

APPENDICES

1. Member List of the Study Team	A-1
2. Study Schedule	A-2
3. List of Parties Concerned in the Recipient Country	A-4
4. Minutes of Discussion	A-7
5. Cost Estimation Borne by the Recipient Country	A-33

1. Member List of the Study Team

1-1 Field Survey (July-August)

No.	Name	Function	Position
1.	Mr. Hisashi NOGUCHI	Team Leader	Deputy Director, Grant Aid Division, Economic Cooperation Bureau, Ministry of Foreign Affairs
2.	Mr. Kazufumi TAIRA	Technical Advisor	International Cooperation Division, General Food Policy Bureau Ministry of Agriculture, Forestry and Fisheries
3.	Mr. Motoharu WAKABAYASHI	Project Coordinator	Forth Project Management Division, Grant Aid Management Department, Japan International Cooperation Agency (JICA)
4.	Mr. Tsuneo AMANO	Chief Consultant / Maintenance Management Planning	Taiyo Consultants Co., Ltd.
5.	Mr. Takashi KITAGUCHI	Agricultural Water Distribution and Hydrology Planning	Pacific Consultants International
6.	Mr. Yasushi OSATO	Irrigation Engineering Planning	Taiyo Consultants Co., Ltd.
7.	Mr. Kazuya URANO	Road and Bridge Planning	Pacific Consultants International
8.	Mr. Seijyu IKEDA	Natural Condition Survey	Pacific Consultants International
9.	Mr. Noriyasu SHIMIZU	Construction Planning and Cost Estimation	Taiyo Consultants Co., Ltd.
10.	Mr. Hiroshi IKEUCHI	Interpreter	Taiyo Consultants Co., Ltd.

1-2 Explanation on the Draft Report (December)

No.	Name	Function	Position
1	Mr. Morimasa KANEMARU	Team Leader	Resident Representative, Viet Nam Office Japan International Cooperation Agency (JICA)
2	Mr. Kunihiro NAKASONE	Project Coordinator	Assistant Resident Representative, Viet Nam Office Japan International Cooperation Agency (JICA)
3	Mr. Tsuneo AMANO	Chief Consultant / Maintenance Management Planning	Taiyo Consultants Co., Ltd.
4	Mr. Takashi KITAGUCHI	Agricultural Water Distribution and Hydrology / Planning	Pacific Consultants International
5	Mr. Yasushi OSATO	Irrigation Engineering / Planning	Taiyo Consultants Co., Ltd.
6	Mr. Kazuya URANO	Road and Bridge / Planning	Pacific Consultants International
7	Ms. Akiko TSUNAKAWA	Interpreter	Taiyo Consultants Co., Ltd.

2. Study Schedule

2-1 Field Study (July-August 2002)

(1/2)

Date	Schedule							
	Official Members	Consultants						
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Jul. 22(mon.)		Arrive at Ha Noi			Arrive at Ha Noi			
23(tue.)		Courtesy calls to EOJ, JICA office, MPI and MARD			Courtesy call on EOJ, JICA office (same as "1")			
24(wed.)		to Vinh Courtesy calls to PCNA and PCND			Meeting with survey company Courtesy call on MPI and MARD with (1)			
25(thu.)		Site Survey			Site Survey (same as "1")			
26(fri.)						Site Survey. to Ha Noi		
27(sat.)						Contract with survey company		
28(sun.)		Team meeting	Arrive at Ha Noi		Team meeting (same as "1")		to Vinh	
Jul. 29(mon.)	Arrive at Ha Noi	to Ha Noi Meeting with (2)	Meeting with (1)	Arrive at Ha Noi	Site Survey			
30(tue.)	Courtesy call on EOJ and JICA office. Courtesy call on MPI, WB, MARD and other relevant Agencies and discussion with them							
31(wed.)	Discussion with MARD and other relevant Agencies deemed to be necessary. to Vinh							
Aug.1 (thu.)	Courtesy call on Nghe An Province. Vinh to Nam Dan. Courtesy call on Nam Dan District. Site Survey							
2 (fri.)	Site Survey							
3 (sat.)	to Ha Noi							
4 (sun.)	Team meeting			Data arrangement	to Ha Noi	Data Arrangement		
5 (mon.)	Discussion with Steering Committee				same as (1)			
6 (tue.)								
7 (wed.)	Signing of Minute Report to JICA & EOJ				to Vinh			to Ha Noi
8 (thu.)	to Tokyo	to Vinh	to Tokyo					Courtesy call on EOJ, JICA office. to Vinh
9 (fri.)		Site Survey			Site Survey			
10(sat.)								
11(sun.)		Data Arrangement			Data Arrangement			
12(mon.)		Preparation for Workshop			Preparation for Workshop		Data Arrangement	Preparation for Workshop
13(tue.)		Workshop			Workshop		to Ha Noi Report to JICA	Workshop
14(wed.)		Site Survey			Site Survey		to Tokyo	
15(thu.)								Site Survey
16(fri.)								
17(sat.)								

Note (1): Chief Consultant / Maintenance Management Planning, (2):Interpreter, (3): Agricultural Water Distribution and Hydrology Planning, (4): Irrigation Engineering Planning, (5): Road and Bridge Planning, (6): Natural Condition Survey, and (7): Construction Planning and Cost Estimation

Date	Schedule							
	Official Members	Consultants						
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
18(sun.)		Data Arrangement		Data Arrangement				to Ha Noi
19(mon.)		Site Survey		Site Survey				Site Survey
20(tue.)		Reporting		Reporting				
21(wed.)		Team meeting		Team meeting				
22(thu.)		Site Survey		Site Survey	to Ha Noi			
23(fri.)		Report to PCNA & PCND		Report to PCNA & PCND	to Tokyo			
24(sat.)		to Ha Noi		to Ha Noi				
25(sun.)		Data Arrangement		Data Arrangement				Data Arrangement
26(mon.)								
27(tue.)								
28(wed.)		Report to Steering Committee		Report to Steering Committee				Report to Steering Committee
29(thu.)		Report to JICA & EOJ		Report to JICA & EOJ				Report to JICA & EOJ
30(fri.)		to Tokyo		to Tokyo				to Tokyo

Note (1): Chief Consultant / Maintenance Management Planning, (2):Interpreter, (3): Agricultural Water Distribution and Hydrology Planning, (4): Irrigation Engineering Planning, (5): Road and Bridge Planning, (6): Natural Condition Survey, and (7): Construction Planning and Cost Estimation

2-2 Explanation (December)

