	Two (2) Xerox photocopiers 5638	Luxor	22.3.2010
15	PhC	Two (2) Xerox photocopiers 5638	Menufiya	22.3.2010
16	SW	10 ADVAC Financial & HR SW Licenses	Matrouh	22.3.2010
17	SW	MS Office Project 2007	Matrouh	22.3.2010
18	PhC	One Xerox photocopier 5638	Giza	24.3.2010
19	SW	MS Office Project 2007	Beni Suef	25.3.2010
20	Printer	HP Laser jet 1005	Giza	30.3.2010
21	PhC	Two (2) Xerox photocopier 5645	Assiut	13.4.2010
22	SW	Ten (10) ADVAC Financial & HR SW Licenses	Assiut	19.4.2010
23	SW	Two (2) Water CAD & Sewer CAD Licenses	Luxor	27.4.2010
24	SW	Ten (10) ADVAC Financial & HR SW Licenses	Luxor	27.4.2010
25	SW	Two (2) Water CAD & Sewer CAD Licenses	Giza	2.5.2010
26	Equip	Three (3) Dura measuring wheels	Luxor	3.5.2010
27	Equip	Fifteen (15) Listening sticks	Luxor	3.5.2010
28	PhC	Two (2) Xerox photocopiers 5645	Sohag	3.5.2010
29	Pics	Seventeen (17) framed pictures	HCWW	9.5.2010
30	SW	ARC View ArclInfo 9.3.1	Sohag	11.5.2010
31	SW	Two (2) Water CAD & Sewer CAD Licenses	Sohag	11.5.2010
32	Printer	Two (2) HP Ink Jet Printers K 8600	HCWW	16.5.2010
33	Printer	Three (3) Printers HP Laser Jet 3015D	Giza	16.5.2010
34	Printer	One HP Ink Jet Printer K 8600	Giza	16.5.2010
35	Printer	One HP Ink Jet Printer K 8600	Menufiya	16.5.2010
36	SW	ARC View ArclInfo 9.3.1	Assiut	17.5.2010
37	SW	Two (2) Water CAD & Sewer CAD Licenses	Assiut	17.5.2010
38	SW	Two (2) Water CAD & Sewer CAD Licenses	Menufiya	24.5.2010
39	SW	ARC View ArclInfo 9.3.1	Menufiya	24.5.2010
40	Printer	One (1) Printer HP Laser Jet 3015D	Beni Suef	25.5.2010

41	Printer	Seven (7) Printers HP Laser Jet 3015D	Assiut	26.5.2010
42	Printer	One HP Ink Jet Printer K 8600	Assiut	26.5.2010
43	SW	ArcGIS ArcInfo 9.3.1	Giza	26.5.2010
44	Printer	Nine (9) Printers HP Laser Jet 3015D	Sohag	26.5.2010
45	Printer	One HP Ink Jet Printer K 8600	Sohag	26.5.2010
46	NB	Two (2) HP Elite Book 8530w, one Docking Station and one laptop Adapter	HCWW	27.5.2010
47	Printer	One (1) Printer HP Laser Jet 3015D	Minya	27.5.2010
48	Printer	One (1) Printer HP Laser Jet 3015D	Qena	30.5.2010
49	Printer	Four (4) HP Laser Jet 5200 TN	Assiut	3.6.2010
50	Printer	One Printer HP 3015D	Matrouh	6.6.2010
51	Printer	Two (2) Printers HP5200 TN	Matrouh	6.6.2010
52	Printer	One (1) Printer HP Laser Jet 3015D	Matrouh	7.6.2010
53	Printer	Two (2) Printers HP Laser Jet 5200 TN	Matrouh	7.6.2010
54	Printer	Two (2) Printers HP Laser Jet 5200 TN	Giza	9.6.2010
55	Printer	Six (6) Printers HP Laser Jet 5200 TN	Sohag	9.6.2010
56	Books	Seven (7) books on Sanitarian and Construction Engineering of Water & Wastewater Sector	HCWW	10.6.2010
57	SW	Two (2) Water CAD & Sewer CAD Licenses	Matrouh	10.6.2010
58	Printer	Two (2) HP Laser Printer 5200 TN	Luxor	10.6.2010
59	Printer	One HP Ink Jet Printer K 8600	Luxor	10.6.2010
60	Printer	Five (5) HP 3015n	Luxor	10.6.2010
61	SW	Two (2) ARC View (GIS) 9.3.1	Aswan	13.6.2010
62	Printer	Five (5) HP 3015D	Menufiya	29.6.2010
63	Printer	Two (2) HP Laser Printer 5200 TN	Menufiya	29.6.2010
64	SW	Two (2) ArcGIS ArcInfo 9.3.1	Matrouh	6.7.2010
65	Printer	One (1) Printer HP Laser Jet 3015D	Aswan	15.07.2010
66	SW	Two (2) MS Office Project 2007	Assiut	29.07.2010
67	SW	One (1) AutoCAD LT 2011	Assiut	29.07.2010
68	SW	One (1) AutoCAD LT 2011	Menufiya	02.08.2010
69	SW	One (1) MS Office Project	Menufiya	02.08.2010
70	SW	One (1) AutoCAD LT 2011	Giza	02.08.2010
71	SW	One (1) MS Office Project	Giza	02.08.2010
72	SW	One (1) AutoCAD LT 2011	Matrouh	02.08.2010
73	SW	One (1) MS Office Project	Matrouh	02.08.2010
74	SW	One (1) AutoCAD LT 2011	Luxor	12.08.2010
75	SW	Two (2) MS Office Project 2007	Luxor	12.08.2010
76	SW	One (1) MS Office Project	Minya	19.08.2010
77	SW	One (1) AutoCAD LT 2011	Sohag	19.08.2010
78	SW	Two (2) MS Office Project 2007	Sohag	19.08.2010
79	Enclosure	Dell PowerEdge M1000e	HCWW	25.08.2010
80	Server	Two (2) Blade Server Dell PowerEdge M610	HCWW	25.08.2010
81	Rack	Smart Rack Premium Enclosure, 42" Depth	HCWW	25.08.2010
82	UPS	Server UPS Eaton 5130 3000	HCWW	25.08.2010
83	Laptop	Two (2) Tablet laptops HP Elitebook 2740P	HCWW	19.09.2010

