### MINUTES OF DISCUSSIONS

## BASIC DESIGN STUDY ON THE PROJECT

# FOR THE IMPROVEMENT OF FISHING GEAR AND EQUIPMENT IN THE REPUBLIC OF SURINAME

In response to a request from the Government of the Republic of Suriname, the Government of Japan has decided to conduct a Basic Design Study on the Project for the Improvement of Fishing Gear and Equipment in Suriname (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA has sent to Suriname a Basic Design Study Team headed by Mr. SENGA Kazuo, Forestry and Fisheries Development Cooperation Department, JICA, and the Team is scheduled to stay in the country from September 25 to October 20, 1995.

The Team held a series of discussions with the officials concerned of the Government of Suriname and conducted a field survey at the study area.

In the course of the discussions and field survey, both parties have confirmed the main items described on the attached sheets. The Team will proceed to further work and prepare the Basic Design Study Report.

SENGA KAZUO

Leader

Basic Design Study Team

JICA

JOHÁN S. SISAL

Minister

Ministry of Agriculture,

Animal Husbandry and Fisheries

Paramaribo, October 4, 1995

### ATTACHMENT

### 1. Objective

The objective of the Project is to enhance the production capability of the small scale fisheries by providing Fishing Gear and Equipment.

### 2. Project Sites

1) Paramaribo, New Amsterdam, as shown in ANNEX I.

### 3. Executing Agency

The Ministry of Agriculture, Animal Husbandry and Fisheries through the Department of Fisheries is responsible for administration and execution of the Project.

### 4. Items requested by the Government of Suriname

The items requested by the Government of Suriname are listed in ANNEX 11.

### 5. Japan's Grant Aid System

1) The Government of Suriname has understood the system of the Japan's Grant Aid explained by the Team; the main feature is described in ANNEX III.

2) The Government of Suriname will take the necessary measures, described in ANNEX IV for the smooth implementation of the Project on condition that the Grant Aid by the Government of Japan is extended to the Project.

### 6. Proper Use of Equipment and the Counterpart Fund

If and when the products, such as fishing equipment purchased under the Japan's Grant Aid are sold or leased to fishermen, the Government of Suriname shall take necessary measures as follows:

1) to inform the plan of sale or lease of such products to the Government of Japan;

2) to ensure that such products be used by fishermen properly and effectively for their own fishing operations;

3) to deposit, in local currency, the amount generated from such sale or lease in a suitable account of the Government of Suriname as a counterpart fund;

4) to utilize the counterpart fund for the purpose of the fisheries development in Suriname and/or the maintenance of such products;

5) to have a prior consultation with the Government of Japan about the use of the counterpart fund; and

6) to report the record of deposit and disbursement of the counterpart fund to the Government of Japan annually.

### 7. Distribution and Deposit of Fishing Gear and Equipment

1) The Government of Suriname distribute fishing gear and equipment under the appropriate plan.

2) The Government of Suriname shall be responsible to keep fishing gear and equipment in proper places in order to take care of them until they are distributed.

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### Further Schedule of the Study

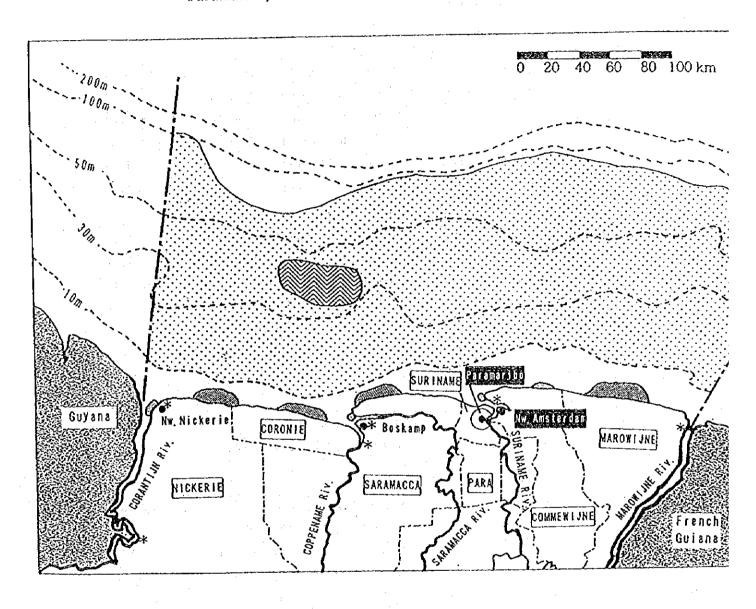


1) The consultants will proceed to further studies in Suriname until October 20, 1995

2) Based on the Minutes of Discussions and technical examination of the study results, JICA will complete the Basic Design Study report and send it to the Government of Suriname by February, 1996.

