

### **2-3 Obligation of Recipient Country**

The following measures should be taken by the Government of Vanuatu on condition that the grant aid by the Government of Japan is extended to the Project:

- To provide data and information necessary for the Project.
- To secure the land necessary for the execution of the Project, such as detour, works area, stock yard, site office and others.
- To make passable all roads and bridges leading to the Project sites.
- To relocate existing utilities such as power poles, power cable, etc.
- To bear commissions to the bank in Japan for its banking services based upon the Banking Arrangement, namely the advising commission of the “Authorization to Pay” and payment commission.
- To ensure prompt unloading, tax exemption, customs clearance at the port of disembarkation in Vanuatu and prompt internal transportation of the materials and equipment for the Project.
- To exempt Japanese nationals engaged in the Project from customs duties, internal taxes and other fiscal levies, which may be imposed in Vanuatu with respect to the supply of the products and services under the verified contracts.
- 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 Vanuatu and stay therein for the performance of their work.
- To provide necessary permission, licenses and other authorizations for implementing the Project (approval of environmental impact assessment, permit to quarry coral materials and other necessary permits).
- To maintain and use properly and effectively the facilities constructed under the Project.
- To coordinate and solve any issues related to the Project which may be raised from third parties or inhabitants in the Project area during implementation of the Project.
- To bear all the expenses, other than those covered by the Japan’s grant aid, necessary for the Project.
- To obtain the approval of the Environmental Impact Assessment (EIA) prior the signing of the Exchange of Notes.

### **2-4 Project Operation Plan**

Maintenance of the facilities constructed under the Project will be carried out by the Shefa Divisional Office of PWD.

Necessary maintenance activities are as follows:

- Routine Management  
Routine inspection, removal of soil and obstructions, cleaning and maintenance of vegetation (mowing & sodding)
- Repair of Damages  
Patching on bituminous surface, sealing of cracks on the concrete surface, repair & repainting of damaged steel parts, mending of gabion, repainting of road marking, changing of damaged guardrail & road sign, removal of logs & flood debris, etc.

The Shefa Divisional Office possesses the equipment and personnel necessary for the maintenance, so the capacity of the Shefa Office for carrying out the maintenance works is sufficient.

## 2-5 Estimated Project Cost

### 2-5-1 Estimated Cost of Japan's Grant Aid Project

The total project budget necessary to execute this Japan's Grant Aid Project is estimated at Japanese Yen 189 million. However, this cost estimation is provisional and would be further examined by the Government of Japan for the approval of the Grant. Out of the total budget, the cost, based on the conditions shown below in paragraph 3), borne by each government are shown below.

- 1) The Cost borne by the Japanese side ( 188.3 million Yen)

Rehabilitation of Teouma & Rentapao Bridges (unit: million Yen)

Item of Expense		Estimated Project Cost	
Facilities	Sub-structure	88.7	147.6
	Super-structure	37.8	
	Road & subsidiaries	21.1	
Detailed design & supervision		40.7	

- 2) The cost borne by the Vanuatu side (770,000 Yen)
  - To secure the land 180,000 Yen
  - To relocate electric poles & wire 400,000 Yen
  - To bear commissions to the bank 190,000 Yen

- 3) Assumption for this cost estimate
- Base date : May 2003
  - Exchange Rate : 1 Vatu = 0.900 Yen  
1 US\$ = 119.29 Yen
  - Construction Period : As shown in Table 2-2-9
  - Others : The project shall be implemented in accordance with the Guidelines of Japan's Grant Aid.

## 2-5-2 Estimated Cost for Maintenance

Rehabilitated bridges and facilities shall be maintained by the Shefa Divisional Office of the PWD. The necessary budget for the maintenance works in a year is estimated at approximately 0.25 million Vatu.

Breakdown of the maintenance cost is shown in Table 2-5-1.

Table 2-5-1 Estimated Cost for Maintenance

Facilities	Items	Frequency	Materials/ Equipment	Quantity	Amount (Vatu)
<b>1. Routine Inspection</b>					
Bridge surface	Soil, obstacles, crack, gap	once /month	Scoop, hammer,	6 person	30,000
Slab Deck	Crack, corrosion		sickle, barricade	day/year	
Steel Parts	Bending, deformed, scar	0.5 days			
Railing	Bending, deformed, scar	/inspection	Pickup truck	6 vehicle	42,000
Abutment	Strain, moving, crack, corrosion			day/year	
Revetment	Strain, moving, scoring, erosion				
Road Marking	Stain, discolor				
Road Sign	Bending, stain, discolor				
				Sub-total	72,000
<b>2. Cleaning</b>					
Bridge surface	Remove soil & obstacles	4 times	Scoop, barricade,	12 person	60,000
Slab Deck	Cleaning	/year	mowing machine,	day/year	
Steel Parts			broom, tools		
Railing		1 day			
Abutment		/cleaning	Pickup truck	4 vehicle	28,000
Revetment				day/year	
Road Marking					
Road Sign					
				Sub-total	88,000
<b>3. Repair</b>					
Bridge surface	Patching	once / year	Several tools	12 person	60,000
Slab Deck	Sealing of crack			day/year	
Steel Parts	Repair & repaint of damages	2 days	Pickup truck	2 vehicle	14,000
Railing	Repair & repaint of damages	/repair		day/year	
Abutment	Sealing of crack		Gravel	0.2m <sup>3</sup> /year	1,000
Revetment	Repair of damages		Bitumen	5L/year	2,000
Road Marking	Repaint of discolored portion		Cement	1 bag/year	1,000
Road Sign	Repair & repaint of broken parts		Galvanize Paint	4kg/year	10,000
				Sub-total	88,000
<b>Grand Total / year</b>					<b>248,000</b>

