

Title: Enhancing Environmental Governance in Major Financial Institutions of Asia – Phase II

Primary Program Area: Industry

Partner: Association of Development Financial Institutions of the Asia-Pacific (ADFIAP) and associated members

Background

This one-year proposal is a follow-on activity to the one of last year. The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) is a not-for-profit, non-governmental regional association of 65 major banks and financial institutions in 33 countries in Asia engaged in the financing of development. Starting with a Memorandum of Understanding in August, 1999, ADFIAP and USAEP have been working together to implement policies and practices which increase attention to the environmental aspects of project lending and overall bank operations. This has led to an increased culture of environmental due diligence and responsibility in development banks in the region using a regional project as a testing ground for new ideas or approaches, which may then be adopted by individual countries which find them applicable locally. Under the earlier US-AEP supported ADFIAP Greening of DFIs Project (Phase I) which was completed in March, 2002, the following results were accomplished:

- (a) Completed the survey on the environmental policies, practices and procedures of 36 ADFIAP member-institutions and conveyed the results to the general membership during the 24th ADFIAP Annual Meetings in Tokyo.
- (b) Assisted eleven member-institutions in nine countries to draft their formal written policies for their Boards' approval.
- (c) Received firm interest of commitment from additional nine member-banks in eight countries of their formulation of a formal policy approved by their respective Boards.
- (d) Designated environmental officers or "point persons" in their respective institutions.
- (e) Drafted a new Association publication, Greenbank, to promote environmental due diligence among ADFIAP members.
- (f) Featured the project regularly in the ADFIAP Newsletter, the official membership publication of the Association and in our new email newsletter, The Infosource, to keep members up to date on the project.
- (g) Organized from December 3 to 7, 2001 in cooperation with the Development Bank of the Philippines (DBP) and US-AEP, a 5-day International Seminar-Workshop on Environmental Management and Due Diligence attended by 18 participants from member-banks and affiliated organizations. The event was self-financed by ADFIAP and its members and cost around \$30,000.

FY 2003 Project Description

The ADFIAP project proposes to undertake the following activities:

- a) Update the survey of additional target members for the purpose of sharing the experiences of those which have already institutionalized environmental policies and practices (from Project Phase I) and assisting them to undertake similar initiatives in their respective institutions.

- b) Organize a regional training program for environmental officers of member-banks.
- c) Make presentations and organize exchange missions to selected member-bank countries.
- d) Promote the project through ADFIAP regular publications and through its web site.
- e) Provide a forum for discussions and exchange of experiences during the ADFIAP Annual Meetings.

Results Expected

By the end of FY 2002 this activity should increase the number of ADFIAP member-banks that will have formal written environmental policies and designated environmental officers approved by their Boards of Directors from the current 22 to 48 institutions, representing 75% of the total membership. It will also educate member-banks environmental officers with current trends in environmental management systems and standards of fellow member-banks and those available elsewhere; and embed the project's ideals through information exchanges (newsletters, annual reports, and on-line communication) and recognition of members' achievements through the ADFIAP Development Awards program.

As such the earlier effort and this one promotes the sharing of institutional-specific experiences to inform and accelerate the adoption of environmentally beneficial policies or practices as well as strengthening an associations that operates regionally. By working with ADFIAP, we will be influencing regional institutions which can in turn influence environmental performance in many of the key development financial institutions in Asia by more forcefully bringing environmental considerations into their investment and lending decisions.)

Project Lead: The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). The responsible officers of ADFIAP to implement the project are: Mr. Orlando P. Peña, Secretary General and Mr. Octavio B. Peralta, Deputy Secretary General

US-AEP Budget: Total activity cost = \$25,000 in TSSC regional grants.

Funding Mechanism & Timeline: Grant to ADFIAP via either the USAID/Manila contract officer and/or the TSSC. The ADFIAP Secretariat offices are located in Manila.

1. **\$3,000.** Region-wide survey (research, preparation of survey instrument, mailing, follow-up, compilation & analysis of results and dissemination, communication & courier costs, fees, etc.). Two months (from preparation to results dissemination)
2. **\$11,000.** Regional training program (design, training materials production, faculty line-up, venue and logistics. Six months.
3. **\$8,000.** Exchange missions (program design, communications, program implementation, travel & logistics).
4. **\$1,000.** Promotion through publications and web site (printing & Internet fees).
5. **\$1,000.** Presentation at ADFIAP Annual Meetings (materials, travel, fees).
6. **\$1,000.** Other (communication expenses, contingent costs, etc.).

FY 2003 Regional Project Proposal

Title: APEC 2003 International Clean Energy Business Development Conference

Primary program area: Technology Transfer

Secondary program areas: Energy

U.S. Partners: U.S. Dept. of Energy; International Center for Sustainable Development; EPSG

Asian Partners: None other than participants

Description

The purpose of this conference is to facilitate business partnerships on clean energy technologies with developing APEC countries and, through Village Power, other non-APEC Asian countries such as India. It will be held in Baltimore in September 2003 and will include a trade show.

APEC holds a private sector forum every two years on clean energy, associated with the APEC Expert Group on New and Renewable Energy Technologies. Since the U.S. has the lead for this Group, the conference is organized and sponsored by the U.S. Dept. of Energy (DOE) APEC Manager for Energy Efficiency and Renewable Energy. The lead implementing partner for DOE is the International Center for Sustainable Development. DOE is seeking co-sponsors from other U.S. government agencies such as USAID, the Dept. of Commerce, the Trade and Development Agency, and the Export-Import Bank.

