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EXECUTIVE SUMMARY

The TSSC is comprised of three principal teams: the Technical, Operations, and Finance and Administration. TSSC staff is located in Washington DC, Delhi, Jakarta, Manila, Bangkok, and Hanoi. Activity highlights for each of these Teams follows.

The Technical Team

The Technical Team supports program implementation activity in all US-AEP countries, with a principal focus on supporting urban and industrial programs. Within these sectors, the Technical Team also supports the implementation of policy and technology transfer activities. In addition, the Technical Team directly oversees the administration of TSSC grants and Short-Term Technical Assistance.

Select highlights of the Technical Team's work over the past three months follow, and are organized by urban, industry, and technology transfer sectors.

Urban Sector Support:

- **Regional – MAPES (Mayors' Asia-Pacific Environmental Summit).** Plans for the June 25-27 MAPES event are underway. This year the MAPES event will be combined with EPA's Pacific Islands Environmental Conference which provides challenges to the organizers to develop a technical informative program that is valuable for individuals residing in large urban cities as well as those from small islands. US-AEP TSSC staff, led by Jeff Bowyer, are taking the lead in developing a program for the sessions pertaining to air. US-AEP will also be providing input to ADB and EPA personnel who are organizing sessions related to water and solid waste management. Jeff Bowyer has been regularly interacting with the various US-AEP country managers to ensure that their input and specific urban concerns are incorporated into the program agenda.
- **Thailand, Indonesia, and Vietnam – Clean Air Initiatives.** Numerous clean air-related initiatives are in progress as well as being planned in Thailand, Indonesia, and Vietnam. In Thailand TSSC has been involved in the support of numerous air activities including those relating to Bangkok bus fleets, the Chiang Mai air quality management plan, and coal mine operations. Additionally, TSSC is providing assistance to the Indonesia and Vietnam US-AEP country managers in their development of scopes of work for a variety of short-term technical assistance (STTA). This anticipated work will include helping US-AEP Vietnam develop a long-term strategy that includes select air-related initiatives which US-AEP can support and providing technical assistance relating to the reduction of vehicular emissions in Indonesia. This STTA is anticipated to begin in the June/July timeframe.
- **Regional – Solid Waste Management.** During the past quarter, TSSC has provided support to solid waste management activities in India, Philippines, Sri Lanka, Thailand, and Vietnam. These activities range from supporting an Indian NGO in its implementation of a regional solid waste workshop; designing a solid waste management for buildings manual in collaboration with key Philippines NGOs; developing success stories pertaining to solid waste activities for Sri Lanka; supporting a Thai university's work on a solid waste benchmarking study; and supporting a consultant strengthening the capacity of the solid waste management of Ho Chi Minh City.

Industry Sector Support

- **India, Philippines, and Thailand – Supply Chain Management.** TSSC is providing support to a variety of supply chain management activities in the region. These activities include identifying ITC, a large Indian multinational, as a partner for US-AEP in its Indian greening supply chain (GSC) activities; working with the Philippine Business for Social Progress organization in their design and implementation of GSC training courses; and identifying potential Thai partners to take a leading role in promoting GSC to key Thai corporations.
- **Regional and Indonesia – Cleaner Production Conference.** With US-AEP grant support, the Asia Pacific Roundtable for Cleaner Production (APRCP) conducted its fourth annual conference in Chiang Mai in January. US-AEP TSSC personnel provided both organizational support pertaining to selection and financing of attendees and technical support of the program. Julie Haines and Conchita Silva of the TSSC also served as panelists during the conference. TSSC additionally supported a national cleaner production conference in Indonesia which focused on concerns and barriers that small and medium-sized enterprises face when applying cleaner production practices.
- **India and Vietnam - Eco-Industrial Development (EID).** Indian NGO and TSSC grantee, the Center for Resource Education (CRE), hosted a ceremony wherein Kristen Easter, US-AEP India Country Manager, officially launched CRE's new website which promotes EID best practices. In support of EID activities in Vietnam and using input obtained during their November site visit, TSSC developed an Eco-Industrial Development Management Plan (EMP) to be used by Ministry of Industry in their oversight of industrial zones in Vietnam.
- **Vietnam - Responsible Care.** TSSC personnel traveled to Vietnam throughout the quarter to continue work on the development of a Responsible Care (RC) program in Vietnam. RC is a chemical industry initiative to continuously improve health, safety, and environmental quality. US-AEP has supported the establishment of local RC chapters in several Asian countries and will leverage its past experience in the launch of RC-Vietnam. The highlight of this quarter was the introductory Forum held on March 13th in Hanoi that introduced the Ministry of Industry, the Vietnam National Chemical Corporation, and other relevant parties to the objectives and activities of RC. Bayer Corporation has committed to serving as key corporate partner in this initiative and played a key role during the Forum.

Technology Transfer Support

- **Use of Technology Transfer as a Means to Improve Air and Water Quality as well as Solid and Hazardous Waste Management.** TSSC provided assistance to US-AEP country managers in a wide variety of technology transfer-related activities. Such activities included facilitating dialogue between key partners and identifying technology solutions in such areas as river clean up, water harvesting, and water/wastewater/solid/medical waste treatment in India; air quality and vehicular pollution management in Indonesia; and toxic/hazardous waste management and persistent organic pollutants in the Philippines. Additionally, the Technology Team continued to work with the country managers to prepare for the Air & Waste Management Association event scheduled to take place in late June 2003.

Grants Management/Short Term Technical Assistance

During this period, the TSSC developed and processed two new grants as well as supported numerous on-going grant activities. In addition, three STTA activities were processed.

The Operations Team

The Operations Team is composed of the following three units: the Communications Team, the Partners and Field Support Team, and the Results Team.

The Communications Team

The Communications Team had a productive quarter, with much of its work focused on developing the new US-AEP website. In addition, the second quarter brought about a major change in the structure of the Communications Team. In January, Suzanne Billett left US-AEP to pursue an entertainment career in New York. Karen Eng departed for Europe in early March to continue her education.

A search is in progress for a new Communications person, who will train in Washington, D.C. before departing for Bangkok, where he or she will manage Public Relations and other Communications needs for the region.

Highlights of the Communication Team's work during the work period included:

- Development and launch of US-AEP redesigned website;
- Preparation and distribution of THE UPDATE;
- Preparation of a speech for the US-AEP Regional Coordinator to give at the annual Asia-Pacific Roundtable for Cleaner Production in Bangkok; and
- Participation in a brainstorming session for the Mayor's Asia-Pacific Environmental Summit and preparation of a recommendation paper.

In addition, the Communications Team continued to provide general publication, public relations, presentation development, and report production assistance to TSSC, USAID Management, US-AEP Country Managers, and select Partners.

The Partner and Field Support Team

The principal work of the Operations Team over the past three months involved the production of various briefing documents, supporting the revision of the US-AEP Results Framework and reporting system, and beginning the transition to a Bangkok-centered support structure.

Preparation of Country Briefers and other Information Documents: During this reporting period, the following briefing documents were produced:

- **South Asia Air Pollution Briefer:** The Operations Team compiled a briefer on US-AEP's efforts to mitigate air pollution in South Asia.
- **Lead Paint Information:** At the request of Dennis Zvinakis, the Team worked with the ETNA staff to compile information about lead paint programs and processes.

- **Workplan and Budget Briefing Books:** The Operations Team updated the country briefing books to reflect the approved FY03 work plans. Books of approved work plans were distributed to USAID and all program partners.

Additional activities mainly centered on the development and limited testing of a quarterly implementation reporting system and the revision of US-AEP's results framework and performance indicators.

Development of a Project-Level Implementation Reporting System: The Results Team met several times with Judith Barry to develop a system that, on a quarterly basis, will routinely capture information on the status of all approved projects. This system will be implemented over the coming few months and will be managed by the TSSC. This system will enable US-AEP to have up to date information on the actions and accomplishments of all of its projects.

Revision of US-AEP's Results Framework and Performance Indicators: Several Washington meetings were held with key US-AEP staff and partners to begin the process of revising US-AEP's Results Framework. The revision process will continue until some program-wide consensus is reached on a new strategy and set of corresponding performance indicators. TSSC will then work to develop a new results reporting system that will first be used to capture FY03 accomplishments. It is desired that the country work plans be the basis for determining US-AEP's overall success at the strategic objective level. It is anticipated that the country work plans include a select set of multi-year projects (up to five years in duration) for which benchmark levels of accomplishments will be established. Each project will then report progress against benchmarks on a quarterly and annual basis. US-AEP's annual performance report will draw on these reports and highlight the program's overall significant accomplishments in its various sectors of operation. The overall success of US-AEP will be assessed by reviewing the success of its individual country-level projects (at least at the SO level). This new reporting system will hopefully be finalized over the next quarter and reviewed during the upcoming program management meeting in Hawaii in June.

Transition Issues: The Operations Team will be shifting key responsibilities to the Bangkok office over the next quarter. This shift will involve hiring two Bangkok-based Desk Officers and the transfer of John Wildgrube, who will be handing information management and reporting needs. Job descriptions for the new positions have been written and the positions are expected to be staffed during May. John Wildgrube will begin work in Bangkok during the latter part of April.

The Finance and Administration Team

The Finance and Administrative Team's efforts during this report period are highlighted by behind the scenes support of TSSC operations including systems management, grants management, invoicing and related financial operations, and various administrative activities.

Opening of TSSC Regional Office in Bangkok

At USAID's request, the TSSC initiated the establishment of a new TSSC regional office in Bangkok. As a result, the relocation of Jeff Bowyer and Keri Luly took place. Start up activities such as the build-out of the new office space, clarification pertaining to appropriate work visas, and the recruitment and hiring of TSSC staff for Bangkok and Hanoi has begun. Details will be

finalized shortly that will outline the individual responsibilities of TSSC Bangkok staff, as well as the TSSC Bangkok Office's coordination role with USAID and US-AEP field personnel.

US-AEP/USAID Regional Meeting in Bangkok

The US-AEP regional meeting in Thailand was held during Feb 4-5 at the Regent Bangkok. The TSSC team in Thailand, with support from the TSSC staff in Washington DC, helped organize and facilitate the event, including assisting with meeting agenda, arranging hotel logistics, conference room planning, and meal arrangement. The meeting was an opportunity for 25+ representatives from US-AEP, USAID Missions, and relevant contractor organizations to discuss the US-AEP program.

KEY QUARTERLY ACTIVITIES

THE TECHICAL TEAM

The Urban Team

Improved Municipal Environmental Management

Regional - MAPES Conference Planning

With approval from the US-AEP CTO, TSSC is representing US-AEP in discussions with the City of Honolulu, EPA, and ADB with regards to the agenda and technical sessions of the upcoming EPA/MAPES conference scheduled to take place in late June. As part of this effort, TSSC personnel are communicating regularly with the country managers and ensuring that their input is considered as the technical agenda is developed. In collaboration with ADB, US-AEP has been designated as the lead in organizing the technical sessions pertaining to air and large water systems. TSSC is conducting conversations with such entities as the Pacific Institute, a nonprofit organization experienced in sustainable water issues, to determine potential conference topics and to identify appropriate speakers.

