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**OPERATION  
BLESSING  
INTERNATIONAL**

September 30, 1992

Ms. Laura Klucik  
AID/ENE/DR/DPI  
4725 NS  
320 21st Street, NW  
Washington, D.C. 20523-0069

**SUBJECT: QUARTERLY REPORT**

Dear Ms. Klucik:

Please find attached a compilation of the progress made and problems incurred during the last quarter of the Romanian water well project. A copy has been sent to the mission in Bucharest and two copies have been forwarded to the records department per our cooperative agreement.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lynn D. Brogren". The signature is written in black ink and is positioned above the typed name.

Lynn D. Brogren  
Director of Operations,  
Operation Blessing International  
Relief and Development

To date, we have completed 19 wells and have had only one failure to access the second aquifer to make a total of 18 successful wells. The failed well occurred because of poor judgement in choosing the site, but I believe these failures are going to happen and will provide a valuable learning experience. There was a loss of PVC pipe which was irretrievable and a waste of gasoline to run the rig. Other than that, the losses were minimal.

I have received completed checklists from Romania for two proposed well sites. Two others were submitted but were incomplete so I have the in-country team working on finishing these two reports and submitting the fifth one. At that time, I will forward the five sets on to Ron Greenberg's attention and hope that these items meet with his approval. To my knowledge, there is no well drilling currently being done in Romania pending the completion of the surveys on these five proposed sites. I believe we are on the right track concerning the environmental impact issues of this project. The Romanian government has been extremely pleased with the approach we have used to date (even prior to the improved environmental approach) and there have never been any questions or problems presented by them.

As I related to you in our phone conversation, along with the successes, we have experienced many frustrations; difficulties magnified by working within a formerly Communist country. Perhaps one of the most complex to diagnose and therefore rectify are the completely different work ethics of the Romanians. For decades, they were told by their government what to do and where and how to do it. If you could abuse the system and get away with it, you were all the more successful. These mindsets are still very much with the Romanians. We have done everything in our power to instill the importance of hard work, responsibility and personal integrity. However, the continuing problems we have experienced, while they have not impacted the project's progress, have brought up serious issues.

The first problem I would like to address concerns management structure. It became clear to me very early in the project that this was unclear and needed definition. I personally made a trip to Romania to meet the crew and define responsibilities and duties. This was done upon my return through job descriptions for the administrative director, technical director and well drillers which I have enclosed for your review. It has recently come to my attention that this structure has basically been ignored and I have received many reports of insubordination -- basically everyone wants to be in charge.

There have been many problems with the personnel. Jerry Back has visited the well sites only to find the drillers laying on the ground sleeping, reading, or working on their personal automobiles. Another incident concerned new clothing OBIR&D had sent as part of our on-going assistance to the needy of Romania. The well drillers admitted to breaking into the place where they were being stored

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and stealing some of this clothing. We are paying them US \$100.00 per month which is well above standard wages in Romania and have even made arrangements to pay them through the winter months (November-February) because there are no provisions for unemployment pay if they are not working. There was no reason for them to need to steal this clothing. The most disappointing situation came recently. As you know, the well drilling was recently suspended for several weeks as we re-evaluated our environmental policies and instituted some better guidelines. The Romanian crew was instructed to halt drilling at the request of A.I.D. until this process was completed. It came to my attention one week into the shut-down that the crew had continued drilling, in spite of my direction. Their rationale was that the Romanian water department was perfectly satisfied and felt we were meeting the environmental standards of Romania. I instructed Debbie Ursu to tell them again and stress the importance of being patient for a few more days. Shortly thereafter, she discovered again that they had continued drilling in direct defiance to what they had been instructed.

I believe part of the management problem stems from the fact that Jerry Back, the in-country director can not always be in Romania. His business takes him out of Romania and back to the States frequently. Our original choice for in-country director when the project was conceptualized was Debbie Ursu, an American married to a Romanian. She lives in Timisoara and would have been a good contact. However, she became pregnant and recently had a baby so she is much less involved in this project than originally envisioned and mainly serves as translator. I have another individual in mind, also an American who lives in Timisoara who would be an excellent manager. I plan to ask him if he would be available to take over as in-country director of this project on my upcoming visit to Romania. This action will greatly strengthen the management structure and provide the continuity, cohesiveness and foundation this project has been lacking.

Another area I will be working to resolve involves becoming a non-profit business. As early as April, we began evaluating our options concerning the hiring of Romanian workers. Initially, we hired them on a temporary basis and only paid them gross wages; the pension, taxes and health insurance were not withheld and deposited. When I went to Romania last May, we opened a checking account in the name of East European Missions (a registered entity in Romania) with the sole purpose of beginning to pay the withholding items required. It was not until August that it came to my attention that they had not and could not be legally paid in this manner and were still being paid on a temporary basis. I investigated but was told that the reason East European Mission could not deposit the taxes etc. was that this made them the employer and thus ultimately responsible for every illegal or law breaking thing that person would do. I even looked into the possibility of having OBIR&D contract with them, but being a corporation in the U.S. gave us no exemption from responsibility. Neither of these possibilities were good solutions as it put both

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EEM and OBIR&D in a compromised position. As I see it, our only other option is to incorporate Lifewater Romania as a non-profit organization in Romania. I met with Nicolei Ivan (small business specialist at mission) in May. While he was extremely pleasant and willing, I was not able to get any clear information on the process or requirements at that time. Free enterprise is such new ground in Romania, I don't think all the rules of the game have been written yet. I will be meeting again with Nicolei Ivan on my upcoming trip and hope to get more details from him at that time. I am sure the process of incorporating in Romania has evolved over the last few months and I look to receive some good counsel and information from him. Liviu Neagoe is also working the problem of incorporating from the Romanian standpoint, so I am hopeful we can make good progress on this issue.

The other comment I would like to make concerns the focus of the mid-term evaluation report. Let me say first of all that the observations presented were very helpful to me in my efforts to nail down some of these concerns. However, I would like to take issue with the perspective from which the evaluation was done. Ron Parlato clearly evaluated this project from a large-scale development point of view which is diametrically opposed to the original intent we proposed to A.I.D. Our intention was not to come into a village and solve their total water availability problems by drilling a well, placing pipes in the ground to supply every home with running water, helping the village government to assess their current and future needs for water, and assist them in planning how to best utilize their new resource. We simply do not have the manpower or budget to adequately address any of these issues. We saw a need for fresh, uncontaminated water and a chance to provide this necessity to people who, in all likelihood, would not have been afforded this essential item for a long time to come.

As I expressed in my phone conversation with you, I understand that there are issues which are in need of resolution. I think that these solutions presented will be a step in the right direction in tying up the loose ends currently present in this project. Miraculously (and sometimes in spite of us all), the project is ahead of schedule in terms of the number of wells drilled. I am confident that through the next few months we can pull together these loose ends and bring this project together. Perhaps it would not be the worst thing to suspend further drilling until Spring. This way, we can get a step ahead of the game instead of always feeling like we are one step behind and we can optimize both the A.I.D. and OBIR&D resources already invested and in the future for this project. I am also hopeful that the funds promised by the Romanian government required to pay the village electricity bills may have been fully released by this time.

I look forward to any advice or direction you can offer us. We are probably not the most experienced PVO you are currently working with, but we are willing to learn and grow from this undertaking. I appreciate any input you or others at the agency may have.

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