



**SUPPORT FOR ECONOMIC GROWTH AND  
INSTITUTIONAL REFORM:  
LEGAL AND INSTITUTIONAL REFORM IQC**

Contract No. PCE-I-00-97-00039-00

Quarterly Progress Report  
January 1 - March 31, 2001

Submitted to:  
U.S. Agency for International Development

Submitted by:



CHEMONICS INTERNATIONAL INC.

April 2001

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**Chemonics Consortium  
Quarterly Progress Report  
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***SEGIR Indefinite Quantity Contract for Legal and Institutional Reform***

**USAID Contract No. PCE-I-00-97-00039-00**

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**A. CONSORTIUM MANAGEMENT**

Given the increasing difficulty of personnel recruitment based the IQC approved levels of compensation, Chemonics requests USAID's consideration to raise the prime contract's daily rate maximum amount from \$443.52 to \$483.46.

**B. ACCOMPLISHMENTS DURING THE REPORTING PERIOD**

**B1. Active Task Orders**

**USAID/Jordan – Technical Support and Assessment of Training Needs and Training for Procurement and Project Management Personnel of the Ministry of Water and Irrigation, Task Order No. 804, February 25, 1999 – May 31, 2001, Ceiling Price \$1,261,013**

*HO Project Management Unit: Kim Nilson, project manager; and Naureen Tadros, assistant project administrator.*

Task Order Objective

Enable the Water Authority of Jordan (WAJ), a division of the Ministry of Water and Irrigation (MWI), to better implement Host-Country Contracts (HCC) funded by USAID. By providing long-term technical support to the WAJ, the project is designed to improve the overall contract management efficiency of water-related procurement projects.

Key Tasks to Meet Objective

Planning and implementation of USAID-funded Host Country Contracts (HCC), under the direction of, and reporting to, the WAJ Secretary General.

## Quarterly Progress Report

Procurement and Project Management training was conducted in Irbid during January. The short-term consultants for the activity, David Levintow and David Stiggers, traveled to Jordan in early January to lead the training. The session, which took place between January 7<sup>th</sup> and 18<sup>th</sup>, was attended by 53 engineers from the northern governorates.

Based on discussions with the Training Coordinating Committee after the Irbid training, Aqaba was selected as the next training site. The Aqaba Procurement and Project Management training took place from February 3<sup>rd</sup> to 15<sup>th</sup>, and was conducted by David Levintow and Bruce Soule. Participants included engineers from the southern governorates.

During January and February, Bruce Soule continued his work on the Policy and Procedures Manual. A workshop was conducted in mid-January to discuss the content and practices included in the manual and input was gathered from staff at the WAJ. Mr. Soule coordinated the participant attendance and compiled the comments gathered.

The Policy and Procedures Manual was finalized during the month of March, incorporating comments and suggestions from the WAJ staff. A training session based on the content and purpose of the manual was held for 75 participants. One hundred and seventy copies of the Manual have been distributed to the WAJ staff.

Al Cates, the technical advisor (TA) for the task order, continued to provide advice and assistance on several ongoing activities. He followed-up on the cost database program designed to compile data from all current and completed projects to be used to prepare engineering estimates for new projects. He also worked with the Training Coordinating Committee to make arrangements for the remaining Procurements and Project Management training session and to finalize the revision process for the Policy and Procedures Manual.

On March 28<sup>th</sup>, a 60-day no cost extension was granted by USAID/Jordan. The project end date has been extended to May 31, 2001.

**USAID/Armenia – Armenia Rule of Law Commercial Law Activity, Task Order No. 807, August 12, 1999 – August 11, 2002, Ceiling Price \$4,658,463**

*HO Project Management Unit: William Slocum, senior manager; Jennifer Hancock, project administrator; and Airika Smith, assistant project administrator.*

**Task Order Objective**

Continued development of a legal system that better supports democratic and market reforms.

**Key Tasks to Meet Objective**

Strengthen Armenia's legal foundations and judicial system by: focusing on constitutional amendments; implementing new laws related to rule of law / administration of justice; enacting and implementing key commercial laws; and, training judges, lawyers, court executors, and government officials in the provisions of the laws and their respective roles.

**Quarterly Progress Report**

*Constitutional Amendments*

The project translated 107 pages of Constitutional amendments and background information, which delegates from the Armenian Constitutional Court were to present to the Venice Commission of the Council of Europe in February.

A revised conceptual framework for constitutional reforms was received from Constitutional Court Chairman Gagik Harutyunyan on March 12<sup>th</sup>. The proposed constitutional amendments were also sent to Professor Herman Schwartz of American University School of Law for comments.

*Registration of Legal Entities*

The revised draft of the Law on the Registration of Legal Entities was passed by the National Assembly on March 12, 2001. The project's short-term expert, Edith Khachatourian, had provided comments on the draft law prior to its submission to the National Assembly. The majority of her comments had focused on the simplification and streamlining of the current registration process of legal entities and entrepreneurs.

A computer equipment procurement request was received from the Deputy Minister of Justice, Tigran Mukuchyan, in February. The project recommended to USAID that the request be funded, subject to the receipt of a detailed plan for the computerization from the Ministry of Justice and on the understanding that the computerized registry would

also be used for collateral registration. This request is still under consideration by the Mission.

Additionally, the funding for the publication of 100 copies of the annual book of registered legal entities was approved by USAID. The book is published by the State Registry of Legal Entities.

### *Government Procurement*

The project's Procurement Law expert, Jeanmarie Meyer, arrived in Armenia in mid-December 2000 to work on the institutional development of Armenia's government procurement agency, including work on implementing regulations and standard forms.

Ms. Meyer worked with the Ministry of Finance and Economy (MFE) on procurement regulations. She recommended the simplification of regulations and prepared guidance papers related to two specific regulations: the criteria and methodology for evaluation and comparison of bids, and the definition of procedures for qualifying contractors. With the assistance of 18 documents provided by the project, the MFE issued several procurement regulations in February and is expected to issue others soon. These will provide the procedural framework for applying the rules set out in the law.

