

MINUTES OF MEETING
ON THE DETAILED PLANNING SURVEY
ON
RECORD OF DISCUSSIONS
FOR
SUPPORT OF AGRICULTURE DEVELOPMENT MASTER PLAN FOR
NACALA CORRIDOR IN MOZAMBIQUE
AGREED BETWEEN
JAPAN INTERNATIONAL COOPERATION AGENCY
AND
AUTHORITIES CONCERNED OF THE GOVERNMENT OF THE
REPUBLIC OF MOZAMBIQUE

Maputo, 28th July, 2011

牧野 耕司

Mr. Koji MAKINO
Deputy Director General,
Rural Development Department,
Japan International Cooperation
Agency

Daniel Clemente

Mr. Daniel Miguel Angelo CLEMENTE
Permanent Secretary,
Ministry of Agriculture,
Republic of Mozambique

1. Introduction:

Based on the Minutes of Meeting on the Triangular Cooperation for Tropical Savanna Agricultural Development in Mozambique (hereinafter referred to as "ProSAVANA-JBM"), signed on 26th April 2011 (hereinafter referred to as "the Minutes on 26th April 2011"), the Japanese Mission, headed by Mr. Koji Makino, Deputy Director General at the Rural Development Department of Japan International Cooperation Agency (hereinafter referred to as "JICA"), and representatives of the Brazilian Cooperation Agency (hereinafter referred to as "ABC") jointly visited the Republic of Mozambique in July 2011 and discussed the basic framework on the Triangular Cooperation for Support of Agriculture Development Master Plan for Nacala Corridor in Mozambique" (hereinafter referred to as "the Project").

During the stay in Mozambique, a series of discussions were held with the Ministry of Agriculture (hereinafter referred to as "MINAG") and other organizations related to the Project.

As a result, the parties, represented by the signatories of this Minutes of Meeting, agreed the Project details and main points discussed during survey as described in attached drafts of the Record of Discussions (hereinafter referred to as "R/D"), in Annex 1, which are subject to approval by the competent higher authorities..

The parties also confirmed that they would sincerely cooperate with each other with a view to contributing towards smooth implementation and enhancing development effect of other ProSAVANA-JBM projects and other Japanese ODA projects in Nacala Corridor by attaining the purpose of the Project.

In case the Mozambican and Japanese parties intend to modify any items described in the draft of the R/D, they may hold a meeting to finalize the draft if necessary. It is preferable that the Triangular Agreement and the R/D should be signed within a couple of months after signing this Minutes of Meeting.

2. Result of Discussions:

The following were agreed by the parties in relation to the draft of the R/D for the Project.

(1) Contents of the Project:

1) The Main Objective of the Project is:

- To formulate an agriculture development Master Plan which contributes to social and economic development by engaging private investment to promote sustainable production systems, and poverty reduction in Nacala Corridor

2) Scope of the Project:

The project shall cover the following aspects:

- Data collection and analysis of agriculture in Nacala Corridor
- Drawing of an overall picture of development plans
- Planning of quick impact projects for selected areas in Nacala Corridor
- Engagement stimulation of stakeholders focusing on investment promotion

3) Study Area

The Project will cover the area of Nacala Corridor consisting of Nampula, Niassa and Zambezia Provinces.

Based on the results of the basic survey the priority districts will be selected.

4) Duration

18 months

The detail shall be determined before formal signing of the R/D

5) Process

The Project will be implemented following the process below:

① Data collection and information analysis

- Analysis of current legislation and framework on labor, land tenure, environmental regulation, and taxes
- Review of socioeconomic census, existing overall economic development plans and agriculture development plans for Nacala Corridor
- Study on social, gender and environment aspects
- Information gathering for functions and interventions of the governments, NGOs, donors and financing institutions for agricultural development
- Zoning of Nacala corridor area based on agricultural environment
- Study on current agricultural chains in Nacala Corridor
- Situation survey on land use in Nacala Corridor
- Study on overall infrastructure and supply chain for agriculture in Nacala Corridor

② Drawing of an overall picture

- Drawing an overall picture (blueprint) of agriculture development in Nacala Corridor

③ Quick impact projects planning

- Characterization of selected areas which have agricultural development potential based on basic survey as above
- Formulation of quick impact projects for target areas
- Prioritization of quick impact projects
- Attract investors for the implementation of prioritized quick impact projects

④ Engagement stimulation of stakeholders focusing on investment promotion

- Elaboration and presentation of Data Book to private investors
- Holding seminars and workshops to stakeholders

(2) Administration of the Project

1) Administration of the Project

The management structure of the Project, mandate and members, will be discussed and defined between the parties. It will be described in the Annex 1 of the "R/D".

2) Counterpart Personnel

MINAG shall assign the necessary counterpart personnel for the Project and inform its composition at the initial stage of the Project.

