

(1) Basic Design Study Team

MINUTES OF DISCUSSIONS
ON
BASIC DESIGN STUDY
ON
THE PROJECT FOR IMPROVEMENT OF EQUIPMENT FOR REFORESTATION
PROGRAM IN NORTH-WEST VIET NAM
OF
SOCIALIST REPUBLIC OF VIET NAM


In response to the request of the Government of Socialist Republic of Viet Nam, the Government of Japan decided to conduct a Basic Design study on the Project for improvement of Equipment for Reforestation in North-West of Viet Nam (hereinafter referred to as "the project") and entrusted the study to the Japan International Cooperation Agency (JICA).

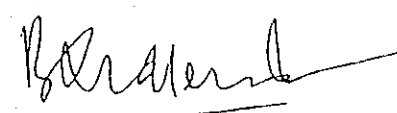
JICA sent to Viet Nam a study team, headed by Mr. Mitsuru Suemori, Director, First Basic Design Study Division, Grant Aid Study & Design Department, JICA from February 12 to March 13, 1995.

The team held discussions with the officials concerned of the Government of Viet Nam and conducted a field survey at the study area.

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

Hanoi, February 24, 1995


Mr. Suemori Mitsuru
Leader
Basic Design Study Team,
JICA


Mr. Bui Xuan Yen
Director
Department for International
Cooperation,
Ministry of Forestry
Social Republic of Viet Nam

ATTACHMENT

1. The objective of the Project

The objective of the Project is to make forest coverage bigger and to improve the living conditions of local people in the project area.

2. The Project Site

The Project area is located in North-West Viet Nam.
(See as shown in Annex I.)

3. Management & Executing Agencies

Responsible for Management are as follows;
Ministry of Forestry
Committee of Ethnic Minorities and Mountainous Areas

Responsible for Execution are as follows;
Provincial Governments of Son La and Lai Chau Provinces
Regional Research Center of Forest Science Institute
of Viet Nam.

For the smooth and effective implementation of the Project, Vietnamese side will establish steering committees at central and provincial levels.

4. Items requested by the Government of Viet Nam

After discussions with the Basic Design Study Team, the following items were finally requested by the Viet Nam side.

- 1) Agro-forestry equipment
- 2) Extension service equipment
- 3) Forestry & agricultural products processing machines
- 4) Road & irrigation systems construction equipment
- 5) Electricity equipment

(Details of items are described in Annex II.)

However, the final components and technical specification of each equipment of the Project will be decided after further studies.

5. Japan's Grant Aid System

1) The Government of Viet Nam has understood the system of Japanese Grant Aid program explained by the Team. (See as shown in Annex III.)

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

6) Schedule of the Study

1) The consultants will proceed to further studies in Viet Nam until March 12, 1995.

2) JICA will prepare the draft report on the Project in English and dispatch a mission to Viet Nam in order to explain the contents of the draft report in around May, 1995.

3) In case that the contents of the draft report are accepted in principal by the Government of Viet Nam, JICA will compile the final report on the project and send it to the Government of Viet Nam by the end of August, 1995.

7) Other relevant issues

1) The Ministry of Forestry may use the equipment procured by the Japan's Grant Aid to offer service to local people who are related implementation of the project, these equipment shall never be sold and/or gifted to neither these local people nor the third party other than the Ministry of Forestry.

2) Vietnamese Government requested to Japanese side that the transportation and installation cost will be borne by Japan's Grant Aid. Equipment necessary for installation will be at least hydropower plant.

3) Vietnamese side promised to provide data and information including concrete plan and drawing of each component by the end of March, 1995 to a study team for further study.

4) Vietnamese side request Japanese side to consider that items to be purchased in Viet Nam will be motorcycle, trailer, computer with soft wear and others to be clarified, for economical and technical consideration.

ANNEX I: The Project Site

1. Son La Province

| | Land Area (ha) | Population | Main Ethnic Group | Number of Households | Number of Villages |
|---------------------|-------------------|------------|----------------------|-------------------------|-----------------------|
| 1) Muong La F.E. | | | | | |
| Ta Bu | 7.000 | 2.008 | Thai | 420 | 11 |
| Moung Bu | 8.000 | 3.679 | Thai | 653 | 13 |
| Moung Chun | 7.000 | 3.016 | Thai | 449 | 13 |
| Sub total | 22.000 | 8.703 | | 1.522 | 37 |
| 2) Son La City | | | | | |
| Chieng Sing | 2.894 | 3.600 | Thai | 633 | 16 |
| Chieng Den | 6.810 | 3.200 | Thai | 540 | 10 |
| Chieng Ngan | 4.440 | 3.988 | Thai | 640 | 15 |
| Sub total | 14.144 | 10.788 | | 1.813 | 41 |
| 3) Thuan Chau Dist. | | | | | |
| Phon Lai | 8.601 | 3.764 | Thai | 578 | 15 |
| Chieng Pha | 1.575 | 3.981 | Thai | 573 | 11 |
| Phong Lang | 1.437 | 3.414 | Thai | 548 | 14 |
| Sub total | 11.613 | 11.159 | | 1.699 | 40 |
| TOTAL | 47.757 | 30.650 | | 5.034 | |

2. Lai Chau Province

| | Land Area (ha) | Population | Main Ethnic Group | Number of Households | Number of Villages |
|-------------------|-------------------|------------|----------------------|-------------------------|-----------------------|
| 1) Than Giao F.E. | | | | | |
| Quay Cang | 4.013 | 7.245 | Thai | 926 | 27 |
| Toa Tinh | 6.419 | 1.571 | H' mong | 183 | 6 |
| Quai To | 6.593 | 5.249 | Thai | 664 | 29 |
| Sub total | 17.025 | 14.065 | | 1.773 | 62 |
| 2) Tua Chua Dist. | | | | | |
| Muong Bang | 5.179 | 6.103 | H' mong | 855 | 18 |
| Sinh Tinh | 7.687 | 3.639 | H' mong | 544 | 11 |
| Xa Nhe | 6.845 | 3.221 | H' mong | 459 | 10 |
| Sub total | 19.711 | 12.963 | | 1.858 | 39 |
| 3) Dien Bien F.E. | | | | | |
| Muong Phang | 8.561 | 6.555 | Thai | 1.032 | 30 |
| Na Tau | 14.610 | 6.032 | Thai | 794 | 23 |
| Than Minh | 5.328 | 6.578 | Kinh | 1.274 | 21 |
| Sub total | 28.499 | 19.165 | | 3.100 | 74 |
| TOTAL | 65.235 | 46.193 | | 6.731 | |

