RECORD OF DISCUSSIONS
BETWEEN
THE GOVERNMENT OF MALAYSIA
AND
JAPAN INTERNATIONAL COOPERATION AGENCY
ON
JAPANESE TECHNICAL COOPERATION
FOR
THE PROJECT FOR DEVELOPMENT OF LOW CARBON SOCIETY SCENARIOS FOR ASIAN REGIONS

Japan International Cooperation Agency (hereinafter referred to as "JICA") had exchanged views and held a series of discussion through JICA Malaysia Office with the authorities concerned of Malaysia with respect to the details of "the Project for Development of Low Carbon Society Scenarios for Asian Regions" (hereinafter referred to as "the Project") and measures to be undertaken by JICA and the Ministry of Higher Education of Malaysia ("Ministry of Higher Education") for the successful implementation of the above-mentioned Project. This Record of Discussions is made pursuant to the agreement between the Government of Malaysia and the Government of Japan in the Note Verbales of the two countries No.E.J.2010/178 and BA100/10 respectively, which amongst others, provide JICA and a competent agency of the Government of Malaysia to agree on separate arrangements which govern the details and procedures of the technical cooperation.

As a result of the discussions, JICA and the Malaysian authorities concerned agreed on the matters referred to in the document attached hereto.

Kuala Lumpur, June 02, 2011

Tsutomu Nagae
Chief Representative
Malaysia Office
Japan International Cooperation Agency
JAPAN

Datuk Ab. Rahim bin Md. Noor
Secretary General
Ministry of Higher Education
MALAYSIA

THE ATTACHED DOCUMENT

The Government of Malaysia ("the Government") and the Japan International Cooperation Agency ("JICA") shall individually be referred to as "the Party" or collectively as "the Parties.

ARTICLE I
OBJECTIVE

The Parties, subject to the terms of this Record of Discussions and the laws, rules, regulations and national policies from time to time in force in each country, agree to implement the Project for Development of Low Carbon Society Scenarios for Asian Regions ("hereinafter referred to as "the Project").

ARTICLE II
AREAS OF CO-OPERATION

Each Party will, subject to the laws, rules, regulations, procedures and national policies from time to time in force governing the subject matter in their respective countries, endeavour to take necessary steps to implement the Project. The Project will be implemented in accordance with the Master Plan as specified in Annex I.

ARTICLE III
OBLIGATIONS OF THE PARTIES

1. JICA shall provide to the Government:

   (i) the services of the JICA experts as listed in Annex II;

   (ii) such machinery, equipment and other materials (hereinafter referred to as "the Equipment") necessary for the implementation of the Project as listed in Annex III. JICA further agree that the Equipment shall become the property of the Government upon being delivered to the Malaysian Authorities concerned at the ports and/or airports of disembarkation;

   (iii) necessary technical guidance and advice to the Malaysian counterpart personnel on technical matters pertaining to the implementation of the Project; and

   (iv) technical training in Japan to the Malaysian personnel connected with the Project.

2. The Government shall:

   (i) take necessary measures to ensure that the self-reliant operation of the Project will be sustained during and after the duration of this Record of Discussions as stipulated in ARTICLE XI, through full and active involvement in the Project by all related authorities, beneficiary groups and institutions;

(ii) ensure that the technologies and knowledge acquired by the Malaysian nationals as result of the Japanese technical cooperation will contribute to the economic and social development of Malaysia;

(iii) grant privileges, exemptions and benefits to the JICA experts as listed in Annex II which are no less favourable than those accorded to experts working in Malaysia under the Colombo Plan and their families as specified in Privileges and Facilities Accorded to Colombo Plan Experts by The Colombo Plan Bureau ;

(iv) take necessary measures to receive and use the Equipment provided by JICA under ARTICLE III1(ii) above and equipment, machinery and materials carried in by the JICA experts as listed in Annex II;

(v) take necessary measures to ensure that the knowledge and experience acquired by the Malaysian personnel from technical training in Japan will be utilized effectively in the implementation of the Project;

(vi) take appropriate measures to make the Project widely known to the people of Malaysia;

(vii) take necessary measures to provide:

a) services of the Malaysian Counterpart personnel and administrative personnel as listed in Annex IV;

b) office space and its facilities provided for the Project as listed in Annex V; and

c) 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 ARTICLE III1(ii) above; and

(viii) take necessary measures to meet:

a) expenses necessary for transportation of the Equipment within Malaysia from the port of disembarkation referred to in ARTICLE III1(ii) above as well as for the installation, operation and maintenance thereof;

b) customs duties, internal taxes and any other charges, imposed in Malaysia on the Equipment referred to in ARTICLE III1(ii) above; and

c) running expenses necessary for the implementation of the Project.

