

The FORWARD Project

FIRST QUARTERLY REPORT

1 July - 30 September 1996

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1. PROJECT BACKGROUND

Project Goal. To promote equitable and sustainable water management strategies, policies, and plans in selected countries in the ANE region, which are facing serious water shortages and/or conflicts over water.

Project Purposes. To develop, test, and refine methods for national and transboundary collaborative problem-solving and dispute resolution for water resources issues. To establish or enhance indigenous capacity in the theory and practice of collaborative problem-solving and dispute resolution for water resources issues.

Contract Line Item Numbers and Project Results. The contract for FORWARD identifies eight CLINS (contract line item numbers) and eight project results, which are phrased exactly alike for the 30-month base period. Under the project results there are 20 performance indicators, towards which either “substantial” or “lesser” progress is to be made by the contractor during the base period.

- **CLIN 1 and Project Result A: Improved Approaches.** Improved approaches to resolving water resources issues collaboratively have been developed, tested, refined and analyzed; and the results have been disseminated to interested parties.
- **CLIN 2 and Project Result B: Negotiation Training.** Approximately 200 individuals receive comprehensive information which enhances their creative joint problem-solving capabilities, and they gain significant experience in using joint problem-solving strategies in negotiating solutions to water resources disputes.
- **CLIN 3 and Project Result C: Mediation Training.** At least 15 host country nationals in the ANE region are provided with educational and experiential training necessary to prepare them to serve effectively as third party impartial and dispute resolution process designers for water resources disputes.
- **CLIN 4 and Project Result D: Water Solutions.** For at least three significant water resources management problems, affected parties have produced, and begun to implement, integrated solutions developed through a joint problem-solving process involving extensive, sustained collaboration among appropriate stakeholders. Solutions are to be detailed and specific, including specific actions required of each party, and means of monitoring and enforcement of the agreement.
- **CLIN 5 and Project Result E: Mobilizing Resources.** Resources of the host governments, of the donor community, and/or of multilateral institutions, are mobilized for implementation of agreements reached under CLIN 1.
- **CLIN 6 and Project Result F: MEPP/Transboundary Issues.** At least four major short-term (1-8 week) analytical and/or training activities promoting collaboration among regional sharing water resources are conducted, and each activity makes a contribution to the body of knowledge on how to resolve transboundary water resources disputes in the ANE region, in terms of both process and substance.

- **CLIN 7 and Project Result G: Valuing the Approaches.** Project beneficiaries value the approaches used, and choose to use them in other contexts, both within and outside of the water sector.
- **CLIN 8 and Project Result H: Knowledge for Follow-on.** Knowledge developed under this project is sufficiently comprehensive and detailed to determine whether or not a follow-on project should be undertaken, how such a project should be structured, and what applications for joint problem-solving/dispute resolution might be appropriate outside of the water sector in the ANE region.

Financial Information. FORWARD is a thirty-month project, with an optional thirty-month extension period. It has the following base period budget:

Budget per CLIN
(1 July 1996- 30 December 1998)

CLIN	Contract Budget
1. Improved Approaches	2,438,860
2. Negotiation Training	612,837
3. Mediator Training	436,917
4. Water Solutions	1,595,671
5. Mobilizing Resources	(Not separately priced)
6. MEPP Transboundary Issues	\$350,000
7. Valuing the Approaches	(Not separately priced)
8. Knowledge for Follow-on	(Not separately priced)
Total Estimated Cost	\$5,434,285

2. PROGRESS BY CLIN AND PROJECT RESULT

This section briefly discusses progress made during the period, based on activity clusters within a CLIN or project result, as presented in the draft first annual workplan for 1 July 1996-30 June 1997.

The work plan is based on the five CLINs which are budgeted. Activity numbers given below are identical to those used in the work plan. Progress achieved towards performance indicators is presented in Section 8. Departures from the workplan during the period are discussed in Section 7.

CLIN 1 and Project Result A: Improved Approaches

1.1 Project Start-up

- **1.1.1: Activate FORWARD Partners in Bethesda, Amman, and Cairo.** In mid-July, the DAI Group met in a one day kick-off meeting to exchange current information about the project, review ANE Bureau guidelines for implementation changes since award of the contract, discuss development of the initial workplan, and review procedures for managing the project. Participants included the project director, training specialist, office manager, representatives of the four US-based subcontractors, the US representative of a proposed Egyptian subcontractor - Environmental Quality International, and the COTR. In addition, the project director met in July with representatives of Environmental Quality International, National Center for Middle East Studies, and Friends of the Environment and Development Association in Cairo and the University of Jordan, Jordan Institute of Public Administration, and the Jordan Environment Society in Amman to discuss project start-up and changes in approach. According to ANE Bureau guidelines for the Project, missions and host country governments will have to approve them as subcontractors.
- **1.1.2: Consult with USAID in Washington, Amman, and Cairo.** Since notification of the award of the contract, the project director has met regularly with the COTR to discuss implementation strategies and actions. He has also met with senior USAID management and desk officers handling involved Missions (Phil Geary and Alfreda Brewer), an implementation committee member from the Global Bureau (Ken Baum), and a State Department liaison (Charles Lawson). The project director also visited USAID missions in Amman and Cairo in July to informally brief them on FORWARD, and identify opportunities for project involvement. The visits revealed that implementation strategies and the roles of missions and host country governments are likely to be very different in the two countries. A follow-up trip by the project director with the COTR to Cairo in September led to the identification of general operational guidelines for working with the USAID Mission and identified specific issues (water tariffs and utility autonomy) for FORWARD to begin working with.

