

2. Survey Schedule

Basic Design Study

	Date	Week	Activities	Flight No.	Accommodation
1	9/17	Sun	Government officials and two consultants left Tokyo	Tokyo→Guam CO-962	Guam
2	18	Mon	Arrived at Majuro	Guam→Majuro CO-956	Majuro
3	19	Tue	Courtesy call on the Ministry of Foreign Affairs. Discussion with MIMRA		Majuro
4	20	Wed	Discussion with MIMRA		Majuro
5	21	Thu	Site survey at Ebeye, Kwajalein atoll	Majuro→Kwaja. CO-957	Ebeye
6	22	Fri	Site survey at Likiep, Likiep atoll	Kwaja.→Likiep CW-472 Likiep→Majuro CW-472	Majuro
7	23	Sat	Discussion with Japanese fisheries expert		Majuro
8	24	Sun	Site survey at Majkin, Namu atoll	Majuro→Majikin CW-520 Majkin→Majuro CW-521	Majuro
9	25	Mon	Discussion with MIMRA		Majuro
10	26	Tue	Discussion with MIMRA One consultant left Tokyo	Tokyo →Guam CO-962	Majuro /Guam
11	27	Wed	Site survey at Airok, Ailinglaplap atoll One consultant arrived at Majuro	Majuro→Airok CW-340 Airok →Majuro CW-341 Guam→Majuro CO-956	Majuro
12	28	Thu	Signing of Minutes of discussions Government officials left Majuro Consultants made site survey at Ebeye Majuro→Kwaja. CO-957 and discussed with MIMRA, Ebeye, up to Oct.2	Majuro→Guam CO-957	Guam /Ebeye
13	29	Fri	Government officials made brief at Agana Consulate General and left Guam and arrived at Tokyo	Guam→Tokyo NH-912	Ebeye
14	9/30	Sat	} Consultants made site survey at Ebeye Movement	Kwajalein→Majuro CO-956	Ebeye
15	10/1	Sun			Ebeye
16	2	Mon			Majuro

	Date	Week	Activities	Flight No.	Accommodation
17	10/3	Tue	(After this Consultants only) Movement	Majuro→Likiep CW-476	Likiep
18	4	Wed	Site survey at Likiep		Likiep
19	5	Thu			Likiep
20	6	Fri	Movement	Likiep→Majuro CW-472	Majuro
21	7	Sat	Movement & site survey at Majkin	Majuro→Majkin CW-332	Majkin
22	8	Sun	Movement	Majkin→Majuro CW-521	Majuro
23	9	Mon	Discussion with MIMRA		Majuro
24	10	Tue	Survey on the construction materials at Majuro		Majuro
25	11	Wed	Movement	Majuro→Airok CW-340	Airok
26	12	Thu	Site survey at Airok		Airok
27	13	Fri			Airok
28	14	Sat	Movement	Airok→Majuro CW-333	Majuro
29	15	Sun	Examination of data		Majuro
30	16	Mon	Discussion with MIMRA		Majuro
31	17	Tue			Majuro
32	18	Wed	Survey on the equipment and materials at Majuro		Majuro
33	19	Thu			Majuro
34	20	Fri	Discussion with MIMRA (One consultant)Left Majuro and arrived at Honolulu and surveyed equipment and materials	Majuro→HonoluluCO-956	Majuro/ Honolulu
35	21	Sat	(Two consultants)Left Majuro	Majuro→Guam CO-957	Guam /Honolu.
36	22	Sun	(One consultant)Left Honolulu	Honolulu→Tokyo JL-071	Guam
37	23	Mon	(Two consultants) Made brief at Agana Consulate General		Guam
38	24	Tue	Survey on the materials at Guam		Guam
39	25	Wed	Left Guam and arrived at Tokyo	Guam→Tokyo CO-967	---

3. List of Party in the Recipient Country

Ministry of Foreign Affairs

Mr. Timius K. Anien :Under Secretary

Ministry of Resources and Development

Mr. Lomes McKay :Minister

Mr. Smith Ysawa :Acting Secretary

MIMRA, Ministry of Resources and Development

Mr. Danny S. Wase :Director

Mr. Danny F. Jack :Deputy Director

Mr. Hiroyuki Yoshida(JICA) :Project Adviser

Mr. Simon Tiller :Fishery Adviser

Mr. Andy Dalton :Aquaculture Consultant

Mr. Joe Jerico :Representative, Ebeye office

Mr. Elias John :Captain, IEPLAP

Mr. Resta Jackrias :Engineer, IEPLAP

Mr. Joraur Watak :Site Manager, Ailinglaplap Fishing Base

Mr. Benna Lakmis :Site Manager, Namu Fishing Base

Mr. Paul de Brum :Site Manager, Likiep Fishing Base

Mr. Captain Larry Muller :Principal, Fisheries and Nautical Training Center

Ministry of Social Service

Mr. Christopher Loeak :Minister

Ms. Lise B. Sheet :Chief officer, Food Services, Ebeye

Kwajalein Atoll Development Authority

Mr. Imata Kabua	:Chairman
Mr. Jeban Riklon	:Exective Director
Mr. David J.Blake	:Finance & Administration Manager
MR. Tom J.Fellas	:Construction Manager

Agana Consulate-General of Japan

Mr.Takashi Matsumura	:Consul
Mr.Shingo Naganawa	:Administrative Staff

JOCV Marshall Office

Ms. Masami Bolt	:Coordinator of J.O.C.V
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Pacific International,Inc.