Philippines - Enabling Appropriate Pollution Reduction Technology: Community and Industry Partnerships

TSSC and The Asia Foundation (TAF) joined the Institute of Philippine Culture (IPC) project staff at a barangay stakeholder meeting January 27, 2003, in order to hear stakeholder concerns about the trash and pollution of the Biñan River and discuss ways to bring appropriate pollution control technology to this low income community.

Philippines – League of Cities of the Philippines (LCP) Environmental Unit

TSSC Philippines met with Mayor Tolentino (LCP President), Atty. Cruz (Executive Director), and Atty. Tan (Executive Assistant to the President) January 23, 2003 to discuss LCP's grant proposal. The LCP does not want to pursue the Local Government Units (LGUs) as Corporate Social Responsibility Enablers Program with the Philippine Business for Social Progress. The LCP is interested in exploring ways to continue the Clean Cities Center (CCC) project begun last year and to develop an environmental unit. TSSC attended an LCP meeting of the 12 pilot city members of the CCC project to discuss future programs and directions February 18, 2003. Jody Schubert of ICMA joined TSSC and USAID/Eco Gov in a meeting with LCP March 5 to discuss the status of the LCP environmental program. ICMA agreed to conduct an organizational assessment of LCP, followed by strategy planning. ICMA submitted a draft scope of work, which is currently under review.

In a related activity, TSSC attended the final session of the Federation of Canadian Municipalities assessment workshop with the LCP and the League of Municipalities of the Philippines. Workshop outcomes will help US-AEP and USAID/Eco Gov determine the type and level of support to provide to LCP.

Thailand - Municipal Best Practices

TSSC provided support to Jody Schubert from ICMA during her visit to Thailand on March 3-4 to firm up work plan activities with US-AEP partners that will use ICMA staff and resources, including gathering information to set up a two-day Cities Matter workshop and promoting a Best Practices Symposium in India scheduled in August. In meetings with Dr. Charas Suwanmala (Department of Public Administration, Department of Political Science, Chulalongkorn University) and Dr. Wuthisarn Tanchai (Director of College of Local Government Development, King Prajadhipok's Institute), a number of opportunities were discovered that may benefit from US-AEP assistance.

- The Municipal League of Thailand (MLT) has hired Khun Paitoon Bunyarat, former Director of the Department of Local Authorities, as their manager. This is a positive development for the MLT.
- Dr. Charas has worked on a draft research proposal to Thai Research Fund on Local Government Initiatives in Thailand, which will entail encouraging local officers to send in good initiatives, selecting them through set criteria, promoting them nationwide, and creating a network of active local governments.
- Both Dr. Charas and Dr. Wuthisarn like the idea of having a Pan-Asia Best Practices/Innovations in Local Government Symposium to share knowledge among Asian countries. They are both interested in joining the Ahmedabad, India group and possibly to help choose local governments to participate.
- KPI would like to promote a systematic citizen survey to local government as a way to get feedback from the public. In the first phase, KPI will conduct a pilot project with five municipalities with interested mayors and then develop a manual in Thai.

Improved Air QualityIndonesia - Clean Air Initiatives

TSSC staffs in Bangkok and Washington are providing assistance to TSSC Indonesian Country Manager Suzanne Billharz with regard to developing scopes of work for short term consultant(s) to support various clean air initiatives planned and on-going in Indonesia. This STTA is anticipated to begin in summer 2003.

Indonesia - Stakeholder Clean Air Policy Dialogue in Indonesia

Suzanne Billharz attended and contributed to regular Partnership for Clean Air (MEB) meetings that served as a follow-up to the Hong Kong Better Air Quality 2002 Conference and focused on refining the Master Plan of clean air priorities and projects. MEB is initiating a conference for June and may also organize a catalytic converter pilot program for taxis, among other activities. Also, MEB has been invited to serve as the NGO advisor to the Government of Indonesia natural gas development committee, a welcome step facilitated by the Ministry of Environment's Chair of the committee. MEB asked US-AEP to coordinate a donor meeting at which MEB could present its plans. US-AEP and Swisscontact have begun these efforts. Discussions are progressing regarding the ways that US-AEP can best assist the MEB. Several MEB members have submitted proposals for specific projects that MEB endorses (Swisscontact, Forum Biodiesel Indonesia, KPBB, University of Indonesia). Suzanne met with Swisscontact to talk about the future of its programs on clean buses and vehicle inspection and maintenance and to

discuss synergies with US-AEP's program. US-AEP provided guidance to the Council of State Governments on air quality projects that would support country objectives, including a state partnership with the MEB.

Philippines - Better Air Quality (BAQ)/Clean Air Training Network-Asia (CATNet-Asia)

TSSC held a debriefing January 21, 2003 with Gene Peralta and Cherrie Rivera regarding the December BAQ/CATNet-Asia conferences. The Philippine delegation also included Ron Subida and Jojie Manalaysay. The two concurrent events resulted in the institutionalization of CATNet-Philippines.

Philippines - Compressed Natural Gas (CNG)

As a follow-up to the US-AEP-and USAID-sponsored Technical Seminar on Alternative Fuels: Compressed Natural Gas (December 9, 2002), USAID, AED, and TSSC met to discuss Dr. Ingersoll's report on CNG in the Philippines. TSSC's Jill Lucas contributed suggested edits to Dr. Ingersoll's report to the Department of Energy.

Sri Lanka - Vehicle Emissions/Air Quality Assistance

TSSC conducted a review of the recent Environmental Commissioners of the States survey, looking for state government expertise in vehicle emissions programs. Additional leads were pursued on the websites of several states. Many states that have previously provided experts for US-AEP projects are now in serious economic shortfall situations and are struggling to avoid layoffs of staff. These states find it financially and politically unwise to send staff experts overseas during such difficult conditions at home. The team generated a list of states to consider approaching and requested further clarifications from the Sri Lanka country manager, Ananda Mallawatantri, regarding his needs for expertise. The team also notified Ananda of several projects in other US-AEP countries that were doing similar activities, provided information on hybrid (gasoline-electric) vehicles, and discussed potential solutions that could be shared among all the countries.

Sri Lanka - Development of Success Stories

TSSC, in support of project activities in Sri Lanka, researched a success story regarding air quality and vehicle emissions and coordinated with the Communications Team to ensure that these current successes are included in an overall program brochure for Sri Lanka.

Thailand - Improving Private Transit Buses in Bangkok

US-AEP continued its support to the Pollution Control Department (PCD) in their demonstration project on bus engine tune-up and maintenance. This project is aimed to illustrate the benefits to private bus owners of good preventive maintenance on their operations. In this quarter, US-AEP support focused on two activities.

First, US-AEP funded three Thai participants to attend the World Bank's 2-day Diesel Days roundtable and workshop on Jan 16-17: Dr. Supat of the PCD, Mr. Anan Wongbenjarat (Land Transport Department), and Mr. Krist Pothisukkho (Bangkok Mass Transit Authority, or BMTA). The trip also included visits to the New York Transit Authority and the Washington Metro Area Transit Authority to learn about their experiences in implementing clean diesel and alternative fuels programs. During their trip to the U.S., the PCD identified useful contacts whose experiences in bus maintenance are of interest to Thai agencies. Second, US-AEP, along

with the Thailand Research Fund and BMTA, supported the PCD in conducting a March 13-14 workshop for private bus operators on preventive maintenance. US-AEP brought three private bus operators from the Philippines and Hong Kong to share their experiences in preventive bus maintenance programs, with the idea of sharing the benefits of implementing such programs. The workshop was well attended - 49 operators attended, along with participants from the Land Transport Department, TRF, BMTA, PCD, traffic police, Hino (Thailand), and Mahidol University. During the workshop, the participants devised emissions reduction strategies in four areas – engine maintenance, bad driving behavior, deteriorated bus body and engine, and environmental management that is below the international standard.

Thailand - Chiang Mai Air Quality Management Plan Implementation

In February 2003, TSSC Thailand team member Saengroaj Srisawaskraisorn attended a meeting organized by the Chiang Mai Air Quality Advisory Council to present project progress to the PCD. The Council reported good progress, including the establishment of five working groups - Mobile Source, Open Burning, Business Operations, Public Education & Relations, and Results Monitoring and Evaluation - to handle implementation in different areas and the progress made by each working group.

In early March 2003, TSSC Thailand visited Chiang Mai to determine the city's interest in doing a Green Fleets program with San Francisco. Chiang Mai Municipality and Chiang Mai University have both expressed their interests in doing such program with their fleets to show their commitment in cleaning up air pollution in Chiang Mai to other stakeholders in the city. They would like San Francisco to hold a formal workshop in Chiang Mai to explain the full steps of implementing a Green Fleets program. TSSC Thailand is working with San Francisco Clean Air Program Manager, Rick Ruvolo, to plan the workshop.

On the same trip, PCD also mentioned a possible integration of similar work being done by the European Union's Asia-Urban Program and the CMM/MDE project that US-AEP is supporting. Further, Saengroaj and US-AEP Thailand Assistant Development Specialist Phansiri Wanichagoon accompanied MDE/EPA International Activities Coordinator John Mitchell to Chiang Mai in late March 2003. The purpose of the trip was for MDE/EPA to follow up the progress made by the Advisory Council and also to explore areas of further support. Members of the Chiang Mai Air Quality Advisory Council expressed great interest in implementing two projects related to the master plan. The first project is the application of the San Francisco Green Fleets program to the Chiang Mai Municipality and Chiang Mai University fleets and the second project is the management of public transit system in Chiang Mai. Both projects received full support from the Mayor and could be focused follow-up projects under the master plan. TSSC Thailand is working with San Francisco Clean Air Program to plan for the project implementation in Chiang Mai. TSSC, US-AEP, and EPA are also finalizing specific contributions towards the public transit system management project.

Thailand - Coal Mine Operations

For over a decade, air pollution problems around the Mae Moh coal mine in Lumpang (north of Thailand) have been worrisome for people who live in the area. The local people blame the Electricity Generation Authority of Thailand (EGAT), a state enterprise which owns and operates the mine, for being neglectful in solving the pollution problems in a sustainable way and

have brought legal action against EGAT. The PCD asked US-AEP to provide experts in mine operations from the U.S. to work with EGAT, NGOs, and local villagers to find a sustainable solution for the problem. In January 2003, TSSC Thailand hosted two mine experts from Maryland Department of the Environment (MDE) for a week of activities with PCD, EGAT and other stakeholder groups. The activities included a site visit to the Mae Moh coal mine in Lumpang and a workshop in Bangkok to devise a workable plan to solve the problem. The U.S. experts discussed various technical issues with EGAT and provided relevant suggestions to improve the operations at Mae Moh. Both the site visits and the workshop helped clear some doubts about technical issues that the local villagers had about mine operations.

After the workshop, PCD has requested follow-on activities which would include: 1) a study trip for a delegation from Mae Moh (villagers, EGAT, PCD, etc.) to visit a coal mine in Maryland; 2) a return visit by MDE experts to assess their initial trip in January; and 3) a dispute resolution session for EGAT and the villagers to clear up relocation and compensation issues. The Policy Team on Alternative Dispute Resolution could be used for this activity. US-AEP Thailand has agreed to facilitate these activities and will work with PCD to move ahead as planned. TSSC is working with US-AEP Thailand to plan for the implementation of such requests.

