

APPENDIX 3.

List of Party Concerned in the Recipient Country

List of Party Concerned in the Recipient Country

Name and Agency	Position
EMBASSY OF JAPAN IN SYRIA	
TOMIO UCHIDA	AMBASSADOR
KEIICHI HASAGAWA	COUNSELLOR
HIIDEKI YAMAMOTO	ATTACHÉ
JICA SYRIA OFFICE	
TAKESHI KOMORI	RESIDENT REPRESENTATIVE
IZUMI TANAKA	STAFF MEMBER
STATE PLANNING COMMISSION (SPC)	
MR. BASAM AL-SIBAEI	DIRECTOR OF TECHNICAL COOPERATION AND SCIENTIFIC COOPERATION
MS. ILHAAM MURAD	ASSISTANT
MUNICIPALITY OF DAMASCUS	
MR. M. ZUHAIR TAGHLIBI	GOVERNOR OF MUNICIPALITY
MR. AMIR BOUKHARI	MANAGER, DEPARTMENT OF CLEANLINESS
MR. SAMI AL DEBS	MANAGER, DEPARTMENT OF SOLID WASTE COMPOST PLANT AND FINAL DISPOSAL SITE
MR. RIAD KABEKLY	MANAGER, DEPARTMENT OF VEHICLES AND WORKSHOPS
ENVIRONMENTAL SECTOR, DEPARTMENT OF TECHNICAL AFFAIRS	
MS. WADE A JUHA	MANAGER, ENVIRONMENTAL SECTOR
MS. SUHA NASSAR	ASSISTANT MANAGER, ENVIRONMENTAL SECTOR

Name and Agency	Position
ROAD SECTOR, DEPARTMENT OF TECHNICAL AFFAIRS	
MR. MOHAMED HAGI	MANAGER, ROAD SECTOR
MR. NASHI BUHARI	MANAGER OF MECHANICAL AND ELECTRICAL AFFAIRS SECTION, ROAD SECTOR
DEPARTMENT OF CLEANLINESS	
MR. WAEL AL SHAIKH	SUPERVISING ENGINEER FOR SECTOR 1
MR. NASER ABOU DORHAMAIN	SUPERVISING ENGINEER FOR SECTOR 2
MR. SARIHAN AGHA	SUPERVISING ENGINEER FOR SECTOR 3
MR. AIMAN ATTAIA	SUPERVISING ENGINEER FOR SECTOR 4
MR. LAMIS ASAAD	SUPERVISING ENGINEER FOR SECTOR 5
MR. BADER RASHEED	SUPERVISING ENGINEER FOR SECTOR 6
MR. MOHAMMAD MOUSA	OBSERVER OF CLEANLINESS CENTER
MR. YOUSEF ABDUL WAHED	OBSERVER OF CLEANLINESS CENTER
MR. EMAD DEEB	OBSERVER OF CLEANLINESS CENTER
MR. BAKKAR BAKKAR	OBSERVER OF CLEANLINESS CENTER
MR. KAMAL NAANI	OBSERVER OF CLEANLINESS CENTER
MR. KHALED RAMADAN	OBSERVER OF CLEANLINESS CENTER
MR. FAHMI KHATEEB	OBSERVER OF CLEANLINESS CENTER
MR. KHALED AL AIED	OBSERVER OF CLEANLINESS CENTER
MR. IZZ EDDIN SABOUNI	OBSERVER OF CLEANLINESS CENTER
MR. ABDEL HOSAIAN	OBSERVER OF CLEANLINESS CENTER
MR. MOHAMMAD FODAIL	OBSERVER OF CLEANLINESS CENTER
MR. RIAD AHMAD	OBSERVER OF CLEANLINESS CENTER
MR. MOSTAFA KHALEEL	OBSERVER OF CLEANLINESS CENTER
MR. YAHIA ZODIA	OBSERVER OF CLEANLINESS CENTER
DEPARTMENT OF SOLID WASTE COMPOST PLANT AND FINAL DISPOSAL SITE	
MR. EMAD HAKAWATI	ASSISTANT MANAGER
MR. BURHAN AL HAFEZ	OPERATION ENGINEER
MR. HUSSANE MENAWR	OPERATION ENGINEER
MR. ADNAN ATAA	OPERATION ENGINEER