Mr. Jerry Kramer	: Chief Exective Officer
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Ace International,Inc.

Mr. Harry Daulatram	: Chief Exective Officer
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Pacific Marshall,Inc.

Mr. Hirobo Obektang	: Auto.Sales Representative
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MJCC, Inc.

Mr. Kenji Yamanaka	: General Manager
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4. Minutes of Discussion

MINUTES OF DISCUSSIONS
BASIC DESIGN STUDY
ON
THE PROJECT FOR THE STRENGTHENING OF
THE FISH MARKETING SYSTEM
IN THE OUTER ISLANDS
IN
THE REPUBLIC OF THE MARSHALL ISLANDS

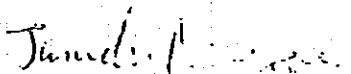
In response to a request from the Government of The Republic of The Marshall Islands, the Government of Japan decided to conduct a Basic Design Study on the Project for the Strengthening of the Fish Marketing System in the Outer Islands (hereafter referred to as 'the Project'), and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA has sent to The Republic of The Marshall Islands a study team headed by Mr. Jun-ichi Nakazoe, Senior Research Coordinator, Research Division, Fisheries Agency, and the Team is scheduled to stay in the country from September 18 to October 21, 1995.

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

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

Majuro, September 28, 1995




Mr. Jun-ichi Nakazoe

Leader

Basic Design Study Team

JICA



Mr. Danny S. Wase

Director, Marshall Islands

Marine Resources Authority,

Ministry of Resources and

Development,

Republic of The Marshall Islands

ATTACHMENT

1. Objective

The Objective of the Project is to promote small-scale fisheries by providing necessary facilities and equipment for strengthening of fish marketing system in the outer islands.

2. Project Sites are Ailinglaplap Atoll, Namu Atoll, Likiep Atoll and Ebeye Island, as shown in 'Annex I'.

3. Executing Agency

Marshall Islands Marine Resources Authority,
Ministry of Resources and Development

4. Items requested by the Government of The Marshall Islands.

After discussions with the Basic Design Study Team, the following items were finally requested by the Government of The Marshall Islands, as shown in 'Annex II'.

However, the final components of the Project including transportation vessel will be decided after further studies.


5. Japan's Grant Aid system

- (1) The Government of The Marshall Islands has understood the system of Japan's Grant Aid explained by the team; the main feature is described in 'Annex III'.
- (2) The Government of The Marshall Islands will take necessary measures, described in 'Annex IV' for smooth implementation of the Project, on condition that the Grant Aid Assistance by the Government of Japan is extended to the Project.

6. Proper Use of Equipment and the Counterpart Fund

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

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

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- (2) to ensure that such products be used by fishermen properly and effectively for their own fishing operations;
- (3) to deposit, in local currency, the amount generated from such sale or lease in a suitable account of the Government of The Marshall Islands as a counterpart fund;
- (4) to utilize the counterpart fund for the purpose of the fisheries development in Marshall Islands or the maintenance of such products;
- (5) to have a prior consultation with the Government of Japan about the use of the counterpart fund; and
- (6) to report the record of deposit and disbursement of the counterpart fund to the Government of Japan.

