

ATTACHMENT-2

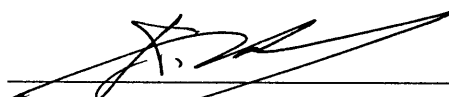
Minutes of Discussions on the Basic Design Study
on the Project for Rehabilitation of Chokwe Irrigation Scheme
in the Republic of Mozambique
(Consultation on Draft Report)

MINUTES OF DISCUSSIONS
ON BASIC DESIGN STUDY
ON
THE PROJECT FOR REHABILITATION OF CHOKWE IRRIGATION SCHEME
IN THE REPUBLIC OF MOZAMBIQUE
(CONSULTATION ON DRAFT REPORT)

In November 2000, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched a Basic Design Study Team on the Project for Rehabilitation of Chókwe Irrigation Scheme (hereinafter referred to as "the Project") to the Republic of Mozambique (hereinafter referred to as "Mozambique"), and through discussion, field survey, and technical examination of the results in Japan, JICA prepared a draft report of the study.

In order to explain and to consult the Government of Mozambique on the components of the draft report, JICA sent to Mozambique the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Shoji HASEGAWA, Technical Advisor on Grant Aid Project, JICA from 24th March to 6th April 2001.

As a result of discussions, both parties confirmed the main items described on the attached sheets.

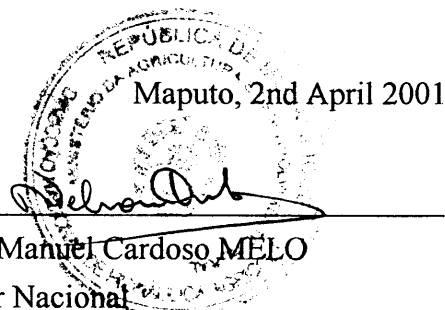


Shoji HASEGAWA

Leader

Draft Report Explanation Team

JICA



Maputo, 2nd April 2001

Nelson Manuel Cardoso MELO

Director Nacional

Direcção Nacional de Hidráulica Agrícola

Ministério de Agricultura e

Desenvolvimento Rural



José Rodrigues PEREIRA

Director da UIP

Presidente do Conselho de Administração

Hidráulica de Chókwe, E.P. (HICEP)

ATTACHMENT

1. Components of the Draft Report

The Government of Mozambique agreed and accepted in principle the components of the draft report explained by the Team.

2. Japan's Grant Aid scheme

The Mozambican side confirmed the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Mozambique (as described in the Minutes of Discussions signed by both parties on 28th November 2000).

3. Schedule of the Study

JICA will complete the final report in accordance with the confirmed item and send it to the Government of Mozambique by June 2001.

4. Other relevant issues

4-1. The Team strongly requested the Government of Mozambique to be concluded the overall plan for the rehabilitation of Chókwè Irrigation Scheme on schedule, with coordinating to the relevant donors and stakeholders (see ANNEX-1).

4-2. If the Project is implemented, the General Canal will be rehabilitated to the required capacity, which was originally given in 1977, reconsidered in cooperation with AFD in 1994 and reconfirmed through this Basic Design Study.

The related facilities including intake, regulators and diversion work will be improved to adjust their capacity to the rehabilitated General Canal (see ANNEX-2).

4-3. The Government of Mozambique gave some information on required procedures and regulations for tax exemption and customs clearance to the Team.

If the Project is implemented, Japanese juridical and physical nationals engaged in the Project will promptly submit required documents to the Government of Mozambique, for smooth exemption of customs duties, IVA and other fiscal levies by the Government of Mozambique.

The Government of Mozambique has already appropriated its budget for the payments of custom duties, IVA and other relevant levies on the Project in fiscal year 2001, and promised the Team to fully assist Japanese juridical and physical nationals engaged in the Project for smooth and prompt tax exemption and customs clearance.

SH

DM
Z

SCHEDULES OF SCHEME REPAIRING AND TRAINING OF FARMERS ASSOCIATION

Name of Sector	Name of Zone	Irrigation Area (ha)	Nos of Users	Nos of Organization	2000	2001	2002	2003	2004	2005	2006	2007	Name of Major Canal	Source of Fund
Mofitante	Geral	General Canal					(TENTATIVE)						General Canal	(Japan)
Mofitante	Geral	2,270ha	2*	1		(2,270)							General Canal	LOMACO+JFS*
	Chokwe	3,738ha	2,503	4		*2	(1,500)	(1,500)	(738)				Canal Direito, Canal Esquerdo, D1, D2, D3, D4, D4A, D5, D6, D7	OPEC+Portugal*
Jul	Lionde	3,987ha	659	3		(987)	(1,500)	(1,500)					Canal Direito, Nvachicoluane, RIIS, D8, D9, D1N, D2N, D3N, D4N	OPEC*
	Conhane	2,978ha	1,443	3	(500)	(500)			(1,978)				Canal Direito, D10, D11, D12, D13E	AFD*
	Hokwe	2,397ha	1,783	3				*2	(1,000)	(1,000)	(397)		Canal Direito, D14, D15A, D15B, D16E, RIIS	AFD*
	Nvachicoluane	2,693ha	884	1			(765)	(1,000)	(928)				Canal Direito, D13D, D15D, D16D	OPEC *3*
rio	Muianga	2,229ha	1,086	2				*2	(1,229)	(1,000)			Canal do Rio, RHS, D1CR, D2CR, D3CR, D4CR, D5CR	Portugal*
	Chilombene	3,556ha	2,446	3			(1,000)	(1,000)	(1,000)	(556)			Canal do Rio, D6CR, D7CR, D8CR	OPEC*
	Chiguidela	2,182ha	1,631	3				*2	(182)	(1,000)	(1,000)		Canal do Rio, D9CR, D10CR, D11CR, D12CR, RIIS	Portugal*
		(26,030ha)	12,437	23	500 (500)	3,757 (4,257)	4,765 (9,022)	5,000 (14,022)	7,055 (21,077)	3,556 (24,633)	1,397 (26,030)			

Note: Rehabilitation Schedule of General Canal

Repairing Schedule of Scheme

Strengthening Schedule of Farmers Association (Strengthening of farmers association will be executed by the fund of Portugal government)

Users are LOMACO and JFS, this area should be allocated into farmers.

The training of farmers association on this zones is being executed from 1999 under cooperation of Portugal government

Financial resources already assured

Financial resources under discussion

Financial resources partially assured and partially under discussion

Resource: HICEP Mar. 2001

