

## Appendices 4 Minutes of Discussions

### (1) Field Survey 1

**MINUTES OF DISCUSSIONS  
ON  
THE PREPARATORY SURVEY  
ON  
THE PROJECT FOR REHABILITATION OF  
BULUTO IRRIGATION SCHEME  
IN  
THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE**

In response to a request from the Government of the Democratic Republic of Timor-Leste (hereinafter referred to as "GOTL"), the Government of Japan (hereinafter referred to as "GOJ") decided to conduct a Preparatory Survey on the Project for Rehabilitation of Buluto Irrigation Scheme (hereinafter referred to as "the Project") and entrusted the survey to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to the Democratic Republic of Timor-Leste (hereinafter referred to as "Timor-Leste") the Preparatory Survey Team (hereinafter referred to as "the Team"), which is headed by Mr. Kenichiro Kobayashi, Director of Paddy Based Farming Area Division 1, Rural Development Department, JICA and is scheduled to stay in the country from October 30 to December 18, 2012.

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

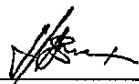
As a result of discussions and field survey, both sides confirmed the main points described in the attached sheets. The Team will proceed to further works and prepare the Preparatory Survey Report.

Dili, November 7, 2012



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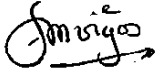
Mr. Kenichiro Kobayashi  
Leader  
Preparatory Survey Team  
Japan International Cooperation Agency



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Mr. Marcos da Cruz  
Vice Minister  
Ministry of Agriculture and Fisheries  
The Democratic Republic of Timor-Leste

Witness



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Ms.Santina J.R.F. Viegas Cardoso  
Vice Minister  
Ministry of Finance  
The Democratic Republic of Timor-Leste

## ATTACHMENT

### 1. Inception Report

The Team explained the objective of the Project and procedure of the Survey to be conducted in accordance with the Inception Report. After a series of discussions, the Team and GOTL side (hereinafter referred to as "the both sides") agreed on the contents of the Inception Report in principle.

### 2. Objective of the Project

The objective of the Project is to improve Buluto Irrigation Scheme to achieve stable water supply to the irrigation area through constructing weir and intake structures as well as irrigation canals and related facilities.

### 3. Project site

The site of the Project is in Manatuto and Baucau Districts. A map of the site is attached as Annex-1.

### 4. Responsible and Implementing Agency

4-1. The responsible agency is the Ministry of Agriculture and Fisheries, the Government of the Democratic Republic of Timor-Leste.

4-2. The implementing agency is the National Directorate for Irrigation and Water Management, the Ministry of Agriculture and Fisheries, the Government of the Democratic Republic of Timor-Leste.

4-3. The organization chart of the Ministry of Agriculture and Fisheries is shown in Annex-2A and the list of counterparts for the survey is given in Annex-2B.

4-4. The list of stakeholders is shown in Annex-2C.

### 5. Contents of the Project requested by GOTL side

After discussions between the both sides, the contents of the Project requested by GOTL side were revised as described in Annex-3. JICA will assess the appropriateness of the request within the scope of the Preparatory Survey.

### 6. Japan's Grant Aid Scheme

6-1. GOTL side understood the Japan's Grant Aid Scheme explained by the Team, as described in Annex-4.

6-2. The Team explained major undertakings to be taken by each government as described in Annex-5, for smooth implementation of the Project, as a condition for the Japan's Grant Aid to be implemented. Both sides agreed that liabilities of

taxes, duties and levies with respect to the Project will remain further discussion.

## 7. Environmental and Social Considerations

- 7-1. GOTL side agreed to take necessary procedures for due environmental and social conditions for the implementation of the Project. Detailed procedures (items, responsible agencies, deadlines) will be clarified through the Preparatory Survey.
- 7-2. The Team explained that Initial Environmental Examination (IEE) needs to be done since the Project is classified into category B according to the JICA Guidelines for Environmental and Social Considerations (April 2010). Both sides confirmed that IEE would be conducted according to Timor-Leste's law and regulation, and JICA's guideline above.
- 7-3. Both sides confirmed the necessary lands for acquisition for constructing intake facility, expanding width of main canal, extending secondary canals and so on in the Project area, would be identified by the end of March 2013, and GOTL side agreed to submit the document of basic agreement on land acquisition with beneficiaries to the Team by the end of June 2013.

## 8. Schedule of the Preparatory Survey

- 8-1. The Team will proceed to further surveys in Timor-Leste until December 18, 2012.
- 8-2. JICA will prepare the Draft Final Report in English and dispatch a mission in order to explain its contents in June, 2013 at the earliest.
- 8-3. In case the contents of the report are accepted in principle by GOTL side, JICA will finalize it as Final Report and send it to GOTL.

## 9. Other relevant issues

### 9-1. Title of the Project

- Both sides confirmed that the title of the Project should be changed to "the Project for Rehabilitation and Improvement of Buluto Irrigation Scheme" instead of "the Project for Rehabilitation of Buluto Irrigation Scheme".

### 9-2. Support for the Team

- The Team explained the importance of security for the persons concerned with the Project in order to implement the Preparatory Survey and the Project. GOTL side understood that and expressed to take necessary measures for the subsequent surveys.

### 9-3. Permissions necessary for the Project

- GOTL side agreed to issue or to arrange permissions from the organizations

concerned necessary for the Project implementation prior to the construction of the proposed facilities.

9-4. Coordination with local authorities and others concerned

- GOTL side agreed that, with thorough understanding on the Project, activities and information of the Team would be appropriately informed to the local authorities and communities concerned, and meetings with stakeholders would be organized as required.

9-5. Maintenance of facilities

- Both sides confirmed that soft component for establishing and strengthening Water Users Associations (WUA) for sustainability of the Project would be proposed during the Preparatory Survey, if necessary, and GOTL side agreed to make efforts for providing their staff for necessary arrangements, if the soft component would be proposed.
- GOTL side committed to secure budget and personnel for proper maintenance of the Buluto Irrigation Scheme which would be improved by the Project.

9-6. Government support programs

- The Team recommended GOTL side to consider the importance of specific government support programs to realize self sufficiency of rice since the increase of rice production is successively achieved by stable irrigation water supply and introduction of the government support systems such as agricultural inputs as well as promoting the dissemination of farming skill.
- GOTL side agreed to consider utilizing such support programs for the Buluto Irrigation Scheme as one of the model of modernized irrigation scheme.