ANE Orientation Planning. FORWARD started designing a project orientation for key ANE and Global Bureau officers. To ensure that the orientation covers issues of direct concern to ANE/G staff regarding FORWARD, the project's dispute resolution specialist met with proposed participants and discussed their expectations for the meeting. Those interviewed expressed an interest in how FORWARD differs from other water projects. The Project will

address this in the presentation, and will focus on its program in Egypt for illustrative purposes. The date for the orientation will be based on the availability of ANE senior management.

- **1.1.3: Review Mission Strategic Objectives.** The team has obtained the latest versions of the Strategic Objectives from the missions and from the USAID gopher and used them as an important element in the analysis of mission programs.

1.2 Project Management

- **1.2.1: Mobilize the Team and Establishing the Project Office.** During the period, the long-term team was mobilized and situated in the DAI home office. The team includes Peter Reiss as full-time project director, Kathy Alison as half-time training specialist, and Suzanne Babb as full-time office manager. DAI has requested approval for Suzanne Babb as office manager. In addition, Christine Pendzich will serve as the interim dispute resolution specialist while a permanent specialist is identified and approved.

The proposed dispute resolution specialist was no longer available at the time of contract award, thus the FORWARD team has been actively recruiting for a replacement. Project staff developed a new job description for the position (Annex A). Both the job description and general criteria for selection of this key personnel were discussed with the COTR. The job description was then distributed to dispute resolution centers and Middle East studies programs throughout the United States. Fourteen potential candidates were identified and screened. FORWARD expects to propose a candidate to USAID for approval during the next quarter.

- **1.2.2: Prepare the First Annual Work plan.** In August, the FORWARD team submitted a draft of the first annual workplan (1 July 1996-30 June 1997) to the COTR for review and distribution to members of the implementation committee. The workplan included operational and technical assumptions to guide implementation, provided modifications to implementation at the Bureau's request, showed activities organized by cluster and CLIN and contained a table indicating the estimated level of effort and another illustrating the anticipated funding allocations for the first ten months. The work plan also laid out a twelve month implementation schedule, and demonstrated the contribution of each activity to the nine contract deliverables. The COTR has approved the workplan, subject to its review and revision after Month 6.
- **1.2.3 Install Administrative Systems.** A series of meetings and planning sessions were held in the first quarter to establish appropriate administrative systems for FORWARD. In collaboration with the DAI Finance Office, the FORWARD team has developed and installed a new Deltek financial tracking system to enable the Project to monitor costs and report to USAID on a monthly basis. Additionally, the office manager has set up a series of spreadsheets and tracking mechanisms to ensure that other contract deliverables and requirements are fulfilled both accurately and on a timely basis.
- **1.2.4: Subcontracting of US and Egypt Firms.** During the period, DAI as prime contractor on FORWARD, prepared subcontracts for RESOLVE, Conflict Management Group,

Training Resources Group, and Camp Dresser & McKee International. The subcontractor firms are reviewing the documents, and DAI is preparing the submissions to the USAID Contracts Office. At the start of the contract, the COTR informed the FORWARD project director that, in addition to the usual approval process for subcontractors, missions would also approve proposed subcontractors. During the visit of the project director to Amman in July, the mission indicated that the host country government would also be empowered to approve or disapprove all local subcontractors. As a result, in the absence of a defined program, the names of the three proposed Jordanian subcontractors have not been submitted or approved. In Egypt, during the September visit, the mission approved the participation of Environmental Quality International and the National Center for Middle East Studies as FORWARD subcontractors. DAI has begun preparation of the subcontracting documents.

- **1.2.5: Carry out Procurement for U.S. and Regional Offices.** See Section 7 below.

1.3 Method Development

- **1.3.1: Conduct Consultations.** FORWARD initiated contacts with mediation and dispute resolution centers (other than those already included in the project as potential subcontractors) in the Middle East, to learn when and with what results they are using dispute resolution strategies. Staff also started assembling information about regional and U.S. specialists in topics related to methodology development, including Jordanian, Egyptian and Palestinian customary law, Islamic law and any other legal systems relevant to the framework for using dispute resolution strategies. The centers and individuals identified during this consultation may also be advisors for, and participants in, the method development workshop, as well as potential authors of discussion and concept papers.
- **1.3.2: Analyze Existing Dispute Resolution Approaches.** The FORWARD team also discussed preliminary objectives for the workshop and began to assemble a small, targeted database on conflict resolution and customary and Islamic legal systems. The articles and other publications in the database will be important resource material for the traditional methods seminar. Given FORWARD's new approach of moving into direct involvement with water issues in Egypt and Jordan, the traditional methods workshop has been postponed until mid-1997, at the earliest.
- **1.3.3: Organize and Hold Regional Indigenous Methods Symposium.** To lay the groundwork for a regional workshop on traditional methods of conflict resolution in the Middle East, FORWARD's acting dispute resolution specialist took the lead in identifying regional and US specialists in conflict resolution. A preliminary steering committee for the workshop was identified and possible criteria for selection of participants discussed. The workshop has been postponed until mid-1997, at the earliest.