Vietnam - Clean Air Initiatives

TSSC is providing assistance to Nathan Sage with regard to developing scopes of work for short term consultant(s) to support various clean air initiatives planned and on-going in Vietnam. This STTA is anticipated to begin in summer 2003.

More Effective Solid Waste Management

India - Workshop on Municipal Solid Waste Management

TSSC provided a grant to the All India Institute of Local Self Government for their conduct of a large workshop pertaining to Municipal Solid Waste (MSW) Management. The objective of this two-day workshop is to help various stakeholders, including the financial community and regulatory bodies, address the issues related to MSW and identify acceptable solutions.

Philippines - Design Manual for Ecological Solid Waste Management (EWSM) Buildings

TSSC, in collaboration with the Solid Waste Management Association of the Philippines (SWAPP), Ayala Foundation, Inc. and the United Architects of the Philippines – Manila Corinthian Chapter is in the process of finalizing the “Design Manual on Ecological Solid Waste Management Facilities for Buildings.” TSSC participated in a roundtable discussion to review the draft manual on March 12, 2003. The manual will provide design techniques and data for efficient solid waste management in residential, commercial, and office buildings in compliance with the Ecological Solid Waste Management Act.

Philippines - Integrated Solid Waste Management (ISWM) Demonstration Project

Sustainable Project Management (SPM) submitted a proposal for an ISWM demonstration project in Batangas for possible TSSC funding. TSSC met several times with SPM representatives to discuss modifications to the proposal. TSSC has advised SPM to partner with a local NGO in order to develop community support for the project.

Sri Lanka - Development of Success Stories

TSSC, in support of project activities in Sri Lanka, researched and drafted a success story on the municipal solid waste composting project and coordinated with the Communications Team on the setup of a brochure for Sri Lanka.

Thailand - Municipal Solid Waste Benchmarking Study

Under a TSSC grant, a university consortium led by Khon Kaen University successfully completed a three-month solid waste benchmarking exercise and is currently completing the final report. This report presents performance indicators – e.g. waste collection and disposal, personnel, finance, public participation – that can be easily compared across the 13 cities that participated in the exercise. The report will serve as the basis for much of the World Bank's Environmental Monitor 2003, which will focus on solid and hazardous waste management.

After helping in the design of the benchmarking activity, TSSC offered guidance throughout the data collection process and, with the World Bank, helped organize the presentation of the findings. The presentation was held on March 13 in conjunction with the National Convention and Grand Exhibition on Solid Waste and Toilet Technologies and was attended by roughly 75 people from local and central governments, businesses, academics, and NGOs. The results were presented by Dr. Wanpen Wirojanagud from Khon Kaen University and Dr. Tares Srisatit from Chulalongkorn University, the survey team leaders. Differences and similarities illustrated by the study were aimed to encourage municipalities and related organizations to conduct further studies in more qualitative approach to find out explanations to findings as well as ways to improve. A subsequent panel discussion – 'Solid Waste Management: Issues and Challenges Facing Thailand' – offered a chance to hear from experts and share views on how to best manage solid waste problems in Thailand.

Vietnam – Ho Chi Minh City Solid Waste Socialization

The People's Committee in Ho Chi Minh City responded to short-term consultant Sandra Cointreau's report from her initial assessment visit suggesting next steps for the privatization of solid waste management activities in Ho Chi Minh City. As a result, a study tour to Taiwan is tentatively scheduled for April. Five participants will seek to address the following technical areas: 1) management of collection, transportation, treatment and disposal of solid waste in landfills; 2) waste reduction programs in Taiwan; and 3) innovative programs on the collection and recycling of solid waste. Study tour delegates will have the opportunity to meet with the Taiwan Environmental Protection Administration as well as other government agencies, private landfills and private collectors. The pilot project that was originally considered under this project will now be funded by a TAF grant. This change of funding from TSSC to TAF was requested by US-AEP Vietnam Country Manager, Nathan Sage.

Improved Water ManagementPhilippines - Mactan Channel Multi-Sectoral Management Council Inc. (MCMCCI)

TSSC Philippines reviewed the proposal submitted for TAF funding by the MCMCCI and submitted comments for strengthening the proposal. TSSC and TAF organized and participated in a stakeholder workshop with MCMCCI on March 14, 2003. Jane Nishida (PADCO), Steve Bieber (Maryland Department of Environment), and Joey Cariño (LLDA) presented information on the U.S. and Philippine experiences with community-based water management organizations

and water quality assessment. During the discussion, stakeholders articulated their top priorities for the Mactan Channel: strengthen MCMCCI leadership; characterize the watershed; educate and organize the community; reinforce political commitment; promote greater industry participation; and consult with shipping industry on waste management.

Philippines - Iloilo River Development Master Plan and Urban Design

TSSC and TAF visited the Iloilo Business Club for its presentation of the Master Plan at a public meeting March 13, 2003. Hundreds of stakeholders turned out to ask questions and share concerns with Mayor Trefias and the Business Club members. The Iloilo Business Club will now revise the plan, taking into account stakeholder comments and present it to the city council for approval.

Philippines - International Water Association in the Asia-Pacific Regional Technical Seminar

TSSC provided support to IIE in sponsoring a speaker from the LLDA and two participants (one from the Mactan Channel Council and one from the Davao Gulf Action Team – Center for Alternative Restoration of the Ecosystem) to this seminar, hosted by the Philippine Water Works Association. In the wake of the Davao airport bombing, the two U.S. speakers were not able to travel to Davao.

Philippines - Organization and Capacity Strengthening of Federation of River Basin Councils in the Laguna de Bay Region

TSSC and TAF reviewed the proposal submitted for TAF funding, provided written comments, and met with the Federation February 20, 2003 to discuss ways to strengthen the proposal.

Thailand - Tha Chin River Basin Restoration Project (Phase II)

Following on the successful signed agreements by the governors and the civic groups of the Tha Chin River provinces last year, TSSC Thailand assisted in planning and facilitating the discussions on the Phase II activities between PCD and MDE. TSSC facilitated and attended a meeting between MDE and PCD during a 4-day visit by MDE/EPA International Activities Coordinator John Mitchell. As a result, both parties agreed to implement a set of activities including 1) launching demonstration projects on organic farming, and swine waste management system; 2) applying the Cleaner Production and Industry Efficiency concept to the Tha Chin River project; 3) developing the watershed management indicators; 4) participating in a 5-day training in Maryland on effective watershed management programs; 5) attending a study trip to a successful case at Lake Laguna, Philippines; 6) bringing over members of the Business for the Bay from Maryland to Thailand to share their experience in Chesapeake Bay Restoration program; and 7) joining the EMECS 2003 Conference in Bangkok in November 2003. TSSC Thailand will coordinate with MDE, EPA, and PCD for a final timelines for the activities.

Other Urban Activities:

Philippines – U.S. Study Tour on Bond Financing

TSSC Philippines arranged for a debriefing January 23, 2003 with the Local Government Unit Guarantee Corporation (LGUGC), FCS, and USAID on the U.S. Study Tour on Municipal Bond Financing (October 2002). The debriefing focused on the results of the study tour and future activities to improve municipal bond financing potential for environmental projects in the Philippines.

Philippines - LLDA Visit

TSSC Philippines coordinated a visit and accompanied Ted Osius, Regional Environmental Affairs Officer for Southeast Asia and the Pacific of the U.S. State Department and Robert Kemp, Economic Officer of the U.S. Embassy in the Philippines to an LLDA debriefing January 24, 2003. Ms. Dolora Nepomuceno, Assistant Manager of LLDA presented the LLDA mandates and programs. Ted Osius is interested in replicating the LLDA model in Thailand, Vietnam, and China.

The Industry Team**Promotion of Eco-Industrial Development (EID)**Regional – Eco-Industrial Estates in Asia Network

The Eco-Industrial Estate Asia Network, a new organization focusing on the promotion of EID concepts across Asia, has recently been established through the support of UNDP, UNEP-DTIE, and GTZ. The UNDP EPIC program (formerly PRIME) located in Manila will host the Secretariat of this new Network. US-AEP and TSSC personnel have been asked to participate in the upcoming retreat that will serve as both a training session for Asian professionals implementing EID-related activities and as a planning session for the organization's large Asia-wide conference tentatively planned to take place in Bangkok in February 2004. TSSC has informed the US-AEP country managers of this Network and have inquired as to their interest in participating – or supporting various representatives from their respective countries – at this strategic retreat. Related to this activity is the work that Lori Hatton is undertaking as a member of the Advisory Board of the Eco-Industrial Development Council (EIDC). Though EIDC primary focus is on EID-related activities in North America, the Council has held discussions with various government agencies such as DOC, DOE, EPA, and the White House Office of the Federal Environmental Executive on how to best promote EID best practices in the U.S. and abroad.

India – Promotion of Eco-Industrial Development Practices

The Center for Resource Education (CRE) – the recipient of TSSC grant has launched their web site www.gogreenindia.org. Kristen Easter, US-AEP-India Country Manager, who officially launched the site during the inaugural function in Hyderabad in February, spoke about the need for disseminating experiences from such kind of activities, which could be extremely beneficial to the industrial estates and other stakeholders. A CRE newsletter was also launched on that day. The program was attended by the Member Secretary of the Andhra Pradesh State Pollution Central Board, Joseph Ravi Kumar, and Subrata Mazumder. All discussed the importance of the activities CRE is currently implementing with the Bolarampur Industrial Association, State PCB, academia, and US-AEP for the improvement of industrial environment and the industry's commitment to civil society. The program was well attended by members from various stakeholders. US-AEP has recommended the linkage of CRE website and also provided guidance for overall improvement of the newsletter.

Vietnam - Environmental Management Plan and EID Work with Ministry of Industry (MoI)

The Industry Team developed a detailed Eco-Industrial Development Management Plan (EMP) that the Ministry of Industry in Vietnam, in collaboration with industrial estate managers and

tenants, will apply to industrial zones throughout Vietnam. TSSC is awaiting comments from MoI regarding specific follow-on technical assistance requests. It is likely that over the next few months a study tour will occur for MoI and other officials working on industrial estate matters to visit select industrial estates in Thailand that best illustrate sound environmental management practices.

Improved Corporate Environmental Management

India - Supply Chain Management

Arup Mitra and Subrata Mazumder met ITC at Calcutta and discussed the Supply Chain Management program with them. ITC has agreed to pilot this program in one of their facilities to test the program, which could be multiplied into other units (ITC is a large Indian multi-national company). Initially, ITC will use TSSC India's in-house technical resources and then later use U.S. expertise. ITC's Corporate Environment Department has included this activity as part of their yearly environmental plan and has presented it to top management for approval, which is expected by April, 2003.

India – Improvement in Water and Wastewater Management for Selvakmar Sago Factory

TSSC has received a grant proposal from US-AEP's southern region to assist Sago industries (95% of the total number of industries are located in the state of Tamilnadu) to identify economically viable solutions for water and wastewater problems. These industries provide employment to about half a million people, who would be left unemployed if the industries were closed due to environmental problems. The proposed study would cover effective effluent management and water optimization in the Sago industry. The study would also address the promotion of sustainable development through water, energy conservation and recycle/reuse. It will also address issues related to ground water depletion and GHG mitigation. Once the project is developed, it would be role model and replicated in other industries.