7. Schedule of the Study

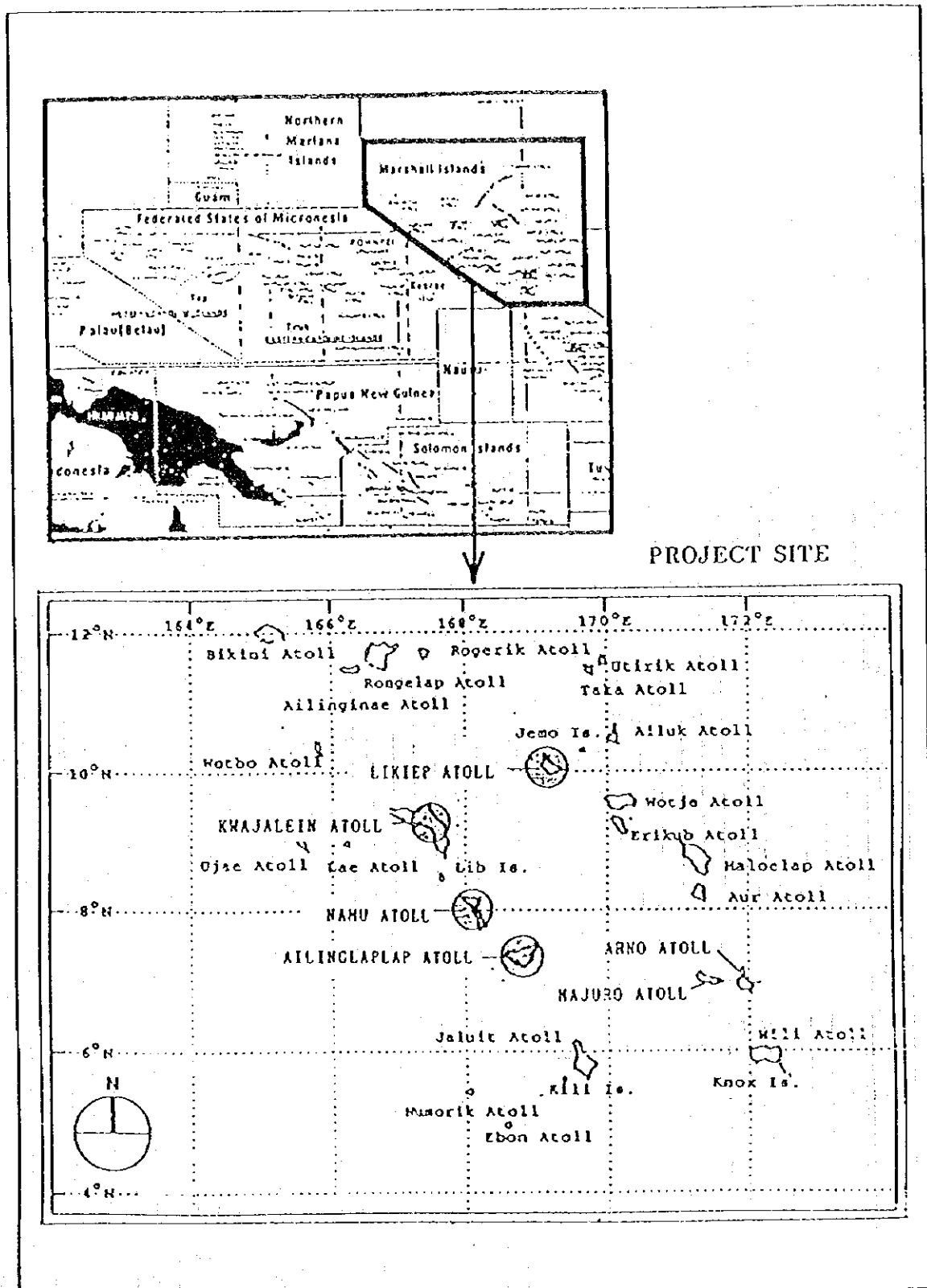
Based on the Minutes of Discussions and technical examination of the study results, JICA will complete the final report and sent it to the Government of The Marshall Islands by the end of March 1995.

