

APPENDICES

APPENDIX 1 Member List of the Study Team (1/2)

< Site Survey >

No.	In Charge	Name	Organization
1.	Leader	Yoshikazu YAMADA	Director, Third Project Management Division, Grant Aid Management Department, JICA
2.	Grant Aid Cooperation	Susumu UEDA	Diplomat, Grant Aid Division, Economic Cooperation Bureau, Ministry of Foreign Affairs
3.	Project Coordinator	Shigeru SUGIYAMA	Third Project Management Division, Grant Aid Management Department, JICA
4.	Chief Consultant / Power System Planner / Operation and Maintenance Planner	Noriaki MATSUSHIMA	Nippon Koei Co., Ltd.
5.	Generating Equipment Specialist I (Generator and Transformer)	Yoshikazu ISHII	Tokyo Electric Power Co., Inc.
6.	Generating Equipment Specialist II (Water Turbine)	Tatsuhiko KIKUCHI	Nippon Koei Co., Ltd.
7.	Generating Equipment Specialist III (Control System)	Naoyuki HANEDA	Tokyo Electric Power Co., Inc.
8.	Civil• Mechanical Specialist	Yoshikazu TAKEI	Tokyo Electric Power Co., Inc.
9.	Transmission Line Specialist	Katsuhiro MUKAI	Nippon Koei Co., Ltd.
10.	Construction• Procurement Planner / Cost Estimator	Masaaki KAMEDA	Nippon Koei Co., Ltd.
11.	Coordinator	Hiroshi SASAMOTO	Tokyo Electric Power Co., Inc.

APPEMDIX 1 Member List of the Study Team (2/2)

< Explanation on Draft Report >

No.	In Charge	Name	Organization
1.	Leader	Yoshikazu YAMADA	Director, Third Project Management Division, Grant Aid Management Department, JICA
2.	Grant Aid Cooperation	Susumu UEDA	Diplomat, Grant Aid Division, Economic Cooperation Bureau, Ministry of Foreign Affairs
3.	Project Coordinator	Shigeru SUGIYAMA	Third Project Management Division, Grant Aid Management Department, JICA
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5.	Generating Equipment Specialist I (Generator and Transformer)	Yoshikazu ISHII	Tokyo Electric Power Co., Inc.
6.	Generating Equipment Specialist II (Water Turbine)	Tatsuhiko KIKUCHI	Nippon Koei Co., Ltd.