9-7. Beneficial area of the Project

- Both sides confirmed the areas of forest, grass land, idle area, etc., located at most downstream and right bank of the Laleia river and the left bank of the Vemasse river adjacent to the seashore are excluded from the beneficial area due to uncertainty of land use even in future.
- Both sides agreed that the Project shall cover irrigation water supply to the beneficial area of the traditional irrigation scheme located immediately downstream of the proposed intake site at the left bank of the Laleia river since its intake function is effected by the construction of the proposed intake weir.

9-8. Adaptation to climate change

- GOTL side agreed that the Project is expected to contribute to adaptation to climate change since the Project is to enhance the stabilization of rice production which reduces the negative impact by the fluctuated rainfall pattern through the improvement of irrigation facilities.

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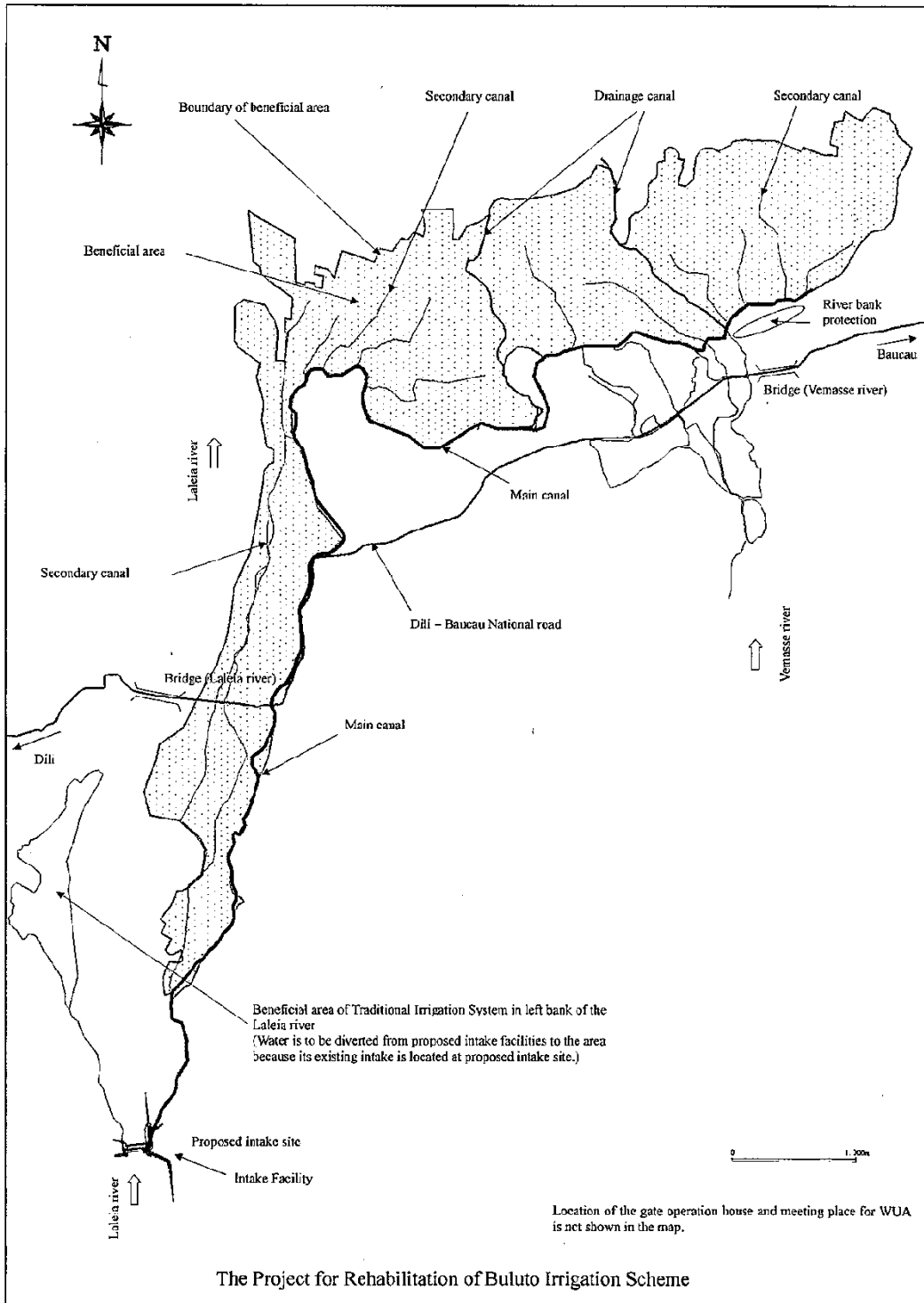
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9-9. Approval of the Project

- Both sides confirmed that the approval of the Project would be depended on the decision by the GOJ.

- Annex-1 The map of the site
- Annex-2A The organization chart of the Ministry of Agriculture and Fisheries
- Annex-2B List of counterparts for the survey
- Annex-2C List of Stakeholders for the Project
- Annex-3 Revised contents requested by GOTL
- Annex-4 Japan's Grant Aid Scheme
- Annex-5 Major Undertakings to be taken by Each Government

