



Partners for Water and Sanitation

Note on project reports

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Partners for Water and Sanitation

**43Eth: Twinning Support to Water Works Design and Supervision
Enterprise**

Visit Report

8 – 14 August 2009

Submitted by:

**David Rathmell BEng CEng MICE FCIWEM
Partners for Water and Sanitation Independent Consultant**

September 2009

Contents amendment record

| This report has been issued and amended as follows: | | | |
|---|---|----------|------------|
| Revision | Description | Date | Signed |
| A | First Draft issued to Ato Melkamu Jaleta, Rebecca Scott, Clare Twelvetrees and Ato H/Yohannes for consultation and comment. | 7/09/09 | D Rathmell |
| B | Final version of complete report incorporating comments from Ato Melkamu and Rebecca Scott issued to : <ul style="list-style-type: none"> • H E Ato Adugna Jabessa State Minister for Water • Ato Nagesh Gemtessa General Manager WWDSE, • Ato Mekuria Habteyohannes Quality Manager WWDSE • Ato Bekele Gadissa general Manger WWCE • Ato Yilikal Worku Deputy Manager WWCE • Rebecca Scott Project Manager PAWS • Ato Melkamu Jaleta in Country Manager. • Ato Tesfayesus Yimenu Assistant Manager • Stuart Campbell PAWS Partner NMC • Richard Patterson Mott MacDonald | 15/09/09 | D Rathmell |
| | | | |

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1. Purpose of this Visit Report

This report is intended primarily to summarise the visit by David Rathmell Partners for Water and Sanitation Independent Consultant from 8 August to 14 August 2009. It was carried out for:

- the Ministry of Water Resources (MoWR)
- the Water Works Design and Supervision Enterprise (WWDSE)
- the Partners for Water and Sanitation Secretariat (Loughborough and In Country)

2. Background

The Water Works Design and Supervision Enterprise (WWDSE) was established under the Council of Ministers regulation No. 42/1998 in October 1998 to work as a public Enterprise. This proclamation was amended in August 2004 to accommodate the ever expanding duties and responsibilities of the Enterprise.

A high level Board of Management appointed by the government controls the overall activities of the Enterprise. A General Manager heads the Enterprise. The General Manager reports to the Board of Management that in turn reports to the supervising authority, which is the Ministry of Water Resources (MoWR)

The first visit to the Design and Supervision Enterprise by the author took place in July 2006. The original terms of reference reflect the Design Enterprises' goal to become a "Reputed International Consultant". In order to move towards this objective, Partners for Water and Sanitation has been assisting WWDSE in its understanding of Quality Management Systems and good business practice drawing on experience gained from the UK construction industry. From the start it was agreed that WWDSE should seek ISO 9001:2000 certification. The Design Enterprise has now completed a 2 year study of Business Process Re-engineering resulting in a new organisational structure.

A follow up workshop was held in Addis in February 2007 to consider communication, planning and design issues. It was first suggested at this workshop that the New Engineering Contract (NEC) form of contract could be considered instead of FIDIC. NEC is user friendly and encourages team work to achieve a common objective of project delivery rather than the confrontational approach of more traditional forms of contract.

The third visit took place in April 2008 when the key objectives were:

- a) To identify and recommend suitably qualified and capable local quality management consultants that can assist the Design Enterprise in achieving ISO 9001 certification.
- b) To discuss and agree with the Design Enterprise a schedule for seeking ISO 9001 certification.
- c) To obtain agreement in principle to the concept of setting up a tripartite review board in order to foster good communication and understanding between the MoWR, WWDSE and WWCE.

Partners for Water and Sanitation is also working with the Water Works Construction Enterprise (WWCE) to improve its contract management practices. A 6 week exchange visit of

Ethiopian Engineers from the two Enterprises took place from 15 June – 26 July 2008. They were based at Minworth Wastewater Treatment plant hosted by Severn Trent Water. The exchange visit was organised and sponsored by North Midland Construction Ltd. Improved communication strategies are a major key to improved business practices in both Enterprises. The visit was designed to show construction management practice in a UK setting.