APPENDIX 2 Survey Schedule of Basic Design Study

No.	Date	Day	Stay	Official			Consultant										
				JICA Mr. Yamada Leader	MOFA Mr. Ueda Grant Aid Cooperation	JICA Mr. Sugiyama Project Coordinator	Mr. Matsushima	Mr. Sasamoto	Mr. Kameda	Mr. Mukai	Mr. Haneda	Mr. Takei	Mr. Ishii	Mr. Kikuchi			
1	Aug. 9	Thu.	Yangon	Narita (TG641/11:00) Bangkok(15:30) Bangkok (TG305/18:00) Yangon(18:50)													
2	Aug. 10	Fri	Yangon	Courtesy call on Embassy of Japan and JICA Office Courtesy call on Ministry of Foreign Affairs, Ministry of Finance and Revenue, Ministry of Electric Power and MEPE General explanation of the Project													
3	Aug. 11	Sat	Baluchaung	Yangon(HK001/07:00) Heho(09:20) Heho Baluchaung (Vehicle) Site Inspection (Baluchaung No.2 Hydro Power Plant)													
4	Aug. 12	Sun	Baluchaung	Site Inspection (Baluchaung No.2 Hydro Power Plant)													
5	Aug. 13	Mon	Yangon/Baluchaung	Baluchaung Heho (Vehicle) Heho(HK038/13:40) Yangon(14:50)						Site Inspection (Baluchaung No.2 Hydro Power Plant)							
6	Aug. 14	Tue	Yangon/Baluchaung	Discussion between MEPE and the Team													
7	Aug. 15	Wed	Yangon/Baluchaung	Discussion between MEPE and the Team, preparation of draft Minutes of Discussion													
8	Aug. 16	Thu	Yangon/Baluchaung	Signinig on the Minutes and reporting to Embassy of Japan, JICA office, Ministry of Foreign Affairs, Ministry of Electric Power and MEPE													
9	Aug. 17	Fri	Yangon/Baluchaung	Discussion between MEPE and the Team, explanation of scheme for Grand Aid													
10	Aug. 18	Sat	Yangon/Baluchaung	Yangon(TG304/10:20) Bangkok(12:05) Bangkok(AF172/13:40) Hanoi(15:30)	Yangon(TG304/10:20) Bangkok(12:05) Bangkok(JL718/22:30)	Yangon(TG304/10:20) Bangkok(12:05) Bangkok(JL718/22:30)	Site Inspection (Yangon)					Site Inspection (Baluchaung No.2 Hydro Power Plant)					
11	Aug. 19	Sun	Yangon/Baluchaung		Narita(06:20)	Narita(06:20)											
12	Aug. 20	Mon	Yangon/Baluchaung				Yangon(HK001/07:00) Heho(09:20) Heho Baluchaung (Vehicle)										
13	Aug. 21	Tue	Baluchaung				Site Inspection (Baluchaung No.2 Hydro Power Plant)										
14	Aug. 22	Wed	Baluchaung														
15	Aug. 23	Thu	Baluchaung														
16	Aug. 24	Fri	Baluchaung														
17	Aug. 25	Sat	Baluchaung														
18	Aug. 26	Sun	Baluchaung														
19	Aug. 27	Mon	Yangon/Baluchaung												Baluchaung Heho (Vehicle) Heho(HK007/16:45) Yangon(19:45)		
20	Aug. 28	Tue	Yangon/Baluchaung				Site Inspection (Yangon)										
21	Aug. 29	Wed	Yangon/Baluchaung														
22	Aug. 30	Thu	Yangon/Baluchaung														
23	Aug. 31	Fri	Yangon/Baluchaung														
24	Sep. 1	Sat	Yangon/Baluchaung														
25	Sep. 2	Sun	Yangon/Baluchaung														
26	Sep. 3	Mon	Yangon/Baluchaung	Yangon(HK001/07:00) Heho(09:20) Heho Baluchaung (Vehicle)					Site Inspection (Yangon)		Site Inspection (Baluchaung No.2 Hydro Power Plant)						
27	Sep. 4	Tue	Yangon/Baluchaung														
28	Sep. 5	Wed	Yangon/Baluchaung														
29	Sep. 6	Thu	Yangon/Baluchaung														
30	Sep. 7	Fri	Yangon/Baluchaung														
31	Sep. 8	Sat	Yangon/Baluchaung						Site Inspection (Baluchaung No.2 Hydro Power Plant)					Site Inspection (Baluchaung No.2 Hydro Power Plant)			
32	Sep. 9	Sun	Yangon/Baluchaung														
33	Sep. 10	Mon	Yangon/Baluchaung														
34	Sep. 11	Tue	Yangon	Baluchaung Heho (Vehicle) Heho(HK007/16:45) Yangon(19:45)													
35	Sep. 12	Wed	Yangon	Data Arrangement													
36	Sep. 13	Thu	Yangon	Reporting to Embassy of Japan and JICA Office													
37	Sep. 14	Fri	Bangkok	Yangon(TG304/10:20) Bangkok(12:05) Bangkok(TG640/10:50) Narita(19:00)													
38	Sep. 15	Sat															

APPENDIX 3 List of Parties Concerned in the Recipient Country

BASIC DESIGN STUDY ON THE PROJECT FOR REHABILITATION OF BALUCHAUNG NO.2 HYDRO POWER PLANT IN UNION OF MYANMAR

1. Ministry of Electric Power

1. Dr. Thein Tun	Director General, Department of Electric Power
2. Mr. Saw Win	Deputy Director General, Department of Electric Power
3. Mr. Aung Khaing	Director, Department of Electric Power
4. Mr. Kyaw Tin	Deputy Director, Department of Electric Power

