



Center for International Development  
Local Environmental Management Project

**REVISED WORKPLAN:  
HUNGARY**



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Supported by  
Environment and Natural Resources Division  
Bureau for Europe  
Agency for International Development  
Washington, DC 20523

**LOCAL ENVIRONMENTAL MANAGEMENT (LEM):  
REVISED WORK STATEMENT/WORK PLAN**

**HUNGARY**

**Prepared For:**

**Environment and Natural Resources Division  
Bureau for Europe  
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Washington, DC**

**Prepared By:**

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## **I. Overview of LEM Project**

### **a. Background**

LEM is an AID/W project (No. 180-0039) based on a contract between Research Triangle Institute (RTI) and the Environmental and Natural Resources Division of AID/EUR (Contract No. 0039-C-00-2065-00). The contract is for three years, commencing on July 7, 1992 and ending on July 6, 1995, in the amount of \$ 4,240,972; the current obligated amount is \$ 1,950,000 to cover the period of July 7, 1992 to October 31, 1993. RTI is the principal contractor with two subcontractors: The International City Management Association (ICMA) and the Eastern Research Group (ERG). The LEM project manager was brought on board by RTI on August 15, 1992.

Originally the LEM project began as an AID effort to coordinate and/or operate through a variety of environmental projects at the subnational/local level throughout most of the countries of Central and Eastern Europe (CEE). However, fast moving events in CEE coupled with AID program reconsiderations, required a more narrow project focus. The process by which the original work statement (See Section C of current contract) was brought into line with AID's updated program requirements began during the AID sponsored conference on CEE ENVIRONMENT PROGRAM IN TRANSITION: FOCUSING PLANS AND FORGING LINKS, August 16-21, 1992. Based on discussions at the conference, RTI and AID/EUR/ENR tentatively agreed to focus LEM a) on Hungary and b) on specific environmental projects in specific municipal governments within the country.

RTI, in effecting this consensus, undertook two extensive field trips to Hungary. The first was made between September 8 and October 2, 1992, included representatives of RTI, ICMA, AID/ENR, AID/OHUD and project officers of the AID Representative's Office in Hungary. This field trip confirmed the need and importance of a "local" environmental project, the necessity of narrowing the focus to three to four municipalities in Hungary, the establishment of a set of criteria for setting both the project focus and the choice of specific municipalities to be included in LEM.

After a series of discussions and meetings in October, a second field trip was arranged to provide the basis for a revised Work Statement/Work Plan including the specific choice of municipalities and their environmental subprojects to be included in the LEM project. This was accomplished through an intensive field trip undertaken between November 3 and November 22, 1992.

The project decisions made as a result of the November field trip are contained in the minutes of a meeting held in the office of AID/EUR/ENR on December 3, 1992 in which the LEM municipalities were chosen for Hungary and the submission by RTI of a new Work Statement/Work Plan was required.

Note should be taken of the change in project title. The project title contained in the awarded contract is DECENTRALIZATION AND LOCAL GOVERNMENT ENVIRONMENTAL MANAGEMENT (DELGEM). However, AID/EUR/ENR has requested that the project title be changed to LOCAL ENVIRONMENTAL MANAGEMENT(LEM) consistent with other project titles in the environmental portfolio.

RTI proposes that once the revised Work Statement/Work Plan, including both the title and the financial plan, is accepted by AID/EUR/ENR, it is be officially included in the existing RTI-AID/W contract by way of an amendment.

## **b. Project Purpose**

The LEM's project purpose is threefold:

- a) to demonstrate the extent to which local governments in Hungary can effectively manage their environmental problems if given adequate and consistent support;
- b) to assist project municipalities in producing reliable and technically acceptable proposals for the funding of environmental projects for presentation to national and international funding agencies; and,
- c) to make available for use to other municipalities the replicable details as a result of activity undertaken in "a" and "b" above.

A subpurpose of the project is to act, through the project manager, as a broker-liaison by matching municipal requests for technical assistance not supplied by LEM with various AID supported projects which may be able to provide the needed information, data or assistance.