## Chapter 3 Project Evaluation and Recommendations

### 3-1 Project Effect

Direct beneficiaries of the Project are the people residing in the Efate Island, amounting to 42,128 in 1999. The expected direct effects of the Project are shown in Table 3-1-1.

Table 3-1-1 Direct Effects of the Project

Present Issues	Measures on the Project	Direct Effect
<p>It is concerned about the interruption of the road by the collapse or washing away of existing bridges because the bridges are structurally unstable and freeboards are insufficient</p> <p><u>Remaining life</u> : not presumed (within 1year~less than 10years)</p>	<p>The reconstruction of the bridges which structurally and hydro- logically sound (Teouma Bridge &amp; Rentapao Bridge)</p>	<p>To secure the road transport on the Ring Road over the future and to sustain the effects brought by PIRE</p> <p><u>Remaining life</u> : over 50 years</p>
<p>Existing bridges have only one lane so the vehicles are passing alternately. It becomes a danger zone for travel on the Ring Road as seen by the number of traffic accidents due to the lack of necessary sight distance.</p> <p><u>Necessary sight distance</u> : 474m to confirm the opposite vehicle at 60 km/hr which can not be secured due to the road alignment</p> <p><u>Possible running speed</u> : 15 km/hr</p>	<p>To secure the 2 lanes (elimination of one lane section) and provide sidewalk</p>	<p>To improve the safety and running quality by the elimination of danger factors</p> <p><u>Necessary sight distance</u> : 75m for stopping distance from 60 km/hr which is secured</p> <p><u>Possible running speed</u> : 60 km/hr</p>

Additionally the improvement of the living convenience are expected by securing an all weather road throughout the year.

### 3-2 Recommendation

The Subjects of the Vanuatu side to realize and sustain the effect of the Project are as

follows:

**- Periodical Inspection**

By the observation of the changes on the bridges at the periodical inspection, it is possible to find the deficiencies earlier and to effect proper repairs. After significant flooding the inspection should evaluate erosion of the riverbank, scouring at the bottom of sub-structure, existence of flood debris and damage of the truss girder.

**- Maintenance of the road**

The bridges are just a part of the road so it is necessary to maintain the serviceability of the road to sustain the effects of the Project. The execution of the maintenance is important to extend the performance period of the pavement and it seems that PWD has properly maintained the improved section under PIRE. It hopes that the maintenance will be continued for the road and the bridge structures.

The PWD, which is the implementing agency of the Project, and Shefa Divisional Office, which is in charge of the maintenance, have enough ability to solve the above mentioned subjects. The need for further technical assistance or reliance upon other donors should not be needed to implement this Project.

## **Appendix 1**

### **Member List of the Study Team**

## Appendix 1 Member List of the Study Team

- (1) Field Study
- |                      |   |   |
|----------------------|---|---|
| Mr. Hiroyuki HAYASHI | Leader  | Officer<br>Third Project Management Div.<br>Grant Aid Management Dep., JICA |
| Mr. Kazuyuki HIRAOKA | Chief Consultant/<br>Bridge Maintenance<br>Planner    | Katahira & Engineers International  |
| Mr. Yasuaki MURAMOTO | Bridge Designer                                       | Katahira & Engineers International  |
| Mr. Koichi KADOYA    | Natural Condition<br>Survey<br>(Topography & Geology) | Katahira & Engineers International  |
| Mr. Keiichi MURAKAMI | Cost Estimator  | Katahira & Engineers International  |
- (2) Draft Report Explanation
- |                      |   |  |
|----------------------|---|--|
| Mr. Tetsuhiro IKE    | Leader  | Resident Representative<br>JICA Vanuatu Office, JICA |
| Mr. Kazuyuki HIRAOKA | Chief Consultant<br>Bridge Maintenance<br>Planner | Katahira & Engineers International                   |
| Mr. Yasuaki MURAMOTO | Bridge Designer                                   | Katahira & Engineers International                   |

