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Energy Efficiency Initiative

The Egyptian Environmental Policy Program

EEPP - Tranche II

Third Quarterly Progress Report:

July 1st - September 30th, 2002

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EXECUTIVE SUMMARY

This third Quarterly Progress Report documents activities undertaken by Nexant Inc. under its task order with the USAID/Egypt to provide technical assistance to the Ministry of Petroleum (MoP) and its Egyptian Natural Gas Holding Company (EGAS) to achieve the expected results of Objective 10 of the second Tranche of the Egyptian Environmental Policy Program (EEPP). The report covers the period July 1st through September 30th, 2002. Nexant's activities focus on three main areas: 1) accelerating cost-effective use of natural gas to replace liquid fuels in commercial and industrial applications, 2) customization of the internationally-recognized Certified Energy Manager Program, and 3) promoting private investments in energy efficiency.

Natural Gas Strategic Plan

During this quarter, Nexant continued its identification and evaluation of new policies and market initiatives to support the Egyptian Natural Gas Holding Company's (EGAS) development of a strategic plan for the industrial and commercial sectors. This included a presentation to senior representatives from EGAS on the key results of the white papers that were prepared on co-generation, market initiatives, and fuel end-use pricing. The main objective of the white papers was to analyze potential policy areas and to help identify priority areas of policy assessment for the next phase of strategic planning work with EGAS and the Ministry of Petroleum.

Nexant also developed a survey to gain market intelligence on the main policy and economic drivers of potential natural gas use in the commercial sector. The survey included evaluating the potential for fuel switching and the use of co-generation and gas-fired air conditioning systems. Furthermore, Nexant conducted an analysis on the potential emissions of greenhouse gases and atmospheric pollutants associated with the use of gas and petroleum products.

Energy Management Certification Program

This quarter, activities continued on developing a customized version of the course's technical materials, and a program to prepare local instructors for assuming future responsibility of delivering the course in Egypt. The sixth in a series of seven CEM[®] courses in 2001-2002 was held at the Ramses Hilton (September 8-14), resulting in the certification of 16 additional Egyptian engineers. To date, approximately 90 engineers have received their CEM[®] certification from the AEE through this customized program.

"The CEM[®] Program Customization Guidelines" was drafted and reviewed. The customized version of the course's workbook has been completed and sent out for review. A final version will be ready in November after receiving feedback from course participants and AEE. Along with the workbook, Nexant will release a course Compact Disk that contains technical and reading materials as well as case studies in Egypt and an energy efficiency promotional video.

Nexant also coordinated the continuation of the "Training Of Trainers" (TOT) activities that started in May 2002. Three out of the 4 participating recipients advanced to the next level of training. Original plans of receiving part of the training in the U.S. have been modified and this component was restructured into a local program by AEE staff around the October 27th course iteration in Alexandria.

Private Investments in Energy Efficiency

Nexant continued its efforts in stimulating private sector investment and involvement in the energy services sector. Ongoing support to private sector service providers and promotion of energy efficiency investments resulted in the addition of British Gas to the membership of EESBA. A joint effort with the Academy for Educational Development (AED) led to the development of a long needed draft for a "Marketing and Strategic Communication" plan for EESBA. The plan defines EESBA's approach to communicating with various stakeholders such as policy makers, financial institutions, and energy end users. The draft plan will be completed in November.

Nexant worked with the USAID/Cairo and other members of the Development Credit Authority (DCA) to continue to investigate the viability and the local interest in launching a pilot program offering a credit guarantee facility to financial institutions. Nexant also met with the OEP Chairman to discuss the creation of an energy efficiency fund. In September, and through the DT2 program, Nexant held a workshop on Financing Energy Efficiency that was attended by 20 professionals from various financial institutions, investors groups, and other donor programs.

Outreach & Awareness Activities

Activities this quarter included participation in a seminar held by the OEP and the 10th of Ramadan Investors Association. The event was a follow-up to an earlier visit by H.E. Dr. Hassan Youness, Minister of Electricity and Energy to the 10th of Ramadan Industrial City in which criticism was expressed regarding the electricity blackout incidents. At the request of Dr. Youness, and Dr. Gelil, Emad Hassan addressed the audience on the available services from the ESCO industry. Nexant also participated in a panel discussion on energy efficiency at the Alexandria Yacht Club in which Dr. Gelil as well as other energy efficiency stakeholders was present. As a follow-up coverage of its April 2002 seminar on "Current Status and Future Outlook of Natural Gas in Egypt", Al Ahram newspaper published a full-page article pointing out to the need to act on the recommendations that resulted from the seminar with a specific request to initiate a national committee to review natural gas and energy market prices.