## **c. Overall Project Strategy for Implementation**

The overall strategy by which LEM is to be implemented is described as follows. Project activity is to be focused on four municipalities in Hungary, each of which has a specific environmental project focus:

Gyor (140,000)	Solid Waste Landfill and Collection System
Ozd (47,000)	Solid Waste Landfill and Collection System
Edeleny (14,000)	Solid Waste Landfill and Collection System
Sajoszentpeter (14,000)	Hazardous Waste Site Assessment

## **II. Implementation Plan**

Overall the LEM project will be implemented in the following sequence of activities described below and shown in the diagram on the following page.

### **a. Project Manager's Residency**

The RTI project manager will move to Krakow, Poland o/a February 8, 1992 to take up residency for the balance of the project term, i.e. until July 6, 1995. During that time the project manager will make regular periodic visits to member municipalities in pursuit of project implementation.

### **b. Establishment of LEM Project Office**

The project manager will establish a project office in Krakow consisting of the following local hire employees: administrative secretary, project assistant/interpreter, driver and one office clerk. This office shall be established and staffed by April 15, 1993.

### **c. Awarding of Local Technical Assistance Subcontracts**

The project manager will arrange in accord with AID regulations the award of subcontracts in Hungary to a competent local consulting firm(s) able to provide technical, financial, management, interpretive and translating services and expertise to support project LEM initiatives. These contracts should be in place prior to the arrival of expate consultants serving on the Initial Project Implementation & Operation Survey (IPIOS).

### **d. Project Manager's Introductory Project Visit**

During April, the Project Manager will visit each of the project municipalities to verify receipt of the appointment letter, apprise them of their project participation and the procedure that will be followed, e.g. the visit of the Initial Project Implementation & Operations Survey (IPIOS) and to request each municipality to supply project/managerial/financial data in preparation for the IPIOS visit. The Project Manager will also request that participating municipalities identify the local official who is to serve as liaison to the project manager.

### **e. Initial Project Implementation & Operation Survey (IPIOS)**

Between May 1st and August 1st, depending on the effective completion of the foregoing activities, two initial project implementation survey teams should be in Hungary to make a detailed analysis of the proposed environmental projects and the related management, fiscal and operational context in which these projects are proposed and in which they will operate. The teams should also review regional or national policies that may affect the implementation of the particular projects and propose strategies to overcome these obstacles. The teams should take no more than two months to complete their work and file survey results with the project manager. The latter shall devise a uniform format in which these results will be delivered.



The first IPIOS team will focus on solid waste/landfill siting and collection in Hungary for Győr, Ózd and Edeleny; a second will focus on hazardous waste site assessment in Sajószentpéter in Hungary. The general makeup of the teams for solid waste and land fill siting, et al, should be as follows:

### 1. SOLID WASTE MANAGEMENT/LANDFILL

Expat/US                                      Solid Waste Management/Landfill Manager  
Finance Administration re: Solid Waste

Local T.A. Subcontractor: Solid Waste Expert/Engineer  
Interpreter/Translator

### 2. HAZARDOUS WASTE

Expat/US                                      Hazardous Waste Engineer  
Finance / Administration

Local T.A. Subcontractor: Hazardous Waste Engineer  
Interpreter / Translator

Task specifications for the Initial Project Implementation Operational Survey team will be prepared in detail prior to the project manager's request for short term personnel assignments. In conducting the survey, the team will coordinate their analysis of management, fiscal and technical administration elements relating to the proposed environmental project in order to assess pertinent aspects of the municipality's implementation plan. Such assessment should also include a general review of constraints, including central government policies, laws, regulations and/or structural impediments and suggest ways by which these obstacles might be overcome or mitigated. The survey should also identify improvements in the municipality to be initiated under the LEM project which are thought necessary to bring the project to fruition. At the same time the Survey should examine and suggest ways by which the private sector may participate in the proposed project.

Training and "outreach" needs should also be identified during the Survey and proposals for needed training included in the assessment. These needs, as well as the other elements in the survey, will focus on results related to the environmental project and/or environmental management within the municipality.

Once preliminary survey results have been reviewed and agreed upon, the team will work closely with appropriate officials in the municipality in discussing survey results; it may then be necessary to amend the team's conclusions to better reflect actual circumstances; agreement and cooperation by officials, including NGOs in the participating municipalities, is essential in making the survey results practical and usable as a blueprint for action.

The completed survey should contain the assessment data, the proposed improvements and a timetable for implementation which has been agreed upon by the municipality as both necessary and reasonable. The latter result may be better achieved by conducting an "end of survey" interactive workshop. Particular emphasis should be placed on moving toward a project description and pre-feasibility proposal

which can be submitted for funding, either from central government sources and/or international funding agencies.