ANNEX II: List of Requested Items

Organization: Central Government

Head Quator of MOF

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------|---|---------|--------|---------|--------|----------|
| | | TOTAL | | | | |
| | | Request | Adjust | Request | Adjust | |
| 2-1. Station-Wagon | 4WD. 4.500cc | 1 | | | | A |
| 2-8-1. Personal Computer | with a printer. a dehumidifier & a stabilizer | 1 | | | | A |
| 2-8-2. Potable Computer | with a printer. a dehumidifier & a stabilizer | 1 | | | | C |

Organization: Central Government

Fixed Cultivation & Sedentarisation Dept. of CEMMA

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------|---|---------|--------|---------|--------|----------|
| | | TOTAL | | | | |
| | | Request | Adjust | Request | Adjust | |
| 2-1. Station-Wagon | 4WD. 4.500cc | 1 | | | | C |
| 2-8-1. Personal Computer | with a printer. a dehumidifier & a stabilizer | 1 | | | | C |

Organization: North West Forestry Science-Production Center of FSIV

North West Forestry Science-Production Center of FSIV

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|----------------|---------|--------|---------|--------|----------|
| | | TOTAL | | | | |
| | | Request | Adjust | Request | Adjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | | | | C |
| 1-3. Hand Tractor with Trailor | 12HP | 1 | | | | A |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|--|---------|--------|---------|--------|----------|
| | | TOTAL | | | | |
| | | Request | Adjust | Request | Adjust | |
| 2-1. Station-Wagon | 4WD. 4.500cc | 1 | | | | A |
| 2-2. Motorcycle | 100cc | 1 | | | | A |
| 2-3. Slide Projector | | 1 | | | | C |
| 2-4. O.H.P. | | 1 | | | | C |
| 2-5. Photocopire | | 1 | | | | B |
| 2-6. Video Camera with Player | | 1 | | | | B |
| 2-7. Television | 28inch | 1 | | | | B |
| 2-8-1. Personal Computer | with a printer. a dehumidifier & a stabilizer | 1 | | | | B |
| 2-9. Single Lens Reflex Camera | with 2. lenses (30-200. F4) (28-85. F3.3-4) | 1 | | | | A |
| 2-10-1. Water Analyzing Kits | Clarity. DO. COD. H2S. CN. Cr. Zn. Fe. pH. NH4. Clo. No2. Ni. Cu | 1 | | | | A |

| | | | | | | | | |
|----------------------------------|---|---|--|--|--|--|---|---|
| 2-10-2. Soil pH & Moisture Meter | | 1 | | | | | 1 | A |
| 2-10-3. Penetrometer | 100cm | 1 | | | | | 1 | A |
| 2-10-4. Soil Auger | 1m. ϕ 13mm. 16mm square tip. 5cm divisions | 1 | | | | | 1 | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority | |
|--|--|---------|--------|---------|--------|----------|---|
| | | Request | Adjust | Request | Adjust | | |
| 3-13. Set of Bamboo Board Processing Machine | Raw chipping machine Glue mixing machine Pressing machine Cutting machine | 1 | | | | 1 | B |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority | |
|------------------|----------------|---------|--------|---------|--------|----------|---|
| | | Request | Adjust | Request | Adjust | | |
| 5-1-3. Generator | Diesel. 10kW/h | 1 | | | | 1 | A |

Organization: People's Committee

Son La

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority | |
|--------------------------|---|--------------------------------|--|---------|--------|----------|---|
| | | Dept. of Agri-Culture Forestry | Dept. of Fixed Cultivation & Sendarisation | Request | Adjust | | |
| 2-1. Station-Wagon | 4WD. 4.500cc | 1 | 1 | | | 2 | A |
| 2-3. Slide Projector | | 1 | | | | 1 | A |
| 2-4. O.H.P. | | 1 | | | | 1 | A |
| 2-5. Photocopire | | 1 | | | | 1 | A |
| | | | 1 | | | 1 | C |
| 2-8-1. Personal Computer | with a printer, a dehumidifier & a stabilizer | 1 | | | | 1 | A |
| | | | 1 | | | 1 | C |

Organization: People's Committee

Lai Chau

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority | |
|--------------------------|---|--------------------------------|--|---------|--------|----------|---|
| | | Dept. of Agri-Culture Forestry | Dept. of Fixed Cultivation & Sendarisation | Request | Adjust | | |
| 2-1. Station-Wagon | 4WD. 4.500cc | 1 | 1 | | | 2 | A |
| 2-3. Slide Projector | | 1 | | | | 1 | A |
| 2-4. O.H.P. | | 1 | | | | 1 | A |
| 2-5. Photocopire | | 1 | | | | 1 | A |
| | | | 1 | | | 1 | C |
| 2-8-1. Personal Computer | with a printer, a dehumidifier & a stabilizer | 1 | | | | 1 | A |
| | | | 1 | | | 1 | A |

