RECORD OF DISCUSSIONS
ON
JARAR VALLEY AND SHEBELE SUB-BASIN WATER SUPPLY DEVELOPMENT PLAN, AND EMERGENCY WATER SUPPLY IN
THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA
AGREED UPON BETWEEN
MINISTRY OF WATER AND ENERGY
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Addis Ababa, 23 Dec. 2011

Mr. Koji Ota
Resident Representative
Ethiopia Office
Japan International Cooperation Agency (JICA)

Mr. Kebede Gerba
State Minister
Ministry of Water and Energy
Federal Democratic Republic of Ethiopia

Mr. Fuad Hassen Beshire
Deputy Head
Somali Regional Water Development Bureau

Mr. Tilahun Tadesse
Director
Bilateral Cooperation Directorate
Ministry of Finance and Economic Development
Federal Democratic Republic of Ethiopia
In response to the official request of the Government of the Federal Democratic Republic of Ethiopia (hereinafter referred to as "GOE") to the Government of Japan (hereinafter referred to as "GOJ"), the Japan International Cooperation Agency (hereinafter referred to as "JICA") held a series of discussions with Ministry of Water and Energy of Ethiopia (hereinafter referred to as "MoWE") and relevant organizations to develop a detailed plan of "Jarar valley and Shebele Sub-basin Water Supply Development Plan, and Emergency Water Supply" (hereinafter referred to as "the Project").

Both parties agreed the details of the Project and main points discussed as described in the Appendix 1 and the Appendix 2, respectively, and to request their respective governments to proceed with the necessary procedures for implementation of the Project.

Both parties also agreed that MoWE, the counterpart to JICA, will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of Ethiopia.

The Project will be implemented within the framework of the Note Verbales to be exchanged between GOJ and GOE.

The effectiveness of the record of discussions is subject to the exchange of the Note Verbales and the approval of JICA.

Appendix 1: Project Description
Appendix 2: Main Points Discussed
PROJECT DESCRIPTION

I. BACKGROUND

"The Horn of Africa", area lying in East of Africa covering countries such as Somalia, Djibouti, Eritrea, Kenya and Ethiopia have been experiencing devastating drought for the last decade. This part of the continent is most prone to climate change and characterized by erratic and unpredictable rainfall. The Project area, Somali Region, is one of the Ethiopia's administrative regions frequently affected by droughts.

The population of the region is estimated to be 4,439,147 according to 2007 population census and has also has a big population of livestock and camels. Water supply coverage of the region is only 45% which necessitates additional effort to overcome the challenge posed by drought.

Currently, the Project area is facing acute emergency water shortage due to migration of neighboring Somalia refugees which makes the water supply condition more worse. Although, a number of International Cooperation Organizations and Non-Government Organizations as well as GOE are struggling to tackle the situation, it still needs additional bilateral and multilateral intervention assistance.

II. OUTLINE OF THE PROJECT

1. Title of the Project
Jarar Valley and Shebele Sub-basin Water Supply Development Plan, and Emergency Water Supply

2. Expected Goals which will be attained after the Project Completion
   (1) Goal of the Proposed Plan
   1) Water supply project is implemented based on the formulated water supply development plan in the project area
   2) Emergency water supply in the Region is improved.

   (2) Goal which will be attained by utilizing the Proposed Plan
   Water supply condition is improved in Somali Region

3. Outputs
   (1) Potential of water resources in Jarar valley and Shebele sub-basin is assessed.
   (2) Water supply development plan in Jarar valley and Shebele sub-basin is prepared.
   (3) Capacity of counterpart personnel for planning of water supply is developed.
   (4) Water supply condition is improved in Kebdeyeh Town by a pilot project.
(5) Feasibility Study is implemented in Gode City.
(6) Necessary equipment for emergency water supply is procured.

4. Activities
(1) Collection and analysis of current existing information (development plans, meteorological and hydrogeological information, existing water facilities, etc.)
(2) Natural condition survey (geophysical and hydrogeological survey, surface water survey, water quality analysis, and, remote sensing, etc.)
(3) Socio economic survey
(4) Compilation of hydro-geological map
(5) Analysis of water balance
(6) Evaluation of groundwater potential
(7) Formulation of water supply development plan for Jarar valley and Shebele sub-basin
(8) Economical and financial evaluation
(9) Environmental and social considerations survey
(10) Formulation of implementation plan for water supply development
(11) Implementation of pilot projects (improvement of water supply condition in Kebrabeyah Town and feasibility study for water supply system in Gode City)
(12) Procurement of necessary equipment for emergency response

