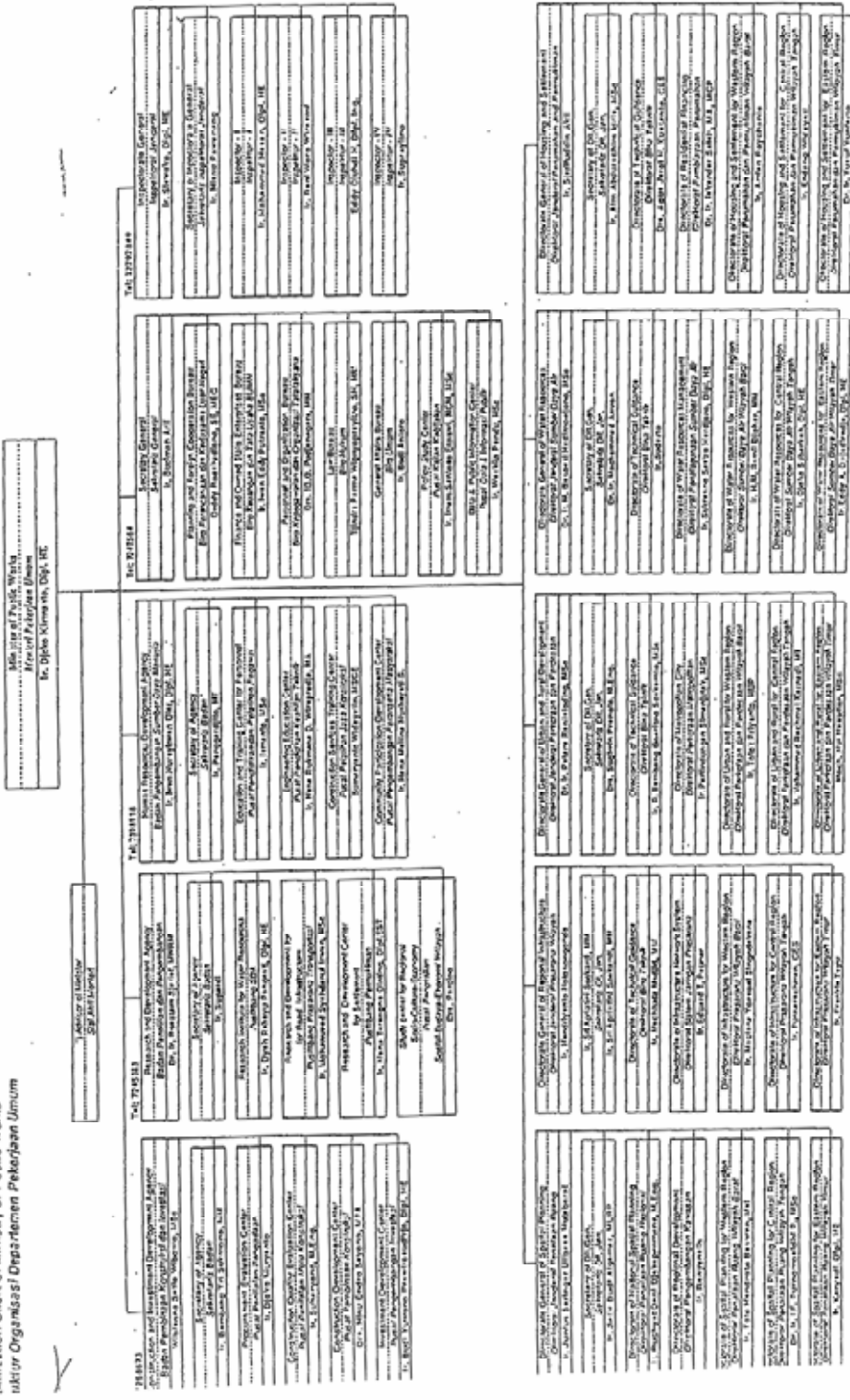


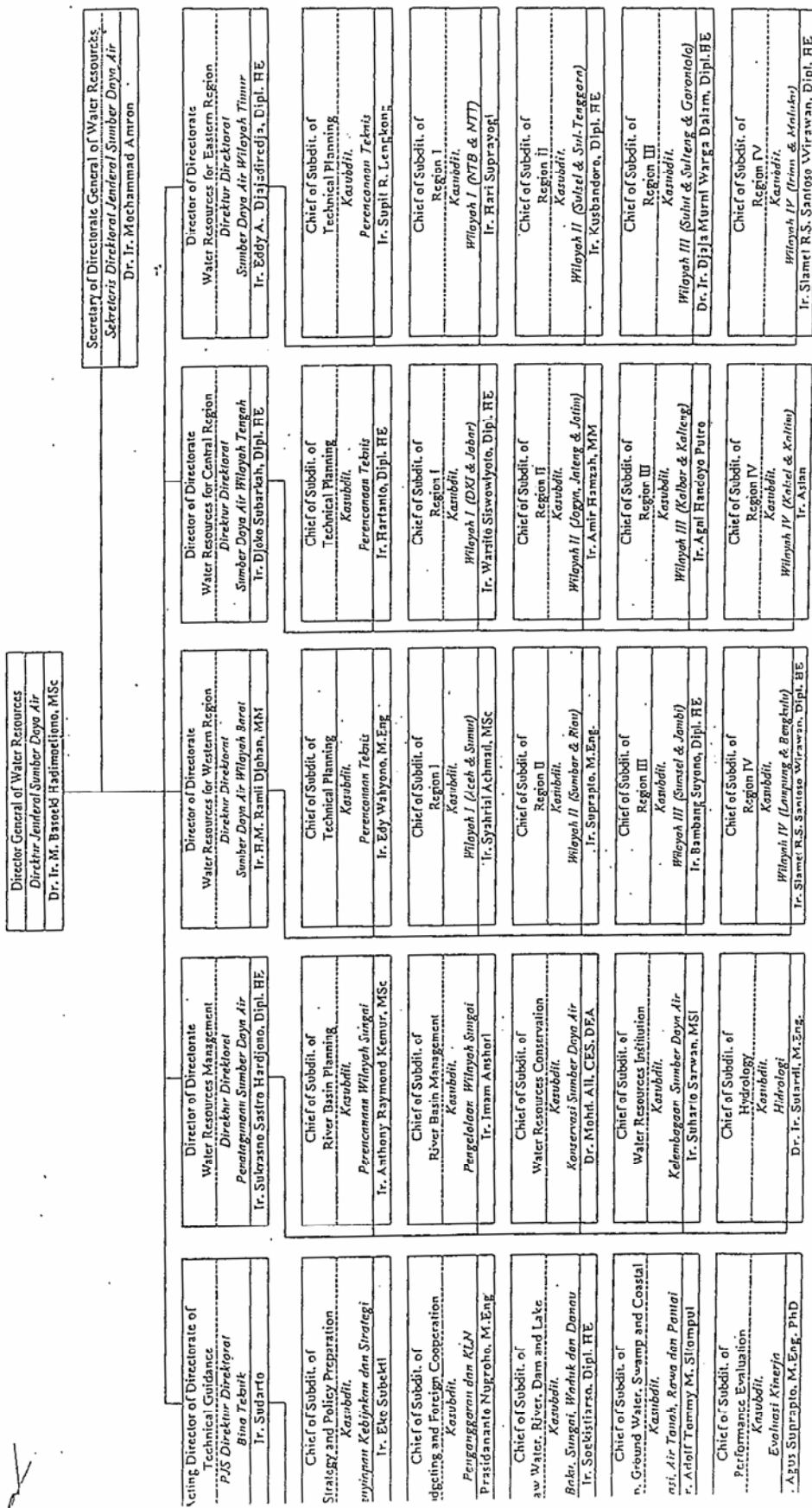
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Annex - 2

