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# ADVANCING THE BLUE REVOLUTION INITIATIVE

**QUARTERLY REPORT 4: APRIL – JUNE 2008**

**AUGUST 2008**

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**DISCLAIMER**

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



## **PREFACE**

The United States Agency for International Development (USAID), through its Washington D.C.-based Bureaus for the Middle East (ME) and for Africa (AFR), and through its Office of Middle East Programs (OMEP) housed in USAID/Egypt, has contracted Development Alternatives, Inc. (DAI) to implement a task order called Advancing the Blue Revolution Initiative (ABRI) under the Water Indefinite Quantity Contract II. The effective dates of the contract are May 1, 2007 through April 30, 2010. ABRI has personnel based in Cairo, Egypt and Bethesda, Maryland, and engages technical expertise and subcontractors throughout the Middle East and will increasingly in Africa.

DAI submits progress reports three weeks after the close of each quarter providing details on the status of implementation activities. The reports include a discussion of operational problems and policy constraints encountered; proposed solutions; subsequent work plan modifications; and a schedule of activities for the upcoming quarter. DAI provides updates on project finances and expenditure of personnel level of effort directly to USAID and separate from the quarterly reports.

More detailed information on ABRI is available in other reports for readers who may not be familiar with the project. These reports are available from our project offices and USAID.

Peter Reiss  
Chief of Party  
Cairo, Egypt  
USAID/Advancing the Blue Revolution Initiative  
Development Alternatives, Inc.



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# ACRONYMS AND ABBREVIATIONS

ACWUA	Arab Countries Water Utilities Association
ADWEA	Abu Dhabi Water and Electricity Authority
AFR	Bureau for Africa
ANE	Bureau for Asia and the Near East
AWCA	Arab Water Council
AWWA	American Water Works Association
BOT	Build Operate Transfer
BRI	Blue Revolution Initiative
CTO	Cognizant Technical Officer
DCA	Development Credit Authority
DSI	Devlet Su Isleri or State Water Works
EQI	Environmental Quality International
CEDARE	Center for Environment and Development for the Arab Region and Europe
EGAT	USAID Bureau for Economic Growth, Agriculture, and Trade
ESCWA	Economic and Social Commission for Western Asia (United Nations)
ETIC	Euphrates-Tigris Initiative for Cooperation
GAP	Greater Anatolia Project
GDA	Global Development Alliance
GDP	Gross Domestic Product
GOE	Government of Egypt
GTZ	Gesellschaft fuer Technische Zusammenarbeit (German aid organization)
GWC	Global Water Challenge
ICT	Information and Communication Technology
IDARA	Instituting Water Demand Management in Jordan Program (USAID)
IFC	International Finance Corporation
IP3	Institute for Public-Private Partnerships
JEWEL	Jordan Education for Water and Environmental Leadership
JUST	Jordan University for Science and Technology
MDG	Millennium Development Goal
NWSC	National Water and Sewage Corporation
O&M	Operation and Maintenance
OES	Bureau of Oceans and International Environmental and Scientific Affairs
O/MEA	Office of Middle East Affairs
OMEPA	USAID Office of Middle East Programs
PMP	Performance Monitoring Plan
PWRF	Philippines Water Revolving Fund Program (USAID)
SIWI	Stockholm International Water Institute
UNESCO	United Nations Educational, Scientific and Cultural Organization
WBCSD	World Business Council on Sustainable Development
WEF	Water Environment Federation
WEForum	World Economic Forum



# EXECUTIVE SUMMARY

Advancing the Blue Revolution Initiative (ABRI) addresses some of the most challenging water issues in the Middle East and Africa: the lack of access by the poor to improved water and sanitation services, inefficient and nonproductive water use, and transboundary river basin management. USAID manages and funds this contract through its Bureaus for the Middle East<sup>1</sup> and for Africa (AFR), and through its Office for Middle East Programs (OMEPE) housed in USAID/Egypt. The period of implementation is three years from May 2007 through April 2010. Development Alternatives, Inc. (DAI) serves as the prime contractor on the program. DAI implements the program with personnel based in Cairo, Egypt and Bethesda, Maryland and through the engagement of technical expertise and subcontractors throughout the Middle East and Africa.

This report presents the status of implementation for Quarter 4, the period of April – June 2008. The report follows the broad outline stated in the contract. It details the status of implementation activities, problems encountered, and proposed solutions and work plan modifications, schedule of activities for the next quarter, performance per planned targets, and updates on level of effort and budgetary expenditures. As appropriate, each of those main sections is divided in terms of the five major ABRI tasks and respective activities, namely:

- Task 1. Promote transboundary water cooperation to improve water security.
- Task 2. Improve water resources management.
- Task 3. Improve water supply and sanitation services.
- Task 4. Overarching program support.
- Task 5. Program management.

Major actions and achievements during the past quarter include the following.

