Appendices

- Member List of Survey Team
 Survey Schedule
 List Party Concerned in the Recipient Country
 Minutes of Discussion
- 5. Other Relevant Data

1. Member List of the Survey Team

For Basic Design Study

	basic Design Study				
1	Leader	Mr. Atsumu IWAI			
		Third Project Management Division			
		Grant Aid Management Department			
		Japan International Cooperation Agency			
2	Technical Advisor	Mr. Shinji MIYAKE			
		Engineering Officer, Radio Aids Division,			
		Aids to Navigation Department, Japan Coast			
		Guard			
3	Chief Consultant /	Mr. Senji TANAKA			
	Operation &	Japan Aids to Navigation Association			
	Maintenance Planning	(JÂNA)			
4	Equipment Planning I	Mr. Mitsumasa Noguchi			
		T and T Co., Ltd.			
5	Equipment Planning	Mr. Mitsuo KUBO			
		Japan Aids to Navigation Association			
		(JÂNA)			
6	Power Supply Planning	Mr. Makoto NIKAIDO			
		CONA Co., Ltd.			
7	Procurement Planning /	Mr. Yasunobu YAMANE			
	Cost Estimating	Japan Aids to Navigation Association			
	S	(JÂNA)			

For Draft Basic Design Study

	Diait Dasic Design Study						
1	Leader	Mr. Yoshikazu Yamada					
		Director, Third Project Management					
		Division					
		Grant Aid Management Department					
		Japan International Cooperation Agency					
2	Technical Advisor	Mr. Mitsuhiro Nakashige					
		Special Assistance to Director,					
		Administration Division, Aids to Navigation					
		Department, Japan Coast Guard					
3	Chief Consultant /	Mr. Senji TANAKA					
	Operation &	Japan Aids to Navigation Association					
	Maintenance Planning	(JANA)					
4	Equipment Planning I	Mr. Mitsumasa Noguchi					
		T and T Co., Ltd.					
5	Procurement Planning /	Mr. Yasunobu YAMANE					
	Cost Estimating	Japan Aids to Navigation Association					
	C	(JANA)					

2. Survey Schedule

Survey Schedule for Basic Design Study

[1/2]

No.	Date(日付)		Schedule			
of Date	(DD/MM/		Officials[2persons] Consultants[5 persons]		Stay	
1	9-Apr-00	Sun	Narita → Jakarta (JAL 725 10:55 → 16:05)		Jakarta	
2	10-Apr-00	Mon	Courtesy Call to Embassy of Japan and JICA Office Internal Meeting		Jakarta	
3	11-Apr-00	Tue	Courtesy Call to Directorate General of Sea Communications (DGSC) Explanation of the Inception Report/Discussion with DGSC		Jakarta	
4	12-Apr-00	Wed	A.M. Courtesy Call to Ministry of Communications (MOC) Discussion with DGSC P.M. Jakarta →Denpasar(GA412 17:20→20:20)		Denpasar	
5	13-Apr-00	Thu	Discussion with the Staff of Benoa Radio & DISNAV Site Survey (Benoa Radio)		Denpasar	
6	14-Apr-00	Fri	Site Survey (Benoa Radio)	, Discussion with Benoa Staff	Denpasar	
7	15-Apr-00	Sat	Site Survey (Benoa MFB)	Discussion with Benoa Staff	Denpasar	
8	16-Apr-00	Sun	Site Survey (Benoa Radio),	Data Analysis & Team Meeting	Denpasar	
9	17-Apr-00	Mon	Site Survey (Benoa Radio) Denpasar → Jakarta (GA409 17:00→17:40)		Jakarta	
10	18-Apr-00	Tue	Discussion with DGSC Site Survey (Jakarta Radio)		Jakarta	
11	19-Apr-00	Wed	Discussion with DGSC Site Survey (Jakarta Radio)		Jakarta	
12	20-Apr-00	Thu	Discussion with DGSC Signing of M/D Report to Embassy of Japan, JICA, JBIC and BAPENAS Site Survey (Jakarta Radio)		Jakarta	
13	21-Apr-00	Fri	Site Survey (Jakarta Radio)		In Flight	
			Jakarta → (JAL726 23:45→	Jakarta → Uj.Pandang (GA650 21:00 → 00:10)	(Officials) Uj. Pandang (Consultant)	
14	22-Apr-00	Sat	→Narita →JAL 726 08:35)	Discussion with the Staff of Uj. Pandang Radio&DISNAV Site Survey (Uj.Pandang Radio)	Uj. Pandang	