Annex-1 The map of the site

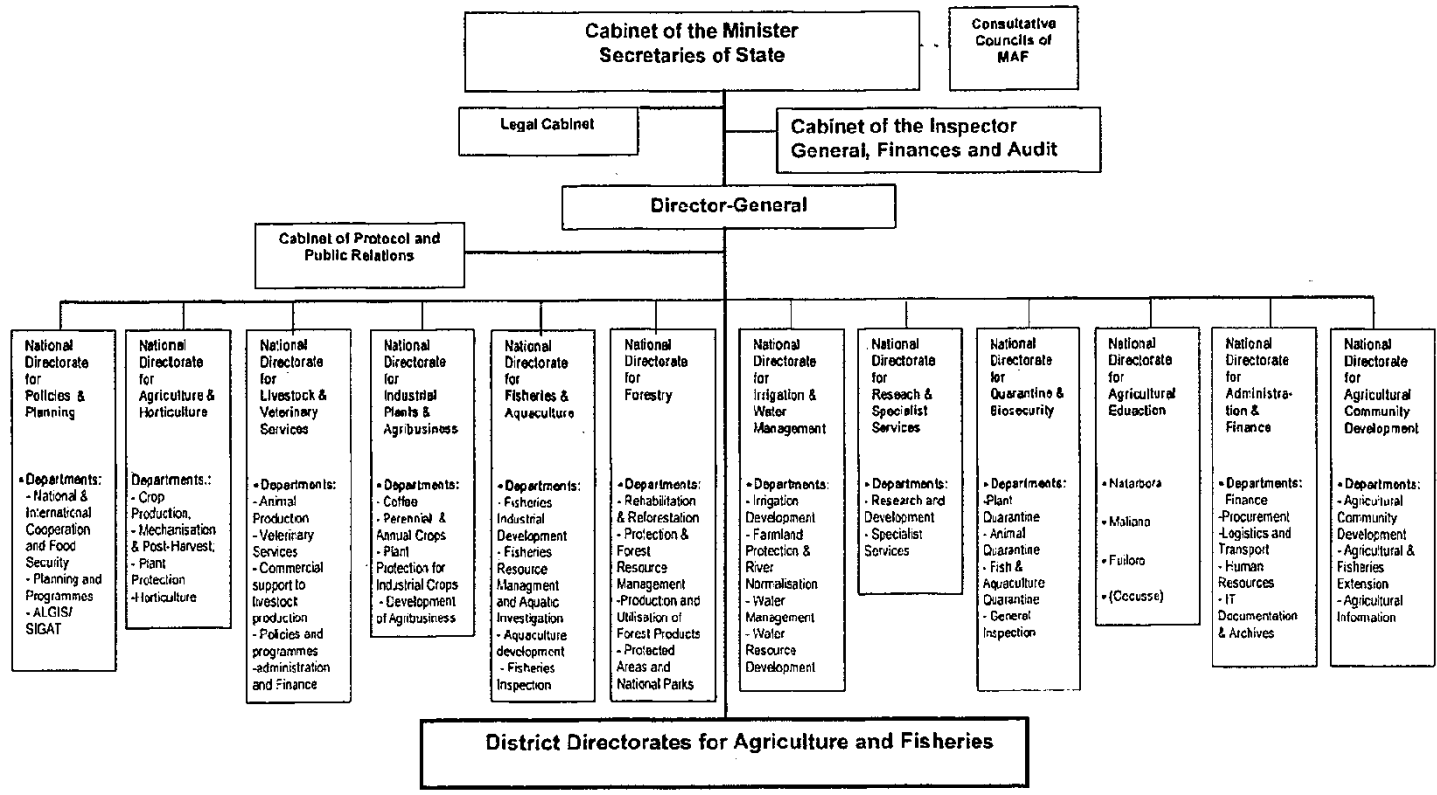


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ORGANIGRAMME OF THE MINISTRY OF AGRICULTURE AND FISHERIES (MAF)



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Title	Position	Name
Project Director	Director General	Mr. Lourenço Borges Fontes
Project Manager	National Director of Policy and Planning	Mr. Octavio da C.M. de Almeida
Project Manager	National Director of Agriculture and Horticulture	Mr. Gil Rangel da Cruz
Project Manager	National Director of Irrigation and Water Management	Mr. Martinho L. Soares
Assistant Project Manager	Director of Manatuto District Agriculture Office	Mr. Deolindo de Oliveira
Assistant Project Manager	Director of Baucau District Agriculture Office	Mr. Amaro Ximenes



Annex-2C List of Stakeholders for the Project

1. Ministry of Agriculture and Fisheries
2. Ministry of Finance
3. Ministry of Justice
4. Ministry of State Administration
5. Ministry of Commerce, Industry and Environment
6. Ministry of Public Works
7. District Administrators (Manatuto and Baucau)
8. Sub-District Administrators (Laleia and Vemasse)
9. Related Suco Leaders
10. Society Leaders

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Annex-3 Revised contents requested by GOTL

Original Contents	Revised Contents
1) Construction of intake facility with fixed type weir	1) Construction of intake facility with fixed type weir, <u>sediment trap basin</u> and <u>gate operation house</u>
2) Construction of main and secondary irrigation canals including division gates, off take structures, sediment flushing gates and other appurtenant structures	2) Construction of main and secondary irrigation canals including division gates, off take structures, sediment flushing gates and other appurtenant structures, <u>meeting place for WUA,</u> <u>river bank protection work and pilot plots</u>
3) Construction of drainage canal	3) Construction of drainage canal
4) Construction of maintenance road for main and secondary canals	4) Construction of maintenance road for main and secondary canals
5) Soft component for WUA capacity development	5) Soft component for WUA capacity development

(Remarks: Underlines are showing the revised contents)

## JAPAN'S GRANT AID SCHEME

The Government of Japan (hereinafter referred to as “the GOJ”) is implementing the organizational reforms to improve the quality of ODA operations, and as a part of this realignment, a new JICA law was entered into effect on October 1, 2008. Based on this law and the decision of the GOJ, JICA has become the executing agency of the Grant Aid for General Projects, for Fisheries and for Cultural Cooperation, etc.

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

### 1. Grant Aid Procedures

The Japanese Grant Aid is supplied through following procedures :

- Preparatory Survey
  - The Survey conducted by JICA
- Appraisal & Approval
  - Appraisal by the GOJ and JICA, and Approval by the Japanese Cabinet
- Authority for Determining Implementation
  - The Notes exchanged between the GOJ and a recipient country
- Grant Agreement (hereinafter referred to as “the G/A”)
  - Agreement concluded between JICA and a recipient country
- Implementation
  - Implementation of the Project on the basis of the G/A

### 2. Preparatory Survey

#### (1) Contents of the Survey

The aim of the preparatory Survey is to provide a basic document necessary for the appraisal of the Project made by the GOJ and JICA. The contents of the Survey are as follows:

- Confirmation of the background, objectives, and benefits of the Project and also institutional capacity of relevant agencies of the recipient country necessary for the implementation of the Project.
- Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, financial, social and economic point of view.
- Confirmation of items agreed between both parties concerning the basic concept of the Project.
- Preparation of a outline design of the Project.
- Estimation of costs of the Project.

The contents of the original request by the recipient country are not necessarily approved in

their initial form as the contents of the Grant Aid project. The Outline Design of the Project is confirmed based on the guidelines of the Japan's Grant Aid scheme.

JICA requests the Government of the recipient country to take whatever measures necessary to achieve its self-reliance in the implementation of the Project. Such measures must be guaranteed even though they may fall outside of the jurisdiction of the organization of the recipient country which actually implements the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country based on the Minutes of Discussions.

(2) Selection of Consultants

For smooth implementation of the Survey, JICA employs (a) registered consulting firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms.

(3) Result of the Survey

JICA reviews the Report on the results of the Survey and recommends the GOJ to appraise the implementation of the Project after confirming the appropriateness of the Project.