Son La Province
F.E or City's Agricultural & Forestry Dept.
1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|----------------------------|----------|--------|------------|--------|----------|
| | | Muong La | Son La | Thuan Chau | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | | 1 | 1 | 2 | A |
| 1-2. Tracks | 5t | 2 | | | 2 | B |
| 1-3. Hand Tractor with Tractor | 12HP | 2 | | | 2 | A |
| 1-4. Speed Boat | 100-120HP | 1 | | | 1 | B |
| 1-6. Boats | 30HP | 2 | | | 2 | B |
| 1-7-3. Water Pumps | 6m ³ /h. 10-15m | 4 | | | 4 | B |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|-------------------------------|----------------|----------|--------|------------|--------|----------|
| | | Muong La | Son La | Thuan Chau | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 2-1. Station-Wagon | 4WD, 4.500cc | 1 | 1 | | 2 | C |
| 2-2. Motorcycle | 100cc | 5 | 3 | 3 | 11 | A |
| 2-3. Slide Projector | | 1 | 1 | 1 | 3 | C |
| 2-4. O. H. P. | | 1 | 1 | 1 | 3 | C |
| 2-5. Photocopire | | 1 | 1 | 1 | 3 | C |
| 2-6. Video Camera with Player | | 1 | 1 | 1 | 3 | C |
| 2-7. Television | 28inch | 1 | 1 | 1 | 3 | C |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority |
|---------------------------|-------------------------------|----------|--------|------------|--------|----------|
| | | Muong La | Son La | Thuan Chau | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 3-5. Raw Chipping Machine | 1t/h. 20-25HP | 1 | | | 1 | A |
| 3-6-1. Disk Saw | φ 800mm | 1 | 1 | | 2 | B |
| 3-9. Planer | w=400mm, 4m ³ /day | 1 | 1 | | 2 | B |

4. Road & Irrigation Systems Construction Equipment (Provide 1 unit for Province)

| Items | Specifications | NUMBER | | | | Priority |
|-----------------|--------------------|----------|--------|------------|--------|----------|
| | | Muong La | Son La | Thuan Chau | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 4-1. Bulldozer | 75-100HP | 1 | | | 1 | A |
| 4-2. Dump Truck | 5t | 1 | | | 1 | A |
| 4-3. Excavator | 0.28m ³ | 1 | | | 1 | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority |
|------------------|-------------------|----------|--------|------------|--------|----------|
| | | Muong La | Son La | Thuan Chau | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 5-1-1. Generator | Diesel, 28-30kW/h | 1 | | | 1 | B |

Lai Chau Province

F.E or City's Agricultural & Forestry Dept.

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | | | | | Priority |
|---------------------|------------------------|-----------|--------|----------|--------|-----------|--------|---------|--------|----------|
| | | Than Giao | | Tua Chua | | Dien Bien | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | | 1 | | 1 | | 3 | | A |
| 1-5. Speed Boat | 23HP, 1t. 10Passengers | | | | | 1 | | 1 | | B |
| 1-7-1. Water Pumps | 6m ³ /h. 2m | | | 1 | | | | 1 | | B |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | | | | | Priority |
|-------------------------------|----------------|-----------|--------|----------|--------|-----------|--------|---------|--------|----------|
| | | Than Giao | | Tua Chua | | Dien Bien | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 2-1. Station-Wagon | 4WD. 4. 500cc | 1 | | 1 | | 1 | | 3 | | B |
| 2-2. Motorcycle | 100cc | 3 | | 4 | | 6 | | 13 | | A |
| 2-3. Slide Projector | | 1 | | 1 | | 1 | | 3 | | C |
| 2-4. O. H. P. | | 1 | | 1 | | 1 | | 3 | | C |
| 2-5. Photocopire | | 1 | | 1 | | 1 | | 3 | | C |
| 2-6. Video Camera with Player | | 1 | | 1 | | 1 | | 3 | | C |
| 2-7. Television | 28inch | 1 | | 1 | | 1 | | 3 | | C |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | | | | | Priority |
|--|----------------------------------|-----------|--------|----------|--------|-----------|--------|---------|--------|----------|
| | | Than Giao | | Tua Chua | | Dien Bien | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 3-6-2. Disk Saw | φ 700mm | | | | | 1 | | 1 | | B |
| 3-6-3. Disk Saw | φ 600mm | | | 1 | | | | 1 | | B |
| 3-6-4. Disk Saw | φ 500mm | | | | | 1 | | 1 | | B |
| 3-6-5. Disk Saw | φ 300mm | | | 1 | | 1 | | 2 | | B |
| 3-7. Band Saw | w=0.8-1m. l=5.5m 800-1,200rpm | 1 | | | | | | 1 | | B |
| 3-8. Fokienia hodginsii Processing Machine | 6m ³ /day | 1 | | | | | | 1 | | B |
| 3-9. Planer | w=400mm, 4m ³ /day | | | 1 | | 1 | | 2 | | B |
| 3-10. 2-side Planer | 20cmx20cm | 1 | | | | 1 | | 2 | | B |
| 3-11. Polishing Machine | | 1 | | | | | | 1 | | B |
| 3-12. Tung Oil Processing Machine | 10t/day | 1 | | | | | | 1 | | A |

4. Road & Irrigation Systems Construction Equipment

| Items | Specifications | NUMBER | | | | | | | | Priority |
|-----------------|--------------------|-----------|--------|----------|--------|-----------|--------|---------|--------|----------|
| | | Than Giao | | Tua Chua | | Dien Bien | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 4-1. Bulldozer | 75-100HP | 1 | | 1 | | 1 | | 3 | | A |
| 4-2. Dump Truck | 5t | 2 | | 2 | | 2 | | 6 | | A |
| 4-3. Excavator | 0.28m ³ | 1 | | 1 | | 1 | | 3 | | A |
| 4-4. Roller | 12t. macadam | 1 | | 1 | | 1 | | 3 | | A |
| 4-5. Crusher | 10p. s. | 1 | | 1 | | 1 | | 3 | | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority |
|------------------|----------------|---------------|---------------|---------------|---------------|----------|
| | | Than Giao | Tua Chua | Dien Bien | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 5-1-1. Generator | Diesel. 20kw/h | | | 1 | 1 | B |

Son La Province

Muong La F.E.

