



USAID
FROM THE AMERICAN PEOPLE

MAKING CITIES WORK: OPERATING CONTRACTS FOR WATER AND WASTEWATER SERVICES

MARCH 17-19, 2008

SUMMARY & PARTICIPANT EVALUATIONS

MARCH 2008

This publication was produced for review by the United States Agency for International Development. It was prepared by ARD, Inc.

Prepared for the United States Agency for International Development, Contract Number EPP-I-00-04-00035-00, Cross-Sectoral Urban Training, under the Sustainable Urban Management II Indefinite Quantity Contract (IQC)

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FOR WATER AND
WASTEWATER SERVICES
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DISCLAIMER

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

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INTRODUCTION

USAID's Urban Programs (UP) Team contracted with ARD, Inc., to implement the Cross-Sectoral Urban Training Task Order under the Sustainable Urban Management (SUM) II Indefinite Quantity Contract (IQC). Under this contract we have previously provided the following trainings:

1. The "Emerging Urban Trends" Speaker Series. On February 8, 2006, ARD kicked off its Emerging Urban Trends speaker series with a session on "Competitive Cities and Global Markets: What Matters Most?"
2. "Emerging Urban Trends" was offered in Washington, DC, on July 5–7, 2006.
3. Making Cities Work: Intensive Training in Municipal Finance Course was offered on October 10–13, 2006 in Washington, DC.
4. Emerging Urban Trends Speakers Series: Housing Innovations for the World's Poor and Slum Dwellers was offered on April 4, 2007.
5. Making Cities Work: Intensive Training in Municipal Finance Course was offered on April 25–27, 2007 in Bangkok, Thailand.
6. Making Cities Work: Financing for Water Infrastructure, offered on November 4-6, 2007 in Amman, Jordan.
7. Making Cities Work: Guatemala Program

The present document reports on a three-day workshop: Making Cities Work: Operating Contracts for Water and Wastewater Services, offered on March 17-19, 2008 in Cairo, Egypt. (For a program, see Appendix A.) ARD Senior Associate John Butler served as organizer of the workshop. Mr. Butler, Jessica Tulodo, (Urban Specialist, USAID/EGAT, Washington DC), and Philip Giantris, (President, Valu Add Management Services, Tirana, Albania), served as Lead Facilitators for this event. In addition, David MacKenzie (___, USA), S.R. Ramanajan (CRISIS Ltd. India), and Silver Mugisha, National Water and Sewerage Corporation, Uganda) served as coaches for the technical breakout sessions. The workshop was attended by USAID and MCC officers and local partners from Afghanistan, Egypt, India, Jordan, Montenegro, and Mozambique. (For names and contact information of these persons, see Appendix B.)

Below we provide: (1) a summary of presentations and participant discussions, (2) a review of participant evaluations, and (3) our conclusions.

1.0 SUMMARY OF PRESENTATIONS AND PARTICIPANT DISCUSSIONS

The three-day program was comprised designed to be highly interactive, with most of the program time dedicated to technical breakout sessions in which participants from each country designed operating contract terms and conditions tailored to specific water utilities and issues in their countries. Consequently, formal presentations by workshop facilitators and coaches were limited to the first day. After the formal presentations, workshop participants were organized into country teams, and each team participated in four sequential technical contract design sessions led by the workshop facilitators and coaches.

The overall training objective was to equip USAID and partner organization water supply and sanitation professionals with the tools and background needed to design contracts to procure the services of experts (private sector and public sector organizations) to manage various aspects of water and sanitation operations. The workshop focused on a range of operating agreements: performance agreements (e.g., agreements between national and regional water authorities and local water utilities); service contracts; managements contracts; leases and affermage agreements; and concessions. A priority of the workshop was to emphasize the importance of performance targets and associated incentives in operating contracts, regardless of the specific contract form, to participants.

Prior to the workshop, participants were sent a package of information, including the agenda (see Appendix A); a set of reading materials providing background on performance based operating contracts; and instructions. The instructions asked participants from each country to come to the workshop prepared with a specific case study (a water utility service area and/or set of technical issues in their countries) upon which they and their country colleagues would concentrate during the technical breakout sessions.

