

Major Undertakings to be taken by Each Government

NO	Items	To be covered by Grant Aid	To be covered by Recipient side
1	To secure land		●
2	To clear, level and reclaim the site when needed		●
3	To construct gates and fences in and around the site		●
4	To construct the parking lot	●	
5	To construct roads		
	1) Within the site	●	
	2) Outside the site		●
6	To construct the building	●	
7	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a. The distributing line to the site		●
	b. The drop wiring and internal wiring within the site	●	
	c. The main circuit breaker and transformer	●	
	2) Water Supply		
	a. The city water distribution main to the site		●
	b. The supply system within the site (receiving and/or elevated tanks)	●	
	3) Drainage		
	a. The city drainage main (for storm sewer and others) to the site		●
	b. The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	●	
	4) Gas Supply		
	a. The city gas main to the site		●
	b. The gas supply system within the site	●	
	5) Telephone System		
	a. The telephone trunk line to the main distribution frame / panel (MDF) of the building		●
	b. The MDF and the extension after the frame / panel	●	
	6) Furniture and Equipment		
	a. General furniture		●
	b. Project equipment	●	
8	To bear the following commissions to a bank of Japan for the banking services based upon the B/A		
	1) Advising commission of A/P		●
	2) Payment commission		●
9	To ensure unloading and customs clearance at port of disembarkation in recipient country		
	1) Marine(Air) transportation of the products from Japan to the recipient country	●	
	2) Tax exemption and customs clearance of the products at port of disembarkation		●
	3) Internal transportation from the port of disembarkation to the project site	(●)	(●)

10	To accord Japanese nationals, whose services may be required in connection with the supply of the products and the services under the verified contract, such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		●
11	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contract		●
12	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid		●
13	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 IMPROVEMENT OF FISHERY INFRASTRUCTURE IN
KAYANGEL STATE
IN
THE REPUBLIC OF PALAU
(CONSULTATION ON THE DRAFT REPORT)

In July 2001, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Improvement of Fishery Infrastructure in Kayangel State (hereinafter referred to as "the Project") and has prepared the draft report of the study based on the discussions, site surveys and technical examination in Japan.

In order to explain and consult Palau side on the components of the draft report, JICA sent to Palau the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Naoto TANIGUCHI, Grant Aid Division, Economic Cooperation Bureau, Ministry of Foreign Affairs from 21 October to 27 October, 2001.

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

Koror, 26 October, 2001

谷口直人

Naoto TANIGUCHI
Leader
Draft Report Explanation Team
Japan International Cooperation Agency



Fritz KOSHIBA
Minister
Ministry of Resources and Development
The Republic of Palau

ATTACHMENT

1. Components of the draft report

The Government of Palau agreed and accepted the components of the draft report explained by the Team.

2. Japan's Grant Aid System

The Government of Palau understands the Japan's Grant Aid Scheme as explained by the Team and will take necessary measures described in Annex-2 and Annex-3 signed on 6 July 2001 as the minutes of discussions of the basic design study, on condition that the Grant Aid by the Government of Japan is extended to the Project.

3. Schedule of the Study

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

4. Other Relevant Issues

4-1. Palau side agreed to allocate appropriate budget timely for proper operation and maintenance of the facilities and equipment to be provided by the Project.

4-2. Palau side understood the maximum vessel size which can navigate the project site and agreed to guide the personnel concerned in order to control the navigation properly.

4-3. Palau side agreed to secure an appropriate leveled and cleared temporary construction yard available in Koror and a dumping area of dredged material near the Project site.

4-4. Palau side agreed to take necessary measures including temporary berthing restriction to the Jetty to secure smooth and timely progress of the Project.

4-5. Palau side promised that the Government of Palau would make an application to obtain the construction permit including relevant Environmental Impact Assessment, if necessary, and consider not to hinder the smooth implementation of the Project.

Appendix-5 Cost Estimation Borne by the Recipient Country

Cost to be borne by the Government of Palau is estimated to be approximately US\$ 24,000.00 as mentioned followings.

(1) Construction of Garage for Cargo Handling Equipment

Required Size	:	Width	4.0 m
(w/ roof and wall)		Length	10.0 m
		Area	40.0 m ²

Estimated Cost	:	40.0 m ² x US\$ 300.00
		= US\$ 12,000.00

(2) Preparation of Temporary Construction Yard and Dumping Site

Temporary Construction Yard:

$$85\text{m} \times 85\text{m} = 7,225 \text{ m}^2$$

Dumping Site for Dredged Material:

$$100\text{m} \times 100\text{m} = 10,000 \text{ m}^2$$

Total Required Area:

$$7,225 \text{ m}^2 + 10,000 \text{ m}^2 = 17,225 \text{ m}^2$$

Estimated Cost	:	17,225 m ² x US\$ 0.70
		= US\$ 12,000.00

(3) Total Estimated Cost Borne by the Recipient Country

Construction of Garage : US\$ 12,000.00

Reparation of Yard: US\$ 12,000.00

US\$ 24,000.00