84	Router	Cisco router 2801	HCWW	19.09.2010
85	PC	Nine (9) PCs	Matrouh	23.09.2010
86	Monitors	Nine (9) Monitors	Matrouh	23.09.2010
87	PC	Nine (9) PC UPS	Matrouh	23.09.2010
88	Scanner	One (1) Scanner	Matrouh	23.09.2010
89	PC	Twenty (20) PCs	Menufiya	27.09.2010
90	Monitors	Twenty (20) Monitors	Menufiya	27.09.2010
91	PC	Twenty-four (24) UPS PC	Menufiya	27.09.2010
92	Scanner	One (1) Scanner	Menufiya	27.09.2010
93	Projector	One (1) Data projector	Menufiya	27.09.2010
94	Hard Disk	One (1) External hard Disk	Menufiya	27.09.2010
95	PC	Four (2) Workstations	Menufiya	27.09.2010
96	PC	Four (4) Monitors	Menufiya	27.09.2010
97	Printer	One (1) Canon JX 210P Printer/Fax	Menufiya	27.09.2010
98	PC	Twenty-Two(22) PCs	Giza	29.09.2010
99	Monitors	Twenty-Two(22) Monitors	Giza	29.09.2010
100	UPS	Twenty-Six(26) UPS PC	Giza	29.09.2010
101	Printer	One (1) A0 plotter HP DesignJet 4020 large format printer	Giza	29.09.2010
102	SW	Eight (8) Trend micro pro 2010, 3 user	Giza	29.09.2010
103	PC	Four (4) Workstations	Giza	29.09.2010
104	Monitors	Four(4) Monitors	Giza	29.09.2010
105	PC	Twenty two (22) PCs	Assiut	03.10.2010
106	Monitors	Twenty two (22) Monitors	Assiut	03.10.2010
107	UPS	Twenty-six (26) UPS PC	Assiut	03.10.2010
108	Scanner	One (1) Scanner	Assiut	03.10.2010
109	Projector	One (1) Data projector	Assiut	03.10.2010
110	A0 plotter	One (1) HP DesignJet 4020 Large Format Printer	Assiut	03.10.2010
111	Enclosure	One (1) Dell PowerEdge M1000e Enclosure	Assiut	03.10.2010
112	Server	Two (2) Dell PowerEdge M610 Blade Server	Assiut	03.10.2010
113	Rack	One Tripplite 42U Smart Rack Premium Enc., 42" Depth	Assiut	03.10.2010
114	Server UPS	One (1) Eaton 5130 3000 Server UPS	Assiut	03.10.2010
115	SW	Eight (8) Trend micro pro 2010, 3 user	Assiut	03.10.2010
116	WS	Four (4) Workstations	Assiut	03.10.2010
117	Monitors	Four (4) Monitors	Assiut	03.10.2010
118	Printer/Fax	One (1) Canon JX 210P Printer/Fax	Assiut	03.10.2010
119	Printer	Three (3) Line Printers	Assiut	03.10.2010

WWSS Planned Procurement Deliveries for October 2010

Box #	Item #	Qty	Description	Company
1	1.0	1	pn# 110ITB-LR, Indianapolis Test Bench.	Assiut
1	2.0	1	pn# ECU-1, Electric Control Unit.	
1	6.0	1	pn# pipe, 2" Swinging Copper Delivery Pipe.	
2	9.0	20	pn#GT 118, Spare Parts, 5/8" X 3/4" 3/4 meters-Rubber Test Bench Gasket.	
4	7.0	20	Spare Parts, 5/8" split adapter for 1" Indianapolis, 9711.	
5	5.0	1	pn# TC, TC Tester Clamp.	
5	8.0	20	Spare parts, 5/8" X 3/4" and 3/4" Split Ring Adapter, 9712.	
5	10.0	20	pn#GT124, Spare Parts, 1" meters-Rubber Test Bench Gasket.	
5	11.0	20	pn#GT166, 5/8" Rubber Test Bench Gasket.	
6	4.0	1	pn# 400-L, 400 Liter Calibrated Test Tank.	
10	3.0	1	pn# 100-L, 100 Liter Calibrated Test Tank.	Giza
2	1.0	1	pn# 110ITB-LR, Indianapolis Test Bench.	
2	2.0	1	pn# ECU-1, Electric Control Unit.	
2	6.0	1	pn# pipe, 2" Swinging Copper Delivery Pipe.	
2	9.0	20	pn#GT 118, Spare Parts, 5/8" X 3/4" 3/4 meters-Rubber Test Bench Gasket.	
4	7.0	20	Spare Parts, 5/8" split adapter for 1" Indianapolis, 9711.	
5	5.0	1	pn# TC, TC Tester Clamp.	
5	8.0	20	Spare parts, 5/8" X 3/4" and 3/4" Split Ring Adapter, 9712.	
5	10.0	20	pn#GT124, Spare Parts, 1" meters-Rubber Test Bench Gasket.	
5	11.0	20	pn#GT166, 5/8" Rubber Test Bench Gasket.	
7	4.0	1	pn# 400-L, 400 Liter Calibrated Test Tank.	Menufiya
10	3.0	1	pn# 100-L, 100 Liter Calibrated Test Tank.	
3	1.0	1	pn# 110ITB-LR, Indianapolis Test Bench.	
3	2.0	1	pn# ECU-1, Electric Control Unit.	
3	6.0	1	pn# pipe, 2" Swinging Copper Delivery Pipe.	
2	9.0	20	pn#GT 118, Spare Parts, 5/8" X 3/4" 3/4 meters-Rubber Test Bench Gasket.	
4	7.0	20	Spare Parts, 5/8" split adapter for 1" Indianapolis, 9711.	
5	5.0	1	pn# TC, TC Tester Clamp.	
5	8.0	20	Spare parts, 5/8" X 3/4" and 3/4" Split Ring Adapter, 9712.	
5	10.0	20	pn# GT124, Spare Parts, 1" meters-Rubber Test Bench Gasket.	
5	11.0	20	pn#GT166, 5/8" Rubber Test Bench Gasket.	
8	4.0	1	pn# 400-L, 400 Liter Calibrated Test Tank.	Sohag
11	3.0	1	pn# 100-L, 100 Liter Calibrated Test Tank.	
4	1.0	1	pn# 110ITB-LR, Indianapolis Test Bench.	
4	2.0	1	pn# ECU-1, Electric Control Unit.	
4	6.0	1	pn# pipe, 2" Swinging Copper Delivery Pipe.	
2	9.0	20	pn#GT 118, Spare Parts, 5/8" X 3/4" 3/4 meters-Rubber Test Bench Gasket.	
5	7.0	20	Spare Parts, 5/8" split adapter for 1" Indianapolis, 9711.	
5	5.0	1	pn# TC, TC Tester Clamp.	
5	8.0	20	Spare parts, 5/8" X 3/4" and 3/4" Split Ring Adapter, 9712.	
5	10.0	20	pn# GT124, Spare Parts, 1" meters-Rubber Test Bench Gasket.	
5	11.0	20	pn# GT166, 5/8" Rubber Test Bench Gasket.	
9	4.0	1	pn# 400-L, 400 Liter Calibrated Test Tank.	Sohag
11	3.0	1	pn# 100-L, 100 Liter Calibrated Test Tank.	