Jessica Tulodo, Urban Specialist, USAID Washington, began the workshop with an introduction to the workshop and associated incentives to foster as well as public sector contracts oversee activities that help governments at all levels (local, regional, and national) to finance water infrastructure investments. While financing water projects was the end objective, participants learned that there are three preconditions of water finance: 1) having bankable utilities and projects; 2) having an enabling environment conducive to bankable projects and finance; and 3) having effective strategies and structures for financing water projects. Consequently, much of the discussion on the first two days of the workshop concentrated on effective structuring of water utilities and the water sector in each country, while the third day focused on approaches to financing individual water infrastructure projects. The importance of autonomy, accountability, and incentives at the utility and sector levels was emphasized throughout the three-day workshop. Particular attention was given to building cohesion and promoting collaboration among teams from the four countries most heavily represented at the workshop—Jordan, Egypt, Iraq, and Philippines.

John Butler, ARD Senior Associate, served as moderator for the training, while Rebecca Kanaan, ARD Training and Facilitation Specialist, facilitated the three breakout sessions. Mr. Butler made presentations on *Business Models for Water and Sanitation Services*; *Implementing Reform at the Sector Level*; and *Output Based Aid*. Earl Kessler, ARD Consultant, made presentations on *Attributes of Bankability*; and *Enabling Environment: What Needs to Be Done at the Policy, Legal, and Regulatory Level?* Allen Eisendrath, Senior Infrastructure Finance Adviser, USAID/EGAT, gave a number of in-depth discussions regarding reforms at the utility and sector levels: *Business Models for Financing Infrastructure*; *Models of Successful Water Sector Reform*; *Implementing Reform at the Utility Level*; and *Corporatization: Key Characteristics and Implementation of the Concepts*. Ed Roche, Senior Finance Adviser for USAID/EGAT's Office of Development Credit Authority, led the discussion on the third day of

innovative financial approaches. His presentations included *Building the Financing Layer Cake* and *Using Credit Enhancements to Support the Development of Well-Performing Water Utilities*.

In addition to this core set of presenters, a number of guest presenters and speakers also brought their valuable insights and experience to the workshop. Lunch speakers included Jacqueline Schaffer, USAID Assistant Administrator for Economic Growth, Agriculture and Trade, who provided an overview of USAID activities and programs in the water sector; and Othman Kurdi, Senior Adviser to the Minister, Jordan Ministry of Water and Irrigation, presenting issues and challenges in the Jordanian water sector. Eng. Mohamed El Alfy, Assistant Minister for Housing, Utilities, and Urban Development of Egypt, and a workshop participant, gave a presentation on *Challenges in Implementing Water Sector Reform in Egypt*. His overview of the Egyptian water sector was supplemented by two presentations by David Osgood, Manager of the USAID/Egypt Water and Wastewater Sector Reform Project: a *Case Study of Creditworthiness of the Alexandria Water Company*; and a presentation on *Water Sector Financing in Egypt*. Rebecca Black, Director of the Economic Growth Office of USAID/India, presented USAID's experience in supporting water and sanitation activities and infrastructure finance in India.

Several guest presenters discussed recent water utility reforms in Jordan. Eng. Kamal Al-Zoubi, CEO of Muniyana (formerly Amman Water Company) and previously General Manager of Aqaba Water Company, and Jose Valdez, Chief of Party for USAID/Jordan's Amman Water Management/Commercialization Project, provided complementary presentations on the steps involved in corporatizing the Amman and Aqaba water utilities. Tarek Zuriekat, Business Manager of Engicon (a Jordanian consulting firm) described a pilot effort in the Municipality of Madaba to improve billing and collection through outsourcing.

The participation and interaction of attendees was encouraged throughout the training. Specific interactive activities included Country Team discussions to 1) characterize the current business models in each country for water and sanitation service delivery; 2) identify the opportunities and challenges for improving service delivery; and 3) developing work plans to make needed reforms to current business models to take advantage of the opportunities and to overcome challenges identified by each Country Team. Each Country Team developed and presented a consolidated action plan describing priority actions needed to take place over the next 12 months. The results of the interactive sessions are provided in Appendix D.

2.0 REVIEW OF PARTICIPANT EVALUATIONS

We administered a participant evaluation at the conclusion of the three-day training event. Using a questionnaire, we collected responses from 23 participants and presenters. For the evaluation form used, as well as tabulated responses, please see Appendix C. Below we discuss responses to quantitative and qualitative questions.