Following on from previous visits and the Exchange Visit held in the UK during June/July the Nov 2008 visit concentrated on the following key issues.

- Assessing progress made to achieve certification to ISO 9001 and ensuring adequate measures were in place to achieve this key objective in a realistic timeframe.
- Establishing the setting up of a Joint Review Board agreed in principle at the April 2008 visit by the author.
- Participating in a familiarisation site visit to The Tendaho Dam and Irrigation Project
- Promoting the use of an effective software planning tool i.e. Asta Powerproject.
- Assisting Richard Patterson in setting up and holding an NEC workshop to raise awareness of this modern Form of Contract.

3. Quality Management System

8.30am Monday 10 August – Meeting with Ato Negash Gemtessa (NG)

After initial introductions with Ato Negash Gemtessa the primary reasons for the visit were reviewed briefly. These were:

First to support the QMS process by addressing the following three key issues:

- a) Review critical comments submitted by D Rathmell via email on the operating procedures with Ato Mekuria Habteyohannes and AtoTadesse Solomon from IQUAS
- b) Discuss and agree selection criteria for the Certification Firms to be selected for invitation to quote
- c) Define the role of the implementation team and encourage them.

The second objective was to attend the Joint Review Board Meeting at the Ministry of Water Resources and promote its development.

I asked Negash when he required ISO 9001 certification. He replied “yesterday”. This was to express his feeling that certification was already a real need for the enterprise though not yet achieved. The reason given was that he is unable to tender for work in other African countries outside Ethiopia without the status afforded by the International Quality Standard.

Monday 10 August

9.0 am Meetings with Ato Mekuria H/Yohannes (MY) and AtoTadesse Solomon (TS)

Operating Procedures

The day was spent reviewing and assimilating DR's comments on Operating Procedures into the drafts prepared by MY and TS. This was done using the Development Study Operating Procedure.

Project Plans

DR explained his philosophy for a Project Plan and stated that in his opinion every project should have a Project Plan. This is a live document which tracks the progress of a project from inception to completion and defines: What we do, how we do it, when we do it and who does it.

He agreed to try and obtain a template from his old company in the UK which could be adapted for use by the Design Enterprise. This was done and subsequently handed over to MY in electronic format on Weds 12.

Company Structure

There was a general discussion on progress of the BPR process. MY explained that management were still considering the ideal model on which to restructure the company. The choice was between a process lead structure utilizing a pool of generalists or wholly dedicated teams lead by Team Leaders. The frustration with respect to QMS is that a settled structure is essential for certification. Without an organogram showing the company structure it is not possible to describe to an external certification body how the company functions. This would be a basic requirement when seeking certification.

DR was of the opinion that generalists can not do the work of specialists at the study or concept stage of a project. Equally as the main strength of the Design Enterprise is its technical expertise they should be careful not to dilute the technical competence of their experts. He did recognize however that a general pool of staff makes it easier to balance fluctuating workloads particularly when resources are short. He agreed to raise the matter with the General Manager at a suitable opportunity.

Job descriptions

A brief discussion followed on Job Descriptions which are maintained by HR. Consideration should be given to turning these into role profiles which also define competencies and skills as well as duties and responsibilities.

Risk Management

The need for a Risk Profile Log was identified. DR agreed to ask Richard Patterson from Mott MacDonald if anyone was available from their local office in Addis to give some preliminary training in Risk Management.

Project reviews

Weekly reviews are currently held by Team Leaders reporting to the Management Team on Monday mornings for sensitive projects. This is a lot of effort when probably in reality little progress since the previous review. Normal practice in the UK is to hold monthly progress meetings at project level when a full account is given of progress and key issues affecting the project.

MY agreed that a better use of resources would be to adopt this practice and hold monthly project reviews reporting to the Management Team. These could then feed into the quarterly Project Review Board meeting with the MoWR.

Selection Criteria of External Certification Bodies.

There followed a frank and open discussion on suitable criteria for the selection of external certification bodies. TS presented a comprehensive list of criteria which is included in **Appendix 2**. These included amongst others the following:

Global recognition
Sector knowledge and experience
Local representation to avoid language difficulties
Payment in local currency.