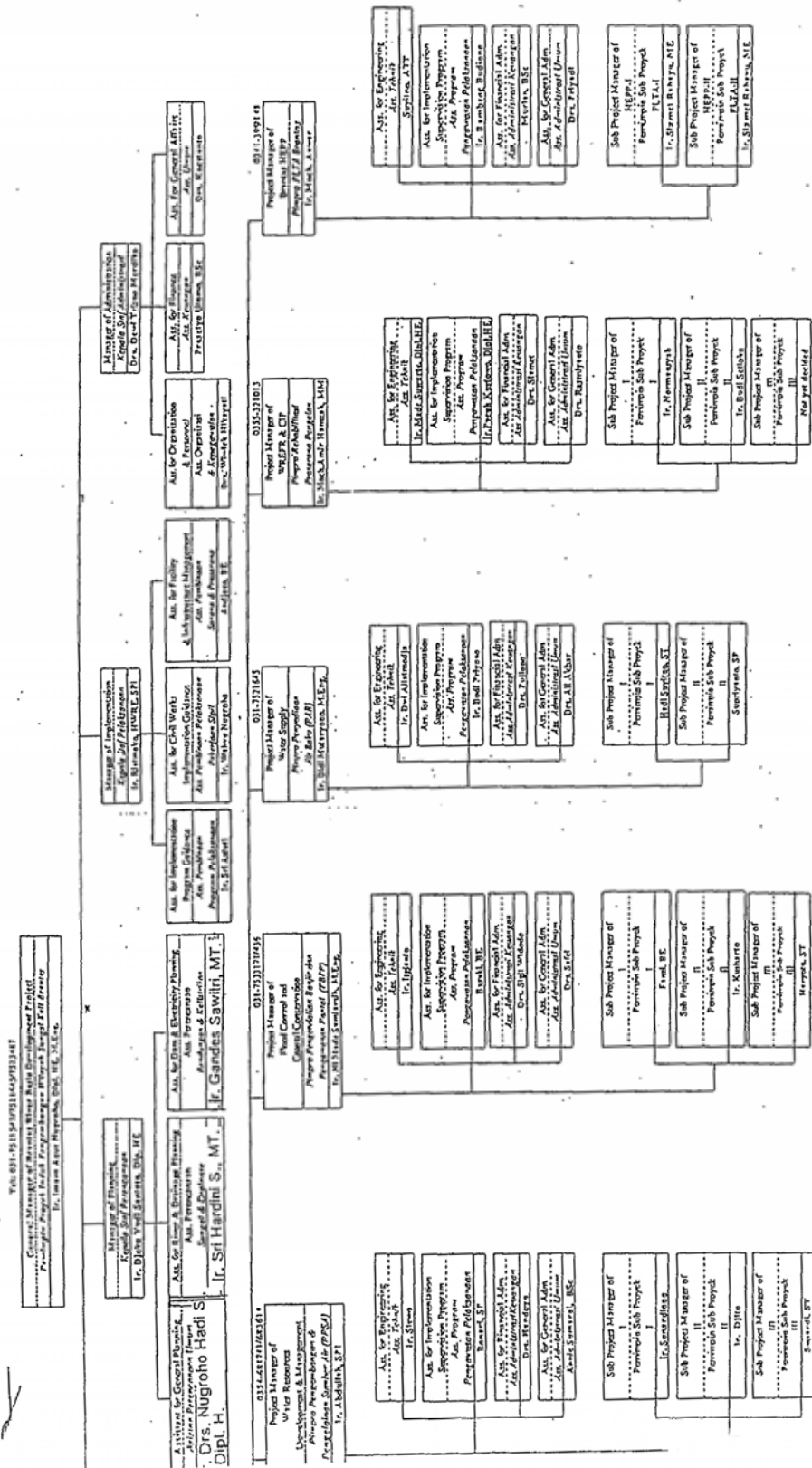
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 Institution Chart of Ministry of Public Works  
 Kantor Organisasi Departemen Pekerjaan Umum



