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Appendix 1. Member List of the Survey Team

- (1) Discussion of Inception Report on Basic Design Study
 1. Leader, Shosiro HORIGOME
Development Specialist, Institute for International Cooperation, JICA
 2. Project Coordinator, Tsutomu SHIMIZU
First Basic Design Study Division, Grant Aid Study and Design Department, JICA
 3. Project Manager / Operation and Management Planner, Hiroshi OKADA
I.N.A Co., Ltd.
 4. Dam and Water Reservoir Planner / Hydrological Analysis, Akihiro IRIE
I.N.A Co., Ltd.

- (2) Basic Design Study
 1. Leader, Shosiro HORIGOME
Development Specialist, Institute for International Cooperation, JICA
 2. Project Manager / Operation and Management Planner, Hiroshi OKADA
I.N.A Co., Ltd.
 3. Agricultural and Irrigation Planner, Sumio SHINDOU
Naigai engineering Co., Ltd.
 4. Dam and Water Reservoir Planner / Hydrological Analysis, Akihiro IRIE
I.N.A Co., Ltd.
 5. Facility Designer (Irrigation, Road), Masanobu SAKURAI
Naigai engineering Co., Ltd.
 6. Facility Designer (Dam), Toshiaki MURAOKA
I.N.A Co., Ltd.
 7. Nursery and Tree Planting Planner, Katsumi CHIDA
I.N.A Co., Ltd.
 8. Geologist, Youji TERAZU
I.N.A Co., Ltd.
 9. Construction Planner / Cost Estimator, Atsuhiko YAMAMOTO
Naigai engineering Co., Ltd.
 10. Environment Planner, Michio MAENO
Naigai engineering Co., Ltd.

- (3) **Explanation of Draft Final Report on the Basic Design Study**
1. **Leader, Shosiro HORIZOME**
Development Specialist, Institute for International Cooperation, JICA
 2. **Project Coordinator, Shokichi SAKATA**
First Basic Design Study Division, Grant Aid Study and Design Department, JICA
 3. **Project Manager / Operation and Management Planner, Hiroshi OKADA**
I.N.A Co., Ltd.
 4. **Agricultural and Irrigation Planner, Sumio SHINDOU**
Naigai engineering Co., Ltd.
 5. **Dam and Water Reservoir Planner / Hydrological Analysis, Akihiro IRIE**
I.N.A Co., Ltd.

Appendix 2. Survey Schedule

(1) Discussion of Inception Report on Basic Design Study

No.	Day of the Month	Day of the week	Contents
1	09 Apr.	Tue.	Okada, Irie: Narita ⇔ Manila
2	10 Apr.	Wed.	Horigome, Sakata: Narita ⇔ Manila , Courtesy call for JICA Office, Embassy of JAPAN
3	11 Apr.	Thu.	Courtesy call for NEDA, NIA, BSWM
4	12 Apr.	Fri.	Manila ⇔ Pangasinan, Courtesy call and discussion for the Pangasinan Provincial Government and NIA Region I Office
5	13 Apr.	Sat.	Survey
6	14 Apr.	Sun	Team meeting, Survey
7	15 Apr.	Mon.	Discussion on the Minutes
8	16 Apr.	Tue.	Signing the Minutes
9	17 Apr.	Wed.	Horigome, Shimizu: Manila ⇔ Narita, Okada, Irie: Survey
10	18 Apr.	Thu.	Okada, Irie: Survey
11	19 Apr.	Fri.	Okada, Irie: Survey
12	20 Apr.	Sat.	Okada, Irie: Pangasinan ⇔ Manila
13	21 Apr.	Sun	Okada, Irie: Collection and adjustment of data
14	22 Apr.	Mon.	Okada, Irie: Report to JICA Office, NIA
15	23 Apr.	Tue.	Okada, Irie: Manila ⇔ Narita

(2) Basic Design Study

No.	Day of the Month	Day of the week	Contents
1	02 Oct.	Wed.	Horigome, Okada, Sakurai, Shindou, Irie, Terazu: Narita ⇔ Manila Courtesy call for JICA Office, Embassy of JAPAN
2	03 Oct.	Thu.	Discussion with the Pangasinan Provincial Government
3	04 Oct.	Fri.	Survey
4	05 Oct.	Sat.	Survey
5	06 Oct.	Sun	Survey
6	07 Oct.	Mon.	Discussion on the Minutes
7	08 Oct.	Tue.	Signing the Minutes
8	09 Oct.	Wed.	Horigome: Report to JICA Office, Embassy of JAPAN Consulting members: Survey
9	10 Oct.	Thu.	Horigome: Manila ⇔ Narita, Consulting members: Survey
16	17 Oct.	Thu.	Muraoka, Maeno: Narita ⇔ Manila
21	22 Oct.	Tue.	Chida, Yamamoto: Narita ⇔ Manila
30	31 Oct.	Thu.	Shindou, Irie: Manila ⇔ Narita
44	14 Nov.	Thu.	Report to JICA Office, Embassy of JAPAN, NIA
45	15 Nov.	Fri.	Okada, Sakurai, Muraoka, Chida, Terazu, Yamamoto, Maeno: Manila ⇔ Narita

(3) Explanation of Draft Final Report on the Basic Design Study

No.	Day of the Month	Day of the week	Contents
1	26 Feb.	Wed.	Okada, Shindou, Irie: Narita ⇔ Manila Courtesy call for JICA Office, Embassy of JAPAN
2	27 Feb.	Thu.	Courtesy call for NEDA, Manila ⇔ Pangasinan
3	28 Feb.	Fri.	Explanation of Draft Final Report to Provincial Government of the Pangasinan
4	01 Mar.	Sat.	Survey
5	02 Mar.	Sun	Okada, Shindou, Irie: Survey, Sakata: Bangkok ⇔ Manila
6	03 Mar.	Mon.	Horigome: Narita ⇔ Manila, Horigome, Sakata: Courtesy call for JICA Office, Embassy of JAPAN Others: Explanation of Draft Final Report to Provincial Government of the Pangasinan
7	04 Mar.	Tue.	Horigome, Sakata: Manila ⇔ Pangasinan Others: Explanation of Draft Final Report to Provincial Government of the Pangasinan
8	05 Mar.	Wed.	Discussion with Provincial Government of the Pangasinan
9	06 Mar.	Thu.	Discussion with Provincial Government of the Pangasinan
10	07 Mar.	Fri.	Signing the Minutes
11	08 Mar.	Sat.	Okada, Shindou, Irie: Pangasinan ⇔ Manila Horigome, Sakata: Survey
12	09 Mar.	Sun	Okada, Shindou, Irie: Manila ⇔ Narita Horigome, Sakata: Pangasinan ⇔ Manila
13	10 Mar.	Mon.	Horigome, Sakata: Report to JICA Office, Embassy of JAPAN Horigome: Manila ⇔ Bangkok
14	11 Mar.	Tue.	Sakata: DPWH
15	12 Mar.	Wed.	Sakata: DPWH
16	13 Mar.	Thu.	Sakata: DPWH
17	14 Mar.	Fri.	Sakata: Manila ⇔ Narita

Appendix 3. List of Party concerned in the Recipient Country

Pangasinan Provincial Government / Project Management Group

⊙	Engr. Victoriano Sevilleja	Chairman/ Project Manager
	Atty. Feliciano M. Bautista	Provincial Administrator
	Ms. Armi O. Nieto	Provincial Planning and Development Office
	Mr. Roel T. Anonuevo	Provincial Planning and Development Office
	Dr. Melchor N. Mallare	Mayor of Infanta
⊙	Engr. Helsy Bermudez	Provincial Irrigation Officer (Region I)
	Mr. Ernesto A. Pamoceno	Prov'l Agrarian Reform Officer
⊙	Engr. Roger Bernardo	Office of the Provincial Agriculturist
	Mr. Romeo E. Nalupta	Prov'l Env. & Natural Resources Office
	Engr. Filipino G. Soriano	Provincial Engineer
	Mrs. Constanca F. de Guia	Prov'l Social Welfare & Development Office
	Engr. Alvin Bigay	Chief, Prov'l Housing & Urban Coord. Center
	Mr. Joe Almendares	Assistant Provincial Agriculturist
	Mr. Maximo Monje	Vice Mayor of Infanta, Pangasinan
	Mr. Leopoldo Merza	Municipal Planning & Development Officer
	Ms. Consolacion Madarang	Municipal Agriculturist
	Mr. Onofre Mayo	Municipal Assessor
⊙	Mr. Jo Almendares	Office of the Provincial Agriculturist
⊙	Atty. Carlo Magno J. Verzo	Provincial Legal Officer
⊙	Mr. Nestor P. Quiambao	Provincial Assessor's Office
⊙	Ms. Luzviminda N. Muego	Provincial Population Officer
⊙	Mr. Jeremy S. Regino	Provincial Governor's Office
⊙	Engr. Alvin L. Bigay	Prov'l Housing & Urban Development Office
⊙	Mr. Rafael F. Baraan	Consultant of the Governor
⊙	Col. Rosendo N. Ferrer	Philippine National Police
⊙	Mr. Ernesto A. Pamoceno	Department of Agrarian Reform
⊙	Engr. Leodegario U. Ramos	Department of Public Works of Highways
⊙	Mr. Joselito A. Aquino	Philippine Coconut Authority
⊙	Mr. Reynaldo Reynoso	Pangasinan Electric Cooperative I

Notes: ⊙ means Counter part.