India - Proposed DMRC Study Tour to Thailand and Malaysia

TSSC India and the US-AEP northern region are coordinating with Delhi Metro Railway Cooperation (DMRC) and Bangkok Transit Authority and Malaysian Transit Authority in Kuala Lumpur (through the Louis Berger Bangkok office) to organize a study tour to Bangkok and Malaysia. The purpose of the study tour is to show DMRC officials how these two systems (developed by U.S. companies) are managing environmental issues while operating a transit system. They will also learn about developing and managing environmental management systems during the construction stage that would help them comply with environmental mandates and improve business performance. In addition, TSSC is considering bringing Ajay Singh from NYCTA (at the request of DMRC) to assist DMRC in the design and development of a model "Green Station."

Indonesia - National Cleaner Production Conference

Under a US-AEP/TSSC grant, Dana Mitra Lingkungan (DML) is organizing the National Cleaner Production Conference 2003 as a seminar and exhibition. The event will be held on April 29-30, 2003 at the Institute of Technology in Bandung (ITB). The theme of the conference is "Does Cleaner Production Really Save Costs?" The presentations and focus group sessions will feature case studies, technical guidelines for implementation, and how to develop the

necessary internal and external conditions for implementing cleaner production concepts. The core audience will be small- and medium-sized enterprises, industry associations, research and development organizations, central and regional government agencies, non-governmental organizations, and the academic community.

To prepare for the conference, DML is examining the effectiveness of past cleaner production programs. DML staff is asking the questions: "Have SMEs been able to apply and benefit from CP technical assistance for their individual enterprises? If not, why not? What are the main benefits, and have they been sustained?" To answer these questions, DML is conducting a questionnaire to 114 SMEs and invitees to the CP workshop. These companies participated in DML and US-AEP's cleaner production project during 1998-2000. The Eco-Productivity Outreach provided assessments and recommendations by DML's Technical Team to 114 SMEs in four areas of Java. The questionnaire results will be compiled by DML and presented and discussed at the workshop.

Philippines - Supply Chain Management

The Philippine Business for Social Progress (PBSP), with technical assistance from TSSC, designed three GSC training courses on concepts and practices for greening the supply chain. These courses utilize a two-tiered approach: mentoring buyer companies and training suppliers on environmental management systems. Ford Motor Philippines and Fairchild Semiconductors are providing case studies of their GSC experiences. PBSP named an Advisory Committee that includes Nestle, Philippine Business for the Environment, Asia Pacific Roundtable for Cleaner Production, Management Association of the Philippines, DOST, PBSP, and Asian Institute of Management. Conchita Silva (TSSC) was elected chair. Conchita and Marcial Semira made presentations at the first GSC Executive Briefing conducted by PBSP for interested buyer companies including CEMEX/Apo Cement, Science Park of the Philippines, and First Gas Power.

Thailand - Greening Supply Chain

TSSC personnel traveled to Thailand in February to meet with potential partners to determine their ability to participate in a one-year US-AEP GSC project that will be funded through a TSSC grant. During the trip, meetings were held with executives from Environmental Engineering Association of Thailand, Thailand Environmental Institute, Industrial Environment Institute of the Federation of Thai Industries, KIA Asia, GTZ, and National Research Centre of Environmental and Hazardous Waste Management. The visits allowed the team to be better informed about each partner. Based on this information, a selection process with a set of criteria was developed. Project details and a preferred partner will be agreed upon with US-AEP Thailand Country Manager Jack Kneeland in the March/April timeframe.

Vietnam - Responsible Care

TSSC personnel traveled to Vietnam to continue work on the development of a Responsible Care (RC) program in Vietnam. RC is a chemical industry initiative to continuously improve health, safety, and environmental quality. US-AEP has supported the establishment of local RC chapters in several Asian countries and will leverage its past experience in the launch of RC-Vietnam.

In January 2003 in a meeting with US-AEP and Bayer Corporation, the Ministry of Industry (MOI) confirmed its commitment to support the establishment of an RC program in Vietnam for the chemical industry. US-AEP had worked with Bayer on RC in Korea & Indonesia in 1998. Bayer Corporate is recognized in the international RC community as one of those companies that has mandated its local offices and facilities to help spread the RC program.

As a result of MOI's and Bayer's commitment, an Introductory Forum on RC was held on March 13 at the Ministry of Industry and in collaboration with Vietnam National Chemical Corporation. The event was attended by representatives from about 25 chemical firms and a staff from MOI. The objectives of the forum were to 1) familiarize participants to RC and attract them to its Guiding Principles and Codes of Management Practices and 2) identify a "champion" who will lead the establishment of an RC Council/Committee. Based on discussions during this event, an action plan was developed that details activities and objectives for the development of a RC program in Vietnam.

Vietnam - Nike Scrap Athletic Leather Recycling Materials Demonstration: Phase III

US-AEP Vietnam and the TSSC supported a grant to the Leather Research Institute and The Vietnam Center of Texas Tech University to complete a year long research and development project focusing on the recycling of scrap athletic shoe leather. Nike Vietnam and Ho Chi Minh City's University of Technology were collaborators and beneficiaries of the project. Dr. Dennis Shelly of Texas Tech was the project director.

Recent activities of this grant included the meeting of international and Vietnamese representatives from academia and industry in Ho Chi Minh City to showcase their work and set the stage for transfer of technology to industry. The best practices for scrap leather recycling were highlighted in a two-day event held January 15-16, 2003, to benefit the environmental program at Ho Chi Minh City's University of Technology.

On the first day of the event about 20 participants were shown two versions of appropriate recycling technology at the chemical engineering lab of the University of Technology of Ho Chi Minh City. On the second day a technology dissemination workshop was held at Nike Vietnam's headquarters auditorium. About 50 participants, representing government, academia and industry, attended. This session ended with an open forum style discussion on technology transfer issues. In this portion there were several questions about scale-up issues and profitability. A representative of the Chemical Engineering Corporation (CECO) in Hanoi announced that their group would be investigating production scale trials in the near future.

Vietnam - Sustainable Tourism Study Tour

TSSC participated in a study tour to Washington, DC and New York City with five delegates from the Dong Nai People's Committee, Ministry of Agriculture & Rural Development and World Wildlife Fund - Indochina Program to 1) learn about best management practices in nature-based tourism and 2) strengthen partnerships with U.S. government agencies, NGOs and the World Bank in promoting sustainable tourism in Vietnam. The delegation visited The Nature Conservancy, The World Wildlife Fund, Conservation International, and was hosted by the TSSC and the U.S. National Oceanic and Atmospheric Administration. In addition, TSSC joined the delegation to the American Museum of Natural History's Center for Biodiversity and

Conservation's 2003 spring symposium that explored the role of nature-based tourism in biodiversity conservation within mainland Southeast Asia.

Regional - Asia-Pacific Roundtable on Cleaner Production

The 4th Annual APRCP Forum took place in January in Chiang Mai. This well attended event received some sponsorship from US-AEP through a TSSC grant. Upon completion of the conference, APRCP and the Thai conference organizers provided the necessary documentation to cover the \$6,000 TSSC funds allocated to the conference. APRCP is now focusing on the implementation of the second component of its TSSC grant which involves a revamping and strengthening of its existing website to better promote cleaner production best practices and related information. Additionally, US-AEP personnel, Dennis Zvinakis, Julie Haines, and Conchita Silva all served as panelists and/or moderators for key conference sessions.

Improved Corporate Environmental Reporting

Regional - Global Reporting Initiative-Environmental Performance Metrics & Reporting

TSSC was notified that the Policy Team paper titled *The United States-Asia Environmental Partnership: Transparency for Sustainable Development* (presented at The Indian Institute of Management Calcutta conference on Business-Social Partnerships in December 2002) was selected to be published in an edited conference volume. The paper was selected after a blind review of all papers by a peer review panel. Only a few of the papers presented at the conference were selected for publication.

TSSC reviewed the Philippine Business for Social Progress (PBSP) proposal on GRI promotion and forwarded comments to PBSP in January. The revised proposal was received March 19 and forwarded to TSSC and the US-AEP Country Manager. Additionally, TSSC began assisting the three multiplier organizations in applying for TSSC grants to cover some of their costs of participation in the project. The organizations are PBSP, Development Alternatives (of India), and Chulalongkorn University (of Thailand). PBSP has nearly completed its grant proposal. The tentative date of a project planning session/meeting of these organizations in Bangkok was postponed and is expected to be rescheduled for two days in April. As a result, the first workshop is likely to happen in June with the second in September.

Potential Collaboration with the GAP on Corporate Social Reporting

Meetings were held with executives from the GAP to update them on US-AEP's activities and uncover any activities of mutual interest. In the past, the GAP has worked with US-AEP on the apparel working group initiative to require factories to install wastewater treatment facilities that was done as part of the US-AEP industry program. The GAP and TSSC co-presented on the panel and identified real synergies between the GAP's programs and US-AEP work with multipliers in Asia. The GAP would like to conduct activities with a consortium of approximately 20 global apparel companies in environment and Corporate Social Reporting. The GAP is interested in water and wastewater related initiatives, including obtaining more information on accreditation projects with wastewater treatment operators. The GAP would also like to work with its travel department to start greening its travel.

Improved Industrial Energy Management

India - Energy Wise India (EWI)

While EWI is a separate US-AEP program, TSSC is involved in supporting the initiative, which started in October, 2002. As part of this support, TSSC personnel provide managerial and technical oversight and input to EWI. Additionally, TSSC India has provided substantial assistance into the planning and implementation of numerous meetings with key Indian government and private sector partners.

Indonesia - Energy Efficiency Outreach for Hotels

The ITB Center for Research on Materials and Energy completed the first draft of its report, "The Status of Energy Efficiency Projects in the Indonesian Hotel Industry." The report profiles hotel communities' and supporting institutions' interests and activities in energy efficiency in four cities (Jakarta, Denpasar, Pekanbaru, Yogyakarta). TSSC Country Manager Suzanne Billharz met with the principal researcher, Dr. Retno Gumilang Dewi, to discuss the preliminary results. Dr. Gumilang noted that the current economic picture for the hotel sector is not favorable. On top of this prolonged problem, energy prices are higher today and continue to rise. Between 2000 and 2002, energy prices have risen by 30% for hotels, and new steep increases are set for 2003 and 2004 as the GOI removes long-standing state subsidies. Prices are also rising for fuels and telephone service, and this is indirectly increasing commodity prices. ITB will continue to refine the report based on comments from the Alliance to Save Energy and US-AEP. The report will be used by US-AEP to guide and structure outreach activities to hotels.

Regional - Sustainable Coastal Tourism in Asia (SCOTIA)

TSSC has provided assistance to US-AEP in the development of a proposal to fund a public-private partnership promoting energy and environmental management, water efficiency, and water quality projects with coastal hotels located near marine protected areas. TSSC has identified several appropriate hotels and resorts and various NGOs that have expressed interest in participating in such a partnership.

