

Chapter 3 Project Evaluation and Recommendations

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3-1. Effects of the Project

(1) Direct Effects

① Improvement of the Educational Environment

By constructing 63 classrooms through this Project, the schools' accommodation capacity increases and the number of students per classroom⁹ is reduced from 51.2 to 30.6, contributing to a better learning environment. Furthermore, by constructing multi-purpose classrooms at EB that can be used either as a science laboratory or as a library, an even better learning environment can be realized.

② Expansion of EB System

By constructing 6 EB in this Project, combining with 4 EB under the FSQP, 10 EB will then function in 10 Districts out of 13 total Districts.

③ Improvement of Sanitary Conditions

This Project will construct, according to the number of classrooms built, an adequate number of toilets with the appropriate plumbing facilities. As a result, toilet shortages will be significantly alleviated and the sanitary conditions at each Project school will be greatly improved.

④ Acquisition of skill and knowledge regarding school maintenance

By introducing a software component, the basic skills and knowledge regarding maintenance will be acquired at each Project school. Furthermore, the appropriate implementation of the maintenance activities enables sustainable use of the existing facilities as well as Project facilities, decreasing the maintenance cost in the long run.

⁹ The number of students per classroom = The total number of students at all the Project schools / (The total number of classrooms for one-shift schools + The total number of classrooms * 2 for double-shift schools)

(2) Indirect Effects

① Use of Facilities by the Community

The Project facilities will be used not only for basic education but also for social-educational activities such as adult education (e.g. Portuguese learning programs) or literacy education, as well as for non-educational purposes such as community activities. In this way, the Project facilities will greatly contribute to the surrounding communities.

② Promotion of the Active Cluster System

6 PS in this Project have been selected as core schools in the cluster system. At these schools, Project facilities will be used for cluster meetings and relevant activities, bringing together teachers from neighboring schools. It is expected that activities of the cluster to which the Project schools belong will be promoted, contributing to further improvement in the quality of education.

3-2. Recommendations

① Governmental Support for the Implementation of Maintenance Activities

In this Project, a software component is introduced with an objective to improve the skills and knowledge regarding maintenance at Project schools, and it is expected that the Project schools will implement appropriate maintenance activities utilizing those skills and that knowledge. However, for the continuous and effective maintenance activities, it is indispensable that the government establish a follow-up system to advise and support schools through regular monitoring after completion of the software component. Moreover, it is necessary that MECYS make a budget allocation so that each Project school can secure budget for its facility maintenance.

② Active Participation of the Local Community

In order to operate and utilize facilities, both existing and Project facilities, it is important that the local community support the schools (not only through financial donations but also through various other forms of contribution). In order to promote this support from the community, it is important that schools have a plan based upon a clear vision regarding school operation and maintenance along with the accountability to

explain it regularly to the local community. At the same time, a close partnership between the schools and the community incorporating voices of those outside the schools in the processes of decision-making and evaluation is of great importance.

③ Operational Support for EB

At 6 EB, the new schools will begin operation as integrated primary and junior secondary schools due to the streamlining of neighboring schools. In order to achieve a smooth start to EB school activities upon completion of construction, it is necessary to make sufficient preparations such as planning the reassignment of teachers and students, and establishing a management system for the school operation. Furthermore, after the EB begin operating, it is necessary to establish a support system from the governmental side.

④ Multiple Use of the Project Facilities

In designing the Project facilities, several considerations have been taken into account such as electrical outlets and fixtures as well as movable partitions, so that the Project facilities can also be used by the community for the other purposes, such as emergency shelters or as places for meetings or other non-formal education classes, etc.

To promote the facilities' active and effective use, it is essential that MECYS and the Project schools promote frequent use of the Project facilities to the local community, informing local citizens of the openness and flexible characteristics of the facilities.

Appendices

1. Member List of the Study Team

Basic Design Study Team (16 Mar 2003~14 April 2003)

No.	Job title	Name	Occupation
1	Leader	Kohei SATO .	Staff, First Project Management Div., Grant Aid Management Dept., JICA
2	Chief Consultant / Architectural Design	Nobuhiro MOHRI .	Mohri, Architect & Associate, inc.
3	Education Planning / Social Environment	Akane TOTANI	Mohri, Architect & Associate, inc.
4	Architectural Planning I	Akira SUGIURA .	Mohri, Architect & Associates, Inc.
5	Architectural Planning II	Hisafumi MICHIKAWA .	Mohri, Architect & Associates, inc.
6	Procurement Planner / Cost Estimator	Hiroyuki YOSHIZAWA .	Mohri, Architect & Associates, inc.
7	Procurement Planner / Cost Estimator II	Shinji KUMEKAWA.	Mohri, Architect & Associates, inc.
8	Coordinator	Hiroyasu KUDO .	Mohri, Architect & Associates, inc.

Draft Report Explanation Team (6 July 2003 ~ 16 July 2003)

No.	Job title	Name	Occupation
1	Leader	Toshiaki TANAKA .	Resident Representative, East Timor Office, JICA
2	Planning / Management	Yuki SHIBUYA .	Staff, First Project Management Div., Grant Aid Management Dept., JICA
3	Chief Consultant / Architectural Design	Nobuhiro MOHRI .	Mohri, Architect & Associate, inc.
4	Education Planning / Social Environment	Akane TOTANI	Mohri, Architect & Associate, inc.
5	Architectural Planning I	Akira SUGIURA .	Mohri, Architect & Associates, Inc.
6	Procurement Planner / Cost Estimator	Hiroyuki YOSHIZAWA .	Mohri, Architect & Associates, inc.