2. Myanma Electric Power Enterprise

1. Mr. Yan Naing	Managing Director
2. Dr. Sann Oo	Chief Engineer, Managing Director's Office
3. Mr. Soe Myint Lwin	Deputy Chief Engineer, Planning Department
4. Mr. Win Kyaw	Deputy Chief Engineer, Hydel Construction Department
5. Mr. Htein Swan	Deputy Director, Department of Finance
6. Mr. Win	Superintending Engineer, Planning Department
7. Mr. Kyaw Myint	Superintending Engineer, Operation Department (LDC)
8. Mr. Cho Aye	Superintending Engineer, Operation Department
9. Mr. Ngwe Thein	Superintending Engineer, Operation Department
10. Mr. Khin Maung Win	Superintending Engineer, Operation Department
11. Mr. Myo Aung	Executive Engineer, Chief Engineer's Office
12. Ms. Than Yee	Executive Engineer, Chief Engineer's Office
13. Mr. Tin Shwe	Executive Engineer, Planning Department
14. Ms Min Min Than	Executive Engineer, Planning Department
15. Ms Hnin Hnin Aye	Executive Engineer, Planning Department

3. Baluchaung No.2 Hydro Power Plant

1. Mr. Tin Maung Win	Senior Power Station Superintendent Baluchaung Hydropower Stations
2. Mr. Khin Maung Soe	Power Station Superintendent Baluchaung Hydropower Station No.1
3. Mr. Maung Maung Gyi	Superintendent, Moby Dam
4. Mr. Pyi Sone Aung	Senior Assistant Engineer
5. Mr. Mann Khin	Senior Assistant Engineer
6. Mr. Aung Sann	Assistant Executive Engineer
7. Mr. Myint Thein	Assistant Executive Engineer
8. Mr. Win Naing	Assistant Executive Engineer
9. Mr. Thein Tun	Assistant Executive Engineer
10. Mr. Hla Tun	
11. Mr. Aung Kyaw Thant	
12. Mr. Mann Khin	
13. Mr. Tin Htut	
14. Mr. Myint Shein	
15. Thein Tun	

APPENDIX 4 Minutes of Discussion

MINUTES OF DISCUSSIONS ON THE BASIC DESIGN STUDY ON THE PROJECT FOR REHABILITATION OF BALUCHAUNG NO.2 HYDRO POWER PLANT IN THE UNION OF MYANMAR

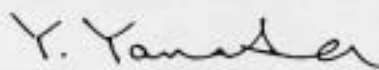
In response to a request from the Government of the Union of Myanmar, the Government of Japan decided to conduct a Basic Design Study on the Project for the Rehabilitation of Baluchaung No.2 Hydro Power Plant (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to the Myanmar the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Yoshikazu Yamada, Director of the Third Project Management Division, Grant Aid Managing Department, JICA, and is scheduled to stay in the country from August 6 to September 14, 2001.

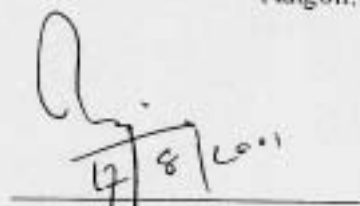
The Team held discussions with the officials concerned of the Government of Myanmar and conducted a field survey at the study area.

In the course of discussions and field survey, both sides have confirmed the main items described on the attached sheets. The Team will proceed to further works and prepare the Basic Design Study Report.

Yangon, August 17, 2001



Yoshikazu Yamada
Leader
Basic Design Study Team
Japan International Cooperation Agency



Mr. Yan Naing
Managing Director
Myanma Electric Power Enterprise
Ministry of Electric Power
Union of Myanmar

ATTACHMENT

1. Objective

The objective of the Project is to rehabilitate the existing plant, which have lost their proper performances and functions on the existing No.1 to No.6 Units and their associated common equipment at the Baluchaung No.2 Hydro Power Plant.

2. Project Site

The site of the Project is located at Lawpita, Kayah State as shown in Annex-1.

3. Responsible Organization and Implementing Agency

The Responsible Organization is the Ministry of Electric Power

The Implementing Agency is the Myanmar Electric Power Enterprise (MEPE).

The organization chart of the implementing agency is shown in Annex-2.

4. Items Requested by the Government of the Union of Myanmar.

After discussion with the Team, the equipment, the facilities and the systems described in Annex-3 were finally requested by the Myanmar side. JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

The Myanmar side understands the Japan's Grant Aid scheme explained by the Team, as described in Annex-4.

