

APPENDICES

1. Member List of the Study Team

(1) On the Basic Design Study

Mr. Katsumi Yoshida	Team Leader	Director, Fourth Project Management Division., Grant Aid Management Department, Japan International Cooperation Agency (JICA)
Mr. Sunao Nakao	Technical Advisor	Technical Officer, Office of Overseas Fisheries Cooperation, Fisheries Agency, Ministry of Agriculture, Forestry and Fisheries
Mr. Motoharu Wakabayashi	Project Coordinator	Fourth Project Management Division., Grant Aid Management Department, Japan International Cooperation Agency (JICA)
Mr. Toru Fujiki	Chief Consultant/ Aquaculture Facilities Planner	Overseas Agro-Fisheries Consultants Co., Ltd.
Mr. Shojiro Koga	Civil Engineering Planner	Nippon Koei Co., Ltd.
Mr. Kinrin Sen	Equipment Planner	Overseas Agro-Fisheries Consultants Co., Ltd.
Mr. Kiyoshi Mizutani	Natural Conditions Surveyor	Nippon Koei Co., Ltd.
Mr. Toru Tachiki	Construction and Procurement Planner/ Cost Estimator	Overseas Agro-Fisheries Consultants Co., Ltd.
Mr. Fuku Fukawa	Interpreter	Overseas Agro-Fisheries Consultants Co., Ltd.

(2) On the Explanation of the Draft Basic Design Study

Morimasa Knamaru	Team Leader	Resident Representative, Viet Nam Office Japan International Cooperation Agency (JICA)
Mr. Sunao Nakao	Technical Advisor	Technical Officer, Office of Overseas Fisheries Cooperation, Fisheries Agency, Ministry of Agriculture, Forestry and Fisheries
Mr. Kei Jinnai	Project Coordinator	Fisheries and Environment Division, Forestry and Natural Environment Department, Japan International Cooperation Agency (JICA)
Mr. Toru Fujiki	Chief Consultant/ Aquaculture Facilities Planner	Overseas Agro-Fisheries Consultants Co., Ltd.
Mr. Shojiro Koga	Civil Engineering Planner	Nippon Koei Co., Ltd.
Mr. Kinrin Sen	Equipment Planner	Overseas Agro-Fisheries Consultants Co., Ltd.
Ms. Yoshiko Fuse	Interpreter	Overseas Agro-Fisheries Consultants Co., Ltd.

2 Study Schedule

(1) On the Basic Design Study

Activities								
Day No.	Date	Day of Week	Govt. Officials (Technical Advisor)	Govt. Officials (Project Coordinator)	Govt. Officials (Leader)	Consultants (C1, C2, C3, C5 & C6)	Consultant (C4)	
1	5/15	Wed	Tokyo → Hong Kong → Hanoi; Courtesy call on JICA			Tokyo → Hong Kong → Hanoi ; Courtesy call on JICA		
2	5/16	Thu	Courtesy call on Embassy of Japan and Ministry of Fisheries			Courtesy call on Embassy of Japan and Ministry of Fisheries		
3	5/17	Fri	Hanoi → Nha Trang; Courtesy visit to RIA3, Fisheries University, Research Institute of Marine Biology and People's Committee of Khanh Hoa Province			Hanoi → Nha Trang; Courtesy visit to RIA3, Fisheries University, Research Institute of Marine Biology and People's Committee of Khanh Hoa Province		
4	5/18	Sat	Site survey		Tokyo → Hong Kong → Hanoi	Site survey		
5	5/19	Sun	Internal meeting		Hanoi → Nha Trang	Internal meeting		
6	5/20	Mon	Discussions with RIA3, NTR → HAN					
7	5/21	Tue	Discussions with Ministry of Fisheries					HAN → NTR
8	5/22	Wed	Discussions with Ministry of Fisheries Signing of M/D					Preparations for subcontracted survey
9	5/23	Thu	Reporting to Embassy of Japan, JICA	Reporting to Embassy of Japan, JICA, Hanoi→Ho Chi Minh→Phnom Penh		Reporting to Embassy of Japan, JICA Market survey	Information gathering	
10	5/24	Fri	HAN → Hong Kong → Tokyo	Discussion with JICA site survey, Phnom Penh→Bangkok→Narita		Market survey	Information gathering	
11	5/25	Sat	Arrive Narita		Market survey		HAN → NTR	