## **Appendix 2**

### **Study Schedule**



## Appendix 2 Study Schedule

### 1) Field Survey from 4th March to 29th March, 2003

	Date		Schedule			
			Hayashi	Hiraoka	Muramoto & Murakami	Kadoya
1	4-Mar 2003	Tue	Left Tokyo & Reached Sydney (by JL771)			
2	5-Mar	Wed	Left Sydney & Reached Port Vila (by NF011)			
3	6-Mar	Thu	Discussions with JICA/JOCV Office, MIPU & PWD			
4	7-Mar	Fri	Discussions with PWD, DESD, MLGM & Environment Unit			
5	8-Mar	Sat	Site Investigation for Teouma & Rentapao Bridges and the Ring Road			
6	9-Mar	Sun	Internal Meeting & Data Filing			
7	10-Mar	Mon	Discussions with PWD & MOF, and Site Investigation at the Workshop of PWD			
8	11-Mar	Tue	Discussions with MIPU & PWD for M/D		Site Investigation & Data Filing	
9	12-Mar	Wed	Signing of M/D Reporting to JICA/JOCV Office		Site Investigation & Data Filing	
10	13-Mar	Thu	Left Port Vila & Reached Nadi (by NF070) & to Suva		Site Investigation & Data Filing	
11	14-Mar	Fri	Reporting to Embassy & JICA Fiji Office Move to Nadi		Site Investigation & Data Filing	
12	15-Mar	Sat	Left Nadi & Reached Tokyo (by FJ302)		Site Investigation & Data Filing	
13	16-Mar	Sun			Internal Meeting & Data Filing	
14	17-Mar	Mon			Site Investigation & Data Filing	
15	18-Mar	Tue			Left Port Vila & Reached Sydney (by NF010)	
16	19-Mar	Wed			Left Sydney & Reached Tokyo (by JL772)	
17	20-Mar	Thu			Site Investigation & Data Filing	
18	21-Mar	Fri			Site Investigation & Data Filing	
19	22-Mar	Sat			Meeting with PWD & Environment Unit	
20	23-Mar	Sun			Site Investigation & Data Filing	
21	24-Mar	Mon			Site Investigation & Data Filing	
22	25-Mar	Tue			Site Investigation & Data Filing	
23	26-Mar	Wed			Reporting to JICA/JOCV Office	
24	27-Mar	Thu			Reporting to MIPU	
25	28-Mar	Fri			Site Investigation & Data Filing	
26	29-Mar	Sat			Left Port Vila & Reached Nadi (by NF070) & to Suva	
					Site Investigation & Data Filing	
					Left Port Vila & Reached Sydney (by QF376)	
					Left Nadi & Reached Tokyo (by FJ302)	
					Left Sydney & Reached Tokyo (by JL772)	

2) Draft Report Explanation from 19th May to 31st May, 2003

	Date		Schedule		
			Ike	Hiraoka	Muramoto
1	19-May 2003	Mon		Left Tokyo & Reached Brisbane (by JL761)	
2	20-May	Tue		Left Brisbane & Reached Prot Vila (by NF21)	
3	21-May	Wed	Discussions with JICA Vanuatu Office, MIPU & PWD		
4	22-May	Thu	Discussions with MIPU, PWD, DESD, MLGM & Environment Unit		
5	23-May	Fri	Discussions with PWD & Land Department		
6	24-May	Sat		Site Investigation, Internal Meeting & Data Filing	
7	25-May	Sun		Internal Meeting & Data Filing	
8	26-May	Mon	Discussions with MIPU & PWD for M/D, and Joint Site Survey with PWD & Land Department		
9	27-May	Tue	Discussions with MIPU, PWD, Environment Unit & Land Department		
10	28-May	Wed	Signing of M/D, Data Collection & Site Investigation		
11	29-May	Thu		Left Port Vila & Reached Nadi (by NF070) Moved to Suva	Site Investigation & Data Filing
12	30-May	Fri		Reporting to Embassy & JICA Fiji Office, Moved to Nadi	Left Port Vila & Reached Sydney (by NF010)
13	31-May	Sat		Left Nadi & Reached Tokyo (by FJ302)	Left Sydney & Reached Tokyo (by JL772)

## **Appendix 3**

### **List of Parties Concerned in Vanuatu**

### **Appendix 3 List of Parties Concerned in Vanuatu**

(1) Ministry of Finance & Economic Management

Hon. Seala Molisa	Minister of Finance & Economic Management
Mr. Geoge Andrew	Director General
Mr. John Path	First Political Advisor
Mr. Jimmy Andeng	Director, Department of Economic & Social Development
Mr. James Toa	Acting Director, Department of Economic & Social Development

(2) Ministry of Infrastructure and Public Utility

Hon. Willie Poien	Minister of Infrastructure & Public Utilities
Mr. Manasseh Tary	Director General
Mr. Kalwajin Skepha	Acting Director, Public Works Department
Mr. Wokon Vincent	Senior Accountant, Public Works Department
Mr. Kensi Yosef	Manager Operation, Public Works Department
Mr. Jimmy E. Ngwero	Principal Mechanical Engineer, Public Works Department
Mr. Willie Watson	Manager Projects, Public Works Department
Mr. Alan Faerua	Senior Civil Engineer, Public Works Department
Mr. Benoit Chassatte	Advisor to Director, Public Works Department
Mr. Richie Nichols	Project Manager, Public Works Department
Mr. John Andriamanantoa	Manager Project Advisor, Public Works Department

(3) Ministry of Lands, Geology & Mines

Mr. Michael Mangawai	Director, Department of Lands
Mr. Ernest Bani	Principal, Environment Unit