ANNEX I: PROJECT SITES

### Paramaribo, New Amsterdam



Shrimp Trawl \* Fishing Village

Snapper Handline — National Boarder

Drift Gill Net, — Province Boarder

Bottom Longline

Chinese Seine

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# ANNEX II: ITEMS REQUESTED BY THE GOVERNMENT OF SURINAME

A. Fishing Net Material: Gill Net for E	Bottom Large Fish	
A-1 Polyethylene Fishing Nets	380d/27 1.3 8°str. 40md 100yds	1,600 pcs
A-2 Polyethylene Fishing Rope	For buoy line: 12mm dia 200mtr coil	200 coils
	For float line: 10mm dia 200mtr coil	520 coils
•	For sinker line: 8mm dia 200mtr coil	520 coits
A-3 Polyethylene Fishing Twine	380d/27 L3 2kg/spool	1,080 spoots
A-4 Fishing Float	Buoyancy 2,800grms	9,000 pcs
B. Fishing Net Material: Chinese Scine	e Net for small Fish and Shrimp	· · · · · · · · · · · · · · · · · · ·
B-1 Polyethylene Fishing Nets	380d/21 L3 1.0"str. 100md 100yds	140 pcs
	380d/21 L3 1.5'str. 100md 100yd	88 pcs
	380d/21 1.3 2.0 str. 100md 100yds	88 pcs
	380d/21 L3 3.0"str. 100md 100yds	32 pcs
	380d/21 L3 4.0"str. 100md 100yds	32 pcs
B-2 Polyethylene Fishing Twine	380J/21 1.3 2kg/spool	600 spools
B-3 Polyethylene Fishing Rope	For float line: 10mm dia 200mtr coil	195 coils
	For sinker line: 8mm dia 200mtr coil	130 coils
C. Fishing Net Material: Gill Net for si	mall fish (Pelagic and Bottom)	
C-1 Nylon Fishing Nets	2104/6 L3 2.0 str. 100md 100yds	390 pcs
	210d/6 1.3 2.5°str. 100md 100yds	390 pcs
	210d/6 L3 3.0°str. 100md 100yds 210d/6 L3 3.5°str. 100md 100yds	390 pcs 390 pcs
	210d/6 L3 4.0°str. 100md 100yds	390 pcs
	210d/6 L3 5.01str. 100md 100yds	390 pcs
	210d/6 L3 6.0*str. 100md 100yds	390 pcs
C-2 Nylon Fishing Twine	210d/6 L3 250grs/spool	1,560 spools
	210d/9 L3 250grs/spool	1,560 spools
	210d/15 L3 250grs/spool	1,560 spools
	210d/24 L3 250grs/spool	1,560 spools
C-3 Polyethylene Fishing Rope	6mm dia 200mtr coil	300 coits
	5mm dia 200mtr coil	300 coils
	4mm dia 200mtr coil	300 coils
	3mm dia 200mtr coil	300 ∞ils
C-4 Synthetic Rubber Float	Buoyancy 152grms	19,500 pcs
	Buoyancy 880gms	19,500 pcs
	Buoyancy 830grms	19,500 pcs
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D.	Bottom Long Line Fishing Gears		-
	D-1 Fishing Hook	Kirbay Sea Hook Size 7	100,000 pcs
		Size 6	100,000 pcs
		Size 4	100,000 pcs
	D-2 Long Line	3mm dia 200mtr coil	375 coils
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E.	Marine Engines		
:	Outboard Gasoline Type		180 units
, 1	Spare Parts for Outboard Gasoline Eng	sine	1 lot
	Outboard Diesel Type		5 units
	Spare Parts for Outboard Diesel Engin	e	1 lot
	Special Tools for the Outboard Engine	Gasoline engines	5 sets
		Diesel engines	1 set
:	Inhoard Marine Diesel Engines, stern	arrangement and accessories (approx. 105 HP)	25 units
.* *	Spare Parts for Inboard Diesel Engine		1 lot

### ANNEX III: JAPAN'S GRANT AID SCHEME

#### 1. Grant Ald Procedure

1) Japan's Grant Aid Program is executed through the following procedures.

Application (Request made by a recipient country)

Study (Basic Design Study conducted by JICA)

Appraisal & Approval (Appraisal by the Government of Japan & Approval by

Cabinet)

Determination of (The Notes exchanged between the Governments of Japan

Implementation and the recipient country)

2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA to conduct a study on the request.

Secondly, JICA conducts the study (Basic Design Study), using Japanese consulting firms.

Thirdly, the Government of Japan appraises the project to see whether or not it is suitable for Japan's Grant Aid Program, based on the Basic Design Study report prepared by JICA and the results are then submitted to the Cabinet for approval.