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|----------------------------|---------------|---------------|---------------|---------------|----------|
| | | Ta Bu | Muong Bu | Muong Chum | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | 1 | 1 | 3 | A |
| 1-3. Hand Tractor with Tractor | 12HP | 11 | 13 | 13 | 37 | A |
| 1-7-3. Water Pumps | 6m ³ /h. 10-15m | 11 | 13 | 13 | 37 | B |
| 1-8-2. Water Pipes (m) | φ 50mm. iron | | | 50.000 | 50.000 | B |
| 1-8-3. Water Pipes (m) | φ 20mm. iron | | | 65.000 | 65.000 | B |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority |
|------------------------------|----------------|---------------|---------------|---------------|---------------|----------|
| | | Ta Bu | Muong Bu | Muong Chum | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 3-1. Rice Shelling Machine | 200-400kg/h | 11 | 13 | 13 | 37 | A |
| 3-2-2. Food Crushing Machine | 400kg/h | 11 | 13 | 13 | 37 | A |
| 3-4. Crop Drying Machine | 800kg/h | 1 | 1 | 1 | 3 | A |
| 3-5. Raw Chipping Machine | 1t/h. 20-25HP | 1 | 1 | 1 | 3 | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority |
|---------------------------------|--------------------------------|---------------|---------------|---------------|---------------|----------|
| | | Ta Bu | Muong Bu | Muong Chum | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 5-1-1. Generator | Diesel. 28-30kW/h | 1 | | 1 | 2 | B |
| 5-2-1. Hydropower Station | w/Highpressure-pipes 40kW/h | | 1 | | 1 | B |
| 5-3. Wire for Transmission Line | A35 (km) | 8 | 16 | 8 | 32 | B |

Son La Province

Son La City

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|--------------------------------|---------------|---------------|---------------|---------------|----------|
| | | Chieng Sing | Chieng Den | Chieng Ngan | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | 1 | 1 | 3 | A |
| 1-3. Hand Tractor with Tractor | 12HP | | | 30 | 30 | A |
| 1-7-1. Water Pumps | 30-50m ³ /h. 10-15m | 4 | 4 | 4 | 12 | B |
| 1-8-1. Water Pipes (m) | φ 100mm. iron | 3.000 | 1.000 | 1.300 | 5.300 | B |
| 1-8-3. Water Pipes (m) | φ 32-35mm. iron | 4.500 | 2.500 | 3.300 | 10.300 | B |
| 1-8-4. Water Pipes (m) | φ 25mm. iron | | 3.500 | | 3.500 | B |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|-----------------|----------------|---------------|---------------|---------------|---------------|----------|
| | | Chieng Sing | Chieng Den | Chieng Ngan | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 2-2. Motorcycle | 100cc | 1 | 1 | 1 | 3 | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority |
|------------------------------|----------------|---------------|---------------|---------------|---------------|----------|
| | | Chieng Sing | Chieng Den | Chieng Ngan | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 3-1. Rice Shelling Machine | 200-400kg/h | | | 28 | 28 | A |
| 3-2-1. Food Crushing Machine | 600kg/h | 16 | 10 | 15 | 41 | A |
| 3-4. Crop Drying Machine | 800kg/h | 1 | 1 | 1 | 3 | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority |
|---------------------------------|-------------------|---------------|---------------|---------------|---------------|----------|
| | | Chieng Sing | Chieng Den | Chieng Ngan | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 5-1-2. Generator | Diesel, 15-20kW/h | | | | 5 | B |
| 5-3. Wire for Transmission Line | A35 (km) | 72 | 60 | 90 | 222 | B |
| 5-4. Transformer | 35kVA | | | | 3 | B |

Son La Province

Thuan Chau Dist.

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|--------------------------------|---------------|---------------|---------------|---------------|----------|
| | | Phong Lai | Chieng Pha | Phong Lang | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | 1 | 1 | 3 | A |
| 1-3. Hand Tractor with Tractor | 12HP | 6 | 3 | 5 | 14 | A |
| 1-7-1. Water Pumps | 30-50m ³ /h, 10-15m | 2 | 2 | | 4 | B |
| 1-8-1. Water Pipes (m) | φ 100mm. iron | 7.000 | 3.000 | 5.000 | 15.000 | B |
| 1-8-3. Water Pipes (m) | φ 32-35mm. iron | 6.000 | 4.000 | 5.000 | 15.000 | B |
| 1-8-4. Water Pipes (m) | φ 25mm. iron | 10.000 | 10.000 | 10.000 | 30.000 | B |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|-----------------|----------------|---------------|---------------|---------------|---------------|----------|
| | | Phong Lai | Chieng Pha | Phong Lang | TOTAL | |
| | | RequestAdjust | RequestAdjust | RequestAdjust | RequestAdjust | |
| 2-2. Motorcycle | 100cc | 1 | 1 | 1 | 3 | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority |
|------------------------------|----------------|-----------|------------|------------|--------|----------|
| | | Phong Lai | Chieng Pha | Phong Lang | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 3-1. Rice Shelling Machine | 200-400kg/h | 15 | 11 | 14 | 40 | A |
| 3-2-2. Food Crushing Machine | 400kg/h | 5 | 3 | 5 | 13 | A |
| 3-4. Crop Drying Machine | 800kg/h | 1 | 1 | | 2 | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | Priority |
|---------------------------------|-------------------|-----------|------------|------------|--------|----------|
| | | Phong Lai | Chieng Pha | Phong Lang | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 5-1-2. Generator | Diesel. 15-20kW/h | | | | 20 | B |
| 5-3. Wire for Transmission Line | A35 (km) | 90 | 66 | 84 | 240 | B |
| 5-4. Transformer | 35kVA | | | | 3 | B |

Lai Chau Province

Than Giao F.E.