Name and Agency	Position
MR. IBRAHIM ISAA	CONSTRUCTION ENGINEER FOR NEW FINAL DISPOSAL SITE
DEPARTMENT OF VEHICLES AND WORKSHOPS	
MR. YOUSSEF AL SUHLI	ASSISTANT MANAGER
MR. MICHEL SALHANI	PURCHASING COMMITTEE
MR. WALID AL MOUKDAD	PURCHASING COMMITTEE
MR. MOHAMMAD AL RIFAAY	PURCHASING COMMITTEE
MR. HUSSEIN AL MAHMOUD	PURCHASING COMMITTEE
MR. NIZAR AL SAAB	PURCHASING COMMITTEE
MR. HISCHAN KABAZ	PURCHASING COMMITTEE
MR. SCHAMEL DAGSTANY	TECHNICAL OFFICE
MR. SAMER KELANI	TECHNICAL OFFICE
MR. RAMI KATEH	TECHNICAL OFFICE
MR. IADE NICOLA	TECHNICAL OFFICE
MR. HASSAN ARAB	REPAIR ENGINEER
MR. HASSAN ZAZA	REPAIR ENGINEER
MR. IMAD NASRI	REPAIR ENGINEER
MR. GAZWAN HAZIM	REPAIR ENGINEER
MR. RASHID KALAF	REPAIR ENGINEER
MR. LOUI AL SAADI	REPAIR ENGINEER

APPENDIX 4.
Minutes of Discussion

1. Basic Design Study

**MINUTES OF DISCUSSIONS
BASIC DESIGN STUDY ON THE PROJECT FOR
DEVELOPMENT OF ENVIRONMENTAL CONDITION
IN CITY OF DAMASCUS
IN THE SYRIAN ARAB REPUBLIC**

In response to a request from the Government of the Syrian Arab Republic, the Government of Japan decided to conduct a basic design study on the Project for Development of Environmental Condition in City of Damascus (hereinafter referred to as "the Project") and entrusted the study to Japan International Cooperation Agency (JICA).

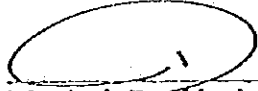
JICA has sent to the Syrian Arab Republic a study team, headed by Mr. Yoshiaki Nishikawa, Deputy Director of First Basic Design Study Division, Grant Aid Study & Design Department, JICA, from November 5 to December 4, 1995.

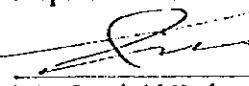
The team held discussions with the officials concerned of the Government of the Syrian Arab Republic and conducted a field survey in the study area.

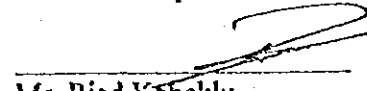
In the course of the discussions and field survey, both sides have confirmed the main items described on the attached sheets. The team will proceed to further works and prepare the basic design study report.

Damascus, November 13, 1995

西川芳昭
Mr. Yoshiaki Nishikawa
Leader
Basic Design Study Team
JICA


Mr. Amir Boukhari
Manager
Department of Cleanliness


Mr. Sami Al Debs
Manager
Department of Solid Waste Compost Plant
and Final Disposal Site


Mr. Riad Kabekly
Manager
Department of Vehicles and Workshops

Municipality of Damascus
The Syrian Arab Republic

ATTACHMENT

1. Objective

The objective of the Project is to improve the environmental condition in City of Damascus by procurement of the necessary vehicles and equipment.

2. Project Site

The Project site is City of Damascus and final disposal site of Damascus. The location of the Project site is shown in Annex-I.