2.1 DISCUSSION OF QUANTITATIVE RESPONSES

The evaluation form requested participants to rate their satisfaction with various elements of the course and with the course overall. The scale ran from 5 to 1, as follows: 5 (high), 4 (somewhat high), 3 (satisfactory), 2 (somewhat low), and 1 (low).

For overall program content for the three-day session, all participants rated the course as “satisfactory” or better, although one participant felt that the relevancy to his/her work was somewhat low. The average ratings for the four criteria of overall program content was 4.18, or “somewhat high.” Overall satisfaction with the three-day training was also ranked independently by the participants as 4.18.

The content of individual sessions received mostly “high” and “somewhat high” marks. The panel discussion on how the private sector evaluates potential borrowers or investments (Session 3) was the only session that had multiple “somewhat low” satisfaction (five respondents), while two other sessions had one response of “somewhat low.” The session on Corporatization (Session 10) received the highest average score (4.64) followed by Introduction to Business Models (Session 1) with an average score of 4.50 and Credit Enhancements (Session 15) at 4.43. Although no session was ranked less than satisfactory, four sessions had an average score less than 4.0: Session 4: Case Study of Creditworthiness of Alexandria Water Company (3.95); Session 16: The Case of India (3.75); Session 3: Panel Discussion (3.57); and Session 7: Challenges of Implementing Water Sector Reform (3.57).

Nearly all program presenters received a “somewhat high” score or higher. Receiving the highest rating was Allen Eisendrath (4.90), followed by Ed Roche (4.60), Earl Kessler (4.57), Kamal Al-Zoubi (4.41), Jose Valez (4.18), John Butler (4.16), Eric Viala (4.12), and David Osgood (4.00). The other presenters received scores less than 4.00, with the lowest scores for the Session 3 panelists (average score of the six panelists was 3.47).

All participants reported to be satisfied with logistics, materials, and support. An overwhelming majority of participants gave “high” or “somewhat high” ratings for materials and equipment (average of 4.24), as well as for meals and refreshments (4.67).

2.2 DISCUSSION OF QUALITATIVE RESPONSES

A number of questions were asked in the evaluation forms to solicit the participants’ qualitative responses:

What were the highlights for you from the three-day program?

- Importance of sector reform/utility reform in financing. (2)
- Enabling environment. (1)
- Experiences of other countries/case studies. (3)

- Business planning and models. (3)
- Performance contracting. (1)
- Outsourcing of billing and collection. (1)
- Use of revolving funds and other mechanisms to attract private sector financing. (3)
- Kessler and Eisendrath presentations and comments. (1)
- Benchmarking. (1)

What topics (if any) would you have liked for us to have covered in greater detail?

- Capital infrastructure financing strategies. (4)
- Outsourcing experiences and strategies. (1)
- Water sector/utility reform. (2)
- Rate setting. (2)
- The British experience. (1)
- Ad hoc funding. (1)
- Business models. (1)
- Access of water for the poor. (1)

What topics (if any) did we spend too much time on?

- India experience. (2)
- Panel discussion. (3)
- Some repetition in case studies. (1)

What lessons do you come away with from this training that you can apply in your current work?

- Importance of sector reform. Financing is just one part. (5)
- Business planning. (2)
- Performance contracting. (1)
- Using revolving funds to attract private sector capital. (1)
- Steps toward private sector engagement. (1)
- Importance of operating contracts. (1)
- Importance of full cost recovery. (1)

Do you see opportunities for cross-cutting urban sector programming in your current work, or in your Mission's work?

- Provision of urban services. (1)

- Coordination among donors. (1)

Please provide any additional suggestions regarding how this training could be improved.

- Better logistic support. (1)
- This evaluation form should be given at the start of the program so that presentations can be assessed immediately. (1)
- Provide more results of actual activities or research. (3)
- Provide the presentations and documents to participants prior to the workshop. (2)
- Provide hard copies of presentations. (2)
- Practitioners of revolving funds should be invited as presenters (US SRFs, other countries). (1)
- Reduce text in slides. (1)
- Add one more day. (3)
- Have a get-together of participants prior to start of the course. (1)

Please provide any suggestions you may have for specific topics to address, or individual speaker to invite, for future Emerging Urban Trends training events.

