

Appendix 4 : Minutes of Discussions (M/D)

**Minutes of Discussions
on the Basic Design Study
on the Project for Improvement of Equipment for Road Maintenance
in the Kyrgyz Republic**

In response to a request from the Government of the Kyrgyz Republic, the Government of Japan decided to conduct a Basic Design Study on the Project for Improvement of Equipment for Road Maintenance (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to the Kyrgyz Republic the Basic Design Study Team (hereinafter referred to as "the Team"), headed by Mr. Satoshi Nakano, Resident Representative of the JICA Kyrgyz Republic Office, and is scheduled to stay in the country from September 27 to October 24, 2005.

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

In the course of the discussions and field survey, both sides have confirmed the main items described in the attached sheets.

Bishkek, October 5, 2005



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ATTACHMENT

1. Objective

The objective of the Project is to secure the traffic of some portion of main road between Bishkek and Torugult in Naryn Region by procuring the Equipment for road maintenance (hereinafter referred as "the Equipment"), so that inhabitants of Naryn Region benefit from the Project.

2. Project Site

The target site of the Project is shown in Annex-1.

Selection of detailed site will be confirmed later after the consultation of the consultants.

The section of Kyzyl-Bel Pass shall be excluded from the Project Site since the Kyrgyz side requested additionally to the Government of Japan.

3. Responsible and Implementing Organizations

(1) The responsible organization is the Ministry of Finance in the Kyrgyz Republic.

(2) The implementing organization is the Ministry of Transport and Communications (hereinafter referred to as "MOTC") of the Kyrgyz Republic. The organization chart of MOTC is shown in Annex-2.

4. Items Requested by the Government of the Kyrgyz Republic

After discussions, both sides confirmed for the main items for road maintenance work are as follows:

- Patching Work,
- Snow Removing Work,
- Recovery Work at Natural Disaster, and
- Asphalt Concrete Pavement Renewal Work

The component of the Equipment shall be selected based on above-mentioned criteria. The specifications of the Equipment shall be determined through the examination of MOTC's capability for road maintenance, the work volumes, the work schedule, and so on.

The Equipment list will be proposed in the Draft Basic Design Report (hereinafter referred as "the Draft Report").

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

5. Japan's Grant Aid Scheme

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

(2) The Kyrgyz side shall 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.

(3) The Kyrgyz side shall arrange the budget allocation for undertakings to be done by the Kyrgyz side described in Annex-4.

6. Schedule of the Study

- (1) The Team will proceed to further studies in the Kyrgyz Republic by October 24, 2005.
- (2) JICA will prepare the Draft Report in English and its executive summary in Russian and dispatch a Team to the Kyrgyz Republic in order to explain its contents around the middle of February, 2006.
- (3) In case that the contents of the Report are accepted in principle by the Government of the Kyrgyz Republic, JICA will complete the Final Report and send it to the Government of the Kyrgyz Republic by the end of May, 2006.

7. Necessity of Technical Transfers

- (1) The Kyrgyz side requested the consulting service for the operation and maintenance on the Equipment as one of the components of the Grant Aid.
- (2) The Kyrgyz side also requested the On-the-Job-Training (OJT) for the Equipment in the regional workshops into the Project.
- (3) The Team will study the contents and necessary terms and would propose the plan in the Draft Report.