National Irrigation Administration (NIA)

Mr. Edilberto B. Punzal	Manager, Project Development Department
Mr. Edilberto B. Payawal	Office in Charge, Systems Operation and Equipment Management and Manager, Systems Management Department
Mr. Abelardo Y. Armenita	Division Manager, PED, PDD
Engr. Leodencio I. Baraquio	Regional Operations Manager (Region I)

Bureau of Soils and Water Management (BSWM)

Rogelio N. Concepcion Ph. D.	Assistant Director
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Department of Environment and Natural Resources (DENR)

Atty. Eldipio Fabian	Department of Environmental Natural Resources
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National Economic and Development Authority (NEDA)

Ms. Aley Alejar-Bernardo	Chief, Japan Desk Officer, Public Investment Staff
Ms. Cristina Marie C. Santiago	Japan Desk Officer, Public Investment Staff
Ms. Edna B. Capacillo	Project Monitoring Staff

Embassy of JAPAN

Mr. Katsuhiko YAMAUCHI	First Secretary
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JICA Office in Manila

Mr. Hiroshi GOTO	The Head
Mr. Toshiro RIKIISHI	Vice Director
Mr. SYUKUNOBE	Staff
Mr. Akira NAKAMURA	Staff (In charge of Infanta Project)

JICA Expert

Mr. Yuji SAKAMOTO	NIA
Mr. Tatsuo HOKARI	NIA
Mr. Tokuichi TSUJII	DCIEP
Mr. Tamaki YASUDA	BSWM

Appendix 4. Minutes of Discussion

Minutes of Discussions (April 16, 1996)

Minutes of Discussions (October 8, 1996)

Minutes of Discussions (November 12, 1996)

Minutes of Discussions (March , 1997)

Minutes of Discussions (April 16, 1996)

MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY ON THE PROJECT FOR
INFANTA IMPOUNDING IRRIGATION AND
ENVIRONMENTAL IMPROVEMENT
IN
THE REPUBLIC OF THE PHILIPPINES


Based on the results of the Preliminary Study, the Japan International Cooperation Agency (JICA) decided to conduct a Basic Design Study on the Project for Infanta Impounding Irrigation and Environmental Improvement (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 the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. SHOSHIRO HORIGOME, Development Specialist, Institute of International Cooperation, JICA, and is scheduled to stay in the country from April 9 to April 23, 1996.

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

In the course of discussions and field surveys, 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.

Pangasinan, April 16, 1996


Mr. SHOSHIRO HORIGOME
Leader,
Basic Design Study Team,
JICA


Mr. OSCAR M. ORBOS
Governor,
Province of Pangasinan,
The Republic of the Philippines

ATTACHMENT

1. Objective

The objective of the Project is to enhance productivity of agricultural lands through effective irrigation methods, to assist in the resettlement of Mt. Pinatubo eruption victims and to contribute to environmental improvement in watershed, through the development of the Infanta district area.

2. Project area

The project area is located in the Municipality of Infanta, the Province of Pangasinan. (See ANNEX-I)

3. Responsible and Executing Organization

Responsible and executing organization for the Project is the Provincial Government of Pangasinan. (hereinafter referred to as "the Provincial Government").

4. Items requested by the Provincial Government

After discussions with the Team, the following items were finally requested by the Provincial Government.

- (1) Reservoir and dam construction including its appurtenances
(Effective capacity 9.5 MCM with the dam height 28m and length 267m)
- (2) Main irrigation canals with maintenance road
(Unlined open canal of length 19.8 km)
- (3) Development of 220ha Resettlement area with water supply facilities
- (4) Tree nurseries of 5ha with water supply facilities
- (5) Road construction

Around Reservoir	17km
Road improvement	5km
- (6) Post harvest facilities

However, the figures of each component mentioned above will be subjected to further studies.

5. Japan's Grant Aid System

- (1) The Provincial Government has understood the system of Japan's Grant Aid on ANNEX-II as explained by the Team.
- (2) The Provincial Government will take the necessary measures described in ANNEX-III for the smooth implementation of the Project, on condition that the Grant Aid Assistance by the Japanese Government is extended to the Project.

6. Schedule of the Study

- (1) The consultants will proceed to further studies in the Philippines until April 23, 1996.
- (2) JICA will dispatch a second Basic Design Study Team around October 1996.

7. Summary of Discussions

- (1) Provincial Government earnestly requested the earlier implementation of the Project.
- (2) The Team explained that it is considered necessary to establish the stream gaging station in the Nayom river as well as in the San Felipe river to carry out hydrological analysis based on the reliable records. The Provincial Government agreed to establish the gaging stations by the end of April and conduct hydrological observation in accordance with ANNEX IV.
- (3) The Team has confirmed that following amount of budget is assured by the Provincial Government for the implementation of the Project
5.8 million pesos for FY 1996 and FY 1997
9 million pesos after the Project implementation
The details are shown in attachment 11 of the Answer to Questionnaire of the Preliminary Study.
- (4) The Team requested the Provincial Government to explain the Project contents, including the necessity of house relocation and the resettlement plan of Pinatubo eruption victims, to inhabitants of the Project area and to conclude agreement with inhabitants regarding the implementation of the Project by early October 1996. The Provincial Government agreed to the request.
- (5) The Team requested the Provincial Government to conduct the Project's environmental study according to the relevant laws. The Provincial Government agreed to do so in cooperation with the Team.
- (6) It was reconfirmed by both sides that the Provincial Government is responsible for foresting development component, including its funding and forestation, whereas the tree nursery area is to be prepared by the Japanese side.
- (7) It was reconfirmed by both sides that the Provincial Government is responsible for power supply, housing and other necessary facilities in the resettlement area, after the Japanese side prepare the land and provides the water supply facilities in a portion of the area.
- (8) It was reconfirmed by both sides that the Provincial Government is responsible for funding the construction of secondary and tertiary canals, after the construction of main canals is completed by the Japanese side.
- (9) The Provincial Government agreed to provide the Team with counterpart during the second field survey (from early October to mid-November) in accordance with the request by the Team.

- (10) The Provincial Government agreed to provide a main office in Lingayen and a field office in Infanta, during the second field survey (from early October to mid-November).
- (11) The Provincial Government agreed to assist the Team in the data collection and other matters for the study.

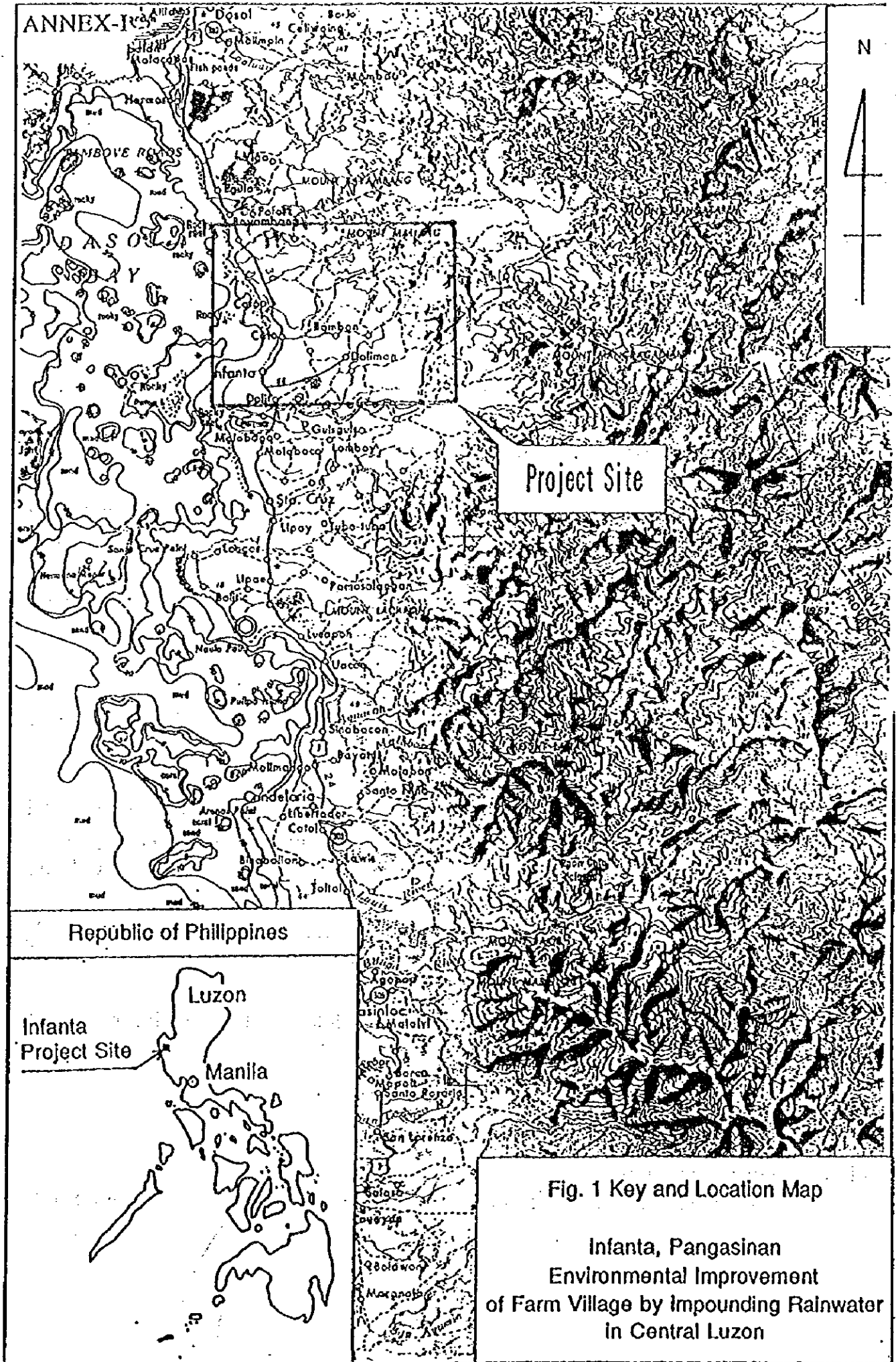


Fig. 1 Key and Location Map
 Infanta, Pangasinan
 Environmental Improvement
 of Farm Village by Impounding Rainwater
 in Central Luzon

ON JAPAN'S GRANT AID PROGRAM

1. 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 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. Contents of the 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 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:

- 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 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-III

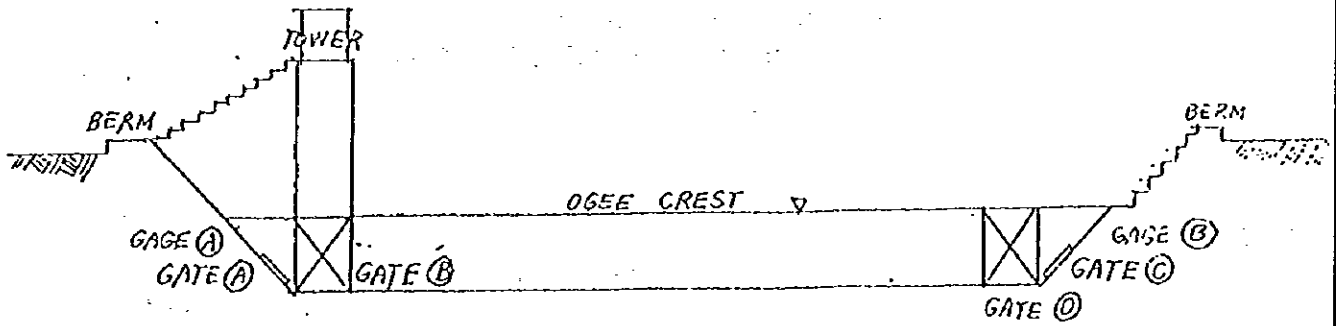
NECESSARY MEASURES TO BE TAKEN BY THE GOVERNMENT OF THE PHILIPPINES IN CASE JAPAN'S GRANT AID IS EXTENDED.