We considered the following certification bodies:

DQS (accredited by TGB - Germany) one of top 5 world players who already operate in Ethiopia
BSI (accredited by UKAS - UK) one of top 5 world players but require payment in £ sterling
ISOQAR (accredited by UKAS - UK) operate in Ethiopia - relatively small by comparison
SABS (accredited by SANAS – SA) specialise in food safety and mining – no civil experience
TUV (Germany)
BVQi (France) large certification body but blacklisted in Ethiopia
ETA (Austria) also blacklisted in Ethiopia
LRQA (accredited by UKAS - UK) are one of the top 5 world players with 60 offices world wide but no representation in Africa.

Tuesday 11 August

8.30am Meetings with Ato Mekuria H/Yohannes and AtoTadesse Solomon

Certification Bodies

TS presented further research from the internet on certification bodies.

After further discussion it was agreed to select four major certification bodies and TS would produce a matrix of criteria to be emailed to DR for comment. The four companies selected were:

BSI (UK)
DQS (Germany)
DNV (Netherlands)
LRQA (UK)

Terms of reference (TOR) for invitation of certification proposals are also to be prepared jointly by MY and TS

Tuesday 11 August

10.0am Presentation by MY to the Management Team on implementation of BPR and QMS progress

MY presented a PowerPoint slide show to the Design Enterprise Management Team, Partners for Water and Sanitation Country Manager, TS and DR

He said that BPR has been ongoing for two years and has involved mapping the AS – IS processes and the TO –BE processes. The Board has now instructed the management team to proceed on the basis of Option 2 utilising a process lead organisation rather than the matrix preferred by management. The latter would make it easier to balance their workload but requires a Chief Engineer to manage the pool of generalists. The role of Chief Engineer cannot be defined as a process and therefore does not satisfy BPR criteria.

Since appointing IQUAS as Quality Consultant in October 2008 there have been 39 meetings to develop the QMS system and operating procedures. There are 52 procedures required to satisfy ISO 9001:2008. These cover the Core and Support Processes below:

Core

- Study
- Design
- Construction Supervision & Contract Administration

Support

- Resource Management (Finance, HRM, Property –Procurement, Maintenance & Administration)
- Business Planning & Contract Management
- Internal Audit Service
- IT & System Development

Mapping of QMS Processes finalized:

(52 processes & sub processes determined);

- Management & business planning (6 processes);
- QMS functions (9 processes);
- Core business – service realization (9 processes);
- HRM & Corporate Support (7 processes);
- Procurement & Supply (6 processes);
- Property & maintenance (6 processes); and
- Finance (9 processes);

As part of QMS development an analysis has been carried out of project performance. This shows that all 34 projects reviewed had incurred delays. Delays are between 30 – 80 % of original forecast times for completion.

Business objectives have been determined to set targets to improve performance for all processes.

Remaining work to complete QMS is:

Finalize all documentation

Launch QMS

Train internal auditors

Implement customer satisfaction monitoring

Select credible certification bodies

Proceed with certification

Celebrate success

Questions raised by NG

What is the compatibility of BPR and QMS?

Did the performance analysis of 34 projects look at the reasons for delay? There may be external reasons beyond the control of WWDSE i.e. security issues, capacity of the contractor etc. Are the delays quoted fairly representative of issues within the control of WWDSE?

Question raised by Ato Tesfaye Kidane

Would the current performance of live projects as presented by MY in his slide show be a hindrance to achieving ISO 9001 certification? Is it possible to achieve certification with the existing systems?

Response from DR

DR expressed the opinion that BPR and QMS are entirely complimentary and that BPR has now achieved its original goal in arriving at the preferred company structure. BPR should therefore be stopped and the new organizational structure implemented and allowed to bed down. QMS is setting up the systems which will allow the new organisational structure to function efficiently and improve as the QMS tools of internal auditing, management review, customer feedback, business objectives are put into practice.

DR congratulated the management team on developing a QMS system which is nearing completion and is almost ready to be launched. In his opinion it would demonstrate that the requirements of ISO 9001 are being met provided the systems that are being put in place are embraced by all staff. The big prize would then be having a key to enhance international recognition and permit tendering outside Ethiopia.

