

ENVIRONMENTAL COOPERATION-ASIA (ECO-ASIA)

**QUARTERLY REPORT
JULY – SEPTEMBER 2006**

**Prepared for
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By

Planning and Development Collaborative International, Inc. (PADCO)

1.0 Summary

In this quarter, Planning and Development Collaborative International, Inc. (PADCO) continued support for the ECO-Asia program by completing a series of project planning, design and implementation activities, as well as remaining project start-up arrangements. Primary activities focused on: (1) project systems development and (2) activity development and implementation. Highlights from this quarter centered on continued activity implementation, obtaining a license to operate PADCO's main project office in Thailand, organizing a full team-building meeting, and finalizing the performance management plan (PMP).

2.0 Performance Objectives and Expected Outputs

Project performance objectives for the fourth quarter focused on activity development, planning and implementation in line with the annual work plan. Core performance objectives and expected outputs included:

- Continued activity planning, development and implementation;
- Completed mobilization of long- and short-term personnel
- Made progress toward project/office registrations
- Finalization and submission of the PMP

3.0 Summary of Major Accomplishments

Major activities and accomplishments during this quarter centered on: (1) project systems development and (2) activity development and implementation.

3.1 Project Systems Development

PADCO continued to put in place key project systems and tools. Principal activities included:

Project Management Systems

- Worked closely with TAF and RDM/A to draft comprehensive small grant guidelines that enable each office to utilize comparative advantages in keeping with contract requirements to ensure effective use of resources and funds in support the grant program.
- Finalized all regional financial and contracting systems and HR policies across all offices.

Performance Management Plan

- Met with RDM/A to complete initial data quality assessment of the indicators reported by PADCO to the SO4 performance management plan (PMP). Verified the approach, process and methodology for evaluating and monitoring indicator progress and achievement. Discussed of the validity of selected indicators for the planned project activities.
- Finalized activity-level targets against the PMP and submitted to RDM/A.

Staffing and Subcontracting

- Completed key hires (Water and Sanitation Team Leader).
- Continued to identify and hire pool of short-term consultants.
- Worked with RDM/A and the Thailand International Development and Cooperation Agency (TICA) to secure F visas for U.S. staff in Bangkok.

3.2 Activity Design and Implementation

PADCO worked with key project partners to continue activity design and implementation. Major activities are presented in the e-newsletter. Specific tasks included:

Water and Sanitation

- Mobilized consultants to support overall program and activity planning and implementation in water and sanitation in India, Philippines, Vietnam, Thailand, and Sri Lanka, including pilot screening.
- Conducted the first Philippine Sanitation Summit, which was attended by 300 participants. The Summit contributed to two related regional initiatives planned to accelerate progress in achieving sanitation and hygiene targets in Asia: the 2006 Regional Forum on Environment and Health and the 2007 East Asia Ministerial Conference on Sanitation. PADCO's exchange program facilitated the participation of delegates from Vietnam, Sri Lanka and Indonesia who will initiate similar activities in their home countries.
- Organized an observation program for elected officials and sanitation specialists from Indonesia, Sri Lanka and Vietnam to sanitation projects in Valenzuela, Dumaguete and Muntinlupa, Philippines. Following the observation program, led a roundtable in which participants shared experiences and discussed lessons, best practices and difficulties.
- Held a multi-stakeholder consultation workshop on sanitation and wastewater management in Nuwara Eliya, Sri Lanka. With PADCO support, the city of Nuwara Eliya is developing a pilot sanitation project that will demonstrate an innovative and effective strategy for providing improved sanitation and address key constraints in the sanitation sector of Sri Lanka.
- Worked with the Provincial Waterworks Authority (PWA) of Thailand to discuss and identify potential ECO-Asia and PWA pilot initiatives based on PWA priorities as defined in the PWA Strategic Management Plan 2007-2011 and the draft country appraisal.
- Conducted a stakeholder workshop on sanitation and wastewater management to initiate the sanitation pilot in San Fernando City in the Philippines. Key stakeholders identified the main sources of wastewater in the city, prioritized project ideas and developed a draft action plan for PADCO's assistance to the city. The action plan includes building a wastewater treatment facility for the public market, collecting and treating septage from the city's septic tanks, launching an information campaign, and improving sanitation regulations and enforcement.
- Worked with the Water Supply and Sewerage Company in Bac Ninh, Vietnam to develop a water supply pilot concept and the City People's Committee and Urban Environmental Company in Ha Long, Vietnam to identify potential sanitation pilot activities.
- Launched pilot activity with the City of Pune, India. Finalized a work plan for implementation of an engineering and management upgrade of the water distribution to provide continuous water supply to a pilot portion of the city.
- Held a workshop on energy efficiency for water utilities in Bandung, Indonesia, which was the second in a series of activities of the ECO-Asia/ESP Energy Efficiency Program. Conducted the energy efficiency training, which was followed by an actual energy audit of the four PDAMs.
- Developed a regional agenda and preliminary country-based action plans via regional workshop that identify solutions for addressing constraints and challenges in expanding water services to the urban poor with national and municipal leaders, water service providers, and civil society representatives from Cambodia, India, Indonesia, Philippines, Sri Lanka, Thailand, and Vietnam.
- Organized a hands-on training program on Social Marketing for Local Governments to support sanitation projects in target cities in the Philippines and Sri Lanka. During the training, the City of San Fernando presented preliminary results of a baseline knowledge, attitudes and practice survey on sanitation that was conducted among a random selection of 300 households
- Met with members of the Municipal Council of Nuwara Eliya, Sri Lanka to discuss the procedures for developing a pilot sanitation plot project and reviewed potential sites for the project.

