

ANNEX

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ANNEX 1

Members of the Survey Team for Site Survey of Basic Design Study (Dec. 9, 1996 to Dec. 29, 1996)

The members of the Basic Design Study Team for the site survey are tabulated below ;

Name	Designation	Affiliation
(1) Mr. Masayuki WATANABE	Team Leader	Development Specialist, Institute for International Cooperation, Japan International Cooperation Agency (JICA)
(2) Mr. Shokichi SAKATA	Coordinator	First Project Study Division, Grant Aid Project Study Department, JICA
(3) Mr. Yasushi IRIE	Technical Adviser	Disaster Management & Investigation Div., River Bureau, Ministry of Construction, Japan
(4) Mr. Makoto MIGITA	Chief Consultant / Management, Operation and Maintenance Planner	CTI Engineering Co., Ltd.
(5) Mr. Masashi FURUTAGUCHI	River and Sabo Planner	CTI Engineering Co., Ltd.
(6) Mr. Hiroshi SHIMIZU	Riparian Structures Designer	CTI Engineering Co., Ltd.
(7) Mr. Msakazu UOCHI	Bridge Planner and Designer	Central Consultant Co., Ltd.
(8) Mr. Shuji KAKU	Cost Estimation and Procurement Planner	CTI Engineering Co., Ltd.

ANNEX 2

Members of Survey Team for Explanation of Draft Basic Design Study Report (March 6, 1997 to March 14, 1997)

The members of Basic Design Study Team for the explanation of Draft Basic Design Study Report are tabulated below ;

Name	Designation	Affiliation
(1) Mr. Masayuki WATANABE	Team Leader	Development Specialist, Institute for International Cooperation, Japan International Cooperation Agency (JICA)
(2) Mr. Shokichi SAKATA	Coordinator	First Project Study Division, Grant Aid Project Study Department, JICA
(3) Mr. Akinori MASUDA	Technical Adviser	Disaster Management & Investigation Div., River Bureau, Ministry of Construction, Japan
(4) Mr. Makoto MIGITA	Chief Consultant / Management, Operation and Maintenance Planner	CTI Engineering Co., Ltd.
(5) Mr. Masashi FURUTAGUCHI	River and Sabo Planner	CTI Engineering Co., Ltd.
(6) Mr. Hiroshi SHIMIZU	Riparian Structures Designer	CTI Engineering Co., Ltd.

ANNEX 3

**Schedule for Site Survey of Basic Design Study
(Dec 9, 1996 to Dec 29, 1996)**

Survey schedule is as shown below ;

Day of the Month	Day of the Week	No.	Content	Flight / Stay
9-Dec	Mon	1	Narita (9:45) → Manila (13:25) (7 persons) courtesy call for JICA Office, Embassy of Japan	JL741, Manila
10-Dec	Tue	2	Courtesy call and Discussion in DPWH	Manila
11-Dec	Wed	3	Mr. Kaku (Cost Estimation) : Narita (9:45) → Manila (13:25) Others : Manila (13:00) → Tacloban (14:10) Discussion in Office of Region VII, DPWH	JL741, PR291, Manila, Ormoc
12-Dec	Thu	4	Mr. Kaku : Survey in Manila, Others : Field Survey	Manila, Ormoc
13-Dec	Fri	5	Mr. Kaku : Survey in Manila, Others : Field Survey	Manila, Ormoc
14-Dec	Sat	6	Mr. Kaku : Survey in Manila, Others : Field Survey	Manila, Ormoc
15-Dec	Sun	7	Mr. Kaku : Survey in Manila, Others : Field Survey, Tacloban (14:50) → Manila (15:55)	Manila, PR292
16-Dec	Mon	8	Discussion in DPWH	Manila
17-Dec	Tue	9	Discussion in DPWH, Mr. Irie : Manila (14:45) → Narita (19:40)	Manila, JL742
18-Dec	Wed	10	Signing the Minutes, Officials (2 persons) : Report to JICA office and Embassy of Japan, Consultants (5 persons) : Manila (13:00) → Tacloban (14:10)	Manila, Ormoc, PR291
19-Dec	Thu	11	Officials (2 persons) : Manila (14:45) → Narita (19:40) Consultants : Survey	JL742, Ormoc
20-Dec	Fri	12	Consultants : Survey	Ormoc
23-Dec	Mon	15	Tacloban (20:15) → Manila (21:20)	PR194, Manila
24-Dec	Tue	16	Survey in Manila	Manila
27-Dec	Fri	19	Report to JICA office Mr. Kaku : Manila (14:45) → Narita (19:40)	JL742, Manila
28-Dec	Sat	20	Survey	Manila
29-Dec	Sun	21	Manila (14:45) → Narita (19:40)	JL742

ANNEX 4

Schedule for Explanation of Draft Basic Design Study Report (March 6, 1997 to March 14, 1997)

Survey schedule is as shown below ;

Day of the Month	Day of the Week	No.	Content	Flight / Stay
6-Mar	Thu.	1	Masuda, Migita, Furutaguchi, Shimizu : Narita (9:45) → Manila (13:25) Courtesy Call for JICA Office and Embassy of Japan	JL741, Manila
7-Mar	Fri.	2	Watanabe : Bangkok (11:00) → Manila (15:20) Others : Discussion in DPWH	Manila
8-Mar	Sat.	3	Manila (13:00) → Tacloban (14:10)	PR291, Ormoc
9-Mar	Sun.	4	Site Survey	Ormoc
10-Mar	Mon.	5	Discussion in Ormoc City	Ormoc
11-Mar	Tue.	6	Tacloban (14:50) → Manila (15:55)	PR292, Manila
12-Mar	Wed.	7	Discussion in DPWH	Manila
13-Mar	Tue.	8	Signing the Minutes	Manila
14-Mar	Fri.	9	Report to JICA office and Embassy of Japan Manila (14:45) → Narita (19:40)	Manila, JL742

LIST OF PARTY CONCERNED IN THE RECIPIENT COUNTRY

The officials interviewed during the survey in the Philippines are listed below.

No.	Office	Name	Position/Name of Organization
(1)	DPWH (Head Office)	Mr. Teodoro Encanacion Mr. Manuel Bonoan Ms. Linda M. Templo Ms. S. Santiago Ms. Rebecca T. Garsuta Mr. Napoleon S. Famadico Mr. Orlando M. Casio	Undersecretary Assistant Secretary DIC Director, Planning Service Engineer V, Bureau of Design Engineer IV, Planning Service Engineer III, Planning Service Engineer III, Planning Service
(2)	DPWH (PMO-MFCP)	Mr. Nonito Fano Mr. Resito V. David Mr. Conrad D. Escobr Mr. Ernie U. Fano	Project Director Project Manager Project Manager Engineer IV
(3)	DPWH (Region VIII Office)	Mr. Abelardo M. Monge JR. Mr. Celso Z. Lumaniog, CE, MBA	Assistant Regional Director Chief Planning and Design Division
(4)	DPWH (District Engineering Office)	Mr. Roman C. Omega Ms. Palmera P. Soberano Mr. Irupin Antonio	Chief District Engineer, Leyte II Assistant Chief District Engineer, Leyte II Engineer II, District Engineer, Leyte II
(5)	NEDA (Head Office)	Ms. Alely Alejar-Bernardo Ms. Cristina Santiago Ms. Edona B. Capacillo	Chief, Asia-Pacific Division, Public Investment Staff Japan Desk Officer, Public Investment Staff Sr. Economic Development Specialist, Public Investment Staff
(6)	NEDA (Region III Office)	Mr. Ernesto Octaviano Mr. Antonio C. Bagaindol Mr. Eruto H. Vitor	Senior Development Specialist Chief, Infra Division Sr. Economic Development Infra Division

No.	Office	Name	Position/Name of Organization
(7)	DENR (Region III Office)	Joselito D. Memoracion Arnando S. Dupio, JR. Newa M. Dannos James S. Leones	EIA Assistant Chief Geologist, Bureau of Mines Forester, Forest Management Div. Geologist, Bureau of Mines
(8)	Ormoc City	Mr. Eufrocino "Dodong" M. Codilla SR. Mr. Benjamin F. Tugonon Ms. Cristina C. Con-Ui Mr. Roslo L. Pabilan Mr. Briccio Supremo	City Mayor Vice City Mayor City Planning and Development Coordinator City Engineering Officer City Administrative Officer
(9)	Embassy of Japan	Mr. Seiichi Hirokawa	Second Secretary
(10)	JICA Manila Office	Mr. Hiroshi Goto Mr. Hisakatu Okuda	Resident Representative Assistant Resident Representative
(11)	JICA Expert (DPWH)	Mr. Kenichi Matui Mr. Yoshiki Nagai	Planning Service, DPWH Planning Service, DPWH

Note:

DPWH : Department of Public Works and Highways

PMO : Project Management Office

MFCP : Major Flood Control and Drainage Projects

NEDA : National Economic Development Authority

DENR : Department of Environmental and Natural Resources

MINUTES OF DISCUSSIONS
THE BASIC DESIGN STUDY
ON FLOOD MITIGATION PROJECT
IN ORMOC CITY
IN THE REPUBLIC OF THE PHILIPPINES

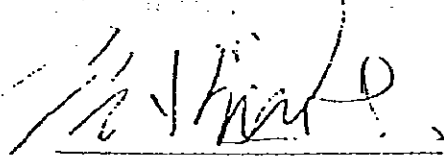
In response to the request from the Government of the Republic of the Philippines, the Government of Japan decided to conduct the Basic Design Study on Flood Mitigation Project in Ormoc City in the Republic of the Philippines (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA sent to the Republic of the Philippines a study team (hereinafter referred to as "the Team"), which is headed by Mr. Masayuki Watanabe, Development Specialist, JICA, and is scheduled to stay in the Philippines from 9 to 29 December, 1996.

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

In the course of the discussions and field survey, both sides confirmed the main items described in the attached sheets. The Team will proceed to further works and prepare a Basic Design Study Report.

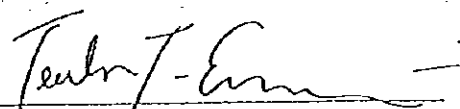
Manila, 17 December, 1996



MASAYUKI WATANABE

Leader

Basic Design Study Team
JICA



TEODORO T. ENCARNACION

Undersecretary

Department of Public Works and
Highways

ATTACHMENTS

1. Objective

The objective of the Project is to mitigate flood damage and to improve the environment in Ormoc City by constructing river structures in Anilao and Malbasag rivers.

2. Project Area

The project area is located in Ormoc City as shown in ANNEX I.

3. Executing Organization

(1) Responsible Organization

Department of Public Works and Highways, Government of the Republic of the Philippines

(2) Implementing Organization

Project Management Office - Major Flood Control and Drainage Projects of the Department of Public Works and Highways

4. Items Requested by the Republic of the Philippines

After discussions with the Team, the items finally requested by the Philippines side are as shown in Annex II. However, the final components of the Project will be specifically decided after the completion of further studies.

5. Japan's Grant Aid System

- (1) The Philippines side has understood the Japan's Grant Aid system in ANNEX III as explained by the Team.

- (2) The Philippines side will take necessary measures described in ANNEX IV for the smooth implementation of the Project, in the event the Grant Aid Assistance by the Japanese Government is extended to the Project.