The 2003 conference will be significantly enhanced by being jointly held with Village Power, a project funded by USAID, the World Bank and DOE to electrify rural areas of Asia with solar power. Village Power sees the event as a follow-up to the commitments made in Action Plans at the World Summit on Sustainable Development (WSSD) in September 2002. Whereas the 2001 conference focused on small- to medium-sized firms, DOE plans to also attract large businesses such as BP Solar to the 2003 event.

Expected Results: That the Asian participants will learn about technologies suitable to their needs and connect to firms that can supply those technologies. As a co-sponsor of the event, USAEP would accrue additional benefits in the form of enhanced visibility at high levels with Asian countries, as the event will likely be attended by Embassies and Energy Ministers.

Project Lead: Judith Barry

Budget: Total activity cost = a \$12,299. This includes a \$10,000 TSSC grant, for co-sponsorship (may be matched by USAID EGAT Energy Office). (Country EPSG budgets will support any participants that USAEP field offices wish to send.), and \$2,299 in TSSC core support costs.

Mechanism: TSSC grant to the International Center for Sustainable Development

FY 2003 Regional Project Proposal

Title: Asia-Pacific Roundtable for Cleaner Production (APRCP)
Primary program area: Industry
Secondary program area: None
U.S. Partners: TSSC
Asian Partners: APRCP

Description: The APRCP was created in 1998 to provide leadership in the promotion of cleaner production concepts and technologies throughout Asia. APRCP's mission is to foster dialogue among industry, government, academia, and non-government organizations in the region to address pollution problems and devise cleaner production solutions. For several years, US-AEP has partnered with APRCP, supporting its national and regional roundtables and facilitating APRCP's participation in international CP-related dialogue. Currently, US-AEP is providing support to APRCP's 4th conference to be held in Indonesia in October 2002.

APRCP has had some success in promoting CP concepts and best practices throughout the region and has substantially extended its international network over the years. Based on this success, US-AEP plans to continue to support APRCP in a limited capacity in FYI 2003, focusing on APRCP's long-term financial sustainability. Illustrative activities within this project include the following: 1) work with the Membership Committee on a campaign to recruit new members, establish a directory available on the web site, and improve promotional materials; 2) work with the Promotion Committee to make APRCP membership more valuable, such as developing new services and improving existing ones that are provided via the web site and newsletter; 3) work with the Project Development Committee to help APRCP develop activities that generate resources and increase the visibility and value of APRCP; and 4) work with Finance Committee on securing funding from various other sources. USAEP will also improve the visibility, viability and sustainability of APRCP by linking it with other USAEP activities, such as the Global Reporting Initiative (GRI), Greening the Supply Chain (GSC), and work with the Association of Development Financing Institutions of the Asia-Pacific (ADFIAP).

Expected Results: This project will strengthen APRCP's ability to become more financially independent of donor support, allowing them to serve Asia over the long-term as the focal point of a network of CP-related organizations in the region, providing outreach and information on pollution prevention, cleaner technologies and environmental management.

Project Lead: Conchita Silva, 13 days/year (Asia); Judith Barry (Washington oversight)
Budget: Total activity cost = \$37,987. This includes: \$17,000 in TSSC grants and \$20,987 in TSSC salaries and ODCs.
Mechanism: TSSC grant to APRCP (\$17,000); TSSC staff time

Title: Local Government Association and League Network
 Support
 Main Technical Area: Urban
 Secondary Technical Areas: Policy
 U.S. Partners: ICMA
 Country /Regional Partners: League of Cities, League of Municipalities Philippines;
 Municipal League of Thailand, City Managers Associations
 of Gujarat; Association of Cities –Indonesia; Association of
 Kabupatens-Indonesia; Association of Provinces-Indonesia;
 Nepal League of Cities, & Municipal Officials of Sri Lanka
 Secondary Partners: AWWA; SWAMP

Background: Since 1992 a wave of decentralization has occurred in Asia. National government actions such as the 1992 74th amendment of Indian Constitution, the passage of the 1991 Local Government Code of the Philippines; and the enactment of laws 22/25 of Indonesia, for example are changing the administrative, fiscal and political landscape of governing. As each country in the region grapples with the impact these changes are making, environmental services and policies must be delivered and enforced.

A key institution to the forward movement of improved environmental service and policy at the local level is the local government association. Today there are at least 8 viable local government associations that have been partners with USA-AEP and US-AID in the effort to improve the effectiveness of the local government generally.

The institutions, their programs and the information gathered are critical to finding immediate answers to the problems of environmental service delivery under the new decentralized structure; information that could be shared Asia wide if there was an institutional arrangement that allow for this. The activities outlined below address this gap in institutional arrangements.

The U.S. – Asian Environmental Partnership recognized the value of information sharing during a meeting of Association leaders at the MAPES 2001 event. The realization that the associations had information regarding the best way to interact, the type of support that would be needed for them to further their mission in support of their members, and the need to access more information rapidly was the impetus for the Asian Association Dialogue Workshop held in May of 2002.

At the Dialogue the 7 associations that have been in existence for at least 3 years (some significantly longer) reviewed in detail their own ability to improve services and further, how they could better work together. Two of the most feasible actions are submitted for US-AEP consideration

Description:
 Activities: Federation of Asian Associations

The representatives at the Dialogue realized by talking with their colleagues that there was an immense amount of information that each of them had individually, but that they had no collective way of sharing it; information that would assist their members such as opportunities for funding of large projects, regional training events, best practices, etc. In light of this finding they proposed that a Federation of Asian Associations be formed. The Federation would be a fairly informal structure with a secretariat based in one of the participating institutions or rotating amongst them.