3. Responsible and Implementing Agencies

(1) Responsible Agency of the Project
- Municipality of Damascus

(2) Implementing Agency of the Project
- Department of Cleanliness of the Municipality of Damascus
- Department of Solid Waste Compost Plant and Final Disposal Site of the Municipality of Damascus
- Department of Vehicles and Workshops of the Municipality of Damascus

4. Items requested by the Syrian side

After discussion with the basic design study team, the items requested by the Syrian side for the realization of the Project were confirmed, as shown in Annex-II with priority. However, final items, quantity and specifications to be procured under Japan's Grant Aid will be decided after further studies in Japan, taking account of,

- existing conditions of solid waste collection vehicles and final disposal site equipment.
- condition of solid waste generation in the city.
- operation and maintenance capability.
- financial and administrative viability.

5. Major Points of Discussions

(1) Target year: Target year shall be Year 2000.

(2) The following priority for the objective field to be cooperated was confirmed.

- 1) First priority: - Collection of domestic waste and commercial waste in the areas which have narrow streets.
- Final disposal of domestic waste and commercial waste in Damascus

2) Second priority: Other necessary items for the above, including maintenance of equipment and field communication.

3) Third priority: Street sweeping.

(3) It was confirmed that collection and disposal for industrial and medical waste is out of scope.

- (4) Project area for collection improvement shall be 10 narrow streets areas as shown in Annex-III.
- (5) In the above Project area, the objectives to procure collection vehicles shall be for the streets of which width are not less than 4 m approximately. As for the streets of which width are less than 4 m approximately, Syrian side shall consider improvement of collection methods.
- (6) It was confirmed that transportation of solid waste between the transfer station and the final disposal site/compost plant and the transfer station shall be improved according to increase of quantity of solid waste and number of collection vehicle by the Project. As for the transfer station, Syrian side has a plan to construct new transfer station and owns its land.
- (7) Syrian side requested the inland transportation to be included under the Japan's Grant Aid .

6. Schedule of the Study

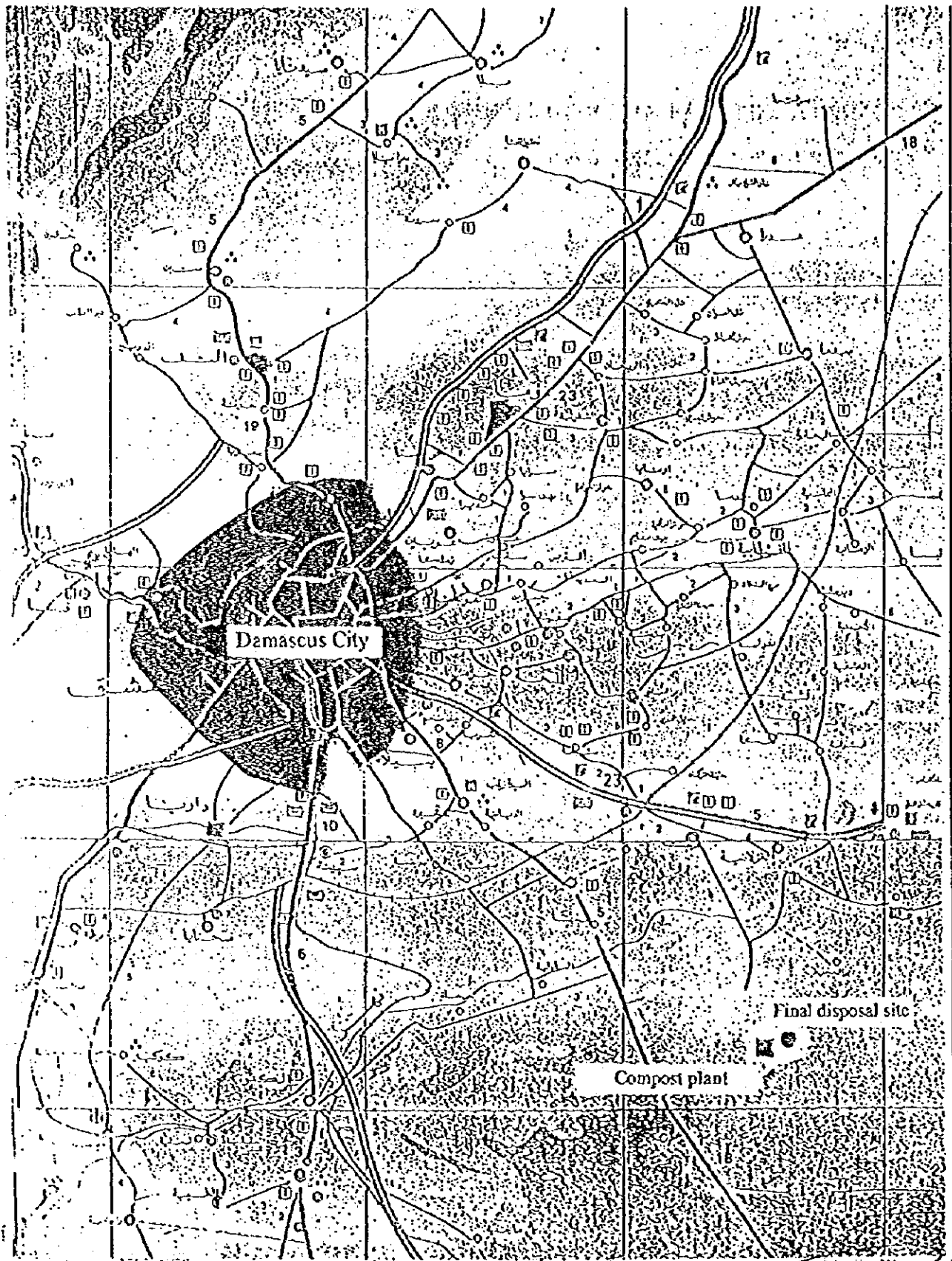
- (1) The team will proceed to further studies in the Syrian Arab Republic until December 2, 1995.
- (2) JICA will prepare a draft basic design study report and dispatch a mission to explain it to Syrian side in January 1996.