1.4 Performance Monitoring and Evaluation

- **1.4.1 and 1.4.2 : Develop the Monitoring and Evaluation Frameworks and Modify Lotus/TAMIS Template.** In the first quarter, the project director and office manager worked with a systems specialist to design a technical and administrative management information system (TAMIS), a tracking and monitoring system specific to FORWARD. This system

is housed in Lotus Notes groupware software. In the upcoming quarter, the office manager will train the FORWARD team to use the system. These lessons will include instruction on replicating the database. Subsequently, team members based in Bethesda and overseas will enter relevant meeting minutes, memos, terms of reference and other pertinent materials in the system and, through replication, will have the capability to access any new documents entered by other team members whether based in Bethesda, or traveling in the field.

- ***Timeframes for Performance Indicators.*** Modification One (#1) of the DAI contract extended the date of submission for the timeframes for the 20 performance indicators from July 28 to October 1, 1996. The project director submitted a proposed timeframe for the indicators to the COTR in late September for his review and transmittal to the USAID Contracting Officer overseeing this contract. These timeframes are to be incorporated into the contract by formal modification. The proposed timeframes are presented in Annex -B.

1.5 Information Dissemination

- ***1.5.1: Prepare FORWARD Cable and Brochure.*** FORWARD drafted a cable to USAID missions in the ANE region summarizing project goals, approaches and operating mode, including geographic scope and approach for working with individual missions. The draft cable was transmitted to the COTR in mid-August and distributed to the missions in the second half of August. The ANE Bureau received an expression of interest from the Bangladesh mission.

FORWARD staff has also started work on the text and design of a project brochure, which will be used to present the project to interested groups in the U.S. and abroad. The brochure will provide summary information on project objectives, approach, and means of accessing its technical services. The team has also started developing a project logo for use on letterhead, cards, and report covers.

CLIN 2 and Project Result B: Negotiation Training

No significant activities were undertaken under this CLIN during the period.

CLIN 3 and Project Result C: Mediator Training

No significant activities were undertaken under this CLIN during the period.

CLIN 4 and Project Result D: Water Solutions

4.1 Situational Analyses

- ***4.1.1: Hold Consultations and Orientations on Water Issues.*** FORWARD is beginning its activities by identifying critical water issues in Egypt and Jordan. Rather than using a slow, incremental approach to selecting issues, the project will work closely with mission staff and

government officials identifying critical issues or problems facing the countries, which relate directly to mission portfolios. This approach is more likely to capture the interest of both the missions and the host countries and allow FORWARD to prove itself to be more relevant and immediately useful. In July and September, the project director traveled to the Middle East to consult with USAID, the host country governments, and the DAI Group members in Egypt and Jordan to initiate program development.

Meetings in Egypt clearly indicated that two related water issues were of immediate, critical importance to the mission and the government: water tariffs for urban water and wastewater and the autonomy of water and wastewater utilities. Meetings were held with the mission senior management (John Wesley, mission director, Fred Guymont, associate director for Development Resources, and Peter Argo, Institutional Support Branch), the project directors of four major USAID water and wastewater projects (John Dalton of Cairo Water II, Doug Griffes of Cairo Sewerage II, George Kinias of Alexandria Wastewater II, and Dewey Bryant of Secondary Cities), and the Governor of Cairo, Omar Abdel Akhier.

In Jordan, the FORWARD project director met with USAID officers, senior officials of the Ministry of Water and Irrigation, and representatives of the Jordanian entities proposed as subcontractors. Meetings were inconclusive, although a number of water issues were mentioned, including the use of treated wastewater in the Jordan Valley, reconciliation of data collection techniques and findings between the two lead water agencies, and siting of new wastewater treatment facilities outside Amman.

- **4.1.2: Screen Criteria for Feasibility Assessments.** The project director worked with EQI staff to identify an initial process for addressing water issues in Egypt. The plan includes screening criteria for feasibility assessments during a visit by Gail Bingham of RESOLVE to Cairo in early November.
- **4.1.3: Determine Stakeholder Willingness to Participate.** In September, the project director and representatives of EQI met with the Governor of Cairo and received his support for proceeding with a program to address the water tariff and autonomy issues in Cairo Governorate. The governor is a key stakeholder in this issue.

CLIN 6 and Project Result F: MEPP/Transboundary Issues

No activities were undertaken under this CLIN during the period.

3. PROGRESS BY PERFORMANCE INDICATOR

The contract states that quarterly reports are to contain a section on progress by performance indicator. The following table indicates activities which contributed to the performance indicators during the period. The activity numbers given in the final column are the same as those in the annual work plan.

Activities Contributing to Performance Indicator				
CLIN	Project Result	PI	Description	Work plan Activities
1	A	Improved Approaches. Improved approaches to resolving water resources issues collaboratively have been developed, tested, refined and analyzed; and the results have been disseminated to interested parties.		
		1	New and significant knowledge and experience regarding effective water resources dispute resolution processes in the ANE region is being produced.	1.3.2: Analyze Existing Dispute Resolution Approaches 1.3.3: Organize and Hold Regional Indigenous Methods Symposium
		2	The knowledge and experienced developed under this project is collected, analyzed, and presented in a “user-friendly” format, and made readily available to interested audiences in host countries, and to the development assistance community at large.	1.4.1 Develop M&E framework 1.4.2 Modify TAMIS template
		3	Peer reviews of host country and other unbiased experts regarding contract performance (vs. project performance) are favorable.	
2	B	Negotiation Training. Approximately 200 individuals receive comprehensive information which enhances their creative joint problem-solving capabilities, and they gain significant experience in using joint problem-solving strategies in negotiating solutions to water resources disputes.		
		4	Culturally appropriate, comprehensive training materials are developed in English, and the host country language.	
		5	Essentially the same group of individuals participate throughout a particular negotiation for a total of approximately 200 individuals with	

