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QUARTERLY PROGRESS REPORT JANUARY– MARCH 2011

EGYPT WATER AND WASTEWATER SECTOR SUPPORT PROGRAM

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Acronyms and Abbreviations

AUC	American University in Cairo
CIP	Capital Investment Planning
CIP/PM	Capital Investment Planning and Program Management
CMMS	Computerized Maintenance Management System
COTR	Contracting Officer Technical Representative
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
HRIS	Human Resources Information System
IT	Information Technology
ISSIP	Integrated Sanitation and Sewerage Infrastructure Project
IWSP	Improved Water and Wastewater Services Program
MARS	Monitoring and Analysis Reporting System
MASTER	Maintenance through Systematic Tracking and Equipment Repair
MHUUD	Ministry of Housing, Utilities, and Urban Development
O&M	Operations and Maintenance
OST	Observational Study Tour
PMP	Performance Monitoring Plan
PMU	Project Management Unit
PR	Public Relations
PRiSM	Program Information Management System
QPR	Quarterly Progress Report
TOT	Training of Trainers
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
Y2WP	Year 2 Work Plan
Y3WP	Year 3 Work Plan

Executive Summary

This progress report details the activities that have taken place during the second quarter of the third year of the USAID-funded Water and Wastewater Sector Support (WWSS) Program (January 1 – March 31, 2011). Using the capacity building approach outlined in our work plan (see Exhibit I), the WWSS team focused on utilizing local joint working groups (LWGs) for activity planning and monitoring, implementing training of trainers programs, facilitating the rollout and replication of Year 2 pilot interventions, and monitoring and evaluation. At the central level, our activities centered on the upgrade and handover of IT systems, communications and public awareness, and responding to the events of January and February and the ensuing disruptions. The latter required adjustments to our work, particularly after the evacuation of expatriate staff, and the cancellation of field trips in February.

The events also opened windows of opportunity for the project, the Holding Company and most of those employed at the central and local levels. Following demonstrations and sit-ins by employees, HCWW granted permanent tenure, along with salary adjustments, allowances for hazardous jobs, and meal benefits. The Company came to WWSS for assistance in reviewing and finalizing a human resources manual developed by GIZ, and in drafting staff evaluation forms linking performance to plans and outcomes. The resulting additional operating expenses furthered the need to accelerate cost reduction measures wherever feasible elsewhere, and reinvigorated our cost reduction activities in operation and maintenance, particularly in leak reduction, energy use rationalization, and chemical use optimization, leading us to mobilize additional resources to satisfy growing demand.

The past quarter witnessed also several leadership changes at the operating companies. The Holding Company responded to pressures from staff and local groups by replacing (or reassigning) some subsidiary chairmen. This was the case in Aswan, Sohag, Damietta, and Beheira. Most, if not all, HCWW staff seconded to subsidiaries returned or are preparing to return to the Company headquarters. As noted in Section 6 of this report, the situation is almost back to normal in all 23 utilities, despite pockets of dissatisfaction.

After experiencing initial delays, we have managed to get back on track on important tasks, by leveraging additional short-term resources, and by postponing certain activities. In one case, namely capital investment planning and program management, we redesigned the tasks, with USAID approval, in light of renewed interest by HCWW, and received the green light to proceed with our proposed 18-month technical assistance and training program. We are awaiting information regarding the proposed operator certification program, presently on temporary hold, until we learn more about the course of action of the Certification Board, which finally met in early April. Meanwhile, we have completed the revisions to Level D, water plant operator training material based on comments received from HCWW, and are proceeding with the material development for the Level D, wastewater plant operator training. We will conduct initial tests on the material after the establishment of the Board's training committee run by the Company.

Quarterly Program Highlights

Training of trainers programs. The Training of Trainers (TOT) program covers three areas, deemed of potential high impact/high return – leak detection and reduction, energy use rationalization, and chemical use optimization. The TOT consist of two components: a technical component to refresh the subject matter knowledge of prospective trainers, followed by “soft skills” training in design, delivery, and monitoring of training programs for trainers, selected from the pool of technical trainees. This past quarter, we trained staff from six utilities in Middle and Upper Egypt in leak detection and reduction, two utilities from Upper Egypt in chemical use optimization (for a total of five companies trained thus far), and eight utilities in energy use rationalization. This technical training was coupled with distribution of

essential equipment to be used in carrying out subsequent work (see Annex B). We also initiated soft skills training for a select group from the Minya, Beni Suef, and Giza utilities. A complete schedule of the TOT program is included in Annex C.

Upgrade and testing of the Monitoring, Analysis, and Reporting System (MARS). This past quarter we completed and launched the new edition of MARS, with web-based functionality, added data and indicators, better access to company- and sector-level data, and enhanced data collection and reporting features. Additionally, we upgraded the laboratory module of the software at the request of HCWW. The revisions, agreed upon and developed in close cooperation with Company, were tested in Menufiya. Starting in April, we will assist HCWW in rolling out the new version in all WWSS-participating subsidiaries. Updating of the documentation is currently underway.

Capital investment planning and program management (CIP/PM). Capacity building in the areas of capital investment planning and program management has resurfaced as a major priority, as both ISSIP and IWSP programs have relatively large infrastructure development components. HCWW Chairman, Dr. Abdel Kawi Khalifa, requested from WWSS to assist in orienting, training and subsequently providing technical assistance in these areas. To this end, we redesigned this component of the work plan into an 18-month program and reconfigured the team, complementing it with Chemonics Egypt resources, led by Dr. Ahmad Gaber. The program integrates training and technical assistance program and includes seminars for subsidiary leadership, along with intensive hands-on training for their planning and program management staff on the entire project life cycle. This is complemented with classroom training, work on actual case studies extracted (when possible) from their respective master plans, and follow up technical assistance through all the stages of project identification, preparation, tendering, implementation and commissioning. This plan will be presented in to HCWW in early April, and implementation will begin immediately thereafter.

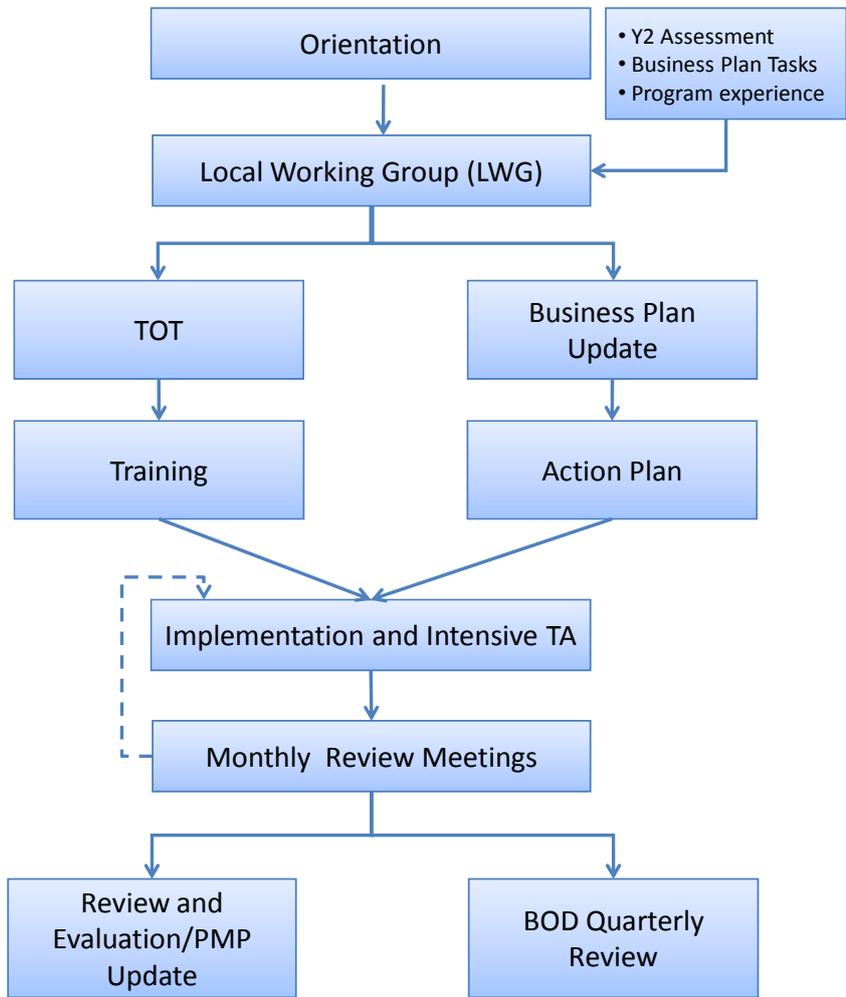
Assistance to HCWW in human resources management. Following the January 25 uprising, HCWW and its subsidiaries were forced to confront a variety of employee relation problems. As noted earlier, we helped HCWW respond to these challenges and are currently helping Sohag and Aswan in developing their organization charts and position descriptions to clarify roles and responsibilities and improve accountability.

Roll out of the MASTER computerized maintenance management system (CMMS). The rollout of this in-house designed software continued in earnest in Sohag, Assiut, and Menufiya. The system is now operating in 34 plants in 8 governorates. Subsidiary-level assistance is structured in three phases: 1) company-level training, 2) pilot installation and operational support, followed by 3) deployment in additional plants. Our IT staff continues to support such installations, and aims at involving HCWW in plant installations ahead of system handover later this year.

Program monitoring and evaluation. We revised the WWSS performance monitoring plan and submitted it to USAID this quarter. With concurrence of the latter, we trimmed the number of quantitative indicators and provided a more robust plan for qualitative data collection on the progress and impact of program activities. Utilizing the updated plan, our regional M&E coordinators surveyed targeted utilities, focusing on the extent of application of project-provided tools and training, and their impact on the way they carry out their work and on service quality. The surveys generated actionable feedback in a number of cases, and identified themes that will help us in ongoing activity and resource planning. For example, the MASTER CMMS is functional in a number of plants, and the demand for the system remains strong. To support existing installations and accommodate demand, it is of the utmost importance to leverage HCWW resources sooner than planned. These and other observations and recommendations are summarized in Annex E.