- Sponsored the participation of one resource person for the Seminars on Best Practices for Improving Access to Water and Wastewater Services that took place in three cities in India. The seminars focused on water services policy, regulation and governance, effective management and expanding access to the poor.
- Met with the Ministry of Urban Development and Water Supply (MUD&WS) in Sri Lanka to identify potential ECO-Asia and National Water Supply & Drainage Board (NWSDB) pilot initiatives based on MUD&WS priorities.
- Met with the Wastewater Management Authority (WMA) of Thailand to discuss opportunities for ECO-Asia/WMA cooperation.
- Finalized concept notes and got approval from RDM/A for water/sanitation pilot projects including: sanitation pilot in San Fernando, Philippines; support for wastewater treatment plant rehabilitation by WMA of Thailand; improving operational efficiencies with PWA of Thailand; and a water pilot in Bac Ninh, Vietnam.
- Letters of Intent signed for pilot projects including: sanitation pilot in San Fernando, Philippines; Local Water Utilities Administration (LWUA) loan packaging pilot in the Philippines; sanitation pilot in Nuwara Eliya, Sri Lanka; and improving operational efficiencies with Thailand PWA
- Sponsored the participation of two resource persons for the Energy Efficiency Training and Audit for Water Utilities, which focused on enhancing the knowledge and skills of engineers and technicians of water utilities on the effective use of energy and helping water utilities and local institutions in Indonesia conduct comprehensive Energy Efficiency Audits.
- Met with key water and sanitation sector officials in Cambodia to assess need and interest in ECO-Asia program and possible pilot activities. Officials/organizations included the USAID Cambodia Mission, the Phnom Penh Water Supply Authority (PPWSA), Phnom Penh Municipality Vice-Governor, and Ministry of Industry, Mines and Energy (MIME), Department of Potable Water Supply Director.
- Met with SEAWUN and determined that though USAID supports their regional efforts, ECO-Asia will base focuses assistance on the results of a member needs assessment, which SEAWUN will develop in 2007 with assistance from ADB.

Asian Environmental Compliance and Enforcement Network (AECEN)

- Completed MOU with the Government of Vietnam for implementation of AECEN activities.
- Conducted Judicial Round Table to discuss plan to establish green benches to prosecute environmental cases in the Philippines.
- Supported development of environmental compliance and enforcement indicators in the Philippines with technical staff from the Philippine Environmental Management Bureau (EMB) central and regional offices, the Laguna Lake Development Authority (LLDA) and the private sector.
- Co-organized a consultation workshop with the U.S. Environmental Protection Agency (EPA) and Thailand Pollution Control Department (PCD) to identify strategies for establishing the national environmental compliance assistance center based on Thailand's priorities, needs, policies, and legal framework. Philippine participants from LLDA and Chamber of Commerce and Industry also participated to exchange ideas on creating a Philippine compliance assistance center.
- Supported the first national environmental law enforcement summit in Manila where top officials prepared a common plan of action to improve interagency coordination in enforcement of environmental regulations; the plan included a common vision, strategies and actions
- Welcomed LLDA of the Philippines as the ninth member of AECEN.
- Discussed possible areas by which AECEN can support the efforts of the Indonesian Ministry of Environment to improve local capacity for environmental compliance and enforcement and briefed the Indonesian Center for Environmental Law (ICEL) on AECEN, its objectives, organizational structure, priorities, specific activities (country level and regional).

Transboundary Conflict Management

- Continued discussing the MOU with MRC in order to move forward with project implementation.
- Attended the “Mekong Region Waters Dialogue” sponsored by The World Conservation Union (IUCN), Thailand Environment Institute, International Water Management Institute (IWMI), and Mekong Program on Water Environment and Resilience (M-POWER).