6. Undertakings by the Myanmar Side

The Myanmar side will take all the necessary measures, as described in Annex-5 for smooth implementation of the Project, as a condition for Japan's Grant Aid to be implemented. Especially important items are described as follows;

- (1) The Myanmar side shall exempt Japanese juridical and physical nationals engaged in the Project from custom duties, internal taxes including VAT, and other fiscal levies which may be imposed in the Myanmar regarding the rehabilitation under the verified contracts.
- (2) The Myanmar side shall allocate the necessary budget and personnel for the implementation of the Project.
- (3) The Myanmar side shall provide information related to the Project in timely manner, which may be raised after completion of the Basic Design Study.
- (4) The Myanmar side shall secure the spaces necessary for the execution of the Project and storage of the equipment and the materials required.
- (5) The Myanmar side shall provide necessary permissions, licenses and other authorizations for smooth and convenient implementation of the Project, if necessary.

- (6) The Myanmar side shall assign exclusive counterpart engineers and technicians for the Project.
- (7) The Myanmar side shall execute all the necessary operation of the units, the switchgear and the powerhouse crane during implementation of the Project.
- (8) The Myanmar side shall be responsible for suitable treatment and disposal of the unnecessary existing equipment and/or materials that will be removed.

7. Schedule of the Study

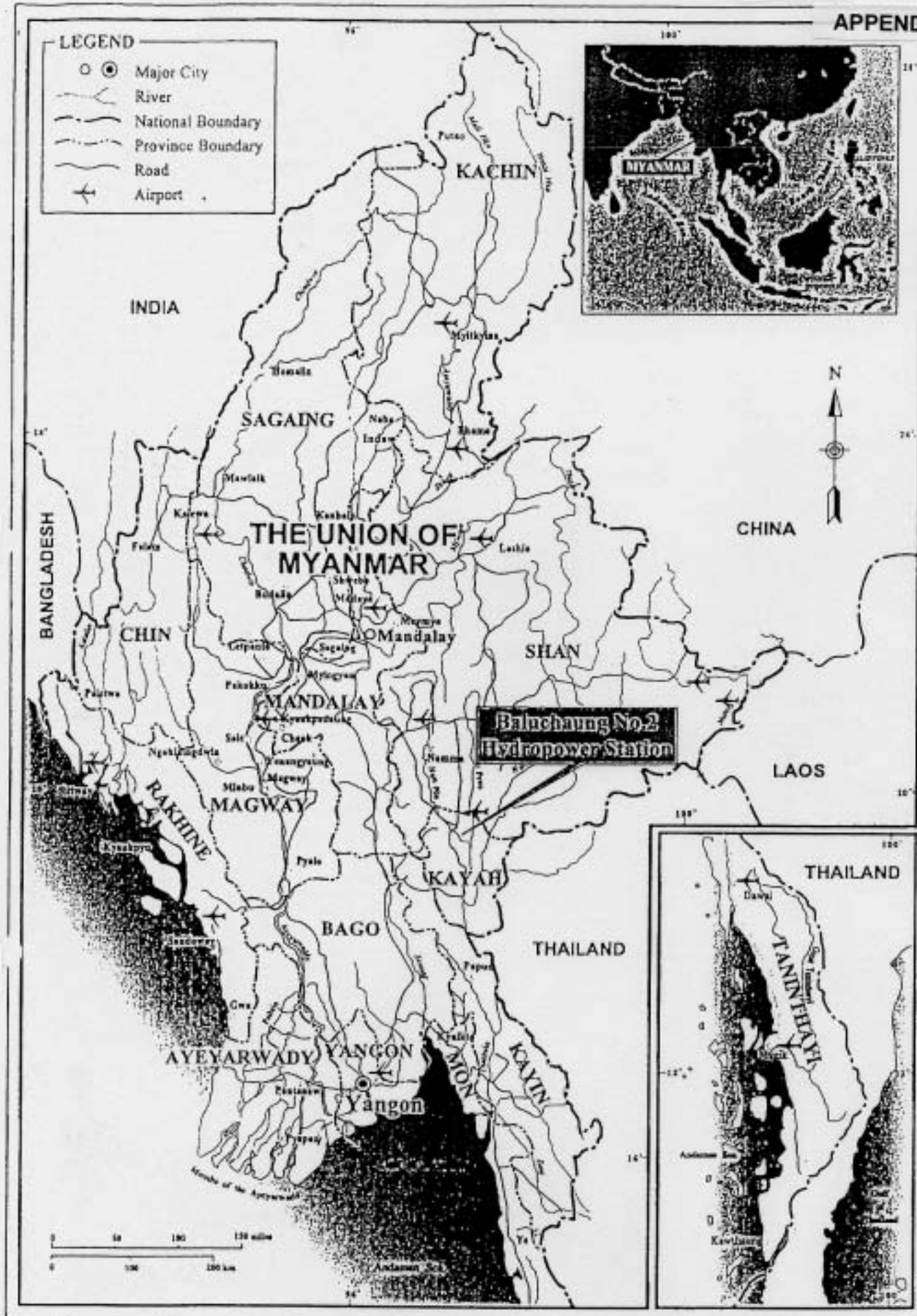
- a) The consultants will proceed to further field studies in Myanmar until September 14, 2001.
- b) JICA will prepare the draft final report in English and dispatch a mission to the Myanmar in order to explain its contents around the beginning of November, 2001.
- c) In case that the contents of the draft final report is accepted in principle by the Government of the Myanmar, JICA will complete the final report and send it to the Government of the Union of Myanmar by February, 2002.