ANNEX C: WWSS ASSESSMENT RESULTS: SUMMARY OF FINDINGS

Annual Subsidiary Assessment – Summary of Findings

The annual subsidiary assessment, conducted in late August, 2010, was intended to evaluate 1) application of WWSS-provided tools, training, and technical assistance, and 2) results of such application within the water utilities. Additionally, we utilized the information from the assessment to inform our work plan and collect input for project reports and communications, as outlined in our program performance monitoring plan. The assessment was unique to each company, based on needs assessments and subsidiary-specific work plans. For every system, tool, or training provided by WWSS, we inquired whether the tool/skills are used, how they are being used, and what impact they are having on the subsidiary. What follows is a summary of assessment results by activity area (Section I), and by company (Section II).

I – Summary by Activity Area

Positive	Negative	Noteworthy
Business Planning		
<ul style="list-style-type: none"> 8 of 8 companies with draft business plans find the strategic framework of the plan useful In 7 of 8 companies, more than 50% of the business plan programs have been initiated Business planning enjoyed wide participation across each company, with 7 of 8 citing that “all sectors (divisions)” were involved in its development 	<ul style="list-style-type: none"> Only 2 companies have established business planning units The extent to which plans are being implemented is unclear. While most have initiated some programs, they did not respond much to questions about progress against quantitative targets or team members’ roles in program implementation 	<ul style="list-style-type: none"> Matrouh Chairman issued a decree to form a team to develop the next business plan and monitor its implementation
Human Resources Management and Development		
<ul style="list-style-type: none"> 7 companies have completed HRD/M plans, and 4 more are underway 10 of 11 have implemented some part of the plan 9 companies have developed HR Division org structures, functional and job descriptions Most staff trained on ADVAC are still in their positions, and in 3 of 5 companies, they have trained others In 5 of 5 companies, the HR teams are updating ADVAC HR and generating reports for the Chairmen on at least a monthly basis 	<ul style="list-style-type: none"> Only 3 HR plans have been approved by the company chairmen Sohag is not yet generating reports from ADVAC, as they have only completed Phase I of the activity The needs of the companies are still great in this area. Most frequently cited needs were: performance appraisal/incentive systems, and completion of the ADVAC integration 	<ul style="list-style-type: none"> 6 companies’ HR divisions reported developing an organizational chart for the company (5 without WWSS assistance) Cairo Water Company has implemented the organizational structure developed in cooperation with the project, with few exceptions Giza’s staffing plan, developed with WWSS assistance, has been approved by the Chairman and they have initiated its implementation by hiring new staff and reallocating existing staff

Capital Investment Planning and Program Management		
<ul style="list-style-type: none"> 6 of 6 companies reported that PMUs have been established All companies reporting monthly updates of PRiSM data and generation of reports All companies receiving WWSS assistance in project prioritization report application of the skills gained and benefit to the company, mostly (in 4 of 6 cases) for prioritizing R&R projects 3 of 3 companies reported that project assistance in drafting conditions of contract was useful, and was applied in management of R&R projects With the exception of Beni Suef, all companies reported that project assistance in "utilization of the Master Plan" was helpful and improved company operations Project Chartering and Construction Management Fundamentals workshops were reported as useful across the board, with a number of examples of practical applications of knowledge gained 	<ul style="list-style-type: none"> There has been considerable turnover (approaching 50%) among PRiSM trainees, but updates are on track with all companies reporting monthly updates and reports In 2 of 6 companies (Luxor and Sohag) receiving hydraulics training, they do not have the hardware or software to apply the training (maps, computers, software) Companies receiving assistance on the standard documents (pre-qualification of contractors, use of indicators, dispute resolution, etc) reported that they were useful but didn't report many examples of how they were used. Assiut and Luxor do not have the computers on which to apply the Planning and Scheduling (MS Project) training 	<ul style="list-style-type: none"> Matrouh's team applied the hydraulic analysis training on the Marina network to identify problems, propose improvements, which were approved and implemented Giza WWC used the hydraulic analysis program to assess R&R needs in Bashteil Beni Suef and Matrouh report use of MS project in their work, on the Sads-Bba sanitation and "garage" projects, respectively
Financial Management		
<ul style="list-style-type: none"> 5 of 5 companies report thorough implementation of ADVAC Finance, daily updates of data, low/no staff turnover, training of others on the system All WWSS-trained companies are using the Unified Accounting System 	<ul style="list-style-type: none"> Only 2 of 5 companies supported with ADVAC are presenting financial statements to the Company leadership 	<ul style="list-style-type: none"> 4 of 6 companies surveyed specifically requested the ADVAC inventory module
Operations and Maintenance		
<ul style="list-style-type: none"> 3 of 5 companies reported use of the O&M planning and budgeting tools for corporate budgeting exercises 4 of 7 trained companies/plants improved their power factor after the training using a panel 8 of 8 treatment plants report sustained use of adjusted doses of alum and/or chlorine after the WWSS-supported study, and 5 report observing a reduction in costs 4 of 8 companies have replicated the chemical optimization activities in additional plants since the WWSS-supported study 5 of 5 companies receiving GIS training reported use of the skills in their work 4 of 4 companies receiving laboratory training report using it in their work 	<ul style="list-style-type: none"> Only 2 of 5 companies reported full completion of the O&M plan and budget, and others cited difficulties in data collection as reason for not completing it While the majority of those trained in energy rationalization are still in their positions, none of them has trained anyone else The SOPs in Kedwan, Minya, are still in draft form only and are not utilized by the plant staff Assiut is not using the CMMS, though they have received training and the computers are available The Aswan WWC has not updated data in MARS in more than 1 year 	<ul style="list-style-type: none"> Beni Suef and Aswan have replicated the energy use rationalization activities in additional plants since the WWSS pilot, and Assiut is planning to purchase power factor correction panels for replication The SOPs in Nazlet Abdullah, Assiut are present, are utilized, and accurately reflect the work of the plant. Further, they reportedly caused a reduction in the losses of produced water by 18% The CMMS is installed and in use at 5 companies. 3 are still in the data entry phase and 2 are already using it to generate work orders

II – Observations by Company

The below summaries are intended to illuminate the assessment results by company. The material is redundant to some extent with the summary table above. It aims to provide a complete picture of WWSS results to date, and to give the reader an overall view of the ongoing cooperation between our project and the targeted subsidiaries.