			C1, C3,C6	C5	C2	C4
12	5/26	Sun	Survey on conditions of fisheries sector	Survey on conditions of fisheries sector		Natural Condition Survey
13	5/27	Mon	Discussions with Ministry of Fisheries, visit to Statistics Department	Discussions with Ministry of Fisheries, visit to Statistics Department	Discussions with Ministry of Fisheries	Ditto
14	5/28	Tue	Visit to RIA1	Visit to RIA1	Visit to RIA1	Ditto
15	5/29	Wed	Survey on conditions of fisheries sector	Survey on construction condition	Survey on construction condition	Ditto
16	5/30	Thu	Visit to experimental center of RIA1(Cat Ba)	Visit to experimental center of RIA1(Cat Ba)	Visit to experimental center of RIA1(Cat Ba)	Ditto
17	5/31	Fri	Survey on conditions of fisheries sector	Survey on procurement condition	Survey on construction condition	Ditto
18	6/1	Sat	HAN NTR, Discussions with RIA3			Ditto
19	6/2	Sun	Study team meeting			Ditto
20	6/3	Mon	Discussions with RIA3	Survey on procurement condition	Site survey	Ditto
21	6/4	Tue	Discussions with RIA3	Survey on procurement condition	Site survey	Ditto
22	6/5	Wed	Visit on Fisheries University, Research Institute of Marine Biology	Visit on Fisheries University	Site survey	Ditto
23	6/6	Thu	Discussions with RIA3	Survey on procurement condition	Site survey	Ditto
24	6/7	Fri	Discussions with RIA3	Survey on procurement condition	Site survey	Ditto
25	6/8	Sat	Mariculture farmer survey	Survey on implementation condition	Environmental survey	Ditto
26	6/9	Sun	NTR HCM		Environmental survey	Ditto
27	6/10	Mon	Discussions with RIA2	Survey on implementation condition	Environmental survey	Ditto
28	6/11	Tue	Visit to experimental center of RIA2	Visit to experimental center of RIA2	Study on civil engineering method	Ditto
29	6/12	Wed	Survey on conditions of fisheries sector	Survey on implementation condition	Study on civil engineering method	Ditto
30	6/13	Thu	HCM HAN Discussions with Ministry of Fisheries		NTR HAN Discussions with Ministry of Fisheries	Ditto
31	6/14	Fri.	Discussions with Ministry of Fisheries			Ditto
32	6/15	Sat.	Study team meeting			NTR HAN
33	6/16	Sun.	Study team meeting			
34	6/17	Mon	Discussions with Ministry of Fisheries			
35	6/18	Tues	Reporting to Embassy of Japan, JICA			
36	6/19	Wed	HAN HONG KONG TKO			

C1:Fujiki (Chief Consultant/Aquaculture Facilities Planner),C2:Koga (Civil Engineering Planner),
C3:Sen (Equipment Planner), C4:Mizutani(Natural Conditions Surveyor)
C5:Tachiki (Construction and Procurement Planner/Cost Estimator), C6:Fukawa (Interpreter),
HAN:Hanoi, HCM: Ho Chi Minh City, NTR: Nha Trang, RIA1: Research Institute for Aquaculture NO1,
RIA2: Research Institute for Aquaculture NO2, RIA3: Research Institute for Aquaculture NO3

(2) On the Explanation of the Draft Basic Design Study

Day No.	Date	Day of Week	Govt. Officials (Technical Advisor)	Govt. Officials (Project Coordinator)	Govt. Officials (Leader)	Consultants (C1, C2, C3, C4)
1	9/2	Mon	Tokyo → Hong Kong → Hanoi			Tokyo → Hanoi;
2	9/3	Tue	Courtesy call on Embassy of Japan, JICA Viet Nam Office, Ministry of Planning and Investment and Ministry of Fisheries			
3	9/4	Wed	Discussions with Ministry of Fisheries			
4	9/5	Thu	Signing of M/D			
5	9/6	Fri	Reporting to Embassy of Japan Hanoi Tokyo	Hanoi Nha Trang Discussions with RIA3		Reporting to Embassy of Japan Hanoi Tokyo
6	9/7	Sat	Arrive at Tokyo	Nha Trang Hanoi Hanoi Tokyo		Arrive at Tokyo
7	9/8	Sun		Arrive at Tokyo		

C1:Fujiki (Chief Consultant/Aquaculture Facilities Planner), C2:Koga (Civil Engineering Planner),
C3: Sen (Equipment Planner), C4:Fuse (Interpreter),

