Appendix-1 Member List of the Survey Team

(1) Field Survey of the Implementation Study

Assignment	Name and Position
Team Leader	Mr. Juichiro SASAKI Chief Representative JICA Regional Office for the Pacific Japan International Cooperation Agency (JICA), Fiji Office
Chief Consultant	Mr. Yutaka OCHI ECOH CORPORATION
Cost Estimate	Mr. Shuji SAKAI ECOH CORPORATION

(2) Field Survey of the Outline Design Explanation

Assignment	Name and Position
Team Leader	Mr. Nariaki MIKUNI Deputy Resident Representative JICA Regional Office for the Pacific Japan International Cooperation Agency (JICA), Fiji Office
Chief Consultant	Mr. Yutaka OCHI ECOH CORPORATION

Appendix-2 Study Schedule

(1) Field Survey of the Implementation Study

Survey Period: From June 14 to July 9, 2009

			Official Member	Consultan	t Member
No.	Date	Day	Juichiro SASAKI	Yutaka OCHI	Shuji SAKAI
~	D		Team Leader	Chief Consultant	Cost Estimate
1	6/14	Sun			Narita→
2	6/15	Mon			→Brisbane Brisbane→Nadi
				Narita→Incheon	Nadi→Suva
3	6/16	Tue		Incheon→	Data Collection in Fiji
4	6/17	Wed	Suva→Nadi	→Nadi	Data Collection in Fiji Suva→Nadi
5	6/18	Thu	Nadi→Tarawa Courtesy Call, Discussion	Nadi→Tarawa Courtesy Call, Discussion	Nadi→Tarawa Courtesy Call, Discussion
6	6/19	Fri	Field Reconnaissance and Discussion	Field Reconnaissar	nce and Discussion
7	6/20	Sat	Field Reconnaissance	Field Reco	nnaissance
8	6/21	Sun	Office Work Team Meeting	Office Team M	Work Meeting
9	6/22	Mon	Visit on South Islander Discussion and Signing on Mimutes of Meeting	Visit on So	uth Islander on Mimutes of Meeting
10	6/23	Tue	M imutes of M eeting Tarawa→Nadi Nadi→Suva	Field Survey and	l Data Collection
11	6/24	Wed	Report to Embassy of Japan and JICA, Fiji	Field Survey and	l Data Collection
12	6/25	Thu	and sterr, rigi	Field Survey and	Tarawa→Nadi
	ļ			Data Collection Field Survey and	Nadi→Suva
13	6/26	Fri		Data Collection	Data Collection in Fiji
14	6/27	Sat		Office Work	Data Collection in Fiji
15	6/28	Sun		Office Work	Suva→Nadi Nadi→Auckland
16	6/29	Mon		Field Survey and Data Collection	Data Collection in Auckland
17	6/30	Tue		Field Survey and Data Collection	Data Collection in Auckland
18	7/1	Wed		Field Survey and Data Collection	Auckland→Sydney
19	7/2	Thu		Field Survey and Data Collection	Data Collection in Sydney
20	7/3	Fri		Field Survey and Data Collection	Data Collection in Sydney
21	7/4	Sat		Office Work	Sy dney → Narita
22	7/5	Sun		Office Work	
23	7/6	Mon		Signing on Technical Note Visit on Coral Islander	
24	7/7	Tue		Tarawa→Nadi Nadi→Suva	
25	7/8	Wed		Report to Embassy of Japan and JICA, Fiji Suva→Nadi Nadi→Brisbane	
26	7/9	Thu		Brisbane→Narita	
				l .	

(2) Field Survey of Outline Design Explanation

Survey Period: From July 20 to August 1, 2010

			Official Member	Consultant Member
No.	Date	Day	Nariaki MIKUNI	Yutaka OCHI
		, ,	Team Leader	Chief Consultant
1	7/20	Tue		Narita→Incheon
	,,20	1 40		Incheon→
2	7/21	Wed		→Nadi
3	7/22	Thu		Nadi→Tarawa
	1122	1110		Site Reconnaissance, Meeting
4	7/23	Fri		Presentation on Draft Report
5	7/24	Sat		Office Work
6	7/25	Sun		Office Work
7	7/26	Mon		Explanation on Draft Report
	1120	IVI OII		Data Collection
8	7/27	Tue	Suva→Nadi	Data Collection
			Nadi→Tarawa	Team Meeting
9	7/28	Wed	Discussion and Signing on	Discussion and Signing on
			Mimutes of Meeting	Mimutes of Meeting
10	7/29	Thu	Tarawa→Nadi Nadi→Suva	Tarawa→Nadi
				Nadi→Suva
11	7/30	Fri	Report to JICA, Fiji	Report to JICA, Fiji
				Suva→Nadi
12	7/31	Sat		Nadi→Brisbane
13	8/1	Sun		Brisbane→Narita

Appendix-3 List of Parties Concerned in the Recipient Country

1. Ministry of Communications, Transport and Tourism Development

Ms. Kietau Tabwebweiti Permanent Secretary
Ms. Miire Raieta Deputy Secretary

Mr. Moote Kabure Marine Surveyor, Marine Department

2. Ministry of Foreign Affairs

Ms. Bwaua Cheng Desk Officer Asia Pacific

3. Kiribati Ports Authority

Ms. Rubee Eromanga General Manager Mr. Itibwinnang Aiaimoa, Capt. Operation Manager

Mr. Bonteman Tabena, Capt. Former Operation Manager
Mr. Betem Ueri Engineering Manager
Mr. Tutu Teitinako Acting Finance Manager

Ms. Etita Rubi Former Acting Finance Manager
Mr. Tanua Pine Human Resource Manager

Mr. Katewea Taoaba Former Human Resource Manager

Mr. David Yeeting Member of Board

4. Kiribati Oil Company Ltd. (KOIL)

Mr. Kitanteata Teabo Officer in Charge
Mr. Kabuaua Tenangibo Operation Manager

5. Kiribati Copra Mill Company Ltd.

Ms. Katarina Tofinga Chief Executive Officer

Mr. Paul Tekanene Product/Development Manager

6. Container Ships Calling at Betio Port

Mr. Henry M. Tejado, Capt.

South Islander, Captain
Mr. Alfred L. Chan, Capt.

Coral Islander, Captain

Appendix-4 Minutes of Discussion (M/D)

Appendix-4.1 Minutes of Discussion (Field Survey of Implementation Study, June 2009)

Minutes of Discussions on the Implementation Review Study on the Project for Expansion of Betio Port in the Republic of Kiribati

Based on the results of the Basic Design Study, the Government of Japan decided to conduct an Implementation Review Study on the Project for Expansion of Betio Port (hereinafter referred to as "the Project") and entrusted the study to Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Kiribati the Implementation Review Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Juichiro Sasaki, Resident Representative, JICA Fiji Office, and is scheduled to stay in the country from 18 June to 7 July, 2009.

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

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

Tarawa, 22 June, 2009

Juichiro Sasaki

Leader

Basic Design Study Team

Japan International Cooperation Agency

Japan

Miire Rajeta

For Permanent Secretary

Ministry of Communications, Transport and

Tourism Development

The Republic of Kiribati

Rubee Eromanga General Manager Kiribati Ports Authority The Republic of Kiribati

ATTACHMENT

1. Objective of the Project

The objective of the Project is to improve the Betio Port facilities and capacity to secure safety and efficient cost effective cargo handling.

2. Objective and Scope of the Implementation Review Study

The main objectives of the Implementation Review Study are to revise the basic design of the Project with applying cost-saving options and re-estimate the Project Cost.

Scope of the Implementation Review Study is to hold discussions with relevant organizations, to conduct field survey and hearing to port user, to gather information on project cost.

Regarding the Minutes of Discussions in the Basic Design Study, both side re-confirmed that the contents of the above Minutes are still valid. However, regarding the contents of the request and the project cost estimate, it will be re-examined in the course of the Implementation Review Study.

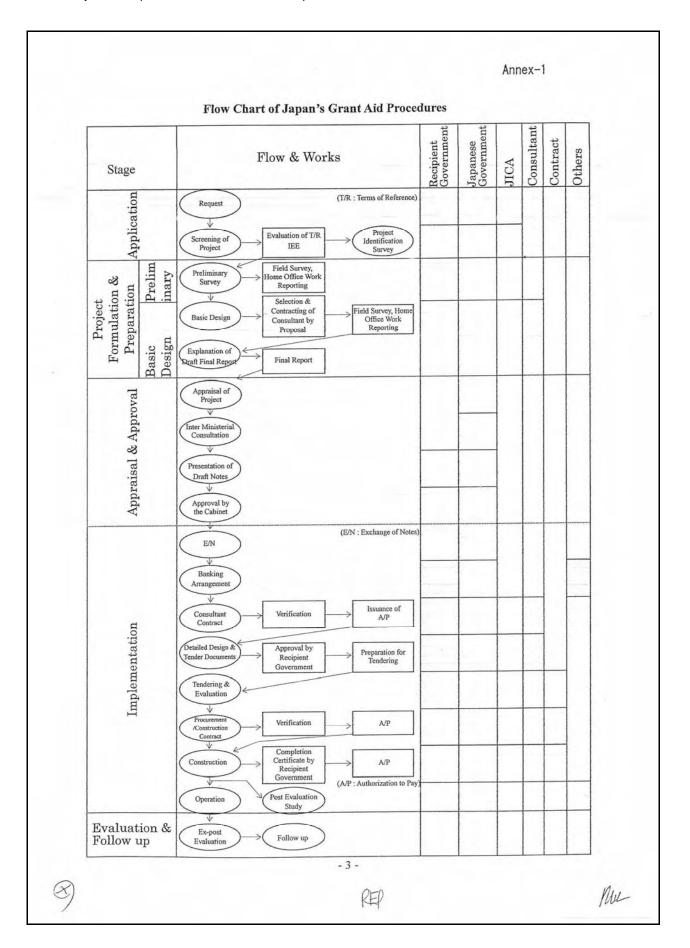
- 3. Schedule of the Study
- (1) The Team will proceed to further study in Kiribati until 7 of July, 2009.
- JICA will prepare the final report in English and send it to Kiribati around January, 2010.
- 4. Other Relevant Issues
- (1) The study team explained the inception report of the implementation review study to the Kiribati side and both sides confirmed that the present stage is at the project formulation and preparation (Annex 1).
- (2) In order to step forward to the appraisal and approval stage, both sides understood that the reduction of the overall project cost, estimated by the results of the Basic Design study, is inevitable.
- (3) The study team proposed the five alternative plans to the Kiribati side by the comparison sheet (Annex 2) and the Kiribati side put the priority on alternative (3) for 1st, (5) for 2nd, and (4) for 3rd. The alternative (1) and (2) were not on the priority list mainly because of the inconvenience and inefficiency of the cargo handling.
- (4) The Kiribati side emphasized that the improved port is expected to function as a hub port so as to transship containers to the other Small Islands States (SIS), such as Marshall Islands, Nauru and Tuvalu. In order to compete with other ports, the efficiency of the container unloading and transportation is of the most important factor.
- (5) With regard to the alternative (5), it is necessary to get the consent from the commercial ship, the South Islander, as the largest vessel among the liner container ships calling Betio Port, so that the 8.7 meter shall be the safety depth for the ships to enter into the port.
- (6) For the cargo handling equipment, the Kiribati side agreed to detach them from the contents of the project if the overall project cost exceeds the appropriate amount for the Japanese government to approve. In such a case, the Kiribati side showed their intention to officially request the cargo handling equipment separately for the grant aid to the Japanese government.
- (7) The study team agreed to convey the intention of the Kiribati side that the separate request of the eargo handling equipment is to be approved by the Japanese government and those equipment are to be in the port before the completion of the improved port in order to secure





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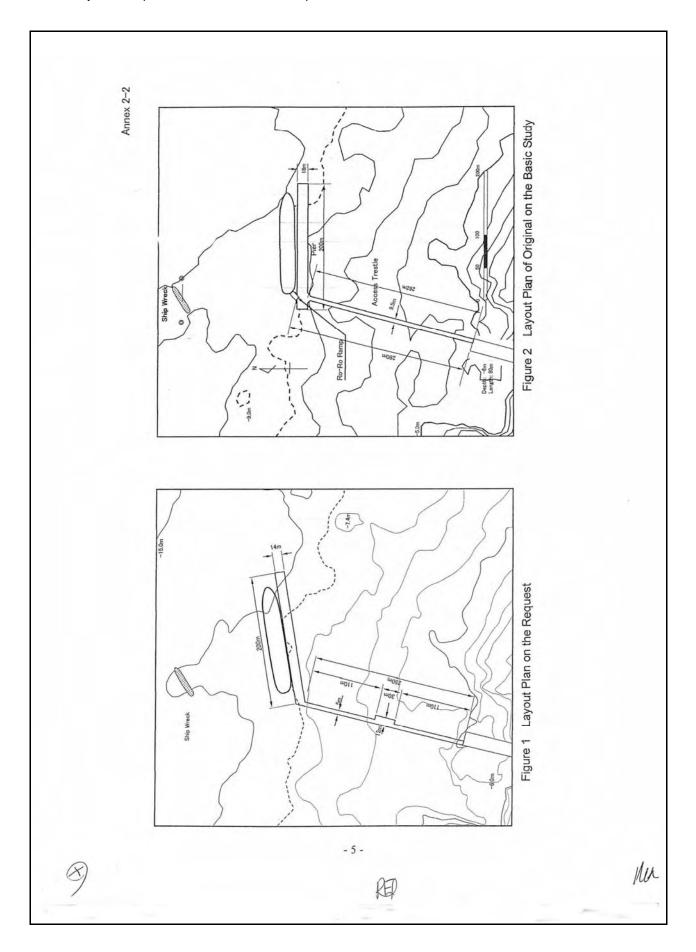
the full function. (8) The Kiribati side agreed to bear the followings for the reduction of the overall project cost; To provide flat barges comprising KPA-1, KPA-2 and Kiritimati with associated tug boats owned by KPA free of charge including necessary crews for operation and maintenance for the construction work of the Project during idle time of cargo handling operation. To purchase a reach stacker by its own budget so that it might substitute for a top-lifter in the list of the cargo handling equipment. Over Flow Chart of Japan's Grant Aid Procedures Annex 1 Annex 2 The Comparison Sheet of the Alternative Plans