Assiut Water and Wastewater Company. The Assiut WWC has received a robust package of WWSS assistance due to its status as a newly established company. Results have been largely positive, though staff capacity remains a challenge and has affected the results of some activities.

- *Business planning.* The company completed its draft business plan and has initiated a number of the programs therein. While all divisions were involved in developing the plan, more support is needed to ensure buy-in to carry this activity forward.
- *Human resources management and development.* The company's HR division completed all three phases of ADVAC/HR training, and they are updating the system and generating reports for company leadership on a monthly basis. Additionally, a restructured company organizational chart, developed with WWSS support, has been sent to the HCWW for review and approval, suggesting buy-in among company leadership. The HR division has completed its HR plan with WWSS support, including HR division org structure, job descriptions, and functions, but its implementation has suffered from staff turnover.
- *Financial management.* ADVAC software and training has been very successful – the system is fully functional and updated on a daily basis.
- *Capital investment planning and program management.* A PMU has been established. They are updating PRiSM on a regular basis and providing monthly reports to company leadership. We provided the PMU with technical assistance and on-the-job training in contracting, and they reported using the skills on the Berka wastewater project and that the tools helped minimize problems with contractors. However, some additional tools provided by the project (MS Project, WaterCAD, contracting documents, prioritization tool) are not fully applied and require additional training and follow-up.
- *Operations and maintenance.* After the WWSS-provided energy use rationalization study and training, the Nazlet Abdullah plant adjusted their power factor using a corrective panel. They continue to monitor and adjust their energy use and anticipate savings at year's end. The chemical use optimization activity, also at Nazlet Abdullah, resulted in a reduction in the alum dose and associated savings in chemical costs, and the Company is replicating the activity in additional plants. The standard operating procedures (SOPs) developed are available in the plant and are utilized by shift supervisors and technicians. In cooperation with the Dutch project in Fayoum, we have installed MASTER CMMS in the Nazlet Abdullah plant, but the plant staff are not yet using it – we will provide further training and follow-up in Year 3. We will also continue the UFW program initiated in Year 2, which is progressing well. Finally, we made considerable progress on the O&M plan and budget in Assiut, but since the plan is not utilized at the local or central levels, we will adjust our approach moving forward, in consultation with the HCWW.

Aswan Water and Wastewater Company. WWSS assistance in Aswan has focused on O&M and company-wide business and HR planning. We found the company staff to be very cooperative, eager for assistance, and responsive to WWSS interventions.

- *Business planning and HR management and development.* The Aswan business planning process, initiated in June of 2010 is progressing well and enjoying participation from across the company. The HR division has also made significant progress on their HR plan, and has initiated its implementation through various activities including the development of an organizational chart for the company, installation of ADVAC/HR, and development of their training center, among other things.
- *Capital investment planning and program management.* The PMU in Aswan is established and, despite a 50% turnover rate, is updating PRiSM on a regular basis and generating reports. Aswan

PMU members attended two WWSS workshops, on Project Chartering and Construction Management Fundamentals, and report use of the knowledge gained in their project planning efforts.

- *Operations and maintenance.* The chemical use optimization activity in Aswan was very well-received. The plant staff reports a significant reduction in the amount of chlorine used and in the cost of treatment. This has reportedly resulted in replication of the activity in all plants in Aswan. The energy use rationalization activity was also very successful; they continue to monitor their power factor (and electricity bills) and report replication of the activity in eight additional plants. They have faced significant IT-related problems with the MARS system, which we will address in the next release of MARS (in Program Year 3). GIS training, on the other hand, has been well received and utilized.

Beni Suf Water and Wastewater Company. The Beni Suf Company has a history of USAID assistance, and WWSS assistance aimed to strengthen capacity and to preserve USAID investments. The assessment revealed that the company is applying WWSS tools and remains a very cooperative partner.

- *Human resource development and management.* The HR division at the Beni Suf company was among the first to complete their HR plan with WWSS assistance, and they've taken a number of steps to implement it including: development of a company organizational chart, updating their five-year staffing plans based on retirement data, and development of training plans linked to career paths, among other things.
- *Capital investment planning and program management.* The planning sector is utilizing PRiSM, updating the system and generating reports on a monthly basis. They have applied WWSS advice on the use of indicators to monitor construction, as well as the knowledge gained from WWSS workshops in Project Chartering and Construction Management Fundamentals. They also received training in the use of MS Project for project planning and scheduling, and are currently applying the new skills on two projects. However, they did not find the assistance on using the master plan as helpful and have not been able to utilize it in their day-to-day activities.
- *Operations and maintenance.* The assistance to the Beni Suf central laboratory was well-received, and the trainees report an improvement in their sampling and measurement practices. However, they do not have the required chemicals to continue/apply all WWSS-advised practices. The energy use rationalization demonstration activity at the main Beni Suf treatment plant generated positive results. The WWSS consultant helped them fix their defunct power factor correction panel, and they continue to use it to monitor their power factor (and electricity bills). They are planning a large-scale roll out of the activity in all plants, at a rate of 10 per month. The chemical use optimization activity also increased efficiency by reducing the dosage (and cost) of both alum and chlorine, and the company has replicated the activity in the Sheikh Abed direct filtering plant. The computerized maintenance management system has encountered some difficulty due to system bugs and requires more WWSS (or FaDWaSP) support to be reactivated.

Cairo Water Company. WWSS assistance to the Cairo Water Company, as outlined in our Year 2 work plan, was confined to cross-cutting activities and responses to ad hoc requests from the Chairman. While we faced some difficulty moving HR assistance forward in Year 2, the assessment revealed considerable interest in this area on the part of the Chairman (he ranked it as his top priority), so we will ramp up this effort in Year 3.