## **Appendix 4**

### **Minutes of Discussion**

**Minutes of Discussions  
on the Basic Design Study  
on the Project for Rehabilitation of Bridges  
on the Ring Road in the Efate Island  
in the Republic of Vanuatu**

In response to the request from the Government of the Republic of Vanuatu (hereinafter referred to as "Vanuatu"), the Government of Japan decided to conduct a Basic Design Study on the Project for Rehabilitation of Bridges on the Ring Road in the Efate Island (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

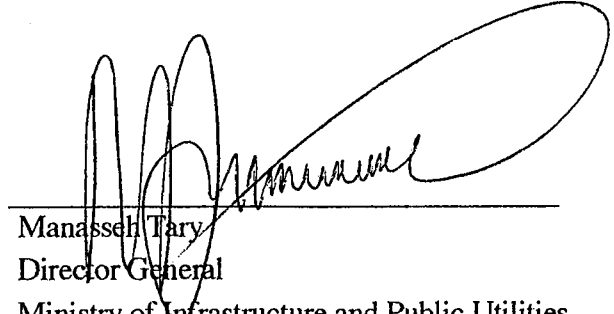
JICA sent to Vanuatu the Basic Design Study Team (hereinafter referred to as "the Team"), headed by Mr. Hiroyuki Hayashi, an officer of the Third Project Management Division, the Grant Aid Management Department, JICA, and is scheduled to stay in the country from March 5 to 28, 2003.

The Team held discussions with the concerned officials of the Government of Vanuatu.

In the course of the discussions, both sides have confirmed the main items of described in the attached sheets. The Team will proceed to further works and prepare the Basic Design Study Report.

Port Vila, March 12, 2003

  
\_\_\_\_\_  
Hiroyuki Hayashi  
Leader  
Basic Design Study Team  
Japan International Cooperation Agency

  
\_\_\_\_\_  
Manasseh Tary  
Director General  
Ministry of Infrastructure and Public Utilities  
Republic of Vanuatu

## ATTACHMENT

### 1. Objective

The objective of the Project is to rehabilitate the Teouma and the Rentapao bridges damaged by the earthquake on January 2002.

### 2. Project Site

The sites of the Project are shown in Annex-1.

### 3. Responsible and Implementing Organizations

(1) The responsible ministry is the Ministry of Infrastructure and Public Utilities (hereinafter referred to as "MIPU").

(2) The implementing agency is the Public Works Department (hereinafter referred to as "PWD"), MIPU.

The organization chart of the implementing agency is shown in Annex-2.

### 4. Items Requested by the government of Vanuatu

After discussions with the Team, the following items were finally requested by the Vanuatu side. JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

(1) Reconstruction of the Teouma bridge with 2 lanes and a walkway for the pedestrians

(2) Reconstruction of the Rentapao bridge with 2 lanes and a walkway for the pedestrians

(3) River bank protection around the above-mentioned bridges

### 5. Japan's Grant Aid Scheme

(1) The Vanuatu side understands the Japan's Grant Aid scheme and the necessary measures to be taken by the Government of Vanuatu explained by the Team as described in Annex-3.

(2) The Vanuatu side promised to take necessary measures, as described in Annex-4, for smooth implementation of the Project as a condition for the Japan's Grant Aid to be implemented.

### 6. Schedule of the study

(1) The consultants will proceed to further studies in Vanuatu by March 28, 2003.

(2) JICA will prepare the draft report in English and dispatch a team to Vanuatu in order to explain its contents around the end of May 2003.

(3) In case that the contents of the report are accepted in principle by the Government of Vanuatu, JICA will complete the final report and send it to the Government of Vanuatu by August 2003.