DR was of the view that current performance should not be a hindrance to achieving ISO certification. He said that the ISO Standard is an Improvement Standard and that providing the company could demonstrate they have one foot on the improvement ladder current performance should not be an impediment to certification.

Tuesday 11 August pm

2.0 pm Meeting re: MS Project 2007

Seid Shimels Project Manager for the Ziway Irrigation project gave a demonstration of MS Project 2007 to MY, DR and TY. Training has been provided for a number of WWDSE Project Managers on the use of this planning software. It is to be adopted by WWDSE as the primary planning tool for all projects. DR had especially asked to have the software demonstrated to satisfy himself that its functionality is sufficiently powerful to adequately plan these complex projects and that the training provided by Construction Solutions PLC is effective. A meeting with the Consultant Training Company was scheduled for the next day.

3.15pm Meeting re: Merits of JRB concept

The first meeting of the Joint Review Board was held at the MoWR on 15 June 2009. The only project discussed at that meeting of the JRB was Ribb Dam Construction Project. This is the only relatively recent project with all three stakeholders MoWR, WWDSE and WWCE. Tendaho Dam and Keseme Dam are also for the three stakeholders but Tendaho and Keseme have a history of issues which neither Negash nor Yilikal feel comfortable discussing with the Ministry. Tendaho is experiencing difficulties due to cash reimbursement for additional works which are on hold and Keseme has serious dam foundation problems. Consequently both dam projects are virtually at a standstill.

It was agreed however that the concept of the JRB in establishing a forum for discussion and an opportunity for better role clarification is very important. Every effort should be made to persist with the JRB to seek to improve understanding of the part played by each stakeholder.

Wednesday 12 August am

9.0am Meeting with MY

Selection Criteria for Internal Auditors.

DR volunteered the following criteria to be taken into consideration when selecting suitable persons for the role of internal quality auditor.

- Good knowledge of the ISO 9001:2008 standard
- Good understanding of the processes involved
- Good listener
- Clear thinker
- Firm but patient
- Good communicator
- Person of unquestionable integrity who could be trusted to keep their word
- Willing volunteer

10.0 am Meeting with the Implementation Team

The Implementation team comprises the following:

- Ato Mekuria H/Yohannes Quality Manager
- Ato Taye Duressa Water Resources Study Department Manager
- Ato Dawit Nirie Laboratory Services Head
- Ato Ibrahim Dinku Divisional Head Irrigation and Dam Construction Administration
- Ato Leulseged Abayneh Divisional Head Irrigation and Dam Design
- Ato Kinfu Tekleab Surveyor and CAD Technician
- Weyzero Aynalam Birahanu Procurement Officer
- Ato Galangelan Daba Personnel Officer
- Ato Dereje Ayalew Senior Civil Engineer
- Ato Kassa Seboka Economist and marketing expert

To help relax people and break down barriers I invited each person to write down on a sheet of paper some of their strengths and weaknesses particularly as others saw them. We then gave each person two minutes to say a little bit about themselves. I began and I think my frankness helped them to overcome their natural diffidence at speaking out in a public setting. We had a frank and open exchange which helped to break down barriers.

We talked about the role of the Implementation Team in supporting the quality Manager in changing the culture of the company. Once QMS is launched they will have to take on the role of champions in their departments to promote the acceptance

and application of QMS by other members of staff. They can play a vital role in helping others to understand the benefits of undertaking work activities in a consistent manner and looking for improvement opportunities.

We talked about the role of the internal quality auditor. I expressed the hope that each member of the Implementation Team would be willing to volunteer as an internal quality auditor. Having spent a number of months assisting with the development of operating procedures these persons are ideally placed to take on this role having already gained an understanding of the requirements of the standard. I suggested that with a team of 9 auditors and each auditor undertaking 4 audits per year it would be possible to carry out 36 audits per year. That should be sufficient to ensure that the majority of processes are subject to internal audit at least once a year. Some processes such as Management Review are subject to external audit during the six monthly surveillance visits by the certification body. The personal commitment for internal auditors would be 8 working days a year allowing for 2 days for each audit. These audits have to be fitted into a persons normal work cycle. This works best if the Quality Manager assigns audits at the start of each quarter and allows the auditor discretion to fit the audit into their busy working schedule. As auditors are volunteers there should be an understanding that an auditor may ask to be released from their auditing duties after serving as an auditor for a period of time. I would expect a commitment of at least one or two years as the training of auditors incurs additional expense and time.