Other Industry Activities

Vietnam - Emergency Oil Spill Response Program

A NOAA HAZMAT Scientific Support Coordinator traveled to Vietnam in February 2003 to consult with officials from PetroVietnam's Research and Development Centre for Petroleum Safety and Environment (RDCPSE) and the Departments of Science, Technology and Environment (DoSTE) of Ba Ria-Vung Tau Provinces to gather details on the Government of Vietnam (GOV) objectives described in the proposal; determine what is required to meet the proposal objectives and identify priorities; determine what services HAZMAT can provide to develop or strengthen RDCPSE and DoSTE capacity to meet the GOV objectives; and if there are requirements that exceed HAZMAT's ability to develop and determine what U.S. or international organizations might be able to best provide assistance.

As a follow-up to this trip, TSSC is working with US-AEP Vietnam, IIE, and NOAA to arrange a study tour in April to attend the International Oil Spill Conference (IOSC). NOAA's HAZMAT will sponsor two RDCPSE and/or DoSTE representatives to attend the IOSC in Vancouver, British Columbia, in April 2003. Attendance at the IOSC will enable the participants to meet and interact

with a wide range of experts from the international and U.S. oil spill response community; attend technical sessions addressing the latest prevention, preparedness, response and restoration issues; view state-of-the-art oil spill prevention and response products and technologies; and participate in planning and response courses being offered concurrent with the IOSC. US-AEP and NOAA will also sponsor Vietnam representatives who will visit the Seattle, Washington area for a 10-day period. HAZMAT will host the representatives during a three-day visit to its facilities in Seattle, Washington. The purpose of this visit is to provide an overview of HAZMAT products, capabilities and services, and to discuss the observations and recommendations resulting from the scoping trip to Vietnam. Following the HAZMAT visit, arrangements will be made for the Vietnamese delegation to meet with Federal, state and local organizations involved in oil spill preparedness and response activities in the State of Washington.

National Oceanic and Atmospheric Administration

The TSSC has had several conversations with NOAA surrounding joint activities implemented and under development. NOAA is pleased with progress on the US-AEP Vietnam / NOAA Vietnamese Emergency Oil Spill Response project and is interested in pursuing additional projects in Indonesia and the Philippines. Specifically, NOAA is interested in bringing several key staff members together with USAID and US-AEP to brainstorm on potential joint activities, to discuss opportunities for formalizing the current productive relationship and to explore potential ideas for seeking non-traditional funding from the private sector.

Lucent Environmental, Health, and Safety Champions Award Event

EIA asked TSSC to sit on a panel to evaluate approximately 40 employee implemented environmental, health and safety improvements on behalf of Lucent. Award categories include those relating to Environmental, Health, and Safety Program Effectiveness, Management Practices, Planning for the Future, and Safety Social Responsibility.

Environmental Law Institute (ELI)

TSSC and ELI met to discuss US-AEP activities across the region and ELI activities in India. ELI discussed one of its key India programs, funded by General Electric, which entails the development of curriculum for improving environmental compliance by industry in India. The three year project includes Year 1: scoping identification; Year 2: working with an industrial cluster to develop a curriculum; and Year 3: disseminating the lessons learned to other industrial clusters and regions of the country. Information on the WRI BELL activities as well as US-AEP's work with industrial clusters and multipliers was discussed.

U. S. Ambassador to Vietnam Raymond F. Burghardt Briefing to Asia Society

TSSC attended an Asia Society "Ambassador's Briefing" by Ambassador Burghardt. The Ambassador discussed the normalization of relations and the Bilateral Trade Agreement between the U.S. and Vietnam. In response to TSSC's question on environmental challenges and opportunities in a rapidly industrializing and urbanizing Vietnam, the Ambassador responded that he was grateful for US-AEP's environmental work there and stated that the Vietnamese are trying hard to address those problems and acknowledged that the focus needed to expand from urban issues to industry issues. He was knowledgeable about US-AEP and specifically mentioned our role in bringing the Mayors of Ho Chi Minh City and Haiphong to MAPES; US-AEP's role in water, wastewater and solid waste management; and the Ho Chi Minh City Solid

Waste Management Socialization project. He felt that U.S. companies who buy from Vietnamese manufacturers could play a leadership role in that area.

Pacific Industrial Basin Association (PIBA) Conference and Global Reporting Initiative (GRI)

TSSC attended the PIBA Annual Meeting on "EHS Performance and Corporate Responsibility: Building Bridges and Competitive Advantage" and made a presentation on US-AEP's role with the GRI. TSSC discussed US-AEP's ability to create partnerships, work with "multipliers" and leverage USG funding for a variety of environmentally-related activities. Corporate Social Responsibility was extensively discussed.

While at the conference, TSSC met with a number of organizations and discussed 1) re-invigorating existing partnerships; 2) creating new partnerships; and 3) bringing these organizations on as additional resources in new existing or planned activities. Summaries of the discussions and resulting action items are described below and additional information on the organizations is available upon request. The most promising opportunities may include activities with the Pacific Institute, the GAP, and Future 500. Details on these meetings follow.

Business for Social Responsibility (BSR)

BSR represents companies whose collective sales equal "\$17 trillion dollars" and who are committed to environmental, corporate social responsibility and other types of similar initiatives. BSR is re-invigorating its apparel working group. Also, BSR would like to identify Asian multipliers for extending US-AEP and BSR's previous GSC work on minimum wastewater treatment requirements and other GSC activities. During the meeting, BSR expressed an interest in helping to promote the technology from the US-AEP - Texas Tech University - Nike Vietnam Leather project. Likewise, BSR is interested the PDAMs project in Indonesia and the CATSPAW regional program. BSR is working on a new initiative on Restricted Substances for Consumer Goods (RSC) and will be sending a proposal for consideration shortly.

The Future 500

TSSC met with representatives from the Future 500 which is a global network of companies seeking to maximize "triple bottom line" (environment, economics, equity) and includes HP, Pitney Bowes, Patagonia, Allied Signal, Adobe, Nike, Coors, Ford Motor Company, Mitsubishi, Deloitte & Touche, Quantum, Shell Stanley and US-AEP. The Future 500 has three priority projects – 1) Stakeholder Engagement Process; 2) Corporate Accountability Practice; and 3) Supply Chain Management. Future 500 is interested in possibly partnering with US-AEP on the Stakeholder Engagement Process and Supply Chain Management, including assisting in transferring of GSC curriculum to PBSR.

Policy Trade and International Cooperation

TSSC, primarily via the support and efforts of Jack Andre, continued to participate in a variety of Policy, Trade and International Cooperation activities. Following are highlights of his activities during the quarter:

Informal Coordinating Mechanism (ICM) Jack attended the ICM meeting in Vietnam on March 28 as well as a meeting of the ASEAN Regional Forum Inter-Sessional Group that took place just before the ICM. Rick deVillafranca led the U.S. delegation which included Charles Cohen from State/EAP/RSP and Kevin Rushing from the USAID Mission in Phnom Penh.

State/OES/Office of Environmental Policy OES inquired about two old US-AEP issues but no action from US-AEP is required at this time:

- OES has the lead in implementing the environmental cooperation agreed to under the US-Singapore Free Trade Agreement. OES continues to ask about US-AEP's past work in Singapore in considering future cooperation.
- OES and the Department of Commerce asked about a feasibility study US-AEP supported for a center or network for environmental technologies in the ASEAN region. Commerce is interested in picking up on the work.

Competition Policy The Department of Justice has joined the Federal Trade Commission proposal for technical assistance to ASEAN in developing competition policy legislation, regulation and agencies. The formal proposal is circulating among U.S. agencies. Comments have been favorable and TSSC will take the next step to seek funding. However, USTR has expressed some concerns about a lack of overall strategy and coordination among agencies on proposals like this. A meeting was scheduled in February to discuss these issues.

Strategy Rebecca Maestri at USAID mentioned the desirability of an assistance strategy for the ASEAN Cooperation Plan. After USTR's comments on the FTC/DOJ project proposal and conversations with Rick deVillafranca at State/EAP/RSP, Jack was asked to draft a strategy paper. First will be on the FTC/DOJ competition policy and how this fits into ASEAN's larger interest in policies to make the region more competitive for foreign trade and investment, U.S. government interest in these regional issues, coordination with USTR's Enterprise for ASEAN Initiative, and the mandate from the Deputies Committee. Second will be a paper on biotechnology, based on a strategy State/EB has developed for Brazil. Jack will work with Jonathan Metzger, the USAID/ANE ICT Development Advisor, who has met with ASEAN officials and discussed an ICT strategy with them. Strategy papers on other issues will follow.

The Technology Cooperation Team

Use of Technology Transfer as a Cross Cutting Discipline Effecting Air, Water, and Solid/Hazardous Waste Management

India – Clean Ganga Campaign

The Sankat Mochan Foundation of Varanasi, with local NGOs and the Indian Institute of Technology at Kharagpur, promoted the Clean Ganga Campaign using a TAF grant. TSSC is helping US-AEP India facilitate the river clean up through the introduction of appropriate technologies. Bailey Green of Oswald Green visited Washington to discuss a USTDA grant for a feasibility study of river clean up by his company for this purpose. TSSC was asked to organize the meeting and participate. TSSC provided technical support during the meeting.

India – Water Harvesting

The Jal Bhagirathi Foundation Mobilization Program in Jodhpur was attended by US-AEP India which it is supporting with a TAF grant. TSSC recommended that the successful water harvesting project in which Jal Bhagirathi is engaged be a model for replication in India and elsewhere in the region.

India - Appropriate Technology for Water and Waste Water Treatment

The water and wastewater crisis in India's northern state of Kashmir at Dal Lake continues to be the focus of interest for the U.S. Embassy and its USAID Mission. TSSC is working with a technology provider who has been effective in remediating water bodies in India and is respected for that work by US-AEP India and the USAID Mission. US-AEP India asked TSSC to work with Oswald-Green, the developers of the Advanced Integrated Water Ponding System, to help them shift their focus from work at Varanasi. Although the political situation there is not favorable for them, there are other areas where they are in demand. TSSC has engaged the company and pointed out the opportunities that are promising and emphasized the difficulty with going ahead on Varanasi. Vishakpatnam Urban Development Authority / Delhi Jal Board / Ahmedabad and Lucknow are all expressing an interest in AIWPS technology. This work has produced favorable comment from US-AEP India.

India - Appropriate Technology for Solid Waste Management

US-AEP Mumbai is ramping up to sponsor a major event in association with the All India Institute of Local Self Government which has a national focus on management of Solid Waste. The two areas of concentration are composting and energy recovery from waste. All Municipalities in Maharashtra and a number from Karnataka and Tamil Nadu as well as several other states will attend. American firms will be present to showcase their approaches to composting and energy recovery. TSSC and ETNA are in touch with the organizers to provide support. US-AEP Calcutta is working along similar lines in West Bengal. Waste collection and transportation are additional focus issues there.