Exhibit I

**WWSS Subsidiary-Specific Implementation Approach:
Program Year 3**



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 January 1 to March 31, 2011, or months four through six of program Year 3. The report discusses progress achieved during the quarter against the tasks laid out in the Year 3 Work Plan (Y3WP). The report is organized around the following sections:

1. Assistance to the Holding Company.
2. Cross-cutting activities targeting two or more subsidiary companies in a particular functional area of operations.
3. Subsidiary-specific activities relating to tasks undertaken with a particular utility, among the 13 mandated in our scope of work, namely: Aswan, Luxor, Qena, Assiut, Sohag, Minya, Beni Suef, Giza, Cairo Water, Matrouh, Menufiya, and Sinai. Activities in Daqahliya are confined to select tasks in the area of Capital Investment Planning and Program Management.
4. Program development and coordination efforts.
5. Activities undertaken beyond those specified in the Year 3 Work Plan.
6. Impact of January 25 uprising, and subsequent events, on WWSS and the sector.

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. Additionally, the narrative includes every work plan task, with reference to the planned dates.

1. Central Activities: Assistance to the Holding Company for Water and Wastewater

HC 1 – Facilitate monthly gatherings of the joint working group (JWG) (ongoing). During this past quarter, we held a meeting on January 6th and another on March 7th. The February meeting was cancelled due to prevailing unrest. The first meeting covered ongoing WWSS work and planned activities in the financial, HR and IT areas. In the March meeting, we focused on the TOT training schedule, the IT Master Plan, and the ongoing revisions to MARS, its installation and handover schedule. In addition to ongoing tasks, the meetings went also over planned field trips, and cooperation with other donor-funded programs. Thus far, the JWG meetings have been a one-way street, with little information or feedback coming back from our counterparts. Attendance by counterparts has been irregular. Better coordination tends to take place on a one-to-one basis, usually at the higher echelons of the Holding Company. The next JWG meeting is planned for the first week of April.

HC 2 – Develop and pilot materials for the operator certification training program (Oct 2010 – Sept 2011). Last quarter, we delivered to HCWW draft materials for the Water and Wastewater Treatment Plant Operator, Level D training curriculum. We subsequently received and incorporated their feedback and issued an updated version. On January 26th, we presented the program to HCWW in cooperation with our WPRR colleagues. Deputy Chairman Raslan, senior Company staff, and our COTR, Eng. Atef Abdel-Sayed, attended the session. Pilot testing on this module was delayed due to political instability, but is expected to move forward in the coming quarter. The testing phase will include a pre- and post-training skills evaluation in order to assess the relevance of the material and the effectiveness of course delivery, which help us fine tune the material and the training before the formal launch of the program.

HC 3 – Upgrade the HCWW website (Oct 2010 – Sept 2011). The preparatory workshop was delayed due to political unrest, and then in March, Deputy Chairman Raslan requested that we redirect our efforts towards the development of an Intranet, for the purpose of enhancing internal communication and disseminating corporate and technical material throughout the Company and its operating subsidiaries. We are holding a brainstorming workshop on this subject in mid-April, to decide on the initial content and design, approaches for managing the site, and hopefully a scope of work to outsource the site development.

HC 4 – Support the development of the HCWW press kit (Feb – Sept 2011) and HC 5 – Facilitate HCWW press forums (Apr – Sept 2011). Our communication staff worked closely with HCWW public relation staff to draft press kit materials and prepare for a press forum, which was to host 25 journalists. Deputy Chairman Raslan requested that we put the two tasks on hold, due to the preoccupation of senior Company management with urgent organizational matters.

HC 6 – Roll-out MARS system upgrade and transfer system to HCWW (Oct 2010 - Sept 2011). During this past quarter, we completed the reengineering of the MARS performance monitoring system and released Version 2. The system, which was converted into a web-based program, underwent a complete overhaul, benefiting from the input of HCWW's Economic Analysis Unit, the Central Laboratory Directorate, and Information Technology Department. We successfully tested the new version in Menufiya in collaboration with HCWW staff, and we will assist in installing the system in five operating subsidiaries. After working closely with HCWW on the first five installations and providing them with source code, documentation, and training, they will take responsibility for completing the roll out as well as any future upgrades.

The new version incorporates new data elements and indicators relating to commercial, public feedback, laboratory, human resources, and plant-level operations. It includes more robust controls for data accuracy and prevents data manipulation, improved data entry and reporting, along with more effective data sharing tools.

Following a series of review meetings this quarter with HCWW management, the WWSS team, with the HCWW Economic Analysis unit, conducted a workshop for HCWW officials on March 16 to present the new program. Among other things, all parties agreed upon an implementation and rollout approach, which will start with four regional workshops for subsidiary-level Economic Analysis and IT Department staff, along with their opposite numbers at HCWW who will subsequently support and maintain MARS Company-wide.

Leading Challenges in MARS Operation

1. Connection problems
2. Data collection problems
3. Unexpected errors when using the system
4. Lack of an automated subsystem

Until the handover is completed, we will continue trouble-shooting and supporting the current version, despite its shortcomings. Our most recent quarterly assessment shows that many subsidiaries are experiencing communications and data quality problems, but nonetheless are regularly updating the MARS database, regardless whether their respective chairmen approve data submissions or not. Our survey results are summarized in Annex E.

HC 7 – Complete sector IT Master Plan (Oct 2010 - May 2011). We delivered the final draft of the IT due diligence and needs assessment report to HCWW in February, but had to reschedule the workshop for subsidiary managers to April 12-13 due to the political unrest. The workshop, which started at the time of this writing, will provide an opportunity to:

- Review the outcome of the due diligence/assessment phase.
- Go over the scores given to individual companies, and update them when needed.
- Present and discuss the proposed components of the IT Master Plan.
- Agree upon the goals and objectives of the IT Master Plan.
- Determine the implementation priorities and resource requirements for each component.

HC 8 – Document and hand over MASTER, the computerized maintenance management system (Jan - Sep 2011). In conjunction with ongoing installations, our IT team continues to collect feedback from over 20 plants currently utilizing this system, and fix the glitches as we go along through interim releases, ahead of the final handover. Kindly refer to SS 8 for additional information related on ongoing software rollout.

HC 9 – Develop a performance evaluation system for HCWW (Oct 2010 – June 2011). At the request of the Company, we drafted and delivered an employee performance evaluation system linking performance with compensation, bonus incentives and annual salary increases. It consists of three elements: (1) a performance agreement between the employee and his/her supervisor, (2) an internal evaluation form to be completed by both the employee and the supervisor, and (3) a performance development plan. Once we receive and incorporate the feedback of HCWW, we will hold a workshop to operationalize the system, and roll it out in select utilities.

2. Cross-Cutting Activities

CC 1 – Plan, design, implement, and monitor training-of-trainers (TOT) program (Oct 2010 – Sept 2011). TOT activities are underway in three technical areas: leak detection, chemical optimization, and energy rationalization. Our methodology consists of developing and delivering technical training, and administering final examinations leading to the selection of a core group of qualified trainees from each utility. The latter, deemed capable of sharing their know-how with other colleagues through training, will undergo further “soft skills” training, including instruction on training design, planning, delivery, monitoring, and evaluation. Beyond this our support will extend to providing training material and logistical assistance to the trained trainers once they begin local course delivery. This past quarter, we provided technical training in: leak reduction in Minya, Luxor, Beni Suef, Giza, Aswan and Sohag; chemical use optimization in Aswan and Qena; and energy use rationalization in Aswan, Beni Suef, Minya, Luxor, Qena, Giza, Menufiya, Sohag and Assiut. Over 350 individuals participated in these sessions. Subsequently, the soft skills portion of the program was delivered in Cairo to energy rationalization participants from Giza, Beni Suef and Minya. Additional details on this task can be found under tasks SS 2-4, and in Annex C.

CC 2 – Develop and distribute guide for reading and interpreting financial statements (Nov – Dec 2010). This guide is intended to explain to non-financial managers the financial results of utilities, including key financial ratios and operation-related indicators. We are currently producing the final version of the document, and plan on disseminating it in the coming days. We will also hopefully present it to utility chairmen during one of their monthly Policy Committee meetings.

CC 3 – Support standardization of budget document submissions (Jan – Oct 2011). This quarter, we completed the manual for the annual budgeting exercise, incorporating feedback from subsidiaries, and distributed it during two workshops co-hosted with the Finance Division of HCWW. The Qena and Luxor workshops were attended by staff from the subsidiary departments of finance, O&M, HR, commercial, and planning and budgeting. After providing an overview of basic financial principles, we went over the steps involved in budget preparation and submission, focusing on the elaboration of capital investment budgets, including sources of revenue, differences between capital and the recurrent cost budgeting, and other topics with emphasis on O&M planning and budgeting. Three additional workshops will take place in April for the staff of the Sohag, Beni Suef and Minya companies, and we will complete such training in all WWSS-supported subsidiaries by year-end. HCWW intends to replicate this training in non-WWSS governorates.

CC 4 – Roll-out of subsidiary Communication Guidelines (Nov 2010 - May 2011). This quarter, we finalized the Communications Guidelines for subsidiaries after receiving comments from a review panel of subsidiary public awareness representatives. The Guidelines offer an extensive toolkit to help operating subsidiaries plan and implement public awareness and outreach activities. They will be distributed to all subsidiaries in April during the monthly meeting of utility public awareness units. The Guidelines include a section on preparing local-level communications strategies and action plans, similar to those developed by HCWW last year.

CC 5 – Finalize and roll-out standard contracting documents (Oct 2010 – Sept 2011). After completing the documents last December, we developed an 18-month training and technical assistance program to build the capacity of



Cover of the Communications Guidelines for subsidiaries, finalized this quarter.

operating subsidiaries in capital investment planning and program management. The standard contracting documents are an integral piece of this plan, and will be addressed through: 1) seminars for utility decision-makers, 2) workshops for utility program/project management personnel, and 3) intensive follow-up technical assistance to ensure that the tools are used effectively in actual projects at the utility level. Implementation of the integrated CIP/PM program will begin in the coming weeks, after agreeing with HCWW on the selection of trainees and the division of labor between our team and theirs. Within this plan, the roll-out of the standard contracting documents is scheduled for Year 4.