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ANNEX I

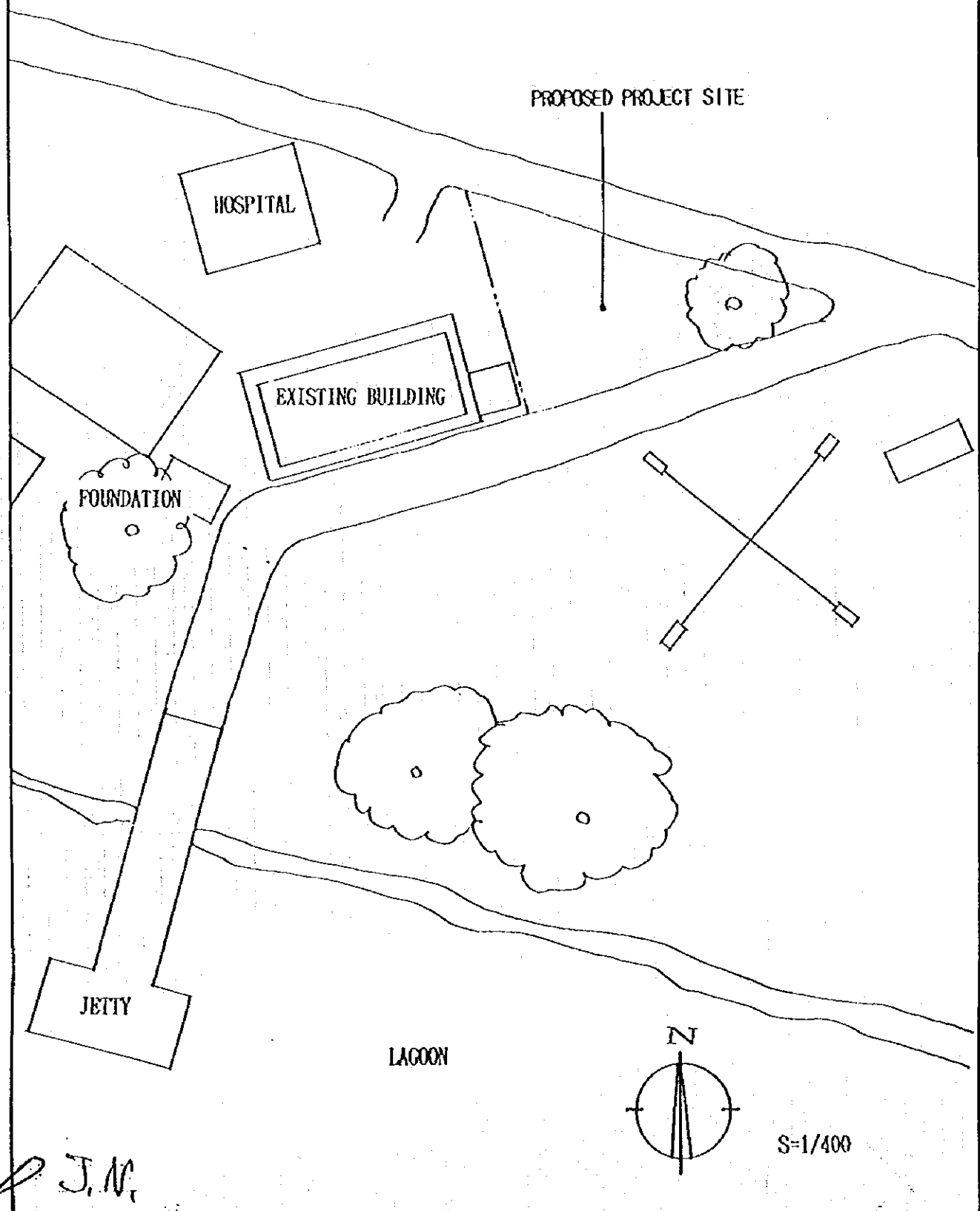
Maps of the Project Sites

REPUBLIC OF MARSHALL ISLANDS