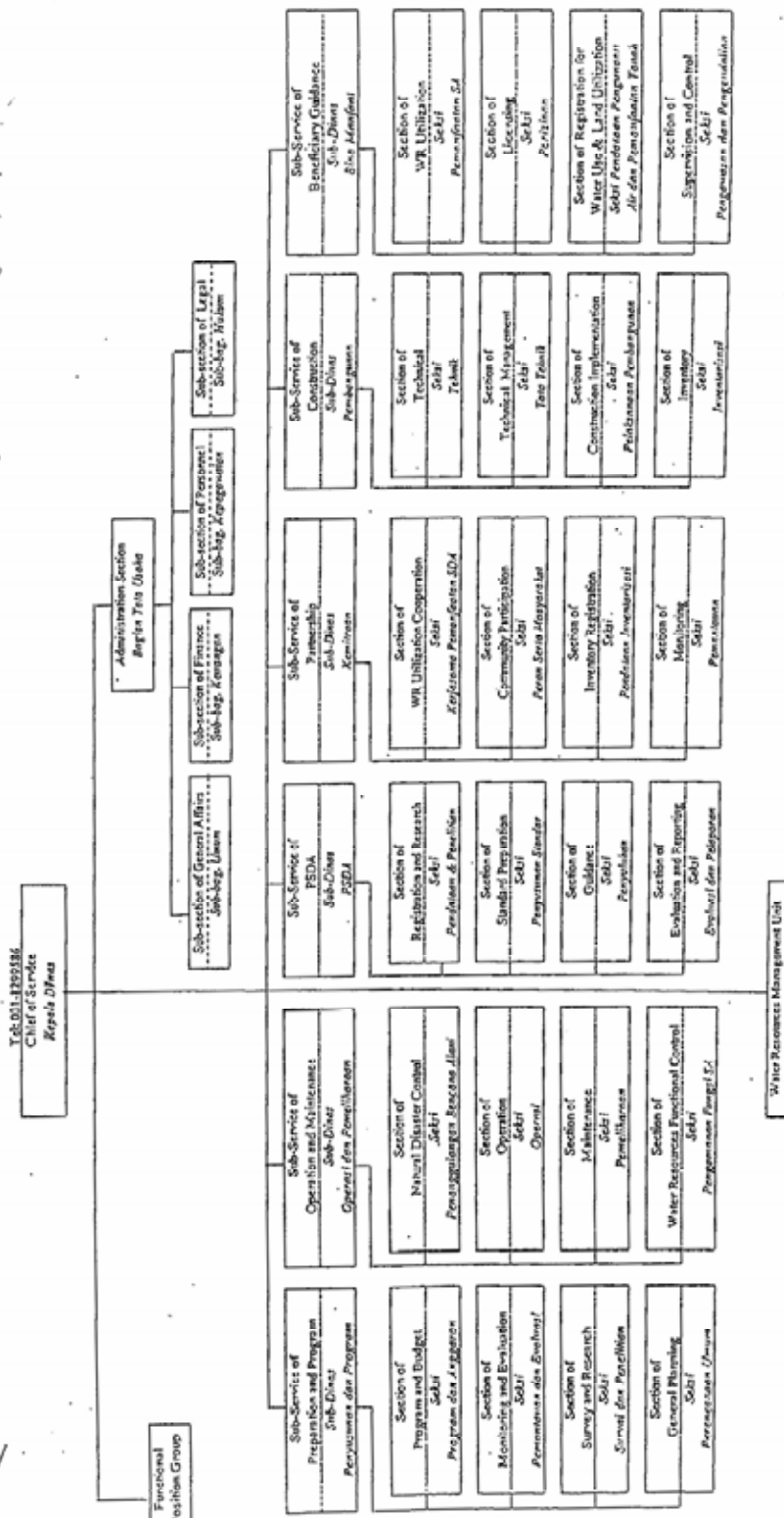
Organization Chart of Direktorat Jenderal Sumber Daya Air



ORGANIZATION CHART OF BRANTAS RIVER BASIN DEVELOPMENT PROJECT  
STRUKTUR ORGANISASI PROYEK INDUK PENGEMBANGAN WILAYAH SUNGAI KALI BRANTAS



Organization Chart of Water Resources, Public Works Service, East Java Province  
Struktur Organisasi Dinas PU Pengairan, Propinsi Jawa Timur



Annex - 5

No	Proposed Small Ponds		Regency
	Code	Name	
1	NG-1	Oro-oro Ombo	Nganjuk
2	KD-1	Winong	Nganjuk
3	KD-2	Kalipang	Kediri
4	TR-3	Nglentreng	Trenggalek
5	MA-1	Lowok Jati	Malang
6	MA-2	Gentong	Malang
7	PB-1	Curah Bindo	Probolinggo
8	PB-2	Pelan Kerep	Probolinggo
9	PB-3	Tegal Pao	Probolinggo
10	PC-1	KUAWAN	PACITAN

## JAPAN'S GRANT AID SCHEME

1. Grant Aid Procedure
  - 1) Japan's Grant Aid Program is executed through the following procedures.
    - Application (Request made by a recipient country)
    - Study (Basic Design Study conducted by JICA)
    - Appraisal & Approval (Appraisal by the Government of Japan and Approval by Cabinet)
    - Determination of Implementation (The Notes exchanged between the Governments of Japan and the recipient country)
  - 2) Firstly, the application or request for a Grant Aid project submitted by a recipient country is examined by the Government of Japan (the Ministry of Foreign Affairs) to determine whether or not it is eligible for Grant Aid. If the request is deemed appropriate, the Government of Japan assigns JICA 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 through 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 as well as to avoid any undue delay caused by the selection of a new consulting firm.