If both sides agree on the contents of the report, JICA will complete the final report and send it to the Government of the Syrian Arab Republic around the end of March 1996.

7. Japan's Grant Aid System

- (1) Syrian side has understood the system of Japanese Grant Aid explained by the Team (Annex-IV).
- (2) Syrian side will take necessary measures, as described in Annex-V, for smooth implementation of the Project, on condition that the Grant Aid by the Government of Japan is extended to the Project.

Annex-I Project Site



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Annex-II Items requested by the Government of the Syrian Arab Republic

LIST OF EQUIPMENT

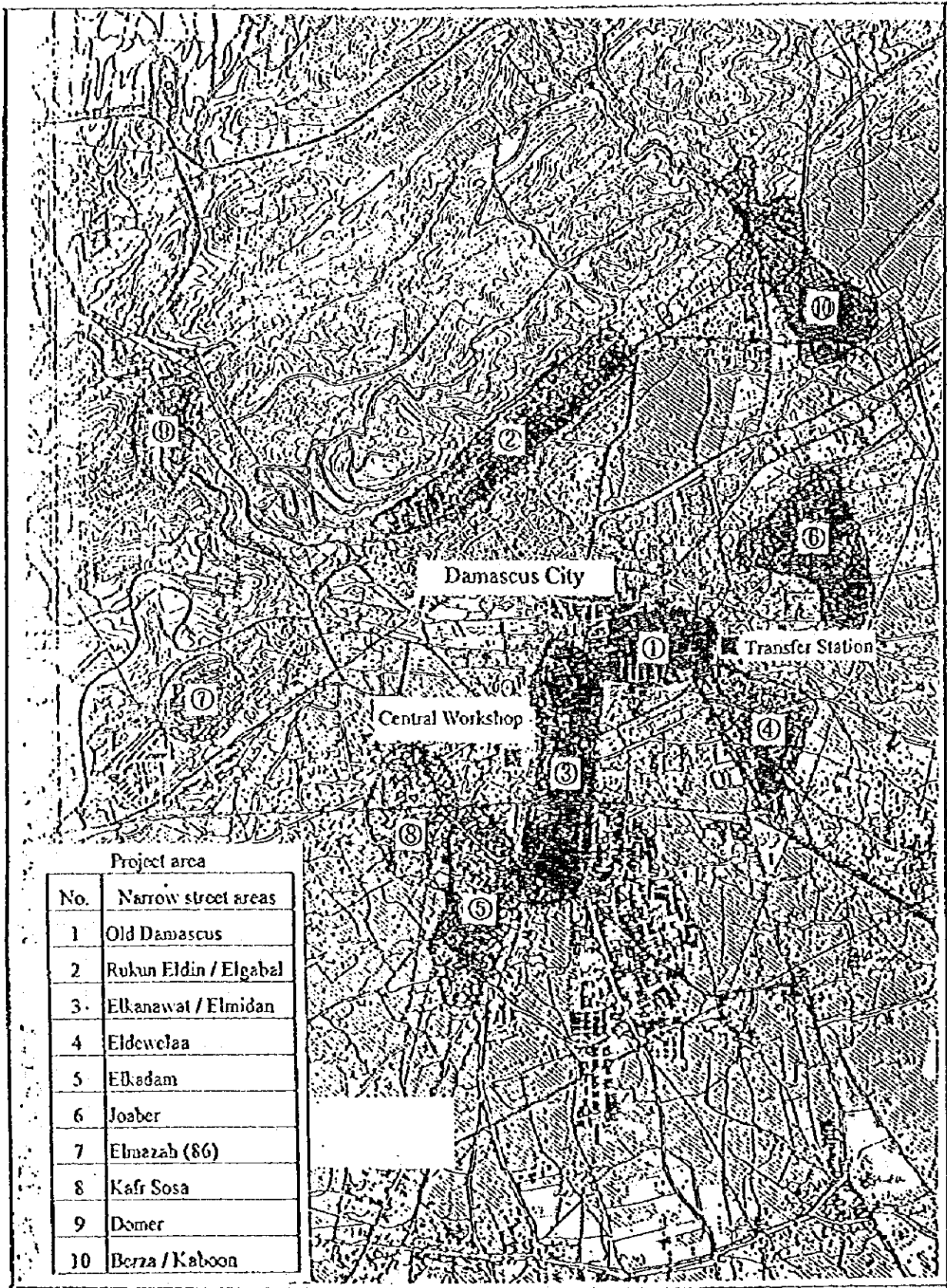
No.	PURPOSE	EQUIPMENT	QUANTITY	PRIORITY
1	Collection	Compactor truck 3ton	23	A
2		Compactor truck 2ton	24	
3		Tipper truck	25	
4	Road sweeping	Vacuum car	3	C
5		Water tanker	3	
6		Road sweeper (large type)	5	
7		Road sweeper (small type)	5	
8	Operation of final disposal site	Bulldozer	1	A
9		Wheel loader	1	
10		Motor grader	1	
11		Hydraulic Excavator	1	
12	Others	Mobile workshop	2	B
13		Jeep	3	
14		Spare parts	1	

Classification of Priority

- A: First Priority
- B: Second Priority
- C: Third Priority

Note: Syrian side requested the Basic Design Study Team for the priority of Road Sweeper (small type) to be higher than C.

Annex-III Project area for collection improvement



3.2



Annex-IV Japan's Grant Aid Scheme

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 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 (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.

3. 3

- (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)**
