

**RECORD OF DISCUSSIONS**  
**BETWEEN**  
**JAPANESE DETAILED PLANNING STUDY TEAM AND**  
**AUTHORITIES CONCERNED OF THE GOVERNMENT OF**  
**THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE**  
**ON JAPANESE TECHNICAL COOPERATION**  
**FOR**  
**THE PROJECT FOR THE CAPACITY DEVELOPMENT OF ROAD WORKS IN TIMOR-LESTE**

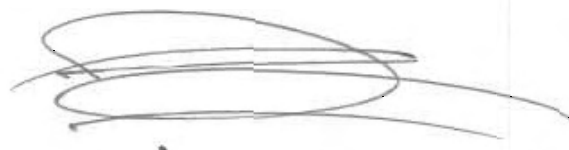
The Japanese Detailed Planning Study Team (hereinafter referred to as “the Team”) organized by the Japan International Cooperation Agency (hereinafter referred to as “JICA”) and headed by Mr. Koichi Miyake, visited the Democratic Republic of Timor-Leste from January 14 to 23, 2009 for the purpose of working out the details of the technical cooperation project concerning ‘the Project for the Capacity Development of Road Works in Timor-Leste’.

During its stay in the Democratic Republic of Timor-Leste, the Team exchanged views and had a series of discussions with the Timor-Leste authorities concerned with respect to desirable measures to be taken by JICA and the Government of the Democratic Republic of Timor-Leste represented by Ministry of Infrastructure (hereinafter referred to as ‘MOI’) for the successful implementation of the above-mentioned Project.

As a result of the discussions, the Team and the Timor-Leste authorities concerned agreed on the matters referred to in the documents attached hereto.

Dili, November 3, 2009

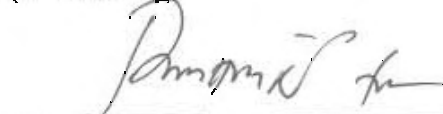
檀 本 宏



Hiroshi Enomoto  
Chief Representative  
JICA Timor-Leste Office  
Japan International Cooperation Agency  
Japan

Pedro Lay da Silva  
Minister  
Ministry of Infrastructure  
The Democratic Republic of Timor-Leste

(Witnessed by)



Emilia Pires  
Minister  
Ministry of Finance  
The Democratic Republic of Timor-Leste

## THE ATTACHED DOCUMENT

### I. COOPERATION BETWEEN JICA AND THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE

1. The Government of Timor-Leste will implement the Project for Capacity Development of Road Works in Timor-Leste (hereinafter referred to as “the Project”) in cooperation with JICA.
2. The Project will be implemented in accordance with the Master Plan which is given in Annex I.

### II. MEASURES TO BE TAKEN BY JICA

In accordance with the laws and regulations in force in Japan, JICA will take, at its own expense, the following measures according to the normal procedures under the technical cooperation scheme.

#### 1. DISPATCH OF JICA EXPERTS

JICA will provide the services of the experts as listed in Annex II. Other experts necessary for effective implementation of the Project would be discussed in the course of the Project.

#### 2. PROVISION OF MACHINERY AND EQUIPMENT

JICA will provide such machinery, equipment and other materials (hereinafter referred to as “the Equipment”) necessary for the implementation of the Project as listed in Annex III. The Equipment will become the property of the Government of Timor-Leste upon being delivered C.I.F. (cost, insurance and freight) to the Timor-Leste authorities concerned at the ports and/or airports of disembarkation.

#### 3. OVERSEA TRAINING OF TIMOR-LESTE COUNTERPART PERSONNEL

JICA will organize and bear technical oversea training(s) of Timor-Leste personnel connected with the Project for their technical development when necessity arises. The participants and the contents of training(s) are to be decided upon the progress of the Project.