3. Japan's Grant Aid Scheme

1) What is Grant Aid?

The Grant Aid Program provides a recipient country with non-reimbursable funds to procure 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.

2) 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.

3) "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.

4) 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, contracting and procurement firms, are limited to "Japanese nationals". (The term "Japanese nationals" means persons of Japanese nationality or Japanese corporations controlled by persons of Japanese nationality.)

5) Necessity of "Verification"

✓

12



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 of Japanese taxpayers.

- 6) Undertakings required to the Government of the recipient country
  - 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 as 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.
  
- 7) "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.
  
- 8) "Re-export"

The products purchased under the Grant Aid shall not be re-exported from the recipient country.
  
- 9) Banking Arrangement (B/A)
  - a) The Government of the recipient country or its designated authority should open an

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- 6) Undertakings required to the Government of the recipient country
  - 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 as 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.
  
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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 gates and fences in and around the site		Ⓔ
4	To construct the parking lot	Ⓕ	
5	To construct roads		
	1) Within the site	Ⓖ	
	2) Outside the site		Ⓗ
6	To construct the building	Ⓖ	
7	To provide facilities for the distribution of electricity, water supply, drainage and other incidental facilities		
	1) Electricity		
	a) The distributing line to the site		Ⓒ
	b) The drop wiring and internal wiring within the site	Ⓖ	
	c) The main circuit breaker and transformer	Ⓖ	
	2) Water Supply		
	a) The city water distribution main to the site		Ⓒ
	b) The supply system within the site (receiving and elevated tanks)	Ⓖ	
	3) Drainage		
	a) The city drainage main (for storm sewer and others to the site)		Ⓒ
	b) The drainage system (for toilet sewer, ordinary waste, storm drainage and others) within the site	Ⓖ	
	4) Gas Supply		
	a) The city gas main to the site		Ⓒ
	b) The gas supply system within the site	Ⓖ	
	5) Telephone System		
	a) The telephone trunk line to the main distribution frame/panel (MDF) of the building		Ⓒ
	b) The MDF and the extension after the frame/panel	Ⓖ	
	6) Furniture and Equipment		
	a) General furniture		Ⓒ
	b) Project equipment	Ⓖ	
8	To bear the following commissions to the Japanese foreign exchange banking services based upon the B/A		
	1) Advising commission of A/P		Ⓒ
	2) Payment commission		Ⓒ
9	To ensure unloading and customs clearance at port of disembarkation in recipient country		
	1) Marine (Air) transportation of the products from Japan to the recipient country	Ⓕ	
	2) Tax exemption and custom clearance of the products at the port of disembarkation		Ⓒ
	3) Internal transportation from the port of disembarkation to the project site	Ⓖ	
10	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services under the verified contract such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		Ⓒ
11	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the supply of the products and services under the verified contracts		Ⓒ
12	To maintain and use properly and effectively the facilities contracted and equipment provided under the Grant		Ⓒ
13	To bear all the expenses, other than those to be borne by the Grant, necessary for construction of the facilities as well as for the transportation and installation of the equipment		Ⓒ

## OPERATION AND MAINTENANCE COST

## 1. General

Dam storage or reservoir as important facility, in order to increase agriculture yields, fishing, raw water supply etc. Beside construction cost there are several cost need to be counted, which are operational cost, maintenance and monitoring.

Operational and maintenance cost of this project consists of routine annual Operation and Maintenance Cost, 5 years period Operation and Maintenance Cost and sedimentation excavation cost.

## 2. Cost preparation

Annual cost plan should be formed in standard format and also 5 years period. Beside cost mentioned, this project also estimate sediment excavation cost for chek dam and reservoir

## 3. List O&amp;M Activities

O&M activities List prepared by considering all component of operational and maintenance completely and sorted systematically. If during implementation found items not estimated yet or found less items, best evaluated immediately.