The State Procurement Agency (SPA) was established through the new procurement law, with operational rather than policy-making function. Ms. Meyer has recommended that a working group with representatives from the MFE and SPA meet to discuss the roles and responsibilities of each agency. Chemonics provided comments on the proposed Decision of the Government for the organizational framework of the SPA prepared by the MFE.

During this reporting period, the SPA began conducting its first procurements. The project recognizes the need to provide institutional development and training for the SPA, but the present focus is on defining and establishing the procurement procedures that the SPA will need in place in order to successfully proceed.

The project continues to assist in the development of standard procurement and standard request forms. To date, more than 25 forms have been drafted. Ms. Meyer is also directing the preparation of issue papers in connection with several of the forms. The forms will guide agencies through the steps involved in a procurement and will ensure the procurement is fully documents.

Ms. Meyer has drafted comments on the proposed directive on procedures for single-source procurements and on the proposed procedure for execution of contracts for procurements conducted by the SPA. She also continues to oversee the creation of a procurement term glossary, which will be in both English and Armenian. Irina Rushanyan, a project lawyer, assisted her in her work.

### *Moveable Property Law and Registration*

Professor Ronald Cuming of the University of Saskatchewan, Canada was previously retained to prepare a draft law on pledges of movable property. Upon review of his draft law, the working group for this activity decided to divide the moveable property law into two laws: a law on pledges of movable property and a law on the registration of pledges of movable property.

In March, the project received Professor Cuming's revised drafts of the law on pledges of movable property and the law on the registration of pledges of movable property, incorporating several comments provided by the working group and, where not incorporating particular comments, responding to those comments. The project continued plans with Professor Cuming to conduct a seminar on collateral law in Armenia in late July.

### *Public Auction Law*

The project translated into English a draft of a law on public auctions, which was originally submitted to the National Assembly by a group of National Assembly deputies. RONCO reviewed the draft and prepared comments, which were forwarded to the National Assembly's Department in February.

The Public Auction Law of the Czech Republic has been translated into English and an Armenian translation is in progress. The Armenian version will be made available to local counterparts.

### *Bankruptcy Law*

In January, comments and observations on Armenia's existing Bankruptcy Law by IBTCI (USAID's contractor for the Privatization activity) were translated into Armenian and forwarded to the Deputy Minister of Justice, Tigran Mukuchyan. Chemonics has been coordinating with IBTCI for activities in the area of bankruptcy law reform and project team members introduced IBTCI's bankruptcy expert, Daniel Fitzpatrick, to local counterparts during meetings in February. Mr. Fitzpatrick will take the lead in work with Armenian bankruptcy administrators and on pilot programs he is developing.

Project Commercial law Advisor, Lilit Martirosyan, observed several of the Ministry of Justice's bankruptcy administrators' training sessions. The participants were invited by the project to meet and discuss the potential formation of an NGO of bankruptcy administrators. The meeting is scheduled to take place in April.

The project also recommended to the World Bank the inclusion of bankruptcy law reform in the conditionalities for future World Bank loans.

### *Licensing Law*

The revised draft Law on Licensing was adopted by the National Assembly on March 20, 2001, following lobbying by international organizations and donors, including the project. Following the adoption of the law, Mr. Markarian sent a letter to the Chairman of the National Assembly's Standing Committee on Financial, Budgetary and Economic Affairs, recommending that the licensing of advocates remain outside the scope of the law and with the unions of advocates.

### *World Trade Organization-Related Legislation*

Project assistance in the area of World Trade Organization-related activities has been limited to the translation of relevant legislation for WTO review. EU/TACIS and the German aid agency, GTZ, are taking the lead on technical assistance activities. However, the project is prepared to assist with WTO-related legislation, should the Mission make such a request.

### *Administrative Procedure Law*

Most aspects of an Administrative Code are currently covered by other Armenian laws. Dependent on the final content of laws under review, further assistance in the development of a Code may not be necessary.

The revised draft of the Law on Legal Acts was approved by the Armenian Government and submitted to the National Assembly in January. The project sent comments on a previous draft of the law to the National Assembly's Legal Department in February. A copy of the comments was also sent to Victor Dallakyan, the Chairman of the National Assembly's Standing Committee on State and Legal Affairs.

The project continues to work with the Administrative Law Committee. Representatives from the project have attended all Committee meetings held during this quarter.

### *Non-law Specific Activities*

To ensure that all project-assisted laws are consistent with the constitution, underlying legislation and other laws, members of the Armenian legal community have been actively involved in the drafting process, including the drafter of the Constitution and Civil Code.

### *Legal Commentaries*

Professor Rafayel Yeghyan of the Yerevan State University Law Faculty and Gevorg Danielyan, the Head of the Department of the Protection of State Interests of the General Procuracy, are drafting comments on the Law of Inspections. The final versions of their

comments will be submitted in April. Final editing and publication of the commentaries are dependent on the outcome of current amendments to the Law that are under review by the National Assembly.

Commentaries on the Civil Procedure Code are also being drafted. National Assembly Legal Department Head Vladimir Nazaryan and Court of Cassation Civil and Economic Chamber Chairman Arman Mkrtumyan, are preparing the commentaries, which, given the length of the Civil Procedure Code and the work involved in the review, are expected in early 2002.

Commentaries on the Law on Government Procurement are pending the adoption of several key-implementing regulations.

#### *Translations for Council of Europe Accession*

The Law on the Ombudsman of Bosnia-Herzegovina was translated in Armenian, at the request of the National Assembly Speaker and USAID. Translations were also provided of normative acts relating to ombudsmen from 25 countries.

The project translated the draft Law on Political Parties into English and Estonia's Public Service Act into Armenian, both at the request of USAID. The following documents were translated into Armenian and sent to USAID:

- Maria de Jesus Serra Lopes' comments on the Ombudsman in the Republic of Armenia;
- Hjortur Torfason's comments on in the inclusion of Administrative Courts in the Judicial System of the Republic of Armenia;
- Bernard Owen's comments on Armenia's Electoral Law and proposed amendments.