### III. MEASURES TO BE TAKEN BY THE TIMOR-LESTE SIDE

1. The Government of Timor-Leste will take necessary measures to ensure that the self-reliant operation of the Project will be sustained during and after the period of Japanese technical cooperation, through full and active involvement in the Project by all related authorities, beneficiary groups and institutions.
2. The Government of Timor-Leste will ensure that the technologies and knowledge acquired by Timor-Leste nationals as a result of Japanese technical cooperation will contribute to the economic and social development of Timor-Leste.
3. The Government of Timor-Leste privileges, exemptions and benefits to the JICA experts referred to in II-1 above and their families.
4. The Government of Timor-Leste will take necessary measures to receive and use the Equipment provided by JICA under II-2 above.
5. The Government of Timor-Leste will take necessary measures to ensure that the knowledge and experience acquired by the Timor-Leste personnel from overseas technical training will be utilized effectively in the implementation of the Project.
6. In accordance with the laws and regulations in force in Timor-Leste, the Government of Timor-Leste will provide at its own expense :
  - (1) Services of Timor-Leste counterpart personnel and administrative personnel as listed in Annex IV ;
  - (2) Land, buildings, facilities and equipment as listed in Annex V; and
  - (3) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of the Project other than the Equipment provided by JICA under II-2 above.
7. In accordance with the laws and regulations in force in Timor-Leste, the Government of Timor-Leste will take necessary measures to allocate the appropriate budget to cover the following expenses:
  - (1) Expenses necessary for transportation within Timor-Leste of the Equipment referred to in II-2 above as well as for the installation, operation and maintenance thereof ;
  - (2) Customs duties, internal taxes and any other charges, imposed in Timor-Leste on the Equipment referred to in II-2 above ; and
  - (3) Operating expenses necessary for the implementation of the Project.

#### IV. ADMINISTRATION OF THE PROJECT

1. Minister, Ministry of Infrastructure (hereinafter referred to “MOP”), as Project Director, will bear overall responsibility, for the administration and implementation of the Project.
2. Secretary State for Public Works, as Deputy Project Director, will support the Project Director in terms of activities related to DRBFC.
3. Secretary State for Transport, Equipment and Communications, as Deputy Project Director, will support the Project Director in terms of activities related to IGE. .
4. Director General for Public Works, MOI, as Project Manager, will be responsible for the whole managerial and technical matters of the Project, with close coordination with Co-Project Manager.
5. Director General for Transport, Equipment and Communications, MOI, as the Co-Project Manager, will be responsible for the managerial and technical matters of the Project, especially the matters related to IGE, with close coordination with Project Manager.
6. The leader of JICA experts team of the Project will provide necessary recommendations and advice to the Project Director and the Project Manager on any matters pertaining to the implementation of the Project.
7. The JICA experts will give necessary technical guidance and advice to the Timor-Leste counterpart personnel on technical matters pertaining to the implementation of the Project.
8. For the effective and successful implementation of technical cooperation for the Project, a Joint Coordinating Committee will be established whose functions and composition are described in Annex VI.

#### V. JOINT EVALUATION

Evaluation of the Project will be conducted jointly by JICA and the Timor-Leste authorities concerned, in the middle of and during the last six months of the cooperation term, in order to examine the level of achievement.

## VI. CLAIMS AGAINST JAPANESE EXPERTS

The Government of Timor-Leste undertakes to bear claims, if any arises, against the Japanese experts engaged in technical cooperation for the Project resulting from, occurring in the course of, or otherwise connected with the discharge of their official functions in the Republic of Timor-Leste except for those arising from the willful misconduct or gross negligence of the Japanese experts.

## VII. MUTUAL CONSULTATION

There will be mutual consultation between the Government of Timor-Leste and JICA on any major issues arising from, or in connection with this Attached Document as well as the Project.

## VIII. MEASURES TO PROMOTE UNDERSTANDING OF AND SUPPORT FOR THE PROJECT

For the purpose of promoting support for the Project among the people of Timor-Leste, the Government of Timor-Leste will take appropriate measures to make the Project widely known to the people of the Democratic Republic of Timor-Leste.

## IX. TERM OF COOPERATION

The term of the technical cooperation for the Project under this Attached Document will be three (3) years from its commencement.