8. Other Relevant Issues

- (1) The Myanmar side has agreed to provide necessary number of counterpart personnel to the Team during the period of their field studies.
- (2) The Myanmar side shall submit answers in English to the questionnaire, which the Team had sent to the Myanmar side, by August 28, 2001.
- (3) The Myanmar side shall secure the permission to photograph and enter into private properties and restricted areas for the Team for proper execution of the Study, if necessary.
- (4) The Myanmar side shall make arrangements to allow the Team to bring back to Japan any necessary data, maps and materials related to the Study, subject to approval by the Government of Myanmar, in order to analyze the Project and prepare the report.
- (5) The Myanmar side shall take any measure deemed necessary to secure the safety of the Japanese nationals concerning the Project.

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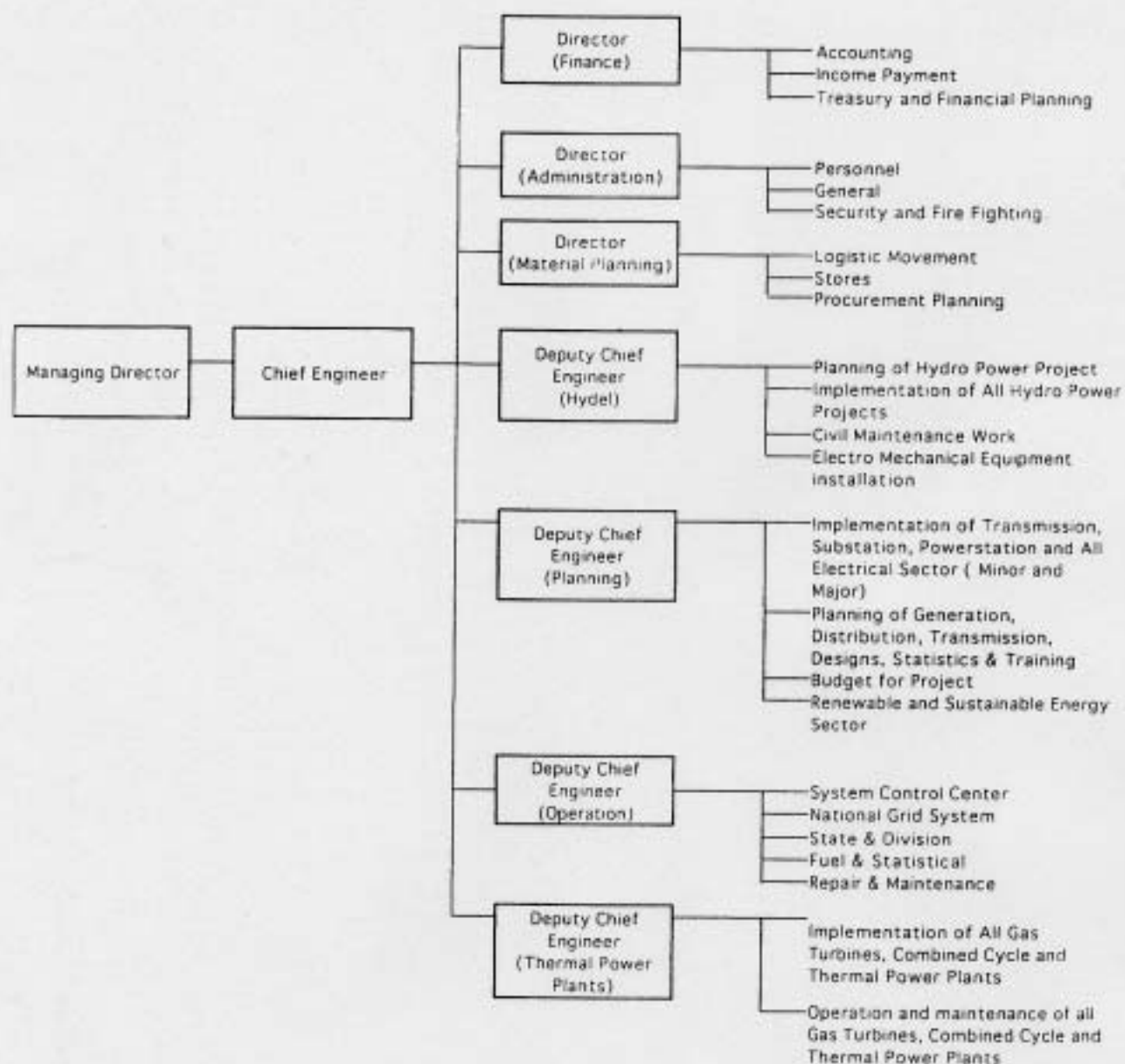
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Basic Design Study on the Project for the Baluchaung No.2 Hydropower Station Rehabilitation
LOCATION MAP