#### *Council of Court Chairmen*

Project assistance to the Council of Court Chairmen, the agency charged with internal self-governance of the judiciary, includes assisting the council to develop and implement systems for case management, and personnel structure and management.

During a Chemonics-organized trip to the United States, Court of Cassation Chairman Henrik Danielyan received copies of New York State's annual reports on the state of the judiciary, which he planned to use as models for his own report. The project has translated some of the reports and translations of the others are in progress.

Mr. Markarian met with USIS representative John Balian to discuss a future court administration study tour to the United States organized by the USIS. Mr. Markarian provided Mr. Balian with a list of all the Armenian Court Chairmen and suggestions of whom to include on the study tour.

Preliminary work has begun on a court administration study tour for Armenian judges from courts that have not yet sent judges to the United States.

#### *Judicial Training Center*

A workshop for judges on the prospects for development of the judicial system of Armenia has been scheduled for early April. It will include presentations on the direct use of the Constitution in litigation, the use of international treaties in litigation, as well as the annual report of the CCC analyzing the year 2000 civil cases. In connection with the seminar, the project funded the printing of 200 copies of the CCC's annual report on civil cases.

The project's judicial training expert, Judge F.A. Gossett III, traveled to Armenia in late March to assess the work of the Judicial Training Center, including the status of the EU/TACIS grant, and propose possible next steps.

#### *Compulsory Enforcement Service*

In March, USAID approved a study tour for officials of Armenia's Compulsory Enforcement Service. The study tour destination will be Poland. Separately, in mid-February, the Government approved draft amendments to the Law on the Compulsory Enforcement of Judicial Acts and the Law on the Service Ensuring the Compulsory Enforcement of Judicial Acts, as well as related conforming amendments to the Civil Procedure Code, Criminal Procedure Code, Criminal Code, and Code of Administrative Violations. The Government submitted the package of proposed amendments to the National Assembly.

#### *Legislative Drafting Skills*

Members of the Armenian legal community have expressed interest in and the need for training in legislative drafting skills. Based on training previously provided to government lawyers, additional meetings of lawyers to address various substantive legal issues were recommended in the project's Year Two Work Plan.

#### *Yerevan State University (YSU) Law Faculty*

Two YSU professors, Hrayr Ghukasyan and Vahe Yengibaryan, spent the fall 2000 semester at Seton Hall University of Law, studying legal research and writing, appellate advocacy, civil trial practice, and criminal trial practice. Based on their experiences there, they have proposed two new courses at YSU: legal research and trial advocacy. The courses will be introduced in the fall 2001 semester, with Mr. Yengibaryan teaching the legal research and writing course, and Mr. Ghukasyan teaching trial advocacy.

### *Professional Associations*

The project's principal activity to strengthen professional association has been the provision of grants through the grant program, which is described in further detail later in this report. In addition, professional associations' representatives have been and will be invited to training activities.

In December 2000, the International Union of Armenian Advocates developed a draft code of ethics for advocates, a copy of which the Project received from the Yerevan office of the American Bar Association Central and East European Law Initiative (ABA/CEELI). ABA/CEELI, which is also funded by USAID to work on legal reforms in Armenia, requested attorneys from other systems governed by ethics codes or rules of professional conduct to review and comment on the draft and, accordingly, sent a copy to the Project with a request for review and comment. Although this activity did not fall specifically within the project's scope of work, given the importance of a code of professional conduct to the proper functioning of Armenia's legal system, the project reviewed the draft and provided comments to ABA/CEELI in mid-January. Mr. Markarian also assisted ABA/CEELI in interviewing and selecting criminal defense attorneys from Armenia's three advocates' unions for a study tour to the US scheduled for May 2001.

Project team members Gahmk Markarian, Kristina Galstyan, and David Sandukhchyan acted as judges in the moot court competition organized by the Armenian Young Lawyers' Association (AYLA) in mid-February.

### *Training Delivery*

The project ran newspaper advertisements in early March to solicit applications for the Enterprise and Investment Lawyers' Course taught at the Rome, Italy headquarters of the International Development Law Institute (IDLI) from June 4<sup>th</sup> to July 6<sup>th</sup>. The deadline for applications' submission is April 6, 2001, after which the project plans to interview and select participants.

### *Public Awareness*

In the summer of 2000, the project prepared a half-hour television show about Armenia's court system, which was subsequently broadcast on "Prometheus," "AR," and "Yerevan" TV. The related radio broadcast aired this quarter on National Radio.

The project continued its series of legal issue trainings for journalists. On January 24<sup>th</sup>, Gevorg Danielyan, the Head of the Department of the Protection of State Interests of the General Procuracy, and Rafayel Yeghyan, a Professor at the YSU Law Faculty, addressed a group of 18 journalists on Armenia's Code of Administrative Violations. On

February 21<sup>st</sup>, Judge Arman Mkrtumyan, the Chairman of the Chamber for Civil and Economic Cases of the Court of Cassation, addressed a group of approximately 20 journalists on Armenia's Civil Code. On March 14<sup>th</sup>, Constitutional Court Vice-Chairman Vladimir Hovhannisyan and YSU Law Faculty Professor Armen Harutyunyan addressed a group of approximately 15 journalists on the use of international treaties in litigation in Armenia.

On March 6<sup>th</sup>, the project taped a television program on the Law on Inspections, with speakers Professor Rafayel Yeghyan of the YSU Law Faculty and Gevorg Danielyan, the Head of the Department of the Protection of State Interests of the General Procuracy, and Mr. Markarian as the moderator. Approximately 40 participants attended the taping. In connection with the taping, the speakers prepared a brief brochure on the law, which the project is revising. The television broadcast is scheduled for early April.

An additional 5000 copies of the brochure on Armenia's Court System were printed and distributed to courthouses and municipalities throughout the country. At the request of Junior Achievement of Armenia (JAA), a USAID implementer carrying out civics education activities in Armenia's schools, the project printed 1500 additional copies for JAA to distribute nationally to high school civics teachers.