In scheduling the survey teams' itinerary, it is essential to coordinate with AID/W and with the AID representatives in Hungary. If feasible, a discussion between team members and appropriate AID/W personnel should precede the teams' travel to Hungary; time should also be allotted for briefings of AID staff in Hungary on the findings and recommendations of the survey. A similar debriefing should also be given to AID/W personnel.

While project management will try to field a complete team in each of the three categories, problems may arise in coordinating some of the expat/US technicians to arrive together and stay for the entire sequence of the team's work because of prior commitments. However, the designated team leaders will stay for the full course of the field survey and will be responsible for submitting the final survey recommendations.

#### **f. Training and Outreach Planning**

An important outcome of the Survey will be the identification of training needs directly associated with the implementation of the municipality's environmental project. Field visits have already assessed specific needs in the areas of management, finance and, in some cases, particular operations, e.g. implementation of a recycling program, in connection with solid waste land fill management.

Once the IPIOS has been approved for implementation by the municipality, and where training/outreach needs are identified, the project manager will make training expertise available to insure that a detailed training plan is made for each participating municipality covering the life of the LEM project.

The project manager may choose training expertise from the local technical assistance subcontractor, local NGOs and/or the use of expat/US expertise. In devising the training/outreach plan, the selected individual with the appropriate expertise will work closely with municipal officials in devising the plan and affecting its implementation. It is recommended that each participating municipality form a LEM Training Committee to oversee the training. The purpose of these Committees would be to coordinate arrangements for LEM project training, to gradually assume the training role played by the LEM project for each municipality and to plan, develop and organize training programs based on the LEM experience but expanded to include other sectors in the municipal government.

The training plans should be completed by September, 1993 and should focus on giving specific and practical training in the major categories indicated below. Thus the training courses should be more than general introductions into the problem areas by concentrating on specific subject matter tailored to actual needs. Certain of the training materials will be turned into operating manuals which municipal managers can use in solving everyday problems. Consequently more time may have to be allotted in the development of these courses than would be necessary if based on general orientation. It is anticipated that development of the training materials will take from three to six months. Some training in these areas has already been given by EPA and other AID contracted projects. Adapting this material to LEM needs will reduce preparation time.

The timing of the training will depend on the needs, availability of personnel and the relationship of training priorities, e.g. in some cities more emphasis may be put on financial management /

administration and less on the contracting process in order to clarify the municipalities fiscal position and policy in trying to fund a particular project.

The training courses to be developed, based on observations of the prior field trips and discussions with both central and local officials, are as follows:

1. Management/Operation of Solid Waste Programs with emphasis on landfill management and recycling programs.
2. The Contracting Process including:
  - a. Outline of applicable contracting/bidding law
  - b. Preparation of Specifications and Bidding Documents
  - c. Rules, regulations & procedures on awarding of bids.
  - d. Drafting of awarded contracts
  - e. Monitoring of contract work
3. Financial Management including:
  - a. Budgeting and accounting analysis for specific projects
  - b. Project cost analysis
  - c. Constructing a rate schedule
  - d. Billing and collection

The topics outlined above were identified during the two LEM reconnaissance trips. Additional training topics may be identified, and additional training programs developed and implemented, as the project evolves.

"Outreach training" is another necessary facet of LEM's training portfolio. This will consist of individual sessions at the municipality with local NGOs and appropriate municipal officials to encourage the development of "outreach" programs covering

- a. Information dissemination of solid waste collection, recycling, individual rates and/or costs etc. based on the necessities of health and environmental protection for three Hungarian communities: Gyor, Ozd, Edeleny.

Since much of this material is already available in Hungarian and a tentative seminar structure has already been developed by the ERG subcontractor, the preparation time for this is much less. However, these "outreach" programs should not be given until the municipalities are well along in project development or are at the point of going out for construction bids for their individual projects.

It is estimated that each participating municipality will receive four training courses averaging 2 days per course with average attendance per training course of 10 persons. This will total 80 person training days; all the participating municipalities will attend each course together which will be given at regional training centers to be determined. The total person training days would thus be 80 days times 4 municipalities or 320. The courses will be scheduled at six to eight week intervals to minimize participant's work time loss.