No. of	Date(日f		Consultants[5 persons]		Stay
Date	(DD/MM/	YY)	2 persons 3 persons		(宿泊)
14	22-Apr-00	Sta	Site Survey (Uj. Pandang Radio)		Uj. Pandanı
15	23-Apr-00	Sun	Site Survey (Uj. Pandang Radio)		Uj. Pandana
16	24-Apr-00	Mon	Discussion with the Uj. Pandang Staff		Uj. Pandang
17	25-Apr-00	Tue	Uj.Pandang→Jakarta (GA631 10:35→11:45) Site Survey (Jakarta Radio)		Jakarta
18	26-Apr-00	Wed	BAKOSTERNAL (Cibinon)	Survey (Meteorological Bureau [METEO]), DGSC Data Analysis	Jakarta
19	27-Apr-00	Thu	Jakarta →Balikpapan (GA510 11:00→14:10) Balikpapan→Samarinda(By Car)	Jakarta →Balikpapan (GA510 11:00→14:10) Discussion with the Staff of Balikpapan Radio	Samarinda (2persons) Balikpapan (3persons)
20	28-Apr-00	Fri	Discussion with the Staff of DISNAV Samarinda→Balikpapan (By Car)	Site Survey (Balikpapan MFB)	Balikpapan
			Team Me		
21	29-Apr-00	Sat	Site Survey (Bali		Balikpapan
22	30-Apr-00	Sun	Site Survey (Bali		Balikpapan
23	1-May-00	Mon	Site Survey (Bali	kpapan Radio)	Balikpapan
24	2-May-00	Tue	Balikpapan→Banjarmasin (MZ5400 08:00→09:15) Discussion with the Staff of Banjarmasin Radio & DISNAV		Banjarmasin
25	3-May-00	Wed	Site Survey (Banjarmasin Radio)		Banjarmasin
26	4-May-00	Thu	Site Survey (Banjarmasin Radio)		Banjarmasin
27	5-May-00	Fri	Site Survey (Banjarmasin Radio)		Banjarmasin
28	6-May-00	Sat	Data Analysis Banjarmasin→Jakarta (GA523 16:30→17:50)		Jakarta
29	7-May-00	Sun	Data Analysis and Team Meeting		Jakarta
30	8-May-00	Mon	Jakarta→Semarang (GA232 10:20→11:20) Discussion with the Staff of Semarang Radio&DISNAV		Semarang
31	9-May-00	Tue	Site Survey (Semarang Radio)		Semarang
32	10-May-00	Wed	Site Survey (Ser	narang Radio)	Semarang
33	11-May-00	Thu	Site Survey (Semarang Radio)		Semarang
34	12-May-00	Fri	Semarang→Jakarta (GA233 12:00→13:00) Data Analysis & Team Meeting		Jakarta
35	13-May-00	Sat	Survey (DGSC) Jakarta → Pontianak (GA504 11:00 → 12:30)		Pontianak
36	14-May-00	Sun	Discussion with the Staff of DISNAV /SROP Pontianak Site Survey (Pontianak Radio)		Pontianak
37	15-May-00	Mon	Site Survey (Pontianak)		Pontianak
38	16-May-00	Tue	Site Survey (Pontianak)		Pontianak
39	17-May-00	Wed	Pontianak →Jakarta(C Data Analysis &	A501 08:40→10:10)	Jakarta
40	18-May-00	Thu	Data An		Jakarta
41	19-May-00	Fri	Report to Embassy of Japan, JICA Office and DGSC Jakarta→ (JAL726 23:45→		In Flight
42	20-May-00	Sat	→Narita →JAL 726 08:35)		