On March 26<sup>th</sup>, the project Rule of Law Advisors Gahmk Markarian and Kristina Galstyan gave a presentation on Armenia's judicial system at a training for trainers organized in Tsaghkadzor by the International Foundation for Election Systems (IFES) (which is implementing a civic education project for USAID). They showed the videotape of the television program the project prepared on the court system and answered questions from the trainees. At the participants' request, they were given copies of the videotape to use in their own training activities. The project came to an agreement with IFES for IFES to fund the printing of additional copies of the court system brochure, with an insert containing information on free legal services.

### *Clearinghouse*

During this reporting period, we continued to function as a clearinghouse for information on English translations of Armenian commercial and rule of law legislation, gathering and distributing information on locating translations of laws. Chemonics will continue to fulfill this role throughout the life of the project. In September 2000, the project obtained a license from the Ministry of Justice to post translations of Armenian legislation on the Chemonics Web site.

### *Performance Monitoring and Evaluation*

The project sent letters to several local counterparts to gather information for calendar year 2000. The Armenian Democratic Forum, the organization that conducted surveys for the Project the previous year, was asked to submit a proposal to conduct surveys for

the indicators relating to company registration and licensing. At USAID's request, project team members reviewed and commented on USAID's Performance Monitoring Plan for Strategic Objective 1.3 and 2.1 and made suggestions with respect to some of USAID's indicators. In late January, the project received from USAID a new "Democracy and Governance Legislation Index," designed to measure progress in regard to certain items of legislation.

During the remainder of this reporting period, the project continued to gather information about calendar year 2000 for its performance monitoring and evaluation plan.

### *Grant Program*

Two grants awarded under the project's first grants competition for Legal Resource Centers remained in process during the reporting period.

Representatives of the six organizations awarded grants in December 2000, under the project's second grants competition for the Provision of Free Legal Aid, attended a one-week seminar in March. Organized by the Armenian Young Lawyers' Association (AYLA) and financed by the project under its previous grant awarded to AYLA pursuant to the first grants competition, for legal resource centers, the seminar addressed management of legal aid and resource centers. With project funding, AYLA published 50 pilot issue copies of its Manual for Legal Information and Free Consultation Service Centers.

On March 15<sup>th</sup>, in cooperation with ABA/CEELI, project Grant Manager David Sandukhchyan organized and conducted a roundtable aimed at promoting cooperation among legal aid projects and discussing possible mechanisms for the self-sustainability of legal aid projects in Armenia. Approximately 25 representatives from 20 local NGOs attended. The participants discussed their respective legal aid activities, the current state of legal aid in Armenia and prospects for development, and possible funding of legal aid centers. The participants agreed to hold regular follow-up meetings to foster cooperation. AYLA presented and distributed copies of its Manual for Legal Information and Free Consultation Service Centers.

On March 8<sup>th</sup>, the project announced its third grants competition, aimed at improvement of public perception of the legal and judicial systems in Armenia. Mr. Sandukhchyan conducted a proposal-writing seminar for applicants on March 16<sup>th</sup>, for approximately 12 attendees. The next week, Mr. Sandukhchyan conducted a second proposal-writing seminar for approximately 30 attendees. The deadline for the submission of applications is April 6, 2001.

**USAID/Kyrgyz Republic - Support for Economic Growth and Institutional Reform Project (Legal and Institutional Reform) - Kyrgyz Republic Land Reform, Task Order No. 809, September 30, 1999 – September 30, 2001, Ceiling Price \$2,631,071**

*HO Project Management Unit: Thomas Fattori, senior manager; and, Lawrence Cox, project administrator; and Marisa Cebulski, assistant project administrator.*

**Task Order Objective:** To assist in establishing the institutional infrastructure for private land ownership.

**Key Tasks to Meet Objective:** First, implement rural and urban land reform that involves developing a legal infrastructure including water law issues and monitoring the implementation process. Second, emphasize the land market and the dissemination of information. A cohesive program will be developed to implement a program with the necessary subject matter to the proper audiences using the appropriate delivery mechanisms. Third, privatization and post-privatization programs will be created to improve small and medium agribusiness by researching current issues and providing marketing information. Public outreach is crucial in order to provide the general citizenry and commercial users of the law with the knowledge needed to utilize their legal rights and to combat the public apathy exhibited toward legal and economic reform.

**Quarterly Progress Report**

*Rural Land Reform*

During this reporting period, 35 Land Rights workshops were conducted, bring the total number of seminars to 84. The average attendance per seminar is 54, with a total of 4,523 people having participated in the workshops.

Land Rights workshops continue to be held, with a new emphasis on working with the *Ail Okmotu*, the councils of village elders, since they are leaders in their communities. The work with these leaders has been especially urged by the governors of Osh and Djalal-Abad oblasts and will leverage the effects of the project. A Focus Village program has been started in 8 southern villages, where the complete series of land rights workshops are held in each of these villages, and Profile Surveys are used to track changes and measure project impact.

Chemonics' partnership with complementary development projects was expanded during this period, with presentation time being given to the representatives of UNDP's Poverty Alleviation/Gender in Development Program. The UNDP program is now distributing our newsletters and are providing us with addresses and telephone numbers of Associations of farmers in the Batken Raion. A seminar was conducted for the German Technical Assistance (GTZ) Project's agricultural extension service workers. The project is distributing Land Rights Implementation Manuals and newsletters through the GTZ's

network of libraries. Representatives from local NGOs such as *Jash Tilek-21 Century*, The Association of Employment Support, the Fund for Support of Public Initiatives, *Jany Bilim*, and the Kyrgyzstan Women's Congress were provided with training.

### *Water Law Reform*

Work towards the drafting of a new Water Code continued during this reporting period. Under the Rural Land Reform component, the project team produces a bi-monthly Water Reform Bulletin in Russian, Kyrgyz, and English, with an initial run of 7,500 per issue. Three issues have been produced to date and distributed to water use stakeholders, including the Department of Water Resources and NGOs, and to participants in Land Rights Workshops.