### **g. Formulation of Project Proposals**

It is expected that the formulation of project proposals in acceptable format for presentation to national and international funding agencies may take from three to five months after the presentation of the Survey results as discussed in "e" above. The general target date for their completion is February 1, 1994.

Along with the regular monitoring visits of the project manager, certain municipalities may need more technical assistance in support of project development, management and the assembly of financial/funding plans; they may also need more specialized assistance not planned for in the make up of the survey teams, e.g. recycling market analysis, solid waste composting. While the amount of this additional technical assistance cannot be given a precise figure, our expectation is that each municipality in LEM will need an average input of an additional eight weeks of technical assistance.

### **h. 1994 Project Proposal Conference/Mid Term LEM Evaluation.**

During March 1994, LEM will hold a two day project proposal workshop in Hungary. This will constitute both a progress report on LEM and a critical review of the presentation of the project proposals by the participating municipalities. Each of the latter will present a briefing on their proposed environmental project justifying both its environmental worth and its financing potential. The briefings would then be critiqued by a five person panel, including representatives of national and international funding agencies. Participants could then revise their proposals or even switch to other, more feasible, environmental projects along lines that would make funding more feasible based on the critiques. It would also allow participants to discuss proposals with other practitioners.

The conference results as applied to the participating municipalities would then be monitored through follow-up by the project manager and/or by the local technical assistance subcontractor. Two outcomes from this follow-up are expected: a) revisions in the financial and/or technical parts of the project proposals and b) the need for additional and/or follow up training for the participating municipalities.

Finally, LEM would also use the results of the conference as a mid-project evaluation device to determine necessary adjustments in purpose, direction and implementation strategy for LEM to be undertaken in the last sixteen months of the project, i.e. March, 1994 to July, 1995. This should also include more specific municipalities. At this point in the project, a determination could also be made about the inclusion of additional municipalities.

### **i. Second Round of Training**

A second round of training, based on the initial program, described in "f" above, would then be given. The training, however, would include revisions over the original training program based on the results of the monitoring and follow up described in the second paragraph of "i" above. The local project support contractor, together with selected trainers from the participating municipalities will give this training; it may, if necessary, make sparing use of expats/US expertise.

This training should add another 320 person training days, estimated on the same basis as that made in the last statement in "f" above. This second round of training should be started toward the end of 1994 or the beginning of 1995.

#### **j. Submission of LEM Project Proposals for National, International Funding**

It is likely that "project development" by the participating municipalities will be uneven; some may respond more quickly than others to the technical assistance and training provided and thus produce acceptable documentation which can be transmitted to national and international funding agencies within the first year of the project; other municipalities may evidence considerable gaps in managerial personnel, technical staff and financial administrators. Their submissions may come toward the end of the second year.

The possibility exists, therefore, that perhaps one out of the four municipalities may have submitted proposals, received approval for feasibility study grants and move toward initial tendering before June of 1994. In these cases LEM can provide technical assistance in the preparation of bid documents and in readying the municipality's managerial staff for the details of project management and monitoring of on-going projects.

#### **k. Demonstration Training Programs/Non-LEM Municipalities**

An important purpose of LEM is to distill - and distribute - the more relevant training and operational advances made within the project to other municipalities which may profit from the project experiences within LEM. This would be especially important, in terms of the generally recognized needs of municipalities, for subjects like financial administration, solid waste management and program development, e.g. production of viable project proposals to be considered for national and international assistance.

This "demonstration" training should occur after the first and second round of training respectively per item "f" and "i" above, i.e. o/a June, 1994. The precise timing will be determined after the first training round. The municipalities chosen to attend should, be within a reasonable distance from a LEM municipality and should have shown interest improving environmental project management: solid waste/landfill administration. Each session should be for two days and include up to ten municipalities with five persons from each municipality with total person training days estimated at 100.

#### **l. Final LEM Program Conference**

In May, 1995 LEM will sponsor a final conference for its participating municipalities to assess progress, set out environmental project guidelines covering the next five years and engage in a critical evaluation of the program. "Demonstration" municipalities, i.e. those who have participated in the training conferences described in "k" above. will also be invited.

The results of the conference could provide a) direction for the host government to propose a follow on program for either loans or direct donor assistance and b) data for a field evaluation of the LEM project itself.