(Annex - 2)

• Organization Chart of Myanmar Electric Power Enterprise (MEPE)



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(Annex - 3)

Items requested by the Government of the Union of Myanmar

No.	Description	Extent of overhaul
1	Excitation system	Units No.1 ~ 3
2	Water supply pipe lines	Units No.1 ~ 6
3	Pressure oil supply system for governors	Units No.4 ~ 6
4	Compressed air supply system for turbines	Common
5	Cooling water supply system	Units No.1 ~ 6
6	Oil filters	Units No.4 ~ 6
7	Inlet valves	Units No.1 ~ 3
8	Seals of inlet valves	Units No.4 ~ 6
9	Control panels of inlet valves	Units No.1 ~ 6
10	Needle tips and nozzle tips	Units No.1 ~ 6
11	Deflectors	Units No.1 ~ 6
12	Water shelter	Unit No.5
13	Spare runner	Common
14	Control cables	Units No.4 ~ 6
15	Control panels of generators	Units No.4 ~ 6
16	Main transformers	Units No.4 ~ 6
17	132kV Current transformers	Units No.1 ~ 6
18	132kV Circuit breakers	Common
19	230kV Circuit breakers	Common
20	Disconnecting switches	Common
21	Compressed air supply system for circuit breakers	Common
22	132kV/33kV/11kV interbus transformer	Common
23	Control panels of 132kV transmission lines	Common
24	Rectifier and battery	Common
25	Over head travelling crane	Common
26	132kV transmission line (2 nd line)	Common
27	Low and high pressure penstock	Common

NOTE: "Common" means the equipment for common use to all Units.

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(Annex-4)

JAPAN'S GRANT AID SCHEME

The Grant Aid scheme provides a recipient country with non-reimbursable funds to procure the facilities, equipment and services (engineering services and transportation of the products, etc.) for economic and social development of the country under principles in accordance with the relevant laws and regulations of Japan. The Grant Aid is not supplied through the donation of materials as such.

1. Grant Aid Procedures

Japan's Grant Aid Scheme is executed through the following procedures.

Application	(Request made by a recipient country)
Study	(Basic Design Study conducted by JICA)
Appraisal & Approval	(Appraisal by the Government of Japan and Approval by Cabinet)
Determination of	(The Notes exchanged between the Governments of Japan
Implementation	and the recipient country)

Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for the Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA (Japan International Cooperation Agency) to conduct a study on the request.

Secondly, JICA conducts the study (Basic Design Study), using Japanese consulting firms.

