

Appendices

- Appendix 1. Member List of the Survey Team**
- Appendix 2. Survey Schedule**
- Appendix 3. List of Party Concerned in Eritrea**
- Appendix 4. Minutes of Discussion**
- Appendix 5. Other Relevant Data**

Appendix 1. Member List of the Survey Team

1.1 First site survey (March 7th, 2003 – March 25th, 2003)

Name	Job title	Occupation
Mr. Shigeru SUGIYAMA	Team Leader	Officer, Third Project Management Division, Grant Aid Management Department, JICA
Ms. Misa KEMMIYA	Project Management	Assistant Representative, Nairobi Office, JICA
Mr. Shozo INOUE	Chief Consultant/ Road Engineer	Construction Project Consultants, Inc.
Mr. Kazumasa TADA	Bridge Engineer	NIPPON KOEI CO., LTD.
Ms. Shinichiro WATANABE	Hydrology Engineer/Bridge Engineer	NIPPON KOEI CO., LTD.

1.2 Second site survey(January 15th, 2004 – February 28th, 2004)

Name	Job title	Occupation
Mr. Yoshio KURASHINA	Team Leader	Deputy Director, Grant Aid Management Dept., JICA, Third Project Management Division, Grant Aid Management Department, JICA
Ms. Misa KEMMIYA	Project Management	Assistant Representative, Nairobi Office, JICA
Mr. Shozo INOUE	Chief Consultant/ Road Engineer	Construction Project Consultants, Inc.
Mr. Kazumasa TADA	Bridge Engineer	NIPPON KOEI CO., LTD.
Mr. Kazuharu KOISHIKAWA	Hydrology Engineer/Bridge Engineer	Construction Project Consultants, Inc.
Mr. Tsuyoshi YOSHIDA	Natural Condition Surveyor	NIPPON KOEI CO., LTD
Mr. Tetsumi MASUI	Cost Estimator/ Construction Planner	Construction Project Consultants, Inc.

1.3 Third site survey (April 23rd - May 2nd, 2004 & May 20th – June 3rd, 2004)

Name	Job title	Occupation
Ms. Misa KEMMIYA	Team Leader	Assistant Representative, Nairobi Office, JICA
Mr. Shozo INOUE	Chief Consultant/ Road Engineer	Construction Project Consultants, Inc.
Mr. Kazumasa TADA	Bridge Engineer	NIPPON KOEI CO., LTD.
Mr. Kanji WATANABE	Environmental Expert	Construction Project Consultants, Inc.

Appendix 2. Survey Schedule

2.1 First site survey (March 7th, 2003 – March 25th, 2003)

No.	Date		Schedule	Remarks
1	7Mar	Fri	TYO(18:45/JL707)~BKK~DBX~	Mr. INOUE & Mr. TADA only
2	8 Mar	Sat	NBO(12 : 15/EK719)	
3	9 Mar	Sun	NBO(0930/BA8661)→ASM(1430)	Participating of Mr. SUGIYAMA & Ms. KEMMIYA to Team
4	10 Mar	Mon	Courtesy call and discussion with MPEC(*1), MOPW(*2) and UNMEE(*3)	
5	11 Mar	Tue	Site survey (Stay in Massawa)	
6	12 Mar	Wed	Site survey, Visit to Massawa Port	
7	13 Mar	Thu	Discussion of Minutes of Discussions	
8	14 Mar	Fri	Discussion of Minutes of Discussions	
9	15 Mar	Sat	Data collection, Signing of Minutes of Discussions	
10	16 Mar	Sun	Internal Meeting	Leave from Asmara (Mr. SUGIYAMA & Ms. KEMMIYA BA8662), Arrival to Asmara (Mr. WatanabBA 8661)

11	17 Mar	Mon	Courtesy call and discussion to Eritrean Demining Agency, discussion to MOPW	
12	18 Mar	Tue	Site survey	
13	19 Mar	Wed	Discussion with MOPW, Site Survey	
14	20 Mar	Thu	Discussion with MOPW, Site Survey	
15	21 Mar	Fri	Discussion with MOPW, Site Survey	
16	22 Mar	Sat	Data collection	
17	23 Mar	Sun	ASM(1515/BA8662)→NBO(2015)	
18	24 Mar	Mon	NBO(18.20/EK724)~DBX~	
19	25Mar	Tue	~TYO(21.05/CX508)	

MPEC(*1) : Macro Policy Economic Coordination

MOPW(*2) : Ministry of Public Works

UNMEE(*3) : United Nations Mission in Ethiopia and Eritrea

2.2 Second site survey(January 15th, 2004 – February 28th, 2004)

No.	Date		Schedule	Remarks
1	15 Jan	Thu	TYO(18:45/JL707)~BKK~DBX~	Mr.INOUE, Mr.TADA & Mr.KOISHIKAWA only
2	16 Jan	Fri	NBO(12 : 15/EK723)	
3	17 Jan	Sat	Internal Meeting	
4	18 Jan	Sun	NBO(0930/BA8661)→ASM(1430)	
5	19 Jan	Mon	Discussion with MOPW and EDA(*1)	
6	20 Jan	Tue	Discussion with MOPW	Arrival to Asmara (Mr.KURASHINA & Ms.Kemmiy BA8663)
7	21 Jan	Wed	Courtesy call and discussion with MOND(*2)、MOFA(*3) & Ronco(*4), Site Visit	
8	22 Jan	Thu	Discussion with MOPW & EDA, Courtesy call with Consulate of Japan	
9	23 Jan	Fri	Signing of Minutes of Discussions	
10	24 Jan	Sat	Site Survey of GINGAE Bridge	
11	25 Jan	Sun	Internal Meeting	Leave from Asmara (Mr.KURASHINALH653) Leave from Asmara (Ms. Kemmiya BA8662)
12	26 Jan	Mon	Discussion with MOPW, Data Collection	