6. Schedule of the Study

- (1) The consultant members of the Team will proceed to further studies in the Republic of the Philippines until 29 December, 1996.
- (2) JICA will prepare a Draft Final Report and dispatch a mission to explain its contents at the middle of March, 1997.
- (3) In the event the contents of the report is accepted in principle by the Philippines side, JICA will prepare a Final Report and send it to the Republic of the Philippines by May, 1997.

7. Major Points of Discussion

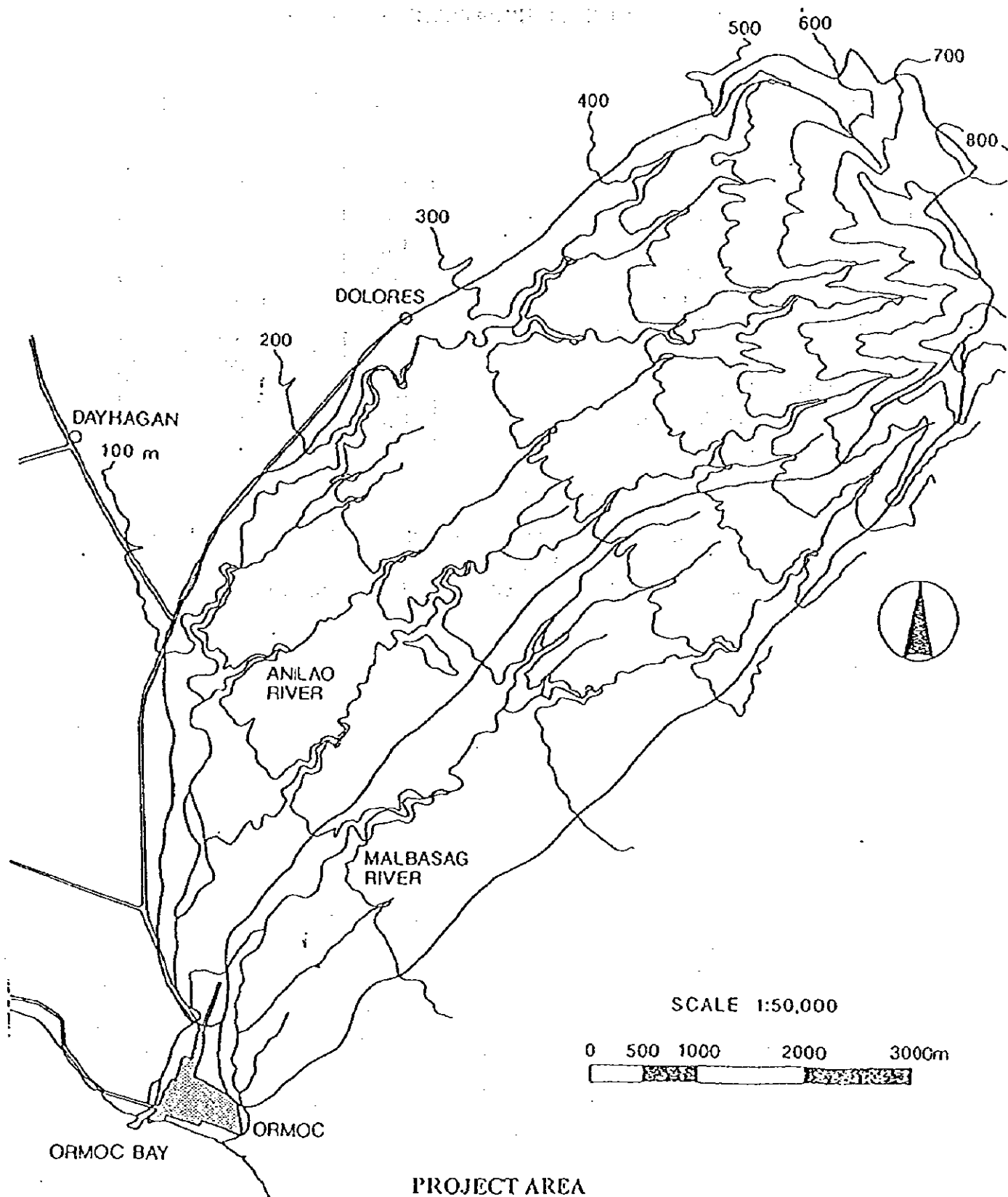
- (1) The following matters were confirmed:
 - (a) The inhabitants affected by the project will be relocated prior to the commencement of the construction work.
 - (b) The private land necessary for the project will be acquired by the Philippines side prior to the commencement of the construction work.
 - (c) The MOA (Memorandum of Agreement) shall be concluded among DPWH, DENR and the City of Ormoc until the end of January, 1997.
 - (d) Necessary funds for the right-of-way acquisition and associated compensation shall be provided by the Government of the Philippines.
 - (e) Rehabilitation/Maintenance of the existing roads leading to the project site shall be undertaken by the Government of Philippines.

(2) The Government of the Philippines requested the following:

- (a) The construction of access road to the project site to be undertaken by the Government of Japan.
- (b) The training of counterpart personnel in Japan and on-the-job training in the Philippines.

The study team will convey the above requests.

ANNEX I



9/4/88

ANNEX II

LIST OF RIVER IMPROVEMENT WORKS

River	Items	Unit	Original Request
Anilao	Earth Dike	m	1,800
	Revetment	m	4,000
	Drainage Sluice	Unit	3
	Hydraulic Drop	Unit	3
	Bridge	Unit	3
	Sabo Dam	Unit	2
Malbasag	Earth Dike	m	1,250
	Retaining Wall	m	2,400
	Revetment	m	1,250
	Drainage Sluice	Unit	4
	Hydraulic Drop	Unit	4
	Bridge	Unit	2
	Sabo Dam	Unit	1

Note:

1. Above works are from "Study on the Flood Control for Rivers in the Selected Urban Centers, JICA, February 1995".
2. The final components of the Project will be decided after further studies.

ANNEX III

ON JAPAN'S GRANT AID PROGRAM

1. GRANT AID PROCEDURES

(1) Japan's Grant Aid Program is executed through 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 Cabinet of Japan)
- Determination of Implementation
(Exchange of Notes between 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 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 the 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 economic point of view;
- (c) To confirm items agreed upon by both parties concerning the basic concept of the project;
- (d) To prepare a basic design of the project; and
- (e) To estimate the cost involved in the project.

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

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

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

For the 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 the 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 and preparation as mentioned above.

The result of the study will be utilized in Japan to decide if the Project is 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 (E/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 procedures such as Exchange of Notes, concluding a contract with (a) consulting firm(s) and (a) contractor(s) and final payment to them must be completed.

(4) Under the Grant, in principle, products and services originating 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 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 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 taxpayers.

(6) Undertakings required from 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:

- (a) to secure land necessary for the sites of the project and to clear and level the land prior to commencement of the construction work.

- (b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities in and around the sites.
- (c) to secure buildings prior to the installation work in case the Project is providing equipment.
- (d) 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.
- (e) 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.
- (f) 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 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 IV

Necessary measures to be taken by the Republic of the Philippines on condition that Japan's Grant Aid is executed:

- (1) To secure land necessary for sites of the project, prior to the construction of the facilities.
- (2) To ensure all expenses and prompt execution for unloading, customs clearance at the port/airport of disembarkation and international transportation of the products purchased under the Grant Aid.
- (3) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the products and services under the verified contracts.
- (4) To accord Japanese nationals, whose services may be required in connection with the supply of products and the services under the verified contracts, such facilities as may be necessary for their entry into the Republic of the Philippines and stay therein for the execution of the Project.
- (5) The Republic of the Philippines is required to maintain and use the facilities constructed under the Grant Aid properly and effectively and to assign staff necessary for operation and maintenance, as well as to bear all the expenses other than those covered by the Grant Aid.
- (6) To bear advising commission of the 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).

The details are shown in ANNEX V.

ANNEX V

Major Undertaking to be taken by Each Government

No.	Items	To be covered by Grant Aid	To be covered by Recipient Side
1	To secure land		•
2	To clear, level and reclaim the site when needed		•
3	To construct gates and fences in and around the site		•
4	To construct the parking lot	•	
5	To construct roads		
	1) Within the site	•	
	2) Outside the site		•
6	To construct the buildings	•	
7	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a. The distributing line to the site		•
	b. The drop wiring and internal wiring within the site	•	
	c. The main circuit breaker and transformer	•	
	2) Water Supply		
	a. The city water distribution main to the site		•
	b. The supply system within the site (receiving and elevated tanks)	•	
	3) Drainage		
	a. The city drainage main (for storm, sewer and others) to the site		•
	b. The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	•	
	4) Gas Supply		
	a. The city gas main to the site		•
	b. The gas supply system within the site	•	
	5) Telephone System		
	a. The telephone trunk line to the main distribution frame/panel (MDF) of the building		•
	b. The MDF and the extension after the frame/panel	•	
	6) Furniture and Equipment		
	a. General furniture		•
	b. Project equipment	•	
8	To bear the following commissions to the Japanese foreign exchange bank for the banking services based upon the B/A		
	1) Advising commission of A/P		•
	2) Payment commission		•
9	To ensure unloading and customs clearance at port of disembarkation in recipient country		
	1) Marine (Air) transportation of the products from Japan to the recipient country	•	
	2) Tax exemption and custom clearance of the products at the port of disembarkation		•
	3) Internal transportation from the port of disembarkation to the project site		•
10	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contract such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work.		•
11	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts.		•
12	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant.		•
13	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for the transportation and installation of the equipment.		•

MINUTES OF DISCUSSIONS

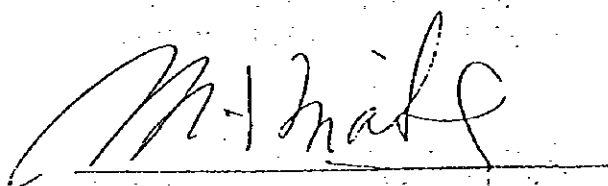
BASIC DESIGN STUDY ON THE FLOOD MITIGATION PROJECT IN ORMOC CITY IN THE REPUBLIC OF THE PHILIPPINES (CONSULTATION ON DRAFT REPORT)

In December 1996, the Japan International Cooperation Agency (JICA) dispatched a Basic Design Study Team on the Flood Mitigation Project in Ormoc City (hereinafter referred to as "the Project") to the Republic of the Philippines, and through discussions, field surveys and technical examination in Japan, has prepared the draft report of the study.

In order to explain and to consult the Philippine side on the components of the draft report, JICA sent to the Republic of the Philippines a Basic Design Study Explanation Team (hereinafter referred to as "the Team") which is headed by Mr. Masayuki Watanabe, Development Specialist, JICA, with a schedule to stay in the country from 6 to 14 March 1997.

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

Manila, 13 March 1997

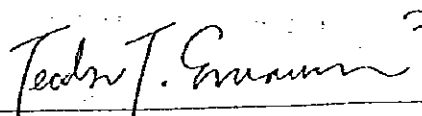


Mr. MASAYUKI WATANABE

Leader

Basic Design Study Explanation Team

JICA



Mr. TEODORO T. ENCARNACION

Undersecretary

Department of Public Works and Highways

ATTACHMENT

1. Components of the Draft Report

The Government of the Republic of the Philippines, as represented by the Department of Public Works and Highways (hereinafter referred to as "DPWH"), has agreed and accepted in principle the components of the draft report prepared by the Team.