In addition to the Water Reform Bulletins, recent publications include a concept paper "Contents of a Modern Water Code and Prospective for Design of a New Water Code," and discussion papers on "Hard Issues to be addressed in a New Water Policy."

A ministerial level Conference on Water Law was held in February. Stefano Burchi, an expert on water legislation and policy, gave a presentation that was attended by local policy makers. To follow-up the February Water Policy Workshop, working groups met to develop recommendations for each of the issues discussed during the workshop. The workshop was held for decision-makers from the Ministry of Agriculture and Department of Water Resources as well as from the Jogorku Kenesh, other agencies, administrative bodies, and interested NGOs. A second Water Policy Workshop is being planned for June, when recommendations will be received from each workgroup and a consensus will be developed to be used in drafting the new Water Code. The ultimate goal is to present the Draft Water Code for approval of the Ministry of Agriculture and Water Resources and adoption by the Jogorku Kenesh.

### *Urban Land Reform*

The Urban Land Reform component was active this quarter with startup efforts toward an enterprise land sales program, and continuing activity in the areas of Zoning and realtor associations.

The project team participated in a Conference on Problems of Communal Property for Urban Lands in January, which was hosted by the Association of Towns and the Urban Institute. The conference explored topics including: (1) identification of state and communal lands; (2) identification of ownership rights for disputed lands; and (3) issues of ownership and urban land management. Recommendations were sent to Parliament, Government, and to other interested parties. This step is important because there is an unresolved conflict over whether particular plots of land are owned by the nearest city or by the State. The team has consulted with Gosregister, the Bishkek mayor's office, as well as various other stakeholders, who agreed that a draft law should be presented

authorizing a pilot program. A law was drafted by the project and is being reviewed by the various parties. It will be presented to the president and legislature in this next quarter.

A series of legal zoning meetings were held in Bishkek with representatives of Georegister, The State Commission on Architecture and Construction, the Chief Architect of Bishkek, and the Assistant to the Vice-Mayor. Project team members traveled to Chui-Tomok to meet with the Deputy Head of State Administration, the Mayor, the Head of Georegister, and the Chief Architect and his Deputy. The team also met in Osh with the Head of the Osh Department of Architecture and Construction, his Deputy, and the Deputy Head of the Regional Department of Architecture and Construction, and also in Uzgen with the Mayor, his Deputy, and the Chief Architect. These meetings explored the current legal zoning situation in preparation for drafting a Masterplan for cities and plans to further the social and economic development of the cities. The possibility of introducing legal zoning to these cities was discussed and further studies are being conducted.

A workshop on "General Principles of Organization of the Legal Zoning System" was held at the Chemonics' project office. Attendees included representatives of Georegister, Architecture and Construction, and the Bishkek local government. The project's local attorney, Tahir Ahmetov, and TCN Alexandr Vysokovsky gave the presentations. Mr. Ahmetov is now drafting "Land Use and Building Over Rules for Chui-Tomak."

The project worked toward development of a unified association of realtors during this past quarter. The Kyrgyz Republic currently has two primary Realtor Associations that are at odds with each other. The KLR team is promoting the merging of the separate associations as well as independent realtors into a Public Union of Realtors.

**USAID/Russia – Judicial Exchange Programs between Russian and US Judiciaries,**  
**Task Order No. 810, August 16, 2000 – May 16, 2001, Ceiling Price \$400,000**

*HO Project Management Unit: Bill Slocum, senior manager; and Marisa Cebulski, acting project administrator.*

**Task Order Objective:** Build upon the established partnership and cooperation between the Russian and US judiciaries through exchanges, training, consultancies, and seminars.

**Key Tasks to Meet Objective:** The program elements include the following activities:

- Exchanges between the Russian Judicial Department and the Council of Judges and the Administrative Office of the United States Courts, through visits to the United States and Russia-based training programs;

- Exchanges between the Russian Academy of Justice (including representatives of its cofounders, the Supreme Court and the Supreme Commercial Court) and the United States Federal Judicial Center, through trips to the United States and consulting activities; and
- Work with the Collegia of Judicial Qualifications in the area of judicial ethics.

### Quarterly Progress Report

Project activities this quarter focused on the development of study tours for the Russian Academy of Justice, the implementation of a study tour to Washington, DC, and on the preparation and implementation for the Judicial Ethics Roundtable that was held in Moscow, Russia, from March 15-17, 2001.

In January, a seven-day study tour was conducted for four officials from the Russian Academy of Justice in Moscow and two regional court chairmen from Tomsk, Russia. Participants traveled to Washington, DC, Annapolis, Maryland, and Williamsburg, Virginia. The Federal Judicial Center (FJC) served as the host for the six Russian officials. The study tour focused on judicial education, including strategies for delivering training and information to judges and court staff. A set of Russian-language materials was prepared for the group, including an overview of the FJC and sample agendas from its seminars for judges and court staff.

The program began with an opportunity for participants to exchange information about their respective judicial training centers. After hearing about the history and structure of the Federal Judicial Center, representatives from the Academy of Justice described its genesis and current programs, and identified a number of challenges facing its administration. Central among these challenges is the task of developing effective strategies for delivering affordable, quality training to a diverse population of judges and court staff with varying levels of experience scattered across a large geographic area. Another area of concern is the importance of preparing the judges and Academy staff who will be responsible for delivering training to the court community.

The program introduced representatives from the Academy to a number of important concepts in judicial education and provided the participating Americans with a greater understanding of the Russian judiciary and its educational needs. The Academy of Justice is still in its early stages of development, and the Russian delegation is clearly interested in learning from the experience of other judicial training institutions and selecting ideas and methods that can be successfully adapted to the needs of the Russian judiciary. By the final day of the program, the Academy representatives were freely exchanging ideas with their U.S. counterparts and asked a number of thoughtful questions about training methodology. The follow-on conference scheduled for April will provide an opportunity to address in greater detail the subject areas selected by the Russians and also will serve

to further cement what is hoped to be a long term collaborative relationship between the Academy of Justice and Federal Judicial Center.