13	27Jan	Tue	Discussion with MOPW and EDA, Site Survey	Arrival to Asmara (Mr.YOSHIDA BA8663)
14	28 Jan	Wed	Site Survey & Data Collection	
15	29 Jan	Thu	Site Survey & Data Collection	
16	30 Jan	Fri	Site Survey & Data Collection	
17	31 Jan	Sat	Site Survey & Data Collection	
18	1 Feb	Sun	Internal Meeting	Arrival to Asmara (Mr.MASUI BA8661)
19	2 Feb	Mon	Site Survey & Data Collection	
20	3 Feb	Tue	Site Survey & Data Collection	
21	4 Feb	Wed	Site Survey & Data Collection	
22	5 Feb	Thu	Site Survey & Data Collection	
23	6 Feb	Fri	Site Survey & Data Collection	
24	7 Feb	Sat	Site Survey & Data Collection	
25	8 Feb	Sun	Internal Meeting	
26	9 Feb	Mon	Site Survey & Data Collection	
27	10 Feb	Tue	Site Survey & Data Collection	
28	11 Feb	Wed	Site Survey & Data Collection	
29	12 Feb	Thu	Site Survey & Data Collection	
30	13 Feb	Fri	Site Survey & Data Collection	Leave from Asmara (Mr. INOUE BA8674)
31	14 Feb	Sat	Site Survey & Data Collection	
32	15 Feb	Sun	Internal Meeting	
33	16 Feb	Mon	Site Survey & Data Collection	
34	17 Feb	Tue	Site Survey & Data Collection	
35	18 Feb	Wed	Site Survey & Data Collection	
36	19 Feb	Thu	Site Survey & Data Collection	
37	20 Feb	Fri	Site Survey & Data Collection	
38	21 Feb	Sat	Site Survey & Data Collection	
39	22 Feb	Sun	Internal Meeting	Leave from Asmara (Mr. TADA & Mr.YOSHIDA BA8662)
40	23 Feb	Mon	Site Survey & Data Collection	
41	24Feb	Tue	Site Survey & Data Collection	
42	25Feb	Wed	Site Survey & Data Collection	
43	26 Feb	Thu	Site Survey & Data Collection	
44	27 Feb	Fri	ASM(0100/BA8674)~NBO~	
45	28 Feb	Sat	DBX~KANSAI~HANEDA (18:40/JL344)	

EDA(*1) : Eritrean Demining Authority

MOND(*2) : Ministry of National Development

MOFA(*3) : Ministry of Foreign Affairs

Ronco(*4) : Ronco Consulting Firm

2.3 Third site survey(April 23th - May 2nd, 2004 & May 20th - June 3rd, 2004)

(Environmental Expert Schedule)

No.	Date		Schedule	Remarks
1	April 23	Fri	TYO(15:45/JL703)~BKK~DBX~	Mr. WATANABE only
2	April 24	Sat	NBO(12 : 15/EK719)	
3	April 25	Sun	NBO(0930/BA8661)→ASM(1430)	
4	April 26	Mon	Discussion with MOPW	
5	April 27	Tue	Site Survey	
6	April 28	Wed	Site Survey	
7	April 29	Thu	Discussion with MOPW	
8	April 30	Fri	ASM(0315/BA8674) ~ NBO~	
9	May 1	Sat	~DBX~BKK~	
10	May 2	Sun	Narita (06 : 45/JL704)	

(Schedule of Explanatory Mission)

No.	Date		Schedule	Remarks
1	20	May Thu	TYO(11:00/JL717)~BKK~DBX~	Mr.INOUE & Mr.TADA only
2	21	May Fri	NBO(12 : 10/EK723)	
3	22	May Sat	Internal Meeting	
4	23	May Sun	NBO(0930/BA8661)→ASM(1430)	Participating of Ms.KEMMIYA to Team
5	24	May Mon	Site Inspection, Internal Meeting	
6	25	May Tue	Courtesy call with MOND and MOPW	
7	26	May Wed	Discussion with MOND and MOPW	
8	27	May Thu	Signing of Minutes of Discussions, Courtesy call with Consulate of Japan	
9	28	May Fri	Site Survey	

10	29	May	Sat	Site Survey, Data Collection	
11	30	May	Sun	Internal Meeting	Leave from Asmara (Ms. KEMMIYA BA8662)
12	31	May	Mon	Discussion with MOPW, Data Collection	
13	1	JUNE	Tue	Discussion with MOPW	
14	2	JUNE	Wed	ASM(0230/BA8663)~ NBO~	
15	3	JUNE	Thu	DBX~KANSAI~HANEDA (19:45/JL1316)	

Appendix 3. List of Party Concerned in Eritrea

3.1 First site survey (March 7th, 2003 – March 25th, 2003)

International Economic Cooperation Macro Policy/Economic Coordination, Office of President

Dr. Woldai Futur : Economic Advisor to the Government of Eritrea
Mr. Solomon Tecele : Expert

Ministry of Publics Works

Mr. Abraha Asfana : Miister
Mr. Kidane Berhane : Director General, Infrastructure Department
Mr. Petros Tseggay : Hydrologist, Infrastructure Department
Mr. Michael Asmelash : Highway Engineer
Infrastructure Department
Mr. Tullio Marrama : Consulting Engineer,
Infrastructure Department