- **Transboundary water.** ABRI convened a week-long meeting in Cairo of Track 2 technical experts from Turkey, Syria, and Kent State University under the auspices of the Euphrates-Tigris Initiative for Cooperation during which participants jointly designed a technical activity on data management and data harmonization.
- **Future water leaders.** The team received more than 100 applications for the program and selected 26 participants and nine alternates. We also engaged three instructors and began detailed planning for the first module, to be held in August.
- **Co-investment.** The co-investment team made extensive contact with potential partners from the public and private sectors, completed its market research and submitted a Mapping of Alliance and Partnership Opportunities along with a detailed implementation plan for June – December, 2008.
- **Africa Bureau Support.** ABRI helped design, organize, and host a three-day training program in Dar es Salaam, Tanzania to provide twenty USAID personnel from sixteen missions from the Africa region with a better understanding of the water earmark requirements and share best practices in water supply and sanitation.
- **Water for the Poor response.** Finalized the development and publication of two documents, the Joint USAID-State Framework for Action in the Water Sector, and the 2008 Paul Simon Water for the Poor Act report.

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<sup>1</sup> When the contract began, the Bureau for the Middle East was called the Bureau for Asia and the Near East (ANE). The abbreviation ANE is used frequently in project documents.



# 1. STATUS OF IMPLEMENTATION ACTIVITIES

## TASK 1: PROMOTE TRANSBOUNDARY WATER COOPERATION TO IMPROVE WATER SECURITY

### Activity 1.1: Design a Transboundary River Basin Conference for the Middle East, Africa, and Asia

Activity personnel: Peter Reiss (activity manager/ABRI COP).

- The COP talked with a potential workshop facilitator about design and convening the meeting, and with the CTO about follow-up with USAID/RDMA and ECO-Asia about the Mekong component.

### Activity 1.2: Reach Agreement on a Track 1 Joint Activity on the Tigris-Euphrates

- On hold, subject to a request from the Department of State for ABRI services.

### Activity 1.3: Design a Track 2 Shared Initiative by Riparians on the Tigris-Euphrates

Activity personnel: Peter Reiss (activity manager/ABRI COP).

- ABRI worked with Kent State University and ETIC to convene a week long meeting of riparians from Turkey, Iraq and Syria in Cairo during the week of April 5. ABRI made extensive plans to prepare for the visit, including identifying members from universities and NGOs in the U.S. Despite strenuous efforts by ABRI to secure entry visas for Iraqi participants, the Government of Egypt refused to issue them. The participants in the design meeting included:
  - Dr. Ayman Abdulrahman, Dean, Faculty of Civil Engineering, Al Furat, University, Raqqa, Syria.
  - Ms. Ceren Ayas, Freshwater Program Officer, WWF-Turkey, Istanbul, Turkey.
  - Eng. Moustafa Aydogdu, Acting General Secretary, Harran University, Sanliurfa, Turkey.
  - Dr. Mehmet Cullu, Dean, Faculty of Agriculture and Professor, Soil Science Department, Harran University, Sanliurfa, Turkey.
  - Eng. Ra'ed Daoud, Managing Director, ECO Consult, Amman, Jordan.
  - Dr. Robert Heath, Director of Water Resources Institute, Kent State University, Ohio, USA.
  - Dr. Peter Reiss, ABRI Director, DAI, Cairo, Egypt.
  - Dr. Faisal Rifai, Professor of Hydraulic Engineering, Aleppo University, Aleppo, Syria.
  - Dr. Linda Robertson, Kent State University, Ohio, USA.
- Outcomes of the design meeting included:
  - Identification of major areas of focus for a joint technical effort among riparians from Iraq, Syria, and Turkey and agreement on one: data management and data harmonization as core.
  - Design and develop a detailed work plan for a joint technical activity to be funded and implemented under the ABRI umbrella and from other sources.
  - Clarified partnership roles and relationships among the riparian experts and entities.
  - Agreement on immediate next steps to get the activity moving as quickly as possible.

During the meeting, participants identified 21 potential activities from developing a regional atlas to exploring water valuation approaches to examining the impact of global warming. We then jointly identified 12 criteria for activity selection, and in turn settled on six of priority importance by which to rate them: (1) significance to riparians, (2) innovation, (3) broad interest, (4) fostering cooperation, (5) sustainability, and (6) strong impact. We then reviewed each potential activity against these criteria. As the discussions proceeded, participants unanimously determined that the most promising and rewarding course of action would be to focus on jointly developing tools and approaches for inventorying and harmonizing water resources data in the public domain.

This activity directly confronts one of the most critical issues in any transboundary basin: the management and use of water resources data. Water resources data are almost always at the heart of any issue, misunderstanding, or conflict on a shared water resource. These suspicions undermine cooperation for planning and development. Our focus is on developing an inventory of available data from all sources so that experts from the three countries may know what is readily available to them. We seek to identify the kinds of data, cataloging them with sufficient detail and cross-referencing. Our interest is in using this effort to foster collaboration and build confidence among experts from the three countries. In addition, we focus on the harmonization of data, on the consistency of data collection and analysis, so that researchers and others can use them across the region with greater ease and accuracy. Beyond the cataloging and harmonization, we intend to put these efforts in action by encouraging joint activities by experts in the three countries, including supporting masters level students who work jointly with Iraqi, Syrian, and Turkish colleagues. We believe the design is innovative, exciting, and doable. This section details the following five tasks that were identified by the design team. They form the core of the activity:

- Advancement and Outreach
- Data Inventory
- Data Harmonization
- Capacity Building
- Clearinghouse

The activity has five tasks:

**Task 1: Advancement and Outreach.** The task will achieve impact and sustainability through spreading information about the joint activity among regional NGOs and international community. The rationale of the task is to mobilize the participation of the NGOs in the activity and to make the funding agencies aware of the value of ABRI/ETIC joint activity and the partnership among the universities and to engage other agencies in sustainability effort and co-investment for joint activity.