1. To provide data and information necessary for the Project;
2. To secure the site for the Project;
3. To provide a proper access road to the Project site, if necessary;
4. To construct and/or installation of road, drainage and utilities such as electricity, water supply, telephone system to the Project site;
5. To bear two kinds of commissions to the Japanese foreign exchange bank for its banking services based upon the Banking Arrangement (B/A) namely,
 - the advising commission of the "Authorization to Pay (A/P)" and
 - the payment commission;
6. To ensure prompt unloading, tax exemption, and customs clearance at the port of disembarkation in the Philippines and prompt internal transportation therein of the materials and equipment for the Project purchased under the Grant Aid;
7. To exempt Japanese nationals or a staff from a third country engaged in the Project from customs duties, internal taxes and other fiscal levies which may be imposed in the Philippines with respect to the supply of the products and services under the verified contracts;
8. To accord Japanese nationals or a staff from a third country whose services may be required in connection with supply of the products and services under the verified contracts, such facilities as may be necessary for their entry into the Philippines and stay therein for the performance of their work;
9. To provide necessary permissions, licenses, and other authorization for implementing the Project, if necessary;
10. To assign appropriate budget and staff members for proper and effective operation and maintenance of the facilities constructed under the Project;
11. To maintain and use properly and effectively the facilities constructed and the equipment provided under the Project;
12. To bear all the expenses other than those to be borne by the Grant Aid within the scope of the Project.

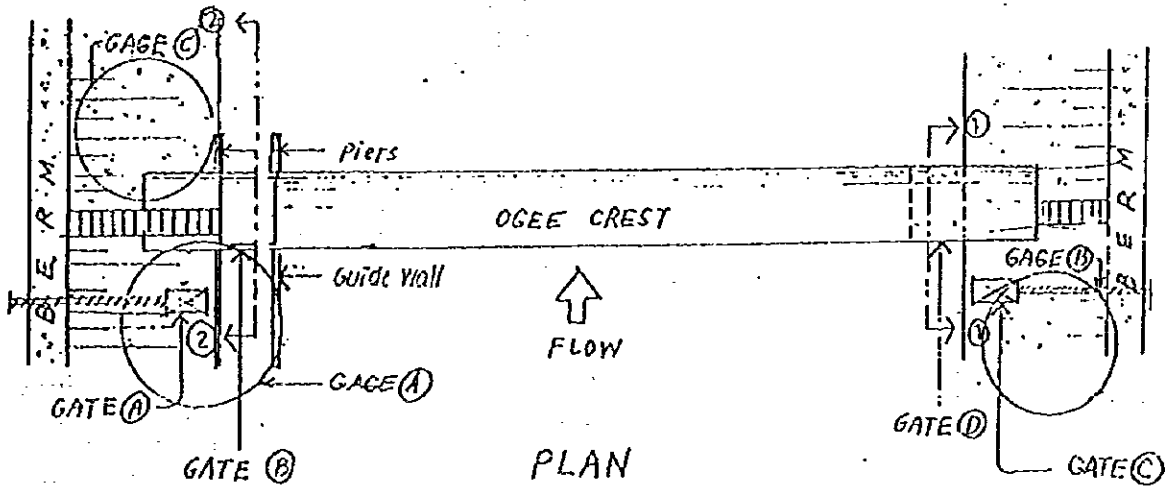
ANNEX IV

NAYOM RIVER IRRIGATION SYSTEM (NRIS)

LOCATION: GUINABON, STA. CRUZ, ZAMBALES



ELEVATION
NOT TO SCALE



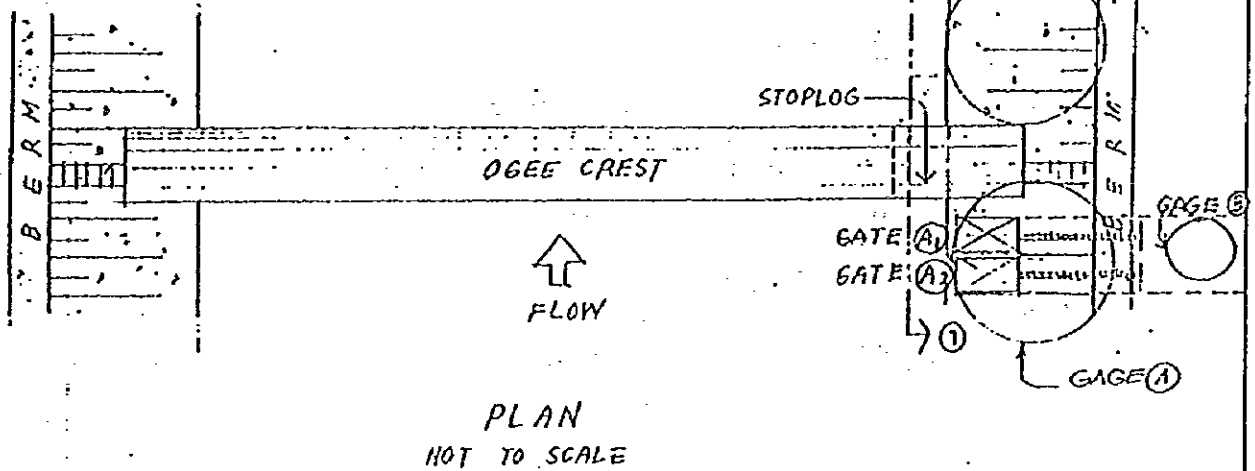
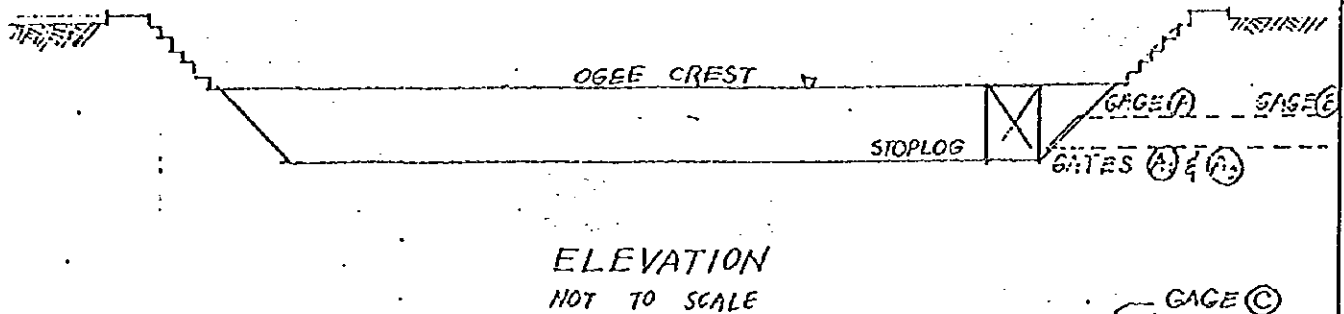
PLAN
NOT TO SCALE

MEASUREMENT *	WHERE TO MEASURE (Tentative)	GATE OPENING
U/S WL at GATE A	GAGE A	GATE A
U/S WL at GATE B	GAGE A	GATE B
U/S WL at GATE C	GAGE B	GATE C
U/S WL at GATE D	GAGE B	GATE D
U/S WL at OVERFLOW SECTION	GAGE A	-
D/S WL at OVERFLOW SECTION & GATE B	GAGE C	-

- * NOTE:
- 1) Period of measurement is from beginning stage (May 1996) of Basic Design until Detailed Design or until such time as required by the Japanese Side.
 - 2) Recorded data must be submitted weekly to the Japanese side.

BAMBAN IRRIGATION SYSTEM (BIS)

LOCATION: SAN FELIPE RIVER
BAMBAN, INFANTA, PANGASINAN



MEASUREMENT *	WHERE TO MEASURE (Tentative)	GATE OPENING
U/S WL at GATE (A ₁)	GAGE (A)	GATE (A ₁)
U/S WL at GATE (A ₂)	GAGE (A)	GATE (A ₂)
U/S WL at STOPLOG	GAGE (A)	HEIGHT OF STOPLOG
U/S WL at OVERFLOW SECTION	GAGE (A)	-
D/S WL at OVERFLOW SECTION	GAGE (C)	-
D/S WL at MAIN CANAL	GAGE (B)	-

*NOTE: 1) Period of measurement is from beginning stage (May 1996) of Basic Design until Detailed Design or until such time as required by the Japanese side.
2) Recorded data must be submitted weekly to the Japanese side.

NAME OF SYSTEM: NAYOH RIVER IRRIGATION SYSTEM (NRIS)
 LOCATION: GUINBOON, STA. CRUZ, ZAMBALES

1996		J A N U A R Y						D E C E M B E R								
DAY	TIME	WATER LEVEL*			GATE OPENING			DAY	TIME	WATER LEVEL*			GATE OPENING			
		UPSTREAM	DOWNSTREAM	GATE (A)	GATE (B)	GATE (C)	GATE (D)			UPSTREAM	DOWNSTREAM	GATE (A)	GATE (B)	GATE (C)	GATE (D)	
1	6:00 12:00 17:00															
2	6:00 12:00 17:00															
3	6:00 12:00 17:00															

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* During flood (Elevation _____), measurements should be made at 30 minute intervals.

TENTATIVE RECORDING SHEET

NAME OF SYSTEM : BAMBAN IRRIGATION SYSTEM (BIS)
 LOCATION : SAN FELIPE RIVER, BAMBAN, INFANTA, PANGASINAN

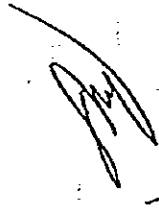

1996		JANUARY				→ DECEMBER
DAY	TIME	WATER LEVEL *		DEPTH OF STOPLOG	GATE OPENING	
		UPSTREAM	DOWNSTREAM		GATE (A)	GATE (B)
1	6:00					
	12:00					
	17:00					
2	6:00					
	12:00					
	17:00					
3	6:00					
	12:00					
	17:00					

↓ 31

Appendix

* During flood (Elevation _____), measurements should be made at 30 minute intervals.