6. Input
(1) Input by JICA
2) Machinery and Equipment: The machinery and equipment which planned to be procured in the Project is shown in the Annex I.
3) Construction (ex. drilling wells for Jarar Valley water system and water points in Gode City)
4) Means of transport and travel allowances for members of the JICA missions for official travel within Ethiopia;
5) Suitable furnished accommodation for members of the JICA experts and their families;

(2) Input by Ethiopia
GoE will take necessary measures to provide at its own expense:
1) Services of GoE’s counterpart personnel and administrative personnel as referred to in II-7 (1) & (2);
2) Suitable office space with necessary equipment;
3) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials owned by GOE necessary for the implementation of the Project other than the equipment provided by
JICA (i.e. repairing/replacement of vehicles owned by Somali Region Water Development Bureau);
4) Information as well as support in obtaining medical service;
5) Credentials or identification cards;
6) Available data (including maps and photographs) and information related to the Project;
7) Running expenses necessary for the implementation of the Project (i.e. fuel for vehicles owned by GOE, running expense for the project office such as electricity, water and telephone);
8) Expenses necessary for transportation within Ethiopia of the equipment referred to in Annex I as well as for the installation, operation and maintenance thereof; and
9) Necessary facilitation to members of the JICA experts for the remittance as well as utilization of the funds introduced into Ethiopia from Japan in connection with the implementation of the Project

7. Implementation Structure
The roles and assignments of relevant organizations are as follows:

(1) MoWE: Responsible Agency
   1) Project Director (Director, Waters sector and Capacity Building Directorate) will be responsible for overall administration and implementation of the Project.

(2) Somali Region Water Development Bureau: Implement Agency
   1) Project Manager (Head of Somali Regional Water Development Bureau) will be responsible for the managerial and technical matters of the Project.

   2) Counterparts Personnel of Somali Regional Water Development Bureau will implement the Project’s activities in cooperation with the JICA experts. A list of counterpart personnel is shown in the Annex II.

(3) JICA Experts
   The JICA experts will give necessary technical guidance, advice and recommendations to GOE on any matters pertaining to the implementation of the Project.

(4) Steering Committee
   Steering Committee (hereinafter referred to as “SC”) will be established in order to facilitate inter-organizational coordination. SC will be held whenever deems it necessary. Function and member of SC are shown in the Annex III.

8. Project Sites
   [Water Supply Development Plan] Jarar valley and Shebele Sub-basin
   [Emergency Water Supply] Somali Region

9. Duration

[Signature]
Kebede Gerba
State Minister
About eighteen (18) months

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10. Reports

JICA will prepare and submit the following reports to the MoWE and Somali Region Water Bureau in English.

1) Five (5) copies of Inception Report (IC/R) at the commencement of the first work period in Ethiopia.
2) Five (5) copies of Progress Report (P/R) at the time about eight (8) months after the commencement of the first work period in Ethiopia.
3) Five (5) copies of Interim Report (IT/R) at the time of thirteen (13) months after the commencement of the first work period in Ethiopia.
4) Five (5) copies of Draft Final Report (DF/R) at the end of the last work period in Ethiopia.
5) Fifteen (15) copies of Final Report (F/R) within one (1) month after the receipt of the comments on the DF/R.

11. Environmental and Social Considerations

1) GOE agreed to abide by ‘JICA Guidelines for Environmental and Social Considerations (April 2010)’ in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF GOE
1. GOE will take necessary measures to:

1) ensure that the technologies and knowledge acquired by the Ethiopia nationals as a result of Japanese technical cooperation contributes to the economic and social development of Ethiopia, and that the knowledge and experience acquired by the personnel of Ethiopia from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project;

2) grant privileges, exemptions and benefits to members of the JICA experts referred to in II-6 (1) above and their families, which are no less favorable than those granted to experts and members of the JICA experts and their families of third countries or international organizations performing similar experts in Ethiopia. Provide security-related information as well as measures to ensure the safety of members of the JICA experts;

3) permit members of the JICA experts to enter, leave and sojourn in Ethiopia for the duration of their assignments in the country and exempt them from foreign registration requirements and consular fees;

[Signatures and stamps]

Kebede Gerba
State Minister

Ministry of Energy & Water Resources
(4) exempt members of the JICA experts from taxes and any other charges on the equipment, machinery and other material necessary for the implementation of the Project;

(5) exempt members of the JICA experts from income tax and charges of any kind imposed on or in connection with any emoluments or allowances paid to them and/or remitted to them from abroad for their services in connection with the implementation of the Project; and

(6) meet taxes and any other charges on the equipment, machinery and other material, referred to in Il-7 above, necessary for the implementation of the Project.

2. GOE will bear claims, if any arises, against members of the JICA experts resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Project, except when such claims arise from gross negligence or willful misconduct on the part of members of the JICA experts.