To move forward with this activity year one funds would be used to a.) confirm the interest of the associations, identify up to three people that will work with US-AEP to determine the feasibility and structure of such a federation; b.) conduct a study tour of the three person team with representative from ICMA to Central America, home of the Federation of Municipal Institutions of Central America (FEMICA) which has been in existence and has played a critical role in local government development in Central America since 1989; and c.) Convene a meeting at the MAPES 2003 event to distribute the findings of the 3 person team

Results: The documentation of findings as it relates to the creation of a Federation of Asian Associations that would be used as background information for proposals for funding to Asian institutions such as the Asian Development Bank and USAID Missions.

Project Lead: ICMA/Deborah Kimble

Budget: \$20,000: Study tour for three Asian association representatives to Central America (ICMA Task Order)
20% Senior Urban Advisor for technical assistance / TSSC

Activity: Guidelines for Model Best Practices Documentation and Knowledge Transfer

As information sharing becomes more feasible within Asia ease of access to information will be critical. One method in which this can be facilitated is to introduce a guidelines for best practices programs that ensure constituency. This activity would be a critical to information exchange between municipal associations, it can also facilitate the up and downloading of information from the Cities Alliance Community Development Strategy web-page (now under construction by ICMA). Based on the CMAG Best Practices Transfer Program, work with the associations in the region to 1) Establish criteria for determining what constitutes a 'best practice' (this may vary from country to country); 2) Create an independent steering committee to evaluate best practice candidates; 3) Select and document best practices; 4) formally recognize best practices through awards programs ; and 5) Share information and disseminate through multiple channels

Results: Creation of a country specific best practices program that will facilitate information exchange within and between municipal associations in Asia.

Project Lead: ICMA/Manvita Baradi

Budget: Total activity cost: \$122,995. This cost includes: \$85,000 in ICMA funding (including the cost of the \$20,000 study tour); and \$37,995 in TSSC salaries and ODCs.

FY2003 US-AEP Regional Project Proposal

Title: USAEP Participation in Air and Waste Management Association's (A&WMA) Annual Technical Exhibition and Conference

Primary Program Area: Technology Transfer

Secondary Program Area: Air Quality ,Waste Management

US Partners: A&WMA

Asian Partners: ADB; Participants as nominated by field offices

Description: The purpose of participation in the event is to introduce Asian officials and businessmen to appropriate clean air & waste management processes and technologies. Thereby promoting effective solutions to the problems of Industrial and Urban air and waste remediation, materials recycling, air quality monitoring and clean and efficient industrial as well as urban processes in the region.

The FY 2003 event will be held in San Diego in June 2003. It is the world's premier air & waste management event and attracts thousands of (air & waste management professionals from around the world. It includes hundreds of exhibits of various air quality and waste reduction related technologies, educational forums, facility tours and excellent networking opportunities.

TECH REPS will likely fund or cost share a few delegates from their country budgets such as key municipal or government officials, but the bulk of the delegates will be self funded as in the past.

Expected Results: Asian participants will be introduced to a number of proven technical solutions to a wide range of industrial and urban air quality and waste management problems. They will also be able to discuss a variety of approaches and processes to address individual air & waste management issues. It is expected that these interactions will lead to the sales of appropriate technology to resolve outstanding air quality and waste management problems.

Project Lead: A.v.B. Millard, TSSC

Budget: Activity cost = \$19,904 (TSSC salaries and ODCs), plus the value of buy-in funds contributed by countries that choose to sponsor participants. The budget covers logistics which will take care of hotel and event registration, arranging booth and meeting space plus amenities for the delegations, as well as facilitating meetings between delegates and technology providers, conduct surveys for results evaluation and work with event organizers on outreach.

Mechanism: It is expected that IIE and the TSSC will use core budgets and staff time to implement this activity, and that the use of external consultants will not be required. US-AEP countries will use their own EPSG budgets to fund participants (if they are interested).

Title: Institutionalization of a Regional Air Quality Management Training Consortium: Clean Air Training Network-Asia (CATNet-Asia)

Primary Program Area: Urban, Public Policy

US/Multilateral Partners: US EPA; ADB; WB; UN

Asian Partners: Asian Institute of Technology; University of Philippines and several other technical/training centers in Asia

Description: In May, 2002, the US EPA, US-AEP, and Clean Air Initiative for Asia (CAI) jointly hosted an air quality training stakeholder workshop to design an Asian regional training consortium. US-AEP supported the participation of the USEPA and representatives from several Asian countries. The outcome was an action plan for building and institutionalizing the regional training consortium (Clean Air Training Network for Asia: CATNet-Asia) consisting of a network of training institutes and other interested stakeholders who could mobilize local and international resources to provide regional training activities based on regional needs. The workshop also designated a working group to develop a detailed institutional and administrative plan that will be presented at the CATNet-Asia Steering Committee and the General Assembly Meeting of CAI-Asia. These meetings will be held concurrently with the Better Air Quality Meeting 2002 in Hong Kong in December, 2002.

