

**Near East
Business Opportunities in
Environmental Management :
A Workshop Report**

Prepared for:

**Project in Development and the Environment
2000 M Street, N.W., Suite 200
Washington, D.C. 20036**

**N
E**

**O
R**

October 1992

**Business Opportunities in
Environmental Management
in the Near East:
A Workshop Report**

By:
Bill Meade
Jim Westfield

August 1992

AID Contract Number:
ANE-0178-C-00-1046-00
Project Number:
398-0365

Submitted by:
PRIDE
Operated by:
Chemonics International
and its associates

TABLE OF CONTENTS

	Page
ACKNOWLEDGEMENTS	1
BACKGROUND	2
RECOMMENDATIONS AND PRIVATE SECTOR PLAN OF ACTION	4
LIST OF WORKSHOP PARTICIPANTS	9

ACKNOWLEDGEMENTS

The Bureau for the Near East of the U.S. Agency for International Development recently sponsored a one-day workshop on business opportunities in environmental management in the Near East region under its Project in Development and the Environment (PRIDE). The workshop was held in Washington, D.C., on May 20, 1992. Curt Nissly and Gil Jackson at the Bureau for the Near East oversaw its planning and implementation. Reginald Brown, assistant administrator for the Near East Bureau, was the keynote speaker.

RCG/Hagler, Bailly organized and conducted the workshop on behalf of PRIDE. Jim Westfield directed the effort and offered valuable input into the workshop from his perspective as PRIDE's private sector specialist. Bill Meade managed the workshop with assistance from Fiona Mikkelsen, who handled the logistics and produced the workshop materials.

Hagler, Bailly is one of several contractors working on the PRIDE project. The prime contractor, Chemonics, provided indispensable advice on the workshop. Larry Morgan and John Woods contributed to the workshop's success with suggestions on its structure and content.

Bruce Smart was a lively moderator who encouraged substantial discussion throughout the plenary sessions. Discussion leaders Bill Brown, Bill Lacy, and Tom Lloyd synthesized participants' recommendations for this report with assistance from session recorders Matthew Buresch, Elizabeth Magill, and Jan Mueller-Vollmer. Presentations made by Bob Donovan, Frances Gatz, John Godden, Gil Jackson, Tom King, Malcolm Lillywhite, Rom Michalek, Curt Nissly, Jack Schramm, Nazih Shamma, Suzanne Goldstein Smith, and Jim Westfield refined the workshop discussion.

A successful workshop owes much to the input of the participants. PRIDE is fortunate to benefit from the innovative ideas and substantive advice of key government decisionmakers in the U.S. and foreign countries, corporations, and trade associations and other nongovernmental organizations. A complete list of the workshop participants appears at the end of this report.

BACKGROUND

Environmental and natural resource management issues are of growing importance in the Near East region. Water quality and availability are perhaps the most visible of these issues, given the competing uses of industry, urban areas and traditional agriculture. Other issues threaten the region in different ways, however. Heavy industrialization in cities like Cairo and Casablanca is taking a toll on air and water quality. Coastal resort development is placing pressure on the region's fragile ecosystems. Population shifts and growth exacerbate the problems. Urban populations now account for over half of the total population in the region, up from about a third in 1960.

USAID is shifting its resources to encourage U.S. private sector participation in implementing development programs. Environmental management is a perfect example, with USAID's Near East Bureau promoting U.S. private sector, NGO, and academic environmental services and technologies in the region. The Project in Development and Environment (PRIDE) serves as USAID's principal vehicle for addressing environmental management and sustainable development in the Near East region.

Through the five-year (1991-1995) PRIDE project, USAID will provide technical assistance in environmental and natural resource management to its missions overseas and to host-country institutions in the Near East. While the project focuses on Egypt, Israel, Jordan, Lebanon, Morocco, Oman, Tunisia, and Yemen, it currently supports limited activities in Eastern Europe as well.

PRIDE efforts center around four components: strategic planning, environmental policy analysis, environmental education, and private-sector initiatives. The workshop on environmental management business opportunities, held at Georgetown University on May 20, 1992, focused on private sector initiatives.

The workshop was an all-day meeting that was broken into a plenary session, three interactive concurrent discussion sessions, and a wrap-up session. Participants were given background on USAID and PRIDE objectives and activities through introductory presentations by Reginald Brown, Curt Nissly, and Jim Westfield. In a luncheon speech, Suzanne Smith presented *An Environmental Private Sector Profile for Egypt*, which was based on a recent PRIDE initiative.