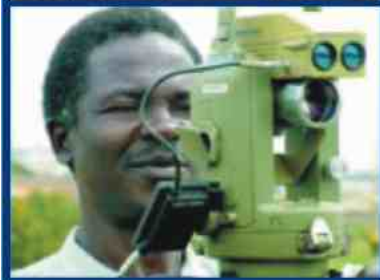
- Solid waste management. (1)
- Setting water tariffs. (1)
- Developing health/water/sanitation indicators. (1)
- Designing and implementing integrated urban programs with focus on health, water/sanitation, and slum upgrading. (1)
- Benchmarking and utility performance rating. (1)
- Invite Eisendrath and Kessler to present Enabling Environment and Bankability to Government of Jordan representatives. (1)
- Invite Eisendrath and Butler to present in Iraq. (1)

3.0 CONCLUSIONS

The “Making Cities Work: Financing for Municipal Infrastructure” was a success. Participants gave the training an overall score of 4.18, between “high” (5) and “somewhat high” (4). Nevertheless, it is concluded that the training program can be made even better and made more relevant for USAID staff and partners. Given the feedback provided by UP staff and participant evaluations, as well as the assessment of ARD personnel, the following conclusions are offered:

- The engagement of participants in the general dialogue and in questions and answers was encouraged. Presenters were successfully discouraged from dominating the dialogue. This proved to be a very productive training approach, and should be continued in future trainings.
- While a few participants suggested extending the training to four days, we believe that by streamlining some of the training sessions and reducing the number of guest speakers, three days is an appropriate duration.
- The panel of investors and lenders was not well received, and should be dropped from the program.
- The second day of the program was overly dense with presentations, and we elected not to conduct the planned interactive session at the end of the day since it was clear that participants were tired. Some of the program on the second day schedule should be moved to the third day, and the number of guest speakers reduced.
- Efforts must continue to provide more opportunities for presentations by USAID staff and for sharing in-country experiences with their colleagues.
- The case studies and real-world examples of successful water sector and utility reform were very well received. More case studies and examples are recommended.
- The interactive sessions were successful and well received. The “Country Teams” developed Action Plans to be pursued upon their return home. Follow-up inquiries should be made to ascertain progress and determine what additional technical assistance might be required.
- More time should be provided on the agenda for project finance topics.

APPENDIX A: TRAINING PROGRAM AGENDA



USAID
FROM THE AMERICAN PEOPLE



**MAKING CITIES WORK:
FINANCING FOR WATER INFRASTRUCTURE**

November 4-6, 2007

Hotel Intercontinental Jordan

Amman, Jordan

TRAINING PROGRAM

Overall Training Objective:

To equip USAID development professionals and partners with the tools and background that they need to design and oversee activities that help national and local governments access financing for municipal services and infrastructure investments, with a focus on water and sanitation. Identify approaches to sustainable infrastructure financing and creating bankable water & sanitation utilities.

Day: Sunday, November 4 (Morning)

Theme: Setting the context for water utility finance, with a focus on performance of water service delivery

Objectives: Develop a basic understanding of finance issues facing municipal water service providers

Time	Topic	Presenter
8:45—9:15	Registration and Coffee	
9:15—9:30	Welcome	USAID
9:30—9:45	Course Overview, Expectations, and Introductions	J. Butler ¹
9:45—10:45	Introduction: Business Models for Water & Sanitation Services & Financing Infrastructure	J. Butler A. Eisendrath ²
10:45—11:00	Coffee Break	
11:00—12:00	Interactive Session: The context for water service delivery in your country: <ul style="list-style-type: none">• Where does responsibility for water service delivery reside in your country (local/regional/national responsibilities)?• What is the business model in your country for delivering and sustaining water service delivery?• How do you currently finance the capital needs of water and sanitation services?	
12:00—1:00	Lunch. Guest Speaker: His Excellency Dr. Mohammad Shatanawi, Minister of Water, Ministry of Water and Irrigation ³	

Day: Sunday, November 4 (Afternoon)

Theme: Understanding the key elements of municipal water utility finance: Bankability; Enabling Environment; Utility Performance; and Financing Mechanisms

Objectives: Understand the requirements of capital markets for water utility investments, and what municipalities and utilities need to achieve to meet these requirements. Understand key elements of the enabling environment that are important to capital markets.