3. List of parties Concerned in the recipient Country

1 Ministry of Fisheries	
Dr. Nguyen Viet Thang	Vice Minister
Dr. Ho Van Hoanh	Director of International Cooperation departement
Mr. Pham Quang Toan	Expert of International Cooperation departement
Mr. Doan Manh Cuong	Expert of International Cooperation departement
2 Ministry of Fisheries Fisheries Information Centre	
Dr. Thai Thanh Duong	Director
Mr. Pham Tuyet Nhung	Vice Director
Mr. Duong Long Tri	Vice Director
3. Ministry of planning and Investment	
Dr. Ho Quang Minh	Dupty Director Genaral, Foreign Economic Relation Department
Mr. Dao Quang Thu	Vice Director
4. Research Institute for Aquaculture NO1	
Dr. Pham Anh Tuan	Vice Directer
5. Research Institute for Aquaculture NO1 , Cat Ba Center	
Mr. Le Xan	Directer
Mr. Tran Tuyet Nhung	Researcher
6. Research Institute for Aquaculture NO2	
Dr. Nguyen Van Hao	Directer
Mr. Le Duc Trung	Vice Director
Mr. Nguyen Van Trong	Chief of Aquatic Environment Section
7. Research Institute for Aquaculture NO2, Southern Marine Seed Production Center	
Mr. Nguyen Trong Hien	Assistant Director
Mr. Vo Ninh Son	Researcher
Mr. Nguyen Van dam	Researcher
8. Research Institute for Aquaculture NO3	
Dr. Nguyen Hung Dien	Director
Dr. Nguyen Thi Xuan Thu	Vice Director

Mr. Dao Van Tri	Chief of Aquaculture Section
Le Duc Minh	Senior Researcher
9. The People's Committee of Khanh Hoa Province	
Mr. Tran Minh Duan	Vice Chairman
10. Khanh Hoa Province Environmental Department	
Mr. Nguyen Van Huot	Director
Mr. Do Phi Phong	Vice Director
11. Khanh Hoa Province Meteorological Department	
Mr. Vo Anh kiet	Cheif
12. University of Fisheries	
Dr. Tran Thi Luyen	Vice Rector
Dr. Lai Van Hung	Dupty of Department
13. Institute of Oceanography	
Dr. Nguyen Tac An	Director
Dr. Do Minh Thu	Vice Director
14. ICLARM	
Mr. Reiner Pit	Aqusaculture Expert
15. ACIAR	
Mr. David Man	Aqusaculture Expert
16. Embassy of Japan in Viet Nam	
Mr. Kenji Miyagawa	First Secretary
Mr. Yuji Aoki	Second Secretary
Mr. Yoshito Kikumori	Second Secretary
17. JICA Viet Nam Office	
Mr. Morimasa Kanamaru	Resident Representative
Mr. Toawa Masato	Senior Deputy Resident Representative
Mr. Kunihiro Nakasone	Deputy Resident Representative

MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY
ON THE PROJECT FOR
CONSTRUCTION OF MARICULTURE RESEARCH
AND DEVELOPMENT CENTER IN NHA TRANG
IN
SOCIALIST REPUBLIC OF VIET NAM

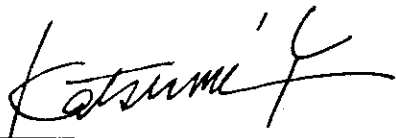
In response to a request from the Socialist Republic of Viet Nam (hereinafter referred to as " Viet Nam"), the Government of Japan decided to conduct a Basic Design Study on the Project for Construction of Mariculture Research Center in Nha Trang (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Viet Nam the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Katsumi YOSHIDA, Director, Fourth Project Management Division, Grant Aid Management Department, Japan International Cooperation Agency , and is scheduled to stay in the country from 15 May to 19 June, 2002.

The Team held discussions with the officials concerned of the Government of Viet Nam 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.

Hanoi, 22 May, 2002



Katsumi YOSHIDA

NGUYEN Viet Thang

Leader

Vice Minister

Basic Design Study Team

Ministry of Fisheries

Japan International Cooperation Agency

ATTACHMENT

1. Objective of the Project

The objective of the Project is to construct Mariculture Research and Development Center in Nha Trang in order to develop the technology for mariculture and to promote fishery activities in the middle coast of Viet Nam.

2. Project site

The site of the Project is located in Song Lo area, Phuoc Dong commune, Nha Trang city, as shown in Annex-1.

3. Responsible and Implementing Agency

3-1. The Responsible Agency is Ministry of Fisheries.

3-2. The Implementing Agency is Research Institute for Aquaculture No. 3.