Eritrean Demining Authority

Mr. Tesfai Isaak : General Director(Brigadier General)
Mr. Habtom Seghid : Deputy General Director
Mr. Fitsum Tesfal : Deminer, Millitary Engineering(Major)

Massawa Port

Mr. Araia Tsegai : General Director

World Bank

Mr. Emanuel Y Abio : Resident Representative

United Nations Mission for Ethiopia-Eritrea

Mr. Gehrhard Bechtold : MACC
Mr. Justin Brady : UNDP-LIS

Ministry of land, Water & Environment

Mr. Fessehaie Tedla : Director of Environmental Management
Department of Environment

Honorary Consulate General of Japan

Mr. Michael Beyene : Honorary Consul

Embassy of Japan in Kenya

Mr. Shigemichi Majima : Second Secretary

JICA Office in Kenya

Mr. Shinichi Matsuura : Deputy Resident Representative

3.2 Second site survey(January 15th, 2004 – February 28th, 2004)

Ministry of National Development

Dr. Woldai Futur : Minister

Mr. Solomon Tecele : Expert

Ministry of Publics Works

Mr. Abraha Asfana : Minister

Mr. Kidane Berhane : Director General, Infrastructure Department

Mr. Petros Tseggay : Hydrologist, Infrastructure Department

Mr. Tesfayohannes Okubay : Civil Engineer
Infrastructure Department

Eritrean Demining Authority

Mr. Tesfai Isaak : General Director(Brigadier General)

Mr. Habtom Seghid : Deputy General Director

Mr. Fitsum Tesfal : Deminer, Military Engineering(Major)

Ronco

Mr. Will Haynes : Chief of Party

Honorary Consulate General of Japan

Mr. Michael Beyene : Honorary Consul

Embassy of Japan in Kenya

Mr. Shigemichi Majima : Second Secretary

JICA Office in Kenya

Mr. Masaaki Otsuka : Resident Representative
Mr. Shinichi Matsuura : Deputy Resident Representative

JICA Liason Office in Eritrea

Mr.G.Michael Stephanos : Liaison Officer

3.3 Third site survey(April 23rd – May 2nd, 2004 & May 20th – June 3rd, 2004)

Ministry of National Development

Dr. Woldai Futur : Minister
Mr. Solomon Tecele : Expert

Ministry of Publics Works

Mr. Abraha Asfana : Minister
Mr. Kidane Berhane : Director General, Infrastructure Department
Mr. Fekadu Ghebremedhin : Director of Infrastructure Department
Mr. Petros Tsegay : Hydrologist, Infrastructure Department

Honorary Consulate General of Japan

Mr. Michael Beyene : Honorary Consul

USAID

Mr.Mehrethead Araia : Administrative Specialist

Embassy of Japan in Kenya

Mr. Takuji Hanawa : Deputy Chief of Mission
Mr. Osamu SUWA : Second Secretary

JICA Office in Kenya

Mr. Masaaki Otsuka : Resident Representative

JICA Expert in Eritrea

Ms. Hanako Watabe : JICA Expert

JICA Liason Office in Eritrea

Mr.G.Michael Stephanos : Liaison Officer

Appendix 4. Minutes of Discussions

4. 1 First site survey(March 7th, 2003 – March 25th, 2003)

4. 2 Second site survey(January 15th, 2004 – February 28th, 2004)

- 4, 3 Third site survey(April 23th – May 2nd, 2004 & May 20th – June 3rd, 2004)

**Minutes of Discussions
on the Basic Design Study
on the Project for Rehabilitation of Bridges on the Asmara - Massawa Road
in the State of Eritrea**

In response to a request from the Government of the State of Eritrea (hereinafter referred to as "Eritrea"), the Government of Japan decided to conduct a Basic Design Study on the Project for Rehabilitation of Bridges on the Asmara - Massawa Road (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA dispatched to Eritrea the Basic Design Study Team (hereinafter referred to as "the Team"), headed by Shigeru Sugiyama, an officer of the Third Project Management Division, the Grant Aid Management Department, JICA, and the Team is scheduled to stay in the country from March 9 to 30, 2003.

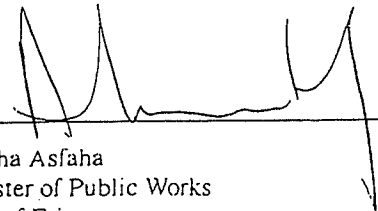
The Team held discussions with the officials concerned of the Government of Eritrea and conducted a field survey at the study area.

In the course of discussions and field survey, both sides confirmed the main items described in the attached sheets. The Team will proceed to further works and prepare the interim report.

Asmara, March 15, 2003



Shigeru Sugiyama
Leader
Basic Design Study Team
Japan International Cooperation Agency



Abraha Asfaha
Minister of Public Works
State of Eritrea



Dr. Woldai Futur
Economic Advisor to the Government of Eritrea
International Cooperation Macro
Policy/Economic Coordination Office of the
President
State of Eritrea



Kidane Berhane
Director General
Infrastructure Department
Ministry of Public Works
State of Eritrea

ATTACHMENT

1. Objective of the Project

The objective of the Project is to secure a smooth traffic on the Asmara – Massawa Road by rehabilitation of the bridges.

2. Project Site

The Project sites are located on the Asmara – Massawa Road as shown in Annex-1.

3. Responsible and Implementing Organizations

The responsible ministry is the Ministry of Public Works (MOPW).

The implementing organization is the Infrastructure Department, MOPW.