Date	Visited place and agenda
2002/12/8 (Mon.)	Move (Tokyo Hanoi)
2002/12/9 (Tue.)	JICA Viet Nam Office: explanation on draft report, Meeting for schedule in Viet nam MARD Office: explanation on draft report, discussion on project contents MIIP Office: explanation on draft report, discussion on implementation scheme Move (Hanoi Vinh)
2002/12/10 (Wed.)	Ngeh an Province: explanation on draft report, discussion on contents of projects, implementation condition and land acquisition etc. Field survey (Nam Trung irrigation system, Nam Nam dike improvement, rural electrification area etc.)
2002/12/11 (Thurs.)	Move (Vinh Hanoi) JICA Viet Nam Office: discussion on contents of minutes NIAPP Office: explanation on draft report, discussion on contents of minutes
2002/12/12 (Fri.)	NIAPP Office : making modifications on contents of minutes JICA Viet Nam Office: discussion on contents of minutes
2002/12/13 (Sat.)	MARD Office: signature on minutes Move (Hanoi)
2002/12/14 (Sun)	Tokyo)

3. List of Parties Concerned in the Recipient Country

3-1 Field Survey (July-August)

	Name	Affiliation	Position
Ministry of Agriculture & Rural Development (MARD)			
	Dr. Le Van Minh	International Cooperation Dept.	Director General
	Ms. Dao Thi Loc	International Cooperation Dept.	Expert,
	Nguyen Thanh Tung	International Cooperation Dept.	Expert,
National Institute for Agricultural Planning and Projection (NIAPP)			
	Vu Cong Lan	International Cooperation Dept.	Head
	Nguyen Ha Hue	International Cooperation Dept.	Expert,
	Do Ninh	International Cooperation Dept.	Staff
Regional Project Office			
	Nguyen Viet Thanh	Central Project Office	Project Officer
	Bach Hung Tuyen	South Nghe An Agriculture- Irrigation Company	Director
	Bui Huu Chau	Water Resources Project Management Board 407	Director
Ministry of Planning & Investment			
	Ho Quang Minh	Foreign Economic Relation Department	Deputy Director General
World Bank (Hanoi)			
	Christopher Gibbs	World Bank Hanoi Office	Rural Development Specialist
Nghe An Province People Committee			
	Nguyen Van Be	Nghe An Province People Committee	Chairman
	Hoang Ky	Nghe An Province People Committee	Vice Chairman
	Nguyen The Trung	Nghe An Province People Committee	Vice Chairman
	Nguyen Van Cuong	Nghe An Province People Committee	Vice Chief of Staff
	Nguyen Sy Cuong	Administration Office	Deputy Chief
	Nguyen Nhu Dung	Basic Construction Division – Department of Agriculture & Rural Development	Head
	Phan Quang Hien	Department of Transportation	Deputy Director
	Nguyen Quoc Su	Evaluation Division Department of Transportation	Head
	Ho Quang Canh	Department of Transportation	Staff
	Doan Nam	Department of Planning and Investment	Deputy Director -
	Hoang Nhat An	Foreign Economic Relation Division - Department of Planning and Investment	Vice-Head
	Ong Xuan Hung	Department of Electricity	Deputy Director
	Tran Huv Luc	Rural Development and Agricultural Service	Vice Director
Nam Dan District People Committee			
	Nguyen Van Be	Nam Dan District People Committee	Chairman
	Nguyen Manh Tuyen	Nam Dan District People Committee	Vice-chairman

	Nguyen Quoc Kien	Nam Dan District People Committee	Vice-chairman
	Bui Huu Dong	Nam Dan District People's Council	Chairman
	Nguyen Lam Son	Administration Office	Head
	Le Khanh Hoa	Industry – Construction – Transport Division	Head
	Dinh Xuan Que	Agriculture & Rural Development Division	Head
	Bui Thi Cuc	Agriculture & Rural Development Division	Expert,
	Le Van Quy	Finance & Planning Division	Depty Head
	Bui Thi Cuc	Agriculture and Rural Development	Staff
Nam Nam Area			
	Nam Dan Commune		
	Tran Dinh Hoa	Nam Dan Commune People's Council	Chairman
	Pham Van Khanh	Nam Dan Commune PC	Chairman
	Pham Van Thuong	Nam Dan Commune Coop	Chairman
	Nguyen Duong Tam	Nam Dan Commune Farmer's Association	Chairman
	Khanh Son Commune		
	Cao Thanh Yen	Khanh Son Commune People's Council	Chairman
	Vo Van Quy	Khanh Son Commune PC	Chairman
	Nguyen Trong La	Khanh Son Commune Farmer's Association	Chairman
	To Ba Thiep	Khanh Son Commune Coop No.1	Chairman
	Nguyen Trong Thanh	Khanh Son Commune Coop No.2	Chairman
	Nam Kim Commune		
	Vo Van Tuc	Nam Kim Commune People's Committee	Chairman
	Dang Xuan Quang	Nam Kim Commune People's Council	Chairman
	Nguyen Van Minh	Nam Kim People's Council	Chairman
	Nam Loi Commune		
	Nguyen Xuan Lanh	Nam Loi Commune Coop	Chairman
	Nguyen Xuan Xu	Nam Loi Commune Party Council	Secretary
	Le Mau Thanh	Nam Loi Commune PC	Chairman
	Bui Dat Thao	Nam Loi Commune Farmer's Association	Chairman
	Nam Trung Commune		
	Tran Xuan Dinh	Nam Trung Commune People's Council	Chairman
	Nguyen Van Phuong	Nam Trung Commune People's Committee	Chairman
	Pham Ba Tuan	Nam Trung Commune Farmer's Association	Chairman
	Duong Van Thuy	Nam Trung Commune Coop	Chairman
	Nam Cuongm Commune		
	Vu Viet Hung	Nam Cuong Commune PC	Chairman
	Ho Xuan Binh	Nam Cuong Commune PC	Chairman
	Nam Phuc Commune		
	Duong Viet Cuu	Nam Phuc Commune People's Council	Chairman
	Nguyen Van Que	Nam Phuc Commune Coop	Chairman
	Tan Le Long	Nam Phuc Commune Farmer's Association	Chairman
	Tran Khac Loi	Nam Phuc Commune PC	Chairman

3-2 Explanation on the Draft Report (December)