			training and experience.	
		6	Creative joint problem-solving skills of participants are enhanced.	
3	C	Mediation Training. At least 15 host country nationals in the ANE region are provided with educational and experiential training necessary to prepare them to serve effectively as third party impartial and dispute resolution process designers for water resources disputes.		
		7	At least 15 national of the ANE region receive training in environmental dispute resolution.	
		8	At least 15 nationals of host countries in the ANE region serve as host country experts or as apprentices in dispute resolution processes conducted under this project.	
		9	Opportunities for environmental dispute resolution training are extended to both women and men.	
4	D	Water Solutions. For at least three significant water resources management problems, affected parties have produced, and begun to implement, integrated solutions developed through a joint problem-solving process involving extensive, sustained collaboration among appropriate stakeholders. Solutions are to be detailed and specific, including specific actions required of each party, and means of monitoring and enforcement of the agreement.		
		10	Regular formal negotiating sessions are held, at a frequency adequate to generate continued momentum towards resolution; significant effort to develop and evaluate options between sessions is being invested by all parties; relevant data are being generated by mutually agreed-upon experts; appropriate stakeholders are identified and involved; options being discussed consider modern principles of integrated water resources management.	4.1.1 Hold consultations and orientations on water issues (in Egypt and Jordan) 4.1.3 Determine stakeholder willingness to negotiate (Egypt)
		11	Implementation of agreements is proceeding adequately.	
5	E	Mobilizing Resources. Resources of the host governments, of the donor community, and/or of multilateral institutions, are mobilized for implementation of agreements reached under CLIN 1.		
		12	Host governments, donors, multilaterals make commitments to fund agreement activities and/or projects should agreements be reached.	
		13	USAID bilateral missions assume some of the	

			costs of the negotiations (after year 3).	
		14	Agreements are funded.	
6	F	MEPP/Transboundary Issues. At least four major short-term (1-8) week) analytical and/or training activities promoting collaboration among regional sharing water resources are conducted, and each activity makes a contribution to the body of knowledge on how to resolve transboundary water resources disputes in the ANE region, in terms of both process and substance.		
		15	Short-term analytical and/or training activities involving joint problem-solving are conducted.	
		16	The activities contribute to the body of knowledge about resolving water resources disputes in the ANE region.	
7	G	Valuing the Approaches. Project beneficiaries value the approaches used, and choose to use them in other contexts, both within and outside of the water sector.		
		17	Participants, and others in the water sector and in other sectors, formally request that project activities be expanded.	
		18	Governments invest their own resources in using the project approach in other contexts.	
8	H	Knowledge for Follow-on. Knowledge developed under this project is sufficiently comprehensive and detailed to determine whether or not a follow-on project should be undertaken, how such a project should be structured, and what applications for joint problem-solving/dispute resolution might be appropriate outside of the water sector in the ANE region.		
		19	Knowledge developed is adequately definitive regarding the usefulness of promoting formal joint problem-solving approaches to resolving water resources problems in the ANE region.	
		20	All project activities are accomplished on time and within the budget.	1.1.1 Activate FORWARD partners 1.1.2 Consult with USAID 1.2.1 Mobilize team and establish office 1.2.2 Prepare annual work plan and progress report 1.2.3 Install administrative systems 1.2.5 Carry out procurement

4. SUMMARY OF IMPORTANT MEETINGS

During the period, FORWARD held five sets of significant meetings worthy of summary below:

Project Start-up Meeting

The start-up meeting for FORWARD was held at DAI on July 11. Those in attendance included Jeff Goodson, USAID/COTR; core team members Peter Reiss, project director, DAI; Kathy Alison, training specialist, TRG ; and Suzanne Babb, office manager, DAI. Representatives from the subcontractor organizations also participated, including Gail Bingham and Christine Pendzich, RESOLVE; Scott Brown, Liz McClintock and Michael Moffitt, CMG; and Eddy Perez, CDM. Duncan Miller, the U.S. representative for EQI (a proposed partner in Egypt) also participated in the meeting. The meeting was facilitated by Ed Salt of TRG. During the one day session, the COTR and the project director discussed implementation guidelines from the ANE Bureau, and participants agreed on a process for developing the initial workplan for the project. A demonstration of the monitoring information system was provided and there were discussions regarding administrative procedures relevant to Project implementation.

Meetings with USAID/Amman and the Ministry of Water and Irrigation

Shortly after the signing of the contract, the project director travelled to Jordan to meet with USAID officers including Lewis Lucke, mission director; Abdullah Ahmad, officer, and Marjorie Shovlin, the mission backstop officer for FORWARD. He also met with officials of the Ministry of Water and Irrigation, including Minister Qawar, and Duraid Mahasnah, and senior advisor Munther Haddadin of the Jordan Valley Authority. As recent appointments to MWI, officials were unfamiliar with FORWARD and considered it of low priority. Meetings concluded with the officials offering to provide, to USAID by mid-August, their suggestions for how they might work with the Project. By the close of the period, USAID had not received the submission. As a result, follow-up efforts may include an orientation to the government to familiarize them with the Project and its' approach.