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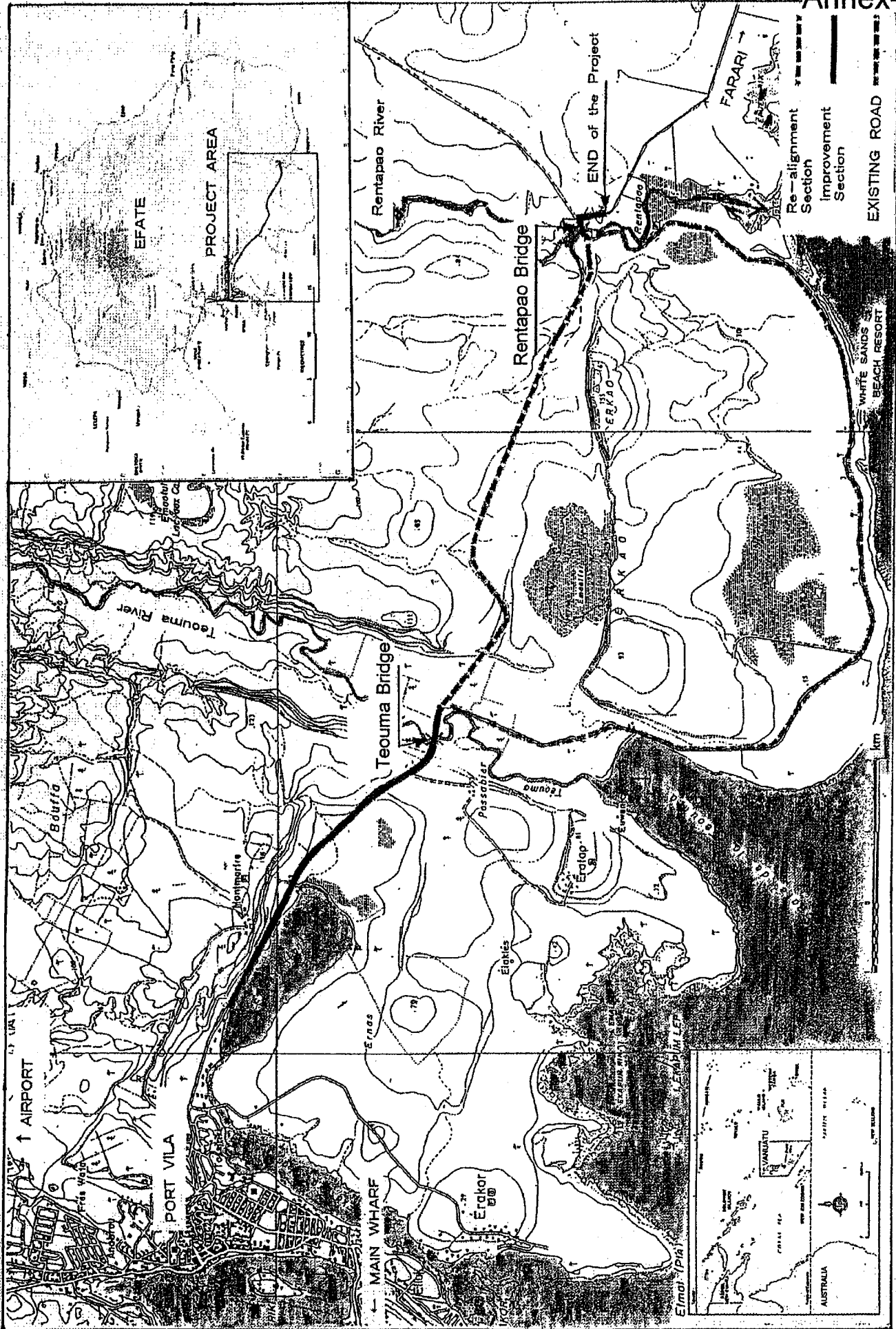
## 7. Other Relevant Issues

- (1) The Vanuatu side will submit answers to the Questionnaire, which the Team handed to the Vanuatu side, by March 22, 2003.
- (2) The Vanuatu side shall arrange the budget allocation for securing land(s), undertakings to be done by the Vanuatu side described in Annex-4, and others for the Project in accordance with the schedule described in Annex-5.
- (3) The Vanuatu side shall complete the necessary procedure and obtain the approval from the Environment Unit, Ministry of Lands, Geology and Mines for the Environmental Impact Assessment (hereinafter referred to as " EIA ") by July 15, 2003. The Vanuatu side recognized that the approval for EIA on that schedule is pre-condition for the implementation of the Project under the Japan's grant aid.
  - (3)-1. The Vanuatu side shall submit the schedule of each step for the activity of EIA by March 22, 2003.
  - (3)-2. The Vanuatu side shall submit the monthly progress report in writing to the JICA/JOCV Vanuatu office.
- (4) The Vanuatu side shall provide necessary number(s) of counterpart personnel to the Team during the period of their studies in Vanuatu.
- (5) Demolition of existing bridges shall be done by the Vanuatu side in the case where a new bridge is constructed at upstream/downstream side of the existing bridge. The Vanuatu side requested to reconstruct the two bridges at the same location as the existing bridges.
- (6) The Vanuatu side shall maintain suitable access to the construction site during the construction stage.
- (7) The Vanuatu side promised to supply the Bailey bridging superstructure for the temporary detour bridge during construction of the two bridges when the project is implemented.
- (8) The Vanuatu side shall avoid any duplication of request on the Teouma and Rentapao bridge until the Japanese side indicates to the Vanuatu side in August 2003, that the Japan's grant aid is not forthcoming.