India - Medical Waste Symposium

US-AEP Calcutta is organizing a major Medical Waste event in Calcutta. They have mobilized the Indian Chamber of Commerce and the West Bengal Pollution Control Board as well as local hospitals for program. Representatives of U.S. medical waste remediation technologies and various Indian experts who have participated in U.S. study tours on Medical Waste will speak and showcase technologies that have proved effective. US-AEP Calcutta/ India are working with TSSC and ETNA to facilitate this effort. The follow up objective is to select a particular technology from among those showcased and use a CSG grant to fund a pilot demonstration project at a local hospital over a several months period. TSSC made a visit to a Medical Waste Treatment Facility in Baltimore in response to Field interest.

India – Inspection and Certification

US-AEP India has impressed upon the World Bank India the importance of Inspection and Certification (I&C) for in-service vehicles. US-AEP India activities to promote I&C have taken place in Mumbai and Delhi and upcoming activities are planned to build upon past foundations. The World Bank attention promises to bring funding into the game, much needed to build the inspection station infrastructure. In Delhi land is promised by the Local authority for five

stations. Collaborative work between the Bank and US-AEP to insure the rewriting of legislation requiring the inspection of privately owned vehicles as well as commercial vehicles is also in the works. The issue of privatization of the stations is under consideration as well. There is substantial scope for technology transfer in this area and TSSC and US-AEP India are in communication with the largest American producer of instrumentation for vehicle inspection, who is also familiar with local conditions and interested in addressing the problem.

India/Indonesia - Air Quality and Vehicle Pollution Management

TSSC brokered a connection between US-AEP Indonesia and India and the Indian NGO Center for Science and Environment (CSE) to collaborate on the issue of clean vehicle fuels. US-AEP Indonesia is very interested in New Delhi's example in mandating the use of Compressed Natural Gas (CNG) for commercial transportation vehicles in the city. Fuel adulteration is a serious criminal problem there as in India. Use of CNG was an effective way of combating pollution as well as the criminal problem. Effective and simple technologies for vehicle conversion are required to implement a program in Indonesia such as done by Delhi. Safety issues are critical as well and call for training programs. Fueling infrastructure is another large issue that requires cost effective technology and a careful implementation approach. Arrangements are being made by CSE and US-AEP Delhi to initiate collaboration with US-AEP Indonesia.

Philippines - Toxic and Hazardous Waste (THW) Management Certificate Program

A grant to the University of the Philippines (UP) will be awarded by USEPA to implement a THW certificate program. TSSC has been working with UP representatives to develop the proposal and logistics for conducting the course. A revised proposal was submitted March 24, 2003 and is undergoing review by TSSC and the US-AEP Country Manager.

Philippines - Persistent Organic Pollutants Program

TSSC Philippines coordinated with DENR, USEPA, and FAO to finalize dates and availability of resource speakers for the PCBs and pesticide inventory workshops. Mark Davis (FAO) and Janice Jensen (USEPA) will facilitate a training workshop on conducting a pesticides inventory I in May 2003. TSSC is coordinating logistics with DENR and FAO. Plans for a stakeholders' seminar and a workshop on PCBs inventory are still being finalized.

Philippines - Toxic and Hazardous Wastes (THW) Study Tour

TSSC met with DENR personnel January 22, 2003 to discuss the proposed U.S. study tour on THW technologies. The study tour aims to support DENR in THW management and promote private investments in THW management facilities in an effort to address the public health and environmental issues resulting from industry's stockpiled THW. DENR provided a list of potential delegates, including DENR personnel and private investors in THW facilities. TSSC is preparing a proposal for the study tour, tentatively scheduled for July.

Sri Lanka - Clean Energy, Energy Efficiency

TSSC facilitated communication between US-AEP Sri Lanka, India, and the Philippines pertaining to renewable energy. US-AEP Sri Lanka has identified South West Wind Power (SWWP) and U.S. manufacturer Unisolar to work on a rural development project. SWWP has impressed US-AEP India and US-AEP Philippines with the simplicity and effectiveness of their

products as well as their cost. Consequent to US-AEP's program for SWWP in Sri Lanka, US-AEP India and Philippines have request SSWP to visit their countries while they are in the region. SWWP is in the process of finalizing an arrangement with Excide of Calcutta to represent them in India and US-AEP India is interested to take advantage of SWWPs presence to conclude this arrangement. The potential for small scale distributed power in Eastern India is significant. In the Philippines there is potential for SWWP to compliment the USAID Mission's rural electrification activities using US-AEP Philippines Technology Transfer mechanism and leveraging SWWPs regional visit.

US-AEP India worked with FCS India, SARI and USTDA to facilitate the March Clean Energy Trade Mission to the U.S. The mission resulted in a number of positive arrangements to include MOUs, technology sales agencies and licensing agreements between American clean energy companies and South Asian concerns that were signed. India's Renewable Development Agency was represented by its Director who was much impressed with the array of U.S. technologies and advised he will be making funding available to assist in the transfer of technology. Delegates from Nepal and Bangladesh participated in addition to the Indians.

Environmental Technology Transfer Opportunities Program

Several technology providers have contacted TSSC for assistance in approaching the market in US-AEP presence countries during this period. One of these companies is SulphCo, a Nevada company, which is given high marks for its ability to remove sulfur from petroleum in a cost effective manner by the prestigious Desert Research Institute. SulphCo is interested in introducing its technology to the Indonesian and Indian petroleum industries. Other companies included WASTETECH of Illinois with their waste water equipment, Stratus Consulting from Washington, DC with interest in database development for Urban Solid Waste Management, Aquarius Systems from Wisconsin with their surface water management equipment, and Thermo Electron of Massachusetts with their monitoring instrumentation packages. The case of Thermo is of special note in view of the USEPA Air Quality Monitoring activities mentioned above. Thermo's Lon Loken visited India in March after a meeting with TSSC where upcoming opportunities were laid out for him. He checked in with US-AEP India as he was advised. He had what he characterized as a series of productive meetings visiting ten Indian Cities. He is making a business arrangement with Chemtrols of Calcutta to follow up on his recent contacts and help Thermo engage in India's promising air quality monitoring market.

Technology Expositions

US-AEP-EcoLinks Cooperation

TSSC met with Eco-Links to discuss collaboration at AWMA. EcoLinks advised that they were facing some funding short falls and had to decide whether to attend AWMA or WEFTEC. They picked WEFTEC as more related to the environmental problems in their region. Consequently they will not bring a delegation to AWMA. In the end they indicated that they would send some representatives from their USAID office to see how AWMA goes.

WEFTEC

TSSC plans to continue with plans for participation at the Water Environment Federation's Annual Convention and Exposition in Los Angeles in the early Fall. TSSC expects to partner with EcoLinks at this event.

AWMA

Arrangements are being finalized for US-AEP participation at the June Air and Waste Management Association's Annual Convention and Exposition in San Diego. MAI, a conference management firm that has supported US-AEP's involvement in past WEFTEC and AWMA conferences, will be assisting US-AEP with delegate registration and to arrange one-on-one meetings between delegates and technology providers. The US-AEP Booth on the expo floor will be positioned in front of a large room with space for the one-on-one meetings and presentations. US-AEP India and Philippines are working with their respective FCS offices to put together delegations. US-AEP Sri Lanka is sending delegates after last year's participation by a senior Sri Lankan led to successful ventures. US-AEP Indonesia is also recruiting delegates for what looks to be a professionally interesting and fruitful event.

Field Driven Environmental Technology Info Requests

The Technology Transfer Team was engaged in stimulating field requests for ETNA to provide technical research support to the US-AEP field staff in some of the following areas:

- desalination technologies
- microturbines using biogas as a fuel input
- air treatment technologies used in copper smelting
- biodiesel background information
- energy generation devices using sawdust and/or bagasse
- ozone laundry systems
- gasoline testing organizations
- fuel cells
- wastewater treatment options for barges
- medical waste treatment technologies
- gravity-based oil/water separator systems

THE OPERATIONS TEAM

The Communications Team

Personnel Changes

This past quarter brought about a major change in the structure of the Communications Team. In January, Suzanne Billett left US-AEP to pursue an entertainment career in New York. Karen Eng departed for Europe in early March to continue her education.

A search is in progress for a new Communications person, who will train in Washington, D.C. before departing for Bangkok, where he or she will manage Public Relations and other Communications needs for the region. The Communications Manager will maintain supervisory responsibility for the new person. While in D.C., the new Team member will learn the "US-AEP ropes" and assist in planning and preparation for the Air and Waste Management (A&WMA) Annual Exhibition and Conference in San Diego, California and for the Mayors' Asia-Pacific Environmental Summit (MAPES) in Honolulu, HI. Both events take place at the end of June.

The Communications Manager drafted an initial Scope of Work and Job Description in preparation for the search for possible candidates for the new position.

Development and Production of Information Materials on the US-AEP Program

The Communications Team designed certificates of appreciation for several Secretariat members leaving USAEP, including Gordon Weynand.

The Communications Team also met with the Technical Team Senior Policy Advisor regarding the creation of new Sri Lanka publications to highlight US-AEP success stories. The Team drew up several versions of publication layouts for individual success story brochures and a marketing booklet for use in Sri Lanka. The publications will be used by the Country Manager to help promote the successful Sri Lanka program and versions from the other subsequent countries are in the works as well. The Team also met with several graphic designers to gather bids for the development of these materials.

The Team compiled and edited the previous Quarterly Report and delivered it to the Chief of Party for submission to USAID on January 15, 2003. The Team edited a Technical Team paper entitled "US-AEP's Strategy for Promoting Transparency and Sustainable Development in Asia" and a recommendation paper for US-AEP participation in MAPES. In addition, the Communications Team edited a PowerPoint presentation entitled "Coastal Hotel Environment – Water – Energy Initiative 'CHEWEL.'"

Production of the US-AEP Newsletter (THE UPDATE)

The Communications Team developed and distributed the February 20, 2003 Issue 1 of THE UPDATE. Preparation for the next issue is currently underway.

Maintenance of the US-AEP Website

The Team continued to update the website as necessary. Recent changes include the addition of the updated Activity Calendar and removal of several outdated announcements from the home

page. The Team also transferred select material from the existing website to the new website, using direction from the Technical Team. The first "draft" of the website was presented to USAID Management in mid-February. With their approval, an e-mail was sent to the US-AEP family (including Country Managers and Partners) requesting review of the site and comments. The Team logged all comments/suggestions and noted in the log the origin of the feedback, whether any requested changes had been made, and if not, why not. The log was then presented to USAID Management for review.

USAID requested that the site be more country-focused instead program area-focused. In response, the Team added a map of Asia to the home page of the site, with links to each country. The country pages were then expanded to include links to relevant websites and key country partners. In addition, the program pages were revised to take emphasis off the four program areas and instead focus on cleaning cities and industries. USAID Management has reviewed and approved the new site, which will replace the existing site worldwide by the end of this Quarter.

Utilization of Public Communications Media (Public Relations) to Promote US-AEP

The Communications Team met with the Energy Wise India Project Manager to discuss appropriate public relations outreach for the launch of the Energy Wise India program in the U.S. and internationally. The Team created a targeted U.S. media list to help further US-AEP's media outreach capabilities.