CC 6 – Build capacity at the HCWW and its subsidiaries in use and maintenance of PRiSM (Oct 2010 – Sept 2011). We continue to closely monitor data entry and quality into this project implementation progress database, provide assistance to ensure that all ongoing subsidiary-led projects are updated regularly and completely in the system, and conduct audits of samples of projects within the WWSS participating companies. WWSS staff, along with representatives of HCWW, WPRR, and USAID, participate in weekly meetings on PRiSM at the Ministry of Housing. With few exceptions, most utilities are updating their information on a timely basis, and report that most or all of their currently active projects are present in the system. Of the projects in the system's database, more than 90% are updated on a monthly basis. Further, many WWSS-targeted subsidiaries reported that they use PRiSM for decision-making. Please refer to Annex E for further details.

CC 7 – Support subsidiaries' capital investment planning efforts (Oct 2010 – Sept 2011). Our 18-month CIP/PM plan described above (task CC 5) also covers this activity. It includes training on the capital investment planning manual through seminars for utility decision-makers next quarter, and workshops the following quarter for utility planning personnel. These concepts will be supplemented with training on hydraulics principles, and hands-on training on WaterCAD, SewerCAD, MS Project and GIS. We will follow this with practical training on master plan updating, and use live examples, extracted when possible from these regional plans, as case studies leading to actual infrastructure development (or rehabilitation) and implementation.

CC 8 – Implement AUC Utility Management Certificate Training program. This course was designed as a training ground for future utility leaders, and 27 students continue to put what they have learned to work on the job. In one case, one of our students has been promoted to the Chairmanship of the Qena WWC.

This past quarter, we delivered the O&M module of the course series, bringing the number of modules delivered to six (see accompanying box). The Capital Investment, Procurement, and Outsourcing module, planned for delivery in February, was postponed to April due to political unrest. We are cooperating presently with AUC to obtain accreditation for the certificate program from the Higher Council of Universities.

CC 9 – Facilitate attendance at one international conference and one study tour to world-class water and wastewater institutions. Following last quarter's decision not to attend the planned Customer Service and AWWA/WEF Information Management and Technology Conference and Exposition in Dallas, we have been asked by Deputy Chairman Raslan to put this activity on temporary hold.

Utility Management Certificate Course Status of Pilot Delivery

Completed Modules

1. Legal and Regulatory Framework
2. Strategy Development and Corporate Planning
3. Organizational Development and HR Management
4. Project and Construction Management
5. Information Systems and Technology
6. Operation and Maintenance

Upcoming Modules

7. Capital Investing, Contracting and Outsourcing
8. Financial Management and Business Analysis
9. Customer Service and Public Outreach
10. *Management Skills (future offering)*

3. Subsidiary-Specific Activities

SS 1 – Activate joint local-level working groups (LWG) (Oct 2010 - Sept 2011).

During this quarter, we continued to use our regional Upper, Middle, and Lower Egypt teams to lead local working groups at each targeted subsidiary. The LWGs are made up of WWSS and WWC staff and serve as the coordinating node for business plan implementation, and program planning, monitoring, and evaluation. Each LWG forms task forces as necessary for implementation of certain activities (e.g., leak detection and reduction), and they meet regularly to monitor implementation. While activities of the LWGs were affected by political developments, most met at least once during this quarter. The Sinai LWG was formed, and met for the first time and expressed their eagerness for WWSS support in developing their business plan. Utilities in Sohag, Assiut, Minya, Luxor, Qena, and Aswan have completed a one-year action plan derived from their business plan, and many have also updated their business plan. The Matrouh and Menufiya LWGs also met this quarter, and the new chairmen were updated about the WWSS program, its activities, and the function of the LWG. Additional subsidiary-specific details can be found in the assessment summary in Annex E.

SS 2 – Institutionalize and roll out energy use rationalization activities (Oct 2010 - Sept 2011).

After we installed power factor correction panels in seven targeted subsidiaries in the previous quarter, we distributed power factor analyzers to all targeted companies (excluding Cairo and Daqahliya) this past quarter. We coupled this equipment with training, through the technical training-of-trainers program described under CC 1 above in: Aswan (19 participants), Beni Suef (18), Minya (25), Luxor (11), Qena (16), Giza (27), Menufiya (25), and Assiut (16). Next quarter, this program will continue in Matrouh, Sinai and Sohag. In addition, select trainees from Minya (4 trainees), Beni Suef (4) and Giza (3), received soft skills TOT in Cairo from March 27-29, which was also attended by HCWW. A separate training was also held for HCWW officials from March 12-15, to build their capacity in training others on the equipment and process. Subsidiary-specific feedback and impact of the equipment distribution and training are included in Annex E.

SS 3 – Institutionalize and roll out chemical use optimization activities (Oct 2010 - Sept 2011).

During this past quarter, we conducted technical training in Qena (15 participants) and Aswan (17). In addition, we conducted TOT skills training for participants from Giza (7), Minya (6), and Beni Suef (7) which will give them the skills to return to their utilities and provide ongoing training according to the WWSS developed training methodologies. Next quarter, we will undertake this program in Luxor, Sohag, Assiut, Menufiya, Matrouh and Sinai.

SS 4 – Build capacity for water leak detection and reduction (Oct 2010 - Sept 2011).

Following the successful Year 2 pilot unaccounted-for-water (UFW) program in Luxor, we are currently replicating this experience in five additional utilities, detailed below. The three programs initiated in Year 2 (in Aswan, Sohag, and Assiut) are addressing both commercial and technical losses. Subsequent programs, in Beni Suef and Minya for example, are focusing primarily on leak detection and repair as it offers the highest potential return. Sinai pilot activities were slightly delayed due to unrest and have just resumed.

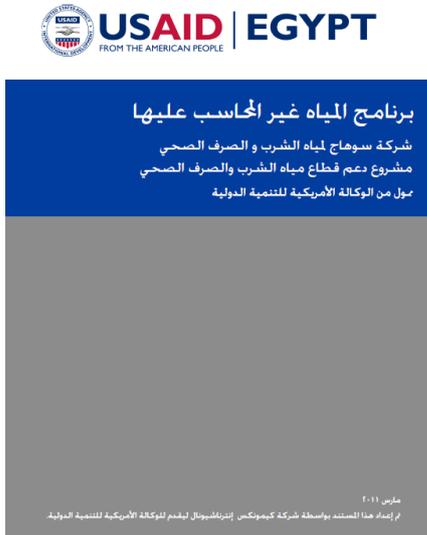
To complement the pilot activities, we are providing leak detection equipment and technical training to build additional capacity. The technical training materials were completed this quarter, and used for the TOT program in: Minya (24 participants), Luxor (20), Beni Suef (28), Giza



Leak detection training in Luxor

(17), Aswan (21) and Sohag (22). In addition, we are conducting technical and on-the-job training in Minya and Beni Suef. During the next quarter, we will continue our rollout of technical skills training in Qena, Menufiya, Assiut, Sinai and Matrouh. We will also provide supplementary TOT skills training to select participants from UFW training in Minya, Beni Suef, Giza, Aswan, Qena, Assiut, Sohag Matrouh, Sinai and Menufiya.

Below we summarize recent developments in rolling out UFW among WWSS governorates:



Cover for the Sohag UFW Pilot Program Report, published this past quarter

- This quarter, we published the **Sohag** UFW pilot program report, revealing that activities there resulted in a reduction of losses to 12.5%. The company is currently expanding the program beyond the pilot area. They cite that, in their work so far, they've found that commercial losses remain a major challenge. In March, we provided them with technical training to address this and other issues as part of the TOT program.
- In **Assiut**, the WWC has not yet begun detecting and reducing leaks; they are currently training on operating the equipment. We continue to meet with them to encourage the dedication of appropriate staff to the team, and to ready the pilot area for the upcoming activities. We will meet with the local working group in April to try to move this forward, and provide technical training as part of the TOT program.

- We provided the **Beni Suef** WWC with listening devices and technical training this quarter to build capacity and move the pilot program forward. In the quarterly assessment, they requested further training, equipment repair, and monitoring to keep their implementation on track.
- The **Minya** leak detection program is underway, and was supported by WWSS-provided equipment this quarter and technical training under the TOT program.
- In **Aswan**, the pilot area has been selected and mapped, the valves on the perimeter were maintained, and measurement chambers have been built for flow meters. This past quarter, we provided the Company with leak detection equipment and technical training, to enable them to continue the measurement and repair work next quarter.

SS 5 – Development of and training on plant operating instructions (Oct 2010 - Sept 2011). This task involves development of simple, illustrated operating instructions for operators, in the form of laminated posters to be placed on the wall near the relevant equipment for easy reference. Initially, WWSS takes a lead role in developing the materials, and, after training for company staff, we confine ourselves to an advisory role as they subsequently produce their own materials. The training, conducted in Matrouh this quarter and Menufiya last quarter, includes technical guidance on developing the step-by-step instructions, photography and production tips, and orientation to the simple MS PowerPoint template. Operating instructions for four plants were completed this quarter, three in Sohag, and the New American plant in Beni Suef. This brings the total



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A page from the operating instructions for Beni Suef's New American plant

number of supported plants to 17 in six companies. Additional subsidiary-specific feedback is summarized below.

- The **Menufiya** Company reports that the operating instructions developed for the Shebin El Kom plant are proving useful in minimizing mistakes, protecting equipment, and saving time. After training by WWSS staff, company staff took photographs in 4 additional plants (Kom Akhdar, Maleg, Al Delaton, and Menuf), and is in the process of finalizing the standard operating steps in order to complete the posters.
- In **Beni Suef**, we worked with the staff of the new American plant to complete operating instructions this quarter, and to initiate the activity at the Tal Narouz plant. Company staff reports that the process is useful and proposed a workshop to bring people together from similar plants to facilitate replication. WWSS will support this effort.
- In **Matrouh**, the WWC has posted and is using the standard operating instructions posters at the Serico Pumping Station and the Strategic 8 KM Booster station, and feedback received from the Company asserts that they are useful in reducing risks in operation. After WWSS training, the company used the provided template to develop two additional sets for the North Coast Booster and the Alamein plant, which were reviewed and printed with WWSS assistance.
- In **Sohag**, WWSS worked with the WWC to complete operating instructions for three plants this quarter (El-Mragah Gehena, Gerga, and Gezeret Shandawil), and posters for two additional plants (El-Nemsawye El-Motora and El-Atamna) are underway.
- The **Assiut** utility has received WWSS assistance in developing operating instructions for five plants, and staff reports that they are playing an effective role in reducing risks and mistakes.
- In **Minya**, the operating instructions developed for the Kedwan and Sultana plants are available for viewing on site and are reported as useful in helping workers standardize system operations, and for training new employees. Company staff have not replicated the activity at additional plants, and requested more training in order to do so.
- In **Luxor**, the operating instructions developed for the Tiba plant are available for viewing on location and are reported as useful. Company staff are currently in the process of replicating them for additional plants.