- 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 the recipient country or its designated authority.

3.2

Annex-V Necessary measures to be taken by the Government of the Syrian Arab Republic on condition that Japan's Grant Aid is extended.

1. To bear commissions to the Japanese foreign exchange bank to execute the banking services based upon the banking arrangement.
2. To ensure prompt unloading and customs clearance at port of disembarkation in the Syrian Arab Republic and facilitate internal transportation therein of the products purchased under the Grant.
3. To ensure the customs clearance at the port, inland transportation from the port to Damascus (Municipality's strage) with Syrian side's expense, and to bear the cost for bonded storage at the port.
4. To exempt Japanese nationals from custom duties, internal taxes and other fiscal levies which may be imposed in the Syrian Arab Republic with respect to the supply of the products and services under the verified contracts. And to take necessary measures for such tax exemption.
5. To accord Japanese nationals, whose services may be required in connection with the supply of products and services under the verified contracts, such facilities as may be necessary for their entry into the Syrian Arab Republic and stay therein for the performance of their work.
6. To use and maintain properly and effectively all the equipment purchased under the Grant.
7. To bear all the expenses other than those covered by the Grant, necessary for the execution of the Project.
8. To provide necessary data and information for the Project.
9. To assign exclusive counterpart engineers and technicians for the Project.