**Task 2: Data Inventory.** Data sets and resources are lacking in the T E Region. It can be avoided by finding prepared data that is current, available, easily interpreted and cost effective. Effective management of water resources requires current and accurate information which can be used to recognize changes in water based studies and to link these trends with their likely causes. This is a task to create and maintain a data exchange network for T E Region focusing on Water, development, irrigation, soils, socio-economics, health, climate, environment, supplies and demands information. This task will collect, process, and make available on the Internet a broad range of water and development based on above mentioned data's on the T E Region. Assemble these data's that spans to the Region, and assist in providing training on content and applications of these data by Internet access to them. Data items include water, development, irrigation, soils, socio-economics, health, climate, environment, supplies and demands. By means of this task comprises the search for data from regional and international resources, compilation of data sets in a standard format. In other words, it is a data resource development. The rationale for this task is to provide for research and decision makers, and practitioners.

**Task 3: Data Harmonization.** There is an increasing awareness of common interests and concerns among the riparians of the Tigris – Euphrates region regarding such matters as inexpensive availability of drinking water, efficient sanitation facilities, and issues regarding regional development related to availability of water for agricultural and industrial development. There is a need for information sharing and collaborative discussion of workable solutions to these problems experienced by TE riparians. Precise comparison of approaches toward solution of these regional concerns shared in common by peoples in Turkey, Syria and Iraq requires a common approach to collecting, retrieving, analyzing, and storing water resources data among academics, engineers, and other interested parties involved in these discussions. Data shared among colleagues needs to be harmonized into a given format useful for purposes of comparison of technologies, mapping, regional planning development, and for long-term reference.

Data related to surface water, ground water, and land use must be coordinated in a uniform manner to permit regional approaches to be envisioned in order to manage and protect transboundary water resources effectively. Joint modeling by riparian parties needs to be performed and this requires agreed upon digital data exchange formats. Currently data related to water availability, use and disposal in the TE region are collected in an unknown variety of procedures, manipulated in a variety of ways, stored and retrieved on a variety of hardware platforms, using a variety of software programs. In short, the data are not harmonized. In the current situation little collaborative discussion can be held in a substantive manner because of this lack of harmonization.

**Task 4: Capacity Building.** The task of capacity building aims to improve collaboratively the technical skills on data management of practitioners with particular interest on six universities in Iraq, Syria and Turkey. Data collection, compilation, and analysis are the basis for development planning programs. Each of the three countries has data in its own format and some of them consider certain information as classified. Some data on water and development in one country may be scattered among various institutions and in some cases written in more than one language. The task will respond to the demand for a uniform data framework in the TE Region that may help in planning the development programs of the Region. The task will improve data management capabilities for faculty, graduate students, government officials, NGOs and other stakeholders. The Task will produce harmonized framework for methodology, standards and planning for data in the three countries. Collaborative capacity building programs will highlight the value of the cooperation initiative in the TE Region and internationally. Implementing the task will result in establishing institutionalized approaches for data management, which may be used by six riparian universities, government departments, NGOs and other stakeholders in the TE Region. The task will produce faculty, graduate students, government employees and NGOs personnel with the skills and tools to support regional cooperation on data management in the TE Region.

**Task 5: Clearinghouse.** Efforts to exchange ideas, scholarship, and technical capabilities among riparians in the TE region would be greatly enhanced by an electronically-retrievable clearinghouse of information, technical news reports, and summaries of published technical articles. To have this clearinghouse serve to maximum effectiveness it is necessary to provide these services in all three languages used the TE region: Arabic, Turkish, and English. Such an e-clearinghouse of information, with keyword indexing, would not only be useful to riparian scholars involved in international collaboration, it would also be useful to governments in the region. Furthermore, it would serve as an information source to the international community as a whole.

#### **Activity 1.4: Assess Transboundary Aquifer Opportunities for Joint Action**

- During the period, ABRI has decided in consultation with USAID to delete this effort from the 2008-20089 workplan, given the limits on funding.

#### **Activity 1.5: Explore Opportunities for BRI Interventions on the Nile River Basin**

Activity personnel: Peter Reiss (activity manager/ABRI COP).

- In consultation with USAID, ABRI has deleted this activity from its workplan. Engagement on the Nile is most likely to come with Activity 1.1 – the regional basin management workshop.

### **TASK 2: IMPROVE WATER RESOURCES MANAGEMENT**

#### **Activity 2.1: Share Best Practices in Water Governance in the Middle East and Africa**

Activity personnel: Peter Reiss (activity manager/ABRI COP).