No.	Project Name	Annual Operation Cost (Rp.)	5 Years Operational Cost (Rp.)	Sediment Excavation Cost (Rp.)	Remarks
1.	Oro-oro Ombo				
2.	Winong	19.965.000	22.710.029	38.029.545	per 2 years
3.	Kalipang	19.965.000	30.016.739	11.251.344	per 1 year
4.	Nglenteng				
5.	Lowok Jati	92.965.000	28.523.547	112.208.406	per 8 years
6.	Gentong				
7.	Curah Bindo	19.965.000	27.834.198	219.401.040	per 1 year
8.	Pelan Kerep	19.965.000	19.752.472	26.969.472	per 11 years
9.	Tegal Pao	25.965.000	39.733.546	473.367.675	per 1 year

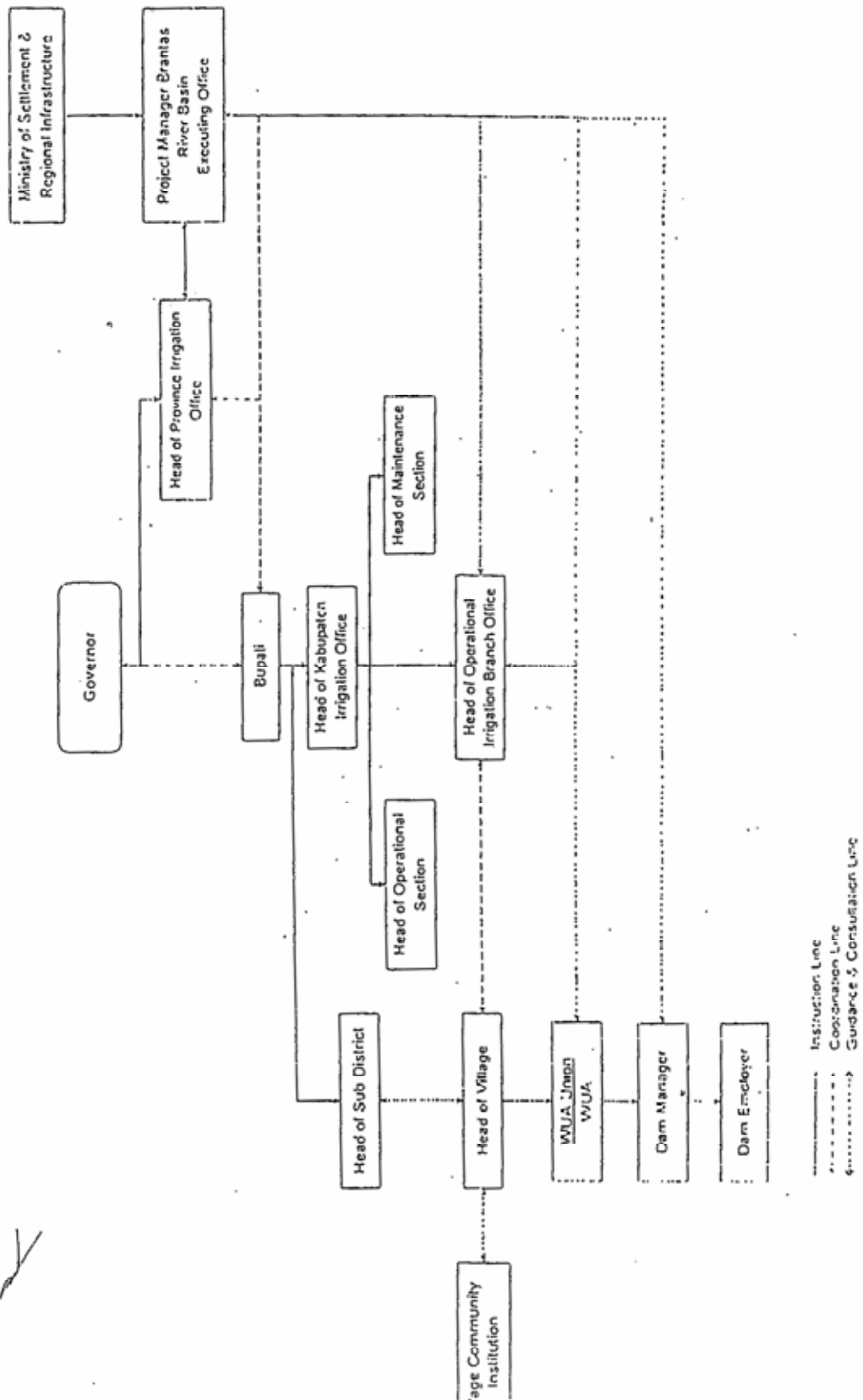


Figure : Small Pond O&M Organization