Training & Capacity Building Activities

During the quarter, Nine training events were completed covering both EEPP crosscutting trainings as well as energy efficiency specific activities. To-date, Nexant has completed 14 of the 19 training activities that were approved as part of the energy efficiency training plan for the year 2002.

Section 1: GENERAL INFORMATION

1.1. Background

Nexant Inc. is the technical assistance contractor supporting the energy efficiency and greenhouse gas reduction initiative of the Egyptian Environmental Policy Program. Under Contract Number LAG-I-00-98-00006-00, Task Order Number 817 with the United States Agency for International Development (USAID)/Egypt, Nexant Inc. supports the Government of Egypt (GOE) to achieve the requirements of Objective 10 of EEPP Tranche 2 during the period January 1st through December 31st, 2002. Objective on the T2 policy matrix10 is: "Reduced emissions of greenhouse gases by promoting the use of cleaner energy sources and increasing investments in energy efficiency". This second Quarterly Progress Report documents activities undertaken, and results achieved during the period July 1st, 2002 through September 30th, 2002.

Objective	Policy Measure	Means of Verification	Results
<p>10. Reduced emissions of greenhouse gases by promoting the use of cleaner energy sources and increasing investments in energy efficiency</p> <p><u>Lead Agency:</u> Egyptian Natural Gas Holding Company (EGAS)</p>	<p>MOP/EGAS adopts a strategic plan which includes policies that encourage the expanded domestic use of natural gas</p> <p><u>Implementing Agency:</u> EGAS</p>	<p>Copy of EGAS approved strategic plan for accelerating natural gas use in the industrial and commercial sectors that outlines policies and market based initiatives (e.g., investment credits, facilitating natural gas payments, equipment rebates, and preferred pricing schemes)</p>	<p>Policies and market-based initiatives adopted to expand domestic natural gas use.</p>

Table (1) EEPP – Tranche 2 Policy Matrix (objective 10)

In Tranche 1 of the EEPP, Nexant supported the development of a framework for a National Energy Efficiency Strategy (NEES) that included recommendations for policies and market initiatives needed to establish a strong foundation for an energy efficiency market. Three key areas supporting the NEES recommendations were selected for further development in Tranche 2: 1) accelerating cost-effective use of natural gas to replace liquid fuels; 2) developing an internationally-recognized and locally-customized certification program for local energy engineers in support of future implementation and adoption of energy efficiency codes and standards; and 3) promoting private investments in energy efficiency activities and the development of compatible financing vehicles.

Nexant is providing technical assistance during this task order to the Ministry of Petroleum and its affiliate, the Egyptian Natural Gas Holding Company (EGAS). Other activities are being coordinated with the Organization for Energy Planning (OEP) in the broad categories of strategic planning, capacity building, and public awareness/outreach.

1.2. Expected Results

Nexant's scope of work was divided into one policy measure and two technical assistance tasks, each with an expected output.

Task 1 (Policy Measure)

Support the Ministry of Petroleum and EGAS in developing a strategic plan to accelerate local cost-effective use of natural gas.

Output: Adopted strategic plan by the MoP that outlines necessary policies and market initiatives leading to cost-effective conversion of liquid fuels to natural gas in commercial and industrial markets.

Task 2 (Technical Assistance)

Develop a local energy management certification program that is recognized internationally.

Output - A sustainable local certification program designed around the U.S. "Certified Energy Manager" program (developed and trade-marked by the Association of Energy Engineers).

Task 3 (Technical Assistance)

Promote private investments in energy efficiency.

Output - Published summary reports on the energy services industry, new options for energy efficiency financing and investment, and the technical support to developing a "Credit Guarantee" mechanism by USAID.