CATNet-Asia represents an initiative that will expand the cadre of air quality management professionals in Asia. Interest and support was expressed at the workshop for sharing information on training resources, tools, techniques, technologies, best practices and research. Because much of the work necessary to complete the business plan and charter for CATNet-Asia will occur in FY03, this proposal outlines specific plans for FY03 that will support the initial desired outcomes. Approximately \$20,000 of FY02 exchange funds that were designated for a second workshop will not be used because the CATNet-Asia working group is drafting the design and implementation plan of CATNet-Asia. Specific plans for FY03 are:

1. To support the working group by providing resources for a regionally-based coordinator who will work with the CAI-Asia secretariat staff to support the organization of CATNet-Asia.

The interim coordinator to be recruited will work closely with the CATNet-Asia working group to:

- Help disseminate news about CATNet-Asia to relevant stakeholders;
- Facilitate the organizational development of CATNet-Asia through close coordination with CATNet-Asia working group chair;
- Work with the country interim coordinators to gather relevant information on their country's training needs, drivers for training, existing and planned training activities and current training capacity related to AQM;
- Coordinate preparations for the second planning meeting of CATNet-Asia on 15 December 2002 in Hong Kong;
- Prepare regular updates on CATNet-Asia for posting on the CAI-Asia web site;

- Provide logistical support to the CATNet-Asia working group.

The coordinator will most likely be located at the CAI-Asia secretariat based in ADB headquarters in Manila, Philippines for an assignment of approximately six months.

2. To support participation of USEPA experts and training experts/providers from Asian national and local government agencies, institutions and universities who attended the earlier training stakeholder workshop at the second meeting in December, 2002 in Hong Kong held concurrently with the Better Air Quality Conference and the CAI-Asia General Assembly meeting.

Expected Results: The business plan and charter being developed by the CATNet-Asia working group will be presented in Hong Kong in December, 2002. The current members of CATNet-Asia and participants in the CAI-Asia General Assembly meetings will have the opportunity to revise and ratify the plan and charter, and to begin discussions on implementation of the action plan for sharing information and training resources in Asia. The action plan will address accreditation of courses, development of mechanisms for supporting distance learning of available training courses and certification of air quality management professionals who complete specific courses of study.

Project Lead: Jane Metcalfe, USEPA

Budget: Total activity budget = \$93,787. This cost includes: \$30,000 within USEPA's current agreement for EPA travel and grant to coordinator; \$20,000 of EPSG regional funds to fund participants in upcoming CATNet-Asia workshop in Hong Kong; and \$20,000 in IIE salaries and ODCs, and \$23,787 in TSSC core support costs.

EPA would be expending in-kind support for this initiative, which would include ¼ time for Howard Wright for one year and 1/8 time for Jane Metcalfe, Elaine Wright and Orlando Gonzalez. Total cost would be greater than ½ FTE for one year (about \$60,000 in salary).

Mechanism: EPA would do a \$15,000 Grant to the ADB, the University of Philippines or AIT for the coordinator (\$10,000 for salary and \$5,000 for travel and miscellaneous); \$20,000 EPSG exchange grants would be for a core group (previous workshop attendees) to the December, 2002 meetings.---- EPA would work with USAEP field staff to screen participants. The USAEP field representatives would be invited to use their own country budgets to support additional participants.

Expected Results at the end of FY 03: The CATNet-Asia team (EPA, AEP, World Bank, and ADB) expects at the end of FY 03: a training consortium with a series of trainings scheduled, a calendar of regional training, a library of training materials (electronic), a steering committee leading the initiative, funds raised to support the initiative, and a coordinator hired. It may need some support from AEP in FY 04, e.g. to support some additional training activities (EPA or US expert travel; participants travel to training). Our goal is to have a self-sufficient organization at the end of FY 04.

Title: Certification And Training Support for Professional Associations in Water
Primary program area: Urban Management
U.S. Partners: AWWA, WEF
Asian Partners: IATPI, PAWD, WEAP, PERPAMSI, EEAT, VWSA

Description: Building a cadre of professional staff in all areas of local government is critical to the efficiency, sustainability, transparency and accountability of local government; however, there are not readily available criteria which establish the standards for such professionalism. The Certification and Training Support for Professional Associations in Water would provide such criteria.

The drivers of this project are that (1) US-AEP has taken initiatives, mainly through WEF, to help professional associations contribute to wastewater treatment operators certification in Thailand, the Philippines, and Indonesia (and in water treatment operators certification in Indonesia), and that (2) at least three ASEAN countries are at a formative level where they will structure training and certification procedures either in concert or individually, while Vietnam's professional associations stand to benefit from knowledge of what their neighbors are implementing.

The goal of this project is to increase professionalism and the number of properly trained water/wastewater treatment operators in Southeast Asia. This would also enhance regional cooperation and coordination between American and Southeast Asian non-governmental professional associations involved in advocacy, training, and certification of water and wastewater treatment operators. The long-term result of increased professionalism and advocacy is expected to be a greater segment of the population having access to better municipal water and wastewater services and improved operations and maintenance of process equipment

The governments in the Philippines, Thailand, and Indonesia have already declared their support for programs of water and wastewater certification and training. The programs are at varying degrees of development of their treatment operators' training and certification systems. There is as yet no formal program of reciprocity recognizing the certifications of other Southeast Asian nations, and there is no common list of certified occupations/skill levels.

Regulations and the roles of professional associations vary between countries, but the programmatic aspects of training and certification for both water and wastewater treatment are similar. Approaches to maintenance, laboratory testing, and safety/ management are common to both water and wastewater treatment. Thus, there is great potential for information sharing and incorporation of best practices among Southeast Asian professional associations.