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

4. Components requested by the Government of Eritrea

As the result of discussions, requested bridges and their priorities by the Eritrean side were confirmed as below:

<u>Priority</u>	<u>Bridge Name</u>
1.	Einculu Bridge
2.	Gindae Bridge
3.	Gahtelay1 Bridge
4.	Dogali2 Bridge
5.	Dogali1 Bridge
6.	Gahtelay2 Bridge

JICA will assess the appropriateness of the request and will recommend to the Government of Japan for approval.

5. Japan's Grant Aid Scheme

5-1. The Eritrean side understands the Japan's Grant Aid scheme explained by the Team, as described in Annex-3.

5-2. The Eritrean side will take the 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

6-1. The consultants will proceed to further studies in Eritrea until March 30, 2003.

6-2. JICA will prepare the interim report in English and dispatch a mission to Eritrea in order to explain its contents and to continue the Basic Design Study at the sites around June, 2003.

6-3. JICA will prepare the draft report in English and dispatch a mission to Eritrea in order to explain its contents around October, 2003.

6-4. In case that the contents of the report is accepted in principle by the Government of Eritrea, JICA will complete the final report and send it to the Government of Eritrea by March, 2004.

7. Other Relevant Issues

7-1. The Eritrean side shall assign necessary counterpart personnel for the Team during their studies in Eritrea.

7-2. The Eritrean side shall submit answers in English to the questionnaire, which the Team handed to the Eritrean side by March 16, 2003.

7-3. The Eritrean side shall confirm the requirement of the laws and/or regulations on Environmental Impact Assessment related to the Project, and shall take the necessary actions to obtain the approval in a timely manner.

7-4. In order to secure fairness, transparency and competitiveness of the tendering of the Project, the Eritrean side shall not disclose the technical details of the Basic Design Study to third parties.

7-5. The Eritrean side shall secure the land necessary for construction of the bridges before its commencement.

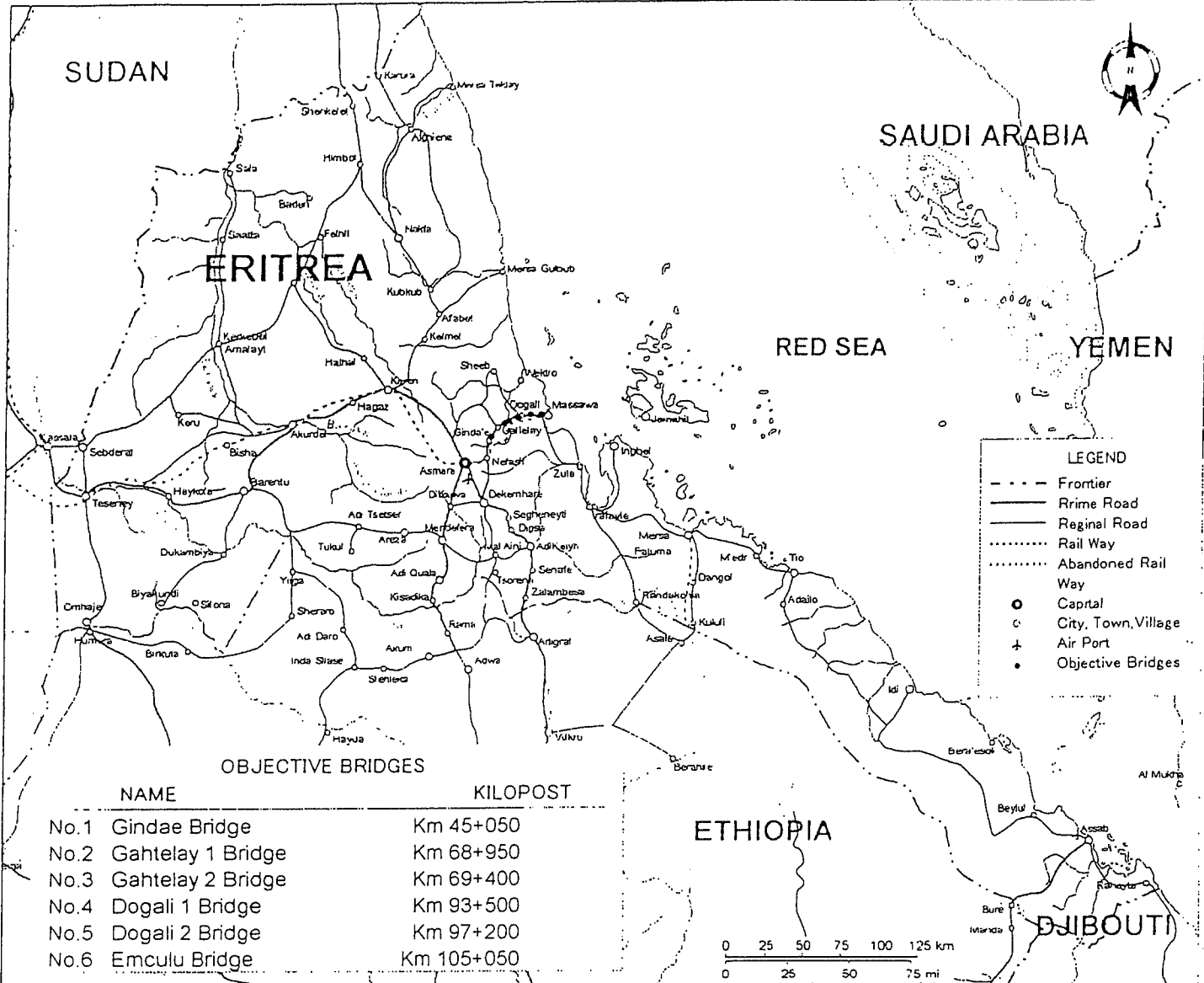
7-6. The Eritrean side shall provide necessary permissions, licenses and other authorizations for smooth implementation of the Project, as required.