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | Priority |
|--------------------------------|----------------------------|-----------|----------|---------|--------|----------|
| | | Quay Cang | Toa Tinh | Quai To | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | 1 | 1 | 3 | A |
| 1-3. Hand Tractor with Tractor | 12HP | 6 | | 4 | 10 | A |
| 1-7-3. Water Pumps | 6m ³ /h. 10-15m | 27 | 6 | 29 | 62 | B |
| 1-8-3. Water Pipes (m) | φ 32-35mm. iron | | 6.000 | | 6.000 | B |
| 1-9. Power Sprayer | 10-15l. 50cc | 27 | 6 | 29 | 62 | C |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | Priority |
|-----------------|----------------|-----------|----------|---------|--------|----------|
| | | Quay Cang | Toa Tinh | Quai To | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 2-2. Motorcycle | 100cc | 1 | 1 | 1 | 3 | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | Priority |
|------------------------------|----------------|-----------|----------|---------|--------|----------|
| | | Quay Cang | Toa Tinh | Quai To | TOTAL | |
| | | Request | Adjust | Request | Adjust | |
| 3-1. Rice Shelling Machine | 200-400kg/h | 6 | 5 | 5 | 16 | A |
| 3-2-2. Food Crushing Machine | 400kg/h | 6 | 5 | 5 | 16 | A |
| 3-4. Crop Drying Machine | 800kg/h | 1 | 1 | 1 | 3 | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | | | Priority | | |
|---------------------------------|--------------------------------|-----------|--------|----------|--------|---------|--------|----------|---------|--------|
| | | Quay Cang | | Toa Tinh | | Quai To | | | TOTAL | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | | Request | Adjust |
| 5-1-2. Generator | Diesel. 15-20kW/h | 1 | | | | | | 1 | | B |
| 5-1-4. Generator | Diesel. 3.5kW/h | | | 1 | | | | 1 | | B |
| 5-2-5. Hydropower Station | w/Highpressure-pipes 25kW/h | | | | | 1 | | 1 | | B |
| 5-2-6. Hydropower Station | w/Highpressure-pipes 20kW/h | | | | | 1 | | 1 | | B |
| 5-3. Wire for Transmission Line | A35 (km) | 6 | | | | 24 | | 30 | | B |

Lai Chau Province

Tua Chua District

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | | | Priority | | |
|--------------------------------|---------------------------|------------|--------|------------|--------|---------|--------|----------|---------|--------|
| | | Muong Bang | | Sinh Phinh | | Xa Nhe | | | TOTAL | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | | Request | Adjust |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | | 1 | | 1 | | 3 | | A |
| 1-3. Hand Tractor with Tractor | 12HP | 2 | | 1 | | 1 | | 4 | | A |
| 1-7-2. Water Pumps | 6-8m ³ /h. 30m | 3 | | | | | | 3 | | B |
| 1-8-2. Water Pipes (m) | φ 50mm. iron | 10.900 | | 4.500 | | 3.000 | | 18.400 | | B |
| 1-8-4. Water Pipes (m) | φ 25mm. iron | 6.000 | | 4.500 | | 1.500 | | 12.000 | | B |

2. Extension Service Equipment

| Items | Specifications | NUMBER | | | | | | Priority | | |
|-----------------|----------------|------------|--------|------------|--------|---------|--------|----------|---------|--------|
| | | Muong Bang | | Sinh Phinh | | Xa Nhe | | | TOTAL | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | | Request | Adjust |
| 2-2. Motorcycle | 100cc | 17 | | 10 | | 9 | | 36 | | B |
| | | 1 | | 1 | | 1 | | 3 | | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | | | Priority | | |
|---|----------------|------------|--------|------------|--------|---------|--------|----------|---------|--------|
| | | Muong Bang | | Sinh Phinh | | Xa Nhe | | | TOTAL | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | | Request | Adjust |
| 3-1. Rice Shelling Machine | 200-400kg/h | | 9 | | 7 | | 8 | | 24 | A |
| 3-2-2. Food Crushing Machine | 400kg/h | | 9 | | 7 | | 8 | | 24 | A |
| 3-3. Multiple Food Processing Machine (Rice Shelling & Food crushing) | 400-450kg/h | 9 | 0 | 7 | 0 | 8 | 0 | 24 | 0 | |
| 3-4. Crop Drying Machine | 800kg/h | 1 | | 1 | | 1 | | 3 | | A |

5. Electricity Equipment.

| Items | Specifications | NUMBER | | | | | | | | Priority |
|---------------------------------|--------------------------------|-------------|--------|------------|--------|---------|--------|---------|--------|----------|
| | | Muong Phang | | Sinh Phinh | | Xa Nhe | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 5-1-2. Generator | Diesel. 15-20kW/h | | | | | 4 | | 4 | | B |
| 5-2-1. Hydropower Station | w/Highpressure-pipes 40kW/h | 1 | | | | | | 1 | | B |
| 5-2-3. Hydropower Station | w/Highpressure-pipes 28kW/h | | | 1 | | | | 1 | | B |
| 5-2-7. Hydropower Station | w/Highpressure-pipes 15kW/h | 1 | | | | | | 1 | | B |
| 5-3. Wire for Transmission Line | A35 (km) | 28 | | 12 | | 24 | | 64 | | B |
| 5-4. Transformer | 50kVA | 2 | | | | | | 2 | | B |

Lai Chau Province

Dien Bien F.E.

1. Agro-forestry Equipment

| Items | Specifications | NUMBER | | | | | | | | Priority |
|--------------------------------|----------------------------|-------------|--------|---------|--------|------------|--------|---------|--------|----------|
| | | Muong Phang | | Na Tau | | Thanh Minh | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 1-1. Pick-up Tracks | 2t. w-cabin | 1 | | 1 | | 1 | | 3 | | A |
| 1-3. Hand Tractor with Tractor | 12HP | 8 | | 5 | | 4 | | 17 | | A |
| 1-7-3. Water Pumps | 6m ³ /h. 10-15m | 8 | | 9 | | 10 | | 27 | | B |
| 1-8-3. Water Pipes (m) | φ 32-35mm. iron | 5.000 | | 8.867 | | 1.334 | | 15.201 | | B |
| 1-8-4. Water Pipes (m) | φ 25mm. iron | 2.500 | | 4.433 | | 666 | | 7.599 | | B |