8. Other Relevant Issues

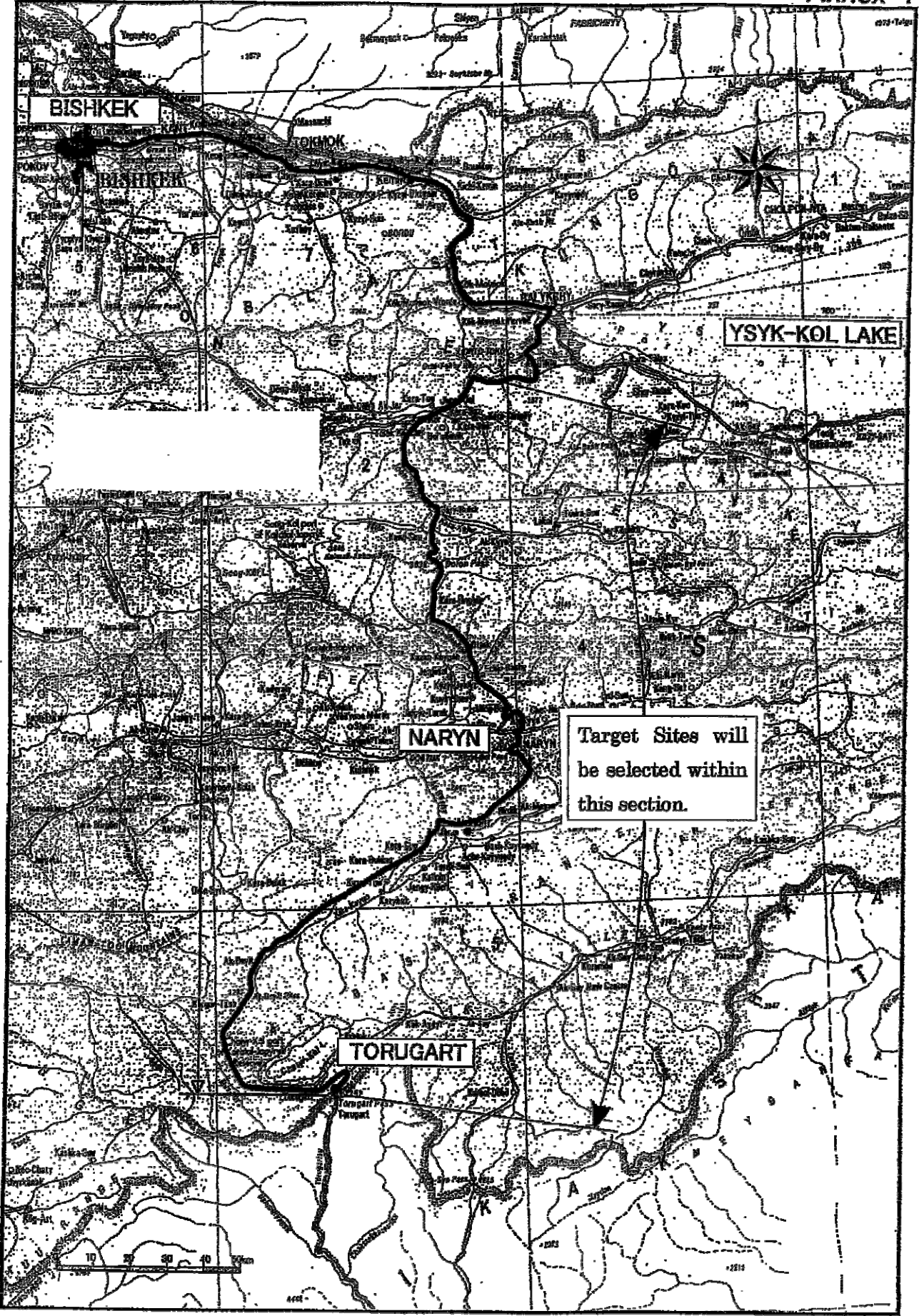
- (1) The Kyrgyz side shall provide necessary number of counterpart personnel to the Team.
- (2) The Kyrgyz side shall submit the answers to the Questionnaire, which the Team handed to the Kyrgyz side, by October 22, 2005.
- (3) Both sides confirmed that the Equipment will be distributed to the maintenance depots in Naryn Region and will be used only for the purpose of its maintenance work.
- (4) Both sides confirmed and agreed that all the goods under Japan's Grant Aid should be maintained properly as MOTC's property by the Kyrgyz side, and should be neither leased nor transferred to other organizations and private companies.
- (5) The Kyrgyz side shall undertake necessary preparation work in the depots, such as repairing of the building, the foundation work and securing the parking place, before the delivery of the Equipment.
- (6) The Kyrgyz side shall secure the sufficient budget and personnel so that the Equipment is utilized properly and effectively for the purpose of the Project.
- (7) The Kyrgyz side confirmed to take necessary measures for tax exemption and custom clearance.
- (8) Both sides agreed that contents of proceeding study on the technical specifications of the Equipment are confidential and should not be disclosed to any outside party in order to secure the fair and competitive tender in case the Project will be implemented.

(end)



M.C.

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Location Map

Ca 5

Steel

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