g.n

2. Explanation for the Draft Basic Design

MINUTES OF DISCUSSIONS

BASIC DESIGN STUDY ON THE PROJECT FOR DEVELOPMENT OF ENVIRONMENTAL CONDITION IN CITY OF DAMASCUS IN THE SYRIAN ARAB REPUBLIC (CONSULTATION ON DRAFT REPORT)

In November 1995, the Japan International Cooperation Agency (JICA) dispatched a Basic Design Study Team on the Project for Development of Environmental Condition in City of Damascus (hereinafter referred to as "the Project") to the Syrian Arab Republic, and through discussions, field survey and technical examination in Japan, has prepared the draft report of the study.

In order to explain and to consult the Syrian side on the components of the draft report, JICA sent to the Syrian Arab Republic a Basic Design Study Explanation Team, (hereinafter referred to as "the Team") which is headed by Mr. Shokichi Sakata, First Basic Design Study Division, Grant Aid Study & Design Department, JICA, with a schedule to stay in the country from 17 to 25 January, 1996.

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

Damascus, 23 January, 1996

坂田 幸吉

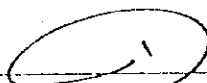
Mr. Shokichi Sakata
Leader

Basic Design Study Explanation Team
JICA



Mr. Amir Boukhari
Manager

Department of Cleanliness



For Mr. Sami Al Debs
Manager

Department of Solid Waste Compost
Plant and Final Disposal Site



Mr. Riad Kabekly
Manager

Department of Vehicles and
Workshops

Municipality of Damascus
The Syrian Arab Republic

ATTACHMENT

1. Components of the Draft Report

The Government of the Syrian Arab Republic has agreed and accepted in principle the components of the draft report proposed by the Team.

2. Japan's Grant Aid System

- (1) The Government of the Syrian Arab Republic has understood the System of Japan's Grand Aid explained by the Team, as described in ANNEX I.
- (2) The Government of the Syrian Arab Republic will take the necessary measures described in Annex II, for smooth implementation of the Project on condition that the Grand Aid assistance by the Government of Japan is extended to the Project.

3. Further Schedule

The Team will make the final report in accordance with the confirmed items, and send it to the Government of the Syrian Arab Republic by the end of April, 1996.

4. Other Relevant Issues

(1) The following was confirmed :

- 1) Syrian side will allocate the the necessary budget and staff for the operation and maintenance of the equipment procured by the Project.
- 2) Syrian side will prepare the garages for the vehicles and landfill equipment and warehouse for the spar parts procured by the Project before these equipment will arrive to the Syrian Arab Republic.
- 3) New transfer station shall be developed to cope with increase of trips of collection vehicles.
- 4) Compost plant shall be operated more than 85% of its planed capacity by improving electricity condition.
- 5) Syrian side will procure containers which are suitable for 3ton compactor procured by the Project.
- 6) Syrian side will transport the equipment procured by the Project promptly in the country.

(2) Japan side recommended following:

- 1) Out dated vehicles shall be replaced to new vehicles by Syrian side considering possible saving of maintenance cost of old vchieetes.

- 2) Syrian side will make the system to use the income of solid waste charge and the income from compost plant for the solid waste management.
- (3) Syrian side informed that, two of three implementing agencies, Department of Cleanliness, and Department of Solid Waste Compost Plant and Final Disposal Site will be combined.
- (4) Syrian side strongly requested more mechanical sweepers because they were necessary to execute the cleanliness work under the social condition of Damascus. The Team explained that additional sweepers were not appropriate for Japan's Grant Aid, therefore the Project will include just for most important area.
- (5) Syrian side also requested more compactor vehicles. The Team explained that additional compactor vehicles were not appropriate for Japan's Grant Aid.
- (6) Syrian side requested one more welder set with diesel engine driven generator in mobile work shop in order to maintain the equipment effectively. The Team replied to be discussed with officials concerned in Japan.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a smaller, circular mark.