	Name	Affiliation	Position
Ministry of Agriculture & Rural Development (MARD)			
	Dr. Le Van Minh	International Cooperation Dept.	Director General
	Nguyen Thanh Tung	International Cooperation Dept.	Expert
	Kunihiko NAITO	Japan International Cooperation Agency (JICA)	Expert
National Institute for Agricultural Planning and Projection (NIAPP)			
	Dr. Vu Nang Dzung	International Cooperation Dept.	Director
	Mr. Nguyen Van Chinh	International Cooperation Dept.	Vice Director
	Vu Cong Lan	International Cooperation Dept.	Head
	Nguyen Ha Hue	International Cooperation Dept.	Expert
Regional Project Office			
	Nguyen Viet Thanh	Central Project Office	Project Officer
	Bach Hung Tuyen	South Nghe An Agriculture- Irrigation Company	Director
	Bui Huu Chau	Water Resources Project Management Board 407	Director
Ministry of Planning & Investment (MPI)			
	Dr. Le Hong Thai	Agriculture & Rural Development Department	Director
	Mr. Nguyen Xuan Tien	Foreign Economic Relations Dept.	Senior Officer
Nghe An Province People Committee			
	Nguyen The Trung	Nghe An Province People Committee	Chairman
	Nguyen Van Hanh	Nghe An Province People Committee	Vice Chairman
	Nguyen Sy Cuong	Charge of Foreign Affairs	Vice Chief of Staff
Nam Dan District People Committee			
	Nguyen Van Be	Nam Dan District People Committee	Chairman

4. Minutes of Discussion

(1)M/D 2002年8月6日

MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY
ON THE PROJECT FOR
IMPROVEMENT OF RURAL LIVING CONDITION
IN NAM DAN DISTRICT IN NGHE AN PROVINCE
IN
SOCIALIST REPUBLIC OF VIET NAM

Based on the results of the Preparatory Study, the Government of Japan decided to conduct a Basic Design Study on the Project for Improvement of Rural Living Condition in Nam Dan District in Nghe An Province (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. Hisashi NOGUCHI, Deputy Director, Grant Aid Division, Economic Cooperation Bureau, Ministry of Foreign Affairs , and is scheduled to stay in the country from 22 July to 30 August, 2002.

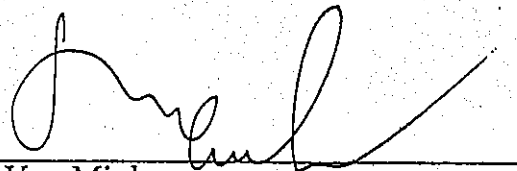
The Team held discussions with the officials concerned of the Government of Viet Nam and conducted a field survey at the study area.

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.

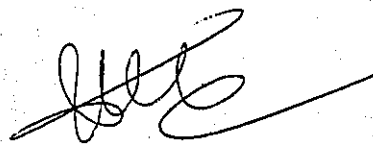
Ha Noi, 6 August, 2002



Hisashi NOGUCHI
Leader
Basic Design Study Team
Japan International Cooperation Agency



Le Van Minh
Director General
International Cooperation Department
Ministry of Agriculture and Rural
Development



Dr. Duong Duc Ung
Director General
Department of Foreign Economic Relations
Ministry of Planning and Investment
(MPI)



Nguyen The Trung
Vice Chairman
People's Committee of Nghe An Province

ATTACHMENT

1. Objective of the Project

The objective of the Project is to improve living condition of inhabitants in Nam Dan District by constructing roads and rehabilitating irrigation systems, etc in compliance with national plan of Viet Nam.

2. Project site

The site of the Project is located in Nam Nam area of Nam Dan District, as shown in Annex-1.

3. Responsible and Implementing Agency

3-1. The Responsible Agency is Ministry of Agriculture and Rural Development (MARD).

3-2. The Implementing Agency is the Project Managing Board (PMB) which will be established immediately after the signing of E/N of the Project between both sides. PMB will consist of the representatives of the People's Committee of Nghe An Province and the People's Committee of Nam Dan District, as shown in Annex-2.

PMB will be administrated by a Steering Committee consisting of representatives of MARD, MPI, the People's Committee of Nghe An Province, the People's Committee of Nam Dan District, and JICA.

4. Minutes of Discussions on the Preparatory Study

Both sides have read and reconfirmed all the contents of the Minutes of Discussions on the Preparatory Study signed on 31 July, 2000. The copy of the Minutes is attached herein as Annex-3.

5. Items requested by the Government of Viet Nam

The Team explained that the Study shall focus on three components; "Irrigation and Drainage Sector", "Rural Road Sector", and "Rural Electrification Sector" for the Project due to the limitation of the budget, etc, and Vietnamese side accepted the aforementioned explanation. After discussions with the Team, the items described in Annex-4 were finally

requested by Vietnamese side. JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

6. Japan's Grant Aid Scheme

The Team explained that Japan's Grant Aid Scheme including the necessary measures to be taken by the Government of Viet Nam and described in the Minutes of Discussions on the Preparatory Study, herewith attached in Annex-3 and Annex-4 in Annex-3. Vietnamese side understood the Scheme.

7. Schedule of the Study

7-1. The consultants will proceed to further studies in Viet Nam until 30 August, 2002.

7-2. JICA will prepare the draft report in English and dispatch a mission in order to explain its contents around December, 2002.

7-3. 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 March, 2003.

8. Other relevant issues

8-1. The Team explained the current situation in Japan that Japan's Grant Aid for agriculture sector should be provided for a project in which production of rice and other agricultural products are not for export to Japanese market.

Vietnamese side understood it and expressed that the Project would be for domestic supply.

8-2. The Team explained that the plans of "Model Agriculture Promotion Center" and of "Water Supply System" were omitted from the scope of the Project, and Vietnamese side accepted it.

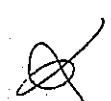
Vietnamese side expressed to request above-mentioned components as other projects. The Team will convey their wishes to the Government of Japan.

- 8-3. The Team explained that the scope of the Project about irrigation facilities was just for rehabilitation of existed ones and the extension of irrigation area (Nam Cuong Area) were omitted from the scope of the Project, and Vietnamese side accepted it.
- 8-4. Both sides confirmed that rural electrification would be focused on "Extension of Electrification" except for Thung-Giang in Khanh Son Commune , and be further examined and determined in the course of study by the Team with following criteria.
- i) number of existing beneficiaries
 - ii) viability of the plan of emigration in near future
 - iii) contents of the plan of emigration, and so on
- 8-5. The requested items described in Annex-4 will be further examined and determined in the course of study by the Team with following criteria.
- i) Managerial, Technical, and administrative viability
 - ii) Maintenance and Running cost
 - iii) Effectiveness against the cost estimation
 - iv) Budgetary allocation of Japanese side
 - v) Financial viability
 - vi) No duplication of similar support by the government of Viet Nam and other donors
- 8-6. Both sides agreed that following matters were required to be executed by Vietnamese side prior to the implementation of the Project.
- i) to secure the land for irrigation facilities, roads, bridges, temporary office and storage yards,
 - ii) to secure electricity supply to the Project site (pumping stations) and telephone line,
 - iii) to construct an access road, and
 - iv) to remove all obstacles, if necessary
- 8-7. Both sides understood that it was essential to secure the land for the roads in the case of constructing the roads and expanding their width. And Vietnamese side promised

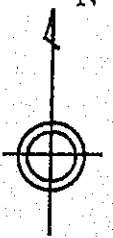
that this matter shall be executed by Vietnamese side prior to the implementation of the Project .