AWWA agrees to provide volunteer time for a meeting and workshop for non-governmental professional institutions that provide training, define operator need-to-know criteria, materials, or certification for water or wastewater treatment operators in Southeast Asia. WEF is expected to agree to provide volunteer time to this activity, as well, after all US-AEP FY03 country wastewater activities are known.

Specific plans for FY 2003 are as follows:

In early 2003, a workshop will be held in a central city such as Bangkok or Manila for non-governmental professional institutions that would like to or, in fact, do (1) provide training or (2) define operator need-to-know criteria or (3) training materials, or (4) provide certification for water or wastewater treatment operators in Southeast Asia. Professional associations from at least Thailand, the Philippines, Vietnam and Indonesia would be represented

The associations will compare regulations and discuss the advantages of further cooperation, such as for stronger certification and training. Two delegates from each of the participating professional associations, tentatively Thailand's Provincial Waterworks Association (PWA), Environmental Engineering Association of Thailand (EEAT), the Indonesian Water Supply Association (PERPAMSI), the Indonesian Association of Sanitary Engineers (IATPI), the Philippine Association of Water Districts (PAWD), Water Environment Association of the Philippines (WEAP), and the Vietnam Water and Sanitation Association (VWSA), will participate. The workshop would last for about two days with sessions on advocacy, training, examinations, certification, training, reciprocity, network sharing of materials and updating of certifications. Participants will bring presentations showing their present status and next year's action plans. Because government agencies will not participate, discussions will focus on the role of professional associations as motivators and advocates for water and wastewater treatment operator training and certification.

Subsequent to the workshop and based on the decisions taken by the group, small follow-on activities may be supported if they help launch sustainable mutual cooperation among professional associations for water and wastewater. Activities may tie in with activities that will be undertaken by the Southeast Asia Water Utilities Network (SEAWUN) whose inaugural meeting was held with US-AEP and ADB support in Hanoi in mid-August 2002.

Expected Results: By the end of FY 2003 it is expected that the professional water/wastewater institutions of the Philippines, Thailand, and Indonesia (and possibly Vietnam) will have found common ground for integration of their certification programs for water and wastewater treatment operators and laid the groundwork for mutual cooperation and reciprocity. This initiative is intended to launch certification cooperation between professional associations in ASEAN. It may support important startup activities in FY 03 and FY04, but it is not intended to provide long-term support to what should be a self-sustaining professional networking relationship.

Project Lead: Jim Woodcock

Budget: Total activity cost: \$82,855. This cost includes: \$11,000 in EPSG costs; \$30,000 in ICMA funds; and \$20,000 in IIE/EPSC salaries and ODCs and \$21,895 in TSSC core support costs.

3-day workshop (materials, venue, etc.)	\$25,000 (ICMA Task Order)
Technical Support - field:	\$5,000 (ICMA Task Order)
Technical Support _- DC:	10% of senior urban advisor /TSSC
	15% of program management /TSSC

Mechanism: Country travel grants: Indonesia \$3,000 EPSG Thailand \$3,000 EPSG or less

SUBJECT: US-AEP Regional Program

TITLE: The FY2003 ETNA Program

PRIMARY PROGRAM AREA: Technology Transfer

DESCRIPTION: The US-AEP's Environmental Technology Network for Asia (ETNA) Program has historically played an important role in the transferring of environmental technologies from the U.S. to Asia. Since ETNA's inception, this role has primarily been achieved through the trade lead system. The leads are generated by the field representatives, and then are reviewed and disseminated to U.S. companies by ETNA staff.

With the advent of programmatic changes in the US-AEP, ETNA views this period as an opportunity to review the overall US-AEP strategy, to examine the technology transfer goals within that strategy, and to decide how ETNA can best contribute to achieving those goals.

ETNA proposes the following objectives (and resulting services) to assist US-AEP in the implementation of effective technology transfer.

Engage the private sector. A unique tool of the US-AEP is a virtual community of U.S. businesses who are willing and able to transfer environmentally friendly and energy efficient technologies and expertise to the US-AEP countries. In addition to maintaining the proven network that has already been established, ETNA will work to identify and recruit new experts and providers of technologies for field usage.

Resultant Services/Tasks:

- Vet effective and appropriate environmental technologies
- Act as an interface between the U.S. field offices and U.S. technology providers
- Provide training to the tech reps for the new, on-line technology request system used to announce and track tech transfer opportunities
- Provide engineering expertise and support at USAEP trade shows
- Actively network with U.S. companies to let them know about Asian tech transfer opportunities, especially those companies in environmental sectors of interest to the field staff

Through these services, ETNA will maintain and enhance US-AEP's relationship with the environmental business community, a vital supporter of the US-AEP program. These activities will also provide Asian organizations access to the technologies they need to resolve their environmental issues.

Facilitate the transfer of technology. The main advantage of ETNA's business network is its ability to pinpoint the right technologies for the right applications. Once the right match has been made, the private sector takes over. The most important aspect in creating this initial relationship is providing the appropriate information -- both technical and business related information. ETNA will work with the US-AEP field offices to assure that both the Asian

users of technologies and the U.S. providers of technologies can have access to the types of information that they need. This may come in the form of technical briefings, follow-up, etc. ETNA will also work with the US-AEP tech rep offices to track the progress of the various tech transfer projects, thereby making it possible for US-AEP to measure how it is building environmental capacity throughout Asia.