ANNEX

ANNEX I MASTER PLAN

ANNEX II LIST OF JICA EXPERTS

ANNEX III LIST OF MACHINERY AND EQUIPMENT

ANNEX IV LIST OF TIMOR-LESTE COUNTERPART AND ADMINISTRATIVE  
PERSONNEL

ANNEX V LIST OF LAND, BUILDINGS, FACILITIES AND EQUIPMENT

ANNEX VI JOINT COORDINATING COMMITTEE

## ANNEX I MASTER PLAN

### 1. Overall goal

Stable and sustainable smooth road traffic in Timor-Leste is secured.

### 2. Project purpose

Technology and management capacity on road works by the Timorese (DRBFC, IGE) have been enhanced.

### 3. Outputs of the Project

- (1) Road maintenance is timely and properly managed by DRBFC.
- (2) Small scale construction works (including maintenance/ repairs) are conducted with enough quality by DRBFC in collaboration with IGE through case studies.
- (3) The equipment at IGE is properly maintained.

### 4. Activities

#### (1) Activities for Output 1

- 1-1 Review the outcomes of the previous CBRM project and revise the "Road Maintenance Plan" when necessary.
- 1-2 Prepare an annual working schedule for road maintenance.
- 1-3 Conduct inspections & evaluations for national road and some district roads according to "Manual for Reporting System for Normal Condition".
- 1-4 Update "Database for Road Maintenance" based on the inspection result
- 1-5 Prepare maintenance and repair plans utilizing the updated "Database for Road Maintenance"
- 1-6 Conduct emergency inspections and recovery when necessary.
- 1-7 Promote proper budget planning / management.

#### (2) Activities for Output 2

- 2-1 Identify case-studies (improvement and repair on main roads) by close cooperation between DRBFC and IGE.
- 2-2 Design, estimate costs, and propose budget plans for case studies by close cooperation between DRBFC and IGE.
- 2-3 Prepare construction plans (including the arrangement of IGE equipment)
- 2-4 Assign persons in charge of the construction works, and identify their terms of reference (TOR) and tasks.
- 2-5 Conduct supervision on the site.

2-6 Conduct inspection.

2-7 Conduct safety training.

(3) Activities for Output 3

3-1 Review the outcomes of the previous CBRM project.

3-2 Update the “Machinery Inventory” with the promotion of its computerized system.

3-3 Conduct the inspection of equipment after Check-in (return) and before Check-out (use / rental).

3-4 Conduct the repair works based on the “Machinery Inventory” and inspection results

3-5 Identify necessary spare parts and procure them. .

3-6 Conduct skill trainings for mechanics (inspection of breakdown and defection, repair skills), and evaluate the learning achievement of trainees.

3-7 Promote proper budget planning / management.



## ANNEX II LIST OF JICA EXPERTS

1. Team leader / Road Maintenance
2. Road construction management
3. Construction equipment management

Note: Other experts necessary for effective implementation of the Project would be discussed in the course of the Project.

ANNEX III LIST OF MACHINERY AND EQUIPMENT TO BE PROCURED BY JICA

[ Equipment for road maintenance ]

- 1) Movable asphalt sprayer with kettle
- 2) Asphalt cutter
- 3) Compressor with asphalt breaker
- 4) Plate compactor
- 5) Stamper
- 6) Leveling instrument with staff
- 7) GPS instrument
- 8) Total station

Note: Other equipment necessary for effective implementation of the Project would be discussed in the course of the Project.

ANNEX IV LIST OF TIMOR-LESTE COUNTERPART AND ADMINISTRATIVE PERSONNEL

(1) MOI Headquarters

Assignment title	Name	Positioning title, organization
1) Project Director	Pedro Lay da Silva	Minister, MOI
2) Deputy Project Director	Domingos dos Santos Caetano	Secretary of State for Public Works, MOI
3) Deputy Project Director	To be identified at the project start	Secretary of State for Transport, Equipment and Communications
4) Project Manager	José G. R. C. Piedade	Director General for Public Works, MOI
5) Co-Project Manager	Fernando Carvalho da Cruz	Director General for Transport, Equipment and Communications

