

**MINUTES OF DISCUSSIONS
ON THE BASIC DESIGN STUDY
ON THE PROJECT FOR CONSTRUCTION
OF THE NEW FIJI PHARMACEUTICAL SERVICES CENTER
IN THE REPUBLIC OF FIJI ISLANDS**

In March 2001, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Construction of the New Fiji Pharmaceutical Services Center (hereinafter referred to as "the Project") to the Republic of Fiji Islands (hereinafter referred to as "Fiji"), and through discussion, field survey, technical examination of the results in Japan, JICA prepared a draft report of the study.

In order to explain and to consult the Fiji on the components of the draft report, JICA sent to Fiji the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Ms. Saeda Makimoto, the Grant Aid Management Department, JICA from October 8 to October 21, 2001.

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

Suva, October 12, 2001

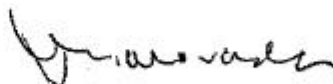


Ms. Saeda Makimoto

Leader

Draft Report Explanation Team

Japan International Cooperation Agency



Mr. Luke Rokovada

Permanent Secretary for Health

the Government of Fiji

ATTACHMENT

1. Component of the Draft Report

The Government of Fiji (hereinafter referred to as "Fiji side") agreed and accepted in principle the components of the draft report explained by the Team.

Modification requested by Fiji side is as follows;

(1) An additional personal computer for the Business and Essential Drug Office

(2) Common space

Fiji side requested that a common space be located on the ground floor. Japan side responded that since the rest space is planned to be located on the first floor, shifting it to the ground floor seems unnecessary. However, Japan side may consider to put a small common space on the ground floor.

(3) Toilet for the disabled

2. An official letter on the alteration of the project site is to be immediately submitted by the Ministry of Health to the Embassy of Japan.

3. Japan's Grant Aid Scheme

Fiji side understands the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Fiji as explained by Japan side and described in Annex-4 and Annex-5 of the Minutes of Discussion signed by both parties on March 23, 2001.

4. Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and send it to the Government of Fiji around February 2002.

5. Other Relevant Issues

5-1. Soft Component

Fiji side requested the consultant services for 1) management of the stock control system and 2) development of inventory management computer software as some components of the Grant Aid. Through discussions, the Soft Component for the demand estimation guidance may be considered under other schemes.

5-2. Relation with WHO

Both sides agreed to request WHO to provide technical assistance and further collaboration to the Project.

5-3. Joint Bulk Purchasing Scheme (JBPS)

Fiji side will take necessary measures to expand the New Fiji Pharmaceutical Services' role as the Regional Supply Center of Pharmaceuticals for some Pacific Island Countries (hereinafter referred to as "the PICs").

- (1) Fiji side explained the result of the Workshop on the JBPS held in Nadi in April 2001 that the PICs, which have not participated in the JBPS, expressed positive interest in joining the scheme.
- (2) Fiji side explained the action plan to promote the JBPS, which came out from the Workshop, and would follow the schedule as much as possible.
- (3) Fiji side committed to make official agreements on the JBPS with each country, which will participate in the scheme.
- (4) Fiji side confirmed to continue to make efforts on offering fair and reasonable markup to the PICs.

5-4. Fiji side agreed and committed to secure the appropriate initial cost and operational cost to ensure proper and effective operation and maintenance of the facility and equipment provided under the Project.

5-5. Fiji side confirmed that the Fiji Pharmaceutical Services Center will continue to remain as a part of the governmental bodies.

5-6. Allocation of staff

Fiji side confirmed that the appropriate staff is to be allocated to the relevant positions.

5-7. Split Shipment Scheme

Fiji side agreed to expand the Split Shipment Scheme.