The workshop covered three subject areas that are key to environmentally sustainable development in the Near East: private environmental services and businesses, on-site industrial waste minimization and pollution prevention, and tourist development within environmentally sensitive areas. During the discussion sessions, participants examined the criteria of successful private sector involvement, the potential role of the private sector in PRIDE countries, and steps USAID and PRIDE can take to facilitate U.S. and local private sector involvement.

The break-out group discussions on private environmental services and businesses benefitted from three presentations. Robert Donovan, a solid waste and privatization specialist with municipal waste disposal services for the City of Phoenix, discussed *Private Operation of Municipal Solid Waste Services*. Nazih Shammam of the Lennox Institute of Water Technology talked about the *Opportunities for Water and Wastewater Services*. Steven McCoy Thompson of the International City/County Management Association presented *Experiences of USAID's Municipal Development Project*.

In on-site industrial waste minimization and pollution prevention, Romuald Michalek of the World Environment Center discussed WEC's experience in the region in his presentation, *Beyond Environmental Assessments*. Jack Schramm of RCG/Hagler, Bailly discussed *Regulatory Incentives for Industrial Compliance* and Gilbert Jackson presented *USAID's Near East Environmental Strategy and Opportunities for U.S. Private-Sector Involvement in Pollution Prevention*.

Tourist development within environmentally sensitive areas, the third topic of discussion, included presentations on *Supporting Resort Development in Remote and Historic Areas* by Thomas King of GT International, and two discussions on the growing ecotourism trend: *Opportunities for Ecotourism* by Frances Gatz of the Ecotourism Society, and *Low-Impact Ecotourism: An Industry's Response to Developing Country Pressures* by Malcolm Lillywhite of Domestic Technologies. John Godden presented *An Overview of USAID Near East Ecotourism Projects*.

During the course of the day, participants from a variety of environmental businesses and organizations shared their experiences with private-sector development in the region. The workshop findings presented on the following pages reflect the input of this diverse group, which included representatives of U.S. and Near East governments, international development organizations, private corporations, trade associations, and other non-government and not-for-profit groups. USAID and PRIDE will use input from the workshop to shape the PRIDE strategy and future activities. The results and ideas generated through the workshop have been incorporated into the plan of action presented later in this report.

RECOMMENDATIONS AND PRIVATE SECTOR PLAN OF ACTION

The input from this workshop has reinforced the PRIDE private sector strategy. The key specific recommendations from workshop participants have been very helpful in shaping both near and mid-term project initiatives. The breakout and concluding sessions raised a number of issues and resulted in major recommendations for PRIDE activities. The workshop team along with the PRIDE private sector analyst have organized these issues and recommendations into six groups. Because PRIDE is limited in its geographic coverage (the Near East), its scope and its budget, it could not always respond to issues or incorporate recommendations. Working within these limitations, PRIDE was able to adopt or respond to most major suggestions made during the workshop. The following table summarizes the issues/recommendations and the proposed responses and actions. Each issue or recommendation is presented and a PRIDE response or action is proposed. Over time PRIDE personnel will continue to inform and promote the U.S. environmental business community and to draw on its expertise. The private sector element of the project will follow through on the workshop recommendations and keep you informed about and involved in the project.

Workshop Recommendations and PRIDE Responses/Actions

CATEGORY	RECOMMENDATION	ACTION
MARKET RESEARCH AND ANALYSIS	Develop a business plan and strategy for PRIDE.	Include a business development strategy in the PRIDE second-year (FY 1993) work plan.
	Foster country marketing strategies.	Complete country profiles for Egypt, Jordan and Morocco by November 1992. Prepare profiles for Oman, Tunisia and Yemen in 1993.
	Focus efforts in specific areas.	Prioritize activities in PRIDE's second-year (FY 1993) work plan.
	Sponsor workshops in the United States to explain market opportunities in the Near East.	Design and conduct a regional workshop for U.S. environmental businesses in the U.S. in 1993.
PROMOTION OF U.S INDUSTRY	Promote U.S. companies to local decision makers.	Prepare and distribute industry directories and product catalogues. Facilitate meetings with U.S. companies in the region. Cosponsor trade shows and trade missions.
	Participate in environmental conferences.	Get PRIDE on the program for conferences in the region. Distribute compendiums at trade shows and conferences.