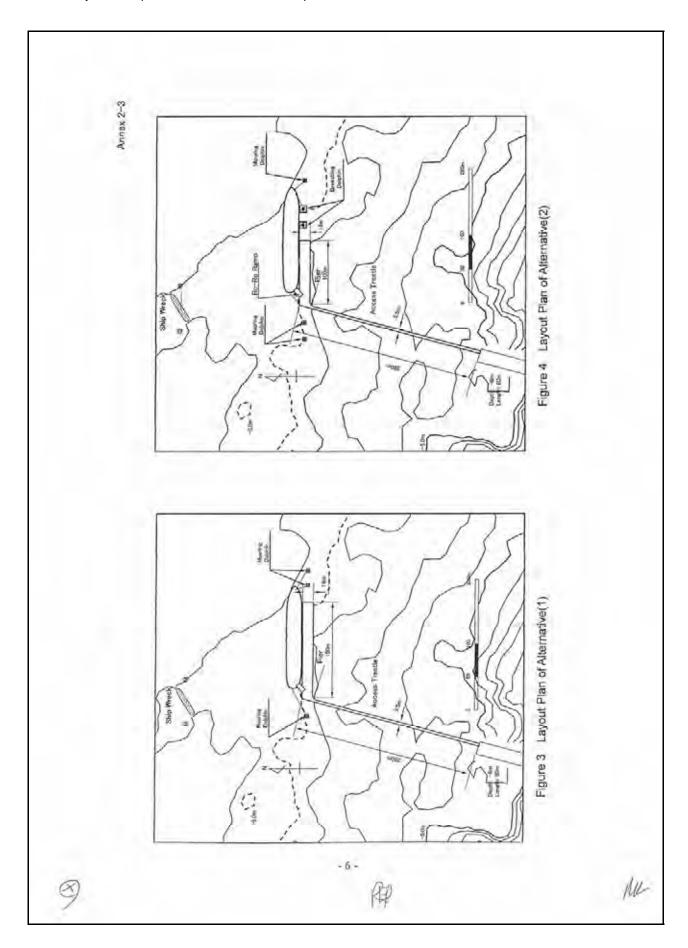


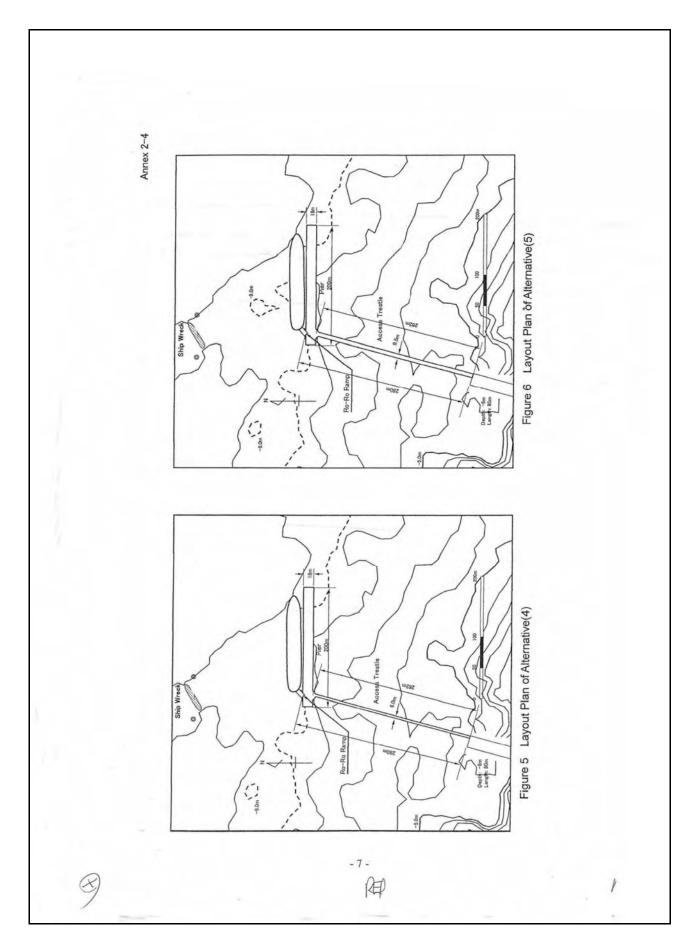
The Comparison Sheet of the Alternative Plans for Betio Port Expansion Project

Civil Facility Con	Construction Mathod	-	The second secon				Control of the Contro		7 0 4 0 7 1 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
置	an income	thod		Offshore & Onland	Offshore & Onland Offshore & Onland Offshore & Onland	Offshore & Onland	Onland	Onland	Onland
		Length	200m	200m	150m	100m	200m	200m	200m
		Width	14m	18m	18m	18m	18m	18m	18m
		Depth	DL-9.0m	DL9.0m	m0/610	DL-9.0m	DL-9.0m	DL-9.0m	DL-8.7m
	-	Area	2,800m²	3,600m²	2,700m²	1,800m²	3,600m²	3,600m²	3,600m²
å	Dolphin	Mooring		manus (manus)	3 Units	3 Units	Service new		-
	-	Breadthing			None	2 Units	ban pagamak mah	, secondarios (-
لگا	Local Dredring	Adjacent Area	-	Required	Required	Required	Required	Required	None
A	Access Trestle	Lane	lane	2 lanes w/sidewalk	2 lanes w/sidewalk 2 lanes w/sidewalk 2 lanes w/sidewalk	2 lanes w/sidewalk	2 lanes w/sidewalk	1 lane w/sidewalk 2 lanes w/sidewalk	2 lanes w/sidewall
		Width	5.0m	9.5m	9.5m	9.5m	9.5m	6.0m	9.5m
		Waiting Zone	30m x 1 zone			Management of the Control of the Con	energia senergia	or Control	process discrept
		Length	250m	262m	262m	262m	262m	262m	262m
		Area	1,250m²	2,500m²	2,500m²	2,500m²	2,500m²	1,580m²	2,500m ²
<u>""</u>	Layout Plan		Figure 1	Figure 2	Figure 3	Figure 4	Figure 2	Figure 5	Figure 6
N.	Navigation Aids	Acc. Channel	No Details	8 Buoy/Beacon	8 Buoy/Beacon	8 Buoy/Beacon	8 Buoys	8 Buoys	8 Buoys
,		Anchoring Area	-	1 Beacon	1 Beacon	1 Beacon	1 Buoy	1 Buoy	1 Buoy
<u>L</u>		Sunken Ship	and project of	2 Beacons	2 Beacons	2 Beacons	2 Buoys	2 Buoys	2 Buoys
		Pjer	- man particular book	2 Beacons	2 Beacons	2 Beacons	2 Beacons	2 Beacons	2 Beacons
	Forklift		No Details	2 Units (30.5 t)	2 Units (30.5 t)	2 Units (30.5 t)	2 Units (30.5 t)	2 Units (30,5 t)	2 Units (30.5 t)
Handling To	Toplifter		No Details	1 Unit (30,5 t)	1 Unit (30.5 t)	1 Unit (30.5 t)	1 Unit (30.6 t)	1 Unit (30,5 t)	1 Unit (30,5 t)
	Trailer & Tractor		No Details	5 Sets	5 Sets	5 Sets	5 Sets	5 Sets	5 Sets
Rough Total Cost ^{®1}	, **1				***************************************	++		+++	*+
Construction Period	riod			38 months	Less 38 months	Less 38 months	More 38 months	More 38 months	More 38 months
Container Handing Efficiency	ing Efficiency			29.4 units/hr	almost 29.4 un/hr	Less 29.4 un/hr	29.4 units/hr	15.6 units/hr	29.4 units/hr
Cost Reduction Factors	Factors							*	
ď	Port & Stevedoer	ing Charge	КРА	Included	Included	Included	Included	Included	Included
ű.	Free Tug & Pontoon		КРА	Expected	Expected	Expected	Expected	Expected	Expected

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Appendix-4.2 Technical Note (Field Survey of Implementation Study, July 2009)

Technical Note on the Implementation Review Study on the Project for Expansion of Betio Port in the Republic of Kiribati

The Government of Japan decided to conduct a Implementation Review Study on the Project for Expansion of Betio Port (hereinafter referred to as "the Project"), and entrusted the study to Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to the Republic of Kiribati (hereinafter referred to as "Kiribati") the Implementation Review Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Juichiro Sasaki, Resident Representative, JICA Fiji Office.

The Team conducted a field survey in the study area and carried out a preliminary analysis of collected data and information.

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

Tarawa, 06 July, 2009

Yutaka Ochi Chief Consultant

Implementation Review Study Team Japan International Cooperation Agency

Intake Chi

Japan

Kietau Tabwebweiti Permanent Secretary

Ministry of Communications, Transport and

Tourism Development

The Republic of Kiribati

Rubee Eromanga General Manager Kiribati Ports Authority The Republic of Kiribati

ATTACHMENT

L Environmental Licence

Environmental Licence (E/L) dated October 22, 2008 was issued by Environmental Department, MELAD. Attached condition to E/L will be amended according to the minor change from the original plan and will be finalized according to the final plan of the Pier and the Access Trestle.

Agreement among KPA, MELAD and the Contractor of the Project is required to respect the attached conditions to E/L before the commencement of the construction works.

2. Design Water Depth of the Pier

Interview surveys to the captains of liner container ships calling at Betio Port have been carried out, as following ship.

- * South Islander
- * Coral Islander

Both captains advised that their ships can enter and berth along the pier even at the water depth of D.L. -8.7m. KPA has received their reply letters mentioned above.

3. Type of Navigation Aids

Locations of the navigation aids are the same as the existing location.

Type of the some navigation aids are changed from fixed pole type to buoy type, because of the construction methodology change, in which the pile driving boat will not be adopted.

4. Temporary Use of Container Yard and Wharf for Construction Works

East part of the existing wharf will be occupied by the construction works, where the access trestle will be extended. Some part of the container yard will be allocated to the temporary stock yard of long steel pipe piles and others, which are difficult to transport to the temporary construction yard expected in the vicinity.

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Appendix-4.3 Minutes of Discussion (Outline Design Explanation, July 2010)

Minutes of Discussions on the Implementation Review Study on The Project for Expansion of Betio Port in the Republic of Kiribati (Explanation on Draft Report)

In June 2009, Japan International Cooperation Agency (hereinafter referred to as "JICA") dispatched a Implementation Review Study Team on the Project for Expansion of Betio Port (hereinafter referred to as "the Project") to the Republic of Kiribati (hereinafter referred to as "Kiribati"), and through discussion, field survey as well as after technical examination of the results in Japan, JICA prepared a draft report of the study.

In order to explain and consult with the officials of the Government of Kiribati on the components of the draft report, JICA sent to Kiribati the Outline Design Explanation Team (hereinafter referred to as "the Team") which is headed by Nariaki Mikuni, Senior Resident Representative, JICA Fiji Office from July 22 to July 29, 2010.

As the result of the discussion, both parties confirmed the main items described on the attached sheets hereto;

Tarawa, July 28, 2010

Mr. Nariaki MIKUNI

Leader

Outline Design Explanation Team Japan International Cooperation Agency

Japan

Ms. Miire Raieta

for Permanent Secretary

Ministry of Communications, Transport and

Tourism Development

The Republic of Kiribati

Ms. Rubee Eromanga

General Manager

Kiribati Ports Authority

The Republic of Kiribati

ATTACHMENT

1. Contents of the Draft Report

The Kiribati side agreed and fully accepted the contents of the draft final report explained by the Team.

2. Japans' Grant Aid scheme

The Kiribati side understands the Japan's Grant Aid Scheme and the necessary measures to be taken by the Government of Kiribati as explained by the Team and described in Annex-1.

3. Schedule of the Study

JICA will complete the final report in accordance with the confirmed items and send it to the Government of Kiribati by August, 2010.