(3) Undertakings to be taken by the Government of Mozambique and Japan.

In the implementation of the Project, the governments are required to undertake necessary measures.

The list of major understandings is shown in the Annex 2.

3. Further Steps to Formalize the Project

Steps below should be completed before the signing of the R/D between the parties.

Mozambican side

- Preparation for taking necessary measures to start the Project
- Authorization of Triangular Agreement
- Authorization of Draft R/D
- Authorization of Supplementary Agreement

Japanese side

Necessary internal authorization;

- Authorization of Triangular Agreement
- Authorization of Draft R/D

Brazilian side

Necessary internal authorization;

- Authorization of Triangular Agreement
- Authorization of Supplementary Agreement

END

Annex1 Draft of the Record of Discussion

Annex2 Major Undertakings by the Government of Mozambique and Japan



Annex 1

(DRAFT)
RECORD OF DISCUSSIONS
ON
SUPPORT OF AGRICULTURE DEVELOPMENT MASTER PLAN FOR
NACALA CORRIDOR
IN
MOZAMBIQUE
AGREED UPON BETWEEN
MINISTRY OF AGRICULTURE
THE GOVERNMENT OF REPUBLIC OF MOZAMBIQUE
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

DD MM 2011, Maputo

Mr. Masami Shukunobe
Chief Representative
Mozambique Office
Japan International Cooperation
Agency

Mr. Daniel Miguel Angelo CLEMENTE
Permanent Secretary,
Ministry of Agriculture,
Republic of Mozambique

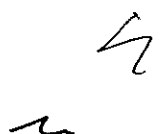
4
1

Based on the Minutes of Meeting on the Detailed Planning Survey on Triangular Cooperation for Support of Agriculture Development Master Plan for Nacala Corridor in Mozambique (hereinafter referred to as "the Project") signed on DD/MM/2011 between Ministry of Agriculture, Republic of Mozambique (hereinafter referred to as "MINAG") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with MINAG and relevant organizations to develop a detailed plan of the Project.

Both parties agreed the details of the Project and the main points discussed as described in the Appendix 1 and the Appendix 2 respectively.

Appendix 1: Project Description

Appendix 2: Main Points Discussed on Detailed Planning Survey

Handwritten signature or mark consisting of a stylized 'S' shape above a horizontal line.

PROJECT DESCRIPTION

Both parties confirmed that there is no change in the Project Description agreed on the minutes of meetings on the concerning Detailed Planning Survey on the Project signed on DD/MM/2011.

I. BACKGROUND

Japan and Brazil have been greatly contributing to the global food security over the past 20 years through agricultural development of Cerrado, vast tropical savannah in Brazil. Under the framework of Japan Brazil Partnership Program (JBPP) agreement, signed in 2000, the two countries have agreed to utilize their experience and knowledge accumulated through the agricultural development of Cerrado, onto the development of northern Mozambique, where there is a vast land with the similar climate condition to Brazilian Cerrado. This has led to the realization of cooperation among Japan, Brazil, and Mozambique, and the "Triangular Cooperation Programme for Agricultural Development of the African Tropical Savannah in Mozambique", known as ProSAVANA-JBM, which was officially launched in April 2011, based on the agreement signed by the three parties on 17th September 2009.

The tropical savannah of Nacala Corridor in northern Mozambique has certain rainfall and vast arable land and is considered to have large potential in agricultural production. JICA has conducted the preparatory survey, which was completed in March 2010, to collect baseline data, and this confirmed the potential and possibilities of agricultural development in Nacala Corridor region like Brazilian Cerrado.

The basic structure agreed by the parties to the implementation of the program sets the general objective of creating models of sustainable agricultural development in tropical savannah region of Mozambique.

The Ministry of Agriculture of Mozambique, JICA and ABC will endeavour joint work to achieve the objectives of the Programme, taking into account: i) the preservation of the environment, seeking the market oriented agricultural, rural and regional development with competitive capacity, ii) the region of the Nacala Corridor, as the target area; iii) the main crops and production sectors; iv) local producers, cooperatives and producer associations, private enterprises (agricultural enterprises, agricultural product-processing enterprises), and other enterprises from the productive chain-as target groups; v) the content of triangular cooperation involving the technical cooperation of JICA and Brazil.

The first phase of ProSAVANA-JBM is a preparation stage to establish models of agricultural development of the tropical savannah in Mozambique through the implementation of 3 projects: a) Project for Improving Research and Technology Transfer Capacity for Nacala Corridor Agriculture Development, Mozambique, which has started in May 2011, b) Support of Agriculture Development Master Plan for Nacala Corridor in Mozambique, this project, and c) Technical Cooperation Project of Demonstration and Rural Extension in the Nacala Corridor, which is under formulation.