4. Items requested by the Government of Viet Nam

After discussions with the Team, the items described in Annex-2 were officially requested by Vietnamese side. JICA will assess the appropriateness of the request with necessary adjustments after discussions between both sides and will recommend to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

Vietnamese side understands the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Viet Nam as explained by the Team and described in Annex-3.

6. Schedule of the Study

6-1. The consultants will proceed to further studies in Viet Nam until 19 June.

6-2. JICA will prepare the draft report in English and dispatch a mission in order to explain its contents around August, 2002.

6-3. In case that the contents of the report is accepted in principle by the Government of Viet Nam, JICA will complete the final report and send it to the Government of Viet Nam by November, 2002.

7. Other relevant issues

7-1. The Vietnamese side will secure the necessary budget and personnel for implementation of the Project and for operation/maintenance of the equipment and

facilities.

7-2. Both sides agreed that following matters were required to be executed by Vietnamese side prior to the commencement of the building work on the Project site by Japanese side.

- i) to carry out land clearance and leveling,
- ii) to secure electricity supply to the site and telephone line,
- iii) to construct an access road,
- iv) to secure water supply to the site, and
- v) to construct fence around the Project site

7-3. The team pointed out some issues may be caused by the construction of the road across the Project site and consequent shifting of the Project site to hill side such as flashing at night, noise, accessibility to sea shore, slope stability and so on. Vietnamese side stated that construction of the above mentioned road across the Project site would be completed by the end of 2002, so it was difficult to change the route of the constructing road and asked Japanese side to understand that. Both sides agreed that Vietnamese side will take necessary measures as follows.

- i) to provide necessary protective facilities/measures against the above adverse effects from road traffic
- ii) to regulate the speed of cars
- iii) to secure the way to across the road immediately
- iv) to provide appropriate storm water drainage around the Project area

7-4. The requested items described in Annex-2 will be further examined and determined in the course of study by the Team with following criteria.

- i) Necessity and priority
- ii) Technical viability
- iii) Maintenance
- iv) Use frequency
- v) Financial viability
- vi) Conformity with the Project objectives

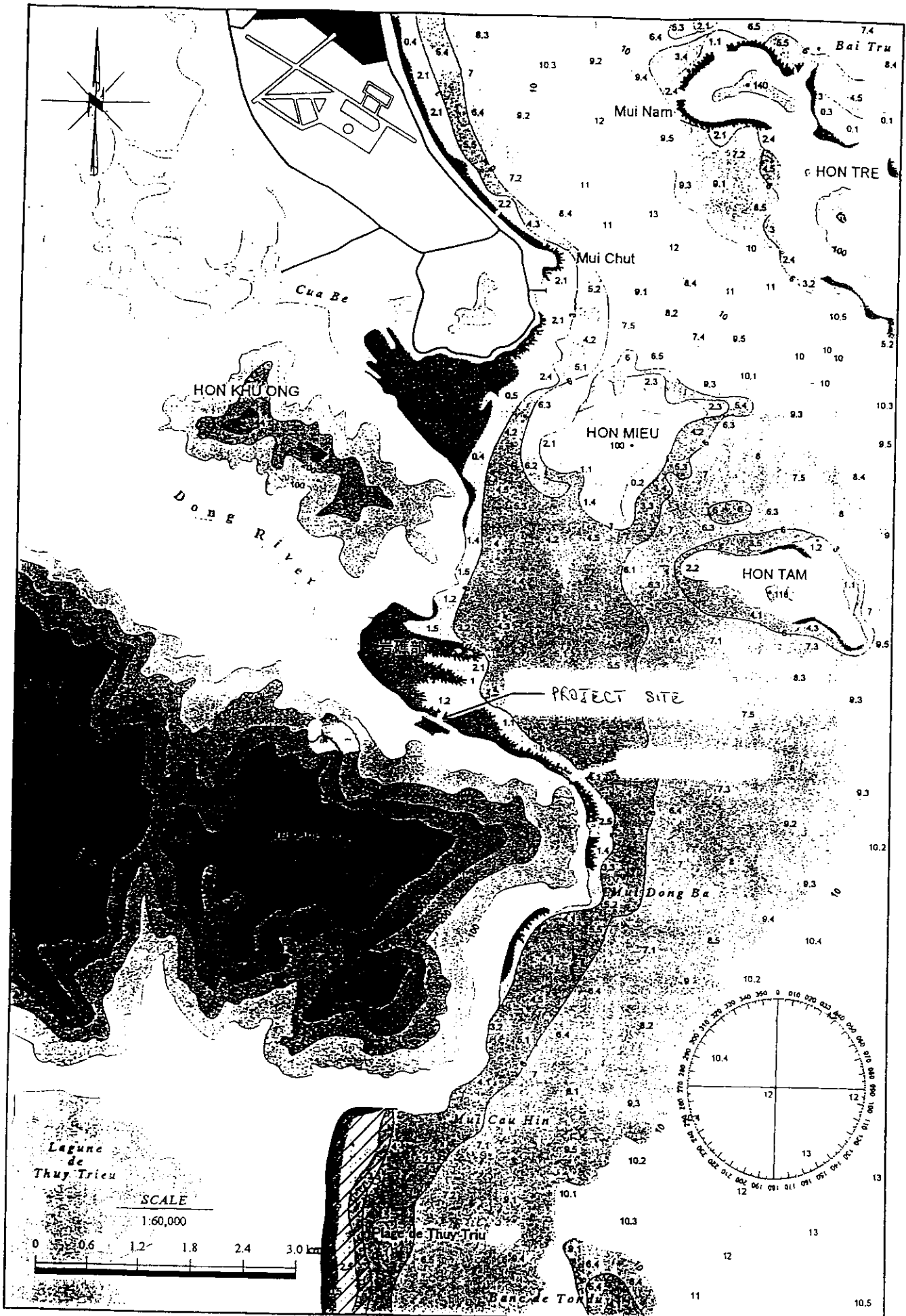
Vietnamese side emphasized that the Team would examine the requested components with due consideration of the role of new center as a modern mariculture research center of the nation and the region.