SS 6 – Support financial systems automation (Oct 2010 - Sept 2011). During this past quarter, we supported five companies (**Assiut, Giza, Luxor, Matrouh, and Sohag**) in their ongoing implementation of the ADVAC financial and human resource management system. All report using ADVAC on a daily basis, in parallel with the manual system, and in generating financial statements. In addition, we are actively supporting system installation in **Sinai**. We delivered to the Company 20 computers and 10 printers along with the associated software, to replace part of the equipment lost during the unrest and facilitate implementation of WWSS activities, especially the ADVAC financial and HR modules. We will continue to monitor the results of the ADVAC inventory module, currently being tested in Gharbiya, Cairo Water, and Qena, and will consider purchasing it in Year 4 for integration with the existing modules. In terms of Year 4 assistance, Minya, among other companies, has expressed a keen interest in receiving ADVAC inventory system assistance. The status of ADVAC activities in each targeted company is summarized in Exhibit II.

Exhibit II: Implementation Status of ADVAC System in Targeted Utilities

Company	Phase 1	Phase 2	Phase 3	Comments
	<i>Installation</i>	<i>Data Collection / Entry</i>	<i>Integration Training</i>	
WWSS-Provided Finance and HR Modules				
1-Giza	✓	✓	✓	Utilized daily, generating financial statements. Facing problems with fixed assets feature. Some modules not yet fully integrated.
2-Sohag	✓	✓	✓	Working well, producing financial statements. Integration between modules incomplete; more training is needed to speed up daily work.
3-Assiut	✓	✓	✓	Working daily, generating financial statements and HR-related reports. Various modules are not yet fully integrated.
4-Matrouh	✓	✓	✓	Utilized daily and generating financial statements. Some delays in data entry. Various modules are not yet fully integrated.
5-Luxor	✓	✓	✓	Some problems with HR module, and the various modules are not yet fully integrated.
6-Sinai	✓	Ongoing		Currently in data entry phase, will continue with Phases II and III next quarter.
WWSS-Provided HR Module Only				
7- Cairo	✓	✓		Still in training and data entry stage.
8- Qena	✓	✓		Progressing well. Next step, integration.
9-Aswan	N/A			HR module purchased; installation next quarter.
Others				
10- Beni Suef	N/A			Has Oracle HR system. Will assist with integration if requested.
11- Minya	N/A			Has Oracle HR system, but not utilized. Will assess and consider ADVAC installation or integration of existing system.
12- Menufiya	N/A			Finance module provided by WWSPR and functional. Have a tailor-made HR system, and we are supporting its integration with ADVAC.

SS 7 – Provide IT support for financial systems (Oct 2010 – Sep 2011).

Previously, the WWSS Senior IT Advisor and Lower Egypt team met with representatives of the Menufiya WWC, HCWW, and ADVAC to discuss possible alternatives for integrating ADVAC with existing systems, including MARS, the Inventory Management System, and the existing HRIS. ADVAC developed a proposal for such integration, which was considered this quarter in a meeting held with Menufiya WWC staff in the presence of HCWW officials. ADVAC presented possible methods for integrating the Oracle-based systems developed by Menufiya IT staff (Payroll and Inventory Control) from one side, and Microsoft SQL Server-based ADVAC General Ledger and Cost Accounting Systems from the other. ADVAC proposed three integration approaches as follows:

- The first approach is based on SOA (Service Oriented Architecture) techniques, which is considered to be the most reliable approach in terms of operational control, but may prove too complex for implementation locally.
- The second and third approaches are based on using intermediate text files or Excel files. Both approaches are considered easier to develop by Menufiya IT staff but may prove difficult to control from an operational perspective.

Menufiya IT staff are considering the three approaches. A follow-up meeting was planned to take place in January 2011 but was postponed due to the changes in the Company

management. The follow-up meeting is now planned to take place in April 2011. If successful, the methodology developed in Menufiya will be rolled out in other governorates.

SS 8 – Roll-out MASTER computerized maintenance management system (Oct 2010 – Sept 2011). WWSS activities related to MASTER are underway in seven subsidiaries: Minya, Qena, Matrouh, Beni Suef, Assiut, Sohag, and Giza. With the exception of Beni Suef (to be completed in the upcoming quarter), all have concluded Phase I of our rollout methodology (see box), some have completed all of Phase II, and Phase III is underway in all utilities. Four additional utilities, Luxor, Aswan, Menufiya and Sinai, will begin the MASTER program next quarter. To date, WWSS has installed MASTER in 33 water and wastewater plants, as follows: Minya (7 water / 1 wastewater); Qena (5/0); Matrouh (1/1); Beni Suef (0/1); Assiut (4/1); Sohag (5/2); and Giza (5/0). We continue to assist those plants with training and support as necessary. Utilities confirm that MASTER is being used to produce work orders and management reports in installed plants, and we are receiving anecdotal feedback from utilities that MASTER is already having an impact in minimizing emergency repairs, reducing equipment down time, and assisting to plan preventative and predictive maintenance. However, we do not expect to be able to see concrete performance results until we can track equipment operations over a six month timeframe. Kindly refer to HC 8 for information related to MASTER’s implementation at HCWW.

Approach to MASTER Roll-Out

Phase I – Company-Level Orientation

- Needs Assessment
- Company Classroom Training
- Pilot Installation

Phase II – Hands-on Training (Pilot)

- Basic Data Capture
- Work Order Production
- Management Report Production

Phase III – System Deployment and Support

- Installation
- Basic Data Capture
- Work Order Production
- Management Report Production
- Upgrade and Enhance Application

SS 9 – Provide construction supervision service for three selected projects (Oct 2010 – Sept 2011). Based on recent discussions with our COTR, this task is shifting from supporting three major infrastructure development endeavors to providing on-site advisory services to nine WWSS utilities, which are about to receive USAID funding for small scale rehabilitation and extension. Our proposal, which has received preliminary approval from USAID, calls for assigning regional program management specialists to help the utilities in the various stages of the project-life cycles, with special emphasis on contracting issues and project supervision.

SS 10 – Assist subsidiary HR divisions to develop and implement Human Resource Management and Development plans (Oct 2010 - Sept 2011). We completed the Luxor WWC’s HR plan, and helped the Company’s HR Division to initiate its implementation, focusing on the HR Division organizational structure and job descriptions. The Aswan and Minya companies also made progress on their plans and are expecting to complete them next quarter. Utilities report that they are actively implementing the plans, focusing on: development of the training plan, organizational structure and job descriptions, staffing planning, training of trainers, and researching benefit schemes.

SS 11 – Build capacity of Sohag, Cairo, Beni Suef, and Matrouh Companies to develop their staffing plan (Nov 2010 - Sept 2011). We are developing guidelines for staff planning for use by these companies. The guidelines will provide the necessary tools for subsidiaries to examine a wide range of staffing issues including staffing levels, outsourcing possibilities, expected retirements, and staff performance. The preparation of these guidelines was delayed due to political unrest, and they will be finalized in the upcoming quarter and discussed with HCWW.

SS 12 – Support installation of ADVAC/HR system at selected subsidiaries (Oct 2010 - Sept 2011).

In the past quarter, we supported installation of the ADVAC HR module in **Assiut, Sohag, Luxor, Qena, Matrouh, Giza, Sinai,** and **Cairo Water** through regular contact and field visits. Installation in **Aswan**, scheduled to begin last quarter, was delayed due to the unrest and will begin next quarter. We continued to follow up with the **Menufiya** Company to integrate its existing HR information system (HRIS) into ADVAC. In **Matrouh**, we helped the utility install a training database, which is integrated with ADVAC. Subsidiary feedback and status of ADVAC installation is can be found in Exhibit II on page 14, and in Annex E.



ADVAC Phase II training in Qena

SS 13 – Establish Sohag WWC training facility (Jan - Sept 2011). We completed a basic assessment about the location and required equipment for the center, and agreed upon a location. Next quarter, we intend to brief the new Chairman, Gen. Mahmoud Nafeh, on the concept to secure his buy-in before proceeding further.

4. Program Development and Coordination Activities

PDC 1 – Plan and manage field trips and trip reporting (ongoing). Due to the events following the January 25 uprising, the field trip schedules were more fluid than usual this past quarter. As noted earlier most February trips were cancelled due to ongoing strikes and sit-ins. The March trip schedule was re-evaluated weekly and adjusted on the basis of publicly available information and communication with the Holding Company and its subsidiaries. We kept USAID in the loop by providing our COTR with weekly reports of our activities; highlighting trouble points and the resulting schedule revision. For example, early March saw a number of demonstrations at the Aswan Water and Wastewater Company, which eventually led to the departure of the Chairman. This resulted in the postponement of our visits, and we reprogrammed resources to other governorates. This ongoing assessment of events on the ground and flexibility in scheduling allowed us to maximize resources and respond quickly to a changing situation.