11.30 Meeting with Construction Solutions PLC

Present Martha Zeleke General Manager, Solomon (CS), MY, DR, MJ

MZ said that MS Project 2007 is compatible with Primavera P5 and data is interchangeable. Data can also be exported from/into MS Excel.

Advanced training is available from Construction Solutions PLC. It was agreed there should be at least one or two champions of MS Project in each Enterprise. It is the intention of WWDSE to train up 39 Project Managers and their assistants. Each Project Manager must be fully conversant with MS project and capable of using this software to plan and monitor a resource loaded work breakdown structure for his/her project.

Thursday 13 August am 10.0am Meeting with MY

Design Validation

MY was concerned to know how large infrastructure projects such as new dams are validated in the west. How do we predict the reliable performance of a new dam? Do we build a mathematical or physical model perhaps? MY asked if Mott MacDonald has similar projects on going that representatives from WWDSE could visit. DR offered to contact Richard Pattison at Mott MacDonald and ask his advice. There may be an opportunity to apply validation processes on a new dam project proposed for Axum. Ato Leulseged Abayneh is the Project Manager.

4. Joint Review Board Meeting at MoWR 4.0pm Thursday 13 August

Having discussed the concept of the Joint Review Board at some length with Ato Negash, Ato Mekuria and Ato Melkamu I am persuaded that the Joint Review Board meeting should continue as a valuable forum for creating a better understanding by all parties of their respective roles and taking key decisions over interventions affecting all stakeholders.

The minutes of the second Joint Review Board are included in Appendix 3.

In summary the key action points arising from the second JRB are:

- Additional projects to Ribb Dam are to be included for review (at least one or two more)
- Projects presented should cover different disciplines to give a greater cross section of experience.
- MS Project 2007 is to be adopted by both Enterprises as the planning tool for all projects.
Note: I received assurances from NG that the Design Enterprise has adopted a policy of implementing MS Project 2007 on all projects and that training of Project Managers has commenced. I was not able to seek a similar assurance from anyone at WWCE but in my opinion it could be facilitated by the Design Enterprise making it a contractual requirement on all new projects to use MS project 2007 for planning construction activities.
- Reporting format to the JRB has to be compatible with MS Project 2007
- A level one MS Project 2007 programme is to be presented to the JRB for each project reviewed.
- WWDSE and WWCE are to put forward to the MoWR a suitable project for trialling the NEC before the next JRB meeting.

5. Next Steps and Objectives for Next Visit

The following working activities are necessary to establish and implement QMS across the Design Enterprise and to seek certification to ISO 9001 from an external certification body. In my opinion it is possible to complete all these activities in 4 – 6 months. This would however depend on a final decision being taken on implementing the recommendations of BPR with regard to the company's organisational structure. The longer the implementation of a new structure takes the longer the certification process will be.

1. Draft TOR for an invitation to Certification Bodies to quote.
2. Draw up a Matrix of selection criteria for Certification Bodies
3. Forward the Matrix to DR Partners for Water and Sanitation Independent Consultant for comment
4. Invite Quotations

5. Tender Period
6. Evaluate Quotations using agreed performance and commercial criteria
7. Appoint a Certification Body and arrange for an initial Visit
8. Complete all outstanding Operating Procedures and Forms
9. Approve all Operating Procedures by GM/MY
10. Issue QMS to all staff and post the Quality Policy in all offices
11. Awareness training for all staff
12. Selection and training of Internal Quality Auditors
13. Prepare an annual audit programme
14. Assign audits to internal auditors
15. Commence internal audits
16. Certification body makes initial visit and carries out gap analysis of QMS
17. Address and rectify any issues raised by the Gap Analysis
18. Certification body Lead Auditor revisits and checks that all issues are dealt with
19. Certification body issues ISO 9001:2008 Certificate.
20. Celebrate Success