7-5. Vietnamese side understood that the collaboration of related organizations such as RIA No.1, RIA No.2, Institute of Oceanography, and University of Fisheries, would be necessary to enhance the effectiveness of the Project, and expressed that they would take necessary measures to coordinate among related organizations.

7-6. The Team emphasized that in order to effectively utilize the developed mariculture technique, certain financial and technical support of the government of Vietnam for

those mariculture activities was necessary and Vietnamese side fully understood those contents.

ANNEX I :



2. Systems

(1) Seawater Supply System

- Main Pump : 15 kW x 3
- Filtration System : 50 tons/hr
- Seawater Supply Tower : 50 tons; 10 m tall
- Seawater Tank : 1,200 tons
- Seawater Supply Channel : 200 m long x 1 m deep

(2) Freshwater Supply System (water intake from a source behind the site)

- Water Supply Method : gravity method

(3) Aeration System

- Blower : 7.5 kW x 2

(4) Emergency Power Generation Unit

- Capacity : 50 kVA, 15kVA

(5) Waste Water Treatment System

3. Equipment

(1) Laboratory Equipment

Equipment for-

Live food production, Broodstock maturation, Mariculture environment, Molecular biology, and standard mariculture research

(2) Incubation Equipment

Portable submersible pump, submersible heater, plankton net, fry collection net, pan light and others

(3) Net Pen

10 m x 10 m x 3 m - 10 sets

(4) Cold Storage Vehicle : 1

(5) Work Vessel : 1

(6) Office Equipment

Data analysis equipment, copier and others

(7) Educational Equipment

OHP, projector, VCR and others

(8) Workshop Equipment

ANNEX 3 : JAPAN'S GRANT AID SCHEME

1. Grant Aid Procedure

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

Application (Request made by a recipient country)

Study (Basic Design Study conducted by JICA)

Appraisal & Approval (Appraisal by the Government of Japan and Approval by Cabinet)

Determination of Implementation (The Notes exchanged between the Governments of Japan and the recipient country)

- 2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA to conduct a study on the request. If necessary, JICA send a Preliminary Study Team to the recipient country to confirm the contents of the request.

Secondly, JICA conducts the study (Basic Design Study), using Japanese consulting firms.

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

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

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

2. Basic Design Study

1) Contents of the Study

The aim of the Basic Design Study (hereinafter referred to as "the Study"), conducted by JICA on a requested project (hereinafter 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 Project and also institutional capacity of agencies concerned of the recipient country necessary for the Project's implementation;
- b) evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from the technical, social and economic points of view;
- c) confirmation of items agreed on by both parties concerning the basic concept of the Project;
- d) preparation of a basic design of the Project; and
- e) estimation of costs of the Project.

