

PROJECT SITE

No.	Site	Course/Section/Contents	
1	Nukus Polytechnic PC	1,1	Metal works
		1,2	Welding
2	Urgench Medical PC	2,1	Nursing
		2,2	Pharmacology
3	Namangan Agro-Economics PC	3,1	Veterinary
		3,2	Agronomy
4	Asaka Agricultural PC	4,1	O&M of agricultural machines and equipment
5	Kokand PC of Human Services	5,1	Public catering
		5,2	Repair & service of radio engineering and tele-equipment
6	Bukhara Construction and Municipal PC	6,1	Installation & repair of equipment for gas supply system
		6,2	Installation of electric networks and equipment
7	Beshkent Agricultural PC	7,1	Zoo-technics
		7,2	Technology for preservation of agricultural products
8	Urugut PC of Construction and National Handicraft	8,1	Joiner's carpentry and parquet works
9	Tashkent Technologic PC	9,1	Food processing (bread, sweets, macaronis, confectionary)
		9,2	O&M of equipment for food production
10	Common Equipment for 9 PCs	10	Audio-visual equipment, vehicle
11	Institute for Development of Secondary Specialized, Vocational Education (IDSSVE)	11,3	Computers and network equipment
			Printing machines and equipment

Japan's Grant Aid Program

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

1. Grant Aid Procedures

- (1) Japan's Grant Aid Scheme is executed through the following procedures.
 - a) Application (Request made by a recipient country)
 - b) Study (Basic Design Study conducted by JICA)
 - c) Appraisal & Approval (Appraisal by the Government of Japan and approval by Cabinet)
 - d) Determination of Implementation (The Notes exchanged between the Governments of Japan and the recipient country)
 - e) Implementation (Implementation of the Project)

(2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (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 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 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.

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" 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.

(3) 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, 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.)

(4) 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 to Japanese taxpayers.

(5) Undertakings required to 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 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 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.

(6) "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.

(7) "Re-export"

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

(8) 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 A/P issued by the Government of 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.

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Handwritten signature

Major undertakings by each government

No.	Items	To be covered by Grant Aid	To be covered by Recipient side
1	To bear the following commissions to a bank of Japan for the banking services based upon the B/A		
	1) Advising commission of A/P		•
	2) Payment commission		•
2	To ensure prompt unloading and customs clearance at the port of disembarkation in recipient country		
	1) Marine(Air) transportation of the products from Japan to the recipient country	•	
	2) Tax exemption and customs clearance of the products at the port of disembarkation		•
	3) Internal transportation from the port of disembarkation to the project site	(•)	(•)
3	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		•
4	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		•
5	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant		•
6	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for transportation and installation of the equipment		•

Necessary measures to be taken by the Uzbekistan side

The following necessary measures should be taken by the Uzbekistan side on condition that the Grant Aid by the Government of Japan is extended to the Project.

1. To provide necessary data and information whenever the Japanese side requests;
2. To allocate enough budget to procure required spare parts and materials necessary for operation and maintenance;
3. To allocate enough numbers of engineers and administration staff for the Project;
4. To secure a route to transport and deliver machinery and equipment for installation;
5. To provide a safe storage place for machinery and equipment after delivery and before installation; and
6. To obtain documents required for obtaining the approval or permit for landing and customs clearance of machinery and equipment to be imported for the project, together with bearing necessary expenses including charges and fees.



Appendix-7 Cost Estimation Born by the Recipient Country

(Unit: Soum)

No.	Work Item	Nukus Polytechnic PC	Urgench Medical PC	Namangan Agro-Economics PC	Asaka Agricultural PC	Kokand PC of Human Services	Bukhara Construction and Municipal PC	Beshkent Agricultural PC	Urugut PC of Construction and National Handicraft	Tashkent Technologic PC	Institute for Development of Secondary Specialized, Vocational Education (IDSSE)	Total
		1	2	3	4	5	6	7	8	9	10	
1	Floor Repair										9,624,000	9,624,000
2	Electric Wiring							36,000	300,000	90,000	2,520,000	2,946,000
3	Water Supply							120,000			1,200,000	1,320,000
4	Gas Supply						270,000					270,000
5	Ventilation	180,000			180,000	150,000		180,000			3,000,000	3,690,000
6	Window/wall Repair										1,320,000	1,320,000
7	Removal of Existing	240,000		270,000						210,000		720,000
8	Mortar Work					60,000				540,000		600,000
9	Heat Supply				180,000			240,000			1,800,000	2,220,000
10	Power Distribution	420,000								480,000	1,200,000	2,100,000
11	Fighter Fighting System	900,000	3,300,000					2,100,000				6,300,000
12	Glass Work	90,000						300,000				390,000
13	Drainage	180,000						390,000			1,080,000	1,650,000
14	Wall Repair										1,080,000	1,080,000
15	Door Repair										2,640,000	2,640,000
16	Interior Work										10,320,000	10,320,000
	Security System										1,320,000	1,320,000
17	Misc. Works	603,000	990,000	81,000	108,000	63,000	81,000	1,009,800	90,000	396,000	11,131,200	14,553,000
	Total	2,613,000	4,290,000	351,000	468,000	273,000	351,000	4,375,800	390,000	1,716,000	48,235,200	63,063,000

Source: CSSVE

Appendix 8 Reference

	Title	Q'ty	Issuing Agent	Contents
1	Industrial Statistics 2001	1	Ministry of Macroeconomics and Statistics	National statistics of industrial sector (in Russian)
2	Socio-economic Statistics 2001	1	Ministry of Macroeconomics and Statistics	National statistics of socio-economic sector (in Russian)
3	Regional Statistical Year Book 2001	1	Ministry of Macroeconomics and Statistics	Statistics by regions (in Russian)
4	Demographic Statistic 1991-2001	1	Ministry of Macroeconomics and Statistics	National demographic statistics (in Russian)
5	Answers to the Questions (Russian)	1	CSSVE	A set of answers to the questions raised by the Basic Design Study Team of JICA (in Russian)
6	Answers to the Questions (English)	1	CSSVE	A set of answers to the questions raised by the Basic Design Study Team of JICA (in English)
7	Curricula for Teachers' Retraining	1	MHSSE	Curricula for retraining courses of teachers and other pedagogical staff (in Russian)
8	Data of 9 Professional Colleges	1	CSSVE	Answers to the questions raised by the Basic Design Study Team of JICA (in Russian)
9	CAB MIN Resolution No. 400	1	Cabinet of Ministers	Decree on establishing secondary specialized, vocational education system (in English)
10	Public Investment Programme 200-2002	1	Ministry of Macroeconomics and Statistics	National investment plan for the public sector
11	Country Strategy and Program Update (2002-2004) - Uzbekistan	1	Asian Development Bank	ADB's assistance strategy towards Uzbekistan
12	Country Assistance Plan (2001-2003) - Uzbekistan	1	Asian Development Bank	ADB's assistance plan towards Uzbekistan