- *Human resources management and development.* The HR division staff participated in WWSS workshops, initiated their HR plan, and submitted their division organizational design to the HCWW for review. The HR planning process will continue next year, along with a staffing planning exercise. Additionally, the company organizational chart developed with WWSS support has been implemented, with only minor changes to the structure of the Finance division.
- *MARS and PRiSM.* Both systems are functioning well at the company, including frequent updates and reports from the respective teams.

Giza Water and Wastewater Company. Since the Giza company is fairly new (separated from the Cairo Water Company and established in late 2007), they were eligible for a comprehensive package of WWSS assistance. Progress is positive, though long-term dedication to some activities remains uncertain.

- *Business planning.* The Giza WWC was among the first to complete its business plan, and all divisions of the company were involved in its development. They have also been diligent in implementing the many programs from the business plan, with strong support from company leadership.
- *Human resources management and development.* The HR division has completed its HR plan with WWSS support, and submitted it to company and HCWW leadership. Sector buy-in to implement the plan, however, remains tentative. Working with a WWSS short-term consultant, they also completed a staffing plan and have initiated its implementation by hiring new employees to fill vacancies. The company's HR division completed all three phases of ADVAC/HR training, and they are updating the system and generating reports for company leadership on a monthly basis.
- *Financial management.* ADVAC/Finance is up and running in the Giza WWC, with daily updates by the financial management team and regular reports and statements. They also use the manual Unified Accounting System in parallel, and requested additional assistance reconciling the accounts in ADVAC with those in UAS.
- *Capital investment planning and program management.* A PMU has been established, and they are updating PRiSM on a regular basis and providing monthly reports to company leadership. While the training and software provided for hydraulic modeling is in use, the MS Project software for planning and scheduling has not been used and needs additional follow-up. The company staff also reported favorably on the technical assistance provided in master plan utilization, and in project/program management topics such as dispute resolution, project chartering and contracting, and fundamentals of construction management.
- *Operations and maintenance.* The company completed its O&M plan and budget, but they have not been able to use it in company-wide budgeting exercises. At the plant level, the chemical use optimization activity resulted in a reduction in the amount of alum used. They have not, however, analyzed the cost savings or replicated the activity in additional plants. The Gezirat Il-Dahab plant staff, after a series of WWSS on-the-job training sessions, are using the MASTER computerized maintenance management system to plan and manage maintenance tasks. They also found the energy use rationalization activity useful, but they have been unable to sustain it without power factor analyzers and corrective panels (which will be provided by WWSS early in Year 3). Project assistance with MARS and GIS is also applied, and both technologies are functioning well at the company. Finally, plant staff report application of the knowledge gained through WWSS laboratory training, but requested additional chemicals so they could continue such work.

Luxor Water and Wastewater Company. The Luxor company has received a broad range of WWSS assistance, and we have seen very promising results there, in UFW work in particular. However, follow up on some initiatives is lacking and requires additional attention from WWSS and HCWW.

- *Business planning.* The Luxor WWC completed its draft business plan, with wide participation from across the company, and they have initiated the majority of the programs therein.
- *Human resources management and development.* The HR division has initiated development of its HR plan, but has not completed it or shared it with company leadership or the HCWW. However, they are implementing pieces of the plan related to HR information systems and training plan development. The ADVAC/HR trainees are performing well, training others, and updating the system on a regular basis.
- *Financial management.* ADVAC/Finance is up and running at the Luxor WWC, with all WWSS trainees still in their positions and making daily updates and regular reports and statements to the Board of Directors.
- *Capital investment planning and program management.* A PMU has been established with WWSS support. The unit is updating PRiSM on a regular basis and providing monthly reports to the Chairman of the Board. WWSS trainees in project prioritization report that it has helped to clarify a

vision for the company's upcoming R&R projects. Additionally, trainees in construction management report using the skills on actual projects since the training course. On the other hand, the WWSS investments in WaterCAD and MS Project software are apparently not in use due to the lack of dedicated hardware.

- *Operations and maintenance.* The hallmark WWSS O&M intervention in Luxor was the UFW pilot program, which was reported by the company as useful, citing the 32% reduction in leaks. They report difficulty sustaining the program due to personnel and budget constraints, but have managed to replicate some of the activities (such as GIS mapping and leak detection) and are planning to expand the program beyond the pilot area. On a related note, the WWSS GIS trainees are regularly using the software and report passing along their skills to others via on-the-job training. Additionally, the company made considerable progress on the O&M plan and budget, but did not complete it due to time and workload constraints. However, they report that it has been useful in company-wide budgeting exercises.

Matrouh Water and Wastewater Company.

- *Business planning.* The Matrouh Company has nearly completed its business plan, and buy-in has been strong across the company throughout the process. The Chairman recently approved the strategic vision, mission, values, and goals, and issued a decree to form a committee to continue updating and monitoring the planning and implementation process.
- *Human resources management and development.* The company's HR division has developed its division structure and job descriptions, and submitted them to the Chairman and the HCWW for approval. They have also drafted their HR plan and implemented a number of its activities including the development of a company organizational chart and a training plan. They have also completed all three phases of ADVAC/HR installation, are regularly updating the data, and utilized it for payroll for two consecutive months.
- *Financial management.* The WWC has completed all three phases of WWSS ADVAC/Finance support, and our trainees report training others on the system. The financial management division updates the system on a weekly, if not daily, basis and is generating financial statements.
- *Capital investment planning and program management.* The planning sector is utilizing PRiSM, updating the system and generating reports on a monthly basis. After WWSS-provided Water CAD training, the trained engineers utilized their skills to conduct hydraulic analysis for the Marina water network. This enabled them to identify problem areas in the network, and propose solutions to the HCWW, which were approved and implemented. Additionally, the WWSS trainees in MS Project, despite having only one computer, report using it on the "garage" project and noticing improved efficiency in the construction process. Finally, the planning unit also reported positively on other WWSS interventions, including: the project prioritization tool, and TA/guidance on dispute resolution, master planning, project contracting, and construction management. They have not yet had the occasion to apply much of the knowledge and skills.
- *Operations and maintenance.* We have seen positive results from the chemical optimization activity – the trainees have trained others and consistently used reduced doses of alum since the study. The lessons learned from the energy use study, on the other hand, have not yet been applied because they lack the power factor correction panels to adjust their power factor (we will provide this equipment in Year 3, along with a training of trainers course). The MASTER CMMS system is still in the data collection and entry stage, which is progressing well.