2. Extension Service Equipment.

| Items | Specifications | NUMBER | | | | | | | | Priority |
|-----------------|----------------|-------------|--------|---------|--------|------------|--------|---------|--------|----------|
| | | Muong Phang | | Na Tau | | Thanh Minh | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 2-2. Motorcycle | 100cc | 1 | | 1 | | 1 | | 3 | | A |

3. Forestry & Agricultural Products Processing Machines

| Items | Specifications | NUMBER | | | | | | | | Priority |
|---|----------------|-------------|--------|---------|--------|------------|--------|---------|--------|----------|
| | | Muong Phang | | Na Tau | | Thanh Minh | | TOTAL | | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | Request | Adjust | |
| 3-1. Rice Shelling Machine | 200-400kg/h | | 15 | | 12 | | 10 | | 37 | A |
| 3-2-2. Food Crushing Machine | 400kg/h | | 15 | | 12 | | 10 | | 37 | A |
| 3-3. Multiple Food Processing Machine (Rice Shelling & Food crushing) | 400-450kg/h | 15 | 0 | 12 | 0 | 10 | 0 | 37 | 0 | |
| 3-4. Crop Drying Machine | 800kg/h | 1 | | 1 | | 1 | | 3 | | A |

5. Electricity Equipment

| Items | Specifications | NUMBER | | | | | | Priority | | |
|---------------------------------|--------------------------------|-------------|--------|---------|--------|------------|--------|----------|---------|--------|
| | | Yuong Phang | | Na Tau | | Thanh Minh | | | TOTAL | |
| | | Request | Adjust | Request | Adjust | Request | Adjust | | Request | Adjust |
| 5-1-2. Generator | Diesel. 15-20kW/h | 1 | | 1 | | | | 2 | | B |
| 5-1-5. Generator | Diesel. 1.9kW/h | 3 | | 2 | | | | 5 | | B |
| 5-2-2. Hydropower Station | w/Highpressure-pipes 38kW/h | | | | | 1 | | 1 | | B |
| 5-2-4. Hydropower Station | w/Highpressure-pipes 27kW/h | | | | | 1 | | 1 | | B |
| 5-3. Wire for Transmission Line | A35 (km) | 6 | | 6 | | 24 | | 36 | | B |

ANNEX III

Japan's Grant Aid Scheme

1. Grant Aid Procedures

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

- 1) Application:
Request made by a recipient country
- 2) Study:
Basic Design Study conducted by JICA
- 3) Appraisal and approval:
Appraisal by the Government of Japan and Approval by Cabinet
- 4) Determination of Implementation:
The Notes exchanged between the Governments of Japan 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 a Japanese consulting firm.

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 (hereinafter referred to as "the Study"), conducted by JICA on a requested project (hereinafter 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:

- 1) 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,
- 2) Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economic point of view,
 - 3) Confirmation of items agreed on by both parties concerning the basic concept of the Project,
 - 4) Preparation of a basic design of the Project,
 - 5) Estimation of costs of the Project.

The contents of the original request are not necessarily approved in their initial form as the content 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 though they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project. 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 smooth implementation of the Study, JICA uses a registered firm. JICA selects a firm based on proposals submitted by interested consultant firms. The firm selected carries out a Basic Design Study and writes a report, based upon terms of reference set by JICA.

The consulting firm used for the Study is recommended by JICA to the recipient country to also work on the Project's implementation after the exchange of Notes, in order to maintain technical consistency and also to avoid any undue delay in implementation should the selection process be repeated.

3. Japan's Grant Aid Scheme

(1) What is Grant Aid ?

The Grant Aid Program provides a recipient country with nonreimbursable 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 Aid" means the one fiscal year.

which the Cabinet approves the Project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with a consultant firm and a contractor 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 Aid, 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 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 to Japanese taxpayers.

- (6) Undertakings required of 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 described in Annex IV:

- 1) To secure land necessary for the sites of the Project and to clear, level and reclaim the land prior to commencement of construction,
- 2) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites,
- 3) To secure buildings prior to the procurement in case the installation of the equipment,
- 4) To ensure all the expenses and prompt execution for unloading, customs clearance at the port of disembarkation and internal transportation of the products purchased under the Grant Aid,
- 5) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which will be imposed in the recipient country with respect to the supply of the products and services under the Verified Contracts,
- 6) To accord Japanese nationals whose services may be required in connection with the supply of the products and services under the Verified Contracts., such

facilities as may be necessary for their into the recipient country and stay therein for the performance of their work.

- (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 staff necessary for this operation and maintenance 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 should not be re-exported from the recipient country.
- (9) Banking Arrangements (B/A)
 - 1) 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.
 - 2) 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.

ANNEX IV: Necessary measures to be taken by the Government of Viet Nam in case Japan's Grant Aid is executed.

1. To provide the land for a temporary site office, warehouse and stock yard during the implementation of the project
2. To provide necessary facilities for the project such as electricity and other incidental facilities.
3. To bear commissions to the Japanese foreign exchange bank for the banking services based upon the Banking Arrangement.
4. To exempt taxes and to take necessary measures for customs clearance of the materials and equipment brought for the project at the port of disembarkation.
5. To accord Japanese nationals whose services may be required in connection with the supply of products and the services under the verified contract such facilities as may be necessary for their entry into Viet Nam and stay therein for the performance of their work.
6. To maintain and use properly and effectively and equipment purchased under the Grant.
7. To bear all expenses other than those to be borne by the Grant, necessary for construction of the facilities as well as for the transportation and the installation of the equipment.

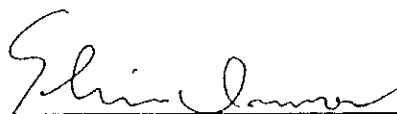
MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY ON THE PROJECT FOR THE IMPROVEMENT OF EQUIPMENT
FOR REFORESTATION PROGRAM IN NORTH-WEST VIET NAM
(EXPLANATION OF THE DRAFT BASIC DESIGN)

In February 1995, the Japan International Cooperation Agency (JICA) dispatched the Basic Design Study Team on the Project for the improvement of equipment for reforestation program in North-West Viet Nam (hereinafter referred to as "the Project") to the Socialist Republic of Viet Nam, and through discussions, field surveys, and the results of technical examinations in Japan, JICA has prepared the Draft Basic Design of the study.