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

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

2) Selection of Consultants

For the smooth implementation of the Study, JICA uses a consulting firm selected through its own procedure (competitive proposal). The selected firm participates the Study and prepares a report based upon the terms of reference set by JICA.

At the beginning of implementation after the Exchange of Notes, for the services of the Detailed Design and Construction Supervision of the Project, JICA recommends the same consulting firm which participated in the Study to the recipient country, in order to maintain the technical consistency between the Basic Design and Detailed Design as well as to avoid any undue delay caused by the selection of a new consulting firm.

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 not supplied through the donation of materials as such.

2) Exchange of Notes (E/N)

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

3) "The period of the Grant" means the one fiscal year which the Cabinet approves the project for. Within the fiscal year, all procedure such as exchanging of the Notes, concluding contracts with consulting firms and contractors 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 Governments.

4) Under the Grant, 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, contracting and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

5) Necessity of "Verification"

The Government of the 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 of Japanese taxpayers.

- 6) Undertakings required to the Government of the recipient country
 - a) to secure a lot of land necessary for the construction of the Project and to clear the site;
 - b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities outside the site;
 - c) to ensure prompt unloading and customs clearance at ports of disembarkation in the recipient country and internal transportation therein of the products purchased under the Grant Aid;
 - d) to exempt Japanese nationals from customs duties, internal taxes and fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts;
 - e) to accord Japanese nationals whose services may be required in connection with the supply of the products and services under the verified contracts such as facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work;
 - f) to ensure that the facilities constructed and products purchased under the Grant Aid be maintained and used properly and effectively for the Project; and
 - g) to bear all the expenses, other than those covered by the Grant Aid, necessary for the Project.

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 the necessary staff for operation and maintenance of them as well as to bear all the expenses other than those covered by the Grant Aid.

8) "Re-export"

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

9) Banking Arrangement (B/A)

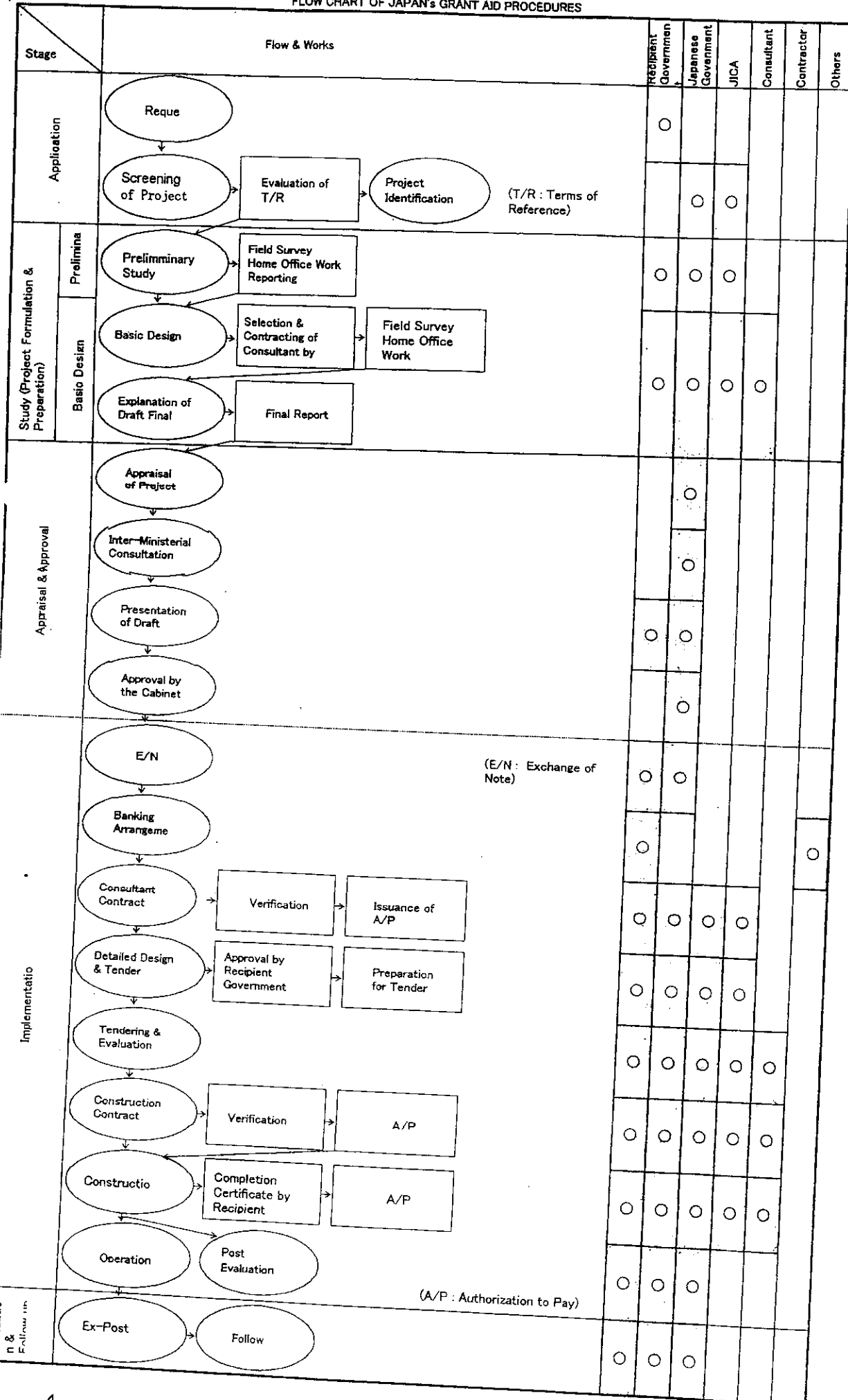
- a) The Government of the recipient country or its designated authority should open an account in the name of the Government of the recipient country in an authorized foreign exchange bank in Japan (hereinafter referred to as "the Bank"). The Government of Japan will execute the Grant Aid by making payments in Japanese yen to cover the obligations incurred by the Government of the recipient country or its designated authority under the verified contracts.