(2) DRBFC, MOI

Assignment title	Name	Positioning title, organization
1) Supervisor of the project activities (fulltime)	João Pedro Amaral	Chief, Operational Division, DRBFC Dili Main Office, MOI Regional Office Director for five regional offices
2) Database for road maintenance	Ditlo	Ditlo
3) Road inspection and road inventory	Rogério da C. Freitas Lourenço Pereira	Principal Designer, Project & Works Division, DRBFC, MOI Assistant Engineer, Project & Works Division, DRBFC, MOI
4) Road maintenance / repair planning	João Pedro Amaral	Chief, Operational Division, DRBFC Dili Main Office, MOI Regional Offices Director (for five regional offices)
5) Road maintenance / repair works at regional office	José Cornelio Devi Emanuel Nene Lobato	Director, Dili Regional Office, DRBFC, MOI Supervisor, Dili Regional Office, DRBFC, MOI Director, Saane Regional Office, DRBFC, MOI

	Pedro Alexandre	Director, Baucau Regional Office, DRBFC, MOI
	Aniceto Andrade	Director, Maliana Regional Office, DRBFC, MOI
	Abrão Vieira	Director, Oecussi Regional Office, DRBFC, MOI
6) Other engineers, administrative officers and contract staff at Dili Main Office and five regional offices according to the needs (fulltime and part time)	To be identified and assigned at the project	n.a.

(3) IGE, MOI

Assignment title	Name	Positioning title, organization
1) Construction equipment management (fulltime)	José Luis de Carvalho	Deputy Director, IGE, MOI
2) Construction equipment maintenance and repair	Filmeno Belmiro Baptista	Chief, Construction Equipment Maintenance Section, IGE, MOI
3) Equipment operation	Egas Correia de Lemos	Chief, Equipment Section, IGE
4) Spare parts procurement	Egas Correia de Lemos	Chief, Warehouse Section, IGE, MOI
	Afonso Maria Luy	Chief, Workshop Section, IGE, MOI
5) Other mechanics, operators, administrative officers and contract staff according to the needs (fulltime and part time)	To be identified and assigned at the project	n.a.

## ANNEX V LIST OF LAND, BUILDINGS, FACILITIES AND EQUIPMENT

1. Office space with furniture (desk, chair, etc) for JICA experts and Timor-Leste counterpart personnel at DRBFC Main Office in Mandarin, Dili and at IGE.
2. Office space with furniture (desk, chair, etc) for counterpart personnel at DRBFC-Dili regional offices and at IGE.
3. Lecture rooms and meeting rooms necessary for the technology transfer at DRBFC and IGE offices, respectively
4. Construction equipment, repair tool and spare parts necessary for IGE's mechanics and operators training.
5. Land, construction equipment, survey equipment, accommodation, labor(s) including any personnel costs necessary for execution for the case studies as well as On the Job Training (OJT).
6. Data and information necessary for preparation and update of road inventory, which are available in DRBFC
7. Buildings, facilities and space necessary for the installation and operation of the equipment provided by JICA
8. Others facilities mutually agreed upon as necessary for the implementation of the Project.

## ANNEX VI JOINT COORDINATING COMMITTEE

### 1. Function

The Joint Coordinating Committee (JCC) will be assembled at least once a year and whenever the necessity arises, in order to fulfill the following functions;

- (1) To discuss and approve the annual work plan of the Project to be formulated under the framework of Record of Discussions.
- (2) To evaluate the achievement of the annual work plan and the overall progress of the Project;
- (3) To review and exchange opinions on major issues that arise during the implementation of the Project.

### 2. Composition

#### (1) Chairperson of JCC

Minister of MOI, as the Project Director, will be the Chairperson of JCC.