TENTATIVE RECORDING SHEET

Minutes of Discussions (October 8, 1996)

MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY ON THE PROJECT FOR
INFANTA IMPOUNDING IRRIGATION AND ENVIRONMENTAL
IMPROVEMENT
IN
THE REPUBLIC OF THE PHILIPPINES

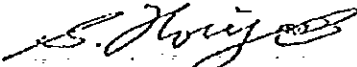
Based on the results of the Preliminary Study, the Japan International Cooperation Agency (JICA) decided to conduct a Basic Design Study on the Project for Infanta Impounding Irrigation and Environmental Improvement (hereinafter referred to as "the Project"), and entrusted the study to JICA.

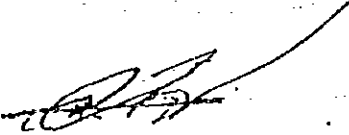
JICA sent to the Republic of the Philippines the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. SHOSHIRO HORIGOME, Development Specialist, Institute for International Cooperation, JICA, and is scheduled to stay in the country from October 2 to November 15, 1996.

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

In the course of discussions and field surveys, 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.

Pangasinan, October 8, 1996


Mr. SHOSHIRO HORIGOME
Leader
Basic Design Study Team
JICA


Mr. OSCAR M. ORBOS
Governor
Province of Pangasinan
Republic of the Philippines

ATTACHMENT

1. Objective

The objective of the Project is to enhance productivity of agricultural lands through the effective irrigation methods, to assist in the resettlement of Mt. Pinatubo eruption victims and to contribute to the environmental improvement in watershed through the development of the Infanta district area.

2. Project Area

The project area is located in the Municipality of Infanta, the Province of Pangasinan. (See ANNEX-I)

3. Responsible and Executing Organization

Responsible and executing organization for the Project is the Provincial Government of Pangasinan (hereinafter referred to as "the Provincial Government").

4. Items requested by the Provincial Government

After discussions with the Team, the following items were finally requested by the Provincial Government:

(1) Reservoir and dam construction including its appurtenances

(Effective capacity of 9.5 MCM with the dam height of 28m and a length 267m)

(2) Main irrigation canals with maintenance road

(Unlined open canal of 19.8 km in length)

(3) Development of 220 ha resettlement area with water supply facilities

(4) Tree nurseries of 5 ha with water supply facilities

(5) Road construction

Around reservoir 17 km

Road improvement 5 km

(6) Post-harvest facilities

However, the figures of each component mentioned above will be subjected to further studies.

5. Japan's Grant-Aid System

(1) The Provincial Government has understood the Japan's Grant-Aid system as described in ANNEX-II through the explanation by the Team.

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

6. Schedule of the Study

- (1) The consultant members of the Team will proceed to conduct further studies in the Philippines until November 15, 1996.
- (2) JICA will prepare a draft basic design report and dispatch a mission in order to explain its contents in February 1997.
- (3) In the event that the contents of the draft basic design report are accepted in principle, JICA will finalize the basic design study report and send it to the Government of the Philippines sometime in April 1997.

7. Other Relevant Issues

- (1) The Provincial Government of Pangasinan (PGP) explained that a group consisting of PGP engineers and agriculturists, irrigators' associations, and NIA engineers will have the responsibility for the operation and maintenance of facilities like dam, main canal, water supply facilities, and roads.

- (2) PGP explained the responsible agencies/group for the O&M of the secondary and tertiary canals as follows:


After the completion of main canals, construction of the secondary and tertiary canals will be undertaken by the NIA, PEO and OPAg. Maintenance of these structures will be the responsibility of the farmer beneficiaries with the supervision of the NIA, PEO and OPAg.

- (3) PGP explained the agreement with the inhabitants and land owners as follows:

- (a) For areas to be submerged by the reservoir, a written agreement will be prepared before mid-November when the Study Team is scheduled to leave for Japan. The marking survey of submerged area will be carried out by PGP side under the supervision of the Study Team.

- (b) For canal route areas, a written agreement will be prepared by late February 1997 when the JICA Mission will visit Pangasinan for the explanation of the draft final report of the Basic Design Study. (The Study Team will prepare the draft plan of canal routes before mid-November.)

- (4) The Study Team explained about the probable interruption of water supply to the canal during the construction period. Although PGP explained that the farmers are amenable to this interruption of water supply for purposes of construction, PGP however requested that an interruption schedule be prepared in consideration of the cultivation and cropping activities of the farmers in the area.
- (5) The Study Team asked about the agency responsible for and difficulties, if any, concerning the land acquisition and compensation aspect in the project area. PGP assured that they are responsible for the land acquisition and compensation for the project but execution of the actual acquisition of the lands will be carried out by the LGU of Infanta in cooperation with the PGP. Further, PGP explained that there would be no difficulties whatsoever as to the land acquisition and compensation concern required for the implementation of the project as the project has long been expected by each and every inhabitant of Infanta municipality.
- (6) The Study Team asked about the water use rights on the San Felipe River, to which PGP explained that there is no definite water use rights on the area at the moment. However, it would be necessary to supply more water than the present volume of water being supplied to the existing irrigation areas after the completion of the project.
- (7) The Study Team requested PGP to show a resettlement plan of Pinatubo victims which must include the following items or matters:
- location of resettlement area
 - land acquisition plan
 - present land use and suitability as an agricultural land of the resettlement area
 - economic stability of the resettlers (area of farmlot for each resettler)
 - relation with present inhabitants

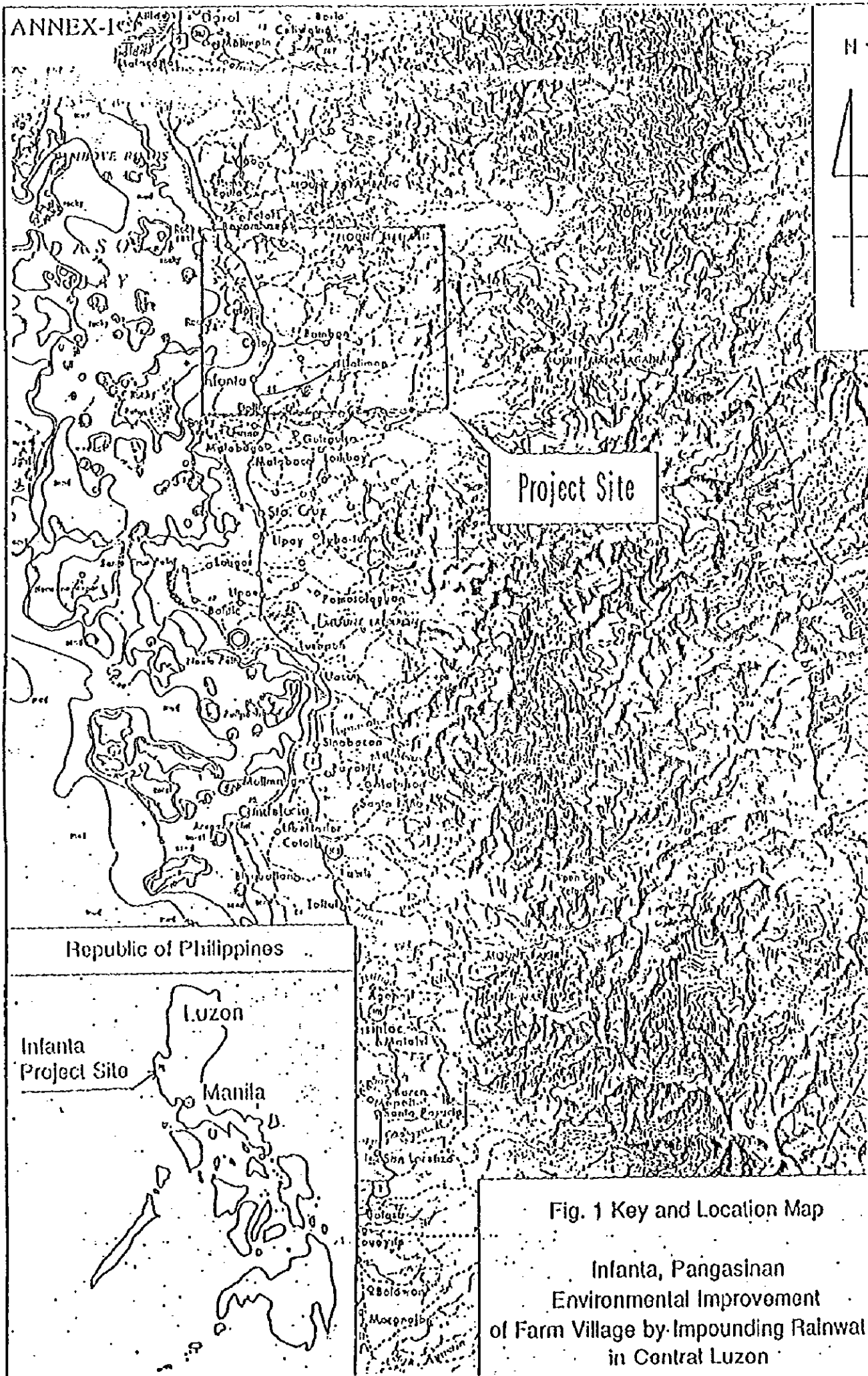


PGP explained the tentative plan and present situation of the resettlement component of the project and informed that a report on resettlement plan will be submitted to the Study Team by November 10 of this year.

- (8) The Study Team requested to show the forestation plan of the project's environmental improvement component after the construction of the tree nursery. PGP explained briefly the tentative forestation plan and informed the Study Team.

that the plan would be prepared and made available by November 10, 1996.

- (9) The Team asked the establishment of new irrigators' associations after the completion of the project, to which PGP acceded to do so by organizing one new irrigators' association after the project completion by dissolving the existing associations.
- (10) The Study Team asked the current situation of environmental clearance in accordance with relevant laws and acts. PGP explained that they will hire the services of consultants to undertake the preparation of the Environmental Impact Study. However, a letter will be communicated to the Office of the President for the granting of exemption from the Environmental Compliance Certificate (ECC) since the project has, in fact, an environmental enhancement component. It is expected that the certificate would be issued without difficulty or delay. ECC is to be issued before mid-February 1997. The progress on this matter will be informed to the Study Team occasionally.
- (11) PGP informed the Study Team that the hydrological observation at the gaging stations which they themselves established would be continued until the commencement of the dam construction works.
- (12) PGP submitted to the Study Team a letter requesting additional structures and equipment to be provided through the project. The Study Team answered that the request letter will be transmitted to the JICA head office in Japan (ANNEX-IV).
- (13) PGP requested to invite PGP engineers for training in Japan especially for the operation and maintenance of project structures and facilities, such as dam and main canals. The Study Team answered that this request will be conveyed to the JICA head office.