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

ANNEX-3: UNDERTAKINGS BY THE GOVERNMENT OF THE RECIPIENT COUNTRY

1. To secure a lot of land necessary for the Project;
2. To clear and level the site for the Project prior to the commencement of the construction;
3. To provide a proper access road to the Project site;
4. To provide facilities for distribution of electricity, water supply, telephone trunk line and drainage and other incidental facilities outside the site;
5. To undertake incidental outdoor works, such as gardening, fencing, exterior lighting, and other incidental facilities in and around the Project site, if necessary;
6. To ensure prompt unloading and customs clearance of the products purchased under the Japan's Grant Aid at ports of disembarkation in the Recipient Country;
7. To exempt Japanese nationals from customs duties, internal taxes and fiscal levies which may be imposed in THE RECIPIENT COUNTRY with respect to the supply of the products and services under the verified contracts;
8. 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;
9. To bear commissions, namely advising commissions of an Authorization to Pay (A/P) and payment commissions, to the Japanese foreign exchange bank for the banking services based upon the Banking Arrangement (B/A);
10. To provide necessary permissions, licenses, and other authorization for implementing the Project, if necessary;
11. To ensure that the facilities constructed and equipment purchased under the Japan's Grant Aid be maintained and used properly and effectively for the Project; and
12. To bear all the expenses, other than those covered by the Japan's Grant Aid, necessary for the Project.

FLOW CHART OF JAPAN'S GRANT AID PROCEDURES



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Major Undertakings to be taken by Each Government

Annex- 3

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 elevated tanks)	●	
	3) Drainage		
	a) The city drainage main(for storm sewer and others to the site)		●
	b) The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	●	
	4) Gas Supply		
	a) The city gas main to the site		●
	b) The gas supply system within the site	●	
	5) Telephone System		
	a)The telephone trunk line to the main distribution frame/panel (MDF) of the building		●
	b) The MDF and the extension after the frame/panel	●	
	6) Furniture and Equipment		
	a) General furniture		●
	b) Project equipment	●	
8	To bear the following commissions to the Japanese foreign exchange banking services based upon the B/A		
	1) Advising commission of A/P		●
	2) Payment commission		●
9	To ensure unloading and customs clearance at port of disembarkation in recipient country		
	1) Marine (Air) transportation of the products from Japan to the recipient country	●	
	2) Tax exemption and custom clearance of the products at the port of disembarkation		●
	3) Internal transportation from the port of disembarkation to the project site		●
10	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contact such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of the their work		●
11	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts		●
12	To maintain and use properly and effectively the facilities contracted and equipment provided under the Grant		●
13	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for the transportation and installation of the equipment		●

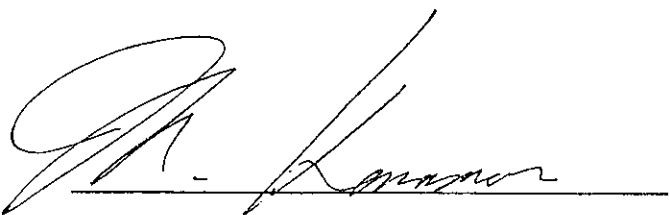
MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY
ON THE PROJECT FOR
CONSTRUCTION OF MARICULTURE RESEARCH
AND DEVELOPMENT CENTER IN NHA TRANG
IN
SOCIALIST REPUBLIC OF VIET NAM
(EXPLANATION ON DRAFT REPORT)

In May 2002, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Construction of Mariculture Research and Development Center in Nha Trang (hereinafter referred to as "the Project"), and through discussion, field survey, and technical examination of the results in Japan, JICA prepared draft report of the Study.