7-7. The Eritrean side shall exempt the Japanese juridical and physical nationals engaged in the Project from customs duties, internal taxes including Value Added Tax, and other physical levies which may be imposed in Eritrea with respect to the products and services under the verified contracts.

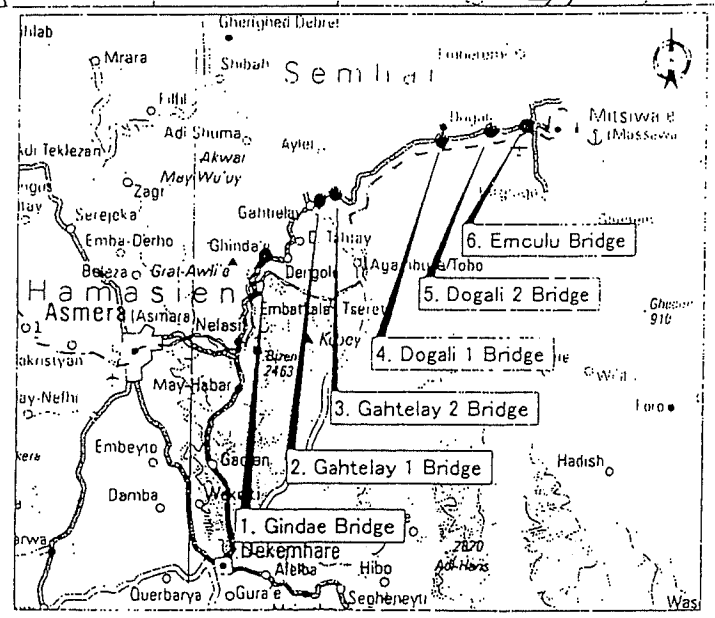
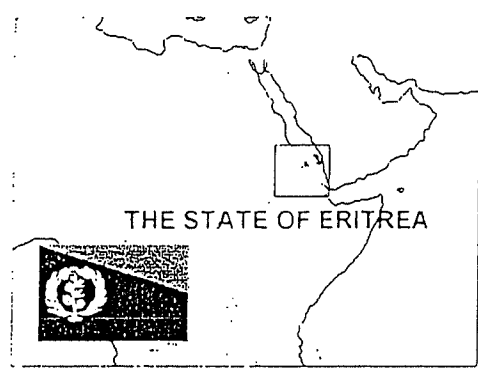
7-8. The Eritrean side shall ensure enough budget and personnel to properly maintain the bridges after the completion of the Project.

7-9. In order to ensure the safety of the personnel concerned of the Project, both sides agreed that any field activities at the ground and underground level should be limited to the areas that freeness from explosive materials such as land mines / UXOs were physically confirmed and guaranteed by the Eritrean side.