Time	Topic	Presenter
1:00—1:30	Attributes of Bankability: How capital markets view water infrastructure projects (e.g., credit ratings for municipal utility projects & utilities)	E. Kessler ⁴
1:30—2:30	Panel discussion on how the private sector evaluates potential borrowers or investments	W. Murjan ⁵ S. Shahrour ⁶ M. Sahrah ⁷ E. Akkoub ⁸ M. Abdoh ⁹ A. H. Al-Saeed ¹⁰
2:30—3:00	Case Study: Assessment of creditworthiness of Alexandria Water Company	D. Osgood ¹¹
3:00—3:15	Coffee Break	
3:15—3:45	Enabling Environment: what needs to be done at the policy, legal and regulatory environment to facilitate market-based financing of water infrastructure?	E. Kessler
3:45—5:00	Interactive Session: Assessing attributes of bankability, enabling	

environment, utility performance....where is your sector today?

Day: Monday, November 5 (Morning)
Theme: Getting the Municipal Utility Structure Right
Objective: Explore options for utility restructuring to achieve the demands of capital markets.

Time	Topic	Presenter
9:00—9:30	Models of Successful Water Sector Reform: Identifying the Building Blocks	A. Eisendrath
9:30—10:15	Challenges in Implementing Water Sector Reform in Egypt	His Excellency Eng. Mohamed El Alfy ¹²
10:15—11:00	Implementing Reform: Changes at the Sector Level Sector structure & aggregation Corporatization Private sector participation National regulation Benchmarking	E. Kessler J. Butler
11:00—11:15	Coffee Break	
11:15-12:00	Implementing Reform: Changes at the Utility Level Business Plan Performance Plan & Incentives Metering Plan Sectorization	A. Eisendrath
12:00—1:00	Lunch. Guest speaker: The Honorable Jacqueline E. Schafer, Assistant Administrator, Bureau for Economic Growth, Agriculture, and Trade, USAID ⁷	

Day: Monday, November 5 (Afternoon)
Theme: Moving from Theory to Reality: The Nuts and Bolts of Water Utility Reform
Objective: Learn about successful municipal water utility reforms and assess applicability of these experiences to the needs of the workshop participants.

Time	Topic	Presenter
1:00 – 2:00	Corporatization: Key characteristics and Implementation of the Concepts <ul style="list-style-type: none"> • Legal framework • Organizational form and articles of incorporation • Incentivizing management and staff • Establishing autonomous budgets/setting tariffs 	A. Eisendrath
2:00 – 2:45	Water Services Reform in Jordan	Eng. Kamal Al-Zoubi ¹³
2:45 – 3:15	Implementation of Corporatization in Jordan’s Water Sector	J. Valdez ¹⁴
3:15 – 3:30	Coffee Break	
3:30 – 4:30	Interactive Session: Defining a Country Reform Package for Water & Sanitation	A. Eisendrath/ E. Viala ¹⁵
4:30 – 5:15	Summary of Key Points From Discussion	

Day: Tuesday, November 6 (Morning)
Theme: The Way Forward: Partnerships to improve the performance and creditworthiness of municipal water utilities.
Objective: Understand the factors that affect creditworthiness of municipal water utilities and begin a discussion of how USAID and other donors can support municipalities and local utilities. Review various forms of external credit enhancements.

Time	Topic	Presenter
9:00 – 11:00	Financing Strategies for Water & Sanitation Services: Building the financing “layer cake” Capital development grant programs Donor financing – output based aid Revolving funds: leveraged and non-leveraged	E. Roche ¹⁶ / D. Osgood/ J. Butler
11:00 – 11:15	Coffee Break	
11:15 – 12:15	Using credit enhancements to support the development of well-performing water utilities	E. Roche
12:15 – 1:15	Lunch	

Day: Tuesday, November 6 (Afternoon)
Theme: Exploring innovative approaches to municipal finance, reviewing practical considerations, and putting it all together
Objective: Review innovative approaches to municipal finance. Review and understand the budget cycle, capital improvement planning, leveraging of resources, maintenance of investment, political considerations, and civic engagement.

Time	Topic	Presenter
1:15 – 2:15	The Case of India: “Pulling It All Together – Progress and Challenges”	R. Black ¹⁷
2:15 – 2:30	Coffee Break	
2:30 – 4:15	Country Team Meetings: Business Model for Water & Sanitation Financing Innovations for Water & Sanitation	
4:15 – 5:00	Reporting Out: Proposed new business model for delivering and financing water and sanitation services	Country Teams
5:00 – 5:30	Conclusions and Evaluations	

PRESENTERS:

¹John Butler, Senior Associate, ARD, Inc., Burlington, Vermont, USA.

²Allen Eisendrath, Senior Infrastructure Finance Adviser, USAID/EGAT, Washington, DC. USA.