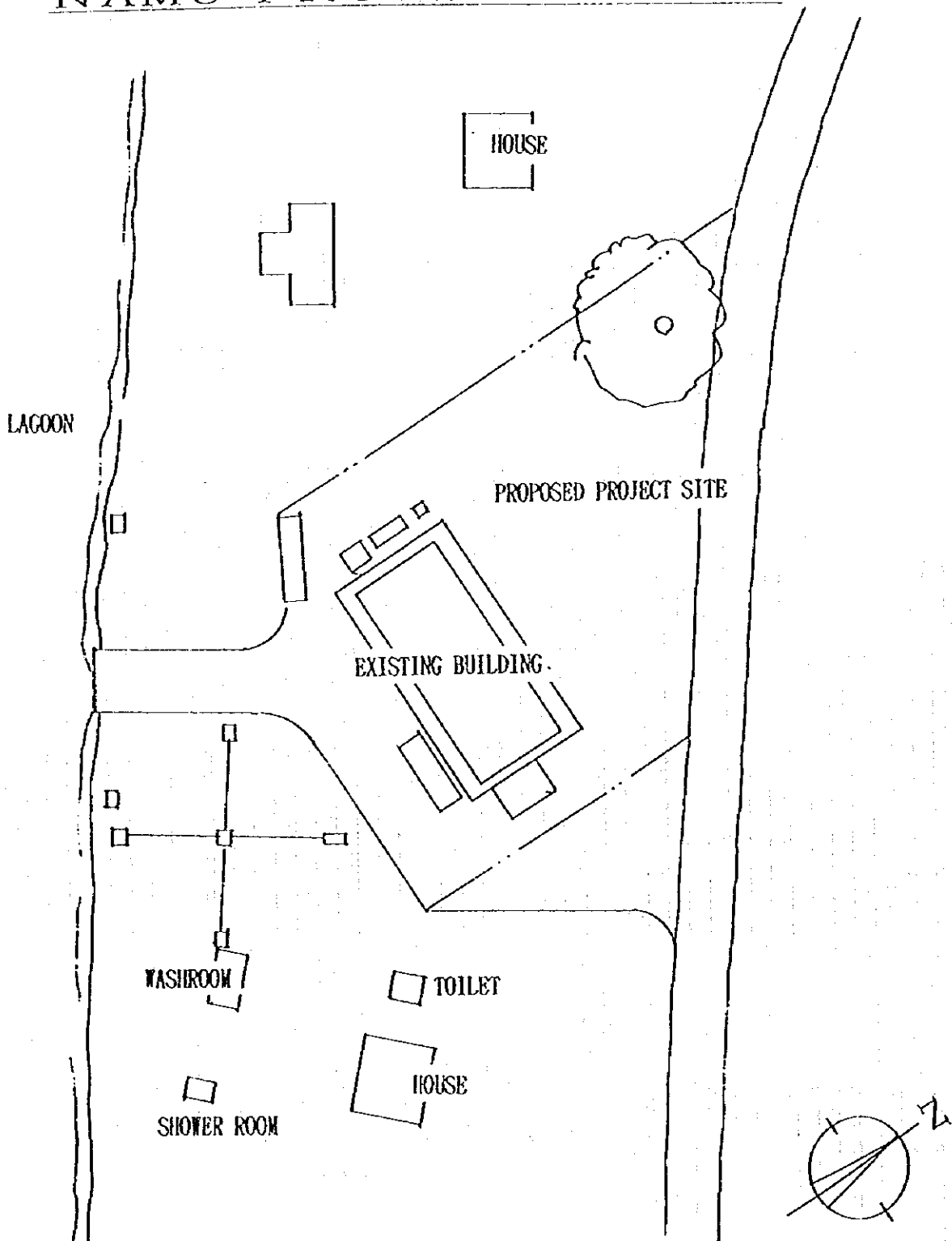


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LIKIEP PROJECT SITE

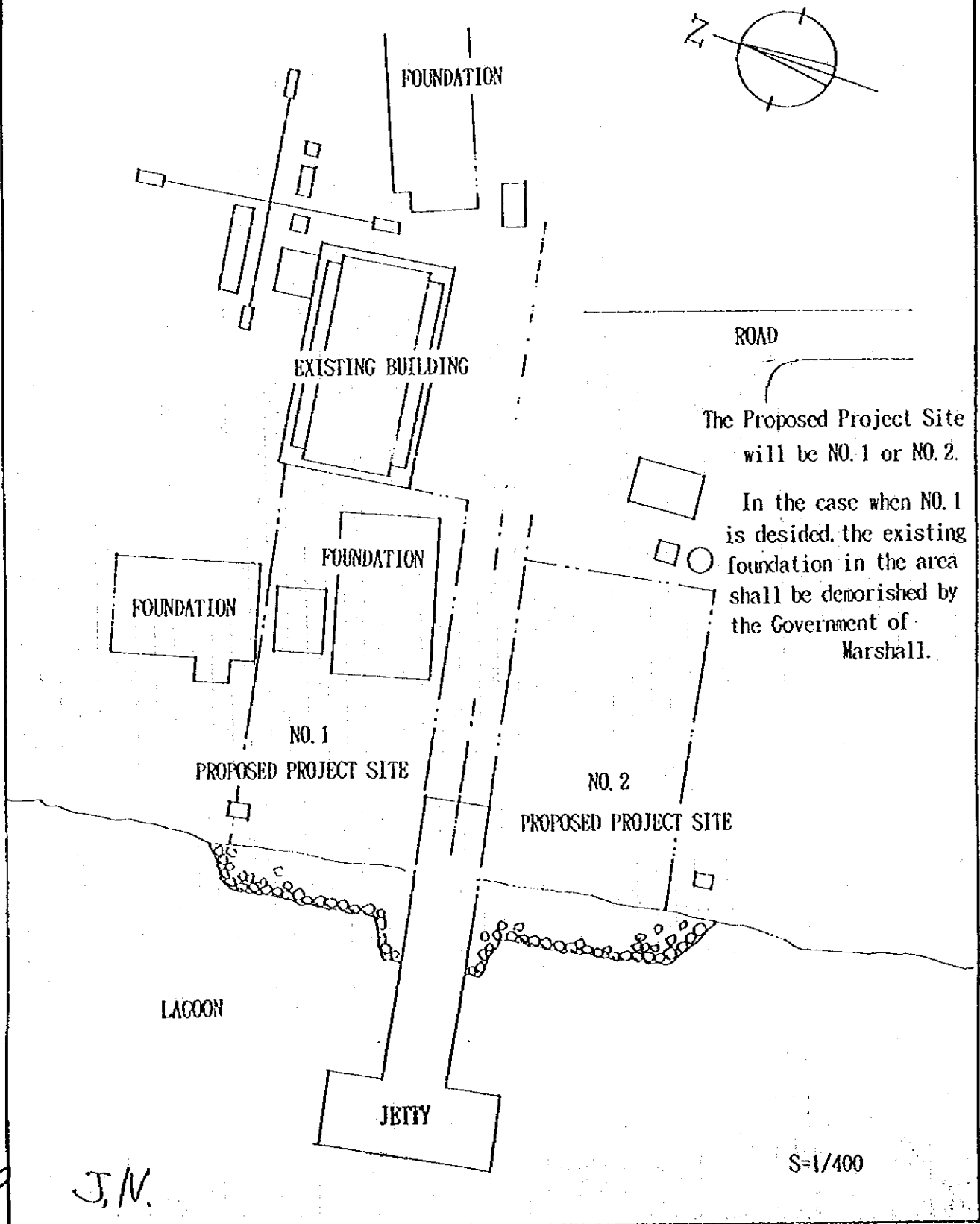


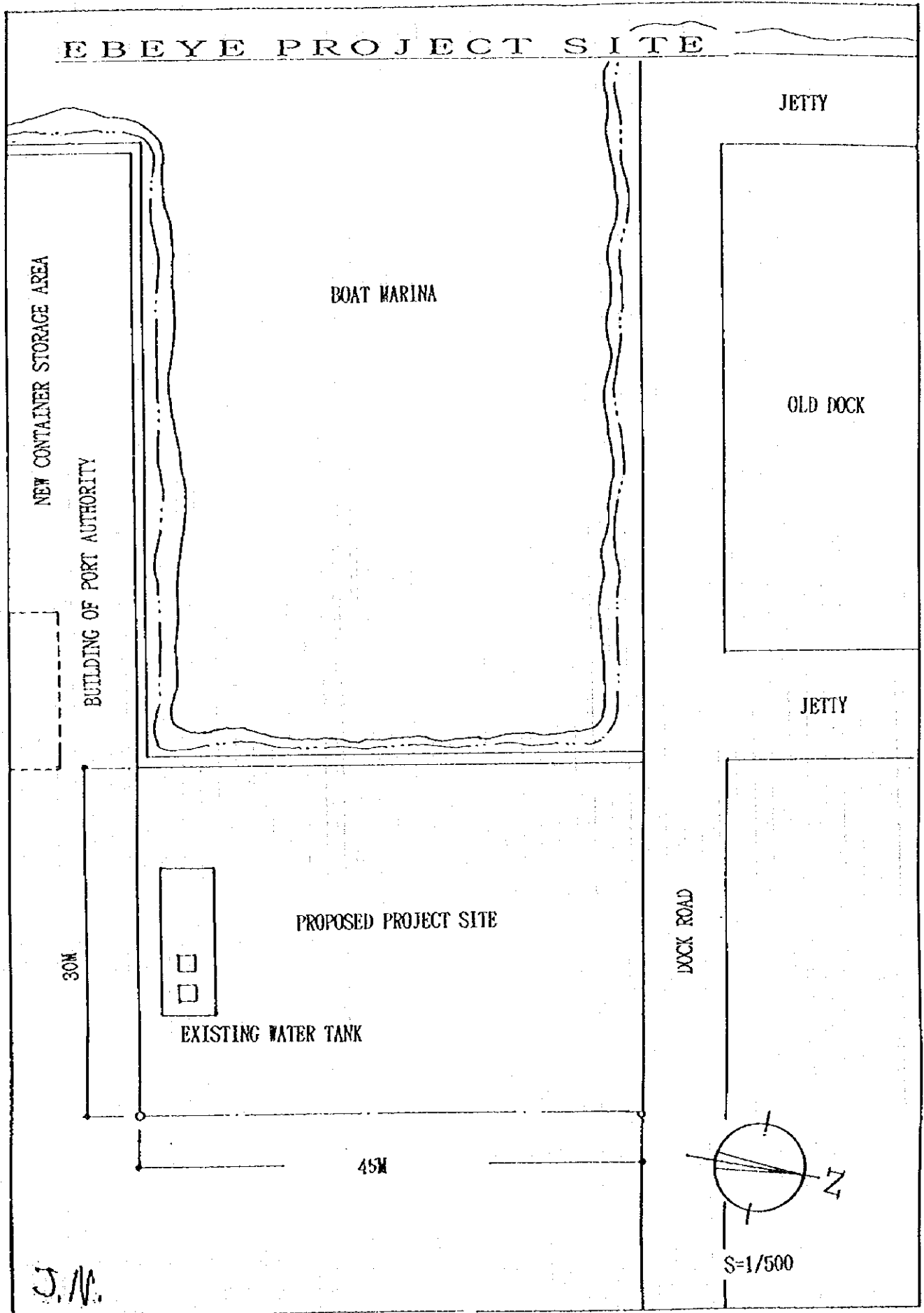
NAMU PROJECT SITE



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AILING LAPLAP PROJECT SITE





ANNEX II

Items Requested by The Government of Marshall Islands.