2. Study Schedule

Basic Design Study						
Date			Schedule			
			JICA	Consultants		
1	16-Mar	Sun	Narita→Denpasar			
2	17-Mar	Mon	Denpasar→Dili, Courtesy Call on and Meeting with JICA, Courtesy Call on Embassy of Japan in East Timor			
3	18-Mar	Tue	Courtesy Call on Ministry of Education, Culture, Youth and Sports(MECYS) and Ministry of Finance			
4	19-Mar	Wed	Site Survey (Two Schools in Aileu District), Discussion with MECYS			
5	20-Mar	Thu	Discussion with MECYS, Courtesy Call on FSQP and UNICEF			
6	21-Mar	Fri	Discussion with MECYS and Ministry of Finance			
7	22-Mar	Sat	Site Survey (EB-5)			
8	23-Mar	Sun	Internal Meeting			
9	24-Mar	Mon	Signing on Minutes of Discussion		Site Survey (PS-10)	
10	25-Mar	Tue		Architectural Survey, Discussion with MECYS	Site Survey (PS-8)	
11	26-Mar	Wed	Report to JICA Report to Embassy of Japan in East Timor		Site Survey (PS-9, PS-6)	
12	27-Mar	Thu		Discussion with MECYS Architectural Survey	Site Survey (PS-3, PS-7)	
13	28-Mar	Fri		Discussion with MECYS Architectural Survey	Site Survey (PS-4, EB-2)	
14	29-Mar	Sat		Site Survey (EB-3)		
15	30-Mar	Sun		Data Analysis, Internal Meeting		
16	31-Mar	Mon		Site Survey (PS-1, PS-6)		Dili→
17	1-Apr	Tue		Architectural Survey, Discussion with MECYS	Dili→Suai	→Oe-Cuss Site Survey (EB-6) OeCusse→
18	2-Apr	Wed		Architectural Survey, Discussion with MECYS	Site Survey (PS-11, EB-1)	→Dili
19	3-Apr	Thu		Architectural Survey	Site Survey (PS-2)	Cost Estimation Survey
20	4-Apr	Fri		Discussion with MECYS		Cost Estimation Survey
21	5-Apr	Sat		Architectural Survey	Site Survey (PS-6)	Cost Estimation Survey
22	6-Apr	Sun		Data Analysis, Internal Meeting		
23	7-Apr	Mon		Discussion with MECYS	Cost Estimation Survey	Education Survey
24	8-Apr	Tue		Discussion with MECYS	Cost Estimation Survey	Education Survey
25	9-Apr	Wed		Discussion with MECYS	Cost Estimation Survey	Education Survey
26	10-Apr	Thu		Discussion with MECYS	Cost Estimation Survey	Courtesy Call on ECHO
27	11-Apr	Fri		Report to JICA and Embassy of Japan in East Timor, Discussion with MECYS		Meeting with UNICEF
28	12-Apr	Sat		Supplementary Survey (PS-10), Discussion with MECYS		
29	13-Apr	Sun		Dili→		
30	14-Apr	Mon		→Narita		
Explanation on Draft Final Report						
Date			Schedule			
			JICA	Consultants		
1	6-Jul	Sun	Narita→Denpasar			
2	7-Jul	Mon	Denpasar→Dili, Courtesy Call on JICA and Embassy of Japan in East Timor			
3	8-Jul	Tue	Courtesy Call on MECYS and Ministry of Finance			
4	9-Jul	Wed	Discussion with MECYS			
5	10-Jul	Thu	Discussion with MECYS			
6	11-Jul	Fri	Signing on Minutes of Discussion, Meeting with UNICEF, Report to JICA and Embassy of Japan in East Timor, Discussion with MECYS			
7	12-Jul	Sat	Dili→	Supplementary Site Survey		
8	13-Jul	Sun	→Narita	Internal Meeting		
9	14-Jul	Mon		Supplementary Meeting, Supplementary Site Survey		
10	15-Jul	Tue		Dili→		
11	16-Jul	Wed		→Narita		

3. List of Concerned Parties in the Recipient Country

Ministry of Education, Culture, Youth and Sports (MECYS)

H.E. Mr. Armindo Maia	Minister
Mr. Domingos de Sousa	Director General
Mr. Cidalio Leite	Acting Director, Policy Planning
Mr. Marcial Salvatierra	UNMISSET Advisor
Ms. Delfina (FP) Burges	Primary Education Department
Mr. Rui da Costa Beto	Curriculum Department
Ms. Manuela Gusmao	Institute of Continuing Education

District Superintendent

Mr. Augusto Manuel de Oliveira Carvalho	Aileu District
Mr. Alexandre de Araujo	Ainaro District
Mr. Rodolfo Henrique Aparicio	Baucau District
Mr. Manuel Gomes de Araiho	Bobonaro District
Mr. Antonio Moniz Mali	Covalima District
Mr. Abilio Martins de Jesus Babo	Ermera District
Mr. Horacio da Costa	Lautem District
Mr. Manuel Soares	Liquica District
Mr. Alberto da Costa	Manatuto District
Mr. Domingos Savio	Manufahi District
Mr. Venaneio Lafo	Oe-Cusse District
Mr. Lucio de Aguino Pinto	Viqueque District

Fundamental Standard Quality Project MECYS (FSQP)

Mr. Francisco Osler	Director TFET I & II
Mr. Francisco Vassalo	Project Architect, FSQP, CMU
Mr. Almerio Soarres	FSQP, CMU Engineer
Ms. Ana Noronha	FSQP, Social Mobilization and Communication Unit

Ministry of Finance and Planning

Ms. Aicha Bassarewan	Vice-Minister
Mr. Euseblo e. Jeronimo	Director

Mr. Jose F. Abilio	Deputy Director, Planning
Ms. Maria de Jesus Sarureufo	Senior Treasury Accountant
Ms. Emilia Pires	UNIMSET Advisor
Mr. Francis M. Sskandi	Legal Advisor
Mr. Vaseo Godinho	Minister Office

Ministry of Transport, Communication, and Public Works

Mr. Joao B. F. Alves	Secretary of States
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UNICEF

Mr. Yoshiteru Uramoto	Special Representative
Mr. Joao Pereira	Education Unit

European Commission

Mr. Guglielmo Colombo
Ms. Rowena Cabigon

Embassy of Japan

Mr. Hideo Fukushima	Charge d' Affairs
Mr. Akinori Wada	Counselor
Mr. Yosuke Kawana	Third Secretary

JICA Timor-Leste Office

Mr. Katsuo Shoji	Resident Representative
Dr. Makoto Inaba	Deputy Resident Representative
Mr. Masayoshi Takehara	Assistant Resident Representative
Ms. Misa Fukunaga	Assistant Resident Representative

Minutes of Discussions
on
The Basic Design Study on the Project for Construction of Primary Schools
in
The Democratic Republic of Timor-Leste

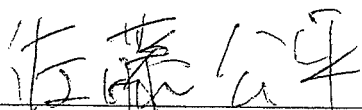
In response to a request from the Government of the Democratic Republic of Timor-Leste, the Government of Japan has decided to conduct a Basic Design Study on the Project for Construction of Primary Schools in Timor-Leste (hereinafter referred to as "the Project"), and entrusted the study to Japan International Cooperation Agency (JICA).