Workshop Recommendations and PRIDE Responses/Actions (continued)

CATEGORY	RECOMMENDATION	ACTION
FINANCING AND BUSINESS DEVELOPMENT	Provide business development funding and organization, particularly to small business.	Identify sources of funding and business development support for U.S. companies. The Compendium of Government Resources is a first step in this effort. Direct support from PRIDE to individual companies may not be possible.
	Create a level playing field for U.S. companies abroad, e.g., adopt the Japanese model.	PRIDE will not address this recommendation as it is outside the scope and available resources of the project.
	Assist in financial packaging for environmental projects.	Prepare case studies on financing different scale projects and services in later years of PRIDE (e.g., 1994/95).
	Provide a centralized structure for trade/investment development in U.S. government.	PRIDE will not address this recommendation as it is outside the scope and available resources of the project.
	Organize trade missions in selected areas.	Assist U.S. and Foreign Commercial Service and the Overseas Private Investment Corporation efforts to organize environmental trade missions to the Near East.
	Fund the environmental portion of a tourism development as a model.	Advise AID tourist development projects in the Near East to include environmental infrastructure.

Workshop Recommendations and PRIDE Responses/Actions (continued)

CATEGORY	RECOMMENDATION	ACTION
INFORMATION EXCHANGE	Establish formal ongoing relationship with U.S. industry.	Establish a U.S. industry advisory committee early in 1993.
	Provide in-country sources of information useful to U.S. industry.	Participate in the design and establishment of a regional pollution prevention business center in the Near East to help U.S. companies market equipment.
	Establish mechanisms to access U.S. industry.	Look to the U.S. industry advisory committee for suggestions to establish formal ties (see above).
	Facilitate discussions between U.S. companies and other institutions.	Create linkages and information exchanges between U.S. and Near East environmental industry and trade associations.
	Disseminate results of feasibility studies.	Suggest inclusion of tracking feasibility studies for major projects as an activity for the regional pollution prevention business center (see above).
	Serve as a point source of information on investing in environmental businesses and projects.	Fund selected project-related financial pre-feasibility studies in later project years (e.g., 1994/1995).
	Share information on successful environmental projects.	Collect information and make available descriptions of successful environmental projects in PRIDE newsletter.

Workshop Recommendations and PRIDE Responses/Actions (continued)

CATEGORY	RECOMMENDATION	ACTION
POLICY DEVELOPMENT	Use AID's policy influence to create more opportunities for private sector development.	Work with AID in-country missions to expand privatization efforts to include environmental services.
	Assist countries in developing tourism policy and planning that incorporates decentralization.	PRIDE will not address this recommendation as it is outside the scope and available resources of the project.
TRAINING AND TECHNICAL ASSISTANCE	Incorporate U.S. industry in training and technical services.	Identify opportunities for U.S. companies to participate in PRIDE and other training and technical assistance activities, such as the World Environment Center and the U.S. Environmental Training Institute.
	Tie training and technical assistance to financing for a project.	PRIDE will not address this recommendation as it is outside the scope and available resources of the project.

LIST OF WORKSHOP PARTICIPANTS

Mr. Imad Badran Third Secretary, Economic, Embassy of Jordan
3504 International Drive, NW, Washington, D.C. 20008
(202) 966-2664

Mr. Henri-Claude Bailly Chairman, RCG/Hagler, Bailly, Inc.
1530 Wilson Boulevard, Suite 900, Arlington, VA 22209
(703) 351-0320

Mr. Philip D. Brick Environment/Business Director, Cleveland-Cliffs, Inc.
110 Superior Avenue, Cleveland, OH 44114
(216) 694-5700

Mr. Reginald Brown Assistant Administrator, Near East Bureau, Agency for
International Development, Washington, D.C. 20523
(202) 647-0389

Mr. William Y. Brown Director, Environmental Affairs, Waste Management Inc.
1155 Connecticut Avenue, NW, #800, Washington, D.C. 20036
(202) 467-4480

Ms. Barbara L. Bush Senior Regulatory Analyst, American Petroleum Institute
1220 L Street, NW, Washington, D.C. 20005
(202) 682-8325

Mr. Donald Connors Executive Director, Environmental Business Council
53 State Street, Boston, MA 02109
(617) 227-5020

Mr. Mac Cosgrove-Davies Senior Analyst, Meridian Corporation
4300 King Street, Suite 400, Alexandria, VA 22302
(703) 998-3733

Mr. Robert T. Donovan Solid Waste/Privatization Spec., City of Phoenix
4027 West Libby, Glendale, AZ 85308
(602) 256-5626

Mr. Ali Ekbal Second Secretary, Economic
Embassy of the Arab Republic of Egypt
2232 Massachusetts Avenue, NW, Washington, D.C. 20008
(202) 265-9111