Republic of Philippines

Infanta
Project Site

Luzon
Manila

Fig. 1 Key and Location Map
Infanta, Pangasinan
Environmental Improvement
of Farm Village by Impounding Rainwat
in Central Luzon

ON JAPAN'S GRANT AID PROGRAM

1. 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 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. Contents of the 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:

... of the recipient 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:

- 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

- a) to estimate 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 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

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.

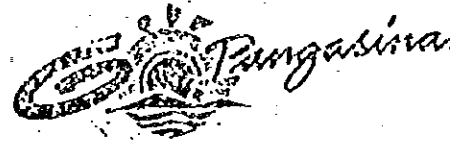
(9) Banking Arrangement (B/A)

- 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 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-III

NECESSARY MEASURES TO BE TAKEN BY THE GOVERNMENT OF THE PHILIPPINES IN CASE JAPAN'S GRANT AID IS EXTENDED.

1. To provide data and information necessary for the Project.
2. To secure the site for the Project.
3. To bear two kinds of commissions to the Japanese foreign exchange bank for its banking services based upon the Banking Arrangement (B/A) namely,
 - the advising commission of the "Authorization to Pay (A/P)" and
 - the payment commission.
4. To ensure prompt unloading, tax exemption, and customs clearance at the port of disembarkation in the Philippines and prompt internal transportation therein of the materials and equipment for the Project purchased under the Grant Aid.
5. To exempt Japanese nationals or a staff from a third country engaged in the Project from customs duties, internal taxes and other fiscal levies which may be imposed in the Philippines with respect to the supply of the products and services under the verified contracts.
6. To accord Japanese nationals or a staff from a third country whose services may be required in connection with supply of the products and services under the verified contracts, such facilities as may be necessary for their entry into the Philippines and stay therein for the performance of their work.
7. To provide necessary permissions, licenses, and other authorization for implementing the Project, if necessary.
8. To assign appropriate budget and staff members for smooth construction works and proper and effective operation and maintenance of the facilities constructed and equipment provided under the Grant Aid.
9. To maintain and use properly and effectively the facilities constructed and the equipment provided under the Project.
10. To bear all the expenses other than those to be borne by the Grant Aid within the scope of the Project.



OSCAR M. ORBOS

Governor

October 07, 1996

Hon. Shoshiro Horigome
Basic Design Study Leader
Japan International Cooperation Agency
Philippine Office

Dear Mr. Horigome:

I wish to convey to JICA Philippines through your Basic Design Study Group, the following supplemental requests for the municipality of Infanta, to wit:

1. Solar Dryers for each Barangays Bamban, Potol, Doliman, Nangalisan, Cato, Fatima, Nayom and Maya (25 x 35 meters)
2. Mechanical Dryers for each Barangays Potol, Doliman, Nangalisan, Fatima, Nayom, Maya and Bamban
3. Repair of Barangay (Access) Road
4. One (1) Grader
5. One (1) Dump Truck
6. Construction of Warehouse with Rice Mills for each Barangays Bamban, Nangalisan, Potol, Doliman, Maya and Nayom
7. One (1) Fire Truck
8. One (1) Garbage Truck
9. Construction of Four (4) Bridges
10. Two (2) Mini Cruiser Jeeps

We trust that you please give preferential attention to our requests.

We are hoping for a greater cooperation between our two governments.

For & in behalf of the
Governor:


ATTY. FELICIANO M. BAUTISTA
Provincial Administrator

List of Participants in the conference between the JICA Basic Design Study Group and the Provincial Counterpart from the Province of Pangasinan from October 3-7, 1996 at Lingayen, Pangasinan.

1. Shoshiro Horigome
Leader, Development Specialist, Institute for International Cooperation, JICA
2. Hiroshi Okada
Project Manager/Operation and Management Planner
I.N.A Corporation
3. Sumio Shindou
Agricultural and Irrigation Planner
NAIGAI Engineering Co., Ltd.
4. Akihiro Irie
Dam and Water Reservoir Planner/Hydro-analysis
I.N. A Corporation.
5. Masanobu Sakurai
Facility Design(Irrigation, Road)
NAIGAI Engineering Co., Ltd.
6. Youji Terazu
Geologist
I.N.A Corporation
7. Akira Nakamura
Institute for International Cooperation, JICA
8. Atty. Feliciano M. Bautista
Provincial Administrator
9. Engr. Victoriano Sevilleja
Consultant/ Office of the Governor
10. Engr. Roel Añonuevo
Provincial Planning and Development Office
11. Engr. Roger Bernardo
Office of the Provincial Agriculturist

12. Mr. Romeo E. Nalupa
Forester III
Prov'l. Environment & Natural Resources Office
13. Engr. Filipino G. Soriano
Provincial Engineer
14. Mrs. Constanca P. de Guia
Provincial Social Welfare & Development Office
15. Engr. Alvin Bigay
Chief, Prov'l. Housing and Urban Coordinating Center
16. Mr. Joe Almendarez
Assistant Provincial Agriculturist
17. Mr. Ernesto Pamuceno
Provincial Agrarian Reform Officer
18. Mayor Melchor Mallare
Infanta, Pangasinan
19. Vice Mayor Maximo Monje
Infanta, Pangasinan
20. Mr. Leopoldo Merza
Municipal Planning & Development Officer
Infanta, Pangasinan
21. Mrs. Consolacion Madarang
Municipal Agriculturist
Infanta, Pangasinan
22. Mr. Onofre Mayo
Municipal Assesor
Infanta, Pangasinan

Minutes of Discussions (November 12, 1996)

MINUTES OF MEETING ON THE BASIC DESIGN STUDY FOR THE PROJECT OF INFANTA IMPOUNDING IRRIGATION AND ENVIRONMENTAL IMPROVEMENT

The meeting was held on Nov. 12 at the office of the Governor in Lingayen, Pangasinan, between the PGP (the Provincial Government of Pangasinan) officers concerned and the JICA study team.

The major objectives of the meeting were as follows :

- To explain the present status of basic design study by the study team
- To confirm the status of preparatory activities by the PGP side
- To discuss about the necessary items/work after the study team leaving for Japan
- To discuss about the other matters concerned

1. The present status of basic design study

The study team explained the present status of the basic design study for the following components :

- (1) Dam and reservoir
- (2) Irrigation canals
- (3) Resettlement area
- (4) Tree nursery area
- (5) Road
- (6) Post-harvest facilities

The study team informed that the major design study will be carried out in Japan and the results (Draft final report) will be submitted to PGP possibly in late February in 1997 when the JICA mission will visit the Philippines for the discussion about the results of basic design with the PGP side.

2. The status of preparatory activities by PGP

The PGP side explained the status of preparatory activities for the project implementation and discussed the matters with the study team as follows:

- (1) Written agreement from the inhabitants living in the proposed reservoir/submerged area.

PGP submitted the written agreement from the inhabitants living in the proposed submerged area. PGP explained that a few of the inhabitants did not sign the agreement yet however it does not mean they are not willing to go out of the area. There are the following reasons:

- A representative person of the family is out of the village.
- More definite information for the compensation is necessary.
- Assurance to move to the resettlement area is necessary.

PGP assured that the agreement from such inhabitants could be obtained before the JICA mission coming again in February.

- (2) Marking survey of submerged area and proposed resettlement area with a board/flag at each point which can be seen from a distance.

PGP explained that the survey work was suspended soon after the starting due to several internal reasons, however the survey work was started again and almost 60% of the survey for reservoir area was completed.

PGP informed that the survey for not only the reservoir area but also the resettlement area could be completed within this year.

- (3) A report of resettlement plan

PGP submitted the report to the study team.

PGP asked the study team to review the report although the report was prepared in reference to the occasional consultation with the study team.

The study team informed that the comments after the review would be sent from Tokyo.

PGP agreed that the report would be revised, if necessary, in accordance with the comments from the study team and be submitted/sent to the study team as early as possible.

- (4) A report of forestation plan

PGP submitted the report to the study team.

PGP asked the study team to review the report although the report was prepared in reference to the occasional consultation with the study team.

The study team informed that the comments after the review would be sent from Tokyo.

PGP agreed that the report would be revised, if necessary, in accordance with the comments from the study team and be submitted/sent to the study team as early as possible.

- (5) Environmental Compliance Certificate (ECC)

PGP explained that DENR regional office already replied by a letter dated Oct.28 to PGP's letter dated Oct.8. DENR regional office informed the necessity of EIS document to be submitted to the Environmental Management Bureau of DENR for review and evaluation.

PGP explained that the discussion/consultation with DENR officials in charge would be made soon to get more definite information for the procedure and documents for ECC.

PGP requested the study team to assist in the matter. The study team answered that the preparation of ECC is basically the responsible matter of PGP as already confirmed in the minute (April & October), however the team can assist in the matter provided that PGP can make the necessary procedure and document clear

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and also the assistance is reasonable.

PGP informed that the ECC could be ready before the JICA mission coming again in February.

- (6) Land acquisition and compensation for the project, especially for the proposed resettlement area and the reservoir area.

PGP explained that the meeting with the landowners in the proposed resettlement area and the reservoir area has been held several times and confirmed that no definite objection is seen and most of them are basically agree to the land-acquisition by PGP. However, PGP explained further that they have some questions/desire especially on the following points:

- More definite information/assurance for the compensation is necessary.
- They also want to stay in the resettlement area.

PGP informed that the further discussion with the landowners would be continued and more definite confirmation with the written agreement for the land acquisition would be made before the JICA mission coming again in February.

3. The necessary items/work after the study team leaving for Japan

The discussion was made on the matters which have to be continued or carried out by the PGP side after the study team leaving for Japan, that is after Nov.15.

- (1) The matters described in the above Item 2, (1) to (6).

The items only are listed below:

- Written agreement from the inhabitants living in the proposed submerged area
- Marking survey of submerged area and proposed resettlement area
- A report of resettlement plan
- A report of forestation plan
- Environmental Compliance Certificate (ECC)
- Land acquisition and compensation for the project for the proposed resettlement area and the reservoir area.

- (2) Land acquisition of the proposed canal route

The study team submitted PGP the draft plan of main canal routes in a map of 1/5,000.