Thirdly, the Government of Japan appraises the project to see whether or not it is suitable for Japan's Grant Aid Scheme, based on the Basic Design Study report prepared by JICA, and the results are then submitted to the Cabinet for approval.

Fourthly, the project, once approved by the Cabinet, becomes official with the Exchange of Notes (E/N) signed by the Governments of Japan and the recipient country.

Finally, for the smooth implementation of the project, JICA assists the recipient country in such matters as preparing tenders, contracts and so on.

2. Basic Design Study

1) Contents of the Study

The aim of the Basic Design Study (hereinafter referred to as "the Study"), conducted by JICA on a requested project (hereinafter referred to as "the Project"), is to provide a basic document necessary for the appraisal of the Project by the Government of Japan. The contents of the Study are as follows:

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- a) Confirmation of the background, objectives, and benefits of the requested Project and also institutional capacity of agencies concerned of the recipient country necessary for the Project's implementation.
- b) Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economic point of view.
- c) Confirmation of items agreed upon by both parties concerning the basic concept of the Project.
- d) Preparation of a Basic Design of the Project.
- e) Estimation of cost of the Project.

The contents of the original request are not necessarily approved in their initial form as the contents of the Grant Aid project. The Basic Design of the Project is confirmed considering the guidelines of Japan's Grant Aid Scheme.

The Government of Japan requests the Government of the recipient country to take whatever measures are necessary to ensure its self-reliance in the implementation of the Project. Such measures must be guaranteed even though they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country through the Minutes of Discussions.

2) Selection of Consultants

For smooth implementation of the Study, JICA uses registered consulting firms. JICA selects firms based on proposals submitted by interested firms. The firms selected carry out a Basic Design Study and write a report, based upon terms of reference set by JICA.

The consulting firms used for the Study are recommended by JICA to the recipient country to also work on the Project's implementation after the Exchange of Notes, in order to maintain technical consistency.

3. Japan's Grant Aid Scheme

1) Exchange of Notes (E/N)

Japan's Grant Aid is extended in accordance with the Notes exchanged by the two Governments concerned, in which the objectives of the project, period of execution, conditions and amount of the Grant Aid, etc., are confirmed.

2) "The period of the Grant Aid" means the one fiscal year which the Cabinet approves the project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with consulting firms and contractors and final payment to them must be completed.

However, in case of delays in delivery, installation or construction due to unforeseen factors such as natural disaster, the period of the Grant Aid can be further extended for a maximum of one fiscal year at most by mutual agreement between the two Governments.

3) Under the Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased.

When the two Governments deem it necessary, the Grant Aid may be used for the purchase of the products or services of a third country.

However, the prime contractors, namely consulting, constructing and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

4) Necessity of "Verification"

The Government of the recipient country or its designated authority will conclude contracts denominated in Japanese yen with Japanese nationals. Those contracts shall be verified by the Government of Japan. This "Verification" is deemed necessary to secure accountability to Japanese taxpayers.

5) Undertakings required to the Government of the recipient country

In the implementation of the Grant Aid project, the recipient country is required to undertake such necessary measures as the following:

- a) To secure land necessary for the sites of the Project and to clear, level and reclaim the land prior to commencement of the construction,
- b) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites,
- c) To secure buildings prior to the procurement in case the installation of the equipment,
- d) To ensure all the expenses and prompt execution for unloading, customs clearance at the port of disembarkation and internal transportation of the products purchased under the Grant Aid,
- e) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which will be imposed in the recipient country with respect to the supply of the products and services under the verified Contracts,
- f) To accord Japanese nationals, whose services may be required in connection with supply of the products and services under the verified contracts, such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.

6) "Proper Use"

The recipient country is required to operate and maintain the facilities constructed and equipment purchased under the Grant Aid properly and effectively and to assign staff necessary for this operation and maintenance as well as to bear all the expenses other than those covered by the Grant Aid.

7) "Re-export"

The products purchased under the Grant Aid should not be re-exported from the recipient country.

8) Banking Arrangement (B/A)

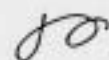
- a) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in a bank in Japan (hereinafter referred to as "the Bank"). The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by the Government of the recipient country or its designated authority under the verified contracts.
- b) The payments will be made when payment requests are presented by the Bank to the Government of Japan under an Authorization to Pay (A/P) issued by the Government of recipient country or its designated authority.