Meeting with Marjorie Shovlin of USAID/Jordan at Bethesda Project Office

On September 18, Marjorie Shovlin of USAID/Amman, met with FORWARD team members to discuss project implementation. The group discussed holding a project orientation meeting in Jordan in early November. Senior GOJ and USAID management would receive a practical overview of environmental dispute resolution principles and procedures and discuss which of these processes might be useful (or be modified to be useful) to meet GOJ needs in addressing water issues. The orientation would also include a discussion of the types of activities the project might undertake in Jordan and options for implementation of these activities. Participants agreed that Marjorie would discuss the workshop with the USAID mission and GOJ when she returned to Amman in late September.

Final Egypt Program Development Meeting with USAID/Cairo

On 24 September, the project director, joined by Randa Fahmy and Bashar Al Safadi of EQI, met with Fred Guymont and Peter Argo of the Development Resources Directorate at USAID/Cairo to discuss an initial plan for FORWARD's proposal to address water tariff and organizational autonomy issues in the water and wastewater subsector. A memo providing the plan is presented in Annex -C. At the meeting, the following agreements were reached:

- FORWARD received mission approval to initiate a program on tariffs and autonomy, with funding to be provided by the project from its initial Bureau obligation.
- The mission approved the use of Environmental Quality International and the National Center for Middle East Studies as subcontractors to DAI.
- The project director and USAID agreed that Egyptian experts must take the lead in program development, initiating contact with the government, and that expatriate technical assistance would be used strategically.
- Gail Bingham of RESOLVE was given initial approval to travel to Cairo in November to work with the Egyptian team members. Formal travel clearance will be requested.

5. PERSONNEL ASSIGNMENTS AND TRAVEL

Estimated Personnel Assignments on FORWARD* Level of Effort 01 July 1996 - 30 Sept. 1996

	Position	Affiliation	DLPH**
Peter Reiss	Project Director	DAI	401
Suzanne Babb	Office Manager	DAI	258
Susan Exo	Info. Syst. Specialist	DAI	11
Kathleen Alison	Training Specialist	TRG	80
Ed Salt	CEO/TRG Rep.	TRG	33
Christine Pendzich	Disp. Res. Specialist	RESOLVE	147
Gail Bingham	Disp. Res. Consultnt	RESOLVE	51
Scott Brown	President/CMG Rep.	CMG	16
Rob Ricigliano	Mediator	CMG	8
Michael Moffit	Mediator	CMG	20
Liz McClintock	Mediator	CMG	4
Eddie Perez	Representative	CDM	4
Bashar Safadi	Prog. Coordinator	EQI	16
Kamal Tolba	Snr. Envirn. Consltn	EQI	16
Mahmoud Bakr	Financial Mgmt. Spec	EQI	16
TOTAL			1081

*Pending submission of subcontractor invoices

**DLPH= Direct Labor Productive Hours

FORWARD Travel Number of Trips 01 July - 30 Sept. 1996

	Position	Affiliation	Nmbr Trips	Description
Peter Reiss	Project Director	DAI	2	consultation with USAID in Jordan & Egypt, Egypt program development
Scott Brown	President/Rep.	CMG	2	project start-up and workplan development
Rob Ricigliano	Mediator	CMG	1	Egypt program discussion
Michael Moffit	Mediator	CMG	1	review first draft of workplan
TOTAL			6	

6. EXPENDITURES DURING PERIOD AND TO DATE

FORWARD BUDGET
Expenditures through September 30, 1996

Contract Line Item Number	Budgeted	Expended	Remaining Amount
CLIN 1: Improved Approaches	2,438,860	61,065	2,377,795
CLIN 2: Prob-solving Training	612,837	0	612,837
CLIN 3: Dispute Resolution Training	436,917	0	436,917
CLIN 4: Solutions to WRM Issues	1,595,671	0	1,595,671
CLIN 5: Mobilizing Resources	0		
CLIN 6: Task Orders for MEPP	350,000	0	350,000
CLIN 7: Valuing Approaches	0		
CLIN 8: Knowledge for Follow-on	0		
TOTAL	5,434,285	61,065	5,373,220

7. PROCUREMENT

According to the FORWARD contract (H.4), the contractor is authorized to purchase office equipment, office furniture, computers and ancillary equipment to a total cost not to exceed \$100,000. The contract provides illustrative procurement lists for Washington and the overseas program offices in Amman, Cairo, and Jerusalem. A major change in implementation strategy is the incremental approach of the project to initiate activities in host countries. As a result, FORWARD may not establish program offices in all three entities, and if it does, the offices will certainly not be established at the same time. FORWARD will open the offices only with the approval of USAID (missions and the ANE Bureau) and only in agreed upon locations.

During the period, the project director visited two of the three prospective locations and received USAID mission approval in Cairo to subcontract with Environmental Quality International and establish a presence on their facilities. The following procurement list reflects the present equipment needs in the Bethesda project office and the Cairo program office.