Mr. Hany Elemary World Business Management, Inc.
7731 Tuckerman Lane, Suite 124
Potomac, MD 20854
(202) 363-4183

Moulay Elhassan Aourid Counsellor, Political Affairs, Embassy of Morocco
1601 21st Street, NW, Washington, D.C. 20009
(202) 462-7979

Mr. Ghaleb Faidi Information Coordinator, National U.S.-Arab Chamber of
Commerce
1825 K Street, NW, Suite 1107, Washington, D.C. 20006
(202) 331-8010

Dr. James Gallup R&D/Office of Environment and Natural Resources
Agency for International Development
Washington, D.C. 20523
(703) 875-4518

Dr. Frances Gatz Director of Communications, The Ecotourism Society
801 Devon Place, Alexandria, VA 22314
(703) 549-6626

Dr. Ahmad Ghamarian Technical Director
Energy Training Program, Institute of International Education
1400 K Street, NW, Washington, D.C. 20005-2403
(202) 682-6560

Dr. Cathryn Goddard President, Coverdale Organization
2007 North 15th Street, Suite 209, Arlington, VA 22201
(703) 528-1990

Mr. John Godden Special Assistant, Bureau for the Near East, Room 208, SA-2
USAID, 515 22nd Street, NW, Washington, D.C. 20523-0225
(202) 663-2478

Dr. Morton Gorden President, Development Sciences, Inc.
11 Shaw Road, East Sandwich, MA 02537
(508) 888-0101

Mr. Douglas Gritzinger Environmental Planner, Dames & Moore Co.
7101 Wisconsin Avenue, Suite 700, Bethesda, MD 20814
(301) 652-2215

Mr. Barry Hill Agriculture Development Officer
U.S. Agency for International Development
515 22nd Street, NW, Room 208, SA2
Washington, D.C. 20523-0225

Mr. James Holderbaum Advisor, NE/DR/PIE, Room 208, SA-2
USAID, 515 22nd Street, NW, Washington, D.C. 20523-0225
(202) 663-2489

Dr. Gilbert Jackson Environmental Coordinator, NE/DR/PIE, Room 208, SA-2
USAID, 515 22nd Street, NW, Washington, D.C. 20523-0225
(202) 663-2489

Mr. Joseph Karam Project Manager, ICF Incorporated
9300 Lee Highway, Fairfax, VA 22031
(703) 934-3272

Mr. Ibrahim Khalifa Consultant, K&M Engineering and Consulting Corporation
2001 L Street, NW, Suite 500, Washington, D.C. 20036
(202) 728-0390

Mr. Thomas A. King, PE Vice President, GT International
10 Offut Court, Woodstock, MD 21163

Ms. Dawn C. Kristof President
Water and Wastewater Equipment Manufacturers Association
P.O. Box 17402, Dulles International Airport
Washington, D.C. 20041
(703) 444-1777

Dr. William J. Lacy Industrial Pollution Control Specialist
9114 Cherrytree Drive, Alexandria, VA 22309
(703) 780-2181

Ms. Sydney Lewis Managing Associate, Coopers & Lybrand
1530 Wilson Boulevard, Arlington VA 22209
(703) 908-1645

Mr. Malcolm Lillywhite President, Domestic Technology International, Inc.
P.O. Box 2043, Evergreen, CO 80439
(303) 674-7700

Mr. Thomas Lloyd Consultant, Travel Industry Association of America
3040 Cambridge Place, NW
Washington, D.C. 20007
(202) 293-5407

Mr. George Lombardo Project Manager, Technical Prog., World Environment Center
419 Park Avenue South, Suite 1800, New York, NY 10016
(212) 683-4700

Mr. Ron McIllwain President, Advanced Environment Research, Inc.
6612 Denny Place, McLean, VA 22101
(703) 893-4710

Ms. Hayes McCarthy Program Associate, Environmental and Energy Study Institute
122 C Street, NW, Suite 700, Washington, D.C. 20001
(202) 628-1400

Mr. Steven McCoy-
Thompson International City Management Association
777 North Capitol Street, NE, Washington, D.C. 20002
(202) 962-3676

Mr. Michael McWherter President
Environmental Quality International (EQI) Americas, Inc.
6500 N. Via Divina, Tuscon, AZ 85715
(602) 299-4381

Mr. Ted MacDonald Program Manager, USEPA Office of International Activities
401 M Street, SW, A-106, Washington, D.C. 20460
(202) 260-7394