8-8. Vietnamese side will secure the necessary budget and personnel for operation/maintenance of the equipment and facilities of the Project.

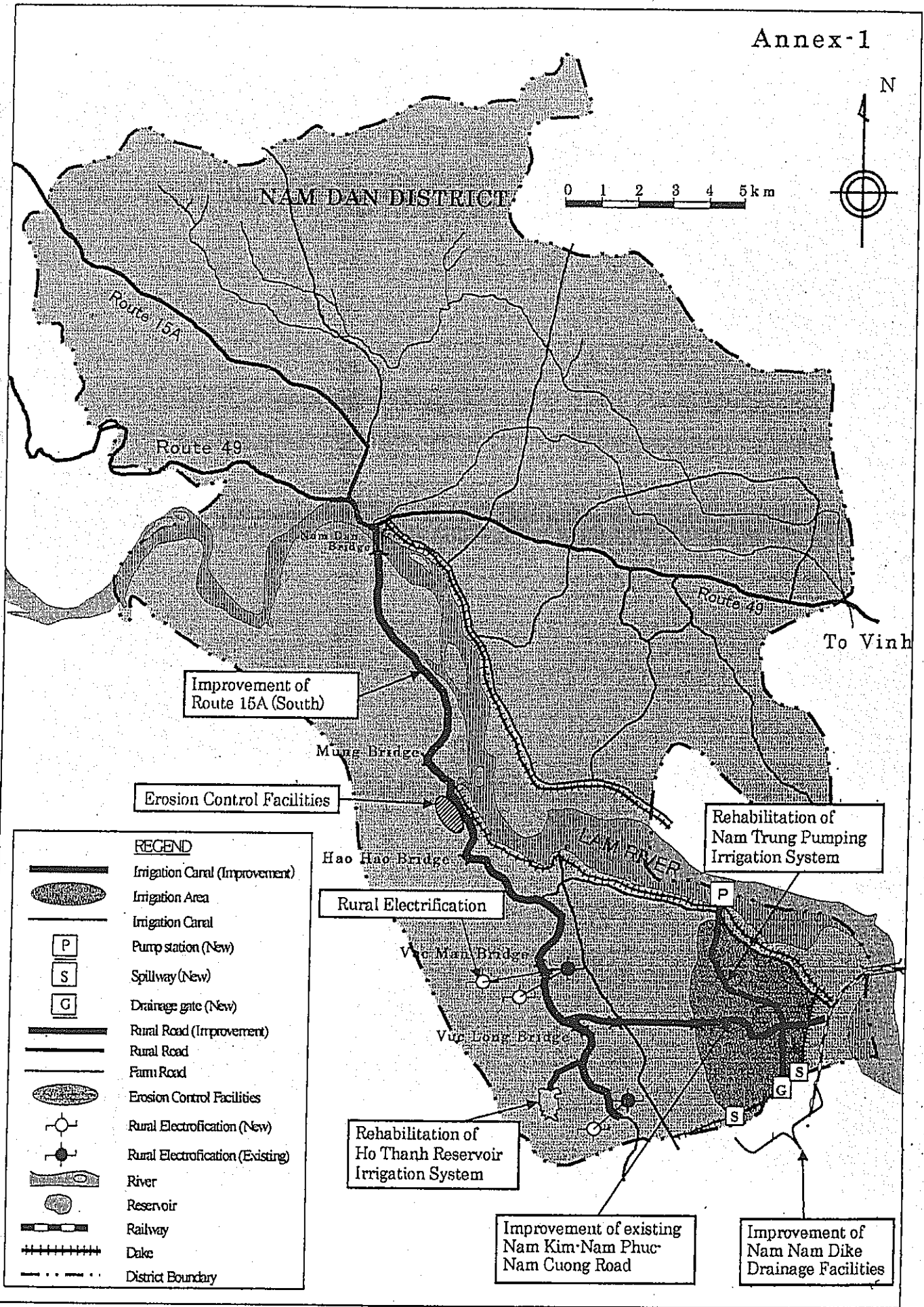
8-9. The Vietnamese side will secure the official appraisal and approval required for the implementation of the Project by the Government of Viet Nam by March, 2003.

 3 (2)

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0 1 2 3 4 5 km



Improvement of Route 15A (South)