The FORWARD team has developed a list of equipment they will procure in the upcoming quarter. Competitive price lists have been compiled for each of the items on this list and the following items have been selected as most appropriate and cost-conscious:

- 4 Laptop Computers (3 for U.S.-based team, 1 for the Egypt program office at EQI, Cairo)
- 1 Desktop Computer (for the Egypt program office at EQI, Cairo)
- 1 Portable Printer (for U.S.-based team)
- 1 Laser Printer (for the Egypt program office at EQI, Cairo)
- 1 Inkjet Fax Machine (for U.S. project office)

FORWARD may purchase additional equipment if and when the project expands its programs in Amman and elsewhere or if there are addition needs in Bethesda and Cairo.

8. DEPARTURES FROM THE WORKPLAN

Activity implementation during the period largely followed the draft first workplan, with some exceptions:

- **Activity 1.1.4: Hold Project Planning Meetings.** The project did not hold the proposed, formal project planning meeting during which the US-based team members were to exchange information about each other's approach to key project elements. Team members did meet frequently to plan implementation efforts, including the traditional methods symposium, as given in the workplan. The meeting on different approaches within the team has been postponed indefinitely, largely because the project is moving quickly into designing programs to address specific issues in Egypt and eventually in Jordan. The methods review will be best addressed in the context of the development of a method for these specific issues at a later time.
- **Activity 1.1.5 Conduct Regional Start-up Workshop.** FORWARD did not hold a regional start-up meeting. The main reasons for the change include the following: the project will begin on different schedules in the different countries, subcontractors have only been approved by USAID in Egypt, and the project will shift from initial method development to an action-oriented program which immediately addresses specific water issues in Egypt. As a result, FORWARD will bring together the country teams in a program start-up meeting in Cairo and in an orientation in Amman. The project still expects to bring together the entire team in regional workshops at later dates.
- **Activities 1.3.2 and 1.3.3: Analyzing Existing Approaches and Organizing a Regional Indigenous Methods Symposium.** The Egypt experience indicated that more is likely to be accomplished if the project directly addresses water issues and uses those issues as the context for method development. As such, planning and holding workshops on method development have been indefinitely postponed until the project has developed programs to resolve the issues and implementation has begun.
- **Activity 3.1.2: Identify Pool of Trainees.** FORWARD did not initiate efforts to identify a pool of trainees, except in the broadest sense of discussing approaches with the Government of Jordan and with regional partners in Egypt and Jordan. The project will work with host country governments and regional partners to identify trainees in the context of the actual issues. This activity is now scheduled for the beginning of 1997, at the earliest.
- **Activity 4.1.2: Screen Criteria and Priority Setting for Feasibility Assessment.** In Egypt, FORWARD developed an initial plan for addressing the issue of water tariffs. Screening criteria and setting priorities for feasibility assessments will be initiated when Gail Bingham is in Cairo in November to work with the team members provided by EQI.

9. IMPLEMENTATION ISSUES AND PROPOSED REMEDIAL ACTIONS

According to the FORWARD contract, progress reports ought to indicate any problems encountered during the period and proposed remedial actions, as appropriate.

Identifying How Best to Initiate a Jordan Program

The development of the Jordan program has already been mentioned several times in this quarterly report. A continuing issue for implementation is how best to start the program: through orientations and skills training or direct development of a program for a specific issue.

Proposed action: The project will seek guidance from the USAID mission, but it suspects that using the Egypt approach may be most effective.

Absence of Jordanian Subcontractors

FORWARD recognizes the absolutely critical role that local entities will play in introducing the project to governments, initiating efforts, and implementing activities. A visit to Egypt in September enabled the project to receive mission approval for two local entities to serve as subcontractors. These groups are expected to take the lead in implementation, with expatriate technical assistance provided strategically. Comparable groups, including the University of Jordan, the Jordan Institute of Public Administration, and the Jordan Environmental Society, have been identified in Jordan. The project lacks approval from the mission or government for their participation, which is essential to implementation. As a result, representatives of those entities are not able to participate in meetings with the government or the mission.

Proposed action: The FORWARD team and the mission in Amman should move expeditiously to secure approval of the proposed subcontractors, recognizing that the final decision on their acceptability lies with the Government of Jordan.

Restriction of FORWARD Efforts to Egypt and Jordan

Thus far, implementation has been restricted to two countries. USAID/Rabat has apparently also expressed an interest in the project. While the establishment of two major programs in Egypt and Jordan are adequately challenging for the project at this time, identification of other opportunities might be advisable sooner rather than later.

Proposed action: The project director is prepared to stop briefly in Rabat during a trip to the Middle East in the next six months to introduce the project and discuss interest, without any commitment made on either side.

Funding Obligation Less than the Contract Level

FORWARD received a first funding obligation from the ANE Bureau of \$890,000 at the signing of the contract. The annual pro-rated contract level is somewhat more than \$2 million. Although the reduced funding has not imposed any restrictions during the period and is unlikely to in the

near future, it may during the course of the first year of implementation. Buy-ins from missions may compensate for the reduction.

Proposed action: The project proposes to use its limited funding strategically in Egypt and Jordan in order to build a reputation based on its successes. It will also actively pursue buy-ins from missions to augment funding obligations.

**FORWARD
POSITION DESCRIPTION**

DISPUTE RESOLUTION SPECIALIST

I. Major Function: Serves as the Dispute Resolution Specialist (and key personnel) for the USAID FORWARD project. Develops and administers the project's dispute resolution activities, in coordination with USAID and the Project Director for FORWARD. Assesses opportunities for applying dispute resolution approaches in the host countries, identifies barriers to the use of dispute resolution approaches, and suggests ideas for overcoming them. Coordinates dispute resolution activities under the contract, and implements selected dispute resolution activities directly.