Menufiya Water and Wastewater Company.

- *Business planning.* The Menufiya Company has completed its draft business plan and established a business planning unit, a key sign of management buy-in.
- *Human resources management and development.* The company's HR division enjoys strong support from the company leadership, and this shows in the results of WWSS activities. The HR staff have developed an HR plan, which has been approved by the Chairman, along with their division structure and job descriptions. The staffing planning exercise in Menufiya, requested by the Chairman, is progressing well and is the basis for the new WWSS approach to staffing planning.
- *Financial management.* The WWC has completed all three phases of WWSS ADVAC/Finance support, and financial management division staff is updating the system regularly and generating financial statements.
- *Capital investment planning and program management.* PRiSM is fully activated and regularly updated, and a PMU has been established. In some cases (for example, the project prioritization tool, MS Project, Water CAD, and guidance on developing conditions of contract), the WWSS-provided tools have been utilized on actual contracts or projects. For example, Water CAD was cited as useful in solving actual technical problems in sites such as Kafr Mit El-Abs and Abu Nashaba, among others.
- *Operations and maintenance.* The chemical optimization activity at the New Shebeen El-Kom water treatment plant generated positive results – the trainees have trained others, have consistently used the reduced dosages recommended by the study, and report savings on chemical purchases. The lessons learned from the energy use study, on the other hand, have not yet been applied because they lack the power factor correction panels to adjust their power factor (we will provide this equipment in Year 3, along with a training of trainers course). Further, the GIS training was a success; all trainees are still in their positions, they report training others, and they use the system on a daily basis.

Minya Water and Wastewater Company. As a well-established and relatively high-performing company, and a recipient of USAID assistance in the past through the Middle Egypt project, the Minya company was identified as a testing ground for a number of WWSS pilot programs. Results have been positive, though company buy-in on some initiatives remains tentative.

- *HRM/D and financial management.* The company's HR division completed their HR plan with WWSS support, but it has not been approved by the Chairman or submitted to the HCWW. Additionally, the Minya Company's Finance Division staff participated in WWSS training on the Unified Accounting System, which is utilized at the company.
- *Capital investment planning and program management.* Despite significant turnover in the Planning Division, PRiSM is updated on a regular basis and reports are used to monitor projects. Additionally, project guidance on contracting has reportedly contributed to fewer conflicts with contractors.
- *Operations and maintenance.* The chemical use optimization activity showed positive results in the Kedwan water treatment plant – they reduced the alum dose, continue to monitor it, and have enjoyed savings on chemical costs. The energy use rationalization activity was not as successful in Kedwan. Though the power factor was adjusted after the project-supported study, the corrective panel has repeatedly broken down due to a lack of ventilation, despite multiple project attempts to fix it and/or encourage the purchase of a fan. The MASTER CMMS was also installed in Kedwan, and progress in the initial data collection stage is slower than expected and requires continuous follow-up. On a more positive note, the MASTER CMMS system at the Abu Korkas and El Saiyda plants is progressing well – plant staff have nearly completed all data entry and anticipate use of the program for maintenance beginning in October. Additionally, the standard operating procedures developed for the Kedwan plant are being delivered in late September, with two additional plants to follow (University plant and El-Hawatka plant).

Qena Water and Wastewater Company. The Qena WWC has a full-time dedicated GTZ team of consultants, working on both technical and managerial capacity building with company staff. Because of this, our activities there have been limited and were designed to complement GTZ efforts.

- *Business planning.* The Qena WWC business planning process has been among the most successful. All sectors of the company contributed to the plan, and they are attentively implementing nearly all of its programs. Further, the Chairman has established a business planning unit to sustain the activity into the future.
- *Human resources management and development.* The company's HR division completed their HR plan with WWSS support, but it has not been approved by the Chairman or submitted to the HCWW – key signs of management buy-in.
- *Capital investment planning and program management.* PRiSM is fully activated and regularly updated at the Qena WWC. Additionally, they report application of WWSS guidance on project prioritization in planning their R&R projects.

Sohag Water and Wastewater Company. As a new company, Sohag has received the complete package of WWSS assistance, and has proven to be a receptive partner across the board for WWSS interventions.

- *Business planning.* With WWSS support, the company completed its draft business plan, with strong involvement with all divisions of the company, and initiated more than half of the plan's programs.
- *Human resources management and development.* The company's HR unit has drafted its HR plan with WWSS support, including HR division org structure, job descriptions, functions, etc. They have also completed two of three phases of ADVAC/HR installation and are regularly updating the HR/personnel data in the system.
- *Financial management.* The WWC has completed all three phases of WWSS ADVAC/Finance support. The financial management division updates the system on a weekly, if not daily, basis and is generating financial statements.
- *Capital investment planning and program management.* PRiSM is fully activated and regularly updated, and a PMU has been established. In some cases (for example, the project prioritization tool and the guidelines on conditions of contract), the WWSS-provided tools have been utilized on actual contracts or projects. Other tools, such as MS Project and WaterCAD, are not yet fully utilized due to lack of equipment and/or dedicated staff.
- *Operations and maintenance.* We have seen positive results from the chemical optimization activity – the trainees have trained others and replicated in other plants. Plant staff has consistently used reduced doses of alum since the study, and report savings on their chemical purchases. The MASTER CMMS system is installed and functioning in the Cola station, is reported as useful for scheduling maintenance tasks, and is being rolled out by the Company staff. The WWC completed their O&M plan and budget and have utilized it in company budgeting exercises. The company has not fully benefitted from the energy rationalization study in the Needa water treatment plant because they lack the power factor correction panels to adjust their power factor – the WWSS team will provide this equipment in Year 3, along with a training of trainers course.