JICA sent to Timor-Leste the Basic Design Study Team (hereinafter referred to as "the Mission") headed by Mr. Kohei Sato, Staff, First Project Management Division, Grant Aid Management Department, JICA, and is scheduled to stay in the country from 17 March to 13 April 2003.

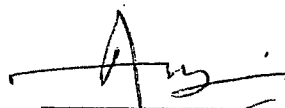
The Team held a series of discussions on the Project with the officials concerned of the Timor-Leste and conducted a field survey at the study area.

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

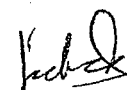
Dili, 24 March 2003



Mr. Kohei Sato
Leader
Basic Design Study Mission
Japan International Cooperation
Agency



Mr. Armindo Maia
Minister
Ministry of Education, Culture,
Youth and Sports
Timor-Leste



Ms. Aicha Bassarewan
Vice-Minister
Ministry of Planning and Finance
Timor-Leste

ATTACHMENT

1. Objective of the Project

The objective of the Project is to improve the educational environment of basic schools in Timor-Leste through development of school buildings and provision of educational equipment.

2. Project sites

The project sites are as shown in Annex-1.

3. Responsible and Implementing Organization

The responsible and implementing organization is the Ministry of Education, Culture, Youth and Sports (hereinafter referred to as MECYS).

The organization chart of the MECYS is attached as Annex 2.

4. Items requested by the Government of Timor-Leste

After a series of discussions with the Team, the Timor-Leste side requested the items described in ANNEX-3 and ANNEX-4. After the general request of the Grant of Timor Leste, JICA will assess the appropriateness of the request, and will recommend the result of assessment to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

5-1. The Timor-Leste side understood the Japan's Grant Aid Scheme explained by the Team, as described in Annex-6.

5-2. Japanese side explained to take the necessary measures, described in Annex-7 for the smooth implementation of the Project by the Timor-Leste side on condition that the Japan's grant aid is extended to the Project.

6. Schedule of the Study

6-1. The consultant mission will proceed to further studies in Timor-Leste until 13 April 2003.

6-2. JICA will prepare a Draft Report in English and dispatch a mission to explain the outline of the Basic Design around July 2003.

6-3. In the event of the Draft Report being acceptable in principle by the Timor-Leste, JICA will complete the final report and send it to the Government of Timor-Leste by around September 2003.

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7. Other Relevant Items

7-1. Change of proposed primary schools

The Japanese side noted and accepted the explanation of the Timor-Leste side regarding the change in the list of proposed primary schools compared to the original list in the Preparatory Study conducted by JICA. The change resulted from the Ministry's adoption of the cluster school management concept in December 2002, after the Preparatory Study conducted in August 2002. However, most of the schools selected with the exception of five, are located in the same sub-district originally proposed under the Preparatory Study. The primary schools proposed are "core" schools of the clusters, which are designed to be the center for teacher training and administrative support for the other schools in the cluster.

7-2. Criteria of the sites selection

Both sides agreed on the criteria of the project sites in Annex-5. Nevertheless the sites covered by the Project will be finalized after further study in Japan.

7-3. Number of schools and components

Both sides agreed that the total number of requested schools and components for the implementation of the Project may not be fully covered by the Project.

7-4. Land for the Project

The Timor-Leste side agreed to provide the Japanese side by early July 2003, a certification from the Ministry of Justice (Land and Property Office) that the Government owns the school sites for the candidate schools.

7-5. Demolishing work, leveling work and preparing the temporary classrooms

The Timor-Leste side agreed to allocate budgetary appropriation for demolition of the existing facilities and level the sites, which would be identified by Japanese side as necessary, before the commencement of Japanese construction and also to prepare the temporary classrooms.

7-6. Operation and maintenance

The Timor-Leste side agreed to allocate necessary budget for teaching and administrative staff members for the proper and effective operation and maintenance of facilities and equipment covered by the Project.

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7-7. Safety of Japanese personnel

The Timor-Leste side agreed to fully understand the importance of assurance of safety of Japanese personnel concerned with the Project during the implementation of the Project.

7-8. Necessary Undertakings

Japanese side strongly emphasized that the necessary undertakings, described in Annex-7, are standard mandatory requirements by the Japanese Government for the smooth implementation of the Project by the Timor-Leste side, without which the Project cannot proceed.

1) Explanation from the Timor-Leste side

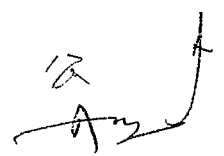
The Timor-Leste side explained that certain commitment of item 7 4) (a), in Annex-7, will require budgetary appropriation and as regards items 9(2), 10 and 11 are currently subject of negotiation between Government of Japan and the Democratic Republic of Timor-Leste in the context of the Agreement to be signed by the two parties on Technical Cooperation and the Japan Overseas Cooperation Volunteers Program.