II. Major Duties and Responsibilities:

- Develops, contributes to, coordinates, and administers dispute resolution activities under the contract, towards the goal of strengthening institutional capacity for resolving water resource management conflicts in the host countries, including:
 - studies of current dispute resolution approaches in the region,
 - the situational analyses, and the criteria for selection of specific project activities, and
 - development, dissemination and implementation of regionally appropriate dispute resolution methodology(ies);
- Coordinates and administers short term technical assistance teams for implementing dispute resolution assignments and monitors team progress;
- Writes, contributes to, and/or supervises (as assigned by the Project Director) annual work plans and project reports, including situational analyses, method development, and lessons learned;
- Coordinates with local project offices, host government agencies, and USAID on key aspects of project design and implementation; and
- Coordinates with the Project Director and Training Specialist on both the timing and the content of project training activities, to ensure their timeliness and relevance to local audiences and to the dispute resolution processes under way.

Project design and administration responsibilities include:

- **Contributing to the establishment of clear criteria for project priorities, based on needs identified and resources available and helping develop annual work plans;**
- **Contributing to analyses of current and traditional dispute resolution mechanisms in the region and of how existing mechanisms might be blended with collaborative problem-solving methods as practiced in the U.S. and elsewhere;**
- **Making staffing recommendations for projects, including identification of criteria for consultant selection and consultant candidates, as well as supervising the performance of dispute resolution activities to ensure that project objectives are met; and**
- **Assisting the Project Director to coordinate with USAID missions and headquarters staff, with project partners in the United States and in host countries, with staff of related projects in the host countries, with non-USAID donors, and other interested parties.**

Project implementation (mediation, training, report writing) responsibilities include:

- **Coordinating and/or providing mediation and other dispute resolution services under the project;**
- **Coordinating situational analyses, process aspects of joint fact-finding activities, and development of lessons learned and other reports which focus on process aspects of specific activities;**
- **Identifying and interviewing stakeholders prior to and during the situational analyses and specific dispute resolution processes, including consultation with stakeholders and other team mediators on process design;**
- **Providing guidance and supervising the preparation of convening reports and mediation-related documents by regional dispute resolution specialists-in-training and/or drafting convening/feasibility assessment reports;**
- **Contributing to appropriate dispute resolution training materials for joint problem-solving (negotiation) and mediation training;**
- **Contributing to the orientation of dispute resolution trainees from the region, their development of stakeholder interviewing skills and their development of other mediation skills, including co-facilitating dialogue and negotiation meetings; and**

- Documenting, analyzing and writing reports about how general dispute resolution principles can be appropriately adapted to the FORWARD target countries with regional partners.

III. Minimum Requirements:

1. Knowledge: A Master's Degree or equivalent experience particularly in conflict resolution, an area of natural resource management, international development, or education/training. In-depth knowledge of and experience with negotiation, mediation or other conflict resolution processes through academic training or experience is required.

2. Experience: Six to eight years of mediation experience, with a significant track record of success in resolving complex, multi-party public policy disputes (preferably in the environmental sector or internationally); significant experience in program development and management; and knowledge and/or experience in cross-cultural dispute resolution or in cultural factors in conflict resolution. Experience introducing and integrating dispute resolution processes in a new setting desirable.

3. Skills and Abilities: Must have a good understanding of negotiation, mediation and other conflict resolution processes, and the ability, imagination, and judgment for program development. In addition, s/he must have the demonstrated ability generally and in a cross-cultural setting to: 1) listen well; 2) analyze problems, identify the issues involved, and frame these issues for resolution; 3) be sensitive to strongly held values and political dynamics; 4) deal with complex factual materials; 5) earn trust and maintain acceptability; 6) plan and facilitate effective meetings; 7) communicate clearly and concisely verbally and in writing, and 8) accurately plan, schedule, and budget programs and projects. Arabic language capability (or willingness to learn) desirable.

The FORWARD Project

**To: Fred Guymont, Associate Director, Development Resources Directorate
Peter Argo, Chief, Institutional Support Branch**

From: Peter Reiss, Project Director

Date: 24 September 1996

**RE: A Plan for Activities under the Directorate of Development Resources,
USAID/Cairo in Water and Wastewater**

This memo presents an initial plan for FORWARD's proposed program to address water tariff and organizational autonomy issues in the water and wastewater subsector. We are prepared to begin our efforts immediately upon your agreement and approval of the proposed team.

Anticipated Results

Over the following twelve months, FORWARD will work with stakeholders in water and wastewater in order to:

- reach agreement on water tariffs in at least two governorates (among them: Cairo, Alexandria, Dakahlia, and Aswan); and
- move water and wastewater utilities (public economic authorities) in at least two of these governorates towards autonomy.

Program Focus

FORWARD is a mission support project focusing on USAID's portfolio in the water sector. The objective of this TDY was to identify issues of critical policy and implementation importance to the mission that may be addressed through FORWARD's approaches to collaborative problem-solving. Recurring themes in conversations with USAID, the GOE, and water and wastewater consultants were (1) establishing water tariffs to cover costs and (2) and moving water and wastewater utilities to financial and managerial autonomy. Over the next months, FORWARD will develop a workplan to carry out activities in Cairo, Alexandria, Dakahlia, and/or Aswan. Initial meetings indicate that these governorates, due to existing institutions and presidential decrees, offer the most promising opportunities for resolving these issues. Pursuing these particular issues depends upon the interest and commitment of the Government of Egypt. Another related issue which was raised in interviews a number of times was the need for a water and wastewater sectoral strategy or perspective which would serve as the policy framework for the USAID portfolio.