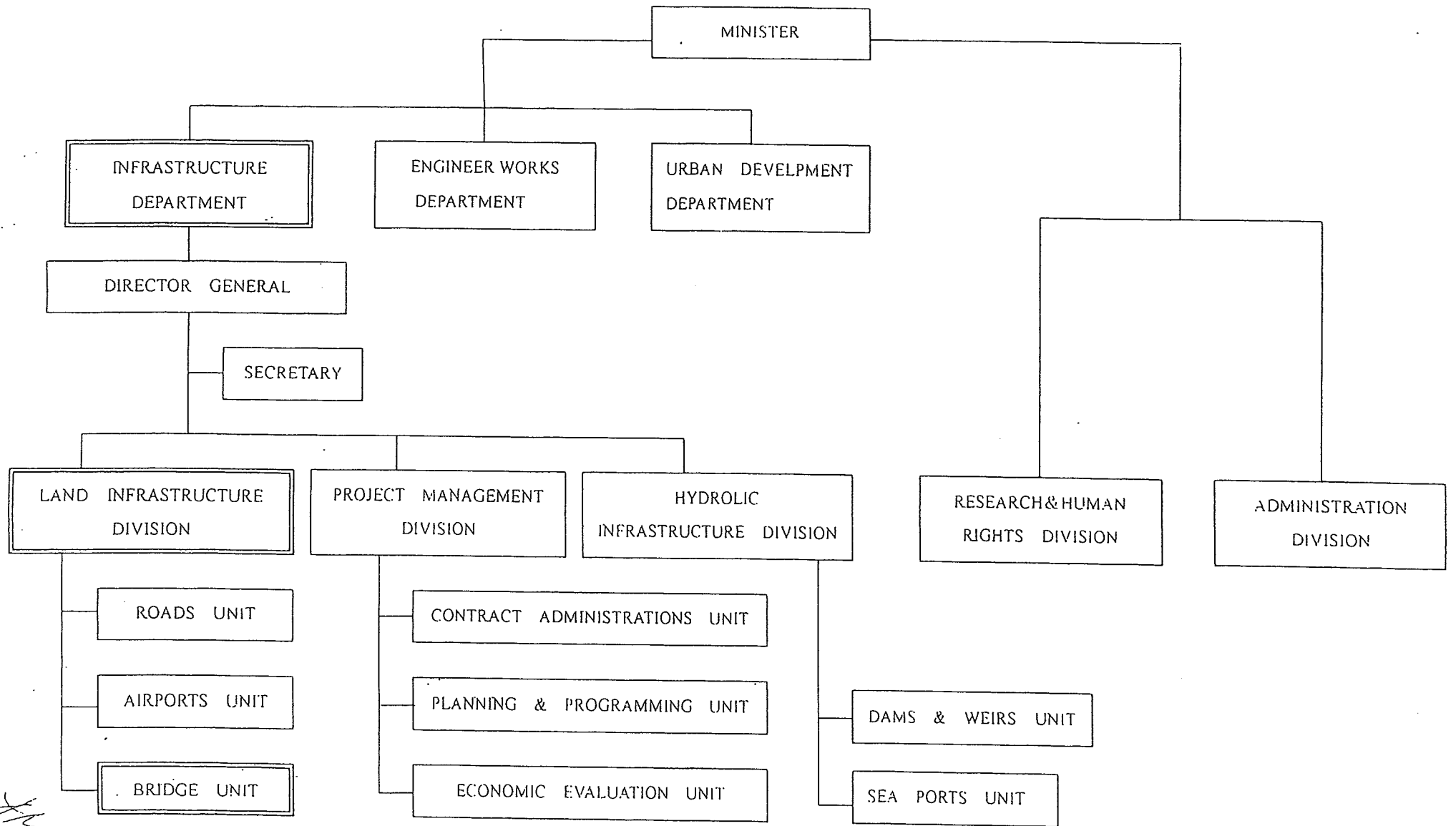


NAME	KILOPOST
No.1 Gindae Bridge	Km 45+050
No.2 Gahtelay 1 Bridge	Km 68+950
No.3 Gahtelay 2 Bridge	Km 69+400
No.4 Dogali 1 Bridge	Km 93+500
No.5 Dogali 2 Bridge	Km 97+200
No.6 Emculu Bridge	Km 105+050



THE BASIC DESIGN STUDY ON
THE PROJECT FOR REHABILITATION OF BRIDGES ON THE ASMARA-MASSAWA ROAD
IN THE STATE OF ERITREA

15



ORGANIZATION CHART OF MINISTRY OF PUBLIC WORKS

JAPAN'S GRANT AID SCHEME

(Annex-3)

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 a recipient country)
Study	(Basic Design Study conducted by JICA)
Appraisal & Approval	(Appraisal by the Government of Japan and Approval by Cabinet)
Determination of	(The Notes exchanged between the Governments of Japan
Implementation	and the recipient 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 the 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 Japanese consulting firms.

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 smooth 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:

- Confirmation of the background, objectives, and benefits of the requested 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 upon by both parties concerning the basic concept of the Project.
- Preparation of a Basic Design of the Project.
- Estimation of cost 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 registered consulting firms. JICA selects firms based on proposals submitted by interested firms. The firms selected carry out a Basic Design Study and write a report, based upon terms of reference set by JICA.

The consulting firms used for the Study 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 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 natural 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.)

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 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 execution 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 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 operate and maintain the 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.

7) "Re-export"

The products purchased under the Grant Aid should 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.

Handwritten signature or initials, possibly 'AA' or 'AA/AA', written in black ink.

Major Undertakings to be taken by Each Government

NO	Items	To be covered by Grant Aid	To be covered by Recipient side
1	To secure land		●
2	To clear, level and reclaim the site when needed		●
3	To construct gates and fences in and around the site		●
4	To construct roads		
	1) Within the site	●	
	2) Outside the site		●
5	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		●
6	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	(●)	(●)
7	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		●
8	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contract		●
9	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid		●
10	To bear all expenses, other than those to be borne by the Grant Aid, necessary for construction of the facilities		●

B/A : Banking Arrangement

A/P : Authorization to Pay

Minutes of Discussions
on the Basic Design Study
on the Project for Rehabilitation of Bridges on the Asmara - Massawa Road
in the State of Eritrea
(The second field study)

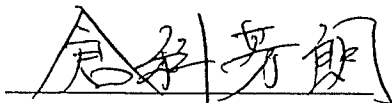
In response to a request from the Government of the State of Eritrea (hereinafter referred to as "Eritrea"), the Government of Japan decided to conduct a Basic Design Study on the Project for Rehabilitation of Bridges on the Asmara - Massawa Road (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA dispatched to Eritrea the Basic Design Study Team (hereinafter referred to as "the Team"), headed by Yoshiro KURASHINA, a Deputy Director of the Third Project Management Division, the Grant Aid Management Department, JICA, and the Team is scheduled to stay in the country from January 18 to February 26, 2004.

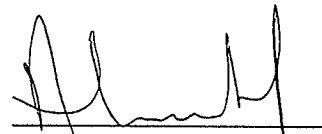
The Team held discussions with the officials concerned of the Government of Eritrea and conducted a field survey at the study area.

In the course of discussions and field survey, both sides confirmed the main items described in the attached sheets. The Team will proceed to further works and prepare the draft report.

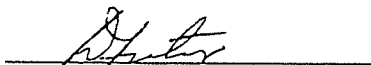
Asmara, January 23, 2004



Yoshiro Kurashina
Leader
Basic Design Study Team
Japan International Cooperation Agency



Abraha Asfaha
Minister for Public Works
State of Eritrea



Woldai Futur
Minister for National Development
State of Eritrea



Kidane Berhane
Director General
Department of Infrastructure
Ministry of Public Works
State of Eritrea

ATTACHMENT

1. Components of the Interim Report

The Eritrean side agreed and accepted in principle the components of the interim draft report explained by the Team.

2. Items Requested by the Eritrean Side

As the result of the first field study and the first analysis in Japan, the components of the Project recommended by JICA and finally requested by the Eritrean side are as remarked follows.