2) Explanation from the Japanese side

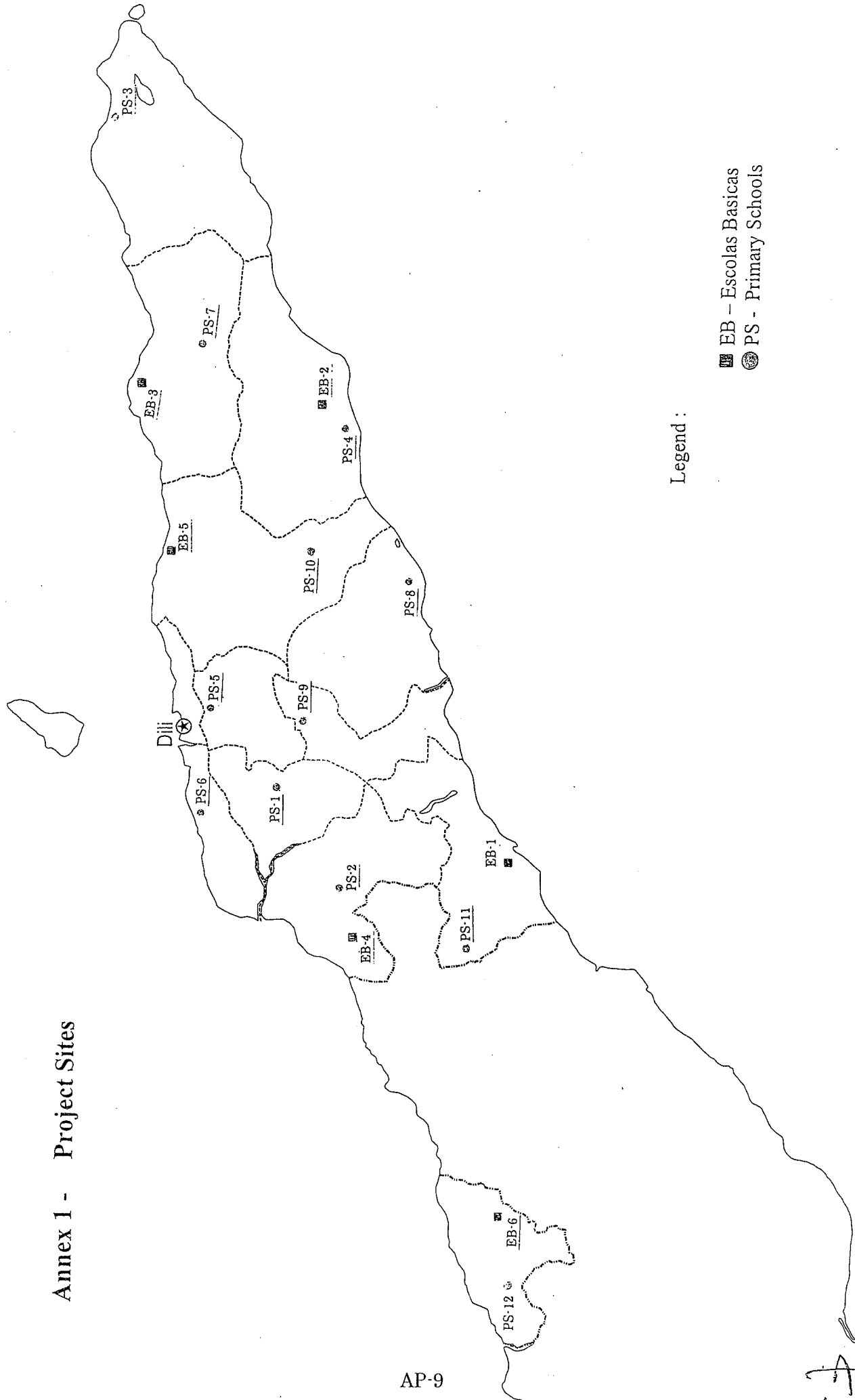
Japanese side explained the difference between Technical Cooperation scheme and Grant Aid scheme.

3) Agreed points by both sides

Both parties agreed on the other items in Annex-7, and further agreed to exert effort to get mutual consent of whole items by early July 2003.

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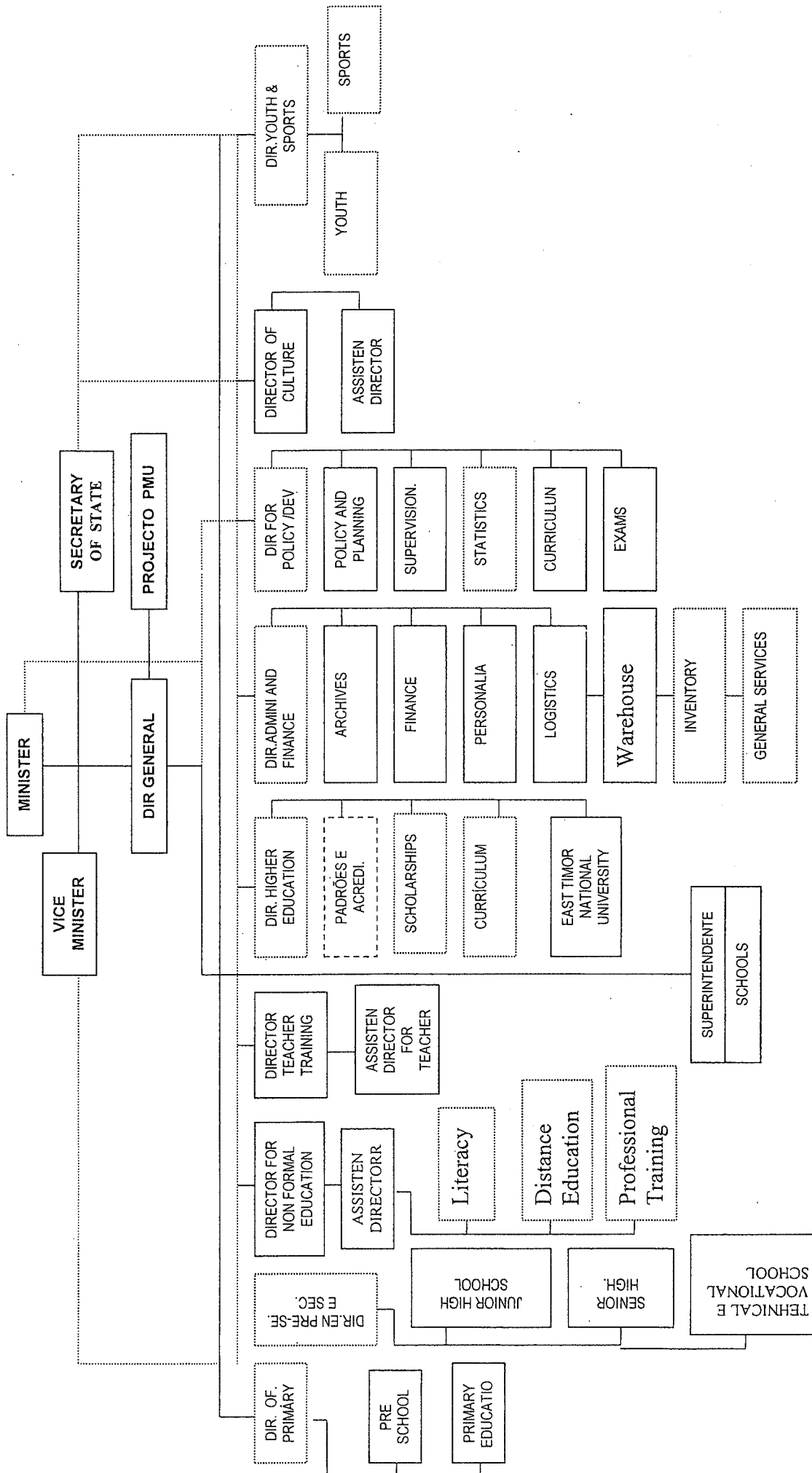
Annex 1 - Project Sites