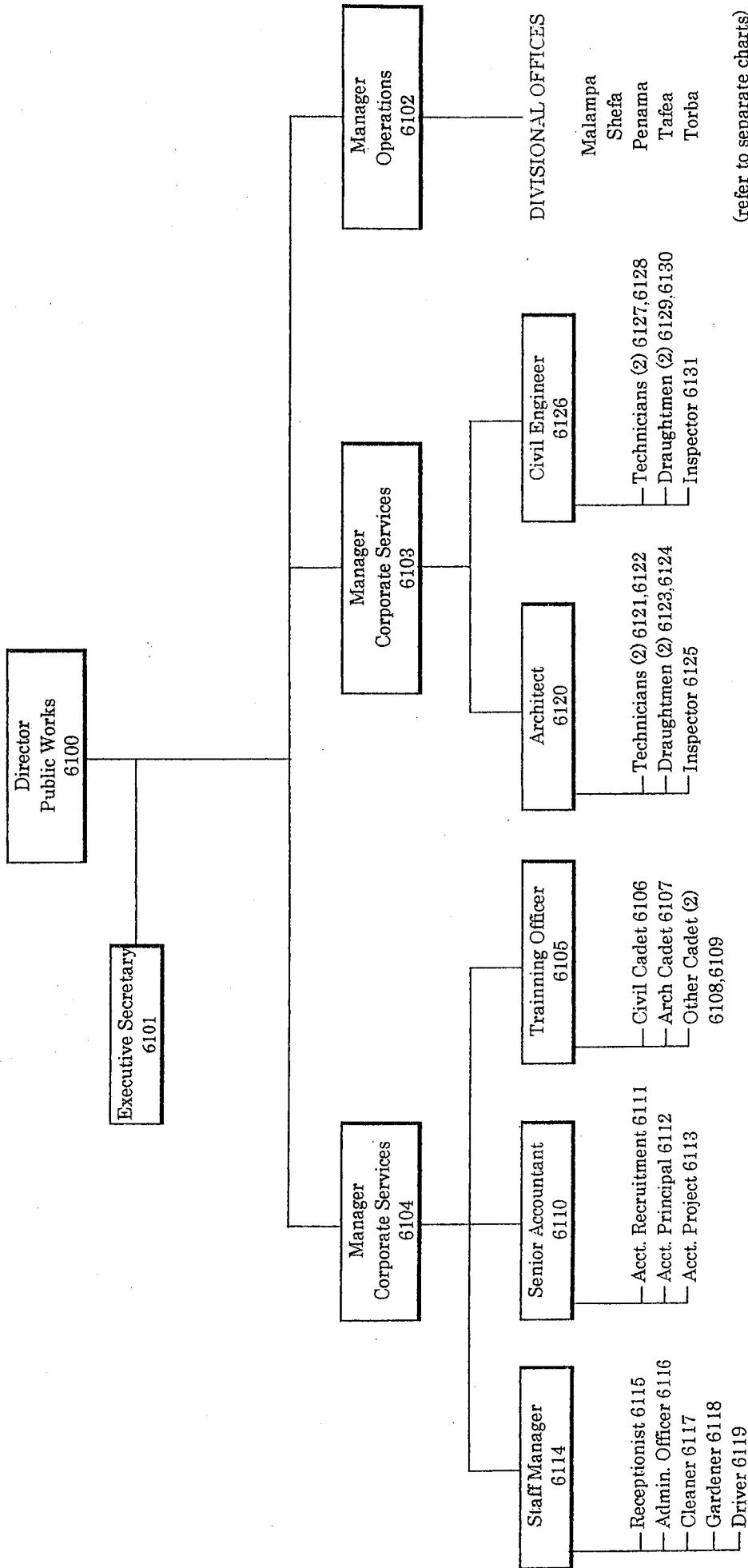
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LOCATION MAP



(refer to separate charts)

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Proposed Interim Organisation Structure for the Department of Public Works – Head Office

## JAPAN'S GRANT AID

The Grant Aid Scheme 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. The Grant Aid is not supplied through the donation of materials as such.

### 1. Grant Aid Procedures

Japan's Grant Aid Scheme is executed through the following procedures.

Application	(Request made by the recipient country)
Study	(Basic Design Study conducted by JICA)
Appraisal & Approval	(Appraisal by the Government of Japan and Approval by the Cabinet)
Determination of	(The Note exchanged between the Governments of Japan and recipient
Implementation	country)

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 Scheme, 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 (E/N) 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 (hereafter referred to as "the Project") is to provide a basic document necessary for the appraisal of the Project by the Government of Japan. The contents of the Study are as follows:

- 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.
- Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, social and economic point of view.
- Confirmation of items agreed on by both parties concerning the basic concept of the Project.
- Preparation of a basic design of the Project.
- 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 the 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 consulting firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms. The firm(s) 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 Exchange of Notes, in order to maintain technical consistency.

## 3. Japan's Grant Aid Scheme

### (1) 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.

(2) "The period of the Grant Aid" means the one fiscal year, which the Cabinet approves, the Project for. Within the fiscal year, all procedures such as exchanging of the Notes, concluding contracts with (a) consultant firm(s) and (a) contractor(s) and final payment to them must be completed. However, in case of delays in delivery, installation or construction due to unforeseen factors such as national disaster, 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.

(3) Under the Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased. When the two Governments deem it necessary, the Grant Aid may be used for the purchase of the products or services of a third country. However, the prime contractors, namely, consulting, constructing and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

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(4) Necessity of "Verification"

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

(5) 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:

- a) To secure land necessary for the sites of the Project and to clear, level and reclaim the land prior to commencement of the construction,
- b) To provide facilities for the distribution of electricity, water supply and drainage and other incidental facilities in and around the sites,
- c) To secure buildings prior to the procurement in case the installation of the equipment,
- d) To ensure all the expenses and prompt excursion for unloading, customs clearance at the port of disembarkation and internal transportation of the products purchased under the Grant Aid,
- e) 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,
- f) 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.

(6) "Proper Use"

The recipient country is required to maintain and use the facilities constructed and the 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.