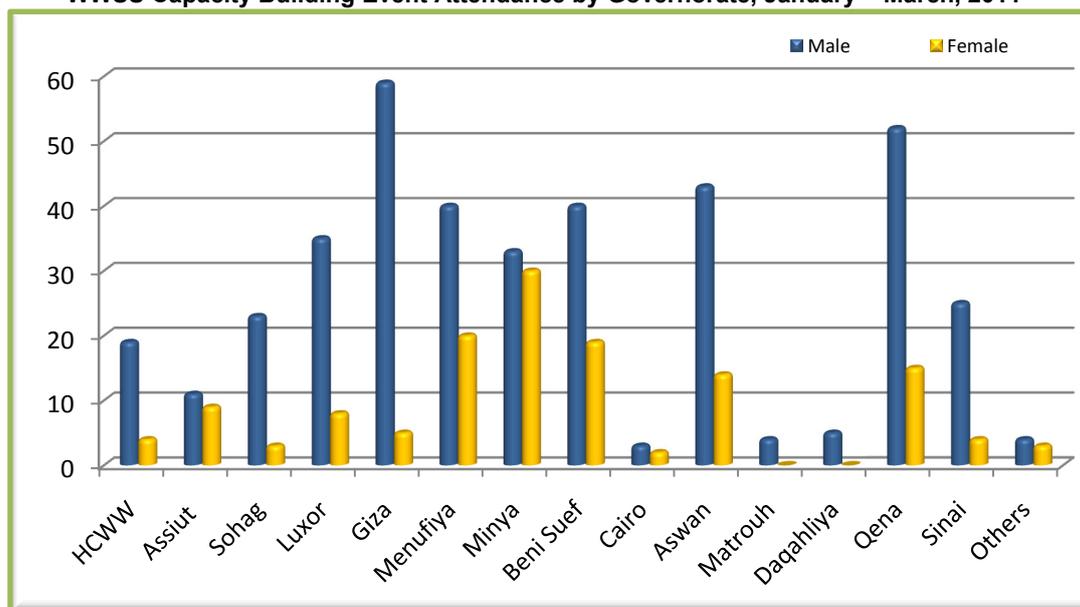
PDC 2 – Monitor, evaluate, and report project progress (ongoing). This past quarter, we revised our Performance Monitoring Plan benefiting from USAID input in March (see box). Our regional teams have just concluded their periodic field surveys to assess work progress in relation to our work plan and carry over activities. The results of our evaluation are presented in Annex E. We also continued to submit monthly Arabic-language reports to HCWW leadership.

PDC 3 – Plan, organize, monitor, and report training events (ongoing). We plan training activities on a quarterly basis, in accordance with our work plan, but remain flexible to respond to special requests or recently identified needs. The following graphs show the number of trainees by subsidiary and by functional area during this quarter.

Revised WWSS PMP – Highlights

- Annual quantitative data collection and reporting of utility performance indicators
 - Based on audited subsidiary financial statements
- Quarterly qualitative data collection, to monitor application and impact of WWSS-provided tools and training
 - Standardized questions, customized forms for each utility
 - Regional M&E coordinators for data collection and quality control

WWSS Capacity Building Event Attendance by Governorate, January – March, 2011



WWSS Capacity Building Event Attendance by Functional Area, January – March, 2011

Function	Male	Female	Total Participants
Financial	34	5	39
ADVAC	31	6	37
TOT	259	96	355
Utility Management	36	14	50
Local Working Group	36	15	51
Total Participants	396	136	532

5. Activities Implemented Beyond the Year 3 Work Plan

One of the hallmarks of the WWSS approach is flexibility, enabling us to respond to events on the ground and to opportunities as they arise. When responding to requests or taking on additional tasks outside of the work plan, we only proceed after gauging the potential impact/return of proposed activities, including replicability of interventions, management buy-in, impact on productivity and service delivery, cost reduction and productivity impact, and supporting systems and organizational structures. This quarter, we agreed to two such activities, which are explained below and added to the end of the WWSS Year 3 Activity Tracker in Annex A.

Beyond Y3WP 1 – Develop a water and wastewater sector documentary. At the request of HCWW, work is underway on a documentary film profiling the water and sanitation sector, and the role of the utilities “in delivering water from the Nile to the tap and back again.” It will highlight the complexity and cost of treatment and conveyance, and the role of HCWW and its subsidiaries in the process. The film will provide an approximately 10 minute documentary overview for a variety of audiences, including the media, customers, students and public agencies, and may also include a shorter summary version. We plan on assigning the work to a prominent Egyptian documentary film maker, Mr. Hossam Abdul-Magd, and have developed preliminary background material for the film. Mr. Abdul-Magd had a series of meetings with HCWW, including with Deputy Chairman M. Raslan, and is expected to begin filming in May.

Beyond Y3WP 2 – Reviewing the HCWW employee policy handbook. At the request of the HCWW Deputy Chairman for Finance and Administration, and in light of the increased HR management burden in HCWW after the January 25 uprising, we have agreed to review and comment on its draft Employee Policy Handbook. The document, produced in cooperation with GIZ, is intended as a manual for HCWW employees on personnel policies. Senior HR Advisor Madiha Afifi held multiple meetings with HCWW HR staff to share her observations.

6. Impact of January 25 Uprising on WWSS and the Sector

Despite unprecedented turbulence and the dramatic increase in strikes and demonstrations, the water and sanitation services were only marginally affected. However, labor action within the utilities led to major concessions and management changes. This, combined with a drop in bill collections, is likely to have long-term impacts, especially on cost recovery and service pricing at a time of political uncertainty and dwindling fiscal revenues. These developments further justify the need for the WWSS Program to continue its focus on improving productivity through capacity building and maintain the course on its cost saving activities, seeking to reduce O&M costs through improved management, energy use rationalization, chemical use optimization, water conservation, and reducing the amounts of unaccounted for water, especially through water leakage.

Impact on WWSS Program Operations

The increased violence starting Friday, January 28 forced us to close our offices starting January 30 and our home office to order the evacuation of the expatriate team members and their families, two days later. On February 1, team members Ghassan Nakad, Ghaleb Akari, and Kathleen Sheridan departed to Washington, D.C. via Amsterdam along with 24 other Chemonics team members, their families and visiting relatives. Before their departure, expatriate staff, led by the chief of party, ensured the safety of national staff members and provided for local management continuity and a communication protocol with the DCOP, Eng. M. Hashem, our executive officer, Mrs. Reem Osman, and our COTR, Eng. Atef Abdel-Sayed. While at the Chemonics headquarters, the team maintained daily communication with staff, USAID and subcontractors first to ensure the safety of personnel, and second to jointly develop an interim work plan.

As the violence subsided, we set up temporary offices for the core technical team at Chemonics Egypt in Dokki, while the remaining staff worked from their homes, communicating with the rest of the team by phone or via email. On Sunday, February 13, we reopened our project office, and one week later the COP, having received Mission Director clearance, returned to Cairo on February 17. K. Sheridan and G. Akari returned on March 1 and 5, respectively.

Impact on HCWW and its Subsidiaries

Work at the Holding Company was disrupted, forcing it to curtail activities in major fashion. HCWW staff made demands for and received concessions related to permanent tenure, staff incentives, salaries and other benefits. HCWW accommodated a number of these requests by transferring temporary contract staff, both at the headquarters and at the subsidiaries, to full time status, and in the case of subsidiaries increasing allowances and fringe benefits. In few cases HCWW was forced to replace subsidiary chairmen, such as those in Aswan, Sohag, Damietta, and Beheira, and most (if not all) HCWW staff seconded to subsidiaries returned to Cairo.

Considerable pressure was exerted on selected subsidiaries, both from within and from the local community, for concessions on working conditions, employment status, organizational restructuring, incentive and special allowances (meals, danger pay, etc.). Collections dropped because of customer reluctance to pay and the fear of collectors, leading to reduction in revenues. What follows is a snapshot of developments at the subsidiaries served by the WWSS Program:

Aswan. Operations at the Company are back to normal after the army intervened during the second half of March during demonstrations by people seeking employment at the utility. The

former Chairman resigned his position on his own accord due to mounting pressure from staff. The former Chairman of the Sohag Company, Eng. Ezzat el-Sayad, a capable manager with a good track record, replaced him. The new Chairman of the local WWC requested our support in staffing and organizational restructuring, including assistance on the preparation of position descriptions.

Luxor. No major disruptions were reported at the Company after the large demonstrations in late February, which led to delaying our water leak detection activities and GIS training by one day. With respect to our program, we are satisfied with overall progress, but remain concerned about the lack of resources in the PMU, which is causing delays in updating PRiSM data.

Qena. Conditions are normal after several sit-ins by staff disgruntled over salaries and benefits. The situation was addressed swiftly by HCWW and the Company by providing tenure to most contract staff members, finalizing the transfer of several employees seconded by the local administrative units to the utility, and adjusting incentives and special allowances.

Sohag. General Mahmoud Nafeh, former Chairman of the Fayoum WWC, replaced Eng. Ezzat el-Sayad as head of the local Company upon the latter's transfer to Aswan. The new Chairman requested our support in staffing, organizational restructuring and the preparation of position descriptions. The COP and the Upper Egypt Team Leader are planning a visit to the WWC to meet with the Chairman, assess ongoing progress, and attend the meetings of the joint working group.

Assiut. The Upper Egypt Team Leader is planning a visit to the Company to meet with the Chairman, assess ongoing progress and attend the meetings of the local joint working group. Our work is proceeding smoothly and without significant delays.

Minya. Our work is proceeding smoothly and without significant disruptions.

Beni Suef. Our work is proceeding smoothly; no significant disruptions, though there appears to have been a shake up in the senior staff surrounding the Chairman.

Giza. Management is still preoccupied with the aftermath of the demonstrations of March 14-17, which incidentally did not affect our ongoing training activities at the time.

Cairo (CWC only). Political events carried particular relevance for CWC on account of its high profile, the number of people it serves, and its location at the epicenter of the protests. Protests targeted water and wastewater operations and the structure of the sector, some of which occurred at the gates of HCWW. The Company provided some concessions by transitioning staff with temporary employment contracts into permanent status. Collections diminished during the period, leading to reduced revenue.

Menufiya. Our work is proceeding smoothly; no significant disruptions. The Menufiya WWC had recently appointed a new Chairman in the weeks preceding the protests. However, this Chairman formerly led Beni Suef WWC, and was able to leverage this experience in capably handling events in his new governorate.

Daqahliya. Our work there, per our contract, is limited to capital investment planning and program management activities. This work was not affected by political events.

Matrouh. The Matrouh Chairman was a relatively new appointee in the months before the protests. Some challenges were encountered in responding to these events as a result, but our work is proceeding without significant disruptions.

Sinai. Security in Sinai was seriously affected in the days and weeks following the uprising. Some direct attacks took place on Company property and installations. However, initiatives by the Chairman, including concessions related to salaries, have helped to reduce tension, and our work with the Company fully resumed in the closing days of the quarter.