PGP informed that a written agreement from the landowners along the proposed canal routes will be prepared before the JICA mission coming again in late February, 1997.

- (3) Land acquisition for the proposed road route

The study team submitted PGP the draft plan of new road routes to be constructed by the project in a map of 1/5,000 or 1/10,000. The team explained that the plan is still tentative and needs the approval/agreement from JICA and the other Japanese agencies concerned.

PGP informed that the present ownership of the road routes will be investigated and

the explanation to the landowners will be made beforehand. PGP further informed that a written agreement will be obtained after the study team assures the road plan approved by JICA but before the JICA mission coming again in late February, 1997.

The study team informed that the plan will be confirmed as early as possible.

(4) Land acquisition for the proposed solar drier

The study team requested PGP to decide the locations of proposed solar drier at one site each in 8 Barangays and assure the land acquisition. PGP answered that the locations will be decided earlier and the results will be informed to the study team. And the agreement from landowners will be obtained before the JICA mission coming again in late February, 1997.

(5) Monthly information report

PGP agreed to prepare the monthly report (Nov., Dec., Jan.) about the status of the above items as well as the others and send the report to the study team.

(6) Hydrological observation

It is reconfirmed that the hydrological observation at the gaging stations which PGP themselves established at the Nayom weir and the Bamban weir would be continued until commencement of the dam construction works.

(7) Storage of drilling core boxes

The drilling core boxes of the basic design study team are stored in the provincial office. (The boxes will be transported from the site by a contractor possibly in late November.)

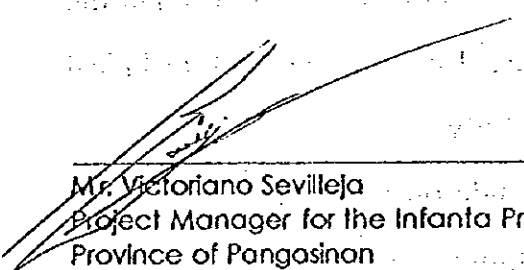
4. The Others

The discussion was made on the other items/matters. Some significant points are noted as follows:


- (1) The study team suggested that the Project manager should be assigned only for the Infanta project or at least mainly for the project, if possible, and with the corresponding authority for taking responsibility of the activities by the PGP side. Then PGP answered that such suggestion would be considered and some improvement would be taken for smooth progress of the project.
- (2) The study team requested that some counterparts for the JICA study team are necessary to work together with the team. Then PGP answered that such arrangement would be taken from the detailed design stage.
- (3) The study team advised that a letter prepared by the Governor to the Municipality of Infanta will assure the people in the proposed reservoir area and the resettlement area.
- (4) The both sides agreed and confirmed that the preparation of the resettlement area would be carried out with priority for securing the implementation of the project.

- (5) The mayor of Municipality Infanta submitted a table with a location map for the information of resettlers in the proposed reservoir area to the study team. The mayor informed that a table with a map for the proposed resettlement area could not be ready in time but would be prepared as soon as possible.
- (6) The study team extended their gratitude for the PGP's cooperation to the study during the period from the beginning of October to the middle of November.

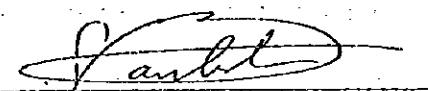
November 12, 1996
Lingayen, Pangasinan



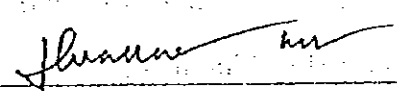
Mr. Victoriano Sevilleja
Project Manager for the Infanta Project
Province of Pangasinan



Mr. Hiroshi Okada
Project Manager / O & M Planner
JICA Study Team for the Infanta Project



Mr. E. M. Bautista
Provincial Administrator
Province of Pangasinan



Mr. Melchor Mallare, M.D.
Municipal Mayor
Infanta, Pangasinan

Minutes of Discussions (March 6, 1997)

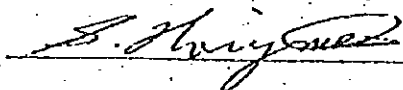
MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY ON THE PROJECT FOR
INFANTA IMPOUNDING IRRIGATION AND
ENVIRONMENTAL IMPROVEMENT
IN
THE REPUBLIC OF THE PHILIPPINES
(CONSULTATION ON DRAFT REPORT)

From October to November in 1996, the Japan International Cooperation Agency (JICA) dispatched a Basic Design Study Team on the Project for Infanta Impounding Irrigation and Environmental Improvement (hereinafter referred to as "the Project") to the Republic of the Philippines, and through discussions, field survey and technical examination in Japan, has prepared the draft report of the study.

In order to explain and to consult the Philippines 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. Shoshiro Horigome, Development Specialist, JICA with a schedule to stay in the country from February 26 to March 10, 1997.

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

Lingayen, Pangasinan, March 6, 1997

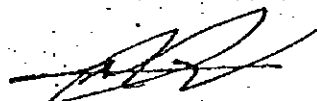


Mr. Shoshiro Horigome

Leader

Basic Design Study Explanation Team

JICA



Mr. Oscar M. Orbos

Governor

Province of Pangasinan

The Republic of the Philippines

ATTACHMENT

1. Components of the Draft Report

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

2. Japan's Grant Aid System

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

3 Further Schedule

The Team will make the final report in accordance with the confirmed items, and send it to the Government of the Republic of the Philippines by the end of April, 1997.

4. Other Relevant Issues

(1) Comments on the draft report from PGP(the Provincial Government of Pangasinan) :

The Team submitted some copies of the draft basic design study report and explained the contents. After discussion by exchanging the questions and answers, PGP agreed about all the project components (see Appendix 1 : Project Component), the basic design, and the implementation plan.

(2) ECC (Environmental Compliance Certificate)

PGP explained that EIS (Environmental Impact Statement) was already submitted to EMB (Environmental Management Bureau) of DENR (Department of Environment and Natural Resources) on Feb. 14, 1997 and it is on the way of procedure for the issuance of ECC. The Team requested PGP to obtain ECC before the end of March. PGP agreed to follow up and secure the issuance of ECC in time.

(3) ICC (Investment co-ordination Committee)

It was confirmed for PGP to get the ICC approval through the NEDA as early as possible before middle of April , 1997.

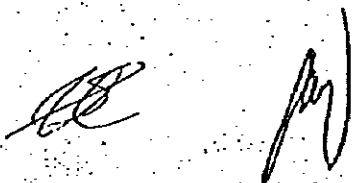
(4) Relocation and Land acquisition

- 1) PGP explained that the field survey for confirming the actual areas of the proposed reservoir area (EL. 60m) and the proposed resettlement area was already completed.
- 2) PGP confirmed that the number of inhabitants to be relocated due to the Project implementation should be clarified and all the written agreements of them should be gotten until the end of March, 1997 by PGP. PGP promised to send the all written agreements to the Team through JICA Philippines office.
- 3) Written agreements for relocation obtained until March 6, 1997 is shown in Appendix 2. PGP recognised that the great more efforts should be made to get the remaining written agreements.
- 4) The Team answered, if the written agreements can not be obtained by the due time, the procedure of the Project will be delayed.
- 5) The Team reminded that some families have to relocate somewhere before the preparation of the resettlement area. For example, 4 or 5 houses located downstream side of the dam site have to be removed in the first year of dam construction. PGP answered that a special arrangement and care for the temporary resettlement houses would be taken in such cases.

(5) Number of Resettlers.

PGP estimated the number of families to be resettled in the proposed resettlement area is as follows:

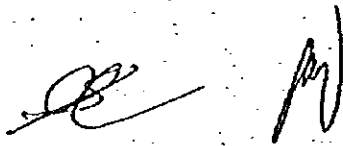
- (a) from the reservoir area and surroundings :20 families
- (b) from the Pinatubo victims already living in the municipality of Infanta :20 families
- (c) from the Pinatubo victims in the refugee camp :30 families



(6) Operation and Maintenance

In regard to the operation and maintenance of structures/facilities, it is confirmed for PGP to take appropriate responsibility especially on the following points:

- 1) The existing three IA (Irrigators' Association) will be reorganized to a new IA which will be in charge of O & M (Operation and Maintenance) for irrigation facilities of the Project.
- 2) A competent person from PGP will be assigned for O & M of dam & reservoir. NIA or the other experienced agencies will assist in the guidance and training for O & M.
- 3) The maintenance of road will be carried out by the municipality of Infant aspects.
- 4) PGP entrusted PENRO (Pangasinan Environment and Natural Resources Office) to be the responsible agency for O & M for the nursery as well as the afforestation (see Appendix 3: Memorandum between PGP and PENRO). However the O & M activities will be carried out by the cooperative organization by PGP and PENRO/DENR. Both agencies will arrange the reliable staffing and budget preparation in accordance with the recommended plan. The agencies such as the municipality and PSU (Pangasinan State University) will occasionally join in the activities.
- 5) PGP will take special care for the successful resettlement activities by providing pertinent budget and manpower services.
- 6) PGP will submit a periodical (quarterly) report of O & M to the JICA Philippines office.



for at least two years after the completion of the project based on the O & M manual for the irrigation facilities which will be prepared during the construction period.

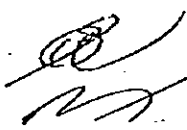
(7) Implementation or procurement by PGP

The implementation or procurement to be carried out by PGP confirmed as follows:

- 1) Construction of the secondary and tertiary irrigation canals simultaneously with main canals.
- 2) Construction of some facilities and procurement of some equipment for the tree nursery simultaneously with the construction of main structure & facilities.
(See Appendix 4 share for the nursery preparation).
- 3) Afforestation activities based on the schedule recommended by the Team in the report for the whole catchment area of the proposed dam.
- 4) Construction of houses in infrastructure including power supply for the resettlement area simultaneously with the construction of road, water supply facilities and distribution canals for the area.
- 5) Construction of secondary and tertiary canals and farming land preparation in the resettlement area simultaneously with the main and distribution canals for the area.
- 6) Construction of a garage for the equipment to be procured for the maintenance of the roads in the Project area.

(8) Others

- 1) PGP requested the Team to dispatch a Japanese Volunteer for the technical guidance to the reliable implementation of afforestation activities. The Team answered that the request will be transmitted to the JICA head office.
- 2) The Team reminded in regard to the resettlement that necessary guidance would be provided not only for the communication and cooperation between the resettlers coming from the other provinces and local people but also for the technical assistance for those who would not have sufficient experience of agriculture and irrigation.
- 3) The Team reminded that the budget preparation by PGP of the implementation and



O & M would be a key factor for the successful results of the project. PGP answered that the sufficient budget will be prepared on time in accordance with the expenses estimated by the Team.