In addition, the Team participated in a conference call with the Senior Trade Advisor and ETNA and an editor from the Environmental Business Journal (EBJ) to discuss the publication of an article about US-AEP. The Team provided contact information for the Country Managers. The article was sent to US-AEP for approval and the Team distributed it to appropriate TSSC and ETNA staff, USAID Management, and Country Manager for comments. Publication of the article is expected some time during the upcoming quarter.

The Team wrote a speech for Dennis Zvinakis to give at the Asia Pacific Roundtable for Cleaner Production in January 2003. The speech discussed US-AEP's recent activities in the areas of Industry: eco-industrial development, association building, and Greening the Supply Chain.

In support of US-AEP's participation in A&WMA, the Team developed an invitation letter which will be mailed by A&WMA to select members of ETNA's U.S. company database and to companies that signed the US-AEP Guestbook at the last A&WMA conference. The invitation includes one free pass to the conference's Exhibition Hall and will be sent to those U.S. companies that have previously expressed an interest in doing business in the Asian marketplace.

Identification and Support of Key Public Events for US-AEP Outreach

The Team participated in preliminary planning meetings for A&WMA in San Diego, CA and MAPES in Honolulu, HI, both in June.

In preparation for MAPES, the Team participated in an initial TSSC brainstorming session to discuss the pros and cons of the event, a possible agenda, and potential invitees. The session also identified possible partners and made a recommendation as to whether US-AEP should participate in future summits and if so, what topics should be covered in the technical sessions.

At the direction of USAID Management and in preparation for A&WMA, the Team has begun to make adjustments to the US-AEP exhibit booth.

Production of a US-AEP Program Review/Brochure

The Communications Team met with several graphic designers to discuss the upcoming Program in Review publication. Bids were requested and submitted and a designer was selected.

Meanwhile, the Team met with other TSSC staff to discuss coordination for gathering information for the content of the publication. The staff was provided with a format for providing information. Each contributor was assigned a specific country or countries to collect material.

After meeting with USAID Management to review progress on the publication, the Team was instructed to shelve the Program in Review and develop a US-AEP General Program Brochure and Country Brochures in its place. The Team requested a new project estimate from the selected graphic designer reflecting the new publications. With USAID approval, the Team will produce a General Brochure in a folder format with inserts and a Country Brochure for each of US-AEP's six participating countries.

The Partner and Field Support Team

Personnel Changes & Recruitment

Two members of the Operations Team resigned during this reporting period: Jill Tirnuaer, the project's Monitoring and Evaluation Specialist, resigned on December 31st; and Andy Johnson, the Manager of the Operations Team, resigned at the end of February. At the current time, the TSSC is not planning to fill Jill Tirnuaer's position; the Operations duties conducted by Andy Johnson will be eventually handled by the Operations staff in Bangkok.

John Wildgrube, the project's MIS Specialist, will be relocating to Bangkok in mid-April and will be responsible for supporting the Bangkok office's information management needs as well as providing overall operational support to staff throughout the region.

US-AEP Secretariat Support

Preparation of Country Briefers and other Information Documents

- **South Asia Air Pollution Briefer:** The Operations Team compiled a briefer on US-AEP's efforts to mitigate air pollution in South Asia. Material was taken from the India and Sri Lanka workplans and summary charts. Judith Barry requested this briefer for Kit Norland of the State Department.
- **Lead Paint Information:** At the request of Dennis Zvinakis, the Team worked with the ETNA staff to compile information about lead paint programs and processes. Information was compiled from a number of private and public sector

sources on EPA abatement programs, association programs, and technical processes.

- **Briefing Books:** The Team updated the country briefing books to reflect the approved FY 2003 workplans.

Distribution of Documents and Grant Proposals for Comment: No activity this quarter.

US-AEP Calendar of Events: The US-AEP Calendar of Events is updated on a monthly basis and covers a three month time period. The calendars for the periods January – March 2003, February – April 2003, and March – May 2003 were drafted for distribution and review. The final version of the February – April 2003 calendar was posted to the US-AEP website after comments were received.

During the upcoming quarter the Team will modify the way calendars are compiled and distributed (in response to suggestions from USAID/US-AEP/Washington). A calendar of US-AEP events will continue to be compiled based on program activity and field input, but will only be distributed by email to program participants and will not be posted on the website. This change is being made because it was felt that the current information was mainly of interest to program participants and not so relevant for public consumption. As the website is further developed, it is likely to include some public information on US-AEP sponsored events as well as links to other websites that broadcast international events and conferences that would be of interest to the US-AEP audience.

Communications Liaison between the Secretariat, the TSSC, Partners and Field Offices

- **Memo Distribution:** The Operations Team distributed a memo from Del McCluskey regarding the upcoming US-AEP meeting scheduled in Thailand for February 4-5, 2003 to all proposed attendees.
- **Meeting with Council of State Governments (CSG) Staff:** The Team met with Amanda Mays and Subramanian Sundaresan of CSG to discuss how Operations can continue to provide support to CSG.

Coordination of Meetings, Forums, etc.

- **Meeting Coordination:** The Operations Team scheduled meetings for Dr. Marie Ricciardone, the US-AEP Philippines Country Program Manager. Dr. Ricciardone met with representatives of USAID, TSSC, IIE, and ASE. The Operations Team is also arranging meetings for Country Manager Nathan Sage during his late April visit to Washington DC.

General Partner and Field Office Support

The Operations Staff provides routine support for communications and liaison between the US-AEP Secretariat, implementing partners and field representatives. Specific activities undertaken during this reporting period are presented below:

Field Support Calls:

The following are select examples of assistance provided to the field over the past quarter:

- Sri Lanka asked the Operations Team to find out from ICMA about the status of the activities formerly managed by Debby Kimble.
- Sri Lanka asked the Team to remind Keri Luly to find a suitable partner for vehicle emissions activities.

Providing Ad Hoc Assistance to Field Offices:

- At the request of Nathan Sage, the Team worked with the TSSC Grants manager to prepare a summary of the FY03 Vietnam TSSC Grants and STTA budget to date. Two grants had already been completed and awarded to Vietnam: the EID and the Green Week activities. Nathan also requested further information in reference to the aforementioned activities and clarification of additional ICMA funding for the Ho Chi Minh City Solid Waste activity. The Team sent the Scope of Work documents and other deliverable attachments for the EID and Green Week activities to Nathan along with clarification of ICMA funding and a recommendation to contact Jami Sachs at ICMA for further information.
- At the request of Nathan Sage, the Team worked with Lori Hatton, Nick Shufro, and Mary Wong at IIE to hire a Vietnamese interpreter to accompany a Vietnamese Delegation scheduled to visit Washington, DC and New York City during the week of March 17-21, 2003.

Distribution of Reports and Publications:

- The January, February, and March 2003 issues of *EM: Air & Waste Management Association's Magazine for Environmental Managers* and the *Journal of the Air & Waste Management Association* were distributed to US-AEP Washington and Field staff.

US-AEP Contact Directory:

The Contact Directory, including email distribution lists, is updated and distributed on a regular basis. This is an on-going process that is implemented as new information becomes available. A hard copy is also produced and distributed.

Assistance with Country Work Plan and Budget Development Process, and Workplan Activity Tracking

FY03 Country Workplans Approved: At the end of the first quarter of FY 2003, the 2003 work plans were approved. The Operations Team compiled binders containing all workplans and budgets and distributed them to Partners, TSSC, and USAID.

Semi-Annual FY 2003 Country and Regional Work Plan Reviews - Project Status Tracking: The Team created two sample project status tracking sheets. Updates for each project will be added to the workplan project sheet, which can be printed and distributed quarterly. This will create a unified document for programming and results tracking purposes.

The Team received project status updates from the Philippines for Q1.

Provide Support to the Implementation of Technical Programs

Tracking and Confirmation of Technology Transfer Success Stories: The Operations Team is responsible for tracking success story information received from the field and partners. This information includes sales of U.S. environmental technology by U.S. firms, as well as information on joint ventures and distributorship agreements. The information is documented in a TSSC database and then the U.S. Company is contacted for verification. Once confirmed, a success story report is prepared and distributed to the USAID Management Team and others. This information is also part of the US-AEP's performance monitoring and reporting system. Commercial success stories which were confirmed by TSSC during this reporting period include:

Confirmed Technology Transfer Sales:

- On December 5, 2002 US-AEP/Sri Lanka reported that Waterman Environmental Systems purchased process media used in wastewater treatment valued at \$713 from K D F Fluid Treatment of Three Rivers, MI. The transaction was completed in December 2002.
- On December 5, 2002 US-AEP/Sri Lanka reported that Waterman Environmental Systems Ltd. purchased O-rings and neutralite mix used in water pumping operations valued at \$952 from EcoWater Systems, Inc. of St. Paul, MN. The report indicated that the transaction was completed in August 2002. However, upon confirmation of the sale on December 16, 2002, Eco Water Inc. reported that the sale occurred in January and December 2002. EcoWater Systems verified on January 6, 2003 that total value of sales to date is \$599.51.
- On December 5, 2002 US-AEP/Sri Lanka reported that Waterman Environmental Systems purchased testing instruments and test kits for water and wastewater tests valued at \$3,423 from Lamotte Company of Chestertown, MD. The transaction was reported to have been completed in June 2002. However, upon confirmation of the sale, the dollar value was modified to \$1,973 and the month of transaction was changed to August, 2002.
- On December 5, 2002 US-AEP/Sri Lanka reported that Waterman Environmental Systems purchased cationic resins used in wastewater and water purification valued at \$2,835 from Semper Pure Systems of Philadelphia, PA. The transaction was completed in February 2002.
- On July 1, 2001 US-AEP/Sri Lanka reported that Environmental and Management Lanka in Sri Lanka received consulting services from the International Resources Group (IRG) in Hawaii valued at \$800,000. After several follow-up attempts with both IRG offices in Hawaii and in Washington DC, IRG Washington DC denied US-AEP involvement in this transaction on August 23, 2002. On December 5, 2002 US-AEP/Sri Lanka submitted the same report, which was later successfully confirmed by Mr. David McCauley of IRG/Hawaii

while on TDY in Sri Lanka with assistance from Mr. Ananda Mallawatantri. The value of the sale was modified to \$780,000 and was confirmed on January 26, 2003.

Support to Technical Programs: The Operations Team is often requested to provide assistance to technical program implementation. Specific activities undertaken during this period are presented below.

- **Industry Speech:** The Team researched trends in industry and cleaner production for a speech written by Lori Hatton and Maria Gilpin to be given by Dennis Zvinakis at APRCP.
- **GRI:** The Team assisted the Policy Team by writing a speech on the launch of GRI in Asia to be given by Nick Shufro the week of February 24.
- **MAPES 2003:** The Team assisted the Urban Team with a presentation to the Chief of Party on potential activities for the MAPES 2003 conference. The Team prepared two budget scenarios, one assuming the conference is held in Hawaii, and the other assuming the conference is held in Bangkok. This exercise showed that, while prices in Bangkok would be lower, the cost to US-AEP of holding the conference in Asia would be higher. This is due to the fact that the cost-share provided by the City of Honolulu is contingent upon the conference being held in Hawaii.