2. Japan's Grant Aid System

- (1) The Government of the Republic of the Philippines, as represented by the DPWH, has understood the System of Japan's Grant Aid explained by the Team, as described in ANNEX I.
- (2) The Government of the Republic of the Philippines, as represented by the DPWH, will take the necessary measures described in ANNEX II, for smooth implementation of the Project on condition that the Grant 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 DPWH by the end of April, 1997.

4. Other Relevant Issues

- (1) The following matters were confirmed :
 - a) The required counterpart budget for the Project is not included in the 1997 Infrastructure Program of the DPWH. A request for an initial amount of P50.0 Million for right-of-way acquisition was forwarded by the DPWH to the Office of the President for consideration. The release of this amount is expected by the DPWH on/before the end of April 1997. Also, the remaining budget required for the Project should be included in the 1998-1999 bugetary programs of the DPWH.
 - b) The DPWH will prepare the necessary revised documents using Investment Coordination Committee for Project Evaluation (ICC-PE) Form and submit these to NEDA head office through NEDA Region VIII. DPWH will work out the approval of the revised ICC-PE documents by the ICC Technical Board, the ICC Cabinet Committee and NEDA Board before April 21, 1997; otherwise, the processing of the grant aid by the Government of Japan will be delayed.
 - c) The Memorandum of Agreement (MOA) for the Project should be concluded among DPWH, DENR and the City Government of Ormoc by April 21, 1997.

- d) An opposition letter to JICA Manila office dated 10 January 1997, by six (6) residents was investigated and verified by Ormoc City government. The report of the City Mayor, attached as ANNEX III, stated that the opposition was already withdrawn. DPWH and the Team confirmed the contents of this report.
 - e) The City Government of Ormoc will submit the status reports through DPWH to JICA on the following items by the end of March 1997.
 - land acquisition and compensation with signature of agreement by all affected families.
 - development of resettlement site.
 - arrangement for transportation from resettlement site to city proper.
 - f) Written agreement of affected families on land acquisition and compensation as well as relocation required for the Phase I component of the Project shall be submitted by the City Government, through the DPWH, to the Resident Representative of JICA Philippines Office by April 21, 1997.
 - g) Written agreement of affected families on land acquisition and compensation as well as relocation required for the Phase II component of the Project shall be submitted by City Government, through the DPWH, to the Resident Representative of JICA Philippines Office before Exchange of Notes (E/N) of Phase II component of the Project.
 - h) The topographic survey on the location of the proposed three (3) slit dams was agreed to be conducted by Ormoc City, on the condition of official request letter from DPWH to Ormoc City.
 - i) The relocation of affected families should be completed prior to the commencement of the Project.
 - j) For the Project, the Leyte District Engineering Office at Ormoc City shall establish specific mechanism for monitoring and maintenance practices including budgetary arrangement and assignment of competent engineers.
- (2) Request of the Government of the Philippines
- a) The technology transfer program should include training abroad of local counterparts.
 - b) DPWH recommended the assignment of a JICA Expert in river management administration.
 - c) Two (2) 4WD pick-up vehicles should be provided for the Project supervision, monitoring and maintenance practices by DPWH.

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 (E/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:

- to secure land necessary for the sites of the project and to clear and level the land prior to commencement of the construction work,
- to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities in and around the sites,
- to secure buildings prior to the installation work in case the Project is providing equipment,
- 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,
- 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,
- 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.

ANNEX II

Necessary measures to be taken by the Republic of the Philippines on condition that Japan's Grant Aid is executed:

- (1) To secure land necessary for sites of the project, prior to the construction of the facilities.
- (2) To ensure all expenses and prompt execution for unloading, customs clearance at the port/airport of disembarkation and international transportation of the products purchased under the Grant Aid.
- (3) To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the products and services under the verified contracts.
- (4) To accord Japanese nationals, whose services may be required in connection with the supply of products and the services under the verified contracts, such facilities as may be necessary for their entry into the Republic of the Philippines and stay therein for the execution of the Project.
- (5) The Republic of the Philippines is required to maintain and use the facilities constructed under the Grant Aid properly and effectively and to assign staff necessary for operation and maintenance, as well as to bear all the expenses other than those covered by the Grant Aid.
- (6) To bear advising commission of the 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).



Republic of the Philippines
OFFICE OF THE CITY MAYOR
Ormoc City, Leyte

March 11, 1997

Mr. HIROSSHI GOTO
Resident Representative
Japan International Cooperation Agency
12th Floor Pacific Star Bldg.
Sen. Gil J. Puyat Avenue Ext. Corner
Makati Ave., Makati City

Dear Mr. Goto:

This is in relation to the letter dated January 10, 1997 sent to your office by six residents to be affected by the flood control projects at the downstream portion of Malbasag River who expressed their opposition and objection to their relocation at the resettlement area in Barangay Lao.

In respond to the above concerns, the City Government has immediately conducted an investigation to the six signatories and further requested to have an audience with them at my office last March 9, 1997.

As a result of our dialogue, I am glad to inform you that the signatories of that letter have withdrawn their opposition and objection and strongly expressed their full support to the project.

It has also come to our knowledge during our discussion that the reason for their opposition to the project was purely an expression of sentiments and the lack of knowledge and information of the resettlement program and development of the City Government counterpart.

Presented below are information about the six signatories gathered during the investigation:



Republic of the Philippines
OFFICE OF THE CITY MAYOR
Ormoc City, Leyte

<u>Name</u>	<u>Age</u>	<u>Sex</u>	<u>Status</u>	<u>Area Affected</u>
1. Conchita Millanes	70	Female	Widow	139 sq.m.
2. Irene Cabahug	27	Female	Married	No area affected living with Conchita Millanes
3. Azucino Dabasol		Male	Married	Using the lot of Conchita Millanes
4. Paterna Aparis		Female	Married	430 sq.m.
5. Salvador Bañez		Male	Married	229 sq.m.
6. Antonio Orellano		Female	Married	240 sq.m.

Attached please find copies of Affidavit of No Objection, Affidavit of Pacita Parilla and the list of affected families in Malbasag River. In the Affidavit of No Objection, Pacita Parilla signed in behalf of Paterna Aparis her mother-in-law and Salvador Bañez her brother-in-law. She also executed an affidavit attesting that she was the one who signed for the two parties in the letter of opposition.

Irene Cabahug is a relative and lives on the same house as that of Conchita Millanes so she cannot be considered as an affected family. However, she still signed the Affidavit of No Objection to prove that she has no opposition against the entire project.

The demand of the six signatories in their letter addressed to your office is found very immaterial, considering that all of the related amenities like water, road, drainage, electricity and etc. will be established and duly provided in the resettlement area prior to their relocation. In addition, the city government has already appropriated in the 1997 Annual Budget of P5.0 Million Pesos for Land Development and P2.027 Million Pesos for Water Development projects. The Land Development has already been started, undertaken by administration thru the City Engineering's Office utilizing the City Government's heavy equipments.

Based on the ocular visit conducted together with the JICA Study Team to the resettlement area, it was observed that the road network are already established and nearing completion. After this, establishment of other infrastructure support facilities such as drainage system, health center, school building, water supply and street lights will begin immediately.



Republic of the Philippines
OFFICE OF THE CITY MAYOR
Ormoc City, Leyte

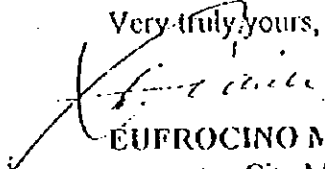
The Ormoc Flood Control Project is an urgent need of the City of Ormoc in the preservation of human lives and property. The memory of the 1991 "flash flood" which resulted in the loss of thousands of precious lives and properties will continue to haunt us and remain in everyone's heart until the Anilao and Malbasag rivers will be protected. Hence, I can assure you of the support of the majority of my constituency and of our local officials irregardless of their political affiliation, because this project calls for urgency to ensure everyone's safety.

Let me assure you further that the objection is the only one of its kind and is not supported nor initiated by NGO's or any people's power showing opposition and unwillingness to abide and agree to the resettlement plan of the city. Hence, we earnestly request your office that the opposition letter be disregarded and not be given importance because the complaint does not speak for the majority of the affected families but purely a product of personal emotions.

Your highest understanding of the above-matter will be highly appreciated.

Thank you very much for bearing with us.

Very truly yours,


EUFROCINO M. CODILLA, SR.
City Mayor

JOINT AFFIDAVIT OF NO OBJECTION
TO THE IMPLEMENTATION OF THE
FLOOD CONTROL AND MITIGATION
PROJECT IN ORMOC CITY FUNDED
BY JICA

WE, IRENE CABAHUG, AZUCENA DABASOL, PACITA PARRILLA,
CHELITA ORILLANO and CONCHITA MILLANES, all of legal ages,
married, Filipinos, and residents of Malbasag River, Brgy. Can-adieng,
Ormoc City, after having been duly sworn to in accordance with law,
hereby depose and say that:

1. We are affected by the Flood Control and Mitigation Project in
Ormoc City funded by JICA:

2. We are aware of this noble program which if implemented will
deter the recurrence of that fashlood of 1991 which claimed thousand
of lives and destroyed millions of properties of the Ormocanons. Thus,
we have no objection whatsoever to the implementation of said project
by JICA:

3. We are aware of the advantages and the purpose of the said
project which will redound to the benefit of the whole Ormocanon, thus,
we fully support the implementation of the JICA.

IN WITNESS WHEREOF, WE hereunto affix our signatures this
10th day of March 1997.

Irene Cabahug
IRENE CABAHUG

Azucena Dabasol
AZUCENA DABASOL

Pacita Parrilla
PACITA PARRILLA

Chelita Orillano
CHELITA ORILLANO

Conchita Millanes
CONCHITA MILLANES

SUBSCRIBED AND SWORN to before me this 10th day of March, 1997, affiants
exhibited to me their respective residence certificate, to wit: Irene Cabahug
on 1997; Azucena Dabasol- on 1997; Pacita
Parrilla-1715752C on 3-11 1997; Chelita Orillano- on 1997;
and Conchita Millanes-17078507C on 2-7 1997, both at Ormoc City.



Alberto E. Conopio
ALBERTO E. CONOPIO
CITY PROSECUTOR

REPUBLIC OF THE PHILIPPINES)
CITY OF ORMOG) S.M.

A F F I D A V I T

I, FACITA PARRILLA, of legal age, Filipino, married, and with residence and postal address at District 28, Ormoc City, Philippines, after having been duly sworn to in accordance with law, hereby depose and say:

1. That I am one of the affected families of the Ormoc Flood Control Project, located at Downstream portion of Anilao River, Ormoc City;

2. That I was the one who signed in behalf of PATERNA APARIS and SALVADOR BAÑEZ in the letter of opposition and objection dated January 10, 1997 addressed to JICA Office;

3. That I am the daughter-in-law of Paterna Aparis and the brother-in-law of Salvador Bañez; and that, I am the same person who signed the Affidavit of No Objection to the Implementation of the Ormoc Flood Control Project.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of March, 1997 at Ormoc City, Philippines.