Legend :

- EB - Escolas Basicas
- PS - Primary Schools

ORGANIZATIONAL CHART MINISTRY OF EDUCATION, CULTURE, YOUTH AND SPORTS



Existing Positions
 Vacant Positions

Annex-3 List of 18 Candidate Schools

* No. 1 to 6 schools are listed in priority order.

No.	Name of Schools	District	Sub District	ID No.	-
1	EPS P 2 SUAI	COVALIMA	SUAI VILA	EB-1	Escolas Basicas
2	EPP CABIRA OAN	VIQUEQUE	VIQUEQUE	EB-2	
3	EPS P 3 VILA NOVA	BAUCAU	BAUCAU	EB-3	
4	EPS P BALIBO NEGERI	BOBONARO	BALIBO	EB-4	
5	EPS P VASCO DA GAMA	MANATUTO	MANATUTO	EB-5	
6	EPS P OE-SILO	OE-CUSSE	OE-SILO	EB-6	
-	LETEFOHO VILA	ERMERA	LETEFOHO	PS-1	Primary Schools
-	MARKO	BOBONARO	CAILACO	PS-2	
-	DAUDERE	LAUTEM	MORO	PS-3	
-	LUCA	VIQUEQUE	VIQUEQUE	PS-4	
-	REMEXIO	AILEU	REMEXIO	PS-5	
-	TIBAR	LIQUICA	BAZARTETE	PS-6	
-	LAISURULAI	BAUCAU	QUELICAI	PS-7	
-	DOTIK	MANUFAHI	ALAS	PS-8	
-	MAUBISSE	AINARO	MAUBISSE	PS-9	
-	SAMORO	MANATUTO	SOIBADA	PS-10	
-	BELULIK LETEN	COVALIMA	FATUMEAN	PS-11	
-	FAOTBENA TAENO	OE-CUSSE	NITIBE	PS-12	

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Annex-4 Major Components Requested for the Project

1. Components for Escola Basica

- (1) Classrooms
- (2) Teachers' room
- (3) Library
- (4) Toilets
- (5) Laboratory
- (6) Multi-purpose room
- (7) Educational materials and equipment for primary education
- (8) Basic educational furniture

2. Components for other schools

- (1) Classrooms
- (2) Teachers' room
- (3) Toilets
- (4) Storage
- (5) Educational materials and equipment for primary education
- (6) Basic educational furniture

*Components are listed in priority order.

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Annex-5 Criteria for the Site Selection

Sites satisfying the following criteria will be given priority:

1. Escuelas Basicas and primary schools officially selected by MECYS .
2. Urgently needs reconstruction of the existing buildings or construction of additional classrooms (due to over aging of the existing buildings, damage of the existing buildings, overcrowding, etc).
3. The present and future demand for basic education facilities is quantitatively estimated by a set of data such as the number of school-aged children, the rates of population growth, enrollment ratio, etc.
4. Sufficient teachers, budget allocation, and necessary cooperation from concerned people for the proper operation and maintenance of the facilities are secured.
5. Topographically safe and appropriate-sized land for construction is secured.
6. The ownership of land for construction is legally secured, and the evidence of land ownership will be provided to Japanese side by early July 2003.
7. Access road for the movement of materials and for the construction works is properly constructed.
8. No restriction on conducting necessary demolishing works for construction.
9. Allocation of necessary temporary classrooms during construction is secured.
10. No other program or plan for new/undergoing classroom construction by the MECYS, local government, other donors, NGOs and so forth.
11. No foreseen natural and environmental or social hazard.

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Annex-6 The Japan's Grant Aid Scheme

The Grant Aid Program 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. Grant Aid is not supplied through the donation of materials as such.

(1) Grant Aid Procedure

1) Japan's Grant Aid Program 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 Implementation

(The Notes exchanged between the Governments of Japan and the recipient country)

2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (Ministry of Foreign Affairs) to determine whether or not it is eligible for Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA to conduct a study on the request. If necessary, JICA send a Preliminary Study Mission to the recipient country to confirm the contents of 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 Programme, 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 signed by the Governments of Japan and the recipient country.

Finally, for the 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:

- a) confirmation of the background, objectives and benefits of the 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 the technical, social and economic points of view;
- c) confirmation of items agreed on by both parties concerning the basic concept of the Project;
- d) preparation of a basic design of the Project; and
- e) estimation of costs 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 through 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 the smooth implementation of the Study, JICA uses a consulting firm selected through its own procedure (competitive proposal). The selected firm participates in the Study and prepares for a report based upon the terms of reference set by JICA.

At the beginning of implementation after the Exchange of Notes, for the services of the Detailed Design and Construction Supervision of the Project, JICA recommends the same consulting firm which participated in the Study to the recipient country in order to maintain the 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" means the one fiscal year which the Cabinet approves the project for. Within the fiscal year, all procedure 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 weather, 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, 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, contracting 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

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 distribution of electricity, water supply and drainage and other incidental facilities in and around the sites;

c) to ensure all expenses and prompt execution for unloading and customs clearance at ports of disembarkation in the recipient country and internal transportation therein of the products purchased under the Grant Aid;

- d) 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 contracts;
- e) to accord Japanese nationals whose services may be required in connection with the supply of the products and services under the verified contracts such as 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 the necessary staff for 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 shall not be re-exported from the recipient country.