The Operations Team also conducted an analysis of the commitments made in the 2001 and 2002 events and their connection to the work plans. A table, sorted by country and city, was prepared and included cities in the FY03 work plans with local government involvement by environmental sector. The table also included cities which participated in ICMA's *Resource Cities* Partnership program and the World Bank's *City Development Strategies* program. City information for these two programs was obtained from the ICMA and World Bank websites respectively. A second table was completed which summarized local government participation in *integrated water resource management, vehicular emissions, solid waste management, wastewater treatment, air quality, and water* sectors as indicated in the FY03 country work plans.

- **State Vehicle Emissions Programs:** The Operations Team supported the Policy Team by researching state environmental vehicle emissions programs. The purpose of this activity was to assist the Policy Team in finding a suitable U.S. partner for Sri Lanka's vehicle emissions activity. Sources used included the ECOS survey written by PADCO and state environmental agency websites.
- **Media and Issues Tracking:** At the request of the Technical Team, the Operations Team began to put together a list of Asian news websites for review.

- **A&WMA 2003:** The Operations Team has been significantly involved in planning US-AEP's participation in the upcoming A&WMA meetings, scheduled to be held in late June in San Diego. Activities have included:
 - Participating in a conference call with Von Millard, Joel Anne Sweithelm, and Louis Wallach of A&MA to discuss the upcoming conference scheduled for June 22-26th in San Diego, CA. Topics of discussion included confirmation of the US-AEP Booth on Exhibit Floor, (possible alternate locations discussed) and Housing options for Delegates and US-AEP staff.
 - The Team participated in a planning meeting with other TSSC staff, IIE, and Del McCluskey to discuss US-AEP participation at both the A&WMA 2003 conference and MAPES 2003, both of which are being held concurrently. Project Leads were assigned to coordinate efforts in preparation for both events.
 - A proposal and budget for conference logistics was submitted to the TSSC by Market Access International (MAI), based in Atlanta, GA to include services such as registration, housing, and one-on-one meeting coordination for both the A&WMA and WEFTEC 2003 conference. The Team worked with MAI on proposed cost saving suggestions.
 - The Team prepared a task list and schedule of US-AEP support for A&WMA including pre-conference and on-site logistics and distributed it to all TSSC staff involved in the A&WMA conference planning committee and staff at IIE, who will also be involved in coordinating EPSG sponsored Delegates to attend the conference.
 - The Team prepared a draft budget for the A&WMA 2003 conference and circulated it to other A&WMA committee members at the TSSC for review and comment.
 - And, the Team worked with the Communications Team and A&WMA marketing staff to participate in A&WMA's co-marketing program. This initiative is new this year and is intended to assist exhibitors in increasing the number of attendees at the conference.

- **Greening the Supply Chain:** The Operations Team assisted the Technical Team in researching corporate examples of environmental health and safety (EH&S) guidelines in use in major companies which have participated in GSC activities.

The Results Monitoring and Reporting Team

Since the submission of the FY2002 Annual Results Report there has been a lull in results reporting activity. Activity mainly centered on the development and limited testing of a quarterly implementation reporting system and the revision of US-AEP's results framework and performance indicators.

Development of a Project-Level Implementation Reporting System: The Results Team met several times with Judith Barry to develop a system that, on a quarterly basis, will routinely

capture information on the status of all approved projects. It is anticipated that this system will be implemented over the coming few months and will be managed by the TSSC. The responsibility for reporting will rest with individual project managers. This system will enable the US-AEP Project to have up-to-date information on the activities and accomplishments of all of its projects, which is not currently possible. In addition, the reporting system will be an important tool for Country Managers to improve results management processes.

The first set of country implementation reports was due in early January and was to cover the period from October 1, 2002 through December 31, 2003. The Philippines (Jill Lucas/TSSC) was the only country to submit a report. It appears that there is some confusion surrounding US-AEP's current reporting requirements and thus not all countries are adhering to US-AEP/Washington's recent request that quarterly information on the implementation status of work plan activities be submitted to US-AEP/Washington and the TSSC on a quarterly basis. To clear up any misperceptions regarding reporting, it is anticipated that reporting issues will be discussed at the US-AEP annual meeting scheduled to take place in Honolulu in late June.

Revision of US-AEP's Results Framework and Performance Indicators: Several Washington meetings were held with key US-AEP staff and partners to begin the process of revising US-AEP's results framework. Several changes have been suggested thus far, including changing the program's strategic objective to: *Cleaner and More Efficient Cities and Industries in Asia.*

The revision process will continue until program-wide consensus is reached on a new strategy and set of corresponding performance indicators. The TSSC will then work to develop a new results reporting system that will first be used to capture FY03 accomplishments. At that time, it is anticipated that country work plans will be the basis for determining US-AEP's overall success at the strategic objective level. It is intended that the country work plans should include a select set of multi-year projects (up to five years in duration) with established benchmark levels of accomplishments. Each project will then report progress against benchmarks on a quarterly and annual basis. US-AEP's annual performance report will draw on these reports to put together a synthesis report that highlights the program's overall significant accomplishments in its various sectors of operation. The overall success of US-AEP will be assessed by reviewing the success of its individual country-level projects (at least at the strategic objective level). This new reporting system will hopefully be finalized during the next quarter and reviewed during the upcoming US-AEP annual management meeting in Hawaii in June.

THE INTERNAL SUPPORT TEAM (Finance and Administration)

Grants and Short-Term Technical Assistance Management

The TSSC Team periodically receives grant proposals and short-term technical assistance requests from the US-AEP Country Managers. The grants are reviewed by technical staff and the grants manager, and once approved by the Chief of Party and the CTO, are packaged into a grant agreement and sent to the organization for signature. Once signed by both parties, the grant is formalized and activities are started. The two new grants that were approved for India are:

Selvakumar Sago Factory. A \$11,000 grant for an Indian organization to help support the Sago industry to investigate and evaluate effluent treatment technologies in an identified unit, with specific focus to achieve zero discharge of water, and optimize the fresh water consumption. The grant period is from March 31 – September 30, 2003.

All India Institute of Local Self Government. A grant for \$6,000 to conduct workshop on Techno Economic Solutions for Solid Waste Management in India, scheduled from May 2 – 3, 2003. The grant period is from March 31, 2003 – May 31, 2003.

Additionally, TSSC is currently working on the following grant proposal:

The Blacksmith Institute. A \$20,000 grant proposal from a U.S. organization working in India to support efforts to develop the Polluted Places Initiative which will put together a multi-organizational partnership dealing with the 'Worst of the Worst' – those 30-50 sites most affecting human health. The crux of this strategy lies in developing *local solutions*, with international partners providing funding, strategic development support, technical assistance, and networking support, as needed. TSSC is working in collaboration with Judith Barry and Kristen Easter to modify the proposal to ensure that it is relevant to the conditions and needs in India.

In addition, TSSC received grant invoices for reimbursement for FY02 and FY03 grants; determined whether they were acceptable by reviewing the deliverables listed in the grant document; and then worked to receive payment authorization, initiate payment to the grantee, and ensure accurate invoicing to USAID.

Over the past quarter, TSSC completed and/or initiated the paperwork required to utilize three short-term consultants. These consultants include:

Michael Walsh, Clean Air Specialist. Scopes of work for Mr. Walsh to conduct short-term technical assistance pertaining to clean air initiatives are being developed. In Vietnam, this work will focus on developing a clean air strategy that will assist US-AEP in programming its clean air-related activities. In Indonesia, Mr. Walsh's work is anticipated to predominantly focus on vehicular emissions.

Thomas R. Halbach, Professor, Department of Soil, Water and Climate, University of Minnesota. Mr. Halbach completed his work in Sri Lanka that focused on assisting the City of Colombo establish a quality assurance program for their Municipal Solid Waste compost products.

Ernie Lowe, Eco-Industrial Development Expert. Mr. Lowe is a renowned EID expert with substantial experience in assisting industrial parks throughout Asia incorporate EID best practice. Mr. Lowe worked with the Industry Team in the development of an EID Management Plan to be used by the industrial zones managed by the Ministry of Industry in Vietnam.

Administration:

The following administration work was completed:

- **Conference Calls and Meetings:** Set up conference calls for twenty people throughout the world for NOAA/US-AEP Oil Spill Contingency Planning Project for Vietnam and prepared the agenda. This required setting up a new system with AT&T. In addition, the Team set up periodic Partners' Meetings.
- **Travel Approvals:** The Team prepared numerous approval memos for the Chief of Party's and the CTO's signatures. The approval memos were primarily related to travel and reassignments to Bangkok and grants/STTA.
- **Country Clearances:** The Team drafted and sent to the USAID Desk Officers for signature and then to the US-AEP Secretariat for action. The country clearances were for travel to Thailand and Vietnam.
- **Staff Travel:** Jeff Bowyer and Keri Luly traveled to Thailand. Saengroaj Srisawaskraisorn traveled to Chaing Mai. Conchita Silva traveled to Vietnam. Nick Shufro traveled to California. Julie Haines, Conchita Silva, Marcial Semira, Jill Lucas, Suzanne Billharz and Nathan Sage traveled to Thailand.
- **Reassignments to Bangkok/TSSC Office:** Keri Luly has been reassigned on a short-term TDY as the Senior Policy Advisor. Jeffrey Bowyer has taken up the position of Industry/Urban Advisor. The office assisted Jeff Bowyer and Keri Luly to relocate to the Bangkok office with the movers, airline tickets, country clearances, and approval memos.

Incoming/Outgoing Correspondence/Faxes

All incoming and outgoing faxes for the months of January, February and March were kept on file.

Distribution of Resource Guides/Other Documents

Copies of the Federal Resource Guide for State International Engagement continue to be distributed in the U.S.

Expand IT Network

IT support work included the setup of a second windows 2000 server as a domain controller; coordination with Berger IT team in obtaining external IP addresses necessary for hosting of the web site on the new server; and assisting in the configuration of the new web server and web server access for individuals working on the web site.

Maintenance

CDs were created for relocating members of US-AEP and assistance was provided to Jeff Bowyer and Keri Luly with their data and email for their upcoming trip to Thailand. A thorough cleaning and tune up of email server was also performed.

Invoices & Budgeting

The Finance and Administration Team has submitted 16 invoices to USAID. The Team is currently preparing Invoice #17 (March 2003). Invoices include reimbursements of FY02 and FY03 grantees, staff travel expenses, labor, and other project expenses.

Financial: Note: The percentage shown in the table is the percentage of budget spent as of February 28, 2003.

Line Item No.	Description	Percent of Budget Spent
01	Est. Cost for Professional Services in accordance with Section C and all other terms of the Contract	22.84%
02	Other Direct Costs	27.33%
03	Travel Costs for Pro Bono Services in accordance with Section C.3.b, Creating and Strengthening Partnerships NTE	0.00%
04	Grant Program in accordance with Section C.3.e Grant Program NTE	22.77%
05	Fixed Fee	25.83%
Total Est. Cost Plus Fixed Fee		23.59%

NOTE: The percent expended is for the three year period of the contract effective September 27, 2001 and does not contain the option years.

Estimated Utilization of Contractor's Level of Effort

The total LOE utilization under this contract as of February 28, 2003 is 63,573 hours