³His Excellency Dr. Mohammad Shatanawi, Minister of Water, Ministry of Water and Irrigation, Amman, Jordan.

⁴Earl Kessler, Senior Consultant, ARD, Inc., Burlington, Vermont.

⁵Mr. Waleed Murjan, Head of Project Finance Department, Social Security Investment Unit

⁶Mr. Sameer Shahrour, Project Finance Studies Section Head, Project Finance Department, Social Security Investment Unit

⁷Mr. Mazen Sahrah, Senior Financial Analyst, Project Finance Department, Social Security Investment Unit

⁸Mr. Emad Akkoub, Credit Manager, Cairo Amman Bank

⁹Mr. Mohammad Abdoh, Cairo Amman Bank

¹⁰Mr. Abdel Hameed Al-Saeed, Executive Manager, Bank of Jordan

¹¹David Osgood, Project Manager, USAID-Egypt, Water & Wastewater Sector Policy Reform Project

¹²His Excellency Eng. Mohamed El Alfy, Assistant Minister, Ministry of Housing, Utilities, and Urban Development, and Executive Director of The Egyptian Water Regulatory Agency, Cairo, Egypt.

¹³The Honorable Jacqueline E. Schafer, Assistant Administrator, Bureau for Economic Growth, Agriculture, and Trade, US Agency for International Development, Washington, DC.

¹⁴Eng. Kamal Al-Zoubi, Chief Executive Officer, Miyahuna, Amman, Jordan.

¹⁵Jose Valdez, Chief of Party, USAID-Jordan, Amman Water Management/Commercialization Assessment Project, Amman, Jordan.

¹⁶Eric Viala, Regional Water Advisor, USAID Office of Middle East Programs, Cairo, Egypt.

¹⁷Ed Roche, Senior Finance Adviser, USAID/EGAT, Office of Development Credit Authority, Washington, DC, USA.

¹⁸Rebecca Black, Director, Economic Growth Office, US Agency for International Development, New Delhi, India.

APPENDIX B:
NAMES AND CONTACT INFORMATION
OF ATTENDEES

MAKING CITIES WORK: FINANCING FOR WATER INFRASTRUCTURE

AMMAN, JORDAN
NOVEMBER 4-6, 2007

PARTICIPANTS:

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Christopher Sadler	christopher@sadler@ngwa.com.jo	Jordan	NGWA
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Moenes Youannis	myoannis@usaid.gov	Egypt	USAID-Egypt

APPENDIX C: EVALUATION FORM WITH TABULATED RESULTS

Making Cities Work: Financing for Water Infrastructure
November 4-6, 2007
Evaluations

PROGRAM AREA	PARTICIPANT SATISFACTION (place an "X" in the appropriate box)						Average	Total
	High (5)	Somewhat High (4)	Satisfactory (3)	Somewhat Low (2)	Low (1)			
A. Overall Program Content (entire 3-day program)								
Objectives were stated clearly	11	8	3			4.36	22	
Content of the training program	9	11	3			4.26	23	
Relevancy of program content to your work	11	5	6	1		4.13	23	
Format for presentations and discussions was appropriate	3	16	4			3.96	23	
B. Content of Individual Sessions								
DAY 1 (Sunday November 4)								
<i>Session 1:</i> Introduction: Business Models for Water and Sanitation Services and Financing Infrastructure	13	7	2			4.50	22	
<i>Session 2:</i> Attributes of Bankability	11	9	3			4.35	23	
<i>Session 3:</i> Panel discussion on how the private sector evaluates potential borrowers or investments	6	6	6	5		3.57	23	
<i>Session 4:</i> Case Study: Assessment of creditworthiness of Alexandria Water Company	7	7	6	1		3.95	21	
<i>Session 5:</i> Enabling Environment	8	8	4			4.20	20	
DAY 2 (Monday, November 5)								
<i>Session 6:</i> Models of Successful Water Sector Reform: Identifying the Building Blocks	14	4	5			4.39	23	
<i>Session 7:</i> Challenges in Implementing Water Sector Reform in Egypt	3	7	13			3.57	23	
<i>Session 8:</i> Implementing Reform: Changes at the Sector Level	8	8	6			4.09	22	
<i>Session 9:</i> Implementing Reform: Changes at the Utility Level	10	7	5			4.23	22	
<i>Session 10:</i> Corporatization: Key characteristics and Implementation of the Concepts	15	6	1			4.64	22	
<i>Session 11:</i> Water Services Reform in Jordan	10	5	5			4.25	20	
<i>Session 12:</i> Implementation of Corporatization in Jordan's Water Sector	8	7	6			4.10	21	