Survey Schedule for Draft Basic Design Study

No. of	Date		Schedule		
Date	(DD/MM/	(DD/MM/YY) Officials Consultant [2 persons] [3 persons]		STAY	
1	31·Aug·00	Thu	Narita 10:55→Jakarta 16:05 JL725		Jakarta
2	1-Sep-00	Fri	Discussion with JICA Expert and Data Collection		Jakarta
3	2·Sep·00	Sat		Data Collection	Jakarta
4	3-Sep-00	Sun	Narita 10:55→Jakarta 16:05 JL725	Data Collection and Data Analysis	Jakarta
				Team Meeting	
5	4·Sep·00	Mon	Courtesy Call to & Discussion with Embassy of Japan and Jica Office Gourtesy Call to Ministry of Communications(MOC) Courtesy Call to and Discussion with Directorate General of Sea Communications (DGSC), MOC		Jakarta
6	5-Sep-00	Tue	Discussion with DGSC		Jakarta
7	6-Sep-00	Wed	Discussion with DGSC		Jakarta
8	7-Sep-00	Thu	Discussion with DGSC and Sining of Minutes of Meeting		Jakarta
9	8-Sep-00	Fri	Report to EOJ and JICA Office		In Flight (Officials)
			Jakarta → (JAL726 23:35)	Data Collection and Data Analysis	Jakarta (Consultant)
10	9-Sep-00	Sat		Data Collection and Data Analysis	Jakarta
11	10·Sep·00	Sun	Data Collection and Data Analysis		Jakarta
12	11-Sep-00	Mon		Technical Discussion with DGSC	Jakarta
1.00	Commence of the Commence of th	Tue	Technical Discussion with DGSC JAL726 11:35 →		In Flight
13	12-Sep-00	Tue		JAL726 11:35 →	

3. List of Party Concerned in the Recipient Country

Directorate General of Sea Communications (DGSC), Ministry of Communications (MOC)

- Ir. Tjuk Sukardiman, Msi, Director General of Sea Communications
- Capt. T. Walla, Secretary of the DGSC
- Mr. Wayan S. K, Head of Sub Directorate of Navigation Fleets
- Mr. Bear Wawyo D, Head of Sub Directorate of Maritime Telecommunication
- Ir. A. Tonny Budiono, MM, Head of Sub Directorate Navigational Structure & Infrastructure
- Mr. H. Mock Harum, Head of Financial Division
- Ir. Tagore Sitorus, Staff, Directorate of Navigation
- Ir. Bambang Wiyanto, MM, Staff, Directorate of Navigation
- Mr. Ronald Simanungkalit, Staff of Planning Division
- Mr. Willy Vitrurorang, Staff, Legal Division

District Navigation Office (DISNAV) Class II Benoa, DGSC

- Capt. Eddy T. E. Leugkei, Head of DISNAV Class II Benoa
- Mr. I. Wayan Mandiana, Chief of Coastal Radio Station (SROP) Class III Benoa

DISNAV Class I Tg. Priok, DGSC

- Ir. Sentot B. Ismoyo, MM, Head of DISNAV Class I Tg. Priok
- Mr. Hidayat, Chief of SROP Class I Jakarta

DISNAV Class I Ujung Pandang (Makassar), DGSC

- Drs. Paulus Kana, Acting Head of DISNAV Ujung Pandang Class I
- Mr. Alfrits Joeseph, Chief of SROP Makassar Class I

DISNAV Class I Samarinda, DGSC

- Capt. Gustaf Matakupan, Head of DISNAV Class I Samarinda
- Mr. Teguh Hariyanto, Chief of SROP Class II Balikpapan

DISNAV Class II Banjarmasin, DGSC

- Drs. Edward Arsanova, Head of DISNAV Class II Banjarmasin
- Mr. Onny L. J. Loubenapessy, Chief of SROP Class II Banjarmasin