Resultant Services/Tasks:

- Provide state-side follow up on projects/activities
- Provide objective technical research for field staff
- Provide information on the range of technology solutions to a problem
- Prepare technical fact sheets and briefs

These services provide the Asian organizations, the field and D.C. staff, as well as the U.S. companies with continuous support throughout the lifetime of a project.

In addition to our continued support of the USAEP-presence countries, US-AEP could offer the core tech transfer services to other USAID countries (e.g., Bangladesh, Nepal, Mongolia).

RESULTS EXPECTED: Currently, there are no performance indicators exclusively for ETNA. US-AEP uses ETNA data to contribute to the US-AEP Performance Monitoring Plan Intermediate Result 1.4, which measures “increased transfer of U.S. environmental technology, expertise, and practices to Asia through trade and investment.” The indicators that apply to ETNA in the Performance Monitoring Plan are:

1.4a: Dollar value of US-AEP-assisted sales of US environmental equipment and services

1.4b: Number of US-AEP-assisted business transactions, other than sales, between US and Asian companies

1.4c: Number of US New-to-Export (NTE) firms that made their first (environmental) sale overseas, through some form of US-AEP assistance

1.4d: Number of US New-to-Market (NTM) firms that made their first (environmental) sale overseas, through some form of US-AEP assistance

Given the programmatic changes that the US-AEP is experiencing, the performance indicators for ETNA will be reviewed in FY03 to better reflect the enhanced tech transfer goals. US-AEP anticipates setting these parameters in the near future.

PROJECT LEAD: Kim Mihalik and Amelie Van Den Bos, ETNA

BUDGET: \$211,493: \$200,000 in ETNA costs, and \$11,493 in TSSC support and coordination costs.

MECHANISM: USAID/ANE/USAEP transfer funds to USAID/EGAT/GTN

Title: Promotion of the Global Reporting Initiative (GRI) in Asia

Primary Program Area: Policy

Secondary Program Areas: Industry

U.S./International Partners: Global Reporting Initiative (organization)

Asian Partners:

Thailand Reporters: Users: Promoters:	Siam Kraft, PTT Public Company, CP Group, Map Ta Phut, others yet to be recruited Thai Department of Industrial Works, Thai Pollution Control Department, EIAT ERIC*, Thailand Environment Institute*, Federation of Thai Industries (FTI)
Philippines Reporters: Users: Promoters:	Pilipinas Shell, Mirant, Nestle Philippines, Terelay Industrial Estate, others to be recruited Ph. Board of Investments, Land Bank of Philippines Philippine Business for Social Progress*, Philippine Business for the Environment
India Reporters: Users: Promoters:	Sahara Group, Tata Iron & Steel, Indian Aluminum, Jubilant Organosys Jaipur Municipal Corporation, others yet to be recruited Development Alternatives*, Confederation of Indian Industries (CII), Center for Resource Education, Indo American Chamber of Commerce, Centre for Environmental Education,
Regional Promoters: Users:	Asia-Pacific Roundtable for Cleaner Production, Greening of Industry Network-Asia, UNEP, ASEAN Business Council & ASOEN, World Business Council for Sustainable Development Association for Socially Responsible Investing in Asia, ADB

*Organizations marked with an asterisk are tentatively the primary Asian partners handling implementation.

Background: The Global Reporting Initiative (GRI) is both an organization and an international set of sustainability guidelines for the consistent reporting of environmental, economic, and social factors related to a corporation's activities, products and services. The Guidelines have developed over a period of several years with strong stakeholder participation, resulting in the release of revised guidelines in late August 2002. GRI reporting has been minimal in Asia compared to Europe and the US. To introduce Asian companies, NGOs, and government officials to the concept of sustainability reporting, US-AEP brought 35 delegates to a GRI conference in Kuala Lumpur in July 2002. Meetings with attendees and non-attendees in Kuala Lumpur, Bangkok and Manila informed the design of this FY 2003 proposed project.

Description: The long-term objective of this two year proposal is to develop a foundation of GRI reporters, report users, and multiplier organizations to establish the GRI reporting guidelines as accepted practice in Asia. The first year work will focus on companies (and their stakeholders) that are nearing a decision to participate in GRI reporting in India, Thailand, the Philippines. Two rounds of interactive workshops will be conducted in each of three countries to instruct industry, NGO, government, and investors. US-AEP will coordinate the first round with the GRI organization so that GRI can introduce the "what and why" of the reporting guidelines. US-AEP and representatives of primary partner organizations (or in-country GRI Stakeholder Council members) would then proceed to present a grounding in the initial steps of "how",

including gaining vital management support, identifying and interacting with relevant stakeholders, selecting meaningful reporting parameters, researching sources of relevant data and devising methods for collecting the data. The companies would leave the workshop with tasks to complete over the following 3-4 months. Local organizations will work with the companies to help them complete these tasks, and in the process will gain hands-on experience with GRI reporting. E-mail/listserver and telephone contact would be maintained with the companies and stakeholders during the interval to share questions, solutions, and experiences among the participants. The second round of interactive workshops would review the results of the first round tasks, consider stakeholder issues and responses evaluate facility-based vs. corporate reporting options, discuss turning raw data into usable reports, and begin the report drafting process. Again, participants would leave the session with homework assignments and have continuing contact as they moved forward.

Materials developed for the courses would be shared throughout the countries to coordinate information transfer and reduce costs. In-country members of the new GRI Stakeholder Council will be involved in planning and some level of training as their roles become better defined by the organization. The project would engage multiplier organizations that influence industry, so that they can continue to expand the use of GRI beyond the initial group in this project.