**3. Japan's Grant Aid Scheme**

(1) The E/N and the G/A

After the Project is approved by the Cabinet of Japan, the Exchange of Notes (hereinafter referred to as "the E/N") will be signed between the GOJ and the Government of the recipient country to make a pledge for assistance, which is followed by the conclusion of the G/A between JICA and the Government of the recipient country to define the necessary articles to implement the Project, such as payment conditions, responsibilities of the Government of the recipient country, and procurement conditions.

(2) Selection of Consultants

In order to maintain technical consistency, the consulting firm(s) which conducted the Survey will be recommended by JICA to the recipient country to continue to work on the Project's implementation after the E/N and G/A.

(3) Eligible source country

Under the Japanese Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased. When JICA and the Government of the recipient country or its designated authority 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, constructing and procurement firms, and the prime consulting firm are limited to "Japanese nationals".

(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 JICA. This "Verification" is deemed necessary to fulfill accountability to Japanese taxpayers.

(5) Major undertakings to be taken by the Government of the Recipient Country

In the implementation of the Grant Aid Project, the recipient country is required to undertake

such necessary measures as Annex.

(6) "Proper Use"

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

(7) "Export and Re-export"

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

(8) Banking Arrangements (B/A)

- a) The Government of the recipient country or its designated authority should open an account under the name of the Government of the recipient country in a bank in Japan (hereinafter referred to as "the Bank"). JICA 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 JICA under an Authorization to Pay (A/P) issued by the Government of the recipient country or its designated authority.

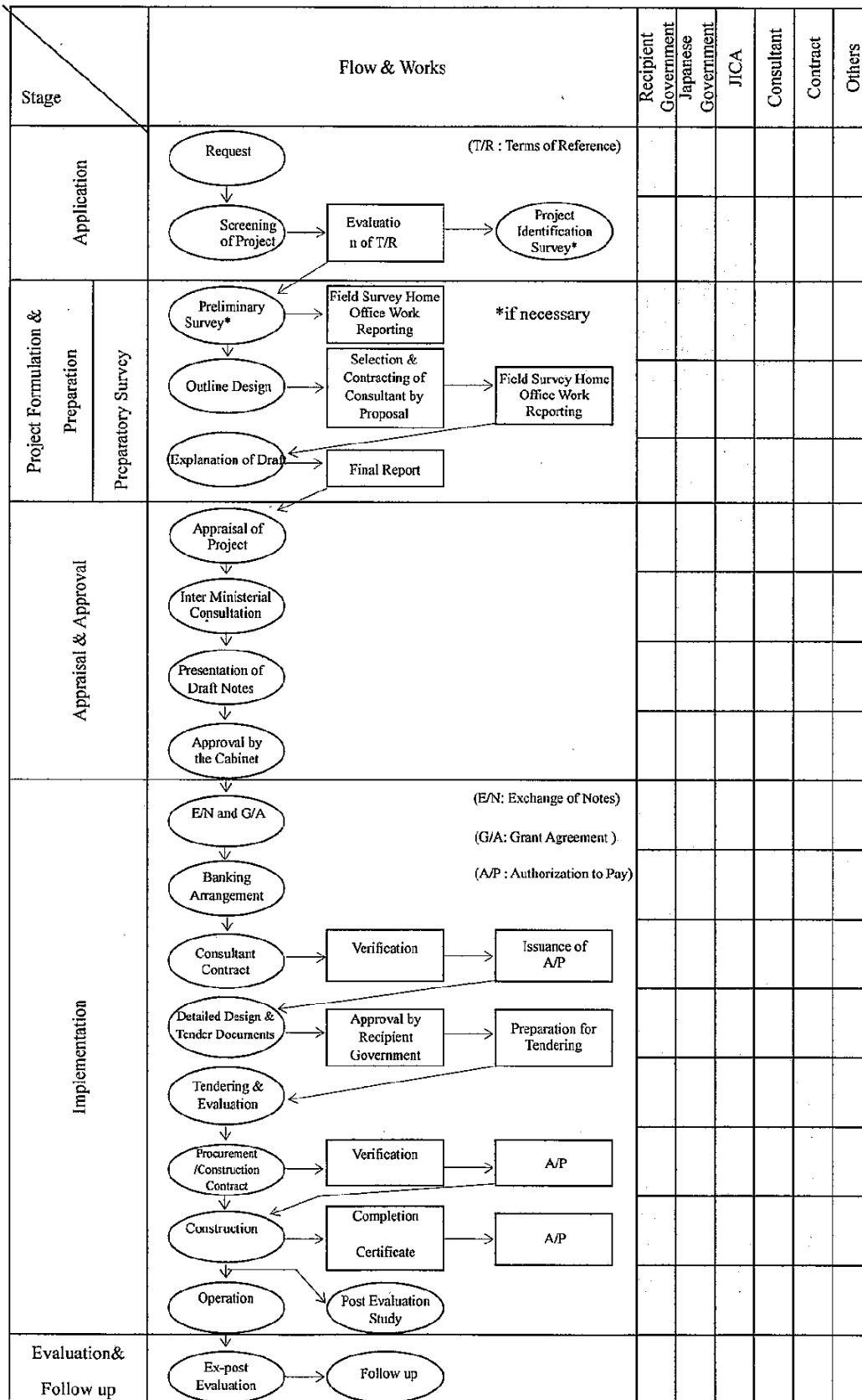
(9) Authorization to Pay (A/P)

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

(10) Social and Environmental Considerations

A recipient country must carefully consider social and environmental impacts by the Project and must comply with the environmental regulations of the recipient country and JICA socio-environmental guidelines.

FLOW CHART OF JAPAN'S GRANT AID PROCEDURES



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Annex-5 Major Undertakings to be taken by Each Government

No.	Items	To be covered by Grant Aid	To be covered by Recipient Side
1	to secure [a lot] /[lots] of land necessary for the implementation of the Project and to clear the [site]/[sites];		●
2	To ensure prompt unloading and customs clearance of the products at ports of disembarkation in the recipient country and to assist internal transportation of the products.		
	1) Marine (Air) transportation of the Products from Japan to the recipient country	●	
	2) Tax exemption and custom clearance of the Products at the port of disembarkation		●
	3) Internal transportation from the port of disembarkation to the project site	●	
3	To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the purchase of the products and the services (in case of tax exemption is applicable) be exempted / (in case refunding is applicable) be borne by the Authority without using the Grant.		●
4	To accord Japanese nationals and / or nationals of third countries whose services may be required in connection with the supply of the products and the services such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		●
5	To ensure that [the Facilities and the products]/[the Facilities]/ [the products] be maintained and used properly and effectively for the implementation of the Project		●
6	To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project		●
7	To bear the following commissions paid to the Japanese bank for banking services based upon the B/A		
	1) Advising commission of A/P		●
	2) Payment commission		●
8	To give due environmental and social consideration in the implementation of the Project.		●