#### **m. Participant Training**

During the course of the project, two groups of participants are proposed under LEM. The first group would consist of the "project liaison" officers from each of the participating municipalities, including the

county and central government contact persons. This group would leave for the US in October or November 1993 and spend several weeks visiting four outstanding municipalities in the Raleigh-Durham area to receive briefings and short work assignments in the management and finance sectors where they would receive insights into the best of local administration in the United States. RTI/NC would organize and manage this tour.

The second tour would include 16 technical officers in the participating municipalities who would receive several weeks briefing and on the job training in the operation of solid waste/landfill operations for the Hungarian municipalities. This tour would take place in the first quarter of 1995, in the Raleigh-Durham area, and be organized and directed by RTI/NC.

A more detailed proposal for these two participant tours will be submitted in mid 1993 when the project is far enough along to determine who should be the participants and what kind of management operations they should inspect.

### **III. Monitoring Plan**

The following are proposed as indicators to be used for project monitoring and evaluation. These indicators are linked to an End of Project Status for the LEM project.

1. Each participating municipality will have produced a project proposal that will have been submitted to an appropriate regional and/or central government unit with a request for funding. At least five of the participating municipalities will have submitted project proposals to international organizations for funding.
2. Capacity to plan and propose projects has been substantially increased in each of the participating municipalities. This is to be measured by a comparison/analysis of project documentation submitted to regional or national governmental units before LEM came into existence and after. The project documentation need not be for the same project.
3. In at least five of the seven municipalities included in LEM a significant and measurable change has taken place in fiscal administration related to the focused environmental project. e.g. the organization, billing, recordkeeping of the rates charged for waste water have been improved. This can be measured by making a baseline survey of what is taking place currently and what is the procedure at the end of the project for the same area of effort.
4. In at least three of the seven municipalities the "outreach" activities have been improved. This measurement will be based on a "before and after" comparison based on numbers of people included in the outreach; its viability can also be tested through interviews with a sample of the participants.
5. All participating municipalities are training more employees, officials with better results. This can be measured by using standard questions and comparing the "before and after" results.
6. At least five of the participating municipalities have established Training Committees which are working.
7. The contracting procedures have improved significantly. This can be measured by assessing contracts done by the trainees in question.
8. Greater awareness on part of local officials of environmental issues facing the municipality and the process by which many can be solved or alleviated. This can be measured through post training interviews and through direct operations.

#### **IV. LEM Coordination Plan**

The LEM project will have considerable interaction with many other program elements, both US and International, in Hungary and Poland; it is, therefore, important to list the major "players" and to define coordination and cooperation which LEM anticipates.

##### **a. European Bank Reconstruction and Development (EBRD)**

EBRD has defined a Municipal Development Operations Policy and has expressed a general interest in environmental projects at the local level. The LEM project manager has met with EBRD country directors in both Poland and Hungary; he also discussed the LEM project with EBRD officials in the London office. EBRD/Hungary may set up a commercial bank outlet for its loans with a "communal" municipal window. The EBRD country director for Poland indicates that about \$120 million may be available for local environmental projects with \$3.5 million available for grants to undertake specific feasibility studies. LEM will continue to maintain a liaison with EBRD and keep them up to date on the status of project development among LEM's participating municipalities. Consideration has also been given to "packaging" similar projects, e.g. wastewater treatment along the Olava/Odra River by Zibice, Swieta Katarzyna and Nowa Sol, a suggested second tier municipality. These might have greater appeal to the EBRD provided they are backed or supported by the central government in the respective countries.

##### **b. World Bank (IBRD)**

LEM, in cooperation with other RTI staff, has maintained contacts with the World Bank's regarding its purpose and strategy in the regions. In addition, the AID/W project manager has discussed the general strategy with World Bank staff; the latter, while expressing interest, appeared to be focused on setting up a "municipal bank" structure by which loans can be channeled to some of the larger cities, especially in Poland. The LEM project manager will begin direct contacts with the World Bank CEE staffers to open this source of international funding for the LEM projects.

##### **c. Environmental Protection Agency (EPA)**

Cooperation and coordination with the EPA is high on the LEM agenda and initial contacts with EPA officers working in Poland and Hungary have already occurred. LEM may draw heavily on EPA's experience in conducting various training courses already in use which may be adapted to LEM objectives. RTI as well as both LEM subcontractors have already done considerable work for EPA. Since ERG will be doing work in training and outreach, the latter's connection with EPA will assist in a coordinated approach. LEM may also use EPA varied technical expertise in the application of technical assistance to LEM municipalities.