Results Expected: The project results expected for the first year are to:

- Commitments from 1-2 companies per country to serve as initial leaders/recruiters for other 3-4 additional participants.
- Input from and continued participation in report development of 1-2 stakeholders per participating company.
- Education of one multiplier organization per country to act as a source of expertise and assistance on GRI for other companies interested in adopting GRI reporting.
- Commitments from at least eight companies in the region that they will issue their first incremental GRI reports within two years.

Successive Years Activities:

If the expected results from the first year are achieved, and USAEP involvement for another year is deemed useful, the project will continue for a second year. The second year would showcase the participating companies from year one in order to convince more companies to participate, including medium-sized ones. A train-the-trainers course would solidify the abilities of the local organizations to promote GRI and assist companies in adopting it. As appropriate the second year could also include assistance to move the first year companies toward reporting “in accordance” with GRI guidelines, the highest level of reporting.

Project Lead: K. Luly (approximately 20-25%)

US-AEP Budget: Total activity budget = \$70,000. This includes: \$16,500 TSSC grants (\$5,500 to each of the three primary implementing partners for printing costs, some travel of participants, conference venues, etc.); and \$53,500 in TSSC salaries, travel and ODCs.

Funding Mechanisms: TSSC grants and core support.

Title: Leadership Capacity Building for Environmental Management through the Mayors' Asia Pacific Environmental Summit (MAPES) and the Urban Leadership Alliance.

Primary Program Area: Urban

US/Multilateral Partners: City and County of Honolulu; ADB; WB; ICLEI; UN; USAID; ICMA

Asian Partners: Local government associations and local governments in Asia

Description:

MAPES: The Mayors' Asia-Pacific Environmental Summit is a unique forum for city leaders to commit to action to improve their cities, exchange lessons, build relationships, and create positive change. The bi-annual Summit has created the largest Asia-Pacific network of Mayors and Governors focused on livable cities and urban environmental sustainability. The inaugural Summit in 1999 included more than 400 delegates, representing 118 cities from 29 countries. The Summit in 2001 also included more than 400 delegates, representing 123 cities from 29 countries. At each Summit the participating Mayors are asked to register 'Mayors' Commitments' to undertake specific, concrete activities to implement the Summit's findings in their cities. The MAPES is an ongoing process of exchange and mutual support to help Mayors achieve those Commitments.

Urban Leadership Alliance: The Alliance (formerly the Asia Pacific Urban Institute) under which MAPES is now a part, will seek to build off the substantial foundation of partnerships and programming established through MAPES by establishing an ongoing program of training, expert advice, partnership development and policy advocacy to support leaders who make MAPES commitments. The first such event, the *Executive Seminar on Integrated Water Resources Management*, occurred in Honolulu in April 2002 and attracted a select group of 54 city leaders and water managers from seven Asian countries. Moving forward, the Alliance will also seek to provide participating partners a platform from which to coordinate and advance their own leadership support activities.

Specific plans for FY03 include:

The coordinators of MAPES and APULA will be submitting an options paper to the secretariat in September that will outline specifics related to each activity as it relates the topics, schedule and organization. However, it is expected that US-AEP will provide financial support for technical assistance.

For purposes of FY 03 workplan country directors are requested to identify if and how many participants they would send to the Mayors Asian Pacific Environmental Summit in June of 2003.

Expected Results:

- Measurable, public political Commitments by participating local leaders to achieve specified sustainable development objectives;
- Increased understanding by political leaders of the technological, engineering, financial and sociological requirements of sustainable development strategies;
- Partnerships between local institutions, with support from national, regional and international training and capacity-building organizations, to achieve Commitments and associated projects;
- A cadre of experienced sub-national and local leaders to guide colleagues and promote identified policy reforms to national governments and regional/international institutions.

Project Lead: Deborah Kimble/TSSC

Budget: MAPES Technical Support \$78,313 in TSSC salaries and ODCs will be required to support this activity (plus country funding of participants).

MAPES Exchanges: Regional funds will not be used to sponsor country-level participation in this activity. Individual countries that wish to sponsor participants in this activity must support these (EPSG) costs from their own country budgets.

APULA Technical Support – not yet known.

Mechanism: Individual participants will be funded through country budget allocations of EPSG exchange funds

US-AEP Regional Proposal

Title: US-AEP Environmental Regulatory Dialogue

Primary Program Area: Public Policy

Secondary Program Area: Civil Society

U.S. Partners: Maryland Department of Environment; U.S. Federal Court of Claims; Natural Resources Defense Council; George Washington University Law School; American Bar Association; Alliance for the Chesapeake Bay; Friends of the Rappahannock; Chesapeake Bay Foundation

Asian Partners: **Thailand:** Thai Senate Environment Committee; Thai Ministry of Natural Resources and Environment; Thai Council of State; Chulalongkorn University; **Philippines:** Philippines Congress Committee on Ecology; Laguna Lake Development Authority; **Vietnam:** Vietnam National Environment Agency; Vietnam Ministry of Science, Technology and Environment; Hanoi Department of Science, Technology and Environment; **Indonesian:** Indonesia Center for Environmental Law

US-AEP Partners: EPSG, TSSC

Donor Partners: World Bank; The Asia Foundation; Taiwan Environmental Protection Agency

Context: Over the last two decades, Asian economies have experienced the highest rate of economic growth in the world, despite the financial crisis of the late 1990s. Pollution control and infrastructure investments, however, have not kept pace with industrial and urban growth, resulting in serious environmental degradation and negative impacts on human health. While in response Asian governments have enacted environmental legislation and established regulatory agencies, regulatory systems suffer from chronic financial, technical and human resource limitations, as well as weak law enforcement.