- Gindae Bridge: A new bridge to be constructed on the new bypass route. (Annex-1)
The present bridge will be limited to traffic of light vehicles.
- Gahtelai-1 Bridge: Superstructures to be replaced. Substructures to be repaired if necessary.
- Gahtelai-2 Bridge: Replacements and maintenance works to be unnecessary and excluded from the Project.
- Dogali-1 Bridge: Repair works to be conducted.
- Dogali-2 Bridge: A new bridge to be constructed near by the present position.
- Emculu Bridge: Repair works to be considered subject to further investigation.

The Team will also conduct further studies on the bypass roads at Gindae Bridge.

JICA will assess the appropriateness of the requests and recommend the result, contents of the final report, to the Government of Japan.

3. Japan's Grant Aid Scheme

The Eritrean side understands the Japan's Grant Aid scheme and the necessary measures to be taken by the Eritrean side as explained by the Team and described in Annex-3 and Annex-4 of the Minutes of Discussions signed by both sides on March 15, 2003.

4. Schedule of the Study

4-1. Consultant members will proceed to further studies in Eritrea until February 26, 2004.

4-2. JICA will prepare the draft final report in English and dispatch a mission to Eritrea in order to explain its contents around the end of May, 2004.

4-3. After the contents are reviewed and are accepted in principle by the Government of Eritrea, JICA will complete the final report and send it to the Government of Eritrea by July, 2004.

5. Other Relevant Issues

5-1. Although the mine inspection and clearance necessary for the Study has been completed, the Eritrean side shall be responsible to make the Project site free of mines, if necessary. Before the detailed design stage the Eritrean side will make the whole sites of the Project free of mines and keep the condition free of mines during detailed design stage and construction stage.

5-2. The Eritrean side will construct the connection roads, temporary roads and temporary bridges and demolish the temporary roads and temporary bridges by its own budget to provide smooth passage for traffic during construction period. The old bridges will be managed by the Government of Eritrea. In case that the superstructure of the Gahtelai 1 Bridge is to be replaced, the Japanese side will demolish the old superstructure for smooth schedule management.

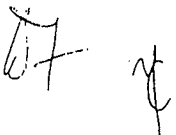
5-3. The section of Km0+000~Km1+110 (refer to Annex-1) of the bypass roads at Gindae Bridge shall be roughly constructed by the government of Eritrea and shall be ready before the implementation of new Gindae Bridge. However, the river training works at the Gindae Bridge can be built by the Government of Eritrea immediately after the construction of the bridge is completed.

5-4. If the land acquisition for construction of the bridges and the bypass is necessary, the Eritrean side shall complete the procedure for acquisition of necessary lands before the cabinet decision for the Project in Japan.

5-5. The procedures necessary for the approval of EIA (Environmental Impact Assessment) for the Project, including construction of the bypass roads at Gindae Bridge, shall be implemented by the Eritrean side before the cabinet decision for the Project in Japan.

5-6. In the process of land acquisition and EIA, the Government of Eritrea shall make full explanation to stakeholders on environmental and social impacts of the Project in advance and make the procedure disclosed to public in order to maintain accountability and participation of various stakeholders. The Team explained that the government of Japan had a policy of suspending the implementation of the Project unless the process of land acquisition and EIA would be completed and satisfied with above-mentioned conditions. The process of land acquisition and EIA will be monitored by the Team.

5-7. The Eritrean side shall provide necessary permissions, licenses and other authorizations for smooth implementation of the Project, as required. The Eritrean side shall inform the Team of the procedures of tax exemption for the Project by January 31, 2004.