In view of the above considerations and the expectations of the JRB members, a follow up visit of David Rathmell will be in six months time i.e. February 2010 would seem appropriate. However, it is also well taken that the quarterly based in country meeting of the JRB can take place as agreed earlier, probably in October, 09 to maintain the momentum of the new communication strategy . This would allow further input and support to the QMS process as the achievement of ISO 9001 nears completion. It would also provide additional support to the JRB process which is still in its early development phase and needs adequate support and guidance to ensure it succeeds.

D Rathmell
Partners for Water and Sanitation Independent Consultant
September 2009

Appendix 1 - Meeting Schedule

| Date | Am/pm | Meeting Details | Persons Attending |
|---------------|---------|---|-------------------------------|
| Sun 9 August | 10am | David Rathmell (DR) arrives in Addis and checks into Intercontinental Addis hotel | |
| | 4pm | Meeting with Melkamu Jaleta (MJ) at Intercontinental to review itinerary for week | DR/MJ |
| Mon 10 August | 8.30am | Met Ato Nagesh Gemtessa (NG) and discussed purpose and objectives of visit | DR/MJ/NG |
| | 9.0am | Met Ato Mekuria Yohannes (MY) and Ato Tadesse Solomon (TS) I QUAS Consultant to agree QA key issues and Review Operating Procedures. Discussed proposed company structure recommended by BPR | DR/MY/IQUAS |
| | 2.15pm | Review of Operating Procedures – cont. | |
| | 4.30pm | Reviewed criteria for selection of certification bodies. Census reached on 4 global bodies. | |
| Tues 11 Aug | 8.30am | Completed review of criteria for selection of Certification Bodies and agreed on next steps. | DR/MY/Imp. Team |
| | 10.0 am | Attended presentation by MY and Management Team on progress achieved to date for implementing BPR and QMS | DR/NG/MY Mgt Team/IQUAS/MJ/TY |
| | 12.30pm | Lunch at the Imperial Hotel | |
| | 2.0pm | Demonstration by Design Enterprise Project Manager (SS) on application of MS project 2007 | DR/MJ/MY/SS |
| | 3.15pm | Reviewed JRB reports with emphasis on Ribb Dam | DR/MJ/NG/YW |
| Weds 12 Aug | 10.0am | Met QA Implementation Team and discussed their role as Champions and Internal Quality Auditors. | MY/DR/Imp Team |
| | 11.30am | Overview from Construction Solution PLC on benefits of using Microsoft Project 2007 | MZ/S/MY/DR/MJ |
| | | Lunch at Water Aid Office | |
| | 3.0pm | Met with MY. Passed over electronic copy of Project Plan document | DR/MY |
| | 4.0pm | Taken ill with D/V and treated at Bethsaida Hospital | |
| Thurs 13 Aug | 9.0am | Joint Review Board Meeting at MoWR aborted due to conflict of engagements by Minister | DR/MJ/BG/YW |
| | 10.0am | Impromptu meeting with MY to discuss outstanding Quality Issues | |
| | 1.30pm | QA debriefing session – outstanding Operating Procedures/internal auditing/QA role out to Design Enterprise staff and next steps Demonstration by Design Enterprise Project Manager on application of MS project 2007 | DR/MYIQUAS |
| | 4.0pm | Joint Review Board meeting rescheduled at MoWR | |
| Fri 14 Aug | 12.15am | D Rathmell flies home to UK | |

APPENDIX 2

KEY CONSIDERATIONS IN SELECTING A CERTIFICATION BODY

The considerations in selecting competent and credible certification body for WWDSE are:

1. *Global acceptability, credibility and geographical extent*

(Measures for evaluation & selection – Number of certificates, size and prominence of certified companies, certificates issued by geographical spread and rating of certification body among peers in the world);

2. *Provision of value-adding audits*

(Measures for evaluation & selection – audit methodology and plan, auditor competence and integrity, auditor engineering services sector experience and recommendations);