To overcome these obstacles, Asian governments have been developing innovative strategies that enable meaningful citizen and community participation, and leverage market forces to complement command-and-control regulation. Promoting improved governance structures, mobilizing community involvement and disclosing industry performance are now recognized as core strategies for ensuring more effective regulation. With access to a wide range of federal and state regulatory agencies, and environmental and civil society groups, US-AEP is well positioned to develop U.S.-Asia and Asia-Asia partnerships to promote regulatory policy reform.

Description: The US-AEP Environmental Regulatory Dialogue is a field-based, regional public policy activity that develops and implements integrated knowledge transfer activities tied to in-country regulatory reforms in Thailand, Philippines, Vietnam and Indonesia. Under the Regulatory Dialogue, US-AEP facilitates the adoption of improved environmental laws, policies, plans and institutional arrangements through dialogue between Asian and U.S. agency officials, legislators, judges, private sector leaders, communities, environmental groups, and other experts.

As defined in the US-AEP Regional Program Guidance, the regional dimension of the Regulatory Dialogue aims to promote the “*sharing of country-specific experiences to inform and accelerate the adoption of environmentally beneficial policies or practices in other countries.*” Specifically, the

Regulatory Dialogue facilitates policy reform by implementing activities in an individual country, and inviting officials and experts from other Asian countries to speak or participate in these events. Providing a platform for exchange among Asians has proven both an effective catalyst for change within a country, and a means to disseminate best practices within the region.

Regulatory Dialogue program areas are: (1) environmental governance; (2) enforcement and compliance; (3) environmental funds and economic instruments; and (4) institutional reform and decentralization. While for each area different countries are at a different stage in policy formulation and implementation, all countries have a demonstrated commitment to exchange experience and information with Asian and U.S. counterparts.

Regional Component of Country Activities: As detailed in country work plans, proposed FY03 Regulatory Dialogue activities in individual countries achieve a specific result for that country, but also include a regional component through participation by leading experts or key officials from other countries. US-AEP will select these regional speakers or participants for these activities based on particular activity objectives, and to facilitate key linkages between countries.

Expected Regional Results: While activities hosted by agencies and organizations in a particular country will have as their main focus a legal or policy advance in that country (see country work plans), there will also be regional impacts:

- Common understanding among senior-level Asian officials and practitioners on enforcement, dispute resolution, community based environmental management, public involvement, decentralization, and environmental funds.
- Regional convergence between Thailand, Philippines, Vietnam and Indonesia on international best practices for environmental regulation as defined by the Polluter Pays Principle, which addresses competitiveness concerns.

Project Lead: PADCO

Estimated Budget: Total activity budget = \$78,400. This includes: \$18,000 EPSG; \$30,400 PADCO salaries and ODCs; \$30,000 IIE salaries and ODCs.

Note: No Regulatory Dialogue activity is strictly a regional event. The majority of program costs for Regulatory Dialogue activities, therefore, are captured in the country workplans. The main regional cost is travel coordinated through EPSG. Additional PADCO costs amount to the time required to establish regional linkages and work with speakers or participants. Other direct costs include communications, background materials, postage, etc.

FY2003 US-AEP Regional Project Proposal

Title: US-AEP Participation in Water Environment Federation's Annual Technical Exhibition and Conference

Primary Program Area: Technology Transfer

Secondary Program Area: Water Quality Management

US Partners: WEF

Asian Partners: ADB; Participants as nominated by field offices

Description: The purpose of participation in the event is to introduce Asian officials and businessmen to appropriate clean water processes and technologies. Thereby promoting effective solutions to the problems of Industrial and Urban waste water reclamation, water body restoration and clean drinking water in the region.

The FY 2003 event will be held in Los Angeles in October 2003. It is the world's premier water quality event and attracts thousands of water quality professionals from around the world. It includes hundreds of exhibits of various water related technologies, educational forums, facility tours and excellent networking opportunities.

An additional benefit, that may apply, is the WEFTEC event takes place coincident with the scheduled USAEP Annual meeting. Consequently the Country Tech Reps who will be leading their country's delegations to WEFTEC will be back in the US and can cost effectively go from the event to the meeting.

Country Reps will likely fund or cost share a few delegates from their country budgets such as key municipal or government officials, but the bulk of the delegates will be self funded as in the past.

Expected Results: Asian participants will be introduced to a number of proven technical solutions to a wide range of industrial and urban water problems. They will also be able to discuss a variety of approaches and processes to address individual water quality issues. It is expected, as in the past, sales of technology to address pressing environmental needs of the delegates will be consummated.

Project Lead: A.v.B. Millard, TSSC

Budget: Total cost = \$19,924 (for TSSC salaries and ODCs), plus the value of buy-in funds contributed by countries that choose to sponsor participants. The budget covers logistics and which will take care of hotel and event registration, arranging booth and meeting space plus amenities for the delegations, as well as facilitating meetings between delegates and technology providers, conduct surveys for results evaluation and work with event organizers on outreach.

Mechanism: It is expected that IIE and the TSSC will use core budgets and staff time to implement this activity, and that the use of external consultants will not be required. US-AEP countries will use their own EPSG budgets to fund participants (if they are interested).