(7) "Re-export"

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

(8) Banking Arrangements (B/A)

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

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

(9) Authorization to Pay (A/P)

The Government of the recipient country should bear an advising commission of an Authorization to Pay and payment commissions to the Bank.

(End)

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## 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 the parking lot	●	
4	To construct roads		
	1) Within the site	●	
	2) Outside the site	N/A	N/A
5	To construct the buildings	●	
6	To bear the following commissions to the Japanese bank for banking services based upon the B/A		
	1) Advising commission of A/P		●
	2) Payment commission		●
7	To ensure unloading and customs clearance at port of disembarkation in recipient country		
	1) Marine (Air) transportation of the products from Japan the recipient	●	
	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	●	
8	To accord Japanese nationals whose service 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.		●
9	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		●
10	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid		●
11	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		●

(B/A: Banking Arrangement, A/P: Authorization to pay, N/A: Not Applicable)

Land Acquisition Schedule

No.	Description	the Relevant	March	April	May	June	July	August	September	October
0	Pre-notification to Land Owner		▶							
1	Determination of Project	PWD				▶				
2	Desk Top Review (Preparation) <i>(Check the obstacles and land to be acquired on the Drawings)</i>	PWD				▶				
3	Joint Site Survey <i>(Confirmation and measure the obstacle and land to be acquired)</i>	PWD+L.D+ Ag.D+P.Ut+ Land Owner				▶				
4	Estimation of Compensation and Relocation Cost	PWD+L.D+ Ag.D+P.Ut					▶			
5	Notification and Payment	PWD → L.Owner and P.Ut						▶		
6	Relocation and Demolition <i>(Land Acquisition Completed)</i>	PWD+P.Ut							▶	

Note: PWD ; Public Works Department  
L.D ; Land Department  
Ag.D ; Agriculture Department  
P.Ut ; Public Utilities company (electricity, water)

ML

**Minutes of Discussions  
on the Basic Design Study  
on the Project for the Rehabilitation of Bridges  
on the Ring Road in the Efate Island  
in the Republic of Vanuatu  
(Explanation on the Draft Report)**

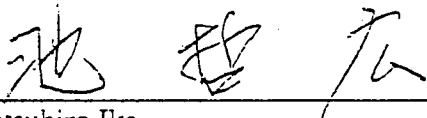
In response to the request from the Government of the Republic of Vanuatu (hereinafter referred to as "Vanuatu"), the Government of Japan decided to conduct the Basic Design Study on the Project for the Rehabilitation of Bridges on the Ring Road in the Efate Island (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Vanuatu the Basic Design Study Team (hereinafter referred to as "the Team"), headed by Mr. Tetsuhiro Ike, Resident Representative of the JICA Vanuatu Office, and is scheduled to stay in the country from May 20 to 30, 2003.

The Team held discussions with the officials concerned of the Government of Vanuatu.

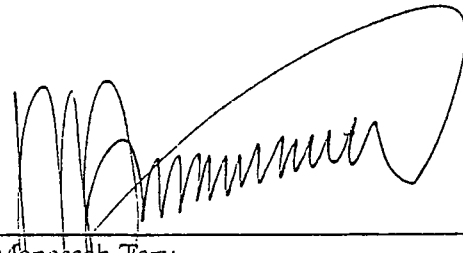
In the course of the discussions, both sides have confirmed the main items described in the attached sheets. The Team will proceed to further works and prepare the Basic Design Study Report.

Port Vila, May 28, 2003



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Tetsuhiro Ike  
Leader  
Basic Design Study Team  
Japan International Cooperation Agency



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Manasseh Tary  
Director General  
Ministry of Infrastructure and Public Utilities  
Republic of Vanuatu



## ATTACHMENT

### 1. Components of the Draft Report

The Vanuatu side agreed and accepted in principle the components of the Draft Report explained by the Team.

### 2. Japan's Grant Aid Scheme

The Vanuatu side understands the Japan's Grant Aid scheme and the necessary measures to be taken by the Vanuatu side as explained by the Team and described in the Annex-3 and Annex-4 of the Minutes of Discussions (M/D) signed by both sides on March 12, 2003.

### 3. Schedule of the Study

JICA will complete the Final Report in accordance with the confirmed items and send it to the Vanuatu side by August 2003.


### 4. Other Relevant Issues

4-1. The Vanuatu side shall secure land(s) necessary for the implementation of the Project by December, 2003. The Vanuatu side shall also submit the monthly progress report in writing to the JICA Vanuatu Office in accordance with the schedule shown herein Annex -1 until the Land(s) securing being completed.

4-2. The Vanuatu side shall allocate the necessary budget, undertakings to be done by the Vanuatu side, which were shown in Annex-4 of the M/D signed by both sides on March 12, 2003, in the fiscal year 2003-2004 by July 2003.

4-3. The Vanuatu side shall complete the necessary procedures and obtain the approval from the Environment Unit of the Ministry of Lands, Geology and Mines for the Environmental Impact Assessment (hereinafter referred to as "EIA") by July 15, 2003 in accordance with the schedule shown herein Annex-2. The Vanuatu side shall submit the monthly progress report in writing to the JICA Vanuatu Office until the completion of EIA procedures.