4. Cost Estimation

The Project Cost Estimation, as attached in Annex-2, is confidential and should never be duplicated or disclosed to any outside parties before the signing of all the contracts for the Project.

5. Other Relevant Issues

- 5-1. The Kiribati side understood the necessity for utilizing existing equipments to fulfill output.
- 5-2. The Kiribati side shall continue maintenance of equipments appropriately, including equipments procured by the Project.
- 5-3. The Kiribati side shall bear the banking commissions as a condition for the Japan's Grant Aid to be implemented, and secure the sufficient budget to cover the following cost.
 - 1) The commissions for the banking services based upon Banking Arrangement (B/A)
 - 2) The advising commission of the Authorization to Pay (A/P).
- 5-4. The Kiribati side ensured that tax exemption for the Project shall be fulfilled in a timely manner, as a condition for the Japan's Grant Aid to be implemented.
- 5-5. The Kiribati side shall secure enough budget and personnel necessary for operation and maintenance of the port, equipments and relevant facilities constructed by the Project.
- 5-6. The Kiribati side understood that the Team is not in a position to guarantee implementation of the Project.
- 5-7. The Kiribati side shall make a question to Ministry of Foreign Affairs in Japan through Embassy of Japan in Fiji for implementation of the project, if necessary.

Annex-1: Major Undertakings to be taken by Each Government

Annex-2: Project Cost to be borne by Japan's Grant Aid

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Annex-1

Major Undertakings to be taken by Each Government

No.	ltems	To be covered	To be covered by
ļ		by Grant Aid	Recipient side
1	To secure land		•
2	To clear, level and reclaim the site when needed		•
3	Relocation, improvement and/or repair of existing utilities(power lines,		
	telecommunication lines, water lines, etc.), if necessary		•
4	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		•
5	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 custom clearance of the products at the port of		
	disembarkation		•
	3) Internal transportation from the port of disembarkation to the project site	• '	
6	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		
7	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		
8	To maintain and use properly and effectively the facilities constructed and		
	equipment provided under the Grant Aid		•
9	To bear all the expenses, other than those to be borne by the Grant Aid, necessary		
	for the transportation and installation of the equipment		

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Proj	CONFIDENTIAL ject Cost to be Borne by Japan's Grant A	Annex-2
	3	Alle as

Appendix-4.4 Minutes of Discussion (Field Survey of Basic Design Study, June 2008)

Minutes of Discussions on the Basic Design Study on the Project for Expansion of Betio Port in the Republic of Kiribati

Based on the results of the Preliminary Study, the Government of Japan decided to conduct a Basic Design Study on the Project for Expansion of Betio Port (hereinafter referred to as "the Project") and entrusted the study to the Japan International Cooperation Agency (hereinafter referred to as "JICA").

JICA sent to Kiribati the Basic Design Study Team (hereinafter referred to as "the Team"), which is headed by Mr. Teiji Takeshita, Resident Representative, JICA Fiji Office, and is scheduled to stay in the country from 17 June to 24 July, 2008.

The Team held discussions with the officials concerned of Kiribati and conducted a field survey in the study area.

In the course of discussions and field survey, 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.

Tarawa, 23 June, 2008

Teiji Takeshita

Leader

Basic Design Study Team

Japan International Cooperation Agency

David Yeeting

Permanent Secretary

Ministry of Communications, Transport and

Tourism Development

The Republic of Kiribati

Rubee Eromanga General Manager Kiribati Ports Authority

The Republic of Kiribati





ATTACHMENT

1. Objective of the Project

The objective of the Project is to improve the Betio Port facilities and capacity to secure safety and efficient cost effective cargo handling.

2. Project Sites

The Project site is the Betio Port in Tarawa, as shown in Annex-1.

- 3. Responsible and Implementing Organizations
- (1) The responsible ministry is the Ministry of Communications, Transport and Tourism Development (MCTTD).
- (2) The implementing agency is the Kiribati Ports Authority (KPA).

The MCTTD is in charge of the planning, designing and construction work of the Project in collaboration with KPA. After completion of the construction work, responsibility for operation and maintenance shall be handed over to KPA with the exception of the navigation aid which shall be maintained by the Marine Division of MCTTD.

The organization charts are shown in Annex-2-1 and 2-2 respectively.

4. Items Requested by the Government of Kiribati

After discussions with the Team, the items below were finally requested by the Kiribati side.

- 1) Construction of Pier 200m long*¹
- 2) Construction of Access Trestle 250m long*1
- 3) Navigation Aids
- 4) Cargo Handling Equipment
- *1/ Appropriate location and scale shall be examined by the Team.
- 5. Japan's Grant Aid Scheme

The Kiribati side has shown a full understanding of the Japan's Grant Aid scheme and the necessary measures to be taken by the Kiribati side as explained by the Preliminary Study Team and described in the Annex-3 and 4 of the Minutes of Discussions signed by both sides on 16th August, 2007.

- (1) The Kiribati side understood the Japan's Grant Aid scheme explained by the Team, as described in Annex-3.
- (2) The Kiribati 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.



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6. Further Schedule of the Study

- (1) The consultant members of the Team will continue further studies in Kiribati until 24 July, 2008.
- (2) JICA will prepare the draft report and dispatch a mission to Kiribati in order to explain its contents around October 2008.
- (3) When the contents of the report are accepted in principle by the Government of Kiribati, JICA will complete the final report and send it to the Government of Kiribati by January 2009.

7. Environmental and Social Considerations

- (1) MCTTD shall obtain the Development Consent (Supplementary Explanation to IEE), by the end of October, 2008.
- (2) When MELAD issued the Development Consent to MCTTD, the Kiribati side shall immediately notify the result to the Team through the JICA Fiji Office.

8. Undertakings by Kiribati Side

The Kiribati side confirmed that the following undertakings should be taken by Kiribati expenses.

- (1) Stage of the Basic Design Study
 - 1) Necessary arrangement for the tax exemption of imported equipment and materials of the Team including their sub-consultants.
 - 2) Removal and disposal of unexploded objects in case such objects are found. The Team will conduct the magnetic exploration around the Project area during the Basic Design Study and inform the result to Kiribati side by the end of July, 2008.
- (2) Stage of the Project implementation
 - 1) Removal of the crawler crane from the existing wharf of the new port, by the end of June, 2009
 - 2) Securing the temporary construction yard which is adjacent to the Betio Port.
 - 3) Relocation and/or removal of existing utilities (power lines, water lines, etc.) from the Project site, if necessary.
 - 4) Budget allocation for the commissions for the banking services based upon banking arrangement (B/A).
 - 5) Necessary arrangement for the tax exemption of imported equipments, materials and machineries of the Consultant and Contractor of the Project.
 - 6) Exemption of following port charges against consignee / consignor for importing construction materials and equipments for the Project including importing construction materials such as rocks, stone aggregate, sand, rubble and cement.
 - Literage
 - Wharfage
 - Loading / unloading charge
 - Barge with tug hire costs for loading / unloading

9. Other Relevant Issues

- (1) The Kiribati side shall submit answers to the Questionnaire to the Team, which the Team handed to the Kiribati side, by July 14, 2008.
- (2) The Kiribati side shall provide necessary number(s) of counterpart personnel to the Team during the field survey in Kiribati.
- (3) The Kiribati side shall provide a suitable space with necessary office equipment and furniture for the Team.

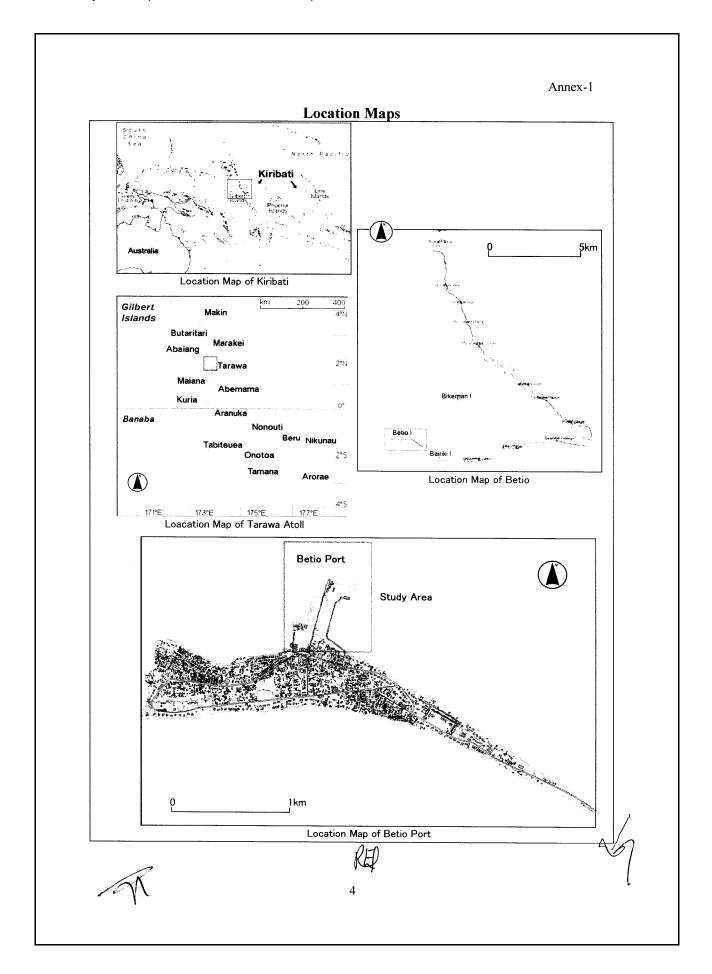
Annex-1 Project Site Map Annex-2 Organization Chart

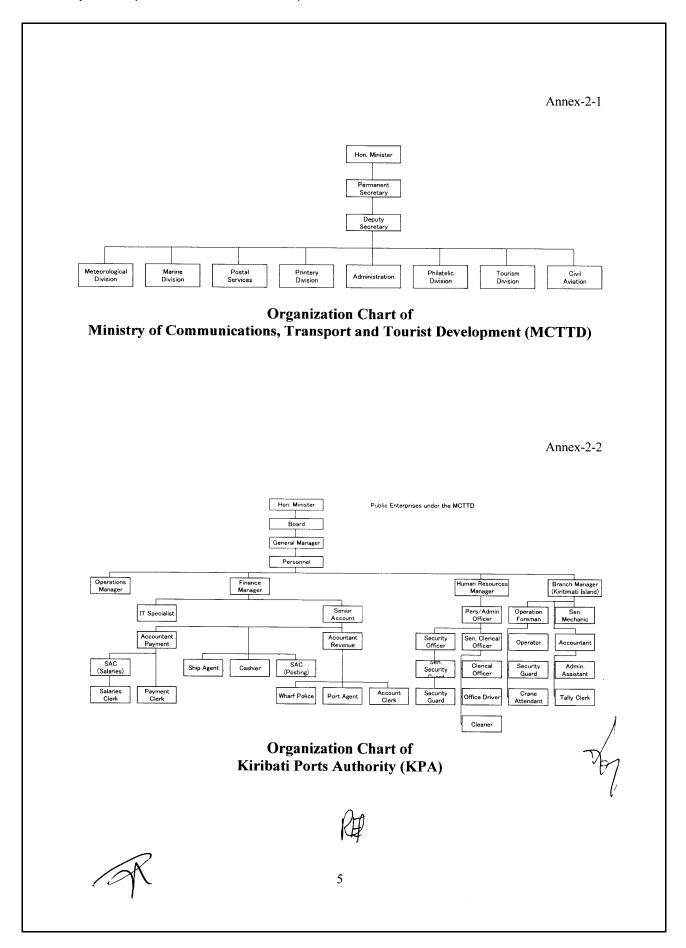






Japan's Grant Aid Scheme Major Undertakings to be taken by Each Government Flow Chart of Japan's Grant Aid Procedures Annex-3 Annex-4 Annex-5





Annex-3

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.)