ANNEX D: WWSS ACTIVITIES TO DATE BY GOVERNORATE

WWSS Activities to Date by Governorate

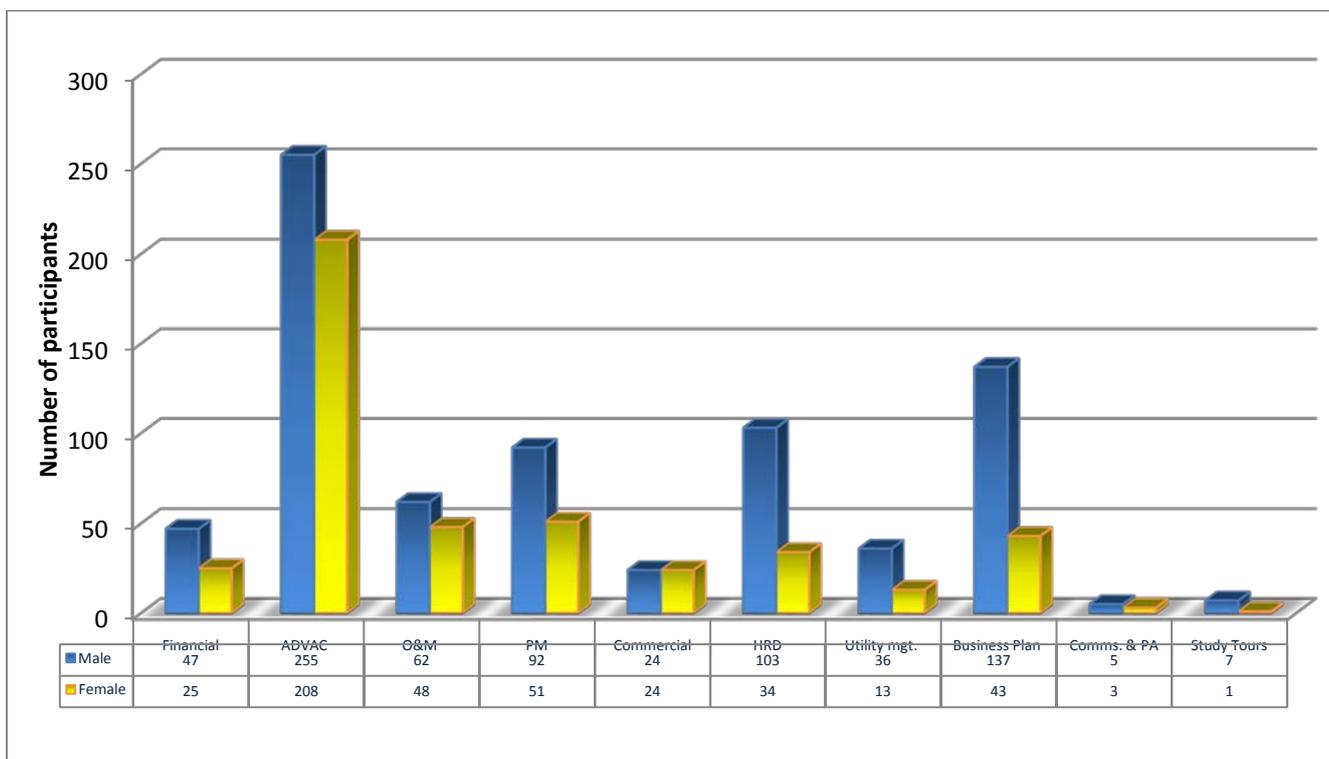
WWSS Activities	HCWW Regional Subsidiaries											
	Assiut	Aswan	Beni Suef	Cairo	Daqahliya	Giza	Luxor	Matrouh	Menufiya	Minya	Qena	Sohag
Business Planning	X	X				X	X	X	X		X	X
Human Resources Management/Development												
HR Plan Development	X	X	X	X		X	X	X	X	X	X	X
Staffing Plan	X					X			X			
ADVAC HR	X					X	X	X				X
Development of Utility Organizational Chart	X											
Capital Investment Planning and Program Management												
PMU Assistance	X					X	X	X	X			X
PRISM OJT and Training	X	X	X	X	X	X	X	X	X	X	X	X
Hydraulic Training	X					X	X	X	X			X
Asset Management									X			X
TA in Project Prioritization Systems	X							X	X		X	X
TA Preparing Conditions of Contract	X										X	X
TA on Using Construction Indicators	X		X		X	X	X	X		X	X	X
TA on Dispute Resolution	X		X		X	X	X	X		X	X	X
TA on Maximizing Use of the Master Plan	X		X		X	X	X	X	X	X	X	X
TA on Prequalification of Consultants and Contractors											X	
Project Chartering and Contracting Workshop	X	X	X	X	X	X	X	X	X	X	X	X
Construction Management Fundamentals Workshop	X	X	X	X	X	X	X	X	X	X	X	X
Planning and Scheduling Training	X		X		X	X	X	X	X		X	X
Financial Management												
Finance ADVAC	X					X	X	X				X
UAS Phase 1	X					X	X	X	X	X		X
UAS Phase 2	X								X			
Operations and Maintenance												
O&M Plan and Budget Development	X					X	X		X			X
Energy Use Rationalization	X	X	X			X		X	X	X		X
Chemical Use Optimization	X					X			X	X		X
SOPs and Operating Instructions	X									X		
UFW	X	X					X					X
CMMS	X		X			X		X		X		X
MARS	X	X	X	X	X	X	X	X	X	X	X	X
Introcution to ArcGIS	X					X	X		X			X
Training in Laboratory Phytoplankton			X			X				X		X
TA in Developing Laboratory Standard Operating Procedures (SOPs)			X							X		X

ANNEX E: TRAINING DATA FOR WWSS YEAR 2

WWSS Provided Training by Governorate, November 2009 to September 2010.

Subsidiary	Number of Participants		
	Male	Female	Total
HCWW	50	24	74
Assiut	80	75	155
Sohag	88	59	147
Luxor	46	61	107
Giza	89	31	120
Menufiya	64	25	89
Minya	14	6	20
Beni Suef	38	41	79
Cairo	7	2	9
Aswan	58	12	70
Matrouh	131	68	199
Daqahliya	46	20	66
Qena	42	23	65
Others	15	3	18
TOTAL	768	450	1218

WWSS Provided Training by Functional Area, November 2009 to September 2010.