ANNEX A: YEAR THREE WORK PLAN ACTIVITY TRACKER

Year 3 Work Plan Activity Tracker			QPR8			QPR9												Notes
			Responsibilities		1	2	3	4	5	6	7	8	9	10	11	12		
Tasks and Sub-tasks		WWSS	Counterpart	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			
		Tracker Legend			Actual Activity			Planned Activity			Completed Activity							
Component A: Assistance to the Holding Company for Water and Wastewater																		
Activity HC 1 – Facilitate monthly gatherings of a joint working group	Eng. Mohamed Hashem	Dr. Magdy Assar															Jan. and Mar. JVGs proceeded; Feb cancelled due to unrest.	
Activity HC 2 – Develop and pilot materials for the operator certification training program	Eng. Mohamed Hashem	Dr. Ahmed Moawad															Final Level D, Water materials delivered to HCWW. Level D, WW underway.	
Activity HC 3 – Upgrade the HCWW website	Mr. John Harris	Ms. Ghada Osman															Task transformed at HCWW request to intranet design and development.	
Activity HC 4 – Support the development of the HCWW press kit	Mr. John Harris	Mr. Mohi El-Serafy															Draft materials prepared, finalized with HCWW.	
Activity HC 5 – Facilitate HCWW press forums	Mr. John Harris	Mr. Mohi El-Serafy															Preparations underway for April press forum.	
Activity HC 6 – Roll-out MARS system upgrade and transfer system to HCWW	Eng. Ibrahim Sabri	Mr. Khaled Goma															New system developed and piloted. Roll out to begin in April.	
Activity HC 7 – Complete sector IT Master Plan	Eng. Ibrahim Sabri	IT Division Director															Master planning sessions postponed until April.	
Activity HC 8 – Document and hand over MASTER computerized maintenance management system	Eng. Ibrahim Sabri	IT Division Director															Version 1.0.2 of MASTER released.	
Activity HC 9 – Develop a performance evaluation system for the HCWW	Ms. Madiha Afifi	Eng. Mohamed Moawad															Draft system created; awaiting HCWW feedback.	
Component B: Cross-Cutting Activities																		
Activity CC 1 – Plan, design, implement, and monitor training of trainers (TOT) program	Ms. M. Afifi, Eng. A. Allam	Ms. Wafa Yousef															Technical and TOT training programs underway nationwide.	
Activity CC 2 – Develop and distribute guide for reading and interpreting financial statements	Mr. Mohamed Eid	Dr. Hisham Afifi															Draft completed and under third-party review.	
Activity CC 3 – Support standardization of budget document submissions	Mr. Mahmoud Bakr	Dr. Hisham Afifi															Workshops held this quarter in Qena and Luxor.	
Activity CC 4 – Roll-out subsidiary communication guidelines	Mr. John Harris	Ms. Neveen Abdel-Rahman															Arabic translation reviewed by panel; preparing for rollout workshop.	
Activity CC 5 – Finalize and roll-out standard contracting documents	Eng. M. Ali Sabri	Dr. Salah Bayoumi															Documents finalized; roll-out scheduled for Year 4 per 18-month CIP/PM plan.	
Activity CC 6 – Build capacity at the HCWW and its subsidiaries in use and maintenance of PRISM	Eng. M. Ali Sabri	Eng. Hossam El-Kashef															Ongoing.	
Activity CC 7 – Support subsidiaries' capital investment planning efforts	Eng. M. Ali Sabri	Dr. Ahmed Moawad															CIP Manual finalized for roll-out next quarter.	
Activity CC 8 – Implement AUC Utility Management Certificate Training program	Ms. Madiha Afifi	Eng. Mohamed Moawad															6 of 10 modules now complete.	
Activity CC 9 – Facilitate attendance at one international conference and one study tour	Ms. M. Afifi and Mr. G. Akari	NA															Considering potential conferences.	

Component C: Subsidiary Specific Activities													
Activity SS 1 – Activate joint local-level working groups (LWGs)	M. Afifi, A. Allam, G. Akari	NA											LWGs established in all governorates; ongoing meetings.
Activity SS 2 – Institutionalize and roll out energy use rationalization activities	Engs. A. Allam; S. Moursy	Eng. Osama Abdul-Rahman											Panels and analyzers installed and distributed; TOT training underway.
Activity SS 3 – Institutionalize and roll out chemical use optimization activities	Eng. Ahmed Allam	Eng. Osama Abdul-Rahman											Technical training underway; additional technical training and TOT upcoming.
Activity SS 4 – Build capacity for water leak detection and reduction	Eng. A. Allam	Eng. Osama Abdul-Rahman											Technical and training activities underway nationwide.
Activity SS 5 – Development of and training on plant operating instructions	Eng. Ahmed Allam	Eng. Osama Abdul-Rahman											Ongoing activities in 21 plants in 7 governorates.
Activity SS 6 – Support financial systems automation	Mr. Mahmoud Bakr	Dr. Hisham Afifi											Ongoing ADVAC support to 6 companies.
Activity SS 7 – Provide IT support for financial systems integration	Eng. Ibrahim Sabri	Dr. H. Afifi, Mr. K. Goma											Piloting system integration in Menufiya.
Activity SS 8 – Roll-out MASTER computerized maintenance management system	Eng. Ahmed Allam	Eng. Sayed Hassanein											Activities underway in 7 govts; MASTER installed in 33 plants.
Activity SS 9 – Provide construction supervision service for three selected projects	Mohamed Ali Sabri	Sub PIU Managers											Awaiting feedback from USAID.
Activity SS 10 – Assist subsidiary HR divisions to develop and implement Human Resource Management and Development plans	Ms. Madiha Afifi	Ms. Ghada Abdel Wahab											Ongoing assistance
Activity SS 11 – Build capacity of Sohag, Cairo, Beni Suef, and Matrouh Companies to develop their staffing plan	Ms. Madiha Afifi	Ms. Ghada Abdel Wahab											Guidelines in preparation, to be completed in upcoming quarter.
Activity SS 12 – Support installation of ADVAC HR module at select subsidiaries	Ms. Madiha Afifi	Ms. Ghada Abdel Wahab											Underway for previous and new ADVAC beneficiaries.
Activity SS 13 – Establish Sohag WWC training facility	Ms. Madiha Afifi	Ms. Wafa Yousef											Initiated; on hold pending new utility chairman.
Component D: Project Development and Coordination Activities													
Activity PDC 1 – Plan and manage field trips and trip reporting	Regional Team Leaders	NA											Regular, ongoing activities.
Activity PDC 2 – Monitor, evaluate, and report project progress	Ms. Kathleen Sheridan	Ms. Ghada Osman											PMP updated; Quarterly assessment completed.
Activity PDC 3 – Plan, organize, monitor, and report training events	Ms. Madiha Afifi	Ms. Wafa Yousef											Regular, ongoing activities.
Beyond Year 3 Work Plan													
Beyond Y3WP 1 - Documentary Film PDC 1 – Plan and manage field trips and trip reporting	Mr. John Harris	Ms. Neveen Abdel-Rahman											Concept developed, filming expected to begin in May.
Beyond Y3WP 2 - HCWW Employee Handbook	Ms. Madiha Afifi	Ms. Wafa Yousef											Draft manual reviewed.

**ANNEX B: EQUIPMENT PURCHASED AND DELIVERED DURING
THE QUARTER**

**List of Commodities Delivered to HCWW and its Subsidiary Companies
in Jan – Mar, 2011**

No.	Type	Property	Subsidiary Companies	Date
1	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Assiut	23.01.2011
2	Equip	Flex CT Probe	Assiut	23.01.2011
3	Equip	Dranetz USB Compac Flash Card Reader	Assiut	23.01.2011
4	Equip	Dranetz Powervisa Rugged Shipping Container	Assiut	23.01.2011
5	Equip	Power Analyzer Adapter	Assiut	23.01.2011
6	Printer	Three (3) HP LaserJet Pro P1102	Assiut	23.01.2011
7	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Aswan	23.01.2011
8	Equip	Flex CT Probe	Aswan	23.01.2011
9	Equip	Dranetz USB Compac Flash Card Reader	Aswan	23.01.2011
10	Equip	Dranetz Powervisa Rugged Shipping Container	Aswan	23.01.2011
11	Equip	Power Analyzer Adapter	Aswan	23.01.2011
12	Equip	Leak Listening Devices	Aswan	20.02.2011
13	Monitor	Two (2) Monitors	Aswan	23.01.2011
14	PC	Two (2) PCs	Aswan	23.01.2011
15	Printer	Two (2) HP LaserJet Pro P1102	Aswan	23.01.2011
16	UPS	Two (2) PC UPS	Aswan	23.01.2011
17	Equip	Leak Listening Devices	Beni Suef	16.02.2011
18	Equip	Power Analyzer Adapter	Beni Suef	20.02.2011
19	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Beni Suef	20.02.2011
20	Equip	Flex CT Probe	Beni Suef	20.02.2011
21	Equip	Dranetz USB Compac Flash Card Reader	Beni Suef	20.02.2011
22	Equip	Dranetz Powervisa Rugged Shipping Container	Beni Suef	20.02.2011
23	Equip	Power Analyzer Adapter	Giza	8.03.2011
24	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Giza	8.03.2011
25	Equip	Flex CT Probe	Giza	8.03.2011
26	Equip	Dranetz USB Compac Flash Card Reader	Giza	8.03.2011
27	Equip	Dranetz Powervisa Rugged Shipping Container	Giza	8.03.2011
28	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	HCWW	15.03.2011
29	Equip	Flex CT Probe	HCWW	15.03.2011
30	Equip	Dranetz USB Compac Flash Card Reader	HCWW	15.03.2011
31	Equip	Dranetz Powervisa Rugged Shipping Container	HCWW	15.03.2011
32	Equip	Power Analyzer Adapter	HCWW	15.03.2011
33	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Luxor	26.01.2011
34	Equip	Flex CT Probe	Luxor	26.01.2011
35	Equip	Dranetz USB Compac Flash Card Reader	Luxor	26.01.2011
36	Equip	Dranetz Powervisa Rugged Shipping Container	Luxor	26.01.2011
37	Equip	Power Analyzer Adapter	Luxor	26.01.2011
38	Equip	Leak Listening Devices	Luxor	22.02.2011
39	Printer	Three (3) HP LaserJet Pro P1102	Luxor	27.02.2011
40	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Matrouh	17.02.2011