Paula Parrilla
FACITA PARRILLA
(Affiant)

SUBSCRIBED AND SWORN to before me this 11th day of March, 1997 at Ormoc City, Philippines, affiant exhibited to me her Res. Cert. No. 17115722 dated March 11, 1997 at Ormoc City.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 1997.

Luisa G. Denserga
LUIZA G. DENSERGA
CLERK OF COURT IV
MTCC, ORMOG CITY

FINAL ESTIMATED LOT AREA OF THE PROPOSED
JAPAN INTERNATIONAL COOPERATION AGENCY
FLOOD CONTROL OF MALOASAG RIVER

LOT NO.	T.D. NO.	TCT. NO.	O W N E R	AREA	ASZ
770-B	25910	11147	SASELHIO, CONRADO	12,081.31	1.0
2915	19468	899	TEVES, ALEJA	28,936	"
1291	19400		RAMIREZ, JULIAN OCC. BY (RICARDO SEPE & SOCORRO SMI)	2,353	1
2297	19361	11425	FIEL, JUSTINA C. ADELA CASTAÑEDA & ANOREA CATAAG	5,168	"
2916	19389	P-303	INAKI LARRAZABAL	10,123	"
1430	19343		GARCES, VICENTE	8,330	"
1935	19464		SANCHEZ, GERONIMO	10,360	2
1431	19398	10195	INAKI LARRAZABAL	14,385	1
1336	19421		OLIMPIO, PATRICIO	4,414	1
1433	23096		INAKI LARRAZABAL	6,556	2
1437	21162-P	9116-P	CORDERO, PABLO	1,160	2
1138	21154		CORDERO, PABLO & EMILIANA ARCUINO	7,407	1
1132	23028	10216	INAKI LARRAZABAL SRT. INC.	6,112	"
1131	23023	13466	WARD MGT. CORP. OF HAWAII CITY	4,000	"
1130	26425		CATAAG, ADELA & ANOREA CASTAÑEDA	1,325	"
1129	22012	15353	PENDERGA, JULIA ROSA C.	930	"
1128	22010	13343	PENDERGA, EMILIO	320	"
1127	22010	13349	PENDERGA, LEONORA	332	"
1126	22010	10105	PENDERGA, ASTRID BLANCA VICENTE C.	307	"
1125	22010	13347	PENDERGA, NEMESIO	1,928	1
1124	26440	12948	APARIS, PATERNA	1,371	"
1123	21033	9335	LARRAZABAL, SANTIAGO & ENRIQUEZ	4,316	1
1122	25582	20140	SUARI, FRANCISCO & ENRIQUEZ FUGGHO	1,507	2
1121	25537	0-19969	TAN, PABLITO	5,125	3
1120	25446	4390	CALENZOGA, TEOFILO	17,120	2
1119	21430-A-3	16073	HERNANDEZ, FAUSTINA	791	"
1118	21430-A-5	16076	ORELLANO, ANTONIO	815	"
1117	21430-A-1	10071	ORELLANO, CLARA	791	"
1116	25447	7065	CALENZOGA, TEOFILO & CRISPINA VEGA	2,723	1
1115	8213		BUENO, PROCOPIA VEGA	2,723	2
1114			CLARISSA CON-UI	1,530	3
1113			PAULITA CON-UI	1,530	4
1112			ARSENIO CON-UI	7,350	4
1111			FELIZA AUGULO	3,850	1
1110			DAMIANA PEDRAZA	3,203	2
1109	21063	15711	ORILLANO, HILARIO	1,064	"
1108	20212	19072	ORILLANO, PEDRO	731	"
1107	10579-P	35205	CORDERO, PABLO & EMILIANA CORDERO	1,352	"
1106	21048	10012	MALASAGA, ANTONIA	152	"
1105	22051		JUANITO & HONORATA LAUDE	133	"
1104	25526	21080	BUTAO, HONORIO	60	"
1103	25527	21081	BUTAO, HICAHOR	120	"
1102	30067		MALASAGA, PABLO	125	"
1101	21380	19877	LARRAZABAL, POTENCIANO	574	"
1100	00030		DINOY CLAUDIO SR & ATIVIO R. RICARTE	243	"
1099	21679	18819	NAXIO MALAZARTE & FLORENCIA DELALAMON	153	"
1098	21183		CORMANES, VALENTA	184	"
1097	22327-P		SACAY (ASUNCIÓN) DOMINIO, DOMOTIO, EMILIO, GLAZARD	87.34	"
1096	22508	5173	SUMALJAG, REMEDIOS & LOUROS SUMALJAG	290	"
1095	20524	14804	ABLEN, MARCISA	23	"
1094	1012, 000, 055				
1093	1482-A	11147	SASELHIO, CONRADO	5,683	"
1092	38562		BELLOSIMO, MARCIANA	558	"
1091	20652		ASENJI, GABRIEL & PRECOSA DE LA ROSA	390	"
1090	21411		GERALDO, SANTOS V.	182	"
1089	27952	21739	SEVILLA, REBECCA P.	182	"
1088	21409-A-2	26076	GERALDO, MARGIA	63.80	"
1087	18250		GALICANO LUMACAD	86.50	"
1086	14275		SRS. RAMON GO & DOMINGA GO	1,652	"
1085	16822		SIRON, NATHANIEL & CLOTILDE	156	"
1084	22364		SACAY, PEDRO (HRS. OF)	709	"
1083	31601		YMAS, PAULA (HRS. OF)	73	"
1082			YMAS, PAULA (HRS. OF)	16	"

121	21527	20051	MACLASANG, PAUL	135
122	21560	12977	LARRAZABAL, POTENCIANO	271
123	00030		ORIOY CLAUDIO S. & NATIVIDAD RICARTE	242
124	21979	16819	MAXIMO MALAZARTE & FLORENCIA DELALAMAN	183
125	21183		CORMANES VALERA	184
126	22327-P		SACAY (Asesorado) BONIFACIO, DOROTIO, EMILIO, BLAZAS	2531
127	22908	6173	SUMALJAG, REMEDIOS & LOURDES SUMALJAG	290
128	20524	14804	ABLEN, MARCISA	83
129				
130		11147	SAGELINO, CONRADO	5,693
131	39562		DELLOSHO, MARCIANA	535
132	20852		ASENSI, GAUDENCIO & PRECIOSA DE LA ROSA	390
133	21111		GERALDO, SANTOS V.	162
134	27952	21739	SEVILLA, REBECCA P.	162
135	21409-A-2	26075	GERALDO, MARCIA	83.00
136			GALICANO LUMACAO	89.50
137	31902-B-1	18256	SER. RAMON GO & DOMINGA GO	1,852
138	22459	14275	SISON, NATAHEL & ELOISE	156
139	22354	16822	SACAY, PEDRO (Hrs. of)	709
140	31801		YMAS, PAULA (Hrs. of)	73
141	31801		YMAS, PAULA (Hrs. of)	78
142	31800-B		YMAS, PAULA (Hrs. of RENATO YMAS)	76
143	21250-B	15808	ORIOY, CLAUDIO & NATIVIDAD RICARTE	195
144				
145	21981-B		VICTORIA LARRAZABAL	5,682
146	22295	8890	PASCUA, RODOLFO & MARIA CNEGA	1,093
147	20786	4942	GLORIA ROCA	351
148	21915-A	13739	BURROO, JOSE & ELIOSA TAN	381
149	30367	20818	PANTA, WILFREDO & LETECIA PARTIQUI	369
150	23806	18590	RMC COMMERCIAL CORP.	1,910
151	23906	18589	LARRAZABAL, EMETERIO	423
152	22727	5922	LARRAZABAL, EMETERIO	881
153	22718	2870	MACLASANG, FLAVIANO & SALUD ADIZA	88
154	22718	3849	RICARTE, ANITA	190
155	23247	13566	RICARTE, ANITA	180
156	30034	23618	POTENCIANO LARRAZABAL	2,289
157	1648	13234	ABERILLA (All Sarmad) JOEL & JULIO	351
158	23380		HILLANES, CONCEPCION B.	231
159	30553	19942	ALCORDERO, PURISIMO	250
160	23493	3384	ALCORDERO, JOSE	218
161	1524	19995	SAGELINO, CONRADO & TEOFISTA CALIBO	712
162	1475		SER. ESVER, LAZARO & SHAGONA QUIATSON	482
163	1438		PATION, MARCELO	97
164			BER BONOLST	97
165	4442		BONIFACIO TANELO	93
166	4431		LORETO CORTES	102
167	4427		DOMATO BANTON	88
168			ROSITA ANGELIO	97
169	4424		QASIANO, MORENO	101
170	4459		GUILLERMO, ANDOY	88
171	4438		FRANCISCO POBE	89
172	4467		MORBERTA CAGAYONG	87
173	4477		DIONISIO SEPILLOS	90
174	21175		LEONCIO VILLANUEVA	133
175			CORTES, MATELDE	123
176	00045	17747	LANTANG, BASILIO	83
177	00048	17844	LANTANG, PEDRO	229
178	20711	14432	DANEZ, SALVADOR	387
179	22029	15084	BEATRIZ, PEPITO	289
180	21673	19882-P	PAULO MACLASANG	481
181	22342	19892-P	GREGORIO SACAY	118
182	20721	19882-P	ROLANDO BANTASAN & RICARDO PEPITO	387
183				
184			EPIFANIO SACAY & CONSOLACION	572
185			TORRES, VICENTE	7,330
186				
187			PAUL, MACKY ERIC F.	125

COMMUNITY TAX CERTIFICATE NO. 17115752 C

19 92 ANNUAL CITY

NAME Paula Parilla SEX F DATE OF BIRTH 11-11-58

ADDRESS 731 CITY San Francisco STATE CA ZIP 94114

TAXPAYER'S COPY

TAXES

A. BASIC COMMUNITY TAX (ITS 00) Voluntary or Exempted (If 1.00)

B. ADDITIONAL COMMUNITY TAX (Tax not to exceed \$5,000.00)

1. THE PROPERTY IS AN INVESTMENT PROPERTY AND BUSINESS EARNING TAX

2. THE PROPERTY IS AN INVESTMENT PROPERTY AND BUSINESS EARNING TAX

3. THE PROPERTY IS AN INVESTMENT PROPERTY AND BUSINESS EARNING TAX

TOTAL 10.00

INTEREST 1.60

TOTAL AMOUNT PAID 11.60

PAULA PARILLA

JOHN F. CARROLL

List of Attendance

Date: March 12, 1997

Place: DPWH Head Office Manila

No	Name	Status	Signature
1	Teodoro T. Encarnacion	Undersecretary	T. Encarnacion
2	Linda R. Temple	Director	L. Temple
3	Makoto MIYATA	JICA Study Team	M. Miyata
4	Resito V. DAVID	PMO - MFEP, DPWH (Proj. Manager)	R. David
5	Hiroshi SHIMIZU	JICA Study Team	H. Shimizu
6	Hiroshi FURUTAGUCHI	"	H. Furutaguchi
7	NONITO F. FANIO	Project Director, PMO - MFEP	N. F. Fanio
8	CONRADO D. ESCOBAR	Project Manager SWIM	C. D. Escobar
9	Shobichi Sakata	JICA Study Team	S. Sakata
10	AKIMORI MASUDA	MOC, JAPAN	A. Masuda
11	M. WATANABE	JICA	M. Watanabe
12	M. Alconis	PED, Planning Service	M. Alconis
13	Napoleon S. Famadico	PED, Planning Service	N. S. Famadico
14	CESAR D. MEJIA	DIRECTOR, LEGAL SERVICE, DPWH	C. D. Mejia

MEMORANDUM OF DISCUSSIONS
THE BASIC DESIGN STUDY
ON FLOOD MITIGATION PROJECT
IN ORMOC CITY
IN THE REPUBLIC OF THE PHILIPPINES

Through the discussions and field survey, the Ormoc City Government, the District Office of DPWH (District II, Region VIII), and the JICA Study Team (Consultant Team) confirmed the following matters.