The Judicial Ethics Roundtable was held March 15<sup>th</sup> – 17<sup>th</sup>, in Moscow, Russia. The workshop included members of the Supreme Qualifying Collegium, and American and Russian presenters. Judge Betty Barteau, the former Chief of Party for the Russian-American Judicial Partnership program, served as the facilitator. The American side focused on topics of the selection of judges, the accountability of judges and conflicts of interest, code of conduct, and judicial misconduct and corruption. The purpose of this workshop was to develop recommendations for action in the judiciary of the Russian Federation regarding judicial misconduct and ethics standards for judges.

Each relevant topic was presented and then the workshop participants were broken up into small groups to discuss each outlined subject. The American presenters included three judges from the Chicago, Illinois, area: Judge George Marovich, Judge Michael Mihm and Judge Diane Wood. The Russian presenters discussed issues of the development of the Russian judiciary, judicial ethics, judicial discipline, mass media and the judiciary, and ethics of the Supreme Qualifying Collegium. The presenters included: Judge Galina Fedorenko, Lev Khaldeev, Judge Tatyana Kukhlova, Judge Valentin Kuznetsov, Valery Rudnev, Editor-in-Chief of "Russian Justice," and Judge Victor Terekhin.

Project activities also focused on the upcoming follow-on program to the Academy of Justice study tour. This follow-on activity will be held in Moscow at the newly finished Academy and the premises of the former Law Academy, on April 23<sup>rd</sup>-25<sup>th</sup>. Three representatives of the Federal Judicial Center (FJC) in Washington will lead the training, and several key members of the Academy of Justice will also participate as presenters for the workshop. The FJC delegation will include: John Cooke, the Director of the Judicial Education Division; Emily Huebner, the Director of the Court Education Division; and James Buchanan, a Senior Education Specialist. The Russian presenters will be comprised of Valentin Yershov, former President of the Law Academy; Ludmila Korol, the Acting Rector for the Academy of Justice; and Vladimir Peysikov, the Vice-Rector of the Academy.

This training will be directed toward the faculty and staff of the Academy in Moscow and the directors of the newly-founded branches of the Academy of Justice in Nizhny Novgorod, Irkutsk, Chelyabinsk, Krasnodar, St. Petersburg, Kazan, Tomsk, Khabarovsk and Voronezh. The workshop will focus on adult education, instructional development and delivery, and information technology. The main purpose of the workshop is to develop a prototype for web-based distance education programs and determine the types of instructional strategies, in place of lecture formats, to be used for classes at the Academy.

**USAID/Egypt – Technical Assistance for Private Participation in the Water and Wastewater Sector, Task Order No. 811, August 1, 2000 – July 31, 2002, Ceiling Price \$3,588,986**

*HO Project Management Unit: James Baker, senior manager; Carol Yee, project manager and, Lisa Chavez, assistant project administrator.*

**Task Order Objective:** Assist the Ministry of Housing, Utilities, and Urban Communities (MHUUC) of Egypt to operationalize the new local utilities price and quality of service regulatory agency and Private Sector Participation (PSP) Unit, and to support the two organizations in interactions with the other central ministries and local utilities. The project will also provide transactions support for pilot PSP projects.

**Key Tasks to Meet Objective:** The key activities to meet project objectives include:

- Supporting the creation and operation of the Egyptian Water and Wastewater Regulatory Authority (EWRA);
- Supporting the creation and operation of the Private Sector Participation (PSP) Unit; and
- Providing transaction assistance for pilot private sector participation projects in the water and wastewater sector.

**Quarterly Progress Report**

The field office finished hiring long-term staff with the addition of Chief of Party, Tom Allen, and Transactions Attorney, Jerry Donovan. A retreat was held on January 25<sup>th</sup> and brought together key officials of the GOE, USAID, and the project team. This was the first opportunity for the team to meet the counterparts and USAID project officers, and also the first meeting involving such a large contingent of short-term specialists. The theme of the retreat was "Consultations on Near and Medium Term Program Activities" and it covered the following major areas:

- Selection of pilot PSP projects, including the screening process (now completed), selection criteria and implementation plans
- Resolution of remaining issues concerning the operational policies and practices of the newly established PSP Unit
- Regulatory agency development and an overview of the pilot rate application process, the development of cost and revenue projections and a tentative schedule for refinement of templates and guidelines

- Status of the legislative proposals (law and presidential decree) for the restructuring of the water/wastewater sector and other related sector reform activities being carried out by Danida

Among the important decisions made was the initiation of the recruitment process for five division heads for the regulatory agency, most likely to be retained through secondment from other government agencies.

During February, Chemonics, the Ministry of Housing, and USAID finalized the plans for the pilot project, based on the agreed upon the approved framework from December. Alexandria has been chosen as the pilot site. The Ministry has approved two projects for the pre-feasibility studies: Sixth of October—Water and Wastewater, including Sheikh Zakki City, and Behira Water Company, and South Nubaria Canal Water and Wastewater, to include New Nubaria City. In preparation for these studies, Kathleen Slattery visited the field office to finalize the toolkits component of the project.

In addition to the technical studies, Chemonics Egypt bid on and won a local subcontract, which began on March 1, 2001 and will continue for the duration of the project. The subcontract was negotiated and signed at the end of February. Chemonics issued a letter of authorization to incur costs so that work could begin while consent to the subcontract from USAID was pending.

A new sector reform legalization strategy was developed in response to State Council concerns about the original draft Presidential Decree. After obtaining the financial data on Sixth of October City for rate analysis purposes, the project team is analyzing the data for follow-up. The project team briefed the Ministry of Housing, Utilities and Urban Communities (MHUUC) on project screening criteria and procedures

A revised discussion draft of the CDPSP “Departmental Design, Strategy and Organization, and Start-up Plans” was submitted to USAID and Dr. Beyaly for review and comments. The project held a working session with Dr. Beyaly to assist him in developing a budget for the department’s activities. A revised draft of the Project Development Fund concept paper has been prepared for submission to USAID and the Ministry.