41	Equip	Flex CT Probe	Matrouh	17.02.2011
42	Equip	Dranetz USB Compac Flash Card Reader	Matrouh	17.02.2011
43	Equip	Dranetz Powervisa Rugged Shipping Container	Matrouh	17.02.2011
44	Equip	Power Analyzer Adapter	Matrouh	17.02.2011
45	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Menufiya	17.03.2011
46	Equip	Flex CT Probe	Menufiya	17.03.2011
47	Equip	Dranetz USB Compac Flash Card Reader	Menufiya	17.03.2011
48	Equip	Dranetz Powervisa Rugged Shipping Container	Menufiya	17.03.2011
49	Equip	Power Analyzer Adapter	Menufiya	17.03.2011
50	Equip	Leak Listening Devices	Minya	17.02.2011
51	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Minya	20.02.2011
52	Equip	Flex CT Probe	Minya	20.02.2011
53	Equip	Dranetz USB Compac Flash Card Reader	Minya	20.02.2011
54	Equip	Dranetz Powervisa Rugged Shipping Container	Minya	20.02.2011
55	Equip	Power Analyzer Adapter	Minya	20.02.2011
56	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Qena	23.01.2011
57	Equip	Flex CT Probe	Qena	23.01.2011
58	Equip	Dranetz USB Compac Flash Card Reader	Qena	23.01.2011
59	Equip	Dranetz Powervisa Rugged Shipping Container	Qena	23.01.2011
60	Equip	Power Analyzer Adapter	Qena	23.01.2011
61	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Sinai	27.03.2011
62	Equip	Flex CT Probe	Sinai	27.03.2011
63	Equip	Dranetz USB Compac Flash Card Reader	Sinai	27.03.2011
64	Equip	Dranetz Powervisa Rugged Shipping Container	Sinai	27.03.2011
65	Equip	Power Analyzer Adapter	Sinai	27.03.2011
66	Monitor	Twenty (20) Monitors	Sinai	21.03.2011
67	PC	Twenty (20) PCs	Sinai	21.03.2011
68	Printer	Ten (10) HP LaserJet Pro P1102	Sinai	21.03.2011
69	SW	ADVAC Financial & HR SW License, 10 user	Sinai	24.01.2011
70	SW	Six (6) Trend Micro Pro 2010, 3 user	Sinai	21.03.2011
71	UPS	Twenty (20) PC UPS	Sinai	21.03.2011
72	Equip	Dranetz Powervisa Power Quality Analyzer, 3003XL24	Sohag	20.01.2011
73	Equip	Flex CT Probe	Sohag	20.01.2011
74	Equip	Dranetz USB Compac Flash Card Reader	Sohag	20.01.2011
75	Equip	Dranetz Powervisa Rugged Shipping Container	Sohag	20.01.2011
76	Equip	Power Analyzer Adapter	Sohag	20.01.2011

ANNEX C: TRAINING OF TRAINERS PROGRAM EVENT SCHEDULE

Training of Trainers Program Event Schedule

TOT Technical	Oct. - Dec. 2010	Feb		March				April				May					June	
		3	4	1	2	3	4	1	2	3	4	1	2	3	4	5	1	2
		20 - 23	27 - 2 Mar.	6 - 9	13 - 16	20 - 23	27 - 30	3 - 6	10 - 13	17 - 20	-----	2 - 5	8 - 11	15 - 18	-----	29 - 1/6	-----	12 - 15
UFW		Minya	Luxor	Beni Suef	Giza	Aswan	Sohag	Qena Sinai	Menufiya	Assiut Matrouh								
Chemical	Minya Beni Suef Giza					Qena	Aswan	Luxor		Sinai Menufiya		Assiut		Sohag		Matrouh		
Energy		20 - 23	26 - 3 Mar.	5 - 10	12 - 17	20 - 23	27 - 30	3 - 6	10 - 13	17 - 20	-----	-----	-----	-----	-----	-----	-----	-----
		Aswan	Beni Suef Minya	Luxor Qena	Giza, Menufiya		Assiut	Matrouh	Sinai	Sohag								
TOT Skills							28 - 30	4 - 6	11 - 13	18 - 20	-----	3 - 5	9 - 11	16 - 18	23 - 25	30 - 1 Jun.	6 - 8	13 - 15
Energy							Minya, Beni Suef, Giza (Cairo)		Luxor, (Aswan), Qena				Matrouh, Sinai, Menufiya (Cairo)		Assiut	Sohag		
UFW							Minya, Beni Suef, Giza (Cairo)		(Luxor), Aswan, Qena				Matrouh, Sinai, Menufiya (Cairo)		Assiut	Sohag		
Chemical	Minya Beni Suef Giza (Cairo)											Luxor, Aswan, (Qena)			Assiut	Sohag		Matrouh, Sinai, Menufiya (Cairo)

* Shaded boxes signify events that have already taken place, while non-shaded boxes include planned events.

* Governorate names **underlined and bolded** reflect the location of the training course.

ANNEX D: REMAINING TASKS FROM YEAR 2 WORK PLAN

The below table summarizes the status of remaining Year 2 Work Plan tasks. Only those tasks still outstanding are mentioned below. All other Year 2 Work Plan tasks have either been completed or are integrated into the Year 3 Work Plan.

Task #	Task Title	Explanation
CC 1, Beyond Y2WP 1	Facilitate business planning in WWSS subsidiaries	Minya and Beni Suef completed in Q1 of Year 3. Matrouh and Sinai underway.
CC 11	Develop financial and cost accounting manuals	Financial manual completed and published this quarter. Cost accounting manual in draft.

ANNEX E: SUBSIDIARY QUARTERLY ASSESSMENT SUMMARY

What follows are highlights of the WWSS quarterly assessment of activity progress, conducted from mid- to late March, 2011 and covering quarters 1 and 2 of program Year 3. The purpose of the assessment is to monitor activity implementation against our work plan, and to evaluate application and impact of WWSS-provided tools and training. The results are fed back to our regional teams for prompt follow up action.

ASWAN

- The **local working group** reports having completed a one-year action plan based on the business plan, as well as an update of the **business plan**.
- In the Naseriya Sewage pumping plant, they report an improved **power factor** (from .82 to .95) after installation of the WWSS-provided corrective panel. Equipped with the WWSS-provided power factor analyzer, they have conducted studies for 15 additional plants. They also requested additional training on the panels.
- To move forward with **leak detection and reduction** activities, the Company requested loggers and counters. They also reported a lack of meters as an obstacle in reducing unaccounted-for-water.
- The Company reports that development of their **HR plan** is underway, but they requested additional help to finish the plan and to implement **ADVAC HR**.
- **PRISM** is updated monthly, contains data on all active projects, and is reportedly used for program/project management at the company level. While this is a positive result, it is partially due to intensive follow-up from the WWSS team. More company support of the system is required to ensure sustainability.
- **MARS** is not working at the Company due to the lack of an Internet connection.

LUXOR

- The **local working group** has completed the one-year action plan as well as an update of the **business plan**.
- In the Eastern Luxor plant, they report an improved **power factor** (from .80 to .95) after installation of the WWSS-provided corrective panel. They do not expect a large cost savings on their electricity bills, as the panel is installed on one feeder only. However, they intend to expand the activity in the Eastern Luxor plant, and they are already using the power factor analyzer provided by WWSS to study the power factor in additional plants with the intention to replicate the power factor adjustment activity.
- The **operating instructions** developed for the Tiba plant are available for viewing at the plant and are reported as useful. Company staff report that they're currently in the process of replicating them for additional plants.
- **ADVAC Finance** is used on a daily basis in parallel with the manual system, and the results of the two systems are synchronized.
- They are reportedly implementing their **HR plan**, focusing on the HR division organizational structure and job descriptions, but they requested additional training.
- They are using the **ADVAC HR** system on a daily basis, and have entered employee personal data, training data, cost center data, and regularly update employee penalty data. They have not yet coded the company's organizational structure, nor have they integrated the payroll module with the accounting modules.
- They update **PRiSM** on a monthly basis, and report that 75% of their currently active projects are present in the system and that data accuracy is high. While this is a positive result, it is partially

due to intensive follow-up from the WWSS team. More company support of the system is required to ensure sustainability.

- They update **MARS** monthly, but the Chairman does not sign off on the data before it's submitted. The three biggest problems they face in using MARS are: 1) unstable/slow connection, 2) difficulty in collecting the data, 3) lack of automated subsystem.

QENA

- The **local working group** has convened five times since its formation and reports having completed a one-year action plan based on the business plan, and they have initiated but not completed an update of their **business plan**.
- In the Salheya water treatment plant, they report an improved **power factor** to .95 after installation of the WWSS-provided corrective panel. They have received but not utilized a power factor analyzer from WWSS, but report purchase of power factor correction panels for two additional plants – Quos and Kift plants.
- The **MASTER** computerized maintenance management system is installed at 5 water treatment plants in Qena, all of which are using it to generate work orders and management reports regularly.
- Though work has slowed a bit due to the recent replacement of the HR Division Head, they are implementing their **HR Plan**, focusing on organizational structure, job descriptions, ADVAC, and an analysis of health care benefits.
- **ADVAC HR** is progressing well and is currently being integrated with the finance modules (Phase III). Additionally, we're also working with Qena WWC and HCWW staff to design reporting templates for ADVAC, which may be applicable across the sector.
- **PRISM** is updated monthly, contains data on all active projects, and is reportedly used for program/project management at the company level.
- **MARS** is updated quarterly, and the company faces few problems in its operation – just an occasional slow connection.

SOHAG

- The **local working group** reports having completed a one-year action plan based on the business plan, as well as an update of the **business plan**.
- Though the company has received WWSS support for **energy use rationalization** in the form of a pilot study and the purchase of a power factor analyzer, they have not replicated the activity in any additional plants.
- The company reported that, though WWSS has promised help in developing **plant operating instructions**, they have not yet received our assistance. On their own, however, they report to have developed operating instructions for all water and wastewater treatment plants.
- The WWSS-supported **leak detection and reduction** activities resulted in a reduction of losses to 12.5%, and the company is currently expanding the program beyond the pilot area. They cite that, in their work so far, they've found commercial losses to be more of a problem than physical losses.
- They are using **ADVAC** on a daily basis, in parallel with the manual system, and generating financial statements regularly. They requested additional training on ADVAC to speed up operation of the system.
- They reported that they do not have an **HR Plan**, though our records show that we completed one with them and published it. WWSS subsequently clarified that the HR Division staff has changed

since the development of the plan, and the new staff had not yet been oriented to the plan. We have since oriented them and offered assistance in implementing the plan.