Mr. Robert MacLeod Environmental Advisor
International City Management Association
777 North Capitol Street, NE, Washington, D.C. 20002
(202) 663-2517

Dr. Romuald Michalek Vice President, World Environment Center
419 Park Avenue South, Suite 1800, New York, NY 10016
(212) 683-4700

Mr. Roger Mitchell Vice President, Earth Satellite Corporation (EarthSat)
6011 Executive Boulevard, #400, Rockville, MD 20852
(301) 231-0660

Dr. Larry Morgan PRIDE Team Leader, c/o Chemonics International
2000 M Street, NW, Suite 200, Washington, D.C. 20036
(202) 331-1860

Dr. John Mulckhuyse Consultant, The World Bank
53 Ponderosa Lane, Palmyra, VA 22963
(804) 589-4413

Mr. Mohamed Nestiri First Secretary, Economic, Embassy of Tunisia
1515 Massachusetts Avenue, NW, Washington, D.C. 20005

Dr. Curt Nissly PRIDE Project Officer, NE/DR/PIE
Agency for International Development
Washington, D.C. 20523
(202) 663-2493

Ms. Letitia Lowe Oliveira Consultant, Environmental Unit
International Finance Corporation
1818 H Street, NW, Washington, D.C. 20433
(202) 473-3987

Mr. Michael Panich Vice President, EA Energy Technology Group
1401 S. Edgewood Street, Baltimore, MD 21227
(410) 646-4500

Mr. Ronald Reilly Consultant
100 Mill Plain Road, Danbury, CT 06811
(203) 791-3999

Ms. Margot Rogers Research Analyst, International Policy
Stanford Research Institute (SRI) International
1611 North Kent Street, Arlington, VA 22209
(703) 247-8444

Dr. John B. Ross President, Debt for Development Coalition, Inc.
2021 L Street, NW, Suite 510, Washington, D.C. 20036
(202) 467-0881

Mr. Jack Schramm Senior Vice President, RCG/Hagler, Bailly, Inc.
1530 Wilson Boulevard, Suite 900, Arlington, VA 22209
(703) 351-0300

Dr. Nazih Kh. Shammass Professor/Environmental Engineer
Lennox Institute of Water Technology, Inc.
101 Yokun Avenue, Lenox, MA 01240
(413) 637-3025

Dr. E. Griffin Shay Senior Programs Officer, National Academy of Sciences
E. Europe Environmental Program
2101 Constitution Avenue, NW, Washington, D.C. 20418
(202) 334-2692

Dr. Vinod Shrivastava Managing Director, CORE International, Inc.
1400 K Street, Suite 910, Washington, D.C. 20005
(202) 789-4252

Ms. Jane E. Sidebottom Assistant Director, American Consulting Engineers Council
1015 Fifteenth Street, NW, Washington, D.C. 20005
(202) 347-7474

Mr. Bruce Smart Senior Fellow, World Resources Institute
1709 New York Avenue, NW, #700, Washington, D.C. 20006
(202) 638-6300

Mr. Chris Smith PRIDE Project Supervisor, Chemonics International
2000 M Street, NW, Suite 200, Washington, D.C. 20036

Ms. Suzanne G. Smith Manager, RCG/Hagler, Bailly, Inc.
1530 Wilson Boulevard, Suite 900, Arlington, VA 22209
(703) 351-0300

Mr. Rodney Sobin Research Analyst
Congressional Office of Technology Assessment, ITE Program
600 Pennsylvania Avenue, SE, Washington, D.C. 20510-8025
(202) 224-3695

Mr. Bory Steinberg PRC Environmental Management, Inc.
233 North Michigan Avenue, #1621, Chicago, IL 60601
(312) 833-8695

Dr. Richard Tucker Senior Vice President, Woodward-Clyde Federal Services
1 Church Street, Suite 404, Rockville, MD 20850
(301) 309-0800

Mr. Gary L. Vaughan Private Enterprise Officer, USAID NE/DR/PIE
SA-2, Room 200, Washington, D.C. 20523
(202) 663-2486

Mr. Daniel Waterman Senior Program Manager
National Association of State Development Agencies (NASDA)
750 First Street, NE, Suite 710, Washington, D.C. 20002
(202) 898-1302

Mr. Wayne Weiss Vice President, Black & Veatch International, Inc.
18310 Montgomery Village Ave., #500
Gaithersburg, MD 20879
(301) 921-2869

Dr. James Westfield

**PRIDE Private Sector Analyst, c/o Chemonics International
2000 M Street, NW, Suite 200, Washington, D.C. 20036
(202) 331-1860**