Erosion Control Facilities

Mung Bridge

Rehabilitation of Nam Trung Pumping Irrigation System

Hao Hao Bridge

Rural Electrification

P

Vuoc Man Bridge

Vuoc Long Bridge

Rehabilitation of Ho Thanh Reservoir Irrigation System

Improvement of existing Nam Kim-Nam Phuc-Nam Cuong Road

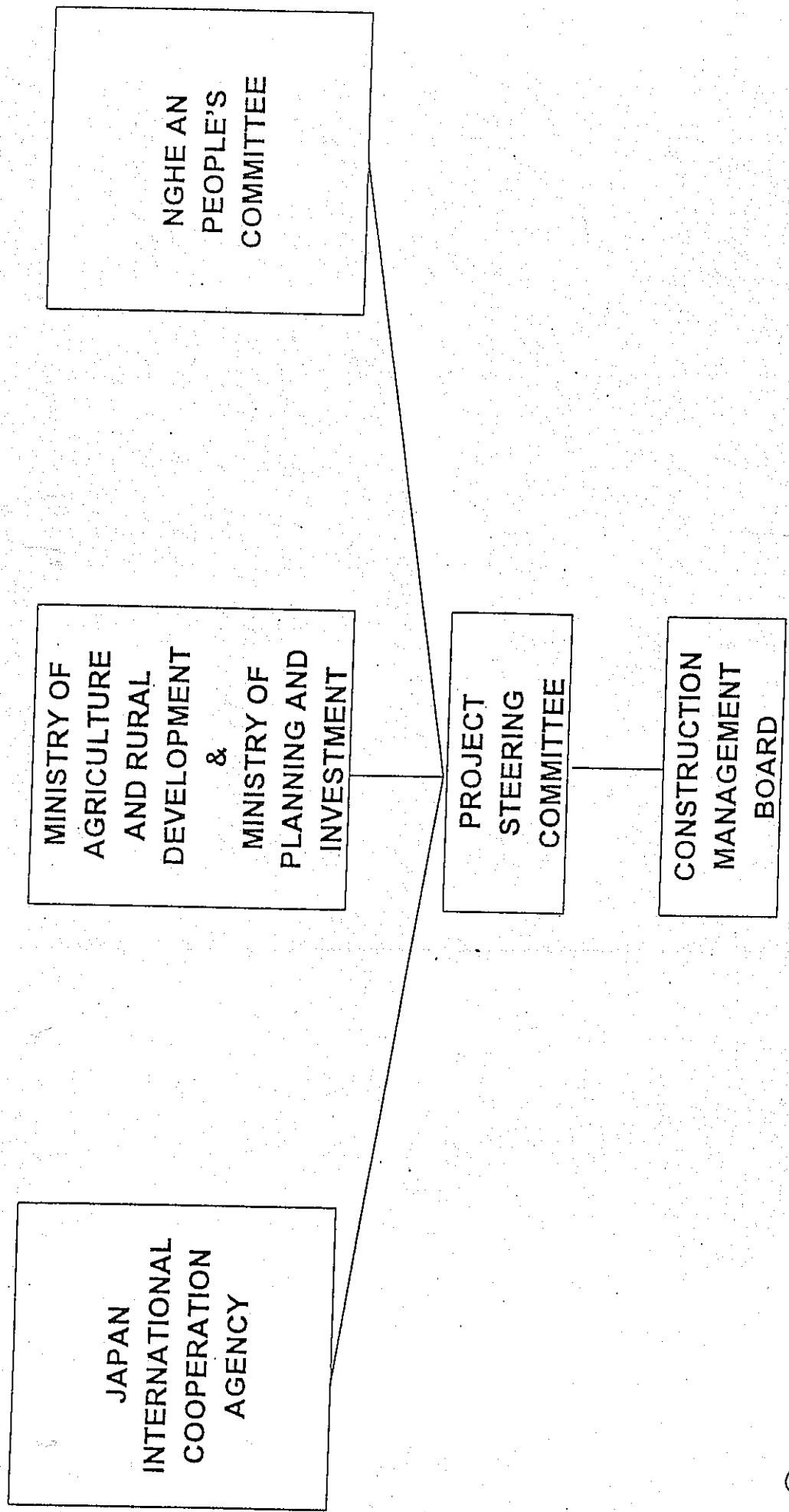
Improvement of Nam Nam Dike Drainage Facilities

LEGEND	
	Irrigation Canal (Improvement)
	Irrigation Area
	Irrigation Canal
	Pump station (New)
	Spillway (New)
	Drainage gate (New)
	Rural Road (Improvement)
	Rural Road
	Farm Road
	Erosion Control Facilities
	Rural Electrification (New)
	Rural Electrification (Existing)
	River
	Reservoir
	Railway
	Dike
	District Boundary

LOCATION MAP

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ORGANIZATION CHART OF THE PROJECT



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Minutes of Discussions
on
the Preparatory Study
on the Project
for
the Nam Dan District Model Rural Development
in
the Socialist Republic of Viet Nam

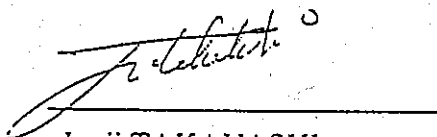
In response to a request for Grant Aid from the Government of the Socialist Republic of Viet Nam, the Government of Japan decided to conduct a Preparatory Study on the Project for the Nam Dan District Model Rural Development (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Viet Nam the Preparatory Study Team (hereinafter referred to as "the Team"), which is headed by Dr. Junji TAKAHASHI, Senior Advisor, Institute for International Cooperation, JICA and is scheduled to stay in the country from July 25 to August 12, 2000.

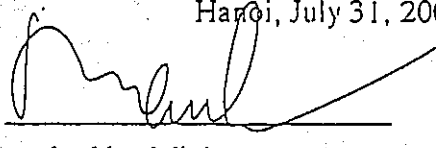
The Team held a series of discussions with the officials concerned of the Government of Viet Nam and conducted field surveys at the study area.

In the course of discussions and field surveys, both parties have confirmed the main items described on the attached sheets. Subject to the decision by the Government of Japan, JICA will conduct a Basic Design Study on the Project.

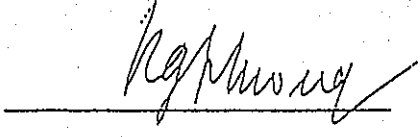
Hanoi, July 31, 2000


Junji TAKAHASHI

Leader,
Preparatory Study Team
JICA


Le Van Minh

Director General
International Cooperation Department
-- Ministry of Agriculture and Rural
Development


Nguyen Sy Cuong

Deputy Director
Foreign Relations Department
Nghi An Province

(M)

A

ATTACHMENT

1. Objective

The objective of the Project is to improve living conditions of inhabitants in Nam Dan District by construction of irrigation systems, roads etc. in compliance with the national development plan of the Viet Nam.

2. Project Site

The project sites are located in Nam Nam area of Nam Dan District. (see Annex-1)

3. Responsible and Executing Agency

Ministry of Agriculture and Rural Development (hereinafter referred to as "MARD") is responsible for the administration and execution of the Project.

The executing agencies are the Project Management Board (hereinafter referred to as "PMB") which will be established after the confirmation of the Project under MARD and the People's Committee of Nam Dan District in local.

4. Items agreed by the Government of Viet Nam

After discussions with the Team, the following items were finally agreed by Viet Nam side. (See Annex-2). JICA will assess the appropriateness of the request and will report the findings to the Government of Japan.

5. Japan's Grant Aid System

- (1) The Government of Viet Nam has understood the system of Japan's Grant Aid explained by the Team. (See Annex-3)
- (2) The Government of Viet Nam will take necessary measures described in Annex-4 for smooth implementation of the Project on condition that the Grant Aid Assistance by the Government of Japan is extended to the Project.

6. Schedule of the Study

- (1) The Team will proceed to further studies in Viet Nam until August 12, 2000.
- (2) If the Project is found feasible as a result of the Preparatory Study, JICA will send the Basic Design Study Team.

7. Other Relevant Issues

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- (1) The plan of "Model Agricultural Promotion Center" is to be further discussed and should be confirmed of its feasibility.
- (2) The plan of the water supply system in the Project sites is to be further discussed and should be confirmed of its feasibility.
- (3) Viet Nam side expressed needs for a technical cooperation such as dispatch of Japanese experts or volunteers, if the "Model Agricultural Promotion Center" will be established. The Team shared the above opinion.