ANNEX I

ON JAPAN'S GRANT AID PROGRAM

I. Japan's Grant Aid Procedures

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

- **Application**
(request made by a recipient country)
- **Study**
(Preliminary Study / Basic Design Study conducted by JICA)
- **Appraisal & Approval**
(Appraisal by the Government of Japan and Approval by the Cabinet of Japan)
- **Determination of Implementation**
(Exchange of Notes between the both Governments)
- **Implementation**
(Implementation of the Project)

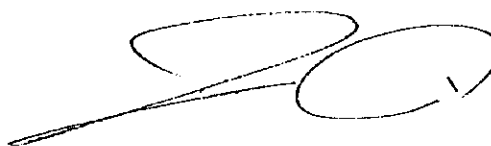
(2) Firstly, an application or a request for a project made by the recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to see whether or not it is suitable for Japan's Grant Aid. If the request is deemed suitable, the Government of Japan entrusts a study on the request to JICA (Japan International Cooperation Agency).

Secondly, JICA conducts the Study (Basic Design Study), using a Japanese consulting firm. If the background and objective of the requested project are not clear, a Preliminary Study is conducted prior to a Basic Design Study.

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

Fourthly, the Project approved by the Cabinet becomes official when pledged by the Exchange of Notes signed by the both Governments.

Finally, for the implementation of the Project, JICA assists the recipient country in preparing contracts and so on.



2. Basic design Study

(1) Contents of the Study

The purpose of the Study (Preliminary Study/Basic Design Study) conducted on a project requested by JICA is to provide a basic document necessary for appraisal of the project by the Japanese Government. The contents of the Study are as follows:

- a) to confirm background, objectives, benefits of the project and also institutional capacity of agencies concerned of the recipient country necessary for project implementation,
- b) to evaluate appropriateness of the Project for the Grant Aid Scheme from a technical, social and economical point of view,
- c) to confirm items agreed on by the both parties concerning a basic concept of the project,
- d) to prepare a basic design of the project,
- e) to estimate cost involved in the project.

Final project components are subject to approval by the Government of Japan and therefore may differ from an original request.

Implementing the project, the Government of Japan requests the recipient country to take necessary measures involved which are itemized on Exchange of Notes.

(2) Selecting (a) Consulting Firm(s)

For smooth implementation of the study, JICA uses (a) consulting firm(s) registered. JICA selects (a) firm(s) through proposals submitted by firms which are interested. The firm(s) selected carry(ies) out a Basic Design Study and write(s) a report, based upon terms of reference made by JICA.

The consulting firm(s) used for the study is(are) recommended by JICA to a recipient country after Exchange of Notes, in order to maintain technical consistency and also to avoid possible undue delay in implementation caused if a new selection process is repeated.

(3) Status of a Preliminary Study in the Grant Aid Program

A Preliminary Study is conducted during the second step of a project formulation & preparation as mentioned above.

A result of the study will be utilized in Japan to decide if the Project is to be suitable for a Basic Design Study.

Based on the result of the Basic Design Study, the Government would proceed to the stage of decision making process (appraisal and approval).

It is important to notice that at the stage of Preliminary Study, no commitment is made by the Japanese side concerning the realization of the Project in the scheme of Grant Aid Program.

3. Japan's Grant Aid Scheme

(1) What is Grant Aid?

The Grant Aid Program provides a recipient country with non reimbursable funds needed to procure facilities, equipment and services for economic and social development of the country under the following principles in accordance with relevant laws and regulations of Japan. The Grant Aid is not in a form of donation or such.

(2) Exchange of Notes (F/N)

The Japan's Grant Aid is extended in accordance with the Exchange of Notes by both Governments, in which the objectives of the Project, period of execution, conditions and amount of the Grant etc. are confirmed.

(3) "The period of the Grant Aid" means one Japanese fiscal year which the Cabinet approves the Project for. Within the fiscal year, all procedure such as Exchange of Notes, concluding a contract with (a) consulting firm(s) and (a) contractor(s) and a final payment to them must be completed.