4-4. The two bridges shall be reconstructed at the same location as the existing bridges from the viewpoint of the existing road alignment and difficulty of the land acquisition. In addition, the demolition of existing bridges shall be done by the Japan's Grant Aid in order to secure the construction schedule.

mtl 

Land Acquisition / Public Utilities Relocation Schedule

No.	Description	the Relevant	May	June	July	August	September	October	November	December
1	Determination of Project	PWD	▼							
2	Desk Top Review (Preparation) <i>(Check the obstacles and land to be acquired on the Drawings)</i>	PWD	└─							
3	Joint Site Inspection <i>(Confirmation of obstacle and land to be acquired)</i>	PWD+L.D	└─							
4	Review Detail & Survey (as necessary) <i>(Confirmation and measure the obstacle and land to be acquired)</i>	PWD+L.D Ag D+P Ut+ Land Owner	└─	└─						
5	Estimation of Compensation and Relocation Cost / Budget Allocation	PWD+L.D+ Ag D		└─						
6	Notification and Payment	PWD → L.Owner and P.Ut					└─			
7	Relocation and Demolition <i>(Land Acquisition Completed)</i>	PWD+P.Ut						└─		Confirmation

Note: PWD ; Public Works Department  
 L.D ; Land Department  
 Ag.D ; Agriculture Department  
 P.Ut ; Public Utilities company (electricity, water)

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Environmental Impact Assessment Schedule

Date : 21 March, 2003

No.	Description	the Relevant	March	April	May	June	July	August	September	October
1	Provide Project Information • Drawings of Basic Design • Construction Plan • Proposed Construction Schedule	KEI → PWD			→					
2	Provide Letter of Intent and Submit to E.Ut with the attachments (above Information of the Project)	PWD → E.Ut			→					
3	Review and Approval	E.Ut → PWD			→	→	→			
							Approval			

Note: PWD ; Public Works Department

E.Ut ; Environment Uimit

KEI ; Katahira & Engineers International

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## **Appendix 5**

### **Cost Estimation Borne by Vanuatu Side**

## Appendix 5 Cost Estimation Borne by Vanuatu Side

- (1) To Secure the Land

Leasing cost of the Lands

$0.5 \text{ ha} * 3,000 \text{ US\$/ha} = 1,500 \text{ US\$}$

$= 178,935 \text{ Yen} = 180,000 \text{ say}$

- (2) To Relocate Electric Poles & Wire

Relocation of Electric Pole - 2 poles

Wiring of Transmission Line - lump sum

$= \text{lump sum } 400,000 \text{ Yen}$

- (3) To bear the commission to the Bank

Remittance Charge

$190 \text{ million Yen} * 0.1\% = 190,000 \text{ Yen}$

Total (1) to (3) = 770,000 Yen

## **Appendix 6**

### **Traffic Survey**

## Appendix 6 Traffic Survey

21-Mar-03 (Fri)

At Teouma Bridge  
fr Port Vila to Rentapao

Time	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	Sub total
Car	17	8	8	8	3	4	6	13	11	2	10	7	97
Taxi	10	2	3	3	4	3	0	3	3	2	0	2	35
Bus	7	5	19	9	8	4	3	1	6	3	13	2	80
Truck	13	23	17	10	16	22	18	17	13	20	14	15	198
Heavy Truck	3	5	1	0	1	2	1	4	1	2	0	3	23
Sub total	50	43	48	30	32	35	28	38	34	29	37	29	433

fr Rentapao to Port Vila

Time	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	Sub total
Car	13	7	8	7	4	3	5	6	6	4	6	9	78
Taxi	6	2	0	3	0	3	2	2	3	4	4	3	32
Bus	4	7	10	4	5	5	8	2	3	4	8	11	71
Truck	16	19	18	10	14	11	16	11	17	19	16	18	185
Heavy Truck	0	3	2	3	0	2	1	2	0	3	1	1	18
Sub total	39	38	38	27	23	24	32	23	29	34	35	42	384

21-Mar-03 (Fri)

At Rentapao Bridge  
fr Teouma to Eton

Time	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	Sub total
Car	2	3	4	3	4	3	4	2	4	3	5	5	42
Taxi	1	0	1	1	0	0	1	0	1	0	0	0	5
Bus	2	2	6	6	2	0	0	0	0	2	3	1	24
Truck	5	4	2	0	2	5	4	4	3	6	6	5	46
Heavy Truck	2	4	1	0	1	0	0	3	0	2	2	3	18
Sub total	12	13	14	10	9	8	9	9	8	13	16	14	135

fr Eton to Teouma

Time	7-8	8-9	9-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	Sub total
Car	4	4	4	3	2	2	4	3	4	5	3	5	43
Taxi	0	0	0	2	0	0	1	2	0	0	1	0	6
Bus	3	1	2	0	0	0	5	0	1	0	1	3	16
Truck	4	6	7	0	5	2	1	2	4	7	10	1	49
Heavy Truck	2	2	2	2	0	1	1	2	1	2	4	5	24
Sub total	13	13	15	7	7	5	12	9	10	14	19	14	138