DISNAV Class II Semarang, DGSC

- Mr. Asto Prio Hidrantomo, Head of DISNAV Class II Semarang
- Mr. Kastur, Chief of SROP Class II Semarang

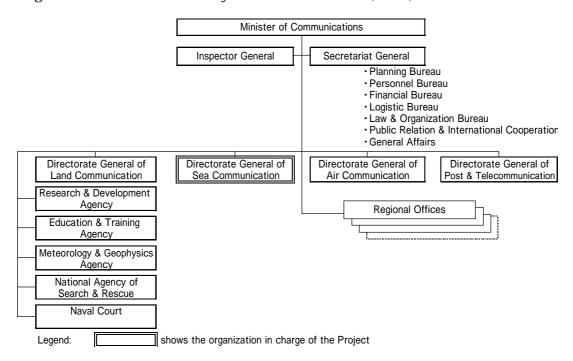
Sub DISNAV Pontianak

- Drs. Meilard Samad. Head of Sub DISNAV Pontianak
- Mr. Harijanto, Chief of SROP Class III Pontianak

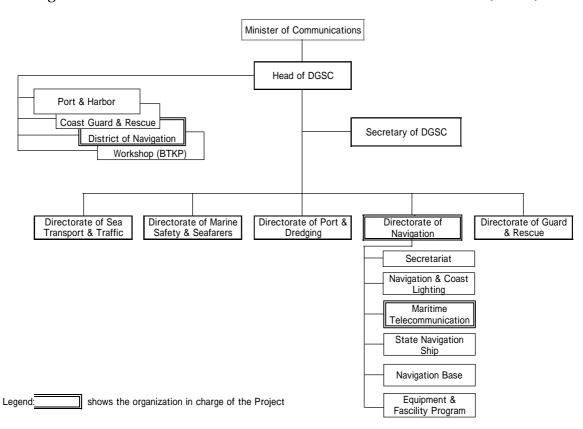
4. Other Relevant Data

- 4 1 . Organization Chart of Ministry of Communications (MOC)
- 4 2 . Organization Chart of Directorate General of Sea Communications (DGSC)
- $4\,$ $\,3\,$. Organization Chart of District of Navigations (DISNAV)

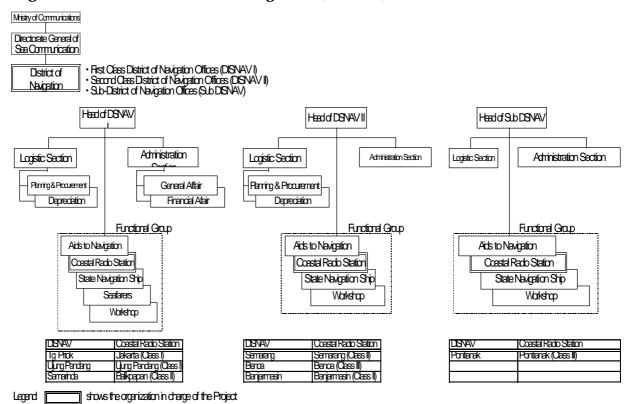
Organization Chart of Ministry of Communications (MOC)



Organization Chart of Directorate General of Sea Communications (DGSC)



Organization Chart of District of Navigations (DISNAV)



5. References

- $5\,$ $1\,$ List of Data Collected on the Basic Design Study
- 5 2 Minutes of Discussion