End Point

← TO SHARAH

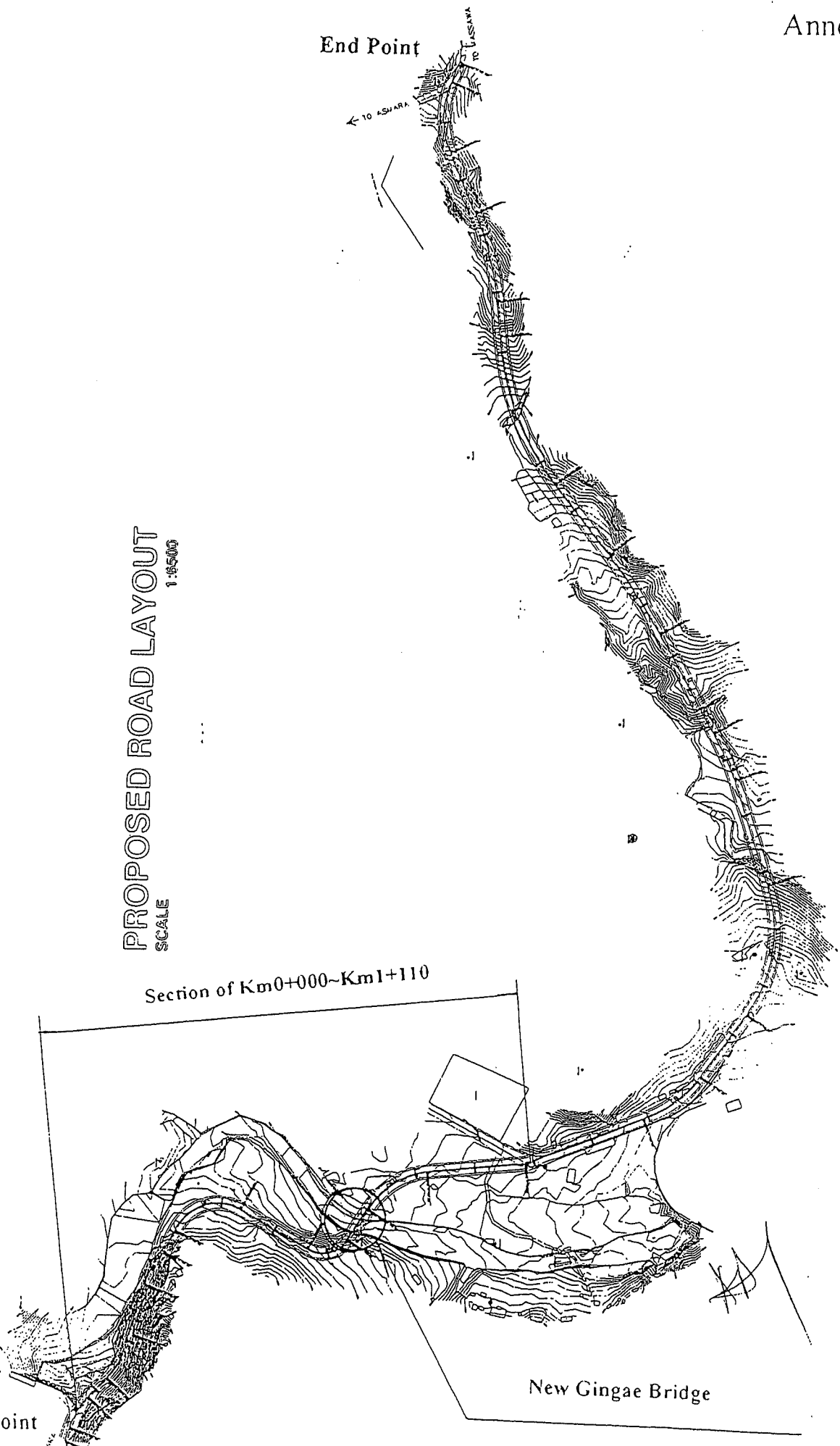
TO BISSAYA

PROPOSED ROAD LAYOUT
SCALE 1:6500

Section of Km0+000~Km1+110

Start Point

New Gingae Bridge



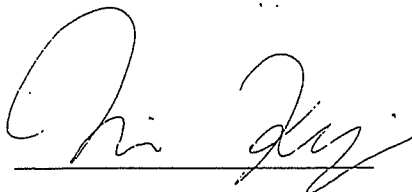
Minutes of Discussions
on the Basic Design Study
on the Project for Rehabilitation of Bridges on the Asmara - Massawa Road
in the State of Eritrea
(Explanation on Draft Report)

In January 2004, the Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched the Basic Design Study Team on the Project for Rehabilitation of Bridges on the Asmara – Massawa Road (hereinafter referred to as "the Project") to the State of Eritrea (hereinafter referred to as "Eritrea"), and through discussions, 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 with the officials concerned of the Government of Eritrea on the components of the draft report, JICA sent to Eritrea the Basic Design Explanation Team (hereinafter referred to as "the Team"), headed by Ms. Misa Kemmiya, an Assistant Resident Representative, JICA Kenya Office, from May 23 to 30, 2004.

As a result of discussions, both sides confirmed the main items described in the attached sheets.


Asmara, May 27, 2004



Misa Kemmiya
Leader
Basic Design Study Team
Japan International Cooperation Agency



Abraha Asfaha
Minister for Public Works
State of Eritrea



Dr. Woldai Futur
Minister for National Development
State of Eritrea



Kidane Berhane
Director General
Department of Infrastructure
Ministry of Public Works
State of Eritrea

ATTACHMENT

1. Components of the Draft Report

The Eritrean side agreed and accepted in principle the components of the draft report explained by the Team.

2. Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and send it to the Government of Eritrea by July, 2004.

3. Other Relevant Issues

3-1. The Eritrean side shall complete by its own budget the following administrative procedures and construction works in the assigned timetable.

The First Phase

- Gahtelay1 Bridge: Acquisition of Construction Permission by February, 2005.
Acquisition of Permission for Waste Disposal and Acquisition of Waste Disposal Sites by May, 2005.
Construction of Detour Roads by May, 2005.
- Dogali-2 Bridge: Acquisition of Construction Permission by February, 2005.
Acquisition of Construction Yards by June, 2005.
Construction of Connection Roads after Completion of the Construction of the Bridge by August, 2006 (The Bridge will be used immediately after completion of the Bridge with temporary roads used during construction).

The Second Phase

- Dogali-1 Bridge: Acquisition of Construction Permission by October, 2005.
Construction of Detour Roads by January, 2006.
- Emculu Bridge: Acquisition of Construction Permission by October, 2005.
Construction of Detour Roads by January, 2006.
- Gindae Bridge: Acquisition of Construction Permission by October, 2005.
Construction of Bypass Roads as Construction Temporary Roads by February, 2006.
Acquisition of Construction Yards by February, 2006.
Completion of the Construction of Gindae Bypass Roads by November, 2006.
Construction of Revetments immediately after Completion of the Bridge and the Bypass Roads Construction.

The Eritrean side shall send monthly progress reports of the bypass road project to the Japanese side during the term of the second phase.



3-2. The Eritrean side shall carry out the land acquisition and the Relocation of Residents in the Gindae bypass project based on Environmental Impact Assessment (EIA) Report prepared in May, 2004, by the Eritrean side in accordance with the Eritrean National Guidelines for Environmental and Social Considerations which are compatible with the JICA Guidelines. The environmental and social effects in the implementation phase and the consequences of the land acquisition and the relocation of residents will be monitored jointly by the Department of Environment and Japanese side.

3-3. Before the beginning of construction, the Eritrean side will ensure that all the sites of the Project are free of land mines and maintain them through out the construction stage.