- They are updating data in the **ADVAC HR system** daily, and have coded the company's organizational chart and jobs, along with most of the employee personal and training data. They have not yet integrated the payroll module with the cost accounting module, and they requested help in developing a performance evaluation system in ADVAC.
- **MASTER** is installed in 7 plants (5 water, 2 wastewater), and they report that it is used periodically for maintenance management. They also requested additional training.
- **MARS** is also updated regularly, and the Chairman approves quarterly data submissions. They provided feedback on which indicators are: difficult to collect (financial elements, and accurate data on volume of produced water); important to be added (electricity consumption at the plant level); and not useful to monitor (bills issued to subscriptions). The four biggest problems they face in using MARS are: 1) unexpected errors when using the system, 2) difficulty in collecting the data, 3) unavailability of data, and 4) lack of automated subsystem.
- **PRISM** is updated regularly and contains data on all active projects, and the company requested more assistance and training in streamlining data collection and entry. Their program management team has changed repeatedly, and the new staff require additional training.

ASSIUT

- The **local working group** reports having completed a one-year action plan based on the original business plan, but the members do not appear to be interested in updating their **business plan**.
- In the Nazlet Abdella water treatment plant, they report an improved **power factor** (from .84 to .95) after installation of the WWSS-provided corrective panel. They have not replicated the intervention in additional plants, and have not yet used the WWSS-provided power factor analyzer.
- **ADVAC Finance** is used on a daily basis in parallel with the manual system, and is generating financial statements.
- They are updating data in the **ADVAC HR system** on a monthly basis, and have coded the Company's organizational chart and positions. They have entered personal data and cost centers for employees, and are the only company using the system to run reports on salaries and incentives. They have partially integrated the payroll module with the accounting modules, but report lingering "unsolved problems" with the program.
- They have not begun **detecting and reducing leaks** yet, and are currently training in operation of the equipment.
- The illustrated **operating instructions** developed for the Nazlet Abdella plant are available for viewing at the plant and are reported as useful.
- The **MASTER** system is installed at the Nazlet Abdella plant and used continuously for maintenance management. Replication in four additional plants was underway during the assessment, and data collection is progressing in Abu Tig, Badary, and New Assiut WTPs and the Al-Qosiya wastewater treatment plant.
- They are not implementing the WWSS-supported **staffing plan**, and have not specified optimum staffing levels for each unit, retirement rates in the coming three years, or a timeline for reaching the optimum labor level.
- **MARS** is not working at the Company due to the lack of a connection to the system.
- They update **PRiSM** on a monthly basis, and report that all of their currently active projects are present in the system.

MINYA

- The **local working group** reports having completed a one-year action plan based on the business plan, and they have initiated but not completed an update of their **business plan**.
- The **energy use rationalization** activities in the new Kedwan plant resulted in an improvement in the plant's power factor from .83 to .95. They expect savings of approximately LE 22,000, which is the amount they paid in penalties last year. They received a power factor analyzer from WWSS, with training for 22 engineers, and plan to replicate the activity in three plants (Ard Sultan, Abu Korkas, and Kedwan Phase I).
- Company staff benefited from the **chemical use optimization** training, but face obstacles in sustaining the activity due to a lack of measurement instruments.
- To advance the **leak detection and reduction** activities, the company requested additional leak detection devices from WWSS.
- The **MASTER** computerized maintenance management system is installed at 8 plants throughout Minya (7 water, 1 wastewater). Three of the plants are already producing work orders regularly, two of those are also producing management reports, and the remaining plants are completing the basic data collection phase. Company staff reported that there are occasional problems with the system, but that WWSS staff address them quickly.
- The **operating instructions** developed for the Kedwan and Sultana plants are available for viewing at the plants and are reported as useful in helping workers standardize system operations, and for training new employees. Company staff have not replicated the activity at additional plants, and requested additional training in order to do so.
- While the company has completed an **HR Plan**, they are not implementing it and request additional help to clarify HR concepts.
- They update **MARS** regularly, but report that the system is not helpful to the company. The Chairman does not sign off on the data before it's submitted. The three biggest problems they face in using the old version of MARS are: 1) unstable/slow connection, 2) unexpected errors when using the system, and 3) lack of automated subsystem. They also described challenges in collecting data from the central lab.
- **PRISM** is updated monthly, contains data on all active projects, and is reportedly used for program/project management at the company level.
- The Chairman requested the **ADVAC inventory** module, and described it as essential for the Company. He also requested continuous follow-up on the activities implemented to date.

BENI SUEF

- In the Czech water plant, they report an improved **power factor** (from .83 to .95) after installation of the WWSS-provided corrective panel. Though they've received a power factor analyzer from WWSS, they have not replicated the activities in additional plants, and they've requested additional practical training.
- Company staff were appreciative of the **chemical use optimization** training, and reported using the skills acquired to conduct periodic jar tests and break-point tests. Further, they plan to replicate the activity in additional plants.
- To advance the **leak detection and reduction** activities, the Company requested additional assistance from WWSS for training, equipment repair, and ongoing monitoring to keep the team "motivated."
- The development of **operating instructions** for two plants (Tal Narouz and new American plant) has been a beneficial process and they are looking forward to receiving the finished posters and to

producing them for additional plants. They proposed a workshop to bring people together from similar plants to facilitate replication.

- They requested **MASTER** installation.
- **PRISM** is updated monthly and contains data on all active projects; however, the company does not use it for decision-making and described it as a tool used only at the central level. They requested assistance, though, in improving data collection and generating reports for the company's use.
- **MARS** is regularly updated, and the chairman approves of each data submission. The biggest problems they face in using MARS are: 1) unstable/slow connection, and 2) unexpected errors when using the old version of the system.

GIZA

- The **local working group** reports having completed a one-year action plan based on the business plan, and have initiated but not completed an update of their **business plan**.
- After the project provided technical training on **chemical use optimization**, the staff report using the skills to train others and to improve lab operations at the Imbaba plant.
- **ADVAC finance** module is working well, but they are experiencing some problems with the salaries module.
- **ADVAC HR** is also functioning well, with most of the organizational and personal data now entered. They are not yet using it to track employee training, nor have they integrated it with the accounting modules.
- **PRISM** is updated monthly, contains data on all active projects, and is reportedly used for program/project management at the company level.
- They update **MARS** monthly, but the Chairman does not sign off on the data before it's submitted. They face difficulty collecting data on some indicators (cost of home connections, as there is no cost center for it; number of complaints per connection), and proposed a few ideas for additional indicators that would be useful, such as liquidity indicators and inventory turnover measures.

MENUFIYA

- In the Ashmoun el Bahary plant, they report an improved **power factor** (from .8 to .95) after installation of the WWSS-provided corrective panel. They also requested additional help/equipment to ensure that the panel accommodates the full capacity of the plant (which is currently operating at only 50% power).
- The **operating instructions** developed for the Shebin El Kom plant are useful in minimizing mistakes, protecting equipment, and saving time. After training by Fady Nessim and Ahmed Soliman, company staff took photographs of 4 additional plants (Kom Akhdar, Maleg, Al Delaton, and Manouf), but they are waiting for our assistance to finalize the standard operating steps so that they can complete the illustrated posters.
- They are actively implementing their **HR plan**, focusing on their training plan, organizational structure, job descriptions, staffing plan, and training of trainers.
- They are not implementing the WWSS-supported **staffing plan**, and have not specified optimum staffing levels for each unit, retirement rates in the coming three years, or a timeline for reaching the optimum labor level.
- **PRISM** is updated regularly and contains data on all active projects. The GIS functionality does not work as web browsers are not allowed at the company, which prevents them from using PRISM 2 and its Google maps functionality.

- **MARS** is also updated regularly, and the Chairman approves quarterly data submissions. The three biggest problems they face in using the old version of MARS are: 1) unstable/slow connection, 2) unexpected errors when using the system, 3) lack of automated subsystem.

MATROUH

- They are still working on the **business plan** (specifically, on Chapter 7 – Performance Indicators), but they are not sure who will lead this task within the company in the coming period.
- They have posted and are using the illustrated **operating instructions** at the Serico Pumping Station and the Strategic 8 KM Booster, and claim that they are useful in reducing risks in operation.
- They used the WWSS template to develop **operating instructions** for the North Coast Booster, and sent them to us on February 20th for review and printing, which is underway. Additionally, they need assistance in completing the operating instructions for the Alamein plant.
- They are using **ADVAC** on a daily basis, in parallel with the manual system, and generating financial statements regularly. They mentioned that making adjustments takes longer than it used to.
- They are actively implementing their **HR plan**, focusing on the HR division organizational structure, job descriptions, and surveying benefit schemes. They requested additional help in developing performance evaluations, employment schemes, and career paths.
- They are using the **ADVAC HR system** on a daily basis, and have partially entered employee data and regularly enter employee penalties. They have not, however, coded their organizational structure and jobs, entered training data for the employees, run reports on salaries and incentives, or integrated it with the ADVAC accounting system.
- They have not updated **PRISM** for the last three months because they do not have an internet connection and, on a related note, less than 25% of their currently active projects are in the system. Since the data was collected, they have restored their connection and updated their projects.
- They update **MARS** regularly, but face some challenges obtaining commercial data (meters). The chairman does not approve / sign off on quarterly MARS submissions. The three biggest problems they face in using MARS are: 1) lack of internet/VPN connection, 2) difficulty in collecting the data, 3) unavailability of data.
- **MASTER**: The South Alamein plant staff has made progress in entering data and hiring maintenance crews, so they requested assistance in activating the program (which will be scheduled in May). They would also like to install the program at the Serico Plant.

SINAI

- The **local working group** has formed and convened once. They have not yet initiated development of their **business plan**, and are eager for WWSS support in doing so.
- **ADVAC HR** is installed and being updated on a daily basis. The company is still in the data entry stage – so far, they have coded the organizational structure and jobs, and have initiated entry of personal data for the employees. They requested additional training on the system.
- **PRISM** is updated on a monthly basis, but contains data on less than 25% of the active projects in the region. They cited one problem they have entering projects that are implemented in multiple locations, since the system only allows one location per project.
- **MARS** is also updated quarterly, but the Chairman does not sign off on quarterly submissions. They think all of the data elements that are currently required by the system are important to collect, and they face difficulties in collecting the technical and plant-level data. The three biggest problems they face in using MARS are: 1) lack of an internet/VPN connection, 2) unstable/slow connection, and 3) difficulty in collecting the data.