##### **d. WASH Project**

Liaison has already been established with WASH and will continue, particularly in those programs/projects with which WASH and LEM maybe associated. In Hungary, LEM will have three

participating municipalities in Borsod County through which runs the Sajó River, a tributary of the Danube and a focus of a WASH project; LEM will work closely with WASH coordinating both projects elements. RTI is also a subcontractor with the WASH project which will further coordination and cooperation.

#### **e. Environmental Training Project (ETP)**

Communication has been established between LEM and the ETP projects, which will be maintained through the project life. Staff from both projects have discussed coordination of training efforts on field visits and in the US. LEM has obtained recent ETP Work Plans and will be providing copies of the Revised LEM Work Plan to ETP. Because LEM and ETP will be working in the same geographic areas (Borsod County in Hungary and Silesia in Poland), close collaboration is both important and mutually beneficial. As LEM develops and schedules training, ETP will be contacted to ensure maximum coordination and collaboration to make maximum use of resources, and increase overall effectiveness of the training programs. At the same time ETP will keep LEM staff up to date on ETP activities and plans. LEM can play an information-sharing role by informing LEM target Municipalities, and others in those towns, of ETP events.

LEM project staff have also established links with the ISC, an ETP subcontractor involved in training on local government environmental management. This training is taking place in other Central and Eastern European countries, but not in Poland or Hungary. Efforts will be made to share information and experiences. In addition, LEM staff and ISC staff have shared contacts and information on activities, contacts and approaches in Poland and Hungary, derived from other project work in those countries. In particular, useful lessons and contacts from previous work by ISC in Hungary will be useful to LEM efforts there.

#### **f. AID/Office of Housing & Urban Development (OHUD)**

The LEM project officer has worked closely with representatives of OHUD in redesigning the LEM project. On the September field trip a representative from OHUD was part of the team in Poland and Hungary; trip reports, proposed project descriptions and other project documents have been shared with OHUD staff; their comments have been incorporated into the LEM design. Finally, the LEM project manager has agreed to the Statement of Cooperation proposed by OHUD (See Appendix E). LEM will continue this kind of cooperation and coordination throughout the project life.

#### **g. Coordination with AID Representative Offices in Poland and Hungary**

In Poland, LEM has established working relations with the AID/REP project officer, Andrzej Pecikiwicz; he has been a part of the field trips, project discussions and project design. LEM has also worked with the Office of Housing Urban Development Area Director, Ms. Sonia Hammam and has kept that office informed of project progress. LEM also intends to make use of existing programs working out of the AID/Rep's Office, e.g. the Rutgers/UCONN training (Poland) which can provide assistance to LEM's training programs and the Trade & Development Program Support for Győr's Solid Waste Study (Hungary). In Hungary LEM representatives have met and traveled with Mr. Ferenc Melykúti and have

shared reports and the results of field trips. Both USAID field offices will receive regular periodic progress reports; briefings will also be available as requested.

#### **h. US Peace Corps/Hungary**

The RTI & AID project managers have proposed to the US Peace Corps/Hungary the assignment of a Peace Corp Volunteer with extensive local environmental management experience to assist LEM in Borsod County, preferably in Ozd. The Peace Corp Assistant Director for Environmental Projects is interested and the possibility remains high, depending on the available positions, recruitment and favorable reception by the municipality where the Peace Corp Volunteer will live. This cooperative arrangement could begin in January 1994.

#### **i. Voivodship Contacts/Poland**

During both field trips, LEM staff visited with many officials in the voivodships of Katowice and Wroclaw. During the last visit, the LEM team met with each Voivod (Governor) who, in turn, accepted the principal of the LEM project and designated environmental officers on their staff to act as liaison to the project. These contacts will be maintained during the life of the project and periodic meetings reporting on project progress and/or problems encountered will take place with voivodship officials. Direct contact has also been arranged during both field trips with the Regional Water Resources Authority in Wroclaw where two of the three waste water projects in Poland are located.

#### **j. Central Ministries**

LEM teams have worked closely with the Ministry of Environmental & Regional Planning (MERP) and the Ministry of Interior (MOI) in establishing the program in Hungary and with the Ministry of Environmental Protection in Poland; this close coordination is expected to continue for the life of the project.