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9) Authorization to Pay (A/P)

The Government of the recipient country should bear an advising commission of an Authorization to Pay and payment commissions to the Bank.



(Annex-5)

Major Undertakings to be Taken by Each Government

NO	Items	To be covered by Grant Aid	To be covered by Recipient side
1	To secure land		●
2	To clear, level and reclaim the site when needed		●
3	To construct gates and fences in and around the site		●
4	To bear the following commissions to a bank of Japan for the banking services based upon the B/A		
	a) Advising Commission of A/P		●
	b) Payment commission		●
5	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country		
	a) Marine (Air) transportation of the products from Japan to the recipient country	●	
	b) Tax exemption and customs clearance of the products at the port of disembarkation		●
	c) Internal transportation from the port of disembarkation to the project site	●	
6	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contract such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		●
7	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contract		●
8	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid		●
9	To bear all the expense, other than those to be borne by the Grant Aid, necessary for construction of the facilities		●
10	To coordinate and solve any issues related to the Project which may be raised from the third parties or inhabitants in the project area during implementation of the Project		●

B/A : Banking Arrangement

A/P : Authorization to Pay

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MINUTES OF DISCUSSIONS
ON THE BASIC DESIGN STUDY
ON THE PROJECT FOR REHABILITATION OF
BALUCHAUNG NO.2 HYDRO POWER PLANT
IN THE UNION OF MYANMAR
(EXPLANATION ON DRAFT REPORT)

In August 2001, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched a Basic Design Study Team on the Project for the Rehabilitation of Baluchaung No.2 Hydro Power Plant (hereinafter referred to as "the Project") to the Union of Myanmar (hereinafter referred to as "Myanmar"), and through discussion, field survey, and technical examination of the results in Japan, JICA prepared a draft report of the study.

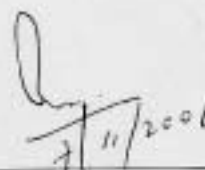
In order to explain and to consult the Government of Myanmar on the components of the draft report, JICA sent to Myanmar the Draft Report Explanation Team (hereinafter referred to as "the Team"), headed by Mr. Yoshikazu Yamada, Director of the Third Project Management Division, Grant Aid Managing Department, JICA, from November 4th to November 9th, 2001.

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

Yangon, November 7, 2001



Yoshikazu Yamada
Leader
Basic Design Study Team
Japan International Cooperation Agency



Yan Naing
Managing Director
Myanma Electric Power Enterprise
Union of Myanmar

ATTACHMENT

1. Components of the Draft Report

The Government of Myanmar agreed and accepted the components of the draft report explained by the Team.

2. Japan's Grant Aid Scheme

The Myanmar side understands the Japan's Grant Aid scheme and the necessary measures to be taken by the Government of Myanmar as explained by the Team and described in Annex-4 and Annex-5 of the Minutes of Discussions signed by both sides on August 17th, 2001.

3. Schedule of the Study

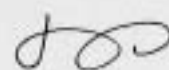
JICA will complete the final report in accordance with the items confirmed by both sides and send it to the Government of Myanmar by February, 2002.

4. Other Relevant Issues

4-1. Both sides confirmed that the Myanmar side should undertake the works which were described in the chapters 6 and 8 of the Minutes of Discussions signed by both sides on August 17th, 2001.

4-2. The Myanmar side shall secure sufficient period for equipment installation work according to the agreed project implementation schedule.

4-3. The Myanmar side shall allocate necessary budget and personnel to carry out the Myanmar side's undertakings which are described in the chapter 3 of the Draft Final Report.



APPENDIX 5 Cost Estimation Borne by the Recipient Country

i)	Remuneration of staff for rehabilitation	13,465,000 Kyat	(19,800 US\$)
ii)	Remuneration of staff for 2 nd 132kV Transmission line	6,570,000 Kyat	(9,660 US\$)
iii)	Construction of cable duct	669,300 Kyat	(980 US\$)
iv)	Construction of foundations at Baluchaung No.2	989,000 Kyat	(1,457 US\$)
v)	Construction of foundations at Kalaw substation	1,932,000 Kyat	(2,843 US\$)

Total : 23,625,300 Kyat (34,740 US\$)

Exchange Rate: 1 US\$=680Kyat