In order to explain and to consult the Vietnamese side on the components of the Draft Basic Design, JICA sent to Viet Nam a study team (hereinafter referred to as "the Team"), which is headed by Mr. Shin INOUE, Grant Aid Division Economic Cooperation Bureau, Ministry of Foreign Affairs, and is scheduled to study in the country from June 11 to 20, 1995.

As a result of discussions, both parties have confirmed the main items described on the attached sheets.

Hanoi, 16th June, 1995



Mr. Shin INOUE
Leader
Basic Design Study
Draft Report Consultation Team
J I C A



Mr. Doan Diem
Director
International Cooperation Department
Ministry of Forestry
Socialist Republic of VIET NAM

ATTACHMENT

1. Components of Draft Basic Design

The Vietnamese side has agreed and accepted in principle the components of the Draft Basic Design proposed by the Team. (ANNEX- I)

2. Japan's Grant Aid Program

2-1 The Vietnamese side has understood Japan's Grant System explained by the Team. (ANNEX - II)

2-2 The Vietnamese side will take necessary measures described in ANNEX - III for the smooth implementation of the Project on condition that Japan's Grant Aid is extended to the Project.

3. Schedule of the Study

JICA will completed the final report in accordance with the confirmed items, and send it to the Government of Viet Nam around August, 1995.

4. Necessary internal approval and notification of the acceptance

Upon presentation and explanation of the Draft Basic Design by the Team in the middle of June 1995, both sides have agreed the Project contents in principle. The Vietnamese side will take necessary measures to obtain approval of the National Committee for the Project Appraisal on the Draft Basic Design based upon the discussions and notify the Japanese side of acceptance of it by the end of August, 1995 to facilitate the implementation of the Project. In case the notification would be delayed beyond the deadline agreed upon, the Project contents may have to be reduced since the Japanese Cabinet Approval on the Project should be obtained in the October Session for the implementation in the fiscal year (FY) 1995/1996.

5. Other Relevant Issues

5-1 The Vietnamese side strongly requested six more pick-ups and one more personal computer kits.

a) The additional six pick-ups will be located at six districts. The six pick-ups will be used by the commune level, but these pick-ups will belong to each district office.

b) The additional one personal computer kits will be located at FSIV North-West center. These kits will be used for analysis of soil and water collected from the project areas and preparing extension materials for this project.

The team understood these requests and thier reason.

5-2 The Vietnamese side proposed to decrease the number of the generators. Because the permanent electrical wire and transformers will be installed to some of project areas within these two years by the Vietnamese Government.

In connection with this proposal, the electrical wire will be decreased. The Team has agreed this proposal.

5-3 The Ministry of Forestry requested that the Fokienia hodginshii processing machine will be installed in Phase I, and one set of equipment for the road construction for Lai Chau province will be installed in Phase II.

The Team understood the reason through the discussions.

Annex I

List of Equipment

1) Equipment for Agroforestry

| No. | Item | Number | Remarks |
|-------|---|--------|-------------------|
| 1-1 | Water pump 6m ³ /h-45m ³ /h | 134 | |
| 1-2-1 | Hand Tractor 12HP | 115 | |
| 1-2-2 | Trailer 0.5t | 115 | |
| 1-3 | Pick-up 4WD | 11 | See attachment 5. |
| 1-4 | Truck 5t | 2 | |

2) Equipment for Training and Extension

| No. | Item | Number | Remarks |
|-----|--|--------|--|
| 2-1 | Audio visual education kits | 2 | Slide Projector, OHP, Photocopier |
| 2-2 | Formulation of teaching materials kits | 1 | Photocopier, Video camera, Video, Camera, Television |
| 2-3 | Personal computer kits | 4 | See attachment 5. w/printer, stabilizer & dehumidifier |
| 2-4 | Soil and water analyses kits | 1 | Water analyses kit, Soil pH & moisture meter, Penetrometer, Soil auger |
| 2-5 | Station wagon 4WD | 6 | |
| 2-6 | Motor cycle 100cc | 19 | |

3) Equipment for Agricultural Products Processing

| No. | Item | Number | Remarks |
|-----|-------------------------------|--------|---------|
| 3-1 | Rice-shelling machine 400kg/h | 182 | |
| 3-2 | Food crushing machine 400kg/h | 168 | |

| | | | |
|-----|-------------------------------|----|--|
| 3-3 | Crop drying machine 800kg/day | 17 | |
|-----|-------------------------------|----|--|

4) Equipment for Forest Products Processing

| No. | Item | Number | Remarks |
|-----|--|--------|--|
| 4-1 | Bamboo chipping machine 1t/h | 2 | |
| 4-2 | Disk saw ϕ 300mm-800mm | 7 | |
| 4-3 | Band saw W=0.8m-1m | 1 | |
| 4-4 | Planer 400mmx300mm | 4 | |
| 4-5 | 2-sided planer 350mmX220mm | 2 | |
| 4-6 | Sander | 1 | |
| 4-7 | Fokienia hodginsii processing machine | 1 | Grange Ripper 1, Round Bar Making Machine 1, Wood Turning Lathe 2, Shaking Machine 1, Beads Polishing Machine 1 |
| 4-8 | Tung oil processing machine | 1 | Crusher 1, Roasting Machine 1, Pressing Machine 2, Separating Drum 3, Oil Refining Machine 1, Tank 1, Pump 4, Press 1, Switchboard 1 |
| 4-9 | Bamboo fiber-board manufacturing machinery | 1 | Glue Spraying Machine 1, Hot Press 1 |