(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 Project,
- 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)

A

RP

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Annex-4

Major Undertakings to be taken by Each Government

No.	Items		To be covered by Kiribati 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 bear the following commissions to a bank of Japan for the banking services based upon the B/A		<u> </u>
	1) Advising commission of A/P		•
	2) Payment commission		•
5	To ensure unloading and customs clearance at the port of disembarkation in Kiribati		
	1) Marine (Air) transportation of the products from Japan or third countries to Kiribati	•	
	2) Tax exemption and customs clearance of the products at the port of disembarkation		•
	3) Exemption of any port charges against consignee / consignor for importing construction materials, equipments and machineries for the Project.		•
	4) Internal transportation from the port of disembarkation to the Project site	•	
6	To accord Japanese nationals whose service may be required in connection with the supply of the products and the services under the Verified Contact, such facilities as may be necessary for their entry into Kiribati and stay therein for the performance of their work.		•
7	To exempt Japanese nationals from customs duties, internal taxes and other fiscal levies which may be imposed in Kiribati with respect to the supply of the products and services under the Verified Contracts		•
8	To maintain and use properly and effectively the facilities constructed and equipment provided under the Grant Aid		•
9	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		•

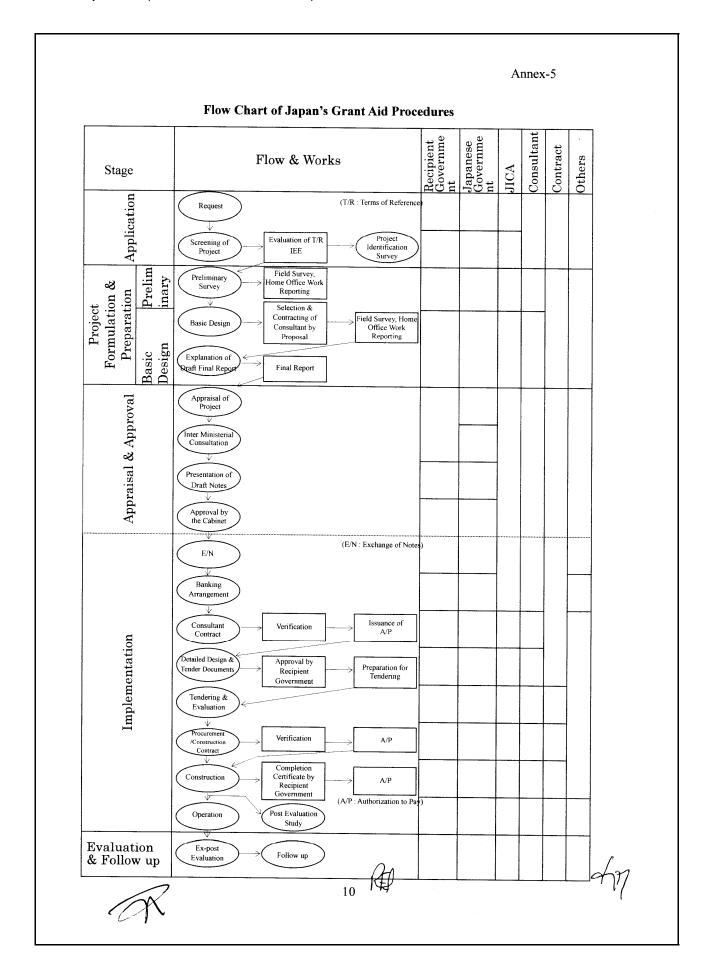
(B/A: Banking Arrangement, A/P: Authorization to pay, N/A: Not Applicable)







9



Appendix-5 Environment Licence

pendix-5	5.1 Environment Lice	nce (October 2008)
	MINISTRY OF EI	GOVERNMENT OF THE REPUBLIC OF KIRIBATI NVIRONMENT LANDS AND AGRICULTURAL DEVELOPMENT Tarawa, Republic of Kiribati, Phone: 686 28000, Fax: 686 28334
	ENUR	ONMENTELOENCE
	is hereby issu	ed in accordance with Section 32 (1) (a) of the Environment Act 1999
	Licence Holder:	Kiribati Port Authority
	Description of allowed activity:	Betio Port Expansion
	Site	Betio
yearlood h/K.		10 and 10
* ×+	Licence Number:	042/07
1014.)	Signed this 2.2day	of October 2008.
	Principal Environment Off	icer/OIC-MELAD
=106=		
	The same of the sa	

Environment Licence Conditions (Betio Port Expansion)

CONDITIONS ATTACHED TO THIS ENVIRONMENT LICENCE

Project Management and Environmental Protection

An Environment License is proof that you, as a project applicant, have complied with the requirements of Part IV (Environment Licence) of the Environment Act, 1999. The Environment Licence can be submitted alongside a project document (prodoc) or funding proposal as proof of compliance with the environmental legislation of Kiribati.

Certain conditions are attached to this license for the applicant to be adherent to for the duration of development and thereafter. These conditions concern the management of the project and the protection of the environment. Once construction of the project begins, environmental inspectors are empowered to visit and evaluate progress on the project, and especially to ensure these conditions are being met. In the event that the conditions are being ignored, your project can be halted until such a time, as the inspectors are content that you, as the applicant, are fulfilling the requirements and conditions of the environment license.

The conditions attached to this environment license are as follows:

- This license is for Betio Port (Jetty) expansion as applied for in the Environment Licence application number 042/07. If the applicant changes the nature of activities this license will lose validity. If such unrelated activity falls within the listed environment significant activities of the Environment Act regulation, the applicant is required to reapply for an environment license again.
- This environment licence is no longer valid once the jetty expansion is officially completed. If the applicant is found undertaking turther activities after the official completion of the project then the applicant is breach of the Act and appropriate action will be initiated.

Environment Licence Conditions (Betio Port Expansion)

- The fee of \$10.00 must be settled by the applicant before the implementation of the project.
- The applicant must advise the contractor to construct according to the design specifications provided by Basic Design Study team dispatched by JICA.
- The applicant must make sure to include all environmental concerns in the contractor's agreement.
- The contractor must comply with any environmental management measures set out in the Basic Design study report.
- The applicant must obtain his/her seawall approval from Foreshore Management Committee under the Lands Management Division before any work start.
- Conditions attached as part of the license from Foreshore Management Committee under the Land Management Division forms part of this condition. Failure in meeting these conditions will automatically invoke cancellation of this license.
- All materials (sand and aggregates) for the purpose of jetty construction should be sourced from overseas. The applicant is responsible to obtain a certified document from Quarantine to prove that the said materials had been thoroughly inspected.
- 10. The applicant must make sure that imported materials are free of invasive species.
- The applicant must advise the confractor that no dredging shall be executed under this project.
- 12. The applicant must advise the contractor to ensure minimal damages to coral reef, sea grass bed and other marine resources situated and adjacent to the project site.
- The applicant must advise the contractor to make arrangement with KOIL in regard with the export of waste oil.
- 14. The applicant must advise the contractor that any waste oil spilled in the sea or on storage site must be either removed or collected by oil boom and stored in a safe sealed container and transport them to KOIL for export.
- 15. The applicant shall advise the contractor to remove other wastes than oil to landfills, Wastes that are recyclable (aluminum cans) must be taken to recycling facilities (Kaoki mange facility).
- The contractor is responsible to return bulky machineries purchased or hired by the contractor.
- 17. The contractor shall responsible for defeats after the end of a one year warranty.
- The applicant shall advise the contractor not to dispose construction debris (concrete blocks) at landfills but seek alternative uses of such wastes.
- The applicant must advise the contractor to ensure the minimal emission of noise pollution to nearby residents.

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Environment Licence Conditions (Betio Port Expansion)

- The applicant must advise the contractor to ensure minimal emission to air from machineries.
- The applicant must restrict working hours and must advise the contractor to limit working hours from 8.00 am to 5.00 pm.
- 22. The applicant shall be responsible for any environmental damage to the development site and to adjacent areas that may be caused by carrying out this prescribed environment significant activity.
- The applicant must advise the contractor to rehabilitate the project and storage sites after completion of the project.
- The applicant must advise the contractor to monitor and report of any environmental impacts to the Principal Environment Officer.
- Conditions of this Environment Licence can be amended and added at any time when required.
- 26. The work can be suspended by the Environment Inspector in the course of their monitoring work if there are foreseen environmental degradation seen as a result of this environment significant activity.
- The environment licence may only be transferred after written approval from the Principal Environment officer.
- 28. The applicant must advise the contractor to make sure that a copy of this environment licence is made available to the Environment Inspector or other responsible authorities upon his/her request for inspection.
- The work can be suspended by the Environment Inspector if the contractor is found to breach any of the conditions.
- 30. The contractor shall sign off an agreement to mark the end of the project and to confirm the compliance with all the Conditions of the Environment Licence.
- Not complying with the above conditions renders this license loose its validity and actions may be taken in accordance with the provisions of the Environment Act, 1999.

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	vironment Licence Conditions (Betia Port Expansion
If any further clarification is required Environment and Conserv	on the above points please contact the ation Division, 686 28000.
(Signing the conditions means you are now aware and ago Section 59 of the Act, N maximum penalty: fine of \$100,0	
Applicant (or on behalf) (sign and print name)	ECD Staff (sign and print name)
Date	Date

Appendix-5.2 Answer for Comments on IEE Report (July 2008)



REPUBLIC OF KIRIBATI MEMORANDUM

From:

Secretary for Communications

To: Secretary, MELAD

Transport and Tourism Development

File Ref: 3/21

ATTN: Taouea Titaake

Date:

18 July 2008

Subject: Betio Port Expansion project - IEER evaluation

Ministry of Communications, Transport and Tourism Development (MCTTD) has compiled a report based on the remaining items which had not been addressed or clearly stated in the last two reports (The Initial Environmental Evaluation Report (IEER) and the Supplementary Paper) regarding the Project's environmental and social impacts. In this report, the answers for the comments of Ministry of Environment, Land and Agricultural Development on environmental impacts of the Project were consolidated, supported by the JICA Basic Design Study Team.

Our main priority as you know, is working towards receiving the Environmental License from your end and your assistance on this matter is highly appreciated.

Also attached is the marine benthic study report of the proposed project area (Betio port) for your information.

Please, if you have any comments or queries on any of the reports, please contact this office or the undersigned.

Yours Sincerely,

Tion Uriam

for Secretary-Ministry of Communication, Transport and Tourism Development.

Encl.

3 copies - "Answer for the comments from MELAD on IEE report"

3 copies - "Marine Benthic Assessment for proposed expansion of Betio Port"

THE PROJECT FOR EXPANSION OF BETIO PORT

ANSWER FOR THE COMMENTS

OF

MINISTRY OF ENVIRONMENT, LAND AND AGRICULTURAL DEVELOPMENT (MELAD)

ON

INITIAL ENVIRONMENTAL EVALUATION REPORT (IEER)

JULY 2008

MINISTRY OF COMMUNICATIONS, TRANSPORT AND TOURISM DEVELOPMENT (MCTTD)

L COMMENTS FROM MELAD

Ministry of Communications. Transport and Tourism Development (MCTTD) prepared the Initial Environmental Evaluation Report (IEER) for the Project for Betio Port Expansion (referred to "the Project" hereinafter) and submitted it to Ministry of Environment, Land and Agricultural Development (MELAD), which was assisted by the JICA Preliminary Study Team in October 2007. MELAD examined the contents of the IEER and issued the first comments, dated December 28, 2007, on environmental concerns in the implementation of the Project as follows:

- (1)-a. Erosion anticipated from this project to adjacent areas.
- (1)-b. Disturbance to flora and fauna including fisheries resources within the vicinity.
- Increase of sedimentation that may affect coral conditions and other marine organisms further downstream.
- Marine pollution from unexpected oil spill from construction vehicles and other sources.
- (1)-e. Solid wastes that will be produced from construction debris, and
- Disturbance to marine habitats and fishing ground of local fishermen anticipated from the Project.

In response to the first comments of MELAD, MCTTD prepared the Supplementary Paper of the IEER in February, 2008 to explain and clarify the environmental potential impacts and mitigation measures to be taken in the implementation of the Project. In spite of the efforts of MCTTD to have prepared the Supplementary Paper. MELAD further issued the second comments to show the environmental concerns as follows.

- (2)-a. It was stated in the comments on the Supplementary Paper that any possible oil leakage into the sea would be contained by an oil boom. More information is needed on what method the applicant is going to use to remove any oil contained in the oil boom and what are the means of disposing waste collected from oil boom.
- (2)-b. As quoted from the Supplemental Paper, "the contractor shall re-export construction equipment and waste when the project is completed in line with the government regulation." However it was not specifically indicated as where to export to, and who is going to bear the cost for returning malfunctioned equipments; the applicant (Kiribati Port Authority), the funding agency which is JICA or the contractor.
- (2)-c. Baseline data on coral conditions to ensure monitoring of coral reefs located within the vicinity of the Project.
- (2)-d. Further clarification of the scope of work including the quantity of materials and list of equipment required and to indicate who will be responsible for what.
- (2)-e. List of government authorities consulted. There is a proposed major offshore dredging operation by the MFMRD in the Betio lagoon and therefore the concerned ministry needs to be aware of this important project, and
- (2)-f. Use of water and electricity in the project. It is important to state if there is significant quantity of water and electricity needed and, if so, where to source these from.

Based on these first and second comments on the environmental concerns of the Project, the MCTTD examined to resolve them with the assistance of the Basic Design Study Team dispatched by JICA in June 2008. The result of the examination are described below.

II. ANSWER

Comment (1)-a.

Erosion anticipated from this project to adjacent areas.

The analysis on critical traction based on the data on sand particles of the seabed at the location of the Betio Port Expansion indicated that basically there is very limited possibility for the sand particles to move with the wave agent under the existing depth of the sea, which means this area is featured with a relatively stable topography. This fact is proved by the result of bathymetric survey conducted in the Basic Design Study in June 2008. The survey result indicated that there is little difference between the depths of the seabed in and around the Project site in 2006 and this year.

As mentioned in the Supplementary Paper of IEER, the Project does not include excavation/dredging in front of the new pier after expansion. Also, in case the substructure of the new pier would be steel pipe pile type, almost no obstacle against tidal current flow and wave motion will be provided in the Project and the change in current is expected to be very limited.