(B/A : Banking Arrangement, A/P : Authorization to pay)

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(2) Field Survey 2

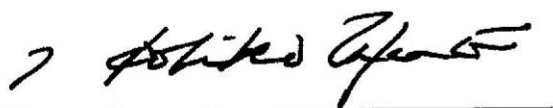
**MINUTES OF DISCUSSIONS  
ON PREPARATORY SURVEY  
FOR  
THE PROJECT FOR REHABILITATION AND IMPROVEMENT  
OF BULUTO IRRIGATION SCHEME  
IN THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE  
(Explanation on Draft Report)**

In October to December 2012, Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Preparatory Survey Team on the Project for Rehabilitation and Improvement of Buluto Irrigation Scheme (hereinafter referred to as "the Project") to the Democratic Republic of Timor-Leste (hereinafter referred to as "Timor-Leste"), and through discussions, field surveys and technical examinations of the results of the survey in Japan, JICA prepared a draft Report of the Outline Design.


In order to explain and consult with the Government of Timor-Leste (hereinafter referred to as "GOTL") on the components of the draft Report, JICA again sent to Timor-Leste a Preparatory Survey Team for Draft Report Explanation (hereinafter referred to as "the Team"), which is headed by Mr. Makoto Yamane from June 30 to July 10, 2013.

The Team held a series of discussions with the officials concerned of GOTL and both sides confirmed the main points described in the attachment.

Dili, August 27, 2013

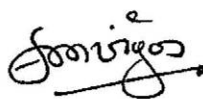


Hirohiko TAKATA  
Chief Representative  
Japan International Cooperation Agency  
In Timor-Leste



Mariano ASSANAMI Sabino  
Minister of Agriculture and Fisheries  
The Democratic Republic of Timor-Leste

Witness



Santina J. R. F. Viegas Cardoso  
Vice-Minister of Finance  
The Democratic Republic of Timor-Leste



## ATTACHMENT

### 1. Components of the Draft Report

GOTL side agreed and accepted the components of the draft Preparatory Survey Report explained by the Team.

### 2. Project Cost Estimation and Demarcation

2-1. The Team explained to the GOTL side that the rough estimate of the Project cost described in Annex-1 includes the contingency, however, the final Project cost including the contingency described in E/N would be appraised by the Government of Japan (hereinafter referred to as "GOJ"). The contingency would cover the additional cost against natural disaster, unexpected natural conditions, etc.

2-2. The Team and GOTL side (hereinafter referred to as "the both sides") agreed that the Project cost Estimation as attached in Annex-1 should never be duplicated or released to any third parties before the signing of all the contract(s) for the Project, because they are confidential documents that contain information related to the tender.

2-3. GOTL side was informed that the Project cost should not exceed the upper limit of amount agreed on in E/N and G/A and understood that the Project cost estimation described in Annex-1 is a provisional one and is subject to change according to further examination by the GOJ.

### 3. Major Undertakings to be taken by GOTL

3-1. The Team explained the major undertakings to be taken by GOTL side as described in Annex-2 as a principal rule of Japan's Grant Aid to be implemented. GOTL side agreed to take necessary measures to ensure fulfillment of its undertakings except for matters concerning liabilities of taxes, duties and levies.

3-2. With regard to liabilities for taxes, duties and levies, the Team explained that the followings would be acceptable; the GOTL shall take necessary measures to provide a financial contribution through the designated authority to assume all customs duties, internal taxes and other fiscal levies that may be imposed in Timor-Leste with respect to the purchase of the products and the services (referred to in Annex-1) without using the Grant, provided however that the contractors and consultants involved in the Project will remain responsible for supplying tax returns and providing relevant information to assist the GOTL in assessing the applicable customs duties, internal taxes and other fiscal levies. The GOTL side insisted that the coverage of GOTL's financial contribution should be limited to all customs duties, internal taxes and other fiscal levies that may be imposed in Timor-Leste from time to time on Japanese contractors and consultants engaged for the Project. Both sides agreed that this discussion will be continued at the diplomatic level between two countries.

### 4. Maintenance of the Project Facilities

The Team explained the operation plan and necessary cost for the maintenance of the facilities as shown in Chapter 4 and 5 of the draft Report. GOTL side confirmed that annual budget and personnel will be secured for proper maintenance of the Buluto Irrigation Scheme.



## 5. Schedule of the Preparatory Survey

JICA will complete the Final Report of the Preparatory Survey and send it to GOTL by September, 2013.

## 6. Environmental and Social Considerations

- 6-1. The both sides confirmed information on environmental and social considerations including major impacts and relevant mitigation measures are summarized in the Environmental Checklist attached as Annex-3. GOTL side confirmed they will inform JICA of any major changes which may affect environmental and social considerations made for the Project by revising the Checklist in a timely manner.
- 6-2. GOTL side explained the draft Initial Environmental Examination (IEE) report has been submitted to Ministry of Commerce, Industry and Environment (MCIE) from Ministry of Agriculture and Fisheries (MAF) and the approval by MCIE will be obtained within 30 business days from the submission. The Team explained that the approval should be obtained prior to the E/N.
- 6-3. GOTL side agreed that the results of environmental monitoring will be provided to JICA by filling in the monitoring form for construction attached as Annex-4 on a monthly basis during construction. After the completion of the Project, GOTL side confirmed the monitoring form for operation (Annex-4) will be submitted to JICA quarterly for three (3) years.
- 6-4. GOTL side confirmed it will take stipulated procedures for information disclosure in accordance with Decree Law on Environmental Licensing, No.5/2011. In addition, the Team requested GOTL side to disclose the monitoring results to local project stakeholders, and GOTL side agreed to disclose monitoring results on their website / in their field offices.
- 6-5. GOTL side agreed JICA's disclosure of provided monitoring results in the monitoring form (Annex-4) on its website.
- 6-6. The Team explained that land acquisition procedure by voluntary donation in this project is exceptional one and is difficult to be a precedent for similar case in the future project, as it is the principal rule under the JICA Guidelines for Environmental and Social Considerations (April 2010) that appropriate compensation and assistance should be given in case of the land acquisition by the national government authority.