5 - 1 List of Data Collected on the Basic Design Study

List of Data collected on the Basic Design Study

No.	Data	Published/Prepared by
1	Statistical Year Book of Indonesia 199& 1999	BPS
2	Environmental Statistic of Indonesia 1999	BPS
3	Statistik Perhubungan 1998	BPS
4	Labor Force Situation in Indonesia 1999	BPS
5	Labor/Employees Situation in Indonesia 1999	BPS
6	Daftar Suar Indonesia 1997 latest version	TNI-AL (Navy)
7	Chart List (Incl. Geodetic System)	TNI-AL (Navy)
8	Nautical Chart on the Project Area (1/100,000, 1/250,000, 1/500,000)	TNI-AL (Navy)
9	Sailing Directions	JCG
10	Tide Table (2000)	TNI-AL (Navy)
11	Land Map (1/25,000, 1/500,000)	BAKOSURTANAL
12	List of Digital Map, Land Map & Aeronautical Map (Incl. List of Geodetic System)	BAKOSURTANAL
13	GIS Data	BAKOSURTANAL
14	Meteorological Data (1996 ~ 1999)& (1985 ~ 1989)	METEO
15	Number of Lightning Days	METEO
16	The Ecology of the Indonesian Seas (Part I & II) (Earthquake, Marine Resources)	
17	Statistik Perhubungan 1998	DGSC
18	Laporan Tahunan, DGSC	DGSC
19	Data on Light Due	DGSC
20	Budget on Operation & Maintenance, etc(1995-1999)	DGSC, NAVIGASI
21	Sea Traffic Accident	DGSC
22	Laporan Tahunan DISNAV (1997-1999)	Each DISNAV of the Project Area
23	Laporan Tahunan ADPEL (1996-1999)	Each ADPEL of Project Area
24	Specification of Equipment, etc on SROP(1997)	DGSC, NAVIGASI
25	Feasibility Study on Vessels Traffic Management Services for Strategic Sealanes	DGSC, NAVIGASI
26	The latest information and data related to the project on Aids to navigation	DGSC, NAVIGASI
27	Journal of Building Construction & Interior, 2000 May	
28	Operation & Maintenance Manual of SROP(1982)	DGSC, NAVIGASI
29	Copy of maintenance log book on the MFB Stations (Benoa, Pontianak, Balikpapan)	SROP concerned
30	Survey Drawings, Site Layout, Floor Layout, etc of SROP	Prepared by JANA
31	High Precision Positioning Data for the Antenna of Reference Station	Prepared by JANA
32	Data on the Internet Provider Services	POS&GIRO, etc

Minutes of Discussion (M/D)

Basic Design Study (Signing on April 20, 2000)

Draft Basic Design Study (Signing on September 7, 2000)

MINUTES OF DISCUSSION ON THE BASIC DESIGN STUDY

ON

THE PROJECT FOR REHABILITATION FOR MEDIUM WAVE RADIO BEACON STATIONS

LN

THE REPUBLIC OF INDONESIA

In response to a request from the Government of Republic of Indonesia (hereinafter referred to as "the Indonesia"), the Government of Japan decided to conduct a Basic Design Study on the Project for Rehabilitation for Medium Wave Radio Beacon Stations (hereinafter referred to as "the Project").

JICA sent to Indonesia the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Atsumu Iwai, Third Project Management Division, Grant Aid Management Department, JICA, and is scheduled to stay in the country from April 9, 2000 to May 19, 2000.

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

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

Jakarta, April 20, 2000

Ateumu Twei

Leader

Basic Design Study Team

Japan International Cooperation Agency

Japan

Capt. Tarcisius Walla

Secretary of the Directorate General

of Sea Communications

Ministry of Communications

Republic of Indonesia

ATTACHMENT

1. Objective of the Project

The objective of the Project is to secure navigation safety and promote efficiency of the sea traffic by rehabilitating the Medium Wave Radio Beacon Stations by means of Differential GPS system (hereinafter referred to as "DGPS system").

2. Project Sites

The sites of the Project are Tanjung Pandan, Jakarta, Semarang, Banjarmasin, Benoa, Balikpapan and Ujung Pandang. (See Annex-1)

3. Responsible and Implementing Agency

- 3-1. The Responsible Agency is Ministry of Communications (MOC).
- 3-2. The Implementing Agency is Directorate General of Sea Communications (DGSC), MOC.

4. Items Requested by the Government of Indonesia

After discussions with the Team, the items described in Annex-2 were finally requested by Indonesian side. JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

- 5-1. Indonesian side understands the Japan's Grant Aid Scheme explained by the Team, as described in Annex-3.
- 5-2. Indonesian side will take the necessary measures, as described in Annex-4, for smooth implementation of the Project, as a condition for the Japanese Grant Aid to be implemented.