#### **k. Sister-City Liaisons**

LEM staff plans to arrange these liaisons based on the relationship developed with expat/US technicians who will work on short term assignments under the LEM program. Thus, for example, a continuing contact may be arranged between the US cities from which the experts on finance administration, wastewater development and solid waste management/landfill may have come in order to coordinate a regular communication on problem solving that could continue beyond the project focus area and after LEM has ended.

## **V. Use of Subcontractors and Non-Governmental Organizations (NGO)**

The use of US and local subcontractors and NGOs in the operation of LEM are described below.

### **a. Research Triangle Institute (RTI)**

While RTI is the prime contractor on this project providing the Project Manager and support services, it will also provide some of the short term expertise consistent with technical skills found in RTI. The latter's extensive experience in local government and long standing technical association with the EPA will, of course, be of great and continuing value to LEM in coordinating local environmental work in Poland and Hungary.

### **b. International City Management Association (ICMA)**

ICMA is slated to provide short term consultants to serve LEM project needs primarily in the field of local government management, including finance, organization and administration. Since environmental problem solving in the participating municipalities is focused on wastewater and solid waste/landfill, the short term advisors provided by ICMA should have extensive background in working with these problems at the local government level.

### **c. Eastern Research Group (ERG)**

ERG is expected to provide technical assistance in the design and content of training and outreach activities based on its experience with similar projects in the US and Poland; it will also draw on its working relationships with EPA to effect cooperation and coordination between LEM and EPA within the training assignments. At the same time, ERG is expected to make use of local NGOs and other local contractors in designing and implementing training/outreach program for LEM in both Poland and Hungary.

### **d. Local Technical Assistance Subcontractors**

As indicated in the work plan, LEM will have a local technical assistance subcontractor in Poland and Hungary to provide a complimentary level of technical advisory assistance to the participating municipalities and to the expat/US advisors. This is more clearly identified in the description of the IPIOS in Section I-e, of this proposed work plan.

### **e. NGOs**

NGOs in Poland and Hungary which exist at the voivodship, county and municipal level will be used in the planning, training and outreach programs to the level of their capacity and technical interest. For example, in addressing the solid waste/landfill/recycling problems in Gyor, Hungary LEM expects to use the local NGO in the work of landfill siting and in the recycling outreach program that will need to be implemented in order to reduce the solid waste stream. Where direct employment of NGO resources is necessary, LEM will do this on a voucher-for-services procedure.

## **APPENDIX A**

### **CRITERIA USED IN CHOOSING LEM PARTICIPATING MUNICIPALITIES**

The criteria used in choosing the LEM participating municipalities are essentially those developed at the beginning of the first field trip, modified as a result of the field trip itself and then related to the municipalities which responded to the LEM project and interviewed during the second field trip.

The criteria which were reported in the project description reprinted in the report on the first field trip were as follows:

1. Willingness of the people and leaders to make serious efforts to solve environmental problems.
2. A demonstrated capacity for good, effective administration and management in the operation of the local unit;
3. Willingness to improve financial capacity and ability to pay for solutions to local environmental problems;
4. Demonstrated cooperative approach to implement suggestions for general management, administrative and financial improvement.

In Poland the approach was to apply this criteria to municipalities who were in the so-called "hot spots;" In Hungary the project was to focus on the Sajo River area in Borsod County. At the same time the project was designed to focus on particular environmental projects in particular municipalities. After the first field trip, municipalities were invited to submit their request to join the LEM including suggestions for particular projects.

In Hungary the municipalities considered for LEM were both in Borsod County; in addition, the MERP requested that the field team look into other cities not in Borsod County. In Poland, about 13 requests were received; some were in the "hot spot" areas, some in areas nearby the "hot spots" and some which had serious environmental problems even though they were not actually in the "hot spots."

Another element in choosing the municipalities to participate in LEM was that of size. For the most part the municipalities which applied were below 25,000. This was in concert with the LEM. With limited funds spread over three years, LEM might exhaust all its resources in one or two large cities; at the same time other projects in the East European portfolio would then take care of the larger cities.

It was these considerations, in addition to the criteria listed above, that were applied in the choice of the municipalities to be included in LEM.