In the Project, however, leveling operation, or removal of some seabed materials in front of (north side) the proposed pier (refer to Figure 1) might be operated. This operation is to be done before the pile driving if the design depth is set at -9.0 m required for safe shipping and mooring along the pier. In this case, the area of the leveling operation will be approximately 3,300m. Almost all of the area is deeper than 8.8 m at present according to the bathymetric survey conducted by JICA Study Team in June 2008, meaning that the thickness of deepening is less than 20cm.

Leveling operation will be carried out using a grab type dredging machine, specifically, so-called clamshell or orange peel dredging machine. In the proposed leveling area, seabed materials will be once removed by dredging machine and loaded on a barge. A silt protector will be installed around the dredging machine on a barge for curtaining off the leveling operation site from surrounding area, so as to prevent the fine particles from dispersing around the site. Thus, the turbidity discharge will be mitigated.

The removed seabed materials will be transported by a barge to the area with a depth of more than -9.0m and, in turn, be discharged over the area. During this operation, a silt protector will also be installed to prevent the dispersion of discharged materials and sedimentation. Discharge of the materials will not be concentrated at one location but be scattered so as to keep the depth of more than -9.0 m.

However, if the design depth is set at -8.8m, which is a minimum required depth for the targeted ships of 8 m draft (The minimum required depth is set as the draft depth (8.0m) +10% (0.8m) of the draft depth for the safety.), no leveling operation is needed. The JICA Basic Design Study Team is now examining the design depth envisaged at -8.8m.

Thus, the modification of the seabed, i.e., even the change of the depth by the leveling operation, is minimized. It is hardly expected to change the tidal current flow or move motion and cause erosion by the leveling operation.

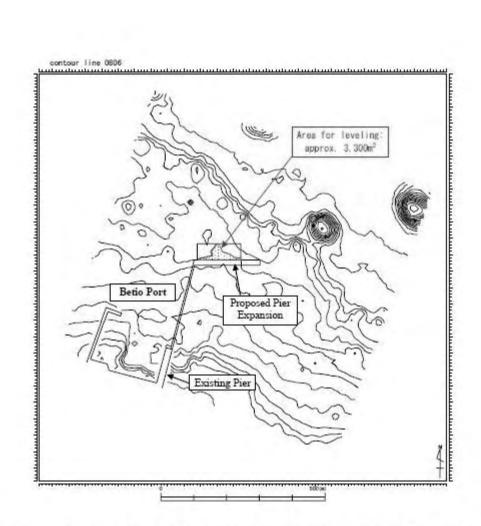


Figure 1 Location of the Area for Leveling Operation if Design Depth is Set at -9.0m

Comment (1)-b.

Disturbance to flora and fauna including fisheries resources within the vicinity.

Disturbance of flora and fauna was examined dividing into two aspects: the disturbance of 1) marine biota and 2) terrestrial biota.

1) Disturbance of marine biota

The results of coral survey at the Project site and its surrounding areas showed that there is no living coral. This is supposedly due to high turbidity in the sea (refer to item (2)-c. for the details). The marine biota other than coral, including fish and benthic organisms, is also not wealthy in and around the Project site. Further, it is understood that no valuable or endangered species exist in and around the Project site under such marine conditions.

In the Project, it is not proposed to conduct excavation/dredging which may produce high turbidity to often become a major impact source to damage coral reefs. The only activity that may cause some disturbance of marine organisms is the leveling operation of the seabed in case of the design depth is set at -9.0m as mentioned above (1)-a. This leveling activity will be done with a silt protector to prevent the seabed materials from dispersing and to mitigate turbidity discharge.

Thus, the degree of disturbance of marine biota will be limited. No significant impacts on coral reef and other marine biota are anticipated because there is no living coral or no wealthy marine biota. Consequently, it is expected that after the leveling the seabed, the marine biota will return to the existing condition.

As for the risk of waste oil leakage and marine pollution during the pile driving, such method that will not cause any oil spill or leakage, specifically. Vibro-hammer type or Hydraulic hammer type of pile driving at the floating barge, will be adopted in the Project (refer to (2)-a for the details). Accordingly, no impact of waste oil contamination on marine biota will occur.

Regarding the disturbance of fisheries resources, the fishery activities are not done around the Project site because this area is too crowded by shipping boats to do fishing. Further, the fishing ground of the South Tarawa is far from the Project site – main fishing grounds are located along the outfall at the west of lagoon of Tarawa Atoll and the south area of the north Tarawa islands (refer to item (1)-f. for the details). Thus, no significant impact on fisheries resources is expected.

2) Disturbance of terrestrial biota

The construction work will not take place on land except for some preparatory works in the temporary construction yard. The expected location of the temporary construction yard is at south of KPA complex with an area of 0.81ha (90m X 90m). (refer to Figure 2)

In the temporary construction yard, a base camp for the construction works including a Contractor's office will be established. Some preparatory works such as concrete mixing, preparatory works for concrete formwork fabrication, rebar fabrication will be carried out within the yard. There is currently no vegetation in this site and is open space although a heap of aggregate is piled in it (refer to Photo1 and 2). Thus, there is no wild plant and tree and therefore no habitat of wild animals, either. Further, there will be no other place than this temporary construction yard to be exclusively used for the implementation of the Project.

Consequently, there will be no impact on terrestrial flora and fauna during the implementation of the Project.



Figure 2 Location of Temporary Construction Yard of the Project



Photo 1: Inside of Temporary Construction Yard (West side)



Photo 2: Inside of Temporary Construction Yard (South side)

Comment (1)-c.

Increase of sedimentation that may affect coral conditions and other marine organisms further downstream.

As mentioned in item (1)-b., it was confirmed by the coral survey conducted during the Basic Design Study that no living coral exists within the lagoon area around the Project site (refer to item (2)-c. for the details).

In general, the spread of turbidity water causes an impact on the coral reefs. However, no excavation/dredging works will be implemented under the Project.

Regarding the leveling operation of the seabed in case of the design depth is set at -9.0 m along the proposed pier, a silt protector to prevent the seabed materials from dispersing will be mobilized (refer to item (1)-a.). Thus, the degree of disturbance of marine biota will be limited and no significant impacts on marine biota. Consequently, it is expected that after the leveling the seabed, the marine biota will return to the existing condition.

Comment (1)-d.

Marine pollution from unexpected oil spill from construction vehicles and other sources.

The answer for this comment is described at the item (2)-a.

Comment (1)-e.

Solid wastes that will be produced from construction debris.

The answer for this comment is described at the item (2)-b.

Comment (1)-f.

Disturbance to marine habitats and fishing ground of local fishermen anticipated from the Project.

As for the risk of impact on marine habitats, there will be no significant impact foreseen as mentioned in item (1)-b.

Regarding the potential impact on fishing ground of local fishermen. IICA Study Team carried out interview survey with Mr. Ribanataake T. Awira. Director of Fisheries, Ministry of Fishery and Marine Resources Development, for obtaining the information on location of fishing ground and other base line data of fisheries in South Tarawa.

According to Mr. Awira, the main fishing ground of commercial fishing is located along the outfall along the west edge of the lagoon in Tarawa Atoll. Another fishing ground is located along the south side of north Tarawa islands (refer to Figure 3). Thus, there is no commercial fishing ground in and around the Project site. The Project site is one of the busiest area for

shipping of cargo handling vessels. Thus, no fishing activity is done in the vicinity of the Project site. Regarding subsistence fishing, i.e., the fishing for domestic consumption, the fishing is done in a small scale or by individual households in Tarawa Atoll using fish net, fishing rod, etc. Even so, there is no fishing activity in and around the Project site because of the same reason as above.

As for the possibility of impacts on marine habitats, the risk of marine pollution by waste oil or disturbance of habitat of seabed organisms by construction works of the Project will not be anticipated as described in item (1)-b.

Accordingly, there will be no impacts on marine habitats or fishing ground of local fishermen. According to Mr. Awira, "after the completion of the pier expansion, the new pier can be utilized by the locals for fishing using fishing rod more or less when there is no ship mooring at the pier and the Project is not negative at all but positive effect for their subsistence fishery."

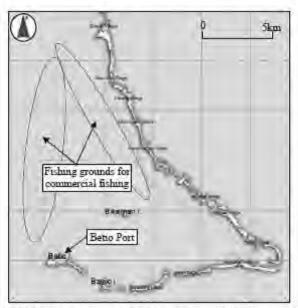


Figure 3 Main Commercial Fishing Grounds in Tarawa Atoll

Comment (2)-a.

It was stated in the comments on the Supplementary Paper that any possible oil leakage into the sea would be contained by an oil boom. More information is needed on what method the applicant is going to use to remove any oil contained in the oil boom and what are the means of disposing waste collected from oil boom.

The risk of oil leakage during the construction work of the Project is divided into two aspects:

1) oil spill from pile driver on a floating barge, and 2) unexpected oil spill or leakage from the Project activities on land.

(1) Risk of Oil Spill from Pile Driver

There are several methods of pile driving in terms of the method of driving force, including diesel hammer pile driver, vibro-hammer one, hydraulic hammer one, etc. In case of diesel hammer pile driver, there is a risk of marine pollution from the oil spill from floating pile driving barge. It is necessary to establish an oil boom (fence) around the pile driving barge to prevent the leaked oil from spreading over the sea and causing marine pollution.

In this Project, accordingly, the vibro-hammer pile driver, or the hydraulic hammer pile driver will be adopted to avoid the risk of oil spill leakage. These types of pile driver do not cause oil spill or leakage in terms of machine structure. Thus, the impacts of marine pollution by oil leakage during the pile driving on a floating barge can be eliminated.

In spite of the advantage of the adoption of vibro-hammer pile driver or hydraulic hammer pile driver mentioned above, an oil boom (fence) will be prepared for the unexpected oil spill accident for in case. The Contractor will select the type and structure of the oil boom. The necessity of the preparation of an oil boom is to be incorporated in the tender documents for the selection of the Contractor. In case of oil spillage accident, the spilled oil will be prevented from diffusing over the sea and will be removed using an absorption mat for collection. The collected waste oil will be entrusted to KOIL for an appropriate treatment and disposal.

(2) Risk of Oil Spill or Leakage from the Project Activities on Land

The risk of oil spill or leakage from heavy machine and vehicles on land including crawler crane, dump truck, trailer, payloader, etc. is very limited under the normal working operation.

The risk of oil leakage during the preparatory works in the temporary construction yard is also limited. In the construction yard, a base camp for the construction works will be established. Some preparatory works such as concrete mixing, preparatory works for concrete formwork fabrication, rebar fabrication will be carried out in it. These construction works, however, does not use / treat oil for these operations expect for using fuel for functioning machines and vehicles.

Further, the construction yard does not directory face the sea. The north and the south of the yard are bounded by the next block, an open space where some containers are placed, and the west and the east are bounded by roads (refer to Figure 2).

Thus, the risk of oil leakage and marine pollution is not anticipated.

Comment (2)-b.

As quoted from the Supplemental Paper, "the contractor shall re-export construction equipment and waste when the project is completed in line with the government regulation." However it was not specifically indicated as where to export to, and who is going to bear the cost for returning malfunctioned equipments; the applicant (Kiribati Port Authority), the funding agency which is JICA or the contractor.

In this Project, the waste management plan will be proposed as a result of Basic Design Study. The following is the tentative outline of the waste management plan.

(1) Policy of Waste Management

- I) To follow the principal of "Polluter Pays."
- To reduce the generation of waste.
- 3) To facilitate reuse and recycle in case that reduction of waste cannot be done.
- 4) To comply with the waste disposal system in South Tarawa in case that reuse or recycle cannot be done.
- To avoid illegal dumping of waste.

(2) Treatment of Construction Equipments and Vehicles

Construction equipments and vehicles to be used for the construction works in the Project will be basically procured from Japan. Kiriban and the third country by a Contractor. After the construction work is finished, they will be still usable and re-exported to Japan or procurement country. No scrap cars or equipments will be remained or disposed of in Kiribati.

(3) Waste Management Pian

Wastes to be generated during the implementation of the Project are categorized into two: 1) construction waste and 2) general waste. Table 1 lists the types of wastes to be generated and briefs their management method.

1) Construction waste

Construction wastes include plywood, steel board, concrete debris, rebar debris, steel debris, plastics and cement bags. All of which, except for concrete debris, can be entrusted to Kiribati Recycling for reuse and recycle. Kiribati Recycling is a waste recycling facility established and supervised by Kiribati Government (Ministry of Commerce and Ministry of Environment, Land and Tourism Development). The facility is currently privatized and run by Mr. Derek Andrewartha, who is entrusted for managing the facility by the government.

The Kiribati Recycling can accept steel, iron (rebar), plastics to be sent (sell) to Australian Company of SIMS Group which is a world wide waste recycling company. Other materials, plywood and cement bags can also be accepted at Kiribati Recycling for its effective use within the premise of the facility. Concrete debris cannot be accepted at the facility but can be effectively used for materials for beach protection, reclamation, etc. in place. Entrustment to Kiribati Recycling is one of the options for reuse and/or recycle of construction waste. It there

is other receiver for effective reuse or recycle, the construction waste can be delegated to it.