IV. EVALUATION
JICA will conduct the following evaluations and surveys to mainly verify sustainability and impact of the Project and draw lessons. The GOE is required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis

V. PROMOTION OF PUBLIC SUPPORT
For the purpose of promoting support for the Project, GOE will take appropriate measures to make the Project widely known to the people of Ethiopia.

VI. MUTUAL CONSULTATION
JICA and GOE will consult each other whenever any major issues arise in the course of Project implementation.

VII. AMENDMENTS
The record of discussions may be amended by the minutes of meetings between JICA and GOE.
The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

Annex I A List of Machinery and Equipment
Annex II A List of Counterpart Personnel
Annex III Function and member of Steering Committee

Kebede Gerba
State Minister
Annex I

A List of Machinery and Equipment

The machinery and equipment which planned to be procured in the Project is described as below. Other machinery and equipment will be procured upon mutual agreement.

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<td>Project cars</td>
<td>6</td>
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<tr>
<td>Surface pumps</td>
<td>3</td>
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<tr>
<td>Submergible pumps</td>
<td>2</td>
</tr>
<tr>
<td>Generators (for new wells)</td>
<td>2</td>
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<tr>
<td>Water trucks</td>
<td>4</td>
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<tr>
<td>Water tanks (for water points)</td>
<td>150</td>
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<tr>
<td>Mobile workshops (include equipment)</td>
<td>3</td>
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<tr>
<td>Chlorine tablets</td>
<td>for 3,600m³</td>
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*These items are subject to be changed upon mutual agreement.

Kebede Gerba  
State Minister

Abdi Mahdi  
Deputy Bureau Head
Annex II

A List of Counterpart Personnel

1) Project Director: Director, Waters Sector and Capacity Building Directorate, MoWE
2) Project Manager: Head of Somali Regional Water Development Bureau
3) The Deputy Project Manager:
   - Deputy Head of Somali Region Water Bureau in charge of Water Supply CP
   - Deputy Head of Somali Region Water Bureau in charge of Water Supply Management CP and Water Resources Study and Management CP
4) Counterpart Personnel: All Related Staffs of Somali Region Water Development Bureau

Kebede Gerba
State Minister

Aydun Abdi Mahdi
Deputy Bureau Head
Annex III

Function and member of Steering Committee

(1) Function
The function of the SC is to share the information on the Project and to guide the Project in the proper direction. GOE is required to organize SC meetings at the time of submission of every report as well as upon the request of members of the JICA experts.

(2) Member
The Steering Committee will be chaired by Director of Waters Sector and Capacity Building Directorate, MoWE. Other members shall be comprised of the representatives of the following members.
(a) Representative of Ministry of Financial and Economic Development
(b) Support & Capacity Building Director, MoWE
(c) Representative of Administration for Refugee and Returnee Affairs
(d) Head of Somali Regional Water Development Bureau
(e) Deputy Head of Somali Region Water Bureau in charge of Water Supply CP
(f) Deputy Head of Somali Region Water Bureau in charge of Water Supply Management CP and Water Resources Study and Management CP
(g) Representative of Jarar valley water desk
(h) Representative of Gode city water office
(i) Representative of Disaster Prevention and Preparedness Bureau
(j) JICA experts of the Project
(k) JICA Ethiopia Office
(l) Others as necessary

Kebede Gerba
State Minister

Fadak Abdi Mahdi
Deputy Bureau Head
Appendix 2

MAIN POINTS DISCUSSED

I. HYDRO-GEOLLOGICAL MAP OF WHOLE SOMALI REGION
Ethiopian side requested to make hydro-geological map not only for the Project sites, but also for whole Somali region. Japanese side answered that it might be difficult because of the limited hydro-geological information and strict Japanese security regulation, however, agreed to try to revise existing hydro-geological map (1/2,000,000) as well as possible.

II. ACCURACY OF GROUNDWATER AVAILABILITY MAP / WATER RESOURCES AVAILABILITY MAP
Japanese side explained that the accuracy of groundwater availability map for Jarar valley and water resources availability map for Shebele Sub-basin which will be formulated by the Project effected by quality and quantity of hydro-geological information. Ethiopian side understood that and agreed to cooperate for collecting information.

III. CLIMATE CHANGE ADAPTATION
The Project is expected to contribute to adaptation to climate change. To enhance capacity of resilience for the drought in the Project sites, water supply development plan is formulated in the Project. Furthermore, emergency water supply capacity will be enhanced by one of the component of the Project, construction of water points and procurement of equipment for emergency water supply.

Kchede Gerba
State Minister

Fentun Abdi Mahdi
Deputy Bureau Head