Schedule of the Study

- 6-1. The consultants will proceed to further studies in Indonesia until May 19, 2000.
- 6-2. JICA will prepare the draft report in English and dispatch a mission in order to explain its contents around August 2000.
- 6-3. In case that the contents of the report is accepted in principle by the Government of Indonesia, JICA will complete the final report and send it to the Government of Indonesia by December 2000.

7. Safety Measures

7-1. Indonesian side will take all possible measures to secure the safety of the Team during the field survey. Le hos p

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8. Other Relevant Issues

8-1. Both sides confirmed that the Donggala Radio Station (Class IV station) shall be shifted to Balikpapan Station (Class II station) in view of the operation and maintenance capacity. Regarding the Tanjung Pandan Station (Class IV station), the appropriateness as the DGPS Station shall be examined further.

8-2. Indonesian side requested the followings to be provided by Japanese side for the proper operation and maintenance of the system.

- The management and operation plan of DGPS system.
- The maintenance manual of the DGPS system.
- The counterpart training in the fields of management, operation and maintenance of the DGPS system.

Regarding the counterpart training, the Team suggested the Indonesian side to consult with JICA office.

8-3. Both sides understood that the administrative grouping, which is formed specifically for and takes overall responsibility of the DGPS system, is indispensable for the proper management, operation and maintenance of the system. Indonesian side confirmed to set up the said grouping in DGSC headquarters immediately after the signing of the Exchange of Notes for the Project by both governments.

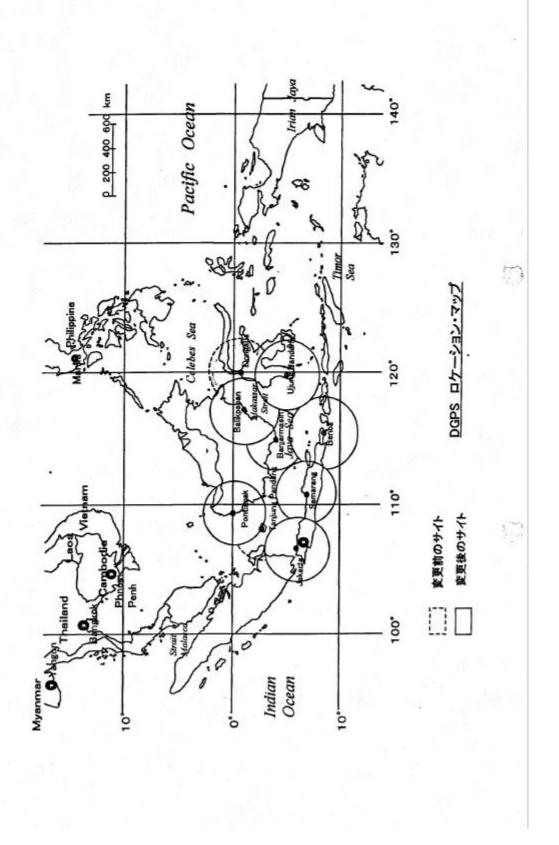
8-4. Indonesian side confirmed to allocate at least two maintenance engineers specifically for the DGPS system in respective stations.

8-5. Indonesian side explained that the necessary budget for the operation and maintenance of the DGPS system would be allocated from the Light Due, which will be newly implemented from this June. The personnel budget, however, is allocated from national budget.

Both sides confirmed that the feasibility of the said budget allocation shall be carefully examined further.