1. Right of Way for the River Improvement Works

The right-of-way for the improvement works of Anilao and Marbasag rivers was finalized by the Study Team as shown in Fig. 1 and 2. The Ormoc city Government and the District Office of the DPWH agreed to accomplish all necessary land acquisition and compensation work in accordance with the above finalized drawings before the commencement of construction.

2. Sabo Dams

The final location of the Sabo dams and the access roads to the sites will be determined by the Study Team in the middle of January 1997. Based on this, the City Government and the District Office of the DPWH shall conduct a parcel survey at the sites and acquire the necessary right-of-way for construction before the commencement of the project. (The proposed locations of Sabo dams at present stage are shown in Fig. 3)

3. Bridges and Approach Roads

For the design of bridges subject to reconstruction, two lane road will be applied as shown in Fig. 4, which complies with the bridge standard of the Philippines.

Necessary right-of-way for the approach road of bridge will be determined by the Study Team in the middle of January 1997. Based on this, necessary land acquisition compensation works shall be undertaken by the City Government and

the District Office of the DPWH before the commencement of the project.

The alignment of approach road for the Anilao bridge will be determined based on the one proposed by the Ormoc City Government as shown in Fig. 1. Necessary land for this approach road shall be acquired.

4. Reclamation/Backfill in the Existing River Channel and Spoil Area

The following areas shall be reclaimed/filled in the project construction stage.

Left bank of Anilao river (STA. 0+900 - 14+200, river channel)

Right bank of Malbasag river (STA. 0+700 - 800, river channel)

The excess soil of construction will be disposed of in the spoil area designated by the Ormoc City Government as shown in Fig. 3.

5. Relocation Works for Electric Poles, Water Supply Pipes and Telephone Lines

The City Government and the District Office of the DPWH shall identify the location, dimensions and number of the facilities itemized below, which have been installed in the right-of-way of the river improvement works (refer to Fig. 1 and 2). In addition, relocation cost for the facilities shall be estimated and the results shall be informed to the Study Team in writing by the end of January 1997.

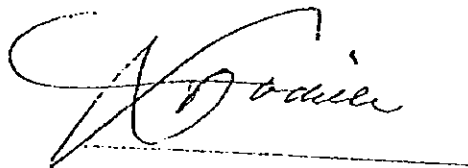
Electric poles and cables,

Water supply pipes, and

Telephone lines

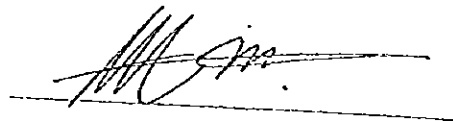
Ormoc City, 23 December, 1996

Agreed by/ between:



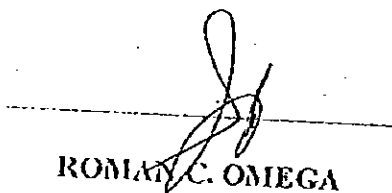
EUFROCINO M. CODILLA, SR.

Ormoc City Mayor



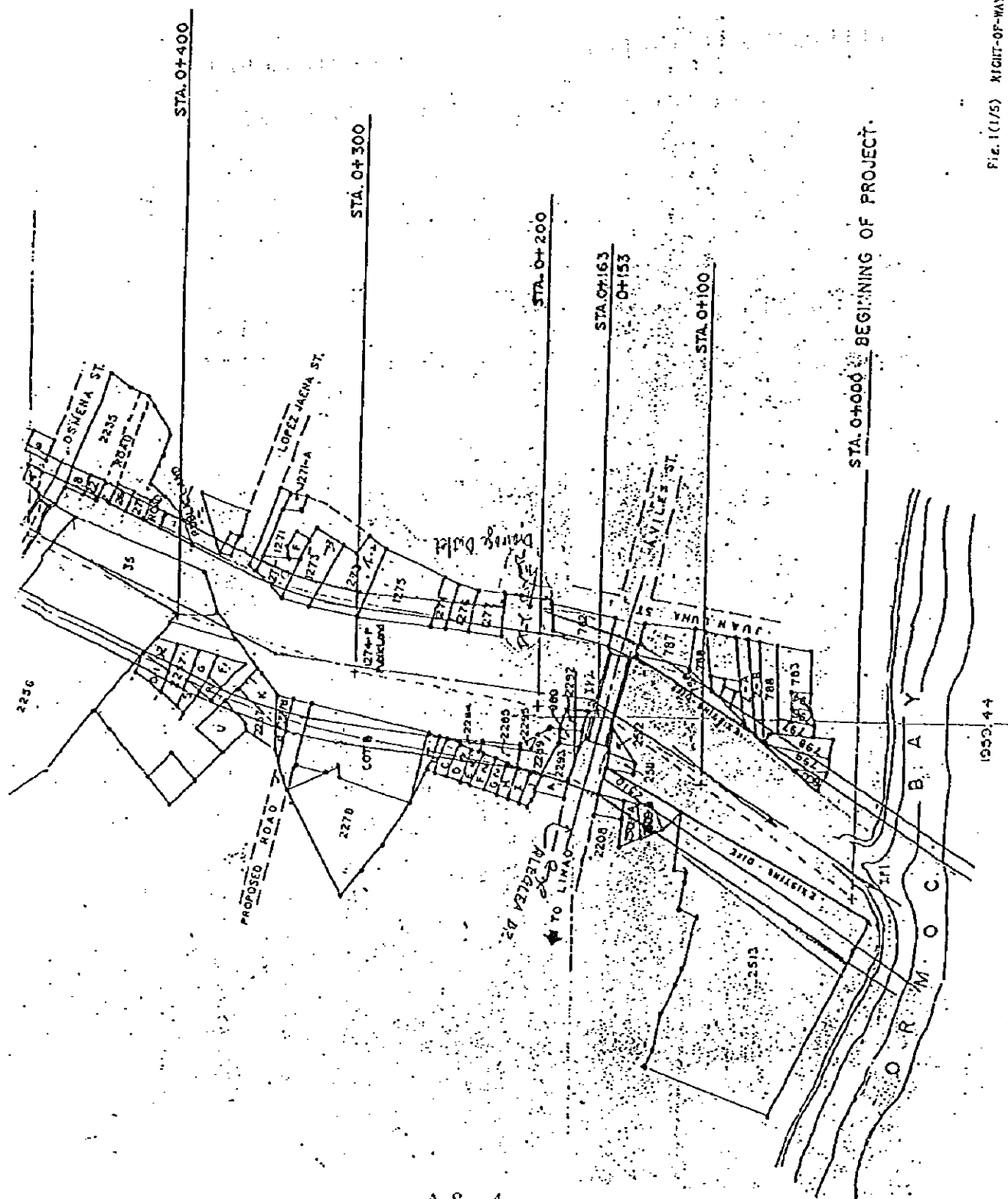
MAKOTO MIGITA

Basic Design Study Team, JICA



ROMAN C. OMEGA

Chief District Engineer, Leyte II DPWII
Region VIII



400'	400'
110'	110'
104'	104'
57'	57'
62'	62'
135'	135'
2,822'	2,822'
3,840'	3,840'
EA AFFECTED	EA AFFECTED
119,748 SQ. M.	119,748 SQ. M.