Communications and Reporting

- Launched AECEN website and began populating the site.
- PADCO finalized communications materials, including ECO-Asia and AECEN outreach materials (fact sheets, brochures, posters, and folders), and continued populating the ECO-Asia website.
- Managed press conference at the Philippine Sanitation Summit, which included 35 press people, exceeding the 20 press people invited before the event. The press conference generated further interest from the media and after the press conference several officials from the Department of Health, Department of Environment and Natural Resources, World Bank, and other sponsors were invited for radio and television interviews.
- Began developing the ECO-Asia e-newsletter.

4.0 Outstanding Issues

Outstanding issues for the next quarter will center on: (1) preparing and reporting first-year PMP data results to USAID; and (2) deepening activity planning and implementation. Key outstanding issues include:

- Ensuring timely and accurate submission of the first-year PMP data results to USAID
- Completing Thailand project office registration and coming into compliance with local labor, immigration, banking, and taxation requirements
- Working with the Government of India to get necessary approvals to operate as a project
- Completing MOU with MRC
- Organizing the 2006 AECEN Regional Forum; EPA Inspector Training course for members of the Vietnamese inspectorate; and environmental compliance and enforcement workshops at the Better Air Quality (BAQ), including a training by EPA
- Conceptualizing and launching the Water Utility Leadership Center - Asia
- Obtaining USAID approval to finalize small grant guidelines
- Continuing with activity implementation with strategic partners to ensure second-year results

5.0 Resource Leveraging and Sustainability

PADCO continued to work closely with RDM/A to implement ECO-Asia’s core implementation strategy of leveraging programming resources and capabilities with project partners, including USAID missions. In particular, we worked with representatives from ongoing bilateral mission programs in India (FIRE-D), Indonesia (ESP), Philippines (LINAW), and Sri Lanka (TALG) to implement specific activities and share project resources. Other efforts included partnering with the Philippine Judicial Academy (PHILJA) of the Supreme Court of the Philippines; United Nations Development Programme-Global Environment Facility-Small Grants Programme (GEF-SGP); HARIBON Foundation; the Philippine Environmental Management Bureau (EMB) central and regional offices; the Laguna Lake Development Authority (LLDA); U.S. Environmental Protection Agency (EPA); Thailand Pollution Control Department (PCD); the World Bank; Technical German Cooperation (GTZ); the Philippine Department of Health (DOH); the Energy Management Association of the Philippines (ENMAP); Provincial Waterworks Authority (PWA) of Thailand; and the Southeast Asian Water Utilities Network (SEAWUN).

6.0 Performance Objectives for Next Quarter

In the first quarter of performance for FY07, PADCO will focus on activity implementation per the 2007 work plan. Key performance objectives for the quarter will include:

- Conducting a 2007 Work Planning meeting with all staff to design program activities and allocate resources to ensure effective programming and results.
- Completing or launching pilots in water (Bandung, Pune, Bangkok, Bac Ninh), sanitation (San Fernando, Nuwara Eliya, Marikina, and Halong), environmental enforcement (Thailand, Philippines, Vietnam), indicators (Philippines, Thailand, Vietnam), and program assessments (India, Sri Lanka, Indonesia).
- Facilitating the 2006 AECEN Regional Forum, assisting EPA in conducting the Inspector’s Training for Vietnamese participants, meeting with the Vietnam Ministry of Natural Resources and Environment to discuss the work plan for FY2007, and meeting with EPA to discuss FY2007 activities.
- Facilitating the environmental compliance and enforcement workshops and trainings for the BAQ conference.
- Meeting with main project partners (e.g., target cities, AECEN national coordinators) to continue activity design and implementation for priority country and regional activities.
- Receiving approval for grants procedures and issuing small grants in support of project activities.
- Completing MOUs with MRC and other key partners.
- Finalizing project/office approvals in Thailand, India and Vietnam.
- Continuing planning for establishing the Water Utility Leadership Center - Asia.
- Subjecting the refined Philippine environmental compliance and enforcement indicators to a public consultation and then presenting them to the Environmental Management Bureau of the Department of Environment and Natural Resources (EMB-DENR) for final adoption.
- Beginning preparations for the rapid assessment of environmental compliance and enforcement for Indonesia, which will be undertaken by ICEL under the direct guidance of Deputy Minister of the Environment.
- Launching the ECO-Asia quarterly e-newsletter.
- Continuing to improve website and outreach materials

7.0 Expenditures by Contract Budget Category