5) Equipment for Improvement of Production Infrastructure

| No. | Item | Number | Remarks |
|-----|----------------------------------|--------|---------|
| 5-1 | Bulldozer 75Hp-100Hp | 4 | |
| 5-2 | Dump truck 5t | 7 | |
| 5-3 | Excavator 0.28m ³ | 4 | |
| 5-4 | Roller 12t | 3 | |
| 5-5 | Crusher Maximum Size 200mmx300mm | 3 | |

6) Equipment for Improvement of Living Infrastructure

| No. | Item | Number | Remarks |
|-----|--|--------|-------------------|
| 6-1 | Water pump 6m ³ -45m ³ | 16 | |
| 6-2 | Water pipe ϕ 20mm-150mm | 289.5 | |
| 6-3 | Diesel generator 1.9KW/h- 60KW/h | 29 | See attachment 5. |
| 6-4 | Hydro-power station 20KW/h- 40KW/h | 7 | |
| 6-5 | Electric wire A16-A70 | 331.2 | See attachment 5. |
| 6-6 | Transformer 50KVA | 2 | |

Annex II

Japan's Grant Aid Scheme

1. *Grant Aid Procedures*

- 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 and Approval by Cabinet) |
| Determination of | (The Notes exchanged between the Governments |
| Implementation | of Japan 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 (Japan International Cooperation Agency) to conduct a study on the request.

Secondly, JICA conducts the study (Basic Design Study), using (a) Japanese consulting firm(s).

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 Governments 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 (hereinafter referred to as "the Study"), conducted by JICA on a requested project (hereinafter referred to as "the Project") is to provide a basic document necessary for the appraisal of the Project by the Japanese Government. 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 a technical, social and economic point 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
- 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 though they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project. 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 smooth implementation of the Study, JICA uses (a) registered consultant firm(s). JICA selects (a) firms(s) based on proposals submitted by interested firms. The firm(s) selected carry (ies) out a Basic Design Study and write(s) a report, based upon terms of reference set by JICA.

The consulting firm(s) used for the Study is(are) recommended by JICA to the recipient country to also work on the Project's implementation after the Exchange of Notes, in order to maintain technical consistency and also to avoid any undue delay in implementation should the selection process be repeated.

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 Aid" means the one fiscal year which the Cabinet approves the Project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with (a) consultant firm(s) and (a) contractor(s) 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 Aid, 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 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 to Japanese taxpayers.

6) Undertakings required of 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 the following:

- (1) To secure land necessary for the sites of the Project and to clear, level and reclaim the land prior to commencement of the construction.
- (2) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites.
- (3) To secure buildings prior to the procurement in case the installation of the equipment.
- (4) To ensure all the expenses and prompt execution for unloading, customs clearance at the port of disembarkation and internal transportation of the products purchased under the Grant Aid.
- (5) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which will be imposed in the recipient country with respect to the supply of the products and services under the Verified Contracts.
- (6) To accord Japanese nationals whose services may be required in connection with the supply of the products and services under the Verified Contracts, such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.

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 staff necessary for this operation and maintenance 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 should not be re-exported from the recipient country.

9) Banking Arrangements (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 the recipient country or its designated authority.

ANNEX - III NECESSARY MEASURES TO BE TAKEN BY THE GOVERNMENT OF Viet Nam
ON CONDITION THAT JAPAN'S GRANT AID IS EXTENDED;

1. To provide the land for a temporary site office, warehouse and stock yard during the implementation of the Project.
2. To provide necessary facilities for the Project such as electricity and other incidental facilities.
3. To bear commissions to the Japanese foreign exchange bank for the banking services based upon the Banking Arrangement.
4. To exempt taxes and to take necessary measures for customs clearance of the materials and equipment brought from the Project at the port of disembarkation.
5. To accord Japanese nationals whose services may be required in connection with the supply of products and the services under the verified contract such facilities as may be necessary for their entry into Viet Nam and stay therein for the performance of their work.
6. To maintain and use properly and effectively equipment purchased under the Grant.

Appendix-5 Estimation of Costs Borne by the Government of Viet Nam (1/1)

Unit : thousand Dong

| No. | Specification | Costs |
|-----|---|------------|
| 1) | Arrangement of warehouse for the equipment | 4,125 |
| 2) | Transportation of the equipment within the sites | 94,374 |
| 3) | Subtotal (a)+(b)+(c)+(d)+(e)+(f) Construction and installation works | 11,830,046 |
| | (a) Agricultural products processing machinery | 7,340,000 |
| | (b) Forest products processing machinery | 1,800,000 |
| | (c) Water pump and pipe | 346,894 |
| | (d) Diesel engine generator | 580,000 |
| | (e) Hydro-power generator | 700,000 |
| | (f) Electric cable and transformer | 1,063,152 |
| | Total 1)+2)+3) | 11,928,545 |

Appendix-6 List of References

(1/1)

| Title | Year of Issue | Publisher |
|---|---------------|----------------------------|
| Statistical Data of Agriculture, Forestry and Fishery (1985-1993) | 1994 | General Statistical Office |
| Research Documents on Forest Inventory and Planning | 1991 | Ministry of Forestry |
| 30 Years Construction and Development of the Forestry | 1991 | Ministry of Forestry |
| Renovation of Strategies for Forestry Development until the Year 2000 | 1993 | Ministry of Forestry |
| National Plan for Environment and Sustainable Development (1991-2000) | 1991 | UNDP and Others |
| Environment and Natural Resource Management | 1993 | UNDP |
| Briefing Note of Socialist Republic of Viet Nam | 1993 | UNDP |
| Vietnam Forestry Sector Review Tropical Forestry Action Programme | 1991 | Ministry of Forestry |
| Ethnic Minorities in Vietnam | 1993 | GIOI |
| Mangroves of Vietnam | 1993 | IUCN |
| Tropical Forestry in Viet Nam | 1994 | FAO |
| Map of Vietnam (1/750,000) | 1992 | |
| Map of Lai Chau Province (1/250,000) | 1987 | |
| Map of Son La Province (1/250,000) | 1987 | |

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