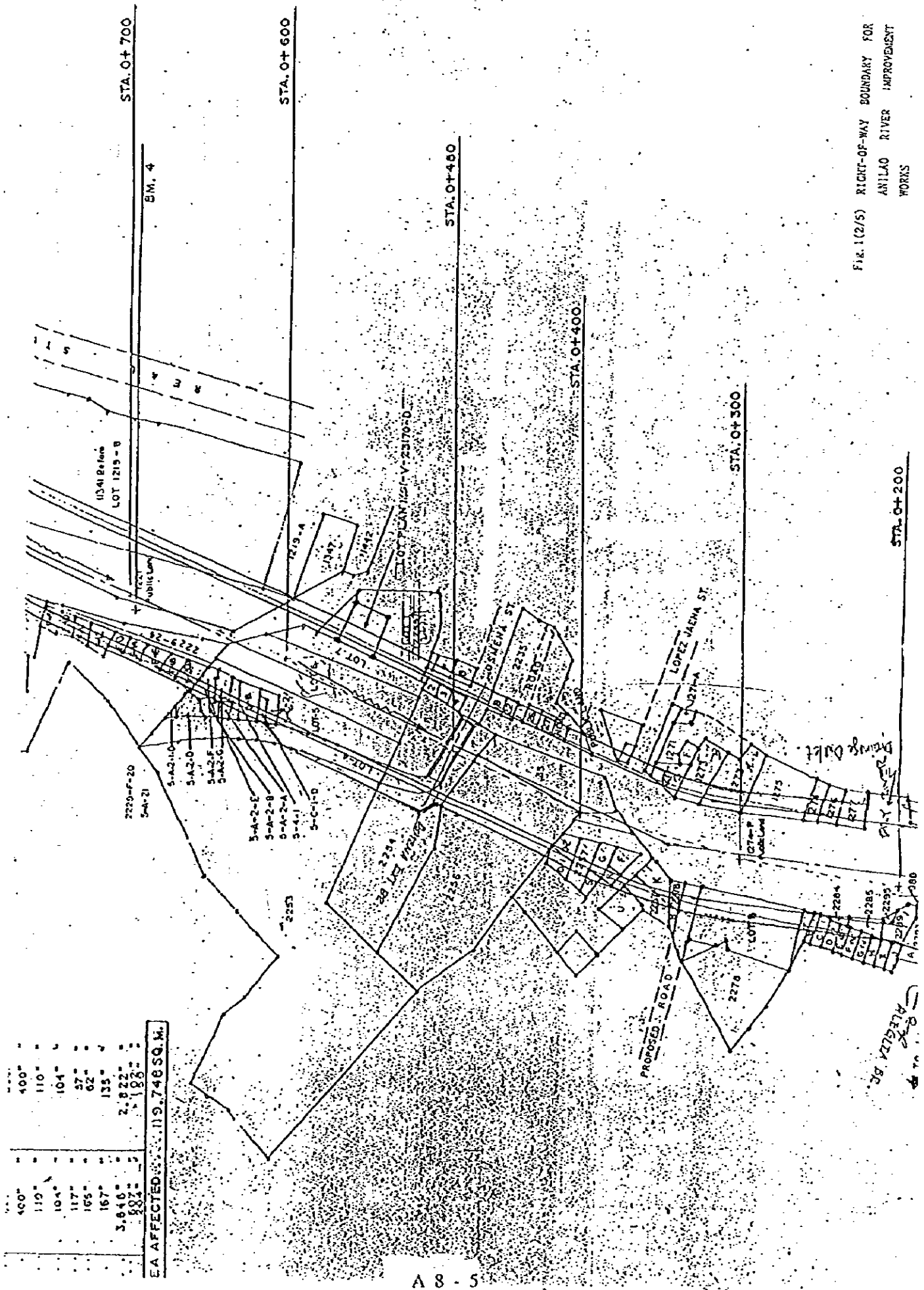
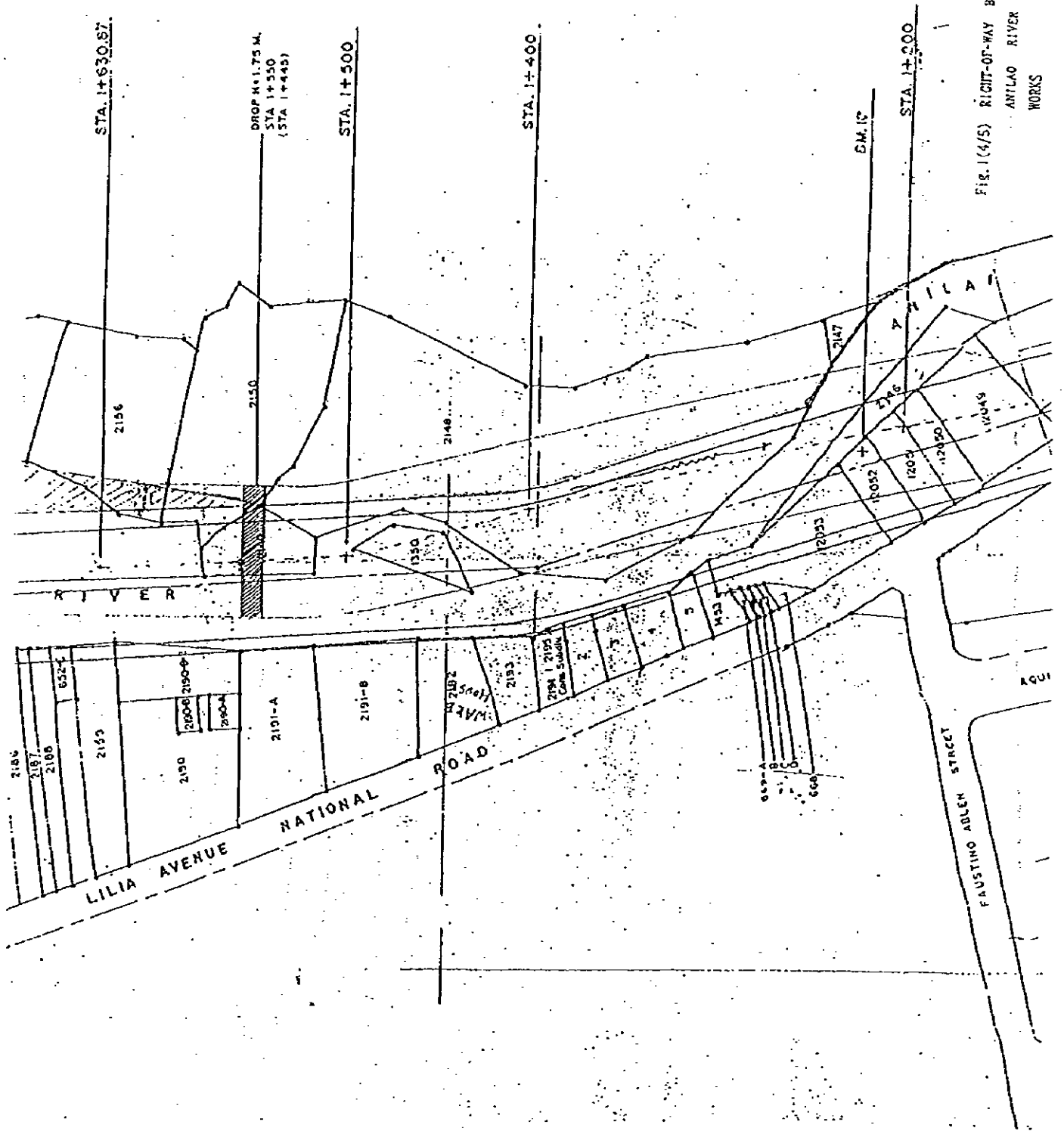


FIG. 1(2/5) RIGHT-OF-WAY BOUNDARY FOR
ANILAO RIVER IMPROVEMENT
WORKS

311	2186
59	2187
516	2188
770	2189
736	2190
196	2191
358	2192
329	2193
86	2194
3705	2195
0	2196
12	2197
13	2198
26	2199
37	2200
62	2201
27	2202
126	2203
154	2204
95	2205
98	2206
142	2207
149	2208
192	2209
216	2210
744	2211
137	2212
181	2213
109	2214
275	2215
68	2216
128	2217
3486	2218
1148	2219
2732	2220
58	2221
73	2222
83	2223
122	2224
119	2225
1815	2226
934	2227
110	2228
6727	2229
8250	2230
57	2231
207	2232



Q. RIVER	AREA AFFECTED SQ. MI.
2.625	54. M.
10.148	-
111.805	-
307	-
490	-
1,693	-
900	-
4,463	-
541	-
743	-
803	-
970	-
9,923	-
2,306	-
1,142	-
1,175	-
109	-
89	-
250	-
1,145	-
543	-
221	-
6071	-
229	-
713	-
601	-
710	-
2,334	-
143	-
664	-
3,111	-
4,328	-
311	-
99	-
516	-
770	-
736	-
198	-
538	-
329	-
34	-

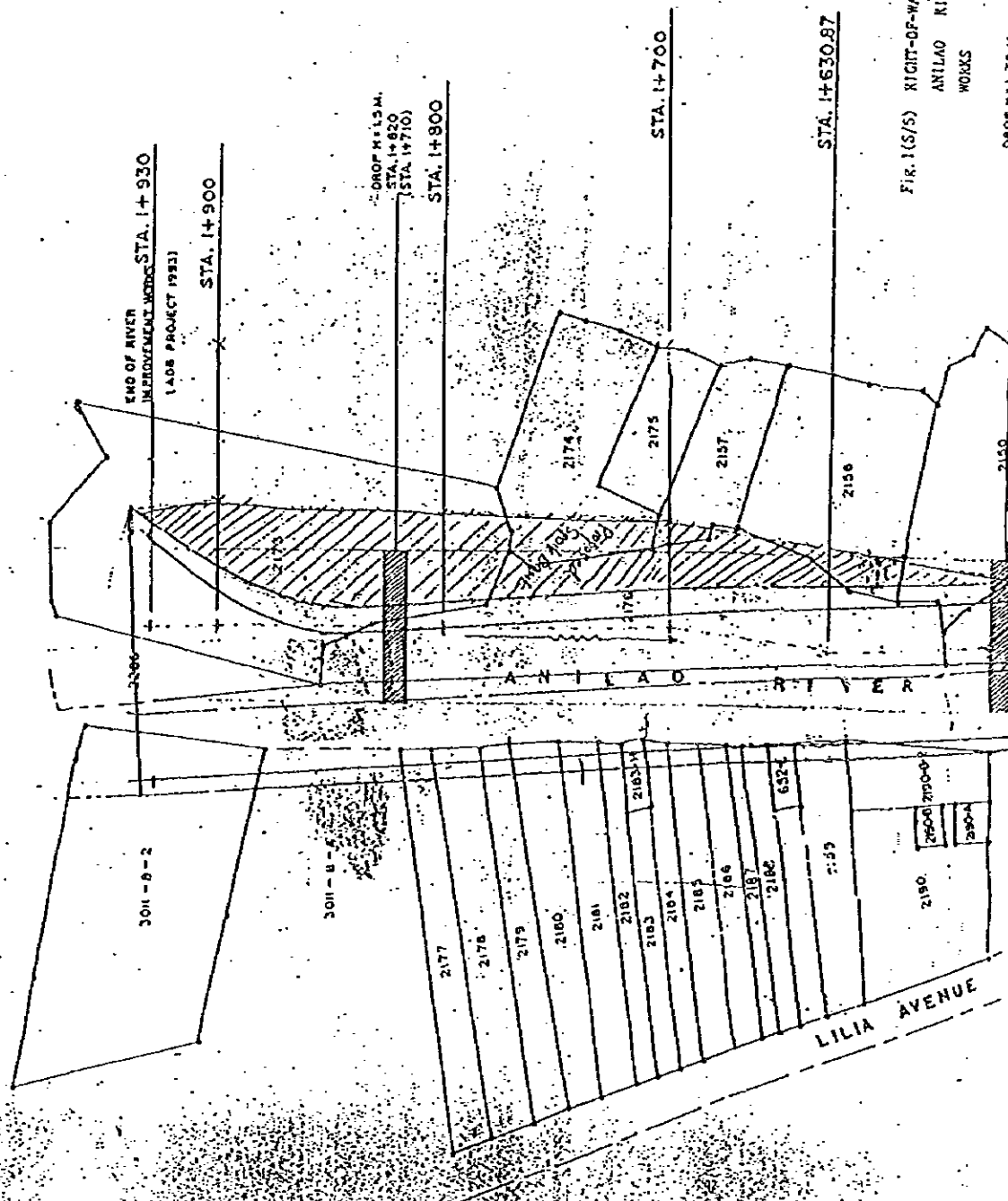
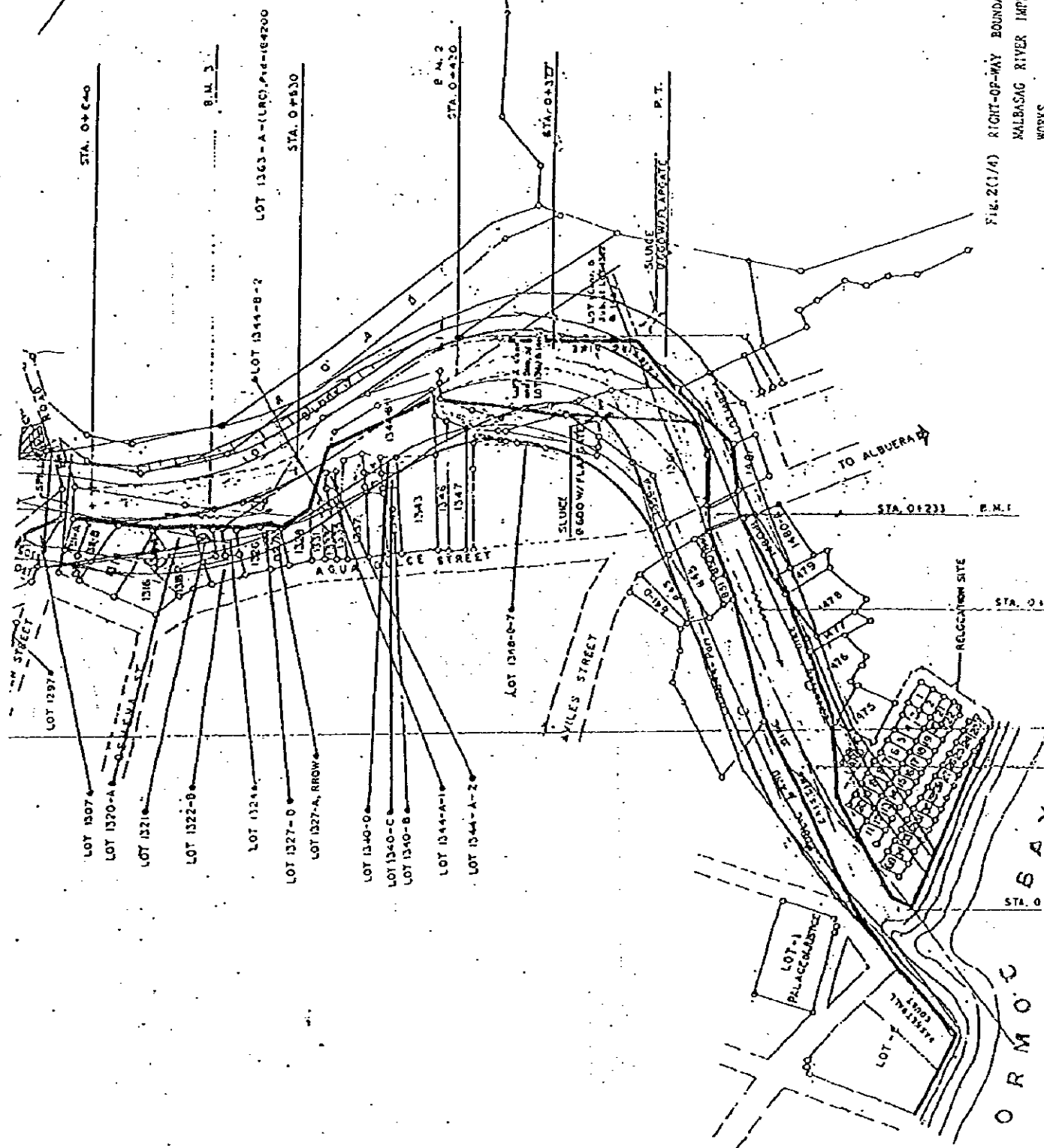