Fourthly, the project, once approved by the Cabinet, becomes official with the Exchange of Notes signed by the Government of Japan and the recipient country.

Finally, for the implementation of the project, JICA assists the recipient country in such matters as preparing tenders, contracts and so on.

### 2. Basic Design Study

1) Contents of the Study

The aim of the Basic Design Study (hereinaster referred to as "the Study"), conducted by JICA on the requested project (hereinaster referred to as "the Project"), is to provide a basic document necessary for the appraisal of the Project by the Government of Japan. The contents of the Study are as follows:

- a) confirmation of the background, objectives and benefits of the requested project and also institutional capacity of agencies concerned of the recipient country necessary for the project's implementation;
- b) evaluation of the appropriateness of the project to be implemented under the Grant Aid Scheme from the technical, social and economic points of view;
- c) confirmation of items agreed on by both parties concerning the basic concept of the Project;
- d) preparation of a basic design of the Project; and
- e) estimation of costs of the Project.

The contents of the original request are not necessarily approved in their initial form as the contents of the Grant Aid project. The Basic Design of the Project is confirmed considering the guidelines of Japan's Grant Aid Scheme.

The Government of Japan requests the Government of the recipient country to take whatever measures are necessary to ensure its self-reliance in the implementation of the Project. Such measures must be guaranteed even through they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project.

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Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country through the Minutes of Discussions.

### 2) Selection of Consultants

For the smooth implementation of the Study, JICA uses a consulting firm selected through its own procedure (competitive proposal). The selected firm participate the Study and prepare a report based upon the terms of reference set by JICA.

At the beginning of implementation after the Exchange of Notes, for the services of the Detailed Design and Construction Supervision of the Project, JICA recommends the same consulting firm which participated in the Study to the recipient country, in order to maintain the technical consistency between the Basic Design and Detailed Design as well as to avoid any undue delay caused by the selection of a new consulting firm.

### 3. Japan's Grant Aid Scheme

### 1) What is Grant Aid?

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

### 2) Exchange of Notes (E/N)

Japan's Grant Aid is extended in accordance with the Notes exchanged by the two Governments concerned, in which the objectives of the project, period of execution, conditions and amount of the Grant Aid, etc., are confirmed.

3) "The period of the Grant" means the one fiscal year which the Cabinet approves the project for. Within the fiscal year, all procedure such as exchanging of the Notes, concluding contracts with consulting firms and contractors and final payment to them must be completed.

However, in case of delays in delivery, installation or construction due to unforeseen factors such as weather, the period of the Grant Aid can be further extended for a maximum of one fiscal year at most by mutual agreement between the two Governments.

4) Under the Grant, in principle, Japanese products and services including transport or those of the recipient country are to be purchased.

When the two Governments 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 consulting, contracting and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

### 5) 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 the Government of Japan. This "Verification" is deemed necessary to secure accountability of Japanese taxpayers.

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- 6) Undertakings required to the Government of the recipient country
- a) to secure a lot of land necessary for the construction of the Project and to clear the site;

b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities outside the site:

 c) to ensure prompt unloading and customs clearance at ports of disembarkation in the recipient country and internal transportation therein of the products purchased under the Grant Aid.

d) to exempt Japanese nationals from customs duties, internal taxes and fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts.

e) to accord Japanese nationals whose services may be required in connection with the supply of the products and services under the verified contracts such as facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.

f) to ensure that the facilities constructed and products purchased under the Grant be maintained and used properly and effectively for the Project, and

g) to bear all the expenses other than those covered by the Grant, necessary for the Project.

### 7) "Proper Use"

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

### 8) "Re-export"

The products purchased under the Grant Aid shall not re-exported from the recipient country.

- 9) Banking Arrangement (B/A)
- a) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in an authorized foreign exchange bank in Japan (hereinafter referred to as "the Bank". The Government of Japan 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 the Government of Japan under an authorization to pay issued by the Government of recipient country or its designated authority.

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### ANNEX IV: UNDERTAKINGS BY THE GOVERNMENT OF SURINAME

- to ensure prompt unloading and customs clearance at ports of disembarkation in Suriname and internal transportation therein of the products purchased under the Grant;
- to exempt Japanese nationals from customs duties, internal taxes and fiscal levies which
  may be imposed in the Suriname with respect to the supply of the products and services
  under the verified contracts.
- 3. to accord Japanese nationals whose services may be required in connection with the supply of the products and services under the verified contracts such as facilities as may be necessary for their entry into Suriname and stay therein for the performance of their work.
- 4. to bear commissions to the Japanese foreign exchange bank for the banking services based upon the Banking Arrangement (A/P);
- 5. to ensure that the facilities and equipment under the Grant be maintained and used properly and effectively for the Project; and
- 6. to bear all the expenses other than those covered by the Grant, necessary for the project.

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