The project is composed of the sub-projects as follows:

[Subproject-1]

Project site: • Airok	Ailinglaplap Atoll
• Majkin	Namu Atoll
• Likiep	Likiep Atoll

1. Facility (Each Atoll)

- (1) Sub-building (Block type)

2. Equipment and Materials (Each Atoll)

- (1) Fishing Boats
- (2) Out board Motors
- (3) Fishing Gears
- (4) Cooling Boxes
- (5) Radio Telephone(VHS)
- (6) Trailer
- (7) Repair Tools
- (8) Drum Tins(Empty)
- (9) Pick up Truck (only Ailinglaplap)
- (10) Spareparts for the Equipments and Materials Provided by
"The Project for Improvement of the Fish Marketing System
in the Outer Islands".

[Subproject-2]

Project site: • Ebeye	Kwajalein Atoll
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1. Facility

- (1) Sub-building (Block type)
- (2) Water Tank
- (3) Radio Telephone Antenna

2. Equipment and Materials

- (1) Ice Making Machine with storage
- (2) Cold storage
- (3) Freezers
- (4) Transport/Sorting/Distributing Materials
- (5) Radio Telephone, SSB
- (6) Drum Tins (Empty)
- (7) Equipment for statistical data collection and analyse

3. Transport Vessel

4. Transport Truck w/crane

ANNEX III

JAPAN'S GRANT AID SCHEME

1. Japan's Grant Aid

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 backgrounds, 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.



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3. Japan's Grant Aid Scheme

1) What is Grant Aid?

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

2) Exchange of Notes (E/N)

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

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

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

4) Under the Grant 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, constructing and

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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 to the Government of the Recipient Country

- a) to secure a lot of land necessary for the construction of the Project;
- b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities outside the site;
- c) to ensure prompt unloading and customs clearance at ports of disembarkation in the recipient country and internal transportation therein of the products purchased under the Grant Aid;
- d) to exempt Japanese nationals from customs duties, internal taxes and fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts;
- e) to accord Japanese nationals whose services may be required in connection with the supply of the products and services under the verified contracts such as facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work;
- f) to ensure that under the Grant be maintained and used properly and effectively for the project, and
- g) to bear all the expenses other than those covered by the Grant, necessary for the project.

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7) "Proper Use"

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

8) "Re-export"

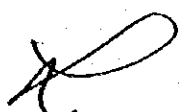
The products purchased under the Grant Aid shall not be re-exported from the recipient country.

9) Banking Arrangement (B/A)

a) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in an authorized foreign exchange bank in Japan (hereinafter referred to as "the Bank").

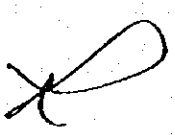
The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by the Government of the recipient country or its designated authority under the Verified Contracts.

b) The payments will be made when payment requests are presented by the Bank to the Government of Japan under an authorization to pay issued by the Government of the recipient country or its designated authority.

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ANNEX IV NECESSARY MEASURES TO BE TAKEN BY THE GOVERNMENT OF
MARSHALL ISLANDS IN CASE JAPAN'S GRANT AID IS EXECUTED.

1. To secure the ownership and/or right of sites for the Project.
2. To clear the site prior to commencement of the Project.
3. To secure yard for stocking material and constructing temporary facilities at the Project site.
4. To ensure the access to the Project site.
5. To provide necessary permissions, licenses and other authorizations for smooth implementation of the Project.
6. To provide facilities for distribution of electricity, water supply, drainage, telephone line and other incidental facilities.
7. To bear commissions to the Japanese foreign exchange bank for the banking services based upon the Banking Arrangement.
8. To ensure prompt unloading and customs clearance of project equipments and materials at ports of disembarkation in Marshall Islands.
9. To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in Marshall Islands with respect to the supply of the products and services under the Verified Contracts.
10. To accord Japanese Nationals whose services may be required in connection with the supply of products and services under the Verified Contract such facilities as may be necessary for their entry into Marshall Islands and stay therein for the performance of their work.
11. To maintain and use properly and effectively the facilities constructed and equipment purchased under the Grant.
12. To bear all expenses other than those to be borne by the Grant, necessary for construction of facilities as well as for transportation and installation of equipment.
13. To coordinate and solve any matters which may arise with third parties and inhabitants living in the Project area during implementation of the Project.



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5. Cost Estimation born by the Recipient Country

Cost estimated of undertakings required to the Government of the Marshall Islands is as follows.