**APPENDIX B**

**STATEMENT OF COOPERATION WITH  
A.I.D. OFFICE OF HOUSING AND URBAN DEVELOPMENT**

**MEMORANDUM**

Date: 23 October 1992  
To: Mike Lippe  
From: Bob MacLeod  
Subject: Inter-Office Coordination in Eastern Europe

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Issue: Project Overlap.

Improving the delivery of urban environmental services and infrastructure is the primary objective of EUR/DR/ENR's Decentralization and Local Government Environmental Management (DELGEM) project. It is also a subcomponent of EUR/DR/H's Local Government and Housing Privatization project. Both projects have targeted Poland and Hungary as initial host countries and each will support a long-term resident advisor.

Given these similarities, a clear distinction between these programs is needed to minimize confusion over who is doing what, where. Making this distinction was one objective of the recent TDY to Poland and Hungary by the DELGEM project design team. Other objectives were to introduce the project to government officials and NGOs to gain their endorsement and to solicit nominations for participants.

The following is a summary of the team's findings and suggestions for inter-office coordination.

The DELGEM Project.

DELGEM is a tightly-focused, three-year, \$4.2 million dollar project that aims to improve the management capabilities of local governments in the provision of potable water, wastewater treatment, and solid waste disposal. The project will provide technical assistance tailored to solving problems in one priority area as identified by the municipality. This approach reflects the often repeated observation by central and regional government officials that what local governments need most are pilot programs that showcase practical, low cost solutions. A sample activity under DELGEM might be assisting a municipality identify an appropriate wastewater treatment technology and then secure the capital funding to implement it.

Currently, DELGEM is in the process of identifying three municipalities in Poland and three in Hungary to participate in its activities. Priority will be given to cities located within

designated environmental "hot spots" (i.e. Upper Silesia in Poland and Borsod County in Hungary). The actual selection of municipalities will occur in November after a second team evaluates which municipalities seeking assistance have a manageable environmental problem and can demonstrate a commitment to resolving it.

### Project Distinctions.

Despite its focus on environmental services and infrastructure, the DELGEM project is distinct from the Local Government and Housing Privatization project in terms of scale and location. Spatially, DELGEM intends to assist only cities in designated "hot spots" or other environmentally stressed areas. It is unlikely that these same cities will be clients of the Housing Privatization project.

In terms of scale, DELGEM will be looking at the provision of services and infrastructure from the micro perspective of a single project in each municipality. The approach will be modelled loosely after the level of technical assistance offered under the PPSS program. Consequently, it will not be looking at larger policy reform issues such as infrastructure finance on a macro or national level. Policy work of this nature will be funded ideally by the Housing Privatization project and will be made available to DELGEM for field application.

### Project Coordination.

Mr. Bill Sommers from RTI (the prime contractor) will be the long-term resident advisor. Alan Wyatt will serve as the project manager in North Carolina. June Beittel of ICMA (subcontractor) will act as liaison between RTI and ICMA.

Coordination between DELGEM and EUR/DR/H contractors will be accomplished through the exchange of monthly reports. The design team proposes that the liaison between EUR/DR/H and DELGEM be me, given my experience with the PPSS program and familiarity with both projects.

In Poland and Hungary, coordination will be managed by Sonia Hammam.

### Action: Overlap Resolution.

Differences in scale and location notwithstanding, it is likely that there will be some confusion generated in the host countries by two offices doing the same thing. Normally, duplications of this nature are avoided because RHUDOS manage Mission urban service and infrastructure portfolios. In this instance, however, the management structure of the DELGEM project was not designed to accommodate a direct oversight role by PRE/H.

In light of the ongoing discussions with R&D/H over the urban mandate, the question for this office is how best to integrate the two projects to re-enforce PRE/H's preeminence in the area of municipal environmental management.

The design team proposes that all inquiries from the field pertaining to environmental services and infrastructure be channelled through Sonia Hammam for action. In addition, the team recommends that any regional DELGEM activity such as a workshop be co-sponsored with the Housing Privatization project. The precedent for this form of inter-office coordination is the recent co-sponsorship of two seminars on privatizing solid waste management services in Czechoslovakia with PRE/EM.

Comments on this coordination proposal are welcomed.

cc: Sonia Hammam  
David Leibson  
David Grossman  
Sarah Wines  
Steve Giddings  
Alexi Panehal  
Lindsay Elmendorf  
Rebecca Black

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