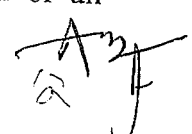
8) Banking Arrangement (B/A)

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.

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 - 7 Necessary 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, demolish existing buildings and remove trees when needed		●
3	To construct gates and fences in and around the site		●
4	To construct the parking lot	●	
5	To construct roads		
	1) Within the site	●	
	2) Outside the site		●
6	To construct the building	●	
7	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a. The distributing line to the watt hour meter provided by East Timor		●
	b. The wiring between buildings by the Grant and the watt hour meter	●	
	c. The main circuit breaker and transformer	●	
	2) Water Supply		
	a. The connection of city water or well water to cistern tank provided by the Grant		●
	b. The cistern tank and water supply system within the site	●	
	3) Drainage		
	a. The city drainage main (for storm, sewer and others) to the site		●
	b. The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	●	
	4) Furniture and Equipment		
	a. General furniture		●
b. Project equipment and basic educational furniture	●		
8	To bear the following fees to a bank of Japan for the banking services based upon the B/A		
	1) Advising fee of A/P		●
	2) Payment fee		●
9	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country		
	1) Marine(Air) transportation of the products from Japan to the recipient country	●	
	2) Tax exemption and customs clearance of the products at the port of disembarkation		●
	3) Internal transportation from the port of disembarkation to the project site	(●)	(●)
10	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		●
11	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 contracts		●
12	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant		●
13	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for transportation and installation of the equipment		●

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Minutes of Discussions
on
The Basic Design Study on the Project for Construction of Primary Schools
in
The Democratic Republic of Timor-Leste
(EXPLANATION ON DRAFT REPORT)

In March 2003, the Japan International Cooperation Agency (JICA) dispatched a Basic Design Study Team on the Project for Construction of Primary Schools (hereinafter referred to as "the Project") to the Democratic Republic of Timor-Leste (hereinafter referred to "Timor-Leste"), and through discussions, site surveys and technical examination of the results in Japan, JICA prepared a draft report of the study.

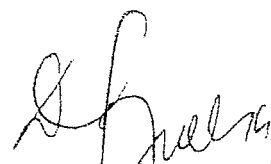
In order to explain and to consult the Timor-Leste side on the components of the draft report, JICA sent to Timor-Leste the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Toshiaki TANAKA, Resident Representative, JICA Timor-Leste Office, from July 7 to July 15, 2003.

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


Dili, July 11, 2003



Mr. Toshiaki TANAKA
Leader
Basic Design Study Team
JICA



Mr. Domingos de Sousa
Director-General
Ministry of Education, Culture,
Youth and Sports,
Timor-Leste



Ms. Aicha Bassarewan
Vice Minister
Ministry of Planning
and Finance
Timor-Leste

ATTACHMENT

1. Contents of the draft report

The Timor-Leste side agreed and accepted in principle the contents of the draft report proposed by the Team. Technical discussions have taken place during the mission, and the agreement will be reflected in the final version of report. The Timor-Leste side understood that the cost estimate written in the draft report is provisional and would be further examined by the Japanese side.

2. Japan's Grant Aid Scheme

2-1. The Timor-Leste side understood the Japan's Grant Aid Scheme described in Annex-6 of the Minutes of Discussions signed by both parties on March 24, 2003.

2-2. The Japanese side explained necessary measures to be taken by the Timor-Leste side for smooth implementation of the Project as described in Annex-3.

3. Final Report

JICA will complete the final report in accordance with the result of discussions and forward it to the Timor-Leste side around September 2003.

4. Other relevant issues

4-1. Responsible Organization and Executing Agency

(1) The responsible organization is the Ministry of Education, Culture, Youth and Sports (hereafter referred to as MECYS).

(2) The executing agency is the Planning and Development Division of the MECYS. The Planning and Development Division coordinates involvement of related ministries and District Superintendents in the course of implementing the Project.

4-2. Schools and facilities covered by the Project

Both sides agreed on schools and components covered by the Project as shown in Annex-1. The Timor-Leste side agreed that Japanese side would make final decision on this matter through further study in Japan.

4-3. Evidence of Land ownership

The district level certificates of land ownership have been provided by the Timor-Leste side during the mission.

The Timor-Leste side agreed to provide the Japanese side with the evidence of land ownership issued by the appropriate ministry responsible for land and property in the government for all of the schools listed in Annex-1, by 31 August, 2003.

If any school fails to submit the above evidence by the due date, it may be excluded from the Project.

4-4. Building Code

The Timor-Leste side confirmed that the Project has been designed based on the Standard Design approved by the MECYS. The MECYS committed to take all necessary actions to coordinate with the related ministries and governmental agencies to implement the Project smoothly in matters related to the Building Code to be enforced.

4-5. Securing of Proposed Building Sites

The Timor-Leste side confirmed that they would secure the identified building sites in the recipient schools by the time when the actual construction work starts.

4-6. Temporary classrooms

The Timor-Leste side acknowledged necessity to accommodate students for the schools written below during Japanese construction and agreed to take either of the following measures to provide temporary classrooms for the students. The Timor-Leste side also confirmed to notify the Japanese side of the measures to be taken specifically for each school, by the 15th of August 2003.

[Schools that require arrangement of temporary classrooms]

EB-2 EPP CABIRA OAN (7 classrooms)

EB-4EPS P BALIBO NEGERI (5 classrooms)

EB-6 EPS P OE-SILO (6 classrooms)

PS-5 REMEXIO (3 classrooms)

PS-11 BELULIK LETEN (4 classrooms)

[Measures to provide temporary classrooms]

- (a) To operate classes in double-shift in the existing classrooms
- (b) To transfer necessary number of students to nearby schools
- (c) To arrange adequate public place such as church

4-7. Allocation of Personnel and Budget

The Timor-Leste side agreed to allocate necessary budget and personnel to properly operate and maintain the facilities covered by the Project.