PROGRAM AREA	High (5)	Somewhat High (4)	Satisfactory (3)	Somewhat Low (2)	Low (1)	Average	Total
<i>Session 13: Interactive Session: Defining a Country Reform Package for Water & Sanitation</i>	8	8	4			4.20	20
DAY 3 (Tuesday, November 6)							
<i>Session 14: Financing Strategies for Water & Sanitation Services: building the financing “layer cake”</i>	10	8	4			4.27	22
<i>Session 15: Using credit enhancements to support the development of well-performing water utilities</i>	10	10	1			4.43	21
<i>Session 16: The Case of India: “Pulling It All Together- Progress and Challenges”</i>	6	4	9	1		3.75	20
C. Program Presenters							
John Butler (<i>Session 1, 8, 14</i>)	6	10	3			4.16	19
Allen Eisendrath (<i>Session 1, 6, 9, 10, 13, 14</i>)	18	2				4.90	20
Earl Kessler (<i>Session 2, 5, 8</i>)	12	9				4.57	21
Waleed Murjan (<i>Session 3</i>)	2	7	8	2		3.47	19
Sameer Shahrour (<i>Session 3</i>)	2	6	9	2		3.42	19
Mazen Sahrah (<i>Session 3</i>)	2	6	9	2		3.42	19
Emad Akkoub (<i>Session 3</i>)	2	6	9	2		3.42	19
Mohammad Abdoh (<i>Session 3</i>)	2	7	8	2		3.47	19
Abdel Hameed Al-Saeed (<i>Session 3</i>)	4	5	7	2		3.61	18
David Osgood (<i>Session 4, 14</i>)	7	5	7			4.00	19
Mohamed El Alfy (<i>Session 7</i>)	4	6	6			3.88	16
Kamal Al-Zoubi (<i>Session 11</i>)	9	6	2			4.41	17
Jose Valdez (<i>Session 12</i>)	6	8	3			4.18	17
Eric Viala (<i>Session 13</i>)	4	11	2			4.12	17
Ed Roche (<i>Session 14, 15</i>)	12	8				4.60	20
Rebecca Black (<i>Session 16</i>)	5	8	7			3.90	20

PROGRAM AREA	High (5)	Somewhat High (4)	Satisfactory (3)	Somewhat Low (2)	Low (1)	Average	Total
D. Logistics, Materials & Support							
Materials & Equipment	11	4	6			4.24	21
Meals & Refreshments	16	3	2			4.67	21
Other Logistics (Describe: _____)	4	3	2	1		4.00	10
E. Your Overall Satisfaction and Learning							
	High (5)	Somewhat High (4)	Satisfactory (4)	Somewhat Low (3)	Low (1)	Average	
Overall, how would you rate your training program experience?	8	10	4			4.18	22

APPENDIX D: COUNTRY TEAM REPORTS

FINANCING WATER INFRASTRUCTURE: COUNTRY TEAM REPORTS

IRAQ

Iraq: Current Water and Sanitation Business Model

Who owns?	Who operates/ manages (e.g., local/regional/national, public/private)	How are water services financed?	Who sets and regulates tariffs? (water and wastewater)
Ministry of Water Resources (MoWR) – bulk water Ministry of Municipalities and Public Works (MMPW): water & wastewater distribution Baghdad is autonomous	MMPW: water distribution at the Governorate level	Government of Iraq	MMPW for both subscription and tariff

Iraq: Enabling Environment

Opportunities/Positive Trends & Accomplishments	Constraints/Challenges
C.L.22 allows State Owned Enterprises (SOEs)/mixed companies Support for public-private partnerships Zonal contracting? Decentralization: corporatize local SOEs	Top-down management Lack of clear policy framework Lack of qualified personnel Security Internally displaced persons

Iraq: Recommendations

- Modify mandate of MMPW to execute a set of delegated operating contracts.
- USAID supports the set of contracts.
- Form a government working group to manage this initiative.