TT

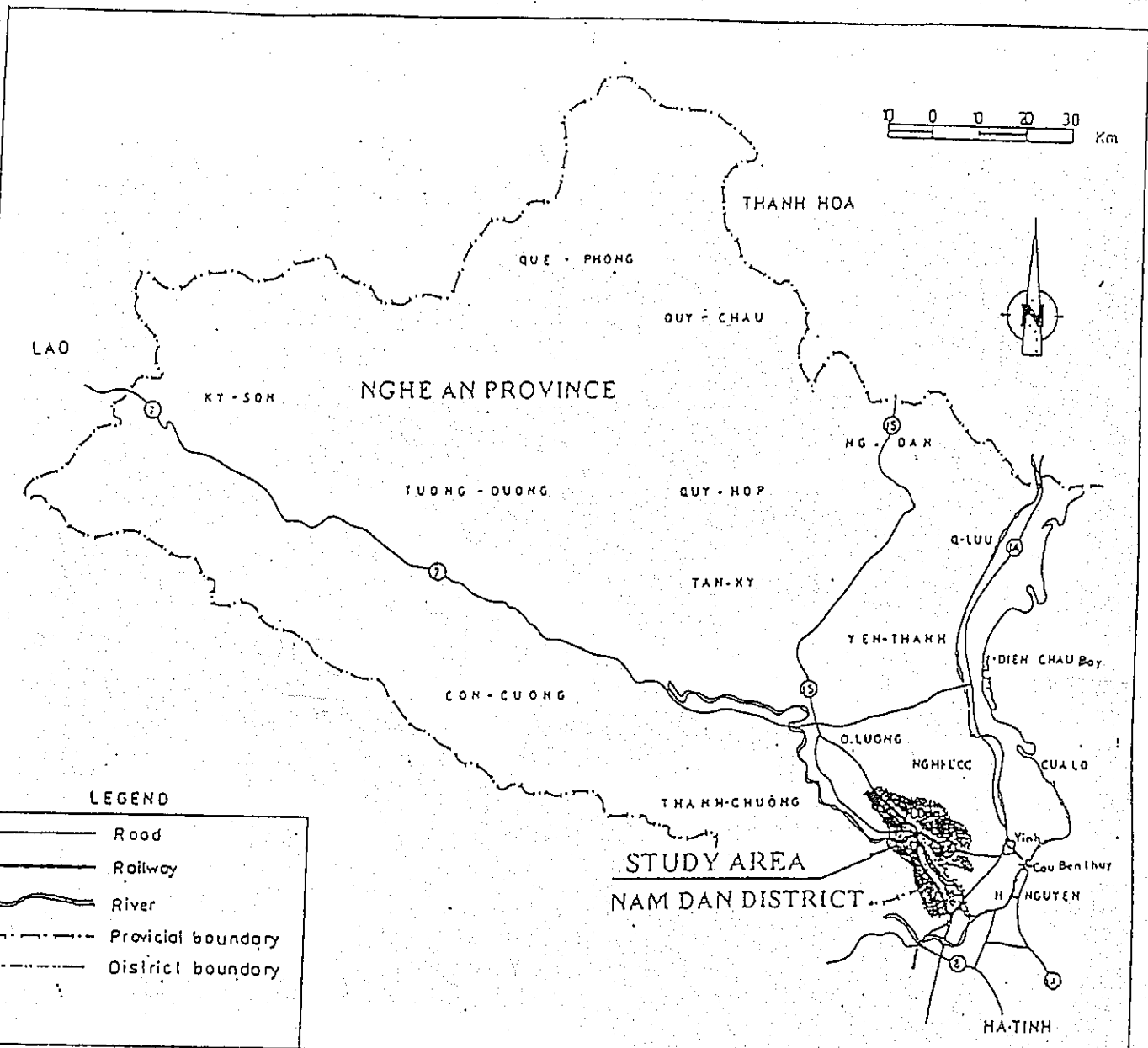
K. Yamamoto

Ha

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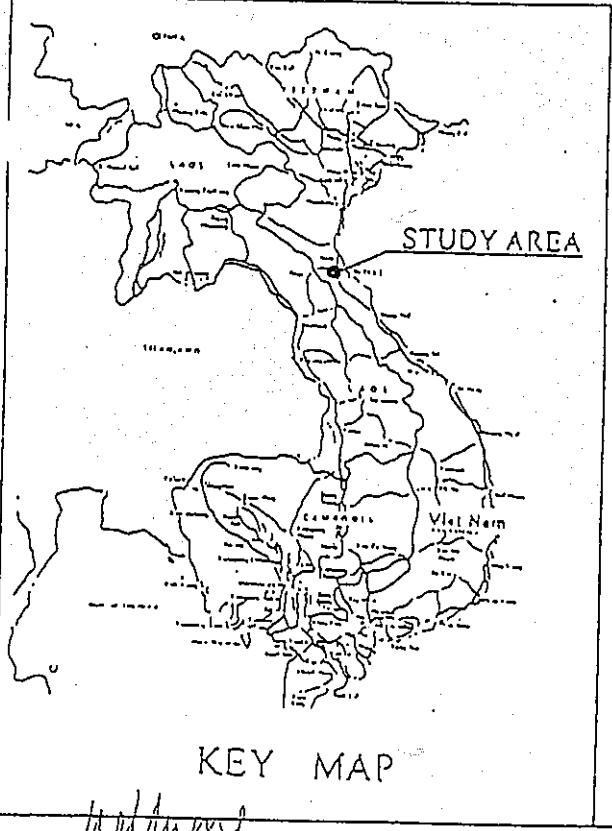
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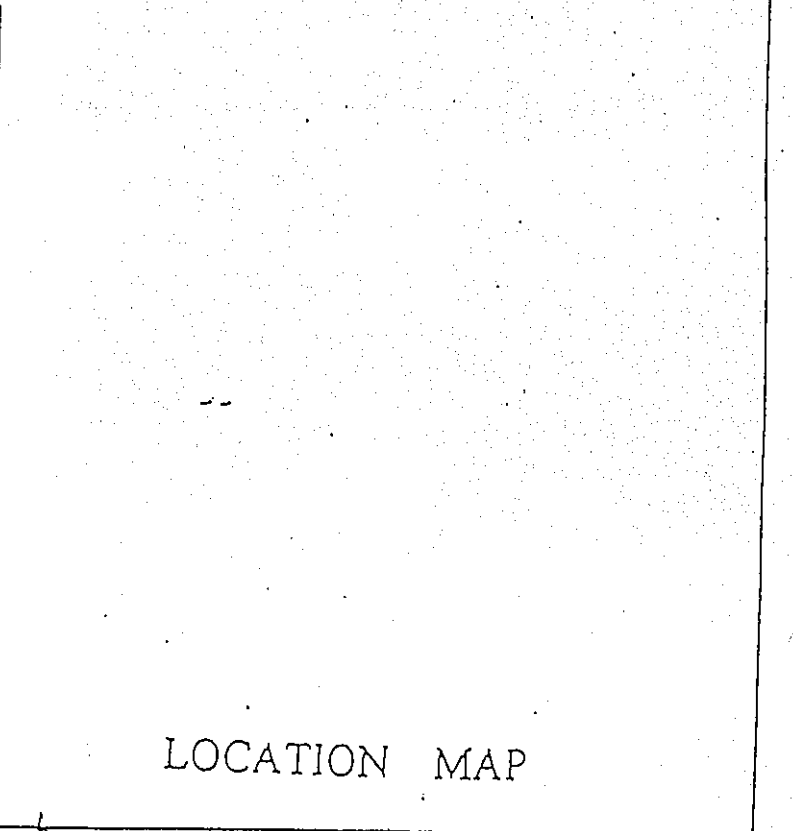