(4) Under the Grant, in principle, products and services of origins of Japan or the recipient country are to be purchased.

When the two Governments deem it necessary, the Grant may be used for the purchase of products or services of a third country origin.

However the prime contractors, namely, consulting, contractor and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons.)

(5) Necessity of the "Verification"

The Government of the recipient country or its designated authority will conclude into contracts in Japanese yen with Japanese nationals. Those contracts shall be verified by the Government of Japan. The "Verification" is deemed necessary to secure accountability to Japanese tax payers.

(6) Undertakings required to the Government of the recipient country

In the implementation of the Grant Aid, the recipient country is required to undertake necessary measures such as the following:

- ① to secure land necessary for the sites of the project and to clear and level the land prior to commencement of the construction work,
- ② to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities in and around the sites,
- ③ to secure buildings prior to the installation work in case the Project is providing 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 facilities constructed and equipment purchased under the Grant Aid properly and effectively and to assign staff necessary for their operation and maintenance as well as to bear all expenses other than those to be borne by the Grant Aid.

(8) Re-export

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

(9) Banking Arrangement (B/A)

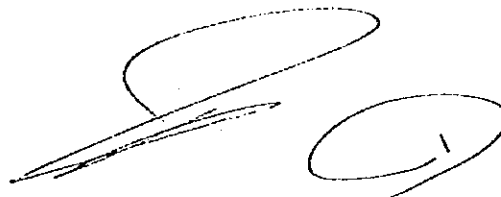
- (a) The Government of the recipient country or its designated authority shall open an account in the name of the Government of the recipient country in an authorized foreign exchange bank in Japan (hereinafter referred to as "the Bank"). The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by Government of the recipient country or its designated authority under the contracts verified.
- (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.

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ANNEX II

Necessary measures to be taken by the Government of the Syrian Arab Republic on condition that Japan's Grant Aid is executed;

1. To provide necessary data and information for the Project.
2. To secure and clear the new final disposal site for the Project prior to the commencement of procurement under the Grant Aid Program.
3. To construct the access road to the new final disposal site prior to the commencement of the procurement.
4. To secure facilities such as garage for vehicles and landfill equipment and warehouse for spare parts, procured by the Project.
5. To bear advising commission of Authorization to Pay (A/P) and payment commission to a Japanese foreign exchange bank for the banking services based on the Banking Arrangement (B/A).
6. To exempt taxes and to take necessary measures for customs clearance of the materials and equipment brought for the Project at the port /airport of disembarkation.
7. To ensure prompt unloading and internal transportation of the equipment purchased under the Grant.
8. 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 Syrian Arab Republic and stay therein for the execution of the Project.
9. To provide necessary permissions, licenses and other authorization for carrying out the Project.
10. To provide necessary actions to expedite the approval for execution for the Project by the authorities concerned in Syrian Arab Republic.
11. To maintain and use properly and effectively equipment purchased under the Grant.
12. To bear all the expenses other than those covered by the Grant, necessary for execution of the Project.

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APPENDIX 5.
Cost Estimation Borne by the Recipient Country

Cost Estimation Borne by the Recipient Country

1. Procurement of 0.5m3 container for 3t Compactor Truck

Item	Unit price (US\$)	Unit	Quantity	Price (US\$)	Description
0.5m3 Container	290.00	unit	50.00	14,500.00	

2. Domestic inland transportation

Item	Unit price (US\$)	Unit	Quantity	Price (US\$)	Description
Cost for bonded storage	1,131.63	day	7.00	7,921.41	
Commission for custom clearance	2.00	m ³	2,132.70	4,265.40	
Transportation (vehicles)	280.00	unit	64.00	17,920.00	
Transportation (landfill equipment)	600.00	unit	4.00	2,400.00	
Transportation (spare parts)	320.00	lot	1.00	320.00	
Sub-total				32,826.81	

3. Ground Total

Item	Unit price (US\$)	Unit	Quantity	Price (US\$)	Description
0.5m3 Container		lot	1.00	14,500.00	
Domestic inland transportation		lot	1.00	32,826.81	
Ground Total				47,326.81	

JICA