#### (2) JCC Members of the Timor-Leste side

- a) Secretary of State for Public Works, MOI (Deputy Project Director)
- b) Secretary of State for Transport, Equipment and Communications, MOI (Deputy Project Director)
- c) General Director for Public Works, MOI (Project Manager)
- d) General Director for Transport, Equipment and Communication, MOI (Co-Project Manager)
- e) Representative(s) of National Directorate of Administrative and Finance Unit for Public Works, MOI
- f) Representative(s) of National Directorate of Administrative and Finance Unit for Transport, Equipment and Communications, MOI
- g) Coordinator Aid Effectiveness and National Priority Secretariat, Ministry of Finance
- h) Director of DRBFC
- i) Director of IGE
- j) Representatives from counterpart personnel from DRBFC
- k) Representatives from counterpart personnel from IGE
- l) Other person(s) or agency(s) concerned to be selected by the Chairperson (Minister)

#### (3) JCC Members of the Japanese side

- a) JICA experts of the Project
- b) Chief Representative of JICA Timor-Leste Office
- c) Any other person(s) or agency(s) recommended by JICA Timor-Leste Office
- d) Officials of the Embassy of Japan may attend the meeting as observer(s) when necessary
- e) JICA Headquarters when necessary

**PROJECT DESIGN MATRIX (PDM)**

Project title : The Project for the Capacity Development of Road Works (CDRW) in Timor-Leste  
 Project term: 3 years from the commencement  
 Target area: Whole country of Timor-Leste  
 Target group: Concerned officers of National Directorates of Road, Bridge and Flood Control (DRBFC) and End beneficiaries: People in Timor-Leste  
 Public Institute of Material and Equipment (IGE) , Ministry of Infrastructure(MOI)

Narrative Summary of the Project	Objectively verifiable indicators	Means of verification	Important assumption
<p><b>Overall goal</b></p> <p>Stable and sustainable smooth road traffic in Timor-Leste is secured.</p>	<ol style="list-style-type: none"> <li>1 Decrease of blockade points of roads</li> <li>2 Decrease of blockade terms of roads</li> <li>3 Qualities of roads (Decrease of degraded points)</li> </ol>	<ol style="list-style-type: none"> <li>1&amp;2 Database for road maintenance</li> <li>3. Records of inspection &amp; evaluation, Database for Road Maintenance</li> <li>4. Road maintenance and repair record</li> </ol>	
<p><b>Project purpose</b></p> <p>Technology and management capacity on road works by the Timorese (DRBFC, IGE) have been enhanced.</p>	<ol style="list-style-type: none"> <li>1 Actual update of the "Database for Road maintenance" at DRBFC</li> <li>2 Actual road maintenance and repair works</li> <li>3 Actual road restoration works</li> <li>4 Actual budget implementation</li> </ol>	<p>Related document ( records and reports) Related evaluation result on learning achievement of trainees</p>	<p>The government budget for road maintenance and management is constantly allocated.                      The volume of vehicle traffic does not increase suddenly over the prospect.</p>
<p><b>Outputs</b></p> <p>1. Road maintenance is timely and properly managed by DRBFC.</p>	<ol style="list-style-type: none"> <li>1-1 Actual daily and periodical inspection</li> <li>1-2 Actual update of "Database for Road Maintenance"</li> <li>1-3 Actual road repair and recovery works</li> <li>1-4 Proper procedure of emergency works</li> <li>1-5 Proper budget planning / management for road maintenance</li> </ol>	<p>Related document ( records and reports) Related evaluation result on learning achievement of trainees</p>	<p>Officers (counterparts) of DRBFC and IGE trained in the Project continue their services at their own agencies (they do not quit in the middle of the project)</p> <p>Unforeseen natural calamities which destroy the case-study roads area in the middle of activities do not happen.</p>
<p>2. Small scale construction works (including maintenance/ repairs) are conducted with enough quality by DRBFC in collaboration with IGE through case studies.</p>	<ol style="list-style-type: none"> <li>2-1 Preparation of construction plan</li> <li>2-2 Proper construction management (progress control, quality control, safety control and cost management)</li> <li>2-3 Quality of improved and repaired roads.</li> </ol>	<p>Related document ( records and reports) Related evaluation result on learning achievement of trainees</p>	<p>Current function and role of IGE are maintained.</p> <p>Borrowers (user client) return the machines / equipment / tools to IGE after use as contracted.</p>
<p>3. The equipment at IGE is properly maintained.</p>	<ol style="list-style-type: none"> <li>3-1 Actual update of "Machinery Inventory"</li> <li>3-2 Actual maintenance work of equipment</li> <li>3-3 Actual procurement of spare parts</li> <li>3-4 Number of trainees who acquired specified maintenance technique, and their learning achievement</li> <li>3-5 Proper budget planning / management for equipment maintenance</li> </ol>	<p>Related document ( records and reports) Related evaluation result on learning achievement of trainees</p>	<p>Borrowers (user client) properly and safely operate the machines /equipment /tools of IGE so that unrepeatable breakage or damage do not often happen by wrong use</p>