Section 2: REPORT ACTIVITIES

TASK 1. NATURAL GAS STRATEGIC PLAN

During this quarter, Nexant continued its identification and evaluation of new policies and market initiatives to support the Egyptian Natural Gas Holding Company's (EGAS) development of a strategic plan for the industrial and commercial sectors. This included a presentation to senior representatives from EGAS on the key results of the white papers that were prepared on co-generation, market initiatives, and fuel end-use pricing. The main objective of the white papers was to analyze potential policy areas and to help identify priority areas of policy assessment for the next phase of strategic planning work with EGAS and the Ministry of Petroleum.

Nexant also developed a survey to gain market intelligence on the main policy and economic drivers of potential natural gas use in the commercial sector. The survey included evaluating the potential for fuel switching and the use of co-generation and gas-fired air conditioning (AC) systems. Furthermore, Nexant conducted an analysis on the potential emissions of greenhouse gases and atmospheric pollutants associated with the use of gas and petroleum products.

1.1 White Papers' Review And Discussion

On August 11th, a presentation on the results of the three white papers was made to Eng. Mohamed Tawila, Chairman of EGAS. This presentation summarized the key results of the white paper analyses and helped facilitate the identification of next steps/key areas of focus for the next phase of strategic planning work with EGAS. The figure shown below illustrates the role of the white papers in EGAS' ongoing development of their strategic plan.

During the August 11th meeting, Eng. Tawila expressed some concerns about the further evaluation of prices, citing political sensitivities. Greater interest was expressed in the further assessment of policies/new initiatives relating to gas-fired co-generation and air conditioning systems. It was agreed that a follow-on work session would be held with EGAS to discuss more specific comments on the white papers and to help identify preliminary target areas for subsequent analysis.

The follow-on meeting with EGAS took place on August 14th and was attended by Eng. Samy Marei, Dr. Mahmoud Badran (Executive Committee member), and Dr. Hamed Korkor. Eng. Hany Soliman, EGAS's Vice Chairman for Operations, also attended a significant portion of this meeting – indicating a heightened level of engagement by EGAS in this task. EGAS representatives made some comments on the three white papers – most of which were of a general nature and were addressed during the meeting. EGAS also expressed some continued sensitivity regarding any additional evaluations of pricing issues.