David Mackenzie traveled to Cairo to work on design, start-up, strategy and organization documents for the Ministry of Housing, Utilities and Urban Communities (MHUUC). Additionally, he continued his work on the financial analysis component of the Toolkits. Initial models for project financial analysis and screening have been developed for inclusion in the Toolkits. An initial draft of the Invitation to Pre-qualify has been prepared; this draft and previously prepared drafts of the Concession Agreement and Service Contract will be included in the Toolkits.

## B2. Summary of Completed Task Orders

### **West Bank/Gaza- Drafting Accounting and Auditing Standards Legislation, Task Order No. 802, September 1, 1998 – February 26, 1999, Ceiling Price \$56,642**

*HO Project Management Unit: Catherine Hall, senior manager.*

#### Task Order Objective

Write legislation that defines the authority of the Palestinian Financial Accounting Foundation (PFAF), the Financial Accounting Standards Boards (FASB), and the Palestinian Association of Professional Accountants (PAFA).

#### Tasks Completed to Meet Objective

Working in conjunction with a steering committee of Palestinian accountants, the project team drafted legislation designed to establish a self-regulating accounting and auditing sector and to promote the use of internationally accepted accounting standards. The Minister of Finance submitted the proposed legislation to the Minister of Justice, where it is being reviewed. Once the wording of the legislation is finalized by the Ministry of Justice, it will be passed on to the Palestinian Legislative Council for action.

### **Indonesia- Scenario Development, Task Order No. 805, May 5, 1999 – June 20, 1999, Ceiling Price \$43,733**

*HO Project Management Unit: Robert Buergenthal, senior manager.*

#### Task Order Objective

Provide technical assistance to an Indonesian working group of noted leaders and technical specialists convening on May 10-12, 1999. The Indonesian working group will review plans, discuss approaches, and decide on a workplan for a national dialogue on issues and problems confronting Indonesia as it negotiates the highly sensitive and delicate political transition through the current election and post election periods.

#### Tasks Completed to Meet Objective

Chemonics fielded two specialists in scenario development and one Indonesia expert to participate and present options at an inaugural national conference on consensus building. The Chemonics team also met with the Working Group to discuss future objectives.

**USAID/Egypt- Legal/Regulatory Assessment and Training for Competitive Utility Management, Task Order No. 800, April 27, 1998 – July 31, 2000, Ceiling Price \$2,370,645**

*Home Office (HO) Project Management Unit: James Baker, senior manager; Jonathan Loew, project administrator; and, Lisa Chavez, assistant project administrator.*

**Task Order Objective**

To encourage private investment in and to improve the efficiency of water utility services in Egypt.

**Key Tasks to Meet Objective**

Designed and introduced components of a new legal and regulatory framework for the water and wastewater sector. Activities included assessing and evaluating the country's existing regulatory framework, comparing it with best practices in other countries, identifying needed revisions, and strategizing with policymakers to strengthen the sector. Chemonics assisted in the design and management of a competitive procurement process to include marketing, bid evaluation, and negotiation. In addition, Chemonics provided training and invitational travel to cultivate support for policies that will foster the financial and managerial autonomy of local utilities.

**USAID/Indonesia- Water Efficiency Team Technology for Establishment of Re-rating (WETTER), Task Order No. 808, September 30, 1999 – July 31, 2000, Ceiling Price \$59,790**

*HO Project Management Unit: John Strattner, senior manager; and, Rekha Lal, assistant project administrator.*

**Task Order Objective:** The primary objective of this task order was to provide re-rating assistance to targeted water enterprises (PDAMs). Re-rating is the process of increasing water flow through a particular system. The technical assistance was designed to help promote efficient urban water enterprise management, strengthen local government self-sufficiency, improve community health, and develop a sustainable nationwide re-rating capability.

**Key Tasks to Meet Objective:** The technical assistance helped increase efficient urban water enterprise management, local government self-sufficiency, community health, and professional technical operation of water production plants by establishing a nationwide sustainable re-rating capability. The capability was established in both a semi-governmental and a non-governmental organization, supporting US-AEP's intermediate objective to increase the stock of urban infrastructure.

**USAID/Indonesia – Technical Assistance for the Second Water Efficiency Team (WET II), Task Order No. 806, June 1, 1999 – October 31, 2000, Ceiling Price \$1,497,000**

*HO Project Management Unit: John Strattnner, senior manager; and, Rekha Lal, assistant project administrator.*

**Task Order Objective**

Provide technical assistance to financially troubled water enterprises (referred to as PDAMs), that have been hard-hit by the monetary and economic crisis in Indonesia, to help them achieve positive cash flows.

**Key Tasks to Meet Objective**

Perform technical and administrative audits of selected enterprises and assist in the preparation of a workable financial recovery action plan (FRAP) for each weak water enterprise. The financial recovery action plans, in conjunction with the PDAM Rescue Program, will ultimately lead to more efficient administration, an improved water policy environment, and stronger institutional structures capable of promoting and sustaining private sector development.

**USAID/Dominican Republic- Critical Assistance for GODR Policy Reform Efforts, Task Order No. 801, July 16, 1998 – October 5, 2000, Ceiling Price \$1,847,128**

*HO Project Management Unit: Susanna Mudge, senior vice president; Casey Hanewell, project manager; Victoria Taughner, project administrator; and, Margaret Francis, assistant project administrator.*

**Task Order Objective**

Design and implement economic policy reforms that alleviate poverty and improve the competitive position of the Dominican Republic (DR), which in turn promotes sustainable economic growth.

**Key Tasks to Meet Objective**

Provide critical assistance to the Government of the DR's policy reform efforts by: (1) providing strategic technical assistance on economic policy reform; (2) organizing two study tours on pension reform, and import and export procedures (3) organizing forums to discuss the topic of competitiveness and what it means for the DR and defining

next steps; and (4) providing specific assistance in trade agreement compliance and intellectual property rights.