## 7. Other Relevant Issues

- 7-1. Necessary measures for increasing rice production to be taken

The Project aims to contribute to increase rice production through stable water supply from Buluto irrigation scheme. Although the project includes plan to provide training on operation and maintenance of the scheme within soft components, it is also crucial for achieving that goal to improve farming techniques, to draft and implement appropriate water distribution plan in the dry season, and to introduce good quality seed and fertilizer through cooperation among the authorities concerned. GOTL side committed to conduct necessary measures including the above items.

- 7-2. Necessary measures for providing electricity feeding cable

GOTL side explained the difficulty to provide electricity feeding cable to the construction site of intake facilities, which is located at isolated area far away from the existing power grid, and the Team agreed to take necessary measures by Japanese side.

- Annex-1 Project Cost Estimation
- Annex-2 Major Undertakings to be taken by GOTL
- Annex-3 Environmental Checklist
- Annex-4 Monitoring Form

*Jash*  
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**Project Cost Estimation**

This page is closed due to the confidentiality

*John*  
*John*

## **Annex-2 Major Undertakings to be taken by GOTL**

### **1. General items**

- (1) To provide necessary ground space / site for constructing facilities consolidated by this Project as well as for installing machinery, equipment and placing materials used in this Project
- (2) To ensure prompt unloading, tax exemption and customs clearance of the machinery, equipment and materials to be carried in by this Project
- (3) To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the purchase of the products and the services (in case of tax exemption is applicable) be exempted / (in case refunding is applicable) be borne by the Authority without using the Grant
- (4) To accord Japanese nationals and / or nationals of third countries whose services may be required in connection with the supply of the products and the services such facilities as may be necessary for their entry into Timor-Leste and stay therein for the performance of their work
- (5) To ensure that the Facilities and the products be maintained and used properly and effectively for the implementation of the Project and to report in reply to the request of Japan, the state of their operation and maintenance conditions to the Japanese side
- (6) To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project
- (7) To bear the following commissions paid to the Japanese bank for banking services based upon the Banking-Arrangement (B/A)
  - 1) Advising commission of Authorization to Pay (A/P)
  - 2) Payment commission
- (8) To give due environmental and social consideration in the implementation of the Project.

### **2. Items that GOTL should carry out before and during the Project implementation**

- (1) To securely provide the scheduled construction site
- (2) To provide space or leased land under free of charge for using in the construction work
- (3) To repair access road to the scheduled construction site and to inform the inhabitants living around the construction sites of the use of roads for construction purpose
- (4) To provide and clear procedures of obtaining permission to fell trees and collect sand/pebble and stones from the river as well as to take procedure of exempting royalty of quarry
- (5) To provide electricity feeding cable from existing electric power grid to the WUA's meeting facility
- (6) To thoroughly and preliminarily inform about the interruption of irrigation water supply during the construction period to the beneficiary people by the explanation to the inhabitants etc., and to obtain their understanding / cooperation to the construction work
- (7) To complete the extension of electricity feeding cable to the site of management office,



prior to the initiation of the construction work

- (8) To obtain permit of construction from the concerned agencies

**3. Items to be borne by GOTL on the soft component plan**

- (1) To provide three (3) counterpart staffs including their expenditure in activities
- (2) To provide office space for the activities
- (3) To conduct continuous monitoring on the state of organizational management/ activities of WUA and to provide pertinent advices and additional training in conformity to the result of the monitoring

*John*  
*John* ✓

## Environmental Check List

Category / Item	Check Item	Check	Reason / Mitigation Measure
<b>Permit and Explanation</b>			
EIA and environmental permit	<p>(a) Have EIA reports been already prepared in official process?</p> <p>(b) Have EIA reports been approved by authorities of the host country's government?</p> <p>(c) Have EIA reports been unconditionally approved? If conditions are imposed on the approval of EIA reports, are the conditions satisfied?</p> <p>(d) In addition to the above approvals, have other required environmental permits been obtained from the appropriate regulatory authorities of the host country's government?</p>	<p>(a) Yes</p> <p>(b) (No)</p> <p>(c) (No)</p> <p>(d) No</p>	<p>(a) The MAF submitted the application form for environmental license to the National Directorate of Environment, and prepares the draft IEE report required under the law of the RDTL.</p> <p>(b) (c) The process for environmental license is going on, and has no problems so far. The license might be issued before the detailed design stage.</p> <p>(d) Not necessary.</p>
Explanation to local stakeholders	<p>(a) Have contents of the project and the potential impacts been adequately explained to the Local stakeholders based on appropriate procedures, including information disclosure? Is understanding obtained from the Local stakeholders?</p> <p>(b) Have the comment from the stakeholders been reflected to the project design?</p>	<p>(a) Yes</p> <p>(b) Yes</p>	<p>(a) The MAF and local administrations held consultation meetings to explain the framework and potential impacts of the project.</p> <p>(b) Comments on land acquisition and allocation of irrigation water were taken into account for layout of the facilities.</p>
Examination of alternatives	Have alternative plans of the project been examined with social and environmental considerations?	Yes	Shape of canals: The width of the canals was reduced by changing the cross section of canals from trapezoid to rectangle or by installing box culvert in the portion of residential area along the main canal.

*John*  
*John* ✓

Category / Item	Check Item	Check	Reason / Mitigation Measure
			Layout of maintenance road: The length of the roads was reduced by use of existing roads for maintenance at some sections.
<b>Pollution Control</b>			
Water quality	<p>(a) Are considerations given to water pollution of river water and groundwater by effluent or leachates from agricultural lands? Are adequate use/disposal standards for fertilizers, agrochemicals, and livestock wastes established? Is a framework established to increase awareness of the standards among farmers?</p> <p>(b) Is a monitoring framework established for water pollution of rivers and groundwater?</p>	<p>(a) No</p> <p>(b) Yes</p>	<p>(a) (b) The Project has no effect on water quality in general. Only turbidity of water of the Laleia river shall be monitored during the construction stage.</p>
Waste	<p>(a) Are wastes properly treated and disposed of in accordance with the country's regulations?</p>	<p>(a) Yes</p>	<p>(a) Waste shall be managed in accordance with the law of Timor-Leste. The monitoring on water shall be carried out during at the construction sites.</p>
Soil contamination	<p>(a) Are there possible impacts in irrigated lands, such as salinization of soils will result?</p> <p>(b) Are adequate measures taken to prevent soil contamination of irrigated lands by agrochemicals, heavy metals and other hazardous substances?</p> <p>(c) Are any agrochemicals management plans prepared? Are any usages or any implementation structures organized for proper use of the plans?</p>	<p>(a) Yes</p> <p>(b) NA</p> <p>(c) NA</p>	<p>(a) No negative impact has been reported in the existing irrigation area and no additional impact is anticipated due to the rehabilitation project.</p> <p>(b) Because the project rehabilitate and improve irrigation systems only, the agrochemical management is not applicable.</p>
Noise and	<p>(a) Do construction sites generate noise</p>	<p>(a) No</p>	<p>(a) Although serious impact on noise and vibration is not expected</p>