2) General waste

General wastes include paper rubbish, organic rubbish, beverage cans, plastic bottles and sewage (human waste) as listed in Table 1. All the general wastes are generated at the base camp, the Contractor's office of the Project. Of these wastes, beverage cans (aluminum cans) and plastic bottles will be entrusted to Kiribati Recycling for recycling. Paper rubbish and organic rubbish will be entrusted to BTC for its waste collection and disposal under the waste disposal system in BTC. Sewage form the toilet of the base camp will be entrusted to PUB for collection and disposal.

3) Cost for waste management

The cost for entrust to Kiribati Recycling is free and no payment from it according to Me. Andrewartha. Entrustment of waste collection and disposal to BTC costs \$650 annually as the rate of 2008. Also, entrustment of sewage collection and disposal to PUB costs \$110 for one mobilization of sewage collecting vehicle (vacuum car). The cost of waste management incl. entrustment to Kiribati Recycling, BTC and PUB shall be covered by the Contractor.

Table 1 List of Wastes and Management Method

Category	Waste materials	Usage for the construction work	Anticipated volume of generation	Possible management method
Construction waste	1.Plywood	Concrete formwork	Approx 3,000m ² of plywood	Entrustment for reuse at Kiribah Recycling*
	2.Steel board	Concrete formwork (Steel formwork)	of generation Approx 3,000m ² o plywood Approx 1,200m (20% of 6,000m ²) o steel board Unpredictable Unpredictable Unpredictable Unpredictable 560 bags (840 ton / 1.5 ton/bag)	Entrustment to Kiribati Recycling for recycle
	3. Concrete debris	Residue of concrete work or test piece of concrete	Unpredictable	Reuse for beach protection, reclamation material, etc.
	4. Rebar debris	Reinforced concrete work	Unpredictable	Entrustment to Kiribati Recycling for recycle
	5. Steel debris	Pipe pile driving	Unpredictable	Entrustment to Kuribati Recycling for recycle
	6. Plastics	Packaging and miscellaneous use	Unpredictable	Entrustment to Kiribati Recycling for recycle
	7. Cement bags	Container of cement	560 bags (840 ton / 1.5 ton/bag)	Entrustment for reuse at Kiriban Recycling
General waste (from base	1. Paper nibbish	Waste paper used in a base camp (office)	that unit generation	Disposal based on BTC waste disposal system
camp)	2. Organic rubbish	Food residues in a base camp	of generation Approx 3,000m ² of plywood Approx 1,200m ² (20% of 6,000m ²) of steel board Unpredictable Unpredictable Unpredictable Unpredictable Unpredictable 1 kg/day (Assuming that unit generation volume is 0.2 kg/person/day**, and average number of workers at the office of base camp is 10 persons*** on	ditto
	Beverage cans (aluminum cans)	Refreshments	workers at the office of base camp is 10	Entrustment to Kurbati Recycling for recycle
	4. Plastic bottles	Drinking water	average.)	Entrustment to Kurbati Recycling for recycle
	5. Sewage	Human waste	persons / days on	Disposal based on collection and discharge system by PUB

^{*} Knibati Recycling is a waste recycling facility established and supervised by Knibati Government.

^{**:} Data source is "Draft National Waste Management Strategy." Oct. 2007

***. The numbers of persons who are regularly working at the Contractor's office is estimated to be 10 persons.

(3) Monitoring of Waste Management

To make sure the implementation of the abovementioned waste management plan, it is necessary to appoint a waste manager in the Contractor office, who is responsible for facilitate and supervise the implementation waste management plan. He/She to be appointed shall monitor and record the kind of waste, volume and date of entrust to Kiribati Recycling for reuse and recycle, and to BTC and PUB for waste collection and disposal. The record shall be kept in the office for inspection when requested by the government authority.

(4) Responsibility of Waste Management and Cost

All the waste management activities, including reuse, recycle and disposal for construction waste and general waste are the responsibility of the Contractor to be selected by MCTTD and KPA as a result of tender. The responsibility of waste management mentioned above is to be clearly described in the tender documents for the selection of the Contractor. The Engineering Consultants will be in charge of supervision of the waste management. MCTTD and KPA also have a final management responsibility as the Project implementing bodies.

Comment (2)-c.

Baseline data on coral conditions to ensure monitoring of coral reefs located within the vicinity of the Project.

Coral survey was conducted aiming to inspecting the habitat environment focusing on living conditions of coral and other marine organisms in and around the Project site.

(1) Methodology

The location of the survey area is illustrated in Figure 4. The survey was conducted by an experienced diver who is an expert to inspect coral and other marine organisms in the lagoon of southern pacific ocean.

Inspection was done by means of direct observation for living condition and distribution of coral, and other marine organisms at quadrats with an area of 1m² (1m x 1m) set along the transect (line) in the survey area. The survey was conducted during 27 June and 1 July, 2003.

(2) Survey Result

Quadrats were laid along the entire proposed length of the new port at every 10m interval on either side of a tape measure. A total of 170 quadrats were set and therefore 170m² of seabed was surveyed.

As a result of direct observation, no living coral was identified in the survey area and surrounding areas. The following are the brief description of observation result (The details of the survey result are now being consolidated).

The proposed port expansion area is gently sloping between 6 and 11m deep with the benthic substrate (seabed) composed mainly of fine silt material. A thin film of red filamentous algae covers most of the seabed with occasional patches of Halimeda algae and sponges scattered

along the transects and quadrat locations.

The area is heavily sedimented with fine silt/sand materials and is considered typical for such lagoon environment that is normally sheltered and calm. In addition, as it is an active port, boat/ship traffic around the harbor contribute to some extent to poor water quality and visibility in the harbor.

Coral disease, predation or bleaching could not be established as no live hard coral were found in the area. Very few fish and no invertebrate life were recorded in the area.

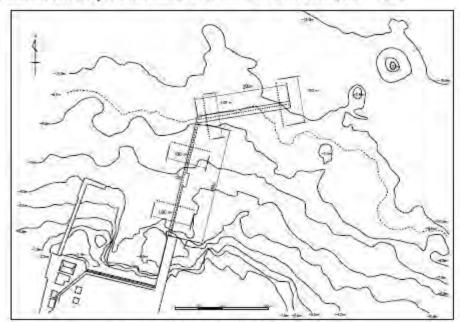


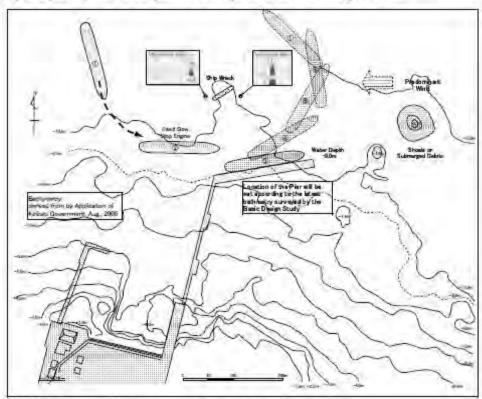
Figure 4 Location of Coral Survey Area

Comment (2)-d.

Further clarification of the scope of work including the quantity of materials and list of equipment required and to indicate who will be responsible for what.

(1) Port Layout

Proposed port layout of the expansion of the pier is shown on the figure below:



Note) The layout can be subject to minor change in the Basic Design Study.

Figure 5 Proposed Port Layout of the Pier Expansion

(2) Proposed Facilities

The Project includes the facilities listed in the table below:

Table 2 Proposed Facilities in the Project

No.	Facilities	Dimension / Number	Remarks (Change after Preliminary Study)
Ĭ	Loading/Unloading Pier	200m long, 18m wide, depth: - 9.0 m (under examination)	Width has been changed from 14m at Preliminary Study to 18m.
2	Trestle	280m long, 5m wide, Passing place : 2 locations	Length has been changed from 270m at Preliminary Study to 280m.
3	Navigation Aids	Repair Replace of buoys: 8 nos	Signs for Obstacles, NO ENTRY

		Others: - Sign of Obstacles: 2 nos Sign of NO ENTRY: several nos Beacon (to be installed at pier: 2nos	and Beacon have been added.
4	Procurement of	Top lifters: 1 no.,	The number of trailers has been
	Container Handling	Forklifts: 2 nos.,	increased from 3 at Preliminary
	Equipments	Trailers for 25 feet containers: 5 nos	Study to 5.

Note) Dimension/number can be subject to minor change in the Basic Design Study.

(3) Construction Method

Process of the construction of the pier and trestle is as illustrated below:

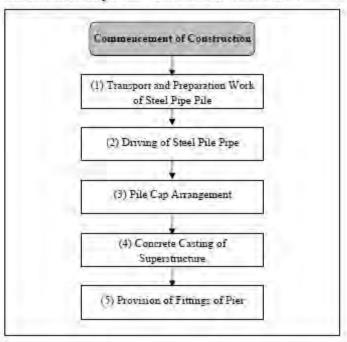


Figure 6 Brief Flowchart of Pier/Trestle Construction Process

Construction methods of each process indicated above flowchart are discussed in SUPPLEMENTARY PAPER of IEE Draft Report submitted in Feb. 2008. The details of them are now being examined in Basic Design Study by JICA Study Team.

(4) Construction Equipments

1) Equipments for pile driving

Necessary equipments for pile driving are listed below. In this Project, vibro-hammer pile driver or hydraulic hammer pile driver will be adopted for pile driving to avoid the risk of oil spill leakage as mentioned in item (1)-b. These equipments for pile driving will be procured from Japan, Kiribati or the third country by the Contractor.

Case 1) Equipments Required for Vibro-Hammer Pile Driver

Name	Nos.	Remarks
1. Crane barge	l no	
2. Rock pile driver	l no.	
3. Vibro-hammer	l no.	
4. Power generator	l no	
5. Power generator	l no.	
6. High water pressure pump	5 nos.	For jetting
7. High water pressure pump	l no.	For grounng
S. High water pressure pump	l no.	For cooling
9. Grout pump mixer	I set	
10. Anchor handling boat	l no.	
11. Tugboat	l'no.	
12. Barge	l no.	
13. Traffic boat	l no.	

Case 2) Equipments Required for Hydraulic Hammer Pile Driver

a. Pile Driving Vessels

Name	Non	Remarks
I. Hydraulic hammer type pile driving vestel	l no.	Full evolutions, Spud type is best.
2. Anchor handling boat	l no.	
3. Tugboat	l no	
4. Barge	1 no	
5. Traffic boat	l no.	

b. Superstructure Work Vessels Equipped with a Crane

Name	Nos.	Remarks
Barge equipped with a crane	1 no.	Spud type is best
2. Anchor handling boat	l no.	
3. Tugboat	l no	
4. Barge	l no	
5. Traffic boat	1 20	

2) Other equipments

Equipments other than those for pile driving are listed below. These will be procured from Japan, Kiribati or the third country by the Contractor.

Name	Nos	Remarks
1. Concrete batch plant	I no.	
2. Concrete casting pump	1 -2 mos.	Not yet fixed.
3. Dump truck	1 по.	
4. Crawler crane	l no.	
5. Trailer	l no.	
6. Payloader	l no	
7. Backhoe	1 no	
8. Diesel power generator	2 nos	
9. Dredging machine	l no.	For leveling operation in case of the design depth is set at -9.0m.

3) Maintenance of construction machines

Construction machines and equipments to be procured are not old type or poorly maintained ones, but well functional, rather improved types and well maintained ones. During the construction work, the machines and equipments are to be kept proper maintenance for not only enough workability and function but also environmental considerations, i.e., minimizing noise, vibration, emission gas, etc.

(5) Construction Materials to be Procured

Main construction materials necessary for the Project include cement, aggregate, rebar and steel pipe pile, plywood, steel board. Necessary volume and the number of the materials as well as procurement country are listed in the table below. Procurement of all the construction materials is the responsibility of the Contractor.

Materials	Specification / Dimension	Volume/ Number	Procurement Country
1. Cement	Portland cement	Approx 840 ton	Fiji
1. Aggregate	© 25 mm	Approx. 1,540 ton	Fiji
3. Rebar	13 – 32 mm	Approx. 280 ton	Japan, Australia, New Zealand, or Fiji.
4. Steel pipe pile		300 - 350 nos. in total	ditto
5. Plywood	0.9 x 1.8 m x 12mm	Approx. 3.000m2 of area	ditto
6. Steel board	0.3 m x 1.0 m	Approx. 6.000m2 of area	ditto

Note) Volume/number can be subject to minor change in the Basic Design Study.

(6) Implementation Schedule

Approximately three years is needed for the completion of the Project. This does not include the period required for detailed design and tender

- 1) Preparation work (mobilization and procurement): 6 months
- 2) Construction works (Construction of pier, trestle, etc.): 2 years
- 3) Procurement of Container Handling Equipments and Demobilization: 6 months

(7) Responsibility

The responsibility agency is listed below by task.

