UNCLASSIFIED Security Classification Sashler Dha

AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID/KABUL

MEMORANDUM OF CONVERSATION

DATE OF MEETING August 1, 1976

SUBJECTS

: As Indicated Below.

PARTICIPANTS

: General President of Water and Power Authority, Engineer Juma Mohammad Mohammadi and Mr. John

Standish, Chief, CDE/USAID

COPIES TO

: D, DD, DP, MGT, CDE, CO, RD, C&R; AMEMBASSY/ECON;

AID/W, NE/NENA, NE/D

Kajakai Hydroelectric Power Plant - Contractor's Claim:

Mr. Mohammadi was briefed on discussions held May 31, 1976 with Minister of Planning Khurram in which Ambassador Eliot and USAID Director Mr. Brown brought-up the urgency of early settlement of the Fischbach Oman International (FOI) claim. Mr. Mohammadi was advised that Minister Khurram stated that the Ministry of Planning committee report reviewing the FOI claim would be completed by August 4 and that the report would authorize Mr. Mohammadi to settle the claim. Mr. Mohammadi stated that if he receives such guidance, he would be able to settle the FOI claim. He, however, first would have to get necessary clearance from the Deputy Prime Minister before any final settlement could be made. Mr. Standish stressed the urgency of the settlement prior to the arrival in Kabul on August 8, 1976 of Secretary of State Kissinger.

Central Helmand Valley Drainage Project - Evaluation:

Mr. Mohammadi was advised that at the same meeting discussed above, Minister of Planning Khurram had been briefed on the pertinent findings of the evaluation and that Minister Khurram had indicated a need for a joint meeting on the evaluation involving WAPA, Ministry

DRAFTING OFFICER: CDE:JStandish:sp DATE OF PREPARATION: August 2, 1976

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of Planning and USAID. In this respect he would also request that Governor Sherzai come to Kabul to participate in the review of the evaluation. Mr. Mohammadi was reminded that USAID had made a similar presentation to Mr. Isaq, WAPA President of Planning. Mr. Mohammadi responded that Mr. Isaq had brought-up some of the points of the evaluation to his attention but that he would have to study the evaluation in much further detail. Mr. Standish indicated that the evaluation report, both in English and Dari, should be available within a week and that copies would be delivered to Mr. Mohammadi.

Lashkar Gah Staff House:

Mr. Standish informed Mr. Mohammadi that at his last meeting with Mr. Isaq on July 24, 1976, Mr. Isaq stated that final approval was given to WAPA to rent the Lashkar Gah Staff House to the Lashkar Gah Community Association. Mr. Mohammadi was reminded of his previous conversation with Mr. Brown in which Mr. Brown had indicated that USAID was ready to assist the Lashkar Gah Community Association in rehabilitating the Staff House as soon as Mr. Mohammadi could give Mr. Brown assurance of the transfer of the facility. Mr. Mohammadi responded that he would contact Mr. Brown as soon as he was assured that all clearances were in fact completed.

Lashkar Gah Airstrip:

Mr. Mohammadi was briefed, as a point of information, that there was a need to resurface and black-top the Lashkar Gah Airstrip in order to make project associated air travel feasible. He was advised that this matter had been discussed with the Minister of Planning and that in all probability USAID would assist in the re-surfacing of the airstrip. Mr. Mohammadi had no objection of the proposed work and was noncommittal.

Kandahar Distribution:

Mr. Mohammadi was informed of the previous meeting on July 24, 1976 which was held with Mr. Isaq in which Messrs. Stephenson and Reilly discussed their views on the current state of the Kandahar Breshna. Mr. Mohammadi

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had not been briefed by Mr. Isaq on this subject and welcomed the discussion. Mr. Standish stated that the site review of the Kandahar Breshna facilities in Kandahar indicated that Mr. Kargar, Chief of the Kajakai Service Area, had serious constraints of facilities, personnel and engineering plans for any meaningful expansion of distribution system in Kandahar. In that regard, Mr. Standish pointed-out that Phase II of the HARZA Engineering Company Study could be an opportunity for WAPA to assign a design-engineer and technicians to work with HARZA and form the nucleus of a future technical and administrative staff for Kandahar. Mr. Mohammadi pointed-out the staff and personnel limitation which WAPA is confronted with, but that all efforts would be made to secure such individual.

COMMENTS:

It appears that WAPA's administrative and technical staff is in very thin, and it may be difficult to fund such staff for Phase II of the study.

CDE: JStandish: sp

8/2/76