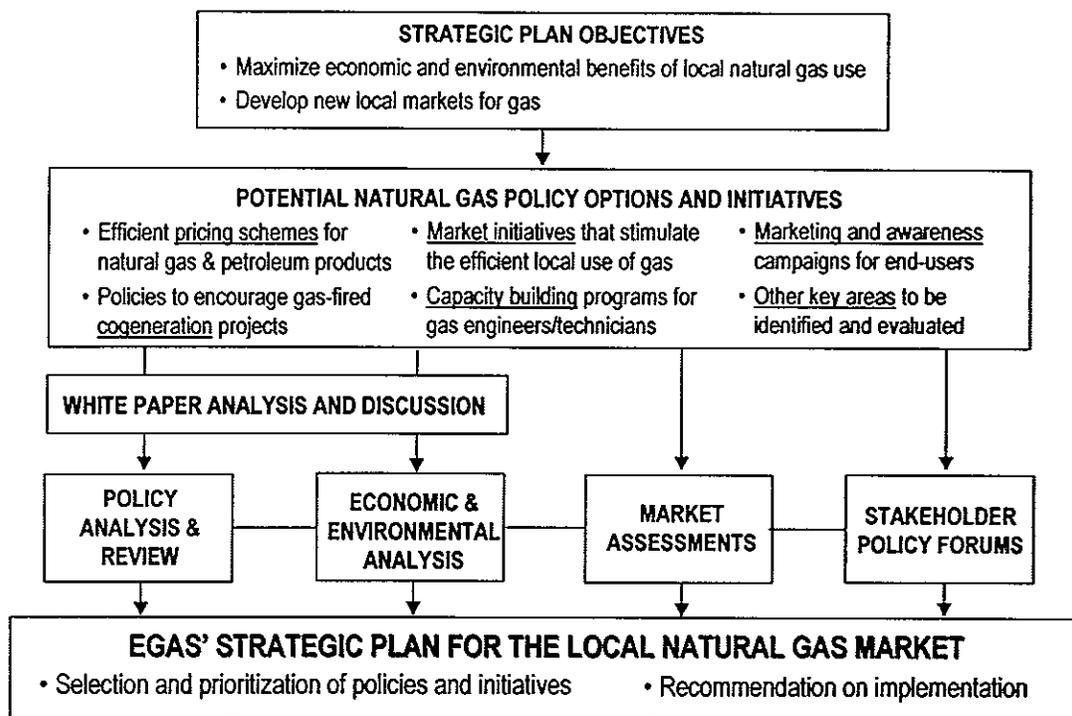


Figure (1) Strategic Plan Development Process

1.2 Assessing Options For Gas Use In The Commercial Sector

In order to better understand the market for natural gas in the commercial sector, Nexant developed a survey that will be used to evaluate the potential use of natural gas-based energy systems in key end-user segments, such as hotels, hospitals, and shopping malls. The survey will be used to assess the technical and economic feasibility of specific gas projects (e.g., fuel switching, cogeneration, and gas-fired AC systems) as well as to identify potential new areas for policy development. It is anticipated that this survey will be administered to a limited number of facilities in order to help focus the analysis on critical end-user segments in the commercial sector.

1.3 Preliminary Environmental Analysis Of Gas And Petroleum Products

In the third Quarter, Nexant initiated an environmental analysis of the potential emission reductions associated with the increased use of gas. Specifically, this analysis compares the emissions of greenhouse gases and atmospheric pollutants from the use of natural gas to the use of major petroleum products (such as Mazout and Solar) that are currently consumed by industrial and commercial end-users. Once completed, the results of this analysis will be used to help estimate the potential environmental benefits of increased natural gas use at both the macro (national) and micro (individual project) level.

1.4 Expanding the Scope of the Strategic Plan

The August 14th meeting also included some preliminary discussions about potential opportunities to expand the focus of the strategic plan beyond the industrial and commercial sectors. Specifically, EGAS reiterated their interest in analyzing policy options relating to compressed natural gas (CNG) vehicles. A general consensus emerged among EGAS representatives that the scope of strategic planning efforts should remain focused on downstream markets and not delving into upstream issues or gas export plans.

During the next quarter, Nexant, EGAS and USAID will further discuss the possibility of expanding the scope of this task order to include a master plan for expanding the use of CNG vehicles in Egypt. The figure below illustrates how both activities can be linked from a strategic planning perspective as well as ultimate policy development results.