- This activity will focus on water valuation as a key governance tool. ABRI has held consultation in a number of countries in the Middle East, including Morocco, Lebanon, and Jordan to determine the interest of government officials and other stakeholders in moving head. So far, the response has been positive.

**Activity 2.2: Assess Domestic Aquifer Opportunities for Joint Action**

- Dr. Ali Farhan and Hydro-Yemen have been delegated responsibility for developing an activity in Yemen to support a water portfolio for USAID. They are meeting with government officials and other stakeholders, including donors, and are developing a scope of work.

**Activity 2.3: Integrate Irrigation Water User Participation into the Latest Commercialization and Private Sector Management Thinking**

Activity personnel: Stan Peabody (activity manager, STTA water users association specialist, DAI) and Amer Jabarin (STTA position, ECO Consult).

- The WUA team of Stan Peabody and Amer Jabarin visited Morocco during the period and so made the fourth of four country visits. Drawing on that visit, they completed and submitted their phase one final report, Water User Associations in the Middle East, with the following recommended next steps:
- **Issues Paper.** The team will submit a brief issues paper that proposes a series of issues that warrant further exploration or brainstorming, and a format for such exploration and brainstorming.
- **International Workshop.** Based on the issues paper, the workshop will focus is on ways to enable WUAs to integrate water and agriculture to help farmers increase their incomes while using less water. Participants will include representatives of WUAs, Water Agencies, Private Sector, and international agencies. Participants will prepare brief papers on the status of the issue from their perspectives, identifying opportunities and constraints, based on national experience. If possible, the workshop will include a field visit. The likely date of a workshop is late November 2008 in Egypt.
- **Working Group.** A principal objective of the workshop will be to create a working group that would continue the dialogue and set the agenda for 3-4 subsequent roundtables to enable participants to continue the discussion and lead to concrete proposals to test hypotheses and apply lessons learned during the remainder of ABRI.

**Activity 2.4: Expand Information and Communication Technology in the Water Sector through Private Sector Partnerships**

- This activity has been subsumed into Activity 4.2, focused on private sector and foundation co-investment. The design of that activity already incorporates information and communication technology and private sector partnerships.

**TASK 3: IMPROVE WATER SUPPLY AND SANITATION SERVICES****Activity 3.1: Support the Arab Countries Water Utilities Association to Implement Successful Practices in Water and Sanitation Utilities**

Activity personnel: Del McCluskey (activity manager/principal development specialist, DAI) and Peter Reiss (ABRI COP).

- Exchanged e-mails and held meetings with GTZ, UN-ESCWA, and with Mohamed El-Alfy of EWRA to discuss plans to support the "Reaching the Poor" Technical Working Group of ACWUA. Agreed to host meeting of the Working Group in conjunction with planned ACWUA meeting to be held in Cairo in mid July.

**Activity 3.2: Mobilize Domestic Financing for Safe Water and Sanitation Infrastructure**

Activity personnel: Del McCluskey (activity manager).

- No work was conducted on this activity during the past quarter.

### Activity 3.3: Evaluate the PlayPumps Program in South Africa

- With the concurrence of USAID, this activity was removed from the ABRI work plan during the October-December 2007 quarter.

## TASK 4: OVERARCHING PROGRAM SUPPORT

### Activity 4.1: Launch the Future Water Leaders Program in the Middle East and Africa

Activity personnel: Dan Rothberg (ABRI DCOP), Manar Fayyad (senior advisor), and Samir Shawky (logistics and training specialist).

- The program announcement and application materials were released on April 1. The announcement was sent to over 200 people, placed on listservs, and made available via the website, [www.bluevolutioninitiative.net](http://www.bluevolutioninitiative.net)
- We received 105 applications by the May 1 deadline. Application details are summarized as follows:

**TABLE 1: APPLICANT DATA**

Summary			Proposing Country *		
Total	105		Jordan	29	(10)
Male	83		Egypt	22	(1)
Female	22		Iraq	16	(2)
<b>Organization Type *</b>			West Bank/Gaza	15	(7)
			Yemen	8	
University	27	(8)	Morocco	5	
Utility	24	(1)	Algeria	3	(1)
National Government	22	(5)	Lebanon	3	(1)
NGO	14	(3)	Tunisia	2	
City/Municipality	8	(1)	UAE **	2	
Private Sector	8	(3)	Libya	0	
Donor	2	(1)	Oman	0	

\* Female applicants in parentheses

\*\* UAE applicants are of Egyptian and Jordanian nationality

- Manar Fayyad, Samir Shawky, Peter Reiss, and Dan Rothberg reviewed all applications, and made individual phone calls to over forty high ranking applicants. All applicant review procedures have been documented and maintained in ABRI files.
- We submitted a formal list of 26 recommended applicants and 10 waitlisted candidates to CTO John Wilson, copying Eric Viala, on May 19, in order for USAID to conduct further internal vetting of candidates. Eric Viala provided concurrence to proceed with the recommended applicants on June 3. Details on the participants are as follows:

**TABLE 2: PARTICIPANT DATA**

Summary			Proposing Country *		
Total	26		Jordan	4	(1)
Male	19		Egypt	4	
Female	7		Iraq	3	(1)
<b>Organization Type *</b>			West Bank/Gaza	5	(4)

			Yemen	3	
University	3	(1)	Morocco	3	
Utility	10		Algeria	1	(1)
National Government	7	(2)	Lebanon	1	
NGO	2	(1)	Tunisia	1	
City/Municipality	1	(1)	UAE **	1	
Private Sector	2	(1)	Libya	0	
Donor	1	(1)	Oman	0	

\* Female applicants in parentheses

\*\* UAE applicant is of Jordanian nationality

- Upon concurrence from USAID, ABRI personnel in Cairo and Bethesda collected "training commitment" letters from participants, secured health and accident insurance coverage on their behalf, and made flight reservations for their travel to the first module in Amman.
- ABRI engaged three instructors for Module 1: Dr. Elizabeth Kleemeier, an American political scientist with professional expertise on community based water supply and sanitation; Dr. Munjed Al Sharif, a Jordanian engineer with expertise on decentralized sanitation systems; and Dr. Dima Jamali, a Lebanese expert in change management. The three instructors met in Cairo on June 30 to plan the detailed course content of the first module.

#### Activity 4.2: Mobilize Private Sector and Foundation Co-investment for a Water Revolution

Activity personnel: Kristina Kohler (activity manager, public-private partnership specialist, DAI) and Nematalla Guenena (public-private partnership specialist, EQI).

#### ABRI Program Related Activities

- **ACWUA** – Kohler met with American Water Works Association (AWWA) and Water Environment Federation (WEF) and identified various areas for collaboration to support ACWUA activities such as association capacity building, training/curriculum sharing, membership discounts and specific program integration with WEF Young Professional network and the WEF International Committee.
- **Data Management for Tigris-Euphrates** – Guenena and Reiss met with Dr. Tarek Murak from the Dutch embassy in Cairo to update him on project activities and explore how the Netherlands could financially support the Tigris-Euphrates activity. Reiss and Guenena will prepare a formal letter requesting the support of the Netherlands for Syrian participation in the activity. At the UN-CSD, Kohler learned that the Swedes are very interested in transboundary water programs.
- **Future Water Leaders** – Following the UN-CSD, Kohler set up follow-up calls with United National University (UNU), William Davidson Institute (running the USAID JEWEL program in Jordan) and Water & Sanitation for the Urban Poor (WSUP) to identify specific areas on how these organizations could support the Future Water Leaders program, either with program content, curriculum expertise or online training tools to leverage the program in the future.
- **Improved Water Use Efficiency & Commercialization for WUAs** – Following the Ceres conference, Kohler had follow-up conversation with Syngenta to learn more about their corporate water strategy and explore how to capitalize on each other's networks in Africa which is a primary growth market for the company. Syngenta invited ABRI/USAID to participate in their water strategy consultation; unfortunately, no-one could attend given the short notice. However, we are targeting to include Syngenta in the fall workshop as they are a leader in the agriculture/water sector and have a strong presence in Egypt.
- **Roundtables for Private Sector in the Middle East** – Following initial outreach and meetings conducted by Guenena, she and Chief of Party, Peter Reiss, gave presentations to representatives of major engineering and accounting firms, banks and other private sector companies at the American Chamber of Commerce (AmCham) and the British-Egyptian Business

Association (BEBA) in Cairo, Egypt in June. The attending companies expressed great interest in the topic and in learning more. Thereupon, Guenena and Reiss agreed with BEBA and the Rotary Club of Giza to make follow-on presentations targeted for fall of 2008. Additionally, AmCham expressed interest in ABRI helping to establish a clearinghouse or knowledge unit within the Chamber, to better inform its members on water related issues such as legislation, new technologies, innovative tools, funds, business opportunities, tenders, events, conference, etc. The Egyptian Federation of Industries also expressed interest in having ABRI present to 16 chambers during the fall. Guenena has also initiated communications with Ra'ed Daoud in Jordan and with Bassam Jabber in Lebanon in preparation for roundtables in those countries for the fall of 2008.

- **New Financing Mechanisms for Water** – In order to begin scope for this activity, Kohler began market research on who is doing what on water financing. In addition to attending the Water Industry Summit, she met with Acumen Fund to learn about their “missing middle” investment model as well as with Debra Coy from Janney Montgomery Scott to identify the different investor categories, get references, R&D reports and explore opportunities to include ABRI/USAID on future conference panels and gain entry into the institutional investor community. Kohler also started reaching out the “micro credit for water” community and attended presentations by the USAID microfinance group and by International Private Water Association on Water Credit Initiative by WaterPartners International.
- **Utility Capacity Building** – Following UN-CSD, Kohler organized a follow-up call with UN-Habitat to connect ABRI to the Global Water Operators Partnerships (GWOPs) program, resulting in USAID being invited as participant to the African WOPs regional workshops and as speaker on UN-Habitat’s GWOPs panel at Stockholm’s World Water Week.