3. *Engineering services industry sector track record and experience of certification body*

(Measures for evaluation & selection – evidence thru client database online etc);

4. *Hands-on local technical and administrative supports and legal accountability*

(Measures for evaluation & selection – payment in Birr, competence to conduct of initial and follow-up audits by assigned/appointed local staff, local technical and administrative support after conduct of audits, fast reply to queries/responsiveness, legal accountability/ establishment in Ethiopia); and

5. *Saving of foreign exchange and benefits for value-adding audits*

(Measures for evaluation & selection – payment in Birr only; payment after completion of certification service; involvement of competent Ethiopian auditors working with the international Lead Auditor in the initial audit benefiting effectiveness by minimizing language barrier and increasing management and social skills).

Appendix 3

Minutes of the Second Joint Review Board Meeting among MoWR, WWCE, WWDSE and Partners for Water and Sanitation

Date and Time: **8/14/2009, 4:00-5:00 PM**
Type of meeting: **Joint Review Board Meeting**
Chair Person: **HE Ato Adugna Jabessa**
Venue: **Ministry of Water Resource (at the office of the State Minister)**

Attendees:

1. HE Ato Adugna Jabessa (HE AJ) (State Minister for Ministry of Water Resources)
2. Ato Negash Gemtessa (NG) (General Manager of WWDSE)
3. Ato Zewudu Getachew (ZG) (Contract Administration Head of WWCE)
4. Mr David Rathmell (DR) (Consultant, Partners for Water And Sanitation's UK partner)
5. Ato Melkamu Jaleta (MJ) (Country Manager for Partners for Water Sanitation)

Agenda

- 1) Evaluate Progress Report of the jointly administered projects
- 2) Evaluate the reporting format and decide on the appropriate software to be used.
- 3) Discuss and decide on the way forward to implement the NEC on a jointly identified project

Agenda-1: Evaluate Progress Report of the projects whose Contract Management (CM) are jointly administered by WWDSE and WWCE

Discussion:

H.E Ato Adugna Jabessa asked whether there were agreed issues or a consensus of the team on the forwarded report before the meeting. Accordingly, MJ was asked to forward the consensus reached among the WWDSE, WWCE and the Partners for Water and Sanitation team based on the pre- JRB meeting that was held on 11th Aug, 09 at the WWDSE General Manager office.

MJ said that a pre-JRB meeting was conducted at WWDSE and was attended by NG of WWDSE, Yilekal Worku of WWCE, DR and MJ of Partners for Water and Sanitation. The Attendees of the meeting had agreed to make the Project progress evaluation based on a recently commenced sample project. In line with this, the Rib Dam construction project was taken as a model project at the moment. This selection was done to make the JRB meeting more productive by focussing on a project that could serve as a learning and experience sharing forum rather than dealing with projects where they have already incurred considerable delays with several respective problems of their own like Tendaho and Kesem Dam.

The pre-JRB Meeting has reached the following consensus after looking in to the report of the Rib Dam Construction project:

- The two enterprises' Contract Management heads need to come together to refine and agree on issues and realities on the ground before it is forwarded to the main meeting of the JRB.
- A revised agreed schedule should be put in place and used as a bench mark for the Rib project progress evaluation. In line with this, the project completion duration proposed by the client/MoWR (two years) may need to be reconciled with the construction period advised by the consultant/WWDSE (four years). The schedule of the Rib Dam should not follow the trends of Tendaho and Kesem projects for which the schedules have been frequently changing.
- The issues to be addressed by all the three parties shall be clearly indicated

Ato NG also added on these briefing that as Tendaho is not such an active project at the moment due to finance and other related issues and Kesem is also inactive due to the dam axis foundation problems, the team decided to take the Rib Dam Construction project as an initial pilot project for discussion and considered as a bridge for a learning forum. Some of the justification for this selection was that the Rib project was recently started has not many problems associated to it; it has detail design that can be easily controlled and less social issues associated to it as compared to other projects. However, the problem associated with the completion time that was reduced by two fold without taking the rainy season and the capacity of the contractor and the financial resources in to account needs to be revisited. The number of projects to be evaluated by the JRB can be increased in due course if agreed by all parties as we can plan more once we have learned some lessons from the Rib Dam Project.