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Site Allocation Map and Service Coverage of DGPS

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Items Requested by the Government of Indonesia

- 1. Medium Wave Radio Beacon (MFB) Transmitter
- 2. DGPS Equipment
 - Reference Station (RS) Equipment
 - Integrity Monitor (IM) Equipment
- 3. Antenna System
 - Antenna for MFB Transmitter
 - Antenna for RS / IM
 - Antenna Tower / Pole
 - Associated Equipments
- 4. Power Supply System
 - Engine Generator
 - Automatic Voltage Regulator (AVR)
 - Associated Equipments
- 5. Data Communication / Transfer System
- 6. Data Processing System
- 7. Lightning Protection System
- 8. Spare Parts
- 9. Installation Works

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Japan's Grant Aid Scheme

1. Grant Aid Procedures

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

- Application (Request made by a recipient country)
- Study (Basic Design Study conducted by JICA)

- Appraisal & Approval
- Determination of (The Note exchanged between the Government of Japan and

Implementation the recipient country)

2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA (Japan International Cooperation Agency) to conduct a study on the request.

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

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

Fourthly, the project, once approved by the Cabinet, becomes official with the Exchange of Notes signed by the Governments of Japan and the recipient country.

Finally, for the implementation of the project, JICA assists the recipient country in such matters as preparing tenders, contracts and so on.

2. Basic Design Study

Contents of the Study

The aim of the Basic Design Study (hereafter referred to as "the Study"), conducted by JICA on a requested project (hereafter referred to as "the Project") is to provide a basic document necessary for the appraisal of the Project by the Government of Japan. The contents of the Study are as follows:

- a) Confirmation of the background, objectives, and benefits of the requested Project and also institutional capacity of agencies concerned of the recipient country necessary for the Project's implementation.
- Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economic point of view.
- Confirmation of items agreed on by both parties concerning the basic concept of the Project.
- d) Preparation of a basic design of the Project

e) Estimation of costs of the Project

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The contents of the original request are not necessarily approved in their initial form as the contents of the Grant Aid project. The Basic Design of the Project is confirmed considering the guidelines of Japan's Grant Aid Scheme.

The Government of Japan requests the Government of the recipient country to take whatever measures are necessary to ensure its self-reliance in the implementation of the Project. Such measures must be guaranteed even though they may fall outside of the jurisdiction of the organization in the recipient country actually implementing the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country through the Minutes of Discussions.

Selection of Consultants

For smooth implementation of the Study, JICA uses (a) registered consultant firm(s). JICA select (a) firms(s) based on proposals submitted by interested firms. The selected firms(s) carry(ies) out Basic Design Study and write(s) a report, based upon terms of reference set by JICA..

The consulting firm(s) used for the Study is(are) recommended by JICA to the recipient country to also work on the Project's implementation after the Exchange of Notes, in order to maintain technical consistency.

3. Japan's Grant Aid Scheme

1) What is Grant Aid?

The Grant Aid Program provides a recipient country with non-reimbursable funds to procure the facilities, equipment and services (engineering services and transportation of the products, etc.) for economic and social development of the country under principles in accordance with the relevant laws and regulations of Japan. Grant Aid is to supplied through the donation of materials as such.

2) Exchange of Notes (E/N)

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

- 3) "The period of the Grant Aid" means the one fiscal year which the Cabinet approves the Project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with (a) consultant firm(s) and (a) contractor(s) and final payment to them must be completed. However in case of delays in delivery, installation or construction due to unforeseen factors such as weather, the period of the Grant Aid can be further extended for a maximum of one fiscal year at most by mutual agreement between the two Government.
- 4) Under the Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased.

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

However the prime contractors, namely, consulting constructing and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationally.) fr Jus #

5) Necessity of "Verification"

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

6) Undertakings required of the Government of the Recipient Country

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

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

7) "Proper Use"

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

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

9) Banking Arrangements (B/A)

- a) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in a bank in Japan (hereinafter referred to as "the Bank"). The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by the Government of the recipient country or its designated authority under the Verified Contracts
- b) The payments will be made when payment requests are presented by the Bank to the Government of Japan under an authorization to pay issued by the Government of the recipient country or its designated authority.