- 1) Implementation of the Project: MCTTD and KPA
- 2) Construction Work: Contractor to be selected by MCTTD and KPA
- Construction Supervision: Engineering Consultants to be selected by MCTTD and KPA
- Waste Management during Construction Work: Contractor to be selected by MCTTD and KPA
- 5) Management of the Constructed Facility (after Handover): KPA

Comment (2)-e.

List of government authorities consulted. There is a proposed major offshore dredging operation by the MFMRD in the Betio lagoon and therefore the concerned ministry needs to be aware of this important project.

IICA Study Team contacted an official (Ms. Reenate Willie, Mineral Development Officer) of MFMRD for the collection of information related to the said offshore dredging operation. As a result, the details of the said operation and the relationship with the Betio Port Expansion Project were made clear as summarized below.

The offshore dredging operation is an extraction of submarine sand form Vinstra Shoal deposit located in the Tarawa lagoon (refer to Figure 7). An Economic Feasibility Study (F/S) and Environmental Impact Assessment (EIA) were conducted by US Consulting Company in 1997. The following description is based on the F/S and EIA report of the proposed operation.

The purpose of the operation is to discontinue the mining of sand beaches on the islands of Tarawa and to replace these activities with the mining of submarine sand from the Vinstra Shoal deposit, an offshore deposit located in the Tarawa lagoon approximately 3 km north of Betio in less than 10m water depth. Consultants' review of available reserves indicated more than 6 million m³ of sand and gravel, sufficient for well over 100 years at 1990's rate of usage. A production rate of 45,000 m³ yr is assumed, using a 6" submerged suction pump, mounted on a 40 meter motorized barge with a capacity of 250 m³. The dredge would operate on site for 3 hours each working day and discharge to a stockpile at the what in Betio.

Environmental effects which were subjected to specific and relatively detailed analysis include (1) impacts on the lagoon and lagoon shorelines due to the removal of the Vinstra Shoal deposit, (2) dispersion of the fine sediment from the dredge overflow, and (3) possible effects on nearby bottom fish and some corals.

Regarding the 1²¹ effects above, removal of offshore sands by dredging has been resulted in increased erosion of nearby beaches due to alteration of the wave energy impinging on the beach. As a result of analysis in the report, however, it was revealed that the removal of the sand deposit would not be expected to degrade significantly the capacity of the barrier reef to protect the lagoon. As for the 2nd effects, a simulation of mathematical model was conducted to predict the dispersion of fine particles from the dredging site. As a result of the simulation, it was found out that the highest value for fines concentration was 0.1 mg/l. Given the fact that there is currently significant natural turbidity in the water of Vistra Shoal deposit, it was concluded that turbidity from the offshore mining operation will not cause significant impacts. Regarding the 3nd effects, suspended sediments in the water column can do serious damage to growing corals. However, high sediment loads are already present in the water column of Vinstra Shoal depost. Thus no significant impact would be anticipated on the biological environment according to the report.

Consequently, the operation of sand and gravel mining at Vinstra Shoal deposit will not any significant impacts on lagoon and lagoon shoreline, dispersion of fine particles and sedimentation or marine organisms.

Based on these information, the following conclusion can be obtained. The location of the Vinstra Shoal deposit is far enough (3 km) from Betio Port, and is situated outside (south) of

the navigation route to the Betio Port, which indicates there will be no impact on navigation of ships to moor the Betio Port. Thus, there will be no such significant impacts as conflict with the Project activity, erosion, sedimentation or disturbance of fishery resources, and therefore no impacts on the implementation of the Project.

After 10 years has passed since the issuance of the F/S and EIA report in 1997, the operation has proceeded to implementation supported by EU MCTTD will keep monitoring the progress of the operation by contacting time to time with MFMRD and the Project Coordinating Committee, management body of the dredging project to avoid any conflict.

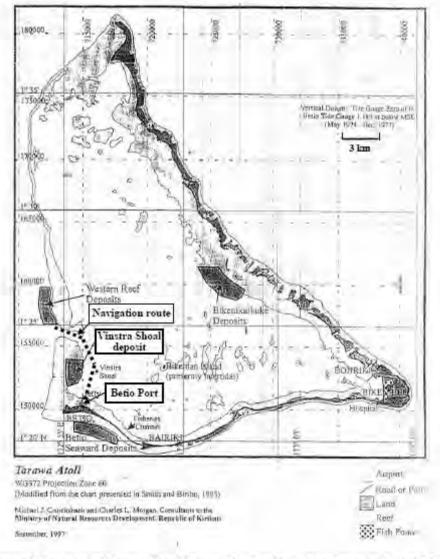


Figure 7 Location of Vinstra Shoal Deposit for Sand Mining Operation by MFMRD

Comment (2)-f.

Use of water and electricity in the project. It is important to state if there is significant quantity of water and electricity needed and, if so, where to source these from.

(1) Water Use

1) Water required for construction work

Water required for the construction work is the one for concrete manufacturing by mixing of cement and aggregate. The amount of necessary water is 500m³ at most in total throughout the construction work. Other water use is temporary and minor.

2) Water use at base camp

Water use at base camp including the Contractor's office is daily throughout the construction work until the completion. Required water volume depends on the number of persons working in the office. It is estimated to be 10 on average who are regularly working in the Contractor's office according to the labor mobilization plan. The unit water consumption per day per capita can be estimated to be less than 20 litter except for drinking water (Drinking water is supplied by bottle water.). Thus, the daily consumption of water in an office is estimated to be 0.2 m³ at most.

3) Procurement of water

Water required for construction work and daily water needs at the base camp will be procured by PUB. JICA Study Team has contacted Public Utility Board (PUB) and PUB agreed with water supply. Water will be procured by water delivery vehicle upon a request from the Contractor.

(2) Power Use

1) Power required for construction work

The power required for the construction work is basically provided by the Contractor's diesel power generators. It is, therefore, not necessary to get power provided by PUB.

2) Power use at base camp

Power use at the base camp including the Contractor's office is daily needs throughout the construction work until the completion. Required power needs depend on the number of persons working in the office as well as the power for the illumination, air conditioner, personal computers and other office machinery. The power demands at the office are estimated to be ordinary level at the office with regular workers of 10 persons.

3) Procurement of power

Power required at the base camp for daily needs is to be provided by PUB. JICA Study Team has contacted PUB and PUB agreed with power supply.

Appendix-5.3 Draft IEE Report (October 2007)



REPUBLIC OF KIRIBATI MEMORANDUM

From:

Secretary for Communications

To: Secretary, MELAD

Transport and Tourism Development

File Ref: 3/21

ATTN: Marii Marae

Date: 16 October 2007

Subject: Draft IEE report - Betio port expansion project

Attached is an extract from Mr. Hatakeyama's report which we hope to use in our final IEE report. Much of the information Mr. Hatakeyama has provided we hope has covered some of the major issues that need to be advisored regarding the projects social and environmental impacts. The extract is also a sort of draft IEE report; however, I know there may other issues that have yet to be covered which you will be able to comment on.

Please contact this office if you have any queries.

Kam rabwa

Tion Uriam

for Secretary- Ministry of Communication, Transport and Tourism Development.

Enclosed: Draft report - Betio port expansion project.

Co: OIC KPA

Operations Manager KPA

Registry Copy MCTTD

(DRAFT) IEE Report

1. Title of the Cooperation Project

Expansion of Betio Port

2. Categorization and its reason

Categorization: B

Its Reason: This project, its impacts on the environment may be limited. However, several impacts on the environment and society such as coastal zone, sanitation and environmental pollution need to be reviewed in advance

3. Outline of the Location

The Project site is at the Betio Port in Tarawa as shown in Figure 1 and 2. Betio port is located in the lagoon of Betio islet surrounded by coral reef at the west and North Tarawa at the east.

3-1 Natural Environment

Temperature varies between 25 and 33°C and 50 to 63 percent of the annual possible sunshine of 4134 hours. The wet season extends from December to May and rainfall variation is high in most of the islands. A gentle breeze from the easterly quarter is predominant.

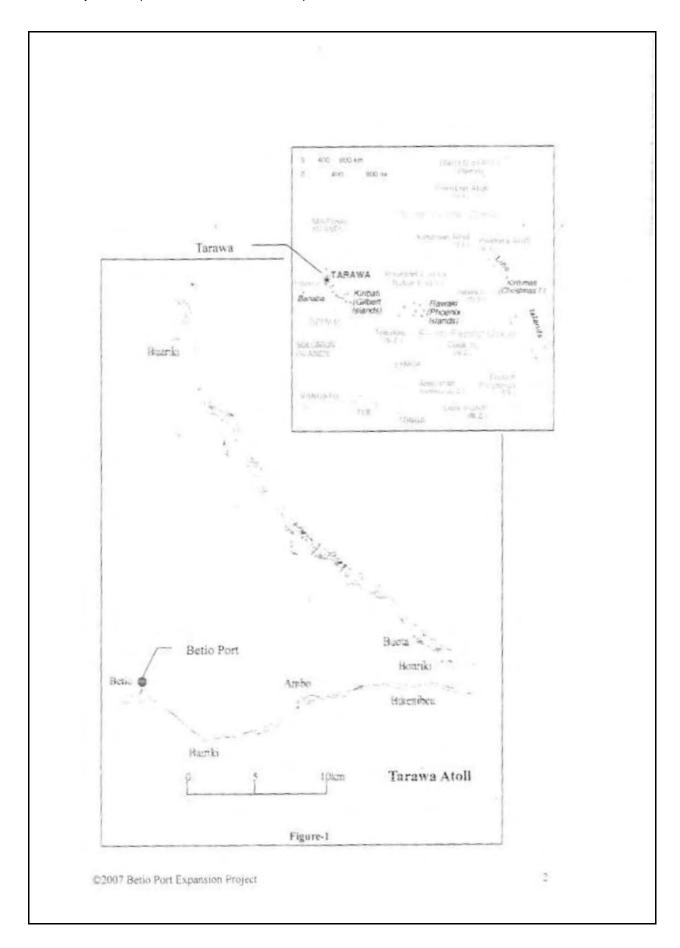
It is estimated that the coral located inside the lagoon is not alive due to water pollution accumulated by the wastewater discharged from the residence situated along the island and no important coral species exist in the lagoon area.

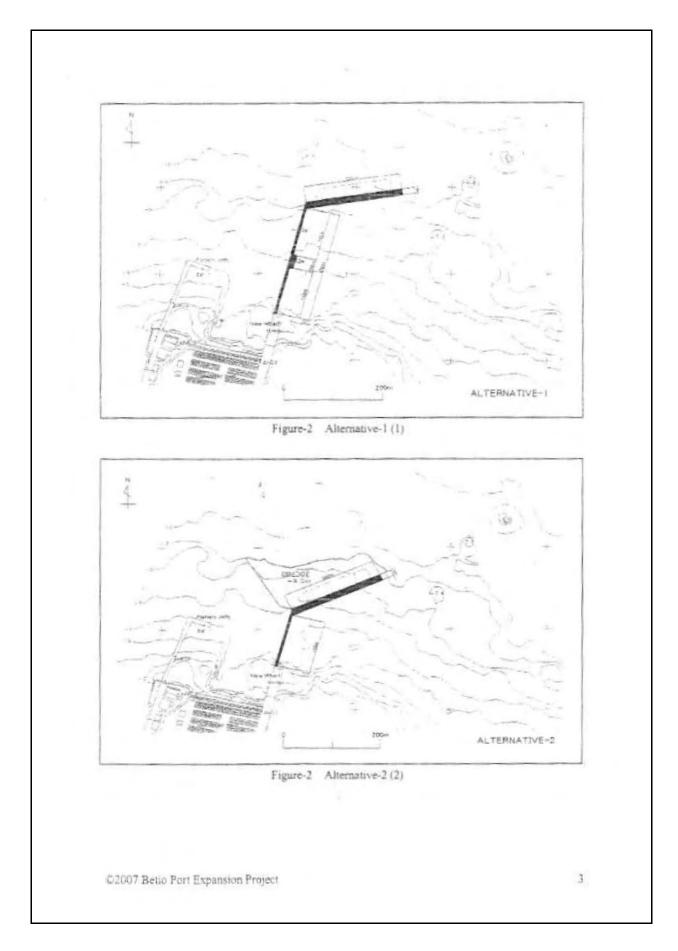
The wave climate inside the stoll is rather calm since it is not a zone of storm belt and is less experience of strong depression due to proximity to the equator.

There is no record of earthquakes more than magnitude 4 occurred within a radius of 300 km from Betio port.

The upper layer of subsoil at Betio port comprises coral sand and coral fragments of about 10 meter thick with N-Value of 0 to 30. The lower layer, deeper than 5 meter from the sea bottom, is relatively dense and a hard coral rock can be encountered at some places.

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4. Outline of Relevant Agency and Institution

4-1 Responsible organization: Ministry of Communications, Transport and Tourism Development (MCTTD)

Ministry of Communications, Transport and Tourism Development is in charge of the planning, designing and construction work of the Project in collaboration with KPA and JICA.

4-2 Implementing organization: Kiribati Ports Authority (KPA) and JICA

After completion of the construction work, responsibility for operation and maintenance will be hunded over to KPA with the exception of the navigation aid which will be maintained by the Marine Division of MCTTD.