FIG. 1(S/S) RIGHT-OF-WAY BOUNDARY FOR
ANILAO RIVER IMPROVEMENT
WORKS

DAQ# M=1.73 M.



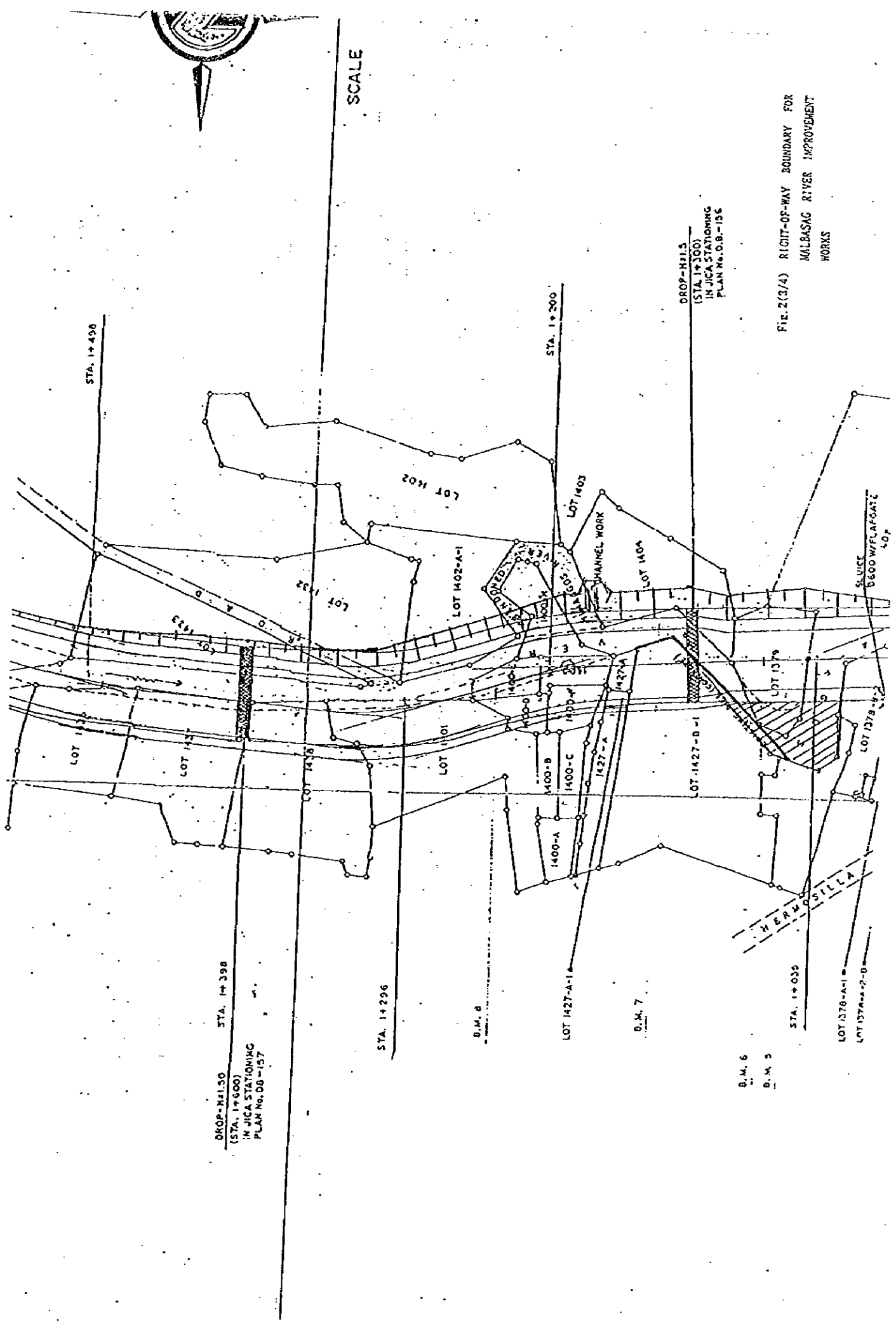


FIG. 2(3/4) RIGHT-OF-WAY BOUNDARY FOR MALBASAG RIVER IMPROVEMENT WORKS

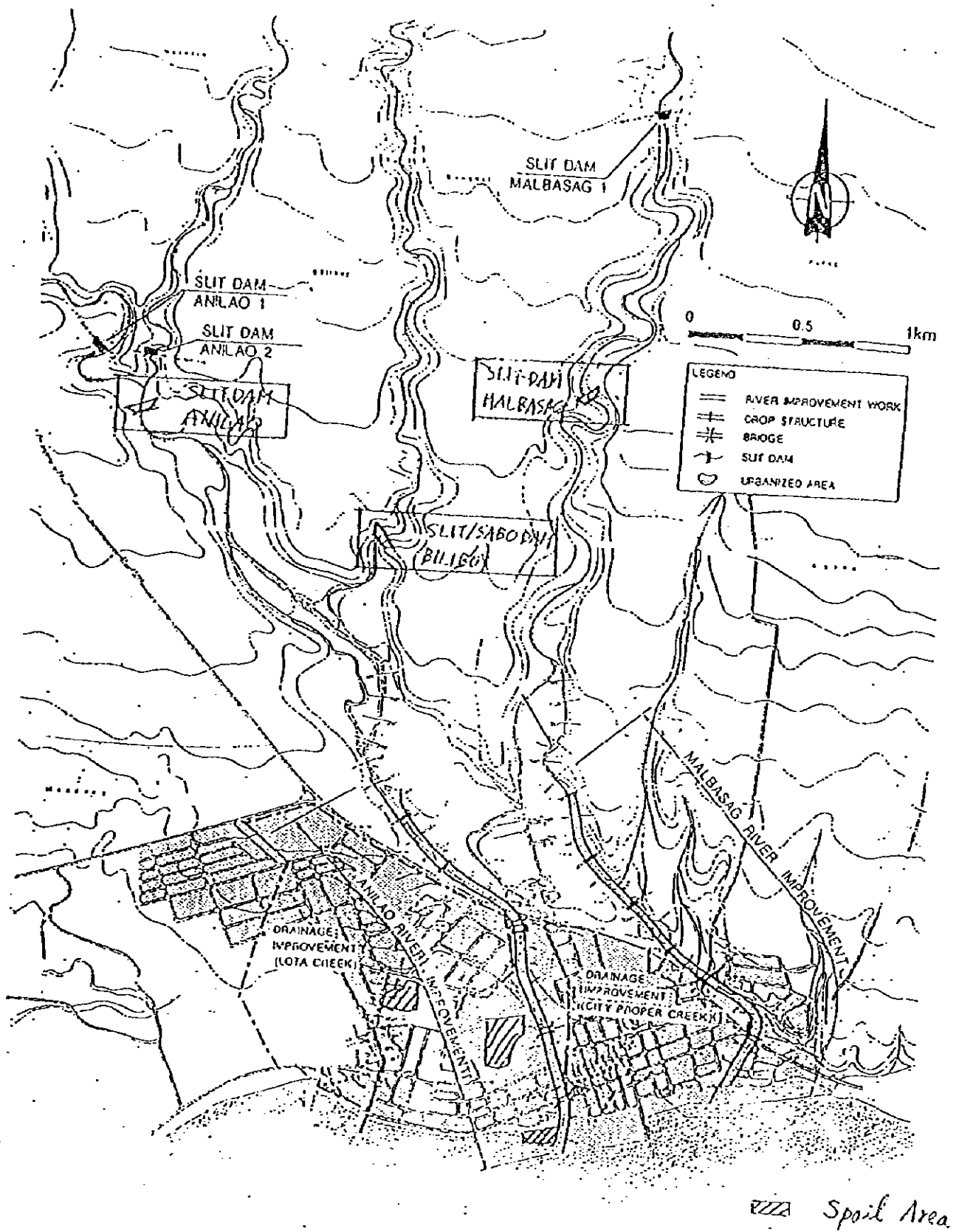


Fig.3 PROPOSED LOCATION OF SLIT DAM SITE AND SPOIL AREA

ANNEX. 6 ESTIMATE OF COST TO BE BORNE BY THE RECIPIENT COUNTRY

1. For the Construction Stage

Based on Section 3.1.7, Classification of Project Works, the project cost borne by the Government of the Philippines is estimated in pesos, and details are shown below.

Project Cost Borne by the Philippines

Item	Unit	Peso
(1) Expense for the Project Office	L.S.	3,872,000.
(2) Customs Tax and Storage Cost more than 7 days *1)	L.S.	0.
(3) Maintenance of Existing Road	L.S.	1,508,448.
(4) Compensation Works	L.S.	179,981,525.
(5) All Tax Related to the Project *2)	L.S.	0.
(6) Cost for Bank Arrangement	L.S.	4,000,000. *3)
(7) Bomb Disposed	No.	50,000.
Total		185,539,973

Note : *1) This item will be carried out by the project office itemized in (1).

*2) VAT for the project will be exempted and the legal procedures regarding the taxation will be shouldered by the project office itemized in (1).

*3) Cost for Bank Arrangement will be fixed after negotiation between the Philippine government and the Bank.