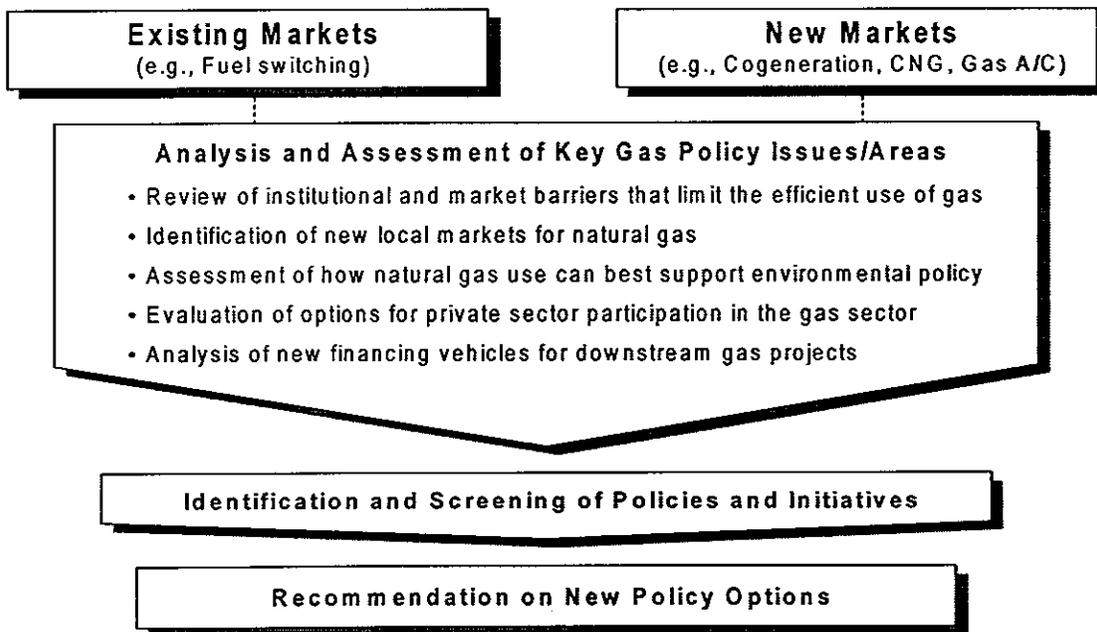


Figure (2) Expanded Natural Gas Policy Analysis Approach

TASK 2. ENERGY MANAGEMENT CERTIFICATION PROGRAM

The objective of this task is to establish a sustainable capacity building program for local energy engineers designed around the U.S. AEE's Certified Energy Managers program (CEM®). Last quarter, the AEE and EESBA signed a Memorandum of Understanding to formalize their cooperation in customizing the CEM® course and in building the appropriate infrastructure for its continued local delivery by Egyptian professionals. This quarter, activities focused on developing a customized version of the course's technical materials, and a program to prepare local instructors for assuming future responsibility of delivering the course in Egypt.

2.1 CEM® Course Delivery

As planned for this quarter, and through the DT2 program, Nexant successfully completed the 6th in a series of seven CEM® iterations in Cairo. The course was held at the Ramses Hilton during the period September 8-14, and resulted in the certification of 16 additional Egyptian engineers. To date, approximately 90 engineers have received their CEM® certification from the AEE through this customized program. The next and last DT2-supported course iteration is planned for the period October 27 to November 2, 2002 in Alexandria. Twenty engineers from the Alexandria and surrounding area are expected to receive their certification, thus expanding the base of certified Egyptian engineers. With over 100 certified engineers after the next course, there will be a good critical mass of engineers ready to serve the emerging energy efficiency needs that have been noticed recently.

2.2 Customization of Technical and Marketing Materials

Customization activities this quarter included drafting and reviewing of the "CEM® Program Customization Guidelines", and the finalization of the customized version of AEE's CEM® Workbook and Compact Disk.

Nexant completed a draft report on "CEM® Program Customization Guidelines" in September 2002. The report is developed to provide guidelines and procedures for the customization process including targeting potential candidates, screening of applicants, registration, orientation, course delivery, testing, scoring, and finally certification requirements. A final report will be issued in early December 2002.

The customization of the course workbook has been finalized and sent out for circulation to all stakeholders for review. The Workbook includes technical material, pre-course readings, and case studies from Egypt. The first use of the customized version was at the September course in Cairo. Feedback received from participants and AEE will be incorporated into the final version of the workbook, and should be available for the next course in October in Alexandria.

A Compact Disk containing all course materials is now in the final stages of production. Once comments and feedback are received from the Alexandria course, the CD will be distributed to all CEM[®] certified engineers who attended the course. The CD will include an electronic version of the Workbook, pre-course technical readings, case studies, and video clips about energy efficiency in Egypt.

Completed CEM Customization Items

- Modified course Handbook to fit local engineering practice.
- Pre-course preparatory materials including a brief review of basic information and terminology.
- Supplementary Readings relevant to local energy market and engineering practice.
- Application Package: This includes the application form, qualification requirements, course schedule and contents, testing and certification, fee structure, and cancellation policy. A draft version of this package has been completed.
- Course Orientation Package: includes the CEM objectives, course outline, course schedule, CEM requirements, fee structure, delivery techniques, examination procedures, CEM benefits, AEE membership, and FAQ's.

2.3 Training of Trainers (TOT)

The TOT component is essential to the sustainability of the CEM[®] course in Egypt. To maintain the same standards of delivering the course, four trainers were selected from a larger group of AEE-certified local engineers using qualification criteria that included minimum education standards, work experience, command of the English language, prior teaching experience, involvement in the local Energy Efficiency industry, and willingness to commit to provide training through EESBA/AEE for a minimum period. The 4 trainers went through a planned program of "Training of Trainers" which includes active participation in the remaining iteration of the CEM[®] course.

Prior to the May iteration of the course, the local trainers attended a two-day intensive training by AEE in Cairo May 17-18th, in preparation for their participation in the May 19th course. Towards the end of the two-day session, it was clear that 3 of the 4 trainers have demonstrated stronger comfort with the delivery of various materials in general. The fourth trainer, while continuing to participate in the preparation activities, did not participate in the hands-on teaching exercises that others undertook.

Originally, Nexant had planned with DT2 to allow the four trainers to receive part of their "Training of Trainers" activities in the U.S. However, due to the delayed visa circumstances with the U.S. Embassy in Cairo, it was decided that activities be restructured for local implementation instead. "Training of Trainers" will still be delivered and administered by the AEE staff around the October 27th course iteration in Alexandria.