ARTICLE IV
DESIGNATED AUTHORITY

1. The designated authority responsible for the implementation of this Record of Discussions on behalf of the Government shall be

Universiti Teknologi Malaysia ("UTM"), Iskandar Regional Development Authority ("IRDA"), Federal Development of Town and Country Planning Malaysia (JPBD) and Malaysian Green Technology Corporation ("MGTC").

2. Evaluation of the Project will be conducted jointly by JICA and the designated authorities of Malaysia, at the middle if necessary, and during the last six months of the cooperation term in order to examine the achievements.

ARTICLE V
SETTLEMENT OF DISPUTE

Any difference or dispute between the Parties concerning the interpretation and/or implementation or and/or application of any of the provisions of this Record of Discussions shall be settled amicably through mutual consultation or negotiations between the Parties, without reference to any third party or international tribunal.

ARTICLE VI
JOINT COORDINATING COMMITTEE

1. The Parties shall establish a Joint Coordinating Committee to review the implementation of this Project.

2. The functions and composition of the Joint Coordinating Committee are as described in Annex VI.

3. The decisions and other conclusions of the Joint Coordinating Committee shall be reflected in the Agreed Minutes of the Meeting and the Parties shall take appropriate steps to implement these decisions and conclusions.

ARTICLE VII
FINANCIAL ARRANGEMENTS

1. All costs with respect to the obligations mentioned in ARTICLE III 1 shall be borne by JICA.

2. All costs with respect to the obligations mentioned in ARTICLE III 2 shall be borne by the Government.

3. Claims, if any arises, against the JICA experts as listed in Annex II resulting from, occurring in the course of, or otherwise connected with the discharge of their official functions in Malaysia except for those arising from the wilful misconduct or gross negligence of the JICA experts, shall be borne by the Government.

4. Notwithstanding anything in paragraph 1 and 2 above, expenses for organising the meetings of the Joint Coordinating Committee shall be borne by the Party hosting the meetings. The Party which is sending its representatives for participation in the meetings of the Joint Coordinating Committee, if any, shall bear their own travel and living expenses.

ARTICLE VIII
IMPLEMENTATION

In implementing this Record of Discussions, the Parties shall cause their respective Designated Authorities to conclude under this Record of Discussions implementing arrangements which shall, inter alia, specify the issues related to "Intellectual Property".

ARTICLE IX
CONFIDENTIALITY

1. Each Party shall undertake to observe the confidentiality and secrecy of the documents, information and other data received or supplied to the other Party during the period of the implementation of this technical cooperation.

2. All data relating to this project concerns both public domain data and confidential data. However UTM, IRDA, JPBD and MGTC should obtain consent from the Malaysian Government Agencies for the usage of confidential data.

3. Both Parties agree that the provision of this ARTICLE shall continue to be binding between the Parties notwithstanding the termination of this Record of Discussions.

ARTICLE X
SUSPENSION

Each Party reserves the rights for reasons of national security, national interest, public order or public health, to suspend temporarily, either in whole or in part; the implementation of this Project which suspension shall take effect immediately after written notification has been given to the other Party.

ARTICLE XI
ENTRY INTO FORCE AND DURATION

This Record of Discussions shall come into force on the date of signing and shall remain in force for a period of five (5) years.

ANNEX I	**MASTER PLAN**
ANNEX II	**LIST OF JICA EXPERTS**
ANNEX III	**LIST OF MACHINERY AND EQUIPMENT**
ANNEX IV	**LIST OF MALAYSIAN COUNTERPARTS AND ADMINISTRATIVE PERSONNELS**
ANNEX V	**LIST OF LAND, BUILDINGS AND FACILITIES**
ANNEX VI	**JOINT COORDINATING COMMITTEE**