- 4) The organization for the implementation as well as for O & M was already established by PGP and the cooperative agencies. The Team reminded that it is necessary for PGP to re-establish a functionable coordination in the organization and follow up the effective operation as some cooperative agencies do not show any positive activities yet. PGP answered that the organization will be reviewed, strengthened if necessary, and arranged to be more functionable & practical one.
- 5) PGP asked about the training, especially for O&M of dam facilities, in Japan requested in last October. The Team informed that the JICA head office did not decide yet.
- 6) The Team requested again that the project manager of PGP should have corresponding authority for taking responsible and prompt action for the smooth progress of the project implementation. PGP answered that some improvement will be taken soon and inform the matter to the Team.

Appendix 1 : Project Component (Main Features)

Dam & Reservoir

Reservoir	Total Volume	8,411,000m ³
	Effective Volume	8,000,000m ³
	Design Flood W. L.	EL 59.0m
	Normal High W. L.	EL 57.0m
	Low W. L.	EL 37.0m
Dam	Type	Center Core Fill Type Dam
	Dam Height	40.0m
	Crest Length	330.0m
	Crest Width	7.0m
	Dam Volume	423,000m ³
	Crest Elevation	EL 61.0m
Floodway	Type	Ungated side channel type
	Design Discharge	350m ³ /s
Intake	Type	Inclined type
	Gate	Diameter 600mm, 4Nos.
	Energy Dissipater	Sluice Valve Diameter 600mm, 2 Nos.
	Conduit	Steel Pipe 1,800 mm in diameter

Irrigation Canal

Irrigation Area	1,280 ha (Including 100 ha of resettlement area)
Main Canal	9 System, 21.6 km in total (New canal 14.5 km and improved canal 7.1 km) With Inspection road (4m wide, gravel pavement of 3m wide)
Appurtenant structures	Canal Structure (Open canal, Conduit pipe, Drop, Road crossing) Diversion/Gauging Structure (Large diversion , small diversion, Gauging stru.) Energy Dissipater Inspection & maintenance (Inspection road, Aqueduct) Others (Washing step, Drainage conduit)

Road & Bridge

Barangay Road	7.2 km in total length (Improvement road : 3 routes, 5.3 km in total
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and New road: 1 route, 1.9 km in total)

Appurtenant stru.: Road bridge (Span 18 m , 2 locations. ,
2nd class bridge box culvert type) and
Submerged bridge (Crossing Sanfelipe river, 2 locations)

Reservoir surrounding road 16.8 km in total length
(Newly constructed section : 13.4 km,
Improvement section: 3.4 km)

Appurtenant structure (Submerged bridge : 3 locations.
and Crossing culvert : approxi. 10 locations)

Resettlement Area

Area Approxi. 220 ha
(Rainfed area: 100 ha, Irrigated area: 100 ha, and Residential area: 20 ha)

Appurtenant Stru./Works Access Road (400 m in length, 5 m wide gravel road)

Road in the housing area (2,090 m in length, 5 m wide concrete road)

Water Supply Facility (Intake, Conduit pipe, Purification facilities,
Distribution pipe, water supply tap)

Canals (Diversion gate: 4 Nos., Canal : 3.25 km in total)

Tree Nursery

Area 2.35 ha

Nursery Facility Pot Nursery Bed : Area 8,160 m² (Pot nursery net area 4,320m²)

Irrigation water facility (Objective Area 4,320 m²)

Water Storage

Road : 672 m in total length (5 m wide with side ditches)

Post - Harvest Facilities

Solar Dryer Yard Area 875 m² (25m x 35m), 8 Locations
Concrete Pavement (15 cm thick),
With Store house (5m x 8m)

Maintenance Equipment

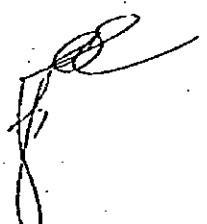
Motor grader (3.7m Class) 1 No.

Dump truck (11t Class) 1 No.

Appendix 2 : Agreement for Relocation

1. Agreement of Land Owners for Main Canal Construction
2. Agreement of Land Owners to provide their lands in the proposed Resettlement Area
3. Agreement for Resettlement from the Inhabitants in the proposed Reservoir Area

Note : The number of people signed in each agreement is more than the necessary number estimated at present because some additional people also signed on the paper in consideration of future necessity.

A handwritten signature in black ink, appearing to be a stylized name or set of initials, located in the lower-left quadrant of the page.



Republic of the Philippines
Province of Pangasinan
MUNICIPALITY OF INFANTA

—o—o—

OFFICE OF THE MUNICIPAL MAYOR

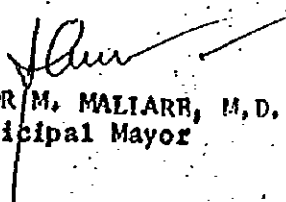
A G R E E M E N T

WE, the undersigned land owners to be affected by the construction of the main canals of the Infanta Water Impounding and Environmental Project at Barangay Damban, Infanta, Pangasinan, are very willing to give our lands provided, however, that we will be compensated accordingly.

Beatriz M. Meara
Eloisa M. Monte
Edna M. Monte
Elza M. Mayo
Fernando Ballado
Simon Maje
Peliasina Barneda
Arto Francisco
Florancia Barneda
Liza Maje
Florancia Melgar

Arnel Ballado
Clemencia Ballado
Jessie Maje
Delmar Mayo
Sebastian Boniel
Salvador Boniel
Arnold Mayo
Eduin Maje
Robert Mayo
Penilda Mayo

Witnesses:


MELCHOR M. MALIARR, M.D.
Municipal Mayor

ANACLETO M. MONTE, SR.
Barangay Captain



Republic of the Philippines
Province of Pangasinan
MUNICIPALITY OF INFANTA

—oOo—

OFFICE OF THE MUNICIPAL MAYOR

AGREEMENT

WE, the undersigned land owners to be affected by the establishment of the Resettlement Area due to the Construction of the Infanta Water Impounding and Environmental Improvement Project at Barangay Damban, Infanta, Pangasinan, are very willing to give our lands provided, however, that we will be justly compensated.

Cyrlina M. Mirador
Juan M. Ilor
Beatriz M. Miano
Pedro Trinidad
Teodoro Mair
Barbara M. Miano
Macario Mair
Rolando M. Montero
Anita Montero
Estelinda M. Mair
Melina Mermilla

Leticia M. Melanio
Artemio M. Modelo
Celso P. Mair
Perito Modelo
Domingo Miano
Pioquinto Mair
Natividad M. Montero

Witnesses:

MELCHOR M. MALLARD, M.D.
Municipal Mayor

ANACLETO M. MONTERO, SR.
Barangay Captain



Republic of the Philippines
Province of Pangasinan
MUNICIPALITY OF INFANTA



OFFICE OF THE MUNICIPAL MAYOR

A G R E E M E N T
PROPOSED SUBMERGED RESERVOIR AREA

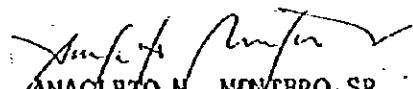
WR, the undersigned Heads of families to be affected by the construction of the Infanta Water Impounding and Environmental Improvement Project at Barangay Damban, Infanta, Pangasinan, are very willing to be resettled at the Resettlement Area provided we will be justly compensated.

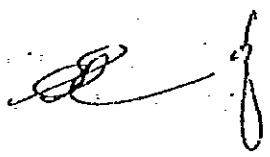
1 Carlos Medina
Exemplable / Exemplable

Siberato Parinas

Witnesses


MBLCHOR M. MALIARE, M.D.
Municipal Mayor


ANACLETO M. MONTERO, SR.
Barangay Captain



MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THIS MEMORANDUM OF AGREEMENT ENTERED BY AND BETWEEN:

The Department of Environment and Natural Resources (DENR), a government agency with principal address at Visayas Avenue, Diliman, Quezon City, represented by its Provincial Environment and Natural Resources Officer (PENRO) for the province of Pangasinan, **ELPIDIO R. FABIAN** hereinafter referred to as the DENR;

- and -

The PROVINCIAL GOVERNMENT OF PANGASINAN with principal address at Lingayen, Pangasinan, represented by its GOVERNOR, **OSCAR M. ORBOS** hereinafter referred to as PGP.

- WITNESSETH -

WHEREAS, it is the mandate of the state to protect, develop and maintain an ecologically sound environment for the welfare of every Filipino being,

WHEREAS, the Provincial Government of Pangasinan (PGP) in cooperation with the Japan International Cooperation Agency (JICA) has prepared a project design for the implementation thru grant of an Impounding Irrigation and Environmental Improvement Project at Infanta, Pangasinan;

WHEREAS, the reforestation of idle, open areas of the public domain and environment improvement activities is the primary functions of the DENR;

NOW, THEREFORE, for and in consideration of the foregoing premises and of mutual covenants hereinafter set forth, the parties hereby agree on the following:

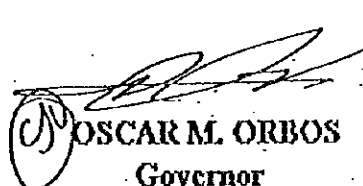
1. The DENR shall directly supervise and implement the reforestation and environmental improvement activities of the Infanta Impounding Irrigation and Environmental Improvement Project.

2. Creation of a joint DENR-PGP project management Group that shall establish guideline and oversee and harmonize the implementation of the said undertaking.
3. To explore jointly other awareness for cooperative efforts to facilitate the implementation of the project.
4. The DENR will provide the funds for the reforestation and environmental improvement undertakings starting in 1998.
5. The PGP shall undertake the implementation of the engineering works on the project.

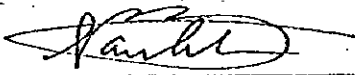
This Agreement shall take effect immediately and shall remain in force until the completion of the project or unless terminated by any of the parties.

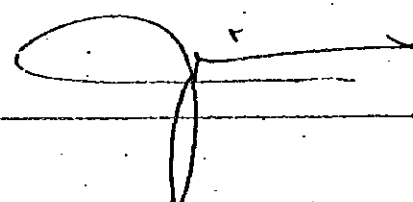
IN WITNESS WHEREOF, the parties hereunto affixed their signature this 6th day of March, 1997.