In order to explain and to consult the Socialist Republic of Viet Nam (hereinafter referred to as " Viet Nam ") on the components of the draft report, JICA sent to Viet Nam the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Morimasa KANAMARU, Resident Representative of JICA Viet Nam Office, from 3 September to 5 September, 2002.

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

Hanoi, 5 September, 2002



Mr. Morimasa Kanamaru

Leader

Draft Explanation Study Team

Japan International Cooperation Agency



Mr. Nguyen Viet Thang

Vice Minister

Ministry of Fisheries

ATTACHMENT

1. Components of the Draft Report

The Government of Viet Nam agreed and accepted in principle the components of the draft report explained by the Team.

2. Japan's Grant Aid Scheme

Vietnamese side understands the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Viet Nam as explained by the Team and described in Annex-3 of the Minutes of Discussions signed by both parties 22 May, 2002.

3. Schedule of the Study

JICA will complete the final report in accordance with the confirmed item and send it to the Government of Viet Nam by November, 2002.

4. Other Relevant Issues

4-1. The Vietnamese side will secure the official appraisal and approval required for the implementation of the Project by the Government of Viet Nam by September, 2002.

4-2. In view of the fact that the Project needs advanced technology and a lot of cost for implementation of the Project and for operation /maintenance of the facilities and equipment, Vietnamese side shall secure the necessary budget and personnel for the Project.

4-3. Vietnamese side shall implement the following works.

---before the commencement of the construction

- 1) to carry out land clearing for the Project site (hereinafter referred to as "the Site"), temporary office and stock yard,
- 2) to construct an access road,
- 3) to secure water supply to the Site,

---by at least 4 month before the end of the building work

- 4) to install power distributing line to the Site,

---by at least 3 month before the end of the building work,

- 5) to construct fence around the Project Site,

---before the end of the building work

- 6) to install telephone line to the Site

4-4. Vietnamese side shall take necessary counter measures against the road traffic in front of the site as follows.

- 1) to provide necessary protective facilities/measures against the adverse affects from road traffic,
- 2) to regulate the speed of cars,
- 3) to secure the way to across the road immediately, and
- 4) to provide appropriate storm water drainage around the Project area

4-5. Vietnamese side will promote the collaboration of related organizations such as RIA No.1, RIA No.2, Institute for Marine Products, Institute of Oceanography, and University of Fisheries to enhance the effectiveness of the Project.

4-6. For the purpose of sound development of mariculture, the Team emphasized that government of Vietnam should continue financial and technical support for effective utilization of the mariculture technique established under activities in Mariculture Research and Development Center in Nha Trang. Vietnamese side understood it.

4-7. Vietnamese side understood the importance of the sea water supply system in this Project and promised that they will carry out proper maintenance for it. For the purpose, both sides agreed that technical advice for better operation of the sea water supply system needed to be included in the Project as the consultancy services.

5. Cost Estimation Borne By The Recipient Country

(1) Cost Estimation Borne By The Recipient Country

Extension of telephone and power lines, etc	7,700US\$	(Appprox.1mil .JY)
Freshwater well works	8,000 US\$	(Appprox.1.05mil .JY)
Project site initial reclamation and disposal of boulders on and outside the Project sit	90,000 US\$	(Appprox.11.7mil .JY)
Fences, gates, plantation, etc.	33,000 US\$	(Appprox.4.31mil .JY)
	<hr/>	
	138,700US\$	(Appprox.18.06mil .JY)

(2) Estimation Criteria

- 1) Estimation point: end of June 2002
- 2) Exchange rate: US \$ 1 = 130.68 Japanese yen
- 3) Execution period: Implementation over a single phase, with detailed design, construction works and equipment procurement as indicated in the implementation schedule
- 4) Other: the Project shall be implemented in accordance with the Grant Aid Scheme of the Government of Japan

6. References

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