TASK 3. PRIVATE INVESTMENTS IN ENERGY EFFICIENCY

During this quarter, Nexant continued its efforts to foster private sector investment in the local energy services sector. This included providing support to local financial institutions (commercial banks and leasing companies) as well as to local energy service companies. This section provides an overview of key work activities completed during this quarter.

3.1 Financing Options For Energy Efficiency

During the third quarter, Nexant conducted several different activities to help encourage private sector investments in energy efficiency. This includes providing a high level of support to the establishment of DCA loan guarantee agreements with local financial institutions as well as helping build the capacity of local ESCOs through training programs and providing direct assistance to ESCOs on key business strategy issues.

In the third quarter, Nexant worked with representatives from USAID/Cairo and USAID/Washington to help facilitate the potential establishment of DCA loan portfolio guarantee agreements with local financial institutions. Other private sector investment activities that were carried out this quarter included conducting training programs for local ESCOs and supporting the delivery of energy services in the natural gas area.

DCA-related meetings with local financial institutions: Nexant arranged a series of meetings with local commercial banks (Citibank and HSBC) and leasing companies (Incolase) that are potential candidates for DCA loan portfolio guarantee agreements. These preparatory meetings were used to both discuss the mechanics and potential application of a DCA financing tools in Egypt as well as to assess the current fit and interest level of local financial institutions regarding the establishment of a loan portfolio agreement.

Each of the financial institutions expressed an interest in pursuing the establishment of a loan guarantee agreement—with Incolase and HSBC having more of a near-term interest than Citibank. Citibank's main concern centered on the expected average deal size of energy efficiency projects which is below their desired financing threshold. HSBC indicated that they are somewhat hesitant to finance projects in a new area such as energy efficiency, but that their comfort level would increase if they were able to initially finance some projects with recognized clients (e.g., finance an energy efficiency project at a company/client with which they have an existing relationship) as well as have some assistance in identifying and marketing projects.

Incolase expressed a high level of interest in the DCA loan guarantee product and felt that having the guarantee in place would better enable them to go after energy efficiency projects. For example, they indicated that having a guarantee would encourage them to finance new type of equipment, etc. Each of the banks was given an information request list from USAID that will help facilitate any future credit evaluations.

Key next steps include providing the banks with further information on the guarantee program (including a copy of an example DCA agreement), continuing the process of cultivating the interest of local financial institutions in DCA financing tools, identifying new financial institutions that might be DCA candidates, and moving forward with any potential evaluations/negotiations of specific agreements that may emerge from ongoing discussions with HSBC, Incolease, and Citibank.

Inputs to DCA action memorandum: Nexant also prepared a series of detailed inputs that were incorporated into a DCA action memorandum that is being developed by USAID. Nexant's main inputs to this document include:

- a summary of delivery methods that are used by local ESCOs (project developers),
- an overview of the local energy efficiency investment market,
- preparation of two example efficiency project case studies (project description and corresponding cash flow statements),
- and the development of a preliminary deal flow analysis that can be used to assess the potential volume of loans for local energy efficiency projects in the near-term.

Financing Energy Efficiency Workshop

In the third quarter, as part of ongoing efforts to help develop the local market for energy efficiency projects, a financing workshop was held on September 22nd at the Pyramisa Hotel. The session was provided through the DT2 program, and was offered by Kiona International, a U.S. consulting firm specialized in performance contracting and financing of energy efficiency. Bob Hinkle and Emad Hassan also contributed to various parts of the workshop. Twenty professionals from various financial institutions and other stakeholders were present representing local banks (National Bank of Egypt, United Bank of Egypt, Mibank, and Commercial International Bank), one leasing company (Incolease), a fund management firm (EFG-Hermes), three donor-funded projects (UNDP, EEIF & EPAP), EESBA, OEP, and three consulting firms (Environics, EcoConserv & NEC). Seniority level among the audience and the type of dialogue that emerged throughout the event indicated a higher level of engagement by local financial institutions compared to a similar event held last year.

Key topics that were covered during the training workshop included: an examination of energy efficiency financing schemes, evaluation of performance contracting options, discussion of risk management methods, review of due diligence techniques for energy efficiency projects, analysis of options for lease financing, and recommendations on how to develop successful relationships with ESCOs.