ANNEX F: PERFORMANCE MONITORING DATA SUMMARY

WWSS Performance Monitoring Plan Indicators

DATE UPDATED: 9/30/10

INDICATOR	Cairo Water		Daqahiya		Beni Suef		Minya		Aswan		Qena		Menufiya		Giza		Marsa Matrouh		Luxor		Assiut		Sohag		
	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	Baseline	Most Recent Actuals	
1 Progress in developing, implementing, and assessing performance against service standards (milestone indicator)	Provided by the WPRR Program																								
2 Percent of total costs recovered by targeted subsidiaries	61.5%	88.4%	82.9%	93.5%	73.6%	54.8%	72.6%	81.8%	36.9%	50.7%	74.4%	--	--	99.5%	--	99.1%	--	--	--	123.4%	--	--	--	--	
3 Percent of O&M costs recovered by targeted subsidiaries*	97.0%	97.2%	103.4%	101.0%	76.0%	80.1%	81.0%	71.4%	40.8%	95.5%	47.5%	--	69.5%	81.8%	--	110.7%	--	--	--	42.1%	--	--	--	--	
4 Percent change in volume of unaccounted for water	NA		NA		NA		NA		NA		NA		NA		NA		NA		NA	32.2%	NA		NA		
5 Days sales in accounts receivable (aging)	NA		NA		NA		NA		NA		NA		145		132		365		198		117		164		
6 Percent of collection from period's bills	49.6%	34.9%	61.9%	59.2%	73.6%	71.3%	59.2%	30.3%	34.0%	48.1%	36.2%	30.0%	83.8%	49.7%	36.1%	51.7%	--	34.1%	12.2%	--	--	--	--	40.5%	
7 Percent of collection from arrears	13.7%	14.3%	36.7%	14.5%	38.1%	24.5%	20.1%	19.9%	12.3%	14.1%	25.9%	28.0%	52.7%	55.1%	--	23.4%	--	4.5%	66.7%	--	--	--	--	--	
8 Progress in developing and implementing subsidiary business plans (milestone indicator)	Please refer to attached Indicator 8 table																								
9 Percent change in the volume of leakage	NA	-29.1%	NA	47.3%	NA	-18.6%	NA	-9.7%	NA	18.0%	NA	100.0%	NA	16.2%	NA	-247.3%	NA	32.8%	NA	--	NA	--	NA	11.6%	
10 Percent change in chemical costs	NA	47.7%	NA	-77.0%	NA	1.5%	NA	22.5%	NA	-70.4%	NA	0.0%	NA	-47.1%	NA	-55.3%	NA	-95.0%	NA	--	NA	--	NA	--	
11 Percent change in energy costs	NA	-10.4%	NA	17.8%	NA	19.1%	NA	-22.9%	NA	25.1%	NA	-23.7%	NA	-39.2%	NA	14.7%	NA	-94.6%	NA	--	NA	--	NA	-100.0%	
12 Percent of samples meeting Egyptian water quality standards	100.0%	100.0%	99.7%	99.8%	93.2%	96.5%	91.1%	96.3%	100.0%	99.7%	--	61.0%	93.9%	96.5%	93.9%	99.6%	N/A	N/A	100.0%	--	--	85.0%	--	98.3%	
13 Percent of samples meeting Egyptian effluent wastewater quality standards	NA	NA	82.4%	86.7%	98.2%	60.6%	84.6%	87.9%	95.9%	9.0%	--	--	54.5%	73.3%	93.8%	94.7%	N/A	N/A	--	--	--	--	--	100.0%	
14 Number of project-targeted subsidiaries producing quarterly financial and accounting statements	NA		NA		NA		NA		NA		NA		NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	
15 Percent of meters functioning in targeted areas	48.6%	59.6%	86.0%	87.6%	95.6%	95.9%	97.1%	95.2%	84.0%	85.1%	37.3%	73.4%	--	97.2%	--	60.3%	--	48.7%	--	--	--	--	--	76.8%	
16 Percent of customers billed in targeted areas	100.0%	103.0%	100.0%	100.0%	97.4%	99.9%	101.9%	101.6%	100.8%	101.0%	--	--	127.8%	83.0%	--	70.0%	--	--	--	--	--	60.9%	--	106.3%	
17 Percent of the volume of water produced that is billed	67.2%	69.3%	92.7%	89.1%	75.8%	70.9%	70.1%	70.3%	71.4%	65.6%	--	56.4%	71.8%	69.7%	69.4%	71.2%	--	--	--	--	--	77.0%	--	50.6%	
18 Number of project-targeted subsidiaries producing quarterly MARS reports	NA	Yes	NA	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	Yes	NA	No	NA	No
19 Quality of information generated by MARS	TBD, survey is currently underway																								
20 Quality of information generated by PRISM	TBD, survey is currently underway																								
22 Number of active projects entered into PRISM	7	13	81	214	8	19	6	35	10	31	6	27	25	41	23	37	0	8	12	23	7	22	1	31	
23 Percent of projects updated in PRISM on a monthly basis	0%	100%	36%	100%	29%	100%	0%	100%	25%	100%	0%	100%	42%	100%	0%	100%	0%	100%	0%	100%	6%	100%	0%	100%	
24 Percent of annual R&R budget expended	NA		NA		NA		NA		NA		NA		93.0%		115.0%		204.0%		131.0%		95.0%		76.0%		
25 Number of standard contracting documents completed	Three volumes drafted, to be finalized in Year 3.																								
35 Number of people trained	0	9	0	66	0	79	0	79	0	73	0	53	0	184	0	111	0	199	0	223	0	324	0	298	
36 Number of subsidiaries developing or updating HRD plans	NA	No	NA	No	NA	Yes	NA	No	NA	No	NA	Yes	NA	Yes	NA	No	NA	No	NA	No	NA	No	NA	Yes	
37 Number of subsidiaries using an automated HR management system	NA	No	NA	No	NA	No	NA	No	NA	No	NA	No	NA	No	NA	No	NA	Yes	NA	Yes	NA	Yes	NA	Yes	

8 Progress in developing and implementing subsidiary business plans (milestone indicator)

Date updated: 30 September, 2010

Subsidiary	Development					Implementation			Institutionalization	
	Training conducted	Plan drafted	Review workshop held	Final draft completed	Annual update completed	# of programs in plan	# of programs initiated	# of programs completed	Business planning unit established	Equipment delivered
Giza	X	X	X	X		80	80	0		X
Menufiya	X	X	X	X		82	35	25	X	X
Assiut	X	X	X	X		37	30	0		X
Sohag	X	X	X	X		57	37	3		
Luxor	X	X	X	X		21	6	15		
Qena	X	X	X	X		56	50	0	X	
Aswan	X	X	X	X		34	0	0		
Minya										
Beni Suef	X	X	X							
Cairo	Not applicable									
Matrouh	X	X								X
Daqahliya	Not applicable									