ANNEX I MASTER PLAN

Project Purpose:	
Methodology to create Low Carbon Society (LCS) scenarios is developed and applied in Malaysia, and the research findings are disseminated to Asian countries.	
Outputs	
1	Methodology to create LCS scenarios which is appropriate for Malaysia is developed.
2	LCS scenarios are created and utilized for policy development in IM (Iskandar Malaysia).
3	Co-benefit of LCS policies on air pollution and on recycling-based society is quantified in IM.
4	Organizational arrangement of UTM to conduct trainings on LCS scenarios for Malaysia and Asian countries is prepared, and a network for LCS in Asia is established.
Activities	
1-1	Document the mission, function and role of LCS Research Centre in UTM and prepare its staffing and budget plan
1-2	Describe desirable socio-economic visions of Malaysia in the future target year.
1-3	Collect data on socio-economic, environmental loads, energy and technology, then develop an integrated model of socio-economic, disparity and GHG emission assessment to create LCS visions.
1-4	Develop a back-casting model to prepare policy roadmaps.
1-5	Develop a technical manual to create LCS scenarios.
1-6	Improve reality and applicability of the above tools to create LCS scenarios, based on Output 2～3, then revise the technical manual.
1-7	Outline the LCS scenario for Malaysia by adopting the developed methodology (tools and the technical manual).
2-1	Carry out training workshop on LCS scenario creation for IRDA and JPBD staff in Japan and Malaysia.
2-2	Create the LCS vision for IM by adopting the integrated model of socio-economic, disparity and GHG emission assessment.
2-3	Prepare the policy roadmap for IM by adopting the back-casting model.
2-4	Discuss among IRDA, JPBD and UTM detailed and concrete policies for IRDA to realize the LCS scenarios.
2-5	Set up an arrangement for discussion among concerned groups, private sector and civil society to undertake the policies based on the LCS scenarios
2-6	Formulate the IM LCS action plan to be implemented by IRDA.

2-7	Revise IM blueprints of relevant areas on the basis of the IM LCS action plan formulated in activity 2-6.
3-1-1	Conduct the observation of air quality to clarify the current condition in IM.
3-1-2	Estimate current air pollutant emissions in IM.
3-1-3	Develop methodology to quantify impact on health by air pollutant in IM.
3-1-4	Estimate the mitigation effect of impact on health of air pollution by LCS measures in IM.
3-2-1	Conduct survey of current solid waste generation in residential and industrial sectors.
3-2-2	Estimate future waste generation and GHG emissions from waste management in IM.
3-2-3	Propose solid waste strategy which is appropriate in a low-carbon city in IM.
3-3	Develop a manual to quantify co-benefit of LCS measures.
4-1	Prepare UTM as a coordinating body, for capacity building of some researchers involved in the Project as trainers on LCS scenarios, through the activities from 1-1 to 3-3
4-2	Carry out trainings continuously on LCS scenarios for researchers and government officers of Malaysia and Asian countries in LCS Research Centre as well as in Japan.
4-3	Transmit and share information of research and trainings on LCS scenarios among researchers and government officers in Asian countries.

(Notes)

1) "LCS vision" is a vision of LCS described quantitatively for the future target year by adopting the integrated model of socio-economic, disparity and GHG emission assessment.
2) "Policy roadmap" is a long-term schedule (up to 20 years or above) prepared by adopting the back-casting model for implementing LCS-related policies as well as for actions of concerned stakeholders in order to achieve the LCS Vision.
3) "LCS scenario" indicates the set of "LCS vision" and "policy roadmap".
4) "LCS action plan" is a short-term plan (up to about 5 years) of policy set and measures to implement the policy roadmap.

ANNEX II LIST OF JICA EXPERTS

1. Long-term expert
The long-term expert, who will be in charge of the following field, will be dispatched;

1) Project Coordinator

2. Short-term experts
The short-term experts, who will take part in the Project as listed below, will be dispatched several times a year during the project period.
At the beginning of each Japanese fiscal year (JFY) which starts in April and ends in March, JICA will provide the plan of dispatching short-term experts for the coming JFY.

1) Dr. Yuzuru Matsuoka, Kyoto University (Project Leader)
2) Dr. Gakuji Kurata, Kyoto University (Air pollution)
3) Ms. Reina Kawase, Kyoto University (Low Carbon Scenario Modeling)
4) Dr. Kei Gomi, Kyoto University (Model/Tool Development)
5) Dr. Takeshi Fujiwara, Okayama University (Waste Management Analysis)
6) Dr. Junichi Fujino, National Institute for Environmental Studies (Developing Asian LCS Network)
7) Dr. Mikiko Kainuma, National Institute for Environmental Studies (Developing LCS Scenarios at National Scale)
8) Dr. Shuichi Ashina, National Institute for Environmental Studies (Developing Policy Roadmap by Backcasting)
9) Dr. Genku Kayo, National Institute for Environmental Studies (Diffusing LCS Scenarios in Building Sector)
10) Ms. Maiko Suda, National Institute for Environmental Studies (Reviewing Capacity Development in Social Implement)