NG also added that rather than going in to the detail of the report, let the meeting agree on the direction put by the pre-JRB meeting attendees and strengthen this for the future upcoming JRB meetings.

DR suggested that as the plan for the JRB was perhaps too ambitious and projects like Tendaho and Kesem are also difficult to retrieve, we need to start with the simple and smaller project like Rib Dam. He also added that WWDSE will refer to the existing lists of joint projects and forward the proposed project(s) that can be included for JRB considerations.

Action items for agenda 1:

After discussing on the above briefing, H.E Ato AJ proposed that the Enterprises should further see the need to include other projects (at least one or two) so that the experience learned from a variety of projects would help us to maximize the benefits we may get from this JRB meeting and serve as a valuable communication strategy among all of us. This was also agreed by all parties to identify additional projects that could serve as learning projects for the future JRB meetings. Projects should be chosen for different processes i.e. water supply or water treatment to give a cross section of projects in hand.

It was also suggested that WWDSE should issue a dependable schedule for Rib Dam Project that could be reviewed and approved by the Client.

Agenda - 2: Evaluate the reporting format and decide on the appropriate software to be used.

Discussion:

MJ briefly presented the consensus of the pre-JRB of Tuesday 11th Aug, 09 in line with this Agenda. The team agreed that the format utilised for the reporting has got adequate information for the consumption of the JRB, but no issues should be included without the common understanding of both the contractor and the client side's CM team. Only those issues needing the intervention of the client and that are found to be beyond the capacity of both contractor and the consultant sides should be forwarded to this JRB meeting.

It was also proposed that to facilitate the compatibility of the reporting format and modernise our communication system, the modified/New version of Microsoft Project (**Micro Soft Project 2007**) that was already selected by the WWDSE as a Planning & Reporting tool needs to be adopted by the WWCE also. As most of the staffs in WWDSE were familiar with the old version of MS project software, this software was selected as the preferred option. After stressing its benefits, it was also accepted by Ato Yilekal of WWCE as this will ease the understanding of one another in all aspects of the Contract Management activities.

Action items for agenda 2:

The reporting format adopted for JRB should be maintained, but has to be improved to be well-suited with the MS Project 2007 software as we go along with the CM of the selected projects.

The MS Project 2007 software shall be used as a planning & reporting tool by both enterprises and should be used as a reporting tool for JRB meeting. A Level one programme produced from MS Project 2007 would be sufficient to give the JRB an overall picture of progress against the baseline programme. A Level one programme should be submitted for each project included in the review.

Agenda-3: Discuss and decide on the way forward to implement the NEC on a jointly identified project

Discussion:

It was recalled from the 1st JRB meeting in which H.E Ato Adugna has stressed that we have already agreed on the importance of the New Engineering Contract (NEC) and there is no need to discuss its importance. We need to consider how we can take this matter forward.

MJ also presented to the meeting that there are positive views of the Contract administration officials of MoWR and WWDSE as per the idea he gathered from the follow up discussions he made with them. Accordingly, Ato Moges Ayele (Contract Administration Dep't Head of MoWR) and Ato Mohammed Ibrahim (Contract Administration Deputy General Manager of WWDSE) have suggested that piloting NEC in one of the sample joint project would benefit all parties. This can be scaled up later when lessons are learned from the pilot project. However, both CM

heads stressed that the use of NEC in a pilot project should be decided by the top management of the client (MOWR).

Action items for agenda 3:

It is proposed that WWDSE in consultation with the WWCE need to identify/select a pilot project that would best fit to implement the NEC and forward a formal request to MoWR for its approval before the next joint Review Board Meeting.

Any Other Business (AOB) - The Next Joint Review Board Meeting Date

Although the next JRB meeting date was not specified, it was suggested that the quarterly meeting (as agreed before) can take place at the end of the 1st Quarter of the Ethiopian Fiscal Year. The six monthly meeting, in which DR needs to participate, is proposed to take place in Feb 2010.