LEGEND

- Road
- Railway
- River
- Provincial boundary
- District boundary



KEY MAP



LOCATION MAP

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- (1) IRRIGATION AND DRAINAGE SECTOR
 - a) Nam Trung Pumping Irrigation System improvement (requested during study period)
 - Improvement of existing pump station
 - Improvement of existing canal system
 - b) Nam Nam Dike improvement
 - Improvement of drainage gates along the dike
 - Construction of dike spillways
 - c) Ho Thanh Reservoir Irrigation System Improvement
 - Improvement of existing Ho Thanh 1 canal

- (2) RURAL ROAD SECTOR
 - a) Improvement of existing Route 15A (South) and road surface is to be paved with asphalt, including construction of four bridges
 - b) Improvement of existing N.Kim-N.Phuc-N.Cuong Road. Road surface is to be paved with asphalt.

- (3) RURAL ELECTRIFICATION SECTOR
 - Extension of Electrification

- (4) ENVIRONMENTAL CONSERVATION SECTOR
 - Construction of erosion control facilities

- (5) RURAL WATER SUPPLY SECTOR
 - Need further study.

- (6) AGRICULTURAL SUPPORTING SERVICES, AGRO-INDUSTRY AND MARKETING SECTOR WITH PROPOSED PROCURED EQUIPMENT AND MATERIAL
 - To cover all components is not possible. Need further study.

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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	(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 (Japan International Cooperation Agency) to conduct a study on the request.

Secondly, 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

1) Contents of the Study

The aim of the Basic Design Study (hereafter 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 Japanese Government. 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 Project's implementation.
- b) Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economic point 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.
- 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 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.

2) Selection of Consultants

For smooth implementation of the Study, JICA uses (a) registered consultant firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms. The firm(s)

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selected carry(ies) out a Basic Design Study and write(s) a report, based upon terms of reference set by JICA.

The consultant 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 Exchanges of Notes, in order to maintain technical consistency and also to avoid any undue delay in implementation should the selection process be repeated.

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 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 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 a 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 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, 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 the "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:

- (1) 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 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.

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(6) 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 this operation and maintenance as well as to bear all the expenses other than those covered by the Grant Aid.

(8) Re-export

The products purchased under the Grand Aid should 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 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 Undertakings to be taken by Each Government

Annex- 4

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 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 contracts		●

②


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		●

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ITEMS REQUESTED BY THE GOVERNMENT OF VIET NAM

06-08-2002

(1) IRRIGATION AND DRAINAGE SECTOR

- a). Rehabilitation of Nam Trung Pumping Irrigation System
 - Rehabilitation of the existing pumping station
 - Rehabilitation of the existing main canal and its related structures
- b). Rehabilitation of Ho Thanh Reservoir Irrigation System
 - Rehabilitation of one of the existing Ho Thanh main canals and its related structures.
- c). Nam Nam Dike Improvement
 - Improvement of a drainage gate
 - Digging a drainage canal
 - Construction of two dike spillways

(2) RURAL ROAD SECTOR

- a). Improvement of Route 15 A (South) with 6.5m wide and asphalt pavement, including construction of four bridges and related structures.
- b). Improvement of existing N.Kim - N. Phuc - N. Cuong Road with surface pavement, including construction of bridges/box-culverts and related structures.
- c). Construction of erosion control facilities at three sites along Route 15A (South)

(3) RURAL ELECTRIFICATION SECTOR

- Extension of Electrification for 3 areas except for Thung Giang area in Khanh Son Commune

(2) M/D 2002年12月13日

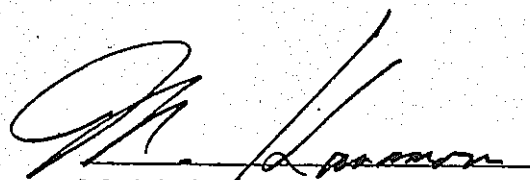
MINUTES OF DISCUSSIONS
ON
THE BASIC DESIGN STUDY
ON THE PROJECT FOR
IMPROVEMENT OF RURAL LIVING CONDITION
IN NAM DAN DISTRICT IN NGHE AN PROVINCE IN
SOCIALIST REPUBLIC OF VIET NAM
(EXPLANATION ON THE DRAFT REPORT)

In August 2002, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Improvement of Rural Living Condition in Nam Dan District in Nghe An Province (hereinafter referred to as "the Project"), and through discussion, field survey, and technical examination of the results in Japan, JICA prepared the draft report of the Study.

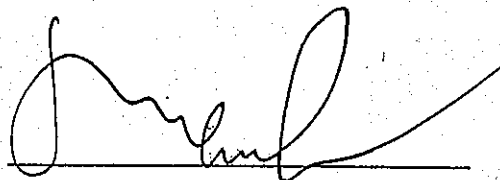
In order to explain and to consult the Vietnamese side on the components of the draft report, JICA sent to Viet Nam the Draft Report Explanation Team (hereinafter referred to as "the Team"), which is headed by Mr. Morimasa KANAMARU, Resident Representative of JICA Viet Nam Office, from 8 December to 13 December 2002.

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

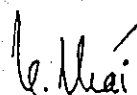
Hanoi, 13 December 2002



Mr. Morimasa KANAMARU
Leader
Basic Design Study Team
Japan International Cooperation Agency



Dr. Le Van Minh
Director General
International Cooperation Department
Ministry of Agriculture and Rural Development
(MARD)



Dr. Le Hong Thai
Director General
Agriculture & Rural Development Department
Ministry of Planning and Investment (MPI)

Mr. Nguyen Van Hanh
Vice Chairman
People's Committee of Nghe An Province

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. Reconfirmation of the previous Minutes of Discussions

The Vietnamese side and the Japanese side reconfirmed validity of all the contents in the two previous Minutes of Discussions signed on 31 July 2000 during the Preparatory Study, and on 8 August 2002 during the Basic Design Study.