#### Marketing & Reporting Activities

- **Mapping of Alliance and Partnership Opportunities** – Having conducted market research on key partnership target categories and vetted the initial co-investment strategy, Kohler and Guenena submitted a refined strategic document that laid out (1) the top trends in the water sector, (2) the implications of these trends for USAID on the whole and for the ABRI program specifically, and (3) the implementation plan for the next seven months (June – December 2008). We also updated the Work Plan for Year 2 to reflect the prioritized activities and high impact partner targets.
- **Presentations** – Guenena and Reiss created powerpoint presentations for the private sector roundtables held in Cairo, Egypt in June at the AmCham and BEBA.

#### Prospecting

- **Conferences** – Kohler attended four conferences hosted by associations, a multilateral donor and a private sector investor platform in order to identify industry leaders, make contacts and introduce ABRI to targeted financial investors, private sector companies, NGOs and foundations that have expressed strategic interest in ABRI-related activities. The conferences attended (and the stakeholder groups which were present) include: Ceres Annual Conference (financial institutions, socially responsible investment funds, CSR active corporations and environmental NGOs), Water Industry Summit (institutional investors and private sector water supply and services companies), Council on Foundations Annual Conference (private and corporate foundations, and European foundation associations), and the United Nations Commission on Sustainable Development (UN-CSD members including NGOs, private sector, government and multi-lateral/UN groups). Detailed conference reports, contacts made and opportunities identified are available upon request.
- **Foundations & Bi-lateral Donors** – Guenena met with the Danish Embassy’s environmental coordinator of the Schiller Project to introduce ABRI, learn about their current water portfolio and CSR program. She learned that they are phasing out their water portfolio in Egypt and intensifying their efforts in Africa and that they have a CSR program working with the Egyptian private sector. Having spoken with a number of foundations at the Council on Foundations Conference, Kohler found that most are interested in sanitation and Africa. Thus, outreach to this

group will need to wait until the Africa strategy and ABRI's partnership development role is clarified by USAID.

- **Multi-lateral Donor (UNDP)** – Guenena met with UNDP in Cairo, to learn about their activities in the water sector in Egypt and the region and begin to identify potential areas for collaboration around the Future Water Leaders and transboundary issues. Following up, Kohler met with UNDP in NY and discussed next steps including collaboration around transboundary governance (e.g. Tigris-Euphrates activity), the CapNet program (e.g. utility capacity building) and participation in the UNDP international conference. Conversations with UNDP will be continued at World Water Week in Stockholm in August.

#### **Activity 4.3: Establish a Virtual Network of Water Training Centers in the Middle East and Africa**

- This activity has been dropped with the agreement of USAID.

#### **Activity 4.4: Design a Water Resources Strategy for the Africa Bureau**

Activity personnel: Del McCluskey (activity manager) and Jeremy Hagger (program management specialist, DAI).

- Prepared country profiles for more than 20 countries receiving assistance from USAID in the AFR region. Profiles provide USAID staff with the latest statistics on access to safe water and sanitation, the current country priorities as described in the country plans for achieving the Millennium Development Goals, and the support being provided by major donors such as the African Development Bank, World Bank, WSP, GTZ, USAID, and MCC.

#### **Activity 4.5: Support to AFR Missions**

- In partnership with USAID/EGAT and AFR Bureaus, we helped design, organize, and host a three-day training program in Dar es Salaam, Tanzania to provide Mission staff from the Africa region with a better understanding of the water earmark requirements, share best practices and lessons learned in water supply and sanitation (especially water utilities), and provide information on the resources that Missions can draw upon for help in planning and designing new programs and activities that meet the earmark objectives. Twenty participants, representing sixteen different USAID missions and office in the region, attended the workshop.

#### **Activity 4.6. Water for the Poor Response – Joint State-USAID Strategy**

- Finalized the development and publication of the Joint USAID-State Framework for Action in the Water Sector. This Framework provides an overall plan for how USAID will prioritize and program resources for water-related programs around the world. This Framework was included as an annex to the 2008 Paul Simon Water for the Poor Act Report to Congress in June, 2008.
- Helped finalize and published the 2008 Paul Simon Water for the Poor Act report meeting the June 2 deadline for distribution to Congress. U.S. State Department personnel praised our efforts and the quality of the report.

## **TASK 5. PROGRAM MANAGEMENT**

The first three activities of Task 5 are 5.1 (Coordinate Program Start-Up), 5.2 (Establish BRI Field Office in Cairo and Train Field Staff), and 5.3 (Provide Program Management). At this point in the project life-cycle, we report on all three activities as one under the heading of Activity 5.3.

### **Activity 5.3 Provide Program Management**

Activity personnel: Peter Reiss (activity manager), Dan Rothberg (DCoP), Alaa Hafez (program accountant and coordinator/Cairo), and Hilary Langer (project coordinator/Bethesda).

- We engaged a full-time accountant and project coordinator in the Cairo office, Ms. Alaa Hafez of Egypt.
- A DAI information technology specialist visited the Cairo office to set up the local area network and engage an Egyptian computer support firm on a retainer basis.

### **Activity 5.4: Create a Network of Regional Champions**

Activity personnel: Peter Reiss (activity manager).