Key outcomes: 1) Mibank's expression of interest in holding/co-sponsoring an energy efficiency session in the 10th of Ramadan City for their industrial customers as well as the interest by several new financial institutions to join the inter-banking working group, 2) EFG-Hermes continue to investigate the viability of structuring a fund for energy efficiency.

3.2 Development Of Energy Service Companies (ESCO's)

Business Strategy Support to ESCO Misr: During this quarter, Nexant provided a range of support to ESCO Misr as it continues to develop its energy service business operations. Technical assistance included support in identifying target market areas as well as helping clarify the message that should be conveyed to outside investors and board members regarding the company's business strategy.

Marketing and Communication Support to EESBA

Nexant and the Academy for Educational Development (AED) initiated an effort to provide communication and marketing support to EESBA to increase the effectiveness of its public awareness and outreach efforts. This joint effort, led to the development of a long needed draft for a "Marketing and Strategic Communication" plan for the EESBA organization. The plan defines EESBA's approach to communicating with various stakeholders such as policy makers, financial institutions, and energy end users.

Eight target groups have been defined as the prime focus for EESBA's efforts. Each target group was evaluated listing key objectives, message to be delivered, tools needed, incentives and disincentives, and measure of success. The eight groups are: 1) Policy makers, 2) Media and Press, 3) Energy End Users, 4) Financial Institutions, 5) Energy Service Providers, 6) EESBA members, 7) NGOs & Donors, 8) Engineering Professionals.

Throughout the quarter, Nexant and AED met with various members of EESBA to sound the proposed plan and adjust its contents to members' needs. This joint effort and with input from the members themselves led to the development of a draft document referred to as the "EESBA Public Awareness Campaign: Raising Understanding about Energy Efficiency and the image of EESBA". Nexant and AED intend to present this effort to the association at large in November 2002.

Section 3: MANAGEMENT, ADMINISTRATION & COORDINATION

3.1 Management and Coordination

Coordination activities continued throughout the quarter to prepare for the expected expansion of policy measures and technical assistance activities and define the specific roles of the Egyptian counterpart agencies (EGAS and OEP). Nexant assisted USAID in setting up a meeting with H.E. Dr. Hassan Youness, Minister of Electricity and Energy, and Dr. Ibrahim Abdel Gelil, Chairman of OEP to discuss the role and scope of involvement of OEP in Tranche 2. The meeting was held in Dr. Youness' office on July 4th, 2002, and was attended by Glenn Whaley & Holly Ferrette of USAID, Dr. Khaled Abdel Aziz, the national Coordinator of EEPP, and Emad Hassan Chief of Party for the Nexant technical assistance team.

3.2 Outreach and Awareness Activities

Energy Efficiency Seminar, Alexandria Yacht Club

Emad Hassan participated in a panel discussion on energy efficiency at the Alexandria Yacht Club on Monday August 5th. The evening seminar included Dr. Ibrahim Abdel Gelil, Chairman of OEP, and other experts from Alexandria. Approximately 75 people attended the event, which lasted for approximately 3 hours.

10th of Ramadan Industrial Energy Conservation Seminar

On Tuesday August 13th, 2002, the Organization for Energy Planning hosted a one-day seminar on "Industrial Energy Conservation in the 10th of Ramadan Industrial City". At the request of H.E. Dr. Hassan Youness and Dr. Ibrahim Abdel Gelil, Eng. Emad Hassan addressed the investors group of the 10th of Ramadan City on energy efficiency applications and the available services from the ESCO industry. Related press coverage included eight articles published in various leading newspapers and magazines.

Published Article in Al-Ahram Newspaper on its April 2002 Natural Gas Seminar

Al Ahram newspaper published a full-page article on Friday July 29th referring to its seminar on "Current Status and Future Outlook of Natural Gas in Egypt" that was held at its headquarters on April 20, 2002. The article pointed out to the need to act on the recommendations that resulted from the seminar with a specific request to initiate a national committee to review natural gas and energy market prices.

Continued participation in the EEPP Communication Group meetings.