3. Japan's Grant Aid Scheme

Vietnamese side reconfirmed the Japan's Grant Aid Scheme explained by the team and will take the necessary measures, which were attached as Annex-3 and Annex-4 in ANNEX 3 of the Minutes of Discussions signed on 6 August 2002.

4. Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and comments made by Vietnamese side, and send it to the Government of Viet Nam by March 2003.

5. Other Relevant Issues

- 5-1. Japanese side confirmed that the construction works for Nam Nam Dike Improvement have been commenced by the Government of Viet Nam, which was one of the items requested by the Vietnamese side shown in Annex-4 of the Minutes of Discussions signed on 6 August 2002, in order to rehabilitate the flood damages occurred in September 2002. Both sides agreed that Nam Nam Dike Improvement work was excluded from the scope of the Project.
- 5-2. The Vietnamese side requested strongly the implementation of Rehabilitation of the entire length of the Nam Trung Main Canal including the section of 1.3 km omitted from the scope of the Project in the draft final report, which was damaged by the flood in September 2002. Japanese side confirmed the present condition of the canal, and the necessity and urgency of the rehabilitation at the site, and agreed that the Nam Trung Main Canal will be rehabilitated in entire length in the Project.
- 5-3. Both sides confirmed that it was essential to secure the land for the implementation of the project including temporary office and storage yards, etc. The Vietnamese side confirmed that necessary measures should be taken by the Vietnamese side prior to the commencement of the project works as shown in Annex-1. The land acquisition should be done under the responsibility of the Chairman of Nam Dan District People's Committee.
- 5-4. The implementing body is the Project Managing Board (PMB), which will be established immediately after the signing of E/N for the Project between both governments. PMB will be supervised by a Steering Committee, which will also be organized for the Project implementation. Functions and members of the Project Steering Committee headed by the

Vice Chairman of Nghe An Province People's Committee and PMB headed by the Chairman of Nam Dan District People's Committee are shown in Annex-2.

Land Acquisition ScheduleLand Acquisition for 1st Phase Project

2003											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Land Acquisition for 2nd Phase Project

2004											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Land Acquisition for 3rd Phase Project

2005											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Land Acquisition Procedures and expected Time

Step 1:	Establishment of Land Acquisition Committee	3 days
Step 2:	Based on the detailed design, to formulate plans for land acquisition in each commune and entire district	10 days
Step 3:	Conducting demarcation, marking boundary of land to be cleared, each household makes a list of land area, property will be lost	7 days
Step 4:	Formulating cost estimation for land acquisition, compensation; Submission to provincial PC for approval	17 days
Step 5:	Carrying out compensation and clear the land	20 days

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Organization and functions of the Steering Committee and PMB

	Organization	Functions
Steering Committee	Head: Vice Chairman of Nghe An Province PC Members: Representatives of; MARD Nghe An Province PC Ministry of Plan and Investment Ministry of Finance Nam Dan District PC Embassy of Japan	<ul style="list-style-type: none"> -To supervise operation of PMB -To guide management for project implementation -To approve work plan and budget prepared by PMB -To examine technical matter -To examine financial matter -To approve project completion
Project Managing Board (PMB)	Head: Chairman of Nam Dan District PC Sub-Head: Vice Director of Department of Agriculture and Rural Development, Nghe An Province Members: Vice Directors of; Department of Planning and Investment, Department of Transportation, Department of Construction, Department of Finance, and Department of Industry, Nghe An Province	<ul style="list-style-type: none"> -To administer project -To secure and clear the land -To take measures for inhabitants -To procure Consultant -To procure Contractor -To certify completion of the project works - To supervise project implementation





5. Cost Estimation Borne by the Recipient Country

Quantity Estimate of Projects Covered by GOV

Items	Unit	Phase 1	Phase 2	Phase 3	Total
Land Acquisition					
Improvement of NR15A (Farm Land)	ha	0.93	3.35	0.68	4.96
do (Residential Area)	ha	0.18	0.94	0.14	1.26
do (House)	m ²	-	-	-	-
Improvement of KPC Road (Farm Land)	ha	0.13	0.85	1.43	2.41
do (Residential Area)	ha	-	-	0.52	0.52
do (House)	m ²	-	-	(200)	(200)
Sub Station* ¹	ha	0.68	-	-	0.68
Distribution Network* ²	ha	3.48	-	-	3.48
Total	ha	5.40	5.14	2.77	13.31
Land Compensation of Temporary Road/ Storage yards					
Temporary Road	ha	0.36	0.36	0.28	1.00
Storage yards 1	ha	-	1.00	0.90	1.90
Storage yards 2	ha	0.50	1.00	0.90	2.40
Storage yards 3	ha	0.50	0.50	0.50	1.50
Total	ha	1.36	2.86	2.58	6.80
Land Clearance	ha	0.50	-	-	0.50
Replacement of Existing Pumps	L.S.	1	-	-	1
Authorization to Pay and payment commissions to the Bank	L.S.	1	1	1	
Banking Commission	L.S.	1	1	1	

*1=15m x 15m x 3、 *2=5.1km x 4.5m + 11.8km x 1.0m

Cost Estimate of Projects Covered by GOV

Items	Quantity	Phase 1	Phase 2	Phase 3	Total
Land Acquisition		Million VND	Million VND	Million VND	Million VND
Improvement of NR15A (Farm Land)	4.96 ha	140	502	102	744
do (Residential Area)	1.26 ha	27	141	21	189
do (House)	- m ²	0	0	0	0
Improvement of KPC Road (Farm Land)	2.41 ha	20	127	215	362
do (Residential Area)	0.52 ha	0	0	78	78
do (House)	200 m ²	0	0	800	800
Sub Station * ¹	0.68 ha	102	0	0	102
Distribution Network * ²	3.48 ha	522	0	0	522
Total		811	770	1,216	2,797
Land Compensation of Temporary Road/ Storage yards					
Temporary Road	1.00 ha	5	5	4	14
Storage yards 1	1.90 ha	0	15	15	30
Storage yards 2	2.40 ha	8	15	15	38
Storage yards 3	1.50 ha	8	8	8	24
Total	ha	21	43	42	106
Land Clearance	6.80 ha	33	69	62	164
Replacement of Existing Pumps	1 set	2	0	0	2
Authorization to Pay and payment commissions to the Bank	1 set	1	1	1	3
Banking Commission	1 set	59	59	39	157
Grand Total		926	941	1,359	3,226

Leased Land : 15 million VND/ha/year

Expropriation Land Cost (Compensation)

① Farm Land : 15,000 VND/m² = 150 million VND/ha

② Residential Area : 100,000 VND/m² = 1,000 million VND/ha

③ House : 4,000,000 VND/m²