Present Status and Efforts

During the past ten days, the following has been accomplished:

- Met with the Governor of Cairo, Omar Abdel Akhier, and received his commitment to support and participate in the program;
- Received the agreement of USAID/Cairo for FORWARD to focus on the water tariffs and organizational autonomy issues;
- Received the agreement by the FORWARD COTR, Jeff Goodson of the ANE Bureau, for a FORWARD-implemented program on water tariffs and the autonomy of water and wastewater organizations in Egypt;
- Held discussions with the U.S. contractors implementing Institutional Support activities, including: George Kinias, Medcalf and Eddy, Alexandria Wastewater II; Doug Griffes, CH2M Hill, Cairo Sewerage II; Dewey Bryant, Chemonics, Secondary Cities Project; and John Dalton, Black and Veatch, Cairo Water Supply II;
- Received USAID/Cairo's concurrence for the participation of Environmental Quality International (EQI) and the National Center for Middle East Studies (NCMES) as subcontractors to Development Alternatives, Inc. on FORWARD; and
- Discussed the World Bank Water, Wastewater, and Solid Waste Management Demonstration Project in Sharqia Governorate on the transfer of management responsibility to the private sector with the CDM contractor.

Program Approach

FORWARD's approach in Egypt is to focus directly on addressing specific issues related to tariffs and autonomy. Its broader program of development of a collaborative problem-solving approach, training of mediators and stakeholders, and preparation of curriculum and manuals will be carried out in the context of actual issues.

FORWARD's activities related to tariffs and autonomy over the following year will have two phases:

- An initial three month period (through December 1996), during which the team is created, reviews the background of these issues, prepares a workplan for implementation, and receives the approval of USAID and commitment of the Government of Egypt to continue; and
- A period of up to nine months to implement the program and bring the issues to settlement.

Major Efforts During the First Phase

- September:** Identification of broad issues for project intervention
Approval of the overall approach by USAID
Holding initial meetings with the GOE to introduce the project and elicit support
Creation of the FORWARD team
- October:** Review of documentation, analyses, and assessments on issues
Carrying out interviews and discussions with parties - including GOE, provincial governments, USAID, contractors
- November:** Holding a team planning meeting with the arrival of US-based collaborative problem-solving specialist
Preparation of workplan which identifies the specific areas to be addressed and the process to be used
Continued interviews and discussions
- December:** Agreement on the implementation process from USAID and GOE
Implementation of the process

Staffing and Projected Level of Effort

Given the sensitivities of these issues, FORWARD proposes creating a team drawn largely from technical expertise provided through Environmental Quality International, DAI's lead subcontractor in Egypt. The National Center for Middle East Studies, with expertise in collaborative problem-solving, will assist, as needed. NCMES's role will concentrate on training and documentation of the approach. U.S.-based consultants will also be used in program implementation strategically, to complement Egyptian expertise.

The proposed team for the first phase and the estimate level of effort follows:

Position	Proposed Team Member	Estimated LOE (PD)
Senior management advisor	(Mounir Neamatalla)	Throughout
Senior environmental engineer	(Kamal Tolba)	15
Senior policy advisor	(Mustapha Tolba)	5
Senior instit. and legal advisor	(Abdel Raouf El Ridi)	5
Municipal finance specialist	(Mahmoud Bakr)	15
Sanitation engineer	(Hossam Ezz El Din)	30
Activity coordinator	(Bashar Al Safadi)	20
Policy analyst	-	20
Dispute resolution specialist	(Gail Bingham- RESOLVE)	15
Dispute resolution support	(Provided by NCMES)	5

The team includes Egyptian experts with access to the highest levels of the Government of Egypt, including Abdel Raouf El Ridi who has been Egyptian ambassador to the US and the UN and Mustapha Tolba who was executive director of UNDP. Kamal Tolba is environmental advisor to the Governor of Cairo, and others have extensive experience in government and donor initiatives in water and wastewater. We believe this multidisciplinary, senior level team is required to move the issues forward to resolution.

FORWARD will present resumes of the proposed team members to the Institutional Support Branch for approval. Two of the team members will require mission waivers since their daily rates exceed the mission ceiling for Egyptian consultants.

The team will be in regular communication with the mission on technical issues. The mission's links for management issues are the FORWARD project director and the COTR.

Funding for the Program

FORWARD has limited bureau funding to carry out a mission support program. The project will fund the first phase of the program through the calendar year. It will request mission funds to support implementation activities in 1997. These funds are expected to depend upon availability, Government of Egypt's commitment to the program and approval of the transfer of funds, and mission interest and support of the workplan and progress to date.

Next Steps

The following are immediate steps to be undertaken:

- Approval of the team members, including a TDY by Gail Bingham beginning 3 November for 2-3 weeks
- Request for waivers for Dr. Tolba and Ambassador El Ridi
- Assembling and briefing the team
- Follow-up meetings with the Governor of Cairo and his staff and visits to other senior government officials
- Collection of documentation and initiating review/analysis
- Subcontracting with EQI and NCMES