3.3 Training Activities

This quarter witnessed the highest level of training activities mainly because of the deadline established earlier (October 31, 2002) by the DT2 program for all their procured programs. However, the deadline has been recently changed to December 31, 2002. During the period July 1st and September 30th, Nexant coordinated the implementation of several training courses. Some of the programs implemented were crosscutting in nature, involving participants from the various partner institutions targeted by EEPP in training addressing generic training needs. Other training programs specifically targeted the technical training needs in the field of energy efficiency. With the difficulty in coordinating USA-based training, all training activities implemented were in-country. The table below summarizes training activities that were implemented during this reporting period.

Training Activities Implemented from July 1st to September 30th, 2002

Partner Institutions	Title	# Days	# of Events	# of Trainees	Date	Training Provider
EEAA, CTA, GCBC, Misr Lab, Qaliubeya Govern.	Team-building & Coordination Models	3	2	24	June 30-July 2; July 7-9	SPAAC (Egyptian training provider)
EEAA, OEP	Developing Action Plans for Implementing Strategic Plans	3	1	15	August 4-6	SPAAC
EEAA, CTA, GCBC, OEP, TDA, Qaliubeya Govern.	Monitoring and Evaluation Systems	3	2	32	Sept. 7-9; Sept. 10-12	SPAAC
Various Energy Eng. Firms	Certified Energy Managers®	6	1	18	Sept. 8-14	Association for Energy Engineers AEE (U.S. training provider)
ESCOs and End Users	Bus. Dev. & Marketing of Energy Services	2	2	29	Sept. 15-20	Kiona Int'l (U.S. training provider)
Financial Institutions	Energy Efficiency Financing II	1	1	21	Sept. 22	Kiona Int'l (U.S. training provider)

CTA: Cairo Transport Association
 GCBC: Greater Cairo Bus Co.
 TDA: Tourism Development Authority

To-date, Nexant has completed 14 of the 19 training activities that were approved as part of the energy efficiency training plan for 2002.

It is worth noting that the crosscutting training programs implemented made it possible for participants from different partner institutions to interact and exchange experiences,

thus benefiting from each other's expertise. These programs also involved continuous coordination and exchange of information among the technical assistance projects under EEPP and with DT2, thus establishing a model for training implementation and management to satisfy the generic training needs of technical initiatives.

It is also worth mentioning that the more specific, technical training programs implemented under the Energy Efficiency training plan highlighted a prominent need in the market for targeted trainings that address specific needs related to the energy market in general and to efficiency in particular.

3.4 Staffing Activities

In July 2002, Nexant added to its team Ms. Nancy Serag Eldin, an Environmental Engineer with experience in environmental engineering and analysis. Ms. Serag Eldin will work on the natural gas activities of this task as well as supporting the private investments in energy efficiency efforts.

Section 3: ACTIVITIES FOR NEXT QUARTER

The following activities are scheduled for implementation during the period October 1st to December 31st, 2002:

Natural Gas

- A draft scope of activities for the CNG vehicles' master plan (Oct. 2002).
- Completion of the emissions of greenhouse gases and atmospheric pollutants analysis resulting from the use of natural gas and liquid fuel oils. (Nov. 2002)
- Completion of interviews with selected commercial end-users to assess key market, technical, and policy-related issues associated with natural gas use (Dec. 2002).
- Preliminary draft of a white paper on CNG use in vehicles (Dec. 2002).

Certification Program

- Last DT2-assisted Certified Energy Manager (CEM) course in Alexandria (Oct. 27th -Nov 2nd).
- Completion of the CEM Workbook, and the Compact Disk (Nov. 2002).
- Implementation of the Training of Trainers for the Certified Energy Manager® program (scheduled for Oct. 25th-30th), alongside the CEM course.
- Final draft of the "CEM Trainers Guide" (Dec. 2002).
- Final draft of the "CEM® Program Customization Guidelines" (Dec. 2002).

Energy Efficiency Investments

- Coordination with the IFC regarding their planned SME program to provide a parallel credit guarantee facility to the market.
- Participate in the NAESCO's "International Roundtable on Financing Energy Efficiency" in the U.S. (Oct. 10-11).
- Presenting the AED-assisted "Marketing and Strategic Communication Campaign" to EESBA members. (Nov. 2002).

Training

- Implementation of two economic evaluation and policy analysis' training programs for energy professionals, economists, and policy analysts (Dec. 2002).

OEP

- Updating the NEES Framework that was adopted by the Energy Efficiency Council in May 2001.