- This discrete activity has been deleted and is being implemented through other activities.

## 2. OPERATIONAL PROBLEMS AND SOLUTIONS

- **Activity 1.3:** As ABRI proceeds with plans to implement the Track 2 effort with riparians from the Tigris-Euphrates, it is increasingly important and urgent for USAID to determine if program funds can be used to cover Syrian participation. DAI covered the costs of Syrian participation in the Cairo design workshop in March, but it is unable to sustain that participation in the long run. If ABRI funds cannot be used, then outside sources of funding are needed. ETIC has been clear in stating that all riparians must be engaged. ABRI is in agreement philosophically and requires clarity.
- **Activity 4.1:** While we originally planned to hold the first Future Water Leaders module in Cairo, because of the difficulty of securing visas for Iraqi participants to Egypt, we changed the location to Amman, Jordan. Also, one applicant who was accepted to the program, a woman from Lebanon, declined to participate further as she determined, due to political conditions in Lebanon, to emigrate to Canada. With no similarly qualified applicants from Lebanon on the waiting list, we offered the opportunity to a woman from the West Bank, who accepted.
- **Activity 5.3:** Program Management. With the relocation of the ABRI Chief of Party to Cairo in December 2007, it has become increasingly clear that the organizational structure of the team is out of balance with the requirements of the program. A large contingent remains in place in Bethesda while the COP has only a single program associate. To correct this, the COP has hired a full-time accountant/financial manager to do bank reconciliations, field expense reports, budgeting, expenditure tracking, procurements, and other administrative tasks. However, an imbalance remains. DAI and program management are actively recruiting a DCOP for immediate engagement.

## **3. SCHEDULE OF ACTIVITIES: JULY – SEPTEMBER 2008**

### **TASK 1: PROMOTE TRANSBOUNDARY WATER COOPERATION TO IMPROVE WATER SECURITY**

#### **Activity 1.1: Design a Transboundary River Basin Conference for the Middle East, Africa, and Asia**

- Prepare a scope of work
- Determine USAID's commitment to carrying out the workshop and working groups given funding limitations
- Engage Kathy Alison from TRG as convener and designer of the workshop

#### **Activity 1.3: Design a Track 2 Shared Initiative by Riparians on the Tigris-Euphrates**

- Hold the regional start-up meeting in Turkey prepare a detailed workplan.

#### **Activity 1.4: Assess Transboundary Aquifer Opportunities for Joint Action**

- None

### **TASK 2: IMPROVE WATER RESOURCES MANAGEMENT**

#### **Activity 2.1: Share Best Practices in Water Governance in the Middle East and Africa**

- Prepare a scope of work for a water valuation activity.

#### **Activity 2.3: Integrate Irrigation Water User Participation into the Latest Commercialization and Private Sector Management Thinking**

- Prepare for a series of working group meeting following submission of the phase one report.

### **TASK 3: IMPROVE WATER SUPPLY AND SANITATION SERVICES**

#### **Activity 3.1: Support the Arab Countries Water Utilities Association to Implement Successful Practices in Water and Sanitation Utilities**

- Will help Mohamed El Alfy organize and host a meeting of the ACWUA "Reaching the Poor" Technical Working Group in July 2008. We have subcontracted with ECO Consult of Jordan to help with the meeting's organization and facilitation. Del McCluskey and Peter Reiss will attend.
- We have been asked by USAID/AFR to begin planning for a series of workshops aimed at water utility leaders, water sector regulators, and potentially policy makers for the last quarter of this year. Del McCluskey and Walter Weaver are planning to attend scheduled meetings of the African Water Operator's Partnerships in September and October to meet with WSP and water utilities and discuss plans for how ABRI can contribute to improving utility performance through training.

#### **Activity 3.2: Mobilize Domestic Financing for Safe Water and Sanitation Infrastructure**

- We have been asked by USAID/AFR to begin planning for a series of workshops aimed at water utility leaders, water sector regulators and potentially policy makers for the last quarter of this year. ABRI will meet with the Bureau for Africa to discuss plans for these workshops and other activities.

**TASK 4: OVERARCHING PROGRAM SUPPORT****Activity 4.1: Launch the Future Water Leaders Program in the Middle East and Africa**

- With the three instructors and logistics support personnel from Jordan, prepare the full technical and administrative details for the module in Amman, taking place from August 3-7, including: technical content and lesson plans, venue reservations, lodging reservations, engagement of guest speakers, field trip preparations, and transportation.
- Implement Module 1, Expanding Networks to Reach the Poor, with participants arriving in Amman, Jordan on August 2 and departing on August 8.
- Begin preparations for Module 2, Regulatory Reform, to be held in Cairo the week of November 30. Preparations include engagement of expert instructors, soliciting the Egypt Water Regulatory Agency as a formal host, and beginning the visa application procedure for the participants from Iraq and Gaza to travel to Egypt.