II. OUTLINE OF THE PROJECT

1. Title of the Project

Support of Agriculture Development Master Plan for Nacala Corridor in Mozambique

2. Expected Goals which will be attained after the Project Completion

(1) Goal of the Proposed Plan

To promote economic and social development through agriculture development in Nacala Corridor

(2) Project Purpose

To formulate an agriculture development Master Plan which contributes to social and economic development by engaging private investment to promote sustainable production systems, and poverty reduction in Nacala Corridor

3. Outputs

The project shall cover the following aspects:

- Data collection and analysis of agriculture in Nacala Corridor
- Drawing of an overall picture of development plans
- Planning of quick impact projects for selected areas in Nacala Corridor
- Engagement stimulation of stakeholders focusing on investment promotion

4. Process

The Project will be implemented following the process below:

① Data collection and information analysis

- Analysis of current legislation and framework on labor, land tenure, environmental regulation, and taxes
- Review of socioeconomic census, existing overall economic development plans and agriculture development plans for Nacala Corridor
- Study on social, gender and environment aspects
- Information gathering for functions and interventions of the governments, NGOs, donors and financing institutions for agricultural development
- Zoning of Nacala corridor area based on agricultural environment
- Study on current agricultural chains in Nacala Corridor
- Situation survey on land use in Nacala Corridor
- Study on overall infrastructure and supply chain for agriculture in Nacala Corridor

② Drawing of an overall picture

- Drawing an overall picture (blueprint) of agriculture development in Nacala Corridor

③ Quick impact projects planning

- Characterization of selected areas which have agricultural development potential based on basic survey as above
- Formulation of quick impact projects for target areas
- Prioritization of quick impact projects
- Attract investors for the implementation of prioritized quick impact projects

④ Engagement stimulation of stakeholders focusing on investment promotion

- Elaboration and presentation of Data Book to private investors
- Holding seminars and workshops to stakeholders

5. Input

(1) Input by JICA

(a) Dispatch of Mission

[Assignment of members of mission]

(b) Training of the Mozambican counterparts on specific relevant subjects.

9. Reports

Reports in Portuguese and English will be jointly prepared by Mozambican, Brazilian and Japanese sides, and submitted to the Government of the Republic of Mozambique

10. Environmental and Social Considerations

MINAG agreed to abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF MINAG AND THE GOVERNMENT OF MOZAMBIQUE

1. MINAG and the Government of Mozambique (hereinafter referred to as "GoM") will take necessary measures to:

- (1) ensure that the technologies and knowledge acquired by the Mozambican nationals as a result of Japanese technical cooperation contributes to the economic and social development of Mozambique, and that the knowledge and experience acquired by the personnel of Mozambique from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) grant privileges, exemptions and benefits to members of the JICA missions referred to in II-7 (1) above and their families, which are no less favorable than those granted to experts and members of the missions and their families of third countries or international organizations performing similar missions in Mozambique.

2. GoM will take necessary measures in accordance with provisions of the Agreement on Technical Cooperation between the Government of Japan and the Government of Republic of Mozambique, signed in Maputo, Mozambique on March 30, 2005 (hereinafter referred to as the Agreement)

IV. EVALUATION

JICA will conduct the following evaluations and surveys to mainly verify actualization of the proposed Master Plan, impact of the Project and draw lessons. The MINAG 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

The three parties may promote jointly evaluation of the Project.

V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, MINAG will take appropriate measures to make the Project widely known to the people of Mozambique.

VI. MUTUAL CONSULTATION

JICA and MINAG 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 mutual consultation.

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.

End.

a 4

MAIN POINTS DISCUSSED ON DETAILED PLANNING SURVEY

Three parties confirmed that the followings are essential points for actualization of the master plan.

- (1) Mozambican government will endorse the Master Plan and take maximum effort to secure budget and personnel to implement suggesting development project by the master plan.
- (2) Mozambican government will take necessary action which is suggested by master plan to invite private investment for Nacala Corridor.
- (3) Japanese and Brazilian government will hold seminars and study tour for Mozambique to promote the master plan and its projects.
- (4) The master plan will be shared among all stakeholders, people of Mozambique, the Government of Mozambique, investors and all development partners for Mozambique.

End.



MAJOR UNDERTAKINGS BY MOZAMBIQUE AND JAPAN

1. Mozambican Side

To take necessary measures in accordance with provisions of the Agreement on Technical Cooperation between the Government of Japan and the Government of Republic of Mozambique, signed in Maputo, Mozambique on March 30, 2005 and the Agreement on Technical Cooperation between the Government of Brazil and the Government of Republic of Mozambique, signed on September 15, 1981.

2. Japanese Side

To dispatch experts who will give necessary technical guidance, advice and recommendations to MINAG on any matters pertaining to the implementation of the Project through the joint work with Brazilian Expert who will be dispatched by Brazilian Cooperation Agency under ProSAVANA-JBM.

End.