4-8. Proper Use and Maintenance

Both sides understood that proper use and maintenance of the facilities would be indispensable for their lifelong use. The Timor-Leste side assured the Japanese side that it will facilitate the proper use and maintenance of facilities in the schools covered by the Project with the active involvement of concerned parties such as District Superintendents, schools, communities and so on.

4-9. School Facility Maintenance Activities (Software Component)

The Timor-Leste side requested the implementation of the school facility maintenance activities (software component) in the draft report within the scope of the Project in order to facilitate proper use and maintenance of the facilities in the schools covered by the Project.

4-10. Students Transferring Plan for Escolas Basicas

In order to operate Escolas Basicas properly, the Timor-Leste side assured the Japanese side to reorganize student catchment areas by coordinating principals of Escola Basicas and nearby schools before the completion of Japanese construction.

4-11. PS-5 REMEXIO

The Japanese side explained that the number of classrooms covered by the Project for PS-5 is calculated based on the explanation given from the Timor-Leste side at the time of the Basic Design Study, that the school needs capacity to accept students from São Jose primary school, which is planned to operate as junior secondary school from 2004.

The Timor-Leste side reconfirmed the situation regarding the integration

of above two schools and will formally notify the Japanese side by 21 July 2003.

The Timor-Leste side understood that if the integration of above two schools were to be cancelled, the number of provided classrooms might be reduced.

4-12. Site preparation works to be covered by Timor Leste side

The Japanese side explained the content of the site preparation works to be covered by the Timor-Leste side as described in Annex-2. The Timor-Leste side confirmed that it will secure necessary budget by making an application to either the Midyear Budget Review for FY2003/04 or the Regular Budget for FY2004/05, and to complete the required works before the commencement of Japanese construction.

The Timor-Leste side also confirmed to inform the Japanese side timely of the result of the budget application after the Midyear Budget Review for FY2003/04 or the Regular Budget for FY2004/05 concerning the above site preparation works.

4-13. Necessary Undertakings

The Japanese side strongly emphasized that the necessary undertakings, described in Annex-3, are standard mandatory requirements for the smooth implementation of the Project by the Timor-Leste side, without which the Project cannot proceed.

The Timor-Leste side explained that certain commitment of items in Annex-3 such as 9(2), 10 and 11 are currently subject of negotiation between Government of Japan and Timor-Leste in the context of the Agreement to be signed by the two parties on Technical Cooperation and the Japan Overseas Cooperation Volunteers.

Both sides agreed on the other items in Annex-3, and further agreed to exert effort to get mutual consent of whole items by early September 2003.

Annex 1: Schools and components covered by the Project

School No.	School Name	District	Sub District	Classrooms	Teacher's Room Type	Multipurpose Room	Multipurpose Room	Number of Toilets
Escolas Básicas								
EB- 1	EPS P2 SUAI	COVALIMA	SUAI VILA	9	S	1	1	12
EB- 2	EPP CABIRA OAN	VIQUEQUE	VIQUEQUE	9	S	1	1	12
EB- 3	EPS P P3 VILA NOVA	BAUCAU	BAUCAU	0	L	1	1	12
EB- 4	EPS P BALIBO NEGERI	BOBONARO	BALIBO	5	S	1	1	12
EB- 5	EPS P VASCO DA GAMA	MANATUTO	MANATUTO	0	M	1	1	16
EB- 6	EPS P OE-SILO	OECUSSE	OE-SILO	9	M	1	1	12
Sub Total				32	6	6	6	76
Primary Schools								
PS- 1	LETEFOHO VILA	ERMERA	LETEFOHO	4	L	0	0	18
PS- 3	DAUDERE	LAUTEM	MORO	3	S	0	0	4
PS- 5	REMEXIO	AILEU	REMEXIO	5	L	0	0	8
PS- 6	TIBAR	LIQUICA	BAZARTETE	2	S	0	0	8
PS- 9	MAUBISSE	AINARO	MAUBISSE	10	L	0	0	14
PS- 11	BELULIK LETEN	COVALIMA	FATUMEAN	7	L	0	0	6
Sub Total				31	6	0	0	58
Total				63	12	6	6	134

Annex2: Site Preparation works to be covered by Timor-Leste side

School No.	School Name	District	Sub District	①cutting and filling of the land	② Demolition of existing school buildings	③Demolition of existing buildings, foundations, concrete structures,	④ Removal of existing trees	⑤Retaining wall construction	⑥Others
Escolas Basicas									
EB- 1	EPS P2 SUAI	COVALIMA	SUAI VILA	-	●	●	-	-	-
EB- 2	EPP CABIRA OAN	VIQUEQUE	VIQUEQUE	-	●	●	-	-	-
EB- 3	EPS P P3 VILA NOVA	BAUCAU	BAUCAU	●	-	●	-	●	-
EB- 4	EPS P BALIBO NEGERI	BOBONARO	BALIBO	●	●	●	●	●	-
EB- 5	EPS P VASCO DA GAMA	MANATUTO	MANATUTO	●	●	-	●	●	● (Expansion of entrance for construction)
EB- 6	EPS P OE-SILO	OECUSSE	OE-SILO	●	●	-	-	●	-
Sub Total				4	5	4	2	4	1
Primary Schools									
PS- 1	LETEFOHO VILA	ERMERA	LETEFOHO	-	●	-	-	-	-
PS- 3	DAUDERE	LAUTEM	MORO	-	●	-	●	-	-
PS- 5	REMEXIO	AILEU	REMEXIO	-	●	●	●	-	-
PS- 6	TIBAR	LIQUICA	BAZARTETE	-	-	●	●	-	-
PS- 9	MAUBISSE	AINARO	MAUBISSE	-	-	-	-	-	● (Removal of big rock)
PS- 11	BELULIK LETEN	COVALIMA	FATUMEAN	●	●	●	-	●	-
Sub Total				1	4	3	3	1	1
Total				5	9	7	5	5	2