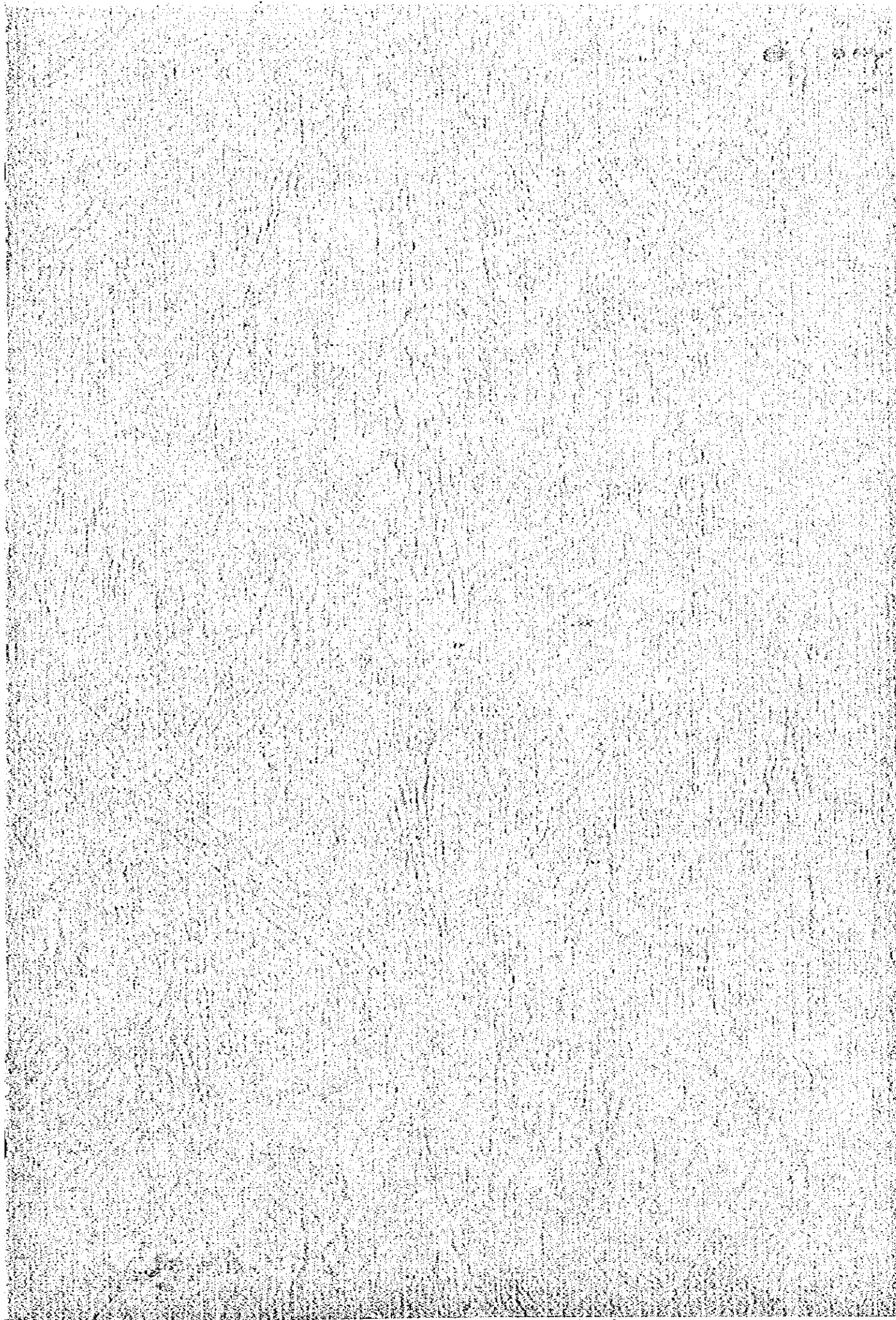
1) Site preparation at the outer islands (3 sites)	US\$ 5,700.--
2) Connection works of electricity (Ebeye)	US\$ 28,700.--
3) Connection works of water supply (Ebeye)	US\$ 10,400.--
4) Connection works of telephone line (Ebeye)	US\$ 1,600.--
5) Installation of fence of 85m long and gates (Ebeye)	US\$ 22,000.--
6) Others (bank commision, etc.)	US\$ 4,200.--

Total

US\$ 72,600.--

6. References

- 1) Second Five Year Development Plan 1991/92-1995/96
Office of Planning and Statistics: Majuro, Marshall Islands, 1991.9
- 2) Marshall Islands Statical Abstract 1993 and 1994
Office of Planning and Statistics: Majuro, Marshall Islands, 1995.4
- 3) Census of Population and Housing 1988
Office of Planning and Statistics: Majuro, Marshall Islands, 1989.8
- 4) The Majuro Atoll Coastal Resource ATLAS
Pacific Coastal Resouece Management Program
- 5) Maps of the Sites
Division of Lands and Suuvey, Department of Resouces and Developmant, 1992.9
- 6) A Summary of the Procedures to Establish a Business in the Republic of the Marshall Islands
Division of Trade and Industry, Ministry of Resources and Development
- 7) Trade and Investment Republic of the Marshall Islands Summary Document
Division of Trade and Industry, Ministry of Resources and Development



JICA