A November 1999 modification incorporated additional activities in support of a national competitive initiative in the Dominican Republic. The new activities focus on improving the national competitive capacity of the private sector and the standard of living in the DR. The five new activities include: 1) design and implementation of a national competitive strategy; 2) diagnosis, design, and implementation of a competitive strategy for the Santiago region; 3) analysis, design, and implementation of a pilot cluster activity; 4) strengthen CAMPE/INTEC (a local NGO) capacity to address competitiveness and policy issues impacting the micro and small enterprise sector; and, 5) support competitiveness follow-up and other activities.

### **C. TASK ORDER FINANCIAL DATA**

This information is included in Annex A of the report.

**ANNEX A**  
**FINANCIAL INFORMATION FOR ACTIVE TASK ORDERS**

**USAID/Jordan**

Technical Support and Assessment of Training Needs and Training for Procurements and Project  
Management Personnel of the Ministry of Water and Irrigation  
Task Order No. 804

Ceiling Price:	\$1,261,013
Obligated Amount:	\$1,261,013
Costs Incurred This Period (thru 3/01):	\$ 184,328
Costs Incurred to Date (thru 3/01):	\$1,137,267

**USAID/Armenia**

Armenia Rule of Law Commercial Law Activity  
Task Order No. 807

Ceiling Price:	\$4,658,463
Obligated Amount:	\$2,850,000
Costs Incurred This Period (thru 3/01):	\$ 360,729
Costs Incurred to Date (thru 3/01):	\$2,060,697

**USAID/Kyrgyz**

Land Reform: Kyrgyz Republic  
Task Order No. 809

Ceiling Price:	\$2,631,071
Obligated Amount:	\$2,181,000
Costs Incurred This Period (thru 3/01):	\$ 243,559
Costs Incurred to Date (thru 3/01):	\$1,106,535

**USAID/Russia**  
Judicial Exchange Programs between Russian and US Judiciaries  
Task Order No. 810

Ceiling Price:	\$400,000
Obligated Amount:	\$400,000
Costs Incurred This Period (thru 3/01):	\$101,037
Costs Incurred to Date (thru 3/01):	\$196,347

**USAID/Egypt**  
Technical Assistance for Private Participation in the Water and Wastewater Sector  
Task Order No. 811

Ceiling Price:	\$3,588,986
Obligated Amount:	\$3,588,986
Costs Incurred This Period (thru 3/01):	\$ 521,825
Costs Incurred to Date (thru 3/01):	\$1,048,228

ANNEX B

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**Task Order Summary Chart**

**LEGAL AND INSTITUTIONAL REFORM TASK ORDER SUMMARY**  
**USAID Contract No. PCE-I-00-97-00039-00**

**Sr. Manager** Robert Buergenthal, x7468  
**Proj. Admin.** Beatrice Zimmermann, x3374  
**Asst Proj Adm:** Catherine Burke, x7554

**CO:** Mark Walther **IQ Ceiling:** \$26,000,000  
**CTO:** Grant Morrill **Eff. Date:** August 5, 1997  
**Compl. Date:** August 4, 2002

Task Order No. & Country	Title	Effective Date	Completion Date	Ceiling Price	Obligated Amount	USAID CO & CTO
800 - Egypt	Legal/Regulatory Assessment and Training for Competitive Utility Management	27-Apr-98	29-Sep-00	\$2,370,645	\$2,370,645	CO: William Reynolds USAID/Egypt CTO: Tim Alexander USAID/Egypt
801- Dominican Republic	Critical Assistance for GODR Policy Reform Efforts	16-Jul-98	4-Dec-00	\$1,847,128	\$1,447,180	CO: Clem Bucher USAID/Haiti CTO: Luis Gonzales USAID/DR
802 - West Bank/ Gaza	Drafting of Accounting and Auditing Legislation	1-Sep-98	26-Feb-99	\$56,642	\$56,642	CO: Tim Beans USAID/WB-Gaza CTO: Courtney Blair USAID/WB-Gaza
804 - Jordan	Technical Support and Assessment of Training Needs and Training for Procurement and Project Management Personnel of the Ministry of Water and Irrigation	25-Feb-99	31-May-01	\$1,261,013	\$1,261,013	CO: Jeffrey Bell USAID/Jordan CTO: Eric Peterson USAID/Jordan
805 - Indonesia	Legal and Institutional Reform (Scenario Development)	5-May-99	20-Jun-99	\$43,733	\$43,733	CO: Thomas Stephens USAID/Indonesia CTO: Dennis Wendel USAID/Indonesia
806 - Indonesia	WET II	1-Jun-99	31-Oct-00	\$1,497,000	\$1,497,000	CO: Thomas Stephens USAID/Indonesia CTO: James Woodcock USAID/Indonesia
807 - Armenia	Armenia Rule of Law Commercial Law Activity	12-Aug-99	11-Aug-02	\$4,658,463	\$2,850,000	CO: Carlton Bennett USAID/Georgia CTO: Bella Markarian USAID/Armenia
808 - Indonesia	WETTER	30-Sep-99	31-Jul-00	\$59,790	\$59,790	CO: Thomas Stephens USAID/Indonesia CTO: James Woodcock USAID/Indonesia
809 - Kyrgyz Republic	Land Reform: Kyrgyz Republic	30-Sep-99	30-Sep-01	\$2,631,071	\$2,181,000	CO: Marcus Johnson USAID/Almaty CTO: James Neeley USAID/Almaty
810- Russia	Judicial Exchange Programs between Russian and US Judiciaries	16-Aug-00	16-May-01	\$400,000	\$400,000	CO: Gary Juste USAID/Russia CTO: Patrick Murphy USAID/Russia
811- Egypt	Technical Assistance for Private Participation in the Water and Wastewater Sector	1-Aug-00	31-Jul-02	\$3,588,986	\$3,588,986	CO: Celeste Fulgham USAID/Egypt CTO: Timothy Alexander USAID/Egypt

**GRAND TOTAL: \$18,414,471 \$15,755,989**