ELPIDIO R. FABIAN
PENR Officer

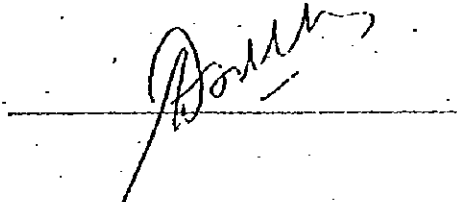

OSCAR M. ORBOS
Governor
Province of Pangasinan

SIGNED IN THE PRESENCE OF:









ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
DAGUPAN CITY)S.S.

BEFORE ME this 6th day of March, 1997
personally appeared:

ELPIDIO R. FAHIAN
Comm. Tax Cert. No. 8629438
Issued at Tubao, La Union
Issued On January 21, 1997

OSCAR M. ORBOS
Comm. Tax Cert. No. 2944114 - F
Issued at LINGAYEN, PANGASINAN
Issued On JANUARY 29, 1997

known to me to be the same persons who executed the foregoing instrument and who
acknowledged to me that the same are their own free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto affix my seal on the place and date above
stated.

ATTY. NOLAN R. EVANGELISTA
NOTARY PUBLIC
UNTIL DEC. 31, 1998
PTR ID 188 PDDIC, 1-6-97
TIN 124-756-287
IBP 403659, 1-7-97

Doc. No. 763
Page No. 14
Book No. IX
Series of 1997.

Appendix 4 : Share for the Nursery Preparation

List of Equipment for the Nursery Site

Items	No.	Descriptions	Share
Sprayer	2	half-pressure, automatic 10 lit. spread of agricultural chemicals, and liquid fertilizers	Philippine
Incubator	2	automatic (temperature, humidity, light effect etc.)	Philippine
Tracter	1	with accesories for plow, harrow dozer, diesel fed 8 - 10 HP	Philippine
Kuliglig (Hand tractor) tractor and complete accessories	1	main body (3 - 4 HP) with accessories	Philippine
Grass Cutter	4	main body diamond teeth file	Philippine
Truck (1t, Small Size)	1	4WD, 1 ton transport of soil, saplings materials, machine and parts	Philippine
Pump (Small Size)	1	main body (2 inches, 3 HP) synthetic rubber hoses L = 100 m	Philippine
Soil sampling and tester	1		Philippine
Incinerator	1		Philippine

Note: Some items can be excluded from the list if considered to be not required.

List of Facilities for the Nursery Site

(A) Pot nursery site

Items	Descriptions	Share
Pot beds Passage	W.2m x L.60m x 36 line = 4,320 m ² , 10cm high mound W.2m x L.60m x 32 line = 3,840 m ²	Japan
Sun shade facility	bamboo materials, diameter of 5cm, L.6m x 20 poles x 36 sets L.2m x 11 poles x 36 sets L.1.8m x 22 poles x 36 sets palm leaves or reed screens 1 sets x 600 kg x 36 sets = 21,600 kg strings or ropes and others	Philippine
Water pool	Concrete structure, 10m x 10m x 1.5m = 150 m ³	Japan
Irrigation facility	1. Vinyl chloride Water flow adjustment Water valve one set Main pipe Vp 100 28m Sub pipe Vp 75 210m Pipe with a admin faucet Vp 50 60cm.x 7 Water faucet Vp 25 7 2. Water sprinkler pipe Synthetic rubber hoses 100m x 2	Japan

(B) Buildings

Items	Descriptions	Share
Warehouse administrative office	90m ² Wooden flat buildings and roof with cogon (thach) or slate include of warehouse, administrative office and rest room	Philippine
Germination house	48m ² wooden flat and roof top will use a strong semi-transparent plastic material	
Work shop	250m ² Wooden flat building and roof with cogon (thach) or slate, the flooring concrete mortar.	

(C) Passage (Road)

	Descriptions	Share
Road	W.5m x L.672 m, banks of 30 cm high, gravel of 15 cm thickness.	Japan
Ditch	W.50cm, bottom width 30 cm, D.30cm	

ANNEX I

ON JAPAN'S GRANT AID PROGRAM

1. 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 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 by JICA on a requested project 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 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:

- (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 Government of the recipient country or its designated authority under the contracts verified.

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

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ANNEX II

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

1. To provide necessary data and information for the Project.
2. To secure the site for the Project.
3. To bear two kinds of commissions to the Japanese foreign exchange bank for the banking services based on the Banking Arrangement (B/A), namely, (i) advising commission of Authorization to Pay (A/P) and (ii) payment commission.
4. To ensure prompt unloading tax exemption, and custom clearance at the disembarkation in the Philippines and prompt internal transportation therein of the material and equipment for the project under the Grant.
5. To exempt Japanese nationals or a staff from a third country engaged in the project from customs duties, internal tax and other fiscal levies which may be imposed in the Philippines with respect to the supply of the products and services under the verified contract.
6. To accord Japanese nationals or a staff from a third country, 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 Philippines and stay therein for the execution of the Project.
7. To provide necessary permissions, licenses and other authorization for carrying out the Project.
8. To assign appropriate budget and staff members for smooth construction works and proper and effective operation and maintenance of facilities constructed and equipment provided under the Grant Aid.
9. To maintain and use properly and effectively equipment purchased under the Grant.
10. To bear all the expenses other than those covered by the Grant, necessary for execution of the Project.

List of Participants in the Discussions

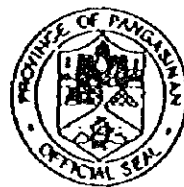
Japanese Side

1. Shosiro Horigome
Leader
Development Specialist, Institute for International Cooperation, JICA
2. Shokichi Sakata
Project Coordinator
First Basic Design Study Division, Grant Aid Study and Design Department, JICA
3. Hiroshi Okada
Project Manager/Operation and Management Planner
I.N.A. Corporation
4. Sunio Shindou
Agricultural and Irrigation Planner
Naigai Engineering Co., Ltd.
5. Akihiro Irie
Dam and Reservoir Planner/Hydrologist
I.N.A. Corporation
6. Akira Nakamura
Assistant Resident Representative
JICA, Philippines Office
7. Yugi Sakamoto
JICA Expert for NIA

Pangasinan (Philippines) Side

1. Oscar M. Orbos
Governor, Province of Pangasinan
2. Feliciano M. Bautista
Provincial Administrator
3. Victoriano Sevilleja
Project Manager/Consultant, Office of the Governor
4. Melchor Mallare
Municipal Mayor, Infanta Municipality
5. Leopoldo Merzo
Municipal Planning & Development Officer

6. Elpidio FABIAN
Provincial Environment & Natural Resources Officer
7. Alvin BIGAY
Chief, Provincial Housing & Urban Coordinating Center
8. Jose ALMENDARES
Asst. Provincial Agriculturist
9. Nestor QUIAMBAO
Provincial Assessor
10. Engr. Filipino G. SORIANO
Provincial Engr.
11. Mrs. Constanca F. DE GUIA
Provincial Social Welfare & Development Office
12. Dir. Manuel R. Casaclang (Ret.)
Consultant
Office of the Governor
13. Jesus Fernandez
Consultant
Office of the Governor



PDC RESOLUTION NO. 97-05

ENDORING FAVORABLY THE INFANTA WATER IMPOUNDING IRRIGATION AND ENVIRONMENTAL PROTECTION PROJECT TO THE REGIONAL DEVELOPMENT COUNCIL.

WHEREAS, presented for consideration to this body is the Infanta Water Impounding Project located in Infanta, Pangasinan;

WHEREAS, the impounding project is ranked as one of the top priority projects in the Northern Luzon Growth Quadrangle Plan for the Province of Pangasinan;

WHEREAS, the reservoir when completed will have a capacity of 9,500,000 cubic meter and would irrigate a total of 1,400 hectares benefiting 19,000 beneficiaries;

WHEREAS, the said project will require an amount of P 464.38 M and proposed to be funded by the Japan International Cooperation Agency;

WHEREAS, the project will contribute to increase in rice production, crop diversification, environmental protection in the area and improvement of the quality of life of the residents and neighboring populace;


NOW THEREFORE, on motion duly approved it was;

RESOLVED, as it is hereby resolved to endorsed to the Regional Development Council the Infanta Water Impounding Project as this will assume a major role in the improvement of agricultural sector and further improve the economic stability of the province;

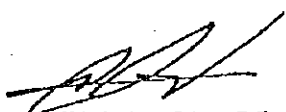

RESOLVED FURTHER, that copies of this resolution be forwarded to Gov. Justo O. Orros, Jr., RDC Chairman thru Hon. Leonardo N. Qultos, Jr., NEDA I Regional Director, San Fernando, La Union and the Japanese Embassy thru NEDA I for their information and appropriate action.

APPROVED UNANIMOUSLY.

CERTIFIED TRUE & CORRECT


ARMI O. NIETO
PPDC and PDC Secretary

ATTESTED BY:



Hon. OSCAR M. ORBOS
Governor and PDC Chairman

MDC RESOLUTION NO. 97-003

ENDORING FAVORABLY THE INFANTA IMPOUNDING IRRIGATION AND ENVIRONMENTAL IMPROVEMENT PROJECT.

WHEREAS, presented for consideration to this body is the Infanta Impounding Irrigation and Environmental Improvement Project involving a total project cost of P 464.38 M;

WHEREAS, Western Pangasinan particularly Infanta, a fifth class municipality, needs badly an environmental improvement to spur economic development in the area;

WHEREAS, an effective Irrigation Method would undoubtedly enhance development and promote farm households with opportunities towards a better quality of life;

WHEREAS, the reservoir when completed will have a total capacity of 9,500,000 cubic meter and would irrigate a total of 1,400 hectares benefiting 19,000 beneficiaries;

NOW THEREFORE, on motion duly approved it was;

RESOLVED, as it is hereby resolved to endorsed favorably the Infanta Impounding Irrigation and Environmental Improvement Project to the Provincial Development Council under the Grant Aid of the Government of Japan;

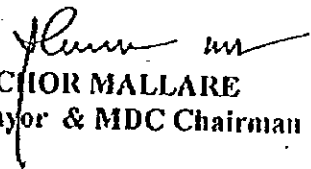
RESOLVED FURTHER, that copies of this resolution be furnished the Provincial Development Council for their information and appropriate action.

APPROVED UNANIMOUSLY.

CERTIFIED TRUE & CORRECT


LEOPOLDO MERZA
MDC Secretary

ATTESTED BY:


DR. MELCHIOR MALLARE
Municipal Mayor & MDC Chairman