5. Outline of the Project

5-1 Objectives:

The objective of the project is to improve the Herio Fort facilities and capacity to sectare safety and efficient cost effective rargo lumiding

5-2 Items Requested by the Government of Kiribati

- 1) Construction of Pier 200m long
- 2) Construction of Access Trestle 250m long
- 3) Navigation Aid
- 4) Cargo Handling Equipment

5-3 Analysis of Alternatives

The alternative-2 in Figure-2, which requires dredging work, is not preferable in consideration of the sedimentation, anavailability of the dredging equipment, and adverse environmental impacts evaluated us "A", serious impact is expected as shown in Table-2. In zero option social environment such as "local economy" and "the poor" is evaluated as "B", some impact is expected due to price rise in the country of which transport by barges was recognized as one of the central causes.

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Table-2 Comparative examination of alternatives

No.	Impact	Zero Option	Alternative-1	Alternative-2
Social	Environment			
I	Involuntary Resettlement			
2 .	Local economy such as employment and livelihood, etc.	В		
3	Land use and utilization of local resources			
4	Social institutions such as social infrastructure* and local decision-making institutions			
5	Existing social infrastructures and services			
6	The poor, indigenous and ethnic people	В		
7	Misdistribution of benefit and damage			
8	Cultural heritage			
9	Local conflict of interests			
10	Water Usage or Water Rights and Rights of Common			
11	Sanitation		В	В
12	Hazards (Risk)		B	В
14	Infectious diseases such as HIV/AIDS			
Nahim	al Environment			
13	Topography and Geographical features			
14	Soil Erosion		В	Á
15	Groundwater			
16	Hydrological Situation		В	A
17	Coastal Zone (Mangroves, Coral reefs, Tidal flats, etc.)		В	A
18	Flora, Fauna and Biodiversity		В	A
19	Meteorology			
20	Landscape		В	В
21	Global Warming			
Pollut	ion			
22	Air Pollution		В	В
23	Water Pollution		В	A
24	Soil Contamination		В	В
25	Waste		В	В
26	Noise and Vibration		В	В
27	Ground Subsidence			
28	Offensive Odor			
29	Bottom sediment		В	A
30	Accidents		В	В

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Rating:
A: Serious impact is expected.
B: Some impact is expected.
C: Extent of impact is unknown (Examination is needed. Impacts may become clear as study progresses.)
No mark: No impact is expected. IEE/EIA is not necessary.

6. Adverse Environmental and Social Impacts

It is necessary to examine the impacts of the project on the marine environment carefully since the construction of large-scale facilities is assumed. The IEE level study based on the IICA guidelines for environmental and social considerations was executed with Kuriban side. Table-3 shows the Results of Scoping. None of the items of serious impacts, "A" were expected from some of social, natural and pollution items.

Table-5 Results of Scoping

No.	Impact item	Rams	Reason
		n Gender	" and "Children's Right" might be related to
alle	nteria of Social Egypronoment		
I	Involuntary Resentionent		Neither housing nor stores, and no existence of illegal settlers in the project site.
2	Local economy such as employment and livelihood, etc.		Positive impact is expected such as creation of employment.
3.	Land use and utilization of local resources		The project does neither occupy the existing land nor utilize local resources such as sand, stone, woods, water, etc.
4	Social institutions such as social infrastructure and local decision-making institutions		Low accessibility to social institutions is not caused because the project is carried out inside a port area.
5	Existing social infrastructures and services		The project does not use large quantity of infrastructure services such as power and water beyond local demand.
6	The poor, indigenous and ethnic people		No squatters occupies around the port. Most people of Kiribati are Micronesians and the others are Polynesians and Europeans etc.
7	Misdistribution of benefit and damage		The project is for the profit of people nationwide not for that of a specific group.
8	Cultural beritage		No cultural heritage exists in the site
9	Local conflict of interests		The project is for the profit of people nationwide, not for that of a specific group.
10	Water Usage or Water Rights and Rights of Common		No fishing right is established in the port. Port facilities are constructed away from the beach.
11	Senitation	В	Possible deterioration of public health and sanitary conditions owing to generation of garbage and increase of vernin
12	Hazards (Risk) Infectious diseases such as HIV: AIDS	В	Infectious diseases such as HIV/AIDS may be introduced due to immigration of workers associated with the project.
Nana	rai Enverament		
13	Topography and Geographical features		No important geographical features
14	Soil Erosion	В	Beach erosion may occur due to construction of port facilities.
15	Groundwater		No possibility of lowering of groundwater table because groundwater is not overused.

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No.	Impact item	Rating	Reason
16	Hydrological Situation	В	The project may cause changes in hydrological and/or seabed conditions around the area concerned due to construction of port facilities.
17	Coastal Zone (Mangroves, Coral reefs, Tidal flats, etc.)	В	The project site is located on coral reefs (Tarawa Atoll).
18	Flora, Fauna and Biodiversity	В	Some impact of offshore works on marine organisms is expected.
19	Meteorology		The project does not change meteorological conditions such as temperature, precipitation, winds, etc. as the results of construction of port facilities, etc.
20	Landscape	В	The project may deteriorate aesthetic harmony in the area concerned by installation of construction of man-made structures.
21	Global Warming		The project does not include factors that may cause the problem of global warming.
Poll	ution		
22	Air Pollution	В	The project may cause air pollution by exhaust, gas and/or toxic gas from construction vehicles and boats employed during construction.
23	Water Pollution	В	There is a possibility of minor accidental spills of fuel and other oil products from construction equipment.
24	Soil Contamination	В	Some possibility is expected due to dust from stockpiles of construction materials.
25	Waste	В	Generation of construction waste and general waste is expected.
26	Noise and Vibration	В	Impacts of noise and vibration on residents are expected, when construction equipment and/or vehicles is operated on the land.
27	Ground Subsidence		The project does not include excessive groundwater pumping to cause ground subsidence.
28	Offensive Odor		The project does not use offensive odor materials such as dredged sludge, etc.
29	Bottom sediment	В	The project may cause the contamination of bottom sediments by discharges or dumping of materials, such as hazardous materials from workboats and the related facilities.
30	Accidents	В	There may be any risks of accidents such as handling of hazardous materials, spills fire, explosion, traffic accidents and exposure of the project to natural disasters (high waves, strong wind, etc).

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Rating:
A. Serious impact is expected.
B. Some impact is expected.
C. Extent of impact is unknown (Examination is needed. Impacts may become clear as study progresses.)
No mark: No impact is expected. IEE/EIA is not necessary.

7. Mitigation and Monitoring for Key Impacts

Table-4 shows Envisioned mitigation measures for the impact items evaluated at "B". Monitoring for key impacts will be started at the basic design study, and KPA will be a responsible agency to continue monitoring during and after construction. The monitoring results will be published in accordance with Aracle 28 of the Environment Act 1999.

Table 4 Envisormed margation measures

Likely Impacts	Rating	Impact seventy (e.g. magnitude, area extent duration frequency, reversibility, likelihood of occurrence)	Methods used to predict	Assumed mitigation measures
Santation	В	Possible deteneration of public health and santary conditions	- To mestigate the complaints from local residents Periodic medical examination to laborers	management Solid waste
Hazarda (Risk) Infectious diseases such as HIV/AIDS	В	Infections diseases such as HIV/AIDS may be introduced	nformation about HIV/AIDS from local health centers, WHO etc.	- AIDS education to laborers
Soil Erosion	B	Beach erosion may occur.	Investigation of present beach erosion and its cause	New tanding bridge is constructed with piers attached to the seabed, not reclaimed.
Hydrological Situation	В	Changes in hydrological and or seabed conditions	- Investigation of ndal current Computer simulation	- dino
Constal Zone (Mangroves, Coral reefs, Tidal flats, etc.)	В	Located on coral reefs (Tarawa Asoll)	- Study of distribution of coral	-Avoidance of the area where valuable species inhabit
Flora, Fauna and Biothversity	В	Some impact of offshore works on marine organisms.	-Inventory of flora & fauna around the proposed site	-Avoidance of the area where valuable species inhabit.
Landscape	В	Deterioration of aesthetic harmony in the area concerned.	-Tourist spot and archeological site survey -Landscape forecast (photomontage and perspective diagram)	-Shape and color of facilities are decided taking resident's awareness of landscape into copyuderation. -Role of landscape (religious belief and tourism) in the region is considered.
Air Pollusion	В	Air pollution by exhaust gas and/or toxic gas	Air pollution prediction	Proper maintenance of construction equipment Use of road sprinklers
Water Pollution	В	Minor accidental spills of fael and other oil products.	- Water quality survey - Water pollution prediction	- Periodic monnaring -Implement proper storage of fuel, lubricant and the like
Soil Contampation	В	Dust	- To monitor stockpiles of construction materials	- Cement is placed in incrage

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Wasto	B	Generation of construction waste and general waste.	Order to a waste disposer Use of Municipal waste collection system	- To reduce waste generation - Proper disposal of waste
Notes and vibration	В	Impacts of noise and vibration on residents	-Noise and vibration level measurement -Noise and vibration prediction	- Use of low goine and otherhous machine To crover diagona equipment such as diesel harmaner with acoustic meutaring material. No construction activity during material
Bottom sediment	B	The project may cause the contamination of bottom sediments by discharges or dumping of materials.	Sediment quality survey Sand drift prediction	No dredging work to done for this project. Storage of hazardom materials man be appropriate
Accidents	В	There may be any risks of accidents	- Iraffic survey - Emergency simulations have to be performed.	frager togrape and information dissermation. Storage of construction materials must be appropriate, specially flummable and explosive materials.

Note Rating Criteria
A: Serious impact is expected
B: Some impact is expected.

6. Important Notice on Basic Design Study

8-1 Mirigation measures

To make a suitable plan to take mitigation measures as shown in Table-4

8-2 Review of IEER

To review IEER which KPA submitted to MELAD and got development consent for this project and to make the above plan maintaining compatibility with the IEER.

N-3 Coral survey

To obtain distribution of coral to secure piling work in the project site.

5-4 Environmental survey

To carry our environmental survey in the project site. The nems to be surveyed are

- 1) water quality- pH, DO, COD, SS, coliform group, oil content, transparency
- 2) sea bed quality beavy metals, specific gravity, moisture content, grain size

5-5 Waste Management

To make a waste management plan during and after constituction.

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Appendix-6 Questionnaire on Water Depth of Pier



KIRIBATI PORTS AUTHORITY

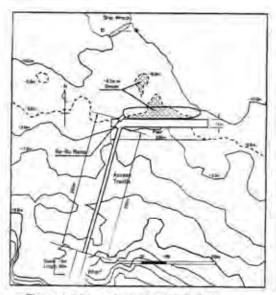
PO Box 506 Berio, Tarawa Republic of KIRIBATI Telephone: (686) 26972; Facsimile: (686) 26164 E-mail: kpa@tskl.net.ki

The Project for Expansion of Betic Port, Kiribati Questionnaire on Berth Water Depth CDL -8.7m

Some shallow area of the water depth less than CDL -9.0m distributes adjacent to the pier under planning as indicated on Figure-1.

For your reference, tide conditions of Betio Port are as on Figure-2. And Bottom surface is composed of soft muddy material in most of the area and sandy material in some area of the middle of the pier

Please, kindly advise us considering her arrival draft and keel adjustment, whether your ship can access to Betio Port and berth alongside the pier under planning for cargo or container unloading.



7.5.	40 TO 140 MIL
Man Open group meters and ON INS.	2 +232 (+278
Man Shaper (In St.)	+1.38 Sec. 600
Many Spring Law York Land (LWL)	4258 (10 VV)
Ann Spagnaw February (LWL)	4729 (40.5A)
E-VIT STATE	
F-7.7	_

Figure-1 Bathymetry in the Vicinity Area

Figure-2 Tide Condition in Betio Port

Please, kindly advise us whether your ship can enter to Betio Port and berth alongside the pier for cargo or container unloading.

Port Master Betlo Port

Kiribati Port Authority

Port Master,

Betio Port,

Kiribati Port Authority

Please, be advised that my ship can access to Betio Port and berth alongside the pier under planning for cargo or container unloading.

Ship particulars are as followings:

Ship Name : M/V COKAL ISLANDER IT

Tonnage : 18,581 DWT (TROPICAL)

LOB : 160.73 m ARRIVAL DRAFT

Breadth : 25.0 m F = 6.51 m

Full Draft : 9.42 m (TMOPICAL) A * 7.76 m

(+)-0

CAPT ALFRED L. CHAN

Name

Ship Name MAY CORAL TOLANDER IT

Date 6TH JULY 2009

M. S. CORAL ISLANDER TI

Port Master,

Betio Port,

Kiribati Port Authority

Please, be advised that my ship can access to Betio Port and berth alongside the pier under planning for cargo or container unloading.

Ship particulars are as followings.

M. V " SOUTH ISLANDED

18,091 DWT Tonnage Loa Breadth

Full Draft 9.378 m Arrival Draft

Arrival Draft

Ship Name MIV SOUTH ISHANDER