**Activity 4.2: Mobilize Private Sector and Foundation Co-investment for a Water Revolution****ABRI Program-Related Activities**

- **African Strategy** – Follow-up on initial contacts made by Jeremy Hagger at the first Africa Water Week in Tunis, Tunisia as well as Kohler's contacts at UN-CSD during Stockholm's World Water Week to explore areas of collaboration in support of water supply and sanitation activities in Africa. Kohler to follow-up with USAID's sanitation and EGAT groups to explore possible collaboration with Acumen Fund's investment recipients in toilet sanitation and micro (drip) irrigation technologies, and Ugandan water operators entrepreneurs-network.
- **Data Management for Tigris-Euphrates** – Once the organizational and financial structure of ETIC is clarified, the team will follow-up with bi-lateral donors and potential GIS technology companies to help manage and share the water data being captured by each geographic team.
- **Future Water Leaders** – the team will jointly discuss the elements necessary to engage companies in a strategic and long-term manner before engaging in financial solicitations for the program.
- **New Financing Mechanisms for Water** – Kohler will conduct targeted interviews to assess market interest and identify water financing innovation gaps in order to define how to best engage the investor community (e.g., institutional investors, venture capital funds, and social venture funds) and to narrow the scope for the financial roundtable activity.
- **Utility Capacity Building** – Further partnership conversations will be held with UN-Habitat at the World Water Week in Stockholm in August. Once activity requirements are clear for Africa WOPs and ACWUA, we can continue discussions with AWWA, WEF and others.
- **Water Valuation** – Since the Water Valuation Scope of Work has been finalized, we can now pick-up on conversations initiated with Ceres, Pacific Institute, AquaFed and others regarding their potential involvement in this activity.

**Marketing Activities**

- **Outreach Calendar** – Kohler will finalize research on and calls to appropriate international outreach venues (e.g. World Water Forum, IWA, Arab Water Forum, GLOBE, Ceres, Industry Water Summit, World Water Week) to identify and prioritize the venues. This will be based on a cost-benefit evaluation (e.g. overall effort to organize panel and/or attendance against anticipated reach/impact and cost) and discussed with the team.

**Prospecting**

- **Corporate Engagement** – The team will work through WBSCD, Water Footprint Network, and the UN's CEO Water Mandate to determine the most effective way to present the ABRI program activities to the member companies of the water task forces established in these networks with representation in the Middle East. We will work through Eric Viala to coordinate these efforts also with the World Economic Forum Middle East activities.

- **Donor Outreach** – Guenena will contact donors such as Kuwait Fund for Arab and Economic Development (KFAED), Abu Dhabi Fund for Development and the Arab Fund for Economic and Social Development (AFESD). She will also explore private sector outreach collaboration with Danida Egypt’s CSR program representative.
- **World Water Week** – The team will attend Stockholm’s World Water Week, August 17-23, to raise international awareness of the ABRI program; coordinate and invite targeted leaders to an ABRI closed meeting during which we will introduce the program to a broader international audience and start to identify areas for collaboration; present and highlight USAID’s leadership in innovative financing by hosting a panel.
- **Ongoing Partnership Development** – the team will continue conversations and explore collaboration opportunities with association and network targets identified during World Water Week and former conversations, including WEF, SIWI, Ceres, UN-Habitat, WBCSD, World Economic Forum, WSUP, Federation of Egyptian Industries, Federation of United Arab Emirates Chambers of Commerce and Industry (FCCI), American Chamber of Commerce (in Egypt) among others.

#### **Activity 4.5: Support to AFR Missions**

- The AFR Bureau has asked us to plan additional training programs for USAID staff in the AFR region that will follow up on training provided in June. We are awaiting further instructions in terms of topics and timing before proceeding with further planning.
- We have been asked by USAID/EGAT and AFR to help prepare guidelines that USAID missions can use when programming water earmark funds. This request is pending further discussions within the EGAT water team and AFR Bureaus.

#### **Activity 4.6. Water for the Poor Response – Joint State-USAID Strategy**

- Activity is completed.

### **TASK 5. PROGRAM MANAGEMENT**

#### **Activity 5.3 Provide Program Management**

- Recruit and engage a Cairo-based Deputy Chief of Party and/or senior activity manager to assist with and lead multiple managerial and technical activities.



## **ANNEX A. ABRI PUBLICATIONS TO DATE**

1. ABRI Quarter 5 Report: April – June 2008. August 2008
2. ABR Year Two Workplan. July 2008
3. Mapping of Alliance and Partnership Opportunities and Implementation Plan. June 2008
4. Water User Associations in the Middle East: Drivers for Commercialization and Improved Water Management? June 2008
5. Quarter 4 Report: January – March 2008. April 2008.
6. Future Water Leaders Program Announcement and Application. April 2008.
7. ABRI Co-investment Strategy. March 2008.
8. Water User Associations in the Middle East: Preliminary Findings and Next Steps. March 2008.
9. ABRI Quarter 3 Report: October – December 2007. January 2008.
10. Assessing Transboundary and Domestic Aquifer Opportunities for Joint Action in Yemen, Jordan, and Saudi Arabia. January 2008.
11. ABRI Quarters 1 and 2 Report: May – September 2007. November 2007.
12. Bujagali Dam Environmental Mitigation Assessment. August 2007.
13. ABRI Year One Workplan. June 2007.