The breakdown of each costs is attached below:

(1) Supervise/Periodical Patrol

The expense for the supervision and periodic patrol is estimated as bellow:

		Unit	M/M	Unit Cost	Total
Remuneration					2,532,500
Engineer	Project Manager	month	39.5	20,000	790,000
	River Engineer	month	24.0	15,000	360,000
	Structural Engineer	month	39.5	15,000	592,500
Staff	Typist	month	39.5	7,500	296,250
	Clark	month	39.5	7,500	296,250
	Draftsman	month	39.5	5,000	197,500
Direct Cost					987,500
	Car Rental	month	79.0	10,000	790,000
	Stationary	month	79.0	2,500	197,500
Contingency	10 % of Above				352,000
Total					3,872,000

(2) Maintenance of Existing Road

Length to be maintained

	Length of Road	Transportation No. per Month	Cracking Index (% of length/year)	Repair Length
Inland Transportation	4.0 km	5	0.25 %	10.0 m
Excavation/Embankment	1.0 km	500	25.00 %	250.0 m
Silt Dam	2.0 km	120	6.00%	120.0 m
Total				380.0 m

Quantities for Repair

	Unit quantities (/m)	Repair Length (m)	Total Volume (m ³)
Gravel	1.60	380.00	608.00
Concrete Pavement	1.60	380.00	608.00

Cost for Repairing of Existing Road

	Unit Cost (peso)	Volume (m ³)	Cost (pesos/year)
Gravel	103 m ³ /m	608.00	62,624
Concrete Pavement	724 m ³ /m	608.00	440,192
Total (pesos/year)			502,816
Total (pesos)	P 502,816 /year	3 years	1,508,448

(3) Compensation Works

The house evacuation cost, land acquisition cost and development cost for resettlement area are estimated by the Ormoc city government as follows.

		Unit	Quantity	Cost
ANILAO RIVER	House	nos.	244	31,596,205
	Land	m ²	119,763	73,137,200
MALBASAG RIVER	House	nos.	184	11,892,920
	Land	m ²	84,280	51,355,200
RESETTLEMENT AREA	Development cost	L.S.		12,000,000
Total				179,981,525

Note : The final cost for the compensation works will be fixed by the Ormoc city government after completion of the negotiation between the affected families and the Ormoc city.

2. For the Operation and Maintenance Stage

Operation and maintenance cost required for the structural maintenance is estimated as below, while the cost for the environmental maintenance will be estimates by Ormoc City depending on facilities/structures which will be developed by the city government.

Estimated cost is summarized as below:

Operation and Maintenance Cost

Item	Amount (pesos)	Remarks
1. Administration Cost	245,000	Every year
2. Annual Inspection of Structures	94,000	Once a year
3. Detail Inspection of Structures	184,000	Once 5 years
4. Annual Maintenance of Structures	504,000	Once a year
5. Periodic Maintenance of Structures		
5-1 Short Term	799,000	Once 5 years
5-2 Long Term	1447,000	Once 20 years
Total	Every year	1,700,000
	Once 5 years	938,000
	Once 20 years	1,447,000

The breakdowns of the costs are shown in following tables.

(1) Administration Cost

(unit pesos)					
		Unit	M/M	Unit Cost	Total
Remuneration					168,000
Engineer	Project Manager	month	2.4	20,000	48,000
	River Engineer	month	2.4	15,000	36,000
	Structural Engineer	month	2.4	15,000	36,000
Staff	Typist	month	2.4	7,500	18,000
	Clark	month	2.4	7,500	18,000
	Draftsman	month	2.4	5,000	12,000
Direct Cost					54,250
	Car Rental	month	4.8	10,000	48,000
	Stationary	month	2.4	2,500	6,250
Contingency	10 % of Above				22,225
Total (pesos/year)					244,475
round					245,000

Note : It is assumed that about 20 % of the working time for the staff in the district office listed above will be charged in the river maintenance works.

(2) Cost for Maintenance

Annual Inspection

(Unit pesos)

	Unit	Quantity	Unit COST	Total
1. Personnel expense (inspection & reporting)				
River Structural Eng'r	day	10	1,500	15,000
Bridge Engineer	day	5	1,500	7,500
Assistant Engineer	day	15	1,000	15,000
2. Technical expense (120% of 1)				45,000
3. Direct Cost				
Car rental	day	5	2,000	10,000
Reporting	L.S.			1,000
Total				93,500 Pesos/Year

Detail Inspection (once 5 years)

(Unit pesos)

		Quantity	Unit Cost	Total
1. Personnel expense (inspection & reporting)				
River Structural Eng'r	day	30	1,500	45,000
Bridge Engineer	day	15	1,500	22,500
2. Technical expense (120% of 1)				81,000
Direct Cost				
Car rental	day	15	2,000	30,000
Reporting	L.S.			5,000
Total				183,500 Pesos/5 year

Annual Maintenance

(pesos)

			Unit	Quantity	Unit Cost	Total
River	Weeding out	Dike slope	m ²	14,000	8	105,000
	Removal of trash	Bridge and Sluice	m ³	3,200	27	86,880
	Maintenance of Pavement	(10% of total length)	m ²	1,920	94	179,520
Sluice	Sweeping of channel	(deposit soil)	m ³	253	113	28,597
Slit Dam	Removal of floating logs	(20% of reservoir capacity)	m ³	1,500	69	103,500
Total						503,497

Large Scale Maintenance

(pesos)

			Unit	Quantity	Unit Cost	Total
Sluice	Painting of Gate	(once a 5 years)	m ²	14	1,000	14,000
	Replacement of Gate	Anilao (once a 20 years)	set	1	600,000	600,000
		Alegria	set	1	450,000	450,000
Bridge	Repair of Payment	(once a 20 years)	m ²	2,190	181	396,390
Slit Dam	Painting	(once a 5 years)	m ²	785	1,000	784,900

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 (hereafter referred to as "the study"), conducted by JICA on a requested project (hereafter 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 select (a) firm(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 the principals 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) consult 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 Grand 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 products or services of a third country.

However the prime contractors, namely, consulting constructing 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 with Japanese nationals denominated in Japanese yen. Those contracts shall be verified by the Government of Japan. This "Verification" is deemed necessary to secure accountability to Japanese taxpayers.

- (6) Undertaking 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:

- (a) To secure land necessary for the sites of the project and to clear, level and reclaim the land prior to commencement of the construction.
- (b) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites.
- (c) To secure buildings prior to the procurement in case of the installation of the equipment.
- (d) 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.
- (e) 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.
- (f) 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 their

operation and maintenance as well as to bear all the expenses other than those covered by the Grant Aid.

(8) "Re-export"

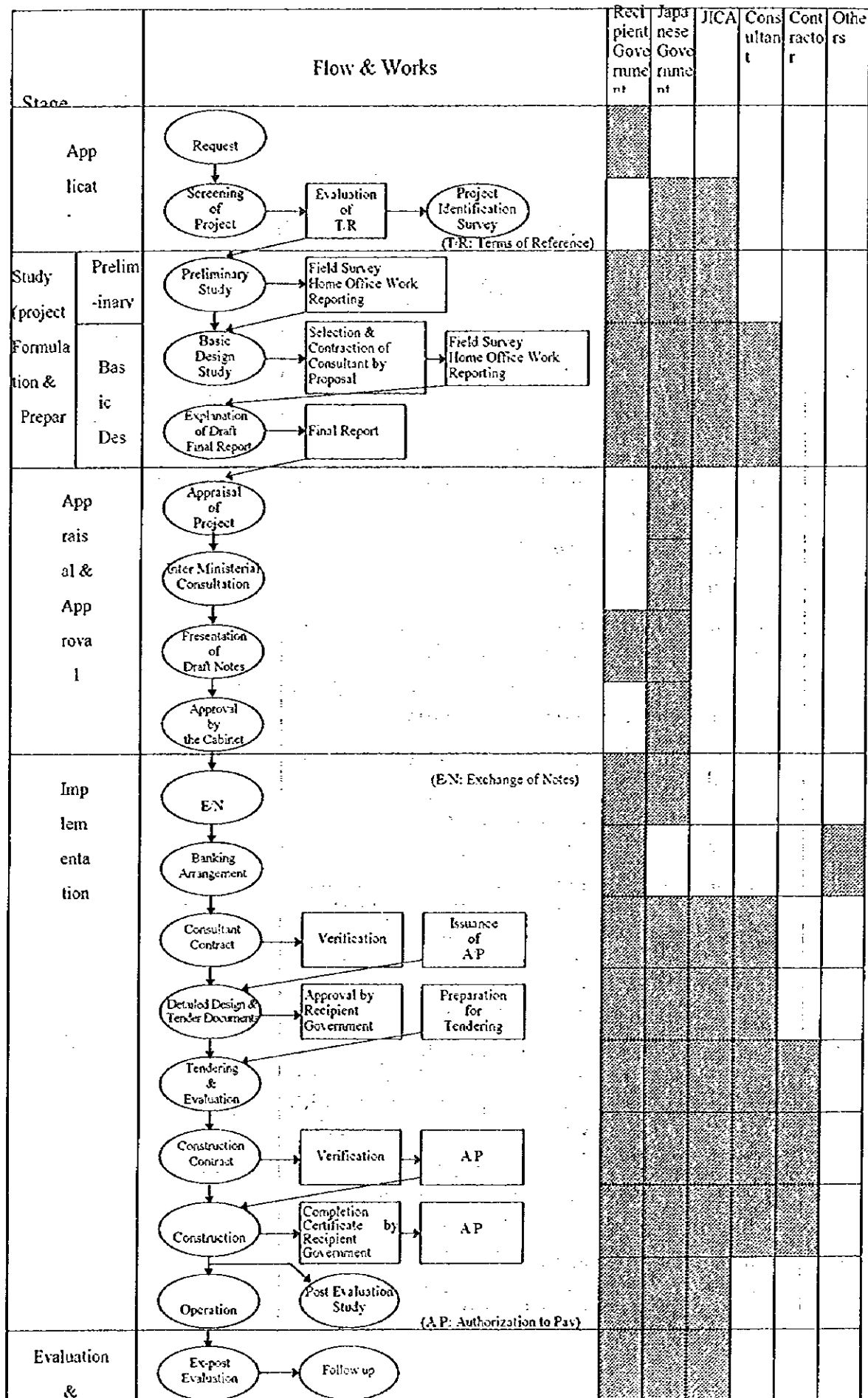
The products purchased under the Grant Aid should not be re-exported from the recipient country.

(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.

Flow Chart of Japan's Grant Aid Procedures



MAJOR UNDERTAKINGS

TO BE TAKEN BY EACH GOVERNMENT

No.	Items	To be covered by Grant Aid	To be covered by Recipient Side
1	To bear the following commissions to the Japanese foreign exchange bank for the banking services based upon the B/A		
	(1) Advising Commission of A/P		•
	(2) Payment Commission		•
2	To ensure unloading and customs clearance at Port of Disembarkation in recipient country		
	(1) Marine(Air) transportation of the products from Japan to the recipient country	•	
	(2) Tax exemption and customs clearance of the products at the Port of Disembarkation		•
	(3) Internal transportation from the Port of Disembarkation to the project site		•
3	To accord Japanese nationals whose services may be required in connection with the supply of the products and the 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.		•
4	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts.		•
5	To maintain and use properly and effectively the equipment provided under the Grant.		•
6	To bear all the expenses, other than those to be borne by the Grant, necessary for transportation and installation of the equipment.		•

JICA