Annex - 3 Necessary 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, demolish existing buildings and remove trees when needed		●
3	To construct gates and fences in and around the site		●
4	To construct the parking lot	●	
5	To construct roads		
	1) Within the site	●	
	2) Outside the site		●
6	To construct the building	●	
7	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a. The distributing line to the watt hour meter provided by East Timor		●
	b. The wiring between buildings by the Grant and the watt hour meter	●	
	c. The main circuit breaker and transformer	●	
	2) Water Supply		
	a. The connection of city water or well water to cistern tank provided by the Grant		●
	b. The cistern tank and water supply system within the site	●	
	3) Drainage		
	a. The city drainage main (for storm, sewer and others) to the site		●
	b. The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	●	
	4) Furniture and Equipment		
	a. General furniture		●
b. Project equipment and basic educational furniture	●		
8	To bear the following commissions to a bank of Japan for the banking services based upon the B/A		
	1) Advising commission of A/P		●
	2) Payment commission		●
9	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country		
	1) Marine(Air) transportation of the products from Japan to the recipient country	●	
	2) Tax exemption and customs clearance of the products at the port of disembarkation		●
	3) Internal transportation from the port of disembarkation to the project site	(●)	(●)
10	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contact such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		●
11	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 contracts		●
12	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant		●
13	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for transportation and installation of the equipment		●

5. Cost Estimation Borne by the Recipient Country

No	Name of School	Removal of Existing Building						Removal of Existing Structure or Others						Site preparation								Plumbing & Electrical							
		Wooden Structure (m2)	Unit Price (US\$ / m2)	Amount	RC Structure (m2)	Unit Price (US\$ / m2)	Amount	Disposal	Amount	Unit Price (US\$ / m2)	Slab (m2)	Amount	Disposal	Tree or others	Unit Price (US\$/item)	Cutting (m3)	Unit Price (US\$ / m3)	Amount	Filling (m3)	Unit Price (US\$ / m3)	Amount	Retaining Wall (m2)	Unit Price (US\$/m)	Amount	Construction of gate	Water Supply (m)	Well	Power Supply (m)	
Escolas Basicas																													
EB-1	EPS P2 SUAI		1,533	8	12,264								Septic Tank	50												110		30	
EB-2	EPP CABIRA OAN	351	9	2,984	913	10	9,130		400	4	1,600														150		60		
EB-3	EPS P3 VILA NOVA								387	7	2,709					172	8	1,376	172	5	860	56	70	3,920		55		50	
EB-4	EPS P BALIBO NEGERI		162	12	1,944	696	4	2,784	225	7	1,575		2 trees, Water Tank, Septic Tank	40.00 50.00 50.00	228	8	1,824	228	5	1,140	181	100	18,100		100		15		
EB-5	EPS VASCO DA GAMA		1,030	10	10,300								1 tree	25					312	10	3,120	33	70	2,310	500	125	20		
EB-6	EPS P OE-SILO		553	11	6,083	481	8	3,848							300	8	2,400	300	5	1,500	90	80	7,200		75		20		
Primary Schools																													
PS-1	LETEFOHO VILA	60	9	510																						250			
PS-3	DAUDERE	227	8	1,816									5 trees	40												70			
PS-5	REMEXIO		216	11	2,376				472	7	3,068		1 tree	40												30			
PS-6	TIBAR												Water tank, Bamboo fence 60m, 1 tree	50.00 2.50 40.00															
PS-9	MAUBESSE												Removal of Big Stones 5m ³	1,500													130		
PS-11	BELULIK LETEN		326	12	3,912								Bamboo fence 40m, Water tank	2.50 50.00	185	12	2,220	185	12	2,220	45	80	3,600						
	Total Qty	638	4,733			1,177		982	1,484		223				700				1,197			405				1,095		195	
	Unit Price							12			12															7.5		25	
	Amount		5,310		46,009		6,632	11,786			8,952	2,671		3,835			5,600			8,840				35,130	500	9,813	7,400	10,575	
																										Total			163,053

6. Reference

No.	Tytle	Publisher	Year
1	East Timor National Development Plan	Planning Commission Dili	May, 2002
2	Background Paper for the Timor-Leste and Development Partners Meeting	World Bank	Dec. 2002
3	Education Finance in East Timor: Transition Priorities and Long-Term Options	World Bank	Apr. 2001
4	Curriculo Periodo Tranzitorio ao Pre-secundario Paramentro do Encino Disciplina:Fisika	Ministry of Education, Culture, Youth, and Sports	2000
5	Curriculo Periodo Tranzitorio ao Pre-secundario Paramentro do Encino Disciplina:Geografi	Ministry of Education, Culture, Youth, and Sports	2000
6	Curriculo Periodo Tranzitorio ao Pre-secundario Paramentro do Encino Disciplina:Biologi	Ministry of Education, Culture, Youth, and Sports	2000
7	Manual Lisaun Pratika Fizika	Ministry of Education, Culture, Youth, and Sports	2002
8	100 Schools Project: Improving the quality of primary education in East Timor	UNICEF	
9	Parent-Teacher Associations in East Timor	UNICEF	Dec. 2002
10	School Mapping 2002 Timor Leste	CESUR, Universidade Technica de Lisboa.	2002
11	Report of the Trustee and Proposed Work Program for January – June 2003	Trust Fund for East Timor	Dec. 2002
12	Project Appraisal Document for a Transition Support Program	World Bank	July 2002
13	Project Appraisal Document for ESRP	World Bank	Jun. 2000
14	Project Appraisal Document for FSQP	World Bank	Sep. 2001
15	FSQP mid term review cmu presentation	World Bank	
16	ESRP School list	World Bank	Dec. 2001
17	FSQP Architectural drawings	World Bank	
18	Civil Works for a New “Escola Basica” at Ainaro Section VI. Technical Specifications	Ministry of Education, Culture, Youth, and Sports	Sep. 2002
19	Civil Works for a New “Escola Basica” Clacuc Section VIII. Bill of Quantities	Ministry of Education, Culture, Youth, and Sports	Dec. 2002
20	Preliminary Hazard Mapping for Timor Leste	National Disaster Management Office	Mar 2002
21	Australian Standard Timber-Hardwood-Sawn and milled products--- Part 3: Timber for furniture component	Committee TM/7	Sep. 1999