PHILIPPINES

Philippines: Current Water and Sanitation Business Model

Who owns?	Who operates/manages (e.g., local/regional/national, public/private)	How are water services financed?	Who sets and regulates tariffs? (water and wastewater)
<ul style="list-style-type: none"> Local government run utilizes (1,000) MWSS – concession Water districts (600) Privately owned (2,000) RWSA - Coops 	<ul style="list-style-type: none"> Local Government Units Government/Private Concessionaires GOCC Private Cooperatives 	<ul style="list-style-type: none"> LGU subsidy, loans NG grant, tariff NWSS loans, concession fees Tariff, Loans Tariff, Equity Equity, Tariff 	<ul style="list-style-type: none"> LGU MWSS Regulatory Office LWUA/NWRD NWRB LWUA/Self-regulated

Philippines: Enabling Environment

Opportunities/Positive Trends & Accomplishments	Constraints/Challenges
<ul style="list-style-type: none"> Legal & regulatory framework in place Increasing interest of PFIs to finance water projects Corporatized structure of WVs & PSP (tariff structure allows for full cost recovery) Procurement Law – competitive bidding Financing Reforms/Rationalization of resource allocation 	<ul style="list-style-type: none"> Too many institutions involved in water sector Poor-enforcement of laws & regulations (no “stick” for generating demand for investments) Lack of project preparation facility Disaggregated ownership/no economies of scale Political interference for LGU-run systems

Philippines: Recommendations

- Strengthen governance arrangements; create an independent, functioning regulator, strengthen board governance.
- Pass a law to amalgamate the 2,000+ utilities to about 80 utilities corresponding to provincial geographic coverage to corporate entities that are able to be regulated.
- Establish a sustainable financing mechanism for WSS using PPP.
- Strengthen consumer advocacy.

JORDAN

Jordan: Current Water and Sanitation Business Model

Who owns?	Who operates/manages (e.g., local/regional/national, public/private)	How are water services financed?	Who sets and regulates tariffs? (water and wastewater)
<ul style="list-style-type: none"> Government of Jordan: Water Authority of Jordan, JVA Corporate: Miyahuna, Aqaba Water Company BOT: Private 	<ul style="list-style-type: none"> National: WAJ, Regional: JVA, NSWA, Miyahuna, AWC, Local Govt. Local: BOTs, outsource (Engicon) 	<ul style="list-style-type: none"> Internal – subsidy Loans Grants Private or combination 	<ul style="list-style-type: none"> Government (boss) Contract

Jordan: Enabling Environment

Opportunities/Positive Trends & Accomplishments	Constraints/Challenges
<ul style="list-style-type: none"> Ongoing reforms (companies and private partnerships) Accessibility of service (99%ow, 67% ww) Laws & Policies (regulation) Regulator Water User Associations 	<ul style="list-style-type: none"> Political (will/the right decision, coordination) Social (influx of refugees) Economic (tariffs: affordability, cost of delivery) Technical (limited resources)

Jordan: Recommendations

- New law for a water regulator
- Independent empowered regulator: tariff, enforcement of laws, and regulate/monitor performance
- Utility incorporation: proper private sector management
- Expand most appropriate privatization model to other Governorates

EGYPT

Egypt: Current Water and Sanitation Business Model

Who owns?	Who operates/manages (e.g., local/regional/national, public/private)	How are water services financed?	Who sets and regulates tariffs? (water and wastewater)
<ul style="list-style-type: none"> • Local public companies • Holding Company • Government of Egypt/Ministry of Finance 	<ul style="list-style-type: none"> • Local public companies • Holding Company • Government of Egypt/Ministry of Finance 	<ul style="list-style-type: none"> • Tariffs: O&M • GoE subsidies • Donors • Grants and concessionary loans for Capex 	<ul style="list-style-type: none"> • Egyptian Water Regulatory Agency (ENRA) recommends to Cabinet of Ministers to ok

Egypt: Enabling Environment

Opportunities/Positive Trends & Accomplishments	Constraints/Challenges
<ul style="list-style-type: none"> • Corporatization • Ongoing Reforms • Egyptian Water Regulatory Agency • Water (policy/laws) Committee • New Leadership 	<ul style="list-style-type: none"> • Low Tariffs • Poor data (WFW, Maps, Collections, etc.) • Over-staffing, lack of skills • Resistance to change • Centralization (fragmentation) of capital investments • Weak civil society • Lack of accountability

Egypt: Recommendations

- Transfer more responsibility for Capex to Operating Companies
- Completely achieve operational efficiency
- Tariff reform