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Category / Item	Check Item	Check	Reason / Mitigation Measure
vibration	and vibration affecting to the residents?  (b) Is there a possibility of noise or vibration problem in the new irrigation system?	(b) No	monitoring of noise and vibration level at the construction sites shall be carried out.  (b) There are no facilities to generate significant noise and vibration.
Subsidence	(a) Is there a possibility of subsidence caused by extraction of groundwater?	(a) No	(a) No groundwater extraction is planned in the Project.
Odor	(a) Are there any odor sources? Is there a possible odor problems affecting the inhabitants?	(a) No	(a) This project will not generate any odor.
<b>Natural environment</b>			
Protected area	(a) Is the project site or discharge area located in protected areas designated by the country's laws or international treaties and conventions? Is there a possibility that the project will affect the protected areas?	(a) No	(a) There is no protected area in the project area.
Ecosystem	(a) Does the project area encompass primeval forests, tropical rain forests, ecologically valuable habitats (e.g., coral reefs, mangroves, or tidal flats)?  (b) Does the project area encompass the protected habitats of endangered species designated by the country's laws or international treaties and conventions?  (c) Is there a possibility that the project will result in the loss of breeding and feeding grounds for valuable wildlife?  (d) If significant ecological impacts are anticipated, are adequate protection measures taken to reduce the impacts on the ecosystem?	(a) No (b) No (c) No (d) Yes	(a) The project area falls outside of the forest.  (b) Habitats of rare species are not included in the project area.  (c) Breeding sites and feeding grounds of rare species are not lost by the project.  (d) The project does not impact.

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Category / Item	Check Item	Check	Reason / Mitigation Measure
Hydrology	(a) Is there possible impact on the flow of the Laleia river?	(a) Yes	(a) After construction of the intake weir in the Laleia river, the water flow might be changed in stream courses and discharge. It shall be monitored during the operation stage.
Topography and geology	(a) Do the project affect topographic features of the project area?  (b) Do the project affect geologic features of the project area?	(a) No  (b) No	(a) No significant impact is anticipated on topographic conditions, because layout of the irrigation canals was changed not to excavate hills so much.  (b) No impact is anticipated on geologic conditions.
<b>Social environment</b>			
Resettlement	(a) Is involuntary resettlement caused by project implementation? If involuntary resettlement is expected, are efforts made to minimize the impacts caused by the resettlement?  (b) Is adequate explanation on compensation and resettlement assistance given to affected people prior to resettlement?  (c) Is the resettlement plan, including compensation with full replacement costs, restoration of livelihoods and living standards developed based on socioeconomic studies on resettlement?  (d) Is the compensations going to be paid prior to the resettlement?  (e) Is the compensation policies prepared in document?  (f) Does the resettlement plan pay particular attention to vulnerable groups or people, including women, children, the elderly, people below the poverty	(a) Yes (b) Yes (c) Yes (d) Yes (e) (No) (f) (No) (g) Yes (h) Yes (i) Yes (j) Yes	(a) Land acquisition (about 19 ha) of mainly forest and farmland is necessary to canals and maintenance road construction in some portions. The area to be acquired is minimized to arrange the layout of the facilities.  (b) The public consultation meetings were carried out by the MAF.  (c) The MAF prepares plan on land acquisition under the laws of the RDTL.  (d) The MAF prepares necessary compensations on land acquisition under the laws of the RDTL.  (e) (f) The MAF prepares document on land acquisition under the laws of the RDTL soon.  (g) The MAF surveyed land owners and started to talk with them about land acquisition.  (h) The MAF prepares necessary

Category / Item	Check Item	Check	Reason / Mitigation Measure
	<p>line, ethnic minorities, and indigenous peoples?</p> <p>(g) Are agreements with the affected people obtained prior to resettlement?</p> <p>(h) Is the organizational framework established to properly implement resettlement? Are the capacity and budget secured to implement the plan?</p> <p>(i) Are any plans developed to monitor the impacts of resettlement?</p> <p>(j) Is the grievance redress mechanism established?</p>		<p>organization and budget on land acquisition under the laws of the RDTL.</p> <p>(i) The MAF plans to hold regular meetings with the residents during the construction and operation period.</p> <p>(j) The MAF and local administrations prepare grievance redress mechanism relating to land acquisition.</p>
Living and livelihood	<p>(a) Is there a possibility that the project will adversely affect the living conditions of inhabitants? Are adequate measures considered to reduce the impacts, if necessary?</p> <p>(b) Is there a possibility that the allotment will result in inequitable distribution or usurpation of land and available resources?</p> <p>(c) Is there a possibility that the allotments will result in inequitable distribution or usurpation of water rights and available resources?</p> <p>(d) Is there a possibility that the water use by the project will adversely affect downstream fisheries and water use?</p> <p>(e) Is there a possibility that water-borne or water-related diseases will be introduced? Is adequate consideration given to public health education, if necessary?</p>	<p>(a) No</p> <p>(b) No</p> <p>(c) No</p> <p>(d) No</p> <p>(e) No</p>	<p>(a) The stable and efficient irrigation water supply makes crop production larger.</p> <p>(b) This rehabilitation project does not affect land use.</p> <p>(c) The project aims more effective water use for irrigation, and water right of the Laleia river is given to the project through MAF's arrangement.</p> <p>(d) This rehabilitation project does not adversely affect economic activities in the downstream of the Laleia river , because the certain amount water will flow continuously in the river even after the intake weir construction..</p> <p>(e) No significant affect is expected because of no reservoir or ponds planned.</p>
Cultural heritage	<p>(a) Is there a possibility that the project will damage the local archeological,</p>	<p>(a) No</p>	<p>(a) The project will not entail significant changes to the present</p>