ANNEX III LIST OF MACHINERY AND EQUIPMENT

1. General

- Communication server
- Communication terminal
- Statistical information in Malaysia and IM such as:
  - Population and housing data – Statistics Department
  - Traffic volume data – Highway Planning Unit
  - Development plan/ Master plan – Local Authorities
  - Property and market report
  - Macro economic data – EPU/SEPU
  - Geospatial information (maps and plans) – Land Surveying and Mapping (JUPEM)
- Video projector
- High performance personal computers and their peripheral equipment
- GIS software (Arc GIS)

2. Development of models for LCS scenarios in Malaysia and in IM

- High-performance personal computers for integrated model simulations
- Programming and simulation software (GAMS and its solvers)
- Energy system optimization software

3. Air quality research for maximizing co-benefit of LCS measures

- Air quality monitoring system
- Metrological monitoring system
- High performance computer (air quality modeling)
- Personal computers

4. Development of solid waste management system for maximizing co-benefit of LCS measures

- Weight scale and other materials
- Dryer instrument
- Calorie measurement instrument
- LCA software and database

Note:

1)The above-mentioned Equipments are limited to those which are indispensable for the transfer of technology by the Japanese Experts.

2) Specifications and quantity of the equipment will be decided through mutual consultations.

ANNEX IV LIST OF MALAYSIAN COUNTERPARTS AND ADMINISTRATIVE PERSONNELS

No	Project Position	Name	Organization	Related Output
1.	Project Director	Prof. Dr. Marzuki bin Khalid	UTM	1,2,3,4
2.	Project Manager	Prof. Dr. Ho Chin Siong	UTM	1,2,3,4
3.	Counterpart (C/P)	Dr. Dahlia Rosly	JPBD	2
4.	C/P	Mr. Boyd Dionysius Joeman	IRDA	2
5.	C/P	Mr. Azman Zainal Abidin	MGTC	1
6.	C/P	Prof. Mohd Rashid Mohd Yusof	UTM	3
7.	C/P	Prof. Dr. Mohd Razman Salim	UTM	3
8.	C/P	Prof. Zainuddin Abd Manan	UTM	2
9.	C/P	Assoc. Prof. Dr. Ahmad Nazri Muhammad Ludin	UTM	3
10.	C/P	Assoc. Prof. Dr. Ibrahim Ngah	UTM	1
11.	C/P	Assoc. Prof. Dr. Mohd Ismail Abd Aziz	UTM	1
12.	C/P	Assoc. Prof. Dr. Lee Chew Tin	UTM	3
13.	C/P	Dr. Fatin Aliah Phang	UTM	1
14.	C/P	Dr. Mohammad Rafee Majid	UTM	3
15.	C/P	Dr. Zainura Zainon Noor	UTM	3
16.	C/P	Dr. Muhamamd Zaly Shah Muhammad Hussein	UTM	4
17.	C/P	Mr. Chau Loon Wai	UTM	1,4
18.	C/P	Mr. Gobi Krishna a/l Sinnah	UTM	4
19.	C/P	Assoc. Prof. Mohd Ariffin Abu Hassan	UTM	3

ANNEX V LIST OF LAND, BUILDING AND FACILITIES

1. The building and facilities necessary for the performance of duties by the Japanese Experts including head office space in UTM Johor Bahru campus, and office space in Faculty of Built Environment, UTM, Johor Bahru campus.
2. Facilities such as electricity, gas, water, sewerage system, telephones and furniture necessary for the Project activities and operational expenses for utilities.
3. Other facilities mutually agreed upon as necessary.

ANNEX VI JOINT COORDINATING COMMITTEE

1. FUNCTION

Joint Coordinating Committee (hereinafter referred to as "JCC"), composed of members listed in 2 below, will meet at least once a year and whenever the necessity arises. The main functions of JCC shall be as follows;

(1) To approve the annual work plan of the Project
(2) To review the overall progress and achievements of the Project
(3) To examine major issues arising from or in connection with the Project
(4) To work out the modification of activities depending on the necessity
(5) To discuss any other issue(s) pertinent to the smooth implementation of the Project

2. COMMITTEE COMPOSITION

Chairperson: Dato Mohd Fadzil bin Hj Mohd Khir, JPBD
Project Director: Prof. Dr. Marzuki bin Khalid, UTM
Project Manager: Prof. Dr. Ho Chin Siong, UTM

Malaysian side: Representative(s) of Ministry of Higher Education (MOHE), IRDA, MGTC, JPBD, and UTM

Japanese side: Project Leader, JICA Experts, JICA Malaysia Office and other personnel concerned to be decided and/or dispatched by JICA, if necessary

Observers : Representative(s) of the Embassy of Japan in Malaysia, JST, Economic Planning Unit (EPU) and Johor State Government, and other official(s) appointed by the Chairperson.