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Major Undertaking to be taken by Each Government

No.	Items	To be covered by Grant Aid	To be covered by Recipient Side
1	To secure land		•
2	To clear, level and reclaim the site when needed		•
3	To construct gates and fences in and around the site		•
	To construct the buildings	•	
5	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a. The distributing line to the site		•
	b. The drop wiring and internal wiring within the site	•	
	c. The main circuit breaker and transformer	•	
6	To bear the following commissions to a bank of Japan for the banking services based upon the B/A		
(1)	Advising commission of A/P		•
	2) Payment commission		•
7	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country		
	 Marine (Air) transportation of the products from Japan to the recipient country 	•	
	Tax exemption and customs clearance of the products at the port of disembarkation		•
	3) Internal transportation from the port of disembarkation to the project site	•	
	To accord Japanese nationals whose services may be required in connection with the supply of products and the services under the verified contact such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		•
	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contract		•
_	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid	350	•
1	To bear all the expenses, other than those to be borne by the Grant Aid, necessary for construction of the facilities as well as for the transportation and installation of the equipment		•

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MINUTES OF DISCUSSIONS ON THE BASIC DESIGN STUDY ON THE PROJECT FOR REHABILITATION FOR MEDIUM WAVE RADIO BEACON STATIONS IN REPUBLIC OF INDONESIA

(EXPLANATION ON DRAFT REPORT)

In April and May 2000, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched a Basic Design Study Team on the Project for Rehabilitation for Medium Wave Radio Beacon Stations (hereinafter referred to as "the Project") to Republic of Indonesia (hereinafter referred to as "Indonesia"), and through discussions, field survey, and technical examination of the results of the study in Japan, JICA prepared a draft report of the study.

In order to explain and to consult with the concerned officials of the Government of Indonesia on the components of the draft report, JICA sent to Indonesia the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Yoshikazu Yamada, Director, Third Project Management Division, Grant Aid Management Department, JICA from August 31, 2000 to September 7, 2000.

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

Jakarta, September 7, 2000

Yoshikazu Yamada

Leader

Draft Report Explanation Team

Japan International Cooperation Agency

Ianan

Ir. Tjuk Sukardiman, MSi

Director General of Sea Communications

Ministry of Communications

Republic of Indonesia

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ATTACHMENT

1.Components of the Draft Report

Indonesian side agreed and accepted in principle the components of the draft report explained by the Team.

2.Japan's Grant Aid scheme

Indonesian side understood the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Indonesia as explained by the Team and described in Annex-3 and Annex-4 of the Minutes of Discussions signed by both parties on April 20, 2000.

3.Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and send it to the Government of Indonesia by the Middle of December 2000.

4.Other Relevant Issues

4 - 1

Indonesian side confirmed that:

- 1) Collection of light due has been started on May 2000.
- 2) Proposal for budget allocation for fiscal year 2000 and 2001 is under processing with the Directorate General of Budgeting Ministry of Finance, and will be expected to be approved in this year.

Indonesian side expected that the allocation budget for operation and maintenance of the project will be sustained within next fiscal year. The result of this matter shall be informed to JICA through JICA Indonesia Office as soon as possible.



4-2

Both sides confirmed that the GPS positioning accuracy in/and around Indonesia got more accurate than they had done until the end of April 2000, after sudden decision to discontinue the Selective Availability by the Government of United State of America on May 1, 2000.

The Team explained that, based on this dramatic improvement of the GPS accuracy, the neccesity, aurgency and appropriateness of the implementation of the Project by the Japan's Grant Aid should be carefully examined further.

4 - 3

Both sides understood that the implementation of the Project shall be suspended based on the reasons mentioned above 4 - 1 and 4 - 2. The relevant issues regarding the Project shall be examined further through JICA's Development Study for the Maritime Traffic Safety System Development Plan that will be implemented in the near future. The necessity and appropriateness of implementing the Project through Japan's Grant Aid shall be reexamined considering the result or the progress of the Development Study.

Indonesian side strongly requested to continue the project if above the reasons 4-1 and 4-2 are ascertained, and also urged to re-establish radio aids to navigation system, having reliability and high accuracy such as Differential GPS system, based on the international recommendations and intension for marine users as soon as possible.