Activities	Inputs	Important Assumption
<p><b>【Activities for Output 1】</b></p> <p>1-1 Review the outcomes of the previous CBRM project and revise the "Road Maintenance Plan" when necessary.</p> <p>1-2 Prepare an annual working schedule for road maintenance.</p> <p>1-3 Conduct inspections &amp; evaluations for national road and some district roads according to "Manual for Reporting System for Normal Condition".</p> <p>1-4 Update "Database for Road Maintenance" based on the inspection result.</p> <p>1-5 Prepare maintenance and repair plans utilizing the updated "Database for Road Maintenance".</p> <p>1-6 Conduct emergency inspections and recovery when necessary.</p> <p>1-7 Promote proper budget planning / management.</p>	<p><b>【Japan side】</b></p> <p>1 Human resources  JICA experts for the following fields  - Team leader / Road Maintenance  - Road construction management  - Construction equipment management  - Other expert(s) in the specific field according to the necessity</p> <p>2 Equipment  - Road maintenance equipment to DRBFC-Dili regional office. (movable, light equipment )</p> <p>3 Counterpart training in foreign country  - to be identified when necessary</p> <p>4 Budget  - Expense for technical training related to JICA experts activities.</p>	<p>Ditto</p>
<p><b>【Activities for Output 2】</b></p> <p>2-1 Identify case-studies (improvement and repair on main roads) by close cooperation between DRBFC and IGE.</p> <p>2-2 Design, estimate costs, and propose budget plans for case studies by close cooperation between DRBFC and IGE.</p> <p>2-3 Prepare construction plans (including the arrangement of IGE equipment).</p> <p>2-4 Assign persons in charge of the construction works, and identify their terms of reference (TOR) and tasks.</p> <p>2-5 Conduct supervision on the site.</p> <p>2-6 Conduct inspection.</p> <p>2-7 Conduct safety training.</p>	<p><b>【Timor-Leste side】</b></p> <p>1 Human resources  1-1 Administrative personnel  - Project director  - Deputy project directors  - Project manager  - Other personnel upon the needs</p> <p>1-2 Counterparts personnel  - Officers of DRBFC (including officers of regional offices)  - Officers of IGE</p> <p>1-3 Trainees  - Trainees upon the needs</p> <p>2 Facilities and equipment  - Project implementing office at DRBFC and IGE  - Office space for JICA experts (at DRBFC Main Office and IGE)  - Equipment at DRBFC and IGE</p> <p>3 Budget  - Expense for maintenance and spare parts  - Travel fees of C/P and trainees  - Expense for contracted-out survey  - Salaries and allowances to C/P</p>	<p>Pre-condition</p> <p>Machines / equipment / tools at DRBFC and IGE to be used in the Project are in usable conditions</p> <p>The budget for project activities to be born by DRBFC and IGE has been approved by Timorese Government.</p>
<p><b>【Activities for Output 3】</b></p> <p>3-1 Review the outcomes of the previous CBRM project.</p> <p>3-2 Update the "Machinery Inventory" with the promotion of its computerized system.</p> <p>3-3 Conduct the inspection of equipment after Check-in (return) and before Check-out (use / rental).</p> <p>3-4 Conduct the repair works based on the "Machinery Inventory" and inspection results.</p> <p>3-5 Identify necessary spare parts and procure them.</p> <p>3-6 Conduct skill trainings for mechanics (inspection of breakdown and deflection, repair skills), and evaluate the learning achievement of trainees.</p> <p>2-7 Promote proper budget planning / management.</p>		