*Eric Fash*

Category / Item	Check Item	Check	Reason / Mitigation Measure
	historical, cultural, and religious heritage? Are adequate measures considered to protect these sites in accordance with the country's laws?		landscape, because the main components of the project are the rehabilitation of the existing facilities.
Landscape	(a) Is there a possibility that the project will adversely affect the local landscape? Are necessary measures taken?	(a) No	(a) The project will not entail significant changes to the present landscape, because the main components of the project are the rehabilitation of the existing facilities..
Ethnic minorities and indigenous people	(a) Are considerations given to reduce impacts on the culture and lifestyle of ethnic minorities and indigenous peoples?  (b) Are all of the rights of ethnic minorities and indigenous peoples in relation to land and resources respected?	(a) No (b) No	(a) (b) There are no ethnic minority groups in the project area. The project will not change the rights of any groups in relation to land other resources.
Working condition	(a) Is the project proponent not violating any laws and ordinances associated with the working conditions of the country?  (b) Are tangible safety considerations in place for individuals involved in the project?  (c) Are intangible measures being planned and implemented for individuals involved in the project?  (d) Are appropriate measures taken to ensure that security guards involved in the project not to violate safety of other individuals involved, or local residents?	(a) No (b) Yes (c) Yes (d) Yes	(a) (b) (c) (d) The implementation of the project considers the safety of the working individuals by conducting proper trainings on safety.  Adequate trainings are given for equipment handling to avoid accidents. Security staffs are stationed in strategic location for proper implementation of safety in the project area.
<b>Others</b>			
Impact during construction	(a) Are adequate measures considered to reduce impacts during construction (e.g., noise, vibrations, turbid water,	(a) Yes (b) Yes	(a) (b) (c) (d) The MAF and local administrations carry out regular monitoring during the construction

Category / Item	Check Item	Check	Reason / Mitigation Measure
	<p>dust, exhaust gases, and wastes)?</p> <p>(b) If construction activities adversely affect the natural environment, are adequate measures considered to reduce impacts?</p> <p>(c) If construction activities adversely affect the social environment, are adequate measures considered to reduce impacts?</p> <p>(d) If the construction activities might cause traffic congestion, are adequate measures considered to reduce such impacts?</p>	<p>(c) Yes</p> <p>(d) Yes</p>	<p>stage. These measures will be executed so that it is less impacted.</p>
Monitoring	<p>(a) Does the proponent develop and implement monitoring program for the environmental items that are considered to have potential impacts?</p> <p>(b) What are the items, methods and frequencies of the monitoring program?</p> <p>(c) Does the proponent establish an adequate monitoring framework?</p> <p>(d) Are any regulatory requirements pertaining to the monitoring report system identified, such as the format and frequency of reports from the proponent to the regulatory authorities?</p>	<p>(a) Yes</p> <p>(b) Yes</p> <p>(c) Yes</p> <p>(d) Yes</p>	<p>(a) Monitoring program by the MAF would be conducted.</p> <p>(b) Refer to the monitoring plan.</p> <p>(c) Monitoring framework would be established by the MAF including the budget plan.</p> <p>(d) Refer to the monitoring plan.</p>

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**Monitoring Form - Construction Stage (every month)**

Month: \_\_\_\_\_  
 Reporter: \_\_\_\_\_  
 Date: \_\_\_\_\_

Item (rate)	Reporter	Monitoring Report	Judgment by MAF*
Air pollution	Contractor	Visual observation of dust at the construction sites: ( <input type="checkbox"/> No air pollution / <input type="checkbox"/> Probable air pollution => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Water pollution	Contractor	Visual observation of turbidity of water in the Laleia river at the bridge: ( <input type="checkbox"/> No water pollution / <input type="checkbox"/> Probable water pollution => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Waste	Contractor	Volume of disordered waste at the construction sites: ( <input type="checkbox"/> No waste problem / <input type="checkbox"/> Probable waste problem => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Soil pollution	Contractor	Visual observation of soils at the construction sites: ( <input type="checkbox"/> No soil pollution / <input type="checkbox"/> Probable soil pollution => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Noise and vibrations	Contractor	Physical observation of noise and vibration at the construction sites: ( <input type="checkbox"/> No noise or vibration problems / <input type="checkbox"/> Heavy noise of vibration => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Involuntary resettlement	District Agr., Local Gov.	Record of meeting with residents: (to be attached) Records of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Land use & utilization of local resources	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C

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Item (rate)	Reporter	Monitoring Report	Judgment by MAF*
Water usage	District Agr.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Existing social infrastructures & services	Contractor	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Social institutions	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Misdistribution of benefits & damages	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Local conflicts of interest	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Accidents	Contractor	Record of accidents: ( <input type="checkbox"/> No accident / <input type="checkbox"/> Accidents occurred => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C

Remarks: Judgment by MAF: "A" = Confirmed as no problem; "B" = To be re-examined; "C" = To be solved

Note:

- The reporters (Contractor, District Agriculture Offices, and Local Administrations) shall fill the monitoring form every month, and submit it to the National Directorate of Irrigation and Water Management of the MAF.
- The National Directorate of Irrigation and Water Management of the MAF shall evaluate the report. If there are items to be re-examined, the Directorate shall inform the reporters to make detailed survey on the items. In case of any serious problems occurred, the Directorate shall take countermeasure to solve the problems in cooperation with related agencies.

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**Monitoring Form - Operation Stage (every three months)**

Duration: \_\_\_\_\_  
 Reporter: \_\_\_\_\_  
 Date: \_\_\_\_\_

Item (rate)	Reporter	Monitoring Report	Judgment by MAF*
Hydrology	District Agr.,	Visual observation of water flow at the new intake weir in the Laleia river: ( <input type="checkbox"/> No significant change / <input type="checkbox"/> Significant change => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Involuntary resettlement	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Social institutions	District Agr., Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Misdistribution of benefits & damages	Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
	District Agr.	Record of irrigation water supply: ( <input type="checkbox"/> Supplied as planned / <input type="checkbox"/> Not supplied as planned => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Local conflicts of interest	Local Gov.	Record of grievances: ( <input type="checkbox"/> No grievance / <input type="checkbox"/> Grievances made => describe below)	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
	District Agr.	Record of irrigation water supply: (Same as above)	

Remarks: Judgment by MAF: "A" = Confirmed as no problem; "B" = To be re-examined; "C" = To be solved

**Note:**

- The reporters (District Agriculture Offices, and Local Administrations) shall fill the monitoring form every three months, and submit it to the National Directorate of Irrigation and Water Management of the MAF.
- The National Directorate of Irrigation and Water Management of the MAF shall evaluate the report. If there are items to be re-examined, the Directorate shall inform the reporters to make detailed survey on the items. In case of any serious problems occurred, the Directorate shall take countermeasure to solve the problems in cooperation with related agencies.

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